

Stock Code: 9905



Great China Metal Ind. Co., Ltd.

2023 Annual Report

Notice to readers

This English-version annual report is a summary translation of the Chinese version and is not an official document of the shareholders' meeting. If there is any discrepancy between the English and Chinese versions, the Chinese version shall prevail.

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1、Letter to our Shareholders

Dear Shareholders,

Last year, the price of raw material was relatively stable and dropped slightly compared with the previous year. In post-pandemic era of Taiwan, the market in domestic was gradually recovered and the decrease in the sales of export. In China, the economy was recovered in the first half of 2023. But the consumer confidence was sagging in the second half of 2023, it seems to have been affected by the downturn in the real estate. Under such environment, the net operating revenue of the Company, already wrote-off the merger of intra-group transactions in 2023, amounting to NT\$ 8.405 billion, decreased by 4.21% compared to the previous year, while the net profit after tax at NT\$ 438 million. Hereunder, we'd like to summarize the Company's business operations in 2023 and the outlook for 2024.

(1). Aluminum and iron cans, aluminum and iron ends-related business

In 2023, the net operating revenue of aluminum and iron cans, aluminum and iron ends of the Company came to NT\$8.017 billion, a 2.91% decrease compared to NT\$8.257 billion in 2022. Analyzed by region, the net operating revenue already wrote-off the merger of intra-group transactions was NT\$2.271 billion in Taiwan and NT\$5.695 billion in China. The operating revenue decrease in Taiwan was mainly due to a decline in sales volume and selling prices dropped with the costs of raw material. The production and sales was growth in China because it has not been affected by lockdown compared with the previous year. But selling prices dropped with the costs of raw material, eventually leading to a decline in operating revenue of China. In terms of profitability, the increase in production volume and sales volume in 2023, causing profits growth in China. However, the decrease in sales volume and the increase in production cost leading to a decline in profits of Taiwan. Overall, the profits of aluminum and iron cans, aluminum and iron ends-related business decreased NT\$18.61 million compared with 2022.

The world was in a turmoil due to the epidemic, inflation, lift interest rate, geopolitics, and extreme weather in the past four years. Looking ahead to the 2024, there are still have many uncertain factors of global political, global economic, and the natural environment. In addition, the Company looking forward to the stable growth in economies of Taiwan and China, which can lead to a steady increase in the demand for aluminum cans and aluminum ends. In this year, the Company will adopt appropriate policy to minimize the impact of changes in raw material prices and other uncertain factors, with the goal of restore previous profit.

(2).Stretch films-related business

The Company reinvested in Huatong United (Nantong) Plastic Industry Co., Ltd. and Sunshui Changlee United Container Co., Ltd. which have been engaged in the production and marketing of stretch films. The net operating revenue in the stretch films undertakings in 2023 came to NT\$388 million, decreased by 25.06% compared to the previous year, due to selling prices dropped with the costs of raw material. Another reason was a decrease in the sales of export and the market became more competitive in China, leading to a decline in sales volume. In terms of profitability, the decrease in

production volume and sales volume, and the impact of raw material price fluctuations, resulting in a decline in gross margin and net profit after tax decreased as compared with the previous year. Looking ahead to 2024, we looking forward to the economy and exports rebound in China, leading to expand both of domestic and foreign sales in the stretch films business, with the goal of achieve higher profits.

Finally, for and on behalf of Great China Metal Ind. Co., Ltd., I would like to express my sincerest gratitude to all shareholders for your consistent support. We are looking forward to greater support and concern from all our valued shareholders toward Great China Metal Ind. Co., Ltd. Here we will continuously team up with you all together to accomplish a performance satisfactory to you and share them with all our valued shareholders.

Chairman : Chiang, Ming-Li

President : Chiang, Ming-Te

Financial Director : Chiang, Shao-May

* Operating Performance in 2023

1. Consolidated financial statements

Unit: NT\$ thousands

Item	2023	2022	Percent Change
Operating revenue	8,404,848	8,774,698	-4.21 %
Operating costs	7,492,921	7,768,905	-3.55 %
Gross profit from operations	911,927	1,005,793	-9.33 %
Operating expenses	443,924	483,480	-8.18 %
Net operating income	468,003	522,313	-10.40 %
Non-operating income and expenses	124,754	101,331	23.12 %
Profit from continuing operations before tax	592,757	623,644	-4.95 %

2. Standalone financial statements

Unit: NT\$ thousands

Item	2023	2022	Percent Change
Operating revenue	2,284,398	2,433,757	-6.14 %
Operating costs	1,836,185	1,871,829	-1.90 %
Gross profit from operations	448,213	561,928	-20.24 %
Operating expenses	112,803	122,843	-8.17 %
Net operating income	335,410	439,085	-23.61 %
Non-operating income and expenses	215,307	154,883	39.01 %
Profit from continuing operations before tax	550,717	593,968	-7.28 %

3. Profitability analysis

Item		2023	2022
Financial structure (%)	Debt Ratio	27.33	29.82
	Ratio of long-term capital to property, plant and equipment	388.82	351.11
Solvency (%)	Current ratio	341.04	298.95
	Quick ratio	267.74	219.15
	Interest earned ratio (times)	2,878.46	2,328.03
Profitability (%)	Return on total assets	4.06	4.34
	Return on stockholders' equity	5.68	6.11
	Profit ratio	5.26	5.39
	Earnings per share (NT\$)	1.45	1.55

4. Overview of annual research and development

4.1. Annual research plan results :

- (1) Replacement and update of printing oven.
- (2) Replacement and update of pneumatic cylinder.
- (3) The residues of the rings and covers are reused.

4.2. Future R&D plans :

- (1) Development of new type of cover.
- (2) Development of new diameter of the can.

* Summary of business plan this year

1. Business policy

- 1.1. The management and labor work together, for co-existence and mutual prosperity, to create a win-win situation and fair interactive relationship between the Company and individuals, thus helping employees practice their skills and abilities to keep improving their creativity and expertise.
- 1.2. We are an organization committed to control trends, innovate and reform, and pursue excellence in management, form an efficient management team, emphasize speed, energy and flexibility, and uphold the customer-oriented production and sales culture.

2. Expected Sales Volume and Reference

The Company's estimated annual sale volume is primarily determined based on the economy, domestic and overseas, related industrial statistic report, and potential supply & demand in the future market, and expected to grow.

3. Important Production and Sales Policy

- 3.1. Customer first: Control movements in the market to satisfy customers' needs and practice business activities upholding the “customer first” philosophy.
- 3.2. Product diversification: The Company produces aluminum cans, steel cans, DRD cans and LLDPE stretch films of various specifications, and various aluminum and steel EOE, full open cans, and omnibus products to satisfy needs of all food and beverage customers.
- 3.3. Globalized strategic planning: The important operating strategy developed by the Company consistently aims to establish the regional business strategies maintaining close relations with local markets in major cities of the mainland China, and Vietnam, based on the Company's sufficient human resources, technology, equipment and assets.

* Future development strategies

The Company will keep focusing on sprout of its core business lines, R&D for upgrading of technological capabilities, enhancement of the Company's product system integration and sustainable competitiveness, thorough development of the domestic market, and active expansion of overseas markets.

* Impact posed by external competitive environment, regulatory environment, and overall business environment

1. Impact posed by external competitive environment

The Company will keep upgrading process technology and productivity, cut procurement costs, and mitigate the impact posed by potential external competitive environment.

2. Impact posed by regulatory environment

No material changes have taken place in the regulatory environment in which the Company's industry is in the most recent year. Therefore, no material positive or negative factors have derived.

3. Impact posed by overall business environment

In terms of the current overall business environment, the market demand, particularly in the mainland China, is expected to keep growing. Therefore, there is still room for the industry to develop.

2、Company Profile

2.1. Date of Incorporation : November 26, 1973

2.2. Company history

1. November 1973 : Founded, with the capital of NT\$ 10,000,000.
2. April 1974 : Capital of NT\$20,000,000 upon capital increase in cash, and official production of empty cans for the general purposes.
3. November 1975 : Capital of NT\$35,000,000 upon capital increase in cash, and preparation for establishment of the plant for three-piece steel cans for beverage.
4. January 1976 : Capital of NT\$50,000,000 upon capital increase in cash, and official production of aluminum EOE.
5. August 1979 : Capital of NT\$80,000,000 upon capital increase in cash, installation of additional #2, #3 and #4 EOE production lines, and successful independent development of dia. 209 aluminum EOE.
6. July 1980 : Capital of NT\$130,000,000 upon capital increase in cash, and preparation for establishment of the plant for two-piece aluminum cans.
7. August 1981 : Capital of NT\$190,000,000 upon capital increase in cash and from capital reserve, and purchase of the equipment for production of two-piece aluminum cans.
8. September 1981 : Completion of the test run for two-piece aluminum cans, and activation of mass production.
9. February 1982 : Execution of the technical cooperation agreement with the largest can manufacturer in the world, Continental Can.
10. July 1985 : Capital of NT\$256,500,000 upon capital increase from earnings, and investment in R&D of the equipment for two-piece draw-and-redraw food cans; capital of NT\$410,400,000 upon capital increase from earnings again at the end of July of the same year for repayment of the special loan for the equipment for two-piece aluminum cans.
11. September 1987 : Capital of NT\$923,400,000 upon capital increase from earnings, and installation of one additional fully-automated production line for two-piece aluminum cans and the equipment for production of aluminum EOE.
12. December 1988 : Completion of the test run for additional two-piece aluminum cans, and activation of mass production.
13. October 1989 : Capital of NT\$1,430,000,000 upon capital increase in cash and from earnings, and preparation for expansion of high-capacity two-piece aluminum cans and EOE production equipment.
14. May 1990 : Application for listing the issued shares, 143,000,000 common shares, approved by the competent authority.
15. August 1990 : Listing of the issued common shares, totaling 143,000,000 shares.
16. October 1990 : Completion of the test run for 209 aluminum full open ends developed independently, and activation of production.

17. December 1990 : Completed installation of 1000C.C. and 500C.C. two-piece aluminum can production line.
18. October 1991 : Capital of NT\$143,000,000 upon capital increase from earnings done in response to environmental protection, completed installation of the additional aluminum ends production line operating officially from 1993.
19. August 1994 : Capital of NT\$1,887,600,000 upon capital increase from earnings, totaling 31,460,000 shares, for improvement of financial structure.
20. 1995 : In order to expand business, the Company invested in foundation of Shanghai United Can Co., Ltd. in the mainland China via HAI HWA INVESTMENT CO., LTD., a British Bermuda company, in a third territory, in the amount of US\$20,000,000.
21. August 1995 : Capital of NT\$2,265,120,000 upon capital increase from earnings, totaling 37,752,000 shares, for improvement of financial structure.
22. May 1997 : In order to expand business, the Company invested in foundation of Huatong United (Nantong) Plastic Industry Co., Ltd. via HAI HWA INVESTMENT CO., LTD., a British Bermuda company, in a third territory, in the amount of US\$8,000,000.
23. August 1997 : Capital of NT\$2,722,000,000 upon capital increase from earnings, totaling 45,688,000 shares, for improvement of financial structure.
24. August 1998 : Capital of NT\$3,080,000,000 upon capital increase from earnings, totaling 35,800,000 shares, for improvement of financial structure.
25. July 1999 : Completed installation of the new PET bottle production line, and activation of production.
26. July 2000 : Investment in Hwa May Metal Technology Co., Ltd. in the amount of NT\$240,000,000 in response to diversification of business.
27. December 2003 : Capital increase in cash by private placement, NT\$23,000,000; issuance of 2,300,000 new shares; capital of NT\$3,050,000,000.
28. August 2004 : Completed installation of the new plastic top production line, and activation of production.
29. April 2006 : Completed installation of the third production line for the investee in the mainland China, Huatong United (Nantong) Plastic Industry Co., Ltd., and activation of production.
30. October 2006 : Completed construction of the plant for the investee in Vietnam, GCM PACKAGING (VIETNAM) CO., LTD. as invested via a third territory.
31. February 1997 : The investee in the mainland China, Shanghai United Can Co., Ltd., executed the joint venture agreement with Toyo Seikan Kaisha Ltd., in order to found Chongqing United Can Co., Ltd. in the district of Chongqing.
32. June 2007 : The Company founded Shanghai Huyang Cans Co., Ltd. via its subsidiary, HAI HWA INVESTMENT CO., LTD., a British Bermuda company, and its indirect subsidiary, Shanghai United Can Co., Ltd., jointly, with the registered capital of US\$5,000,000.

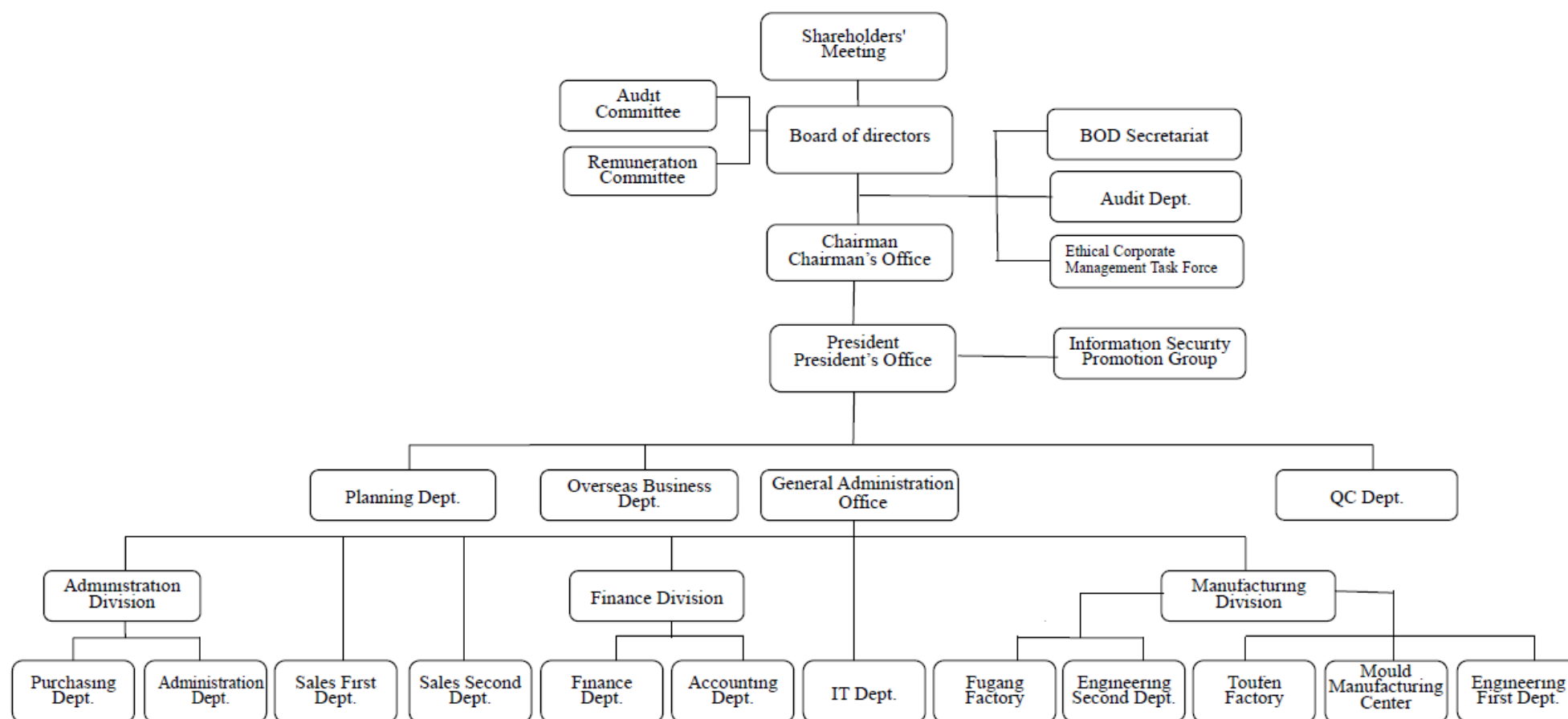
33. April 2008 : Completed installation and test run for the equipment of Chongqing United Can Co., Ltd., and activation of production of aluminum cans, with the registered capital of US\$14,000,000, 65% of which was contributed by the Company's indirect subsidiary, Shanghai United Can Co., Ltd.
34. December 2008 : Dissolution and liquidation of the indirect investee, Shanghai Huyang Cans Co., Ltd.
35. December 2009 : The Company founded Jinan United Can Co., Ltd. via its subsidiary, HAI HWA INVESTMENT CO., LTD., a British Bermuda company, and its indirect subsidiaries, Huatong United (Nantong) Plastic Industry Co., Ltd. and Shanghai United Can Co., Ltd., jointly, with the registered capital of US\$23,000,000.
36. December 2010 : Dissolution and liquidation of the investee, Hwa May Metal Technology Co., Ltd.
37. February 2012 : Completed installation of the fourth production line for the investee in the mainland China, Huatong United (Nantong) Plastic Industry Co., Ltd., and activation of production.
38. May 2013 : The Company acquired 35% of the equity of Chongqing United Can Co., Ltd. from Toyo Seikan Kaisha Ltd. via its subsidiary, HAI HWA INVESTMENT CO., LTD., a British Bermuda company, and its indirect subsidiary, Shanghai United Can Co., Ltd., jointly. Upon acquisition of the equity, the Company indirectly holds Chongqing United Can Co., Ltd. wholly.
39. December 2013 : Completed installation of the second two-piece aluminum can production line for the investee in the mainland China, Shanghai United Can Co., Ltd., and activation of production.
40. December 2013 : Completed installation of the second aluminum ends production line for the investee in Vietnam, GCM PACKAGING (VIETNAM) CO., LTD., and activation of production.
41. June 2015 : Completed relocation of the second production line of the investee in the mainland China, Shanghai United Can Co., Ltd., to investee, Chongqing United Can Co., Ltd., in response to the market demand, and activation of production.
42. December 2015 : Completed construction of the laminating aluminum can plant through technical cooperation with Toyo Seikan, and activation of production in 2016.
43. December 2016 : Completed installation of the fifth production line for the investee in the mainland China, Huatong United (Nantong) Plastic Industry Co., Ltd., and activation of production.
44. March 2018 : The investee in the mainland China, Huatong United (Nantong) Plastic Industry Co., Ltd., invested (increased the investment) in Sunshui Changlee United Container Co., Ltd. in Foshan City by RMB 31,050,000, and acquired 30% of the equity thereof accordingly.

45. December 2022 : Completed installation of the sixth production line for the investee in the mainland China, Huatong United (Nantong) Plastic Industry Co., Ltd., and activation of production.

3、Corporate Governance Report

3.1. Organization

3.1.1 Organizational Chart



3.1.2. Function of Each Division

Division	Functions and Operations
General Administration Office	<ol style="list-style-type: none"> 1. Set the Company's business goals, and follow up the results. 2. Manage operations for accounting, finance and shareholders service. 3. Audit, promotion and implementation of internal control system. 4. Enact and execute management regulations and systems, and plan and execute welfare policies. 5. Perform procurement operations, domestically and overseas, and import & export of goods. 6. Develop business domestically and overseas, and draft, supervise and execute the business plan. 7. Draft domestic and overseas business plans, develop market, and analyze business results. 8. Plan and promote the information systems, improve operating procedures, and maintain software/hardware. 9. Establish, utilize and maintain information system databases.
QC Dept.	<ol style="list-style-type: none"> 1. Set forth, promote, execute and check quality standards. 2. Establish the quality inspection system, and research and develop improvement plans. 3. Establish and supervise self-inspection. 4. Analyze and manage SPC abilities. 5. Practice the quality inspection and ensure customer confidence.
Engineering Dept.	<ol style="list-style-type: none"> 1. Execute and supervise the production equipment and technology management. 2. Plan, execute and supervise production conditions and equipment care and maintenance systems. 3. Analyze the performance of equipment and malfunction, and draft and prepare corrective strategies. 4. Plan, execute and supervise technical HR training. 5. Manage, improve and judge the preparation for molds and spare parts;. 6. Set process technology and process, and execute and research projects. 7. Amend and manage engineering data and blueprints. 8. Draft, plan and execute new process. 9. Provide technical assistance and HR support.
Toufen Plant	<ol style="list-style-type: none"> 1. Set the production target based on the Company's business strategies, and execute the plan. 2. Produce aluminum and steel cans, and control raw materials, supplies and finished goods. 3. Manage the process and improve product quality. 4. Manage and maintain equipment, assets and resources. 5. Improve process, improve automated ability, upgrade production efficiency, and cut HR costs. 6. Comply with local government laws and regulations, and maintain the plant's safety and health.

Division	Functions and Operations
Fugang Plant	<ol style="list-style-type: none"> 1. Set the production target based on the Company's business strategies, and execute the plan. 2. Produce, coat and print various EOE types, and control raw materials, supplies and finished goods 3. Produce various repeated squeeze cans and laminating aluminum cans, and control raw materials, supplies and finished goods. 4. Manage the process and improve product quality. 5. Manage and maintain equipment, assets and resources. 6. Improve process, improve automated ability, upgrade production efficiency, and cut HR costs 7. Comply with local government laws and regulations, and maintain the plant's safety and health.

3.2. Directors, Supervisors and Management Team and Remuneration

3.2.1. Directors and Supervisors

1. Directors (1)

As Mar. 30, 2024

Title	Nationality/ Place of Incorporation	Name	Gender / Age	Date Elected	Term (Years)	Date First Elected	Shareholding when Elected		Current Shareholding		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement	
							Shares	%	Shares	%	Shares	%	Shares	%
Chairman	R.O.C.	ZHENG DA INVESTMENT CO., LTD.	NA	2023.6.19	3	2020.6.23	11,806,451	3.87%	11,806,451	3.87%	0	0%	0	0%
		Representative Chiang,Ming-Li	M 41-50	2023.6.19	3	2008.6.27	11,467,147	3.76%	11,467,147	3.76%	0	0%	0	0%
Director	R.O.C.	KANG NING INVESTMENT CO., LTD.	NA	2023.6.19	3	2023.6.19	19,551,088	6.41%	19,551,088	6.41%	0	0%	15,975,476	5.24%
		Representative Chiang,Chia-Chun	F 51-60	2023.6.19	3	2023.6.19	1,535,892	0.50%	1,535,892	0.50%	0	0%	0	0%
Director	R.O.C.	YONG ZEN INVESTMENT CO., LTD.	NA	2023.6.19	3	2020.6.23	10,205,000	3.35%	10,205,000	3.35%	0	0%	10,208,877	3.35%
		Representative Chiang,Kang-Ming	M 41-50	2023.6.19	3	2008.6.27	485,304	0.16%	485,304	0.16%	0	0%	0	0%
Director	R.O.C.	GLORY TASK ENTERPRISE CO., LTD.	NA	2023.6.19	3	2020.6.23	22,059,503	7.23%	22,059,503	7.23%	0	0%	0	0%
		Representative Chiang,Shao-May	F 71-80	2023.6.19	3	2002.6.18	1,042,507	0.34%	1,042,507	0.34%	617,264	0.20%	0	0%
Director	R.O.C.	Jazwin Ventures Ltd.	NA	2023.6.19	3	2014.6.24	2,715,676	0.89%	2,715,676	0.89%	0	0%	0	0%
		Representative Chang,I-Ling (Note 2)	F 41-50	2023.10.20	2.7	2008.6.27	0	0%	0	0%	0	0%	0	0%
Director	R.O.C.	Pinnacle Ventures Ltd.	NA	2023.6.19	3	2014.6.24	7,052,752	2.31%	7,052,752	2.31%	0	0%	0	0%
		Representative Chiang,Shou-Cheng	M 61-70	2023.6.19	3	2008.6.27	8,000	0%	8,000	0%	12,000	0%	11,426,067	3.75%

Director	R.O.C.	Liu,Fei-Hu	M 61-70	2023.6.19	3	2008.6.27	4,520	0%	4,520	0%	0	0%	0	0%
Director	R.O.C.	Chang,Jung-Fei	M 61-70	2023.6.19	3	2014.6.24	260	0%	260	0%	0	0%	0	0%
Independent director	R.O.C.	Huang,Win-Jung	M 61-70	2023.6.19	3	2017.6.27	0	0%	0	0%	0	0%	0	0%
Independent director	R.O.C.	Hsieh,Ming-Jen	M 61-70	2023.6.19	3	2017.6.27	0	0%	0	0%	0	0%	0	0%
Independent director	R.O.C.	Lin,Teng-Rong	M 71-80	2023.6.19	3	2023.6.19	0	0%	0	0%	0	0%	0	0%

1. Directors (2)

Experience (Education)	Other Position	Executives, Directors or Supervisors Who are Spouses or within Two Degrees of Kinship			Remark(s) (Note)
		Title	Name	Relation	
NA	NA	NA	NA	NA	NA
Graduate Studies (Incomplete) , East Asian Languages & Culture, University of California Los Angeles Bachelor of Economics & Religious Studies, California State University Long Beach	Chairman of : Huatong United (Nantong) Plastic Industry Co., Ltd. Sunshui Changlee United Container Co., Ltd. Chairman and President of : GCM PACKAGING (VIETNAM) CO., LTD. Director and President of : HAI HWA INVESTMENT CO., LTD. Director of : China Can Printing and Metal MFG. Co., Ltd. Shanghai United Can Co., Ltd. Chongqing United Can Co., Ltd. Jinan United Can Co., Ltd. GCM HOLDING CO., LTD.	NA	NA	NA	NA
NA	NA	NA	NA	NA	NA
Finance, California State University	Director of Shanghai United Can Co., Ltd. Chongqing United Can Co., Ltd. Jinan United Can Co., Ltd. Huatong United (Nantong) Plastic Industry Co., Ltd. GCM PACKAGING (VIETNAM) CO., LTD. HAI HWA INVESTMENT CO.,LTD.	President	Chiang, Ming-Te	Sister and brother	NA

NA	NA	NA	NA	NA	NA
EASTERN MICHIGAN UNI	Chairman of China Can Printing and Metal MFG. Co., Ltd.	NA	NA	NA	NA
NA	NA	NA	NA	NA	NA
Tamsui Institute of Business Administration	Financial Director of Great China Metal Ind. Co., Ltd. Director of : Jinan United Can Co., Ltd. GCM PACKAGING (VIETNAM) CO., LTD. Supervisor of : China Can Printing and Metal MFG. Co., Ltd. Shanghai United Can Co., Ltd. Chongqing United Can Co., Ltd. Huatong United (Nantong) Plastic Industry Co., Ltd. Sunshui Changlee United Container Co., Ltd.	Director	Chiang,Shou-Cheng	Sister and brother	NA
NA	NA	NA	NA	NA	NA
Washington State University	Shipping Department Manager of CTSI Logistics (Taiwan) Inc.	NA	NA	NA	NA
NA	NA	NA	NA	NA	NA
FU-HSIN TRADE & ARTS SCHOOL	Chairman of : Jinan United Can Co., Ltd. OFFICEMART CORPORATION Chairman and President of : Shanghai United Can Co., Ltd. Chongqing United Can Co., Ltd. Director of : China Can Printing and Metal MFG. Co., Ltd. Huatong United (Nantong) Plastic Industry Co., Ltd. Sunshui Changlee United Container Co., Ltd. HAI HWA INVESTMENT CO., LTD. GCM PACKAGING (VIETNAM) CO., LTD.	Director	Chiang,Shao-May	Sister and brother	NA
Minghsin University of Science and Technology	Sales manager of Great China Metal Ind. Co., Ltd.	NA	NA	NA	NA
National Miao-Li Agricultural and Industrial Vocational Hight School	Plant manager of Great China Metal Ind. Co., Ltd.- Toufen Plant	NA	NA	NA	NA

Department of Business Administration Feng Chia University	Secretary General of Importers and Exporters Association of Taipei	NA	NA	NA	NA
Master of Accountancy National Chengchi University	Adjunct Associate Professor of National Taipei University of Business	NA	NA	NA	NA
Chemical Industry, Chung Yuan Christian University	NA	NA	NA	NA	NA

Note 1: Where the Chairman of the Board of Directors and the President or person of an equivalent post (the highest level manager) of a company are the same person, spouses, or relatives within the first degree of kinship, the reason for, reasonableness, necessity thereof, and the measures adopted in response thereto (such as increasing the number of independent director seats, and more than half of all directors must not concurrently serve as employees or managers must be disclosed.

Note 2: The juristic person shareholder Jazwin Ventures Ltd. reappointed representative Chang,I-Ling as a director from October 20, 2023, and the original representative Chiang,Man-Tzyy ceased the appointment on the same day.

2. Major shareholders of the institutional shareholders

Name of Institutional Shareholders	Major Shareholders	
ZHENG DA INVESTMENT CO., LTD.	Chiang Wu,Hui-Lu	84.81 %
	Chiang,Ming-Li	15.19 %
KANG NING INVESTMENT CO., LTD.	Chiang,Chia-Chun	24.16 %
	Chiang,Ming-Te	23.62 %
	Chiang,Pei-Chun	21.83 %
	Chiang,Hsiao-Chun	21.77 %
	Chiang,Ching-Yee	7.98 %
	YUAN DA INVESTMENT CO., LTD.	0.46 %
	LI,Ching-E	0.18 %
YONG ZEN INVESTMENT CO., LTD.	Chiang,Kang-Ming	31.27 %
	Chiang,Ai-Chia	31.07 %
	Chiang,Ai-Min	31.07 %
	YONG CHENG INVESTMENT CO., LTD.	4.84 %
	Chiang Cheng,Chuang	0.97 %
	Chiang,Cheng-Shing	0.77 %
GLORY TASK ENTERPRISE CO., LTD.	Chiang,Shao-May	45.02 %
	Chao,Chun-Man	31.67 %
	Chao,Yan-Shiuan	23.31 %
Jazwin Ventures Ltd.	Chiang,Shou-Cheng	24.00 %
	Chiang,Man-Lan	14.00 %
	Chiang,Man-Tzyy	14.00 %
	Chiang,Man-Ping	12.00 %
	Chang,Che-Kuo	12.00 %
	Chiang,Man-Li	12.00 %
	Yeh,Shiaun	12.00 %
Pinnacle Ventures Ltd.	Chiang,Shou-Cheng	24.00 %
	Chiang,Man-Tzyy	23.00 %
	Chiang,Man-Lan	15.00 %
	Chiang,Man-Ping	12.00 %
	Chiang,Man-Li	12.00 %
	Yeh,Shiaun	12.00 %
	Chang,I-Ling	2.00 %

Note: If the institutional shareholder is not a company, the names and shareholding ratio of shareholders to be disclosed are the names of people who contributed or donated the capital and the ratio of their contribution or donation. If a contributor has passed way, it should be noted as Deceased.

3. Major shareholders of the Company's major institutional shareholders

Name of Institutional Shareholders	Major Shareholders	
YUAN DA INVESTMENT CO., LTD.	KANG NING INVESTMENT CO., LTD.	100 %
YONG CHENG INVESTMENT CO., LTD.	YONG ZEN INVESTMENT CO., LTD.	100 %

Note: If the institutional shareholder is not a company, the names and shareholding ratio of shareholders to be disclosed are the names of people who contributed or donated the capital and the ratio of their contribution or donation. If a contributor has passed way, it should be noted as Deceased.

4. Directors (2)

4-1 Directors' Professional Qualifications and Independent Directors' Independence Status

<div>Criteria</div> <div>Title/ Name</div>	Professional Qualification Requirements and Work Experience	Independence Criteria	Number of Other Taiwanese Public Companies Concurrently Serving as an Independent Director
Chairman ZHENG DA INVESTMENT CO., LTD. Representative Chiang,Ming-Li	Education : Graduate Studies (Incomplete) , East Asian Languages & Culture, University of California Los Angeles Bachelor of Economics & Religious Studies, California State University Long Beach Work Experience : Special assistant of Great China Metal Ind. Co., Ltd. Professional Qualification : NOTE (1). None of the Directors has been in or is under any circumstances stated in Article 30 of the Company Law.	Please refer to Independence of the Board of Directors	0
Director KANG NING INVESTMENT CO., LTD. Representative Chiang,Chia-Chun	Education : Finance, California State University Work Experience : Financial manager and Spokesperson and Corporate governance officer of Great China Metal Ind. Co., Ltd. Professional Qualification : NOTE (1). None of the Directors has been in or is under any circumstances stated in Article 30 of the Company Law.		0

Director YONG ZEN INVESTMENT CO., LTD. Representative Chiang,Kang-Ming	Education : EASTERN MICHIGAN UNI Work Experience : Special assistant of Great China Metal Ind. Co., Ltd. 、 Chairman of China Can Printing and Metal MFG. Co., Ltd. Professional Qualification : NOTE (1). None of the Directors has been in or is under any circumstances stated in Article 30 of the Company Law.	Please refer to Independence of the Board of Directors	0
Director GLORY TASK ENTERPRISE CO., LTD. Representative Chiang,Shao-May	Education : Tamsui Institute of Business Administration Work Experience : Financial Director of Great China Metal Ind. Co., Ltd. Professional Qualification : NOTE (1). None of the Directors has been in or is under any circumstances stated in Article 30 of the Company Law.		0
Director Jazwin Ventures Ltd. Representative Chang,I-Ling	Education : Washington State University Work Experience : Director of Great China Metal Ind. Co., Ltd. Shipping Department Manager of CTSI Logistics (Taiwan) Inc. Professional Qualification : NOTE (1). None of the Directors has been in or is under any circumstances stated in Article 30 of the Company Law.		0
Director Pinnacle Ventures Ltd. Representative Chiang,Shou-Cheng	Education : FU-HSIN TRADE & ARTS SCHOOL Work Experience : Sales manager of Great China Metal Ind. Co., Ltd. Professional Qualification : NOTE (1). None of the Directors has been in or is under any circumstances stated in Article 30 of the Company Law.		0

Director Liu,Fei-Hu	Education : Minghsin University of Science and Technology Work Experience : QC manager of Great China Metal Ind. Co., Ltd. Professional Qualification : NOTE (1). None of the Directors has been in or is under any circumstances stated in Article 30 of the Company Law.	Please refer to Independence of the Board of Directors	0
Director Chang,Jung-Fei	Education : National Miao-Li Agricultural and Industrial Vocational Hight School Work Experience : Vice Plant manager of Great China Metal Ind. Co., Ltd. Professional Qualification : NOTE (1). None of the Directors has been in or is under any circumstances stated in Article 30 of the Company Law.		0
Independent director Huang,Win-Jung	Education : Department of Business Administration Feng Chia University Work Experience : Secretary General of Importers and Exporters Association of Taipei. Professional Qualification : NOTE (1). None of the Directors has been in or is under any circumstances stated in Article 30 of the Company Law.	All independent directors comply with the relevant provisions of Article 14-2 of “Securities and Exchange Act” and “Regulations Governing Appointment of Independent Directors	0
Independent director Hsieh,Ming-Jen	Education : Master of Accountancy National Chengchi University Work Experience : Adjunct Associate Professor of National Taipei University of Business Professional Qualification : NOTE (1). None of the Directors has been in or is under any circumstances stated in Article 30 of the Company Law.		0

Independent director Lin,Teng-Rong	Education : Chemical Industry, Chung Yuan Christian University Work Experience : President of HuaDong United Can Co., Ltd. Adjunct Associate Professor of Department of Mechanical Engineering, NCU Professional Qualification : NOTE (1). None of the Directors has been in or is under any circumstances stated in Article 30 of the Company Law.	and Compliance Matters for Public Companies” issued by Taiwan’ s Securities and Futures Bureau.	0
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Diversity of the Board of Directors :

The Company's "Code of Practice on Corporate Governance", "Director Election Procedures" and regulations stipulate the composition, qualification and selection of board members.

All director candidates adopt the "candidate nomination system" for nomination and qualification review, and after the resolution of the board of directors is passed, they are submitted to the shareholders' meeting for election.

To achieve the ideal goal of corporate governance, the board of directors shall possess the following abilities:

- (1) Ability to make operational judgments.
- (2) Ability to perform accounting and financial analysis.
- (3) Ability to conduct management administration.
- (4) Ability to conduct crisis management.
- (5) Knowledge of the industry.
- (6) An international market perspective.
- (7) Ability to lead.
- (8) Ability to make policy decisions.

Objective and implementation of board diversify policy

Objective	Implementation
More than three independent directors	Fully implemented
At least one independent director with expertise in accounting, finance or business administration.	
The company's board of directors contains at least one director of different genders	

The composition of Board of Directors must be determined by taking diversity into consideration; the directors who serve as the Company's managerial officers concurrently must account for no more than one-thirds of the whole directors, and it is necessary to formulate an appropriate policy on diversity based on the Company's business operation, business type, and development needs; it is advisable that the policy must include, without being limited to, the following two general standards:

A.Basic requirements and values: Gender, age, nationality, and culture, etc.

B.Professional knowledge and skills: A professional background (e.g. law, accounting, industry, finance, marketing or technology), professional skills, and industrial experience.

A.Diversity of board members and their achievement:

The company pays attention to gender equality in the composition of the board of directors. The target ratio of female directors is more than 25%. There are 3 female directors, with a ratio of 27.27%, The average age of male directors is 59.67 and 8 male members, with a ratio of 72.73%. The average age of male directors is 62.75. The average age of all directors is 61.91.

There are 3 independent directors in total, one member with a term of less than 3 years, two members with a term of 5-7 years. The average age of all directors is 71.67.

B. professional background, professional skills, and industrial experience

(1) General directors: Including those with professional background, professional skills and industrial experience, graduated from Department of Economy, California State University, Long Beach, and Finance, California State University , and Eastern Michigan University, and Washington State University , and departments of accounting, statistics, and mechanical engineering of other schools.

(2) Independent directors: Including those with professional skills, and educational backgrounds or qualifications, such as the graduated institute, Department of Accounting of National Chengchi University, Department of Business Administration of Feng Chia University, Chemical Industry, Chung Yuan Christian University, CPA, Adjunct Associate Professor of National Taipei University of Business, and Secretary General of Importers and Exporters Association of Taipei.

(3) The implementation of the diversity policy for Board members Please refer to NOTE 1

Independence of the Board of Directors:

The only directors who are directors are Director Chiang,Shao-May and Director Chiang,Shou-Cheng, who are siblings. In compliance with Article 26-3 of the Securities and Exchange Act, more than half of the directors should hold seats. They are not allowed to have any relationship between spouses or relatives within the second degree.

Three independent directors, which meets the requirement of Article 14-2 of the Securities and Exchange Act that the number of independent director shall not be less than two, and not less than one-fifth of the number of directors.

NOTE 1 : Professional background and competence of directors

Title/ Name		Basic component								
		Nationality/ Place of Incorporation	Gender	Employed by GCM	Age				Seniority of Independent director	
					41 50	51 60	61 70	71 or more	Less than 3 years	7-9 Years
Chairman	ZHENG DA INVESTMENT CO., LTD. Representative Chiang,Ming-Li	R.O.C.	M		V					
Director	KANG NING INVESTMENT CO., LTD. Representative Chiang,Chia-Chun	R.O.C.	F	V		V				
Director	YONG ZEN INVESTMENT CO., LTD. Representative Chiang,Kang-Ming	R.O.C.	M	V	V					
Director	GLORY TASK ENTERPRISE CO., LTD. Representative Chiang,Shao-May	R.O.C.	F	V				V		
Director	Jazwin Ventures Ltd. Representative Chang,I-Ling	R.O.C.	F		V					
Director	Pinnacle Ventures Ltd. Representative Chiang,Shou-Cheng	R.O.C.	M	V			V			
Director	Liu,Fei-Hu	R.O.C.	M	V			V			
Director	Chang,Jung-Fei	R.O.C.	M	V			V			
Independent director	Huang,Win-Jung	R.O.C.	M				V			V
Independent director	Hsieh,Ming-Jen	R.O.C.	M				V			V
Independent director	Lin,Teng-Rong	R.O.C.	M					V	V	

Professional Ability								
Education & Experience Professional background	Ability to make operational judgments	Ability to perform accounting and financial analysis	Ability to conduct management administration	Ability to conduct crisis management	Knowledge of the industry	An international market perspective.	Ability to lead.	Ability to make policy decisions.
Economics & East Asian Languages & Culture	V	V	V	V	V	V	V	V
Finance & Corporate governance	V	V	V	V	V		V	V
Economics & Art history	V		V	V	V		V	V
Accounting & Finance	V	V	V	V			V	V
Finance		V	V	V		V	V	V
Business Administration	V	V	V	V	V	V	V	V
Marketing	V		V		V	V	V	
Mechanical			V	V	V		V	V
International marketing			V		V	V	V	V
Accounting	V	V			V	V		V
Chemical industry	V		V		V		V	V

3.2.2. Management Team

Mar. 30, 2024

Title	Nationality	Name	Gender	Date Effective	Shareholding		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement	
					Shares	%	Shares	%	Shares	%
President	R.O.C	Chiang,Ming-Te	M	2022.08.02	1,949,385	0.64%	0	0%	0	0%
Financial Director	R.O.C	Chiang,Shao-May	F	2008.02.01	1,042,507	0.34%	617,264	0.20%	0	0%
Corporate governance officer	R.O.C	Chiang,Chia-Chun	F	2020.11.03	1,535,892	0.50%	0	0%	0	0%
Sales manager	R.O.C	Liu,Fei-Hu	M	2003.08.01	4,520	0%	0	0%	0	0%
Oversea manager	R.O.C	Huang,Tien-Chang	M	2010.04.01	0	0%	0	0%	0	0%
Financial officer	R.O.C	Cheng,Li-Fen	F	2023.10.31	0	0%	0	0%	0	0%

Experience (Education) (Note1)	Other Position	Managers who are Spouses or Within Two Degrees of Kinship			Remark(s) (Note2)
		Title	Name	Relation	
Experience : Chairman of HuaDong United Can Co., Ltd. Education : University of California Food Science	Chairman of HuaDong United Can Co., Ltd. Director of Sunshui Changlee United Container Co., Ltd.	Corporate governance officer	Chiang, Chia-Chun	Brother and sister	-
Experience : Assistant manager of Great China Metal Ind. Co., Ltd. Education : Tamsui Institute of Business Administration	Supervisors of China Can Printing and Metal MFG. Co., Ltd. Shanghai United Can Co., Ltd. Chongqing United Can Co., Ltd. Huatong United (Nantong) Plastic Industry Co., Ltd. Sunshui Changlee United Container Co., Ltd. Director of Jinan United Can Co., Ltd. GCM PACKAGING (VIETNAM) CO., LTD.	-	-	-	-
Experience : Bank of America Financial manager of Great China Metal Ind. Co., Ltd. Education : Finance, California State University	Director of Shanghai United Can Co., Ltd. Chongqing United Can Co., Ltd. Jinan United Can Co., Ltd. Huatong United (Nantong) Plastic Industry Co., Ltd. GCM PACKAGING (VIETNAM) CO., LTD.	President	Chiang, Ming-Te	Brother and sister	-
Experience : QC manager of Great China Metal Ind. Co., Ltd. Education : Minghsin University of Science and Technology	-	-	-	-	-
Experience : Project Manager of PERI SECURITIES CO., LTD. Education : Fu Jen Catholic University Master of Business administration	-	-	-	-	-
Experience : Financial Section Chief of Great China Metal Ind. Co., Ltd. Education : Lunghwa University of Science and Technology Department of International Trade	-	-	-	-	-

Note1: Directors who have ever hold positions in the auditor's agency or its affiliated companies : None.

Note2: Where the President or person of an equivalent post (the highest level manager) and Chairman of the Board of Directors are the same person, spouses, or relatives within the first degree of kinship, the reason for, reasonableness, necessity thereof, and the measures adopted in response thereto (such as increasing the number of independent director seats, and more than half of all directors must not concurrently serve as employees or managers) must be disclosed.

3.2.3. Remuneration of Directors, Independent Directors, Supervisors, President, and Vice Presidents

1. Remuneration of Directors and Independent Directors

Unit: NT\$ thousands

Title	Name	Total Director Remuneration								Summation of A, B, C, and D and as a % of After-Tax Income	
		Remuneration (A)		Pensions (B)		Earnings Distribution (C)		Business Expenses (D)			
		The company	All consolidated companies	The company	All consolidated companies	The company	All consolidated companies s	The company	All consolidated companies	The company	All consolidated companies
Chairman	ZHENG DA INVESTMENT CO., LTD. Representative:Chiang,Ming-Li	2,991	2,991	0	0	8,198	8,198	230	230	11,419 2.58%	11,419 2.58%
Director	KANG NING INVESTMENT CO., LTD. Representative:Chiang,Chia-Chun Note 2										
	YONG ZEN INVESTMENT CO., LTD. Representative:Chiang,Kang-Ming										
	GLORY TASK ENTERPRISE CO., LTD. Representative:Chiang,Shao-May										
	Jazwin Ventures Ltd. Representative:Chiang,Man-Tzyy Note 4 Representative:Chang,I-Ling Note 4										
	Pinnacle Ventures Ltd. Representative: Chiang,Shou-Cheng										
	Liu,Fei-Hu										
	Chang,Jung-Fei										
Independent director	Tsai,Po-Hsien Note 3	0	0	0	0	3,275	3,275	80	80	3,355 0.76%	3,355 0.76%
	Huang,Win-Jung										
	Hsieh,Ming-Jen										
	Lin,Teng-Rong Note 2										

Compensation to Directors Also Serving as Company Employees								Summation of A,B,C, D, E, F and G and as a % of After-Tax Income		Remuneration from ventures other than subsidiaries or from the parent company
Salary, Bonuses, and Special Allowance (E)		Pensions (F)		Earnings Distribution (G)						
The company	All consolidated companies	The company	All consolidated companies	The company		All consolidated companies		The company	All consolidated companies	
				Cash	Stock	Cash	Stock			
7,969	19,757	598	598	606	0	606	0	20,592 4.66%	32,380 7.32%	0
0	0	0	0	0	0	0	0	3,355 0.76%	3,355 0.76%	0

1.Please state the policies, systems, standards and structure of remuneration to independent directors, and the relations between the remuneration and the job responsibility, risk and engagement hours borne by the independent directors: The procedure for defining remuneration to directors must be assessed based on the Company's "Regulations Governing Payment of Compensation to Directors" and "Regulations Governing Allocation of Remuneration to Directors" . In addition to the Company's overall operating performance and future operating risk, the payment of reasonable compensation must also take the contribution to the Company's operations into account.

2.Besides the disclosure shown in the table above, remuneration received by Directors of the company over the past year as a result of service provided to all companies within the financial report(such as serving as non-employee consultants for parent company/all the companies within the financial report/joint venture): : NA

* Separately list information for directors (non-independent directors) and independent directors.

Note 1 : In the past year, there was no any director don't have enough shareholding ratio for three(3) consecutive months and the average pledge of each director in each month was 0%.

Note 2 : New appointment on 2023/06/19. Note 3 : Resignation on 2023/06/19.

Note 4 :The juristic person shareholder Jazwin Ventures Ltd. reappointed representative Chang,I-Ling as a director from October 20, 2023, and the original representative Chiang,Man-Tzyy ceased the appointment on the same day.

Range of remuneration for directors

Range of Remuneration	Name of Directors			
	Total of (A+B+C+D)		Total of (A+B+C+D+E+F+G)	
	The company	All consolidated companies (I)	The company	All consolidated companies (J)
Less than NT\$1,000,000	KANG NING INVESTMENT CO., LTD. Representative Chiang,Chia-Chun Jazwin Ventures Ltd. Representative Chang,I-Ling Tsai,Po-Hsien 、Lin,Teng-Rong	KANG NING INVESTMENT CO., LTD. Representative Chiang,Chia-Chun Jazwin Ventures Ltd. Representative Chang,I-Ling Tsai,Po-Hsien 、Lin,Teng-Rong	Jazwin Ventures Ltd. Representative Chang,I-Ling Tsai,Po-Hsien 、Lin,Teng-Rong	Jazwin Ventures Ltd. Representative Chang,I-Ling Tsai,Po-Hsien 、Lin,Teng-Rong
NT\$ 1,000,000 (incl.) – NT\$ 2,000,000	YONG ZEN INVESTMENT CO., LTD. Representative Chiang,Kang-Ming GLORY TASK ENTERPRISE CO., LTD. Representative Chiang,Shao-May Jazwin Ventures Ltd. Representative Chiang,Man-Tzyy Pinnacle Ventures Ltd. Representative Chiang,Shou-Cheng Liu,Fei-Hu 、Chang,Jung-Fei Huang,Win-Jung 、Hsieh,Ming-Jen	YONG ZEN INVESTMENT CO., LTD. Representative Chiang,Kang-Ming GLORY TASK ENTERPRISE CO., LTD. Representative Chiang,Shao-May Jazwin Ventures Ltd. Representative Chiang,Man-Tzyy Pinnacle Ventures Ltd. Representative Chiang,Shou-Cheng Liu,Fei-Hu 、Chang,Jung-Fei Huang,Win-Jung 、Hsieh,Ming-Jen	KANG NING INVESTMENT CO., LTD. Representative Chiang,Chia-Chun Jazwin Ventures Ltd. Representative Chiang,Man-Tzyy Pinnacle Ventures Ltd. Representative Chiang,Shou-Cheng Huang,Win-Jung 、Hsieh,Ming-Jen	KANG NING INVESTMENT CO., LTD. Representative Chiang,Chia-Chun Jazwin Ventures Ltd. Representative Chiang,Man-Tzyy Huang,Win-Jung 、Hsieh,Ming-Jen
NT\$ 2,000,000 (incl.) – NT\$ 3,500,000	NA	NA	YONG ZEN INVESTMENT CO., LTD. Representative Chiang,Kang-Ming GLORY TASK ENTERPRISE CO., LTD. Representative Chiang,Shao-May Liu,Fei-Hu 、Chang,Jung-Fei	YONG ZEN INVESTMENT CO., LTD. Representative Chiang,Kang-Ming GLORY TASK ENTERPRISE CO., LTD. Representative Chiang,Shao-May Liu,Fei-Hu 、Chang,Jung-Fei
NT\$ 3,500,000 (incl.) – NT\$ 5,000,000	ZHENG DA INVESTMENT CO., LTD. Representative Chiang,Ming-Li	ZHENG DA INVESTMENT CO., LTD. Representative Chiang,Ming-Li	ZHENG DA INVESTMENT CO., LTD. Representative Chiang,Ming-Li	ZHENG DA INVESTMENT CO., LTD. Representative Chiang,Ming-Li
NT\$ 5,000,000 (incl.) – NT\$10,000,000	NA	NA	NA	NA
NT\$10,000,000 (incl.) – NT\$15,000,000	NA	NA	NA	Pinnacle Ventures Ltd. Representative Chiang,Shou-Cheng
NT\$15,000,000 (incl.) – NT\$30,000,000	NA	NA	NA	NA
NT\$30,000,000 (incl.) – NT\$50,000,000	NA	NA	NA	NA
NT\$50,000,000 (incl.) – NT\$100,000,000	NA	NA	NA	NA
NT\$100,000,000 and above	NA	NA	NA	NA
Total (person)	13	13	13	13

*The remuneration disclosed in the table is different from income as defined in the Income Tax Act. This table is therefore provided for disclosure only and is not used for taxation purposes.

2. Remuneration of Supervisors : NA

3. Remuneration of the President and Vice Presidents

Unit: NT\$ thousands

Unit: NT\$ thousands														
Title	Name	Salary (A)		Pensions (B)		Bonuses and Special Allowance (C)		Employee Compensation (D)				Summation of A, B, C, and D and as a % of After-Tax Income		Remuneration from ventures other than subsidiaries or from the parent company (Note)
		The company	All consolidated companies	The company	All consolidated companies	The company	All consolidated companies	The company		All consolidated companies		The company	All consolidated companies	
								Cash	Stock	Cash	Stock			
President	Chiang, Ming-Te	1,543	1,543	199	199	691	691	87	0	87	0	2,520 0.57%	2,520 0.57%	0

* Regardless of job title, all positions equivalent to general manager or deputy general manager (for example: president, chief executive, director... etc.) should be disclosed.

4. Managerial officers with the top five highest remuneration amounts in a TWSE/TPEX-listed company (disclose their names and remuneration method) : The company did not have the following circumstances, no need to disclose.

- (1) There has been an after-tax deficit shown in the parent company only or standalone financial reports for the most recent three years, please disclose the “directors and supervisors” individually by name and remuneration. Notwithstanding, the preceding provision does not apply if the parent company only or standalone financial reports for the most recent year report after-tax net profit, which is sufficient to make up the accumulated deficit.
- (2) A TWSE/TPEX-listed company is ranked in the last two tier in the corporate governance evaluation for the most recent fiscal year, or in the most recent fiscal year or up to the date of publication of the annual report for that year, or the company's securities have been placed under an altered trading method, suspended from trading, delisted from the TWSE or the TPEX, or the Corporate Governance Evaluation Committee has resolved that the company must be excluded from evaluation.

5. Distribution of bonuses to Company management during 2023

Unit: NT\$ thousands

	Title	Name	Stock Bonus	Cash Bonus	Total	Total as a % of After-Tax Income
Executive Officers	President	Chiang, Ming-Te	0	558	558	0.13%
	Financial Director	Chiang, Shao-May				
	Corporate governance officer	Chiang, Chia-Chun				
	Sales manager	Liu, Fei-Hu				
	Oversea manager	Huang, Tien-Chang				
	Financial officer	Cheng, Li-Fen				

3.2.4. Separately compare and describe

Amount of remuneration paid in the most recent two years by the Company and all companies included in the consolidated financial statements to the Company's directors, General Manager, and Vice Manager, and their respective proportions to net income, as well as the policies, standards, and packages by which they were paid, the procedures through which remunerations were determined, and their association with business performance and future risks:

1. Analysis of the ratio of the remuneration paid to the company's directors, the remuneration of the general manager and the deputy general manager to the net profit after tax by the company and all companies in the consolidated financial statements in the most recent two years:

Year	Director's remuneration amount	Percentage of net profit after tax
2022	NT\$ 12,374 thousands	2.61 %
2023	NT\$ 11,473 thousands	2.59 %

Year	General Manager and Deputy General Manager Remuneration amount	Percentage of net profit after tax
2022	NT\$ 2,686 thousands	0.57 %
2023	NT\$ 2,520 thousands	0.57 %

Directors' remuneration decreased compared to 2022 due to the decrease in after-tax net profit in 2023. The total remuneration of the general manager and deputy general manager is higher than that in 2022. The annual decrease is due to the decrease in salary and bonus payments.

2. Policies, standards and combinations of remuneration, procedures for determining remuneration, and their relationship to business performance and future risks:

2.1. Remuneration policy, standard and combination:

- (1). The remuneration of the directors of the company shall be determined according to the remuneration of the directors for performing their duties, the participation level and contribution value of the individual directors, and the board of directors shall consider the usual level of the industry. Article 11 stipulates that no more than 5% of the remuneration of directors shall be allocated, and the remuneration of directors shall be regularly evaluated. The relevant performance appraisal and the rationality of remuneration shall be reviewed by the Remuneration and Remuneration Committee and the Board of Directors.
- (2). The company's managers' remuneration, according to the salary regulations, clearly stipulates various work allowances and bonuses to show compassion and reward employees for their hard work at work. Relevant bonuses also depend on the company's annual operating performance, financial status, operating conditions and personal work. If the company makes a profit in the current year, it shall allocate no less than 1% as employee compensation in accordance with Article 31 of the company's articles of association. The performance evaluation results implemented by the company in accordance with the "Performance Performance Appraisal Management Regulations" are used as the reference for managers' bonuses. The performance evaluation items for managers are divided into one. Financial indicators: According to the company's management profit and loss report, each business group department will The distribution of the company's profit contribution, and the achievement rate of the manager's goals shall be taken into consideration; 2. Non-financial indicators: the practice of the company's core values, operational management capabilities, and participation in sustainable operations. Review the remuneration system at any time according to the actual operating conditions and relevant laws and regulations.
- (3). The combination of remuneration paid by the company shall be determined in accordance with the organizational regulations of the Compensation and Compensation Committee, including cash remuneration, stock options, dividends, retirement benefits or resignation benefits, various allowances and other measures with substantial incentives; its scope is related to the public offering The remuneration of directors and managers in the company's annual report should be consistent with the standards for recorded matters.

2.2. Procedure for setting remuneration:

- (1). In order to evaluate the remuneration of directors and managers on a regular basis, the results of the company's "Directors' Remuneration Payment Method", "Director's Remuneration Distribution Method" and "Performance Appraisal Management Method" applicable to managers and employees are used respectively. Based on the evaluation items, such as: moral hazard events of directors and managers or other risk events that cause negative impact on company image, goodwill, improper internal management, personnel malpractice, etc., and give reasonable remuneration. We will review the remuneration system of directors and managers at any time in accordance with the actual operating conditions and relevant laws and regulations.
- (2). The self-evaluation results of the performance of the board of directors, board members and members of various functional committees in 2023 all significantly exceeded the standards. In addition, the global economy will continue to be affected by the Ukraine-Russia war in 2023, and the prices of raw materials will fluctuate greatly; electricity prices and basic wages will continue to increase. Although the company is committed to energy reduction and effective manpower deployment to maintain stable procurement, production costs and sales prices, EPS in 2023 is still 1.45, a decrease of 6% from 1.55 in 2022. The company's 2023 manager performance evaluation results, all The performance of the managers has reached or exceeded the predetermined target requirements, and the evaluation results of the company's annual operating indicators have also met the standards.
- (3). The actual amount of remuneration for directors and managers of the Company for 2023 will be reviewed by the Remuneration Committee and then submitted to the Board of Directors for approval.

2.3. Relevance to business performance and future risks:

- (1). The review of the company's remuneration policy-related payment standards and systems takes the company's overall operating conditions as the main consideration, and determines the payment standards based on the performance achievement rate and contribution, so as to improve the overall organizational team effectiveness of the board of directors and management departments. Also refer to the industry's salary standard to ensure that the salary of the company's management is competitive in the industry, so as to retain excellent management talents.
- (2). The company's managers' performance goals are combined with "risk control" to ensure that possible risks within the scope of responsibility can be managed and prevented, and the results of the rating based on actual performance

are linked to relevant human resources and related Salary and Remuneration Policy. The important decisions of the company's management are made after balancing various risk factors. The performance of the relevant decisions is reflected in the company's profitability, and the compensation of the management is related to the performance of risk control.

3.3. Implementation of Corporate Governance

3.3.1.

1. Operations of the Board of Directors

The Company's Board of Directors held a total of 6 meetings in 2023.

The actual attendance rate of all directors is 96.88%.

were twice and five times for 16th and 17th terms of the Board of Directors. The attendance is described as following:

Title	Name	Should attend frequency (A)	Attendance in Person (B)	By Proxy	Attendance Rate (%) 【 B / A 】	Remarks
Chairman	ZHENG DA INVESTMENT CO., LTD. Representative:Chiang,Ming-Li	6	6	0	100%	re elected
Director	KANG NING INVESTMENT CO., LTD. Representative:Chiang,Chia-Chun	4	4	0	100%	new appointment
Director	YONG ZEN INVESTMENT CO., LTD. Representative:Chiang,Kang-Ming	6	6	0	100%	re elected
Director	GLORY TASK ENTERPRISE CO., LTD. Representative:Chiang,Shao-May	6	6	0	100%	re elected
Director	Jazwin Ventures Ltd. Representative:Chiang,Man-Tzyy	5	5	0	100%	1.re elected 2.Note 1
	Representative:Chang,I-Ling	1	1	0	100%	Note 1
Director	Pinnacle Ventures Ltd. Representative: Chiang,Shou-Cheng	6	6	0	100%	re elected
Director	Liu,Fei-Hu	6	6	0	100%	re elected
Director	Chang,Jung-Fei	6	6	0	100%	re elected
Independent director	Tsai,Po-Hsien	2	0	2	0%	resignation
Independent director	Huang,Win-Jung	6	6	0	100%	re elected
Independent director	Hsieh,Ming-Jen	6	6	0	100%	re elected
Independent director	Lin,Teng-Rong	4	4	0	100%	new appointment
Total		64	62	2		

Other mentionable items:

1.If any of the following circumstances occur,, the dates of the meetings, sessions, contents of motion, all independent directors' opinions and the Company's response should be specified:

(1)Matters referred to in Article 14-3 of the Securities and Exchange Act.

Please refer to Functionality of the Auditing Committee.

(2) Other matters involving objections or expressed reservations by independent directors that were recorded or stated in writing that require a resolution by the board of directors: None

2. Directors' avoidance of motions which involves conflict of interest, and the names of directors, details of the motions, reasons to avoid conflict of interest, and the participation in voting shall be disclosed:

Board Meeting : 17-2

Independent director s' Name : Huang,Win-Jung, Hsieh,Ming-Jen, Lin,Teng-Rong

Contents of the case : Appointed the 5rd Remuneration Committee.

Reason for avoidance of conflict of interest and the status of voting

The opinions of all members : Three independent directors, including Huang,Win-Jung, Hsieh,Ming-Jen and Lin,Teng-Rong, recused themselves from the parties in this case, approved by the remaining directors present.

Board Meeting : 17-4

Director s' Name : Chiang Ming-Li

Contents of the case : The Company's loan transactions with financial institutions and execution of various trading contracts.

Reason for avoidance of conflict of interest and the status of voting

The opinions of all members : In this case, Chairman Chiang Ming-Li was an interested party to evade during discussions and voting in accordance with the law, and Chiang,Chia-Chun director Acting as the chairman of the meeting, approved by the remaining directors present.

3. The TWSE/TPEX-listed company must disclose the appraisal cycle and period, scope of appraisal, method and contents of appraisal about the Board of Directors' self (or peer) performance appraisal, and specify the status of appraisal in the Schedule attached hereto. :

Evaluation cycle	During evaluation	Evaluation scope	Evaluation method	Evaluation content
Once a year	2023.1.1~2023.12.31	a. Board of directors b. Board member c. Audit Committee d. Remuneration Committee	The evaluation is carried out by the Secretary Office of the Board of Directors and is conducted using an internal questionnaire. Based on four parts: board operation, director participation, audit committee operation and remuneration committee, it adopts directors' evaluation of the board's operation, directors' evaluation of their own participation, and audit committee's evaluation of the committee. The Operational Evaluation and Remuneration Committee evaluates the operation of the Committee. The company completed the performance evaluation of the board of directors, board members, audit committee and remuneration committee in January 2024. The meeting of the board of directors, remuneration committee and audit committee held on February 26, 2024 will report the evaluation results and the direction of continuous improvement next year. This year's evaluation scores ranged from 4.77 to 4.95,	The company's board of directors revised and approved the "Board of Directors Performance Evaluation Methods" on July 1, 2020, stipulating that the board of directors should conduct a performance evaluation of the board of directors, board members, audit committee and remuneration committee at least once a year. Internal evaluation shall be carried out at the end of each year and the board of directors' internal self-evaluation of the current year's performance evaluation shall be conducted in accordance with these Measures. The measurement items for the performance evaluation of the company's board of directors include the following matters: (1) Degree of participation in company operations. (2) Improve the quality of board decision-making. (3) Board composition and structure. (4) Selection and continuing education of directors. (5) Internal Control. The measurement items for the performance evaluation of board members include the following matters: (1) Mastery of company goals and tasks. (2) Awareness of directors' responsibilities. (3) Degree of participation in company operations.

			<p>which is still considered good. The recommendations and improvement actions for the Board of Directors and functional committees are as follows:</p> <p>1. Board of Directors: [4.77 points] Directors have no recommendations</p> <p>2. Self-evaluation of board members: [4.87 points] The director suggested inviting experts to share important international economic and trade information. The company will implement this suggestion starting from 2024.</p> <p>3. Audit Committee: [4.95 points] Members have no suggestions</p> <p>4. Remuneration Committee: [4.94 points] Members have no suggestions</p>	<p>(4) Internal relationship management and communication. (5) Professional and continuing education for directors. (6) Internal Control. The measurement items for the audit committee's performance evaluation include the following matters: (1) Degree of participation in company operations. (2) Awareness of committee responsibilities. (3) Improve the quality of committee decision-making. (4) Committee composition and member selection. (5) Internal Control. The measurement items for the performance evaluation of the remuneration committee include the following matters: (1) Degree of participation in company operations. (2) Awareness of committee responsibilities. (3) Improve the quality of committee decision-making. (4) Committee composition and member selection. (5) Internal Control.</p>
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4. Enhancements to the functionality of the Board of Directors in the current and the most recent year (e.g. establishment of Audit Committee, improvement of information transparency, etc.), and the progress of such enhancements:

- (1) The Company's Board of Directors already established the two functional committees, namely, Remuneration Committee (in 2011) and Auditing Committee (in 2017), to help the Board of Directors perform its supervisory duty. The Auditing Committee consists of the whole (3) independent directors. The Remuneration Committee consists of the whole (3) independent directors under appointment by the Board of Directors. Each committee's articles of association must be subject to approval of the Board of Directors. Each committee must report its resolutions and execution thereof to the Board of Directors periodically.
- (2) Establishment of the Auditing Committee, and enactment of the "Parliamentary Rules for Meetings of the Board of Directors", "Corporate Governance Best-Practice Principles", and "Standard Operating Procedure for Handling Directors' Requirements"

Note 1 : The juristic person shareholder Jazwin Ventures Ltd. reappointed representative Chang,I-Ling as a director from October 20, 2023, and the original representative Chiang,Man-Tzyy ceased the appointment on the same day.

3.3.2. Functionality of the Auditing Committee :

The Company's "Auditing Committee" was established on July 5, 2017, which replaced the supervisors. The Committee members consist of the whole independent directors. One independent director is elected by the whole members to serve as the convener.

Professional Qualification and Experience Please refer to 3.2.1-4 Directors (2)

It must operate in accordance with the Company's "Articles of Association of the Auditing Committee" , and perform the functions including:

1. Official powers of the audit committee

- (1) Adoption or amendment of an internal control system pursuant to Article 14-1 of Securities and Exchange Act.
- (2) Assessment of the effectiveness of the internal control system.
- (3) Adoption or amendment, pursuant to Article 36-1 of Securities and Exchange Act, of handling procedures for financial or operational actions of material significance, such as acquisition or disposal of assets, derivatives trading, extension of monetary loans to others, or endorsements or guarantees for others.
- (4) A matter bearing on the personal interest of a director.
- (5) A material asset or derivatives transaction.
- (6) A material monetary loan, endorsement, or provision of guarantee.
- (7) The offering, issuance, or private placement of any equity-type securities.
- (8) The hiring or dismissal of a certified public accountant, or the compensation given thereto.
- (9) The appointment or discharge of a financial, accounting, or internal auditing officer.
- (10) Annual and quarterly financial reports, which are signed or sealed by the chairperson, managerial officer, and accounting officer.
- (11) Any other material matter so required by the company or the Competent Authority.

2. Highlights in 2023 :

(1) Appraisal on effectiveness of the internal control system

The Company evaluates the design and execution of its internal control system based on the criteria specified in "Regulations Governing Establishment of Internal Control Systems by Public Companies" to determine whether the design and execution of the 2022 internal control system are effective.

It was passed at 14th meeting of Auditing Committee in 2nd Session on March 7, 2023. The "Declaration of Statement for Internal Control System" 2022 was issued upon approval as resolved at 19th meeting of the Board of Directors in 16th Session on March 7, 2023.

(2) Audit on Financial Reports

The 2022 financial statements produced by the Board of Directors were already audited by Deloitte & Touche, Taiwan, and an audit report was issued by Deloitte Taiwan accordingly. It, together with the business report and motion for allocation of earnings, was passed at 14th meeting of Auditing Committee in 2nd Session on March 7, 2023. The same was also passed at 19th meeting of the Board of Directors in 16th Session on March 7, 2023, and already submitted to a shareholders' meeting in 2023 for recognition.

(3) Appointment of External Auditor

The Auditing Committee is appointed to supervise the CPA's independence to ensure the impartiality of financial statements. In order to ensure the CPA office's independence, the Auditing Committee must prepare the independence assessment form in accordance with Article 47 of the Certified Public Accountant Act and the Bulletin of Norm of Professional Ethics for Certified Public Accountant of the Republic of China No. 10 "Integrity, Objectivity and Independence" to appraise the independence, expertise and competence of the CPA and determine whether the external auditor is a related party with the Company or has business or financial interest with the Company. It was passed at 14th

meeting of Auditing Committee in 2nd Session on March 7, 2023. Then, Liu,Ming-Hsien, CPA and Cheng,Chin-Tsung, CPA of Deloitte & Touche, Taiwan were held satisfying the independence appraisal indicators as resolved at 19th meeting of the Board of Directors in 16th Session on March 7, 2023 and, therefore, qualified as the CPAs certifying the Company's finance and taxation.

A total of 4(A) Audit Committee meetings were held in the previous period. The attendance of the independent directors was as follows:

Title	Name	Attendance in Person(B)	Proxy Attendance	Attendance Rate (B/A)	Remarks
Independent director (Convener)	Tsai,Po-Hsien	0	2	0%	The term of former independent directors expired until June 19, 2023.
Independent director (Convener)	Huang,Win-Jung	4	0	100%	The re elected independent directors started from June 19, 2023.
Independent director	Hsieh,Ming-Jen	4	0	100%	The re elected independent directors started from June 19, 2023.
Independent director	Lin,Teng-Rong	2	0	100%	The term of new independent directors started from June 19, 2023.
Other mentionable items: 1. If any of the following circumstances occur, the dates of meetings, sessions, contents of motion, resolutions of the Audit Committee and the Company's response to the Audit Committee's opinion should be specified: (1) Matters referred to in Article 14-5 of the Securities and Exchange Act. : Note 1 (2) Other matters which were not approved by the Audit Committee but were approved by two-thirds or more of all directors. : None. 2. If there are independent directors' avoidance of motions in conflict of interest, the directors' names, contents of motion, causes for avoidance and voting should be specified: : None. 3. Communications between the independent directors, the Company's chief internal auditor and CPAs (e.g. the material items, methods and results of audits of corporate finance or operations, etc.) : Note 2 、 Note 3 、 Note 4					

Note 1: Matters referred to in Article 14-5 of the Securities and Exchange Act.

Term	Contents	The opinions of all members	The Company's response to the Audit Committee's opinion
14th Meeting in 2nd Session 2023.03.07	1. The financial statements of 2022. 2. The distribution of retained earnings of 2022. 3. The evaluation of external auditor' s independence. 4. Develop general principles for the company's pre-approved non-service policies. 5. The statement of internal control system of 2022. 6. The business report of 2022. 7. The amendments to "Procedure for the Acquisitions or Dispositions of Assets". 8. The amendments to "Operating Procedure for Loaning of Funds and Making of Endorsements/Guarantees". 9. The company's new appointment chief internal auditor. 10.The amendments to "Corporate Governance Best Practice Principles".	The proposal was approved as proposed	According to the resolution

15th Meeting in 2nd Session 2023.05.02	1. The consolidated financial statements for first quarter of 2023. 2. Formulated the company's "Rules Governing Financial and Business Matters Between this Corporation and its Affiliated Enterprises". 3. The amendments to "Management of Prevention of Insider Trading". 4. Established the "Integrity Management Promotion Group" project.	The proposal was approved as proposed	According to the resolution
1th Meeting in 3rd Session 2023.08.01	1. The financial statements for first half year of 2023. 2. The amendments to "Procedure for the Acquisitions or Dispositions of Assets" of the company's direct and indirect investment companies. 3. The amendments to "Operating Procedure for Loaning of Funds and Making of Endorsements/Guarantees" of the company's direct and indirect investment companies.	The proposal was approved as proposed	According to the resolution
2th Meeting in 3rd Session 2023.10.31	1. The consolidated financial statements for third quarter of 2023. 2. Internal auditing proposal of 2024. 3. The amendments to "Management of Prevention of Insider Trading". 4. In response to the business needs of the Company's investee in the mainland China, the Company plans to make endorsements/guarantees for Shanghai United Can Co., Ltd.. 5. In response to the business needs of the Company's investee in the mainland China, the Company plans to make endorsements/guarantees for Jinan United Can Co., Ltd.. 6. The Company's loan transactions with financial institutions and execution of various trading contracts. 7. Authorization of the financial hedge against foreign exchange positions underwritten by the Company in 2024. 8. The company 's established the "Board Secretariat". 9. The company's New appointment Financial officer.	The proposal was approved as proposed	According to the resolution

Note 2. Communication between independent directors and the chief internal auditor & CPAs

- (1) The monthly audit report and quarterly follow-up report will be sent to independent directors. Meanwhile, the chief internal auditor will report to the independent directors on business at the Auditing Committee meeting periodically, and communicate with the Committee members about the execution result about the audit report, and follow-up on the deficiencies and suggestions fed back upon internal audit.
- (2) The CPAs will report to the independent directors about their audit (review) on financial statements and internal control system at the Auditing Committee meeting on a quarterly basis. Meanwhile, they will also communicate with the independent directors about adjustment of entries and whether new/amended laws and regulations would affect the financial statements.

Note 3. Summary of communications between independent directors and chief internal auditor

The communications with the Company's independent directors about audit operations and results thereof are considered fair.

The communications between the independent directors and the internal auditors are listed in the table below.

Date	Communication focus
2023.03.07	1. Internal audit report in Jan. - Feb. 2. Judgment on effectiveness of the internal control system in 2022
2023.05.02	1. Internal audit report in Mar. - Apr.
2023.08.01	1. Internal audit report in May - Jun.
2023.10.31	1. Internal audit report in Jul. - Sep. 2. Audit Project for 2024

No additional suggestions have been raised by independent directors at last communication meeting.

Note 4. Summary of communications between independent directors and CPAs

The communications between independent directors and CPAs are considered fair.

The communications between the independent directors and CPAs are listed in the table below.

Date	Communication focus
2023.03.07	Results of parent company only and consolidated financial statements 2022 and discussion and communication about impact posed by new/amended laws and regulations.
2023.05.02	Result of the Company's consolidated financial statements for 2023 Q1, and discussion and communication about impact posed by new/amended laws and regulations.
2023.08.01	Result of the Company's consolidated financial statements for 2023 Q2, and discussion and communication about impact posed by new/amended laws and regulations.
2023.10.31	1.Result of the Company's consolidated financial statements for 2023 Q3, and discussion and communication about impact posed by new/amended laws and regulations. 2. The CPAs briefed the key audit matters communicated (before the audit) between the CPAs and governance unit.

No additional suggestions have been raised by independent directors at last communication meeting.

Attendance of Supervisors at Board Meetings : NA

3.3.3. Composition, responsibilities, and functionality of the Remuneration Committee

The Company's "Remuneration Committee" was established on December 27, 2011. The Committee members consist of the whole independent directors. One independent director is elected by the whole members to serve as the convener.

It must operate in accordance with the Company's "Articles of Association of Remuneration Committee".

Functionality

The Committee evaluates the remuneration policy and system related to directors and managerial officers, professionally and objectively.

It convenes at least two meetings annually, and special meetings whenever necessary, in order to propose suggestions to the Board of

Directors as the reference for the Board's decision making.

Authority

The Committee members must exercise the following authority with due diligence as a good administrator, take responsibility toward the

Board of Directors and submit all of its suggestions to the Board of Directors for discussion:

1. Stipulate and review regularly the performance appraisal and compensation policies, systems, standards and structures of the directors and managerial officers.
2. Regularly review and set directors' and managerial officer's compensation policies.

The Remuneration Committee must comply with the following standards when exercising its authority.

1. The compensation and salary must be managed in line with the Company's compensation philosophy.
2. Never guide directors and managerial officers to engage in any activities beyond the Company's exposure to risk to pursue rewards.
3. The Committee members must recuse themselves from discussion and voting for any decision made for personal compensation and salary.

(1) Information Regarding Remuneration Committee

Title	Criteria Name	Professional Qualification And Experience	Independent Directors' Independence Status	Number of Other Taiwanese Public Companies Concurrently Serving as a Compensation Committee Member
Independent director Convener	Huang, Win-Jung	(Note)	(Note)	0
Independent director	Hsieh, Ming-Jen			0
Independent director	Lin, Teng-Rong			0

(Note) : Please refer to 3.2.1-4 Directors (2)

(2) Operations of the Remuneration Committee:

The Company's Remuneration Committee is composed of three members.

The term of office for current members runs from 27 June 2023 through 18 June 2026.

The company's remuneration committee held a total of 2 meetings in the recent year. The attendance of the members is as follows:

Title	Name	Meetings Attended Personally (B)	Meetings Attended By Proxy	Personal Attendance Rate (B/A) (Note)	Remark
Convener	Tsai,Po-Hsien	0	1	0%	The term of former independent directors expired until June 19, 2023.
Convener	Huang,Win-Jung	2	0	100%	The re elected independent directors started from June 27, 2023.
Member	Hsieh,Ming-Jen	2	0	100%	
Member	Lin,Teng-Rong	1	0	100%	The term of new independent directors started from June 27, 2023.

Other mentionable items:

1. If the board of directors declines to adopt or modifies a recommendation of the remuneration committee, it should specify the date of the meeting, session, content of the motion, resolution by the board of directors, and the Company's response to the remuneration committee's opinion (eg., the remuneration passed by the Board of Directors exceeds the recommendation of the remuneration committee, the circumstances and cause for the difference shall be specified): None.
2. Resolutions of the remuneration committee objected to by members or expressed reservations and recorded or declared in writing, the date of the meeting, session, content of the motion, all members' opinions and the response to members' opinion should be specified: None.

(3) Resolutions decided upon by the Remuneration Committee during the most recent year and as of the date of publication of the Annual Report:

Term	Contents	The opinions of All members	The Company's response to the Remuneration Committee's opinion
8th Meeting in 4th Session 2023.03.07	1. The company's directors and managers' remuneration and bonuses. 2. The salary distribution of employees and directors in 2022.	The proposal was approved as proposed.	According to the resolution
1th Meeting in 5th Session 2023.10.31	1. The company's directors and managers' remuneration and bonuses. 2. Set the 2024 meeting schedule of the compensation committee.	The proposal was approved as proposed.	According to the resolution

3.3.4. Corporate governance, and deviation from Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and causes thereof

Assessment criteria	Actual governance			Deviation from Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and causes thereof
	Yes	No	Summary	
1.Has the Company established and disclosed its corporate governance principles based on "Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies"?	V		The Company establishes its own "Corporate Governance Best-Practice Principles" based on the "Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies". The Principles were already posted on the MOPS.	None
2.Equity structure and shareholders' interests (1)Has the Company set forth and implemented a set of internal procedures to handle shareholders' suggestions, queries, disputes and litigations?	V		The Company appoints dedicated personnel and gathers advisors from various departments/offices to verify the suggestions, queries and disputes raised by shareholders, and then the Company's spokesperson or deputy spokesperson is appointed to provide explanation or response to the shareholders.	None
(2)Does the Company possess the lists of the Company's major shareholders and ultimate controllers of the major shareholders?	V		The Company's shareholders service unit will ask its shareholders service agency for the roster of shareholders periodically, in order to control any changes in the major shareholders and ultimate controllers of the major shareholders from time-to-time.	None
(3)Has the Company established and implemented risk management practices and firewalls for companies it is affiliated with?	V		The Company has established the "Regulations Governing Management of Subsidiaries" and urged its subsidiaries to establish internal control systems, in order to expressly define its management authority, have all transactions carried out pursuant to related systems and regulations, and stop any non-arm's length transactions. Meanwhile, the Company identifies the supervision and management of subsidiaries as one of the audit indicators in its annual audit plan.	None
(4)Has the Company established internal policies that prevent insiders from trading securities against non-public information?	V		The company stipulates in Article 17 of the " Ethical Corporate Management Best Practice Principles ", Article 15 of the " Procedures for Ethical Management and Guidelines for Conduct ", and Article 5 of the " Management of Prevention of Insider Trading " that prohibit company insiders from using unpublished information Buy and sell securities to protect the relevant rights and interests of	None

			shareholders. During pre-employment training ,In addition to arranging education on "preventing insider trading " and related laws and regulations; and hold " Operating with integrity and preventing insider trading " promotions for employees , the course counts as 1 hour. which made 70 people and 70 hours of training, and another course counts for directors, managers, as 0.5hour which made 14 people and 7 hours in 2023.	
3. Formation and structure of the Board of Directors (1) Has the Board devised and implemented diversified policies and specific management goals?	V		<p>The Company has established a diversification policy for the composition of its Board of Directors and specific management goals: According to Article 20 of the Company's "Corporate Governance Best-Practice Principles" (abilities to be possessed by the entire Board of Directors), the composition of Board of Directors must be determined by taking diversity into consideration; the directors who serve as the Company's managerial officers concurrently must account for no more than one-thirds of the whole directors, and it is necessary to formulate an appropriate policy on diversity based on the Company's business operation, business type, and development needs; it is advisable that the policy must include, without being limited to, the following two general standards:</p> <p>A.Basic requirements and values: Gender, age, nationality, and culture, etc.</p> <p>B.Professional knowledge and skills: A professional background (e.g. law, accounting, industry, finance, marketing or technology), professional skills, and industrial experience.</p> <p>Please refer to P22-24 of this annual report for the company's board of directors diversity policy, specific management objectives and their implementation status.</p>	None
(2) Does the Company, in addition to setting the Remuneration Committee and Auditing Committee lawfully, have other functional committee set up voluntarily?	V		The Company has established the Remuneration Committee and Auditing Committee pursuant to laws. In April 2024, the board of directors approved the establishment of the "Corporate Sustainable Development Committee" to implement the company's sustainable development goals.	None
(3) Has the Company established a set of policies and assessment tools to evaluate the Board's performance, conducted the performance evaluation regularly at least on an annual	V		The Company has established the "Regulations Governing Performance Appraisal on Board of Directors" , expressly defining that the Board members' performance should be appraised based on quantified indicators annually. The Board of Director's self (peer) performance appraisal was implemented as of 2020. The evaluation report is submitted to the Board of Directors	None

basis, and applied the same as reference for remuneration to individual directors and nomination?			<p>annually and published on MOPS.</p> <p>For the evaluation results and implementation status, please refer to 3.3.1-1. Operations of the Board of Directors in this annual report.</p>	
(4) Does the Company have the independence of the public accountant evaluated regularly?	V		<p>The audit committee of the company evaluates the independence and suitability of the certified accountants of the company every year. In addition to requiring the certified accountants to provide "transcendent independence statement" and "audit quality indicators (AQIs)", it also conducts in accordance with the standards in Note 1 and 13 AQI indicators Evaluate. It is confirmed that the accountant has no other financial interests or business relationship with the company except for visa and financial and tax case fees, and the accountant's family members do not violate the independence requirements. With reference to the AQI index information, it is confirmed that the accountant and the firm have excellent experience in the audit. In addition, in the last three years, it will continue to introduce innovative audit tools, expand audit support centers, and introduce cloud audit platforms to improve audit quality. After the assessment results of the latest year were discussed and approved by the Audit Committee on March 7, 2023, it was submitted to the board of directors for approval on March 7, 2023 to evaluate the independence and suitability of accountants.</p>	None
4. Whether the TWSE/TPEX-listed company assigns the adequate number of competent corporate governance officers, and appoints the corporate governance officer responsible for the corporate governance affairs (including but not limited to, providing directors/supervisors with the information needed to perform their duties, helping directors/supervisors with compliance, organization of the Board of Directors meetings and shareholders' meetings under laws, and preparation of Board meeting and shareholders' meeting	V		<p>The Board meeting of 3 November 2020 resolved to appoint Ms. Chia-Chun Chiang, Manager of the Finance Department, as the Corporate Governance Officer. In an effort to enhance the functions of the Board of Directors and protect shareholder rights, the Board meeting on 31 October 2022 passed a resolution to establish a Secretariat, Board of Directors as the Corporate Governance Unit with Manager Chia-Chun Chiang designated as the dedicated Corporate Governance Officer. She possesses over three years of experience in managing financial and corporate governance affairs for publicly traded companies. Additionally, Ms Shu-Ling Chen was appointed (with experience in stock affairs and having passed the professional competence test for stock personnel-Certificate No. 4610256012 issued by the Taiwan Stock Exchange in 2019) to assist in the operations related to corporate governance matters.</p> <p>The responsibilities include the following:</p>	None

minutes, et al.)?			<ol style="list-style-type: none"> 1. Conducting board meeting and shareholders' meetings related affairs. 2. Compiling minutes for both Board of Directors and shareholders' meetings. 3. Assisting directors on board and providing support for ongoing education. 4. Furnishing information required for the execution of directors' duties. 5. Assisting directors in compliance with legal requirements. 6. Conducting legal assessments of the eligibility of independent directors. 7. Handling matters related to changes in the composition of the Board of Directors. 8. Addressing other matters stipulated in the company's articles of incorporation or contracts. <p>2023:</p> <ol style="list-style-type: none"> 1. Business practicing is stated as following: <ol style="list-style-type: none"> (1) Conducted meetings of Board of directors : totaling six times. (2) Conducted Annual General Meeting and prepared AGM meeting minutes: one time. (3) Conducted Directors' training: 12 participants, totaling 137.5 hours. (4) Assisted relevant data for Directors' practices, including meeting materials provided to the Board 7 days ahead. (5) Assisted Directors in compliance with applicable laws and regulations. (6) Report to the Board of Directors on the legality of independent directors. (7) Pre-registration of the date of the annual general meeting of shareholders is carried out in accordance with the law, Instantly process changes to registration items, For example, amending the articles of incorporation or elections director. 2. Continued education: has completed 24.5 hours in 2023. please refer to Note 3. 	
5. Has the Company provided proper communication channels and created dedicated sections on its website to address corporate social responsibility issues that are of significant concern to stakeholders (including but not limited to, shareholders, employees, customers and suppliers)?	V		<p>The Company's website provides the shareholders' information and stakeholders sections, and discloses the contact information about shareholders and stakeholders. The Company communicates with stakeholders via the business transaction departments as the communication channels, and also establishes documented and electronic communication channels to keep communication of information successful.</p>	None

6. Does the Company engage a professional shareholders service agency to handle shareholders' meeting affairs?	V		The Company appoints Capital Securities Corporation to act as its professional shareholders service agency.	None
7. Disclosure of information (1) Does the Company have a website setup and the financial business and corporate governance information disclosed?	V		The Company's website (at www.greatchina.com.tw) discloses the Company's overview and related business, and links with the "MOPS" to disclose the financial information, as well as the corporate governance information.	None
(2) Has the Company adopted other means to disclose information (e.g. English website, assignment of specific personnel to collect and disclose corporate information, implementation of a spokesperson system, broadcasting of investor conferences via the Company website)?	V		The Company's website in English version is accessible. Dedicated personnel are also appointed to collect and disclose the Company's information, in order to help the Company perform the obligation to disclose information as a TWSE-listed company loyally. The Company also implements a spokesperson system. Meanwhile, the Company discloses the information about investors' meetings on its website.	None
(3) Whether the Company announces and reports the annual financial report within two months at the end of each fiscal year, and the financial report for Q1, Q2, and Q3 and monthly operation overview before the prescribed time limit?	V		The company follows relevant laws and regulations to announce and report the annual financial statements within two months after the end of the fiscal year, and announce and report the first, second, and third quarter financial statements as well as the operating status of each month before the prescribed deadline. Please refer to Market Observation Post System for the aforementioned disclosure.	None
8. Does the Company have other information that enables a better understanding of the company's corporate governance practices (including but not limited to, employee rights, employee care, investor relations, supplier relations, stakeholders' interests, continuing education of directors/supervisors, implementation of risk management policies and risk measurements, implementation of customer policy, and insuring against liabilities of company directors and supervisors)?	V		(1) Employees' rights: The Company has established the Worker Welfare Committee. The Committee convenes meetings periodically to improve employee benefit policies. The Company has established the "Work Rules" to expressly define the right and obligation of both management and labors to help employees understand and maintain their interests and rights. (2) Employee care: Establish fair relations with employees through various welfare policies and the employee grievance system. (3) Investor relations: Dedicated personnel are appointed to deal with affairs related to shareholders. (4) Supplier relations, and stakeholders' interests : The Company treats all suppliers and stakeholders fairly, and maintains fair relations with them. (5) Continuing education of directors/supervisors : Provide related laws & regulations and information to directors and arrange continuing education programs for them from time to time. (Note 2)	None

			<p>(6) Implementation of risk management policies and risk measurements: The Company has established the internal control system and various policies to conduct the risk assessment and management.</p> <p>(7)Corporate governance continuing education programs attended by the Company's managerial officers(Note 3)</p> <p>(8)Current progress in the customer policy: The Company delegates dedicated personnel to help solve any customer's problems to protect the customer's rights.</p> <p>(9)Insuring against liabilities of the Company's directors and supervisor: The Company has maintained the liability insurance for directors, and reported the insurance to the Board of Directors.</p>	
<p>9.Please explain the improvements made, based on the latest Corporate Governance Evaluation results published by TWSE Corporate Governance Center, and propose enhancement measures for any issues that are yet to be rectified. According to the 10th Corporate Governance Evaluation result, the issues that are yet to be rectified are listed as following:</p> <p>(1) Will the company hold a regular shareholder meeting before the end of May?</p> <p>(2) Does the company publish its annual financial report that has been verified and certified by an accountant within two months after the end of the fiscal year?</p>				

Note 1 : Criteria for assessing the independence of accountants

Evaluation Items	Evaluation Result	Whether it meets independence
Whether the accountants and their family members have direct or significant indirect financial interests with the company	None	Yes
Whether the accountants and their family members have financing or guarantee activities with the company or the directors of the company, if it is done in normal business practices	None	Yes
Whether the accountants and their family members have any commercial behaviors that affect independence with the company or the directors and managers of the company	None	Yes
Whether the accountant has served as a director, supervisor, manager or position that has a significant impact on the audit work in the company at present or in the last two years; or whether he has committed to take up the aforementioned related positions	None	Yes
During the audit period, whether the family members of the accountant served as the company's directors, managers, or positions that have direct and significant influence on the audit work	None	Yes
During the audit period, whether the accountants and the directors, and managers of the company are related by direct blood, lineal marriage, or collateral blood relatives within the second degree (or during the audit period, whether the accountants' close relatives and friends serve as the company's directors, managers, or Matters that directly and significantly affect the audit work, but whether the degree of violation of independence has not been reduced to an acceptable level)	None	Yes
Whether the accountant has accepted the company or the company's directors, managers or major shareholders' gifts or gifts of great value (beyond the general social etiquette standards)	None	Yes
Whether the accountants and audit team have implemented the necessary independence/conflict of interest procedures, and there are no violations of independence or unresolved conflicts of interest	None	Yes

Note 2 : Continuing education attended by directors

Name	Date	Organizer	Course	Education hours
ZHENG DA INVESTMENT CO., LTD. Representative : Chiang,Ming-Li	2023.06.02	SECURITIES & FUTURES INST.	Prevention of insider trading publicity meeting	3
	2023.06.06	INDUSTRIAL DEVELOPMENT BUREAU, MINISTRY OF ECONOMIC AFFAIRS	Metals Industry Net Zero - CEO	3
	2023.08.01	SECURITIES & FUTURES INST.	How should directors and supervisors supervise enterprise risk management and crisis management	3
	2023.08.16	Great China Metal Ind. Co., Ltd.	Enterprise carbon inventory management trend and legal source requirements	3
	2023.08.24	Taiwan Institute of Directors	Family Office Series Courses	6
	2023.10.31	SECURITIES & FUTURES INST.	Enhance the sustainable value of enterprises and improve the risk management system	3
	2023.10.31	Great China Metal Ind. Co., Ltd.	Integrity management and prevention of insider trading promotion	0.5
KANG NING INVESTMENT CO., LTD. Representative : Chiang,Chia-Chun	2023.07.04	TWSE	Cathay Pacific Sustainable Finance and Climate Change Summit Forum	6
	2023.08.16	Great China Metal Ind. Co., Ltd.	Enterprise carbon inventory management trend and legal source requirements	6
	2023.08.17~ 2023.08.18	TAIWAN CORPPORATE GOVERNANCE ASSOCIATION	Net Zero Sustainable Talent Training Class [Northern] - Countermeasures for Enterprises' Low-Carbon Transformation	9
	2023.08.24	Taiwan Institute of Directors	Family Office Series Courses	6
	2023.10.31	Great China Metal Ind. Co., Ltd.	Integrity management and prevention of insider trading promotion	0.5

YONG ZEN INVESTMENT CO., LTD. Representative : Chiang,Kang-Ming	2023.08.01	SECURITIES & FUTURES INST.	How should directors and supervisors supervise enterprise risk management and crisis management	3
	2023.08.16	Great China Metal Ind. Co., Ltd.	Enterprise carbon inventory management trend and legal source requirements	6
	2023.08.24	Taiwan Institute of Directors	Family Office Series Courses	6
	2023.10.31	SECURITIES & FUTURES INST.	Enhance the sustainable value of enterprises and improve the risk management system	3
	2023.10.31	Great China Metal Ind. Co., Ltd.	Integrity management and prevention of insider trading promotion	0.5
GLORY TASK ENTERPRISE CO., LTD. Representative : Chiang,Shao-May	2023.08.01	SECURITIES & FUTURES INST.	How should directors and supervisors supervise enterprise risk management and crisis management	3
	2023.10.31	SECURITIES & FUTURES INST.	Enhance the sustainable value of enterprises and improve the risk management system	3
	2023.10.31	Great China Metal Ind. Co., Ltd.	Integrity management and prevention of insider trading promotion	0.5
Jazwin Ventures Ltd. Representative : Chiang,Man-Tzyy	2023.08.01	SECURITIES & FUTURES INST.	How should directors and supervisors supervise enterprise risk management and crisis management	3
Jazwin Ventures Ltd. Representative : Chang,I-Ling	2023.10.31	SECURITIES & FUTURES INST.	Enhance the sustainable value of enterprises and improve the risk management system	3
	2023.10.31	Great China Metal Ind. Co., Ltd.	Integrity management and prevention of insider trading promotion	0.5
	2023.11.29	SECURITIES & FUTURES INST.	Insider's equity trading legal compliance briefing	3
Pinnacle Ventures Ltd. Representative : Chiang,Shou-Cheng	2023.08.01	SECURITIES & FUTURES INST.	How should directors and supervisors supervise enterprise risk management and crisis management	3
	2023.10.31	SECURITIES & FUTURES INST.	Enhance the sustainable value of enterprises and improve the risk management system	3
	2023.10.31	Great China Metal Ind. Co., Ltd.	Integrity management and prevention of insider trading promotion	0.5

Liu,Fei-Hu	2023.08.01	SECURITIES & FUTURES INST.	How should directors and supervisors supervise enterprise risk management and crisis management	3
	2023.08.16	Great China Metal Ind. Co., Ltd.	Enterprise carbon inventory management trend and legal source requirements	6
	2023.10.31	SECURITIES & FUTURES INST.	Enhance the sustainable value of enterprises and improve the risk management system	3
	2023.10.31	Great China Metal Ind. Co., Ltd.	Integrity management and prevention of insider trading promotion	0.5
Chang,Jung-Fei	2023.08.01	SECURITIES & FUTURES INST.	How should directors and supervisors supervise enterprise risk management and crisis management	3
	2023.10.31	SECURITIES & FUTURES INST.	Enhance the sustainable value of enterprises and improve the risk management system	3
	2023.10.31	Great China Metal Ind. Co., Ltd.	Integrity management and prevention of insider trading promotion	0.5
Huang,Win-Jung	2023.06.02	SECURITIES & FUTURES INST.	Prevention of insider trading publicity meeting	3
	2023.08.01	SECURITIES & FUTURES INST.	How should directors and supervisors supervise enterprise risk management and crisis management	3
	2023.10.31	SECURITIES & FUTURES INST.	Enhance the sustainable value of enterprises and improve the risk management system	3
	2023.10.31	Great China Metal Ind. Co., Ltd.	Integrity management and prevention of insider trading promotion	0.5
Hsieh,Ming-Jen	2023.08.01	SECURITIES & FUTURES INST.	How should directors and supervisors supervise enterprise risk management and crisis management	3
	2023.10.31	SECURITIES & FUTURES INST.	Enhance the sustainable value of enterprises and improve the risk management system	3
	2023.10.31	Great China Metal Ind. Co., Ltd.	Integrity management and prevention of insider trading promotion	0.5
Lin,Teng-Rong	2023.07.04	TWSE	Cathay Pacific Sustainable Finance and Climate Change Summit Forum	6
	2023.08.01	SECURITIES & FUTURES INST.	How should directors and supervisors supervise enterprise risk management and crisis management	3

	2023.10.31	SECURITIES & FUTURES INST.	Enhance the sustainable value of enterprises and improve the risk management system	3
	2023.10.31	Great China Metal Ind. Co., Ltd.	Integrity management and prevention of insider trading promotion	0.5

Note 3 : Corporate governance continuing education programs attended by the Company's managerial officers

Title	Name	Date	Organizer	Course	Education hours
President	Chiang,Ming-Te	2023.08.01	SECURITIES & FUTURES INST.	How should directors and supervisors supervise enterprise risk management and crisis management	3
		2023.08.16	Great China Metal Ind. Co., Ltd.	Enterprise carbon inventory management trend and legal source requirements	6
		2023.10.31	SECURITIES & FUTURES INST.	Enhance the sustainable value of enterprises and improve the risk management system	3
		2023.10.31	Great China Metal Ind. Co., Ltd.	Integrity management and prevention of insider trading promotion	0.5
Financcial Director	Chiang,Shao-May	2023.10.24	Accounting Research and Development Foundation	Common deficiencies in "Financial Report Review" and practical analysis of important internal control regulations	6
		2023.10.31	Great China Metal Ind. Co., Ltd.	Integrity management and prevention of insider trading promotion	0.5
		2023.12.21	Accounting Research and Development Foundation	Common internal control management deficiencies in enterprises and analysis of practical cases	6
Corporate governance officer	Chiang,Chia-Chun	2023.04.27	TWSE	Action Plan for Sustainable Development of Listed Companies	3
		2023.06.02	Chinese National Association of Industry and Commerce	Net Zero Power Summit Forum	3
		2023.06.09	SECURITIES & FUTURES INST.	Prevention of insider trading publicity meeting	3

		2023.08.01	SECURITIES & FUTURES INST.	How should directors and supervisors supervise enterprise risk management and crisis management	3
		2023.08.16	Great China Metal Ind. Co., Ltd.	Enterprise carbon inventory management trend and legal source requirements	6
		2023.10.31	SECURITIES & FUTURES INST.	Enhance the sustainable value of enterprises and improve the risk management system	3
		2023.10.31	Great China Metal Ind. Co., Ltd.	Integrity management and prevention of insider trading promotion	0.5
		2023.11.29	TAIWAN CORPPORATE GOVERNANCE ASSOCIATION	2023 Fubon Property & Casualty Insurance ESG and Information Security Risk Management Seminar	3
Sales manager	Liu,Fei-Hu	2023.08.01	SECURITIES & FUTURES INST.	How should directors and supervisors supervise enterprise risk management and crisis management	3
		2023.08.16	Great China Metal Ind. Co., Ltd.	Enterprise carbon inventory management trend and legal source requirements	6
		2023.10.31	SECURITIES & FUTURES INST.	Enhance the sustainable value of enterprises and improve the risk management system	3
		2023.10.31	Great China Metal Ind. Co., Ltd.	Integrity management and prevention of insider trading promotion	0.5
Oversea manager	Huang,Tien-Chang	2023.08.01	SECURITIES & FUTURES INST.	How should directors and supervisors supervise enterprise risk management and crisis management	3
		2023.10.31	SECURITIES & FUTURES INST.	Enhance the sustainable value of enterprises and improve the risk management system	3
		2023.10.31	Great China Metal Ind. Co., Ltd.	Integrity management and prevention of insider trading promotion	0.5
Financial officer	Cheng,Li-Fen	2023.10.31	Great China Metal Ind. Co., Ltd.	Integrity management and prevention of insider trading promotion	0.5

3.3.5-1. Fulfillment of ESG and Deviations from the "Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies"

Evaluation Item	Implementation Status			Deviations from “Corporate Social Responsibility(ESG) Best Practice Principles of TWSE/GTSM Listed Companies” and Reasons
	Yes	No	Abstract Explanation	
1. Does the company establish exclusive (or concurrently) dedicated first-line managers authorized by the board to be in charge of proposing the ESG policies and reporting to the board?	√		<p>The Company established the " Greenhouse Gas Inventory Promotion Team " in accordance with the Corporate Social Responsibility Best Practice Principles for TWSE/TPEX Listed Companies. The board of directors authorized the general manager of the operation team to serve as the management representative, and the factory manager of the Toufen factory was the leader of the promotion team. Carry out the internal and external information management of the greenhouse gas inventory for corporate sustainable development, and complete the company's greenhouse gas inventory and certification work.</p> <p>The GHG inventory promotion team regularly (at least once a year) reports to the board of directors on the implementation plan and results of the GHG inventory. Reported to the board of directors for 4 times in 2023, including: (1) drafting the parent company's greenhouse gas inventory and verification schedule (2) formulating the organizational structure and scope of duties of the greenhouse gas inventory promotion group (3) promoting the education and training of group members class schedule (4) Apply to the Industrial Bureau of the Ministry of Economic Affairs for the "Metal Industry Smart and Low-Carbon Upgrading and Transformation Tutorial Program" and complete the company's ISO14064-1 carbon inventory report.</p>	None

			The company's board of directors regularly listens to the reports of the promotion team every quarter, and provides timely suggestions and guidance on the company's greenhouse gas promotion schedule, personnel training content, and promotion team duties, and improves the functions of the board of directors through the company's organization and mechanism.	
2.Does the Company follow materiality principle to conduct risk assessment for environmental, social and corporate governance topics related to company operation, and establish risk management related policy or strategy?	V		<p>The risk assessment is based on the relevant operating activities in Taiwan as the main assessment boundary, including the company's operating bases (general management office, Fugang plant area, and Toufen plant area).</p> <p>Following the definition of materiality in GRI Standards, the company will regularly conduct materiality questionnaires on various issues to collect the opinions of stakeholders, and use the questionnaires to inform key stakeholders about the impact of sustainable issues such as comprehensive economy, environment and society (including human rights) Extensive surveys to identify major issues of concern to stakeholders. For the assessment process of major issues such as environment and social corporate governance, relevant risk management policies and strategies will be included in the relevant chapters of the annual ESG sustainability report.</p>	None
3. Environmental Topic (1) Has the Company set an environmental management system designed to industry characteristics?	V		The Company has successfully passed the FSSC 22000 certification and, as a result, put various infrastructure and structures, e.g., buildings, working spaces, public facilities and process equipment, into sound control to assure the stability of product quality and safety. For relevant instructions, please refer to the Company's ESG Sustainability Report.	None
(2) Is the Company committed to improving resource efficiency and to the use of renewable materials with low environmental impact?	V		a.The major raw materials required by the Company are aluminum and iron materials that can be 100% recycled and re-used and all such materials shall be in compliance with the specifications and be non-polluting as the very	None

		<p>key factors in our purchase considerations.</p> <p>b. Our Company has endeavored to build standard operating procedures (SOP). In each and every month, we conduct prudent inspection over the use of water, electricity, gas and other resources to ensure the maximum possible effective use of all sorts of resources.</p> <p>c. Inside our Company, we have set up resource recycling bins and conducted internal resource classification and recycling promotion measures for the entire staff. Thanks to such efforts, all sorts of resources can be effectively recycled and re-used inside our Company. For relevant instructions, please refer to the Company's ESG Sustainability Report.</p>	
(3) Does the Company evaluate current and future climate change potential risks and opportunities and take measures related to climate related topics?	V	<p>For the identification of climate change risks and opportunities, the company proposes five major categories of climate risks and subdivides the actual situation of several items as the items for climate risk identification through internal consultation, industry type analysis and current trend observation, so as to comprehensively Pay close attention to the possible risks of climate change. The content of potential risks and opportunities related to climate change will be included in the content of the sustainability report issued by the company every year. At the same time, the company is actively promoting the introduction of the climate change-related financial disclosure TCFD system, and plans to disclose the company's response to climate change through the four core elements of TCFD: "governance", "strategy", "risk management" and "indicators and goals". , and in the face of the transition risks brought about by climate change, 7 short-, medium- and long-term opportunity issues and 6 types of risk projects have been identified. Through cross-departmental discussions and formulation of relevant management measures for follow-up management, the impact of various risks will be reduced. It is also disclosed on the company website</p>	None

			and the Sustainability Report.	
(4) Does the Company collect data for greenhouse gas emissions, water usage and waste quantity in the past two years, and set energy conservation, greenhouse gas emissions reduction, water usage reduction and other waste management policies?	V		<p>In each and every year, we work out statistics to analyze VOCs emissions, production water consumption and waste output. We further formulate annual reduction ratios to achieve energy-saving and carbon-reduction targets.</p> <p>a. VOCs emissions: The total emission of VOCs in 2023 is 103.07 metric tons, which is 9.04metric tons less than 112.11metric tons in 2022, a decrease of 8.06%.</p> <p>The company has established a "Greenhouse Gas Inventory Promotion Team" to complete the company's greenhouse gas inventory and certification work according to the planned progress. In 2023, we cooperated with the Metal Center, a legal person, to apply to the Industrial Bureau of the Ministry of Economic Affairs for the "Metal Industry Smart and Low-Carbon Upgrading and Transformation Guidance Plan" to complete the 2022 ISO14064-1:2018 greenhouse gas inventory report of the company's Toufen factory, in scopes 1 and 2. On an inventory basis, a total of 8,657.24 metric tons of carbon dioxide was emitted. In response to the reduction of greenhouse gases, introduce advanced technologies to develop low-carbon products, install regenerative combustion furnaces and other equipment in the factory area to save energy consumption, control the use of energy in office and factory space operations, etc., and achieve comprehensive energy management through multiple energy-saving strategies.</p> <p>b. Water consumption: The total water consumption in 2023will be 88,185 degrees, a decrease of 1,230 degrees compared with the same period of the same period, a decrease of 1.38%.</p> <p>Water resources management is a very important part of the company's production</p>	None

		<p>and manufacturing. It is committed to reducing water consumption in the process, improving the effectiveness of wastewater treatment, and pursuing the maximization of water efficiency, setting water-saving goals for regular inspections, and promoting water-saving plans to implement water-saving results.</p> <p>c. Total waste: In 2023, the output of non-hazardous waste was 146.240 metric tons and hazardous waste was 2.100metric tons, totaling 148.340 metric tons, an increase of 2.634 metric tons or 1.81% over the same period. With the main goal of reducing the output of industrial waste, reusing waste, and reducing environmental pollution, the company strengthens resource recovery, properly classifies waste, and appoints professional and qualified processing manufacturers to clean and transport waste according to different types. The annual output is statistically analyzed every year, and the output ratio is required to be reduced year by year to achieve truly environmentally friendly production. Please refer to the Company's ESG Sustainability Report for the foregoing description.</p>	
<p>4. Social Topic</p> <p>(1) Does the Company set policies and procedures in compliance with regulations and internationally recognized human rights principles?</p>	V	<p>Our Company faithfully complies with the Labor Standards Law, Employment Service Act, Act of Gender Equality in Employment as well as other related laws and regulations concerned to ensure the principle of labor-oriented human rights and safeguard the legitimate rights and interests of our entire staff. And formulate the human rights declaration policy and announce it on the company website. The Company has established an "Internal Control System" and the company-related labor laws and regulations into the company system. All such laws and ordinances concerned function as the very basis for the work of all departments and to safeguard the rights and interests of our</p>	None

		employees. Through outsourcing (certified public accountants, auditors), we conduct sound audit in performance in each and every year to firmly safeguard the rights and interests of the employees. For relevant content, please refer to the company website and the ESG Sustainability Report.	
(2) Has the Company established appropriately managed employee welfare measures (include salary and compensation, leave and others), and link operational performance or achievements with employee salary and compensation?	V	<p>a. Article 31 of the company's articles of association: "If the company makes profits in the year, no less than 1% should be appropriated as employee remuneration, and the board of directors will decide to distribute it in the form of stock or cash. Employees; the company can increase the amount of profits, and the resolution of the board of directors should allocate no more than 5% as director remuneration. The distribution of employee remuneration and director remuneration should be reported to the shareholders' meeting. However, if the company has accumulated losses, it should be reported in advance. Retain the supplementary amount, and then allocate employee remuneration and director remuneration in proportion to the preceding paragraph." The company's employee remuneration distribution in the past three years is 2% of the pre-tax net profit, and the company's operating results are shared with the employee remuneration simultaneously.</p> <p>b. The main items of employee remuneration include basic salary, job bonus, post allowance, special service allowance, environmental allowance, meal allowance, full attendance bonus, performance bonus, and year-end bonus, etc. Staff salary refers to the salary market situation, the company's operating conditions and organizational structure, and sets the salary payment standard. It is also adjusted with reference to the achievement of individual performance goals of employees, market salary dynamics, and changes in the overall economic and industrial prosperity.</p>	None

		<p>c. Performance bonus: The performance bonus system will be implemented in 2023 to motivate the company's colleagues and share business results. In addition to evaluating the department's work goals and the performance appraisal of colleagues' annual work performance, the performance bonus system also measures the company's annual EPS and various operating KPI indicators, such as: production and operation indicators, sales comprehensive indicators, environmental safety and health indicators, product quality indicators, and administrative affairs indicators, etc., in order to clarify and effective incentive reward system, reflected in the employee compensation policy, and combined with corporate governance and overall operation, in order to achieve the goal of sustainable development.</p> <p>d. The company provides 14 types of leave according to the needs of employees, especially the seven-day paternity leave for male colleagues, seven-day family care leave, anti-epidemic isolation leave, anti-epidemic care leave, vaccination leave, and ritual leave for indigenous peoples, etc.</p> <p>e. The company established the Employee Welfare Committee in 1990 to carry out annual domestic (foreign) travel, family day activities, distribution of company uniforms, lunch supply, subsidies for weddings and funerals, distribution of gifts (vouchers) for May Day and the Third Festival, birthday gift certificates, and annual processing Welfare measures such as employee health checks, children's education grants and grants, and long-term awards for senior employees.</p>	
(3) Does the Company provide employees with a safe and healthy working environment, with regular safety and health training?	V	<p>a. Our Company has, as well, set up labor safety and health management personnel to take charge of planning, execution, inspection, review and other operations of employee safety and health affairs and further perform work environment inspections and improvements on</p>	None

		<p>a quarterly basis. Thanks to such dedicated efforts, we are able to provide employees with very safe and healthy working environment.</p> <p>b. In accordance with the provisions of the Fire Protection Law, the company handles various fire safety equipment in the factory area and conducts fire protection and industrial safety drills twice a year, and entrusts professional institutions to conduct fire inspections and declarations regularly every year. In 2023, there were no fire incidents in any of the company's factories. Employee casualties due to fire.</p> <p>c. In order to understand the actual status of the labor working environment and assess labor exposure, according to the working environment monitoring plan, working environment monitoring is arranged every six months. Monitoring plans and results are reported and verified on the Labor Working Environment Monitoring and Exposure Hazard Management Platform in accordance with regulations.</p> <p>d. Regularly review the actual handling and use of hazardous chemicals, and update safety data sheets (SDS), hazardous chemicals lists and hazard communication plans from time to time. Confirm the SDS, dosage, maximum and annual total operating volume of the chemicals used, and the number of people exposed (including women/workers under 18 years old), and complete the following declarations and verifications in accordance with the law: (1) Declaration of priority management chemicals (2) Public Declaration of dangerous goods (3) Standard registration of existing chemical substances.</p> <p>e. Employee health management and health promotion: (1) Better than the time limit and items specified in Article 17 of the Labor Health Protection Regulations, workers (including</p>	
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		<p>foreigners) shall undergo a health examination (including general items and meal items) once a year. For those with abnormal health examination results, special medical staff interviews and health guidance will be arranged, and follow-up inspections will be carried out.</p> <p>(2) Workers (including new employees) engaged in particularly hazardous operations will be provided with special occupational hazard health examinations based on the hazard characteristics of the operations to protect workers' health, detect occupational diseases early, and improve the labor working environment.</p> <p>(3) The company uses "retirement-re-employment", "checking the health of senior employees" and "providing work aids" to not only reduce employees' work burden and turnover rate, but also create a workplace environment where generations of employees collaborate.</p> <p>(4) In order to encourage colleagues to develop good habits of regular exercise, improve physical fitness, and implement it in daily life, the "Walk Healthy, Live a Wonderful Life" competition will be held in the fourth quarter of 2023 at the three plants. Using the simplest method of "walking" and combining it with easy "weight loss", we promote walking 10,000 steps a day within the company, making walking and weight loss a new healthy culture shared by the company's employees.</p> <p>f. Safety and health education and training:</p> <p>(1) Newly hired workers or existing workers must receive a three-hour general safety and health education training course before joining the job, arranged by the personnel unit.</p> <p>(2) In order to ensure that all employees have the necessary safety and health awareness and establish hazard awareness, the company conducts work safety, health</p>	
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			and fire safety and health education and training for employees every six months. In 2023, the company will provide a total of 67 hours of safety and health education and training.	
(4) Has the Company established effective career development training plans?	V		<p>a. Exactly in accordance with the laws and regulations concerned in line with the work needs of various units and departments and further through the process of coaching and guidance by supervisors and senior colleagues, we try by all means to help new recruits to understand the culture inside our Company, a variety of managerial rules to familiarize themselves with job positions to, in turn, accomplish the maximum possible performance.</p> <p>b. Aiming at varied work needs for different duty positions in coordination with the personal career development of colleagues, we map out the necessary technical and academic training programs for each and every position to enhance the professional skills of our entire staff.</p> <p>For the above description, please refer to the Company's ESG Sustainability Report.</p>	None
(5) Does the Company's product and service comply with related regulations and international rules for customers' health and safety, privacy, sales, labelling and set polices to protect consumers' rights and consumer appeal procedures?	V		<p>a. The Company has established a sound food safety policy and expressly formulated standard procedures for communication with consumers and customers. The contents of such standard operating procedures (SOP) cover the storage and use of products, handling of defective products, as well as customer feedback, procedures to take charge of customer complaints and grievances.</p> <p>b. At the Company, we firmly adhere to the business philosophy of decent honesty toward customers with premier customer-oriented products, solid technology and high-quality services.</p> <p>For the above description, please refer to the Company's ESG Sustainability Report.</p>	None
(6) Does the Company set supplier management policy and request suppliers to comply with related standards on the topics of environmental, occupational safety and health or labor right, and their implementation status?	V		<p>a. Our Company has enacted "Regulations Governing the Evaluation of Affiliates or Sub-contractors" to evaluate and appraise the suppliers in their performance capability, look into their previous records toward impact upon environment and society in an effort to assure that our quality and delivery schedule would be</p>	None

			<p>consistent with the Company's requirements. In turn, we assure the stable quality of products to jointly endeavor toward corporate social responsibility (ESG).</p> <p>b. Where in transactions with suppliers, other than the quality of the products they provide to us, we closely watch and make sure whether or not their manufacturing process has been consistent with the requirements of corporate social responsibility (ESG). Whenever a supplier is found with significant impact upon the environment or the society, we shall either cut the supply volume or replace it with another forthwith.</p> <p>For the above description, please refer to the Company's ESG Sustainability Report.</p>	
<p>5. Does the company reference internationally accepted reporting standards or guidelines, and prepare reports that disclose non-financial information of the company, such as ESG reports? Do the reports above obtain assurance from a third party verification unit?</p>	V		<p>The Company will refer to the Global Reporting Initiative (GRI) from 2023, follow the requirements of the new version of GRI Standards (2021) to compile the sustainability report, and publish it on the company website. The report currently does not have procedures such as confirmation or guarantee opinions of third-party verification units.</p>	None
<p>6. If the Company has established the corporate social responsibility principles based on “Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies”, please describe any discrepancy between the Principles and their implementation : None.</p>				
<p>7. Other important information to facilitate better understanding of the Company's corporate social responsibility practices : None.</p>				

3.3.5-2. Climate-Related Information of TWSE/TPEX Listed Company

Implementation of Climate-Related Information

Item	Implementation status
1. Describe the board of directors' and management's oversight and governance of climate-related risks and opportunities.	GCM (Great China Metal) will regularly report climate-related strategies, goals, and execution progress to the board of directors or specific committees. Climate-related risks will be listed as a critical item in risk management, with regular assessments of their impacts. Through annual reports, sustainability reports, and other channels, GCM will disclose its climate strategies and management practices to stakeholders, understand their concerns, and reflect them in decision-making processes.
2. Describe how the identified climate risks and opportunities affect the business, strategy, and finances of the business (short, medium, and long term).	<p>Short-term Impacts:</p> <p>Risks:</p> <ol style="list-style-type: none"> 1. Intensified extreme weather events could lead to operational disruptions, equipment loss, personnel injuries, and product delivery delays, increasing operating costs and reducing profits and revenue. <p>Opportunities:</p> <ol style="list-style-type: none"> 1. Developing low-carbon products and introducing energy-saving and emission-reducing products (such as aTULC cans) can enhance competitiveness and align with market trends. 2. Using renewable energy can reduce greenhouse gas emissions, attract environmentally conscious customers, and potentially receive government incentives and profits. <p>Medium-term Impacts:</p> <p>Risks:</p> <ol style="list-style-type: none"> 1. Changes in policies and regulations may increase investment in equipment to comply with environmental requirements and regulatory penalties, raising production costs. 2. Fluctuations in upstream raw material prices and heightened customer environmental requirements can increase production cost pressures. <p>Opportunities:</p> <ol style="list-style-type: none"> 1. Improving energy efficiency can save on energy and resource procurement costs. 2. Promoting sustainable development among suppliers can establish a stable supply chain. <p>Long-term Impacts:</p> <p>Risks:</p> <ol style="list-style-type: none"> 1. Failure to consider sustainable development may impact reputation and lead to customer or investor loss. 2. Long-term climate change, such as rising temperatures, can increase operational expenses like air conditioning electricity costs.

	<p>Opportunities:</p> <ol style="list-style-type: none"> 1. Promoting green and sustainable development can help attract investor interest. <p>Overall, climate change risks primarily impact operating costs and profits in the short term, while in the medium to long term, they may disrupt operational models, strategies, and financial conditions due to changes in policies, regulations, and market demands. Simultaneously, the company seizes various potential opportunities, such as developing low-carbon products to expand markets, improving energy efficiency to save costs, and strengthening the supply chain, to mitigate the negative impacts of climate risks.</p>
<p>3. Describe the financial impact of extreme weather events and transformative actions.</p>	<p>Financial Impacts of Extreme Climate Events:</p> <ol style="list-style-type: none"> 1. Operational Disruption - Extreme weather may lead to insufficient supply of raw materials and energy, causing production interruptions and reducing revenue and profits. 2. Equipment Loss - Extreme weather may damage hardware facilities, requiring repair costs and decreasing operational efficiency. 3. Personnel Injuries - It may increase personnel costs due to employee injuries caused by disasters. 4. Product Delivery Delays - Delayed deliveries may increase transportation costs. <p>Financial Impacts of Transition Actions:</p> <ol style="list-style-type: none"> 1. Compliance with Environmental Regulations - To meet stricter environmental requirements, additional pollution prevention equipment may be needed, increasing capital expenditures. Failure to meet standards may result in shutdowns or fines. 2. Supply Chain Pressure - Upstream suppliers reducing production and rising international raw material prices lead to higher production material costs. Downstream customers' increasing environmental awareness may demand the use of eco-friendly materials, potentially increasing material procurement costs. 3. Low-carbon Product Development - Developing low-carbon products like aTULC cans requires research and development expenses but can help enhance competitiveness and expand markets. 4. Energy Use Management - Introducing renewable energy equipment requires investment costs but can save on energy expenses in the long run. 5. Sustainable Supplier Management - Assisting suppliers in sustainable transformation may require additional costs for guidance and auditing. <p>Extreme climate events may increase a company's operating costs and reduce profits, while transition actions to address climate change require significant investment. In the short term, these actions will increase cost expenditures, but in the long run, they can help reduce</p>

	climate risks, enhance competitiveness, and save energy costs, positively impacting the company's finances.
4. Describe how climate risk identification, assessment, and management processes are integrated into the overall risk management system.	<p>GCM (Great China Metal) integrates the identification, assessment, and management processes of climate risks into its overall risk management system with the following approach:</p> <p>Climate Risk Identification: Through internal discussions and industry trend monitoring, GCM has identified 21 potential climate risk items and 9 potential climate opportunity items across five major categories, including extreme weather, long-term climate change, policies and regulations, and changes in market demand, to conduct comprehensive risk identification.</p> <p>Risk Assessment: The company invites managers from relevant departments to evaluate the impact and likelihood of the identified risk and opportunity items through a questionnaire survey. The results are used to create a climate risk and opportunity matrix, serving as the basis for risk assessment</p> <p>Risk Management: For items assessed as high risks, GCM will formulate countermeasures and management measures through cross-departmental discussions and comply with government climate change response regulations. Necessary measures include equipment replacement, installation of renewable energy facilities, production schedule adjustments, and the introduction of energy management systems to mitigate the impact of climate risks on operations.</p> <p>Through a systematic risk identification and assessment process, GCM concretizes climate risk and opportunity issues and formulates corresponding management plans. These plans are ultimately integrated into the company's top-level decision-making and overall risk control system, closely aligning climate risk management with operational strategies and corporate governance.</p>
5. If scenario analysis is used to assess resilience to climate change risks, the scenarios, parameters, assumptions, analysis factors and major financial impacts used should be described.	<p>When assessing its resilience against climate change risks through scenario analysis, GCM (Great China Metal) used the following scenarios, parameters, assumptions, and analysis factors:</p> <p>Scenarios:</p> <ol style="list-style-type: none"> 1. Raw Material Price Fluctuation Scenario - Under a low-carbon emission scenario, waste aluminum may become an important raw material source, leading to price fluctuations. 2. Intensified Extreme Weather Event Scenario - According to the IPCC and Taiwan's Climate Change Projection and Information Platform, the frequency and intensity of extreme weather events such as droughts and floods will increase. <p>Parameters and Assumptions:</p> <ol style="list-style-type: none"> 1. Referenced data predictions from the IPCC's Sixth Assessment Report (AR6) and Taiwan's Climate Change Projection. 2. Assumed that under the SSP5-8.5 scenario (highest emission scenario), the maximum consecutive dry days in Taiwan will

	<p>increase by 5.5% by 2050.</p> <p>Analysis Factors:</p> <ol style="list-style-type: none"> 1. Impact of raw material supply, demand, and price fluctuations on production costs and profit margins; assessment of the extent of damage to production facilities from extreme weather events; required capital expenditure for facility repairs and production disruption losses. <p>Major Financial Impacts:</p> <ol style="list-style-type: none"> 1. Raw material price fluctuations will affect the company's raw material procurement costs, consequently impacting total production costs and profit margins. 2. Facility damage caused by extreme weather events will require additional funds for repairs and upgrades, and production disruptions will lead to revenue losses. 3. To enhance adaptability, the company will continue investing in disaster prevention, energy conservation, and other adaptive measures, increasing capital expenditures.
6. If there is a transition plan for managing climate-related risks, describe the content of the plan, and the indicators and targets used to identify and manage physical risks and transition risks.	<ol style="list-style-type: none"> 1. Comply with the government's "Climate Change Response Act" by taking necessary measures such as equipment replacement, installation of renewable energy facilities, and production schedule adjustments to address climate change risks. 2. Introduce advanced process technologies to develop low-carbon products (such as aTULC cans) and enhance competitiveness. 3. Install energy-saving and emission reduction equipment in the plant area, such as waste gas combustion facilities and heat storage combustion furnaces, to control air pollution emissions. 4. Classify and recycle waste for reuse, reducing emissions. 5. Evaluate the installation of solar panels in the plant area to utilize renewable energy. 6. Establish energy-saving targets, such as reducing VOC emissions annually.
7. If internal carbon pricing is used as a planning tool, the basis for setting the price should be stated.	The company currently does not use internal carbon pricing as a planning tool.
8. If climate-related targets have been set, the activities covered, the scope of greenhouse gas emissions, the planning horizon, and the progress achieved each year should be specified. If carbon credits or renewable energy certificates (RECs) are used to achieve relevant targets, the source and quantity of carbon credits or RECs to be offset should be specified.	The company currently does not utilize carbon offsets or renewable energy certificates (RECs) to achieve related targets.

9. Greenhouse gas inventory and assurance status.	separately fill out in point 1-1 and 1-2 below
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1-1 The company's greenhouse gas inventory and verification status in the past two fiscal

1-1-1 Greenhouse Gas Inventory Information

Please state the greenhouse gas emissions for the most recent two years (metric tons of CO₂e), intensity (metric tons of CO₂e per million dollars), and the scope of data coverage.

Fiscal Year 2022 GCM (Toufen Plant) Direct Emissions and Energy Indirect Emissions (Scope 1 and Scope 2)

SCOPE1	Direct emission	Fixed pollution sources (natural gas, drying furnace)	2226.81	tonCO ₂ e
		Mobile pollution sources (gasoline and diesel)	40.59	tonCO ₂ e
		Fugitive emissions (refrigerant)	21.52	tonCO ₂ e
		Process emissions (acetylene, welding rods)	0.05	tonCO ₂ e
SCOPE 2	Indirect emission	Imported electricity	6368.27	tonCO ₂ e
Total			8657.24	tonCO ₂ e
Greenhouse gas emission intensity			19.04	tonCO ₂ e per million cans

Note1: The total production volume of the GCM (Toufen plant) in the 2022 was 454.6 million cans.

1-1-2 Greenhouse Gas Verification Information

Please disclose the assurance status for the most recent two years up to the date of printing of the annual report, including the scope of assurance, assurance institution, assurance criteria, and assurance opinion.

Our company is currently planning matters related to third-party assurance of greenhouse gas emissions.

1-2 Greenhouse Gas Reduction Targets , Strategies , and Specific Action Plans

Please disclose the base year and data for greenhouse gas reduction, reduction targets, strategies and specific action plans, as well as the status of achieving the reduction targets.

In accordance with the "Roadmap for Sustainable Development of Listed/OTC Companies" issued by the Financial Supervisory Commission on February 14, 2022, listed/OTC companies with capital less than NT\$5 billion should complete greenhouse gas inventories for their individual companies by 2026, and include their overseas subsidiaries in the inventory scope in 2027. Our company will promote greenhouse gas inventory actions in accordance with the guidelines, and plan related reduction targets, strategies and specific action plans.

3.3.6. Fulfillment of Ethical Corporate Management and Deviations from the "Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies"

Evaluation Item	Implementation Status			Deviations from th Ethical Corporate Management Best Practices Principles for TWSE listed companies and reasons
	Yes	No	Abstract Illustration	
1. Establishment of ethical corporate management policies and programs				
(1) Does the company declare its ethical corporate management policies and procedures in its guidelines and external documents, as well as the commitment from its board to implement the policies?	V		The Company passed the resolution of the board meeting on August 2, 2022, and established the Company's " Ethical Corporate Management Best Practice Principles ", which clearly stated the Company's policies and practices of integrity management, and the commitment of the board of directors and management to actively implement this business policy; and made it public on the Company's website Disclose relevant norms such as the " Ethical Corporate Management Best Practice Principles " and " Procedures for Ethical Management and Guidelines for Conduct ".	None
(2)Does the company have mechanisms in place to assess the risk of unethical conduct, and perform regular analysis and assessment of business activities with higher risk of unethical conduct within the scope of business? Does the company implement programs to prevent unethical conduct based on the above and ensure the programs cover at least the matters described in Paragraph 2, Article 7 of the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies?	V		The Company abides by various laws and regulations and other laws and regulations related to business conduct. The relevant preventive measures of the " Ethical Corporate Management Best Practice Principles " stipulated by the company have covered the preventive measures for the behaviors of Article 7, Item 2 of the " Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies ". And require all units of the Company to implement it. Besides, the Company has further expressly provided that “an employee of the Company who uses his or her power or convenience in official affairs to profit himself or herself or others or who engages in other private frauds that may cause damage to the Company" shall be dismissed forthwith without notice. The Company tries hard to educate its employees so that they fully understand the Company's firm resolve to operate with integrity, policies and	None

			the consequences of violations of dishonest behavior.	
(3)Does the company provide clearly the operating procedures, code of conduct, disciplinary actions, and appeal procedures in the programs against unethical conduct? Does the company enforce the programs above effectively and perform regular reviews and amendments?	V		The Company formulated the " Ethical Corporate Management Best Practice Principles " on August 2, 2022, specifying the relevant operation procedures, behavior guidelines, punishment and complaint system for violations, and established the " Ethical Corporate Management Task Force " to implement various tasks.	None
2.Fulfill operations integrity policy				
(1)Does the company evaluate business partners' ethical records and include ethics-related clauses in business contracts?	V		All contracts executed with the Company bear confidentiality obligations and intellectual property right clauses to assure business performance in a fair and honest manner.	None
(2)Does the company have a unit responsible for ethical corporate management on a full-time basis under the Board of Directors which reports the ethical corporate management policy and programs against unethical conduct regularly (at least once a year) to the Board of Directors while overseeing such operations?	V		The Company proposes to set up an " Ethical Corporate Management Task Force ", which is affiliated to the board of directors, with the director of corporate governance as the convener, and cross-departmental units to jointly promote corporate integrity management actions, and report to the board of directors on a regular basis (at least once a year) on the implementation of various tasks.	None
(3)Does the company establish policies to prevent conflicts of interest and provide appropriate communication channels, and implement it?	V		A conflict of interest found among business performance, if any, shall be reported to the supervisor and an employee involved in such conflict shall withdraw to prevent such conflict. On various motions or proposals, a director who is proven to be involved in conflict of interest shall withdraw from discussion or voting process in accordance with the principles of recusal.	None
(4)Does the company have effective accounting and internal control systems in place to implement ethical corporate management? Does the internal audit unit follow the results of unethical conduct risk assessments and devise audit plans to audit the systems accordingly to prevent unethical conduct, or hire outside accountants to perform the audits?	V		a.The Company refrains from dealings with people with records of dishonest behavior and expressly stipulates the integrity behavior clause onto all business contracts. All important legal papers of the Company shall be rechecked by legal personnel or legal advisors who will, in turn, offer professional opinions and suggestions. b. The Company's Audit Department is an independent unit subordinate to the board of directors. The Audit Department shall assume the responsibility for the implementation of integrity management. The internal auditors shall, on a regular basis, check the compliance status and further for monitoring and reporting on the performance of various business	None

			operations.	
(5)Does the company regularly hold internal and external educational trainings on operational integrity?	V		The Company conducts integrity management behavior education and training for colleagues through internal and external education and training courses, regular meeting publicity, etc., to implement the implementation of integrity management; the Company will hold internal and external education and training related to issues of integrity management in 2023, including There were 1,695 person-times and 3,836 hours of courses related to compliance and publicity of business regulations, food safety, environmental hygiene, quality management, accounting system and internal control.	None
3.Operation of the integrity channel				
(1)Does the company establish both a reward/punishment system and an integrity hotline? Can the accused be reached by an appropriate person for follow-up?	V		In an attempt to guide employees into faithful enforcement of the high ethical standards within the business scope to prevent illegal acts from occurring, the Company has set strict preventive measures and disciplines and established reporting and grievance channels. The Human Resources Administrative Department is the competent authority in charge of such affairs.	None
(2)Does the company have in place standard operating procedures for investigating accusation cases, as well as follow-up actions and relevant post-investigation confidentiality measures?	V		While the Company accepts a grievance report, in order to safeguard the rights of the complainant, the complaint case shall be handled in a confidential manner and the name of the complainant or other relevant information sufficient to identify the identity of the complainant shall be kept in confidence and shall not be disclosed.	None
(3)Does the company provide proper whistleblower protection?	V		Whenever a person of the Company proves to have violated the code of ethics and behaviors under this standard, he or she shall be punished in accordance with the relevant provisions of the Company's work rules on rewards and punishments. Where the punished person considers that the Company has infringed upon his or her legitimate rights and interests, he or she may follow the Company's relevant regulations to appeal to the Human Resources Administrative Department in accordance with relevant grievance rules of the Company for a sound remedy.	None
4.Strengthening information disclosure				
Does the company disclose its ethical corporate management policies and the	V		The Company discloses the ethical corporate management policies and the results on the	None

results of its implementation on the company's website and MOPS?			company's website, annual report and MOPS.	
<p>5.If the company has established the ethical corporate management policies based on the Ethical Corporate Management Best-Practice Principles for TWSE/TPEX Listed Companies, please describe any discrepancy between the policies and their implementation.</p> <p>There have been no differences.</p>				
<p>6.Other important information to facilitate a better understanding of the company's ethical corporate management policies (e.g., review and amend its policies).</p> <p>(1) The Company has set up "Ethical Corporate Management Best Practice Principles" , "Procedures for Ethical Management and Guidelines for Conduct" , "Regulations Governing Management over Prevention of Insider Trading" and publicized such Regulations for directors, managers and employees either on a regular basis or from time to time on a periodic basis, advising them not to disclose material information inside the Company to others.</p> <p>(2) The Company's "Rules of Procedures Governing Board of Directors' Meetings" expressly stipulate that directors who have gotten involved in interests in a motion in the meeting shall duly withdraw themselves along with their juristic person from participating in the discussion and from the voting process.</p> <p>(3) The Company has faithfully abided by the Company Act, Rules of Exchange- (Over-The-Counter) Listed Companies, taxation and accounting-related laws to put into implementation thoroughly Best-Practice Principles on Good Faith Management.</p>				

3.3.7. If the Company has established corporate governance principles and other relevant guidelines, references to such principles shall be disclosed:

The Company has established its own "Corporate Governance Best-Practice Principles", "Parliamentary Rules for Meetings of Board of Directors" , " Ethical Corporate Management Best Practice Principles" , "Procedures for Ethical Management and Guidelines for Conduct", "Standard Operating Procedure for Handling Directors' Requirements", and "Code of Practice for Sustainable Development". The same are posted on the MOPS and disclosed on the Company's website.

3.3.8. Other information material to the understanding of corporate governance within the Company

In order to established a fair mechanism dedicated to processing and disclosing internal important information, and ensure consistency and accuracy of the information disclosed by the Company to the public, the Company defines the "Regulations on Management of Prevention of Insider Trading", which are communicated to employees by public notice, and must be followed by managerial officers and directors.

3.3.9. Implementation Status of Internal Control System.

1. Internal Control Declaration

Great China Metal Ind. Co., Ltd.
Statement of Internal Control System

Date: Feb. 26, 2024

The internal control system from January 1 to December 31, 2023, according to the result of self-assessment is thus stated as follows :

1. The Company acknowledges that the implementation and maintenance of internal control system is the responsibility of Board of Directors and management, and the Company has established such system. The internal capital system is aimed to reasonably assure that the goals such as the effectiveness and the efficiency of operations (including profitability, performance and protection of assets), the reliability of financial reporting and the compliance of applicable law and regulations are achieved.
2. The internal control system has its innate restriction. An effective internal control system can only ensure the foregoing three goals are achieved; nevertheless, due to the change of environment and conditions, the effectiveness of internal control system will be changed accordingly. However, the internal control system of the Company has self-monitoring function and the Company will take corrective action once any defect is identified.
3. According to the effective judgment items for the internal control system specified in "Highlights for Implementation of Establishing Internal control System by Listed Companies" (hereinafter referred to as "Highlights") promulgated by Securities and Futures Commission, Ministry of Finance R.O.C., the Company has made judgment whether or not the design and execution of internal control system is effective. The judgment items for internal control adopted by “Highlights” are, based on the process of management control, for classifying the internal control into five elements: 1.Control environment; 2.Risk assessments; 3.Control activities; 4.Information and communication; and 5.Monitoring. Each element also includes a certain number of items. For the foregoing items, refer to "Highlights".
4. The Company has adopted the aforesaid judgment items for internal control to evaluate the effectiveness of design and execution of internal control system.
5. Based on the above-mentioned result of evaluation, the Company suggests that the internal control system, including the design and execution of internal control relating to the effectiveness and efficiency of operation, the reliability of financial reporting, the compliance of applicable law and regulations has been effective and they can reasonably assure the aforesaid goals have been achieved.
6. This statement will be the main content for annual report and prospectus and will be disclosed publicly. If the above contents have any falsehood and concealment, it will involve in the liability as mentioned in Article20, 32, 171 and 174 of Securities and Exchange Law.
7. This statement has been approved by the meeting of Board of Directors on Feb. 26, 2024, and those 11 directors in presence all agree at the contents of this statement.

Great China Metal Ind. Co., Ltd.
Chairman : Chiang, Ming-Li
President : Chiang, Ming-Te

2. If the company has commissioned external auditors to review the company's internal control system, the external auditor's report should be disclosed: NA.

3.3.10. Conviction of corporate or employees' wrongdoings, Company's punishment on employee for violation of internal control, major faults and improvements during recent fiscal period and to the publish date of the annual report:None.

3.3.11. Major Resolutions of Shareholders Meeting and Board Meeting :

Major resolutions of 2023 Shareholders Meeting (2023.06.19)

Major resolutions	Implementation status
Accepted the business report and financial statements of 2022.	The proposal was approved by the participating shareholders with 98.82% approved percentage.
Approved the distribution of retained earnings of 2022, amounting to NT\$1.2 per share for cash dividend payment.	1.The proposal was approved by the participating shareholders with 98.88% approved percentage. 2.Ex-Dividend Trading Date:2023.08.03. Cash Dividend Payout Date:2023.08.24.
Adopted the amendment to the "Procedure for the Acquisitions or Dispositions of Assets".	1.The proposal was approved by the participating shareholders with 98.87% approved percentage. 2.The revised version has been published in the company announcement website and follow and have relevant regulations.
Adopted the amendment to the "Operating Procedure for Loaning of Funds and Making of Endorsements /Guarantees".	1.The proposal was approved by the participating shareholders with 98.88% approved percentage. 2.The revised version has been published in the company announcement website and follow and have relevant regulations.
Complete the election of directors and independent directors of the company	The registration was approved by Ministry of Economic Affairs within 15 days.
Approved the Proposal to lift new non-compete restrictions for incumbent directors.	1.The proposal was approved by the participating shareholders with 98.81% approved percentage. 2.Effective on the resolutions at general shareholders meeting.

Major resolutions of 2023 Board Meeting

Date	Proposals and approved of major resolutions
2023.05.02	1. The consolidated financial statements for first quarter of 2023. 2. Formulated the company's "Rules Governing Financial and Business Matters Between this Corporation and its Affiliated Enterprises". 3. The amendments to "Management of Prevention of Insider Trading". 4. Established the "Integrity Management Promotion Group" project. 5. Reelection of directors of the company (including independent directors) and list of nominated director candidates. 6. Proposal of releasing the Non-Competition Restrictions of newly-elected directors.
2023.06.19	1. The 17th board of directors elected the chairman.
2023.06.27	1. Set the record date of distribution of cash dividend of 2022. 2. Appointed the 5th Remuneration Committee.
2023.08.01	1. The financial statements for first half of 2023. 2. The amendments to "Procedure for the Acquisitions or Dispositions of Assets" of the company's direct and indirect investment companies. 3. The amendments to "Operating Procedure for Loaning of Funds and Making of Endorsements / Guarantees" of the company's direct and indirect investment companies.

2023.10.31	<ol style="list-style-type: none"> 1. The consolidated financial statements for third quarter of 2023. 2. Internal auditing proposal of 2024. 3. The amendments to "Management of Prevention of Insider Trading". 4. In response to the business needs of the Company's investee in the mainland China, the Company plans to make endorsements/guarantees for Shanghai United Can Co., Ltd.. 5. In response to the business needs of the Company's investee in the mainland China, the Company plans to make endorsements/guarantees for Jinan United Can Co., Ltd.. 6. The Company's loan transactions with financial institutions and execution of various trading contracts. 7. Authorization of the financial hedge against foreign exchange positions underwritten by the Company in 2024. 8. The company 's established the "Board Secretariat". 9. The company's New appointment Financial officer. 10. The amendments to "Standard Operating Procedure for Handling Request of Directors". 11. The amendments to "Rules of Procedure for Board of Directors Meetings". 12. The business plan of 2024.
2024.02.26	<ol style="list-style-type: none"> 1.The salary distribution of employees and directors in 2023. 2.The financial statements of 2023. 3.The distribution of retained earnings of 2023. 4.The evaluation of external auditor's independence. 5.The statement of internal control system of 2023. 6.The business report of 2023. 7.Approved the related operating procedures for shareholder proposal right. The period for shareholder to submit their proposals.

3.3.12.Document or written statement that states different opinions by board members or supervisors against the approved major resolutions by the board meeting in recent fiscal period and to the publish date of the annual report:
None.

3.3.13.Summary of the resignations and dismissals of the chairman, president, accountant division manager, chief financial officer, internal auditing manager, and R&D manager during the last year and up to the time of printing:

Title	Name	Elected (inauguration) Date	Resignation Date	Reason of resignation and dismissal
Financial manager	Chiang, Chia-Chun	1999/06/01	2023/10/31	Position adjustment

3.4. Auditing Notes

Unit: NT\$ thousands

Accounting Firm	Name of CPA	Period Covered by CPA' s Audit	Audit Fee	Non-audit Fee	Total	Remarks
Deloitte & Touche, Taiwan, Republic of China	Liu, Ming-Hsien	2023/01/01~2023/12/31	3,750	56	3,806	
	Cheng, Chin-Tsung					

(1) The above non-audit fees mainly refer to typing and printing expenses.

(2) Change of CPA firm and less audit fee in that given year compared to the previous year : NA.

(3) If the audit fee is reduced by more than 10% over that in the previous year, please disclose the amount of audit fee reduced, the proportion and reason for the reduction: NA.

3.5. Changing of auditors:

3.5.1. Regarding the former CPA

Replacement Date	Since Q1 of 2022		
Replacement reasons and explanations	The engaged certified public accountants had been replaced to meet the needs of the internal adjustment of Deloitte & Touche, Taiwan. The former CPAs are Chang,Ching-Fu and Cheng,Chin-Tsung, the successor CPAs are Liu,Ming-Hsien and Cheng,Chin-Tsung.		
Describe whether the Company terminated or the CPA did not accept the appointment	Parties		
	Status	CPA	The Company
	Termination of appointment	None	
No longer accepted (continued) appointment			
Other issues (except for unqualified issues) in the audit reports within the last two years	None		
Differences with the company	Yes	-	Accounting principles or practices
		-	Disclosure of Financial Statements
		-	Audit scope or steps
		-	Others
		-	
	None	✓	
	Remarks/specify details:		
Other Revealed Matters	None		

3.5.2. Regarding the successor CPA

Name of accounting firm	Deloitte & Touche,Taiwan,Republic of China
Name of CPA	Liu,Ming-Hsien and Cheng,Chin-Tsung
Date of appointment	Mar. 15, 2022
Consultation results and opinions on accounting treatments or principles with respect to specified transactions and the company's financial reports that the CPA might issue prior to the engagement.	None
Succeeding CPA's written opinion of disagreement toward the former CPA	None

3.6. If the Company's Chairman, President, or managers responsible for financial and accounting affairs have held any position in the accounting firm or its affiliates during the past year, all relevant information should be disclosed: None.

3.7. Net Change in shareholdings and in shares pledged by directors, supervisors, management, and shareholders holding more than a 10% share in the Company. :

3.7.1 Recent changes:

Title	Name	2023		As of Mar. 30, 2024	
		Holding Increase (Decrease)	Pledged Holding Increase (Decrease)	Holding Increase (Decrease)	Pledged Holding Increase (Decrease)
Chairman	ZHENG DA INVESTMENT CO., LTD.	0	0	0	0
	Representative Chiang, Ming-Li	0	0	0	0
Director	KANG NING INVESTMENT CO., LTD.	0	0	0	0
	Representative Chiang, Chia-Chun	0	0	0	0
Director	YONG ZEN INVESTMENT CO., LTD.	0	0	0	0
	Representative Chiang, Kang-Ming	0	0	0	0
Director	GLORY TASK ENTERPRISE CO., LTD.	0	0	0	0
	Representative Chiang, Shao-May	0	0	0	0
Director	Jazwin Ventures Ltd.	0	0	0	0
	Representative Chang, I-Ling	0	0	0	0
Director	Pinnacle Ventures Ltd.	0	0	0	0
	Representative Chiang, Shou-Cheng	0	0	0	0
Director	Liu, Fei-Hu	0	0	0	0
Director	Chang, Jung-Fei	0	0	0	0
Independent director	Huang, Win-Jung	0	0	0	0
	Hsieh, Ming-Jen	0	0	0	0
	Lin, Teng-Rong	0	0	0	0
President	Chiang, Ming-Te	0	0	0	0
Financial Director	Chiang, Shao-May	0	0	0	0
Corporate governance office	Chiang, Chia-Chun	0	0	0	0
Financial officer	Cheng, Li-Fen	0	0	0	0

3.7.2. Shares Trade with Related Party

Name	Reason for Transfer	Date of Transaction	Transferee	Relationship between Transferee and Directors, Supervisors, Managers and Major Shareholders	Shares	Transaction Price (NT\$)
None	None	None	None	None	None	None

3.7.3. Shares Pledge with Related Party : None.

3.8. Information Disclosing the Relationship between any of the Company's Top Ten Shareholders :

Name	Current Shareholding		Spouse's / minor's Shareholding		Shareholding by Nominee Arrangement		Name and Relationship Between the Company's Top Ten Shareholders, or Spouses or Relatives Within Two Degrees		Remarks
	Shares	%	Shares	%	Shares	%	Name	Relationship	
GLORY TASK ENTERPRISE CO., LTD. Representative Chiang,Shao-May	22,059,503	7.23%	0	0%	0	0%	-	-	-
	1,042,507	0.34%	617,264	0.20%	0	0%	Chiang, Cheng-Shing Chiang, Shou-Cheng	Brother and sister	-
Jian Da Investment Co., Ltd. Representative Cheng,Jian-Yun	20,764,950	6.81%	0	0%	0	0%	-	-	-
	0	0%	0	0%	0	0%	-	-	-
Kong Nee Investment Co., Ltd. Representative Chiang,Hsiao-Chun	19,551,088	6.41%	0	0%	0	0%	-	-	-
	1,535,175	0.50%	0	0%	0	0%	-	-	-
Yuan Da Investment Corp. Representative Chiang,Hsiao-Chun	15,975,476	5.24%	0	0%	0	0%	-	-	-
	1,535,175	0.50%	0	0%	0	0%	-	-	-
ZHENG DA INVESTMENT CO., LTD. Representative Chiang,Ming-Li	11,806,451	3.87%	0	0%	0	0%	-	-	-
	11,467,147	3.76%	0	0%	0	0%	-	-	-
Chiang,Ming-Li	11,467,147	3.76%	0	0%	0	0%	-	-	-
JE Ventures Ltd. Representative Chiang,Shou-Cheng	11,426,067	3.75%	0	0%	0	0%	-	-	-
	8,000	0%	12,000	0%	0	0%	Chiang, Cheng-Shing Chiang, Shao-May	Brother and sister	-
YONG CHENG INVESTMENT CO., LTD. Representative Chiang,Cheng-Shing	10,208,877	3.35%	0	0%	0	0%	-	-	-
	4,408,516	1.45%	90,340	0.03%	0	0%	Chiang, Shao-May Chiang, Shou-Cheng	Brother and sister	-
YONG ZEN INVESTMENT CO., LTD. Representative Chiang,Cheng-Shing	10,205,000	3.35%	0	0%	0	0%	-	-	-
	4,408,516	1.45%	90,340	0.03%	0	0%	Chiang, Shao-May Chiang, Shou-Cheng	Brother and sister	-
Pinnacle Ventures Ltd. Representative Chiang,Shou-Cheng	7,052,752	2.31%	0	0%	0	0%	-	-	-
	8,000	0%	12,000	0%	0	0%	Chiang, Cheng-Shing Chiang, Shao-May	Brother and sister	-

3.9. Total Percentage of Ownership of Investees

Unit: shares/ %

Affiliated Enterprises	Ownership by the Company		Ownership by Directors, Supervisors, Managers, and Directly/Indirectly Owned Subsidiaries		Total Ownership	
	Shares	%	Shares	%	Shares	%
HAI HWA INVESTMENT CO., LTD.	-	100	-	-	-	100
GCM HOLDING CO., LTD.	-	100	-	-	-	100
Shanghai United Can Co., Ltd.	-	-	-	100	-	100
Huatong United (Nantong) Plastic Industry Co., Ltd.	-	-	-	100	-	100
Chongqing United Can Co., Ltd.	-	-	-	100	-	100
Jinan United Can Co., Ltd.	-	-	-	100	-	100
GCM PACKAGING (VIETNAM) CO., LTD.	-	-	-	100	-	100
Sunshui Changlee United Container Co., Ltd.	-	-	-	30	-	30

4、Capital Overview

4.1. Capital and Shares

4.1.1 Source of Capital

1. Type of Stock

Mar. 30, 2024

Share Type	Authorized Capital			Remarks
	Issued Shares	Un-issued Shares	Total Shares	
Common stock	305,000,000	25,000,000	330,000,000	

2. Issued Shares

Month/ Year	Par Value (NT\$)	Authorized Capital		Paid-in Capital		Remark		
		Shares	Amount	Shares	Amount	Sources of Capital	Capital Increased by Assets Other than Cash	Other
1998.07	10	330,000,000	3,300,000,000	308,000,000	3,080,000,000			
2002.03	10	330,000,000	3,300,000,000	302,700,000	3,027,000,000			Note1
2003.12	10	330,000,000	3,300,000,000	305,000,000	3,050,000,000			Note2

Note1 : The application for registration of cancellation of treasury stock and capital decrease has been approved by Ministry of Economic Affairs Letter under Jing-Shou-Shang-Zi No. 09101090450 dated March 14, 2002.

Note2 : The common stock, totaling 2,300,000 shares, by private placement has been issued upon approval on May 10, 2007.

3. Information for Shelf Registration : None.

4.1.2. Status of Shareholders

Mar. 30, 2024

Item	Government Agencies	Financial Institutions	Other Juridical Persons	Foreign Institutions & Natural Persons	Domestic Natural Persons	Total
Number of Shareholders	1	2	172	70	19,370	19,615
Shareholding (shares)	147	1,802,000	183,500,960	8,020,613	111,676,280	305,000,000
Percentage	0.00%	0.59%	60.16%	2.63%	36.62%	100.00%

Note : Ratio of shares held by investors in China: 0%.

4.1.3. Common Shares

Mar. 30, 2024

Class of Shareholding (Unit: Share)	Number of Shareholders	Shareholding (Shares)	Percentage
1 ~ 999	9,387	549,321	0.18 %
1,000 ~ 5,000	7,374	15,984,030	5.24 %
5,001 ~ 10,000	1,383	11,174,788	3.66 %
10,001 ~ 15,000	454	5,838,420	1.91 %
15,001 ~ 20,000	331	6,097,093	2.01 %
20,001 ~ 30,000	238	6,009,638	1.97 %
30,001 ~ 40,000	120	4,292,133	1.41 %
40,001 ~ 50,000	91	4,263,142	1.40 %
50,001 ~ 100,000	134	9,731,200	3.19 %
100,001 ~ 200,000	37	5,249,528	1.72 %
200,001 ~ 400,000	24	6,642,006	2.18 %
400,001 ~ 600,000	5	2,228,304	0.73 %
600,001 ~ 800,000	1	617,264	0.20 %
800,001 ~ 1,000,000	2	1,836,000	0.60 %
Over 1,000,001	34	224,487,133	73.60 %
Total	19,615	305,000,000	100.00 %

4.1.4. List of Major Shareholders

Shareholder's Name	Shareholding	
	Shares	Percentage
GLORY TASK ENTERPRISE CO., LTD.	22,059,503	7.23 %
Jian Da Investment Co., Ltd.	20,764,950	6.81 %
Kong Nee Investment Co., Ltd.	19,551,088	6.41 %
Yuan Da Investment Corp.	15,975,476	5.24 %
ZHENG DA INVESTMENT CO., LTD.	11,806,451	3.87 %
Chiang,Ming-Li	11,467,147	3.76 %
JE Ventures Ltd.	11,426,067	3.75 %
YONG CHENG INVESTMENT CO., LTD.	10,208,877	3.35 %
YONG ZEN INVESTMENT CO., LTD.	10,205,000	3.35 %
Pinnacle Ventures Ltd.	7,052,752	2.31 %

4.1.5. Market Price, Net Worth, Earnings, and Dividends per Share

Items	2023		2022	01/01/2024-03/15 (Note2)
Market Price per Share				
Highest Market Price	26.25		27.15	24.25
Lowest Market Price	23.55		23.85	23.70
Average Market Price	24.69		25.56	23.92
Net Worth per Share				
Before Distribution	24.73		24.54	—
After Distribution	23.63	Note1	23.26	—
Earnings per Share				
Weighted Average Shares	305,000,000		305,000,000	305,000,000
Diluted Earnings Per Share	1.45		1.55	—
Dividends per Share				
Cash Dividends	1.10	Note1	1.20	—
Stock Dividends				
Dividends from Retained Earnings	—		—	—
Dividends from Capital Surplus	—		—	—
Accumulated Undistributed Dividends	—		—	—
Return on Investment				
Price / Earnings Ratio	17.03	Note1	16.49	—
Price / Dividend Ratio	22.45	Note1	21.30	—
Cash Dividend Yield Rate (%)	4.46	Note1	4.69	—

Note1 : Pending Shareholders' Meeting Resolution.

Note2 : No audited numbers available till the print date of the annual report.

4.1.6. Dividend Policy and Implementation Status

1. Dividend policy

If the Company retains earnings upon final account of any fiscal year, it must first pay the taxes, make up any losses from past years, and then make contribution of 10% as the legal reserve unless the legal reserve has reached the amount of the Company paid-in capital. After appropriating or reversing a special reserve in accordance with the laws and regulations, the motion for distribution of the balance, if any, plus the accumulative undistributed profit is formulated by the Board of Directors and submitted to a shareholders' meeting for resolution. The Company adopts the dividend policy in response to the current and future development plans and by taking into account the investment environment, funding needs and domestic/foreign competition overview, as well as shareholders' interest. As the Company is still growing, in response to the potential business expansion plan, the Company may allocate at least 30% of the earnings after tax for the current year as bonus to shareholders, unless no earnings are retained for the current year. The bonus to shareholders may be allocated in the form of cash dividends and stock dividends (50%~100% for cash dividends and 50%~0% for stock dividends). Notwithstanding, the Company may adjust the percentage for allocation of cash dividends and stock dividends, subject to the economic overview, industrial development and funding needs, if necessary.

Distribution of stock dividends proposed at the shareholders' meeting: In response to the motion for distribution of the Company's 2023 earnings, the Board of Directors resolved to allocate the cash dividend at NT\$1.1 per share. Upon approval of the allocation per resolution adopted by this general shareholders' meeting, the Board of Directors will be authorized to set the ex-dividend date and date of distribution.

Expected major changes : None

2. 2023 PROFIT DISTRIBUTION TABLE :

		Unit : NT\$
Beginning retained earnings		1,871,134,934
Net profit after tax	442,160,298	
Remeasurement of defined benefit obligation	2,159,850	
Net profit for the year		444,320,148
10% legal reserve		(44,432,015)
Net profit excluding legal reserve		399,888,133
Distributable items		
Dividend to shareholders (NT\$1.1 per share)		(335,500,000)
Unappropriated retained earnings		1,935,523,067

4.1.7. Impacts of Stock Dividends on Operation Results and EPS : NA.

4.1.8. Employee Bonus and Directors' Remuneration

1. Proportion of employee profit and ranges of remuneration to employees and directors specified in the Articles of Incorporation

If the Company retains earnings at end of any fiscal year, the Company must allocate no less than 1% of the earnings as the remuneration to employees, which must be distributed in the form of stock or in cash upon a resolution adopted at a meeting of the Board of Directors. The recipients entitled to receive the remuneration include the employees of subsidiaries of the Company meeting certain specific requirements. The Company may also allocate no more than 5% of said earnings as the remuneration to directors upon a resolution adopted at a meeting of the Board of Directors. The motion for allocation of remuneration to employees and directors must be reported to a shareholders' meeting. Notwithstanding, where the Company retains accumulated losses, the losses must have been covered first, and the remainder, if any, must be allocated as the remuneration to employees and directors on a pro rata basis as referred to in the preceding paragraph.

2. Estimate Foundation of Employee Bonus and Directors' Remuneration : None.

3. Allocation of remuneration passed by the Board of Directors

- (1) The Board of Directors has resolved to allocate the remuneration to the employees, NT\$ 11,473,278, and to directors, NT\$11,473,278, from the Company's 2023 earnings.

- (2) Proposed amount of employees' stock bonus as a percentage to the current period net profit after tax and the total amount of employees' bonus : None.

- (3) Hypothetical EPS after distributing the remuneration to employees and directors: N/A, as the remuneration to employees and directors has been expensed as incurred.

4. The actual distribution of bonus to employees and remuneration to directors resolved by a shareholders' meeting in 2022 is found identical with the projected distribution passed by the Board of Directors.

Distribution Earnings : Employee Bonus-in Cash	NT\$ 12,374,329
Directors' Remuneration	NT\$ 12,374,329

4.1.9. Buyback of Treasury Stock: : None

4.2. Corporate Bonds : None

4.3. Preferred Shares : None

4.4. Global Depository Receipts : None

4.5. Employee Stock Options : None

4.6. Restricted Stock Awards : None

4.7. Status of New Shares Issuance in Connection with Mergers and Acquisitions : None

4.8. Financing Plans and Implementation : None

5、Operational Highlights

5.1. Business Activities

5.1.1. Business Scope

1. The Company's business lines are described as following:
 - (1) Metal Containers Manufacturing
 - (2) Other Metal Products Manufacturing
 - (3) Mold and Die Manufacturing
 - (4) Machinery and Equipment Manufacturing
 - (5) Manufacture of Plastic Sheets, Pipes, Boards, and Tubes
 - (6) Manufacture of Plastic Films and Bags
 - (7) Plastic Daily Necessities Manufacturing
 - (8) Industrial Plastic Products Manufacturing
 - (9) Plastic Leathers Products Manufacturing
 - (10) Other Plastic Products Manufacturing
 - (11) Housing and Building Development
 - (12) New Towns and New Community Development
 - (13) All business items that are not prohibited or restricted by law, except those that are subject to special approval

2. Operating proportion :

Item	proportion %
Aluminum Cans	67%
Top End / Bottom End	19%
Stretch Films	5%
Steel Cans	1%
Other	8%
Total	100%

3. Product Category :

- (1) Aluminum Cans
 - (2) Steel Cans
 - (3) DRD Cans
 - (4) Full Open End / Sot End / Bottom End
 - (5) Stretch Films
4. Business development under planning :
 - (1) To develop the market for laminating aluminum cans domestically or overseas
 - (2) To develop various aluminum (steel) cans/top end types and new materials to provide the complete product series
 - (3) To keep completing the construction of production and sales locations for supply to ASEAN.

5.1.2. Industry Overview

1. Current and future industry prospects

The metal can industry refers to an industry requiring high capital intensity and technology. Especially, the investment capital required by a set of production lines for aluminum cans, in addition to land and plant and working capital, often amounts to NT\$1 billion at least. Given the high capital intensity and technical threshold for the market access in the industry, the food and beverage industry is considered engaging in production of seasonal products, and its demand appears to be concentrated in peak seasons. In response to customers' needs,

the production lines are automated and largely computerized and, therefore, are less dependent on the labor force.

2. Association between upstream, midstream, and downstream industry participants

Metal can products may be categorized into two-piece aluminum cans, three-piece steel cans, DRD squeeze cans, and aluminum (steel) EOE top/bottom ends. Most of the aluminum materials required for such products are imported after they are priced in an international market and processed into aluminum alloy coils by certain multinational aluminum manufacturers. The tinplates are manufactured and supplied by domestic and foreign tinplate manufacturers respectively. Accordingly, association is closed between upstream and downstream industry participants. Most can manufacturers refer to the food and beverage industry participants. The top ends required by the industry are generally divided into ordinary and high thermal resistance aluminum and steel top ends.

3. Overall economy and industry development trends, and product competition

With the economic development in Taiwan, apparently beverages have become some daily necessity in the people's livelihood. Aluminum and steel cans can block air and light effectively with perfect tightness and, therefore, are identified as the best containers for foods and beverage to help keep perfect flavor of foods and beverages remain the same. Meanwhile, they are subject to the lowest recycling costs and pose very little impact to the environment. In consideration of the social interests and reduction of impact posed by waste to the environment, aluminum and steel cans are considered as the containers with the strongest competitiveness. Therefore, aluminum and steel cans will still be the main containers adopted in the food and beverage packaging markets.

Despite the stable market share of metal packaging in the market of various food packaging materials, for the industrial prospective development, it is still necessary to improve the existing product functions, and introduce new technologies, process and can types to make the products become more attractive.

5.1.3. Research and Development

Research and Development Expenses in Past Two Years

Unit : NT\$ thousands

Year	2023	2022	2021
Research fee	1,123	965	1,412

1. Future research and development plan : Please refer to page 4.

5.1.4. Long-term and Short-term Development :

1. Short-term business development plan :

Practice the quality control, improve process and technological capabilities, and provide omnibus products to pursue sustainable business growth.

2. Long-term business development plan :

- (1) Expand overseas locations to get closer to customers and cut transportation costs
- (2) Improve management and production performance and cut costs
- (3) Improve logistic ability and establish high-efficiency service systems
- (4) Effective inventory management
- (5) Active and stable financial management

5.2. Market and Sales Overview

5.2.1. Market Overview

Great China Metal Ind. Co., Ltd. is the only one manufacture engaged in production of comprehensive packaging and containers domestically. Its products cover various aluminum (steel) cans, LLDPE films, and aluminum (steel) EOE and full open can top ends. It is dedicated to providing the omnibus product series to provide complete services in the food and beverage industry.

In consideration of the impact posed by the significant fluctuation in the price of aluminum and steel raw materials and the economy in the market, under the circumstance that the aluminum can sales declined by 3 % in 2023 from last year, while the steel can sales increase by 18 %, the various aluminum (steel) top end sales also increase by 7%.

The actual sales performance of export accounts for 4% of the total turnover. The international market is still under development. The Company has established the production and sales locations for aluminum (steel) EOE top ends in Vietnam, in order to promote the sales performance in the territories of South East Asia under the international labor division system. It is believed to be help the Company's overall operating revenue substantially.

※ The ratio of domestic sales and export sales is 96% and 4%.

※ Upcoming opportunities and threats, and the responsive strategies

1. Opportunities

- (1) Stable finance and technical team are advantageous to diversified investment projects.
- (2) As a manufacturer with its own molds and spare parts/components, the Company's self-made rate attains more than 90%, which may help cut the costs significantly and also respond to customers' demand for change of types rapidly.
- (3) Diversified product types and wide marketing channels to deepen the competitiveness in market.
- (4) The Company focuses on globalization and keeps construction plants and expanding sales channels overseas to mitigate its market risk.

2. Threats

- (1) The fluctuation in the price of such raw materials as aluminum and steel sheets poses an impact to the production cost and thereby make it difficult to reflect the selling price.
- (2) The peer competition causes reduction of short-term earnings.
- (3) The electronics industry's advantages causes the effect of crowding out and thereby make the traditional industry to recruit talents.
- (4) Customers' demand for products tends to be small quantity and diversification and thereby increases the production costs, and also increases the frequency of startup so as to result in increase in the plant's cost.

3. Responsive measures for improvement

- (1) Continue to improve the process technology and productivity, cut production costs and increase profitability.
- (2) Establish know-how through the exchange and cooperation with domestic academic research institutions to create the knowledge value ahead of the others in the same industry.
- (3) Continue to expand the products in depth and width, in hopes to keep the strength in scale of economy until it becomes a growth engine.
- (4) Establish more closer supply and demand relations to cut production costs.

5.2.2. The major purpose of Main Products and Production Process of Main Products

1. The major purpose of Major Product :

Major products	The major purpose (Features)
Aluminum Cans	The aluminum cans are widely applied for carbonated drinks, beer and drinks with Nitrogen (juice, coffee, tea, sport drinks)
Steel Cans	The steel cans are widely applied for juice, coffee, tea, dairy products, sport drinks, congee, dessert and so on.
Top End / Bottom End	Suitable for beverage cans, food cans and related containers.
Stretch Films	Full range of stretch films are available covering machine stretch films, handmade films, paperless tube films, colored films, slitting small films. The films are widely applied for packing transportation for fields of beverage drinks, chemical raw material, paper printing, fiber products, electric product, car accessories, decorative board, can-making container, warehouse logistic and so on.

2. Production Process of Main Products :

2-Piece Aluminum Can production process

Aluminum coil inspection→cupping→body making→edge trimming→can washing→printing, glazing→inside coating→necking and flanging→can inspection→packaging.

3-Piece Steel Can production process

Tinplate→Printing→Cutting→Forming welding→Side repainting→necking and flanging→Seaming End Or bottom→Vacuum inspection tank→Can body repainting→Packaging.

Aluminum Or Tinplate Can Ends production process

Aluminum Or Steel sheet→coating→cutting→press forming→gluing→combined punch processing→packaging.

5.2.3. Supply status of major raw materials

The price of aluminum has been falling continuously since 2023, reflecting a global economic slowdown. However, traders, producers, and analysts believe that the aluminum price may be approaching the bottom because they are increasingly optimistic about the rising demand for aluminum due to emerging clean energy technologies. According to the Financial Times, the London Metal Exchange (LME) aluminum futures benchmark price has fallen by nearly 20% from its peak in January to date. Compared to last year's peak, it has plummeted by over 40%. The main reasons are the weak economies in Europe and the United States, as well as poor construction demand in China.

However, many producers and traders are increasingly optimistic about the medium-term outlook for aluminum prices, predicting growth in demand from electric vehicle and solar panel manufacturers. The aluminum futures prices have seen the largest "contango" since the financial crisis this month. This indicates that buying aluminum now is cheaper than buying it in the future, reflecting weak spot demand but an expectation of higher futures prices. The current price of the LME three-month aluminum futures contract is around \$2,170 per ton, significantly lower than 2022 \$3,840 per ton. Aluminum is used in a variety of products such as construction, beverage cans, solar panels, automobiles, and aircraft, and is often seen as an indicator of the overall industrial economy.

On the supply side of steel, according to Worldsteel statistics, global crude steel production in 2023 October this year was 150 million tons, marking an eighth consecutive month of decline, indicating that global steel supply has been controlled. In terms of raw materials, the price of iron ore has climbed to a new high this year, reaching \$135 to \$140 per metric ton. Metallurgical coal prices continue to rise due to safety inspections in Chinese mines, production disruptions in Australia, and strong demand in the Indian market, currently standing at around \$330 to \$340 per metric ton. Benefiting from strong demand for coal and iron ore, the Baltic Dry Index (BDI) has surged to around 2,500, a 135% increase from its low point of 1,063 in early September. With transportation costs increasing and contributing to the steelmaking costs at the factory, this has fueled upward momentum in steel prices. In the market situation, U.S. steel mills have been continuously raising prices since October, with the ex-factory price of hot-rolled steel rising by over \$400 per metric ton (a 64% increase). During the same period, hot-rolled steel prices in Europe have increased by over \$80 per metric ton (a 12% increase), prompting European steel mills to launch another round of price increases for flat products in early December, with an increase of \$44 per metric ton, further boosting the steel market. Baowu and Anben Steel Mills plan to raise flat product prices by RMB 100 to 200 per metric ton (approximately \$14 to \$28) starting in 2024 January, marking the seventh consecutive month of price increases. Chinese steel mills have raised export prices by \$40 to \$50 per metric ton, driving up Asian steel prices from their lows and establishing a clear upward trend in global steel prices.

5.2.4. List of suppliers that have accounted for at least 10% of procurement over the past two years:

Major Suppliers in the Last Two Calendar Years

Unit: NT\$ thousands

Item	2023				2022			
	Company Name	Amount	Percent [%]	Relation with Issuer	Company Name	Amount	Percent [%]	Relation with Issuer
1	L	1,226,581	22	NA	K	1,451,829	24	NA
2	K	699,838	12	NA	I	879,084	14	NA
3	I	688,947	12	NA	M	772,746	13	NA
4	M	418,832	7	NA	L	696,739	11	NA
5	D	92,294	2	NA	D	624,662	10	NA
6	Others	2,536,922	45	NA	Others	1,723,268	28	
	Net Total Supplies	5,663,414	100		Net Total Supplies	6,148,328	100	

Note 1: Major suppliers refer to those commanding 10%-plus share of annual order volume.

Major Clients in the Last Two Calendar Years

Unit: NT\$ thousands

Item	2023				2022			
	Company Name	Amount	Percent [%]	Relation with Issuer	Company Name	Amount	Percent [%]	Relation with Issuer
NA	NA	NA	NA	NA	NA	NA	NA	NA
	Net Sales	8,404,848	100		Net Sales	8,774,698	100	

Note 1: Major suppliers refer to those commanding 10%-plus share of annual order volume.

5.2.5. Production in the Last Two Years

Unit: thousands

Year	2023			2022		
Output	Capacity (Note)	Quantity	Amount	Capacity (Note)	Quantity	Amount
Major Products						
Aluminum Cans	1,659,644	3,152,610	4,923,136	1,647,155	3,066,401	5,268,269
Top End / Bottom End	1,716,908	597,046	507,279	1,714,672	977,540	671,730
Stretch Films (Ton)	10,000	8,085	358,494	10,000	10,153	475,046
Steel Cans	107,449	31,820	83,873	105,446	46,989	109,852
Total	-	-	5,872,782	-	-	6,524,897

Note 1 : Production capacity means the quantity which may be produced by the Company within a shift period with the existing production equipment and under the normal operation, after measure such factors as required suspension of work and holidays.

Note 2 : In the event of alternative production, the production capacity may be consolidated and explained in the notes hereto.

5.2.6. Shipments and Sales in the Last Two Years

Unit: thousands

Year	2023				2022			
Shipments & Sales	Local		Export		Local		Export	
	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount
Major Products								
Aluminum Cans	3,143,499	5,523,120	24,321	71,252	2,922,802	5,565,285	59,065	182,535
Top End / Bottom End	2,722,783	1,552,754	45,309	34,123	2,545,980	1,542,401	78,107	64,580
Stretch Films(Ton)	6,376	316,087	1,486	72,047	7,893	410,515	2,083	107,423
Steel Cans	31,189	105,871	4,055	11,999	37,040	118,092	10,156	29,667
Others	-	605,281	-	112,314	-	625,034	-	129,166
Total	-	8,103,113	-	301,735	-	8,261,327	-	513,371

5.3. Human Resources

Year		2022	2023	As of Mar. 31, 2024
Number of Employees		823	758	772
Average Age		43.1	44.0	43.8
Average Years of Service		10.1	10.1	10.0
Level of Education / %	Ph. D.	0.12	0.13	0.13
	Masters	2.07	1.72	1.94
	Bachelor's Degree	40.58	42.08	42.62
	Senior High School	39.13	38.92	38.08
	Below Senior High School	18.10	17.15	17.23

5.4. Expenditure of Environmental Protection

5.4.1. Losses resulting from environmental pollution in the most recent year and as of the publication date of the annual report:

The company has in recent years purchased and installed or updated environmental protection-related machinery and equipment according to the laws and regulations and conducted monthly inspections, maintenance of pollution prevention equipment as well as training programs for pollution prevention technicians. Such efforts have been faithfully exerted exactly in accordance with regulations to respond to increasingly stringent environmental protection measures. In recent years, the Company has not incurred any significant financial losses resulting from environmental pollution and there has not been estimated amount of financial losses due to environmental pollution. The Company, nevertheless, will strengthen continuously environmental protection measures and exert every effort to comply with legal requirements to eliminate any cause of pollution to the environment from possible occurrence.

5.4.2. Establishment of environmental protection related facilities

1. Efforts to apply for fixed pollution source operation permits: Our Fugang plant has successfully obtained the license in 2001. Our Toufen plant has successfully obtained the operating license of fixed pollution source in 2005, as well.
2. Establishment of pollution prevention equipment.
 - (1) Regarding wastewater treatment, we have set up a wastewater treatment facility capable of treating 720 tons (currently, the actual treatment is 560 tons). In 1994, we invested NT\$7 million to build additional biological treatment equipment for which we further invested NT\$1 million yuan to update in 2006. Thanks to the updating efforts, other than reducing the

operating costs of wastewater treatment, our Company could better satisfy the discharged water standards/criteria promulgated by the Environmental Protection Administration, the Executive Yuan.

In our Company, we designed by ourselves the equipment to improve oil-water separation equipment in 2009 to further improve the removal rate of the original wastewater solids and slick oil.

In 2013, we added a drainage water recycling system to use the qualified drainage water to clean the pallets and to recycle the wastewater treatment equipment for reprocessing. By such efforts, we achieved the benefits of full re-use of resources, minimize waste and accomplish the benefit in water resource conservation.

- (2) In terms of air pollution prevention and control, we have equipped our Fugang plant with hot smoke and exhaust gas combustion equipment which burns the generated exhaust gas at high temperature to significantly minimize the emission of volatile organic compounds. In addition, the combustion tower would return part of the exhaust gas to the secondary combustion as an alternative fuel to reduce fuel use, lowering CO₂ emissions. Since the second half of 2020, we have invested NT\$14.5 million toward the activated purchase fluidized bed equipment for adsorption and desorption (The equipment was officially put into operation in November 2020) to efficiently collect, control the odor of the oven emissions and safeguard the air quality around the plants. We started mapping out Toufen Plant in the second quarter of 2017, designing the additional air pollution prevention equipment. In 2018, we invested approximately NT\$35 million to add regenerative combustion furnaces and manifolds and other air pollution prevention equipment and other related projects. The manifolds would collect exhaust gas which would be combusted in high-temperature to minimize the emission of volatile organic compounds by as much as more than 98%.The regenerative design can save energy consumption and cut down CO₂ emissions. Such air pollution control system is scheduled to be completed and put into operation in the third quarter of Year 2019.
- (3) In 2016, the old technical pressure type sludge de-watering machine was replaced and updated with a filter type de-watering machine to enhance the efficiency of the de-watering machine and reduce the output of sludge.
3. Personnel serving with the dedicated unit of environmental protection: We have assigned one person to be in charge of water pollution prevention and control, and one person in charge of waste removal.
4. In terms of waste treatment, in all events, we have outsourced qualified waste disposal firms to clean, transport and process waste. Since 2021, the empty barrels for various raw materials have been properly handled according to the characteristics of the contents, such as entrusting legal operators to properly handle them or requiring suppliers to recycle and reuse empty barrels or improve the packaging method to reduce the output of waste empty barrels.
5. Our solvent distillation recovery equipment would be able to collect and re-use the waste solvent out of the cleaning equipment, reduce pollution and improve the solvent re-use rate.

5.4.3. Losses resulting from polluted environment and our future countermeasures

Other than relevant equipment, personnel, monthly inspection along with efforts for upkeeps for pollution-related equipment as required by laws and ordinances concerned, we have cultivated and trained pollution prevention and control technicians in accordance with requirements in response to increasingly stringent environmental protection standards.

- 5.4.4. For raw materials, manufacturing process and shipping process of the products, our Company, as always, strictly controls the source and conducts sampling and testing to ensure superior product quality. In recent years, we put FSSC 22000 food safety system verification into overall comprehensively enforcement to reduce the frequency of unqualified products and cut costs to better satisfy customers' requirements for the safety of food packaging containers and enhance the Company's product safety credibility through the verification unit by means of a food safety management system.
- 5.4.5. In response to the mounting awareness for energy savings, carbon reduction, water saving, environmental protection and food safety from both government and people in common, our Company took the lead in introducing metal packaging containers with low environmental load advantages-aTULC cans. Under the policy, we adopted PET-coated aluminum instead of the original paint that isolates the contents and the inner surface of the metal packaging containers. During the entire canning process, we are not required at all to use metal processing liquid lubricating fluid for the lubrication needs. In turn, there is no need for the process of can washing and drying at all. In the entire manufacturing process and the internal spraying and re-drying process, we are not required at all to consume water resources with all such problems of wastewater treatment and solid waste treatment, thereby greatly reducing energy consumption, carbon dioxide and volatile organic compound VOC emissions and other emission-related problems would fade into oblivion. Other than the advantages yielded by the new generation TULC cans to greatly reduce the environmental load, the patented PET coating formula in such new generation products would not contain bisphenol A, melamine, plasticizers and other ingredients that can improve the quality, safety and sanitation of domestic food packaging containers. Our Company, therefore, satisfies the food hygiene and safety standards of Japanese and European and American countries. In our Company, we will continuously introduce industry-leading can-making technology, make an effort towards the earth's environment, and also safeguard the food safety of our valued customers.

5.5. Labor-management relationship

- 5.5.1. Our employees have been assured and benefited with handsome welfare measures, notably chances for continued refresher studies, training programs, sound retirement systems which have been put into sound enforcement. Such labor-management agreements and various employee rights protection measures are as follows:
1. Welfare measures, chances for continued refresher studies, training programs and the implementation thereof
 - (1) The Company established the Employee Welfare Committee as early as 1990 to implement annual domestic (overseas) tours, uniform distribution, lunch supply and wedding and funeral subsidies, Three Festival Gifts (vouchers), birthday vouchers, annual employee health examinations and child education scholarship as well as such generous welfare benefits.
 - (2) All employees are insured with labor insurance/national health insurance policies, as well as group insurance or travel insurance for those employees who travel frequently on business needs to safeguard employees for their insurance needs in full.
 - (3) In an attempt to encourage employees to participate in the Company's business management, the "Proposal Improvement Suggestion Method" has been specifically formulated to provide a sound channel for employees to offer suggestions on the Company's policies, laws and regulations, production processes, environmental improvement, safety and health, environmental protection and the like toward the Company. Thanks to the hands-on

participation from employees, the Company has been significantly benefited in cutting operating costs, improvement of production efficiency and good relations between labor and management.

- (4) We have set up the "Personnel Evaluation Committee" to strengthen the function of administration and management and as a sound channel for labor grievances to arrange for appointment and dismissal, rewards and punishments, promotion of employees to assure more reasonable and fairer treatment. Overall, the Committee achieves the goal of labor-management harmony and assures a win-win target.
- (5) In recent years, we have been more active in building a sound working environment, improving safety and health measures and moving towards the goal of "zero disasters" to perfectly ensure labor safety and improve production efficiency.
- (6) In the Company, we set up a sound employee grievance system to enhance labor-management relations as well as general equality at work.
- (7) In the work rules and personnel management rules we have established, we definitely stipulate the rights and obligations between labor and management and management matters which are made fully aware to the entire staff. Thanks to such efforts, the employees can fully understand and protect their rights and interests to the utmost.
- (8) As always, we have attached great importance to the educational and training programs toward employees. We have established an "Employee Education and Training" standard book. Along with the training needs of employees and units, we elaborate design and provide pre-employment training, on-the-job training and work instructions and the like to enhance the quality and skills of our entire staff.

State of implementation: an employee is encouraged to submit an application himself or herself or the unit would handle the issue exactly as the actual requirements may justify.

The overall performance of employee training in 2023 is stated as below:

In-House Training (Number of hours)	Outside Training (Number of hours)	Training Expense (NT\$)
3,464	372	62,750

As always since the Company came into being, we have deemed our entire staff as the Company's supreme assets. Our high-level managerial officers are seriously concerned about the implementation and effectiveness of education and training and of strictly requesting each plant to continually strengthen the basic skills and quality management concepts of employees through the implementation of education and training. implement the skills learned in the training programs into hands-on production process and faithfully practice the Company's quality Policy: whole staff participation, quality first, sustainable pursuit toward superior quality.

Here at the Company, we design and provide a variety of hands-on professional on-the-job education and training programs including notably new recruit training, occupational safety and health education and training, aluminum can production professional courses and the like. Through such endeavors, we would enhance employees' professional capabilities and core competitiveness and further strengthen sound channels for the integral training and education. Exactly in response to the requirements from the competent authority and regulations, our financial accounting and auditing-related personnel are arranged to enroll in advanced learning courses every year.

2. Pension system and implementation status:

(1) Retirement of employees is completely handled exactly in accordance with the relevant laws and regulations under the Labor Standards Act. The Company has set up a "Labor Pension Reserve Fund Supervisor Board," responsible for management and supervision of pension affairs. The monthly employee pension reserve is appropriated on a monthly basis exactly according to the laws and ordinances concerned from the government. Besides, in accordance with the provisions of the "Labor Pension Act" and the "Monthly Pay Grading Table" promulgated by Bureau of Labor Insurance, the Company appropriates 6% of the monthly wages of employees into the individual pension accounts established by employees with the Bureau of Labor Insurance. Employees are entitled to, at their discretion, contribute an additional 6% of the monthly salary to increase their retirement annuity.

(2) In order to affirm the long-term recognition and dedication of senior employees to the company and create happiness and centripetal force for employees, the company proposed a plan to settle the seniority system of the old-age pension system in February 2023, providing senior employees with the option to receive the old-system pension in advance. The settled amount can be used early to make your future financial life more stable and secure after retirement.

(3) This time, a total of 48 employees of the company chose to settle the old system seniority in advance - 10 people had pure old system seniority and 38 people had old system seniority transferred to the new year. The pensions were settled from the old system retirement reserve account of the Bank of Taiwan and the company paid a total of NT\$50,999,755, it took about 4 months from the planning to the last employee colleague receiving the pension check on June 15 to complete the seniority settlement under the old labor retirement system. Currently, there are only three senior employees left in the company who still have retirement years under the old system.

3. Facts of performance over disputes between labor and management and measures to safeguard employees' rights and interests:

Over the past two years, the Company has not undergone any losses resulting from a labor dispute or a labor row.

5.5.2. Over the past two years and up to the publication date of the present annual report, the losses suffered by the Company as a result of labor disputes (including labor inspection results that violate the Labor Standards Act for which the sanction date, sanction file number, laws and regulations involved in the violation and contents of sanctions should be expressly specified). Meanwhile, the estimated amount of the penalty at the moment and in the future, as well as the designed countermeasures.

In the last two years and up to the present moment, the Company has enjoyed very harmonious labor relationship without any labor disputes or a significant loss resulting therefrom at all. Furthermore, at the moment and in the future, there is no possible labor dispute and any estimated impairment that often results therefrom. Nevertheless, the Company shall still, as always, continuously strengthen the communication and coordination between labor and management and put forth maximum possible efforts to implement welfare measures to promote a more harmonious labor-management relationship. Thanks to such policy and effort, the potential labor dispute will eventually fade into oblivion.

5.6. Information security management

1. Information security management strategy and structure

(1) Information security risk management Structure

Great China Metal Co., Ltd. established the information security Regulations in 1998, and the computer center is responsible for the management of enterprise information security. Coordinate the policy, implementation and risk management of information security and protection related policies to reduce the probability of information security accidents, and further manage the related risks caused by accidents to an acceptable level to ensure the normal and smooth operation of the company's business. in 2023 year, established the company' s information security organizational structure and the information protection committee structure.

(2) Information Security Policy

The information security policy of Great China Metal Company is to establish a complete information security management system to reduce the threat of enterprise information communication risks from the system, technical and procedural aspects. Establish an information security policy that complies with regulations and customer needs. Through education and training, instill the consensus that information security is everyone's responsibility to maintain the confidentiality and integrity of customer and company information, and establish firewall intrusion detection and anti-virus systems based on anti-virus, anti-hack, and anti-leakage standards to improve the company's ability to defend against external attacks ensures the security of company information.

(3) The security strategy Implemented ,controlled and put into the construction of resource

Has already established the company' s information security organizational structure and the Information protection committee structure in 2023 year , by increasing and improving the manpower cost of relevant work, progress greatly and guarantee the security strategy to implement continuously.Chief manager as convener, check and approve the relevant standard work avoid potentially threaten in any time. Every unit executive, implement the standard work, and feedback can't be carried out, revise then implement. The computer center superintendent of security, need to accept professional security training, make or revise the secure information standard work to progress through government's suggestions in time.The auditor check if the standard work is correctly perform. The administration department select suitable place and time for training, check the situation if the essential persons attend. In 2023 year has already been put into 37 people hours.

In 2023 year, has continuously constructed and performed many secure control backup devices to avoid damages of important information leaked,huge financial affairs lose for restoring date and enterprise reputation because of ransomware.

In the current year, has continuously constructed remote cloud storage device controlled high securely at our other remote work place to avoid destruction of information cause by unpredictable calamity. Also prepare to increase comunication bandwidth to assure communicate correctly.

2. Information security risks and reaction

I In order to cope with the risks of information security and network, Great China Metal has constructed a system of security measures. First of all, a firewall of information security is built in the network, and an anti-virus device system are also established for computer equipment and severs. However, any security precautions may be at risk of being invaded. Therefore, a backup system is established to ensure the backup and preservation of important information and avoid being damaged by hackers. At the same time, disaster recovery operations have also been established to prevent disaster recovery drills from being able to quickly recover and resume normal operations after a disaster. At the same time, establish a notification system to join Twcert - Taiwan Computer Emergency Response Team to share information on security information.

3. Major information security incidents: None.

5.7. Important Contracts : None.

6、Financial Information

6.1. Five-Year Financial Summary

6.1.1 Financial information-IFRS

1. Condensed non-consolidated balance sheet-IFRS

Unit: NT\$ thousands

Item \ Year	Financial information for the most recent five years				
	2023	2022	2021	2020	2019
Current assets	3,418,007	3,426,810	3,620,805	3,278,865	2,710,518
Fixed assets machinery and equipment	556,121	651,439	782,519	912,547	1,067,626
Intangible assets	-	-	-	-	628
Other assets	4,371,705	4,303,357	4,090,856	3,993,745	3,870,208
Total assets	8,345,833	8,381,606	8,494,180	8,185,157	7,648,980
Current liabilities Before distribution	350,691	435,135	580,114	466,965	297,437
Current liabilities After distribution	Note 2	801,135	1,037,614	924,465	602,437
Non-current Liabilities	451,289	461,476	454,018	446,984	439,303
Total liabilities Before distribution	801,980	896,611	1,034,132	913,949	736,740
Total liabilities After distribution	Note 2	1,262,611	1,491,632	1,371,449	1,041,740
Capital	3,050,000	3,050,000	3,050,000	3,050,000	3,050,000
Capital reserve	24,431	24,431	24,431	24,431	24,431
Retained earnings Before distribution	4,233,483	4,155,163	4,137,979	3,984,936	3,730,639
Retained earnings After distribution	Note 2	3,789,163	3,680,479	3,527,436	3,425,639
Other equity	235,939	255,401	247,638	211,841	107,170
Treasury stock	-	-	-	-	-
Total equity Before distribution	7,543,853	7,484,995	7,460,048	7,271,208	6,912,240
Total equity After distribution	Note 2	7,118,995	7,002,548	6,813,708	6,607,240

Note 1 : The above-mentioned financial information of each year has been checked and certified by accountants.

Note 2 : Pending Shareholders' Meeting Resolution.

2. Condensed consolidated balance sheet- IFRS

Unit: NT\$ thousands

Item \ Year	Financial information for the most recent five years				
	2023	2022	2021	2020	2019
Current assets	8,388,518	8,370,933	8,073,490	7,237,855	6,338,725
Fixed assets machinery and equipment	2,131,766	2,352,036	2, 413,515	2,724,570	3,157,907
Intangible assets	2,216	4,343	11,517	19,373	20,812
Other assets	225,988	331,106	244,092	264,331	250,295
Total assets	10,748,488	11,058,418	10,742,614	10,246,129	9,767,739
Current liabilities Before distribution	2,459,705	2,800,153	2,511,341	2,206,183	2,092,933
Current liabilities After distribution	Note 2	3,166,153	2,968,841	2,663,683	2,397,933
Non current liabilities	477,655	497,474	491,339	476,714	468,718
Total liabilities Before distribution	2,937,360	3,297,627	3,002,680	2,682,897	2,561,651
Total liabilities After distribution	Note 2	3,663,627	3,460,180	3,140,397	2,866,651
Equity attributable to owners of the parent	-	-	-	-	-
Capital	3,050,000	3,050,000	3,050,000	3,050,000	3,050,000
Capital reserve	24,431	24,431	24,431	24,431	24,431
Retained earnings Before distribution	4,233,483	4,155,163	4,137,979	3,984,936	3,730,639
Retained earnings After distribution	Note 2	3,789,163	3,680,479	3,527,436	3,425,639
Other equity	235,939	255,401	247,638	211,841	107,170
Treasury stock	-	-	-	-	-
Non-controlling interest	267,275	275,796	279,886	292,024	293,848
Total equity Before distribution	7,811,128	7,760,791	7,739,934	7,563,232	7,206,088
Total equity After distribution	Note 2	7,394,791	7,282,434	7,105,732	6,901,088

Note 1 : The above-mentioned financial information of each year has been checked and certified by accountants.

Note 2 : Pending Shareholders' Meeting Resolution.

6.1.2.

1. Condensed non-consolidated income statement - IFRS

Unit: NT\$ thousands

Item \ Year	Financial information for the most recent five years				
	2023	2022	2021	2020	2019
Revenue	2,284,398	2,433,757	2,700,977	2,557,779	2,672,584
Gross Profit	448,213	561,928	768,208	696,732	591,845
Operating Profit	335,410	439,085	594,554	549,872	447,666
Non-Operating Income (Expenses)	215,307	154,883	158,682	144,133	147,316
Net Income Before Tax	550,717	593,968	753,236	694,005	594,982
Net Income from Continuing Operations	550,717	593,968	753,236	694,005	594,982
Income (or Loss) from Discontinued Operations	-	-	-	-	-
Net Income (Loss)	442,160	473,296	601,882	559,377	477,345
Other Comprehensive Income (Loss) (After-Tax)	(17,302)	9,151	44,458	104,591	(95,840)
Total Comprehensive Income (Losses)	424,858	482,447	646,340	663,968	381,505
Earnings per share (NT\$)	1.45	1.55	1.97	1.83	1.57

Note : The above-mentioned financial information of each year has been checked and certified by accountants.

2. Condensed consolidated income statement-IFRS

Unit: NT\$ thousands

Item \ Year	Financial information for the most recent five years				
	2023	2022	2021	2020	2019
Revenue	8,404,848	8,774,698	8,675,485	7,257,633	8,060,828
Gross Profit	911,927	1,005,793	1,275,743	1,115,822	1,079,638
Operating Profit	468,003	522,313	704,678	630,711	551,102
Non-Operating Income (Expenses)	124,754	101,331	68,686	92,476	56,826
Net Income Before Tax	592,757	623,644	773,364	723,187	607,928
Net Income from Continuing Operations	592,757	623,644	773,364	723,187	607,928
Income (or Loss) from Discontinued Operations	-	-	-	-	-
Net Income (Loss)	438,365	465,288	591,828	553,022	465,681
Other Comprehensive Income (Loss) (After-Tax)	(22,028)	13,069	42,374	109,122	(106,686)
Total Comprehensive Income (Losses)	416,337	478,357	634,202	662,144	358,995
Net Income Attributable to the Parent	442,160	473,296	601,882	559,377	477,345
Net Income Attributable to NonControlling Interests	(3,795)	(8,008)	(10,054)	(6,355)	(11,664)
Total Comprehensive Income Attributable to the Parent	424,858	482,447	646,340	663,968	381,505
Total Comprehensive Income Attributable to Non-Controlling Interests	(8,521)	(4,090)	(12,138)	(1,824)	(22,510)
Earnings per share (NT\$)	1.45	1.55	1.97	1.83	1.57

Note : The above-mentioned financial information of each year has been checked and certified by accountants.

6.1.3. Auditors' Opinions in the Recent Five Years

Year	Accounting Firm		Audit Opinion
2023	Liu,Ming-Hsien	Cheng,Chin-Tsung	Unqualified
2022	Liu,Ming-Hsien	Cheng,Chin-Tsung	Unqualified
2021	Chang,Ching-Fu	Cheng,Chin-Tsung	Unqualified
2020	Chang,Ching-Fu	Cheng,Chin-Tsung	Unqualified
2019	Chang,Ching-Fu	Cheng,Chin-Tsung	Unqualified

6.2. Five-Year Financial Analysis

1. Financial Analysis-IFRS (non-consolidated)

Item \ Year		Financial Analysis for the Past Five Years				
		2023	2022	2021	2020	2019
Financial structure (%)	Debt Ratio	9.61	10.70	12.17	11.17	9.63
	Ratio of long-term capital to property, plant and equipment	1,437.66	1,219.83	1,011.36	845.79	688.59
Solvency (%)	Current ratio	974.65	787.53	624.15	702.17	911.29
	Quick ratio	722.27	563.70	481.72	569.73	637.08
	Interest earned ratio (times)	2,727.32	2,217.30	2,197.02	1,637.80	1,200.56
Operating performance	Accounts receivable turnover (times)	5.68	5.72	6.54	6.66	7.24
	Average collection period	64	64	56	55	50
	Inventory turnover (times)	2.03	2.12	2.75	2.62	2.34
	Accounts payable turnover (times)	16.71	10.15	10.58	17.02	14.59
	Average days in sales	180	172	133	139	156
	Property, plant and equipment turnover (times)	3.78	3.39	3.19	2.58	2.44
	Total assets turnover (times)	0.27	0.29	0.32	0.32	0.34
Profitability (%)	Return on total assets (%)	5.29	5.61	7.22	7.07	6.25
	Return on stockholders' equity	5.88	6.33	8.17	7.89	6.94
	Pre-tax income to paid-in capital	18.06	19.47	24.70	22.75	19.51
	Profit ratio	19.36	19.45	22.28	21.87	17.86
	Earnings per share (NT\$)	1.45	1.55	1.97	1.83	1.57
Cash flow (%)	Cash flow ratio	56.91	90.02	103.40	105.10	95.95
	Cash flow adequacy ratio	87.86	93.4	102.84	95.39	84.40
	Cash reinvestment ratio	-1.53	-0.62	2.80	1.82	-0.2
Leverage	Operating leverage	2.01	1.83	1.83	1.72	1.88
	Financial leverage	1.00	1.00	1.00	1.00	1.00
Analysis of financial ratio differences for the last two years. (Not required if the difference does not exceed 20%)		1. Current ratio increase: Due to the decrease of current liabilities. 2. Quick ratio increase: Due to the decrease of inventory, prepayments and current liabilities. 3. Interest earned ratio (times) increase: Due to the decrease of interest expenses. 4. Accounts payable turnover (times) increase: Due to decrease in average trade payables. 5. Cash flow ratio decrease: Due to the decrease in net cash flow from operating activities. 6. Cash flow reinvestment ratio decrease: Due to the decrease in net cash flow from operating activities.				

2. Financial Analysis-IFRS (consolidated)

Item \ Year		Financial Analysis for the Past Five Years				
		2023	2022	2021	2020	2019
Financial structure (%)	Debt Ratio	27.33	29.82	27.95	26.18	26.23
	Ratio of long-term capital to property, plant and equipment	388.82	351.11	341.05	295.09	243.03
Solvency (%)	Current ratio	341.04	298.95	321.48	328.07	302.86
	Quick ratio	267.74	219.15	229.88	249.87	211.13
	Interest earned ratio (times)	2,878.46	2,328.03	2,255.71	1,018.14	177.62
Operating performance	Accounts receivable turnover (times)	5.65	6.15	6.57	5.40	6.19
	Average collection period	65	59	56	68	59
	Inventory turnover (times)	3.95	3.75	4.07	3.65	3.91
	Accounts payable turnover (times)	3.83	3.99	4.50	4.00	4.81
	Average days in sales	92	97	90	100	93
	Property, plant and equipment turnover (times)	3.75	3.68	3.38	2.47	2.41
	Total assets turnover (times)	0.77	0.80	0.83	0.73	0.83
Profitability (%)	Return on total assets (%)	4.06	4.34	5.74	5.60	4.97
	Return on stockholders' equity	5.68	6.11	7.87	7.57	6.65
	Pre-tax income to paid-in capital	19.43	20.45	25.36	23.71	19.93
	Profit ratio	5.26	5.39	6.94	7.71	5.92
	Earnings per share (NT\$)	1.45	1.55	1.97	1.83	1.57
Cash flow (%)	Cash flow ratio	24.02	26.65	49.97	16.39	41.31
	Cash flow adequacy ratio	110.04	115.10	105.41	110.12	102.58
	Cash reinvestment ratio	1.47	1.93	5.46	0.40	4.25
Leverage	Operating leverage	5.36	2.51	2.10	2.41	2.64
	Financial leverage	1.00	1.00	1.00	1.00	1.01

Please explain the reasons for changes in financial ratios over the past two years:

1. Quick ratio increase: Due to the decrease of inventory, prepayments and current liabilities.
2. Interest earned ratio (times) increase: Due to the decrease of interest expenses.
3. Cash flow reinvestment ratio decrease: Due to the decrease in net cash flow from operating activities
4. Operating leverage increase: Due to the decrease of Due to the decrease of variable cost variable cost.

The calculation formula of financial analysis:

1. Capital Structure Analysis

- (1) Debt ratio = Total Liabilities / Total Assets
- (2) Long-term fund to fixed assets ratio = (Shareholders' Equity + Long-term Liabilities) / Net Properties

2. Liquidity Analysis

- (1) Current ratio = Current Assets / Current Liabilities
- (2) Quick ratio = (Current Assets - Inventories - Prepaid Expenses) / Current Liabilities
- (3) Times interest earned = Earnings before Interest and Taxes / Interest Expenses

3. Operating Performance Analysis

- (1) Average collection turnover = Net Sales / Average Trade Receivables
- (2) Average collection days = 365 / Receivables Turnover rate
- (3) Average inventory turnover = Cost of Sales / Average inventory
- (4) Average inventory turnover days = 365 / Inventory Turnover rate
- (5) Average payment turnover = Cost of Sales / Average Trade Payables
- (6) Fixed assets turnover = Net Sales / Average Net Properties
- (7) Total assets turnover = Net Sales / Average Total Assets

4. Profitability Analysis

- (1) Return on total assets = {Net Income + Interest Expenses * (1 - Effective tax rate)} / Average Total Assets
- (2) Return ratio on stockholders' equity = Net Income / Average Shareholders' Equity
- (3) Operating income to paid-in capital = Operating Income / Capital
- (4) Pre-tax income to paid-in capital = Income before tax / Capital
- (5) Net income to net sales = Net Income / Net Sales
- (6) Earnings per share = (Net Income - Preferred Stock Dividend) / Weighted Average Number of Share Outstanding

5. Cash Flow

- (1) Cash flow ratio = Net Cash Provided by Operating Activities / Current Liabilities
- (2) Cash Flow Adequacy Ratio = Five-year sum of cash from operations / Five-year sum of capital expenditures, inventory additions, and cash dividends.
- (3) Cash flow reinvestment ratio = (Cash Provided by Operating Activities - Cash Dividends) / (Gross Plant + Investment + Other Assets + Working Capital)

6. Leverage

- (1) Operating leverage = (Net Sales - Variable Cost) / Income from Operations
- (2) Financial leverage = Income from Operations / (Income from Operations - Interest Expenses)

6.3. Audit Committee's Review Report

Great China Metal Ind. Co., Ltd.

Audit Committee's Review Report

(Translated from Chinese)

I hereby state as following:

This proposal is the presentation by the Board of Directors of the Company's 2023 Business Report, Financial Statements, and the Profit Allocation Proposal. Of these items, the Financial Statements have been audited by external auditors Liu, Ming-Hsien and Cheng, Chin-Tsung of Deloitte & Touche, Taiwan, Republic of China, and an opinion and report have been issued on the Financial Statements. The aforementioned proposal regarding Business Report, Financial Statements, and the Profit Allocation Proposal have been reviewed and determined to be correct and accurate by the Audit Committee. Per the regulations in Article 14-4 of Securities and Exchange Act and Article 219 of the Company Act, we hereby submit this report.

To:

2024 General Shareholders' Meeting of Great China Metal Ind. Co., Ltd.

Great China Metal Ind. Co., Ltd.

Chairman of the Audit Committee: Huang, Win-Jung

Feb. 26, 2024

6.4. Non-consolidated financial statements and report of independent accountants:

Please refer to page 120.

6.5. Consolidated financial statements and report of independent accountants :

Please refer to page 188.

6.6. Financial Difficulties

The Company should disclose the financial impact to the Company and its affiliated companies have incurred any financial or cash flow difficulties from Jan. 1, 2023 through until March 31, 2024 : None.

7. Review of Financial Conditions, Operating Results, and Risk Management

7.1. Analysis of Financial Status

Unit: NT\$ thousands

Item \ Year	2023	2022	Difference	
			Amount	%
Current Assets	8,388,518	8,370,933	17,585	0.21
Fixed Assets	2,131,766	2,352,036	(220,270)	(9.37)
Fixed Assets	228,204	335,449	(107,245)	(31.97)
Total Assets	10,748,488	11,058,418	(309,930)	(2.80)
Current Liabilities	2,459,705	2,800,153	(340,448)	(12.16)
Total Liabilities	2,937,360	3,297,627	(360,267)	(10.93)
Capital stock	3,050,000	3,050,000	0	0
Capital surplus	24,431	24,431	0	0
Retained Earnings	4,233,483	4,155,163	78,320	1.88
Total Stockholders' Equity	7,811,128	7,760,791	50,337	0.65

Explanation for variance (if the variation is 20 % or more):

1. Other asset: Mainly due to Chongqing United Can Co., Ltd. got back a security deposit of \$93,301 thousand (CNY 21,365 thousand).

7.2. Analysis of Operation Results

Unit: NT\$ thousands

Item \ Year	2023	2022	Difference	
			Amount	%
Operating revenue	8,408,848	8,774,698	(369,850)	(4.21)
Operating costs	(7,492,921)	(7,768,905)	(275,984)	(3.55)
Gross profit from operations	911,927	1,005,793	(93,866)	(9.33)
operating expenses	(443,924)	(483,480)	(39,556)	(8.18)
Net operating income	468,003	522,313	(54,310)	(10.40)
non-operating income and expenses	124,754	101,331	23,423	23.21
Profit from continuing operations before tax	592,757	623,644	(30,887)	(4.95)
tax expense	(154,392)	(158,356)	(3,964)	(2.50)
Profit from continuing operations	438,365	465,288	(26,923)	(5.79)
Cumulative Effect of Change in Accounting Principles	-	-	-	-
Profit	438,365	465,288	(26,923)	(5.79)

Explanation for variance (if the variation is 20 % or more):

1. Non-operating income and expenses : Mainly due to that Shanghai United Can Co., Ltd had transferred US dollar live deposits to US dollar fixed deposits since March this year to obtain higher interest and that GCM HOLDING CO., LTD. invested more funds in short-term fixed deposits and these fixed deposit interest rate increased from last year. Based on the above factors, the interest income increased \$19,464 thousand by this year, resulted in an increase in non- operating income.

7.3. Analysis of Cash Flow

Remedy for Cash Deficit and Liquidity Analysis

Item \ Year	2023	2022	Variance (%)
Cash Flow Ratio (%)	24.02	26.65	-9.87%
Cash Flow Adequacy Ratio (%)	110.04	115.10	-4.40%
Cash Reinvestment Ratio (%)	1.47	1.93	-23.83%
Analysis of financial ratio change:			
1.Cash reinvestment ratio decrease: Due to the decrease in net cash flow from operating activities.			

Cash Flow Analysis for the Current Year

Unit: NT\$ thousands

Cash and Cash Equivalents, Beginning of Year (1)	Net Cash Flow from Operating Activities (2)	Cash Outflow (3)	Cash Surplus (Deficit) (1)+(2)-(3)	Leverage of Cash Deficit	
				Investment Plans	Financing Plans
631,177	795,542	572,183	854,536	-	-
Analysis of change in cash flow in the current year:					
1. Operating activities: The Company expects to generate cash flows from profit earned in current period.					
2. Investing activities: The Company expects to purchase equipment in the current period.					
3. Financing activities: The Company expects to pay cash dividends during current period.					

7.4. Major Capital Expenditure

1. Major Capital Expenditure Items and Source of Capital : None
2. Expected Benefits : None

7.5. Latest investment policy, major causes of profits and losses, and improvement plans for upcoming year

1. Direct investment policy of the most recent year: The Company's direct investment policy focused on integration of overseas resources in the most recent year. For the time being, among the Company's overseas investees, excepted Shanghai United Can Co., Ltd., which suffered losses due to the industrial became more competitive and recognized impairment loss of equipment, and Sunshui Changlee United Container Co., Ltd. in Fonshan City, which suffered losses due to the stretch film product sales development less than expectation, while the other four overseas investees continued to earn profits. In the future, the Company will improve capacity utilization and production efficiency of Sunshui Changlee United Container Co., Ltd. and also use its best effort to cut the product cost to improve companies' losses.
2. Investment plan for the year ahead: In the upcoming year, the Company will integrate existing resources, focus on reform or partial expansion the existing production lines primarily.

7.6. Analysis of Risk Management :

7.6.1. Impacts of interest rates, exchange rates, and inflation to the Company's earnings, and the future responsive measures :

1. Interest rates: The Company has no owed long-term liabilities and, therefore, faces low interest rate risk. The Company's assets are primarily invested in short-term fixed-income products and term deposits with high-liquidity. The interest rate fluctuations might pose some impact to the interest revenue, but the impact is considered very limited.
2. Exchange rates: Some of the Company's raw materials are imported from abroad, and some products are exported. In general, the amount of imports is slightly larger than that of exports. The currency fluctuation has limited impact on the company. The responsive measures are :

A. Maintain the export currency.

B. Engage in foreign exchanges in batches within the time limit prescribed in the import letter of credit.

C. Adopt hedge tools to mitigate the impact posed by exchange rate fluctuations to the Company.

3. Inflation: Currently the risk of global inflation is rising. The Company will keep track of the impact posed by the international environment to the price of raw materials and supplies, and adjust inventories in a timely manner to respond to potential impacts.

7.6.2. Policies on high-risk and highly leveraged investments, loans to third parties, endorsements / guarantees, and trading of derivatives; describe the main causes of any profits or losses incurred and future responsive measures :

1. The Company was never involved in high-risk leveraged investment.

2. Loans to third parties, endorsements/guarantees, and trading of derivatives must be governed by the competent authority's regulations.

7.6.3. Future Research & Development Projects and Corresponding Budget :

1. Future Research : Please refer to page 3.

2. The estimated budget is approximately NT\$ 40 million in 2024

7.6.4. The effect of major policy changes and legal practices, whether domestic or foreign, on the Company's treasury operations and responsive actions :

The Company is used to noticing and controlling any policies and laws critical to the Company potentially, and adjust its related internal systems in response to such policies and laws. The changes in related laws and regulations impose no significant impact to the Company this year.

7.6.5. Effects of technological (including cyber security risks) and industrial changes to the Company's treasury operations and the responsive actions :

The technological changes are used to rendering minor impacts to the Company's products. Notwithstanding, the Company will apply technologies in a timely manner to improve the Company's entire operating efficiency.

7.6.6. The Impact of the Changes of Corporate Image on Corporate Risk Management and our Action Plan : NA.

7.6.7. Anticipated Results and Risks of Acquisition : NA.

7.6.8. Anticipated Results and Risks of Expansion of Factory Buildings : NA.

7.6.9. Risks and responsive measures associated with concentrated sales or purchases:

Most of the main raw materials needed by the industry, e.g. aluminum and steel coils, largely rely on import. Only few of them are supplied by domestic suppliers. In order to diversify the

risk, the Company uses suppliers from different regions. Recently, in consideration of the increase in price of petroleum, canning steel and printing, etc., the canning industry has suffered the impact posed by drastic increase in the cost of raw materials. Given the booming international need for raw materials and supplies, and huge price increase, the short supply arises. Notwithstanding, the Company has established fair cooperative and interactive relations with suppliers. Therefore, the Company's sources remain unaffected.

The Company engages in production of various aluminum and steel cans, and aluminum and steel EOE containers, according to its complete production specifications. Its production capacity may satisfy customers' demand sufficiently. Therefore, the Company is well received by customers and secure a specific market share accordingly.

The domestic container market has tended to be saturated. In the recent years, the Company also started to develop overseas markets actively and achieved remarkable results, expected to help diversify the markets and mitigate the risk over market concentration to a certain extent.

7.6.10. Effects of, Risks Relating to and Response to Large Share Transfers or Changes in Shareholdings by Directors, Supervisors, or Shareholders with Shareholdings of over 10%
As of the publication date of the present annual report, no such situation has ever occurred at all.

7.6.11. Effects of, Risks Relating to and Response to the Changes in Management Rights
As of the publication date of the present annual report, no such situation has ever occurred at all.

7.6.12. Litigation or Non-litigation Matters : None.

7.6.13. Other significant risks and responsive measures: None.

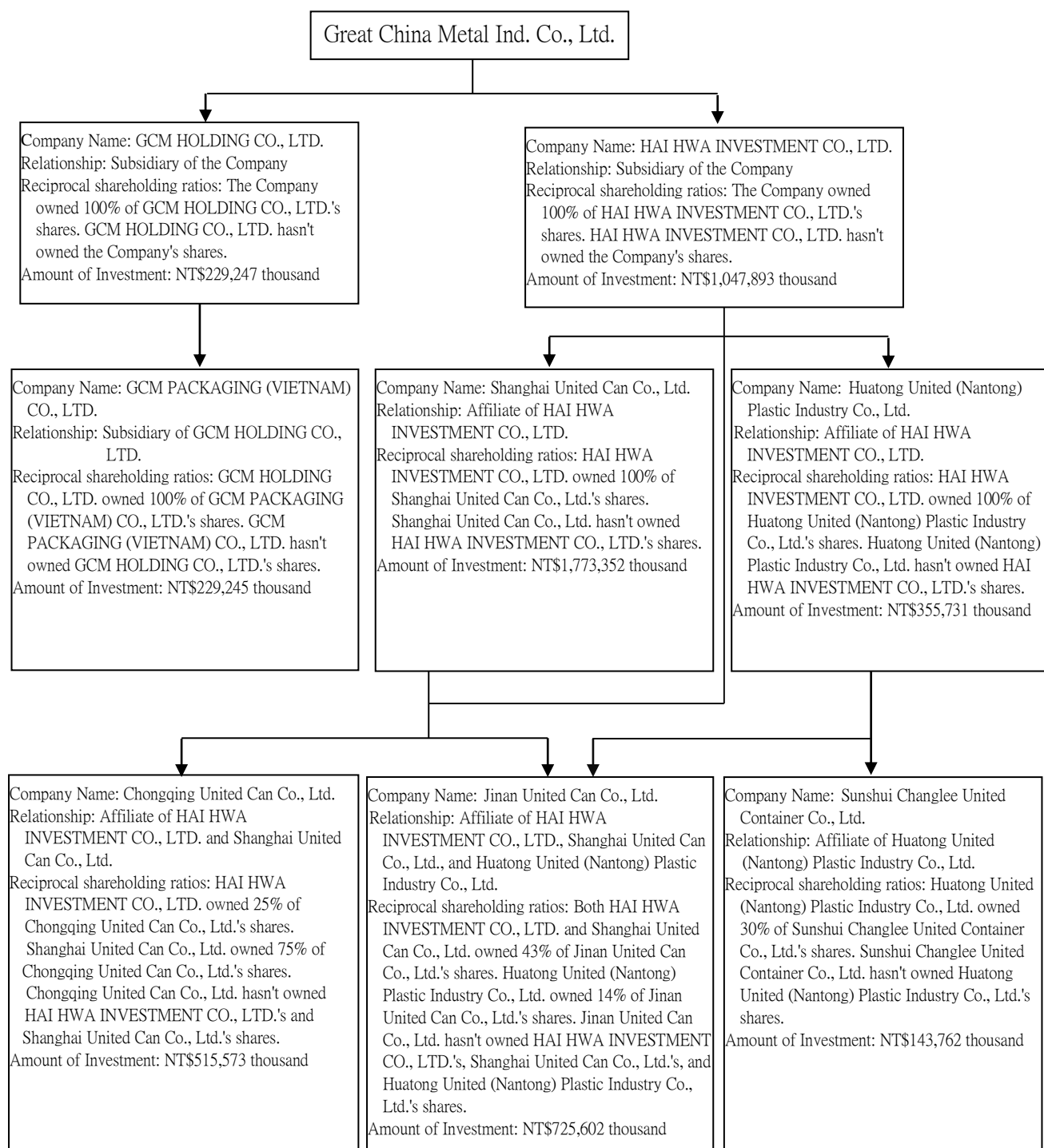
7.7. Other Important Matters : NA.

8、Special Disclosure

8.1. Summary of Affiliated Companies

8.1.1. Consolidated business report of Affiliated Companies

1. Chart of Affiliated Companies



Note 1: Amount of Investment was calculated until December 31, 2023.

2. Information Regarding Affiliated Companies :

Unit: NT\$ thousands

Company Name	Date of Incorporation	Address	Paid-in Capital	Major Business
HAI HWA INVESTMENT CO., LTD.	1995.02.21	Victoria Place, 5th Floor, 31 Victoria Street, Hamilton HM 10, Bermuda	NTD1,047,893	Investment Holding
Shanghai United Can Co., Ltd.	1994.10.07	No.89, Chexin Road, Chedun Town, Songjiang District, Shanghai, China	NTD1,773,352	2-piece Aluminum Can and Easy Open End
Chongqing United Can Co., Ltd.	2006.08.18	No.78, Lvcheng Avenue of Xipeng, Jiu Long Po District, Chongqing, China	NTD 515,573	2-piece Aluminum Can
Jinan United Can Co., Ltd.	2009.12.29	No.27399 of Panwang Road, Zhangqiu District, Jinan City, Shandong Province, China	NTD 725,602	2-piece Aluminum Can
Huatong United (Nantong) Plastic Industry Co., Ltd.	1995.12.08	No.895, Xiushan East Road, Haimen Sub-District, Haimen District, Nantong City, Jiangsu Province, China	NTD 355,731	Stretch Film for Packaging Use
Sunshui Changlee United Container Co., Ltd.	1992.05.19	Building 1, No. 5, Jinze Road, Xinan Street, Sanshui District, Foshan City, Guangdong Province, China	NTD 161,267	Stretch Film for Packaging Use
GCM HOLDING CO., LTD.	2004.10.13	Portcullis Chambers, P.O. Box 1225, Apia, Samoa	NTD 229,247	Investment Holding
GCM PACKAGING (VIETNAM) CO., LTD.	2004.12.08	No. 29, Doc Lap Avenue, Vietnam-Singapore Industrial Park, Binh Hoa Ward, Thuan An City, Binh Duong Province, Vietnam	NTD 229,245	Easy Open End

3. Businesses covered by the whole affiliates and separation of duties:

3-1. Controlling corporation :

Great China Metal Ind. Co., Ltd. was founded on November 26, 1973, primarily engaged in manufacturing and trading of various metal printing, painting, metal containers and packaging equipment.

For the time being, its paid-in capital amounts to NT\$3,050,000,000. The stocks issued by the Company have already traded on TWSE.

3-2. Subsidiaries :

3-2.1. Purpose for incorporation of HAI HWA INVESTMENT CO., LTD.: To invest in Shanghai United Can Co., Ltd., Huatong United (Nantong) Plastic Industry Co.,

Ltd., Chongqing United Can Co., Ltd., and Jinan United Can Co., Ltd. via HAI HWA INVESTMENT CO., LTD.

- 3-2.2. Purpose for incorporation of Shanghai United Can Co., Ltd.: To take advantage of the lower production cost in the mainland China to produce aluminum cans, and launch into the market in the mainland China to increase profit.
- 3-2.3. Purpose for incorporation of Chongqing United Can Co., Ltd.: To take advantage of lower production cost in the mainland China to produce aluminum cans, and launch into the market in the mainland China to increase profit.
- 3-2.4. Purpose for incorporation of Jinan United Can Co., Ltd.: To take advantage of lower production cost in the mainland China to produce aluminum cans, and launch into the market in the mainland China to increase profit.
- 3-2.5. Purpose for incorporation of Huatong United (Nantong) Plastic Industry Co., Ltd.: To take advantage of the lower production cost in the mainland China to produce stretch films, and launch into the market in the mainland China to increase profit.
- 3-2.6. Direct investment in Sunshui Changlee United Container Co., Ltd. in Fongshan City: To take advantage of lower production cost in the mainland China to produce stretch films, and launch into the market in the South of China to increase profit.
- 3-2.7. Purpose for incorporation of GCM HOLDING CO., LTD.: Direct investment in GCM PACKAGING (VIETNAM) CO., LTD. via GCM HOLDING CO., LTD.
- 3-2.8. Purpose for incorporation of GCM PACKAGING (VIETNAM) CO., LTD.: To take advantage of the lower production cost in Vietnam to produce aluminum easy open ends, and launch into the market in Vietnam to increase profit.

4. Directors, Supervisors and Presidents of Affiliated Companies :

Unit: NT\$ thousands ; %

Company Name	Title	Name	Investment Amount	Investment Holding (%)	Notes
HAI HWA INVESTMENT CO., LTD.	Director and President	Chiang,Ming-Li	1,047,893	100%	Representative of the Company
	Director	Chiang,Shou-Cheng	-	-	Representative of the Company
	Director	Chiang,Cheng-Shing	-	-	Representative of the Company
	Director	Chiang,Chia-Chun	-	-	Representative of the Company
Shanghai United Can Co., Ltd.	Chairman and President	Chiang,Shou-Cheng	1,773,352	100%	Representative of the Company
	Director	Chiang,Cheng-Shing	-	-	Representative of the Company
	Director	Chiang,Ming-Li	-	-	Representative of the Company
	Director	Chiang,Chia-Chun	-	-	Representative of the Company
	Supervisor	Chiang,Shao-May	-	-	Representative of the Company
Chongqing United Can Co., Ltd.	Chairman and President	Chiang,Shou-Cheng	515,573	100%	Representative of the Company

Company Name	Title	Name	Investment Amount	Investment Holding (%)	Notes
	Director	Chiang,Cheng-Shing	-	-	Representative of the Company
	Director	Chiang,Ming-Li	-	-	Representative of the Company
	Director	Chiang,Chia-Chun	-	-	Representative of the Company
	Supervisor	Chiang,Shao-May	-	-	Representative of the Company
Jinan United Can Co., Ltd.	Chairman	Chiang,Shou-Cheng	725,602	100%	Representative of the Company
	President	Ma,Hong	-	-	
	Director	Chiang,Cheng-Shing	-	-	Representative of the Company
	Director	Chiang,Ming-Li	-	-	Representative of the Company
	Director	Chiang,Shao-May	-	-	Representative of the Company
	Director	Chiang,Chia-Chun	-	-	Representative of the Company
	Supervisor	Lee,Chih-Wei	-	-	Representative of the Company
Huatong United (Nantong) Plastic Industry Co., Ltd.	Chairman	Chiang,Ming-Li	355,731	100%	Representative of the Company
	Director and President	Peng,Chun-Hui	-	-	Representative of the Company
	Director	Chiang,Shou-Cheng	-	-	Representative of the Company
	Director	Chiang,Cheng-Shing	-	-	Representative of the Company
	Director	Chiang,Chia-Chun	-	-	Representative of the Company
	Supervisor	Chiang,Shao-May	-	-	Representative of the Company
Sunshui Changlee United Container Co., Ltd.	Chairman	Chiang,Ming-Li	48,380	30%	Representative of the Company
	Director and President	Peng,Chun-Hui	-	-	Representative of the Company
	Director	Chiang,Shou-Cheng	-	-	
	Director	Chiang,Cheng-Shing	-	-	
	Director	Chiang,Ming-Te	-	-	
	Supervisor	Chiang,Shao-May	-	-	Representative of the Company
GCM HOLDING CO., LTD.	Director	Chiang,Ming-Li	229,247	100%	Representative of the Company
GCM PACKAGING	Chairman and President	Chiang,Ming-Li	229,245	100%	Representative of the Company

Company Name	Title	Name	Investment Amount	Investment Holding (%)	Notes
(VIETNAM) CO., LTD.	Director	Chiang,Shou-Cheng	-	-	Representative of the Company
	Director	Chiang,Cheng-Shing	-	-	Representative of the Company
	Director	Chiang,Shao-May	-	-	Representative of the Company
	Director	Chiang,Chia-Chun	-	-	Representative of the Company
	Director	Chiang,Man-Tzyy	-	-	Representative of the Company

5. Operational Highlights of Affiliated Companies :

Unit: NT\$ thousands

Company Name	Capital	Total Assets	Total Liabilities	Net Worth	Net Revenue	Income (Loss) from Operation	Net Income (Loss)	Basic Earnings Per Share (After Tax)
HAI HWA INVESTMENT CO., LTD.	\$ 1,047,893	\$ 3,933,022	\$ -	\$ 3,933,022	\$ -	\$ -	\$ 157,548	\$ -
Shanghai United Can Co., Ltd.	1,773,352	2,097,984	605,956	1,492,028	1,873,491	(35,621)	(3,313)	-
Chongqing United Can Co., Ltd.	515,573	1,724,555	970,528	754,027	1,868,531	91,178	73,842	-
Jinan United Can Co., Ltd.	725,602	1,777,265	938,628	838,637	2,251,184	83,315	68,130	-
Huatong United (Nantong) Plastic Industry Co., Ltd.	355,731	812,853	43,317	769,536	314,077	11,374	20,516	-
Sunshui Changlee United Container Co., Ltd.	161,267	368,934	8,364	360,570	120,982	(15,002)	(5,422)	-
GCM HOLDING CO., LTD.	229,247	414,477	-	414,477	-	(69)	17,983	-
GCM PACKAGING (VIETNAM) CO., LTD.	229,245	159,415	9,194	150,221	64,051	3,334	5,973	-

8.1.2. Consolidated financial report of Affiliated Companies : Please refer to page 188.

8.1.3. Affiliated Companies Report : NA

8.2. Issuance of Private Placement Securities : None

8.3. Acquisitions or Disposal of Great China Metal Ind. Co., Ltd.'s Shares by Subsidiaries : None

8.4. Other Necessary Supplement : None

9. If any of the situations listed in Article 36, paragraph 3, subparagraph 2 of the Securities and Exchange Act, which might materially affect shareholders' equity or the price of the company's securities, has occurred during the most recent fiscal year or during the current fiscal year up to the date of publication of the annual report, such situations shall be listed one by one: None.

INDEPENDENT AUDITORS' REPORT

The Board of Directors and Shareholders
Great China Metal Ind. Co., Ltd

Opinion

We have audited the financial statements of Great China Metal Ind. Co., Ltd (collectively referred to as the "Company"), which comprise the balance sheets as of December 31, 2023 and 2022, and the statements of comprehensive income, changes in equity and cash flows for the years then ended, and the notes to the financial statements, including a summary of significant accounting policies (collectively referred to as the "financial statements").

In our opinion, based on our audits, the financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2023 and 2022, and its financial performance and its cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

Basis for Opinion

We conducted our audit of the independent financial statements for the year ended December 31, 2023, in accordance with the Regulations Governing Auditing and Attestation of Financial Statements and auditing standards generally accepted in the Republic of China. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with The Norm of Professional Ethics for Certified Public Accountant of the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements for the year ended December 31, 2023. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

The key audit matters identified in the Company's financial statements for the year ended December 31, 2023 are stated as follows :

Revenue recognition

Refer to Note 19 to the financial statements.

Printing and painting of various metals, manufacturing and trading of metal containers and plastic products, are major business of Great China Metal Ind. Co., Ltd. The specific transaction of sales revenue significantly affects the Company's overall revenue and profit. Revenue recognition is identified as a key audit matter since there are significant risks in the occurrence of revenue.

The key audit procedures that we performed in respect of specific revenue recognition included the following:

1. We understood and tested the design and operating effectiveness of the key controls over revenue recognition.
2. We selected samples to perform test of details, checked the transaction documents from internal and external and performed the test of subsequent collection to confirm the Company recognized revenue as the performance obligations were satisfied.

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and for such internal control as management determines is necessary to enable the preparation of independent financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the auditing standards generally accepted in the Republic of China will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are

considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with the auditing standards generally accepted in the Republic of China, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

1. Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the parent company only financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the independent financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient and appropriate audit evidence regarding the financial information of entities or business activities within the Company to express an opinion on the independent financial statements. We are responsible for the direction, supervision, and performance of the Company audit. We remain solely responsible for our audit opinion.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements for the year ended December 31, 2023 and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partners on the audit resulting in this independent auditors' report are Liu, Ming-Hsien and Cheng, Chin-Tsung.

Deloitte & Touche
Taipei, Taiwan
Republic of China
February 26, 2024

Notice to Readers

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

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

GREAT CHINA METAL IND. CO., LTD
BALANCE SHEETS
DECEMBER 31, 2023 AND 2022

(In Thousands of New Taiwan Dollars)

Code	Assets	December 31, 2023		December 31, 2022	
		Amount	%	Amount	%
	CURRENT ASSETS				
1100	Cash and cash equivalents (Notes 4 and 6)	\$ 144,973	2	\$ 156,380	2
1110	Financial assets at fair value through profit or loss - current (Notes 4 and 7)	1,112,717	13	878,217	11
1120	Financial assets at fair value through other comprehensive income – current (Notes 4 and 8)	252,844	3	194,243	2
1136	Financial assets at amortized cost - current (Notes 4 and 9)	617,450	7	819,830	10
1150	Notes receivable - from unrelated parties (Notes 4 and 10)	34,104	-	37,508	-
1170	Accounts receivable - from unrelated parties (Notes 4 and 10)	331,463	4	327,206	4
1180	Accounts receivable – from related parties (Notes 10 and 25)	36,522	1	37,297	-
1200	Other receivables	2,878	-	2,182	-
130X	Inventories (Notes 4 and 11)	837,994	10	969,023	12
1470	Other current assets	47,062	1	4,924	-
11XX	Total current assets	<u>3,418,007</u>	<u>41</u>	<u>3,426,810</u>	<u>41</u>
	NON-CURRENT ASSETS				
1550	Investments accounted for using equity method (Notes 4 and 12)	4,346,387	52	4,248,301	51
1600	Property, plant and equipment (Notes 4, 13 and 25)	556,121	7	651,439	8
1755	Right-of-use assets (Notes 4 and 14)	14,792	-	20,636	-
1840	Deferred tax assets (Notes 4 and 21)	8,923	-	17,253	-
1915	Prepayments for equipment	1,475	-	17,039	-
1920	Refundable deposits	128	-	128	-
15XX	Total non-current assets	<u>4,927,826</u>	<u>59</u>	<u>4,954,796</u>	<u>59</u>
1XXX	TOTAL ASSETS	<u>\$ 8,345,833</u>	<u>100</u>	<u>\$ 8,381,606</u>	<u>100</u>
	Liabilities and Equity				
	CURRENT LIABILITIES				
2100	Short-term borrowings (Note 15)	\$ 79,178	1	\$ 106,211	1
2150	Notes payable - to unrelated parties	535	-	1,784	-
2170	Accounts payable - to unrelated parties	94,191	1	120,606	2
2180	Accounts payable - to related parties (Note 25)	1,684	-	1,035	-
2200	Other payables (Note 16)	98,192	1	105,426	1
2230	Current tax liabilities (Notes 4 and 21)	68,416	1	91,220	1
2280	Lease liabilities - current (Notes 4 and 14)	5,955	-	5,890	-
2300	Other current liabilities	2,540	-	2,963	-
21XX	Total current liabilities	<u>350,691</u>	<u>4</u>	<u>435,135</u>	<u>5</u>
	NON-CURRENT LIABILITIES				
2570	Deferred tax liabilities (Notes 4 and 21)	427,854	5	394,395	5
2580	Lease liabilities - non-current (Notes 4 and 14)	9,245	-	15,200	-
2640	Net defined benefit liabilities - non-current (Notes 4 and 17)	14,190	1	51,881	1
25XX	Total non-current liabilities	<u>451,289</u>	<u>6</u>	<u>461,476</u>	<u>6</u>
2XXX	Total liabilities	<u>801,980</u>	<u>10</u>	<u>896,611</u>	<u>11</u>
	EQUITY (Notes 4 and 18)				
	Share capital				
3110	Ordinary shares	<u>3,050,000</u>	<u>36</u>	<u>3,050,000</u>	<u>36</u>
	Capital surplus				
3210	Capital surplus - additional paid-in capital	11,523	-	11,523	-
3220	Capital surplus - treasury stock transactions	12,908	-	12,908	-
3200	Total capital surplus	<u>24,431</u>	<u>-</u>	<u>24,431</u>	<u>-</u>
	Retained earnings				
3310	Legal reserve	1,918,027	23	1,870,559	23
3350	Unappropriated earnings	2,315,456	28	2,284,604	27
3300	Total retained earnings	<u>4,233,483</u>	<u>51</u>	<u>4,155,163</u>	<u>50</u>
	Other equity				
3410	Exchange differences on translating the financial statements of foreign operations	49,340	1	127,403	1
3420	Unrealized gain (loss) on financial assets at fair value through other comprehensive income	186,599	2	127,998	2
3400	Total other equity	<u>235,939</u>	<u>3</u>	<u>255,401</u>	<u>3</u>
3XXX	Total equity	<u>7,543,853</u>	<u>90</u>	<u>7,484,995</u>	<u>89</u>
	TOTAL LIABILITIES AND EQUITY	<u>\$ 8,345,833</u>	<u>100</u>	<u>\$ 8,381,606</u>	<u>100</u>

The accompanying notes are an integral part of the independent financial statements.
(With Deloitte & Touche auditors' report dated February 26, 2024)

Chairman : Chiang, Ming-Li

President : Chiang, Ming-Te

Finance Director : Chiang, Shao-May

GREAT CHINA METAL IND. CO., LTD
STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022

(In Thousands of New Taiwan Dollars,
Except Earnings Per Share)

Code		For the Year Ended December 31, 2023		For the Year Ended December 31, 2022	
		Amount	%	Amount	%
	OPERATING REVENUE				
4100	Sales (Notes 4, 19 and 25)	\$2,284,398	100	\$2,433,757	100
	OPERATING COST				
5110	Cost of goods sold (Notes 11, 20 and 25)	(1,836,185)	(80)	(1,871,829)	(77)
5900	GROSS PROFIT	<u>448,213</u>	<u>20</u>	<u>561,928</u>	<u>23</u>
	OPERATING EXPENSES (Notes 20 and 25)				
6100	Selling and marketing expenses	(39,162)	(2)	(42,729)	(2)
6200	General and administrative expenses	(73,641)	(3)	(80,138)	(3)
6450	Expected credit (loss)/ gain	<u>-</u>	<u>-</u>	<u>24</u>	<u>-</u>
6000	Total operating expenses	(<u>112,803</u>)	(<u>5</u>)	(<u>122,843</u>)	(<u>5</u>)
6900	PROFIT FROM OPERATIONS	<u>335,410</u>	<u>15</u>	<u>439,085</u>	<u>18</u>
	NON-OPERATING INCOME AND EXPENSES(Note 20)				
7100	Interest revenue	13,889	-	9,508	-
7010	Other revenue	20,179	1	14,743	1
7020	Other gains and losses	5,910	-	(4,293)	-
7050	Finance costs	(202)	-	(268)	-
7070	Share of profit (loss) of subsidiaries accounted for using equity method	<u>175,531</u>	<u>8</u>	<u>135,193</u>	<u>6</u>
7000	Total non-operating income and expenses	<u>215,307</u>	<u>9</u>	<u>154,883</u>	<u>7</u>
7900	PROFIT BEFORE INCOME TAX	550,717	24	593,968	25
7950	INCOME TAX EXPENSE (Notes 4 and 21)	(<u>108,557</u>)	(<u>4</u>)	(<u>120,672</u>)	(<u>5</u>)
8200	NET PROFIT FOR THE YEAR	<u>442,160</u>	<u>20</u>	<u>473,296</u>	<u>20</u>
	OTHER COMPREHENSIVE INCOME (LOSS)				
8310	Items that will not be reclassified subsequently to profit or loss:				
8311	Remeasurement of defined benefit plans	2,700	-	1,735	-
8316	Unrealized gain (loss) on investments in equity instruments at fair value through other comprehensive income	58,601	3	(64,783)	(3)
8349	Income tax expense relating to items that will not be reclassified subsequently to profit or loss	(<u>540</u>)	<u>-</u>	(<u>347</u>)	<u>-</u>
		<u>60,761</u>	<u>3</u>	(<u>63,395</u>)	(<u>3</u>)
8360	Items that may be reclassified subsequently to profit or loss:				
8361	Exchange differences on translating the financial statements of foreign operations	(<u>78,063</u>)	(<u>4</u>)	<u>72,546</u>	<u>3</u>
		(<u>78,063</u>)	(<u>4</u>)	<u>72,546</u>	<u>3</u>
8300	Other comprehensive income (loss) for the year, net of income tax	(<u>17,302</u>)	(<u>1</u>)	<u>9,151</u>	<u>-</u>
8500	TOTAL COMPREHENSIVE INCOME FOR THE YEAR	<u>\$ 424,858</u>	<u>19</u>	<u>\$ 482,447</u>	<u>20</u>
	EARNINGS PER SHARE (Note 22)				
	Form continuing operation				
9710	Basic	<u>\$ 1.45</u>		<u>\$ 1.55</u>	
9810	Diluted	<u>\$ 1.45</u>		<u>\$ 1.55</u>	

The accompanying notes are an integral part of the independent financial statements.
(With Deloitte & Touche auditors' report dated February 26, 2024)

Chairman : Chiang, Ming-Li

President : Chiang, Ming-Te

Finance Director : Chiang, Shao-Ma

GREAT CHINA METAL IND. CO., LTD
STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022

(In Thousands of New Taiwan Dollars)

Code		Share capital	Capital surplus		Retained earnings		Other equity		Total equity
			Additional paid-in capital	Treasury stock transactions	Legal reserve	Unappropriated earnings	Exchange differences on translating the financial statements of foreign operations	Unrealized gain (loss) on financial assets at fair value through other comprehensive income	
A1	BALANCE AT JANUARY 1, 2022	\$3,050,000	\$ 11,523	\$ 12,908	\$1,809,505	\$2,328,474	\$ 54,857	\$ 192,781	\$7,460,048
	Appropriation of 2021 earnings (Note 18)								
B1	Legal reserve	-	-	-	61,054	(61,054)	-	-	-
B5	Cash dividends paid to shareholders	-	-	-	-	(457,500)	-	-	(457,500)
D1	Net profit for the year ended December 31, 2022	-	-	-	-	473,296	-	-	473,296
D3	Other comprehensive loss for the year ended December 31, 2022, net of income tax	-	-	-	-	1,388	72,546	(64,783)	9,151
D5	Total comprehensive income (loss) for the year ended December 31, 2022	-	-	-	-	474,684	72,546	(64,783)	482,447
Z1	BALANCE AT DECEMBER 31, 2022	3,050,000	11,523	12,908	1,870,559	2,284,604	127,403	127,998	7,484,995
	Appropriation of 2022 earnings (Note 18)								
B1	Legal reserve	-	-	-	47,468	(47,468)	-	-	-
B5	Cash dividends paid to shareholders	-	-	-	-	(366,000)	-	-	(366,000)
D1	Net profit for the year ended December 31, 2023	-	-	-	-	442,160	-	-	442,160
D3	Other comprehensive income (loss) for the year ended December 31, 2023, net of income tax	-	-	-	-	2,160	(78,063)	58,601	(17,302)
D5	Total comprehensive income (loss) for the year ended December 31, 2023	-	-	-	-	444,320	(78,063)	58,601	424,858
Z1	BALANCE AT DECEMBER 31, 2023	<u>\$3,050,000</u>	<u>\$ 11,523</u>	<u>\$ 12,908</u>	<u>\$1,918,027</u>	<u>\$2,315,456</u>	<u>\$ 49,340</u>	<u>\$ 186,599</u>	<u>\$7,543,853</u>

The accompanying notes are an integral part of the independent financial statements.
(With Deloitte & Touche auditors' report dated February 26, 2024)

Chairman : Chiang, Ming-Li

President Chiang, Ming-Te

Finance Director : Chiang, Shao-May

GREAT CHINA METAL IND. CO., LTD
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022

(In Thousands of New Taiwan Dollars)

<u>Code</u>		<u>For the Year Ended December 31, 2023</u>	<u>For the Year Ended December 31, 2022</u>
	CASH FLOWS FROM OPERATING ACTIVITIES		
A10000	Income before income tax	\$ 550,717	\$ 593,968
A20010	Adjustments for:		
A20100	Depreciation expenses	138,750	153,877
A20300	Expected credit loss/(gain)	-	(24)
A20400	Net loss (gain) on fair value changes of financial assets at fair value through profit or loss	(2,262)	(53)
A20900	Finance costs	202	268
A21200	Interest income	(13,889)	(9,508)
A21300	Dividend income	(7,784)	(7,578)
A22400	Share of loss of associates accounted for using the equity method	(175,531)	(135,193)
A23800	Impairment and scrapped losses on inventory	-	937
A23900	Unrealized gain from trading with subsidiaries	(618)	(618)
A24100	Unrealized net loss (gain) on foreign currency exchange	(4,123)	4,788
A30000	Net changes in operating assets and liabilities		
A31115	Financial assets mandatorily classified as at fair value through profit or loss	(232,238)	163,672
A31130	Notes receivable	3,404	14,953
A31150	Accounts receivable	(3,574)	31,551
A31180	Other receivables	(381)	678
A31200	Inventories	131,029	(175,553)
A31240	Other current assets	(42,138)	26,971
A32130	Notes payable	(1,249)	(180)
A32150	Accounts payable	(24,165)	(121,787)
A32180	Other payable	(4,489)	(16,744)
A32230	Other current liabilities	(423)	469
A32240	Net defined benefit liabilities	(34,991)	(11,952)
A33000	Cash generated from operations	276,247	512,942
A33100	Interest received	13,646	9,023
A33300	Interest paid	(202)	(268)
A33500	Income tax paid	(90,112)	(129,982)
AAAA	Net cash generated from operating activities	<u>199,579</u>	<u>391,715</u>
	CASH FLOWS FROM INVESTING ACTIVITIES		
B00010	Payments for financial assets at fair value through other comprehensive income	-	(1,362)
B00040	Payments for financial assets at amortized cost	(1,288,623)	(1,521,779)
B00050	Proceeds from sale of financial assets at amortized cost	1,491,100	1,554,546
B02700	Payments for property, plant and equipment	(23,294)	(20,400)
B02800	Proceeds from disposal of property, plant and equipment	-	444
B07100	Increase in prepayments for equipment	(1,475)	(13,533)
B07600	Dividend received	7,712	7,578
BBBB	Net cash generated from investing activities	<u>185,420</u>	<u>5,494</u>
	CASH FLOWS FROM FINANCING ACTIVITIES		
C00100	Increase in short-term borrowings	-	31,531
C00200	Decrease in short-term borrowings	(24,516)	-
C04020	Repayment of the principal portion of lease liabilities	(5,890)	(6,252)
C04500	Dividends paid	(366,000)	(457,500)
CCCC	Net cash used in financing activities	<u>(396,406)</u>	<u>(432,221)</u>
EEEE	NET DECREASE IN CASH AND CASH EQUIVALENTS	(11,407)	(35,012)
E00100	CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	<u>156,380</u>	<u>191,392</u>
E00200	CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	<u>\$ 144,973</u>	<u>\$ 156,380</u>

The accompanying notes are an integral part of the independent financial statements.
(With Deloitte & Touche auditors' report dated February 26, 2024)

Chairman : Chiang, Ming-Li

President : Chiang, Ming-Te

Finance Director : Chiang, Shao-May

GREAT CHINA METAL IND. CO., LTD
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

1. ORGANIZATION AND OPERATIONS

Great China Metal Ind. Co., Ltd (collectively referred to as “the Company”) was incorporated in November, 1973, under the provisions of the Company Act of the Republic of China (R.O.C.). The major business of the Company is to provide printing services for metal, manufacturing and selling metal containers, other plastic products, and packing machines.

In August 1990, Great China Metal Ind. Co., Ltd became a publicly listed company on the Taiwan Stock Exchange.

The financial statements of the Company are presented in the Company’s functional currency, New Taiwan dollars.

2. APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved by the Company’s board of directors on February 26, 2024.

3. APPLICATION OF NEW, AMENDED AND REVISED STANDARDS AND INTERPRETATIONS

- a. Initial application of the International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) (collectively, the “IFRS Accounting Standards”) endorsed and issued into effect by the Financial Supervisory Commission (FSC).

The initial application of the amendments to IFRS Accounting Standards endorsed and issued into effect by the FSC did not have a significant effect on the Company’s accounting policies.

- b. The IFRS Accounting Standards endorsed by the FSC for application starting from 2024

New, Amended and Revised Standards and Interpretations	Effective Date Announced by IASB (Note 1)
Amendments to IFRS 16 “Leases Liability in a Sale and Leaseback”	January 1, 2024 (Note 2)
Amendments to IAS 1 “Classification of Liabilities as Current or Non-current”	January 1, 2024
Amendments to IAS 1 “Non-current Liabilities with Covenants”	January 1, 2024
Amendments to IAS 7 and IFRS 7 “Supplier Finance Arrangements”	January 1, 2024 (Note 3)

- Note 1: Unless stated otherwise, the above New IFRS Accounting Standards are effective for annual reporting periods beginning on or after their respective effective dates.
- Note 2: A seller-lessee shall apply the Amendments to IFRS 16 retrospectively to sale and leaseback transactions entered into after the date of initial application of IFRS 16.
- Note 3: The amendments provide some transition relief regarding disclosure requirements.

As of the date the consolidated financial statements were authorized for issue, the Company is continuously assessing the possible impact that the application of other standards and interpretations will have on the Company's financial position and financial performance and will disclose the relevant impact when the assessment is completed.

- c. The IFRS Accounting Standards issued by International Accounting Standards Board (IASB), but not yet endorsed and issued into effect by the FSC

New, Amended and Revised Standards and Interpretations	Effective Date Announced by IASB (Note 1)
Amendments to IFRS 10 and IAS 28 "Sale or Contribution of Assets between an Investor and its Associate or Joint Venture"	To be determined by IASB
IFRS 17 "Insurance Contracts"	January 1, 2023
Amendments to IFRS 17	January 1, 2023
Amendments to IFRS 17 "Initial Application of IFRS 9 and IFRS 17—Comparative Information"	January 1, 2023
Amendments to IAS 21 "Lack of Exchangeability"	January 1, 2025 (Note 2)

Note 1: Unless stated otherwise, the above New IFRS Accounting Standards are effective for annual reporting periods beginning on or after their respective effective dates.

Note 2: An entity shall apply those amendments for annual reporting periods beginning on or after January 1, 2025. Upon initial application of the amendments, the entity recognizes any effect as an adjustment to the opening balance of retained earnings. When the entity uses a presentation currency other than its functional currency, it shall, at the date of initial application, recognize any effect as an adjustment to the cumulative amount of translation differences in equity.

As of the date the consolidated financial statements were authorized for issue, the Company is continuously assessing the possible impact that the application of other standards and interpretations will have on the Company's financial position and financial performance and will disclose the relevant impact when the assessment is completed.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

- a. Statement of compliance

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

b. Basis of preparation

The independent financial statements have been prepared on the historical cost basis except for financial instruments which are measured at fair value, and net defined benefit liabilities which are measured at the present value of the defined benefit obligation less the fair value of plan assets.

The fair value measurements, which are grouped into Levels 1 to 3 based on the degree to which the fair value measurement inputs are observable and based on the significance of the inputs to the fair value measurement in its entirety, are described as follows:

- (1) Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities;
- (2) Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for an asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and
- (3) Level 3 inputs are unobservable inputs for an asset or liability.

When preparing its financial statements, the Company used equity method to account for its investment in subsidiary. In order for the amounts of the net profit for the year, other comprehensive income for the year and total equity in the parent company only financial statements to be the same with the amounts attributable to the owner of the Company in its independent financial statements, adjustments arising from the differences in accounting treatment between the parent company only basis and the independent basis were made to investments accounted for using equity method, share of profit or loss of subsidiary, share of other comprehensive income of subsidiary, and related equity items, as appropriate, in the parent company only financial statements.

c. Classification of current and non-current assets and liabilities

Current assets include:

- (1) Assets held primarily for the purpose of trading;
- (2) Assets expected to be realized within 12 months after the reporting period; and
- (3) Cash and cash equivalents unless the asset is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

Current liabilities include:

- (1) Liabilities held primarily for the purpose of trading;
- (2) Liabilities due to be settled within 12 months after the reporting period,
- (3) Liabilities for which the Company does not have an unconditional right to defer settlement for at least 12 months after the reporting period.

Assets and liabilities that are not classified as current are classified as non-current.

d. Foreign currencies

In preparing the financial statements of the Company, transactions in currencies other than the Company's functional currency (i.e., foreign currencies) are recognized at the rates of exchange prevailing at the dates of the transactions.

At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Exchange differences on monetary items arising from settlement or translation are recognized in profit or loss in the period in which they arise.

Non-monetary items measured at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Exchange differences arising on the retranslation of non-monetary items are included in profit or loss for the period except for exchange differences arising from the retranslation of non-monetary items in respect of which gains and losses are recognized directly in other comprehensive income, in which case, the exchange differences are also recognized directly in other comprehensive income.

Non-monetary items that are measured at historical cost in a foreign currency are translated using the exchange rate at the date of the transaction.

For the purposes of presenting financial statements, the assets and liabilities of the Company's foreign operations (including of the subsidiaries and associates) are translated into New Taiwan dollars using exchange rates prevailing at the end of each reporting period; and income and expense items are translated at the average exchange rates for the current period. Exchange differences arising are recognized in other comprehensive income.

On the disposal of a foreign operation (i.e., a disposal of the Company's entire interest in a foreign operation, or a disposal involving the loss of control over a subsidiary that includes a foreign operation, or a partial disposal of an interest in a joint arrangement or an associate that includes a foreign operation of which the retained interest becomes a financial asset), all of the exchange differences accumulated in equity in respect of that operation attributable to the owners of the Company are reclassified to profit or loss.

In relation to a partial disposal of a subsidiary that does not result in the Company losing control over the subsidiary, the proportionate share of accumulated exchange differences is calculated as equity transaction and is not recognized in profit or loss. For all other partial disposals, the proportionate share of the accumulated exchange differences recognized in other comprehensive income is reclassified to profit or loss.

e. Inventories

Inventories consist of raw materials, supplies, finished goods and work in progress and are stated at the lower of cost or net realizable value. Inventory write-downs are made by item, except where it may be appropriate to group similar or related items. The net realizable value is the estimated selling price of inventories less all estimated costs of completion and costs necessary to make the sale. Inventories are recorded at the weighted-average cost on the balance sheet date.

f. Investments in subsidiaries

The Company uses the equity method to account for its investments in subsidiaries.

Subsidiaries are the entities controlled by the Company.

Under the equity method, the investment in a subsidiary is initially recognized at cost and adjusted thereafter to recognize the Company's share of the profit or loss and other comprehensive income of the subsidiaries. The Company also recognizes the changes in the Company's share of equity of subsidiaries attributable to the Company.

Changes in the Company's ownership interests in subsidiaries that do not result in the Company's loss of control over the subsidiaries are accounted for as equity transactions. Any difference between the carrying amounts of the investment and the fair value of the consideration paid or received is recognized directly in equity.

When the Company's share of losses of a subsidiary equals or exceeds its interest in that subsidiary (which includes any carrying amount of the investment in subsidiary accounted for by the equity method and long-term interests that, in substance, form part of the Company's net investment in the subsidiary), the Bank continues recognizing its share of further losses.

The acquisition cost in excess of the acquisition-date fair value of the identifiable net assets acquired is recognized as goodwill. Goodwill is not amortized. The acquisition-date fair value of the net identifiable assets acquired in excess of the acquisition cost is recognized immediately in profit or loss.

When assessing impairments, the Company considers the cash-generating unit as a whole in the financial statements, and compares the recoverable amount with the carrying amount. When the recoverable amount of asset increase, a reversal of an impairment loss is recognized in profit or loss, but only carrying amount after the impairment loss being reversed shall not exceed the carrying amount of the asset after deducting the amortization. The impairment loss attributable to goodwill shall not be reversed in the subsequent period.

When the Company ceases to have control over a subsidiary, any retained investment is measured at fair value at that date and the difference between the previous carrying amount of the subsidiary attributable to the retained interest and its fair value is included in the determination of the gain or loss. Furthermore, the Company accounts for all amounts previously recognized in other comprehensive income in relation to that subsidiary on the same basis as would be required if the Company had directly disposed of the related assets or liabilities.

Profits and losses from downstream transactions with a subsidiary are eliminated in full. Profits and losses from upstream transactions with a subsidiary and sidestream transactions between subsidiaries are recognized in the Company's financial statements only to the extent of interests in the subsidiary that are not related to the Company.

g. Property, plant and equipment

Property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment loss.

Property, plant and equipment in the course of construction purposes are measured at cost less any recognized impairment loss. Cost includes professional fees and borrowing costs eligible for capitalization. Such assets are depreciated and classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of property, plant and equipment is recognized using the straight-line method. Each significant part is depreciated separately. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effects of any changes in the estimates accounted for on a prospective basis. On derecognition of an item of property, plant and equipment, the difference between the sales proceeds and the carrying amount of the asset is recognized in profit or loss.

h. Intangible assets

(1) Acquired separately

Intangible assets with finite useful lives that are acquired separately are initially measured at cost and subsequently measured at cost less accumulated amortization and accumulated impairment loss. Amortization is recognized on a straight-line basis. The estimated useful lives, residual values, and amortization methods are reviewed at the end of each reporting period, with the effect of any changes in the estimate accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are measured at cost less accumulated impairment loss.

(2) Derecognition

On derecognition of an intangible asset, the difference between the net disposal proceeds and the carrying amount of the asset is recognized in profit or loss.

i. Impairment of right-of-use assets, contract assets, intangible assets, property, plant and equipment

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets, excluding goodwill, to determine whether there is any indication that those assets have suffered any impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss. When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to the group which the asset belongs.

The Company performs impairment testing for intangible assets which have still not available for use, if any indication of impairment exists, or at least once a year.

The recoverable amount is the higher of fair value less costs to sell and value in use. If the recoverable amount of an asset or cash-generating unit is estimated to be less than its carrying amount, the carrying amount of the asset or cash-generating unit is reduced to its recoverable amount, with the resulting impairment loss recognized in profit or loss.

When an impairment loss is subsequently reversed, the carrying amount of the corresponding asset or cash-generating unit is increased to the revised estimate of its recoverable amount, but only to the extent of the carrying amount that would have been determined had no impairment loss been recognized on the asset or cash-generating unit in prior years. A reversal of an impairment loss is recognized in profit or loss.

j. Financial instruments

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

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issuance of financial assets and financial liabilities (other than financial assets and financial liabilities at FVTPL) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at FVTPL are recognized immediately in profit or loss.

(1) Financial assets

All regular way purchases or sales of financial assets are recognized and derecognized on a trade date basis.

a) Measurement categories

Financial assets are classified into the following categories: Financial assets at FVTPL, financial assets at amortized cost and investments in equity instruments at FVTOCI.

i. Financial assets at FVTPL

Financial assets are classified as at FVTPL when such a financial asset is designated as at FVTPL. A mandatory financial asset measured at fair value through profit and loss includes such equity instrument investments that are not specified at fair value through other comprehensive gains and losses not designated by the Company and such investment into liability instruments inconsistent with the classification as measured at amortized costs or measured at fair value through other comprehensive gains and losses.

The net gain or loss recognized in profit or loss on such a financial asset. Fair value is determined in the manner described in Note 24.

ii. Financial assets at amortized cost

Financial assets that meet the following conditions are subsequently measured at amortized cost:

- i) The financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- ii) The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Subsequent to initial recognition, financial assets at amortized cost, including cash and cash equivalents, trade receivables at amortized cost and notes receivable at amortized cost, are measured at amortized cost, which equals the gross carrying amount determined using the effective interest method less any impairment loss. Exchange differences are recognized in profit or loss.

The term "credit-impaired financial assets" as set forth herein denotes that where the issuer or debtor who has experienced major financial difficulties, defaults and where the debtor is likely to apply for bankruptcy or other financial reorganization, or where the active market for financial assets disappears due to financial difficulties. The term "cash equivalents" herein includes time deposits that are highly liquid within three months from the date of acquisition and could be converted into cash of a fixed amount at any time with little risk of value changes, as used to satisfy short-term cash commitments.

iii. Investments in equity instruments at FVTOCI

On initial recognition, the Company may make an irrevocable election to designate investments in equity instruments as at FVTOCI. Designation as at FVTOCI is not permitted if the equity investment is held for trading or if it is a contingent consideration recognized by an acquirer in a business combination.

Investments in equity instruments at FVTOCI are subsequently measured at fair value with gains and losses arising from changes in fair value recognized in other comprehensive income and accumulated in other equity. The cumulative gain or loss will not be reclassified to profit or loss on disposal of the equity investments; instead, it will be transferred to retained earnings.

Dividends on these investments in equity instruments are recognized in profit or loss when the Company's right to receive the dividends is established, unless the dividends clearly represent a recovery of part of the cost of the investment.

b) Impairment of financial assets

The Company recognizes allowance for expected credit losses on financial assets at amortized cost (including trade receivables).

The Company always recognizes lifetime expected credit losses (ECLs) for trade receivables. For all other financial instruments, the Company recognizes lifetime ECLs when there has been a significant increase in credit risk since initial recognition. If, on the other hand, the credit risk on a financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month ECLs.

Expected credit losses reflect the weighted average of credit losses with the respective risks of default occurring as the weights. Lifetime ECLs represent the expected credit losses that will result from all possible default events over the expected life of a financial instrument. In contrast, 12-month ECLs represent the portion of lifetime ECLs that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

The Company recognizes an impairment gain or loss in profit or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account.

The allowance loss of debt instrument investment measured at fair value through other comprehensive income is, nevertheless, recognized in other comprehensive income and does not reduce its carrying amount.

c) Derecognition of financial assets

The Company derecognizes a financial asset only when the contractual rights to the cash flows from the asset expire or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. On derecognition of a financial asset at amortized cost in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognized in profit or loss. On derecognition of an investment in an equity instrument at FVTOCI, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognized in profit or loss, and the cumulative gain or loss which had been recognized in other comprehensive income is transferred directly to retained earnings, without recycling through profit or loss.

(2) Equity instruments

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments issued by the Company are recognized at the proceeds received, net of direct issue costs.

(3) Financial liabilities

a) Subsequent measurement

All financial liabilities are measured at amortized cost using the effective interest method.

b) Derecognition of financial liabilities

The difference between the carrying amount of a financial liability derecognized and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognized in profit or loss.

k. Revenue recognition

The Company identifies contracts with customers, allocates the transaction price to the performance obligations, and recognizes revenue when performance obligations are satisfied.

Revenue from the sale of goods

Revenue from the sale of goods is recognized when the goods are delivered to the customer's designated destination, once the goods are shipped, or once the goods are delivered. In either case, the Company has transferred to the customer the significant risks and rewards of ownership of the goods. The Company does not recognize revenue on materials delivered to subcontractors because this delivery does not involve a transfer of control.

l. Leases

At the inception of a contract, the Company assesses whether the contract is, or contains, a lease.

The Company as lessee

The Company recognizes right-of-use assets and lease liabilities for all leases at the commencement date of a lease, except for short-term leases and low-value asset leases which are accounted for applying a recognition exemption where lease payments are recognized as expenses on a straight-line basis over the lease terms.

Right-of-use assets are initially measured at cost, which comprises the initial measurement of lease liabilities adjusted for lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs needed to restore the underlying assets, and less any lease incentives received. Right-of-use assets are subsequently measured at cost less accumulated depreciation and impairment losses and adjusted for any remeasurement of the lease liabilities.

Right-of-use assets are presented on a separate line in the balance sheets. Right-of-use assets are depreciated using the straight-line method from the commencement date to the earlier of the end of the useful lives of the right-of-use assets or the end of the lease terms.

Lease liabilities are initially measured at the present value of the lease payments, which comprise fixed payments, in-substance fixed payments, variable lease payments which depend on an index or a rate. The lease payments are discounted using the interest rate implicit in a lease, if that rate

can be readily determined. If that rate cannot be readily determined, the Company uses the lessee's incremental borrowing rate.

Subsequently, lease liabilities are measured at amortized cost using the effective interest method, with interest expense recognized over the lease terms. The Company remeasures the lease liabilities with a corresponding adjustment to the right-of-use-assets. However, if the carrying amount of the right-of-use assets is reduced to zero, any remaining amount of the remeasurement is recognized in profit or loss. Lease liabilities are presented on a separate line in the balance sheets.

m. Government grants

Government grants are not recognized until there is reasonable assurance that the Company will comply with the conditions attaching to them and that the grants will be received.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Company with no future related costs are recognized in profit or loss in the period in which they become receivable.

n. Employee benefits

(1) Short-term employee benefits

Liabilities recognized in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related services.

(2) Retirement benefits

Payments to defined contribution retirement benefit plans are recognized as expenses when employees have rendered services entitling them to the contributions.

Defined benefit costs (including service cost, net interest and remeasurement) under defined benefit retirement benefit plans are determined using the projected unit credit method. Service cost (including current service cost, previous service costs and settlement profits and losses), and net interest on the net defined benefit liabilities (assets) are recognized as employee benefits expense in the period in which they occur. Remeasurement, comprising actuarial gains and losses and the return on plan assets (excluding interest), is recognized in other comprehensive income in the period in which they occur. Remeasurement recognized in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to profit or loss.

Net defined benefit liabilities (assets) represent the actual deficit (surplus) in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any refunds from the plans or reductions in future contributions to the plans.

o. Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

(1) Current tax

The Company determines the current income (loss) in accordance with the regulations established by income tax authorities in each region, and calculates the payable (recoverable) income tax.

According to the Income Tax Law, an additional tax on unappropriated earnings is provided in the year the shareholders approve to retain the earnings.

Adjustments of prior years' tax liabilities are added to or deducted from the current year's tax provision.

(2) Deferred tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities and the corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences, net operating loss carryforwards and tax credits to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized.

Deferred tax liabilities are recognized for taxable temporary differences associated with investments in subsidiaries and associates and interests in joint arrangements, except where the Company is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognized to the extent that it is probable that there will be sufficient taxable profits against which to utilize the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the assets to be recovered. A previously unrecognized deferred tax asset is also reviewed at the end of each reporting period and recognized to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liabilities are settled or the assets are realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying

amount of its assets and liabilities.

(3) Current and deferred taxes for the year

Current and deferred taxes are recognized in profit or loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred taxes are also recognized in other comprehensive income or directly in equity respectively. Where current taxes or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

5. CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Company's accounting policies, management is required to make judgments, estimations and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered relevant. Actual results may differ from these estimates.

When developing material accounting estimate, revisions to accounting estimates are recognized in the period in which the estimate is revised if the revisions affect only that period or in the period of the revision and future periods if the revision affects both current and future periods. The estimates and underlying assumptions are reviewed on an ongoing basis.

The Company's accounting policies, estimates and underlying assumptions have been evaluated by management and there are no significant uncertainties in accounting judgments, estimates and assumptions.

6. CASH AND CASH EQUIVALENTS

	December 31, 2023	December 31, 2022
Cash on hand and petty cash	\$ 204	\$ 212
Checking accounts and demand deposits	14,336	23,006
Cash equivalent (investments with original maturities of less than 3 months)		
Certificate deposit in bank	77,467	133,162
Repurchase bond	52,966	-
	<u>\$ 144,973</u>	<u>\$ 156,380</u>

The market rate intervals of cash in bank and certificate deposit in bank with original maturities of less than 3 months, at the end of the reporting period were as follows:

	December 31, 2023	December 31, 2022
Cash in bank	0.01%~1.45%	0.005%~1.05%
Certificate deposit in the bank with original maturities of less than 3 months	1.16%~1.3%	0.92%~4.3%

Repurchase bond with original maturities of less than 3 months	5.35%	-
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7. FINANCIAL INSTRUMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS

	December 31, 2023	December 31, 2022
<u>Financial Assets - current</u>		
Financial assets mandatorily classified as at FVTPL		
Beneficiary Certification for open ended fund	<u>\$ 1,112,717</u>	<u>\$ 878,217</u>

8. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	December 31, 2023	December 31, 2022
<u>Current</u>		
Equity instrument at fair value through other comprehensive income	<u>\$ 252,844</u>	<u>\$ 194,243</u>
<u>Equity instruments</u>		
<u>Current</u>		
Domestic investments		
Listed shares and emerging market shares	<u>\$ 252,844</u>	<u>\$ 194,243</u>

These investments in equity instruments are not held for trading. Instead, they are held for strategic purposes with the expectation of receiving dividends and selling them for profit. Accordingly, the management elected to designate these investments in equity instruments as at FVTOCI.

9. FINANCIAL ASSETS AT AMORTIZED COST

	December 31, 2023	December 31, 2022
<u>Current</u>		
Domestic investments		
Restricted assets—bank deposit	\$ 90,148	\$ 92,499
Certificate deposit in bank with original maturities of more than 3 months	<u>527,302</u>	<u>727,331</u>
Total	<u>\$ 617,450</u>	<u>\$ 819,830</u>

The market rate intervals of certificate deposit in bank with original maturities of more than 3 months, for the year ended December-31, 2023 and 2022 were 1.29%~5.35% and 0.91%~1.44%.

For pledge of financial assets at amortized cost, refer to Note 26.

10. NOTES RECEIVABLE AND ACCOUNTS RECEIVABLE

	December 31, 2023	December 31, 2022
<u>Notes receivable</u>		
At amortized cost		
Gross Carrying amount	\$ 34,104	\$ 37,508

Less: Allowance for impairment loss	-	-
	<u>\$ 34,104</u>	<u>\$ 37,508</u>
<u>Accounts receivable - from unrelated parties</u>		
At amortized cost		
Gross Carrying amount	\$ 331,463	\$ 327,206
Less: Allowance for impairment loss	-	-
	<u>\$ 331,463</u>	<u>\$ 327,206</u>
<u>Accounts receivable - from related parties</u>		
At amortized cost		
Gross Carrying amount	\$ 36,522	\$ 37,297
Less: Allowance for impairment loss	-	-
	<u>\$ 36,522</u>	<u>\$ 37,297</u>

a. Accounts receivable

In order to minimize credit risk, the management of the Company has delegated a team responsible for determining credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue debts. In addition, the Company reviews the recoverable amount of each individual trade debt at the end of the reporting period to ensure that adequate allowance is made for possible irrecoverable amounts. In this regard, the management believes the Company's credit risk was significantly reduced.

The Company measures the loss allowance for accounts receivable at an amount equal to lifetime ECLs. The expected credit losses on account receivables are estimated by reference to the past default experience of the debtor, an analysis of the debtor's current financial position, general economic conditions of the industry, considerations of GDP forecast and industry trend. The expected credit loss rate for the year ended December 31, 2023 and 2022 were both 0%.

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

The aging analysis of accounts receivable were as follows:

	December 31, 2023	December 31, 2022
Not overdue	\$ 304,565	\$ 324,332
1~60 days	62,611	40,171
61~90 days	333	-
91~180 days	476	-
Over 181 days	-	-
Total	<u>\$ 367,985</u>	<u>\$ 364,503</u>

The above aging schedule was based on the number of overdue days from the posting date.

The movements of the allowance for doubtful trade receivables were as follows:

	For the Year Ended December 31, 2023	For the Year Ended December 31, 2022
Balance at beginning of the year	\$ -	\$ 24
less: Reversal of loss allowance	-	(24)
Balance at ending of the year	<u>\$ -</u>	<u>\$ -</u>

b. Notes receivable

The aging analysis of notes receivables were as follows:

	December 31, 2023	December 31, 2022
Not overdue	\$ 34,104	\$ 37,508
Overdue	-	-
Total	<u>\$ 34,104</u>	<u>\$ 37,508</u>

The above aging schedule was based on the number of overdue days from the posting date.

11. INVENTORIES

	December 31, 2023	December 31, 2022
Finished goods	\$ 301,100	\$ 366,199
Work-in-progress	69,889	90,508
Raw materials	366,308	401,618
Leftover bits and pieces	95,913	104,144
Materials for subcontractor	3,241	5,960
Others	1,543	674
	<u>\$ 837,994</u>	<u>\$ 969,023</u>

The natures of cost of goods sold are as follows:

	December 31, 2023	December 31, 2022
Cost of good sold	\$ 1,836,185	\$ 1,870,892
Loss on inventory write-downs and retirement	-	937
	<u>\$ 1,836,185</u>	<u>\$ 1,871,829</u>

12. INVESTMENTS IN EQUITY METHOD

	December 31, 2023	December 31, 2022
Subsidiaries	<u>\$ 4,346,387</u>	<u>\$ 4,248,301</u>
HAI HWA INVESTMENT CO., LTD.	\$ 3,933,022	\$ 3,848,684
GCM HOLDING CO., LTD.	413,365	399,617
	<u>\$ 4,346,387</u>	<u>\$ 4,248,301</u>

The equity and voting rights in subsidiaries at December 31, 2023 and 2022 were both 100%.

Refer to Note 29 for details of the subsidiaries which are indirectly held by the Company.

The investments accounted for using equity method and the share of profit or loss and other comprehensive income of the investments for the years ended December 31, 2023 and 2022 were based on the financial statements audited by the auditors for the same years.

13. PROPERTY, PLANT AND EQUIPMENT

	Freehold Land	Buildings	Machinery and Equipment	Utility Equipment	Transportation Equipment	Office Equipment	Other Equipment	Construction in Progress	Total
Cost									
Balance at January 1, 2023	\$ 59,074	\$ 478,258	\$2,684,042	\$ 69,004	\$ 13,044	\$ 50,466	\$ 42,682	\$ -	\$3,396,570
Additions	-	108	34,430	1,396	30	1,488	136	-	37,588
Disposals	-	-	(7,600)	(32)	-	(1,941)	-	-	(9,573)
Reclassification	-	-	-	-	-	-	-	-	-
Balance at December 31, 2023	<u>\$ 59,074</u>	<u>\$ 478,366</u>	<u>\$2,710,872</u>	<u>\$ 70,368</u>	<u>\$ 13,074</u>	<u>\$ 50,013</u>	<u>\$ 42,818</u>	<u>\$ -</u>	<u>\$3,424,585</u>
Accumulated depreciation									
Balance at January 1, 2023	\$ -	\$ 311,262	\$2,262,153	\$ 58,769	\$ 11,607	\$ 49,613	\$ 41,506	\$ -	\$2,734,910
Disposals	-	-	(7,160)	(32)	-	(1,941)	-	-	(9,133)
Depreciation expense	-	8,473	121,840	1,283	416	510	384	-	132,906
Reclassification	-	-	-	-	-	-	-	-	-
Balance at December 31, 2023	<u>\$ -</u>	<u>\$ 319,735</u>	<u>\$2,376,833</u>	<u>\$ 60,020</u>	<u>\$ 12,023</u>	<u>\$ 48,182</u>	<u>\$ 41,890</u>	<u>\$ -</u>	<u>\$2,858,683</u>
Accumulated impairment									
Balance at January 1, 2023	\$ 59,074	\$ -	\$ 10,221	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 10,221
Impairment loss	-	-	(440)	-	-	-	-	-	(440)
Balance at December 31, 2023	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 9,781</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 9,781</u>
Carrying amounts at December 31, 2023	<u>\$ 59,074</u>	<u>\$ 158,631</u>	<u>\$ 324,258</u>	<u>\$ 10,348</u>	<u>\$ 1,051</u>	<u>\$ 1,831</u>	<u>\$ 928</u>	<u>\$ -</u>	<u>\$ 556,121</u>
Cost									
Balance at January 1, 2022	\$ 59,074	\$ 477,349	\$2,671,202	\$ 69,004	\$ 12,930	\$ 50,476	\$ 59,162	\$ 324	\$3,399,521
Additions	-	723	14,216	-	272	523	316	926	16,976
Disposals	-	(200)	(2,240)	-	(158)	(533)	(16,796)	-	(19,927)
Reclassification	-	386	864	-	-	-	-	(1,250)	-
Balance at December 31, 2022	<u>\$ 59,074</u>	<u>\$ 478,258</u>	<u>\$2,684,042</u>	<u>\$ 69,004</u>	<u>\$ 13,044</u>	<u>\$ 50,466</u>	<u>\$ 42,682</u>	<u>\$ -</u>	<u>\$3,396,570</u>
Accumulated depreciation									
Balance at January 1, 2022	\$ -	\$ 302,716	\$2,127,938	\$ 57,237	\$ 11,382	\$ 49,521	\$ 57,987	\$ -	\$2,606,781
Disposals	-	(200)	(1,796)	-	(158)	(533)	(16,796)	-	(19,483)
Depreciation expense	-	8,874	136,011	1,532	383	625	315	-	147,612
Reclassification	-	-	-	-	-	-	-	-	-
Balance at December 31, 2022	<u>\$ -</u>	<u>\$ 311,262</u>	<u>\$2,262,153</u>	<u>\$ 58,769</u>	<u>\$ 11,607</u>	<u>\$ 49,613</u>	<u>\$ 41,506</u>	<u>\$ -</u>	<u>\$2,734,910</u>
Accumulated impairment									
Balance at January 1, 2022	\$ -	\$ -	\$ 10,221	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 10,221
Impairment loss	-	-	-	-	-	-	-	-	-
Balance at December 31, 2022	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 10,221</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 10,221</u>
Carrying amounts at December 31, 2022	<u>\$ 59,074</u>	<u>\$ 166,996</u>	<u>\$ 411,668</u>	<u>\$ 10,235</u>	<u>\$ 1,437</u>	<u>\$ 853</u>	<u>\$ 1,176</u>	<u>\$ -</u>	<u>\$ 651,439</u>

The above items of property, plant and equipment are depreciated on a straight-line basis over their estimated useful life of the asset:

Building	
Main buildings	20 - 36 years
Engineering system	2 - 17 years
Machinery and Equipment	2 - 10 years
Utility Equipment	
Air conditioner pipe	35 years
Other power equipment	2 - 15 years

Transportation Equipment
Office Equipment
Other Equipment

2 - 5 years
2 - 6 years
2 - 7 years

14. LEASE ARRANGEMENTS

a. Right-of-use assets

	December 31, 2023	December 31, 2022
Carrying amounts		
Buildings	<u>\$ 14,792</u>	<u>\$ 20,636</u>
	For the Year Ended December 31, 2023	For the Year Ended December 31, 2022
Additions to right-of-use assets	<u>\$ -</u>	<u>\$ -</u>
Depreciation charge for right-of-use assets		
Buildings	\$ 5,844	\$ 5,844
Transportation Equipment	<u>-</u>	<u>421</u>
	<u>\$ 5,844</u>	<u>\$ 6,265</u>

b. Lease liabilities

	December 31, 2023	December 31, 2022
Carrying amounts		
Current	<u>\$ 5,955</u>	<u>\$ 5,890</u>
Non-current	<u>\$ 9,245</u>	<u>\$ 15,200</u>

Range of discount rate for lease liabilities was as follows:

	December 31, 2023	December 31, 2022
Buildings	1.1%	1.1%
Transportation Equipment	1.1%	1.1%

c. Other lease information

The Company leases certain assets which qualify as short-term leases. The Company has elected to apply the recognition exemption and, thus, did not recognize right-of-use assets and lease liabilities for these leases.

	For the Year Ended December 31, 2023	For the Year Ended December 31, 2022
Expenses relating to short-term leases	<u>\$ 1,847</u>	<u>\$ 1,410</u>
Expenses relating to low-value asset leases	<u>\$ 63</u>	<u>\$ 37</u>
Total cash (outflow) for leases	<u>(\$ 8,002)</u>	<u>(\$ 7,967)</u>

15. SHORT-TERM BORROWINGS

	December 31, 2023	December 31, 2022
<u>Unsecured borrowings</u>		
— Bank loans for working capital	<u>\$ 79,178</u>	<u>\$ 106,211</u>

The rate intervals of bank revolving loan at December 31, 2023 and 2022 were 1.98%~6.29% and 1.85%~5.51% respectively.

16. OTHER PAYABLES

	December 31, 2023	December 31, 2022
Payables for salaries and bonuses	\$ 60,754	\$ 65,081
Freight payable	4,945	1,319
Payable for annual leave	4,734	5,122
Payables for purchases of equipment	2,486	4,129
Payables for utility bills	1,383	5,351
Other	23,890	24,424
	<u>\$ 98,192</u>	<u>\$ 105,426</u>

17. RETIREMENT BENEFIT PLANS

a. Defined contribution plans

The Company adopted a pension plan under the Labor Pension Act (LPA), which is a state-managed defined contribution plan. Under the LPA, an entity makes monthly contributions to employees' individual pension accounts at 6% of monthly salaries and wages.

b. Defined benefit plans

The defined benefit plans adopted by the Company in accordance with the Labor Standards Law is operated by the government of the ROC. Pension benefits are calculated on the basis of the length of service and average monthly salaries of the six months before retirement. The Company contributes amounts equal to 2% of total monthly salaries and wages to a pension fund administered by the pension fund monitoring committee. Pension contributions are deposited in the Bank of Taiwan in the committee's name. Before the end of each year, the Company assesses the balance in the pension fund. If the amount of the balance in the pension fund is inadequate to pay retirement benefits for employees who conform to retirement requirements in the next year, the Company is required to fund the difference in one appropriation that should be made before the end of March of the next year. The pension fund is managed by the Bureau of Labor Funds, Ministry of Labor (the "Bureau"); the Company has no right to influence the investment policy and strategy.

The amounts included in the balance sheets in respect of the Company's defined benefit plans were as follows:

	December 31, 2023	December 31, 2022
Present value of defined benefit obligation	\$ 19,347	\$ 79,781
Fair value of plan assets	(5,157)	(27,900)
Net defined benefit liability	<u>\$ 14,190</u>	<u>\$ 51,881</u>

Movements in net defined benefit liability (asset) were as follows:

	Present Value of the Defined Benefit Obligation	Fair Value of the Plan Assets	Net Defined Benefit Liabilities (Assets)
Balance at January 1, 2022	\$ 98,424	(\$ 32,856)	\$ 65,568
Service cost			

Current service cost	253	-	253
Net interest expense (income)	<u>492</u>	(<u>166</u>)	<u>326</u>
Recognized in profit or loss	<u>745</u>	(<u>166</u>)	<u>579</u>

(Continued)

Remeasurement

Return on plan assets (excluding amounts included in net interest)	-	(2,607)	(2,607)
Actuarial loss - experience adjustments	<u>872</u>	<u>-</u>	(<u>872</u>)
Recognized in other comprehensive income	<u>872</u>	(<u>2,607</u>)	(<u>1,735</u>)
Contributions from the employer	-	(531)	(531)
Benefits paid—from carrying value	(12,000)	-	(12,000)
Benefits paid—from plan assets	(<u>8,260</u>)	<u>8,260</u>	<u>-</u>
Balance at December 31, 2022	<u>\$ 79,781</u>	(<u>\$ 27,900</u>)	<u>\$ 51,881</u>

Balance at January 1, 2023	<u>\$ 79,781</u>	(<u>\$ 27,900</u>)	<u>\$ 51,881</u>
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Service cost

Current service cost	494	-	494
Previous service costs and settlement profits	(5,251)	-	(5,251)
Net interest expense (income)	<u>997</u>	(<u>352</u>)	<u>645</u>
Recognized in profit or loss	(<u>3,760</u>)	(<u>352</u>)	(<u>4,112</u>)

Remeasurement

Return on plan assets (excluding amounts included in net interest)	-	(130)	(130)
Actuarial loss - experience adjustments	(<u>2,570</u>)	<u>-</u>	(<u>2,570</u>)
Recognized in other comprehensive income	(<u>2,570</u>)	(<u>130</u>)	(<u>2,700</u>)
Contributions from the employer	-	(16,010)	(16,010)
Benefits paid—from carrying value	(14,869)	-	(14,869)
Benefits paid—from plan assets	(<u>39,235</u>)	<u>39,235</u>	<u>-</u>
Balance at December 31, 2023	<u>\$ 19,347</u>	(<u>\$ 5,157</u>)	<u>\$ 14,190</u>

(Concluded)

Through the defined benefit plans under the Labor Standards Law, the Company is exposed to the following risks:

- (1) Investment risk: The plan assets are invested in domestic and foreign equity and debt securities, bank deposits, etc. The investment is conducted at the discretion of the Bureau or under the mandated management. However, in accordance with relevant regulations, the return generated by plan assets should not be below the interest rate for a 2-year time deposit with local banks.
- (2) Interest risk: A decrease in the corporate bond interest rate will increase the present value of the defined benefit obligation; however, this will be partially offset by an increase in the return on the plans' debt investments.
- (3) Salary risk: The present value of the defined benefit obligation is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the present value of the defined benefit obligation.

The actuarial valuations of the present value of the defined benefit obligation were carried out by qualified actuaries. The significant assumptions used for the purposes of the actuarial valuations were as follows:

	December 31, 2023	December 31, 2022
Discount rate	1.25%	1.25%
Expected rate of salary increase	2.75%	2.75%

If possible reasonable changes in each of the significant actuarial assumptions will occur and all other assumptions will remain constant, the present value of the defined benefit obligation would increase (decrease) as follows:

	December 31, 2023	December 31, 2022
Discount rate(s)		
0.25% increase	(\$ 162)	(\$ 567)
0.25% decrease	\$ 174	\$ 585
Expected rate(s) of salary increase		
1% increase	\$ 791	\$ 2,516
1% decrease	(\$ 615)	(\$ 2,275)

The sensitivity analysis presented above may not be representative of the actual changes in the present value of the defined benefit obligation as it is unlikely that the changes in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

	December 31, 2023	December 31, 2022
Expected contributions to the plans for the next year	\$ 93	\$ 516
Average duration of the defined benefit obligation	10.6years	7.7years

18. EQUITY

a. Share capital

Common shares

	December 31, 2023	December 31, 2022
Number of shares authorized (in thousands)	330,000	330,000
Shares authorized	\$ 3,300,000	\$ 3,300,000
Number of shares issued and fully paid (in thousands)	305,000	305,000
Shares issued	\$ 3,050,000	\$ 3,050,000

Fully paid ordinary shares, which have a par value of NT\$10, carry one vote per share and carry a right to dividends.

b. Capital surplus

The capital surplus from shares issued in excess of par (additional paid-in capital from issuance of common shares) and donations may be used to offset a deficit; in addition, when the Company has no deficit, such capital surplus may be distributed as cash dividends or transferred to capital (limited to a certain percentage of the Company's paid-in capital and to once a year).

c. Retained earnings and dividends policy

Under the dividend policy as set forth in the amended Articles, where the Company made profit in a fiscal year, the profit shall be first utilized for paying taxes, offsetting losses of previous years, setting aside as legal reserve of 10% of the remaining profit, setting aside or reversing a special reserve in accordance with the laws and regulations, and then any remaining profit together with any undistributed retained earnings shall be used by the Company's board of directors as the basis for proposing a distribution plan, which should be resolved in the shareholders' meeting for the distribution of dividends and bonuses to shareholders.

The dividends policy of the Company shall be made according to the Company's current and future plan, considering investment environment, fund requirements, overall competition and taking into account the interests of shareholders. The Company is growth steadily. Consider in future operating expansion plans, dividends are distributed in a coordinated manner with cash dividends and share dividends. The cash dividend is about 50% to 100% and the share dividend is about 50% to 0%. The Company may adjust the distribution ratio of cash dividends and share dividends if necessary, which depending on factors such as economic conditions, industrial development and capital needs.

Appropriation of earnings to legal reserve shall be made until the legal reserve equals the Company's paid-in capital. The legal reserve may be used to offset deficit. If the Company has no deficit and the legal reserve has exceeded 25% of the Company's paid-in capital, the excess may be transferred to capital or distributed in cash.

The appropriations of earnings for 2022 and 2021 approved in the shareholders' meetings on June 19, 2023 and June 24, 2022, respectively, were as follows:

	For the Year Ended December 31, 2022	For the Year Ended December 31, 2021
Legal reserve	<u>\$ 47,468</u>	<u>\$ 61,504</u>
Cash dividends	<u>\$ 366,000</u>	<u>\$ 457,500</u>
Cash dividends per share	\$ 1.2	\$ 1.5

The appropriation of earnings for 2023 had been proposed by the Company's board of directors on February 26, 2024. The appropriation and dividends per share were as follows:

	For the Year Ended
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	December 31, 2023
Legal reserve	<u>\$ 44,432</u>
Cash dividends	<u>\$ 335,500</u>
Cash dividends per share	<u>\$ 1.1</u>

The appropriation of earnings for 2023 is subject to the resolution of the shareholders' meeting to be held on May, 2024.

19. Revenue

	For the Year Ended December 31, 2023	For the Year Ended December 31, 2022
Revenue from contracts with customers		
Sale of goods	<u>\$ 2,284,398</u>	<u>\$ 2,433,757</u>

20. NET PROFIT FROM CONTINUING OPERATIONS

a. Interest income

	For the Year Ended December 31, 2023	For the Year Ended December 31, 2022
Bank deposit	<u>\$ 13,889</u>	<u>\$ 9,508</u>

b. Other income

	For the Year Ended December 31, 2023	For the Year Ended December 31, 2022
Dividend income	\$ 7,784	\$ 7,578
Others	<u>12,395</u>	<u>7,165</u>
	<u>\$ 20,179</u>	<u>\$ 14,743</u>

c. Other gains and losses

	For the Year Ended December 31, 2023	For the Year Ended December 31, 2022
Fair value changes of financial assets and financial liabilities		
Financial assets mandatorily at FVTPL	\$ 2,262	\$ 53
Net foreign exchange gains (losses)	3,670	(4,334)
Others	<u>(22)</u>	<u>(12)</u>
	<u>\$ 5,910</u>	<u>(\$ 4,293)</u>

d. Finance costs

	For the Year Ended December 31, 2023	For the Year Ended December 31, 2022
Interest on lease liabilities	<u>\$ 202</u>	<u>\$ 268</u>

e. Depreciation and amortization

	For the Year Ended December 31, 2023	For the Year Ended December 31, 2022
Depreciation expense by function		
Operating costs	\$ 132,417	\$ 147,000
Operating expenses	<u>6,333</u>	<u>6,877</u>
	<u>\$ 138,750</u>	<u>\$ 153,877</u>

f. Employee benefits expense

	For the Year Ended December 31, 2023	For the Year Ended December 31, 2022
Post-employment benefits		
Defined contribution plans	\$ 7,592	\$ 7,813
Defined benefit plans(Note 17)	<u>(4,112)</u>	<u>579</u>
	<u>3,480</u>	<u>8,392</u>
Other employee benefits		
Salary expenses	172,721	179,754
Labor and health insurance expenses	19,003	20,157
Others	<u>27,318</u>	<u>29,872</u>
	<u>219,042</u>	<u>229,783</u>
Total	<u>\$ 222,522</u>	<u>\$ 238,175</u>

An analysis of employee benefits expense by function

Operating costs	\$ 156,608	\$ 165,341
Operating expenses	<u>65,914</u>	<u>72,834</u>
	<u>\$ 222,522</u>	<u>\$ 238,175</u>

g. Employees' compensation and remuneration of directors

The Company accrued employees' compensation and remuneration of directors at the rates of no less than 1% and no higher than 5%, respectively, of net profit before income tax, employees' compensation, and remuneration of directors. The employees' compensation and remuneration of directors for the years ended December 31, 2023 and 2022 which have been approved by the Company's board of directors on February 26, 2024 and March 7, 2023, respectively, were as follows:

Amount

	For the Year Ended December 31, 2023	For the Year Ended December 31, 2022
	Cash	Cash
Employees' compensation	\$ 11,473	\$ 12,374
Remuneration of directors	11,473	12,374

If there is a change in the amounts after the annual financial statements are authorized for issue, the differences are recorded as a change in the accounting estimate.

There was no difference between the actual amounts of employees' compensation and remuneration of directors paid and the amounts recognized in the financial statements for the year ended December 31, 2022 and 2021.

Information on the employees' compensation and remuneration of directors resolved by the Company's board of directors is available at the Market Observation Post System website of the Taiwan Stock Exchange.

21. INCOME TAXES RELATING TO CONTINUING OPERATIONS

a. Major components of tax expense recognized in profit or loss

	For the Year Ended December 31, 2023	For the Year Ended December 31, 2022
Current tax		
In respect of the current year	\$ 66,873	\$ 86,794
Income tax expense of unappropriated earnings	2,182	3,961
Adjustment for prior periods	(1,747)	105
	<u>67,308</u>	<u>90,860</u>
Deferred tax		
In respect of the current year	41,249	29,812
Income tax expense recognized in profit or loss	<u>\$ 108,557</u>	<u>\$ 120,672</u>

A reconciliation of accounting profit and income tax expenses is as follows:

	For the Year Ended December 31, 2023	For the Year Ended December 31, 2022
Net income before tax from continuing operations	<u>\$ 550,717</u>	<u>\$ 593,968</u>
Income tax expense calculated at the statutory rate	\$ 110,144	\$ 118,794
Nondeductible expenses in determining taxable income	37	130
Tax-exempt income	(2,059)	(2,318)
Additional income tax on unappropriated earnings	2,182	3,961
Adjustments for prior year's tax	(1,747)	105
Income tax expense recognized in profit or loss	<u>\$ 108,557</u>	<u>\$ 120,672</u>

b. Deferred tax assets and liabilities

Movement for deferred tax assets and liabilities is as follow:

For the Year Ended December 31, 2023

Opening Balance	Recognized in Profit or Loss	Recognized in Other Comprehensive Income	Closing Balance
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<u>Deferred Tax Assets</u>				
<u>Temporary differences</u>				
Defined benefit obligation	\$ 10,376	(\$ 6,998)	(\$ 540)	\$ 2,838
Payable for annual leave	1,054	(78)	-	976
Unrealized inventory write-downs	4,268	(719)	-	3,549
Others	<u>1,555</u>	<u>(5)</u>	<u>-</u>	<u>1,560</u>
	<u>\$ 17,253</u>	<u>(\$ 7,790)</u>	<u>(\$ 540)</u>	<u>\$ 8,923</u>

<u>Deferred tax liabilities</u>				
<u>Temporary differences</u>				
Unappropriated earnings from subsidiary	\$394,255	\$ 32,657	\$ -	\$426,912
Others	<u>140</u>	<u>(802)</u>	<u>-</u>	<u>942</u>
	<u>\$394,395</u>	<u>\$ 33,459</u>	<u>\$ -</u>	<u>\$427,854</u>

For the Year Ended December 31, 2022

	Opening Balance	Recognized in Profit or Loss	Recognized in Other Comprehensive Income	Closing Balance
<u>Deferred Tax Assets</u>				
<u>Temporary differences</u>				
Defined benefit obligation	\$ 13,113	(\$ 2,390)	(\$ 347)	\$ 10,376
Payable for annual leave	1,113	(59)	-	1,054
Unrealized inventory write-downs	4,461	(193)	-	4,268
Others	<u>1,690</u>	<u>(135)</u>	<u>-</u>	<u>1,555</u>
	<u>\$ 20,377</u>	<u>(\$ 2,777)</u>	<u>(\$ 347)</u>	<u>\$ 17,253</u>
<u>Deferred tax liabilities</u>				
<u>Temporary differences</u>				
Unappropriated earnings from subsidiary	\$367,216	\$ 27,039	\$ -	\$394,255
Others	<u>144</u>	<u>(4)</u>	<u>-</u>	<u>140</u>
	<u>\$367,360</u>	<u>\$ 27,035</u>	<u>\$ -</u>	<u>\$394,395</u>

c. Income tax assessments

Income tax returns of the Company through 2021 have been examined and cleared by the tax authorities.

22. EARNINGS PER SHARE

Net Profit for Current year

	For the Year Ended December 31, 2023	For the Year Ended December 31, 2022
Net Profit Attributable to Owners of the parent	<u>\$ 442,160</u>	<u>\$ 473,296</u>

Number of Shares (In Thousands)

	For the Year Ended December 31, 2023	For the Year Ended December 31, 2022
Weighted average number of ordinary shares used in computation of basic earnings per share	305,000	305,000
Dilutive effects		
-employees' compensation or bonus issue to employees	<u>566</u>	<u>633</u>
Weighted average number of ordinary shares used in computation of diluted earnings per share	<u>305,566</u>	<u>305,633</u>

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

23. CAPITAL MANAGEMENT

The Company manages its capital to ensure that entities in the Company will be able to continue as going concerns while maximizing the return to stakeholders through the optimization of the debt and equity balance. The Company's overall strategy remains unchanged in the past 2 years.

The capital structure of the Company consists of net debt (borrowings offset by cash and cash equivalents) and equity attributable to owners of the Company (comprising issued capital, reserves, retained earnings and other equity).

The Company is not subject to any externally imposed capital requirements.

24. FINANCIAL INSTRUMENTS

- a. Fair value information—The relevant financial instruments not measured by fair value

The Company management believes that the book value of financial assets and financial liabilities that are not measured by fair value is close to the fair value.

- b. Fair value of financial instruments measured at fair value on a recurring basis

Fair value hierarchy

December 31, 2023

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Financial assets at fair value through profit or loss (FVTPL)				
Beneficiary certification for fund	<u>\$1,112,717</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$1,112,717</u>
Financial assets at fair value through Other comprehensive income				
Equity instruments				
— Shares of publicly quoted entity	<u>\$ 252,844</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 252,844</u>

December 31, 2022

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Financial assets at fair value through profit or loss (FVTPL)				
Beneficiary certification for fund	<u>\$ 878,217</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 878,217</u>
Financial assets at fair value through Other comprehensive income				
Equity instruments				
— Shares of publicly quoted entity	<u>\$ 194,243</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 194,243</u>

There were no transfers between Level 1 and 2 in the current and prior periods.

c. Categories of financial instruments

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
<u>Financial assets</u>		
<u>FVTPL</u>		
Mandatorily at FVTPL	\$ 1,112,717	\$ 878,217
Financial assets at amortized cost (1)	1,167,390	1,308,367
Financial assets at fair value through other comprehensive income		
Equity instruments	252,844	194,243
<u>Financial liabilities</u>		
Financial liabilities at amortized cost (2)	207,045	263,582

(1) The balances include financial assets measured at amortized cost, which comprise cash and cash equivalents, debt investment, notes receivable, accounts receivable and other receivables.

(2) The balances included financial liabilities measured at amortized cost, which comprise short-term borrowing, notes payable, accounts payable and other payables.

d. Financial risk management objectives and policies

The Company's major financial instruments included equity and debt investments, notes receivable, accounts receivable, other receivables, notes payable, accounts payable and borrowings. The Company's Corporate Treasury function provides services to the business, coordinates access to domestic and international financial markets, monitors and manages the financial risks

relating to the operations of the Company through internal risk reports which analyze exposures by degree and magnitude of risks. These risks include market risk (including foreign currency risk and interest rate risk), credit risk and liquidity risk.

The Company sought to minimize the effects of these risks by using financial derivatives to hedge risk exposures. The use of financial derivatives was governed by the Company's policies approved by the board of directors, which provided written guidelines on foreign exchange risk, interest rate risk, credit risk, the use of financial derivatives and non-derivative financial instruments, and the investment of excess liquidity. Compliance with policies and exposure limits was reviewed by the internal auditors on a continuous basis. The Company did not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes.

(1) Market risk

The Company's operating activities expose it primarily to the financial risks of changes in foreign currency exchange rates (see a) below) and interest rates (see b) below).

a) Foreign currency risk

Several subsidiaries of the Company had foreign currency sales and purchases, which exposed the Company to foreign currency risk. Exchange rate exposures were managed within natural hedges. Hence, change of market exchange rate would change the fair value of related financial instrument.

The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities and of the derivatives exposed to foreign currency risk at the end of the reporting period are set out in Note 28.

Sensitivity analysis

The Company was mainly exposed to the fluctuation of the U.S. dollar.

The following table details the Company's sensitivity to a 3% increase and decrease in New Taiwan dollars (the functional currency) against USD. The Company's sensitivity to a 3% increase and decrease in NTD (the functional currency) against the relevant foreign currencies represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis is for a 3% change in foreign currency rates and included only outstanding foreign currency denominated monetary items at the end of the reporting period. A positive number below indicates a decrease in pre-tax profit when New Taiwan dollars strengthen by 3% against USD. For a 3% weakening of New Taiwan dollars against USD, there would be an equal and opposite impact on pre-tax profit and other equity, and the balances below would be negative.

USD Impact	
For the Year Ended December 31,	For the Year Ended December 31,

	2023	2022
Profit or loss	(\$ 2,042)	(\$ 2,067)

b) Interest rate risk

The Company is exposed to interest rate risk because the Company borrows funds at both fixed and floating interest rates. The risk is managed by the Company by maintaining an appropriate mix of fixed and floating rate borrowings.

The carrying amount of the Company's financial assets and financial liabilities with exposure to interest rates at the end of the reporting period were as follows:

	December 31, 2023	December 31, 2022
Fair value interest rate risk		
— Financial assets	\$ 154,268	\$ 125,742
— Financial liabilities	15,200	21,092
Cash flow interest rate risk		
— Financial assets	605,930	841,489
— Financial liabilities	79,178	106,211

Sensitivity analysis

The sensitivity analysis below was determined based on the Company's exposure to interest rates for both derivative and non-derivative instruments at the end of the reporting period. For floating rate liabilities, the analysis was prepared assuming the amount of each liability outstanding at the end of the reporting period was outstanding for the whole year. 50 basis points increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

If interest rates had been 50 basis points higher and all other variables were held constant, the Company's pre-tax profit for the years ended December 31, 2023 and 2022 would decrease by \$2,634 thousand and \$3,676 thousand, respectively.

c) Other price risk

The Company was exposed to equity price risk through its investments in listed equity securities and beneficiary certification for fund. The management of the Company manages risks by holding investment portfolios with different risk levels. The equity price risk of the Company is mainly from the equity instruments issued in Taiwan.

Sensitivity analysis

The sensitivity analyses below were determined based on the exposure to equity price risks at the end of the reporting period.

If equity prices increase/ decrease 5%, the profit before income tax for the year 2023 and 2022 would have increased/ decrease by \$55,636 thousand and \$43,911 thousand, respectively, as a result of the changes

in fair value of financial assets at FVTPL. The pre-tax other comprehensive income for the year 2023 and 2022 would have increased/ decrease by \$12,642 thousand and \$9,712 thousand, respectively, as a result of the changes in fair value of financial assets at FVTOCI.

(2) Credit risk

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Company. As at the end of the reporting period, the Company's maximum exposure to credit risk which would cause a financial loss to the Company due to the failure of the counterparty to discharge its obligation and due to the financial guarantees provided by the Company, is arising from:

- a) The carrying amount of the respective recognized financial assets as stated in the independent balance sheets.
- b) The amount of contingent liabilities due to the financial guarantees provided by the Company.

Since the counterparty of circulating capital and derivative financial instruments is the bank with a high credit rating given by the international credit rating agency, the credit risk is limited.

Trade receivables consist of a large number of customers, which spread across diverse industries and geographical areas, thus, no other concentration of credit risk was observed.

(3) Liquidity risk

The Company manages liquidity risk by monitoring and maintaining a level of cash and cash equivalents deemed adequate to finance the Company's operations and mitigate the effects of fluctuations in cash flows. In addition, management monitors the utilization of bank borrowings and ensures compliance with loan covenants.

The Company relies on bank borrowings as a significant source of liquidity. The Company had available unutilized short-term bank loan facilities set out in (b) below.

- a) Liquidity and interest rate risk tables for non-derivative financial liabilities

The following table details the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The table had been drawn up based on the undiscounted cash flows of financial liabilities from the earliest date on which the Company can be required to pay. The table included both interest and principal cash flows. Specifically, bank loans with a repayment on demand clause were included in the earliest time band regardless of the probability of the banks choosing to exercise their rights. The maturity dates for other non-derivative financial liabilities were based on the agreed repayment dates.

December 31, 2023

	On Demand or Less than 1 Month	1 to 3 Month	3 Month to 1 Year	Over 1 Year
<u>Non-derivative financial</u>				

<u>liabilities</u>				
Non-interest bearing	\$ 73,205	\$ 83,335	\$ 38,062	\$ -
Lease liabilities	508	1,015	4,569	9,327
Variable interest rate instrument	27,683	51,495	-	-
Financial guarantee liabilities	-	151,445	138,173	-
	<u>\$ 101,396</u>	<u>\$ 287,290</u>	<u>\$ 180,804</u>	<u>\$ 9,327</u>

Additional information about the maturity analysis for lease liabilities:

	Less than 1 Year	1-5 Years	Over 5 Years
Lease liabilities	<u>\$ 6,092</u>	<u>\$ 9,327</u>	<u>\$ -</u>

December 31, 2022

	On Demand or Less than 1 Month	1 to 3 Month	3 Month to 1 Year	Over 1 Year
<u>Non-derivative financial liabilities</u>				
Non-interest bearing	\$ 88,866	\$ 87,925	\$ 52,060	\$ -
Lease liabilities	508	1,015	4,569	15,420
Variable interest rate instrument	65,027	41,184	-	-
Financial guarantee liabilities	-	138,195	154,280	-
	<u>\$ 154,401</u>	<u>\$ 268,319</u>	<u>\$ 210,909</u>	<u>\$ 15,420</u>

Additional information about the maturity analysis for lease liabilities:

	Less than 1 Year	1-5 Years	Over 5 Years
Lease liabilities	<u>\$ 6,092</u>	<u>\$ 15,420</u>	<u>\$ -</u>

The amount of floating interest rate instruments for the aforementioned non-derivative financial assets and liabilities would change amidst the difference between the floating interest rate and the interest rate estimated as of the balance sheet date.

b) Financing facilities

	December 31, 2023	December 31, 2022
Unsecured bank facilities:		
— Amount used	\$ 120,399	\$ 278,649
— Amount unused	<u>1,516,104</u>	<u>1,388,716</u>
	<u>\$ 1,636,503</u>	<u>\$ 1,667,365</u>

25. RELATED-PARTY TRANSACTIONS

Details of transactions between the Company and related parties were disclosed below.

a. Related Party Categories / Names

Related Party	Relationship with the Company
Shanghai United Can Co., Ltd	Subsidiary
Huatong United (Nantong) Plastic Industry Co., Ltd	Subsidiary
GCM PACKAGING (VIETNAM) CO., LTD.	Subsidiary
China Can Printing and Metal MFG. Co., Ltd.	Related party in substance
HuaDong United Can Co.,Ltd	Related party in substance

b. Operating Revenue

Item	Related Party	For the Year Ended December 31, 2023	For the Year Ended December 31, 2022
Sales of goods	Subsidiaries GCM PACKAGING (VIETNAM) CO., LTD.	<u>\$ 13,756</u>	<u>\$ 16,844</u>
	Related parties in substance China Can Printing and Metal MFG. Co., Ltd.	<u>\$ 193,277</u>	<u>\$ 194,665</u>

The price of sales to related parties approximated those for third parties. Collection terms are 60 to 150 days for third parties, T/T 60 days for GCM PACKAGING (VIETNAM) CO., LTD. and 90 days for China Can Printing and Metal MFG. Co., Ltd.

c. Trading transactions

Item	Related Party	For the Year Ended December 31, 2023	For the Year Ended December 31, 2022
Purchase of goods	Subsidiaries Shanghai United Can Co., Ltd	\$ -	\$ 1,445
	Huatong United (Nantong) Plastic Industry Co., Ltd	<u>3,051</u>	<u>2,627</u>
		<u>\$ 3,051</u>	<u>\$ 4,072</u>
	Related parties in substance China Can Printing and Metal MFG. Co., Ltd.	<u>\$ 1,928</u>	<u>\$ 2,072</u>

The price of purchase to related parties approximated those for third parties.

d. Receivables from related parties

Item	Related Party	December 31, 2023	December 31, 2022
Accounts receivable	Subsidiaries GCM PACKAGING (VIETNAM) CO., LTD.	<u>\$ 785</u>	<u>\$ -</u>
	Related parties in substance China Can Printing and Metal MFG. Co., Ltd.	<u>\$ 35,737</u>	<u>\$ 37,297</u>

The outstanding account receivables from related parties are unsecured. The Company didn't recognize bad debt expenses for the account receivables from related parties in 2023 and 2022.

e. Payables from related parties

Item	Related Party	December 31, 2023	December 31, 2022
Accounts payable	Subsidiaries GCM PACKAGING	\$ 421	\$ 422

(VIETNAM) CO., LTD. Huatong United (Nantong) Plastic Industry Co., Ltd	516	-
	<u>\$ 937</u>	<u>\$ 422</u>

Related parties in substance China Can Printing and Metal MFG. Co., Ltd.	<u>\$ 747</u>	<u>\$ 613</u>
--	---------------	---------------

The payment term of purchase to related parties approximated those for third parties.

The outstanding payables to related parties are unsecured.

f. Purchase on property, plant and equipment

Related Party	December 31, 2023	December 31, 2022
Related party in substance China Can Printing and Metal MFG. Co., Ltd.	<u>\$ 30</u>	<u>\$ -</u>

g. Disposal of property, plant and equipment

Related Party	Proceeds		Loss (gain) on disposal of property, plant and equipment	
	For the Year Ended December 31, 2023	For the Year Ended December 31, 2022	For the Year Ended December 31, 2023	For the Year Ended December 31, 2022
Related parties in substance China Can Printing and Metal MFG. Co., Ltd	<u>\$ -</u>	<u>\$ 444</u>	<u>\$ -</u>	<u>\$ -</u>

h. Lease agreement

Item	Related Party	December 31, 2023	December 31, 2022
Lease Liability	Related party in substance China Can Printing and Metal MFG. Co., Ltd.	<u>\$ 14,085</u>	<u>\$ 19,611</u>
		For the Year Ended December 31, 2023	For the Year Ended December 31, 2022
<u>Interest expense</u>			
Related party in substance China Can Printing and Metal MFG. Co., Ltd.		<u>\$ 188</u>	<u>\$ 248</u>

The Company leased an office building in Taishan District, New Taipei City, from China Can Printing and Metal MFG. Co., Ltd. with an area of approximately 1,735.545 square meters. The lease term will end on June 30, 2026. The monthly rent will be \$476 thousand, and the rent will be prepaid for 3

months at the beginning of every quarter. The rent in the lease contract was negotiated with the reference on market price, and pay according to the agreed method in the lease contract.

i. Endorsements/guarantees provided

Related Party	December 31, 2023	December 31, 2022
Subsidiaries	<u>\$ 289,618</u>	<u>\$ 29,475</u>
	USD 4,500	USD 4,500
	CNY 35,000	CNY 35,000

Refer to Table1 for informations of endorsements/guarantees provided.

j. Other transactions with related parties

Related Party	For the Year Ended December 31, 2023	For the Year Ended December 31, 2022	Nature
Subsidiaries			
GCM PACKAGING (VIETNAM) CO., LTD.	<u>\$ 13,341</u>	<u>\$ 9,787</u>	Processing expense
Related parties in substance			
China Can Printing and Metal MFG. Co., Ltd.	<u>\$ 22</u>	<u>\$ -</u>	Processing expense

k. Compensation of key management personnel

	For the Year Ended December 31, 2023	For the Year Ended December 31, 2022
Short-term benefits	\$ 27,633	\$ 27,859
Post-employment benefits	958	351
	<u>\$ 28,591</u>	<u>\$ 28,210</u>

The remuneration of directors and key executives was determined by the remuneration committee based on the performance of individuals and market trends.

26. ASSETS PLEDGED AS COLLATERAL OR FOR SECURITY

The following assets were provided as collateral for bank borrowings:

	December 31, 2023	December 31, 2022
Assets pledged (Financial assets at amortized cost)	<u>\$ 90,148</u>	<u>\$ 92,499</u>

27. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNIZED COMMITMENTS

In addition to those disclosed in other notes, significant commitments and contingencies of the Company as of December 31, 2023 and 2022 were as follows:

a. Significant commitment

- (1) Unused letters of credit for purchases of raw materials and machinery and equipment amounted as follow:

	December 31, 2023	December 31, 2022
USD	\$ 1,106	\$ 1,130
NTD	234	132,179

- (2) Commitments with equipment suppliers are as follow:

	December 31, 2023	December 31, 2022
Unpaid amount		
— USD	\$ -	\$ 95
— NTD	3,864	2,202
— GBP	-	13

b. Significant contingent liabilities: None.

28. SIGNIFICANT ASSETS AND LIABILITIES DENOMINATED IN FOREIGN CURRENCIES

The following information was aggregated by the foreign currencies other than functional currencies of the Company entities and the exchange rates between foreign currencies and respective functional currencies were disclosed. The significant assets and liabilities denominated in foreign currencies were as follows:

December 31, 2023

	Foreign Currencies	Exchange Rate	Carrying value
Assets in foreign currencies			
<u>Monetary items</u>			
USD	\$ 1,916	30.705 (USD : NTD)	\$ 58,821
<u>Non - monetary items</u>			
USD	14	30.705 (USD : NTD)	426
Liabilities in foreign currencies			
<u>Monetary items</u>			
USD	4,133	30.705 (USD : NTD)	126,900

December 31, 2022

	Foreign Currencies	Exchange Rate	Carrying value
Assets in foreign currencies			
<u>Monetary items</u>			
USD	\$ 317	30.71 (USD : NTD)	\$ 9,742
<u>Non - monetary items</u>			

USD

17 30.71 (USD : NTD)

535

Liabilities in foreign currenciesMonetary items

USD

2,561 30.71 (USD : NTD)

78,642

The following information was aggregated by the functional currencies of the Company entities, and the exchange rates between respective functional currencies and the presentation currency were disclosed. The significant realized and unrealized foreign exchange gains (losses) were as follows:

For the Year Ended December 31, 2023			For the Year Ended December 31, 2022		
Functional currencies	Exchange Rate	Net Foreign Exchange Gain (Loss)- NTD	Exchange Rate	Net Foreign Exchange Gain (Loss)- NTD	
NTD	1 (NTD : NTD)	(\$ 3,670)	1 (NTD : NTD)	(\$ 4,334)	

29. SEPARATELY DISCLOSED ITEMS

a. Information about significant transactions and investees:

- (1) Financing provided to others. (None)
- (2) Endorsements/guarantees provided. (Table 1)
- (3) Marketable securities held (excluding investments in subsidiaries, associates and joint controlled entities. (Table 2)
- (4) Marketable securities acquired and disposed at costs or prices at least NT\$300 million or 20% of the paid-in capital. (Table 3)
- (5) Acquisition of individual real estate at costs of at least NT \$300 million or 20% of the paid-in capital. (None)
- (6) Disposal of individual real estate at prices of at least NT \$300 million or 20% of the paid-in capital. (None)
- (7) Total purchases from or sales to related parties amounting to at least NT \$100 million or 20% of the paid-in capital. (Table 4)
- (8) Receivables from related parties amounting to at least NT \$100 million or 20% of the paid-in capital. (None)
- (9) Trading in derivative instruments. (None)

b. Information on investees. (Table 5)

c. Information on investments in mainland China

- (1) Information on any investee companies in mainland China, showing the name, principal business activities, paid-in capital, method of investment, inward and outward remittance of funds, ownership percentage, net income of investees, investment income or loss, carrying amount of the investment at the end of the period, repatriations of investment income, and limit on the amount of investment in the mainland China area. (Table 6)
- (2) Any of the following significant transactions with investee companies in mainland China, either directly or indirectly through a third party, and their prices, payment terms, and unrealized gains or losses: (None)
 - a) The amount and percentage of purchases and the balance and percentage of the related payables at the end of the period.

- b) The amount and percentage of sales and the balance and percentage of the related receivables at the end of the period.
 - c) The amount of property transactions and the amount of the resultant gains or losses.
 - d) The balance of negotiable instrument endorsements or guarantees or pledges of collateral at the end of the period and the purposes.
 - e) The highest balance, the end of period balance, the interest rate range, and total current period interest with respect to financing of funds.
 - f) Other transactions that have a material effect on the profit or loss for the period or on the financial position, such as the rendering or receiving of services.
- d. Information on investors: Investors' name, holding shares and percentage for shareholding over 5%. (Table 7)

**GREAT CHINA METAL IND. CO., LTD.
ENDORSEMENTS/GUARANTEES PROVIDED
FOR THE YEAR ENDED DECEMBER 31, 2023**

Table 1 (In Thousands of New Taiwan Dollars and Foreign Currency)

No. (Note 1)	Endorser/Guarantor	Endorsee/Guarantee		Limit on Endorsement/ Guarantee Given on Behalf of Each Party (Note 3)	Maximum Amount Endorsed/ Guaranteed During the Period	Outstanding Endorsement/ Guarantee at the End of the Period	Actual Borrowing Amount	Amount Endorsed/ Guaranteed by Collateral	Ratio of Accumulated Endorsement/ Guarantee to Net Equity in Latest Financial Statements (%)	Aggregate Endorsement/ Guarantee Limit (Note 3)	Endorsement/ Guarantee Given by Parent on Behalf of Subsidiaries (Note 4)	Endorsement/ Guarantee Given by Subsidiaries on Behalf of Parent (Note 4)	Endorsement/ Guarantee Given on Behalf of Companies in Mainland China (Note4)	Note
		Name	Relationship (Note 2)											
0	Great China Metal Ind. Co., Ltd	Shanghai United Can Co., Ltd	b	3,771,927	145,913 (USD 4,500)	138,173 (USD 4,500)	21,149 (CNY 4,888)	-	1.83%	7,543,853	Y	N	Y	—
0	Great China Metal Ind. Co., Ltd	Jinan United Can Co., Ltd	b	3,771,927	155,575 (CNY 35,000)	151,445 (CNY 35,000)	57,917 (CNY 13,385)	-	2.01%	7,543,853	Y	N	Y	—

Note 1: The parent company and its subsidiaries are coded as follows:

- The parent company is coded “0”.
- The subsidiaries are coded consecutively beginning from “1” in the order presented in the table above.

Note 2: Relationship between endorser/guarantor and endorsee/guarantee are as follows:

- Business relationship.
- A subsidiary in which the Company holds directly and indirectly over 50% of an equity interest.
- An investee in which the Company and its subsidiaries hold directly and indirectly over 50% of an equity interest.
- Among the companies where the Company holds voting shares more than 90% either directly or indirectly.
- A company fulfills its contractual obligations by providing mutual endorsements/guarantees for another company in the same industry or for joint builders for purposes of undertaking a construction project.
- Those companies that are endorsed and guaranteed by all capital shareholders pursuant to their shareholding ratio under a joint investment relationship.
- The inter-industry companies that are engaged in the joint guarantee of the performance guarantee of the pre-construction house sales contract in accordance with the Consumer Protection Act.

Note 3: (1) The endorsement/guarantee limit for each entity is 7,543,853 (Net value)×50%=3,771,927.

(2) The endorsement/guarantee limit for the total endorsement/guarantee limit is 7,543,853 (Net value)×100%=7,543,853.

Note 4: Those belong to an exchange-listed and/or over-the-counter listed parent company that endorses its subsidiary company and those where a subsidiary company renders guarantee toward its exchange-listed and/or over-the-counter listed parent company. In case of endorsement/guarantee toward Mainland China area, please fill in Y otherwise please fill in N.

GREAT CHINA METAL IND. CO., LTD.
MARKETABLE SECURITIES HELD
As of DECEMBER 31, 2023

Table 2

(In Thousands of New Taiwan Dollars)

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	DECEMBER 31, 2023				Note
				Number of Shares	Carrying Amount	Percentage of Ownership (%)	Fair Value	
Great China Metal Ind. Co., Ltd	Ordinary shares							
	ASE Technology Holding Co., Ltd.	None	Financial assets at fair value through other comprehensive income – current	47	\$ 6,398	-	\$ 6,398	
	Taiwan Semiconductor Manufacturing Company Limited	None	Financial assets at fair value through other comprehensive income – current	288	170,710	-	170,710	
	Sino Tactful Co., Ltd.	None	Financial assets at fair value through other comprehensive income – current	-	2	-	2	
	Xac Automation Corp.	None	Financial assets at fair value through other comprehensive income – current	-	8	-	8	
	Cathay Financial Holding Co., Ltd.	None	Financial assets at fair value through other comprehensive income – current	516	23,600	-	23,600	
	Mega Financial Holding Company Limited	None	Financial assets at fair value through other comprehensive income – current	1,330	<u>52,126</u>	-	<u>52,126</u>	
					<u>\$ 252,844</u>		<u>\$ 252,844</u>	
	Fund							
	Fubon No.1 Real Estate Investment Trust	None	Financial assets at fair value through profit or loss - current	1,500	\$ 21,300		\$ 21,300	
	Cathay No.1 Real Estate Investment Trust	None	Financial assets at fair value through profit or loss - current	600	10,188	-	10,188	
	Fubon No.2 Real Estate Investment Trust	None	Financial assets at fair value through profit or loss - current	2,000	26,400	-	26,400	
	Cathay No.2 Real Estate Investment Trust	None	Financial assets at fair value through profit or loss - current	370	6,079	-	6,079	
	Capital Money Market Fund	None	Financial assets at fair value through profit or loss - current	16,750	277,834	-	277,834	
	Shin Kong Chi-Shin Money-Market Fund	None	Financial assets at fair value through profit or loss - current	756	12,014	-	12,014	
	SinoPac TWD Money Market Fund	None	Financial assets at fair value through profit or loss - current	4,215	60,278	-	60,278	
	Jih Sun Money Market Fund	None	Financial assets at fair value through profit or loss - current	10,176	155,232	-	155,232	
	Taishin 1699 Money Market Fund	None	Financial assets at fair value through profit or loss - current	23,166	322,993	-	322,993	
	Shanghai Growth Fund	None	Financial assets at fair value through profit or loss - current	99	426	-	426	
	FSITC Taiwan Money Market Fund	None	Financial assets at fair value through profit or loss - current	3,305	\$ 52,012	-	\$ 52,012	
	Hua Nan Phoenix Money Market Fund	None	Financial assets at fair value through profit or loss - current	10,043	<u>167,961</u>	-	<u>167,961</u>	
					<u>\$ 1,112,717</u>		<u>\$ 1,112,717</u>	

GREAT CHINA METAL IND. CO., LTD.
MARKETABLE SECURITIES ACQUIRED AND DISPOSED OF AT COSTS OR PRICES OF AT LEAST NT\$300 MILLION OR 20% OF THE PAID-IN CAPITAL
FOR THE YEAR ENDED DECEMBER 31, 2023

Table 3 (In Thousands of New Taiwan Dollars)

Company Name	Type and Name of Marketable Securities	Financial Statement Account	Counterparty	Relationship	Beginning Balance		Acquisition		Disposal				Ending Balance	
					Number of Shares (Thousands)	Amount (Note)	Number of Shares (Thousands)	Amount (Note)	Number of Shares (Thousands)	Amount	Carrying Amount (Note)	Gain (Loss) on Disposal	Number of Shares (Thousands)	Amount (Note)
Great China Metal Ind. Co., Ltd	Fund Taishin 1699 Money Market Fund	Financial assets mandatorily measure at fair value - current	Centralized Order Market	None	27,282	\$ 375,470	94,428	\$1,365,320	102,544	\$1,422,320	\$1,417,848	\$ 4,472	23,166	\$ 322,942
Great China Metal Ind. Co., Ltd	Capital Money Market Fund	Financial assets mandatorily measure at fair value - current	Centralized Order Market	None	930	15,238	68,691	1,134,702	52,871	873,702	872,126	1,576	16,750	277,184
Great China Metal Ind. Co., Ltd	Jih Sun Money Market Fund	Financial assets mandatorily measure at fair value - current	Centralized Order Market	None	-	-	38,441	584,396	28,265	430,096	429,213	883	10,176	155,183
Great China Metal Ind. Co., Ltd	Hua Nan Phoenix Money Market Fund	Financial assets mandatorily measure at fair value - current	Centralized Order Market	None	9,481	156,600	52,371	871,207	51,809	861,527	859,892	1,635	10,043	167,915

Note: Initial cost.

GREAT CHINA METAL IND. CO., LTD.
TOTAL PURCHASES FROM OR SALES TO RELATED PARTIES AMOUNTING TO AT LEAST \$100 MILLION OR 20% OF THE PAID-IN CAPITAL
FOR THE YEAR ENDED DECEMBER 31, 2023

Table 4

(In Thousands of New Taiwan Dollars)

Buyer/ Seller	Related Party	Relationship	Transaction Details				Abnormal Transaction		Notes/Accounts Receivable (Payable)		Note
			Purchase/ Sale	Amount	% to Total	Payment Terms	Unit Price	Payment Terms	Ending Balance	% to Total	
Great China Metal Ind. Co., Ltd	China Can Printing and Metal MFG. Co., Ltd.	Related parties in substance	Sale	\$ 193,277	8%	90days	No significant difference	No significant difference	\$ 35,737	9%	

**GREAT CHINA METAL IND. CO., LTD.
INFORMATION ON INVESTEEES
FOR THE YEAR ENDED DECEMBER 31, 2023**

Table 5

(In Thousands of New Taiwan Dollars)

Investor Company	Investee Company	Location	Main Businesses and Products	Original Investment Amount		As of December 31, 2023			Net Income (Loss) of the Investee	Share of Profit (Loss)	Note
				December 31, 2023	December 31, 2022	Shares	%	Carrying Amount			
Great China Metal Ind. Co., Ltd	HAI HWA INVESTMENT CO., LTD.	Bermuda	Makes investments	\$ 1,047,893	\$ 1,047,893	-	100%	\$ 3,933,022	\$ 157,548	\$ 157,548	Subsidiary
Great China Metal Ind. Co., Ltd	GCM HOLDING CO., LTD.	Samoa	Makes investments	229,247	229,247	-	100%	413,365	17,983	17,983	Subsidiary
GCM HOLDING CO., LTD.	GCM PACKAGING (VIETNAM) CO., LTD.	Vietnam	Aluminum pop can lid	229,245	229,245	-	100%	150,221	5,973	N/A	Sub-subsubsidiary

Note: Information on investees in mainland China, refer to Table 6.

**GREAT CHINA METAL IND. CO., LTD.
INFORMATION ON INVESTMENTS IN MAINLAND CHINA
FOR THE YEAR ENDED DECEMBER 31, 2023**

Table 6

(In Thousands of New Taiwan Dollars)

Investee Company	Main Businesses and Products	Paid-in Capital	Method of Investment (Note)	Accumulated Outward Remittance for Investment from Taiwan as of January 1, 2023	Remittance of Funds		Accumulated Outward Remittance for Investment from Taiwan as of December 31, 2023	Net Income (Loss) of the Investee	% Ownership of Direct or Indirect Investment	Investment Gain (Loss) (Note 2)	Carrying Amount as of December 31, 2023	Accumulated Repatriation of Investment Income as of December 31, 2023
					Outward	Inward						
Shanghai United Can Co., Ltd	manufacture and sale 2-piece aluminum can and easy open end	Registered and contributed capital USD 49.2 million (Including capital increasing by earnings USD 27.05 million and capital increasing by cash from HAI HWA INVESTMENT CO., LTD. USD 2.15 million).	(2)	\$ 522,642	\$ -	\$ -	\$ 522,642	(\$ 3,313)	100%	(\$ 3,313) (2)B	\$ 1,456,059	\$ -
Huatong United (Nantong) Plastic Industry Co., Ltd	Manufacture and sale LLDPE film	Registered and contributed capital USD 9.45 million (Including capital increasing by earnings USD 2.45 million).	(2)	187,479	-	-	187,479	20,516	100%	20,516 (2)B	913,297	-
Chongqing United Can Co., Ltd	Manufacture and sale 2-piece aluminum can	Registered and contributed capital CNY 107,568 thousands.	(3)A.	-	-	-	-	73,842	100%	73,842 (2)B	754,027	-
Jinan United Can Co., Ltd	Manufacture and sale 2-piece aluminum can	Registered and contributed capital CNY 157,052 thousands.	(3)B.	317,000	-	-	317,000	68,130	100%	68,130 (2)B	838,638	-
Sunshui Changlee United Container Co Ltd	Manufacture and sale LLDPE film	Registered and contributed capital USD 6 million.	(3)C.	-	-	-	-	(5,422)	30%	(1,627) (2)B	114,546	-

Accumulated Outward Remittance for Investment in Mainland China as of December 31, 2023	Investment Amount Authorized by Investment Commission, MOEA	Upper Limit on the Amount of Investment Stipulated by Investment Commission, MOEA
\$ 1,027,121	USD 77,190 thousands	\$ 4,686,677 (Note 3)

Note 1: The investment methods are as follow:

- (1) Direct investment in mainland China through the parent company.
- (2) Invest in Mainland China through a third-region company (HAI HWA INVESTMENT CO., LTD.).
- (3) Other :
 - A. Invested by Shanghai United Can Co., Ltd and HAI HWA INVESTMENT CO., LTD.
 - B. Invested by HAI HWA INVESTMENT CO., LTD., Shanghai United Can Co., Ltd and Huatong United (Nantong) Plastic Industry Co., Ltd.
 - C. Invested by Huatong United (Nantong) Plastic Industry Co., Ltd

Note 2: Investment Gain (Loss)

- (1) If it is under preparation and there is no investment gain or loss, it should be indicated.
- (2) The recognition bases of investment gains or losses are as follow:
 - A. Financial statements were audited and certificated by International accounting firm which has a cooperative relationship with accounting firm in Taiwan.
 - B. Financial statements were audited and certificated by certified public accountant engaged by parent company in Taiwan.
 - C. Others.

Note 3: Consolidate net value of equity \times 60%=7,811,128 \times 60%=4,686,677.

**GREAT CHINA METAL IND. CO., LTD.
INFORMATION ON INVESTOR
AS OF DECEMBER 31, 2023**

Table 7

Investor	Shares	
	Shares held	%
Glory Task Enterprise Co., Ltd.	22,059,503	7.23%
Jianda Investment Co., Ltd.	20,764,950	6.81%
Corning Investment Co., Ltd.	19,551,088	6.41%
Yuanta Investment Co., Ltd.	15,975,476	5.24%

Note 1: The key shareholder information covered within this table is based on the last business day at the end of each quarter and the total number of common shares and preferred shares held by such shareholders of the Company that have been completed the centralized securities depository company for the Company's disembodied (book entry) delivery (including treasury stocks) , as the data with total common shares and preferred shares up to 5%.The share capital recorded in the Company's consolidated financial statement might possibly differ from the actual number of shares delivered without physical registration because of different calculation bases.

Note 2: Among the aforementioned information, where a shareholder delivers his or her shares into the trust, it would be disclosed in the individual account of the trustor in the trust account opened by the trustee. In case of a shareholder's declaration of insider's shareholdings in accordance with the Securities and Exchange Act, the shareholdings would include his or her own shareholdings plus the shares delivered to the trust and the right to use the trust property and the like. For more details regarding the information of insider's shareholdings, please refer to the Market Observation Post System (MOPS).

GREAT CHINA METAL IND. CO., LTD.
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GREAT CHINA METAL IND. CO., LTD.
STATEMENT OF CASH AND CASH EQUIVALENTS
DECEMBER 31, 2023

Statement 1

(In Thousands of New Taiwan Dollars)

<u>Item</u>	<u>Description</u>	<u>Amount</u>
Cash on hand and petty cash		<u>\$ 204</u>
Bank deposits		
Demand deposits		11,131
Foreign currency deposits	Including USD38 thousands (USD1=NTD30.705)	1,180
Checking deposits		<u>2,205</u>
		<u>14,336</u>
Cash equivalent		
Certificate deposit		77,467
Repurchase bond	Including USD1,725 thousands (USD1=NTD30.705)	<u>52,966</u>
		<u>130,433</u>
		<u>\$ 144,973</u>

GREAT CHINA METAL IND. CO., LTD.
STATEMENT OF FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS - CURRENT
DECEMBER 31, 2023

Statement 2

(In Thousands of New Taiwan Dollars)

Item	Number of Shares (In Thousands)	Initial Cost	Fair Value	
			In Dollars / Per Share	Total Amount
Fund				
Fubon No.1 Real Estate Investment Trust	1,500	\$ 15,000	14.20	\$ 21,300
Cathay No.1 Real Estate Investment Trust	600	6,000	16.98	10,188
Fubon No.2 Real Estate Investment Trust	2,000	20,080	13.20	26,400
Cathay No.2 Real Estate Investment Trust	370	3,700	16.43	6,079
Capital Money Market Fund	16,750	277,814	16.59	277,834
Shin Kong Chi-Shin Money-Market Fund	756	12,014	15.90	12,014
SinoPac TWD Money Market Fund	4,215	60,000	14.30	60,278
Jih Sun Money Market Fund	10,176	155,183	15.25	155,232
Shanghai Growth Fund	99	10,941	4.30	426
Taishin 1699 Money Market Fund	23,166	322,942	13.94	322,993
Hua Nan Phoenix Money Market Fund	10,043	167,915	16.72	167,961
FSITC Taiwan Money Market Fund	3,305	52,000	15.74	52,012
		<u>\$1,103,589</u>		<u>\$1,112,717</u>

GREAT CHINA METAL IND. CO., LTD.
STATEMENT OF FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME – CURRENT
DECEMBER 31, 2023

Statement 3

(In Thousands of New Taiwan Dollars)

Item	Number of Shares (In Thousands)	Carrying Amount	Initial Cost	Accumulated Impairment	Fair Value	
					In Dollars / Per Share	Total Amount
Ordinary shares						
Taiwan Semiconductor Manufacturing Company Limited	288	10	\$ 18,713	\$ -	593.00	\$ 170,710
ASE Technology Holding Co., Ltd.	47	10	1,748	-	135.00	6,398
Sino Tactful Co., Ltd.	-	10	2	-	13.30	2
Xac Automation Corp.	-	10	16	-	22.30	8
Cathay Financial Holding Co., Ltd.	516	10	25,400	-	45.75	23,600
Mega Financial Holding Company Limited	1,330	10	20,366	-	39.20	52,126
			<u>\$ 66,245</u>	<u>\$ -</u>		<u>\$ 252,844</u>

GREAT CHINA METAL IND. CO., LTD.
STATEMENT OF NOTES RECEIVABLE FROM THIRD PARTIES
DECEMBER 31, 2023

Statement 4

(In Thousands of New Taiwan Dollars)

Client Name	Amount
TA MAW FOODS CORPORATION	\$ 9,160
MING SHIN CAN WORK FACTORY CO., LTD.	5,640
COSMOS-SHOWA PRODUCTS CO., LTD.	4,638
GUANG HWA INDUSTRY CO., LTD.	3,917
LONG WELL CANNING CO., LTD.	2,849
YIG FOODS INDUSTRIAL CO., LTD.	2,000
Others (Individual client does not exceed 5% of the account balance)	<u>5,900</u>
	<u><u>\$ 34,104</u></u>

GREAT CHINA METAL IND. CO., LTD.
STATEMENT OF ACCOUNTS RECEIVABLE FROM THIRD PARTIES
DECEMBER 31, 2023

Statement 5

(In Thousands of New Taiwan Dollars)

Client Name	Amount
VITALON FOODS CO., LTD.	\$ 67,635
TAIWAN TOBACCO & LIQUOR CORPORATION	62,471
SWIRE COCA-COLA BEVERAGES LTD., TAIWAN BRANCH (B.V.I.)	49,575
HEY-SONG CORPORATION	38,108
CHING CHUEN CHYUAN FOOD COMPANY LIMITED	30,696
Others (Individual client does not exceed 5% of the account balance)	<u>82,978</u>
	331,463
Less: Allowance for doubtful accounts	<u>-</u>
	<u><u>\$ 331,463</u></u>

GREAT CHINA METAL IND. CO., LTD.
STATEMENT OF INVENTORIES
DECEMBER 31, 2023

Statement 6

(In Thousands of New Taiwan Dollars)

Item	Amount	
	Cost	Net Realizable Value
Finished goods	\$ 301,100	\$ 384,488
Work-in-progress	69,889	107,998
Raw materials	366,308	370,170
Leftover bits and pieces	95,913	114,560
Materials for subcontractor	3,241	5,564
Others	<u>1,543</u>	<u>1,545</u>
	<u>\$ 837,994</u>	<u>\$ 948,325</u>

GREAT CHINA METAL IND. CO., LTD.
STATEMENT OF CHANGES IN INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD
FOR THE YEAR ENDED DECEMBER 31, 2023

Statement 7

(In Thousands of New Taiwan Dollars)

Investees	Balance, January 1, 2023		Additions (Decrease) in Investment		Gain (Loss) on Investment	Balance, December 31, 2023			Market Value or Net Assets Value	Collateral or Pledge
	Share (In Thousands)	Amount	Share (In Thousands)	Amount		Share (In Thousands)	Ownership Interest (%)	Amount		
HAI HWA INVESTMENT CO., LTD.	-	\$ 3,848,683	-	(\$ 73,209)	\$ 157,548	-	-	\$ 3,933,022	\$ 3,933,022	None
GCM HOLDING CO., LTD. (Note)	-	<u>399,618</u>	-	(<u>4,236</u>)	<u>17,983</u>	-	-	<u>413,365</u>	<u>413,365</u>	None
		<u>\$ 4,248,301</u>		(<u>\$ 77,445</u>)	<u>\$ 175,531</u>			<u>\$ 4,346,387</u>	<u>\$ 4,346,387</u>	

Note: The increased amount includes cumulative translation differences 78,063 thousands, unrealized gain on transactions with subsidiaries 618 thousands.

GREAT CHINA METAL IND. CO., LTD.
STATEMENT OF CHANGES IN RIGHT-OF-USE ASSETS
DECEMBER 31, 2023

Statement 8

(In Thousands of New Taiwan Dollars)

	<u>Buildings</u>
<u>Cost</u>	
January 1, 2023	\$ 44,012
Additions	-
Disposals	-
December 31, 2023	<u>\$ 44,012</u>
<u>Accumulated depreciation</u>	
January 1, 2023	\$ 23,376
Additions	5,844
Disposals	-
December 31, 2023	<u>\$ 29,220</u>
December 31, 2023 net	<u>\$ 14,792</u>

GREAT CHINA METAL IND. CO., LTD.
STATEMENT OF ACCOUNTS PAYABLE TO THIRD PARTIES
DECEMBER 31, 2023

Statement 9

(In Thousands of New Taiwan Dollars)

Client Name	Amount
UACJ CORPORATION	\$ 54,903
Global Eco-can Stock(Thailand)	13,005
AKZO NOBEL PAINTS TAIWAN LIMITED	7,234
CHA CHANG CHEMICAL CO., LTD.	5,559
Others (Individual supplier does not exceed 5% of the account balance)	<u>13,490</u>
	<u>\$ 94,191</u>

GREAT CHINA METAL IND. CO., LTD.
STATEMENT OF LEASE LIABILITIES
DECEMBER 31, 2023

Statement 10

(In Thousands of New Taiwan Dollars)

	<u>Lease period(Month)</u>	<u>Discount Rate</u>	<u>Ending Balance</u>
Buildings	90~96	1.1%	\$ <u>15,200</u>

**GREAT CHINA METAL IND. CO., LTD.
STATEMENT OF OPERATING REVENUE
FOR THE YEAR ENDED DECEMBER 31, 2023**

Statement 11

(In Thousands of New Taiwan Dollars)

Item	Quantity	Amount
Aluminum Can	507,900	\$ 1,288,377
Lid (Bottom) of Aluminum Can	620,292	633,778
3-Piece Metal Can	35,244	117,870
Others	-	<u>244,373</u>
		<u><u>\$ 2,284,398</u></u>

GREAT CHINA METAL IND. CO., LTD.
STATEMENT OF OPERATING COST
FOR THE YEAR ENDED DECEMBER 31, 2023

Statement 12

(In Thousands of New Taiwan Dollars)

Item	Amount
Raw materials, beginning of year	\$ 401,618
Additions: Raw material purchased	1,208,280
Others	3,980
Deductions: Others	(1,877)
Raw materials, end of year	(<u>366,308</u>)
Raw materials used (1)	1,245,693
Direct labor (2)	53,331
Manufacturing expense (3)	<u>384,698</u>
Manufacturing cost (1)+(2)+(3)	1,683,722
Additions: Work in progress, beginning of year	90,508
Others	33,528
Deductions: Others	(194,349)
Work in progress, end of year	(<u>69,889</u>)
Cost of finished goods	1,543,520
Additions: Finished goods, beginning of year	366,199
Others	15,527
Deductions: Others	(463)
Finished goods, end of year	(<u>301,100</u>)
Cost of goods sold	1,623,603
Additions: Raw materials sold and cost of work in progress	115,438
Cost of leftover bits sold	95,810
Others	<u>1,334</u>
Operating cost	<u>\$ 1,836,185</u>

GREAT CHINA METAL IND. CO., LTD.
STATEMENT OF OPERATING EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2023

Statement 13

(In Thousands of New Taiwan Dollars)

	Selling And Marketing Expenses	General And Administrative Expenses	Total
Freight	\$ 23,761	\$ -	\$ 23,761
Payroll and related expense	8,418	51,741	60,159
Depreciation expense	-	6,333	6,333
Professional service fees	-	4,554	4,554
Others (Individual expense does not exceed 5% of the account balance)	<u>6,983</u>	<u>11,013</u>	<u>17,996</u>
	<u>\$ 39,162</u>	<u>\$ 73,641</u>	<u>\$ 112,803</u>

GREAT CHINA METAL IND. CO., LTD.
STATEMENT OF EMPLOYEE BENEFIT, DEPRECIATION AND AMORTIZATION BY FUNCTION
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022

Statement 14

(In Thousands of New Taiwan Dollars)

Nature	For the year ended December 31, 2023			For the year ended December 31, 2022		
	Classified as Operating Costs	Classified as Operating Expenses	Total	Classified as Operating Costs	Classified as Operating Expenses	Total
Salary and bonus	\$ 124,345	\$ 48,376	\$ 172,721	\$ 130,759	\$ 48,995	\$ 179,754
Labor and health insurance	14,363	4,640	19,003	15,367	4,790	20,157
Pension	6,033	(2,553)	3,480	6,215	2,177	8,392
Director's remuneration	-	11,783	11,783	-	12,669	12,669
Other employee benefits	<u>11,867</u>	<u>3,668</u>	<u>15,535</u>	<u>13,000</u>	<u>4,203</u>	<u>17,203</u>
Total employee benefit	<u>\$ 156,608</u>	<u>\$ 65,914</u>	<u>\$ 222,522</u>	<u>\$ 165,341</u>	<u>\$ 72,834</u>	<u>\$ 238,175</u>

Note 1: The average numbers of employees of the Company were 297 and 312, respectively, both of which include 5 board of directors, not serving concurrently as employees, respectively, for the years ended 2023 and 2022. There is no difference on the basis of calculation.

Note 2: a. The average employee benefit expenses were \$723 thousand for the years ended December 31, 2023 ("Current year employee benefit expenses - remuneration of directors"/"Current year average number of employees - board of directors without holding employment positions").
The average employee benefit expenses were \$735 thousand for the years ended December 31, 2022 ("Prior year employee benefit expenses - remuneration of directors"/"Prior year average number of employees - board of directors without holding employment positions").
b. The average salaries and bonuses were \$ 593 thousand for the years ended December 31, 2023 (Current year salary and bonus/"Current year average number of employees - board of directors without holding employment positions").
The average salaries and bonuses were \$586 thousand for the years ended December 31, 2022 (Prior year salary and bonus/"Prior year average number of employees - board of directors without holding employment positions").
c. The average change in salaries and bonuses was 1% ("Average salary and bonus for the year ended 2023 - average salary and bonus for the year ended 2022"/average salary and bonus for the year ended 2022).

Note 3: The Company adopts the audit committee to replace the supervisor system.

Note 4: Compensation of managers and employees, and remuneration of directors are as follow:

- a. Directors: The Company use "Directors' Remuneration Payment Method" and "Directors' Remuneration Distribution Method" as the basis to formulate the remuneration procedures for director. The Company provides reasonable remuneration to directors by considering the company's overall operating performance, future operating risks and the contribution to the company's operations.
- b. Managers: The Company gives managers a reasonable compensation, which is reviewed by the compensation committee and approved by the board of directors, according to salary survey results of the metal industry, salary level of the peers, measures of the Company's business strategy and profitability, managers' performance and contribution, and other factors.
- c. Employees: The Company sets the salary payment standard, which refers to the salary market, the company's operating conditions and the organizational structure. The salary will also be adjusted with reference to individual performance, market salary dynamics, overall economic and industrial changes.

The Company regularly evaluates the performance of directors and managers, and sets the content and amount of their individual remuneration and compensation; conducts employee performance appraisals every year for their promotion, transfer, salary adjustment and bonus payment. The Company has set up a compensation committee to review policies, systems, standard and structure of the Company's compensation.

DECLARATION OF CONSOLIDATION OF FINANCIAL STATEMENTS OF AFFILIATES

The companies required to be included in the consolidated financial statements of affiliates in accordance with the “Criteria Governing Preparation of Affiliation Reports, Consolidated Business Reports and Consolidated Financial Statements of Affiliated Enterprises” for the year ended December 31, 2023 are all the same as the companies required to be included in the consolidated financial statements of parent and subsidiary companies as provided in International Financial Reporting Standard 10 “Consolidated Financial Statements.” Relevant information that should be disclosed in the consolidated financial statements of affiliates has all been disclosed in the consolidated financial statements of parent and subsidiary companies. Hence, we have not prepared a separate set of consolidated financial statements of affiliates.

Very truly yours,
GREAT CHINA METAL IND. CO., LTD.
By:

Chiang, Ming-Li
Chairman
February 26, 2024

INDEPENDENT AUDITORS' REPORT

The Board of Directors and Shareholders
Great China Metal Ind. Co., Ltd.

Opinion

We have audited the accompanying consolidated financial statements of Great China Metal Ind. Co., Ltd. and its subsidiaries (collectively referred to as the "Group"), which comprise the consolidated balance sheets as of December 31, 2023 and 2022, and the consolidated statements of comprehensive income, changes in equity and cash flows for the years then ended, and the notes to the consolidated financial statements, including a summary of significant accounting policies (collectively referred to as the "consolidated financial statements").

In our opinion, based on our audits and the reports of other auditors (refer to the Other Matter section below), the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as of December 31, 2023 and 2022, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

Basis for Opinion

We conducted our audit of the consolidated financial statements for the year ended December 31, 2023, in accordance with the Regulations Governing Auditing of Financial Statements and auditing standards generally accepted in the Republic of China. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with The Norm of Professional Ethics for Certified Public Accountant of the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the year ended December 31, 2023. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

The key audit matters identified in the Group's consolidated financial statements for the year ended December 31, 2023 are stated as follows :

Revenue recognition

Refer to Note 20 to the financial statements.

Printing and painting of various metals, manufacturing and trading of metal containers and plastic products, are major business of Great China Metal Ind. Co., Ltd. and its subsidiaries. The specific transaction of sales revenue significantly affects the Group's overall revenue and profit. Revenue recognition is identified as a key audit matter since there are significant risks in the occurrence of revenue.

The key audit procedures that we performed in respect of specific revenue recognition included the following:

1. We understood and tested the design and operating effectiveness of the key controls over revenue recognition.
2. We selected samples to perform test of details, checked the transaction documents from internal and external and performed the test of subsequent collection to confirm the Group recognized revenue as the performance obligations were satisfied.

Other Matter

We have also audited the parent company only financial statements of Great China Metal Ind. Co., Ltd. as of and for the years ended December 31, 2023 and 2022 on which we have issued an unmodified report with other matter paragraph.

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

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

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

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

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

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

As part of an audit in accordance with the auditing standards generally accepted in the Republic of China, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

1. Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the parent company only financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient and appropriate audit evidence regarding the financial information of entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision, and performance of the Group audit. We remain solely responsible for our audit opinion.

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

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

on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the year ended December 31, 2023 and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partners on the audit resulting in this independent auditors' report are Liu, Ming-Hsien and Cheng, Chin-Tsung.

Deloitte & Touche
Taipei, Taiwan
Republic of China
February 26, 2024

Notice to Readers

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

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

GREAT CHINA METAL IND. CO., LTD
CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 2023 AND 2022

(In Thousands of New Taiwan Dollars)

Code	Assets	December 31, 2023		December 31, 2022	
		Amount	%	Amount	%
	CURRENT ASSETS				
1100	Cash and cash equivalents (Notes 4 and 6)	\$ 631,177	6	\$ 719,894	6
1110	Financial assets at fair value through profit or loss - current (Notes 4 and 7)	2,203,687	21	1,830,977	17
1120	Financial assets at fair value through other comprehensive income – current (Notes 4 and 8)	252,844	2	194,243	2
1136	Financial assets at amortized cost - current (Notes 4, 9 and 27)	1,970,074	18	1,849,589	17
1150	Notes receivable, net (Notes 4 and 10)	50,567	1	64,144	1
1170	Accounts receivable, net (Notes 4, 10, and 26)	1,433,534	13	1,425,754	13
1200	Other receivables	43,715	-	51,950	-
130X	Inventories (Notes 4, and 11)	1,686,679	16	2,102,594	19
1429	Prepayments (Note 15)	115,822	1	131,724	1
1470	Other current assets	419	-	64	-
11XX	Total current assets	<u>8,388,518</u>	<u>78</u>	<u>8,370,933</u>	<u>76</u>
	NON-CURRENT ASSETS				
1600	Property, plant and equipment (Notes 4, 13, 27 and 28)	2,131,766	20	2,352,036	21
1755	Right-of-use assets (Notes 4 and 14)	184,361	2	198,161	2
1780	Intangible assets (Note 4)	2,216	-	4,343	-
1840	Deferred tax assets (Notes 4 and 22)	8,923	-	17,253	-
1915	Prepayments for equipment	1,475	-	19,860	-
1920	Refundable deposits	31,229	-	95,832	1
15XX	Total non-current assets	<u>2,359,970</u>	<u>22</u>	<u>2,687,485</u>	<u>24</u>
1XXX	TOTAL ASSETS	<u>\$10,748,488</u>	<u>100</u>	<u>\$ 11,058,418</u>	<u>100</u>
	Liabilities and Equity				
	CURRENT LIABILITIES				
2100	Short-term borrowings (Note 16)	\$ 79,178	1	\$ 106,211	1
2130	Contract liability-current	179,574	1	163,027	1
2150	Notes payable	1,365,631	13	1,531,034	14
2170	Accounts payable (Note 26)	439,086	4	576,743	5
2200	Other payables (Note 17)	298,697	3	294,579	3
2230	Current tax liabilities (Notes 4 and 22)	88,572	1	119,050	1
2280	Lease liabilities - current (Notes 4 and 14)	5,955	-	5,890	-
2300	Other current liabilities	3,012	-	3,619	-
21XX	Total current liabilities	<u>2,459,705</u>	<u>23</u>	<u>2,800,153</u>	<u>25</u>
	NON-CURRENT LIABILITIES				
2570	Deferred tax liabilities (Notes 4 and 22)	427,854	4	394,395	4
2580	Lease liabilities - non-current (Notes 4 and 14)	9,245	-	15,200	-
2630	Deferred revenue - non-current (Note 4)	24,631	-	26,518	-
2640	Net defined benefit liabilities - non-current (Notes 4 and 18)	14,190	-	51,881	1
2645	Guarantee deposits	1,735	-	9,480	-
25XX	Total non-current liabilities	<u>477,655</u>	<u>4</u>	<u>497,474</u>	<u>5</u>
2XXX	Total liabilities	<u>2,937,360</u>	<u>27</u>	<u>3,297,627</u>	<u>30</u>
	EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENT				
	Share capital				
3110	Ordinary shares	<u>3,050,000</u>	<u>28</u>	<u>3,050,000</u>	<u>28</u>
	Capital surplus				
3210	Capital surplus - additional paid-in capital	11,523	-	11,523	-
3220	Capital surplus - treasury stock transactions	12,908	-	12,908	-
3200	Total capital surplus	<u>24,431</u>	<u>-</u>	<u>24,431</u>	<u>-</u>
	Retained earnings				
3310	Legal reserve	1,918,027	18	1,870,559	17
3350	Unappropriated earnings	2,315,456	22	2,284,604	21
3300	Total retained earnings	<u>4,233,483</u>	<u>40</u>	<u>4,155,163</u>	<u>38</u>
	Other equity				
3410	Exchange differences on translating the financial statements of foreign operations	49,340	-	127,403	1
3420	Unrealized gain (loss) on financial assets at fair value through other comprehensive income	186,599	2	127,998	1
3400	Total other equity	<u>235,939</u>	<u>2</u>	<u>255,401</u>	<u>2</u>
36XX	NON-CONTROLLING INTERESTS	<u>267,275</u>	<u>3</u>	<u>275,796</u>	<u>2</u>
3XXX	Total equity (Notes 4 and 19)	<u>7,811,128</u>	<u>73</u>	<u>7,760,791</u>	<u>70</u>
	TOTAL LIABILITIES AND EQUITY	<u>\$10,748,488</u>	<u>100</u>	<u>\$ 11,058,418</u>	<u>100</u>

The accompanying notes are an integral part of the consolidated financial statements.
(With Deloitte & Touche auditors' report dated February 26, 2024)

Chairman : Chiang, Ming-Li

President : Chiang, Ming-Te

Finance Director : Chiang, Shao-Ma

GREAT CHINA METAL IND. CO., LTD
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022

		(In Thousands of New Taiwan Dollars, Except Earnings Per Share)			
Code		For the Year Ended December 31, 2023		For the Year Ended December 31, 2022	
		Amount	%	Amount	%
	OPERATING REVENUE				
4100	Sales (Notes 4, 20 and 26)	\$8,404,848	100	\$8,774,698	100
	OPERATING COST				
5110	Cost of goods sold (Notes 11, 13, 21 and 26)	(7,492,921)	(89)	(7,768,905)	(89)
5950	GROSS PROFIT	<u>911,927</u>	<u>11</u>	<u>1,005,793</u>	<u>11</u>
	OPERATING EXPENSES (Notes 21 and 26)				
6100	Selling and marketing expenses	(243,491)	(3)	(297,066)	(3)
6200	General and administrative expenses	(200,790)	(2)	(186,923)	(2)
6450	Expected credit (loss)/gain	<u>357</u>	<u>-</u>	<u>509</u>	<u>-</u>
6000	Total operating expenses	(443,924)	(5)	(483,480)	(5)
6900	PROFIT FROM OPERATIONS	<u>468,003</u>	<u>6</u>	<u>522,313</u>	<u>6</u>
	NON-OPERATING INCOME AND EXPENSES (Note 21)				
7100	Interest revenue	49,942	-	30,478	-
7190	Other revenue	57,889	1	55,942	1
7020	Other gains and losses	17,129	-	15,179	-
7050	Finance costs	(206)	-	(268)	-
7000	Total non-operating income and expenses	<u>124,754</u>	<u>1</u>	<u>101,331</u>	<u>1</u>
7900	PROFIT BEFORE INCOME TAX	592,757	7	623,644	7
7950	INCOME TAX EXPENSE (Notes 4 and 22)	(154,392)	(2)	(158,356)	(2)
8200	NET PROFIT FOR THE YEAR	<u>438,365</u>	<u>5</u>	<u>465,288</u>	<u>5</u>
	OTHER COMPREHENSIVE INCOME (LOSS)				
8310	Items that will not be reclassified subsequently to profit or loss:				
8311	Remeasurement of defined benefit plans	2,700	-	1,735	-
8316	Unrealized gain (loss) on investments in equity instruments at fair value through other comprehensive income	58,601	1	(64,783)	(1)
8349	Income tax expense relating to items that will not be reclassified subsequently to profit or loss	(540)	-	(347)	-
		<u>60,761</u>	<u>1</u>	<u>(63,395)</u>	<u>(1)</u>
8360	Items that may be reclassified subsequently to profit or loss:				
8361	Exchange differences on translating the financial statements of foreign operations	(82,789)	(1)	76,464	1
		<u>(82,789)</u>	<u>(1)</u>	<u>76,464</u>	<u>1</u>
8300	Other comprehensive income (loss) for the year, net of income tax	(22,028)	-	13,069	-
8500	TOTAL COMPREHENSIVE INCOME FOR THE YEAR	<u>\$ 416,337</u>	<u>5</u>	<u>\$ 478,357</u>	<u>5</u>
	NET INCOME ATTRIBUTABLE TO:				
8610	Owners of the parent	\$ 442,160	5	\$ 473,296	5
8620	Non-controlling interests	(3,795)	-	(8,008)	-
8600		<u>\$ 438,365</u>	<u>5</u>	<u>\$ 465,288</u>	<u>5</u>
	TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:				
8710	Owners of the parent	\$ 424,858	5	\$ 482,447	5
8720	Non-controlling interests	(8,521)	-	(4,090)	-
8700		<u>\$ 416,337</u>	<u>5</u>	<u>\$ 478,357</u>	<u>5</u>
	EARNINGS PER SHARE (Note 23)				
	Form continuing operation				
9710	Basic	<u>\$ 1.45</u>		<u>\$ 1.55</u>	
9810	Diluted	<u>\$ 1.45</u>		<u>\$ 1.55</u>	

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(With Deloitte & Touche auditors' report dated February 26, 2024)

Chairman : Chiang, Ming-Li

President : Chiang, Ming-Te

Finance Director : Chiang, Shao-May

GREAT CHINA METAL IND. CO., LTD
STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022

(In Thousands of New Taiwan Dollars)

		(in thousands of New Taiwan Dollars)								
							Other equity			
			Capital surplus		Retained earnings		Exchange differences on translating the financial statements of foreign operations	Unrealized gain (loss) on financial assets at fair value through other comprehensive income	Non-controlling interests	Total equity
Code		Share capital	Additional paid-in capital	Treasury stock transactions	Legal reserve	Unappropriated earnings				
A1	BALANCE AT JANUARY 1, 2022	\$ 3,050,000	\$ 11,523	\$ 12,908	\$ 1,809,505	\$ 2,328,474	\$ 54,857	\$ 192,781	\$ 279,886	\$ 7,739,934
	Appropriation of 2021 earnings (Note 19)									
B1	Legal reserve	-	-	-	61,054	(61,054)	-	-	-	-
B5	Cash dividends paid to shareholders	-	-	-	-	(457,500)	-	-	-	(457,500)
D1	Net profit for the year ended December 31, 2022	-	-	-	-	473,296	-	-	(8,008)	465,288
D3	Other comprehensive loss for the year ended December 31, 2022, net of income tax	-	-	-	-	1,388	72,546	(64,783)	3,918	13,069
D5	Total comprehensive income (loss) for the year ended December 31, 2022	-	-	-	-	474,684	72,546	(64,783)	(4,090)	478,357
Z1	BALANCE AT DECEMBER 31, 2022	3,050,000	11,523	12,908	1,870,559	2,284,604	127,403	127,998	275,796	7,760,791
	Appropriation of 2022 earnings (Note 19)									
B1	Legal reserve	-	-	-	47,468	(47,468)	-	-	-	-
B5	Cash dividends paid to shareholders	-	-	-	-	(366,000)	-	-	-	(366,000)
D1	Net profit for the year ended December 31, 2023	-	-	-	-	442,160	-	-	(3,795)	438,365
D3	Other comprehensive income (loss) for the year ended December 31, 2023, net of income tax	-	-	-	-	2,160	(78,063)	58,601	(4,726)	(22,028)
D5	Total comprehensive income (loss) for the year ended December 31, 2023	-	-	-	-	444,320	(78,063)	58,601	(8,521)	416,337
Z1	BALANCE AT DECEMBER 31, 2023	\$ 3,050,000	\$ 11,523	\$ 12,908	\$ 1,918,027	\$ 2,315,456	\$ 49,340	\$ 186,599	\$ 267,275	\$ 7,811,128

The accompanying notes are an integral part of the consolidated financial statements.
(With Deloitte & Touche auditors' report dated February 26, 2024)

Chairman : Chiang, Ming-Li

President : Chiang, Ming-Te

Finance Director : Chiang, Shao-May

GREAT CHINA METAL IND. CO., LTD
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022

		(In Thousands of New Taiwan Dollars)	
		For the Year Ended December 31, 2023	For the Year Ended December 31, 2022
Code			
	CASH FLOWS FROM OPERATING ACTIVITIES		
A10000	Income before income tax	\$ 592,757	\$ 623,644
A20010	Adjustments for:		
A20100	Depreciation expenses	387,083	407,225
A20210	Amortization expenses	2,075	7,671
A20300	Expected credit loss/(gain)	(357)	(509)
A20400	Net gain on fair value changes of financial assets at fair value through profit or loss	(19,627)	(13,840)
A20900	Finance costs	206	268
A21200	Interest income	(49,942)	(30,478)
A21300	Dividend income	(7,784)	(7,578)
A22500	Loss on disposal of property, plant and equipment	2,530	5,255
A23700	Impairment loss on property, plant and equipment	19,817	-
A23800	Impairment and scrapped losses on inventory	-	1,372
A24100	Unrealized net loss (gain) on foreign currency exchange	(3,993)	4,945
A30000	Net changes in operating assets and liabilities		
A31115	Financial assets mandatorily classified as at fair value through profit or loss	(369,158)	(314,416)
A31130	Notes receivable	13,577	81,926
A31150	Accounts receivable	(7,498)	(206,356)
A31180	Other receivables	11,323	25,235
A31200	Inventories	416,702	(110,719)
A31230	Prepayments	15,902	124,730
A31240	Other current assets	(355)	(23)
A32125	Contract liability	16,547	(66,852)
A32130	Notes payable	(165,403)	287,870
A32150	Accounts payable	(136,070)	37,958
A32180	Other payable	6,867	24,932
A32230	Other current liabilities	(607)	(7,453)
A32250	Deferred revenue	(34,991)	(1,022)
A32240	Net defined benefit liabilities	(1,887)	(11,952)
A33000	Cash generated from operations	687,714	861,833
A33100	Interest received	46,926	32,521
A33300	Interest paid	(206)	(268)
A33500	Income tax paid	(143,621)	(147,779)
AAAA	Net cash generated from operating activities	<u>590,813</u>	<u>746,307</u>
	CASH FLOWS FROM INVESTING ACTIVITIES		
B00010	Payments for financial assets at fair value through other comprehensive income	-	(1,362)
B00040	Payments for financial assets at amortized cost	(3,514,228)	(3,013,391)
B00050	Proceeds from sale of financial assets at amortized cost	3,393,743	3,075,868
B02700	Payments for property, plant and equipment	(193,201)	(271,557)
B02800	Proceeds from disposal of property, plant and equipment	1,453	4,639
B03700	Increase in refundable deposits	-	(95,189)
B03800	Decrease in refundable deposits	64,603	-
B04500	Purchase on intangible assets	-	(265)
B07100	Increase in prepayments for equipment	(1,475)	(3,175)
B07600	Dividend received	<u>7,712</u>	<u>7,578</u>
BBBB	Net cash used in investing activities	<u>(241,393)</u>	<u>(296,854)</u>
	CASH FLOWS FROM FINANCING ACTIVITIES		
C00100	Increase in short-term borrowings	-	31,531
C00200	Decrease in short-term borrowings	(24,516)	-
C03100	Decrease in guarantee deposits	(7,745)	(301)
C04020	Repayment of the principal portion of lease liabilities	(5,890)	(6,252)
C04500	Dividends paid	(366,000)	(457,500)
CCCC	Net cash used in financing activities	<u>(404,151)</u>	<u>(432,522)</u>
DDDD	EFFECTS OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH HELD IN FOREIGN CURRENCIES	<u>(33,986)</u>	<u>32,591</u>
EEEE	NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	(88,717)	49,522
E00100	CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	<u>719,894</u>	<u>670,372</u>
E00200	CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	<u>\$ 631,177</u>	<u>\$ 719,894</u>

The accompanying notes are an integral part of the consolidated financial statements.
(With Deloitte & Touche auditors' report dated February 26, 2024)

Chairman : Chiang, Ming-Li

President : Chiang, Ming-Te

Finance Director : Chiang, Shao-May

GREAT CHINA METAL IND. CO., LTD. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

1. ORGANIZATION AND OPERATIONS

Great China Metal Ind. Co., Ltd (collectively referred to as “the Company”) was incorporated in November, 1973, under the provisions of the Company Act of the Republic of China (R.O.C.). The major business of the Company is to provide printing services for metal, manufacturing and selling metal containers, other plastic products, and packing machines.

In August 1990, Great China Metal Ind. Co., Ltd became a publicly listed company on the Taiwan Stock Exchange.

The consolidated financial statements of the Company and its subsidiaries (collectively referred to as “the Group”) are presented in the Company’s functional currency, the New Taiwan dollars.

2. APPROVAL OF FINANCIAL STATEMENTS

The consolidated financial statements were approved by the Company’s board of directors on February 26, 2024.

3. APPLICATION OF NEW, AMENDED AND REVISED STANDARDS AND INTERPRETATIONS

- a. Initial application of the International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) (collectively, the “IFRS Accounting Standards”) endorsed and issued into effect by the Financial Supervisory Commission (FSC).

The initial application of the amendments to IFRS Accounting Standards endorsed and issued into effect by the FSC did not have a significant effect on the Group’s accounting policies.

- b. The IFRS Accounting Standards endorsed by the FSC for application starting from 2024

New, Amended and Revised Standards and Interpretations	Effective Date Announced by IASB (Note 1)
Amendments to IFRS 16 “Leases Liability in a Sale and Leaseback”	January 1, 2024 (Note 2)
Amendments to IAS 1 “Classification of Liabilities as Current or Non-current”	January 1, 2024
Amendments to IAS 1 “Non-current Liabilities with Covenants”	January 1, 2024
Amendments to IAS 7 and IFRS 7 “Supplier Finance Arrangements”	January 1, 2024 (Note 3)

- Note 1: Unless stated otherwise, the above New IFRS Accounting Standards are effective for annual reporting periods beginning on or after their respective effective dates.
- Note 2: A seller-lessee shall apply the Amendments to IFRS 16 retrospectively to sale and leaseback transactions entered into after the date of initial application of IFRS 16.
- Note 3: The amendments provide some transition relief regarding disclosure requirements.

As of the date the consolidated financial statements were authorized for issue, the Group is continuously assessing the possible impact that the application of other standards and interpretations will have on the Group's financial position and financial performance and will disclose the relevant impact when the assessment is completed.

- c. The IFRS Accounting Standards issued by International Accounting Standards Board (IASB), but not yet endorsed and issued into effect by the FSC

New, Amended and Revised Standards and Interpretations	Effective Date Announced by IASB (Note 1)
Amendments to IFRS 10 and IAS 28 "Sale or Contribution of Assets between an Investor and its Associate or Joint Venture"	To be determined by IASB
IFRS 17 "Insurance Contracts"	January 1, 2023
Amendments to IFRS 17	January 1, 2023
Amendments to IFRS 17 "Initial Application of IFRS 9 and IFRS 17—Comparative Information"	January 1, 2023
Amendments to IAS 21 "Lack of Exchangeability"	January 1, 2025 (Note 2)

Note 1: Unless stated otherwise, the above New IFRS Accounting Standards are effective for annual reporting periods beginning on or after their respective effective dates.

Note 2: An entity shall apply those amendments for annual reporting periods beginning on or after January 1, 2025. Upon initial application of the amendments, the entity recognizes any effect as an adjustment to the opening balance of retained earnings. When the entity uses a presentation currency other than its functional currency, it shall, at the date of initial application, recognize any effect as an adjustment to the cumulative amount of translation differences in equity.

As of the date the consolidated financial statements were authorized for issue, the Group is continuously assessing the possible impact that the application of other standards and interpretations will have on the Group's financial position and financial performance and will disclose the relevant impact when the assessment is completed.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

- a. Statement of compliance

The consolidated financial statements have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and IFRS Accounting Standards as endorsed and issued into effect by the FSC.

b. Basis of preparation

The consolidated financial statements have been prepared on the historical cost basis except for financial instruments which are measured at fair value, and net defined benefit liabilities which are measured at the present value of the defined benefit obligation less the fair value of plan assets.

The fair value measurements, which are grouped into Levels 1 to 3 based on the degree to which the fair value measurement inputs are observable and based on the significance of the inputs to the fair value measurement in its entirety, are described as follows:

- (1) Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities;
- (2) Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for an asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and
- (3) Level 3 inputs are unobservable inputs for an asset or liability.

c. Classification of current and non-current assets and liabilities

Current assets include:

- (1) Assets held primarily for the purpose of trading;
- (2) Assets expected to be realized within 12 months after the reporting period; and
- (3) Cash and cash equivalents unless the asset is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

Current liabilities include:

- (1) Liabilities held primarily for the purpose of trading;
- (2) Liabilities due to be settled within 12 months after the reporting period; and
- (3) Liabilities for which the Group does not have an unconditional right to defer settlement for at least 12 months after the reporting period.

Assets and liabilities that are not classified as current are classified as non-current.

d. Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and the entities controlled by the Company (i.e., its subsidiaries). Income and expenses of subsidiaries acquired or disposed of during the period are included in the consolidated statement of profit or loss and other comprehensive income from the effective dates of acquisitions up to the effective dates of disposals, as appropriate. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by the Company. All intra-group transactions, balances, income and expenses are eliminated in full upon consolidation. Total comprehensive income of subsidiaries is attributed to the owners of the parent and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Changes in the Group's ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of interests of the Group and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognized directly in equity and attributed to the owners of the parent.

See Note 12 and Table 8 for detailed information on subsidiaries (including percentages of ownership and main businesses).

e. Foreign currencies

In preparing the financial statements of each individual group entity, transactions in currencies other than the entity's functional currency (i.e., foreign currencies) are recognized at the rates of exchange prevailing at the dates of the transactions.

At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Exchange differences on monetary items arising from settlement or translation are recognized in profit or loss in the period in which they arise.

Non-monetary items measured at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Exchange differences arising on the retranslation of non-monetary items are included in profit or loss for the period except for exchange differences arising from the retranslation of non-monetary items in respect of which gains and losses are recognized directly in other comprehensive income, in which case, the exchange differences are also recognized directly in other comprehensive income. Non-monetary items that are measured at historical cost in a foreign currency are translated using the exchange rate at the date of the transaction.

For the purposes of presenting consolidated financial statements, the assets and liabilities of the Group's foreign operations (including of the subsidiaries, associates, joint ventures or branches operations in other countries or currencies used different with the Company) are translated into New Taiwan dollars using exchange rates prevailing at the end of each reporting period; and income and expense items are translated at the average exchange rates for the period. Exchange differences arising are recognized in other comprehensive income (attributed to the owners of the parent and non-controlling interests as appropriate).

On the disposal of a foreign operation (i.e., a disposal of the Company's entire interest in a foreign operation, or a disposal involving the loss of control over a subsidiary that includes a foreign operation, or a partial disposal of an interest in a joint arrangement or an associate that includes a foreign operation of which the retained interest becomes a financial asset), all of the exchange differences accumulated in equity in respect of that operation attributable to the owners of the parent are reclassified to profit or loss.

In relation to a partial disposal of a subsidiary that does not result in the Company losing control over the subsidiary, the proportionate share of accumulated exchange differences is re-attributed to non-controlling interests of the subsidiary and is not recognized in profit or loss. For all other partial disposals, the proportionate share of the accumulated exchange differences recognized in other comprehensive income is reclassified to profit or loss.

f. Inventories

Inventories consist of raw materials, supplies, finished goods and work in progress and are stated at the lower of cost or net realizable value. Inventory write-downs are made by item, except where it may be appropriate to group similar or related items. The net realizable value is the estimated selling price of inventories less all estimated costs of completion and costs necessary to make the sale. Inventories are recorded at the weighted-average cost on the balance sheet date.

g. Property, plant and equipment

Property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment loss.

Property, plant and equipment in the course of construction purposes are measured at cost less any recognized impairment loss. Cost includes professional fees and borrowing costs eligible for capitalization. Such assets are depreciated and classified to the appropriate categories of property, plant and equipment when completed and ready for intended use.

Depreciation of property, plant and equipment is recognized using the straight-line method. Each significant part is depreciated separately. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effects of any changes in the estimates accounted for on a prospective basis.

On derecognition of an item of property, plant and equipment, the difference between the sales proceeds and the carrying amount of the asset is recognized in profit or loss.

h. Intangible assets

(1) Acquired separately

Intangible assets with finite useful lives that are acquired separately are initially measured at cost and subsequently measured at cost less accumulated amortization and accumulated impairment loss. Amortization is recognized on a straight-line basis. The estimated useful lives, residual values, and amortization methods are reviewed at the end of each reporting period, with the effect of any changes in the estimate accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are measured at cost less accumulated impairment loss.

(2) Derecognition

On derecognition of an intangible asset, the difference between the net disposal proceeds and the carrying amount of the asset is recognized in profit or loss.

- i. Impairment of right-of-use assets, contract assets, intangible assets, property, plant and equipment

At the end of each reporting period, the Group reviews the carrying amounts of its tangible and intangible assets, excluding goodwill, to determine whether there is any indication that those assets have suffered any impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss. When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to the group which the asset belongs.

The Group performs impairment testing for intangible assets which have still not available for use, if any indication of impairment exists, or at least once a year.

The recoverable amount is the higher of fair value less costs to sell and value in use. If the recoverable amount of an asset or cash-generating unit is estimated to be less than its carrying amount, the carrying amount of the asset or cash-generating unit is reduced to its recoverable amount, with the resulting impairment loss recognized in profit or loss.

When an impairment loss is subsequently reversed, the carrying amount of the corresponding asset or cash-generating unit is increased to the revised estimate of its recoverable amount, but only to the extent of the carrying amount that would have been determined had no impairment loss been recognized on the asset or cash-generating unit in prior years. A reversal of an impairment loss is recognized in profit or loss.

- j. Financial instruments

Financial assets and financial liabilities are recognized when a group entity becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issuance of financial assets and financial liabilities (other than financial assets and financial liabilities at FVTPL) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at FVTPL are recognized immediately in profit or loss.

(1) Financial assets

All regular way purchases or sales of financial assets are recognized and derecognized on a trade date basis.

a) Measurement categories

Financial assets are classified into the following categories: Financial assets at FVTPL, financial assets at amortized cost and investments in equity instruments at FVTOCI.

i. Financial assets at FVTPL

Financial assets are classified as at FVTPL when such a financial asset is designated as at FVTPL. A mandatory financial asset measured at fair value through profit and loss includes such equity instrument investments that are not specified at fair value through other comprehensive gains and losses not designated by the Group and such investment into liability instruments inconsistent with the classification as measured at amortized costs or measured at fair value through other comprehensive gains and losses.

The net gain or loss recognized in profit or loss on such a financial asset. Fair value is determined in the manner described in Note 25.

ii. Financial assets at amortized cost

Financial assets that meet the following conditions are subsequently measured at amortized cost:

- i) The financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- ii) The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Subsequent to initial recognition, financial assets at amortized cost, including cash and cash equivalents, trade receivables at amortized cost and notes receivable at amortized cost, are measured at amortized cost, which equals the gross carrying amount determined using the effective interest method less any impairment loss. Exchange differences are recognized in profit or loss.

The term "credit-impaired financial assets" as set forth herein denotes that where the issuer or debtor who has experienced major financial difficulties, defaults and where the debtor is likely to apply for bankruptcy or other financial reorganization, or where the active market for financial assets disappears due to financial difficulties. The term "cash equivalents" herein includes time deposits that are highly liquid within three months from the date of acquisition and could be converted into cash of a fixed amount at any time with little risk of value changes, as used to satisfy short-term cash commitments.

iii. Investments in equity instruments at FVTOCI

On initial recognition, the Group may make an irrevocable election to designate investments in equity instruments as at FVTOCI. Designation as at FVTOCI is not permitted if the equity investment is held for trading or if it is a contingent consideration recognized by an acquirer in a business combination.

Investments in equity instruments at FVTOCI are subsequently measured at fair value with gains and losses arising from changes in fair value recognized in other comprehensive income and accumulated in other equity. The cumulative gain or loss will not be reclassified to profit or loss on disposal of the equity investments; instead, it will be transferred to retained earnings.

Dividends on these investments in equity instruments are recognized in profit or loss when the Group's right to receive the dividends is established, unless the dividends clearly represent a recovery of part of the cost of the investment.

b) Impairment of financial assets

The Group recognizes allowance for expected credit losses on financial assets at amortized cost (including trade receivables).

The Group always recognizes lifetime expected credit losses (ECLs) for trade receivables. For all other financial instruments, the Group recognizes lifetime ECLs when there has been a significant increase in credit risk since initial recognition. If, on the other hand, the credit risk on a financial instrument has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12-month ECLs.

Expected credit losses reflect the weighted average of credit losses with the respective risks of default occurring as the weights. Lifetime ECLs represent the expected credit losses that will result from all possible default events over the expected life of a financial instrument. In contrast, 12-month ECLs represent the portion of lifetime ECLs that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

The Group recognizes an impairment gain or loss in profit or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account.

The allowance loss of debt instrument investment measured at fair value through other comprehensive income is, nevertheless, recognized in other comprehensive income and does not reduce its carrying amount.

c) Derecognition of financial assets

The Group derecognizes a financial asset only when the contractual rights to the cash flows from the asset expire or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. On derecognition of a financial asset at amortized cost in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognized in profit or loss. On derecognition of an investment in an equity instrument at FVTOCI, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognized in profit or loss, and the cumulative gain or loss which had been recognized in other comprehensive income is transferred directly to retained earnings, without recycling through profit

or loss.

(2) Equity instruments

Debt and equity instruments issued by a group entity are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments issued by a group entity are recognized at the proceeds received, net of direct issue costs.

(3) Financial liabilities

a) Subsequent measurement

All financial liabilities are measured at amortized cost using the effective interest method.

b) Derecognition of financial liabilities

The difference between the carrying amount of a financial liability derecognized and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognized in profit or loss.

k. Revenue recognition

The Group identifies contracts with customers, allocates the transaction price to the performance obligations, and recognizes revenue when performance obligations are satisfied.

Revenue from the sale of goods

Revenue from the sale of goods is recognized when the goods are delivered to the customer's designated destination, once the goods are shipped, or once the goods are delivered. In either case, the group has transferred to the customer the significant risks and rewards of ownership of the goods. The Group does not recognize revenue on materials delivered to subcontractors because this delivery does not involve a transfer of control.

l. Leases

At the inception of a contract, the Group assesses whether the contract is, or contains, a lease.

The Group as lessee

The Group recognizes right-of-use assets and lease liabilities for all leases at the commencement date of a lease, except for short-term leases and low-value asset leases which are accounted for applying a recognition exemption where lease payments are recognized as expenses on a straight-line basis over the lease terms.

Right-of-use assets are initially measured at cost, which comprises the initial measurement of lease liabilities adjusted for lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs needed to restore the underlying assets, and less any lease incentives received. Right-of-use assets are subsequently measured at cost less accumulated depreciation and impairment losses and adjusted for any

remeasurement of the lease liabilities.

Right-of-use assets are presented on a separate line in the consolidated balance sheets. Right-of-use assets are depreciated using the straight-line method from the commencement dates to the earlier of the end of the useful lives of the right-of-use assets or the end of the lease terms.

Lease liabilities are initially measured at the present value of the lease payments, which comprise fixed payments, in-substance fixed payments, variable lease payments which depend on an index or a rate. The lease payments are discounted using the interest rate implicit in a lease, if that rate can be readily determined. If that rate cannot be readily determined, the Group uses the lessee's incremental borrowing rate.

Subsequently, lease liabilities are measured at amortized cost using the effective interest method, with interest expense recognized over the lease terms. The Group remeasures the lease liabilities with a corresponding adjustment to the right-of-use-assets. However, if the carrying amount of the right-of-use assets is reduced to zero, any remaining amount of the remeasurement is recognized in profit or loss. Lease liabilities are presented on a separate line in the consolidated balance sheets.

m. Government grants

Government grants are not recognized until there is reasonable assurance that the Group will comply with the conditions attaching to them and that the grants will be received.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognized in profit or loss in the period in which they become receivable.

n. Employee benefits

(1) Short-term employee benefits

Liabilities recognized in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related services.

(2) Retirement benefits

Payments to defined contribution retirement benefit plans are recognized as expenses when employees have rendered services entitling them to the contributions.

Defined benefit costs (including service cost, net interest and remeasurement) under defined benefit retirement benefit plans are determined using the projected unit credit method. Service cost (including current service cost, previous service costs and settlement profits and losses), and net interest on the net defined benefit liabilities (assets) are recognized as employee benefits expense in the period in which they occur. Remeasurement, comprising actuarial gains and losses and the return on plan assets (excluding interest), is recognized in other comprehensive income in the period in which they occur. Remeasurement recognized in other comprehensive income is reflected immediately in retained earnings

and will not be reclassified to profit or loss.

Net defined benefit liabilities (assets) represent the actual deficit (surplus) in the Group's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any refunds from the plans or reductions in future contributions to the plans.

o. Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

(1) Current tax

The Group determines the current income (loss) in accordance with the regulations established by income tax authorities in each region, and calculates the payable (recoverable) income tax.

According to the Income Tax Law, an additional tax on unappropriated earnings is provided in the year the shareholders approve to retain the earnings.

Adjustments of prior years' tax liabilities are added to or deducted from the current year's tax provision.

(2) Deferred tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities and the corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences, unused loss carryforwards and unused tax credits to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized.

Deferred tax liabilities are recognized for taxable temporary differences associated with investments in subsidiaries, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognized to the extent that it is probable that there will be sufficient taxable profits against which to utilize the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the assets to be recovered. A previously unrecognized deferred tax asset is also reviewed at the end of each reporting period and recognized to the extent that it has become probable that future taxable profit will allow the deferred

tax asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liabilities are settled or the assets are realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

(3) Current and deferred taxes for the year

Current and deferred taxes are recognized in profit or loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred taxes are also recognized in other comprehensive income or directly in equity respectively. Where current taxes or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

5. CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, management is required to make judgments, estimations and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered relevant. Actual results may differ from these estimates.

When developing material accounting estimate, revisions to accounting estimates are recognized in the period in which the estimate is revised if the revisions affect only that period or in the period of the revision and future periods if the revision affects both current and future periods. The estimates and underlying assumptions are reviewed on an ongoing basis.

The Group's accounting policies, estimates and underlying assumptions have been evaluated by management and there are no significant uncertainties in accounting judgments, estimates and assumptions.

6. CASH AND CASH EQUIVALENTS

	December 31, 2023	December 31, 2022
Cash on hand and petty cash	\$ 691	\$ 555
Checking accounts and demand deposits	378,300	318,161
Cash equivalent (investments with original maturities of less than 3 months)		
Certificate deposit in bank	199,220	401,178
Repurchase bond	<u>52,966</u>	<u>-</u>

\$ 631,177 \$ 719,894

The market rate intervals of cash in bank and certificate deposit in bank with original maturities of less than 3 months, at the end of the reporting period were as follows:

	December 31, 2023	December 31, 2022
Cash in bank	0.01%~1.45%	0.005%~1.71%
Certificate deposit in the bank with original maturities of less than 3 months	1.16%~5.34%	0.92%~4.3%
Repurchase bond with original maturities of less than 3 months	5.3%	-

7. FINANCIAL INSTRUMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS

	December 31, 2023	December 31, 2022
<u>Financial Assets - current</u>		
Financial assets mandatorily classified as at FVTPL		
Beneficiary Certification for open ended fund	\$ 1,358,357	\$ 878,217
Non-derivative financial assets		
— Financial product denominated in Chinese Yen	<u>845,330</u>	<u>952,760</u>
	<u>\$ 2,203,687</u>	<u>\$ 1,830,977</u>

The Group has signed the contract with the bank for principal-guaranteed and non- principal-guaranteed financial product. The entire contract was designated as financial asset at fair value through profit or loss upon initial recognition.

8. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	December 31, 2023	December 31, 2022
<u>Current</u>		
Equity instrument at fair value through other comprehensive income	<u>\$ 252,844</u>	<u>\$ 194,243</u>
<u>Equity instruments</u>		
<u>Current</u>		
Domestic investments		
Listed shares and emerging market shares	<u>\$ 252,844</u>	<u>\$ 194,243</u>

These investments in equity instruments are not held for trading. Instead, they are held for strategic purposes with the expectation of receiving dividends and selling them for profit. Accordingly, the management elected to designate these

investments in equity instruments as at FVTOCI.

9. FINANCIAL ASSETS AT AMORTIZED COST

	December 31, 2023	December 31, 2022
<u>Current</u>		
Domestic investments		
Restricted assets – bank deposit	\$ 1,119,999	\$ 1,029,260
Certificate deposit in bank with original maturities of more than 3 months	<u>850,075</u>	<u>820,329</u>
Total	<u>\$ 1,970,074</u>	<u>\$ 1,849,589</u>

The market rate intervals of certificate deposit in bank with original maturities of more than 3 months, for the year ended December-31, 2023 and 2022 were 1.28%~8% and 0.91%~4.8%.

For pledge of financial assets at amortized cost, refer to Note 27.

10. NOTES RECEIVABLE AND ACCOUNTS RECEIVABLE

	December 31, 2023	December 31, 2022
<u>Notes receivable</u>		
At amortized cost		
Gross Carrying amount	\$ 50,567	\$ 64,144
Less: Allowance for impairment loss	<u>-</u>	<u>-</u>
	<u>\$ 50,567</u>	<u>\$ 64,144</u>
<u>Accounts receivable</u>		
At amortized cost		
Gross Carrying amount	\$ 1,435,302	\$ 1,427,915
Less: Allowance for impairment loss	<u>(1,768)</u>	<u>(2,161)</u>
	<u>\$ 1,433,534</u>	<u>\$ 1,425,754</u>

a. Accounts receivable

In order to minimize credit risk, the management of the Company has delegated a team responsible for determining credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue debts. In addition, the Group reviews the recoverable amount of each individual trade debt at the end of the reporting period to ensure that adequate allowance is made for possible irrecoverable amounts. In this regard, the management believes the Group's credit risk was significantly reduced.

The Group measures the loss allowance for accounts receivable at an amount equal to lifetime ECLs. The expected credit losses on account receivables are estimated by reference to the past default experience of the debtor, an analysis of the debtor's current financial position, general economic conditions of the industry, considerations of GDP forecast and industry trend. The expected

credit loss rate for the year ended December 31, 2023 and 2022 were 1.04%~100% and 0.34%~100%.

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

The aging analysis of accounts receivable were as follows:

	December 31, 2023	December 31, 2022
Not overdue	\$ 1,306,314	\$ 1,319,544
1~60 days	125,841	104,459
61~90 days	1,925	1,380
91~180 days	476	232
Over 181 days	746	2,300
Total	<u>\$ 1,435,302</u>	<u>\$ 1,427,915</u>

The above aging schedule was based on the number of overdue days from the posting date.

The movements of the allowance for doubtful trade receivables were as follows:

	For the Year Ended December 31, 2023	For the Year Ended December 31, 2022
Balance at beginning of the year	\$ 2,161	\$ 2,622
Add: Net remeasurement of loss allowance	(357)	(509)
less: Reversal of loss allowance	(36)	48
Balance at ending of the year	<u>\$ 1,768</u>	<u>\$ 2,161</u>

b. Notes receivable

The aging analysis of notes receivables were as follows:

	December 31, 2023	December 31, 2022
Not overdue	\$ 50,567	\$ 64,144
Overdue	-	-
Total	<u>\$ 50,567</u>	<u>\$ 64,144</u>

The above aging schedule was based on the number of overdue days from the posting date.

11. INVENTORIES

	December 31, 2023	December 31, 2022
Merchandise	\$ 96,035	\$ 138,042
Finished goods	758,275	979,634
Work-in-progress	83,236	100,685
Raw materials	607,273	726,066
Leftover bits and pieces	136,343	150,414

Materials for subcontractor	5,001	7,753
Others	<u>516</u>	<u>-</u>
	<u>\$ 1,686,679</u>	<u>\$ 2,102,594</u>

The natures of cost of goods sold are as follows:

	December 31, 2023	December 31, 2022
Cost of good sold	\$ 7,422,524	\$ 7,717,177
Loss on inventory write-downs and retirement	-	1,372
Impairment loss on property, plant and equipment	19,817	-
Unallocated manufacturing expenses	<u>50,580</u>	<u>50,356</u>
	<u>\$ 7,492,921</u>	<u>\$ 7,768,905</u>

12. SUBSIDIARIES

a. Subsidiaries included in the consolidated financial statements

Investor	Investee	Main Businesses	% of Ownership		Note
			December 31, 2023	December 31, 2022	
The Company	HAI HWA INVESTMENT CO., LTD.	Investment	100%	100%	Significant subsidiary
The Company	GCM HOLDING CO., LTD.	Investment	100%	100%	
HAI HWA INVESTMENT CO., LTD.	Shanghai United Can Co., Ltd	Aluminum pop can and lid	100%	100%	Significant subsidiary
HAI HWA INVESTMENT CO., LTD.	Huatong United (Nantong) Plastic Industry Co., Ltd	Stretch films and other plastic product	100%	100%	
HAI HWA INVESTMENT CO., LTD.	Chongqing United Can Co., Ltd	Steel pop can	25%	25%	Significant subsidiary
HAI HWA INVESTMENT CO., LTD.	Jinan United Can Co., Ltd	Steel pop can	43%	43%	Significant subsidiary
GCM HOLDING CO., LTD.	GCM PACKAGING (VIETNAM) CO., LTD.	Aluminum lid of pop can	100%	100%	
Shanghai United Can Co., Ltd	Jinan United Can Co., Ltd	Steel pop can	43%	43%	Significant subsidiary
Shanghai United Can Co., Ltd	Chongqing United Can Co., Ltd	Steel pop can	75%	75%	Significant subsidiary
Huatong United (Nantong) Plastic Industry Co., Ltd	Jinan United Can Co., Ltd	Steel pop can	14%	14%	Significant subsidiary
Huatong United (Nantong) Plastic Industry Co., Ltd	Sunshui Changlee United Container Co., Ltd	Stretch films and other plastic product	30%	30%	(1)

(1) The Group holds 30% of shares for Sunshui Changlee United Container Co., Ltd. Because the Group occupies more than half of the board of directors of the company and has the substantive ability to lead the company's vital activities, the company is classified as a subsidiary.

b. Subsidiaries not included in the consolidated financial statements: None.

c. Information on subsidiaries with significant non-controlling interests

Subsidiaries	% of Ownership	
	December 31, 2023	December 31, 2022
Sunshui Changlee United Container Co., Ltd	70%	70%

The summary financial information of the following subsidiaries is compiled based on the amount before the elimination of inter-company transactions:

Subsidiaries	Profit and loss allocated to non-controlling interests		Non-controlling interests	
	For the Year Ended	For the Year Ended	December 31,	December 31,
	December 31, 2023	December 31, 2022	December 31, 2023	December 31, 2022
Sunshui Changlee United Container Co., Ltd	(\$ 3,795)	(\$ 8,008)	\$ 267,275	\$ 275,796

Sunshui Changlee United Container Co Ltd

	December 31, 2023	December 31, 2022
Current assets	\$ 170,527	\$ 163,155
Non-current assets	198,407	218,790
Current liabilities	(8,364)	(9,681)
Equity	\$ 360,570	\$ 372,264

Equity attribute to:

Owners of the parent	\$ 93,295	\$ 96,468
Non-controlling interests of Sunshui Changlee United Container Co., Ltd	267,275	275,796
	\$ 360,570	\$ 372,264

	December 31, 2023	December 31, 2022
Revenue	\$ 120,982	\$ 144,386
Net loss for the year	(\$ 5,422)	(\$ 11,440)
Comprehensive income(loss)	(\$ 12,173)	(\$ 5,843)

Net loss attribute to:

Owners of the parent	(\$ 1,627)	(\$ 3,432)
Non-controlling interests of Sunshui Changlee United Container Co., Ltd	(3,795)	(8,008)
	(\$ 5,422)	(\$ 11,440)

Comprehensive income(loss) attribute to:

Owners of the parent	(\$ 3,652)	(\$ 1,753)
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Non-controlling interests of Sunshui
Changlee United Container Co., Ltd

(8,521) (4,090)
(\$ 12,173) (\$ 5,843)

Cash flows

Operating activities \$ 12,355 \$ 21,245
Investing activities (28,057) (26,274)
Financing activities - -
Net increase (decrease) in cash (\$ 15,702) (\$ 5,029)

13. PROPERTY, PLANT AND EQUIPMENT

	Freehold Land	Buildings	Machinery and Equipment	Utility Equipment	Transportation Equipment	Office Equipment	Other Equipment	Construction in Progress	Total
Cost									
Balance at January 1, 2023	\$ 59,074	\$ 1,336,949	\$ 7,106,251	\$ 69,004	\$ 48,196	\$ 127,660	\$ 189,548	\$ 158,487	\$ 9,095,169
Additions	-	107	50,266	1,396	4,624	2,002	16,950	134,967	210,312
Disposals	-	-	(90,139)	(32)	(3,719)	(2,681)	(6,357)	-	(102,928)
Reclassification	-	63,249	110,024	-	2,028	487	-	(175,788)	-
Effect of foreign currency exchange differences	-	(17,097)	(84,806)	-	(698)	(1,427)	(2,783)	(2,761)	(109,572)
Balance at December 31, 2023	<u>\$ 59,074</u>	<u>\$ 1,383,208</u>	<u>\$ 7,091,596</u>	<u>\$ 70,368</u>	<u>\$ 50,431</u>	<u>\$ 126,041</u>	<u>\$ 197,358</u>	<u>\$ 114,905</u>	<u>\$ 9,092,981</u>
Accumulated depreciation									
Balance at January 1, 2023	\$ -	\$ 794,430	\$ 5,489,343	\$ 58,511	\$ 38,217	\$ 125,487	\$ 184,559	\$ -	\$ 6,690,547
Disposals	-	-	(86,179)	(32)	(3,347)	(2,609)	(6,338)	-	(98,505)
Depreciation expense	-	39,936	317,224	1,283	4,618	1,499	11,670	-	376,230
Reclassification	-	-	-	-	-	-	-	-	-
Effect of foreign currency exchange differences	-	(9,556)	(63,935)	-	(510)	(1,404)	(2,627)	-	(78,032)
Balance at December 31, 2023	<u>\$ -</u>	<u>\$ 824,810</u>	<u>\$ 5,656,453</u>	<u>\$ 59,762</u>	<u>\$ 38,978</u>	<u>\$ 122,973</u>	<u>\$ 187,264</u>	<u>\$ -</u>	<u>\$ 6,890,240</u>
Accumulated impairment									
Balance at January 1, 2023	\$ -	\$ -	\$ 52,586	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 52,586
Impairment loss	-	-	19,817	-	-	-	-	-	19,817
Disposals	-	-	(440)	-	-	-	-	-	(440)
Effect of foreign currency exchange differences	-	-	(988)	-	-	-	-	-	(988)
Balance at December 31, 2023	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 70,975</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 70,975</u>
Carrying amounts at December 31, 2023	<u>\$ 59,074</u>	<u>\$ 558,398</u>	<u>\$ 1,364,168</u>	<u>\$ 10,606</u>	<u>\$ 11,453</u>	<u>\$ 3,068</u>	<u>\$ 10,094</u>	<u>\$ 114,905</u>	<u>\$ 2,131,766</u>
Cost									
Balance at January 1, 2022	\$ 59,074	\$ 1,322,151	\$ 6,904,478	\$ 69,004	\$ 45,202	\$ 127,297	\$ 199,841	\$ 57,764	\$ 8,784,811
Additions	-	723	132,017	-	3,632	1,950	5,482	123,626	267,430
Disposals	-	(200)	(58,874)	-	(1,132)	(2,742)	(17,773)	-	(80,721)
Reclassification	-	386	73,701	-	-	-	-	(23,465)	50,622
Effect of foreign currency exchange differences	-	13,889	54,929	-	494	1,155	1,998	562	73,027
Balance at December 31, 2022	<u>\$ 59,074</u>	<u>\$ 1,336,949</u>	<u>\$ 7,106,251</u>	<u>\$ 69,004</u>	<u>\$ 48,196</u>	<u>\$ 127,660</u>	<u>\$ 189,548</u>	<u>\$ 158,487</u>	<u>\$ 9,095,169</u>
Accumulated depreciation									
Balance at January 1, 2022	\$ -	\$ 747,152	\$ 5,161,213	\$ 56,979	\$ 35,364	\$ 125,400	\$ 193,217	\$ -	\$ 6,319,325
Disposals	-	(200)	(50,242)	-	(1,034)	(2,551)	(16,800)	-	(70,827)
Depreciation expense	-	40,276	342,881	1,532	3,525	1,495	6,230	-	395,939
Reclassification	-	-	-	-	-	-	-	-	-
Effect of foreign currency exchange differences	-	7,202	35,491	-	362	1,143	1,912	-	46,110
Balance at December 31, 2022	<u>\$ -</u>	<u>\$ 794,430</u>	<u>\$ 5,489,343</u>	<u>\$ 58,511</u>	<u>\$ 38,217</u>	<u>\$ 125,487</u>	<u>\$ 184,559</u>	<u>\$ -</u>	<u>\$ 6,690,547</u>
Accumulated impairment									
Balance at January 1, 2022	\$ -	\$ -	\$ 51,971	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 51,971
Impairment loss	-	-	-	-	-	-	-	-	-
Effect of foreign currency exchange	-	-	615	-	-	-	-	-	615

differences									
Balance at December 31, 2022	\$ -	\$ -	\$ 52,586	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 52,586
Carrying amounts at December 31, 2022	\$ 59,074	\$ 542,519	\$ 1,564,322	\$ 10,493	\$ 9,979	\$ 2,173	\$ 4,989	\$ 158,487	\$ 2,352,036

The above items of property, plant and equipment are depreciated on a straight-line basis over their estimated useful life of the asset:

Building	
Main buildings	10 - 42 years
Engineering system	2 - 17 years
Machinery and Equipment	2 - 15 years
Utility Equipment	
Air conditioner pipe	35 years
Other power equipment	2 - 15 years
Transportation Equipment	2 - 10 years
Office Equipment	1 - 10 years
Other Equipment	2 - 10 years

Refer to Note 27 for the carrying amount of property, plant and equipment pledged by the Group to secure borrowings granted to the Group.

14. LEASE ARRANGEMENTS

a. Right-of-use assets

	December 31, 2023	December 31, 2022
Carrying amounts		
Land	\$ 169,569	\$ 177,525
Buildings	<u>14,792</u>	<u>20,636</u>
	<u>\$ 184,361</u>	<u>\$ 198,161</u>
	For the Year Ended December 31, 2023	For the Year Ended December 31, 2022
Additions to right-of-use assets	<u>\$ -</u>	<u>\$ -</u>
Depreciation charge for right-of-use assets		
Land	\$ 5,009	\$ 5,021
Buildings	5,844	5,844
Transportation Equipment	<u>-</u>	<u>421</u>
	<u>\$ 10,853</u>	<u>\$ 11,286</u>

b. Lease liabilities

	December 31, 2023	December 31, 2022
Carrying amounts		
Current	<u>\$ 5,955</u>	<u>\$ 5,890</u>
Non-current	<u>\$ 9,245</u>	<u>\$ 15,200</u>

Range of discount rate for lease liabilities was as follows:

	December 31, 2023	December 31, 2022
Buildings	1.1%	1.1%
Transportation Equipment	1.1%	1.1%

c. Other lease information

The Group leases certain assets which qualify as short-term leases. The Group has elected to apply the recognition exemption and, thus, did not recognize right-of-use assets and lease liabilities for these leases.

	For the Year Ended December 31, 2023	For the Year Ended December 31, 2022
Expenses relating to short-term leases	\$ 11,414	\$ 28,377
Expenses relating to low-value asset leases	\$ 225	\$ 176
Total cash (outflow) for leases	(\$ 17,731)	(\$ 35,073)

15. PREPAYMENTS

	December 31, 2023	December 31, 2022
<u>Current</u>		
Raw materials	\$ 76,502	\$ 82,708
Overpaid tax	24,846	37,603
Other	14,474	11,413
	<u>\$ 115,822</u>	<u>\$ 131,724</u>

16. SHORT-TERM BORROWINGS

	December 31, 2023	December 31, 2022
<u>Unsecured borrowings</u>		
— Bank loans for working capital	<u>\$ 79,178</u>	<u>\$ 106,211</u>

The rate intervals of bank revolving loan at December 31, 2023 and 2022 were 1.98%~6.29% and 1.85%~5.51% respectively.

17. OTHER PAYABLES

	December 31, 2023	December 31, 2022
Payables for salaries and bonuses	\$ 111,909	\$ 103,523
Payables for purchases of equipment	26,059	28,808
Freight payable	58,530	49,714
Payable for annual leave	5,220	6,214
Other	96,979	106,320
	<u>\$ 298,697</u>	<u>\$ 294,579</u>

18. RETIREMENT BENEFIT PLANS

a. Defined contribution plans

The Group adopted a pension plan under the Labor Pension Act (LPA), which is a state-managed defined contribution plan. Under the LPA, an entity makes monthly contributions to employees' individual pension accounts at 6% of monthly salaries and wages.

The employees of the Group's subsidiary in China and Vietnam are members of a state-managed retirement benefit plan operated by the government of China and Vietnam. The subsidiary is required to contribute a specified percentage of payroll costs to the retirement benefit scheme to fund the benefits. The only obligation of the Group with respect to the retirement benefit plan is to make the specified contributions.

b. Defined benefit plans

The defined benefit plans adopted by the Group in accordance with the Labor Standards Law is operated by the government of the ROC. Pension benefits are calculated on the basis of the length of service and average monthly salaries of the six months before retirement. The Group contributes amounts equal to 2% of total monthly salaries and wages to a pension fund administered by the pension fund monitoring committee. Pension contributions are deposited in the Bank of Taiwan in the committee's name. Before the end of each year, the Group assesses the balance in the pension fund. If the amount of the balance in the pension fund is inadequate to pay retirement benefits for employees who conform to retirement requirements in the next year, the Group is required to fund the difference in one appropriation that should be made before the end of March of the next year. The pension fund is managed by the Bureau of Labor Funds, Ministry of Labor (the "Bureau"); the Group has no right to influence the investment policy and strategy.

The amounts included in the consolidated balance sheets in respect of the Group's defined benefit plans were as follows:

	December 31, 2023	December 31, 2022
Present value of defined benefit obligation	\$ 19,347	\$ 79,781
Fair value of plan assets	(5,157)	(27,900)
Net defined benefit liability	<u>\$ 14,190</u>	<u>\$ 51,881</u>

Movements in net defined benefit liability (asset) were as follows:

	Present Value of the Defined Benefit Obligation	Fair Value of the Plan Assets	Net Defined Benefit Liabilities (Assets)
Balance at January 1, 2022	<u>\$ 98,424</u>	(\$ 32,856)	<u>\$ 65,568</u>
Service cost			
Current service cost	253	-	253
Net interest expense (income)	<u>492</u>	(166)	<u>326</u>
Recognized in profit or loss	<u>745</u>	(166)	<u>579</u>
Remeasurement			
Return on plan assets (excluding amounts included in net interest)	-	(2,607)	(2,607)
Actuarial loss - experience adjustments	<u>872</u>	-	<u>872</u>
Recognized in other comprehensive income	<u>872</u>	(2,607)	(1,735)
Contributions from the employer	-	(531)	(531)
Benefits paid— from carrying value	(12,000)	-	(12,000)
Benefits paid— from plan assets	(8,260)	8,260	-
Balance at December 31, 2022	<u>\$ 79,781</u>	(\$ 27,900)	<u>\$ 51,881</u>
Balance at January 1, 2023	<u>\$ 79,781</u>	(\$ 27,900)	<u>\$ 51,881</u>
Service cost			

Current service cost	494	-	494
Previous service costs and settlement profits	(5,251)	-	(5,251)
Net interest expense (income)	<u>997</u>	(<u>352</u>)	<u>645</u>
Recognized in profit or loss	(<u>3,760</u>)	(<u>352</u>)	(<u>4,112</u>)

(Continued)

Remeasurement

Return on plan assets (excluding amounts included in net interest)	-	(130)	(130)
Actuarial loss - experience adjustments	(<u>2,570</u>)	-	(<u>2,570</u>)
Recognized in other comprehensive income	(<u>2,570</u>)	(<u>130</u>)	(<u>2,700</u>)
Contributions from the employer	-	(16,010)	(16,010)
Benefits paid—from carrying value	(14,869)	-	(14,869)
Benefits paid—from plan assets	(<u>39,235</u>)	<u>39,235</u>	-
Balance at December 31, 2023	<u>\$ 19,347</u>	(<u>\$ 5,157</u>)	<u>\$ 14,190</u>

(Concluded)

Through the defined benefit plans under the Labor Standards Law, the Group is exposed to the following risks:

- (1) Investment risk: The plan assets are invested in domestic and foreign equity and debt securities, bank deposits, etc. The investment is conducted at the discretion of the Bureau or under the mandated management. However, in accordance with relevant regulations, the return generated by plan assets should not be below the interest rate for a 2-year time deposit with local banks.
- (2) Interest risk: A decrease in the corporate bond interest rate will increase the present value of the defined benefit obligation; however, this will be partially offset by an increase in the return on the plans' debt investments.
- (3) Salary risk: The present value of the defined benefit obligation is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the present value of the defined benefit obligation.

The actuarial valuations of the present value of the defined benefit obligation were carried out by qualified actuaries. The significant assumptions used for the purposes of the actuarial valuations were as follows:

	December 31, 2023	December 31, 2022
Discount rate	1.25%	1.25%
Expected rate of salary increase	2.75%	2.75%

If possible reasonable changes in each of the significant actuarial assumptions will occur and all other assumptions will remain constant, the present value of the defined benefit obligation would increase (decrease) as follows:

	December 31, 2023	December 31, 2022
Discount rate(s)		
0.25% increase	(\$ <u>162</u>)	(\$ <u>567</u>)

0.25% decrease	<u>\$ 174</u>	<u>\$ 585</u>
Expected rate(s) of salary increase		
1% increase	<u>\$ 791</u>	<u>\$ 2,516</u>
1% decrease	<u>(\$ 615)</u>	<u>(\$ 2,275)</u>

The sensitivity analysis presented above may not be representative of the actual changes in the present value of the defined benefit obligation as it is unlikely that the changes in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

	December 31, 2023	December 31, 2022
Expected contributions to the plans for the next year	<u>\$ 93</u>	<u>\$ 516</u>
Average duration of the defined benefit obligation	10.6years	7.7years

19. EQUITY

a. Share capital

Common shares

	December 31, 2023	December 31, 2022
Number of shares authorized (in thousands)	<u>330,000</u>	<u>330,000</u>
Shares authorized	<u>\$ 3,300,000</u>	<u>\$ 3,300,000</u>
Number of shares issued and fully paid (in thousands)	<u>305,000</u>	<u>305,000</u>
Shares issued	<u>\$ 3,050,000</u>	<u>\$ 3,050,000</u>

Fully paid ordinary shares, which have a par value of NT\$10, carry one vote per share and carry a right to dividends.

b. Capital surplus

The capital surplus from shares issued in excess of par (additional paid-in capital from issuance of common shares) and donations may be used to offset a deficit; in addition, when the Company has no deficit, such capital surplus may be distributed as cash dividends or transferred to capital (limited to a certain percentage of the Company's paid-in capital and to once a year).

c. Retained earnings and dividends policy

Under the dividend policy as set forth in the amended Articles, where the Company made profit in a fiscal year, the profit shall be first utilized for paying taxes, offsetting losses of previous years, setting aside as legal reserve of 10% of the remaining profit, setting aside or reversing a special reserve in accordance with the laws and regulations, and then any remaining profit together with any undistributed retained earnings shall be used by the Company's board of directors as the basis for proposing a distribution plan,

which should be resolved in the shareholders' meeting for the distribution of dividends and bonuses to shareholders.

The dividends policy of the Company shall be made according to the Company's current and future plan, considering investment environment, fund requirements, overall competition and taking into account the interests of shareholders. The Company is growth steadily. Consider in future operating expansion plans, dividends are distributed in a coordinated manner with cash dividends and share dividends. The cash dividend is about 50% to 100% and the share dividend is about 50% to 0%. The Company may adjust the distribution ratio of cash dividends and share dividends if necessary, which depending on factors such as economic conditions, industrial development and capital needs.

Appropriation of earnings to legal reserve shall be made until the legal reserve equals the Company's paid-in capital. The legal reserve may be used to offset deficit. If the Company has no deficit and the legal reserve has exceeded 25% of the Company's paid-in capital, the excess may be transferred to capital or distributed in cash.

The appropriations of earnings for 2022 and 2021 approved in the shareholders' meetings on June 19, 2023 and June 24, 2022, respectively, were as follows:

	For the Year Ended December 31, 2022	For the Year Ended December 31, 2021
Legal reserve	<u>\$ 47,468</u>	<u>\$ 61,504</u>
Cash dividends	<u>\$ 366,000</u>	<u>\$ 457,500</u>
Cash dividends per share	\$ 1.2	\$ 1.5

The appropriation of earnings for 2023 had been proposed by the Company's board of directors on February 26, 2024. The appropriation and dividends per share were as follows:

	For the Year Ended December 31, 2023
Legal reserve	<u>\$ 44,432</u>
Cash dividends	<u>\$ 335,500</u>
Cash dividends per share	\$ 1.1

The appropriation of earnings for 2023 is subject to the resolution of the shareholders' meeting to be held on May, 2024.

20. Revenue

	For the Year Ended December 31, 2023	For the Year Ended December 31, 2022
Revenue from contracts with customers		
Sale of goods	<u>\$ 8,404,848</u>	<u>\$ 8,774,698</u>

21. NET PROFIT FROM CONTINUING OPERATIONS

a. Interest income

	For the Year Ended December 31, 2023	For the Year Ended December 31, 2022
Bank deposit	<u>\$ 49,942</u>	<u>\$ 30,478</u>

b. Other income

	For the Year Ended December 31, 2023	For the Year Ended December 31, 2022
Dividend income	\$ 7,784	\$ 7,578
Others	<u>50,105</u>	<u>48,364</u>
	<u>\$ 57,889</u>	<u>\$ 55,942</u>

c. Other gains and losses

	For the Year Ended December 31, 2023	For the Year Ended December 31, 2022
(Loss) gain on disposal of property, plant and equipment	(\$ 2,530)	(\$ 5,255)
Fair value changes of financial assets and financial liabilities		
Financial assets mandatorily at FVTPL	19,627	13,840
Net foreign exchange gains (losses)	6,068	16,791
Others	<u>(6,036)</u>	<u>(10,197)</u>
	<u>\$ 17,129</u>	<u>\$ 15,179</u>

d. Finance costs

	For the Year Ended December 31, 2023	For the Year Ended December 31, 2022
Interest on discounting bills of exchange	\$ 4	\$ -
Interest on lease liabilities	<u>202</u>	<u>268</u>
	<u>\$ 206</u>	<u>\$ 268</u>

e. Depreciation and amortization

	For the Year Ended December 31, 2023	For the Year Ended December 31, 2022
Depreciation expense by function		

Operating costs	\$ 364,083	\$ 383,129
Operating expenses	<u>23,000</u>	<u>24,096</u>
	<u>\$ 387,083</u>	<u>\$ 407,225</u>

Amortization expense by function

Operating costs	\$ 101	\$ 101
Operating expenses	<u>1,974</u>	<u>7,570</u>
	<u>\$ 2,075</u>	<u>\$ 7,671</u>

f. Employee benefits expense

	For the Year Ended December 31, 2023	For the Year Ended December 31, 2022
Post-employment benefits(Note 18)		
Defined contribution plans	\$ 39,001	\$ 34,577
Defined benefit plans	(<u>4,112</u>)	<u>579</u>
	<u>34,889</u>	<u>35,156</u>
Other employee benefits	<u>476,328</u>	<u>486,636</u>
Total	<u>\$ 511,217</u>	<u>\$ 521,792</u>

An analysis of employee benefits expense by function

Operating costs	\$ 361,144	\$ 374,861
Operating expenses	<u>150,073</u>	<u>146,931</u>
	<u>\$ 511,217</u>	<u>\$ 521,792</u>

g. Employees' compensation and remuneration of directors

The Company accrued employees' compensation and remuneration of directors at the rates of no less than 1% and no higher than 5%, respectively, of net profit before income tax, employees' compensation, and remuneration of directors. The employees' compensation and remuneration of directors for the years ended December 31, 2023 and 2022 which have been approved by the Company's board of directors on February 26, 2024 and March 7, 2023, respectively, were as follows:

Amount

	For the Year Ended December 31, 2023	For the Year Ended December 31, 2022
	<u>Cash</u>	<u>Cash</u>
Employees' compensation	\$ 11,473	\$ 12,374
Remuneration of directors	11,473	12,374

If there is a change in the amounts after the annual consolidated financial statements are authorized for issue, the differences are recorded as a change in the accounting estimate.

There was no difference between the actual amounts of employees' compensation and remuneration of directors paid and the amounts recognized in the consolidated financial statements for the year ended December 31, 2022 and 2021.

Information on the employees' compensation and remuneration of directors resolved by the Company's board of directors is available at the Market Observation Post System website of the Taiwan Stock Exchange.

22. INCOME TAXES RELATING TO CONTINUING OPERATIONS

a. Major components of tax expense recognized in profit or loss	For the Year Ended December 31, 2023	For the Year Ended December 31, 2022
Current tax		
In respect of the current year	\$ 112,708	\$ 124,478
Income tax expense of unappropriated earnings	2,182	3,961
Adjustment for prior periods	(1,747)	105
	<u>113,143</u>	<u>128,544</u>
Deferred tax		
In respect of the current year	<u>41,249</u>	<u>29,812</u>
Income tax expense recognized in profit or loss	<u>\$ 154,392</u>	<u>\$ 158,356</u>

A reconciliation of accounting profit and income tax expenses is as follows:

	For the Year Ended December 31, 2023	For the Year Ended December 31, 2022
Net income before tax from continuing operations	<u>\$ 592,757</u>	<u>\$ 623,644</u>
Income tax expense calculated at the statutory rate	\$ 118,551	\$ 124,729
Nondeductible expenses in determining taxable income	37	130
Tax-exempt income	(2,059)	(2,318)
Unrecognized non-deductible temporary differences	32,657	27,039
Additional income tax on unappropriated earnings	2,182	3,961
Unrecognized loss carryforwards	989	2,191
Effect of tax rate changes	3,782	2,519
Adjustments for prior year's tax	(1,747)	105
Income tax expense recognized in profit or loss	<u>\$ 154,392</u>	<u>\$ 158,356</u>

b. Deferred tax assets and liabilities

Movement for deferred tax assets and liabilities is as follow:

For the Year Ended December 31, 2023

Opening Balance	Recognized in Profit or Loss	Recognized in Other Comprehensive	Closing Balance
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	Income			
<u>Deferred Tax Assets</u>				
Temporary differences				
Defined benefit obligation	\$ 10,376	(\$ 6,998)	(\$ 540)	\$ 2,838
Payable for annual leave	1,054	(78)	-	976
Unrealized inventory write-downs	4,268	(719)	-	3,549
Others	1,555	5	-	1,560
	<u>\$ 17,253</u>	<u>(\$ 7,790)</u>	<u>(\$ 540)</u>	<u>\$ 8,923</u>
<u>Deferred tax liabilities</u>				
Temporary differences				
Unappropriated earnings from subsidiary	\$394,255	\$ 32,657	\$ -	\$426,912
Others	140	(802)	-	942
	<u>\$394,395</u>	<u>\$ 33,459</u>	<u>\$ -</u>	<u>\$427,854</u>

For the Year Ended December 31, 2022

	Opening Balance	Recognized in Profit or Loss	Recognized in Other Comprehensive Income	Closing Balance
<u>Deferred Tax Assets</u>				
Temporary differences				
Defined benefit obligation	\$ 13,113	(\$ 2,390)	(\$ 347)	\$ 10,376
Payable for annual leave	1,113	(59)	-	1,054
Unrealized inventory write-downs	4,461	(193)	-	4,268
Others	1,690	(135)	-	1,555
	<u>\$ 20,377</u>	<u>(\$ 2,777)</u>	<u>(\$ 347)</u>	<u>\$ 17,253</u>
<u>Deferred tax liabilities</u>				
Temporary differences				
Unappropriated earnings from subsidiary	\$367,216	\$ 27,039	\$ -	\$394,255
Others	144	(4)	-	140
	<u>\$367,360</u>	<u>\$ 27,035</u>	<u>\$ -</u>	<u>\$394,395</u>

- c. Such deductible temporary difference amount and unused loss deduction for deferred income tax assets are not acknowledged into the balance sheet.

	December 31, 2023	December 31, 2022
Expires in 2023	\$ -	\$ 111,790
Expires in 2024	65,326	65,326
Expires in 2025	3,149	3,149

Expires in 2026	13,889	13,889
Expires in 2027	24,669	24,669
Expires in 2028	21,380	-
	<u>\$ 128,413</u>	<u>\$ 218,823</u>

d. Income tax assessments

Income tax returns of the Company through 2021 have been examined and cleared by the tax authorities.

23. EARNINGS PER SHARE

Net Profit for Current year

	For the Year Ended December 31, 2023	For the Year Ended December 31, 2022
Net Profit Attributable to Owners of the parent	<u>\$ 442,160</u>	<u>\$ 473,296</u>

Number of Shares (In Thousands)

	For the Year Ended December 31, 2023	For the Year Ended December 31, 2022
Weighted average number of ordinary shares used in computation of basic earnings per share	305,000	305,000
Dilutive effects		
-employees' compensation or bonus issue to employees	<u>566</u>	<u>633</u>
Weighted average number of ordinary shares used in computation of diluted earnings per share	<u>305,566</u>	<u>305,633</u>

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

24. CAPITAL MANAGEMENT

The Group manages its capital to ensure that entities in the Group will be able to continue as going concerns while maximizing the return to stakeholders through the optimization of the debt and equity balance. The Group's overall strategy remains unchanged in the past 2 years.

The capital structure of the Group consists of net debt (borrowings offset by cash and cash equivalents) and equity attributable to owners of the Company (comprising issued capital, reserves, retained earnings and other equity).

The Group is not subject to any externally imposed capital requirements.

25. FINANCIAL INSTRUMENTS

- a. Fair value information—The relevant financial instruments not measured by fair value.

The Group management believes that the book value of financial assets and financial liabilities that are not measured by fair value is close to the fair value.

- b. Fair value of financial instruments measured at fair value on a recurring basis

(1) Fair value hierarchy

December 31, 2023

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Financial assets at fair value through profit or loss (FVTPL)				
Financial product denominated in Chinese Yen	\$ -	\$ -	\$ 845,330	\$ 845,330
Beneficiary certification for fund	<u>1,358,357</u>	<u>-</u>	<u>-</u>	<u>1,358,357</u>
Total	<u>\$ 1,358,357</u>	<u>\$ -</u>	<u>\$ 845,330</u>	<u>\$ 2,203,687</u>
Financial assets at fair value through Other comprehensive income				
Equity instruments				
— Shares of publicly quoted entity	<u>\$ 252,844</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 252,844</u>

December 31, 2022

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Financial assets at fair value through profit or loss (FVTPL)				
Financial product denominated in Chinese Yen	\$ -	\$ -	\$ 952,760	\$ 952,760
Beneficiary certification for fund	<u>878,217</u>	<u>-</u>	<u>-</u>	<u>878,217</u>
Total	<u>\$ 878,217</u>	<u>\$ -</u>	<u>\$ 952,760</u>	<u>\$ 1,830,977</u>
Financial assets at fair value through Other comprehensive income				
Equity instruments				
— Shares of publicly quoted entity	<u>\$ 194,243</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 194,243</u>

There were no transfers between Level 1 and 2 in the current and prior periods.

(2) Reconciliation of Level 3 fair value measurements of financial instruments

For the year ended December 31, 2023

<u>Financial Assets</u>	<u>Financial instruments at fair value through profit or loss (FVTPL)</u>
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Beginning balance	\$ 952,760
Recognized in profit or loss (Other income and loss)	
— Unrealized	329
— Realized	17,271
Disposal/ Purchase	(108,955)
Effective on exchange rate	(16,075)
Ended balance	<u>\$ 845,330</u>

For the year ended December 31, 2022

	Financial instruments at fair value through profit or loss (FVTPL)
Financial Assets	
Beginning balance	\$ 446,378
Recognized in profit or loss (Other income and loss)	
— Unrealized	411
— Realized	13,375
Disposal/ Purchase	478,089
Effective on exchange rate	14,507
Ended balance	<u>\$ 952,760</u>

- (3) Valuation techniques and inputs applied for the purpose of measuring Level 3 fair value measurement

The Group use counterparty quotations as the evaluation techniques and the significant unobservable inputs, which used to calculate the expected return form financial product denominated in Chinese Yen.

c. Categories of financial instruments

	December 31, 2023	December 31, 2022
<u>Financial assets</u>		
FVTPL		
Mandatorily at FVTPL	\$ 2,203,687	\$ 1,830,977
Financial assets at amortized cost (1)	4,129,067	4,111,296
Financial assets at fair value through other comprehensive income		
Equity instruments	252,844	194,243
<u>Financial liabilities</u>		
Financial liabilities at amortized cost (2)	2,062,333	2,394,633

- (1) The balances include financial assets measured at amortized cost, which comprise cash and cash equivalents, debt investment, notes receivable, accounts receivable and other receivables.
- (2) The balances included financial liabilities measured at amortized cost, which comprise short-term borrowing, notes payable, accounts payable and other payables.

d. Financial risk management objectives and policies

The Group's major financial instruments included equity and debt investments, notes receivable, accounts receivable, other receivables, notes payable, accounts payable, borrowings and lease liabilities. The Group's Corporate Treasury function provides services to the business, coordinates access to domestic and international financial markets, monitors and manages the financial risks relating to the operations of the Group through internal risk reports which analyze exposures by degree and magnitude of risks. These risks include market risk (including foreign currency risk and interest rate risk), credit risk and liquidity risk.

The Group sought to minimize the effects of these risks by using financial derivatives to hedge risk exposures. The use of financial derivatives was governed by the Group's policies approved by the board of directors, which provided written guidelines on foreign exchange risk, interest rate risk, credit risk, the use of financial derivatives and non-derivative financial instruments, and the investment of excess liquidity. Compliance with policies and exposure limits was reviewed by the internal auditors on a continuous basis. The Group did not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes.

(1) Market risk

The Group's operating activities expose it primarily to the financial risks of changes in foreign currency exchange rates (see a) below) and interest rates (see b) below).

a) Foreign currency risk

Several subsidiaries of the Group had foreign currency sales and purchases, which exposed the Group to foreign currency risk. Exchange rate exposures were managed within natural hedges. Hence, change of market exchange rate would change the fair value of related financial instrument.

The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities (including those eliminated on consolidation) and of the derivatives exposed to foreign currency risk at the end of the reporting period are set out in Note 30.

Sensitivity analysis

The Group was mainly exposed to the fluctuation of the U.S. dollar.

The following table details the Group's sensitivity to a 3% increase and decrease in New Taiwan dollars (the functional currency) against USD. The Group's sensitivity to a 3% increase and decrease in NTD (the functional currency) against the relevant foreign currencies represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis is for a 3% change in foreign currency rates and included only outstanding foreign currency denominated monetary items at the end of the reporting period. A positive number below indicates a decrease in pre-tax profit when New Taiwan dollars strengthen by 3% against USD. For a 3% weakening of

New Taiwan dollars against USD, there would be an equal and opposite impact on pre-tax profit and other equity, and the balances below would be negative.

	USD Impact	
	For the Year Ended December 31, 2023	For the Year Ended December 31, 2022
Profit or loss	\$ 2,040	\$ 8,218

b) Interest rate risk

The Group is exposed to interest rate risk because entities in the Group borrow funds at both fixed and floating interest rates. The risk is managed by the Group by maintaining an appropriate mix of fixed and floating rate borrowings.

The carrying amount of the Group's financial assets and financial liabilities with exposure to interest rates at the end of the reporting period were as follows:

	December 31, 2023	December 31, 2022
Fair value interest rate risk		
— Financial assets	\$ 1,371,792	\$ 1,251,920
— Financial liabilities	15,200	21,090
Cash flow interest rate risk		
— Financial assets	1,226,747	1,308,241
— Financial liabilities	79,178	106,211

Sensitivity analysis

The sensitivity analysis below was determined based on the Group's exposure to interest rates for both derivative and non-derivative instruments at the end of the reporting period. For floating rate liabilities, the analysis was prepared assuming the amount of each liability outstanding at the end of the reporting period was outstanding for the whole year. 50 basis points increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

If interest rates had been increase or decrease 50 basis points and all other variables were held constant, the Group's pre-tax profit for the years ended December 31, 2023 and 2022 would increase or decrease by \$5,738 thousand and \$6,010 thousand, respectively.

c) Other price risk

The Group was exposed to equity price risk through its investments in listed equity securities and beneficiary certification for fund. The management of the Group manages risks by holding investment portfolios with different risk levels. The equity price risk of the Group is mainly from the equity instruments issued in Taiwan.

Sensitivity analysis

The sensitivity analyses below were determined based on the exposure to equity price risks at the end of the reporting period.

If equity prices increase/ decrease 5%, the profit before income tax for the year 2023 and 2022 would have increased/ decrease by \$67,918 thousand and \$43,911 thousand, respectively, as a result of the changes in fair value of financial assets at FVTPL. The pre-tax other comprehensive income for the year 2023 and 2022 would have increased/ decrease by \$12,642 thousand and \$9,712 thousand, respectively, as a result of the changes in fair value of financial assets at FVTOCI.

(2) Credit risk

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Group. As at the end of the reporting period, the Group's maximum exposure to credit risk which would cause a financial loss to the Group due to the failure of the counterparty to discharge its obligation and due to the financial guarantees provided by the Group, is arising from the carrying amount of the respective recognized financial assets as stated in the consolidated balance sheets.

Since the counterparty of circulating capital and derivative financial instruments is the bank with a high credit rating given by the international credit rating agency, the credit risk is limited.

Counterparties of trade receivables consisted of a large number of different customers, spread across diverse industries and geographical areas. Ongoing credit evaluation is performed on the customers' financial condition. The Group's concentration of credit risk by geographical location was mainly in Taiwan, China and Vietnam.

(3) Liquidity risk

The Group manages liquidity risk by monitoring and maintaining a level of cash and cash equivalents deemed adequate to finance the Group's operations and mitigate the effects of fluctuations in cash flows. In addition, management monitors the utilization of bank borrowings and ensures compliance with loan covenants.

The Group relies on bank borrowings as a significant source of liquidity. The Group had available unutilized short-term bank loan facilities set out in (b) below.

- a) Liquidity and interest rate risk tables for non-derivative financial

liabilities

The following table details the Group's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The table had been drawn up based on the undiscounted cash flows of financial liabilities from the earliest date on which the Group can be required to pay. The table included both interest and principal cash flows. Specifically, bank loans with a repayment on demand clause were included in the earliest time band regardless of the probability of the banks choosing to exercise their rights. The maturity dates for other non-derivative financial liabilities were based on the agreed repayment dates.

December 31, 2023

	On Demand or Less than 1 Month	1 to 3 Month	3 Month to 1 Year	Over 1 Year
<u>Non-derivative financial liabilities</u>				
Non-interest bearing	\$ 672,987	\$ 845,693	\$ 883,676	\$ -
Lease liabilities	508	1,015	4,569	15,420
Variable interest rate instrument	65,027	41,184	-	-
	<u>\$ 738,522</u>	<u>\$ 887,892</u>	<u>\$ 888,245</u>	<u>\$ 15,420</u>

Additional information about the maturity analysis for lease liabilities:

	Less than 1 Year	1-5 Years	Over 5 Years
Lease liabilities	<u>\$ 6,902</u>	<u>\$ 9,327</u>	<u>\$ -</u>

December 31, 2022

	On Demand or Less than 1 Month	1 to 3 Month	3 Month to 1 Year	Over 1 Year
<u>Non-derivative financial liabilities</u>				
Non-interest bearing	\$ 672,987	\$ 845,693	\$ 883,676	\$ -
Lease liabilities	508	1,015	4,569	15,420
Variable interest rate instrument	65,027	41,184	-	-
	<u>\$ 738,522</u>	<u>\$ 887,892</u>	<u>\$ 888,245</u>	<u>\$ 15,420</u>

Additional information about the maturity analysis for lease liabilities:

	Less than 1 Year	1-5 Years	Over 5 Years
Lease liabilities	<u>\$ 6,092</u>	<u>\$ 15,420</u>	<u>\$ -</u>

The amount of floating interest rate instruments for the aforementioned non-derivative financial assets and liabilities would change amidst the difference between the floating interest rate and the interest rate estimated as of the balance sheet date.

b) Financing facilities

	December 31, 2023	December 31, 2022
Unsecured bank facilities:		
— Amount used	\$ 120,399	\$ 278,649
— Amount unused	<u>1,516,104</u>	<u>1,388,716</u>
	<u>\$ 1,636,503</u>	<u>\$ 1,667,365</u>
Secured bank facilities:		
— Amount used	\$ 335,265	\$ 592,508
— Amount unused	<u>780,881</u>	<u>565,791</u>
	<u>\$ 1,116,146</u>	<u>\$ 1,158,299</u>

26. RELATED-PARTY TRANSACTIONS

Balances and transactions between the Company and its subsidiaries, which were related parties of the Company, had been eliminated on consolidation and are not disclosed in this note. Details of transactions between the Group and other related parties were disclosed below.

a. Related Party Categories / Names

Related Party	Relationship with the Group
China Can Printing and Metal MFG. Co., Ltd.	Related party in substance
HuaDong United Can Co., Ltd	Related party in substance
Anhui Fanchang Baifu Joint Tank Co., Ltd	Related party in substance

b. Operating Revenue

Item	Related Party	For the Year Ended December 31, 2023	For the Year Ended December 31, 2022
Sales of goods	Related party in substance		
	China Can Printing and Metal MFG. Co., Ltd.	\$ 193,277	\$ 194,665
	HuaDong United Can Co., Ltd	<u>7,606</u>	<u>1,533</u>
		<u>\$ 200,883</u>	<u>\$ 196,198</u>

The price of sales to related parties approximated those for third parties. Collection terms are 60 to 150 days for third parties, 90 days for China Can Printing and Metal MFG. Co., Ltd., and T/T 60 days for HuaDong United Can Co., Ltd.

c. Trading transactions

Item	Related Party	For the Year Ended December 31, 2023	For the Year Ended December 31, 2022
Purchase of goods	Related party in substance		
	China Can Printing and Metal MFG. Co., Ltd.	<u>\$ 1,928</u>	<u>\$ 2,072</u>

The price of purchase to related parties approximated those for third parties.

d. Receivables from related parties

Item	Related Party	December 31, 2023	December 31, 2022
Accounts receivable	Related party in substance China Can Printing and Metal MFG. Co., Ltd. HuaDong United Can Co., Ltd	\$ 35,737	\$ 37,297
		63	400
		<u>\$ 35,800</u>	<u>\$ 37,697</u>

The outstanding account receivables from related parties are unsecured. The Group didn't recognize bad debt expenses for the account receivables from related parties in 2023 and 2022.

e. Payables from related parties

Item	Related Party	December 31, 2023	December 31, 2022
Accounts payable	Related party in substance China Can Printing and Metal MFG. Co., Ltd.	\$ 747	\$ 613

The payment term of purchase to related parties approximated those for third parties.

The outstanding payables to related parties are unsecured.

f. Purchase on property, plant and equipment

Related Party	December 31, 2023	December 31, 2022
Related party in substance China Can Printing and Metal MFG. Co., Ltd.	\$ 30	\$ -

g. Disposal of property, plant and equipment

Related Party	Proceeds		Loss (gain) on disposal of property, plant and equipment	
	For the Year Ended December 31, 2023	For the Year Ended December 31, 2022	For the Year Ended December 31, 2023	For the Year Ended December 31, 2022
Related parties in substance China Can Printing and Metal MFG. Co., Ltd	\$ -	\$ 444	\$ -	\$ -

h. Lease agreement

Item	Related Party	December 31, 2023	December 31, 2022
Lease Liability	Related party in substance China Can Printing and Metal MFG. Co., Ltd.	\$ 14,085	\$ 19,611
		For the Year Ended	For the Year Ended

	December 31, 2023	December 31, 2022
<u>Interest expense</u>		
Related party in substance		
China Can Printing and Metal MFG. Co., Ltd.	<u>\$ 188</u>	<u>\$ 248</u>

The Company leased an office building in Taishan District, New Taipei City, from China Can Printing and Metal MFG. Co., Ltd. with an area of approximately 1,735.545 square meters. The lease term will end on June 30, 2026. The monthly rent will be \$476 thousand, and the rent will be prepaid for 3 months at the beginning of every quarter. The rent in the lease contract was negotiated with the reference on market price, and pay according to the agreed method in the lease contract.

i. Other transactions with related parties

	Operating expense and Manufacturing expense For the Year Ended December 31, 2023	For the Year Ended December 31, 2022	Nature
Related Party			
Related parties in substance			
China Can Printing and Metal MFG. Co., Ltd.	<u>\$ 22</u>	<u>\$ -</u>	Processing expense

j. Compensation of key management personnel

	For the Year Ended December 31, 2023	For the Year Ended December 31, 2022
Short-term benefits	\$ 39,421	\$ 28,059
Post-employment benefits	958	351
	<u>\$ 40,379</u>	<u>\$ 28,410</u>

The remuneration of directors and key executives was determined by the remuneration committee based on the performance of individuals and market trends.

27. ASSETS PLEDGED AS COLLATERAL OR FOR SECURITY

The following assets were provided as collateral for bank borrowings:

	December 31, 2023	December 31, 2022
Assets pledged (Financial assets at amortized cost)	\$ 1,119,999	\$ 1,029,260
Property, plant and equipment, net	<u>150,341</u>	<u>100,250</u>
	<u>\$ 1,270,340</u>	<u>\$ 1,129,510</u>

28. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNIZED

COMMITMENTS

In addition to those disclosed in other notes, significant commitments and contingencies of the Group as of December 31, 2023 and 2022 were as follows:

a. Significant commitment

- (1) Unused letters of credit for purchases of raw materials and machinery and equipment amounted as follow:

	December 31, 2023	December 31, 2022
USD	\$ 1,106	\$ 1,130
NTD	234	132,179

- (2) Commitments with equipment suppliers are as follow:

	December 31, 2023	December 31, 2022
Unpaid amount		
— USD	\$ 6	\$ 95
— NTD	3,864	2,202
— GBP	-	13
— RMB	7,648	27,050

- b. Significant contingent liabilities: None.

29. OTHER ITEMS

Affected by the coronavirus pneumonia, Shanghai United Can Co., Ltd., an important subsidiary of the Group in mainland China, cooperated with the local government's epidemic prevention guidelines and implemented a shutdown on April 1, 2022. Then, the subsidiary submitted an application for resumption of work in accordance with local government regulations and closed loop production can be gradually resumed from April 29, 2022, with a total shutdown of 28 days. To mitigate the impact on the operations, the Group actively contacted customers and suppliers to adjust shipment schedules, adjust production capacity allocations immediately, and promote cost and expense control measures.

30. SIGNIFICANT ASSETS AND LIABILITIES DENOMINATED IN FOREIGN CURRENCIES

The following information was aggregated by the foreign currencies other than functional currencies of the group entities and the exchange rates between foreign currencies and respective functional currencies were disclosed. The significant assets and liabilities denominated in foreign currencies were as follows:

December 31, 2023

<u>Foreign Currencies</u>	<u>Exchange Rate</u>	<u>Carrying value</u>
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<u>Assets in foreign currencies</u>				
<u>Monetary items</u>				
USD	\$	2,529	30.705 (USD : NTD)	\$ 77,649
USD		4,043	7.0961 (USD : CNY)	124,150
USD		70	24,564 (USD : VND)	2,157
<u>Non - monetary items</u>				
USD		14	30.705 (USD : NTD)	426
<u>Liabilities in foreign currencies</u>				
<u>Monetary items</u>				
USD		4,133	30.705 (USD : NTD)	126,900
USD		125	7.0961 (USD : CNY)	3,846
USD		170	24,564 (USD : VND)	5,219

December 31, 2022

		<u>Foreign Currencies</u>	<u>Exchange Rate</u>	<u>Carrying value</u>
<u>Assets in foreign currencies</u>				
<u>Monetary items</u>				
USD	\$	8,524	30.71 (USD : NTD)	\$ 261,763
USD		3,050	6.9669 (USD : CNY)	93,654
USD		113	23,806 (USD : VND)	3,480
<u>Non - monetary items</u>				
USD		17	30.71 (USD : NTD)	535
<u>Liabilities in foreign currencies</u>				
<u>Monetary items</u>				
USD		2,561	30.71 (USD : NTD)	78,642
USD		191	6.9669 (USD : CNY)	5,859
USD		15	23,806 (USD : VND)	467

The following information was aggregated by the functional currencies of the group entities, and the exchange rates between respective functional currencies and the presentation currency were disclosed. The significant realized and unrealized foreign exchange gains (losses) were as follows:

Functional currencies	For the Year Ended December 31, 2023		For the Year Ended December 31, 2022	
	Exchange Rate	Net Foreign Exchange Gain (Loss)- NTD	Exchange Rate	Net Foreign Exchange Gain (Loss)- NTD
VND	0.00129 (VND : NTD)	\$ 280	0.00125 (VND : NTD)	\$ 26
NTD	1 (NTD : NTD)	3,652	1 (NTD : NTD)	9,610
CNY	4.396 (CNY : NTD)	2,136	4.422 (CNY : NTD)	7,155
		<u>\$ 6,068</u>		<u>\$ 16,791</u>

31. SEPARATELY DISCLOSED ITEMS

a. Information about significant transactions and investees:

(1) Financing provided to others. (Table 1)

- (2) Endorsements/guarantees provided. (Table 2)
- (3) Marketable securities held (excluding investments in subsidiaries, associates and joint controlled entities. (Table 3)
- (4) Marketable securities acquired and disposed at costs or prices at least NT\$300 million or 20% of the paid-in capital. (Table 4)
- (5) Acquisition of individual real estate at costs of at least NT \$300 million or 20% of the paid-in capital. (None)
- (6) Disposal of individual real estate at prices of at least NT \$300 million or 20% of the paid-in capital. (None)
- (7) Total purchases from or sales to related parties amounting to at least NT \$100 million or 20% of the paid-in capital. (Table 5)
- (8) Receivables from related parties amounting to at least NT \$100 million or 20% of the paid-in capital. (Table 6)
- (9) Trading in derivative instruments. (None)
- (10) Intercompany relationships and significant intercompany transactions. (Table 7)

b. Information on investees. (Table 8)

c. Information on investments in mainland China

- (1) Information on any investee companies in mainland China, showing the name, principal business activities, paid-in capital, method of investment, inward and outward remittance of funds, ownership percentage, net income of investees, investment income or loss, carrying amount of the investment at the end of the period, repatriations of investment income, and limit on the amount of investment in the mainland China area. (Table 9)
- (2) Any of the following significant transactions with investee companies in mainland China, either directly or indirectly through a third party, and their prices, payment terms, and unrealized gains or losses: (None)
 - a) The amount and percentage of purchases and the balance and percentage of the related payables at the end of the period.
 - b) The amount and percentage of sales and the balance and percentage of the related receivables at the end of the period.
 - c) The amount of property transactions and the amount of the resultant gains or losses.
 - d) The balance of negotiable instrument endorsements or guarantees or pledges of collateral at the end of the period and the purposes.
 - e) The highest balance, the end of period balance, the interest rate range, and total current period interest with respect to financing of funds.
 - f) Other transactions that have a material effect on the profit or loss for the period or on the financial position, such as the rendering or receiving of services.

d. Information on investors: Investors' name, holding shares and percentage for shareholding over 5%. (Table 10)

32. SEGMENT INFORMATION

Information reported to the chief operating decision maker for the purpose of resource allocation and assessment of segment performance focuses on the types of goods or services delivered or provided. Specifically, the Group's reportable segments under IFRS 8 "Operating Segments" were as follows:

Great China Metal Ind. Co., Ltd
Shanghai United Can Co., Ltd
Jinan United Can Co., Ltd
Chongqing United Can Co., Ltd
Huatong United (Nantong) Plastic Industry Co., Ltd

a. Segment revenues and results

The following was an analysis of the Group's revenue and results from continuing operations by reportable segment.

	Segment revenues		Segment profit or loss	
	For the Year Ended December 31, 2023	For the Year Ended December 31, 2022	For the Year Ended December 31, 2023	For the Year Ended December 31, 2022
Great China Metal Ind. Co., Ltd	\$ 2,284,398	\$ 2,433,757	\$ 335,410	\$ 439,085
Shanghai United Can Co., Ltd	1,873,491	1,672,416	(35,621)	(58,644)
Jinan United Can Co., Ltd	1,868,531	2,210,272	91,178	87,927
Chongqing United Can Co., Ltd	2,251,184	2,235,778	83,315	51,000
Huatong United (Nantong) Plastic Industry Co., Ltd	314,077	427,874	11,374	23,890
Others	<u>185,033</u>	<u>206,933</u>	(<u>11,737</u>)	(<u>17,337</u>)
	8,776,714	9,187,030	473,919	525,921
Less: income or loss between operations	(<u>371,848</u>)	(<u>412,332</u>)	(<u>5,916</u>)	(<u>3,608</u>)
Form continuing operation	<u>\$ 8,404,848</u>	<u>\$ 8,774,698</u>	468,003	522,313
Interest income			49,942	30,478
Other income			57,889	55,942
Other gain and loss			17,129	15,179
Financial cost			(<u>206</u>)	(<u>268</u>)
Net income before tax			<u>\$ 592,757</u>	<u>\$ 623,644</u>

Segment profit represented the profit before tax earned by each segment without apportioned general and administrative expenses, remuneration of directors, other income, other gain and loss, financial cost and income tax expense. This was the measure reported to the chief operating decision maker for the purpose of resource allocation and assessment of segment performance.

b. The Group had not reported segment assets and liabilities information to the chief operating decision maker. Thus, no disclosure is made.

c. Revenue from major products and services

The following is an analysis of the Group's revenue from continuing operations from its major products and services.

	For the Year Ended December 31, 2023	For the Year Ended December 31, 2022
Aluminum Cans	\$ 5,594,372	\$ 5,747,820
Aluminum/Steel lid and bottom	1,586,877	1,606,981
Stretch Film	388,134	517,938
Steel Cans	117,870	147,759
Others	717,595	754,200
	<u>\$ 8,404,848</u>	<u>\$ 8,774,698</u>

d. Geographical information

The Group operates in three principal geographical areas - Taiwan, China and Vietnam.

The Group's revenue from continuing operations from external customers by location of operations and information about its non-current assets by location of assets are detailed below.

	Revenue from External Customers		Non-current Assets	
	For the Year Ended December 31, 2023	For the Year Ended December 31, 2022	December 31, 2023	December 31, 2022
Taiwan	\$ 2,091,395	\$ 2,168,533	\$ 571,275	\$ 687,384
China	5,959,842	6,041,675	1,704,276	1,834,490
Southeast Asia	73,706	82,692	44,267	52,526
Others	279,905	481,798	-	-
	<u>\$ 8,404,848</u>	<u>\$ 8,774,698</u>	<u>\$ 2,319,818</u>	<u>\$ 2,574,400</u>

Non-current assets exclude financial instruments and deferred tax assets.

e. Information on major customers

No revenue from a single customer reached more than 10% of the Group's revenue in 2023 and 2022.

GREAT CHINA METAL IND. CO., LTD. AND SUBSIDIARIES
FINANCING PROVIDED TO OTHERS
FOR THE YEAR ENDED DECEMBER 31, 2023

Table 1

(In Thousands of Foreign Currency)

No. (Note 1)	Lender	Borrower	Financial Statement Account (Note 2)	Related Party	Highest Balance for the Period	Ending Balance	Actual Borrowing Amount	Interest Rate	Nature of Financing (Note 3)	Business Transaction Amount (Note 4)	Reasons for Short-term Financing (Note 5)	Allowance for Impairment Loss	Collateral		Financing Limit for Each Borrower (Note 6)	Aggregate Financing Limit (Note 6)	Note
													Item	Value			
1	Shanghai United Can Co., Ltd	Chongqing United Can Co., Ltd	Other receivables	Yes	NTD288,925 (CNY 65,000)	NTD281,255 (CNY 65,000)	NTD281,255 (CNY 35,000)	3.5%	b	\$ -	Capital movement	\$ -	—	—	NTD427,611 (1)	NTD427,611 (2)	
2	Huatong United (Nantong) Plastic Industry Co., Ltd	Chongqing United Can Co., Ltd	Other receivables	Yes	NTD 88,900 (CNY 20,000)	NTD - (CNY -)	NTD - (CNY -)	3.5%	b	\$ -	Capital movement	\$ -	—	—	NTD397,011 (1)	NTD397,011 (2)	

Note 1: The parent company and its subsidiaries are coded as follows:

- a. The parent company is coded “0”.
- b. The subsidiaries are coded consecutively beginning from “1” in the order presented in the table above.

Note 2: If the subjects such as accounts receivable from related parties, shareholder transactions, prepayments, suspense payment and other subjects, are of the nature of capital loans, must be filled in this form.

Note 3: Reasons for financing are as follows:

- a. Business relationship.
- b. The need for short-term financing.

Note 4: Where the fund loan is attributed as 1, the business transaction amount should be filled in.

Note 5: Where the fund loan is attributed as 2, the reasons for the necessary loans and funds and the use of funds for the loans and objects, e.g., repayment of loans, purchase of equipment, business turnover and the like should be definitely specified.

Note 6: (1) No. 1 calculation toward the individual target lenders shall not exceed the limit of 20% of CNY494,119.

No. 2 calculation toward the individual target lenders shall not exceed the limit of 40% of CNY229,380.

(2) No. 1 calculation of capital loans and total limit is confined to 20% that does not exceed the net value of the most recent financial statement CNY494,119.

No. 2 calculation of capital loans and total limit is confined to 40% that does not exceed the net value of the most recent financial statement CNY229,380.

**GREAT CHINA METAL IND. CO., LTD. AND SUBSIDIARIES
ENDORSEMENTS/GUARANTEES PROVIDED
FOR THE YEAR ENDED DECEMBER 31, 2023**

Table 2

(In Thousands of New Taiwan Dollars and Foreign Currency)

No. (Note 1)	Endorser/Guarantor	Endorsee/Guarantee		Limit on Endorsement/ Guarantee Given on Behalf of Each Party (Note 3)	Maximum Amount Endorsed/ Guaranteed During the Period	Outstanding Endorsement/ Guarantee at the End of the Period	Actual Borrowing Amount	Amount Endorsed/ Guaranteed by Collateral	Ratio of Accumulated Endorsement/ Guarantee to Net Equity in Latest Financial Statements (%)	Aggregate Endorsement/ Guarantee Limit (Note 3)	Endorsement / Guarantee Given by Parent on Behalf of Subsidiaries (Note 4)	Endorsement / Guarantee Given by Subsidiaries on Behalf of Parent (Note 4)	Endorsement/ Guarantee Given on Behalf of Companies in Mainland China (Note 4)	Note
		Name	Relationship (Note 2)											
0	Great China Metal Ind. Co., Ltd	Shanghai United Can Co., Ltd	b	3,771,927	145,913 (USD 4,500)	138,173 (USD 4,500)	21,149 (CNY 4,888)	-	1.83%	7,543,853 (2)	Y	N	Y	—
0	Great China Metal Ind. Co., Ltd	Jinan United Can Co., Ltd	b	3,771,927 (1)	155,575 (CNY 35,000)	151,445 (CNY 35,000)	57,917 (CNY 13,385)	-	2.01%	7,543,853 (2)	Y	N	Y	—
1	Shanghai United Can Co., Ltd	Chongqing United Can Co., Ltd	b	1,069,026 (CNY 247,060) (1)	177,800 (CNY 40,000)	173,080 (CNY 40,000)	173,080 (CNY 40,000)	173,080	8.01%	2,138,053 (CNY 494,119) (2)	N	N	Y	—

Note 1: The parent company and its subsidiaries are coded as follows:

- The parent company is coded “0”.
- The subsidiaries are coded consecutively beginning from “1” in the order presented in the table above.

Note 2: Relationship between endorser/guarantor and endorsee/guarantee are as follows:

- Business relationship.
- A subsidiary in which the Company holds directly and indirectly over 50% of an equity interest.
- An investee in which the Company and its subsidiaries hold directly and indirectly over 50% of an equity interest.
- Among the companies where the Company holds voting shares more than 90% either directly or indirectly.
- A company fulfills its contractual obligations by providing mutual endorsements/guarantees for another company in the same industry or for joint builders for purposes of undertaking a construction project.
- Those companies that are endorsed and guaranteed by all capital shareholders pursuant to their shareholding ratio under a joint investment relationship.
- The inter-industry companies that are engaged in the joint guarantee of the performance guarantee of the pre-construction house sales contract in accordance with the Consumer Protection Act.

Note 3: (1) No.0 the endorsement/guarantee limit for each entity is 7,543,853 (Net value)×50%=3,771,927.

No.1 the endorsement/guarantee limit for each entity is CNY494,119 (Net value)×50%=247,060.

(2) No.0 the endorsement/guarantee limit for the total endorsement/guarantee limit is 7,543,853 (Net value)×100%=7,543,853.

No.1 the endorsement/guarantee limit for the total endorsement/guarantee limit is CNY494,119 (Net value)×100%=494,119.

Note 4: Those belong to an exchange-listed and/or over-the-counter listed parent company that endorses its subsidiary company and those where a subsidiary company renders guarantee toward its exchange-listed and/or over-the-counter listed parent company. In case of endorsement/guarantee toward Mainland China area, please fill in Y otherwise please fill in N.

GREAT CHINA METAL IND. CO., LTD. AND SUBSIDIARIES
MARKETABLE SECURITIES HELD
As of DECEMBER 31, 2023

Table 3

(In Thousands of New Taiwan Dollars and Chinese Dollars)

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	DECEMBER 31, 2023				Note
				Number of Shares	Carrying Amount	Percentage of Ownership (%)	Fair Value	
Great China Metal Ind. Co., Ltd	Ordinary shares							
	ASE Technology Holding Co., Ltd.	None	Financial assets at fair value through other comprehensive income – current	47	\$ 6,398	-	\$ 6,398	
	Taiwan Semiconductor Manufacturing Company Limited	None	Financial assets at fair value through other comprehensive income – current	288	170,710	-	170,710	
	Sino Tactful Co., Ltd.	None	Financial assets at fair value through other comprehensive income – current	-	2	-	2	
	Xac Automation Corp.	None	Financial assets at fair value through other comprehensive income – current	-	8	-	8	
	Cathay Financial Holding Co., Ltd.	None	Financial assets at fair value through other comprehensive income – current	516	23,600	-	23,600	
	Mega Financial Holding Company Limited	None	Financial assets at fair value through other comprehensive income – current	1,330	<u>52,126</u>	-	<u>52,126</u>	
					<u>\$ 252,844</u>		<u>\$ 252,844</u>	
	Fund							
	Fubon No.1 Real Estate Investment Trust	None	Financial assets at fair value through profit or loss - current	1,500	\$ 21,300		\$ 21,300	
	Cathay No.1 Real Estate Investment Trust	None	Financial assets at fair value through profit or loss - current	600	10,188	-	10,188	
	Fubon No.2 Real Estate Investment Trust	None	Financial assets at fair value through profit or loss - current	2,000	26,400	-	26,400	
	Cathay No.2 Real Estate Investment Trust	None	Financial assets at fair value through profit or loss - current	370	6,079	-	6,079	
	Capital Money Market Fund	None	Financial assets at fair value through profit or loss - current	16,750	277,834	-	277,834	
	Shin Kong Chi-Shin Money-Market Fund	None	Financial assets at fair value through profit or loss - current	756	12,014	-	12,014	
	SinoPac TWD Money Market Fund	None	Financial assets at fair value through profit or loss - current	4,215	60,278	-	60,278	
	Jih Sun Money Market Fund	None	Financial assets at fair value through profit or loss - current	10,176	155,232	-	155,232	
	Taishin 1699 Money Market Fund	None	Financial assets at fair value through profit or loss - current	23,166	322,993	-	322,993	
	Shanghai Growth Fund	None	Financial assets at fair value through profit or loss - current	99	426	-	426	
	FSITC Taiwan Money Market Fund	None	Financial assets at fair value through profit or loss - current	3,305	\$ 52,012	-	\$ 52,012	
	Hua Nan Phoenix Money Market Fund	None	Financial assets at fair value through profit or loss - current	10,043	<u>167,961</u>	-	<u>167,961</u>	
					<u>\$ 1,112,717</u>		<u>\$ 1,112,717</u>	

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Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	DECEMBER 31, 2023				Note
				Number of Shares	Carrying Amount	Percentage of Ownership (%)	Fair Value	
Shanghai United Can Co., Ltd	Financial investment China Minsheng Bank, Minsheng increase profit daily currency fund for corporate (FGAF18168G)	None	Financial assets at fair value through profit or loss - current	39,441	CNY 39,441		CNY 39,441	
	China Merchants Bank - Ri ri xin No.80008	None	Financial assets at fair value through profit or loss - current	21,540	CNY 21,540		CNY 21,540	
Chongqing United Can Co., Ltd	Financial investment China Minsheng Bank, Minsheng increase profit daily currency fund for corporate (FGAF18168G)	None	Financial assets at fair value through profit or loss - current	33,027	CNY 33,027		CNY 33,027	
	China Merchants Bank - Ri ri xin No.80008	None	Financial assets at fair value through profit or loss - current	20,020	CNY 20,020		CNY 20,020	
Huatong United (Nantong) Plastic Industry Co., Ltd	Financial investment China Merchants Bank - Ri ri xin No.80008	None	Financial assets at fair value through profit or loss - current	59,003	CNY 59,003		CNY 59,003	
Sunshui Changlee United Container Co., Ltd	Financial investment "ICBC Wealth Management - "Tianlibao No. 2" net worth wealth management product for institution	None	Financial assets at fair value through profit or loss - current	3,011	CNY 3,011		CNY 3,011	
	ICBC Wealth Management - Tiantianxin Core Selected Interbank Deposit Certificate and Deposit Fixed Income Open Legal Person Wealth Management Products (22GS5299)	None	Financial assets at fair value through profit or loss - current	19,221	CNY 19,221		CNY 19,221	

GREAT CHINA METAL IND. CO., LTD. AND SUBSIDIARIES
MARKETABLE SECURITIES ACQUIRED AND DISPOSED OF AT COSTS OR PRICES OF AT LEAST NT\$300 MILLION OR 20% OF THE PAID-IN CAPITAL
FOR THE YEAR ENDED DECEMBER 31, 2023

Table 4

(In Thousands of New Taiwan Dollars and Chinese Dollars)

Company Name	Type and Name of Marketable Securities	Financial Statement Account	Counterparty	Relationship	Beginning Balance		Acquisition		Disposal				Ending Balance	
					Number of Shares (Thousands)	Amount (Note)	Number of Shares (Thousands)	Amount (Note)	Number of Shares (Thousands)	Amount	Carrying Amount (Note)	Gain (Loss) on Disposal	Number of Shares (Thousands)	Amount (Note)
Great China Metal Ind. Co., Ltd	<u>Fund</u> Taishin 1699 Money Market Fund	Financial assets mandatorily measure at fair value - current	Centralized Order Market	None	27,282	\$ 375,470	98,428	\$ 1,365,320	102,544	\$1,422,320	\$1,417,848	\$ 4,472	23,166	\$ 322,942
Great China Metal Ind. Co., Ltd	Capital Money Market Fund	Financial assets mandatorily measure at fair value - current	Centralized Order Market	None	930	15,238	68,691	1,134,702	52,871	873,702	872,126	1,576	16,750	277,184
Great China Metal Ind. Co., Ltd	Jih Sun Money Market Fund	Financial assets mandatorily measure at fair value - current	Centralized Order Market	None	-	-	38,441	584,396	28,265	430,096	429,213	883	10,176	155,183
Great China Metal Ind. Co., Ltd	Hua Nan Phoenix Money Market Fund	Financial assets mandatorily measure at fair value - current	Centralized Order Market	None	9,481	156,600	52,371	871,207	51,809	861,527	859,892	1,635	10,043	167,915
Sunshui Changlee United Container Co Ltd	<u>Financial investment</u> China Merchants Bank - Ri ri xin No.80008	Financial assets mandatorily measure at fair value - current	Financial Institutions	None	40,500	CNY 40,500	70,500	CNY 70,500	89,500	CNY 89,908	CNY 89,500	CNY 408	CNY 21,500	CNY 21,500
Chongqing United Can Co., Ltd	China Minsheng Bank, Minsheng increase profit daily currency fund for corporate (FGAF18168G)	Financial assets mandatorily measure at fair value - current	Financial Institutions	None	63,046	CNY 63,046	80,000	CNY 80,000	110,462	CNY111,000	CNY110,462	CNY 538	CNY 32,584	CNY 32,584
Jinan United Can Co., Ltd	Bank of China "accumulate day by day" currency fund (AMHQLXTT2S 01)	Financial assets mandatorily measure at fair value - current	Financial Institutions	None	14,794	CNY 14,794	68,600	CNY 68,600	83,394	CNY 83,802	CNY 83,394	CNY 408	CNY -	CNY -

Note: Initial cost

GREAT CHINA METAL IND. CO., LTD. AND SUBSIDIARIES
TOTAL PURCHASES FROM OR SALES TO RELATED PARTIES AMOUNTING TO AT LEAST \$100 MILLION OR 20% OF THE PAID-IN CAPITAL
FOR THE YEAR ENDED DECEMBER 31, 2023

Table 5 (In Thousands of New Taiwan Dollars and Chinese Dollars)

Buyer/ Seller	Related Party	Relationship	Transaction Details				Abnormal Transaction		Notes/Accounts Receivable (Payable)		Note
			Purchase/ Sale	Amount	% to Total	Payment Terms	Unit Price	Payment Terms	Ending Balance	% to Total	
Great China Metal Ind. Co., Ltd Shanghai United Can Co., Ltd Chongqing United Can Co., Ltd	China Can Printing and Metal MFG. Co., Ltd.	Related party in substance	Sale	\$ 193,277	8%	90days	No significant difference	No significant difference	Accounts receivable \$ 35,737	9%	
	Chongqing United Can Co., Ltd	Subsidiary	Sale	CNY 67,813	15%	180 days	No significant difference	No significant difference	Accounts receivable CNY 30,403	32%	
	Shanghai United Can Co., Ltd	Parent company	Purchase	CNY 67,813	24%	180 days	No significant difference	No significant difference	Accounts payable CNY 30,403	24%	

GREAT CHINA METAL IND. CO., LTD. AND SUBSIDIARIES
RECEIVABLES FROM RELATED PARTIES AMOUNTING TO AT LEAST NT\$100 MILLION OR 20% OF THE PAID-IN CAPITAL
As of DECEMBER 31, 2023

Table 6

(In Thousands of Chinese Dollars)

Company Name	Related Party	Relationship	Financial Statement Account and Ending Balance		Turnover Rate	Overdue		Amount Received in Subsequent Period	Allowance for Impairment Loss
			Account	Balance		Amount	Actions Taken		
Shanghai United Can Co., Ltd	Chongqing United Can Co., Ltd	Subsidiary of the Company	Account receivable	CNY 30,403	2.23	CNY -	—	CNY 5,778	—
Shanghai United Can Co., Ltd	Chongqing United Can Co., Ltd	Subsidiary of the Company	Other receivables	CNY 69,060	-	CNY -	—	CNY -	—

Note : All intercompany transactions have been eliminated upon consolidation.

GREAT CHINA METAL IND. CO., LTD. AND SUBSIDIARIES
INTERCOMPANY RELATIONSHIPS AND SIGNIFICANT INTERCOMPANY TRANSACTIONS
FOR THE YEAR ENDED DECEMBER 31, 2023

Table 7

(In Thousands of New Taiwan Dollars)

No. (Note 1)	Investee Company	Counterparty	Relationship (Note 2)	Transaction Details			
				Financial Statement Accounts	Amount	Payment Terms	% to Total Sales or Assets (Note 3)
1	Shanghai United Can Co., Ltd	Chongqing United Can Co., Ltd	c	Sale	\$297,959	No significant difference	4%
1	Shanghai United Can Co., Ltd	Chongqing United Can Co., Ltd	c	Account receivables	131,554	No significant difference	1%
1	Shanghai United Can Co., Ltd	Chongqing United Can Co., Ltd	c	Other receivables	298,821	—	3%

Note 1: The parent company and its subsidiaries are coded as follows:

- a. The parent company is coded “0”.
- b. The subsidiaries are coded consecutively beginning from “1” in the order presented in the table above.

Note 2: Nature of relationship is as follows:

- a. From the parent company to its subsidiary.
- b. From a subsidiary to its parent company.
- c. Between subsidiaries.

Note 3: The percentage calculation is based on the consolidated total operating revenues or total assets. For balance sheet items, each item's period-end balance is shown as a percentage to consolidated total assets as of December 31, 2023. For profit or loss items, cumulative amounts are shown as a percentage to consolidated total operating revenues for the year ended December 31, 2023.

Note 4: The intercompany transactions have been eliminated upon consolidation.

GREAT CHINA METAL IND. CO., LTD. AND SUBSIDIARIES
INFORMATION ON INVESTEEES
FOR THE YEAR ENDED DECEMBER 31, 2023

Table 8

(In Thousands of New Taiwan Dollars)

Investor Company	Investee Company	Location	Main Businesses and Products	Original Investment Amount		As of December 31, 2023			Net Income (Loss) of the Investee	Share of Profit (Loss)	Note
				December 31, 2023	December 31, 2022	Shares	%	Carrying Amount			
Great China Metal Ind. Co., Ltd	HAI HWA INVESTMENT CO., LTD.	Bermuda	Makes investments	\$ 1,047,893	\$ 1,047,893		100%	\$ 3,933,022	\$ 157,548	\$ 157,548	Subsidiary
Great China Metal Ind. Co., Ltd	GCM HOLDING CO., LTD.	Samoa	Makes investments	229,247	229,247		100%	413,365	17,983	17,983	Subsidiary
GCM HOLDING CO., LTD.	GCM PACKAGING (VIETNAM) CO., LTD.	Vietnam	Aluminum pop can lid	229,245	229,245		100%	150,221	5,973	N/A	Sub-subsubsidiary

Note 1: Information on investees in mainland China, refer to Table 9.

Note 2: All intercompany transactions have been eliminated upon consolidation.

GREAT CHINA METAL IND. CO., LTD. AND SUBSIDIARIES
INFORMATION ON INVESTMENTS IN MAINLAND CHINA
FOR THE YEAR ENDED DECEMBER 31, 2023

Table 9

Investee Company	Main Businesses and Products	Paid-in Capital	Method of Investment (Note)	Accumulated Outward Remittance for Investment from Taiwan as of January 1, 2023	Remittance of Funds		Accumulated Outward Remittance for Investment from Taiwan as of December 31, 2023	Net Income (Loss) of the Investee	% Ownership of Direct or Indirect Investment	Investment Gain (Loss) (Note 2)	Carrying Amount as of December 31, 2023	Accumulated Repatriation of Investment Income as of December 31, 2023
					Outward	Inward						
Shanghai United Can Co., Ltd	manufacture and sale 2-piece aluminum can and easy open end	Registered and contributed capital USD 49.2 million (Including capital increasing by earnings USD 27.05 million and capital increasing by cash from HAI HWA INVESTMENT CO., LTD. USD 2.15 million).	(2)	\$ 522,642	\$ -	\$ -	\$ 522,642	(\$ 3,313)	100%	(\$ 3,313) (2)B	\$ 1,456,059	\$ -
Huatong United (Nantong) Plastic Industry Co., Ltd	Manufacture and sale LLDPE film	Registered and contributed capital USD 9.45 million (Including capital increasing by earnings USD 2.45 million).	(2)	187,479	-	-	187,479	20,516	100%	20,516 (2)B	913,297	-
Chongqing United Can Co., Ltd	Manufacture and sale 2-piece aluminum can	Registered and contributed capital CNY 107,568 thousands.	(3)A.	-	-	-	-	73,842	100%	73,842 (2)B	754,027	-
Jinan United Can Co., Ltd	Manufacture and sale 2-piece aluminum can	Registered and contributed capital CNY 157,052 thousands.	(3)B.	317,000	-	-	317,000	68,130	100%	68,130 (2)B	838,638	-
Sunshui Changlee United Container Co Ltd	Manufacture and sale LLDPE film	Registered and contributed capital USD 6 million.	(3)C.	-	-	-	-	(5,422)	30%	(1,627) (2)B	114,546	-

Accumulated Outward Remittance for Investment in Mainland China as of December 31, 2023	Investment Amount Authorized by Investment Commission, MOEA	Upper Limit on the Amount of Investment Stipulated by Investment Commission, MOEA
\$ 1,027,121	USD 77,190 thousands	\$ 4,686,677 (Note 3)

Note 1: The investment methods are as follow:

- (1) Direct investment in mainland China through the parent company.
- (2) Invest in Mainland China through a third-region company (HAI HWA INVESTMENT CO., LTD.).
- (3) Other :
 - A. Invested by Shanghai United Can Co., Ltd and HAI HWA INVESTMENT CO., LTD.
 - B. Invested by HAI HWA INVESTMENT CO., LTD., Shanghai United Can Co., Ltd and Huatong United (Nantong) Plastic Industry Co., Ltd.
 - C. Invested by Huatong United (Nantong) Plastic Industry Co., Ltd

Note 2: Investment Gain (Loss)

- (1) If it is under preparation and there is no investment gain or loss, it should be indicated.
- (2) The recognition bases of investment gains or losses are as follow:
 - A. Financial statements were audited and certificated by International accounting firm which has a cooperative relationship with accounting firm in Taiwan.
 - B. Financial statements were audited and certificated by certified public accountant engaged by parent company in Taiwan.
 - C. Others.

Note 3: Consolidate net value of equity $\times 60\% = 7,811,128 \times 60\% = 4,686,677$.

Note 4: All intercompany transactions have been eliminated upon consolidation.

GREAT CHINA METAL IND. CO., LTD. AND SUBSIDIARIES
INFORMATION ON INVESTOR
AS OF DECEMBER 31, 2023

Table 10

Investor	Shares	
	Shares held	%
Glory Task Enterprise Co., Ltd.	22,059,503	7.23%
Jianda Investment Co., Ltd.	20,764,950	6.81%
Corning Investment Co., Ltd.	19,551,088	6.41%
Yuanta Investment Co., Ltd.	15,975,476	5.24%

Note 1: The key shareholder information covered within this table is based on the last business day at the end of each quarter and the total number of common shares and preferred shares held by such shareholders of the Company that have been completed the centralized securities depository company for the Company's disembodied (book entry) delivery (including treasury stocks) , as the data with total common shares and preferred shares up to 5%.The share capital recorded in the Company's consolidated financial statement might possibly differ from the actual number of shares delivered without physical registration because of different calculation bases.

Note 2: Among the aforementioned information, where a shareholder delivers his or her shares into the trust, it would be disclosed in the individual account of the trustor in the trust account opened by the trustee. In case of a shareholder's declaration of insider's shareholdings in accordance with the Securities and Exchange Act, the shareholdings would include his or her own shareholdings plus the shares delivered to the trust and the right to use the trust property and the like. For more details regarding the information of insider's shareholdings, please refer to the Market Observation Post System (MOPS).

Great China Metal Ind. Co., Ltd.



Chairman: Chiang, Ming-Li

