TSE Code 9907

TON YI INDUSTRIAL CORP.

2022

Annual Report

Ton Yi Industrial corp. Website：http://www.tonyi.com.tw
Market Observation Post System (MOPS) Website of Taiwan Stock Exchange Corporation：http://mops.twse.com.tw

Date of publication: Apr.17.2023

Ton Yi Industrial Corp.

I. Names, titles, contact phone numbers and e-mail addresses of the spokesman, and acting Spokesman:

	Name	Title	Telephone	Email Address
Spokesman	Yu-Hsin Chang	President	(06)253-1131 ext. 110	ir-tonyi@tonyi.com.tw
Acting Spokesmen	Chin-Cheng Hsu	President		
	Mei-Hsiang Lin	Manager		

II. Addresses and phone numbers of the head office and the plant:

Name	Address	Telephone
Head Office	No.837, Zhongzheng N. Rd., Niaosong Village, Yongkang Dis., Tainan City	(06)253-1131
Plant		

III.Common Share Transfer Agent and Registar

Name: Share Transfer Department, President Securities Corp.

Address: Base 1F, No 8, Dongxing Rd., Songshan Dist., Taipei City

Website: http://www.pscnet.com.tw

Tel: (02)2746-3797

IV. Auditors

Auditors: Fang-Ting Yeh, Yung-Chih Lin

Company: PricewaterhouseCoopers Taiwan

Address: 12F, No. 395, Sec. 1, Linsen Rd., East Dist., Tainan 70151, Taiwan

Website: http://www.pwc.tw

Tel: (06)234-3111

V. Name of stock exchange for securities transaction aboard and method to inquire into overseas securities: None

VI. Website of the company: http://www.tonyi.com.tw

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One. A Letter To Shareholders

Ladies and gentlemen:

2022 Operational Performance

Despite the continuation of the severe challenges from the Russo-Ukrainian (Russia-Ukraine) War, COVID-19, and rising inflation in 2022, through the concerted effort of all employees, mutual trust and mutual assistance of partners, the full trust and support of the Board of Directors and all shareholders, the management team upheld the "progress through stability" operational principle and "think twice" work discipline to cope with the market and macro-environmental changes, timely adjust the production-sales structure, and control various operational risks. In 2022 we made greater operational performance than the previous year, as witnessed by the revenue amounting to NT$23.401 billion, up by 2.31% over last year; a net income after tax amounting to NT$2.246 billion, up by 21.27% over last year; and an integrated revenue amounting to NT$43.480 billion, up by 3.80% over last year.

Safety Protection, Quality Assurance, Trust Building, Sustainable Operations

Adhering to the management philosophy of "Integrity, Diligence, Innovation, and Progress to the Future", we are committed to becoming the professional supplier of packaging materials including SPCC, PET bottle, and NBC (new bottle can) and the leader of beverage production. Over the years we have built and passed the certification of the ISO 14001 environmental management system, ISO 9001 quality management system, ISO 45001/TOSHMS occupational health and safety management systems, ISO 22000/HACCP food safety management system. In 2022 we were the only manufacturer in Taiwan to pass the HALAL certification for painted iron sheet and metal cans to provide customers with more options. We also established the TAF-accredited laboratory to impose stringent quality and safety control for customers, suppliers, raw materials, manufacturing processes, and products.

We also endeavored to provide employees with a safe and healthy workplace environment; implemented various energy conservation, consumption reduction, and safety and health policies; continued to promote green and safe operations; and kept maintaining the faith of customers, partners, and society in our food safety, environmental safety, and industrial safety, so as to promote sustainable operations through "feel safe to use Uni-President products and have faith in partnering with Uni-President".

Management Optimization, Structure Adjustment, Risk Reduction, Steady Growth

Facing the vigorously changing macro environment and competitive environment, we seek progress through steady operations. Externally, we develop long-term partnership featuring mutual

assistance, mutual trust, mutual existence, and mutual prosperity. Internally, we optimize management efficiency, implement work discipline, and adjust production-sales structure. Through persistent risk management, we maintain steady operations and growth. Specific production-sales strategies:

I. Steel business:

1. Continue to expand the scale of cooperation with leading Taiwanese and Japanese steelworks from raw materials to downstream production sales to build a steady and resilient supply chain together.
2. Optimize and adjust sales regions and product portfolios to enhance production-sales efficiency and promote the development of high-valued products.
3. Impose stringent stock control to reduce the operational risk from price fluctuation.

II. Integrated packaging business:

1. Constantly increase and retain existing quality major clients and proactively cultivate and develop potential clients.
2. Focus on developing the aseptic filling, NBC filling, and carbonated drinks business to maintain technology leadership and deploy and cultivate new domains in the beverage market.
3. Effectively manage sales regions and production bases; plan and effective use group resources to maximize profit.

Business Outlook for 2023

Looking ahead to 2023, facing various uncertainties in the macro environment, we will keep closer track on the market trend to make swift adaptation, seek opportunities for development while controlling risks to maintain resilience and flexibility for sustainable operations and steadily accomplish the 2023 sales targets: 724,000MT of TMBP (tin mill back plate) and tinplate, 6.90 million tin cans, beverage filling for 2.24 million cartons, 4.590 billion PET caps, 51 million NBCs (including filling 1 million cartons), in order to create better return on investment for shareholders. We welcome your suggestions and support. Thank you!

Chairman: Chih-Hsien Lo President: Chin-Cheng Hsu,Yu-Hsin Chang Accounting Manager: Yi-Hsin Liu

TWO. Company Profile

I. Date of Incorporation：April 14 1969

II. Milestones

Founding Phase: 1969~1973

The Company was founded by Mr. Chin-yen Kao and Uni-President Enterprise Corp. in a General Meeting in Tainan in 1969 with the appointment of Mr. Huan-yi Hung as the Chairman and Mao-lin Hsu as the President and stated capital of NT$16 million. The Company is titled as "Ton Yi Agricultural Industrial Corporation" with principal engagement in "Ton Yi chickens" and "Ton Yi ducks" processing.

Transformation Phase: 1974~1983

Amidst the economic takeoff in Taiwan, the Company also set up the iron printing mill, canning plant and angled can plant and rechristened as "Ton Yi Industrial Corp."Mr. Chin-yen Kao was elected the Chairman by the Board of Directors. The Company also acquired "Ton Yi Industrial Co., Ltd.", a woven PP bags manufactory, to broaden the business horizon of the Company into the packaging material industry.

Growing Phase: 1984~1993

The stable economic growth of Taiwan contributed to the gradual commercialization of the society with proper international interactions. The Company introduced the technological-know-how from Japan to set up the tinplate plant, and was successfully listed in the Taiwan Stock Exchange Corporation (TWSE) for trading its stocks on January 29 1991.

Expansion Phase: 1994~2003

Ton Yi is committed to global development with roots in Taiwan, and has set up a plant in Taiwan for the manufacturing of tin mill black plates (TMBP) with successful integration of the upstream, midstream and downstream industries in tin plate manufacturing. Furthermore, the Company has also set up a can manufacturing plant in Vietnam and "Jiangsu Ton Yi Tinplate Co., Ltd." and "Fujian Ton Yi Tinplate Co., Ltd." in Mainland China. Commercial running was kickoff in this phase.

Globalization Phase: 2004~2010

In the wake of the rapid economic growth in Mainland China, the Company expanded its production lines in Guangzhou, Wuxi, and Zhangzhou for the manufacturing of canning and tinplate production in stable paces and buttressed its leading position of tinplate industry in Asia.

Diversification Phase: 2011 and beyond

In response to the growth of the beverage market in mainland China, we have deployed packaging materials and filling capacities for PET bottles and TP Tetra Paks by establishing production bases in "Beijing," "Tianjin," "Jiangsu Taizhou," "Jiangsu Kunshan," "Jiangsu Wuxi," "Fujian Zhangzhou," "Guangdong Huizhou," "Guangdong Zhanjiang," "Sichuan Chengdu Wenjiang" and "Sichuan Chengdu Xindu" in China. We have also established a joint venture with Japan's Daiwa Can Solution & Invention to invest in establishing NBC's new aluminum bottle and can packaging material production and sales base in Wuxi City, Jiangsu Province. We focus on innovation and progress by enhancing product value for clients, fulfilling corporate sustainability via environmental protection, and actively becoming a leading manufacturer of diversified packaging materials and beverages.

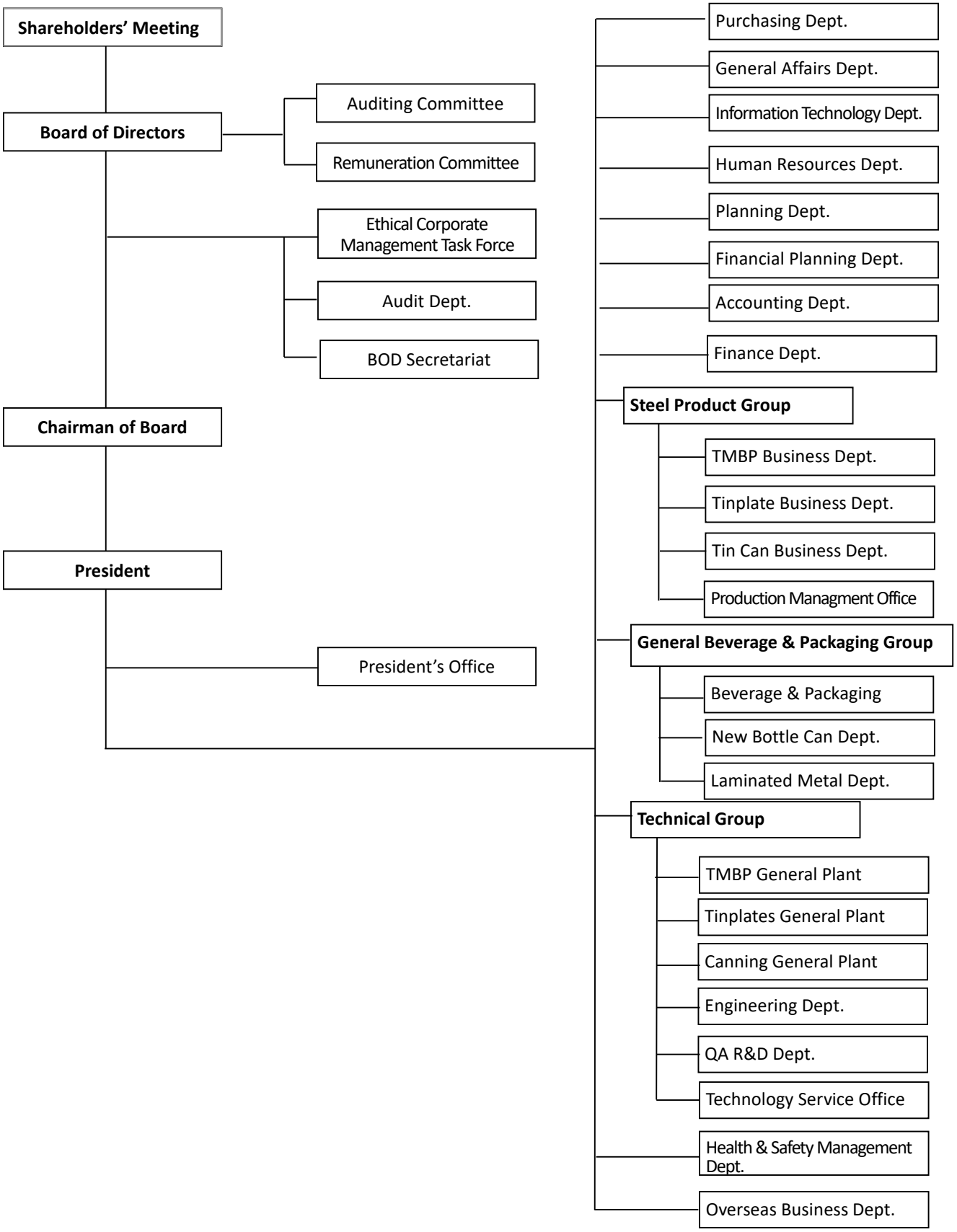
III. Mergers and Acquisitions, Direct Investment and Affiliates, and Corporate Reorganization in the most recent year to the date this report was printed: None.

IV. Transfer or swap of shares in large quantity by Directors, Supervisors, or dominant shareholders holding more than 10% of shares, or, the change in the management, mode of business, or significant change in the content of operation and any others that may significantly affect the shareholders' equity of the Company and the impact on the Company: None.

THREE. Corporate Governance Report

I. Corporate Organization

(I) Organizational Structure



(II) Responsibilities of main departments

Main Departments	Responsibilities
Ethical Corporate Task Force	(1) Establishes and implements programs that prevent dishonest conducts (2) Establishes integrity assurance and fraud prevention measures in accordance with laws
Board Secretariat	Responsible for organizing meeting-related affairs for the board of directors and functional committees, and preparing files and minutes
President's Office	Carries out secretarial duties for the President
Audit Dept.	(1) Auditing of corporate governance practice and internal control system (2) Execution of company policies, instructions and rules
Purchasing Dept.	(1) Matters relating to procurement within the Company (2) Matters relating to imported and exported goods
General Affairs Dept.	(1) Matters relating to raw material collection, transportation, and product shipment (2) Preparation of raw material processing reports (3) Matters relating to shareholder service
Information Technology Dept.	(1) Development and maintenance of the Company's management information system (2) Develops specifications and standards, and installs and maintains applications, software, and hardware (3) Security management for all information technology used by the Company
Human Resources Dept.	(1) Planning and execution of human resources policies (2) Establishment of human resources system, and planning and execution of training events
Planning Dept.	(1) Responsible for the planning and execution of local/foreign investment, merger, acquisition, and joint venture projects (2) Matters relating to advertising and promotion (3) Matters relating to investor relations
Financial Planning Dept.	Supervision of financial and accounting practice on invested businesses
Accounting Dept.	(1) Research, design and improvement of accounting system (2) Bookkeeping, tax filing, cost calculation, and analysis for the Company's transactions
Finance Dept.	(1) Matters relating to funding and banking relations (2) Cash disbursement and management of negotiable instruments
Health and Safety Management Dept.	Plan & Promote Safety and Health Management Related Operations
Overseas Business Dept.	Responsible for establishing overseas factories and managing production of tinplates and cans

Main Departments	Responsibilities
Steel Product Group	
TMBP Business Dept.	Sale of TMBP and cold rolled steel plate (roll)
Tinplate Business Dept.	Sales of tin-plated steel (coil) sheets (tin-plates), chrome-plated steel (coil) sheets
Tin Can Business Dept.	(1) Sells printable metal and coating materials for tin can manufacturing (2) Sells containers for food, beverage, edible oil, and chemicals
Production Management Office	(1) Collectively manages raw material and product requests of various factories, and allocates resources, schedules production, and manages inventory (2) Responsible for communicating and coordinating between business departments and main plants on production and sales-related issues (3) Responsible for improving customers' satisfaction towards the Company's efficiency and promptness of delivery, thereby making products competitive
General Beverage & Packaging Group	
Beverage & Packaging Dept.	Responsible for production and sales of beverage and packaging business.
New Bottle Can Dept.	Responsible for production and sales of New Bottle Can business.
Laminated Metal Dept.	Responsible for production and sales of laminated metal business.
Technical Divisions	
TMBP General Plant	Manufactures TMBP and cold rolled steel plate (roll)
Tinplate General Plant	Manufactures tinplates and chromeplates
Tin Can General Plant	(1) Produces printable metal and coating materials for tin can manufacturing (2) Produces containers for food, beverage, edible oil, and chemicals
Engineering Dept.	(1) Responsible for civil engineering, construction and maintenance works (2) Responsible for plumbing, electrical, and air conditioner maintenance works (3) Responsible for administration tasks concerning environmental protection
Quality Assurance R&D Dept.	(1) Creates and executes research and development projects (2) New product development, quality improvement, and customer complaint handling (3) Market sampling and specifications analysis
Technology servive Office	(1) Matters relating to after-sale of the Company's products (2) Handling and response to customers' complaints about quality

II. Information on the Directors, President, Vice President, and the Assistant Vice President of all the Company's Divisions and Branch Units

(I). Information on the Directors

1. Information on Directors (1)

Unit: Shares; % December 31, 2022

Title	Nationality or Place of Registratio	Name	Gender, age	Elected Date	Term(years)	Date First Elected	Shareholding when Elected		Current Shareholding		Spouse & Minor Children Current Shareholding		Current Shareholding in the Name of others		Experience (Education)	Current Position at the Company and other Companies	Executives, Directors or Supervisors who are Spouses or within two Degrees of Kinship			Remark
							Shares	Ratio	Shares	Ratio	Shares	Ratio	Shares	Ratio			Title	Name	Relations	
Director and Juristic Person Shareholder	Tainan	Uni-President Enterprises Corp.	-	2022.6.1	3	1974.9.18	719,357,425	45.55	719,357,425	45.55	-	-	-	-	-	(Note 3)	-	-	-	-
Chairman (Representative)	Taiwan R.O.C	Chih-Hsien Lo (Note 1)	Male 61~70	2022.6.1	3	2013.12.18	2,125,614	0.13	2,125,614	0.13	3,190,306	0.20	-	-	Chairman of Uni-President Enterprises Corp. (MBA, UCLA, U.S.A.)	(Note 3)	Director	Shiow-Ling Kao	Spouse	-
Director (Representative)	Taiwan R.O.C	Jau-Kai Huang (Note 1)	Male 51~60	2022.6.1	3	2016.4.06	-	-	-	-	-	-	-	-	President of Uni-President Enterprises Corp. (Accounting, Shih Chien University)	(Note 3)	-	-	-	-
Director (Representative)	Taiwan R.O.C	Chun-Fu Chen (Note 1)	Male 51~60	2022.6.1	3	2022.6.1	-	-	-	-	-	-	-	-	Currently the head of the technical group of Uni-President Enterprises Corp. (Master of Institute of Mechanical Engineering, National Cheng Kung University)	(Note 3)	-	-	-	-
Director (Representative)	Taiwan R.O.C	Feng-Fu Chen (Note 1)	Male 61~70	2022.6.1	3	2019.6.20	240,167	0.01	240,167	0.01	-	-	-	-	Former President of Ton yi Industrial Corporation (Graduated from the Department of Business Administration of National Cheng Kung University)	(Note 3)	-	-	-	-
Director and Juristic Person Shareholder	Tainan	Kao Chyuan Investment Co., Ltd.	-	2022.6.1	3	2010.6.30	25,700,700	1.63	25,700,700	1.63	-	-	-	-	-	(Note 3)	-	-	-	-
Director (Representative)	Taiwan R.O.C	Shiow-Ling Kao (Note 2)	Female 61~70	2022.6.1	3	2010.6.30	3,190,306	0.20	3,190,306	0.20	2,125,614	0.13	-	-	Chairman of Kao Chyuan Inv. Co., Ltd. (Marymount College,USA)	(Note 3)	Chairman	Chih-Hsien Lo	Spouse	-
Director (Natural Person)	Taiwan R.O.C	Shing-Chi Liang	Male 81~90	2022.6.1	3	1974.9.18	6,000,028	0.38	6,000,028	0.38	-	-	-	-	Director at Ton yi Industrial Corporation (National Changhua Senior High School)	(Note 3)	-	-	-	-
Director (Natural Person)	Taiwan R.O.C	Guo-Geng Chen	Male 81~90	2022.6.1	3	2013.6.20	7,859,222	0.50	7,859,222	0.50	-	-	-	-	Former Supervisor at Uni-President Enterprises Corp. (Department of Textile, National Taipei University of Technology)	None	-	-	-	-
Independent Director	Taiwan R.O.C	Yi-Chang Lin	Male 61~70	2022.6.1	3	2022.6.1	-	-	-	-	-	-	-	-	Former PWC partner (Department of Accounting, Soochow University.,EMBA,National Sun Yat-Sen University.)	(Note 3)	-	-	-	-
Independent Director	Taiwan R.O.C	Lih-Chyun Shu	Male 61~70	2022.6.1	3	2022.6.1	-	-	-	-	-	-	-	-	Professor, Department of Accountancy and Graduate Institute of Finance NCKU. (Ph.D.,Information Science of Purdue University.)	None	-	-	-	-
Independent Director	Taiwan R.O.C	Huey-Cherng Tsai	Male 51~60	2022.6.1	3	2022.6.1	-	-	-	-	-	-	-	-	Assistant Professor, Department of Finance,STUST. (Ph.D ,Department of Business Management, National Sun Yat Sen University)	None	-	-	-	-

Note 1: Corporate shareholders of Uni-President Enterprises Corporation.
Note 2: Corporate shareholder of Kao Chyuan Investment Co., Ltd.

Note 3: The field shows the current position at other companies of each director. As of December 31, 2022

Name	Current position with other company
Uni-President Enterprises Corp.	**Chairman :** Nanlien International Corp.,Uni-President Vender Corp.,President International Development Corp.,ScinoPharm Taiwan, Ltd.,Uni-President Organics Corp.,Uni-President Cold-Chain Corp.,TTET Union Corp.,President Natural Industrial Corp.,Tait Marketing & Distribution Co., Ltd.,President Chain Store Corp.,Tung Lo Development Co., Ltd.,President Professional Baseball Team Corp.,Uni-President Development Corp.,Uni-President Dream Parks Corp.,Presco Netmarketing Inc.,Uni-President Glass Industrial Co., Ltd.,Kai Nan Investment Co.,Prince Housing & Development Corp., Kai Yu Investment Co.,Tung Ho Development Co., Ltd.,Tone Sang Construction Corp.,President Packaging Corp.,Grand Bills Finance Corp.,Tong Ren Corp.,President Fair Development Corp.,President Global Corp.,Uni-President Express Corp. **Vice Chairman** : President Kikkoman Inc., President Nisshin Corp. **Director :** Kuang Chuan Dairy Co., Ltd.,Kuang Chuan Foods Co., Ltd.,President Tokyo Corporation,Presicarre Corp.,RSI, Retail Support International Corp.,Weilih Food Corp.,President Transnet Corp.,Mech-President Corp.,Cayman President Holdings Ltd. **Supervisor** Uni-President Vender Corp.,Uni-Wonder Corporation,President Professional Baseball Team Corp.,Uni-President Dream Parks Corp.,Presco Netmarketing Inc.,Uni-President Glass Industrial Co., Ltd.,Tone Sang Construction Corp. ,Uni-President Express Corp.
Chih-Hsien Lo	**Chairman**： Uni-President Enterprises Corp.,President Natural Industrial Corp.,TTET Union Corp.,Prince Housing & Development Corp.,President Packaging Industrial Corp.,Woongjin Foods Co., Ltd.,Daeyoung Foods Co., Ltd.,President International Development Corp.,Uni-President China Holdings Ltd. (Cayman),Changjiagang President Nisshin Food Co., Ltd.,ScinoPharm Taiwan, Ltd.,Uni-President (Philippines) Corp.,Uni-President (Thailand) Ltd.,Uni-President (Vietnam) Co., Ltd.,President Enterprises (China) Investment Co., Ltd.,President Chain Store Corp.,Uni-President Cold-Chain Corp.,Presco Netmarketing Inc.,Uni-President Dream Parks Corp.,President Century Co., Ltd.,President Property Corporation,Nanlien International Corp.,Prince Real Estate Co., Ltd.,Times Square International Holding Co.,Times Square International Stays Corporation,Time Square International Hotel Corporation,Uni-President Express Corp. ,Cheng-Shi Investment Holding Co. **Vice Chairman** : President Nisshin Corp. **Director :** Kao Chyuan Inv. Co., Ltd.,Presicarre Corp.,Uni-Wonder Corporation,Uni-President Organics Corp.,Uni-President Glass Industrial Co., Ltd.,Cayman President Holdings Ltd.,Kai Yu (BVI) Investment Co., Ltd.,President Fair Development Corp.,Uni-President Southeast Asia Holdings Ltd.,Uni-President Asia Holdings Ltd.,Uni-President International (HK) Co., Ltd.,Champ Green Capital Limited,Champ Green (Shanghai) Consulting Co., Ltd.,Guangzhou President Enterprises Co., Ltd.,Fuzhou President Enterprises Co., Ltd.,Xinjiang President Enterprises Food Co., Ltd.,Wuhan President Enterprises Food Co., Ltd.,Uni-President Enterprises(Kunshan) Food Technology Co., Ltd.,Chengdu President Enterprises Food Co., Ltd.,Shenyang President Enterprises Co., Ltd.,Harbin President Enterprises Co., Ltd.,Hefei President Enterprises Co., Ltd.,Zhenzhou President Enterprises Co., Ltd.,Beijing President Enterprises Drinks Co., Ltd.,Kunshan President Enterprises Food Co., Ltd.,Nanchang President Enterprises Co., Ltd.,President (Shanghai) Trading Co., Ltd.,Kunming President Enterprises Food Co., Ltd.,Yantai Tongli Beverage Industries Co., Ltd.,Changsha President Enterprises Co., Ltd.,Bama President Mineral Water Co., Ltd.,Nanning President Enterprises Co., Ltd.,Zhanjiang President Enterprises Co., Ltd.,,Chongqing President Enterprises Co., Ltd.,Taizhou President Enterprises Co., Ltd.,Akesu President Enterprises Co., Ltd.,Changchun President Enterprises Co., Ltd.,Uni-President Enterprises (Shanghai) Management Consulting Co.,Ltd.,Uni-President (Shanghai) Pearly Century Co., Ltd.,Baiyin President Enterprises Co., Ltd.,Hainan President Enterprises Co., Ltd.,Guiyang President Enterprises Co., Ltd.,Jinan President

Name	Current position with other company
	Enterprises Co., Ltd.,Hangzhou President Enterprises Co., Ltd.,Wuxue Uni Mineral Water Co., Ltd.,Shijiazhuang President Enterprises Co., Ltd.,Xuzhou President Enterprises Co., Ltd.,Henan President Enterprises Co., Ltd.,President (Kunshan) Trading Co., Ltd.,Shanxi President Enterprises Co., Ltd.,Jiangsu President Enterprises Co., Ltd.,Changbaishan Mountain President Enterprises, Ningxia President Enterprises Co., Ltd.,Uni-President Enterprises(Kunshan) Real Estate Development Co., Ltd,Ningxia President Enterprises Co., Ltd.,President Enterprises (Shanghai) Co., Ltd.,President Enterprises (Inner Mongolia) Co., Ltd.,Shaanxi President Enterprises Co., Ltd.,Uni-President Enterprise (Hutubi) Tomato Products Technology Co., Ltd.,Uni-President Enterprises (Shanghai) Drink & Food Co., Ltd.,Uni-President Enterprises (Tianjin) Co., Ltd.,Hunan President Enterprises Co., Ltd.,Uni-OAO Travel Service Corp.,President Packaging Holdings Ltd.,Kuang Chuan Dairy Co., Ltd.,Kuang Chuan Foods Co., Ltd.,Uni-President Development Corp.,President Professional Baseball Team Corp.,TaitMarketing & Distribution Co., Ltd.,Weilih Food Corp.,Keng Ting Enterprises Co.,Ltd.,PCS (BVI) Holdings Ltd.,PCS (Labuan) Holdings Ltd.,RSI, Retail Support International Corp.,Uni-President Assets Holdings Ltd.,Prince Property Management Consulting Co. **Supervisor:** Infinity Holdings Ltd., Eternity Holdings Ltd., Celestial Prosperities Holdings Ltd. **President** Presco Netmarketing Inc., Uni-President Express Corp.
Jau- Kai Hwang	**Chairman :** Uni-President Vender Corp. **Director :** President Chain Store Corporation, Uni-President Cold-Chain Corp., Uni-President Express Corp., Uni-President (Vietnam) Co., Ltd. **President:** Uni-President Enterprises Corp.
Chun-Fu Chen	**Director :** Uni-President Glass Industrial Co., Ltd. , President Packaging Industrial Corp., Kai Ya Food Co., Ltd.
Feng-Fu Chen	**Chairman :** Ton Yi (China)Investment Co., Ltd.,Zhangzhou Ton Yi Industrial Co., Ltd.,Taizhou Ton Yi Industrial Co., Ltd.,Chengdu Ton Yi Industrial Co., Ltd.,Huizhou Ton Yi Industrial Co., Ltd.,Kunshan Ton Yi Industrial Co., Ltd.,Beijing Ton Yi Industrial Co., Ltd.,Sichuan Ton Yi Industrial Co., Ltd.,Zhanjiang Ton Yi Industrial Co., Ltd.,Tianjin Ton Yi Industrial Co., Ltd. **Director :** Changsha Ton Yi Industrial Co., Ltd., Cayman Ton Yi Industrial Holdings Ltd.,Cayman Ton Yi (China) Holdings Ltd. **Supervisor:** Jiangsu Ton Yi Tinplate Co., Ltd., Fujian Ton Yi Tinplate Co., Ltd.
Kao Chyuan Inv. Co., Ltd.	**Managing Director** : Grand Bills Finance Corp **Director** : Uni-President Enterprises Corp., President Chain Store Corp., President International Development Corp., Scino Pharm Taiwan Ltd., Prince Housing & Development Corp.

Name	Current position with other company
Shiow-Ling Kao	**Chairman:** Kao Chyuan Inv. Co., Ltd., President Being Corp.,President Fair Development Corp.,Uni-President Department Store Corp.,President Pharmaceutical Corp.,President Drugstore Business Corp.,Infinity Holdings Ltd.,Eternity Holdings Ltd.,Celestial Prosperities Holdings Ltd. **Director :** Uni-President Enterprises Corp.,President Chain Store Corp.,ScinoPharm Taiwan, Ltd.,President International Development Corp.,Uni-President Development Corp.,Prince Housing &Development Corp.,Time Square International Hotel Corporation,Merry Life Biomedical Company, Ltd.,President (Sanghai) Health Product Trading Company Ltd.,Uni-Wonder Corporation.,President Century Corp.Ltd.,Beauty Wonder (Zhejiang) Trading Co., Ltd.,Times Square International Holding Co.,Grape King Bio. Ltd. **Presiden:** Kao Chyuan Inv. Co., Ltd., President Fair Development Corp.
Shing-Chi Liang	**Chairman :** Tovecan Corporation Ltd.,Wuxi Ton Yi Industrial Packaging Co., Ltd.,Chengdu Ton Yi Industrial Packing Co., Ltd.,Changsha Ton Yi Industrial Co., Ltd.,Jiangsu Ton Yi Tinplate Co., Ltd.,Fujian Ton Yi Tinplate Co., Ltd.,Wuxi Tonyi Daiwa Industrial Co., Ltd. **Director :** Cayman Ton Yi Industrial Holdings Ltd., Cayman Fujian Ton Yi Holdings Ltd.,Cayman Jiangsu Ton Yi Holdings Ltd.
Yi-Chang Lin	**Independent Directors :** Cheng Mei Materials Technology Corporation, Lasertek Taiwan Co., Ltd.

Major shareholders of corporate shareholders

December 31, 2022

Name of Corporate Entity	Key Shareholders of Major Corporate Shareholders
Uni-President Enterprises Corp.	Kao Chyuan Inv. Co., Ltd. (5.00%)
	Cathay Life Insurance Co., Ltd. (4.81%)
	BNP Paribas–Hong Kong Branch (3.02%)
	Po-Ming Hou (2.60%)
	Po-Yu Hou (2.27%)
	Shiow-Ling Kao (1.64%)
	New Labor Pension Fund (1.57%)
	Government of Singapore (1.52%)
	Chunghwa Post Co., Ltd. (1. 37%)
	Norges Bank - fund mgr Neuberger Berman Europe Limited (1.31%)
Kao Chyuan Investment Co., Ltd.	Infinity Holdings Ltd. (51.11%), Eternity Holdings Ltd. (48.89%)

Key shareholders of major corporate shareholders

December 31, 2022

Name of corporate entity	Corporate entity's major shareholders
Kao Chyuan Investment Co., Ltd.	Infinity Holdings Ltd. (51.11%), Eternity Holdings Ltd. (48.89%)
Cathay Life Insurance Company, Ltd.	Cathay Financial Holdings Co., Ltd. (100%)
Chunghwa Post Co., Ltd.	Ministry of Transportation and Communications (100%)
Infinity Holdings Ltd.	Shiow-Ling Kao (56%), Chih-Hsien Lo (20.3%), Han-Di Kao (7.1%), Zi-Yi Kao (7.1%), Shi-Ai Lo (7.1%), Klassical Celestiality Holding Ltd.(2.4%)
Eternity Holdings Ltd.	Shiow-Ling Kao (70.765%), Chih-Hsien Lo (21.18%), Han-Di Kao (3.02%), Zi-Yi Kao (2.21%), Shi-Ai Lo (2.02%), Klassical Celestiality Holding Ltd.(0.805%)

2. Information on Directors (2)

1. Information Disclosure on Directors' Professional Qualifications and Independent Directors' Independence:

December 31, 2022

Qualification / Name	Professional qualifications and experience[Note1]	Independence compliance status	Number of positions as independent director in other public companies
Chih-Hsien Lo	Education：MBA, UCLA, U.S.A. Current position：General manager of Uni-President Enterprises Corp. Experience：The Chairman of Uni-President Enterprises Corp.	See Director Information (I)	0
Jau- Kai Huang	Education：Accounting, Shih Chien University Current position：The Vice President of Dairy & Beverage Group of Uni-President Enterprises Corp. Experience：President of Uni-President Enterprises Corp.		0
Chun-Fu Chen	Education：Graduated from the Department of Mechanical Engineering of National Cheng Kung University. Current position：Head of OEM & ODM Management Team of Uni-President Enterprises Corp.,Chief Factory of Shinshih Main Plants. Experience：Head of Technical Group of Uni-President Enterprises Corp.		0
Feng-Fu Chen	Education：Graduated from the Department of Business Administration of National Cheng Kung University. Current position：Direct of Ton Yi Industrial Corp. Experience：Former President of Ton yi Industrial Corporation		0
Shiow-Ling Kao	Education：Marymount College U.S.A Current position：Chairman of Kao Chyuan Inv. Co., Ltd. Experience：Direct of Uni-President Enterprises Corp.		0
Shing-Chi Liang	Education：National Changhua Senior High School Current position：Direct of Ton Yi Industrial Corp. Experience：Former General Manager and Vice Chairman of Ton Yi Industrial Corp.		0
Guo-Geng Chen	Education：Department of Textile, National Taipei University of Technology Current position：Direct of Uni-President Enterprises Corp. Experience：Former Supervisor at Uni-President Enterprises		0
Yi-Chang Lin	Education：Department of Accounting, Soochow University.,EMBA, National Sun Yat-Sen University. Current position：Direct of Direct of Ton Yi Industrial Corp. Experience：Former PWC partner	The company has obtained a written statement from independent director Yi-Chang Lin, confirming that neither myself, my spouse, nor any relatives within two degrees of kinship have served as directors, supervisors, or employees of the company or its affiliated enterprises. Additionally, neither myself, my spouse, nor any relatives within two degrees of kinship (or through the use of another person's name) hold any shares of the company. I have also not served as a director, supervisor, or employee of any specific related companies of the company, and have not provided any business, legal, financial, accounting, or other services to the company or its affiliated enterprises in the past two years.	2
Lih-Chyun Shu	Education：Ph.D., Information Science of Purdue University. Current position：Professor, Department of Accounting Graduate Institute of Finance NCKU. Experience：The dean of College of Computer Science and Information Engineering, Chang Jung Christian University.	The company has obtained a written statement from independent director Lih-Chyun Shu, confirming that neither myself, my spouse, nor any relatives within two degrees of kinship have served as directors, supervisors, or employees of the company or its affiliated enterprises. Additionally, neither myself, my spouse, nor any relatives within two degrees of kinship (or through the use of another person's name) hold any shares of the company. I have also not served as a director, supervisor, or employee of any specific related companies of the company, and have not provided any business, legal, financial, accounting, or other services to the company or its affiliated enterprises in the past two years.	0
Huey-Cherng Tsai	Education：Ph.D ,Department of Business Management, National Sun Yat Sen University Current position：Assistant Professor, Department of Finance, STUST. Experience： Instructor, Department of Finance, STUST.、Assist, Entie Bank.	The company has obtained a written statement from independent director Huey-Cherng Tsai, confirming that neither myself, my spouse, nor any relatives within two degrees of kinship have served as directors, supervisors, or employees of the company or its affiliated enterprises. Additionally, neither myself, my spouse, nor any relatives within two degrees of kinship (or through the use of another person's name) hold any shares of the company. I have also not served as a director, supervisor, or employee of any specific related companies of the company, and have not provided any business, legal, financial, accounting, or other services to the company or its affiliated enterprises in the past two years.	0

Note 1. All of our directors do not have any situations specified in Article 30 of the Company Act.

2. Diversity and independence of the board of directors:

(A). Diversity

(1). Our company has established the "Corporate Governance Best Practice Guidelines" and "Director Nomination Procedures," which outline the abilities and diversity that the board of directors should possess. To ensure diversity among board members, no more than one-third of the directors should also serve as company executives. We have developed appropriate diversification policies based on our operational needs and development requirements, taking into account the following two main areas：

(1-1) Basic qualifications and values: gender, age, nationality, and culture, etc.

(1-2) Professional knowledge and skills: professional backgrounds (such as law, accounting, industry, finance, marketing, or technology), professional skills, and industry experience, etc.

(1-3) Specific management goals and achievements are as follows:

Management Objectives	Achievement Status
Directors who also serve as company managers shall not exceed one-third of the number of directors:	Achieved
Setting up a board of independent directors requires a minimum of three individuals, with at least one person possessing expertise in accounting or finance.	Achieved

(2). Diversity of members of the board of directors of the company：

(2-1) Basic Conditions and Values: gender, age, nationality, and culture.

Currently, our company has 10 members on the board of directors, with one female member. The average age is 65.9, and there are two staff members and three independent directors, all of whom are in their first term and have served for less than 9 years.

(2-2) Professional Knowledge and Skills: Professional Background, Skills, and Industry Experience

①General Board Members: The members consist of various backgrounds, skills, and industry experiences, including the UCLA Anderson School of Management, Shih Chien University's Accounting Department, National Cheng Kung University's Graduate Institute of Mechanical Engineering, National Cheng Kung University's Executive Master of Business Administration program, Marymount College USA, and other professional backgrounds.

②Independent Board Members: The members consist of individuals with professional backgrounds, skills, and industry experiences such as a PhD in Computer Science from Purdue University, a PhD in Business Administration from National Sun Yat-Sen University, the Accounting Department of Soochow University, a Master's degree in Management from National Sun Yat-Sen University, qualification as a certified public accountant, a professor in the Accounting Department and the Institute of Finance at National Cheng Kung University, and a full-time assistant professor in the Department of Finance and Banking at Southern Taiwan University.

③Composition and Professional Capabilities of the Board Members: Please refer to Note 1.

(B). Independence

Our company has three independent directors, accounting for 30% of all board members. When appointed, we conducted a qualification check for independent directors and issued a declaration. We also obtained a declaration of independence and part-time employment from each independent director to confirm compliance with Securities and Exchange Act Article 26-3(3) and (4). Please refer to Director Information (1) to confirm that our board of directors meets the independence requirement as more than half of the directors are not related by marriage or within second degree of kinship.

Note 1. Diversified basic composition and professional capabilities of directors

Name \ Item	Gender	1 Academic Background	2 Operational judgement A	3 Accounting, Finance	4 Administration	5 Crisis Management	6 Industrial experiences	7 International Markets perspectives	8 Leadership	9 Decision making
Chih-Hsien Lo	Male	Business Administration	√	√	√	√	√	√	√	√
Jau-Kai Huang	Male	Accounting and Statistics	√	√	√	√	√	√	√	√
Chun-Fu Chen	Male	Mechanical	√	-	√	√	√	√	√	√
Feng-Fu Chen	Male	Business Administration	√	√	√	√	√	√	√	√
Shiow-Ling Kao	Female	Business	√	-	√	√	√	√	√	√
Shing-Chi Liang	Male	Business Administration	√	√	√	√	√	√	√	√
Guo-Geng Chen	Male	Textile	√	-	√	√	√	√	√	√
Yi-Chang Lin	Male	Accounting	√	√	√	√	-	√	√	√
Lih-Chyun Shu	Male	Information Science	√	√	√	√	-	√	√	√
Huey-Cherng Tsai	Male	Business Administration	√	√	√	√	-	√	√	√

(II). Background information of the President, Vice Presidents, Assistant Vice Presidents, and heads of departments and branch offices

December 31, 2022 Unit: shares; %

Title	Nationality	Name	Gender	Date elected/ appointed	Current shareholding		Shares held by spouse and underage children		Shares held by proxy		Main career (academic) achievements (Note 1)	Concurrent positions in other companies	Spouse or relatives of second degree or closer acting as managers			Note
					Shares held	Shareholding percentage	Shares held	Shareholding percentage	Shares held	Shareholding percentage			Title	Name	Relationship	
President	The Republic of China	Chin-Cheng Hsu	Males	2019.6.28	41,081	-	-	-	-	-	National Taiwan University(Department of Economics)	(Note2)	-	-	-	-
President	The Republic of China	Yu-Hsin Chang	Males	2019.6.28	101,140	0.01	-	-	-	-	Ibaraki University (Department of Computer Science & Information Engieering)	(Note2)	-	-	-	-
Assistant Vice President	The Republic of China	Chao-Pin Chen	Males	2019.6.28	102,657	0.01	3,949	-	-	-	Fu Jen Catholic University(Departmemt of Business Administration)	(Note2)	-	-	-	-
Head of Finance (Also serves as head of corporate governance)	The Republic of China	Wen-Lin Chuang	Males	2016.8.5	-	-	-	-	-	-	Feng Chia University(Department of Accounting)	(Note2)	-	-	-	-
Head of Accounting	The Republic of China	Yi-Hsing Liu	Males	2016.8.5	-	-	-	-	-	-	National Sun Yat-Sen University(Department of Finance)	(Note2)	-	-	-	-

Note 1: Key managers previously employed by the auditing accounting firm or any of its affiliated company: None.
Note 2: Concurrent positions in other companies

Name	Concurrent positions in other companies
Chin-Cheng Hsu	**Director:** Jiangsu Ton Yi Tinplate Co., Ltd.,Fujian Ton Yi Industrial Co., Ltd.,Ton Yi (China) Investment Co., Ltd.,Zhangzhou Ton Yi Industrial Co., Ltd.,Taizhou Ton Yi Industrial Co., Ltd.,Chengdu Ton Yi Industrial Co., Ltd.,Huizhou Ton Yi Industrial Co., Ltd. **Supervisor:** Sichuan Ton Yi Industrial Co., Ltd.,Zhanjiang Ton Yi Industrial Co., Ltd.,Tianjin Ton Yi Industrial Co., Ltd.
Yu-Hsin Chang	**Director:** Chengdu Ton Yi Industrial Packing Co., Ltd.,Wuxi Ton Yi Industrial Packing Co., Ltd.,Wuxi Tonyi Daiwa Industrial Co., Ltd.,Kunshan Ton Yi IndustrialCo., Ltd.,Beijing Ton Yi Industrial Co., Ltd.,Sichuan Ton Yi Industrial Co., Ltd.,Zhanjiang Ton Yi Industrial Co., Ltd.,Tianjin Ton Yi Industrial Co., Ltd. **Supervisor:** Ton Yi (China) Investment Co., Ltd.,Zhangzhou Ton Yi Industrial Co., Ltd.,Taizhou Ton Yi Industrial Co., Ltd.,Chengdu Ton Yi Industrial Co., Ltd.,Huizhou Ton Yi Industrial Co., Ltd.
Chao-Pin Chen	**Director:** Wuxi Tonyi Daiwa Industrial Co., Ltd., Ton Yi (China) Investment Co., Ltd., Zhangzhou Ton Yi ndustrial Co., Ltd., Taizhou Ton Yi IndustrialCo., Ltd., Chengdu Ton Yi Industrial Co., Ltd., Huizhou Ton Yi Industrial Co., Ltd., Kunshan Ton Yi IndustrialCo., Ltd., Beijing Ton Yi Industrial Co., Ltd., Sichuan Ton Yi Industrial Co., Ltd., Zhanjiang Ton Yi Industrial Co., Ltd., Tianjin Ton Yi Industrial Co., Ltd. **President:** Wuxi Tonyi Daiwa Industrial Co., Ltd.,Ton Yi (China) Investment Co., Ltd.,Zhangzhou Ton Yi ndustrial Co., Ltd.,Taizhou Ton Yi IndustrialCo., Ltd.,Chengdu Ton Yi Industrial Co., Ltd.,Huizhou Ton Yi Industrial Co., Ltd.,Kunshan Ton Yi IndustrialCo., Ltd.,Beijing Ton Yi Industrial Co., Ltd.,Sichuan Ton Yi Industrial Co., Ltd.,Zhanjiang Ton Yi Industrial Co., Ltd.,Tianjin Ton Yi Industrial Co., Ltd.,Wuxi Ton Yi Industrial Packing Co., Ltd.
Wen-Lin Chuang	**Supervisor:** Wuxi Ton Yi Industrial Packing Co., Ltd.
Yi-Hsing Liu	**Supervisor:** Chengdu Ton Yi Industrial Packing Co., Ltd.,Wuxi Tonyi Daiwa Industrial Co., Ltd.

III. Remuneration to the Directors, President and Vice Presidents in the most recent year

(I) Remuneration for regular directors and independent directors (aggregate disclosure of directors' names and range of remuneration)

December 31, 2022

Unit: NT$ thousands

Title	Name	Director's remuneration								The total amount of the four items A, B, C and D and their proportion to the net profit after tax (%)		Compensation as company employee								The total amount of seven items A, B, C, D, E, F, and G and their proportion to the net profit after tax (%)		Compensation from investments or parent company other than subsidiaries
		Compensation (A)		Pension (B)		Director remuneration (C)		Fees for services rendered (D)				Salaries, bonuses, special allowances etc (E)		Pension (F)		Employee remuneration (G)						
																The Company		All companies included in the financial statements				
		The Company	All companies included in the financial statements	The Company	All companies included in the financial statements	The Company	All companies included in the financial statements	The Company	All companies included in the financial statements	The Company	All companies included in the financial statements	The Company	All companies included in the financial statements	The Company	All companies included in the financial statements	Amount paid in cash	Amount paid in shares	Amount paid in cash	Amount paid in shares	The Company	All companies included in the financial statements	
Chairman	Chih-Hsien Lo (Note 1)	-	-	1,125	1,125	52,473	52,473	5,060	5,060	58,658 (2.61%)	58,658 (2.61%)	28,095	28,095	-	-	1,253	-	1,253	-	88,006 (3.92%)	88,006 (3.92%)	319,956.73
Director	Jau-Kai Huang (Note 1)																					
	Jui-Sheng Wang (Note 1)																					
	Chun-Fu Chen (Note 1)																					
	Feng-Fu Chen (Note 1)																					
	Shiow-Ling Kao (Note 2)																					
	Shing-Chi Liang																					
	Guo-Geng Chen																					
Independent Director	Ming-Long Wang (Note 3)	-	-	540	540	-	-	2,710	2,710	3,250 (0.14%)	3,250 (0.14%)	-	-	-	-	-	-	-	-	3,250 (0.14%)	3,250 (0.14%)	-
	Chin-Cheng Chien (Note 3)																					
	Bin-Eng Wu (Note 3)																					
	Yi-Chang Lin (Note 3)																					
	Lih-Chyun Shu (Note 3)																					
	Huey-Cherng Tsai (Note 3)																					

(1)We have a policy, system, standard, and structure for the payment of remuneration to independent directors, which clarifies the correlation between their responsibilities, risks, time commitment, and remuneration amount. Our independent directors receive a fixed car and transportation allowance each month, and do not receive performance bonuses or director fees.

(2)In addition to the disclosed information above, the remuneration received by the company's directors in the latest fiscal year for providing services to all companies in the financial reports (such as acting as consultants for non-employees of the parent company/ all companies in the financial reports/ investee companies) is none.

Note 1: The Company has four representative directors: Chih-Hsien Lo, Jau-Kai Huang, Feng-Fu Chen, and Jui-Sheng Wang (dismissed on May 31, 2022; replaced by Chun-Fu Chen on June 1, 2022).

Note 2: The Company has one representative director for Gaoquan Investment: Shiow-Ling Kao.

Note 3: The terms of office for our independent directors, Ming-Long Wang, Chin-Cheng Chien, and Bin-Eng Wu, ended on May 31, 2022. The terms of office for our newly appointed independent directors, Yi-Chang Lin, Lih-Chyun Shu, and Huey-Cherng Tsai, began on June 1, 2022.

Range of Remuneration

December 31, 2022

Range of remuneration paid to the Company's directors	Name of director			
	Sum of first 4 items (A+B+C+D)		Sum of first 7 items (A+B+C+D+E+F+G)	
	The Company	All companies included in the financial statements	The Company	The parent company and all invested enterprises (Note 3)
Below NT 1,000,000	Jau- Kai Huang (Note 1),Jui-Sheng Wang (Note 1),Chun-Fu Chen(Note 1), Feng-Fu Chen (Note 1),Shiow-Ling Kao (Note 2),Ming-Long Wang, Chin-Cheng Chien, Bin-Eng Wu, Yi-Chang Lin, Lih-Chyun Shu, Huey-Cherng Tsai	Same as described on the left	Jau- Kai Huang (Note 1),Jui-Sheng Wang (Note 1),Chun-Fu Chen(Note 1),Shiow-Ling Kao (Note 1),Ming-Long Wang, Chin-Cheng Chien, Bin-Eng Wu, Yi-Chang Lin, Lih-Chyun Shu, Huey-Cherng Tsai	Chun-Fu Chen(Note 1),Shiow-Ling Kao (Note 2), Ming-Long Wang,Chin-Cheng Chien, Bin-Eng Wu,Yi-Chang Lin,Lih-Chyun Shu,Huey-Cherng Tsai
NT$1,000,000 (inclusive) ~ NT$2,000,000(non-inclusive)	Chih-Hsien Lo (Note 1)	Same as described on the left	Chih-Hsien Lo (Note 1)	-
NT$2,000,000 (inclusive) ~ NT$3,500,000(non-inclusive)	-	-	-	-
NT$3,500,000 (inclusive) ~ NT$5,000,000(non-inclusive)	-	-	-	Jui-Sheng Wang (Note 1)
NT$5,000,000 (inclusive) ~ NT$10,000,000(non-inclusive)	Kao Chyuan Investment Co., Ltd.(Note 2), Shing-Chi Liang, Guo-Geng Chen	Same as described on the left	Kao Chyuan Investment Co., Ltd.(Note 2), Guo-Geng Chen, Chun-Fu Chen(Note 1)	Guo-Geng Chen,Chun-Fu Chen(Note 1)
NT$10,000,000 (inclusive) ~ NT$15,000,000(non-inclusive)	-	-	-	-
NT$15,000,000 (inclusive) ~ NT$30,000,000(non-inclusive)	-	-	Shing-Chi Liang	Jau- Kai Huang (Note 1), Shing-Chi Liang
NT$30,000,000 (inclusive) ~ NT$50,000,000(non-inclusive)	Uni-President Enterprises Corp. (Note 1)	Same as described on the left	Uni-President Enterprises Corp. (Note 1)	Same as described on the left
NT$50,000,000 (inclusive) ~ NT$100,000,000(non-inclusive)	-	-	-	-
NT$100,000,000 and above	-	-	-	Kao Chyuan Investment Co., Ltd.(Note 2),Chih-Hsien Lo (Note 1)
Total	16	16	16	16

Note 1: The company has four representative directors: Chih-Hsien Lo, Jau-Kai Huang, Feng-Fu Chen, and Jui-Sheng Wang (dismissed on May 31, 2022; replaced by Chun-Fu Chen on June 1, 2022).

Note 2: The company has one representative director for Gaoquan Investment: Shiow-Ling Kao.

Note 3：The parent company and all invested enterprises (including the Company) paid a total remuneration of each director of the Company from the names of all levels.

(II) Remuneration to the President and Vice Presidents

December 31, 2022
Unit: NT$ thousands

Title	Name	Salary (A)		Pension (B)		Bonus and special allowances (C)		Employee remuneration (D)				The sum of A, B, C and D as a percentage of net income (%)		Compensation from investments or parent company other than subsidiaries
		The Company	All companies included in the financial statements	The Company	All companies included in the financial statements	The Company	All companies included in the financial statements	The Company		All companies included in the financial statements		The Company	All companies included in the financial statements	
								Amount paid in cash	Amount paid in shares	Amount paid in cash	Amount paid in shares			
President	Chin-Cheng Hsu Yu-Hsin Chang	4,934	4,934	-	-	18,200	18,200	716	-	716	-	23,850 (1.06%)	23,850 (1.06%)	-

Range of Remuneration

Range of remuneration to the President and Vice Presidents	Name of President and Vice Presidents	
	The Company	The Company
Below NT$ 1,000,000	-	-
NT$1,000,000 (inclusive) ~ NT$2,000,000(non-inclusive)	-	-
NT$2,000,000 (inclusive) ~ NT$3,500,000(non-inclusive)	-	-
NT$3,500,000 (inclusive) ~ NT$5,000,000(non-inclusive)	-	-
NT$5,000,000 (inclusive) ~ NT$10,000,000(non-inclusive)	-	-
NT$10,000,000 (inclusive) ~ NT$15,000,000(non-inclusive)	Chin-Cheng Hsu, Yu-Hsin Chang	Same as described on the left
NT$15,000,000 (inclusive) ~ NT$30,000,000(non-inclusive)	-	-
NT$30,000,000 (inclusive) ~ NT$50,000,000(non-inclusive)	-	-
NT$50,000,000 (inclusive) ~ NT$100,000,000(non-inclusive)	-	-
NT$100,000,000 and above	-	-
Total	2	2

(III) Earnings distribution as remuneration to Company management

December 31, 2022
Unit: NT$ thousands

	Title	Name	Amount paid in shares	Amount paid in cash	Total	Total as a percentage of net income (%)
Managers	President	Chin-Cheng Hsu	-	1,788	1,788	0.08%
	President	Yu-Hsin Chang				
	Assistant Vice President	Chao-Pin Chen				
	Head of Finance	Wen-Lin Chuang				
	Head of Accounting	Yi-Hsing Liu				

(IV) Amount of remuneration paid in the last 2 years by the Company and all companies included in the consolidated financial statements to the Company's directors, President, and Vice Presidents, and their respective proportions to standalone and consolidated 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).Remuneration paid by the Company and all companies included in the consolidated financial statements to the Company's directors, supervisors, President and Vice Presidents in the last two years, and percentage relative to consolidated or standalone net income:

Title	2021	2022
Director	3.53%	4.06%
President	1.05%	1.06%

(2).The Company has assembled a Remuneration Committee as required by law. This committee is responsible for the establishment and regular review of the Company's compensation policies, systems, standards, structures, packages, the procedures through with decisions are made, and association between performance and future risks:

(2-1)The distribution ratio of the Company's director remuneration complies with Article 30 of the Company's articles of incorporation. If the company makes a profit in the current year, it shall allocate no more than 2% for director remuneration. To regularly evaluate the remuneration of directors, the evaluation items of the remuneration committee according to the performance evaluation method of the Company's board of directors are as follows: Evaluation results for the ability to master company goals and tasks, awareness of directors' responsibilities, company operations participation, internal relationship management and communication, professionalism and continuous education for directors, and internal control. After reviewing the link between directors and business performance, recommend a proposal on the actual allocation ratio, and submit it to the board of directors for resolution.

(2-2)The general manager and assistant managers of the Company shall manage all the Company's affairs according to the decisions made by the board of directors pursuant to Article 26 of the Company's Articles of Incorporation. Appointment, dismissal, and remuneration of managers shall be determined by a board of directors meeting attended by over half of the directors and a resolution approved by over half of the directors present. Manager's compensation is determined based on the company's salary system and business performance evaluation procedures. The performance evaluation items for bonuses include the Company's revenue, the achievement rate of pre-tax net profit and after-tax net profit, and the major deficiencies in the departments' legal compliance and operational risk matters under the manager's jurisdiction. Contribution corresponding to the overall operation of the Company shall be reviewed and approved by the chairman of the board according to the operating performance of each manager.

(2-3)For the directors and managers listed in items 2-1 and 2-2 above, the "Salary Policies, Systems, Standards, and Structure" and "Salary Remuneration" must comply with the provisions provided by the "Regulations Governing the Appointment and Exercise of Powers by the Remuneration Committee of a Company Whose Stock is Listed on the Taiwan Stock Exchange or the Taipei Exchange" and be submitted to the Company's "Remuneration Committee" for review.

IV. Corporate Governance

(I) The State of Operation of the Board of Directors

①The State of Operation of the Board of Directors

In 2022 and as of the publication date of the annual report, the board of directors held 9 meetings (A), and the attendance of directors is as follows:

Title	Name	Actual attendance 【B】	Proxy attendance	Percentage of actual attendance (%) 【B/A】	Remarks
Chairman	Chih-Hsien Lo (Representative of Uni-President Enterprises Corp.)	9	-	100%	Re-election
Director	Jau-Kai Huang (Representative of Uni-President Enterprises Corp.)	9	-	100%	Re-election
	Chun-Fu Chen (Representative of Uni-President Enterprises Corp.)	6		100%	Elected date June 1, 2022
	Jui-Sheng Wang (Representative of Uni-President Enterprises Corp.)	3	-	100%	Termination date June 1, 2022
	Feng-Fu Chen (Representative of Uni-President Enterprises Corp.)	9	-	100%	Re-election
	Shiow-Ling Kao (Representative of Kao Chyuan Investment Co., Ltd.)	9	-	100%	Re-election
	Shing-Chi Liang	8	1	89%	Re-election
	Guo-Geng Chen	9	-	100%	Re-election
Independent Director	Yi-Chang Lin	6	-	100%	Elected date June 1, 2022
	Lih-Chyun Shu	6	-	100%	Elected date June 1, 2022
	Huey-Cherng Tsai	6	-	100%	Elected date June 1, 2022
	Ming-Long Wang	3	-	100%	Termination date June 1, 2022
	Chin-Cheng Chien	3	-	100%	Termination date June 1, 2022
	Bing-Eng Wu	3	-	100%	Termination date June 1, 2022

Other remarks:

I. For board of directors meetings that meet any of the following descriptions, state the date, session, the discussed agenda, independent directors' opinions and how the company has responded to such opinions:

(I) Conditions described in Article 14-3 of the Securities and Exchange Act: We have set up an audit committee, so the provisions of Article 14-3 of the Securities and Exchange Act do not apply to our company. For information regarding the matters listed in Article 14-5 of the Securities and Exchange Act, please refer to the operation of the audit committee.

(II) Any other documented objections or qualified opinions raised by independent director against board resolution in relation to matters other than those described above: None.

II. Disclosure regarding avoidance of interest-conflicting agendas, including the names of directors concerned, the agendas, the nature of conflicting interests, and the voting process:

(I) On June 13, 2022, our company presented the following issues at the board meeting:

(1) The appointment of the members of the 5th Compensation Committee: Mr. Yi-Chang Lin, Mr. Lih-Chyun Shu, and Mr. Huey-Cherng Tsai, who are independent directors of the company, were asked to recuse themselves

due to conflicts of interest. With the agreement of the other attending directors, the proposal was passed.

(2) The reappointment of Mr. Shing-Chi Liang as the resident director: Mr. Liang was not present for the vote and his appointment was approved with the agreement of the other attending directors.

(II) On December 13, 2022, our company presented the following issues at the board meeting:

(1)We have signed a management consulting contract. Four directors, who are also the unified legal representative directors, and Director Chih-Hsien Lo, Director Shiow-Ling Kao, attended the meeting concerning this case as stakeholders. To avoid conflicts of interest, they abstained from voting. The other directors in attendance agreed to pass the case, except for those who had to abstain due to conflicts of interest.

III. A TWSE/TPEx listed company shall reveal the information such as evaluation cycles, evaluation periods, scope, method and evaluation content, and so on of self-evaluation (or peer evaluation) of the Board of Directors:

In November 5th, 2019, our company passed the "Board Performance Evaluation Methods" during the 4th meeting of the 17th Board of Directors. Starting from January 1st, 2020, we have been conducting self-evaluation or peer evaluation of the Board of Directors (including functional committees) annually, and will declare the performance evaluation results before the end of the first quarter of the following year. The performance evaluation results of the 2022 Board of Directors, board members, Compensation Committee, and Audit Committee will be reported on March 7th, 2023 by the Compensation Committee and the Board of Directors.

IV. Enhancements to the functionality of board of directors in the current and most recent year, and the progress of such enhancements

(I) Our company established a Salary and Compensation Committee on September 30, 2011, and an Audit Committee on June 20, 2013, to assist the Board of Directors in operating more efficiently. All proposals required for functional committees to submit to the Board of Directors in accordance with regulations are approved by the committees and submitted for Board approval and implementation.

(II) On March 28, 2017, our company established a Corporate Governance Practice Project Team to implement the "Corporate Governance Practice Guidelines" formulated by the Board of Directors. On March 25, 2019, in accordance with the "Key Points for the Establishment and Exercise of Powers by the Board of Directors of Listed Companies," the team proposed to establish the "Corporate Governance Officer," to be concurrently held by the Financial Manager, Mr. Wen-Lin Chuang. The main responsibilities of the officer include: 1. Handling matters related to meetings of the Board of Directors and shareholders' meetings in accordance with the law. 2. Preparing minutes of meetings of the Board of Directors and shareholders' meetings. 3. Assisting directors in their appointment and continuous learning. 4. Providing information necessary for the directors' business operations. 5. Assisting directors in complying with laws and regulations. 6. Review of the legality of the qualifications of independent directors. 7. Assist in handling matters related to the change of directors.8. Other matters stipulated in the company's articles of incorporation or contracts.

(III) In accordance with the partial provisions of the "Guidelines for Handling Assets Acquisition or Disposal by Public Companies" amended and announced by the Financial Supervisory Commission on January 28, 2022, our company amended the "Asset Acquisition or Disposal Handling Procedures" and passed it at the 17th/18th Board of Directors Meeting on March 7, 2022, and was approved by the Shareholders' Meeting on May 24, 2022.

(IV) In accordance with the partial provisions of the "Corporate Governance Practice Guidelines for Listed and OTC Companies" amended and announced by the Taiwan Stock Exchange on December 8, 2021, our company amended the "Corporate Governance Practice Guidelines" and passed it at the 17th/18th Board of Directors Meeting on March 7, 2022, adding provisions for preventing insider trading during the stock trading closed period and disclosing information on the company's website.

(V) In accordance with the amendments announced by the Taiwan Stock Exchange on December 7th, 2021 regarding the "Corporate Social Responsibility Best Practices Guidelines for Listed and OTC Companies," our company resolved at the 17th meeting of the 18th Board of Directors on March 7th, 2022 to rename our "Corporate Social Responsibility Best Practices Guidelines" to "Sustainable Development Best Practices Guidelines" and make some changes to align with international trends and regulatory compliance, and to achieve the goal of sustainable development while strengthening our company's promotion of it.

(VI) In accordance with the amendments announced by the Financial Supervisory Commission on August 5th, 2022 regarding certain provisions of the "Rules of Procedure for the Board of Directors of Publicly Listed Companies," our company resolved at the 18th meeting of the 4th Board of Directors on November 8th, 2022 to amend our "Board of Directors Meeting Regulations" to strengthen corporate governance.

(VII) According to the revised regulations and reference instructions on the verification and public handling procedures for significant information of listed companies, issued by the Taiwan Stock Exchange on September 20, 2022, our company passed the 18th board meeting on December 13, 2022, and revised some of the provisions of the "Internal Procedures for Handling Significant Information" to establish an evaluation process for releasing significant information, record preservation for verification, and handling of violations, in order to enhance the timeliness, accuracy, and completeness of significant information.

(VIII) In addition, our company regularly updates the relevant information on our website to enhance information transparency

②Performance of the Board of Directors Evaluation

Evaluation Cycle	Evaluation Period	Scope	Method	Evaluation Content
The Company conducts the board performance evaluation once a year.	From January 1,2022 to December 31, 2022	Individual Director Member	Self-Evaluation of Director Member	Alignment of the goals and missions of the company, Awareness of the duties of a director, Participation in the operation of the company, Management of internal relationship and communication, The director's professionalism and continuing education, and Internal control.
		Board of Directors	Internal Self-Evaluation of the Board of Directors	Participation in the operation of the company, Improvement of the quality of the Board of Directors' decision making, Composition and structure of the Board of Directors, Election and continuing education of the directors and Internal control.
		Remuneration Committee	Internal Self-Evaluation of Remuneration Committee	Participation in the operation of the company, Awareness of the duties of the functional committee, Improvement of quality of decisions made by the functional committee, Makeup of the functional committee, and election of its members and Internal control.
		Auditing Committee	Internal Self-Evaluation of Auditing Committee	Participation in the operation of the company, Awareness of the duties of the functional committee, Improvement of quality of decisions made by the functional committee, Makeup of the functional committee, and election of its members and Internal control.

Board Performance Evaluation Results:

We are pleased to report that the Board of Directors, Directors themselves, and each functional committee have performed well, meeting or exceeding the standards set. Based on these results, we will continue to improve the Board's functions to enhance corporate governance effectiveness.

(II) The State of Operations of the Audit Committee:

①Obligation of Audit Committee and work agenda for the year

1. Establish or amend the internal control system according to Article 14 item 1 of Security and Exchange Act.
2. Review effectiveness of internal control system.
3. Regulate or amend the standard procedure to acquire or dispose assets, to involve in transaction of financial derivative products, to offer loan or endorsement to others, or to deal with other significant financial affairs following provisions in Article 36, item 1 of the Securities and Exchange Act.
4. Matters related to benefits of the directors.
5. Transaction of major assets or financial derivative products.
6. Loans, endorsements or guarantees of large amount.
7. To collect, issue, or privately collect valuable securities with features of equity shares.
8. Appointment, dismissal, and remuneration of CPAs.
9. Appointment and dismissal of the financial, accounting, or internal auditing directors.
10. The financial statement of Q2 and annual financial statement.The annual financial report signed or stamped by the chairman, manager and accounting supervisor and the second quarter financial report which must be verified and certified by an accountant.
11. Other major matters of the other companies or authorities.

②The State of Operations of the Audit Committee

For the year 2022 and up until the printing date of the annual report, the Audit Committee has held 7 meetings (A), and the attendance record of the independent directors is as follows:

Title	Name	Actual attendance【B】	Proxy attendance	Actual attendance Rate (%)【B/A】	Remarks
Independent Director	Yi-Chang Lin(convener)	5	-	100%	Term of office of newly appointed independent directors From June 1, 2022
	Lih-Chyun Shu	5	-	100%	
	Huey-Cherng Tsai	5	-	100%	
	Chin-Cheng Chien(convener)	2	-	100%	Term of former independent director until May 31, 2022
	Ming-Long Wang	2	-	100%	
	Bin-Eng Wu	2	-	100%	

Other remarks:

1. For Audit Committee meetings that meet any of the following descriptions, state the date and session of board of directors meeting held, the discussed agenda, the Audit Committee's resolution, and how the company has responded to Audit Committee's opinions.
   (I) Up until the printing date of the 2022 annual report, the Audit Committee had convened 7 times and all matters related to Article 14-5 of the Securities and Exchange Act, as listed in Note 1, were approved by the Committee.
   (II) Other than those described above, any resolutions unapproved by the Audit Committee but passed by more than two-thirds of directors: None.
2. Avoidance of conflicting-interest agendas by independent directors: None.
3. Communication between independent directors and internal/external auditors:
   (I) During audit committee meetings, the internal audit supervisor has regularly reported the audit operations to the independent directors to provide information on the audit report and the tracking implementation results. The audit report and tracking improvement progress have been submitted to independent directors.
   (II) The Company's CPA has regularly reported the financial statement audit or review results and other communication matters required by relevant laws and regulations to independent directors during audit committee meetings. If there are special circumstances, they will also report to the audit committee immediately.
   (III) As of the publication date of the annual report in 2022, the previous communications between the audit committee of the company, the internal audit supervisor and certified accountants are summarized in Note 2 and Note 3.

Note 1: Audit Committee's opinions or resolutions on major agendas

Audit Committee	Proposal and Subsequent Actions	Resolution result	The Company's Handling of the Audit Committee's Opinions
2022.03.07 (17th Meeting in 3rd Session)	1. The allocation proposal for employee compensation and director compensation for year 2021. 2. The financial statements of year 2021. 3. The business report proposal for year 2021. 4. The profit distribution proposal for year 2021. 5. The internal control system statement proposal for year 2021. 6. The independence and qualification proposal for the appointment of the auditor for year 2022. 7. Audit fee for PWC of 2022. 8. The agent spokesperson change proposal. 9. Amendments to "Acquisition or Disposal of Assets Processing Procedures", "Corporate Governance Best Practices", and "Corporate Social Responsibility Best Practices". 10. The renewal proposal for the credit limit of each bank loan.	All attending members unanimously agree on the content of the discussed proposal and request the board of directors to make a decision.	All directors present agreed to approve.
2022.05.10 (18th Meeting in 3rd Session)	1. The Internal Auditor's report for 2022 Q1. 2."Huizhou Ton Yi Industrial Co., Ltd." purchased aseptic carbonated beverage filling production equipment. 3. The renewal proposal for the credit limit of each bank loan.	All attending members unanimously agree on the content of the discussed proposal and request the board of directors to make a decision.	All directors present agreed to approve.
2022.06.13 (1th Meeting in 4rd Session)	1. The reappointment of director Mr. Shing-Chi Liang as the resident director of the factory. 2. Renewal of liability insurance for directors and important employees. 3. The renewal proposal for the credit limit of each bank loan.	All attending members unanimously agree on the content of the discussed proposal and request the board of directors to make a decision.	All directors present agreed to approve.
2022.08.08 (2th Meeting in 4rd Session)	1. Change of visa accountant case 2. The Internal Auditor's report for 2022 Q2. 3. The renewal proposal for the credit limit of each bank loan.	All attending members unanimously agree on the content of the discussed proposal and request the board of directors to make a decision.	All directors present agreed to approve.
2022.11.08 (3th Meeting in 4rd Session)	1. The Internal Auditor's report for 2022 Q3. 2. Amendments to the Rules of Procedure for the Board of Directors. 3. The renewal proposal for the credit limit of each bank loan.	All attending members unanimously agree on the content of the discussed proposal and request the board of directors to make a decision.	All directors present agreed to approve.
2022.12.13 (4th Meeting in 4rd Session)	1. The company's 2023 annual audit plan. 2. The company's 2023 annual business plan. 3. Management Consultant Contract Renewal. 4. Amendments to the "Internal Material Information Handling Procedures". 5.Judgment on the nature of accounts receivable that have not been collected within three months of the normal credit extension period and have a significant amount, which is not in the nature of a fund loan. 6. The renewal proposal for the credit limit of each bank loan.	All attending members unanimously agree on the content of the discussed proposal and request the board of directors to make a decision.	All directors present agreed to approve.
2023.03.07 (5th Meeting in 4rd Session)	1. The allocation proposal for employee compensation and director compensation for year 2022. 2. The financial statements of year 2022. 3. The business report proposal for year 2022. 4. The profit distribution proposal for year 2022.	All attending members unanimously agree on the content of the discussed proposal and request the board of directors to make a decision.	All directors present agreed to approve.

	5. The internal control system statement proposal for year 2022. 6. The independence and qualification proposal for the appointment of the auditor for year 2023. 7. Audit fee for PWC of 2023. 8. To pre-approve the certification accountants, their firms and their affiliates to provide non-certification services to the company and its subsidiaries. 9. The case of lifting the restrictions on non-competition for directors of the company. 10. Amendments to the Company's Articles of Association. 11. The renewal proposal for the credit limit of each bank loan.		

Note 2: Summary Communication between Independent Directors and the Head of Internal Audit

Date	Communication Meeting	Communication Matters	Communication Results
2022.03.07	The Audit Committee	Internal audit implementation and tracking improvement status report for January and February 2022.	All independent directors had no opinion.
2022.05.11	The Audit Committee	Internal audit implementation and tracking improvement status report for April 2022.	All independent directors had no opinion.
2022.06.13	The Audit Committee	Internal audit implementation and tracking improvement status report for May 2022.	All independent directors had no opinion.
2022.08.08	The Audit Committee	Internal audit implementation and tracking improvement status report for June and July 2022.	All independent directors had no opinion.
2022.11.08	The Audit Committee	Internal audit implementation and tracking improvement status report for August and September 2022.	All independent directors had no opinion.
2022.12.13	Individual Symposium	Annual Audit Plan / Risk Assessment and Key Audit Matters	All independent directors had no opinion.
2022.12.13	The Audit Committee	1. Internal audit implementation and tracking improvement status report for October and November 2022. 2. 2023 Audit Plan report.	All independent directors had no opinion.
2023.03.07	The Audit Committee	Internal audit implementation and tracking improvement status report for January and February 2023.	All independent directors had no opinion.

Note 3: Summary of communication between independent directors and accountants

Date	Communication Meeting	Communication Matters	Communication Results
2022.03.07	The Audit Committee	CPA's Briefing and Communication for 2021 Individual and Consolidated Financial Report Matters	All independent directors had no opinion.
2022.05.10	The Audit Committee	CPA's Briefing and Communication for 2022 1st Quarter Individual and Consolidated Financial Report Matters	All independent directors had no opinion.
2022.08.08	The Audit Committee	CPA's Briefing and Communication for 2022 2st Quarter Individual and Consolidated Financial Report Matters	All independent directors had no opinion.
2022.08.08	Individual Symposium	Communication plan/Role and responsibilities of an accountant/Audit plan/Independence of an accountant/Audit Quality Indicators (AQIs)/Explanation of the important revisions to the International Code of Ethics for Professional Accountants	All independent directors had no opinion.
2022.11.08	The Audit Committee	CPA's Briefing and Communication for 2022 3st Quarter Individual and Consolidated Financial Report Matters	All independent directors had no opinion.
2023.03.07	The Audit Committee	CPA's Briefing and Communication for 2022 Individual and Consolidated Financial Report Matters	All independent directors had no opinion.

(III) Deviation and causes of deviation from Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies

Evaluation Item	Implementation Status			Deviations from "the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies" and Reasons
	Yes	No	Description	
1. Does the Company establish and disclose the Corporate Governance Best-Practice Principles based on "Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies"?	√		The Company has established "Corporate Governance Best Practice Principles" on November 10, 2014, and the last amendment was made on March 7, 2022. The provisions and amendment have been adopted by the Board of Directors and disclosed on the Company's website and the Market Observation Post System.	None.
2. Shareholding structure & shareholders' rights (1) Has the Company established internal operating procedures to deal with shareholders' suggestions, doubts, disputes and litigations, and implement based on the procedures? (2) Does the Company possess the list of its major shareholders as well as the ultimate owners of those shares? (3) Has the Company established and implemented risk management and firewall mechanisms with its affiliates? (4) Has the Company established internal rules against insiders trading with undisclosed information?	√ √ √ √		(1)We have entrusted a professional stock agency to handle related affairs, and have established a sound spokesperson system with dedicated personnel to handle shareholders' suggestions, inquiries, and feedback in a proper manner. (2) The Company identifies its major shareholders and ultimate controller based on the shareholder registry provided by the share administration agent. Changes in insider shareholding are reported on a regular basis. (3) The Company has established various internal control measures and measures for the supervision of subsidiaries to effectively control enterprise risks and establish appropriate firewalls. (4) Article 10 of the Company's "Corporate Governance Principles", Article 15 of "Procedures for Ethical Management and Guidelines for Conduct." prohibits insiders from trading securities against non-public information in order to protect shareholders' rights as well as promoting its prohibition on insider trading and its legal liabilities.	None.
3. Composition and Responsibilities of the Board of Directors (1)Does the board of directors formulate diversity policies, specific management objectives and implement them?	√		(1)Our company has established "Corporate Governance Practices" and "Director Selection Procedures" to demonstrate the overall capabilities and diversity that the board of directors should possess. The composition of the board of directors should take into account diversity, with no more than one-third of directors serving as executive managers. Additionally, appropriate diversification policies should be established based on the board's operations, business models, and development needs, including but not limited to the following two aspects: (1-1) Basic conditions and values: gender, age, nationality, culture, etc. (1-2) Professional knowledge and skills: professional backgrounds (such as law, accounting, industry, finance, marketing, or technology), professional skills, and industry experience. For specific management goals and implementation, please refer to pages 13-14 of this year's annual report.	(1)None.
(2)Has the Company voluntarily established other functional committees in addition to the Remuneration Committee and the Audit Committee?		√	(2)The Company has not established any functional committee other than the Remuneration Committee and Audit Committee.	(2) Does not comply with "Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies"
(3) Has the Company established the rules and procedures for evaluation of Board of Directors' performance, conduct performance evaluation	√		(3)We have established a "Board of Directors Performance Evaluation Measures" and will conduct regular evaluations of the Board, individual directors, and functional committees starting from January 1, 2020. The results will	(3) None.

Evaluation Item	Implementation Status			Deviations from "the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies" and Reasons
	Yes	No	Description	
annually, report the outcome to the Board of directors, and take the report into consideration for determining remuneration of each director as well as nomination of candidates for extending directors' tenure?			be reported to the Board for use in determining individual director compensation and nomination for reappointment. The evaluation results are classified into five categories: immediate improvement required, improvement needed, meets standards, exceeds standards, and outstanding performance. In the most recent fiscal year of 2022, the Board's performance evaluation results exceeded the standards, and the report was presented to the Compensation Committee and Board of Directors on March 7, 2023. Please refer to page 22 of this year's annual report for more details.	
(4) Does the Company regularly evaluate the independence of CPAs?	√		(4)According to Article 29 of our company's "Corporate Governance Practices", we evaluate the independence of our auditors at least once a year. We use review criteria (Note 1) and Audit Quality Indicators (AQIs) provided by the accounting firm to conduct the evaluation. The results of the Audit Committee's assessment are submitted to the Board of Directors for review. In the latest evaluation of the independence and qualifications of the signing auditors, which was approved by the Audit Committee on March 7, 2023, and reported to the Board of Directors on the same date, both Ms. Fang-Ting Yeh and Mr. Yong-Chih Lin of KPMG Taiwan were found to meet the independence and qualification standards of our company.	(4) None.
4. Does the listed company assign appropriate number of qualified persons to take charge of corporate governance affairs and designated a corporate governance director to take charge of relevant affairs (including but not limited to providing information to directors and supervisors for business needs, assist the directors and supervisors about law-abiding matters, handle matters related to Board of Directors Meeting and Shareholders meeting, register and alter data of the Company, compile memorandum for Board of directors' meeting and shareholders' meetings, and other obligations)?	√		The Company has organized the Corporate Governance Team on March 28, 2017, and a "corporate governance director" has been designated with adoption of the Board on March 25, 2019. The financing director Wen-Lin Chuang who has over three years of experience in the positon of financial director, takes the position concurrently. The main responsibilities of the officer include: 1. Handling matters related to meetings of the Board of Directors and shareholders' meetings in accordance with the law. 2. Preparing minutes of meetings of the Board of Directors and shareholders' meetings. 3. Assisting directors in their appointment and continuous learning. 4. Providing information necessary for the directors' business operations. 5. Assisting directors in complying with laws and regulations. 6. Review of the legality of the qualifications of independent directors. 7. Assist in handling matters related to the change of directors.8. Other matters stipulated in the company's articles of incorporation or contracts.	None.
5. Has the Company established communication channels and dedicate section for stakeholder (including but not limited to the shareholders, employees, clients and suppliers) on its website to respond to important issues of corporate social responsibility concerns?	√		The Company has set up various communication channels for stakeholders, including: investor relations, customers, suppliers and employees sections and other service corresponding units, and has a reporting channel for dishonest behavior that violates the integrity of business practices. There is a stakeholder section on the Company's official website and any important issues of corporate social responsibility concerns shall be responded appropriately.	None.
6. Has the Company appointed a professional shareholder service agency to deal with shareholder affairs?	√		The Company commissions the Shareholder Service Department of President Securities Corporation to handle matters relating to shareholder meetings.	None.
7. Disclosure of information (1) Does the Company have a corporate website to disclose both financial standings and the status of corporate governance?	√		(1) The Company has set up a website and discloses online in accordance with the regulations.	(1)None.
(2) Does the Company have other information disclosure channels (e.g. building an English website, appointing designated people to handle information on collection and disclosure, creating a spokesperson	√		(2) The Company has set up a spokesperson system and has appointed dedicated personnel to gather information and discloses online. There is also an English website available.	(2)None.

Evaluation Item	Implementation Status			Deviations from "the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies" and Reasons
	Yes	No	Description	
system, webcasting investor conferences)? (3) Does the Company submit and disclose the annual financial statement within two months after the fiscal year ends, and publicize and submit the Q1, Q2, and Q3 financial statement as well as the monthly report on business operation prior to the designated time?		√	(3)While the Company has not disclosed and submitted the annual financial statement for due to the schedule of the Board of Directors meeting, the Q1, Q2, and Q3 financial statement and the monthly report on business operation have been summited before the designated time and disclosed on the Company's website and MOPS.	(3)Partially Porresponding.
8. Is there any other important information to facilitate a better understanding of the Company's corporate governance practices (e.g. including but not limited to employee rights, employee wellness, investor relations, supplier relations, rights of stakeholders, directors' and supervisors' training records, the supervisors' training records, the implementation of risk management policies and risk evaluation measures, the implementation of customer relations policies, and purchasing insurance for directors and supervisors)?	√		(1)Regarding employee benefits and care: We truly value our employees as the most precious asset of our company. We are committed to constantly improving our facilities and services to help each employee perform at their best in the workplace. We offer a comprehensive benefits system, including life and accident insurance, health check-ups, wedding and childbirth gifts, funeral subsidies, education subsidies, savings plans, and various welfare benefits. We provide a caring channel to ensure that our employees feel secure in their jobs. (2)Investor relations: We have established a dedicated contact point for investor relations. We communicate with investors through phone calls and corporate presentations, and disclose relevant financial information on the Public Information Observation System and our company's website. We strive to maintain good communication and exchange with our investors. (3)In terms of supplier relationships and customer policies, we strive to purchase necessary materials and supplies from domestic manufacturers as much as possible to create employment opportunities and enhance their competitiveness. To promote our commitment to social responsibility, we require our suppliers to sign the Sunshine Transparency Policy and abide by our "Supplier Social Responsibility Commitment". (4)We provide various communication channels to understand the issues that stakeholders are concerned about and timely review our activities. To learn more about our engagement with stakeholders, issues of concern, and implementation status, please refer to our sustainability report and company website. (5)Directors and corporate governance executives have completed the required training hours for the year 2022. (Note 2) (6)Major operational policies, investments, endorsements, guarantees, loans, and bank financing have all undergone appropriate evaluation and analysis by responsible departments and are executed based on Board resolutions. The audit unit develops its annual audit plan based on risk assessment results and ensures its implementation to establish a supervisory mechanism and manage all aspects of risk. (7)The company has purchased liability insurance for directors and key personnel, and reported it to the Board for approval.	None.
9. Please state the improvements made to the items in the corporate governance evaluation results issued by the Corporate Governance Center of the Taiwan Stock Exchange Co., Ltd., and indicate the enhancement and improvement measures for the items not yet improved:Note 3				

Note 1: Accountant Independence Evaluation Standard

Item	Independence Element Assessment Review Contents	Complies with independence status?
01	The CPA or his/her spouse or children have no investment or financial benefit sharing relationship with the Company.	Yes
02	The CPA or his/her spouse or children have no financial loan relationship with the Company. However, this shall not apply if the client is a financial institution with normal transactions.	Yes
03	The CPA firm has not issued any assurance service report regarding effective financial information system operations that the firm had assisted in the design or implementation.	Yes
04	The CPA or his/her audit service team members have not served as directors or managers of the Company or posed a significant impact on the audit work presently or in the last 2 years.	Yes
05	The non-audit services provided by the appointed CPAs to the Company have not directly affected the important items of the audit case.	Yes
06	The CPAs or members of the audit services team have not promoted or brokered shares or other securities issued by the Company.	Yes
07	Except for the business permitted by law, the CPAs or members of the audit service team have not represented the Company and other third parties in legal defense cases or other disputes.	Yes
08	The CPAs or members of the audit service team do not have no spousal, direct kinship, direct in-law, or relative relationship of the second degree or closer with the directors, managers, or persons who have a significant impact on the audit case.	Yes
09	The co-practicing CPAs who have stepped down within one year have not held a position as a director, manager, or a position with a significant influence on the audit case.	Yes
10	The CPAs or members of the audit services team have not received gifts or special offers of significant value from the Company or its directors, managers, or major shareholders.	Yes
11	The CPAs are not currently employed by the appointee or inspectee to hold regular jobs, receive a fixed salary, or serve as a director or supervisor.	Yes
12	TWSE (GTSM) listed companies: The CPAs have not provided auditing services to the Company for 7 consecutive years.	Yes

Item	Independence Operation Assessment Review Contents	Complies with independence status?
01	When a CPA has a direct or significant indirect interest in the entrusted matter that can affect the CPA's impartiality and independence, has the CPA been recused from the case?	Yes
02	When a CPA provides an audit, review, review, or ad hoc review of the financial statements and makes an opinion, has the CPA maintained formal independence in addition to its substantive independence?	Yes
03	Have the audit service team members, other co-practicing CPAs, or shareholders of corporate accounting firms, accounting firms, companies affiliated with the firm, and alliance firm's also maintained independence from the Company?	Yes
04	Have the CPAs performed professional services with integrity and rigor?	Yes
05	Have the CPAs maintained a fair and objective position in the performance of their professional services and avoided prejudice, conflict of interest, or interest that might affect their professional judgment?	Yes

Item	Independence Operation Assessment Review Contents	Complies with independence status?
06	The CPAs' position of integrity, impartiality, or objectivity is not lacking or lost due to the loss of independence.	Yes

Note 2: The directors and supervisor of corporate governance `s further training

(1)The directors' further training in 2022

Name	Date	Organizer	Course Title	Hours
Chih-Hsien Lo, Shiow-Ling Kao, Jau-Kai Huang,	04/20	Taiwan Institute of Directors	The new trend in business models is subscription-based.	3
	10/18	Taiwan Institute of Directors	Find new driving forces for future success and create new brand patterns.	3
Chun-Fu Chen	10/18	Taiwan Institute of Directors	Find new driving forces for future success and create new brand patterns.	3
	10/28	Securities & Futures Institute	2022 Insider Trading Prevention Announcement.	3
	11/18	Accounting Research And Development Foundation	Promote green transformation and move towards net-zero carbon emissions.	3
	12/09	Accounting Research And Development Foundation	Legal responsibilities and case analysis related to "company ownership disputes".	3
Feng-Fu Chen	01/25	Accounting Research And Development Foundation	Analysis of common internal control management deficiencies and practical cases in the business industry.	3
Shing-Chi Liang	06/22	Taiwan Corporate Governance Association	Global trends and business opportunities for low-carbon economies and low-carbon innovation in 2022.	3
	11/22	Taiwan Corporate Governance Association	Corporate social responsibility - discussing corporate governance from a human rights policy perspective.	3
Guo-Geng Chen	09/06	Taiwan Corporate Governance Association	The real value created by circular and low-carbon innovation - understanding circular economy and governance.	3
	10/12	Securities & Futures Institute	2022 Internal Stakeholder Equity Trading Compliance Announcement.	3
Yi-Chang Lin	06/22	Taiwan Corporate Governance Association	ESG-related legal issues that the board of directors should consider.	3
	06/22	Taiwan Corporate Governance Association	Global trends and business opportunities for low-carbon economies and low-carbon innovation in 2022.	3
	07/12	Taiwan Corporate Governance Association	Advanced practice sharing on audit committees - merger and acquisition review and director responsibilities.	3
	07/15	Taiwan Corporate Governance Association	True or false? Dealing with crisis management in response to false reporting.	3
Lih-Chyun Shu	06/22	Taiwan Corporate Governance Association	ESG-related legal issues that the board of directors should consider.	3

Name	Date	Organizer	Course Title	Hours
	06/22	Taiwan Corporate Governance Association	Global trends and business opportunities for low-carbon economies and low-carbon innovation in 2022.	3
	09/30	Taiwan Corporate Governance Association	Responding to changes in international order variables and corporate governance.	3
	10/19	Taiwan Corporate Governance Association	18th (2022) Corporate Governance Summit - Enhancing Director Function and Implementing Sustainable Corporate Governance.	3
Huey-Cherng Tsai	06/22	Taiwan Corporate Governance Association	ESG-related legal issues that the board of directors should consider.	3
	06/22	Taiwan Corporate Governance Association	Global trends and business opportunities for low-carbon economies and low-carbon innovation in 2022.	3
	07/22	Taiwan Corporate Governance Association	Advanced Practice Sharing of Audit Committee - The Role of Independent Directors in Corporate Management and Corporate Governance	3
	08/26	Taiwan Corporate Governance Association	How does the Audit Committee supervise the effectiveness of internal controls?	3

(2)Supervisor of Corporate Governance `s further training in 2022

Name	Date	Organizer	Course Title	Hours
Wen-Lin Chuang	05/13	Accounting Research And Development Foundation	Analysis of practical cases and legal responsibilities related to "breach of trust".	3
	06/22	Taiwan Corporate Governance Association	ESG-related legal issues that the board of directors should consider.	3
	08/24	Accounting Research And Development Foundation	Preparation of TCFD reports: key reference points.	3
	10/19	Taiwan Corporate Governance Association	18th (2022) Corporate Governance Summit - Enhancing Director Function and Implementing Sustainable Corporate Governance.	3
	10/21	Securities & Futures Institute	2022 Insider Trading Prevention Announcement.	3

Note3: The results of the corporate governance evaluation released in the most recent year indicate the situation that has been improved, and propose priority enhancements and measures for those that have not been improved:

Number	Index	Description
1.1	Does the company report the remuneration received by the directors at the general meeting of shareholders, including the remuneration policy, content and amount of individual remuneration?	No plans of disclosure
1.17	Does the Company have government agencies or single listing company and its subsidiaries account for more than one-third of the board seats?	Remain current status
2.5	Among the board members of the company, is the number of employees who are employees of the company, parent, child or brother company less than (including) one third of the number of directors?	Remain current status
2.7	Does the company's independent directors account for more than one-third of the directors' seats?	Remain current status
2.9	Does the Company establish succession planning for Board of Directors members and important managerial staff and disclose implementation of such plan on the Company's website or annual report?	The Company has no intention in making such plan at present.
2.14	Whether the company has established non-statutory functional committees such as the nomination committee, risk management committee, or sustainable development committee, the number of which shall not be less than three, more than half of the members shall be independent directors, and more than one member shall have the professional ability required by the committee, and disclose its composition, responsibilities and operations?	No plans of setting up
2.23	Has the Company's board performance appraisal method or procedures been approved by the board of directors, and it is determined that the external assessment will be carried out according to the time set by the method, and the implementation and assessment results will be disclosed on the Company website or annual report.	The company has formulated the "Board of Directors Performance Evaluation Method", but there is no clear external evaluation.
2.30	Does at least one of the internal auditors have certificates such as Certified Internal Auditor, Certified Audit Professional or have passed the accountant examination?	Not yet obtained
3.4	Does the Company publish annual financial report within two months of the end of the fiscal year?	Remain current status
3.8	Does the Company voluntarily publish the four-year financial forecast report and the relevant operations, with no corrections ordered by the competent authority or having any demerits imposed by the TWSE or TPEX?	No plans of disclosure
3.13	Does the Company's annual report disclose the remuneration of individual directors and supervisors?	No plans of disclosure
3.21	Is the remuneration for each general director and deputy general manager disclosed in the Company's annual report?	No plans of disclosure

(IV) Composition and Operation of the Compensation Committee：

①Information on Remuneration Committee Members

December 31, 2022

Identity \ Qualification / Name		Professional qualifications and experience	Independence situation	Number of positions as Remuneration Committee member in other public companies
Independent Director	Lih-Chyun Shu (convener)	Please refer to Director's Information (1)	Maintain independence within the scope of business operations, and have no direct or indirect interests with the company. Within two years before appointment and during the term of office, none of the following circumstances apply: 1. Employees of the company or its affiliated enterprises. 2. Directors or supervisors of the company or its affiliated enterprises. 3. The individual, their spouse, minor children, or natural person shareholders who hold more than one percent of the total issued shares of the company or are in the top ten shareholders of the company under another name. 4. The manager specified in the first paragraph, the spouse or relatives within the second degree of kinship or direct blood relatives within the third degree of kinship of the personnel listed in the first or second paragraphs. 5. The directors, supervisors, or employees of the corporate shareholders who directly hold more than five percent of the total issued shares of the company, are in the top five shareholders, or are appointed as the company's directors or supervisors pursuant to Article 27, Paragraph 1 or 2 of the Company Act. 6. Directors, supervisors, or employees of another company who control more than half of the voting shares or board seats with voting rights in the company, or the directors, supervisors, or employees of the other company or institution. 7. The chairman, general manager, or equivalent position holders of the company and another company or institution are the same person or spouse, and the directors (trustees), supervisors (supervisors), or employees of the other company or institution. 8. Directors (trustees), supervisors (supervisors), managers, or shareholders who hold more than five percent of the shares of a specific company or institution with financial or business dealings with the company. 9. Professional, sole proprietorship, partnership, company or institutional owners, partners, directors (trustees), supervisors (supervisors), managers, and their spouses who provide legal, financial, accounting, or other relevant services to the company or its affiliated enterprises and have received cumulative compensation of more than NT$500,000 in the past two years. However, members of a compensation committee, public tender offer review committee, or merger special committee who perform duties in accordance with relevant laws or regulations such as the Company Act or the Merger and Acquisition Act are not subject to this limitation.	0
Independent Director	Yi-Chang Lin			1
Independent Director	Huey-Cherng Tsai			0

②The State of Operations of the Remuneration Committee

1. The Remuneration Committee of our company consists of three members.
2. The term of office for this committee is from June 13th, 2022 to May 31st, 2025 for the 5th term.

For the fiscal year 2022 and up until the printing date of the annual report, the Remuneration Committee has held 3 meetings (A), and the attendance record of the independent directors is as follows:

Title	Name	Actual attendance【B】	Proxy attendance	Actual attendance Rate (%)【B/A】	Remarks
Convener	Lih-Chyun Shu	2	0	100%	The term of office begins on June 13, 2022.
Member	Yi-Chang Lin	2	0	100%	
Member	Huey-Cherng Tsai	2	0	100%	
Convener	Ming-Long Wang	1	0	100%	The term of office will end on May 31, 2011.
Member	Chin-Cheng Chien	1	0	100%	
Member	Bin-Eng Wu	1	0	100%	

Other remarks:

1. In the event where the Remuneration Committee's proposal is rejected or amended in a board of directors meeting, please describe the date and session of the meeting, details of the agenda, the board's resolution, and how the company had handled the Remuneration Committee's proposals (describe the differences and reasons, if any, should the board of directors approve a solution that was more favorable than the one proposed by the Remuneration Committee): Our company's board of directors has fully adopted and revised the recommendations of the remuneration committee, and there is no opposition or reservation expressed by the committee. The decisions made by the board of directors have been documented or declared in writing.
2. Should any member object or express qualified opinions to the resolution made by the Remuneration Committee, whether on-record or in writing, please describe the date and session of the meeting, details of the agenda, the entire members' opinions, and how their opinions were addressed:
   The members of the remuneration committee have no objections or reservations about the decisions made, and these decisions have been documented or declared in writing.

③Responsibilities of the Remuneration Committee

The remuneration Committee should act with the care of a good manager, faithfully fulfilling the following duties, and submitting recommendations to the Board of Directors for discussion:

1. Establish and regularly review policies, systems, standards, and structures for the evaluation of the performance and compensation of directors and executives.
2. Regularly assess and establish compensation for directors and executives.

④Information on the Salary and Remuneration Committee Meeting

Remuneration Committee	Proposal and Subsequent Actions	Resolution result	The Company's Handling of the Remuneration Committee Opinions
2022.03.07 (7th Meeting in 4rd Session)	1. Report on the results of the performance evaluation of the board of directors in 2021. 2. Report on the remuneration of directors and independent directors for 2021. 3. Report on the 2021 executive remuneration report. 4. Discuss the 2021 employee remuneration and director remuneration proposals.	All attending members unanimously agree on the content of the discussed proposal and request the board of directors to make a decision.	All directors present agreed to approve.
2022.11.08 (1th Meeting in 5rd Session)	1. Report the re-employment remuneration case of the company's resident directors. 2. Report the re-employment salary case of the general manager of the company. 3. Discuss and formulate the 2023 calendar of the salary and compensation committee.	All attending members unanimously agree on the content of the discussed proposal and request the board of directors to make a decision.	All directors present agreed to approve.
2023.03.07 (2th Meeting in 5rd Session)	1. Report on the results of the performance evaluation of the board of directors in 2022. 2. Report on the remuneration of directors and independent directors for 2022. 3. Report on the 2022 executive remuneration report. 4. Discuss the 2022 employee remuneration and director remuneration proposals.	All attending members unanimously agree on the content of the discussed proposal and request the board of directors to make a decision.	All directors present agreed to approve.

(V) Sustainable Development Implementation Status and Reasons for Deviation from the "Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies":

Implementation Items	Implementation Status			Reasons for Deviation from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies
	Yes	No	Description	
I.Has the Company established a governance structure to promote sustainable development, set up a dedicated (part-time) unit to promote sustainable development, has the board of directors authorized senior management to handle the matter, and what is the board of directors' supervision status?	√		The Company has established a "Sustainable Development Promotion Team" according to the "Corporate Social Responsibility Best Practice Principles" formulated by the Company in 2014, which was later renamed "Sustainable Development Best Practice Principles" in March 2022. The general manager of the management team authorized by the board of directors serves as the project convener, which directly plans and coordinates a cross-departmental project team to implement internal and external communication and management, formulate the Company's sustainable development policies, and implement and review the system. The sustainable development promotion team regularly reports the sustainable development implementation plan and results to the board of directors (at least once a year). It reported to the board of directors twice in 2022. The contents include: (1) Identifying and focusing on major themes and communication methods; (2) sustainability-related objectives and implementation results; and (3) practicing various risk descriptions and control procedures. The Company's board of directors has regularly considered the reports from the management team (including ESG-related content) every quarter, provided timely suggestions for the Company's proposed strategies and business performances, and improved the functions of the Company's board of directors through various organizations and mechanisms.	No difference.
2. Does the company establish exclusively (or concurrently) dedicated first-line managers authorized by the board to be in charge of proposing the corporate social responsibility policies and reporting to the board?	√		The scope of the disclosure is the Taiwan factory information for Ton Yi Industrial Corporation. The goal is to identify environmental, social, and corporate governance issues for risk assessment according to sustainability report analyses under the materiality principle; communications with internal and external stakeholders; and reviews of industry-related reports, documents, and evaluation data from various departments of the Company. The Company has formulated various risk management procedures to reduce the impact of related risks according to its risk management policies and regularly disclosed them on the Company's website and sustainability reports.	No difference.
3.Issues of Sustainable Environment Development (1) Does the company endeavor to utilize all resources more efficiently and use renewable material which have low impact on the environment?	√		(I) The Company has passed the ISO 14001 certification (valid from 2021.11.03~2024.10.30) and developed and implemented the Company's operations accordingly. Each year, the Company has operated according to the planned system standards, implemented internal and external audits, held regular management review meetings, and continued to improve.	(1)No difference.
(2) Does the Company devotes itself in improving efficiency of using various resources and using the recycled materials to lower the impact on the environment?	√		(II) The Company has always been committed to environmental protection, improving the effective use of resources, and establishing the "Environmental Protection and Green Management" policy. The goal is to reduce the load and impact on the environment, gradually replace high-energy-consuming products, select energy-saving equipment, and manage various energy-consuming systems to effectively utilize reusable and recyclable resources throughout the business development process.	(2)No difference.

<table>
<tr><th rowspan="2">Implementation Items</th><th colspan="3">Implementation Status</th><th rowspan="2">Reasons for Deviation from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies</th></tr>
<tr><th>Yes</th><th>No</th><th>Description</th></tr>
<tr><td>(3)Does the Company evaluate the potential risks and opportunity that climate change may bring on the corporate while taking responsive measures to relevant issues?</td><td>√</td><td></td><td>(III)The Company has implemented climate change-related adaptation strategies and actions and assessed the risks and opportunities of corporate changes to the Company according to the TCFD proposal framework. The most recent risk types considered include physical risk, supervisory management and legal risk, and market risk. The corresponding measures to reduce the preceding risk factors include appropriate inventory status control, marketing strategies, and diversification of sales risks. The Company has also established standards and training for disaster handling measures, set up inter-departmental teams to regularly analyze the environment and energy use conditions, and identified changes in laws and regulations. The Company has also planned to gradually incorporate financial impact assessments to reduce risks posed by climate change in the future.
Please refer to the Company's website and sustainability report for the Company's analysis of climate change and opportunities.</td><td>(3) No difference.</td></tr>
<tr><td>(4)Does the company estimate the greenhouse emission, water consumption, and the aggregate weight of waste materials over the past two years as well as establish company strategies for energy conservations,carbon reduction, and management policies for reducing other waste materials</td><td>√</td><td></td><td>(IV) The Company has formulated greenhouse gas emissions, water consumption, and total waste weight statistics for the past 2 years:
1. GHG emissions: Unit: Metric Ton CO2e
<table>
<tr><th>Year</th><th>Scope 1</th><th>Scope 2</th><th>Emission Intensity (ton CO2e/ton)</th></tr>
<tr><td>2021</td><td>46,157</td><td>97,941</td><td>0.15</td></tr>
<tr><td>2022</td><td>40,600</td><td>90,068</td><td>0.15</td></tr>
</table>
In response to the Greenhouse Gas Reduction and Management Act and climate change issues, the Company has inventoried its emissions, formed a promotion team, and formulated the relevant management and standard procedures. The company has conducted inventories, developed environmental policies and reduction measures, proposed plans, and tracked results each year. Moreover, the Taiwan factory has continued to perform ISO 14064-1 category 1 and 2 inspections and implement third-party verification operations. The 2022 greenhouse gas inventory is expected to be completed in May 2023.
2. Water consumption: Unit: million liters
<table>
<tr><th>Year</th><th>Water consumption volume</th><th>Water use intensity (ton /ton)</th></tr>
<tr><td>2021</td><td>1,243</td><td>1.29</td></tr>
<tr><td>2022</td><td>1,131</td><td>1.34</td></tr>
</table>
The Company primarily uses water resources for the production operation and cleaning processes, focuses on energy conservation and emergency responses, regularly discusses the water resource-related issues, and integrates the water conservation concepts into production and office operation details through advocation and other means.
3. Total weight of waste: Unit: metric ton
<table>
<tr><th>Year</th><th>Nonhazardous Waste</th><th>Hazardous Waste</th><th>total</th></tr>
<tr><td>2021</td><td>4,235</td><td>354</td><td>4,589</td></tr>
<tr><td>2022</td><td>4,037</td><td>419</td><td>4,456</td></tr>
</table>
Each of the Company's main factories has formulated and implemented waste control operation instructions according to the ISO 14001 management system and the EPA's classification specifications. The Company has also entrusted disposal and treatment companies licensed by the competent authority to handle.</td><td>(4) No difference.</td></tr>
</table>

Implementation Items	Implementation Status			Reasons for Deviation from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies
	Yes	No	Description	
4. Social welfare (1)Has the Company formulated relevant management policies and procedures in accordance with relevant laws and regulations and international human rights conventions?	√		(1) The Company established working rules fully in accordance with relevant laws and regulations, for both employers and employees to obey regardless of gender or nationality. Please refer to Corporate Social Responsibility, Report on the Company website.	(1) No difference.
(2) Does the Company establish and implement reasonable employee compensation policy (including remuneration, leave policy, and other welfare) and adjust remuneration in accordance with the operational performance or result?	√		(2) The Company establishes the remuneration policy referred to average salary on the market as well as the merchandise trade price index. The employee performance evaluation is conducted each year; the outcome as well as the Company's operational performance would be considered when distributing merit increment and implementing annual salary adjustment. The Company aspires to implement a more effective merit system for more reasonable distribution of bonuses, which can serve as a strategy to recruit and retain talents, motivate employees, and achieve the goal of sustainable operation.	(2) No difference.
(3) Does the Company provide employees with safe and healthy work environment and offer educational training sessions about security and hygiene periodically?	√		(3)The company takes the safety and health policy of "respecting life, attaching importance to safety and health, full participation, and continuous improvement" as the highest guiding principle, adhering to the concept of employees first, formulating safety and health implementation plans, continuously eliminating hazards and reducing risks, and providing safety and health. The working environment has been certified by ISO 45001 and TOSHMS (valid from 110.01.15 to 113.01.14). We have continued to enhance employees' ability to identify hazards, understand the latest information and competent authority regulations, and held regular internal and external publicity meetings or training courses to strengthen the employees' safety, health knowledge, and professional capabilities.	(3) No difference.
(4)Does the company provide its employees with career development and training sessions?	√		(4) The Company offers intact on-the-job training courses for the employees. In addition to the orientation for new employees, the Company also offers training to enhance employees' competence in management and professional skills. Employees can expand their knowledge through the general training courses provided by the Company.	(4) No difference.
(5)Does the Company observe the international criteria and relevant laws to ensure customer health and safety, client's privacy, proper marketing and labeling while offering products and service, and establish relevant policies and channel for complaint to protect consumers' rights?	√		(5) The quality of product and service has been the focus of the Company. It observes relevant legal regulations and has obtained multiple certifications of management, including CNS (Taiwanese certification number 8155, 8156, and 8157), JIS G3303, ISO 9001,ISO14001, ISO 22000,HACCP,ISO 45001,TOSHMS,ISO 17025 TAF (certificate No. 2091, 2092, 2625) and other certificate The emergency responses team has been established; the departments including manufacturing, products, and the business departments have set up standard operational procedure and report system for assurance of consumers' rights and channel for filing complaint.	(5) No difference.
(6)Does the Company establish proper supplier management policies and require that suppliers should observe regulations concerning issues of environmental protection, workplace safety and hygiene, or laborers' rights, and monitor the implementation?	√		(6) The Company actively promotes "Corporate Social Responsibility". Not only does it impose stringent requirements upon itself, it expects all suppliers to make the same commitments. Apart from promoting CSR, the Company also publishes a supplier social responsibility commitment letter for the suppliers to review each year. In case of a violation, the Company shall terminate the contract at any time. Please refer to Corporate Social Responsibility report on the Company website.	(6) No difference.
5.Does the Company refer to the internationally adopted principles or guidelines to compile corporate social responsibility report and other reports to reveal non-financial information of the Company? Is the aforementioned report certified or guaranteed by an authorized third party?	√		The company's corporate social responsibility report (renamed as the sustainability report in 2021) is prepared according to the GRI index of the international compilation standard, and since 2014, the annual report (including English version) will be regularly prepared and published on the company's website. And each report has been confirmed by the accountant.	No difference.
6. If the company has its own sustainable development code in accordance with the "Code of Practice for the Sustainable Development of Listed OTC Companies", please describe the differences between its operation and the prescribed code: No difference.				
7. Other important information helpful to understand the implementation and operation of promoting sustainable development: For the latest operation of the company's sustainability report, please refer to the company's website and public information observatory information.				

(VI) Ethical Corporate Management, deviations from the "Ethical Corporate Management Best-Practice Principles for TWSE/TPEx Listed Companies" and Reasons:

Assessment criteria	Actual governance			Deviation and causes of deviation from Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies
	Yes	No	Summary	
1.Establishment of integrity policies and solutions				
(1)Does the company establish its ethical corporate management policies through adoption of Board of Directors Meeting, declare such procedures in its guidelines and external documents, as well as the commitment from its board and veteran managerial staff to implement the policies?	√		(1). The Company's "Ethical Corporate Management Best Practice Principles" has been adopted by the Board of Directors on May 6, 2015, which has specified the ethical management policy, conducts, and the commitment that the Board and the managerial staff should make on implementing such policies. The "Ethical Corporate Management Best Practice Principles" and relevant regulations have been disclosed on the Company's website and MOPS.	(1)No difference.
(2)Does the company establish policies to detect unethical conduct, periodically analyze inspect business activities where there is nigh risk for unethical conducts to occur, and set up preventive measures accordingly, which includes at least preventions for conducts specified in Article 7 item 2 of Ethical Corporate Management Best-Practice Principles for TWSE/TPEx Listed Companies?	√		(2).The Company follows the Group's policy to observe various legal regulations and other laws related to business conducts. The Company's "Ethical Corporate Management Best Practice Principles" includes the preventive measures for the conducts specified in Article 7 item 2; all sections of the organization are required to implement the rules.	(2)No difference.
(3)Does the company establish appropriate precautions against high-potential unethical conducts or listed activities stated in Article 2, Paragraph 7 of the Ethical Corporate Management Best-Practice Principles for TWSE/TPEx Listed Companies, and make periodical review and amendment for the aforementioned policy?	√		(3).The Company's "Procedures for Ethical Management and Guidelines for Conduct" was adopted by the Board of Directors Meeting on May 6, 2015. Relevant operational procedures, guidelines of conducts, penalty for violators, and system for filing complaints have been specified in the aforementioned procedures, and the "Ethical Management promotion committee" is responsible for carrying out relevant tasks.	(3)No difference.
2. Enforcing ethical management				
(1)Does the company evaluate the integrity of all counterparties it has business relationships with? Are there any integrity clauses in the agreements it signs with business partners?	√		(1). For the purpose of establishing counterparty's integrity, the Company makes inquiries on the website of the Ministry of Economic Affairs before engaging trade partner in any actual transaction. Trade partners are also informed and instructed to comply with the Company's transparency policy, while penalty clauses have been outlined in every contract to entitle the Company the right to terminate contract and claim compensation for all losses suffered as a result of trade counterparty's default or inappropriate actions.	(1)No difference.
(2) Does the company establish an exclusively dedicated unit supervised by the Board to be in charge of promoting corporate integrity, and periodically (at least once a year) report to the Board about the ethical operation policy and prevention of unethical conducts?	√		(2).The Company had a designated unit for promoting ethical management. To observe the government's policy, the Board proposed to organize the "ethical management promotion committee" on May 6, 2015. The committee directly reports to the Board of Directors, and the chairperson serves as the convener to promote corporate ethical management across various departments (including the general manager's office, technician team, business team, planning department, department of general affairs, human resource department, procurement department, department of overseas affairs, and other sections); the state of implementation should be reported to the Board of Directors periodically (at least once a year), On March 7, 2023, a report on the implementation of integrity management was carried out.	(2)No difference.
(3)Does the company have any policy that prevents conflict of interest, and channels	√		(3).The Company has outlined in its Corporate Governance Principles the circumstances in	(3)No difference.

Assessment criteria	Actual governance			Deviation and causes of deviation from Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies
	Yes	No	Summary	
that facilitate the report of conflicting interests?			which stakeholders are bound to avoid conflict of interest, and that any transactions or contracts made by the Company and affiliated enterprises with shareholders must be founded on fair grounds. This principle also applies to the controlling shareholder and directors in regards to matters that concern their own interests. Offering and acceptance of private benefits are strictly prohibited.	
(4)Has the company established effective systems for both accounting and internal control to facilitate ethical corporate management, and do the internal audit units plan relevant procedures based on the outcome of risky conduct evaluation so as to check how the unethical conduct prevention measures are implemented, or entrust the CPA to audit relevant measures?	√		(4).The Company has developed effective accounting system and internal control system to prevent the use of foreign or secret accounts outside the Company's books. Both systems are reviewed regularly to ensure that they remain effective. Internal auditors are being assigned to audit employees' compliance with the above systems and do the internal audit units plan every year.A total of 131 audits were completed in 2022; the outcome of which has been compiled into an audit report and submitted to the board of directors.	(4)No difference.
(5)Does the company organize internal or external training on a regular basis to maintain business integrity?	√		(5).The Company participates in the integrity management further training organized by the Group, external and competent authorities, which integrity management is being implemented and promoted. The Company held internal and external further training related to the topic of integrity management in 2022(courses include integrity management regulations and promotion, managements of food safety and hygiene, quality, environment, accounting system and internal control) which made a total entry of 15,115 people and 16,152 hours of integrity training.	(5)No difference.
3.Whistleblowing system (1)Does the Company provide incentives and means for employees to report misconducts? Does the Company assign dedicated personnel to investigate the reported misconducts?	√		(1).The Company provides legitimate and convenient ways for employees to report misconduct, and assigns dedicated personnel to handle the reported misconducts. Employees are rewarded on a case-by-case basis for misconducts that are verified to be true.	(1).No difference
(2)Does the company establish standard operating procedures as well as follow-up procedures after the investigation for confidential reporting on investigating accusation cases?	√		(2).The Company has established a system that facilitates the reporting and discipline of conducts that violate the integrity policy. Any personnel who commit violation will have their names, titles, misconducts, date of violation, and disciplinary actions disclosed immediately on the Company's intranet.	(2).No difference
(3)Has the Company provided proper whistleblower protection?	√		(3).The Company ensures the confidentiality of informant's identity and the details reported.	(3).No difference
4.Enhanced information disclosure Has the company disclosed its integrity principles and progress onto its website and MOPS?	√		Progress of the Company's integrity practices have been disclosed on website, annual reports, and Public Information Observatory.	No difference
5. If the company has established business integrity policies in accordance with "Ethical Corporate Management Best Practice Principles for TWSE/TPEX-Listed Companies," please describe its current practices and any deviations from the Best Practice Principles: There is no difference.				
6. Other information relevant to understanding the Company's business integrity (e.g. reviews over business integrity principles): The Company follows group policy and requires all suppliers to sign a commitment that signifies their dedication to supporting the Company's integrity principles and transparency policy.				

(VII) If the company has established corporate governance principles or other relevant guidelines, references to such principles must be disclosed: See the ompany's website.

(VIII) Other information material to the understanding of corporate governance: See the Company's website.

(VIII) Implementation of the internal control system

1. Statement of Internal Control System

Ton Yi Industrial Corp.

Statement of Internal Control System

Date: March 7 2023

The internal control system from January 1 to December 31, 2022, 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. An internal control system has inherent limitations. No matter how perfectly designed, an effective internal control system can provide only reason assurance of accomplishing its three stated objectives above. Moreover, the effectiveness of an internal control system may be subject to changes due to extenuating circumstances beyond our control. Nevertheless, our internal control system contains self-monitoring mechanisms, and the Company takes immediate remedial actions in response to any identified deficiencies.
3. The Company evaluates the design and operating effectiveness of its internal control system based on the criteria provided in the Regulations Governing the Establishment of Internal Control Systems by Public Companies (herein below, the Regulations). The criteria adopted by the Regulations identify five key components of managerial internal control: i. Control environment, ii. Risk assessment, iii. Control activities, iv. Information and communication, and v. Monitoring activities.
4. The Company has evaluated the design and operating effectiveness of its internal control system according to the aforesaid Regulations.
5. Based on the finding of such evaluation, the Company believes that, on December 31, 2021 it has maintained, in all material respects, an effective internal control system (that includes the supervision and management of our subsidiaries), to provide reasonable assurance over our operational effectiveness and efficiency, reliability, timeliness transparency of reporting, and compliance with applicable rulings, laws and regulations.
6. This Statement is an integral part of the Company's annual report for the year 2021 and prospectus, and will be made public. Any falsehood, concealment, or other illegality in the content made public will entail legal liability under Articles 20, 32, 171 and 174 of the Securities and Exchange Law.
7. This statement was approved by the board of directors in the meetings held on March 7, 2023, with none of the ten attending directors expressing dissenting opinions, and the remainder all affirming the content of this Statement.

Ton Yi Industrial Corp.

Chairman: Chih-Hsien Lo

President: Chin-Cheng Hsu

President: Yu-Hsin Chang

2. If the CPA was engaged to conduct a Special Audit of Internal Control System, provide its audit report: None.

(IX) Recent annual and annual reports as of the date of printing, the company and its internal staff to be punished according to the law, or violate the company's internal control system of penalties provided for its internal staff, their punishment results may have a material impact on shareholders' equity or securities prices, should the column name The penalties, major deficiencies and improvements: None.

(X) Important resolutions of the shareholders' meeting and the board meeting during the most recent fiscal year or during the current fiscal year up to the date of publication of the annual report:

1. 2022 Regular Shareholders Meeting Important Resolution Contents:
   The Company held one general shareholders meeting in 2022, and as of the publication date of this annual report. The Company's general shareholders meeting was held on May 24, 2022. The summary of the resolutions passed at the meeting is as follows:
   1. We acknowledge the 2021 business report and financial statement for our company. The resolution has been passed.
   2. We acknowledge the profit distribution plan for 2021: our company's distributable profit for 2021 is NT$1,677,388,869, and we plan to distribute a cash dividend of NT$1 per share. The resolution has been passed and on June 13, 2022, the Board of Directors decided to set July 6, 2022, as the ex-dividend date, and July 27, 2022, as the dividend payment date.
   3. The amendment to the "Acquisition or Disposal of Assets Processing Procedures" for our company has been passed. The resolution has been passed, and the amendment will be completed in accordance with the shareholder meeting decision and announced on the company's website.
   4. The election of the 18th board of directors (including independent directors) has been revised. The elected directors are: representatives of Uni-President Enterprises Corp., Chih-Hsien Lo, Jau-Kai Huang, Chun-Fu Chen, and Feng-Fu Chen; representative of Kao Chyuan Investment Co., Ltd. Shiow-Ling Kao; individuals Shing-Chi Liang and Guo-Geng Chen. The elected independent directors are Yi-Chang Lin, Lih-Chyun Shu, and Huey-Cherng Tsai.
      The resolution has been passed and will be registered with the Ministry of Economic Affairs within 15 days in accordance with legal regulations.
   5. The resolution to amend the company's restrictions on directors' non-compete clauses has been passed. The resolution will be implemented in accordance with the decision of the shareholders' meeting.

2. Significant board of directors resolutions made in 2022, up to the publication date of this annual report:
   The Company held 9 board meetings during the current fiscal year up to the date of publication of the annual report; the summary of the important resolutions is as follows:

   Meeting 18 of the 17th Board Meeting (March 7, 2022)
   1. Report the implementation of the sustainable responsibility report and the communication with stakeholders.
   2. Report the implementation of business integrity management.
   3. Report on the operation of corporate governance practices and the company's intellectual property management plan and implementation.
   4. Report the performance evaluation results of the 2020 year board of directors (including directors' self and functional committees).
   5. Adopt the distribution of 2021 remuneration for employees and directors.
   6. Adopt the Company's 2021 Individual financial statement and consolidated financial statements.
   7. Adopt the Company's 2021 business report.
   8. Adopt the Company's 2021 earnings distribution.
   9. Adopt the Company's 2021 internal control statement.
   10. The resolution passed the assessment of the independence and suitability of the appointment of certified accountants in 2022.
   11. Adopt the remuneration for CPAs designated in 2022.

12. The resolution passed the change of the company's acting spokesperson.
13. Resolutions passed the amendment to the Company's "Acquisition or Disposal of Assets Handling Procedures".
14. Resolutions passed the amendment to the Company's "Code of Practice on Corporate Governance".
15. Resolutions passed the amendment to the Company's "Code of Practice for Corporate Social Responsibility".
16. Resolutions passed the re-election of directors (including independent directors) of the company.
17. Adopt the proposal to lift the non-competition obligation on the newly appointed directors.
18. Adopt the matters for convening the 2022 regular shareholders meeting and the agenda.
19. Resolutions related to the "Announcement Acceptance of Nominations for Directors (including Independent Directors)" at the Company's 2022 Annual General Meeting of Shareholders.
20. Adopt the "publicized period for receiving proposals from shareholders" for the 2022 regular shareholders meeting.
21. Adopt the extension of the contract regarding the amount of loans from bank.

Meeting 19 of the 17th Board Meeting (April 12, 2022)

1. Resolution to approve the list of candidates for the company's directors (including independent directors) and the examination of the qualifications of independent directors.
2. Resolution to approve the term of office for new directors of the company.
3. It was resolved to lift the restrictions on non-competition for the new directors of the company.

Meeting 20 of the 17th Board Meeting (May 10, 2022)

1. Adopt the Company's 2022 Q1 Consolidated financial statement.
2. The resolution passed the company's indirect reinvestment subsidiary "Huizhou Ton Yi Industrial Co., Ltd." to add aseptic carbonated beverage filling production equipment.
3. Adopt the extension of the contract regarding the amount of loans from bank.

Meeting 1 of the 18th Board Meeting (June 1, 2022)

1. All directors unanimously elected Mr. Chih-Hsien Lo as the 18th chairman of the company.

Meeting 2 of the 18th Board Meeting (June 13, 2022)

1. Report the company's sustainable development path planning report.
2. Resolution to approve the appointment of members of the 5th Salary and Remuneration Committee of the company.
3. Resolution to approve the appointment of the general manager of the company.
4. It was resolved to approve the reappointment of Mr. Shing-Chi Liang, a director, as the resident director of the factory.
5. It was resolved to set the ex-dividend base date and distribution date for the company's 2021 annual profit distribution.
6. It was resolved to approve the renewal of liability insurance between the company and the directors, supervisors and key employees of the reinvested company.
7. The resolution was passed to handle the renewal of the loan lines of various banks.

Meeting 3 of the 18th Board Meeting (August 8, 2022)

1. Report the company's sustainability report/risk management/sustainable development path planning report.
2. The resolution passed the company's replacement of certified accountants.
3. Resolution to approve the company's consolidated financial report for the second quarter of 2022.
4. The resolution was passed to handle the renewal of the loan lines of various banks.
5. The resolution was passed to continue to sign the "group agreement" between the company and the labor union of Uni-President Industrial Co., Ltd.

Meeting 4 of the 18th Board Meeting (November 8, 2022)

1. Resolution to approve the company's consolidated financial report for the third quarter of 2022.
2. The resolution passed the amendment to the company's "Board of Directors' Rules of Procedure".
3. The resolution was passed to handle the renewal of the loan lines of various banks.
4. It was resolved to formulate the 2023 calendar of the Salary and Remuneration Committee.

Meeting 5 of the 18th Board Meeting (Decenber 13, 2022)

1. Resolution to approve the company's 2023 business plan.
2. Resolution to approve the company's 2023 annual audit plan.
3. It was resolved to approve the signing of the management consultant contract renewal proposal by the company.
4. Resolution to approve the amendment to the company's "Internal Material Information Processing Procedures".
5. The decision to pass a judgment on the nature of accounts receivable that has exceeded the normal credit period for three months and has not been recovered and the amount is significant is not in the nature of capital lending.
6. The resolution was passed to handle the renewal of the loan lines of various banks.

Meeting 6 of the 18th Board Meeting (March 7, 2023)

1. Report the implementation of the sustainable responsibility report and the communication with stakeholders.
2. Report the implementation of business integrity management.
3. Report on the operation of corporate governance practices and the company's intellectual property management plan and implementation.
4. Report the performance evaluation results of the 2022 year board of directors (including directors' self and functional committees).
5. Adopt the distribution of 2022 remuneration for employees and directors.
6. Adopt the Company’s 2022 Individual financial statement and consolidated financial statements.
7. Adopt the Company’s 2022 business report.
8. Adopt the Company’s 2022 earnings distribution.
9. Adopt the Company’s 2022 internal control statement.
10. Change the Company’s CPA in 2023 and evaluate the CPAs’ independence as well as qualification.
11. Adopt the remuneration for CPAs designated in 2023.
12. Resolution to pass the case of pre-approving the provision of non-assurance services to the company and its subsidiaries by certified accountants, their firms and their affiliated companies.
13. Resolution passed the proposal to lift the restrictions on non-compete for directors of the company. (recommence the resolution of the general meeting of shareholders)
14. Resolution passed the amendment to the company's "Articles of Association". (recommence the resolution of the general meeting of shareholders)
15. It was resolved to approve the convening of the company's 2023 regular shareholders' meeting and the content of the agenda.
16. Resolved to pass the relevant matters of the company's 2023 general meeting of shareholders "Announcement Acceptance of Shareholder Proposal Rights".
17. Adopt the extension of the contract regarding the amount of loans from bank.

(XI) Where, during the most recent fiscal year or during the current fiscal year up to the date of publication of the annual report, a director or supervisor has expressed a dissenting opinion with respect to a resolution approved by the board of directors, and said dissenting opinion has been recorded or prepared as a written declaration, disclose the principal content thereof: None.

(XII) A summary of resignations and dismissals, during the most recent fiscal year or during the current fiscal year up to the date of publication of the annual report, of the Company's chairman, president, principal accounting officer, principal financial officer, chief internal auditor,Supervisor of Corporate Governance, and principal research and development officer: None.

V. Information on Accountant Fees

(I)The amount of public audit fees and non-audit public fees paid to the CPAs, their affiliated firms and affiliated companies, and the non-audit service contents.

Unit: NT$ thousands

Name of accounting firm	Name of auditor	CPA Audit period	Audit remuneration	Non-audit remuneration	Total	Remarks
PwC Taiwan	Yung-Chih Lin Tzu-Meng Liu	2022.01.01 ~ 2022.03.31	6,641	3,335	9,976	1.Internal adjustment and replacement of accountants in accounting firms. 2.Non-audit public service content: sustainable reporting, financial report translation, consulting services, etc.
	Fang-Ting Yeh Yung-Chih Lin	2022.04.01 ~ 2022.12.31				

1. If the accounting firm is changed and the audit fee paid in the replacement year is less than the audit fee in the year before the change: none.
2. If the public audit fee is reduced by more than 10% compared with the previous year: none.

(II)The preceding public expenses for auditing refer to the public expenses paid by the Company to the CPAs for financial report verification, review, audit, and economic forecast review.

VI. Change of Accountant Information:

(I)Information regarding the former CPAs

Date of replacement	August 8, 2022			
Reason for replacement and explanation	The internal adjustment of the accounting firm, the CPA were replaced by accountants Yung-Chih Lin and Tzu-Meng Lin to Fang-Ting Yeh and Yung-Chih Lin.			
Describe whether the Company terminated or the CPAs terminated or did not accept the engagement	Parties / Circumstances		CPAs	The Company
	Terminated the engagement		N/A	N/A
	No longer accepted (discontinued) the engagement		N/A	N/A
If the CPAs issued an audit report expressing any opinion other than an unqualified opinion during the 2 most recent years, specify the opinion and the reasons	None			
Disagreement with the Company?	Yes		Accounting principles or practices	
			Disclosure of financial reports	
			Audit scope or steps	
			Other	
	No	V		
	Specify details : N/A			
Other disclosures (Any matters required to be disclosed under sub-items d to g of Article 10.6.A)	None			

(II)Information Regarding the Successor CPAs

Name of accounting firm	PwC Taiwan
Names of CPAs	Fang-Ting Yeh , Yung-Chih Lin
Date of engagement	August 8, 2022
Subjects discussed and results of any consultation with the CPAs prior to the engagement, regarding the accounting treatment of or application of accounting principles to any specified transaction, or the type of audit opinion that might be issued on the company's financial report	None
Successor CPAs' written opinion regarding the matters of disagreement between the Company and the former CPAs	None

(Ⅲ)The reply letter from the former CPA regarding the Company's disclosures regarding the matters under Article 10.6.A and 10.6.B(c) of the Regulations：N/A

VII. The Chairman, President, the manager in finance or accounting has been working with the commissioned CPA firm or its affiliates: None.

VIII. Changes in the transfer of shareholding or pledge of shares under lien by the Directors, Managers, and shareholders holding 10% or more of Company shares in the most recent year to the date this report was printed: None.

IX. Information on the relationship between the top ten shareholders with shareholding ratio

Unit: shares; % April 17, 2023

Name	Shares held in own name		Shares held by spouse and underage children (Note 1)		Shares held in the names of others		Relationship characterized as spouse or relative of second degree or closer among the top-10 shareholders. (Note 2)		Remarks
	Shares held	Shareholding percentage %	Shares held	Shareholding percentage %	Shares held	Shareholding percentage %	Name	Relationship	
Uni-President Enterprises Corp.	719,357,425	45.55	-	-	-	-	Kai Yu Investment Co., Ltd. Kao Chyuan Investment Co., Ltd.	Uni-President Enterprises Corp. Investment Kao Chyuan Investment Co., Ltd.acts as a corporate director	-
Uni-President Enterprises Corp. Representative: Chih-Hsien Lo	2,125,614	0.13	3,190,306	0.20	-	-	Kao Chyuan Investment Co., Ltd. Representative: Shiow-Ling Kao	Spouse	-
Toyota Tsusho Corporation	88,549,987	5.60	-	-	-	-	-	-	-
JFE Steel Corporation	27,081,764	1.71	-	-	-	-	-	-	-
Kai Yu Investment Co., Ltd.	26,445,229	1.67	-	-	-	-	Uni-President Enterprises Corp.	Uni-President Enterprises Corp. Investment	-
Kao Chyuan Investment Co., Ltd.	25,700,700	1.63	-	-	-	-	Uni-President Enterprises Corp.	Kao Chyuan Investment Co., Ltd. acts as a corporate director	-
Kao Chyuan Investment Co., Ltd. Representative: Shiow-Ling Kao	3,190,306	0.20	2,125,614	0.13	-	-	Uni-President Enterprises Corp. Representative: Chih-Hsien Lo	Spouse	-
Dr. C. Y. Kao's Non-Profit Foundation of Culture & Education (In Memory of His Mother)	13,062,468	0.83	-	-	-	-	-	-	-
iShares Core MSCI Emerging Markets ETF	12,031,000	0.76	-	-	-	-	-	-	-
Norges Bank	11,790,001	0.75	-	-	-	-	-	-	-
Vanguard Emerging Markets Stock Index Fund, a series of Vanguard International Equity Index Funds	10,330,000	0.65	-	-	-	-	-	-	-
JPMorgan Chase Bank N.A. Taipei Branch in Custody for Vanguard Total International Stock Index Fund, a series of Vanguard Star Funds	10,059,324	0.64	-	-	-	-	-	-	-

Note 1: The percentages of shares held under own name, spouse's name, underage children's names, or in the names of others are calculated separately.

Note 2: Relations among the abovementioned shareholders (including corporate and natural-person shareholders) have been disclosed in accordance with the relationships defined in Regulations Governing the Preparation of Financial Reports by Securities Issuers.

X. The quantity of shareholding of particular investee by the Company, the Directors, Supervisors, and Managers of the Company, or specific enterprise directly or indirectly controlled by the Company, and the overall proportion of shareholding

April 17, 2023

Unit: shares; %

Investees (Note 1)	Held by the Company		Held by directors, supervisors, managers, and directly/indirectly controlled entities		Aggregate investment	
	Shares held	Shareholding percentage	Shares held	Shareholding percentage	Shares held	Shareholding percentage
Tovecan Corporation Ltd.	-	51.00	-	-	-	51.00
Cayman Ton Yi Industrial Holdings Ltd.	43,470,820	100.00	-	-	43,470,820	100.00

Note: The Company's investments have been accounted in equity method

FOUR. Status of Capital

I. Capital stock And Shares

(I) Source of capital

1. Sources of capital

Unit: share/NT$

Year/month	Offering price	Stated capital		Paid-in capital		Remarks		
		Quantity of shares	Amount	Quantity of shares	Amount	Sources of capital	Investment by property other than cash	Others
April 2023	-	1,784,700,918	17,847,009,180	1,579,145,342	15,791,453,420	-	-	-

April 17, 2023

Type of share	Stated capital			Remarks
	Outstanding shares	Unissued shares	Total	
Common share	1,579,145,342(share)	205,555,576(share)	1,784,700,918(share)	The stock is listed for trading in the exchange without restriction for trading.

2. Information on the overall declaration system: Not applicable

(II) Composition of shareholders

April 17, 2023

Composition of Shareholders / Quantity	Government	Financial institutions	Other institutions	Natural persons	Foreign institutions and foreign nationals	Total
Number	0	1	109	58,348	241	58,699
Quantity of shareholding	0	245	817,523,781	445,432,994	316,188,322	1,579,145,342
Proportion of shareholding %	-	-	51.77	28.21	20.02	100

(III) Distribution of shares

1. Common share

April 17, 2023

Level of shareholding by quantity	Number of shareholders	Total quantity of shareholding	Percentage of shareholding %
1 to 999	22,840	3,907,911	0.25
1,000 to 5,000	24,648	53,892,638	3.41
5,001 to 10,000	5,186	41,056,429	2.60
10,001 to 15,000	1,680	20,897,814	1.32
15,001 to 20,000	1,253	23,127,373	1.46
20,001 to 30,000	915	23,296,085	1.48
30,001 to 40,000	492	17,511,801	1.11
40,001 to 50,000	346	16,108,697	1.02
50,001 to 100,000	637	47,011,855	2.98
100,001 to 200,000	320	44,289,826	2.80
200,001 to 400,000	181	51,059,616	3.23
400,001 to 600,000	65	32,461,725	2.06
600,001 to 800,000	31	22,037,679	1.40
800,001 to 1,000,000	20	18,032,482	1.14
More than 1,000,001	85	1,164,453,411	73.74
Total	58,699	1,579,145,342	100.00

2. Preferred share: Not applicable

(IV) List of Dominant shareholders

April 17, 2023

Shareholding / Dominant shareholders	Quantity of shareholding	Percentage of shareholding (%)
Ton Yi Industrial Corp.	719,357,425	45.55
Toyota Tsusho Corporation	88,549,987	5.61
JFE Steel Corporation	27,081,764	1.71
Kai Yu Investment Co., Ltd.	26,445,229	1.67
Kao Chyuan Investment Co., Ltd.	25,700,700	1.63
Dr. C. Y. Kao's Non-Profit Foundation of Culture & Education (In Memory of His Mother)	15,411,000	0.98
iShares Core MSCI Emerging Markets ETF	12,031,000	0.76
Norges Bank	11,790,001	0.75
Vanguard Emerging Markets Stock Index Fund, a series of Vanguard International Equity Index Funds	10,330,000	0.65
JPMorgan Chase Bank N.A. Taipei Branch in Custody for Vanguard Total International Stock Index Fund, a series of Vanguard Star Funds	10,059,324	0.64

(V) Information on the stock market price, net value, earnings, stock dividend per share and related matters

Currency unit: NT$ in thousands

Title \ Year			2021	2022	April 17, 2023 (Note 4)
Market price per share	High		16.90	21.35	20.75
	Low		10.05	13.75	16.85
	Average		13.30	16.68	18.28
Net value per share	Cum-dividend		12.51	13.33	(Note 4)
	Ex-dividend		11.51	(Note 5)	(Note 5)
Earnings per share	Weighted average outstanding shares (thousand shares)		1,579,145	1,579,145	1,579,145
	EPS (after taxation)		1.17	1.42	(Note 4)
Dividend per share	Cash dividend		1.00	(Note 5)	-
	Stock dividend	Surplus allotment	-	(Note 5)	-
		Capital reserve	-	(Note 5)	-
	Cumulative unpaid dividend		-	-	-
ROI	PE ratio (Note 1)		11	12	(Note 4)
	PP ratio (Note 2)		13	(Note 5)	-
	Cash dividend yield (Note 3)		7.52%	(Note 5)	-

Note 1: Price / Earnings ratio = average closing price per share for the year / earnings per share

Note 2: Price / Dividend ratio = average closing price per share for the year / cash dividend per share

Note 3: Cash dividend yield rate = cash dividend per share / average closing price per share for the year.

Note 4: Up to the date of publication of the annual report, the first quarter of the financial statements for 2023 is yet to be reviewed by the accountants.

Note 5: The distribution of earnings in 2022 is yet to be approved by the shareholders' meeting.

(VI) Dividend policy of the Company and pursuit of policy

1. The Company is at a stage of stable growth but in an unpredictable industry environment. The board of directors' proposal for earnings distribution shall consider the Company's future capital expenditure budget and capital demands, as well as balance the needs to meet the earnings demand for funds in order to determine the amount of earnings retained or allocated and to distribute dividends to shareholders in cash. If there are earnings in the final accounts each year, the Company shall pay the income tax on profit-seeking enterprises and make up for the previous losses. If there is still a balance, the Company shall appropriate 10% as legal reserve and special reserve in accordance with the law. After accumulating the undistributed earnings for the previous year, dividends for the shareholders may be accumulated to 50% to 100% of the distributable earnings of which stock dividends and cash dividends will account for 30% of the amount respectively. The board of directors then proposes an earnings distribution plan, which shall be submitted to the shareholders' meeting for resolution.
2. The Company's future dividend distribution plan is based on the principle of dividend policy which states in the Articles of Incorporation. The proposal of the Company's earnings distribution was approved by the board of directors on March 7, 2023, and is expected to issue cash dividends of NT$1.48 per share, of which resolution is still pending in this shareholders' meeting.

(VII) The influence of stock dividend proposed in the upcoming General Meeting of shareholders on the operation performance and earnings per share of the Company:

Not applicable

(VIII) Remuneration to the employees and Directors

1. The percentage or range of remuneration to the employees and Directors as stated in the Articles of Incorporation of the Company:

   In accordance with the Company's Articles of Incorporation, the Company shall deduct the accumulated losses according to the profitability of the current year, if there is still a balance; the Company shall distribute the compensation of employees at a rate no less than 2% and shall distribute the compensation of directors at a rate not higher than 2%.

2. The accounting of the difference between the estimates of remuneration to the employees the Directors, the basis for the calculation of outstanding shares for dividend payment and the actual amount paid out.
   (1) The estimated amount of compensation for employees and directors of this period: The Company shall multiply the ratio of the distributable earnings after taxation of the year at a rate no more than 2% as stated in the Articles of Incorporation for the estimation of compensation to the directors.
   (2) The calculation based on number for employee shares of stock for this period: None.
   (3) Accounting discrepancy between the actual distributed amount of stock dividend and estimated figure: This is regarded as a change in accounting estimates and is classified as current gains and losses.
3. Information on employees and directors' remuneration approved by the board of directors for 2022
   (1) The amount of remuneration of employees and directors in cash
      a. Remuneration of employees in cash: NT$ 139,557,567.
      b. Remuneration of directors in cash: NT$ 52,472,741.
      c. The amount of directors' remuneration to be distributed approved by the board of directors overestimated by NT$12,036,860 compared with the amount recognized in the financial report, mainly due to the difference in estimation calculation, and the difference was adjusted to the profit and loss in 2023.
   (2) The proportion of employees' compensation paid by shares and their proportion of the net profit after tax and the total amount of employees' compensation in the current period: None.

4. The actual remuneration distributed to employees and directors in the previous year:
   (1) Actual employees' bonus distributed in 2021: NT$100,459,987. There is no difference from the financial statements.
   (2) The actual distribution for directors' remuneration in 2021 was NT$32,660,333, which overestimated by NT$35,219 compared to that listed in the financial report. The difference was mainly caused by calculation differences and was adjusted in the profit and loss for 2022.

(VIII) The company bought back the company's shares: None.

II. Handling of corporate bonds: None.

III. Preferred shares, overseas depositary receipts, employee stock option certificates, RSA, merger and acquisition or acceptance of new shares from assignment:

(I) Corporate Bond: None.

(II) Preferred Shares: None.

(III) Overseas Depository Receipts: None.

(IV) Employee Stock Options: None.

(V) RSA: None.

(VI) Merger And Acquisition or acceptance of new shares from assignment: None.

IV. Attainment of the capital utilization plan: None.

FIVE. Operation Highlight

I. Contents of Business

(I) Scopes of business

1.Content and proportion of the principal business of the Company：

Unit: NT$ in millions

Product \ Year	Consolidated revenue in 2022		Consolidated revenue in 2021	
	Amount	Percentage	Amount	Percentage
Tinplate packaging products	26,587	61.15%	26,608	63.52%
Plastic packaging (including filling) products	16,893	38.85%	15,282	36.48%
Total	43,480	100.00%	41,890	100.00%

2. The Company's current product categories：

(1) Tinplate packaging products: TMBP, high-end ultra-thin cold rolls, tinplates and color printed tinplates, tin containers (for containing food, beverages, juices, milk powder, vegetable oil, resin, paints and others, in cylinder shape and square cans).

(2) Plastic packaging (including filling) products: PET caps, perform, filling PET bottled beverages and TP beverages.

(3) Aluminum packaging (including filling) products: NBC, lid of NBC, and beverage filling for NBC.

(II) Industry Outlook

1. Industry status and development

Tinplate packaging products:

Tinplate is a piece of metal (iron) coated with tin/tin free and the official name is tin coated steel plate. The upstream industry is hot-rolled steel coil, from which TMBP tinplate, tinplate, cans are made. As for hot-rolled coils in Asia, these are mostly sourced from large steel mills such as Japan's Nippon Steel, JFE, South Korea's Posco, China Steel Corporation and China Baowu Steel Group Corporation. Therefore, the Company has established friendly supply chain relations with major steel mills in Asia.

Tinplate features a number of advantages and properties, which provides good physical and chemical protection of the contents, making it suitable for a wide range of applications; from food and beverage packaging material to grease cans, chemical tanks and other types of cans. Tinplate has excellent processing properties, and has recently been used in electronic parts, cables, batteries, stationery, hardware, etc. As the economy in Asia rapidly develops, the increase of income shall drive the growth of tinplate for packaging, especially in Mainland China, Southeast Asia and India.

Plastic packaging (including filling) products:

PET bottles have advantages such as lightweight, portability, and durability. They are widely used in various applications and their low weight makes transportation costs lower compared to other packaging materials. PET bottles have good commercial competitiveness and prospects, making them one of the mainstream packaging products in the current market.

Our company's business scope includes expanding into plastic packaging materials (PET bottles, PET bottle preforms, and bottle caps) and beverage filling (PET bottles, new aluminum cans (NBC), TP), through the integration of group resources, we can effectively manage sales and production areas, focusing on aseptic filling, carbonated beverage filling business, and consolidating our position as a technology leader while expanding into new areas of the beverage market.

In recent years, with increasing consumer concerns about health and the environment, packaging products are facing new challenges and opportunities. We will continue to improve our processes and increase product sustainability to adapt to future market changes.

2. The relationship between upstream, midstream and downstream

Tinplate products are classified as special use in steel products. Plastic packaged beverages require strict safety demands, as these products are used for foodstuffs. Due to the promotion of environmental

protection and food safety, the quality and supply stability of upstream and downstream sourcing are both important to the Company. In order to ensure product quality and environmental protection, upstream and downstream companies have certain requirements for certification of various international management systems, such as ISO and JIS.

3. Product development trends and competition

Tinplate products are widely available. General cold-rolled steel products can be used for electronic parts, household items, steel furniture, building materials, etc., whereas tinplate products and plastic packaging materials are used more for food and beverages. With the rapid development of the economies and technologies of Mainland China, Southeast Asia and India, more people are now pursuing convenience and a leisure lifestyle in these markets. In turn, this is leading to the growth of various packaged food and beverage products. The regions mentioned above are densely populated and are experiencing rapid economic growth which attracts capital and operations from all over the world to compete. With their sizeable markets and consumption ability, along with the Company's stable foundation in the tinplate industry, the Company remains confident despite the intense competition.

(III) Technology and R&D

Our company continuously maintains and elevates the levels of quality and technology through strict quality control, standardization, automation, and other internal controls. In 1992, we were honored to receive JIS certification from the Japanese Ministry of International Trade and Industry, becoming the first company outside of Japan's steel industry to obtain JIS certification for galvanized steel. This fully demonstrates our company's consistent commitment to excellence and quality control. Additionally, we obtained ISO 14001 environmental management system and ISO 9001 quality management system certification in 1997 and 2005, respectively, which we have continuously maintained to date. In pursuit of both environmental management and prioritizing quality, we have developed SPCL ultra-high adherence galvanized steel that aligns with environmentally protective measures. We have also developed new steel sheets for emerging computer components and various deep-drawn material products, responding to the new trends of the times.

There is a dedicated Quality Assurance Research and Development Department which oversees units in Research and Development and Quality Management. The department regularly sends representatives to receive professional training both domestically and abroad, and gathers information on technological and market developments both domestically and internationally. They are responsible for improving production processes in both theory and practice, enhancing product quality, and developing new products.

Specific goals: 1. Build a renewable energy power generation system. 2. Respond to the thinner material trend. 3. CAL ultra-low carbon steel new product development. 4. Provide employees with a safer and friendlier work environment. 5. Reuse of water resources and energy saving and carbon reduction.

Specific achievements: 1.The photovoltaic system procurement has been completed, and it is scheduled to operate in parallel by 2024.2. Improve TMBP material uniformity and processability to meet the clients' diversified demands. 3. Commercialization of ultra-low carbon steels. 4. R&D on the applicable properties of ultra-low tin sheet and coated iron. 5. Develop ultra-thin steel plate process technology. 6. Continue to optimize the program control, software and hardware of existing production lines to improve energy efficiency. 7. Introduce labor-saving and automatic devices to reduce the burden on the workforce. 8. Develop the recycling and reuse of discharged water.

We supply magnesium alloy to food factories, beverage factories, container factories, and more around the world. Since 2011, we have expanded to include plastic packaging materials and beverage filling, extending our existing R&D technology in food and beverage. In 2014, we introduced the ISO 22000 & HACCP food safety management system and obtained product certification under CNS national standards. In July 2022, we also obtained HALAL certification to meet the needs of our customers. We continue to improve our sterile processes and serve as a trusted production partner, providing consumers with the best possible protection.

(IV) Business Development Plan in the Long and Short Run

1. Short-term business development plans:

Integration of the production bases in Taiwan, Mainland China and Vietnam to perform the best in division of labor in production and sales.

2. Long-term business development plans:

In response to various global and regional economic and trade agreements and economic integration and the increasingly frequent international trade barriers in the future., the Company diversifies risks for maximum benefits by having production bases in Taiwan, Mainland China and Vietnam and cooperates with upstream and downstream raw material suppliers and product customers for a tight supply chain system.

II. Market Sale and Production

(I) Market Analysis

1. Premium items

Unit: NT$ in millions

Product \ Year	Consolidated revenue in 2022		Distribution by marketing region	
	Amount	Percentage	Mainland China	Outside Mainland China
Tinplate packaging products	26,587	61.15%	26%	74%
Plastic packaged beverage products	16,893	38.85%	100%	0%
Total	43,480	100.00%	55%	45%

2. Analysis of the TMBP market

Ton Yi Industrial Corp. is the only tinplate manufacturer in Taiwan to produce TMBP. It also has the world's first production line that combines pickling line and string rolling machine. Its product quality has been certified by JIS Tinplate Quality and ISO9001 and ISO14001 international environmental management certification which is the best tool for the Company's business development, and is deeply recognized by the international.

In addition to supplying raw materials of tinplate, our TMBP plant also develops high value-added cold-rolled steel sheets. The designed annual production capacity of our TMBP plant is approximately 1 million tons, of which around 700,000 tons of tinplate coils are provided for our own use and external sale, and the remaining 300,000 tons of general cold-rolled steel sheets are sold to external customers. We adjust our production and sales strategies in response to market trends.

3. Analysis of the tinplate market

Tinplate is made from iron sheet plated with tin/tin free and is mainly used for beverage cans, food cans, high pressure spray cans, fiber optic cable housings, automotive parts (engine gaskets, oil filter components), electronic parts, battery casings, stationery, gift boxes hardware, etc. In addition to the needs of the Taiwan market, the Company's tinplate covers a wide range of marketing areas around the world, and because the Company's self-produced supply is stable, high quality TMBP is used as raw material to enhance competiveness. In terms of sales volume, Taiwan and Mainland China subsidiaries have a sale volume of approximately 60% and 40%. The quality of the tinplate produced by the Company is recognized locally and by foreign customers, so that the local and foreign markets will continue to grow.

4. Analysis of the canning market

The Tin cans have the advantages of high temperature, sterilization, corrosion resistance, opacity, excellent sealing, etc. It is suitable for processed foods such as beverages (tea, coffee, juice…) canned food (vegetables, fruits, seafood, meat…), vegetable oil, vegetable juice, milk powder, cookies, etc. They are also suitable for packaging containers for chemicals such as paints, resins, and inks.

The Company has approximately 25% of the beverage cans in the can market in Taiwan, and 30% of the rectangular cans. Besides Taiwan, the Company also has long-term partnership with well-known companies/brands in Southeast Asia such as in Mainland China, Japan, Vietnam, the Philippines and Thailand. The can business is expected to grow steadily with the economy growth of Mainland China and Asia.

Our company's new bottle can (NBC) product features a film-coated aluminum body manufactured using a dry forming process. This process eliminates the need for any water, making it an environmentally friendly, water-saving packaging option. The product is equipped with patented technology, ensuring food safety and environmental friendliness. It is suitable for a variety

of beverages, including coffee, tea, milk-containing drinks, carbonated drinks, juice, sports drinks, functional drinks, and alcoholic beverages. By collaborating with beverage brand operators, we can create diverse product marketing strategies that meet customer needs and drive future development.

5. Analysis of plastic packaging (including filling) products market

With the stable growth of the beverage market in mainland China, we continue to focus on aseptic filling, carbonated beverage filling production, and technology research and development. We utilize the resources and marketing team of the group and through systematic management, establish a perfect raw material supply chain system to provide customers with reliable, trustworthy, and hassle-free services. Together, we aim to create higher value and achieve mutual growth.

6. Advantage, disadvantages and countermeasures of competitive niche and development prospects:

(1) Favorable factors

A. Technology Advantage:	The leading industrial manufacturer, and is one among the few manufacturers in the world that has the production technology of tinplate (TMBP), and has the tinplate iron sheet, with the midstream tin plating and canning downstream, the printing process integration technology, and the ultra-thin cold rolling production technology..
B. Group Advantage:	The Company is Uni-President Group's affiliate enterprise which remains deep plowing in Taiwan and has been cooperating with corporate groups for many years in Mainland China. Tinplates account for approximately 72% of Taiwan's tinplate market and 5% of Mainland China's first-class tinplate market which has advantages in sales, production capacity and access.
C. Competitive Advantage:	It is the largest tinplate factory in Taiwan and a major player in Asia. There is only one TMBP manufacturer in Taiwan.
D. Capital Advantage:	It is the largest TMBP manufacture in Taiwan with an annual output of 1 million tons. Competitors have high barriers to reach when entering into the industry.
E. Industry Advantage:	With the economic growth of emerging Asian countries, especially Mainland China with its domestic demand for improving people's livelihood, the supply and demand of the tinplate industry is stable and remains less affected by changes in the economy.

(2) Unfavorable factors

A.The access to raw materials for hot rolled steel is limited by the furnace industry at upstream

B.The price of steel is affected by the iron ore and coal supply, the price continues to stay high making the cost of iron cans higher than other packaging materials.

(3) Countermeasures:

A.Actively developing supply chain relationships with major steel mills in Asia in order to have a sufficient source of raw materials

B.Making full use of the product advantages of cold-rolled ultra-thin steel plates, developing a customer base in a unique product field, and differentiating the market by competitors.

C.Robust development of the consumer market in Mainland China, in conjunction with the market of food and beverages of the parent company Uni-President Enterprise, to invest in a variety of packaging material production bases for beverages and foods in Mainland China that diversifies various product areas, in order to pursue further space for corporate development.

(II) Primary use and production process of its premium products important

1. Important uses of major products

Tinplate is a type of material which can be extensively used in different areas. Due to its beautiful appearance, good processing properties, corrosion resistance, painting, printing, as well as its strong material, excellent protection, deformation and fire resistance, tinplate remains a mainstream packaging material. The most common food and beverage packaging material on the market used in grease cans, chemical cans, caps, batteries, electronic components, household items, stationery, toys and other types of cans. Not only does it have excellent physical and chemical protection of the contents, it also ensures the hygiene of food and beverages, and prevents the content from easily spoiling.

PET (polyethylene terephthalate) has good isolation and pressure resistance, it has no odor and is beautiful and easy to form which has been widely used in food, beverages, cosmetics,

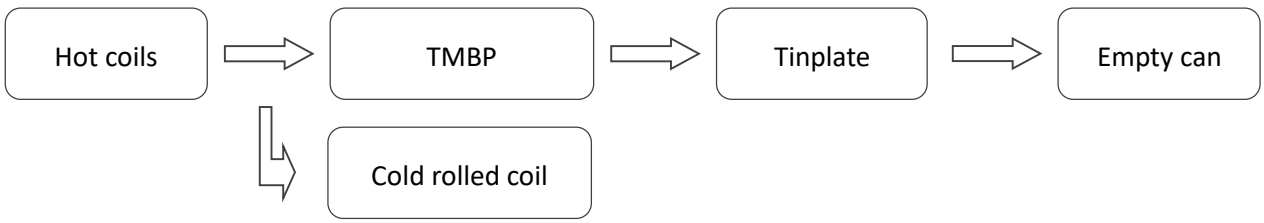
medical and other applications. TP is used mainly to produce aseptic beverage cartons, and its packaging method ensures that the product maintains its freshness and does not lose nutrients.

(1) Canned food: Tinplate ensures the hygiene of food and meets the modern demands for convenience and speed in food consumption. Regions worldwide that produce agricultural and fishery products for canned food materials are the main areas of production and consumption for the canned food industry.
(2) Beverage cans, PET beverages and TP beverages: Tinplate can be used to fill beverages such as juice, coffee, tea, coke, soft drinks, and beer. The high process ability of the tin cans makes them more varied, whether high, short, large, small, square or round, in order to meet the diverse demands of today's beverage packaging and consumer preferences. PET, NBC and TP are used as packaging materials for packing and beverage filling, and are sold in Mainland China.
(3) Grease cans: Light can trigger and accelerate the oxidation reaction of oil and fats that reduce the nutritional value and may also produce harmful substances. More seriously, it may also destroy oily vitamins, especially vitamins D and A. The opaque effect of tinplate and the sealing effect of sealed air insulation is the best solution for packaging fatty foods.
(4) Chemical tank: Tinplate is strong and has great protection; its non-deformable and fire-resistant properties are the best packaging material for chemicals.
(5) Spray and other cans: Tinplate cans that are resistant to high temperatures and pressures which are especially suitable for high pressure filling spray cans. In addition, various shapes of cans and beautifully printed cookie tins, stationery cases and milk powder cans are all products of tinplate.
(6) Electronics industry: Applied in cables, electronically molded components for emerging industrial applications, with high added value.

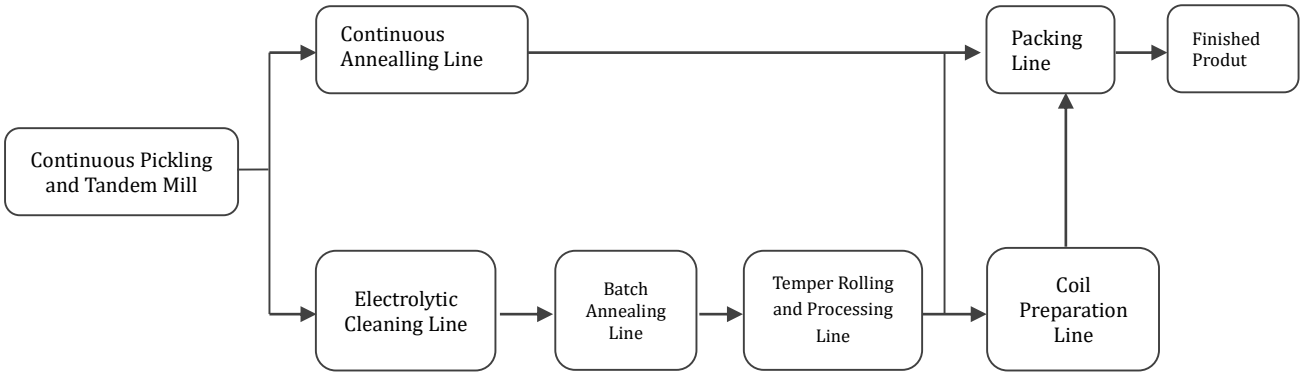
In addition, the application range of cold-rolled products is also extensive. The Company has ultra-thin cold-rolling manufacturing technology, which is applied to high-value cold-rolling production capacity of small value-added products for small household items and electro-galvanized products for electrical appliances, and is widely used in downstream industries.

2. Production process of major products:

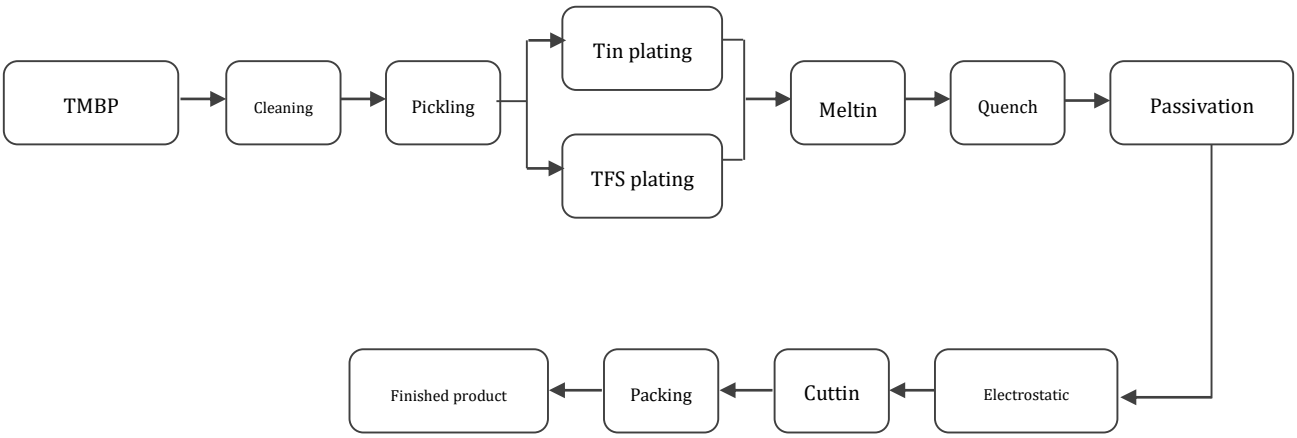
The upstream materials for tinplate and cold rolled industry is hot rolled coils from which cold rolled coils, TMBP, tinplate, and cans can be made. The relation of the upstream, midstream, and downstream operations is shown in the diagram below:



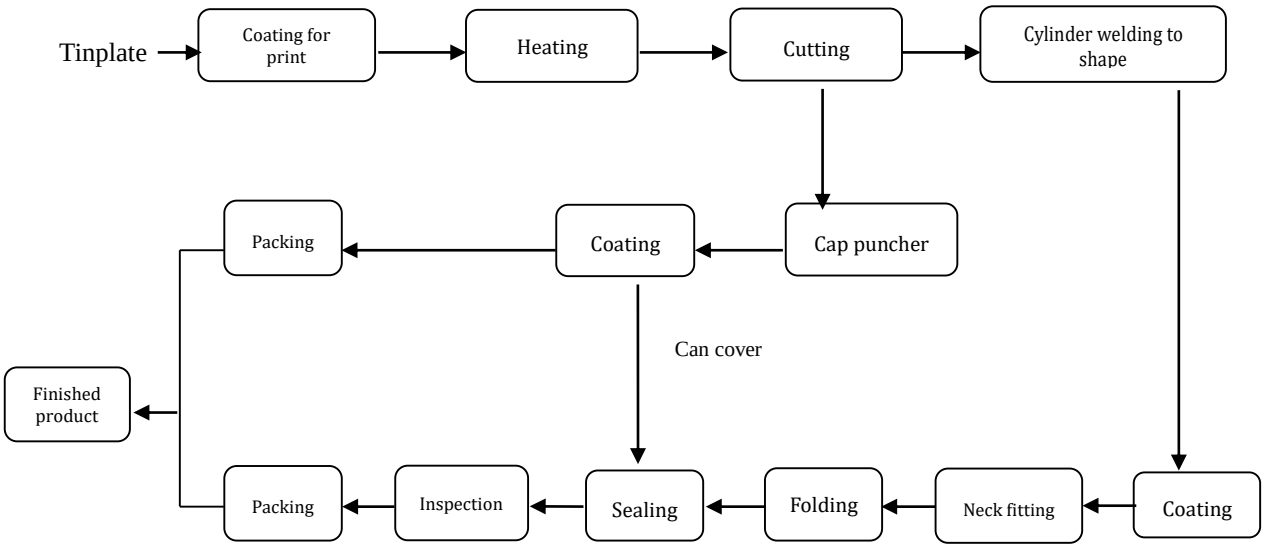
(1) Production process of cold rolled coils and TMBP: TMBP (Tin Mill Black Plate) is a kind of cold rolled low carbon steel, and is primarily used in the making of tinplate, TFS plates for the canning industry. The production process is shown in the diagram below:



(2) Production process of tinplate：

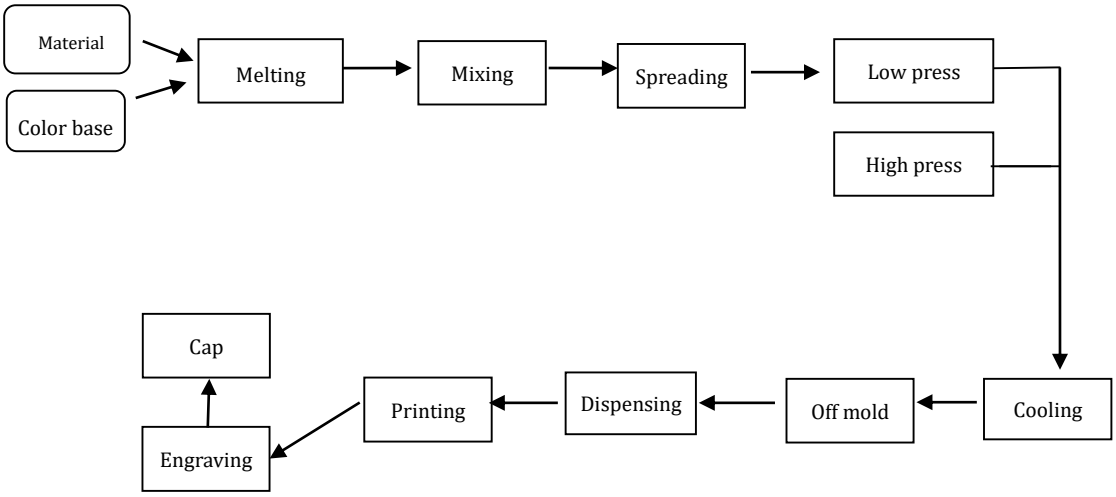


(3) Canning production process：

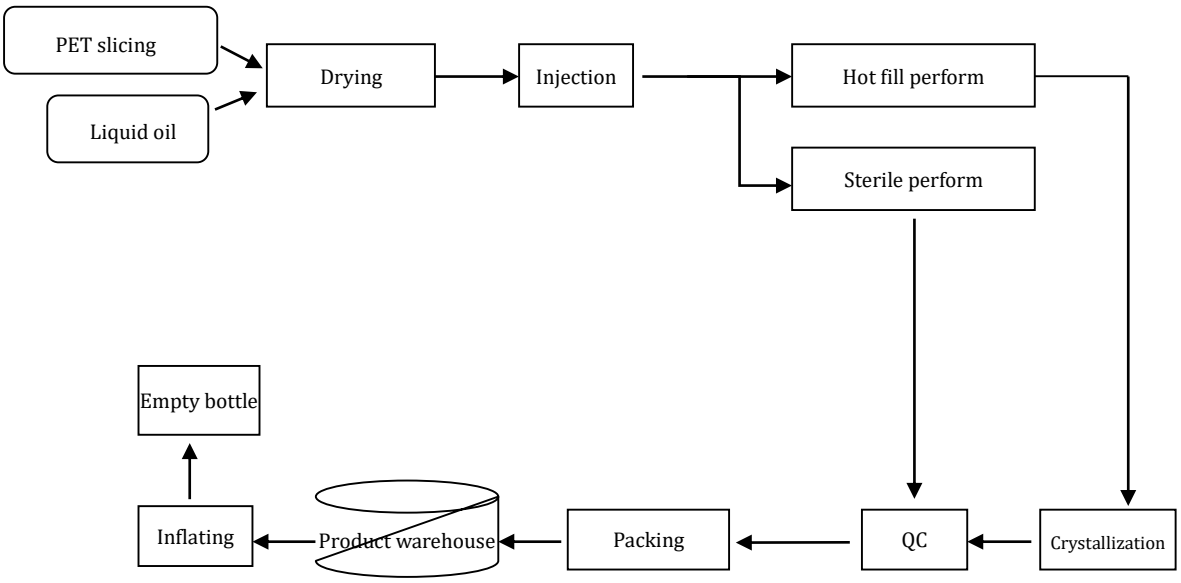


(4) Plastic packaging beverages production process：

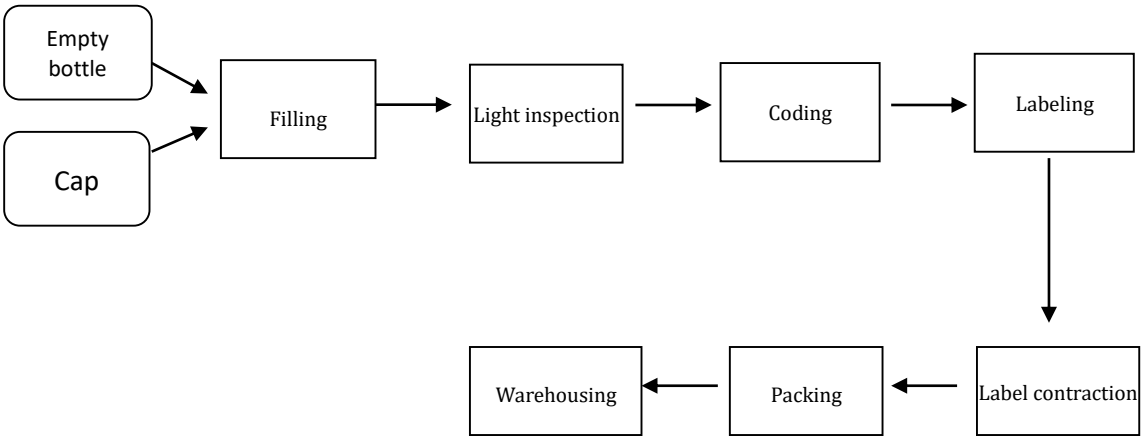
PET bottle capping process：



PET bottle perform production process：

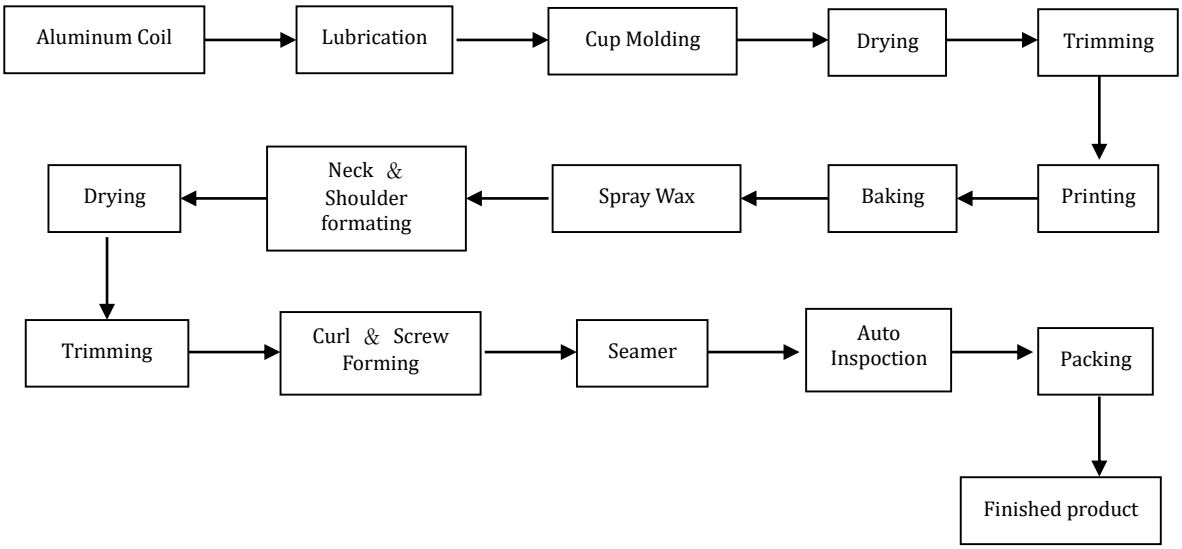


PET filling process：

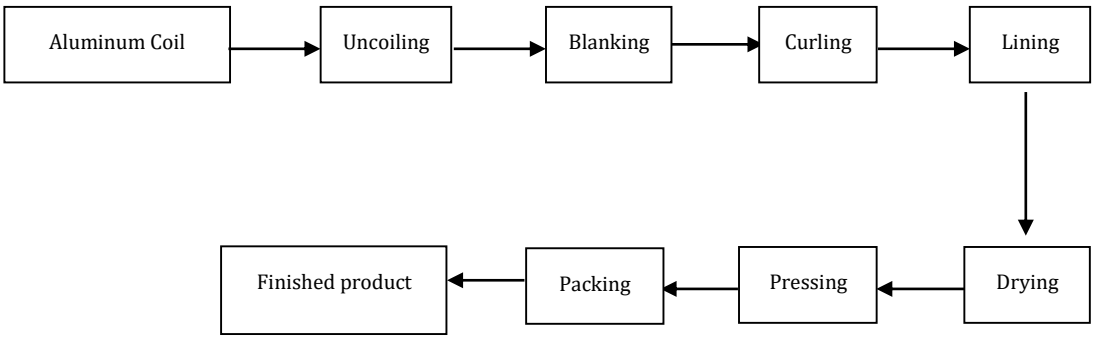


(5) New Bottle Can(NBC) production process：

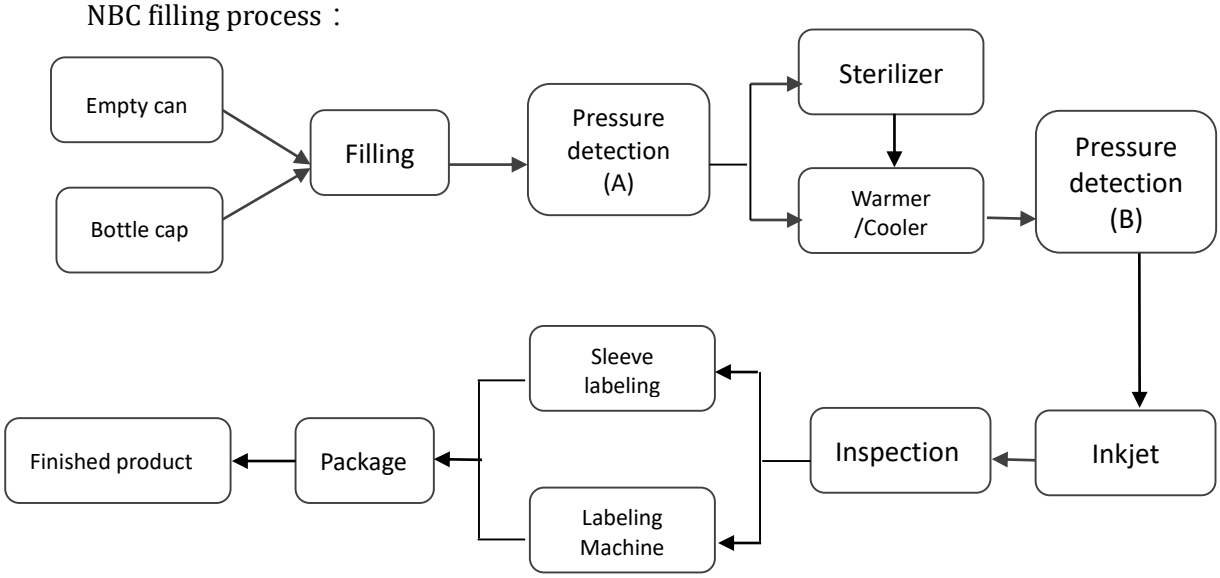
NBC Canning production process：



NBC Bottom cover process：



NBC filling process：



(III) Supply of key materials applications and production processes of the main products

The Company's various tinplate and PET products are supplied by a number of long-term local and foreign manufacturers to ensure a stable source of raw materials. The rest of the tinplate and cans are made of self-sufficient tinplate and TMBP.

(IV) The names of the customers that accounted for more than 10% of the total purchase (sale) of the total purchase (sale) in any of the last 2 years, and the amount and proportion of purchase (sale) names of key suppliers/customers with purchase/sale amount accounting for over 10% of the aggregate in any single year over the past two years and their respective purchase/sale amount and percentage.

1. List of major suppliers

Unit: NT$ in millions; %

	2021				2022			
Item	Name	Amount	Ratio to net annual purchase (%)	Relation to the issuer	Name	Amount	Ratio to net annual purchase (%)	Relation to the issuer
1	China Steel Corporation	14,252	45.11	-	China Steel Corporation	11,566	40.59	-
	Others	17,342	54.89	-	Others	16,931	59.41	-
	Net purchase	31,594	100	-	Net purchase	28,497	100	-

Reasons for Increase/Decrease:
The main reason for the decrease in sales volume in 2022 is the corresponding decrease in the amount of goods purchased, resulting in a lower purchasing amount compared to the same period last year.

2. List of main sales customers:

In the company's 2021 and 2022, the sales amount of the company's main customers did not reach 10% of the total sales.

(V) Production volume and value in the last 2 years

Currency unit: NT$ in millions

year / Production Volume/value / Premium items (or by segment)	2021			2022		
	Production capacity	Production volume	Production value	Production capacity	Production volume	Production value
TMBP (ton)	1,000,000	256,321	7,008	1,000,000	195,607	5,587
Steel plate (ton)	700,000	448,947	14,963	550,000	386,396	14,079
Can (thousand pcs)	950,000	783,472	1,949	950,000	697,775	1,980
PET bottles/TP (thousand cartons)	332,134	193,648	11,748	349,534	193,464	13,346
PET bottle cap (million pcs)	9,555	4,453	587	9,516	4,640	662
Total	-	-	36,255	-	-	35,654

Note: TMBP products are mainly intended for steel mills for their own use or for direct resale.

(VI) Sale volume and value in the last 2 years

Currency unit: NT$ in millions

year / Production Volume/Value / Premium items (or by segment)	2021				2022			
	Domestic		Export sale		Domestic		Export sale	
	Volume	Value	Volume	Value	Volume	Value	Volume	Value
TMBP (ton)	22,491	556	233,956	7,161	12,923	362	195,511	7,064
Steel plate (ton)	69,163	2,487	378,514	13,916	68,634	2,835	305,924	13,824
Can (thousand pcs)	77,565	651	732,417	1,625	86,428	717	632,879	1,538
PET bottles/TP (thousand cartons)	-	-	193,293	14,245	-	-	193,633	15,410
PET bottle cap (million pcs)	-	-	4,345	883	-	-	4,459	966
Others	-	131	-	235	-	138	-	626
Total	-	3,825	-	38,065	-	4,052	-	39,428

III. Employed staff information

Year		2021	2022	2023 to April 17
Number of employees	Clerical staff	167	162	162
	Operators	959	953	962
	Total	1,126 (Note 2)	1,115 (Note 3)	1,124 (Note 4)
Average age		46	47	47
Average years of service		20.59	21.28	21.13
Education distribution	PhD	-	-	-
	Master's	2.15%	2.25%	2.25%
	Bachelor's	60.34%	59.97%	59.80%
	Senior High School	26.95%	26.60%	26.17%
	Under Senior High School	10.56%	11.18%	11.78%

Note 1: The above employee information is for Ton Yi Industrial Corp. As of the date this report was printed, the number of employees for the tinplate plant and the General Beverage & Packaging for the overseas subsidiaries was 383 and 2,751persons, respectively.
Note 2: It is the number of employees as of December 31 2021.
Note 3: It is the number of employees as of December 31 2022.
Note 4: It is the number of employees as of April 17 2023.

IV. Information on environmental protection expenditure

The Company adopts an environmental policy that focuses on "Green Operations." It aims to minimize energy, waste and impact to the environment in all of its activities from business development to daily operations. The Company constantly adopts scientific and technological improvements to refine its production procedures and avoid activities that have adverse impacts on the environment. It complies with regulatory requirements and dedicates itself to making ongoing improvements. By adopting environmental sustainability action plans, the Company actively manages the waste it produces and promotes the use of renewable energy to create a better environment. The Company's environmental protection spending amounted to NT$77,021thousand in 2022.

As of the printing date of the annual report for the year 2022, there have been no losses due to environmental pollution (including compensation and violations of environmental protection regulations resulting from inspections). Therefore, there is no record of the total amount of penalties, which should include the date of penalty, the reference number of penalty, the violated regulation, the content of violation, and the details of the penalty.

V. Labor Management relation

(I) Various aspects of employee welfare measures, further education training, job training, retirement system and its implementation, as well as labor agreements, labor rights and employment protection measures:

1. Employee Benefits Policy:

(1) We offer comprehensive benefits and facilities to our employees, including free group insurance, regular life and accident insurance, annual holiday gifts, subsidies for employee marriages, funerals, childbirth, and children's education, as well as birthday bonuses. We organize Lunar New Year banquets, Labor Day recreational activities, and provide senior employees with paid leave and subsidies for travel. Our employees also have access to affordable dormitories, a great cafeteria, and sports facilities such as basketball courts, table tennis tables, billiards tables, and free rental of camping tents. Additionally, we have partnered with a kindergarten to provide preferential childcare services, offering our colleagues more affordable and safer institutional information for raising children.

(2) An effective development and training plan includes employee pre-job training, safety and health education, on-the-job training, and offsite training to enhance employees' professional skills and provide them with new knowledge.

2. Employee retirement system:

To enhance the post-retirement life security of our employees, we have established a Labor Retirement Reserve Supervisory Committee in accordance with the law and formulated retirement regulations. We allocate retirement reserves to our Taiwan Bank retirement account at a ratio of 10% of each employee's monthly salary. We will announce the income and expenditure status of the account every quarter to safeguard the rights and interests of our employees. For employees covered by the Labor Retirement Pension Act, we will deduct 6% of their monthly salary as an employee's contribution to the Labor Insurance Bureau's individual account for the new employee retirement pension program. This is to take care of the employees' post-retirement life. When employees apply for retirement, in addition to the above retirement benefits, we also award a retirement commemorative medal as a token of gratitude for their hard work and contribution to the company.

3. Measures to safeguard employees' rights and interests:

Our company established the enterprise union on August 26th, 1989. Except for the employees who are not allowed to join the enterprise union as regulated by labor laws, the union members account for as high as 90% of the total employees. In order to safeguard the rights and interests of both labor and management, and strengthen cooperation between the two parties, our company signed a group agreement with the enterprise union for the first time on November 1st, 2013, and the fourth time on December 1st 2022 to continue enhancing the protection of enterprise union members. The company has various communication channels, and the enterprise union can integrate employee feedback to the company to ensure full communication between labor and management.

(II) Losses as a result of employment disputes in the last year up till the publication date of this annual report (including labor inspection results that violate the Labor Standards Act, the date of punishment, the font size of the punishment, the violation of the provisions of the regulations, the content of the violation of the provisions of the regulations, and the content of the punishment):

	Year-to-date April 17 2023	2022
Employment disputes	None	None
Amount of losses incurred	Zero	Zero
Estimated possible losses in the future	Zero	Zero
Responsive measures	N/A	N/A

VI. Information Security Management

(I) Describe the information security risk management frameworks, information security policies, specific management plans, and resources invested in information security management.

The Company has formulated an information security policy and management framework to enhance the security and stable operation of the Company's information operations. The goal is to ensure the availability, integrity, and confidentiality of important information assets such as information data, information equipment and systems, and personnel to smoothly promote the Company's businesses. Please read the Company's website for details.

1. Specific targets:
   (1) Strengthen information security management, improve protection capabilities, and establish a safe and reliable information operating environment.
   (2) Ensure the confidentiality of relevant information and protect confidential information from leakage.
   (3) Ensure the availability and integrity of relevant information while improving operational efficiency and quality.
   (4) Ensure the continuous operation of relevant information without interruption.
2. Scope of coverage: Apply to all Company colleagues as well as software and hardware manufacturers who have contact with or provide information services.
3. Related strategies:
   (1).Set up an information security management team and division of responsibilities.
   (2).Evaluate the security needs of information operations, establish key information security management points, and comply with the relevant laws and regulations.
   (3).Establish information security incident reporting procedures to handle and control information security incidents properly.
   (4).Perform information security audits regularly to ensure effective information security management procedures are implemented.
4. Organization and resources: The general manager shall serve as the chief information security officer to promote and supervise information security management matters. The information security supervisor and personnel shall formulate relevant information security policies and plans. The auditing unit shall conduct audits every 6 months to ensure the operations comply with regulations.
5. At present, there is no information security insurance, but information security risk prevention has been implemented by constructing and improving the information security protection framework and other specific management measures.

(II) List the losses, possible impacts, and countermeasures due to major information security incidents in the most recent year and as of the publication date for this annual report. If it cannot be reasonably estimated, state why it cannot be reasonably estimated.

There have been no information loss or security-related incidents in the most recent year and as of the printing date of this annual report.

VII. Major Agreements

April 17 2023

Contract nature	Parties involved	Contract start/end date	Main contents	Restrictive clauses
Long-term borrowings	KGI Bank	2022.12.12~ 2025.12.12	Medium-term credit limit of NT$800 million	1. Consolidated liabilities ratio (consolidated total liabilities less cash and cash equivalents, divided by consolidated tangible net worth) must not exceed 180% on a yearly basis. 2. Consolidated interest coverage ratio must not fall below 200%. 3. Consolidated net tangible asset must not fall below NT$15 billion.
Long-term borrowings	Chinatrust Bank	2022.12.07~ 2025.12.05	Medium-term credit limit of NT$300 million	1. Consolidated liabilities ratio (consolidated total liabilities less cash and cash equivalents, divided by consolidated tangible net worth) must not exceed 180% on a yearly basis. 2. The combined interest coverage ratio should be maintained at more than 2 times (inclusive). 3. The net value of consolidated tangible assets should be maintained at NT$15 billion or more.

SIX. Financial Position

I. Condensed balance sheet, comprehensive income statement, names of CPAs and audit opinions covering the period of the past 5 years

(I) Summary balance sheet (consolidated)

Unit: NT$ thousands

Item \ Year		Financial information for the latest 5 years (Note 1)					AS of March 31.2023
		2018	2019	2020	2021	2022	
Current assets		11,863,688	9,315,694	9,489,643	14,402,701	12,900,763	(Note 4)
Property, plant and equipment (Note 2)		23,286,735	22,096,118	21,172,439	19,903,177	18,860,972	
Intangible assets		362,330	344,073	324,193	285,339	7,881	
Other assets (Note 2)		1,700,080	3,577,431	3,395,917	3,257,106	3,136,347	
Total assets		37,212,833	35,333,316	34,382,192	37,848,323	34,905,963	
Current Liabilities	Before dividend	8,033,608	6,042,859	5,013,228	7,199,856	6,754,948	
	After dividend	8,775,806	6,042,859	5,850,175	8,779,001	(Note 3)	
Non-current liabilities		9,248,566	10,288,246	9,344,631	9,701,620	5,997,563	
Liabilities	Before dividend	17,282,174	16,331,105	14,357,859	16,901,476	12,752,511	
	After dividend	18,024,372	16,331,105	15,194,806	18,480,621	(Note 3)	
Equity attributable to parent company shareholders		18,528,952	17,741,351	18,783,289	19,762,795	21,052,781	
Share capital		15,791,453	15,791,453	15,791,453	15,791,453	15,791,453	
Capital reserves		230,261	231,168	231,690	231,673	232,045	
Retained earnings	Before dividend	3,885,807	3,715,229	4,571,952	5,569,544	6,441,625	
	After dividend	3,143,609	3,715,229	3,735,005	3,990,399	(Note 3)	
Other equity items		(1,378,569)	(1,996,499)	(1,811,806)	(1,829,875)	(1,412,342)	
Treasury stock		-	-	-	-	-	
Non-controlling equity		1,401,707	1,260,860	1,241,044	1,184,052	1,100,671	
Total equity	Before dividend	19,930,659	19,002,211	20,024,333	20,946,847	22,153,452	
	After dividend	19,188,461	19,002,211	19,187,386	19,367,702	(Note 3)	

Note 1: The annual financial information in the above table has been checked and certified by accountants.

Note 2: Asset revaluation has not been processed in each year.

Note 3: Distribution of earnings for 2022 is pending for the resolution of the shareholders' meeting.

Note 4: As of the printing date of the annual report, the financial data for the first quarter of 2023 has not yet been reviewed by the accountant.

(II) Summary statement of comprehensive income (consolidated)

Unit: NT$ thousands

Item \ Year	Financial information for the latest 5 years (Note 1)					AS of March 31.2023
	2018	2019	2020	2021	2022	
Operating revenues	35,103,806	32,527,535	29,934,966	41,889,726	43,480,280	(Note 2)
Gross profit	3,350,850	3,017,473	3,423,213	5,452,855	6,444,332	
Operating profit	981,844	772,816	1,189,132	2,354,086	3,019,147	
Non-operating revenues and expenses	1,208,222	(94,536)	12,674	48,265	(105,784)	
Pre-tax profit	2,190,066	678,280	1,201,806	2,402,351	2,913,363	
Net income from continuing operations	1,539,581	441,268	889,165	1,798,596	2,134,422	
Loss from discontinued operations	-	-	-	-	-	
Net income	1,539,581	441,268	889,165	1,798,596	2,134,422	
Other comprehensive income (loss) (net, after tax)	(595,825)	(628,425)	132,435	(39,118)	650,956	
Total comprehensive income (loss) for the current period	943,756	(187,157)	1,021,600	1,759,478	2,785,378	
Net income attributable to:Parent company shareholders	1,486,253	536,384	921,260	1,852,148	2,246,437	
Net income attributable to:Non-controlling equity	53,328	(95,116)	(32,095)	(53,552)	(112,015)	
Comprehensive income attributable to parent company shareholders	914,413	(46,310)	1,041,416	1,816,470	2,868,759	
Comprehensive income attributable to non-controlling shareholders	29,343	(140,847)	(19,816)	(56,992)	(83,381)	
Earnings per share	0.94	0.34	0.58	1.17	1.42	

Note 1: The annual financial information in the above table has been checked and certified by accountants.

Note 2: As of the printing date of the annual report, the financial data for the first quarter of 2023 has not yet been reviewed by the accountant.

(III) Summary balance sheet (standalone)

Unit: NT$ thousands

Item \ Year		Financial information for the latest 5 years (Note 1)					AS of March 31.2023
		2018	2019	2020	2021	2022	
Current assets		4,605,186	3,505,715	2,915,514	6,669,584	4,606,814	(Note 4)
Property, plant and equipment (Note 2)		10,061,047	9,118,463	8,153,499	7,216,802	6,299,241	
Intangible assets		-	-	-	-	-	
Other assets (Note 2)		16,386,792	16,764,317	17,965,102	18,459,105	18,465,027	
Total assets		31,053,025	29,388,495	29,034,115	32,345,491	29,371,082	
Current Liabilities	Before dividend	3,755,220	3,286,130	2,797,291	4,610,071	3,883,017	
	After dividend	4,497,418	3,286,130	3,634,238	6,189,216	(Note 3)	
Non-current liabilities		8,768,853	8,361,014	7,453,535	7,972,625	4,435,284	
Liabilities	Before dividend	12,524,073	11,647,144	10,250,826	12,582,696	8,318,301	
	After dividend	13,266,271	11,647,144	11,087,773	14,161,841	(Note 3)	
Equity attributable to parent company shareholders		18,528,952	17,741,351	18,783,289	19,762,795	21,052,781	
Share capital		15,791,453	15,791,453	15,791,453	15,791,453	15,791,453	
Capital reserves		230,261	231,168	231,690	231,673	232,045	
Retained earnings	Before dividend	3,885,807	3,715,229	4,571,952	5,569,544	6,441,625	
	After dividend	3,143,609	3,715,229	3,735,005	3,990,399	(Note 3)	
Other equity items		(1,378,569)	(1,996,499)	(1,811,806)	(1,829,875)	(1,412,342)	
Non-controlling equity		-	-	-	-	-	
Total equity	Before dividend	18,528,952	17,741,351	18,783,289	19,762,795	21,052,781	
	After dividend	17,786,754	17,741,351	17,946,342	18,183,650	(Note 3)	

Note 1: The annual financial information in the above table has been checked and certified by accountants.

Note 2: Asset revaluation has not been processed in each year.

Note 3: Distribution of earnings for 2022 is pending for the resolution of the shareholders' meeting.

Note 4: As of the printing date of the annual report, the financial data for the first quarter of 2023 has not yet been reviewed by the accountant.

(IV) Summary statement of comprehensive income (standalone)

Unit: NT$ thousands

Item \ Year	Financial information for the latest 5 years (Note 1)					AS of March 31.2023
	2018	2019	2020	2021	2022	
Operating revenues	19,013,654	16,845,390	14,306,713	22,872,434	23,401,298	(Note 2)
Gross profit	1,673,508	1,202,542	1,052,863	2,964,908	4,677,226	
Operating profit	481,481	137,065	(48,682)	1,226,079	2,656,018	
Non-operating revenues and expenses	1,089,903	413,257	942,057	906,210	215,972	
Pre-tax profit	1,571,384	550,322	893,375	2,132,289	2,871,990	
Net income from continuing operations	1,486,253	536,384	921,260	1,852,148	2,246,437	
Loss from discontinued operations	-	-	-	-	-	
Net income	1,486,253	536,384	921,260	1,852,148	2,246,437	
Other comprehensive income (loss) (net, after tax)	(571,840)	(582,694)	120,156	(35,678)	622,322	
Total comprehensive income (loss) for the current period	914,413	(46,310)	1,041,416	1,816,470	2,868,759	
Net income attributable to:Parent company shareholders	1,486,253	536,384	921,260	1,852,148	2,246,437	
Net income attributable to:Non-controlling equity	-	-	-	-	-	
Comprehensive income attributable to parent company shareholders	914,413	(46,310)	1,041,416	1,816,470	2,868,759	
Comprehensive income attributable to non-controlling shareholders	-	-	-	-	-	
Earnings per share	0.94	0.34	0.58	1.17	1.42	

Note 1: The annual financial information in the above table has been checked and certified by accountants.

Note 2: As of the printing date of the annual report, the financial data for the first quarter of 2023 has not yet been reviewed by the accountant.

(V) Name of auditor and audit opinions

Year	Name of accounting firm	auditor	Audit opinion
2018	PwC Taiwan	Tzu-Meng Liu Tzu-Shu Lin	Unqualified opinion
2019	PwC Taiwan	Tzu-Meng Liu Tzu-Shu Lin	Unqualified opinion
2020	PwC Taiwan	Tzu-Meng Liu Yung-Chih Lin	Unqualified opinion
2021	PwC Taiwan	Yung-Chih Lin Tzu-Meng Liu	Unqualified opinion
2022	PwC Taiwan	Fang-Ting Yeh Yung-Chih Lin	Unqualified opinion

II. Financial Analysis covering the last 5 years

(I) Consolidated financial analysis

Item \ Year		Financial analysis for the last 5 years (Note 1)					AS of March 31.2023
		2018	2019	2020	2021	2022	
Financial Structure (%)	Debt to assets ratio	46.44	46.22	41.76	44.66	36.53	(Note 2)
	Long-term capital to property, plants and equipment	125.30	132.56	138.71	153.99	149.26	
Solvency (%)	Current ratio	147.68	154.16	189.29	200.04	190.98	
	Quick ratio	85.70	84.93	116.11	114.30	118.26	
	Interest coverage ratio	7.47	3.14	6.65	14.74	17.12	
Operating efficiency	Accounts receivable turnover (times)	8.74	8.03	8.58	9.69	8.58	
	Average cash collection days	42	45	43	38	43	
	Inventory turnover (times)	8.12	7.54	7.38	7.98	6.94	
	Accounts payable turnover (times)	24.74	25.11	21.16	25.11	23.48	
	Average inventory turnover days	45	48	49	46	53	
	Property, plant and equipment turnover (times)	1.42	1.43	1.38	2.04	2.24	
	Total asset turnover (times)	0.94	0.90	0.86	1.16	1.20	
Profitability	Return on assets (%)	4.85	1.91	3.03	5.37	6.27	
	Return on equity (%)	7.83	2.27	4.56	8.78	9.90	
	Pre-tax profit to paid-up capital (%)	13.87	4.30	7.61	15.21	18.45	
	Net profit margin (%)	4.39	1.36	2.97	4.29	4.91	
	Earnings per share (NT$)	0.94	0.34	0.58	1.17	1.42	
Cash flow	Cash flow ratio (%)	38.12	56.02	92.86	8.98	105.99	
	Cash flow adequacy ratio (%)	170.71	230.22	263.59	139.08	155.37	
	Cash reinvestment ratio (%)	3.32	3.77	6.40	(0.25)	7.34	
Degree of leverage	Operating leverage	3.94	4.54	3.20	2.12	1.91	
	Financial leverage	1.53	1.69	1.21	1.08	1.06	

Reasons for changes in financial ratios in the last 2 years:
1. The increase in the ratio of pre-tax net profit to the actual paid-in capital is primarily due to an increase in the current period's pre-tax net profit.
2. The increase in earnings per share (EPS) is mainly due to an increase in the current period's net profit.
3. The increase in the cash flow ratio and the cash reinvestment ratio is primarily due to a decrease in accounts receivable and inventory, resulting in a net cash inflow from operating activities.

Note 1: The annual financial information in the above table has been checked and certified by accountants.

Note 2: As of the printing date of the annual report, the financial data for the first quarter of 2023 has not yet been reviewed by the accountant.

(II) Standalone financial analysis

Item \ Year		Financial analysis for the last 5 years (Note 1)					AS of March 31.2023
		2018	2019	2020	2021	2022	
Financial Structure (%)	Debt to assets ratio	40.33	39.63	35.31	38.90	28.32	(Note 2)
	Long-term capital to property, plants and equipment	271.32	286.26	321.79	384.32	404.62	
Solvency (%)	Current ratio	122.63	106.68	104.23	144.67	118.64	
	Quick ratio	60.34	43.97	35.16	59.72	45.38	
	Interest coverage ratio	13.30	4.51	9.14	21.25	24.77	
Operating efficiency	Accounts receivable turnover (times)	10.37	9.94	13.70	13.64	11.47	
	Average cash collection days	35	37	27	27	32	
	Inventory turnover (times)	7.98	7.24	6.60	6.81	5.56	
	Accounts payable turnover (times)	75.51	105.34	53.35	64.47	107.55	
	Average inventory turnover days	46	50	55	54	66	
	Property, plant and equipment turnover (times)	1.81	1.76	1.66	2.98	3.46	
	Total asset turnover (times)	0.64	0.56	0.49	0.75	0.76	
Profitability	Return on assets (%)	5.39	2.19	3.45	6.31	7.59	
	Return on equity (%)	8.04	2.96	5.04	9.61	11.01	
	Pre-tax profit to paid-up capital (%)	9.95	3.48	5.66	13.50	18.19	
	Net profit margin (%)	7.82	3.18	6.44	8.10	9.60	
	Earnings per share (NT$)	0.94	0.34	0.58	1.17	1.42	
Cash flow	Cash flow ratio (%)	31.47	52.78	60.64	(23.52)	149.87	
	Cash flow adequacy ratio (%)	150.90	175.48	190.85	75.42	146.91	
	Cash reinvestment ratio (%)	0.73	1.85	3.10	(3.36)	7.59	
Degree of leverage	Operating leverage	3.21	7.96	(20.20)	1.85	1.38	
	Financial leverage	1.36	(7.07)	0.31	1.09	1.05	

Reasons for changes in financial ratios in the last 2 years:

1. The decrease in debt-to-asset ratio is mainly due to a reduction in short-term loans, payable short-term notes, and long-term loans.
2. The decrease in quick ratio is mainly due to a decrease in accounts receivable and inventory.
3. The increase in average days of sales outstanding and accounts payable turnover is mainly due to a decrease in the sales cost of ferromanganese products compared to the same period last year, and a decrease in accounts payable due to a reduction in purchases.
4. The increase in the ratio of pre-tax net profit to paid-in capital is mainly due to an increase in net profit for the current period.
5. The increase in various ratios of cash flow is mainly due to a decrease in accounts receivable and inventory, resulting in an increase in net cash flow from operating activities.

6. The decrease in operating leverage is mainly due to a decrease in operating costs, and the increase in operating profit is greater than the increase in operating income for the current period.

Note 1: The annual financial information in the above table has been checked and certified by accountants.

Note 2: As of the printing date of the annual report, the financial data for the first quarter of 2023 has not yet been reviewed by the accountant.

Note 3: The formula is as follows:

1. Financial structure
   (1) Debt Ratio = Total Liabilities / Total Assets
   (2) Long-term Fund to Property, Plant and Equipment Ratio = (Shareholder's Equity Non-current Liabilities) / Net Property, Plant and Equipment
2. Solvency
   (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
   (1) Average Collection Turnover = Net Sales / Average Trade Receivables
   (2) Days Sales Outstand = 365 / Average Collection Turnover
   (3) Average Inventory Turnover = Cost of Sales / Average Inventory
   (4) Average Inventory Turnover Days = 365 / Average Inventory Turnover
   (5) Average Payment Turnover = Cost of Sales / Average Trade Payables
   (6) Property, Plant and Equipment Turnover = Net Sales / Average Net Property, Plant and Equipment
   (7) Total Assets Turnover = Net Sales / Average Total Assets
4. Profitability
   (1) Return on Total Assets = (Net Income + Interest Expenses x (1 – Effective Tax Rate)) / Average Total Assets
   (2) Return on Equity = Net Income / Average Equity
   (3) Net Margin = Net Income / Net Sales
   (4) Earnings Per Share = (Net Income Attributable to Shareholders of the Parent – 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 Dividend
   (3) Cash Flow Reinvestment Ratio = (Cash Provided by Operating Activities – Cash Dividend) / (Gross Property, Plant and Equipment + Long-term Investments + Other Non-current 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)

III. Review Report of Auditing Committee on the Financial Statements of the Latest Year

Ton Yi Industrial Corporation
Inspection Report of Audit Committee

Date: March 7, 2023

The Board of Directors prepared the Company's 2022 business report, consolidated financial statements, stand alone financial statements and appropriation of earnings. Among which, the consolidated financial statements and the stand alone financial statements were certified by the accountants Fang-Ting Yeh and Yung-Chih Lin of PricewaterhouseCoopers (PwC) and a verification report issued. The above-mentioned business report, consolidated financial statements, stand alone financial statements and appropriation of earnings are approved by the Audit Committee. It is considered that there is no disagreement and it is in compliance with Article 14.4 of the Securities and Exchange Act Article 219 of the Company Act. We kindly present the report for your review.

To

2023 Annual Shareholders' Meeting of Ton Yi Industrial Corporation

Ton Yi Industrial Corporation

Audit Committee

Convener: Yi-Chang Lin

IV. Audited and certified consolidated financial statements of the most recent year: Please see page 94~187

V. Audited and certified separate financial statements of the most recent year: Please see page 188~283

VI. Insolvency of the Company and its affiliates in the most recent year to the date this report was printed: None.

SEVEN. Review and Analysis of Financial Position and Performance and Risks

I. Analysis of financial position

(I) Analysis of consolidated financial position

Unit: NT$ thousands

Item \ Year	2022	2021	Variation	
			Amount increase (decrease)	Amount increase (decrease)
Current assets	12,900,763	14,402,701	(1,501,938)	(10.43)
Property, plant and equipment	18,860,972	19,903,177	(1,042,205)	(5.24)
Intangible assets	7,881	285,339	(277,458)	(97.24)
Other assets	3,136,347	3,257,106	(120,759)	(3.71)
Total assets	34,905,963	37,848,323	(2,942,360)	(7.77)
Current liabilities	6,754,948	7,199,856	(444,908)	(6.18)
Non-current liabilities	5,997,563	9,701,620	(3,704,057)	(38.18)
Total liabilities	12,752,511	16,901,476	(4,148,965)	(24.55)
Share capital	15,791,453	15,791,453	-	-
Capital reserves	232,045	231,673	372	0.16
Retained earnings	6,441,625	5,569,544	872,081	15.66
Other equity items	(1,412,342)	(1,829,875)	417,533	22.82
Non-controlling equity	1,100,671	1,184,052	(83,381)	(7.04)
Total equity	22,153,452	20,946,847	1,206,605	5.76

The significant changes in the previous and late period over 20% are explained below:

1. Intangible assets decreased primarily due to the recognition of impairment loss on goodwill.
2. Non-current liabilities and total liabilities decreased mainly due to the reduction of long-term borrowings in the current period.
3. Other equity increased mainly due to the increase in differences resulting from the translation of financial statements of overseas operating entities in the current period.

(II) Analysis of standalone financial position

Unit: NT$ thousands

Item \ Year	2022	2021	Variation	
			Amount increase (decrease)	Amount increase (decrease)
Current assets	4,606,814	6,669,584	(2,062,770)	(30.93)
Property, plant and equipment	6,299,241	7,216,802	(917,561)	(12.71)
Intangible assets	-	-	-	-
Other assets	18,465,027	18,459,105	5,922	0.03
Total assets	29,371,082	32,345,491	(2,974,409)	(9.20)
Current liabilities	3,883,017	4,610,071	(727,054)	(15.77)
Non-current liabilities	4,435,284	7,972,625	(3,537,341)	(44.37)
Total liabilities	8,318,301	12,582,696	(4,264,395)	(33.89)
Share capital	15,791,453	15,791,453	-	-
Capital reserves	232,045	231,673	372	0.16
Retained earnings	6,441,625	5,569,544	872,081	15.66
Other equity items	(1,412,342)	(1,829,875)	417,533	22.82
Non-controlling equity	-	-	-	-
Total equity	21,052,781	19,762,795	1,289,986	6.53

The significant changes in the previous and late period over 20% are explained below:

1. Current assets decreased mainly due to the decrease in inventory caused by the continued decline in steel prices and a decrease in accounts receivable at the end of the period due to a decline in sales in the fourth quarter compared to the same period last year.
2. Non-current liabilities decreased mainly due to the reduction of long-term borrowings in the current period.
3. Other equity increased mainly due to the increase in differences resulting from the translation of financial statements of overseas operating entities in the current period.

II. Financial Performance Analysis

(I) Significant change in operating revenues, operating profit and pre-tax income in the last 2 years and the underlying causes (consolidated and standalone):

1. Analysis of consolidated financial performance

Unit: NT$ thousands

Item \ Year	2022	2021	Variation	
			Amount increase (decrease)	Amount increase (decrease)
Operating income	43,480,280	41,889,726	1,590,554	3.80
Operating cost	(37,035,948)	(36,436,871)	599,077	1.64
Operating gross profit	6,444,332	5,452,855	991,477	18.18
Operating expenses	(3,425,185)	(3,098,769)	326,416	10.53
Operating profit	3,019,147	2,354,086	665,061	28.25
Non-operating income and losses	(105,784)	48,265	(154,049)	(319.17)
Continuing business unit net profit before tax	2,913,363	2,402,351	511,012	21.27
Income tax expense	(778,941)	(603,755)	175,186	29.02
Current net profit	2,134,422	1,798,596	335,826	18.67

The significant changes in the previous and late period over 20% are explained below:

1. The increase in operating profit was mainly due to the greater increase in the average selling price of tinplate products than the average increase in cost of goods sold from the previous period.
2. The decrease in non-operating income and losses was mainly due to the recognition of impairment losses on goodwill. Although there was an increase in foreign exchange gains compared to the same period, the magnitude of the increase was smaller than that of the impairment losses on goodwill.
3. The increase in pre-tax net profit was mainly due to the growth in profits in the current period.
4. The increase in income tax expense was mainly due to the growth in profits in the current period, resulting in an increase in income tax expense.

2. Analysis of standalone financial performance

Unit: NT$ thousands

Item \ Year	2022	2021	Variation	
			Amount increase (decrease)	Amount increase (decrease)
Operating income	23,401,298	22,872,434	528,864	2.31
Operating cost	(18,723,912)	(19,890,372)	(1,166,460)	(5.86)
Operating gross profit	4,677,226	2,964,908	1,712,318	57.75
Operating expenses	(2,021,208)	(1,738,829)	282,379	16.24
Operating profit	2,656,018	1,226,079	1,429,939	116.63
Non-operating income and losses	215,972	906,210	(690,238)	(76.17)
Continuing business unit net profit before tax	2,871,990	2,132,289	739,701	34.69
Income tax expense	(625,553)	(280,141)	345,412	123.30
Current net profit	2,246,437	1,852,148	394,289	21.29

The significant changes in the previous and late period over 20% are explained below:

1. The increase in gross profit is mainly due to the larger increase in average selling price of tinplate products compared to the average increase in cost of goods sold from the previous period.
2. The increase in operating profit is mainly due to the larger increase in gross profit compared to the increase in operating expenses.
3. The decrease in non-operating income and expenses is mainly due to the decrease in recognized investment income for the current period compared to the same period last year.
4. The increase in income tax expense is mainly due to the growth in profits for the current period, resulting in an increase in income tax expense.
5. The increase in pre-tax and net profit for the current period is mainly due to the growth in profits for the current period.

(II) The expected sale amount and its basis, and the Company's future financial performance and the plan for any possible impact：

The Company's estimation for the production and sales for the coming year is based on the current situation of the international steel and the beverage market in Mainland China's as well as the future economy. Judging by the competitive strength of the Company in the steel industry and one of the members of the Uni-President Group, the Company is able to respond to both financial and business aspects of the steel industry and comprehensive packaging market. The estimation of expected sales volumes in the next year: TMBP and steel sheet up to 724 thousand tons, tinplate cans up to 690 million cans, beverage filling up to224 million boxes, 4,590 million PET bottle lids, and 51million New Bottle Cans(Including filling up to 1 million boxes).

III. Cash flow analysis

(I) Analysis of cash flow changes for the most recent two years

Cash flow analysis - consolidated

Item \ Year	2022	2021	Variation (%)
Cash flow ratio	105.99	8.98	1080.29
Cash flow adequacy ratio	155.37	139.08	11.72
Cash reinvestment ratio	7.34	(0.25)	3036.00

Analysis of the increase (decrease) ratio change:
The increase in various cash flow ratios compared to the previous period is mainly due to the decrease in accounts receivable and inventory, resulting in an increase in net cash inflows from operating activities.

(II) Analysis of cash flow for the coming year

Liquidity analysis for the next year - consolidated

Unit: NT$ thousands

Opening cash balance	Net cash flow from operating activities for the year	Annual cash outflow	Cash surplus (deficit)	Financing of cash deficits	
				Investment plans	Investment plans
3,168,365	3,813,735	3,324,740	3,657,360	N/A	N/A

1. It is expected that the prices of packaging materials for Mascot Steel in 2023 will continue to fluctuate. While the comprehensive packaging business is experiencing stable profit growth and increasing investments, surplus cash will be used to repay maturing loans and distribute cash dividends.
2. Responsive measures and liquidity analysis for cash flow deficits: N/A.

IV. Significant capital expenditures in the most recent year and the influence on the operation and financial position: N/A.

V. The primary cause of profit or loss for direct investment policy of the most recent year, the remedy and the investment plan for the year ahead:

(I) Investment policy, the main reasons for the profits or losses and improvement plans:

The mainland Chinese ferromanganese plant invested in by our company is currently facing challenges due to the local pandemic, supply-demand imbalances, and government policies aimed at stabilizing prices. In addition, high steel prices have led downstream food and beverage manufacturers to use lower-grade ferromanganese to save costs. Moreover, the depreciation of the Asian currency has made it difficult to compete with both imported and locally sourced raw materials. These unfavorable factors have led to losses for the plant.To mitigate the situation, we have decided to reduce sales in the affected region and seek the best combination of raw material sources. We are also actively pursuing long-term partnerships with international companies. We appreciate your understanding and support during this difficult time.

(II) Investment plan for the coming year:

We have established a PET bottle beverage packaging and filling factory in mainland China, which has achieved good profitability. To meet the increasing demand for beverage packaging business, we have added a sterile carbonated filling production equipment to our existing "Huizhou Ton Yi Industrial Co., Ltd." This expansion aims to extend our carbonated beverage OEM business and meet the continuously growing OEM orders in the South China region of mainland China. The production is expected to commence in the second half of 2023.

VI. Risks and Assessment of Risks

(I) The effect upon the Company's profits (losses) of interest and exchange rate fluctuations and changes in the inflation rate, and response measures to be taken in the future:

Item	2022(NT$ thousands)
Interest expense	180,758
Net foreign currency exchange benefit (loss)	223,394

The Company regularly evaluate the interest rates of our bank loans and maintain close communication with our banks to obtain better rates. We also generate cash flows from our operations to repay our loans. Due to the foreign exchange risk resulting from the fluctuation of exchange rates, we use derivative financial instruments to hedge against the remaining foreign exchange differences. In 2022, the depreciation of the NTD against USD was mainly due to the US's interest rate hikes to curb inflation. We recognize that the global economy and people's lifestyles and activities may undergo significant changes due to factors such as the ongoing pandemic, changes in global supply chains, US monetary tightening, and regional conflicts. Therefore, we will continue to monitor the market and maintain good relationships with our suppliers and customers while improving product quality and value-added services. To avoid adverse impacts on our profitability, we will carefully observe changes in the economic environment and market situation, control inventory and accounts receivable, and make appropriate adjustments to our prices.

(II) The Company's policy regarding high-risk investments, highly leveraged investments, loans to others, endorsements guarantees, and derivatives transactions; the main reasons for the profits/losses generated thereby; and response measures to be taken in the future:

The Company has not engage in high-risk, high-leverage investments, funding loans to others, endorsing guarantees, or trading in derivative products. In accordance with relevant regulations of the Financial Supervisory Commission, we have established policies on "Operating Procedures for Lending Funds to Others", "Operating Procedures for Endorsing Guarantees", and "Procedures for Acquiring or Disposing of Assets", which are evaluated for risk and effectively controlled by internal dedicated units. In addition, our audit unit has established relevant systems for risk management and operational review in accordance with the "Guidelines for Establishing Internal Control Systems for Public Companies".

(III) Research and development work to be carried out in the future, and further expenditures expected for research and development work:

The Company has become a comprehensive packaging company. Apart from providing packaging materials, it has ventured into beverage filling production in recent years, and is very strict on controlling the quality and safety of the products. The Company has established state-level laboratories and is committed to the development of environmentally and human-friendly coatings, as well as lightweight container programs to reduce the environment impact. The Company is expected to invest NT$60,832 thousand in 2023.

(IV) Effect on the Company's financial operations of important policies adopted and changes in the legal environment at home and abroad, and measures to be taken in response:

The Company pays constant attention to new government policies and laws that are likely to affect its operations. Following the implementation of "Personal Information Protection Act," the Company established its own "Personal Information Security System" and "Personal Information Security Management Center" in 2012, and later created an "Information Security Team," an "Internal Audit and Evaluation Team," a "Policy Execution Team," and an "Operations Team" under the Center to enforce information security throughout the Company

(V) Impacts of Technological (including information security risks) and Industrial Changes on the Company's Financial Business and Countermeasures:

The company attaches great importance to the impact of technology development. In addition to building an information security risk management framework (refer to the company's website), strengthening security protection, maintaining company data confidentiality and personal data protection, and setting up a video conference system , Erection of Internet telephony and the use of encrypted private networks, etc., the proper use of information technology to reduce corporate costs and enhance corporate competitiveness.

(VI) Effect on the Company's crisis management of changes in the Company's corporate

image, and measures to be taken in response:

The Company developed "Crisis Management Guidelines" in January 2014 to guide its response to various crises. Should any crisis occur, an accountable unit will be available to activate the necessary responsive measures. Furthermore, a "Reporting Center" has been created to oversee major crises.

(VII) Expected benefits and possible risks associated with any merger and acquisitions, and mitigation measures being or to be taken:

After many years of hard work, the Company has grown to become a provider of general packaging materials and a significant part in the group's plan for the Greater China Region. In the future, the Company aims to secure the group's leading position in the current industry. The Company has accumulated many years of experience in business investment and management, and demonstrated the ability to effectively integrate products, markets, customers and technologies, and control financial risks.

(VIII) Expected benefits and possible risks associated with any plant expansion and mitigation measures being or to be taken:

All of the Company's plant expansion projects undergo complete, careful and expert evaluation that takes full account of investment yields and possible risks.

(IX) Risks associated with any consolidation of sales or purchasing operations, mitigation measures being or to be taken:

1. Purchases: The Company purchases steel materials mainly from leading suppliers in Asia that offer transparent pricing and open information. Other secondary materials and parts are purchased according to the Company's procurement and payment procedures. The Company completes all its purchases after proper comparison and negotiation; there was no significant concentration to any particular supplier.
2. Sales: The Company sells products mainly to related companies as a result of its vertical integration. The Company's business activity is not concentrated to any single customer, and therefore is not exposed to any significant concentration of credit risk. Furthermore, the Company monitors the credibility of its customers very strictly, and has not encountered any major credit loss. The Company sells goods on credit only to reputable customers; smaller customers may be required to make advance payment or provide collateral or guarantee for their purchase.

(X) Effect upon and risks to the Company in the event a major quantity of shares belonging to a director, supervisor, or shareholder holding greater than a 10 percent stake in the Company has been transferred or has otherwise changed hands, and mitigation measures being or to be taken:

The transfer and replacement of equity is a financial management activity of the shareholders which has no impact on the Company. Starting from January 1, 2022 up to the date of publication of the annual report, there has not been any significant transfer or replacement of equity.

(XI) Effect upon and risks to the Company associated with any change in governance personnel or top management, and mitigation measures being or to be taken:

The structure of the Company's shareholder is stable, which consists of professional managers. In the event of a change in management rights, it shall not damage the Company's operations and management. Starting from January 1, 2022 up to the date of publication of the annual report, there has not been any significant transfer or replacement of equity.

(XII) Litigious and non-litigious matters that may have a significant impact on shareholders' equity or securities prices: None.

(XIII) Other important risks, and mitigation measures being or to be taken: None.

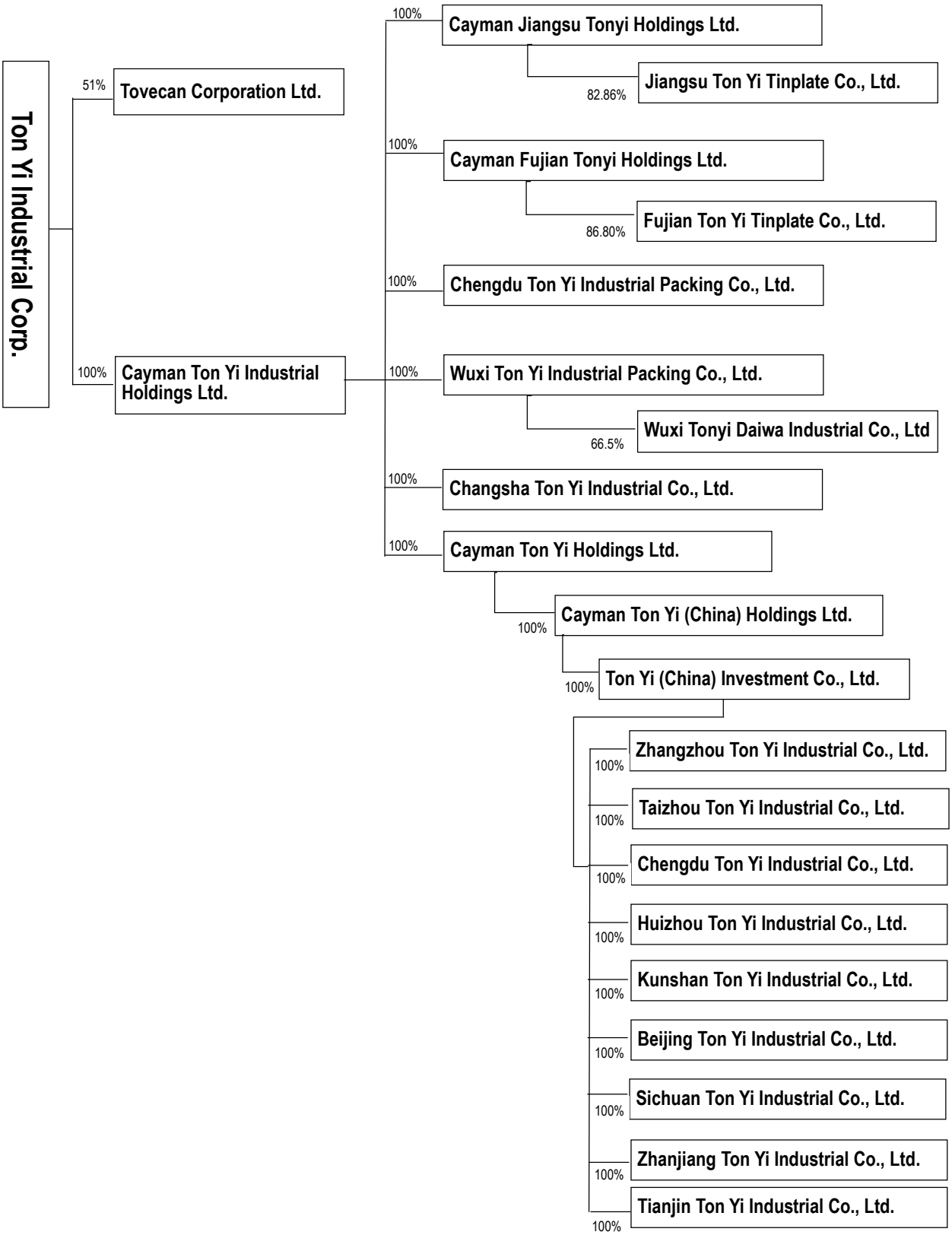
VII. Other materiality: None.

EIGHT. Special Remarks

I. Relevant information of affiliated enterprises

(I) Consolidated business reports of affiliated enterprises

1. Organization chart of affiliated enterprises



2. Basic information about affiliated enterprises

Year of 2022 Expressed in thousand dollars

Names of enterprises	Date of incorporation	Address	Paid-in capital	Marketing and production items
Ton Yi Industrial Corp.	1969.04.14	No. 837, Zhongzheng N. Rd., Niaosong Village, Yongkang District, Tainan City, Taiwan	NT$15,791,453	Tin plates Tin mill black plates (TMBP) Coated Steel Tin cans, etc.
Tovecan Corporation Ltd.	1993.01.28	Lot A60/I-A61/II, No.7 Street, Vinh Loc Industrial Park, Binh Hung Hoa B Ward, Binh Tan District, Hochiminh City, Vietnam	US$4,576	Manufacturing and sale of cans
Cayman Ton Yi Industrial Holdings Ltd.	1997.01.31	P.O. Box 31119 Grand Pavilion, Hibiscus Way, 802 West Bay Road, Grand Cayman, KY1-1205, Cayman Islands.	US$434,708	General investment
Cayman Jiangsu Tonyi Holdings Ltd.	1998.10.29	Ditto	US$50	General investment
Cayman Fujian Tonyi Holdings Ltd.	1998.10.29	Ditto	US$87	General investment
Cayman Ton Yi Holdings Ltd.	2012.07.03	Ditto	US$230,000	General investment
Cayman Ton Yi (China) Holdings Ltd.	2012.07.04	Ditto	US$230,000	General investment
Ton Yi (China) Investment Co., Ltd.	2014.09.15	No.301 QingYang South Rd., Kunshan Economic & Technical Development Zone, Jiangsu, China	US$230,000	General investment
Chengdu Ton Yi Industrial Packing Co., Ltd.	1994.02.06	CCB Building 9F, No.58, Guihu East Road, Xindu Town, Xindu District, Chengdu, Sichuan, China.	US$7,500	Sale of cans
Wuxi Ton Yi Industrial Packing Co., Ltd.	1994.02.24	No.723 Zhide Avenue, Xinwu District, Wuxi, Jiangsu, China	US$27,000	Manufacturing and sale of PET packages and beverage filling OEM, sale of cans
Jiangsu Ton Yi Tinplate Co., Ltd.	1994.07.28	No.723 Zhide Avenue, Xinwu District, Wuxi, Jiangsu,China	US$40,000	Sales of Tin plates
Fujian Ton Yi Tinplate Co., Ltd.	1995.03.31	Wengjiao Road No.160, Zhangzhou Taiwanese Investment Zone, Zhangzhou, Fujian, China	US$86,500	Manufacturing and sale of tinplate
Changsha Ton Yi Industrial Co., Ltd	2012.11.12	No. 188, Chigang Rd., Hunan Wangcheng Economic Development Zone, Changsha, Hunan, China	US$7,000	Sale of cans
Zhangzhou Ton Yi Industrial Co., Ltd.	2011.04.28	No.239, Dingcuo, Yangcuo Village, Jiaomei Town, Zhangzhou Taiwanese Investment Zone, Fujian Province China	US$30,000	Manufacturing and sale of PET packages and beverage filling OEM
Taizhou Ton Yi Industrial Co., Ltd.	2012.03.07	No. 301, Yongping Road,Hi-tech Industrial Parks , Gaogang District, Taizhou City, Jiangsu, China	US$30,000	Manufacturing and sale of PET packages and beverage filling OEM
Chengdu Ton Yi Industrial Co., Ltd.	2012.07.04	No.129 Huixiang RD. Pickles (Food) Industrial Park, Xinfan Town, Xindu District, Chengdu City , China	US$30,000	Manufacturing and sale of PET packages and beverage filling OEM
Huizhou Ton Yi Industrial Co., Ltd.	2012.10.12	Banqiao Industrial Park, Taimei Town, Boluo County, Huizhou City, Guangdong, China	US$30,000	Manufacturing and sale of PET packages and beverage filling OEM
Kunshan Ton Yi Industrial Co., Ltd.	2013.04.25	No.301 QingYang South Rd., Kunshan Economic & Technical Development Zone, Jiangsu, China	US$30,000	Manufacturing and sale of PET packages and beverage filling OEM
Beijing Ton Yi Industrial Co., Ltd.	2013.05.08	Building C, Dazhong Fule Village Industrial Zone, Huairou District, Beijing City, China	US$30,000	Manufacturing and sale of PET packages and beverage filling OEM
Sichuan Ton Yi Industrial Co., Ltd.	2014.10.21	No.18, North section of Rongtai Avenue, Cross-Strait Science and Technology Industrial Park, Wenjiang District, Chengdu city, Sichuan, China	US$30,000	Manufacturing and sale of PET packages and beverage filling OEM
Zhanjiang Ton Yi Industrial Co., Ltd.	2014.10.28	No 1, Henger Rd., Lingbei Industrial Bases, Suixi County, Zhanjiang , Guangdong, China	US$20,000	Manufacturing and sale of PET packages and beverage filling OEM
Wuxi Tonyi Daiwa Industrial Co., Ltd	2018.01.11	No.725 Zhide Avenue, Xinwu District, Wuxi, Jiangsu, China	US$40,000	Manufacturing and sale of new bottle can
Tianjin Ton Yi Industrial Co., Ltd.	2018.07.05	Tianjin Airport Economic Zone Jinglu 269B	US$20, 000	Manufacturing and sale of PET packages and beverage filling OEM

3. Data of Common Shareholders of Treated-as Controlled Companies and Affiliates: None.

4. Business of Uni-President and its Affiliated Enterprises:

Tinplate Packaging Products: We specialize in the integrated production and sales of tinplate products, including TMBP, Tin plates, Printed Tinplates, and can manufacturing.

Plastic Packaging Products (including filling): We provide packaging materials and contract filling services for plastic packaging products, ranging from bottle caps and preforms to finished filling services for beverages.

NBC: We are involved in the production and sales of aluminum can products.

Our affiliated enterprises are engaged in vertical integration and support services to reduce costs and operational risks in these business operations.

5. Information of the Directors, Supervisors and Presidents of affiliated enterprises

December 31, 2022

Expressed in thousand U. S. Dollars, number of shares, %

Company names	Position titles	Names or statutory representative	Number of shares held	
			Number of shares held	Number of shares held
Ton Yi Industrial Corp.	Chairman	Chih-Hsien Lo (Statutory Representative of Uni-President Enterprises Corp.)	719,357,425(shares)	45.55%
	Director	Jau-Kai Huang, Chun-Fu Chen, Feng-Fu Chen(Statutory Representative of Uni-President Enterprises Corp.)	719,357,425(shares)	45.55%
		Shiow-Ling Kao (Statutory Representative of Kao Chyuan Investment Co., Ltd.)	25,700,700(shares)	1.63%
		Guo-Geng Chen	7,859,222(shares)	0.50%
		Shing-Chi Liang	6,000,028(shares)	0.38%
	Independent Director	Yi-Chang Lin	-	-
		Lih-Chyun Shu	-	-
		Huey-Cherng Tsai	-	-
	President	Chin-Chen Hsu	41,081(shares)	-
		Yu- Hsing Chang	101,140(shares)	0.01%
Tovecan Corporation Ltd.	Chairman	Shing-Chi Liang (Statutory Representative of Ton Yi Industrial Corp.)	US$2,334	51.00%
	Director	Ming-Song Wu (Statutory Representative of Ton Yi Industrial Corp.)	US$2,334	51.00%
		HIROSHI YANAGISAWA (Statutory Representative of Toyota Tsusho Corporation)	US$1,206	26.36%
		NGUYEN VAN TUNG(Statutory Representative of Vietnam National Vegetable , Fruit And Agricultural Product Corporation - Joint Stock Company)	US$1,036	22.64%
	President	Ho-Chang Lee	-	-
Cayman Ton Yi Industrial Holdings Ltd.	Juridical Person Director	Ton Yi Industrial Corp. (Shing-Chi Liang, Representative of Ton Yi Industrial Corp.)	43,470,820(shares)	100.00%
Cayman Jiangsu Ton Yi Holdings Ltd.	Juridical Person Director	Cayman Ton Yi Industrial Holdings Ltd. (Shing-Chi Liang, Representative of Cayman Ton Yi Industrial Holdings Ltd.)	5,000(shares)	100.00%
Cayman Fujian Ton Yi Holdings Ltd.	Juridical Person Director	Cayman Ton Yi Industrial Holdings Ltd. (Shing-Chi Liang, Representative of Cayman Ton Yi Industrial Holdings Ltd.)	8,727(shares)	100.00%
Cayman Ton Yi Holdings Ltd.	Juridical person director	Cayman Ton Yi Industrial Holdings Ltd. (Feng-Fu Chen, Representative of Cayman Ton Yi Industrial Holdings Ltd.)	230,000,000(shares)	100.00%
Cayman Ton Yi (China) Holdings Ltd.	Juridical Person Director	Cayman Ton Yi Holdings Ltd. (Feng-Fu Chen, Representative of Cayman Ton Yi Holdings Ltd.)	230,000,000(shares)	100.00%
Ton Yi (China) Investment Co., Ltd.	Chairman	Feng-Fu Chen (Statutory Representative of Cayman Ton Yi (China) Industrial Holdings Ltd.)	US$230,000	100.00%
	Director	Chin-Cheng Hsu, Chao-Pin Chen (Statutory Representative of Cayman Ton Yi (China) Holdings Ltd.)	US$230,000	100.00%
	Supervisor	Yu-Hsin Chang (Statutory Representative of Cayman Ton Yi (China) Holdings Ltd.)	US$230,000	100.00%
	President	Chao-Pin Chen	-	-
Chengdu Ton Yi Industrial Packing Co., Ltd.	Chairman	Shing-Chi Liang (Statutory Representative of Cayman Ton Yi Industrial Holdings Ltd.)	US$7,500	100.00%
	Director	Yu-Hsin Chang, Chih-Kang Hsu (Statutory Representative of Cayman Ton Yi Industrial Holdings Ltd.)	US$7,500	100.00%
	Supervisor	Yi-Hsin Liu (Statutory Representative of Cayman Ton Yi Industrial Holdings Ltd.)	US$7,500	100.00%

Company names	Position titles	Names or statutory representative	Number of shares held	
			Number of shares held	Number of shares held
	President	Chih-Kang Hsu	-	-
Wuxi Ton Yi Industrial Packaging Co., Ltd.	Chairman	Shing-Chi Liang (Statutory Representative of Cayman Ton Yi Industrial Holdings Ltd.)	US$27,000	100.00%
	Director	Yu-Hsin Chang, Chao-Pin Chen, (Statutory Representative of Cayman Ton Yi Industrial Holdings Ltd.)	US$27,000	100.00%
	Supervisor	Wen-Lin Chuang (Statutory Representative of Cayman Ton Yi Industrial Holdings Ltd.)	US$27,000	100.00%
	President	Chao-Pin Chen	-	-
Jiangsu Ton Yi Tinplate Co., Ltd.	Chairman	Shing-Chi Liang (Statutory Representative of Cayman Jiangsu Ton Yi Holdings Ltd.)	US$33,143	82.858%
	Director	Ming-Sung Wu, Chin-Cheng Hsu, Keng-Hua Lin (Statutory Representative of Cayman Jiangsu Ton Yi Holdings Ltd.)	US$33,143	82.858%
		Naoto Uchiyama (Statutory representative of JFE Steel Corporation Japan)	US$2,286	5.714%
	Supervisor	Feng-Fu, Chen (Statutory Representative of Cayman Jiangsu Ton Yi Holdings Ltd.)	US$33,143	82.858%
	President	Keng-Hua Lin	-	-
Fujian Ton Yi Tinplate Co., Ltd.	Chairman	Shing-Chi Liang (Statutory Representative of Cayman Fujian Ton Yi Holdings Ltd.)	US$75,086	86.8044%
	Director	Chin-Cheng Hsu, Feng-Jen Huang (Statutory Representative of Cayman Fujian Ton Yi Holdings Ltd.)	US$75,086	86.8044%
		Hiroshi Yanagisawa(Statutory representative of Toyota Tsusho Corporation)	US$6,621	7.6544%
	Supervisor	Feng-Fu Chen (Statutory Representative of Cayman Fujian Ton Yi Holdings Ltd.)	US$75,086	86.8044%
	President	Feng-Jen Huang	-	-
Changsha Ton Yi Industrial Co., Ltd.	Chairman	Shing-Chi Liang (Statutory Representative of Cayman Ton Yi Industrial Holdings Ltd.)	US$7,000	100.00%
	Director	Feng-Fu Chen, Ming-Sung Wu (Statutory Representative of Cayman Ton Yi Industrial Holdings Ltd.)	US$7,000	100.00%
	Supervisor	Feng-Jen Huang (Statutory Representative of Cayman Ton Yi Industrial Holdings Ltd.)	US$7,000	100.00%
	President	Chih-Kang Hsu	-	-
Zhangzhou Ton Yi Industrial Co., Ltd.	Chairman	Feng-Fu Chen (Statutory Representative of Ton Yi (China) Investment Co., Ltd.)	US$30,000	100.00%
	Director	Chin-Cheng Hsu, Chao-Pin Chen (Statutory Representative of Ton Yi (China) Investment Co., Ltd.)	US$30,000	100.00%
	Supervisor	Yu-Hsin Chang (Statutory Representative of Ton Yi (China) Investment Co., Ltd.)	US$30,000	100.00%
	President	Chao-Pin Chen	-	-
Taizhou Ton Yi Industrial Co., Ltd.	Chairman	Feng-Fu Chen (Statutory Representative of Ton Yi (China) Investment Co., Ltd.)	US$30,000	100.00%
	Director	Chin-Cheng Hsu, Chao-Pin Chen (Statutory Representative of Ton Yi (China) Investment Co., Ltd.)	US$30,000	100.00%
	Supervisor	Yu-Hsin Chang (Statutory Representative of Ton Yi (China) Investment Co., Ltd.)	US$30,000	100.00%
	President	Chao-Pin Chen	-	-
Chengdu Ton Yi Industrial Co., Ltd.	Chairman	Feng-Fu Chen (Statutory Representative of Ton Yi (China) Investment Co., Ltd.)	US$30,000	100.00%
	Director	Chin-Cheng Hsu, Chao-Pin Chen (Statutory Representative of Ton Yi (China) Investment Co., Ltd.)	US$30,000	100.00%
	Supervisor	Yu-Hsin Chang (Statutory Representative of Ton	US$30,000	100.00%

Company names	Position titles	Names or statutory representative	Number of shares held	
			Number of shares held	Number of shares held
		Yi (China) Investment Co., Ltd.)		
	President	Chao-Pin Chen	-	-
Huizhou Ton Yi Industrial Co., Ltd.	Chairman	Feng-Fu Chen (Statutory Representative of Ton Yi (China) Investment Co., Ltd.)	US$30,000	100.00%
	Director	Chin-Cheng Hsu, Chao-Pin Chen (Statutory Representative of Ton Yi (China) Investment Co., Ltd.)	US$30,000	100.00%
	Supervisor	Yu-Hsin Chang (Statutory Representative of Ton Yi (China) Investment Co., Ltd.)	US$30,000	100.00%
	President	Chao-Pin Chen	-	-
Kunshan Ton Yi Industrial Co., Ltd.	Chairman	Feng-Fu Chen (Statutory Representative of Ton Yi (China) Investment Co., Ltd.)	US$30,000	100.00%
	Director	Chao-Pin Chen, Yu-Hsin Chang (Statutory Representative of Ton Yi (China) Investment Co., Ltd.)	US$30,000	100.00%
	Supervisor	Feng-Jen Huang (Statutory Representative of Ton Yi (China) Investment Co., Ltd.)	US$30,000	100.00%
	President	Chao-Pin Chen	-	-
Beijing Ton Yi Industrial Co., Ltd.	Chairman	Feng-Fu Chen (Statutory Representative of Ton Yi (China) Investment Co., Ltd.)	US$30,000	100.00%
	Director	Chao-Pin Chen, Yu-Hsin Chang (Statutory Representative of Ton Yi (China) Investment Co., Ltd.)	US$30,000	100.00%
	Supervisor	Feng-Jen Huang (Statutory Representative of Ton Yi (China) Investment Co., Ltd.)	US$30,000	100.00%
	President	Chao-Pin Chen	-	-
Sichuan Ton Yi Industrial Corp.	Chairman	Feng-Fu Chen (Statutory Representative of Ton Yi (China) Investment Co., Ltd.)	US$30,000	100.00%
	Director	Chao-Pin Chen, Yu-Hsin Chang (Statutory Representative of Ton Yi (China) Investment Co., Ltd.)	US$30,000	100.00%
	Supervisor	Chin-Cheng Hsu (Representative of Ton Yi (China) Investment Co., Ltd.)	US$30,000	100.00%
	President	Chao-Pin Chen	-	-
Zhanjiang Ton Yi Industrial Co., Ltd.	Chairman	Feng-Fu Chen (Representative of Ton Yi (China) Investment Co., Ltd.)	US$20,000	100.00%
	Director	Chao-Pin Chen, Yu-Hsin Chang (Statutory Representative of Ton Yi (China) Investment Co., Ltd.)	US$20,000	100.00%
	Supervisor	Chin-Cheng Hsu (Statutory Representative of Ton Yi (China) Investment Co., Ltd.)	US$20,000	100.00%
	President	Chao-Pin Chen	-	-
Wuxi Tonyi Daiwa Industrial Co., Ltd.	Chairman	Shing-Chi Liang (Statutory Representative of Wuxi Ton Yi Industrial Packaging Co., Ltd.)	US$26,600	66.50%
	Director	Yu-Hsin Chang, Ming-Hua Lin, Chao-Pin Chen	US$26,600	66.50%
		Ikeda Yoshitaka, Yamada Tatsuya (Statutory Representative of Daiwa Can Company)	US$13,400	33.50%
	Supervisor	Yi-Hsing Liu (Statutory Representative of Wuxi Ton Yi Industrial Packaging Co., Ltd.)	US$26,600	66.50%
	President	Chao-Pin Chen	-	-
Tianjin Ton Yi Industrial Co., Ltd.	Chairman	Feng-Fu Chen (Representative of Ton Yi (China) Investment Co., Ltd.)	US$20,000	100.00%
	Director	Chao-Pin Chen, Yu-Hsin Chang (Statutory Representative of Ton Yi (China) Investment Co., Ltd.)	US$20,000	100.00%
	Supervisor	Chin-Chen Hsu (Statutory Representative of Ton Yi (China) Investment Co., Ltd.)	US$20,000	100.00%
	President	Chao-Pin Chen	-	-

6. An overview of business operation of affiliated enterprises

December 31, 2022
Expressed in thousand NT$ Dollars

Names of enterprises	Capital	Aggregate total of assets	Total liabilities	Net worth	Operating revenues	Operating interests	Profit and/or loss this term (after tax)	EPS (NT$) (after tax)
Ton Yi Industrial Corp.	15,791,453	29,371,082	8,318,301	21,052,781	23,401,298	2,656,018	2,246,437	1.42
Tovecan Corporation Ltd.	140,529	175,831	46,260	129,571	109,994	4,640	3,062	
Cayman Ton Yi Industrial Holdings Ltd.	13,349,889	17,913,144	0	17,913,144	0	0	44,306	
Cayman Jiangsu Tonyi Holdings Ltd.	1,536	1,886,898	0	1,886,898	0	0	(154,809)	
Cayman Fujian Tonyi Holdings Ltd.	2,680	2,187,797	0	2,187,797	0	0	(525,939)	
Cayman Ton Yi Holdings Ltd.	7,063,300	12,066,203	0	12,066,203	0	0	978,751	
Cayman Ton Yi (China) Holdings Ltd.	7,063,300	12,066,203	0	12,066,203	0	0	978,751	
Ton Yi (China) Investment Co., Ltd.	7,063,300	12,280,255	214,056	12,066,199	49,702	(32,685)	1,024,797	
Chengdu Ton Yi Industrial Packing Co., Ltd.	230,325	481,907	55,051	426,856	534,611	4,190	30,339	
Wuxi Ton Yi Industrial Packing Co., Ltd	829,170	2,817,638	1,792,362	1,025,276	2,578,753	(62,947)	(121,402)	
Jiangsu Ton Yi Tinplate Co., Ltd.	1,228,400	2,374,252	96,986	2,277,266	2,402,771	(104,526)	(59,413)	
Fujian Ton Yi Tinplate Co., Ltd.	2,656,415	3,891,010	1,370,635	2,520,375	5,248,301	(646,210)	(592,400)	
Changsha Ton Yi Industrial Co., Ltd	214,970	457,203	125,101	332,102	1,135,955	224	7,132	
Zhangzhou Ton Yi Industrial Co., Ltd.	921,300	2,261,975	392,604	1,869,371	2,148,610	247,334	193,960	
Taizhou Ton Yi Industrial Co., Ltd.	921,300	2,343,213	673,556	1,669,657	3,022,232	369,506	284,000	
Chengdu Ton Yi Industrial Co., Ltd.	921,300	2,085,593	862,159	1,223,434	1,151,564	119,202	91,533	
Huizhou Ton Yi Industrial Co., Ltd.	921,300	2,238,519	968,488	1,270,031	1,687,117	194,008	135,642	
Kunshan Ton Yi Industrial Co., Ltd.	921,300	1,602,108	522,350	1,079,758	2,437,137	26,495	25,460	
Beijing Ton Yi Industrial Co., Ltd.	921,300	1,405,531	392,713	1,012,818	2,093,244	59,125	59,458	
Sichuan Ton Yi Industrial Co., Ltd.	921,300	1,850,262	414,972	1,435,290	2,360,268	174,580	167,058	
Zhanjiang Ton Yi Industrial Co., Ltd.	614,200	1,339,436	508,812	830,624	1,627,859	161,705	120,033	
Wuxi Tonyi Daiwa Industrial Co., Ltd.	1,228,400	1,322,693	384,682	938,011	163,519	(89,339)	(75,103)	
Tianjin Ton Yi Industrial Co., Ltd.	614,200	1,057,012	598,305	458,707	647,482	(65,424)	(59,911)	

＊Consolidated Financial Statements of Related Companies: In accordance with the "Guidelines for the Preparation of Consolidated Financial Statements of Related Companies and Related Reports in the Related Company Consolidated Operating Report" for the fiscal year 2022 of our company (from January 1, year 2022 to December 31, year 2022), the companies required to prepare consolidated financial statements of related companies are the same as those required to prepare consolidated financial statements of parent and subsidiary companies in accordance with International Financial Reporting Standards No. 10. Furthermore, the relevant information to be disclosed in the consolidated financial statements of related companies has already been disclosed in the aforementioned consolidated financial statements of parent and subsidiary companies. Therefore, there is no need to prepare separate consolidated financial statements of related companies. For detailed consolidated financial statements, please refer to pages 94 to 171.

(II) Affiliation Report

Ton Yi Industrial Corp.

Declaration of Affiliation Report

The Company's Statements of the Affiliates for 2022 (between January 1, 2022 and December 31, 2022) was prepared in accordance with the Criteria Governing Preparation of Affiliation Reports, Consolidated Business Reports and Consolidated Financial Statements of Affiliated Enterprises. There is no material discrepancy between the relevant information disclosed in the above report and notes to financial statements for the corresponding period.

Company name： Ton Yi Industrial Corp.

Chairman： Chih-Hsien Lo

March 7, 2023

Ton Yi Industrial Corp.

Auditor's review of the Affiliation Report

Zi-Hui-Zong-22010045

To Ton Yi Industrial Corporation:

The Company's Statements of the Affiliates for 2023 (between January 1, 2023 and December 31, 2023) was prepared in accordance with the Criteria Governing Preparation of Affiliation Reports, Consolidated Business Reports and Consolidated Financial Statements of Affiliated Enterprises. There is no material discrepancy between the relevant information disclosed in the above report and notes to financial statements for the corresponding period.

We, the accountants, have compared the Company's affiliation Report and notes from the Company's financial statements in accordance with the Criteria Governing Preparation of Affiliation Reports, Consolidated Business Reports and Consolidated Financial Statements of Affiliated Enterprises. There is no material discrepancy between the relevant information disclosed in the above report and notes to financial statements for the corresponding period.

Fang-Ting Yeh

Independent Accountants

Yung-Chih Lin

PricewaterhouseCoopers, Taiwan
Republic of China
March 7, 2023

Ton Yi Industrial Corp.

(I) Overview of the relationship between the subsidiary company and the controlling company

A subsidiary company of the Company's System One Enterprise Co., Ltd., as of December 31, 2022, the information is as follows：

Expressed in number of shares and %

Name of the controlling company	Causes of control	Shareholding and pledge facts of the controlling company			Facts of the personnel assigned by the controlling company to serve as the directors and supervisors, managerial officers	
		Number of shares held	Number of shares held	Number of shares held	Position titles	Name
Uni-President Enterprises Corporation	The controlling company directly or indirectly controls the Company's personnel matters, financial matters or business operation.	Uni-President Enterprises Corp. 719,357,425 shares	45.55%	—	Chairman Director Director Director	Chih-Hsien Lo Chun-Fu Chen Feng-Fu Chen Jau-Kai Huang
		Kai Yu Investment Co., Ltd.(Note) 26,445,229 shares	1.67%	—	—	—

(Note) Shareholding ratio of Uni-President Enterprises Corporation: 100.00%.

Chairman: Chih-Hsien Lo President: Chin-Cheng Hsu, Yu-Hsin Chang Accounting Manager: Yi-Hsin Liu

Ton Yi Industrial Corp.

(II) Transactions between the subordinate company and the controlling company

The Company's transactions with the controlling company Uni-President Enterprises Corporation in 2022 are as follows:

1. Transaction in purchases, sales:

Expressed in Thousand NT Dollars;%

Transaction with controlling company				Terms of transaction with controlling company		Ordinary terms of transaction		Cause leading to the gap	Accounts, notes receivable (payable)		Overdue receivables			Remarks
Input (output) transaction	Amount	Ratio to the aggregate total	Gross sales profit	Unit price (NT$)	Credit duration	Unit price (NT$)	Credit duration		Balance	Ratio to aggregate total of	Amount	Method of managem	The amount of	
(Sales)	($ 42,097)	—	13.9%	Pursuant to terms and conditions set forth under the contracts	By wire transfer (T/T), on a monthly basis in every 30 days	Pursuant to terms and conditions set forth under the contracts	By wire transfer (T/T), on a monthly basis in every 30 days, payable 50 days after shipment or 30 days after arrival of the shipments	No difference	$ 3,021	—	$ —	—	$ —	—

2. Transaction in properties: None.
3. Capital financing: None.
4. Leasehold of assets: None.
5. Other significant transactions: None.

(III) Endorsements/guarantees between subordinate company and controlling company: None.

Chairman: Chih-Hsien Lo President: Chin-Cheng Hsu, Yu-Hsin Chang Accounting Manager: Yi-Hsin Liu

II. Private placement of securities in the current year and as of the date of printing of the annual report: None.

III. Holding or disposal of the Company's stocks by subsidiaries in the current year and as of the date of printing of the Annual Report: None.

IV. Other supplementation as necessary: None.

V. Occurrence of any event under Article 36, Paragraph 3, Subparagraph 2 of the Securities And Exchange Act which results in significant impacts upon the shareholders' equity or securities price: None.

Appendix. Audited and certified consolidated financial statements of the most recent year

TON YI INDUSTRIAL CORP. AND SUBSIDIARIES

Declaration of Consolidated Financial Statements of Affiliated Enterprises

For the year ended December 31, 2022, pursuant to Criteria Governing Preparation of Affiliation Reports, Consolidated Business Reports and Consolidated Financial Statements of Affiliated Enterprises, the entities that are required to be included in the consolidated financial statements of affiliates, are the same as the entities required to be included in the consolidated financial statements under International Financial Reporting Standards 10. Also, if 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, it shall not be required to prepare consolidated financial statements of affiliates.

Hereby declare,

TON YI INDUSTRIAL CORP.

March 7, 2023

INDEPENDENT AUDITORS' REPORT TRANSLATED FROM CHINESE

To the Board of Directors and Shareholders of Ton Yi Industrial Corp.

Opinion

We have audited the accompanying consolidated balance sheets of Ton Yi Industrial Corp. and its subsidiaries (the "Group") as of December 31, 2022 and 2021, and the related consolidated statements of comprehensive income, of changes in equity and of cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as of December 31, 2022 and 2021, 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 the International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations that came into effect as endorsed by the Financial Supervisory Commission.

Basis for opinion

We conducted our audits in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the consolidated financial statements section of our report. We are independent of the Group in accordance with the Norm of Professional Ethics for Certified Public Accountants in 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 Group's 2022 consolidated financial statements. These matters were addressed in the context of our audit of the consolidated financial statements as a whole and, in forming our opinion thereon, we do not provide a separate opinion on these matters.

Existence of sales revenues of Tin Plate products

Description

Refer to Note 4(28) for the accounting policy on revenue recognition.

The Group has a large volume of transactions from sales of numerous kinds of products to a wide range of customers in many different locations such as Taiwan, Asia, Europe, America, etc. For the customers and dealers who are from remote districts, the sales revenue transactions need more time for verification. Thus, the existence of sales revenue of tin plate products has been identified as a key audit matter.

How our audit addressed the matter

Our key audit procedures performed in respect of the above key audit matter included the following:

1. Inspecting whether approved additions to the merchandise master file data had been correctly entered in the merchandise master file which include basic information of customers, such as name of representative, location of company, amount of capital and scope of business for evaluating the creditworthiness of buyers.
2. Understanding, evaluating and validating management's controls in respect of the Group's sales transactions from customer order's approval, goods delivery, sales recording, reconciliation of cash receipts and customer's records to subsequent settlement of trade receivables. In addition, testing the effectiveness of internal control environment over revenue recognition.
3. Performing substantive test on selected sales transactions including confirming orders, shipping documents, invoices and cash receipts to verify the existence of sales revenues.

Inventory valuation of Tin Plate products

Description

Refer to Note 4(9) for accounting policy on inventory valuation, and Note 5(2) for the accounting estimates and assumption uncertainty in relation to inventory valuation and Note 6(4) for details of inventories. For the year ended December 31, 2022, inventory and allowance for price decline of inventories amounted to NT $4,903,677 thousand and NT $201,600 thousand, respectively.

The Group's raw materials are often subject to fluctuations in the international steel prices. However, as the Tin Plate products are considered necessities, such price changes may not be immediately reflected in material costs. In addition, the competition landscape within the steel industry in China will continue to affect the price of raw materials that would impact the estimation of net realizable value of inventory. Thus, the inventory valuation has been identified as a key audit matter.

How our audit addressed the matter

Our key audit procedures performed in respect of the above key audit matter included the following:

1. Evaluating the adequacy of allowance for inventory and the consistency of provision policy.
2. Assessing the reasonableness of the estimation of net realizable value of Tin plate products and discussing with management and examining related documents to confirm the adequacy of allowance for price decline.

Intangible Assets – Impairment assessment of Goodwill

Description

Refer to Note 4(17) and Note 4(18) for the accounting policy on intangible assets – goodwill and impairment of non-financial assets, Note 5(2) for the uncertainty of accounting estimates and assumption uncertainty in relation to impairment assessment of goodwill, and Note 6(10) and Note 6(11) for details of intangible assets and impairment of non-financial assets, respectively.

The Group's management regularly performs the impairment assessment of goodwill. As the objective evidence for the impairment assessment and the various factors considered in determining the recoverable amount involve management's objective judgement and contain a high degree of estimation uncertainty. Thus, the impairment assessment of goodwill has been identified as a key audit matter.

How our audit addressed the matter

Our key audit procedures performed in respect of the above key audit matter included the following:

1. Confirming the objective evidence, processes and factors considered in impairment assessment are consistently adopted by management to identify whether the goodwill is impairment and confirming the reliability of the relevant information.
2. Assessing the competence and objectiveness of external appraisal experts appointed by management and adopting the report of impairment assessment of goodwill prepared by an external appraisal expert as one of the evidences to the audit. The audit procedures performed by the internal appraisal expert and used by the auditors are as follows:

   (1)Reviewing the setting of the valuation method and calculation formulas used by the external appraisal experts.

   (2)Reviewing the valuation multiples and comparing to the market value of comparable companies and relevant financial information.

   (3)Assessing the appropriateness of the method used and the relevance and justifiability of the key assumptions applied.

Other matter – Parent company only financial reports

We have audited and expressed an unqualified opinion on the parent company only financial statements of Ton Yi Industrial Corp. as of and for the years ended December 31, 2022 and 2021.

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 the International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations that came into effect as endorsed by the Financial Supervisory Commission 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 Standards on Auditing of the Republic of China will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

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

1. Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and

obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the 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 consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the 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 appropriate audit evidence regarding the financial information of the 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, including audit committee, 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, including audit committee, 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, including audit committee, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period 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.

Yeh, Fang-Ting

Independent Accountants

Lin, Yung-Chih

PricewaterhouseCoopers, Taiwan
Republic of China
March 7, 2023

The accompanying consolidated financial statements are not intended to present the financial position and results of operations and cash flows in accordance with accounting principles generally accepted in countries and jurisdictions other than the Republic of China. The standards, procedures and practices in the Republic of China governing the audit of such financial statements may differ from those generally accepted in countries and jurisdictions other than the Republic of China. Accordingly, the accompanying consolidated financial statements and independent auditors' report are not intended for use by those who are not informed about the accounting principles or auditing standards generally accepted in the Republic of China, and their applications in practice.

As the financial statements are the responsibility of the management, PricewaterhouseCoopers cannot accept any liability for the use of, or reliance on, the English translation or for any errors or misunderstandings that may derive from the translation.

TON YI INDUSTRIAL CORP. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 2022 AND 2021
(Expressed in thousands of New Taiwan dollars)

	Assets	Notes	December 31, 2022 AMOUNT	%	December 31, 2021 AMOUNT	%
	Current assets					
1100	Cash and cash equivalents	6(1)	$ 3,168,365	9	$ 2,664,025	7
1150	Notes receivable, net	6(2)(3) and 12	1,042,219	3	845,273	2
1170	Accounts receivable, net	6(2) and 12	1,771,155	5	3,149,090	8
1180	Accounts receivable - related parties	6(2) and 7	1,902,411	5	1,345,104	4
1200	Other receivables		101,738	-	165,358	1
1220	Current income tax assets	6(27)	2,466	-	60,565	-
130X	Inventories	5(2) and 6(4)	4,702,077	14	5,657,333	15
1410	Prepayments		209,132	1	480,809	1
1476	Other financial assets - current		1,200	-	35,144	-
11XX	**Total current assets**		12,900,763	37	14,402,701	38
	Non-current assets					
1517	Financial assets at fair value through other comprehensive income - non-current	6(5)	89,241	-	88,203	-
1600	Property, plant and equipment	6(6) and 7	18,860,972	54	19,903,177	53
1755	Right-of-use assets	6(7) and 7	2,016,559	6	2,257,043	6
1760	Investment property, net	6(9)	90,729	-	92,931	-
1780	Intangible assets	5(2) and 6(10)	7,881	-	285,339	1
1840	Deferred income tax assets	6(27)	835,568	3	656,609	2
1915	Prepayments for business facilities	6(6)	63,242	-	109,497	-
1920	Guarantee deposits paid	7	28,514	-	41,054	-
1990	Other non-current assets, others		12,494	-	11,769	-
15XX	**Total non-current assets**		22,005,200	63	23,445,622	62
1XXX	**Total assets**		$ 34,905,963	100	$ 37,848,323	100

(Continued)

TON YI INDUSTRIAL CORP. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 2022 AND 2021
(Expressed in thousands of New Taiwan dollars)

	Liabilities and Equity	Notes	December 31, 2022 AMOUNT	%	December 31, 2021 AMOUNT	%
	Current liabilities					
2100	Short-term borrowings	6(12)	$ 2,429,889	7	$ 2,798,456	7
2110	Short-term notes and bills payable	6(13)	-	-	399,900	1
2130	Contract liabilities - current	6(20)	70,503	-	187,357	1
2170	Accounts payable		1,292,874	4	1,289,212	3
2180	Accounts payable - related parties	7	299,838	1	273,426	1
2200	Other payables		1,746,443	5	1,627,554	4
2220	Other payables - related parties	7	88,935	-	88,643	-
2230	Current income tax liabilities	6(27)	548,889	2	271,989	1
2280	Lease liabilities - current	7	228,187	1	213,772	1
2305	Other financial liabilities - current		30,958	-	34,462	-
2365	Refund liabilities - current		18,432	-	15,085	-
21XX	**Total current liabilities**		6,754,948	20	7,199,856	19
	Non-current liabilities					
2540	Long-term borrowings	6(14)	3,800,000	11	7,050,000	19
2550	Provisions - non-current	6(15)	84,277	-	82,727	-
2570	Deferred income tax liabilities	6(27)	669,151	2	611,048	2
2580	Lease liabilities - non-current	7	1,370,132	4	1,591,394	4
2630	Long-term deferred revenue		22,258	-	26,129	-
2640	Net defined benefit liabilities - non-current	6(16)	15,462	-	311,034	1
2645	Guarantee deposits received		36,283	-	29,288	-
25XX	**Total non-current liabilities**		5,997,563	17	9,701,620	26
2XXX	**Total liabilities**		12,752,511	37	16,901,476	45
	Equity attributable to owners of parent					
	Share capital					
3110	Common stock	6(17)	15,791,453	45	15,791,453	41
3200	Capital surplus	6(18)	232,045	1	231,673	1
	Retained earnings	6(19)				
3310	Legal reserve		2,062,280	6	1,878,827	5
3320	Special reserve		1,829,875	5	1,811,806	5
3350	Unappropriated retained earnings		2,549,470	7	1,878,911	5
3400	Other equity interest		(1,412,342)	(4)	(1,829,875)	(5)
31XX	**Equity attributable to owners of the parent**		21,052,781	60	19,762,795	52
36XX	**Non-controlling interests**		1,100,671	3	1,184,052	3
3XXX	**Total equity**		22,153,452	63	20,946,847	55
	Significant contingent liabilities and unrecognized contract commitments	9				
3X2X	**Total liabilities and equity**		$ 34,905,963	100	$ 37,848,323	100

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

TON YI INDUSTRIAL CORP. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021
(Expressed in thousands of New Taiwan dollars, except earnings per share)

			Year ended December 31			
			2022		2021	
	Items	Notes	AMOUNT	%	AMOUNT	%
4000	Operating revenue	6(20) and 7	$ 43,480,280	100	$ 41,889,726	100
5000	Operating costs	6(4)(9)(10)(16)(25)(26) and 7	(37,035,948)	(85)	(36,436,871)	(87)
5900	Gross profit from operations		6,444,332	15	5,452,855	13
	Operating expenses	6(9)(10)(16)(25)(26), 7 and 12				
6100	Selling expenses		(1,935,351)	(5)	(1,639,383)	(4)
6200	Administrative expenses		(1,500,995)	(3)	(1,442,652)	(3)
6450	Expected credit gains (losses)		11,161	-	(16,734)	-
6000	Total operating expenses		(3,425,185)	(8)	(3,098,769)	(7)
6900	Operating income		3,019,147	7	2,354,086	6
	Non-operating income and expenses					
7100	Interest income	6(21)	47,623	-	42,117	-
7010	Other income	6(5)(8)(9)(22)	112,715	-	207,252	-
7020	Other gains and losses	6(6)(7)(10)(11)(23), 7 and 12	(85,364)	-	(26,443)	-
7050	Finance costs	6(3)(6)(7)(15)(24) and 7	(180,758)	-	(174,661)	-
7000	Total non-operating income and expenses		(105,784)	-	48,265	-
7900	**Profit before income tax**		2,913,363	7	2,402,351	6
7950	Income tax expense	6(27)	(778,941)	(2)	(603,755)	(2)
8200	**Profit for the year**		$ 2,134,422	5	$ 1,798,596	4

(Continued)

TON YI INDUSTRIAL CORP. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021
(Expressed in thousands of New Taiwan dollars, except earnings per share)

			Year ended December 31			
			2022		2021	
	Items	Notes	AMOUNT	%	AMOUNT	%
	Other comprehensive income (loss)					
	Components of other comprehensive income (loss) that will not be reclassified to profit or loss					
8311	Gain (loss) on remeasurements of defined benefit plan	6(16)	$ 255,986	-	($ 22,011)	-
8316	Unrealized gain from investments in equity instruments measured at fair value through other comprehensive income	6(5)	1,038	-	19,957	-
8349	Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	6(27)	(51,197)	-	4,402	-
	Components of other comprehensive income (loss) that will be reclassified to profit or loss					
8361	Exchange differences on translation		445,996	1	(41,677)	-
8399	Income tax relating to the components of other comprehensive income that will be reclassified to profit or loss	6(27)	(867)	-	211	-
8300	**Other comprehensive income (loss) for the year**		$ 650,956	1	($ 39,118)	-
8500	**Total comprehensive income for the year**		$ 2,785,378	6	$ 1,759,478	4
	Profit (loss) attributable to:					
8610	Owners of the parent		$ 2,246,437	5	$ 1,852,148	4
8620	Non-controlling interests		(112,015)	-	(53,552)	-
			$ 2,134,422	5	$ 1,798,596	4
	Comprehensive income (loss) attributable to:					
8710	Owners of the parent		$ 2,868,759	6	$ 1,816,470	4
8720	Non-controlling interests		(83,381)	-	(56,992)	-
			$ 2,785,378	6	$ 1,759,478	4
	Earnings per share (in dollars)	6(28)				
9750	Basic		$ 1.42		$ 1.17	
9850	Diluted		$ 1.41		$ 1.17	

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

TON YI INDUSTRIAL CORP. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021
(Expressed in thousands of New Taiwan dollars)

		Equity attributable to owners of the parent									
				Retained Earnings			Other equity interest				
	Notes	Share capital - common stock	Capital surplus	Legal reserve	Special reserve	Unappropriated retained earnings	Exchange differences on translation of foreign financial statements	Unrealized gain (loss) on financial assets measured at fair value through other comprehensive income	Total	Non-controlling interest	Total equity
For the year ended December 31, 2021											
Balance at January 1, 2021		$ 15,791,453	$ 231,690	$ 1,793,153	$ 1,922,076	$ 856,723	($ 1,501,135)	($ 310,671)	$ 18,783,289	$ 1,241,044	$ 20,024,333
Profit (loss) for the year		-	-	-	-	1,852,148	-	-	1,852,148	(53,552)	1,798,596
Other comprehensive income (loss) for the year	6(5)	-	-	-	-	(17,609)	(38,026)	19,957	(35,678)	(3,440)	(39,118)
Total comprehensive income (loss)		-	-	-	-	1,834,539	(38,026)	19,957	1,816,470	(56,992)	1,759,478
Distribution of 2020 net income:											
Legal reserve		-	-	85,674	-	(85,674)	-	-	-	-	-
Cash dividends	6(19)	-	-	-	-	(836,947)	-	-	(836,947)	-	(836,947)
Reversal of special reserve		-	-	-	(110,270)	110,270	-	-	-	-	-
Non-payment of expired cash dividends from previous years transferred to capital reserve	6(18)	-	369	-	-	-	-	-	369	-	369
Payment of unpaid cash dividends from previous years transferred to capital reserve	6(18)	-	(386)	-	-	-	-	-	(386)	-	(386)
Balance at December 31, 2021		$ 15,791,453	$ 231,673	$ 1,878,827	$ 1,811,806	$ 1,878,911	($ 1,539,161)	($ 290,714)	$ 19,762,795	$ 1,184,052	$ 20,946,847
For the year ended December 31, 2022											
Balance at January 1, 2022		$ 15,791,453	$ 231,673	$ 1,878,827	$ 1,811,806	$ 1,878,911	($ 1,539,161)	($ 290,714)	$ 19,762,795	$ 1,184,052	$ 20,946,847
Profit (loss) for the year		-	-	-	-	2,246,437	-	-	2,246,437	(112,015)	2,134,422
Other comprehensive income for the year	6(5)	-	-	-	-	204,789	416,495	1,038	622,322	28,634	650,956
Total comprehensive income (loss)		-	-	-	-	2,451,226	416,495	1,038	2,868,759	(83,381)	2,785,378
Distribution of 2021 net income:											
Legal reserve		-	-	183,453	-	(183,453)	-	-	-	-	-
Special reserve		-	-	-	18,069	(18,069)	-	-	-	-	-
Cash dividends	6(19)	-	-	-	-	(1,579,145)	-	-	(1,579,145)	-	(1,579,145)
Non-payment of expired cash dividends from previous years transferred to capital reserve	6(18)	-	431	-	-	-	-	-	431	-	431
Payment of unpaid cash dividends from previous years transferred to capital reserve	6(18)	-	(59)	-	-	-	-	-	(59)	-	(59)
Balance at December 31, 2022		$ 15,791,453	$ 232,045	$ 2,062,280	$ 1,829,875	$ 2,549,470	($ 1,122,666)	($ 289,676)	$ 21,052,781	$ 1,100,671	$ 22,153,452

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

TON YI INDUSTRIAL CORP. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021
(Expressed in thousands of New Taiwan dollars)

	Notes	Year ended December 31, 2022	Year ended December 31, 2021
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax		$ 2,913,363	$ 2,402,351
Adjustments			
Adjustments to reconcile profit (loss)			
Expected credit (gains) losses	12	(11,161)	16,734
Provision for inventory market price decline	6(4)	89,625	4,411
Depreciation	6(6)(7)(9)	2,725,408	2,637,839
Loss on disposal of property, plant and equipment	6(23)	427	5,212
Gain from lease modifications	6(7)(23)	(1,285)	(1,310)
Gain on disposal of investment property	6(23)	(418)	-
Amortization	6(10)(25)	9,664	9,661
Loss on impairment of non-financial assets	6(6)(10)(11)(23)	275,849	20,999
Interest income	6(21)	(47,623)	(42,117)
Dividend income	6(5)(22)	(6,051)	(3,607)
Interest expense	6(24)	180,758	174,661
Changes in operating assets and liabilities			
Changes in operating assets			
Notes receivable		(197,089)	(245,875)
Accounts receivable		1,388,471	(1,693,792)
Accounts receivable - related parties		(557,307)	(207,729)
Other receivables		63,620	(80,852)
Inventories		862,914	(2,397,316)
Prepayments		282,282	(82,417)
Changes in operating liabilities			
Contract liabilities - current		(116,854)	124,427
Accounts payable		3,662	108,169
Accounts payable - related parties		26,412	114,437
Other payables		50,871	282,162
Other payables - related parties		292	25,458
Refund liabilities - current		3,347	4,373
Long-term deferred revenue		(3,871)	(4,414)
Net defined benefit liabilities - non-current		(39,586)	(27,670)
Cash inflow generated from operations		7,895,720	1,143,795
Interest received		47,623	42,117
Dividends received		6,051	3,607
Income tax refund		2,883	-
Interest paid		(176,444)	(172,458)
Income tax paid		(616,287)	(370,744)
Net cash flows from operating activities		7,159,546	646,317

(Continued)

TON YI INDUSTRIAL CORP. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021
(Expressed in thousands of New Taiwan dollars)

	Notes	Year ended December 31, 2022	Year ended December 31, 2021
CASH FLOWS FROM INVESTING ACTIVITIES			
Decrease (increase) in other financial assets - current		$ 33,944	($ 28,591)
Cash paid for acquisition of property, plant and equipment	6(29)	(770,557)	(799,208)
Proceeds from disposal of property, plant and equipment		15,544	23,823
Cash paid for acquisition of investment property	6(9)	(2,916)	-
Proceeds from disposal of investment property		1,052	-
Increase in prepayments for business facilities		(269,559)	(454,653)
Interest paid for prepayments for business facilities	6(6)(24)	(137)	(171)
Decrease (increase) in guarantee deposits paid		12,540	(16,102)
(Increase) decrease in other non-current assets, others		(725)	3,102
Net cash flows used in investing activities		(980,814)	(1,271,800)
CASH FLOWS FROM FINANCING ACTIVITIES			
(Decrease) increase in short-term borrowings	6(30)	(368,567)	950,315
(Decrease) increase in short-term notes and bills payable	6(30)	(400,000)	400,000
(Decrease) increase in other financial liabilities - current	6(30)	(3,504)	8,751
Payments of lease liabilities	6(30)	(218,836)	(241,898)
Increase in long-term borrowings	6(30)	1,050,000	900,000
Decrease in long-term borrowings	6(30)	(4,300,000)	(370,000)
Increase in guarantee deposits received	6(30)	6,995	4,543
Cash dividends paid	6(19)(30)	(1,579,145)	(836,947)
Non-payment of expired cash dividends from previous years transferred to capital reserve	6(18)	431	369
Payment of unpaid cash dividends from previous years transferred to capital reserve	6(18)	(59)	(386)
Net cash flows (used in) from financing activities		(5,812,685)	814,747
Effect of foreign exchange rate changes on cash and cash equivalents		138,293	(3,674)
Net increase in cash and cash equivalents		504,340	185,590
Cash and cash equivalents at beginning of year	6(1)	2,664,025	2,478,435
Cash and cash equivalents at end of year	6(1)	$ 3,168,365	$ 2,664,025

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

TON YI INDUSTRIAL CORP. AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

1. HISTORY AND ORGANIZATION

(1) Ton Yi Industrial Corp. (the "Company") was incorporated as a company limited by shares under the provisions of the Company Act of the Republic of China (R.O.C.) on April 14, 1969. The Company is primarily engaged in the manufacture, processing and sales of various cans of steel and tin plate. For more information regarding the scope of business the Company and its subsidiaries (the "Group") are engaged in, refer to Note 4(3), 'Basis of consolidation'.

(2) The common shares of the Company have been listed on the Taiwan Stock Exchange since January 1991.

(3) Uni-President Enterprises Corp. holds 45.55% equity interest in the Company and is the ultimate parent company.

2. THE DATE OF AUTHORIZATION FOR ISSUANCE OF THE CONSOLIDATED FINANCIAL STATEMENTS AND PROCEDURES FOR AUTHORIZATION

These consolidated financial statements were authorized for issuance by the Board of Directors on March 7, 2023.

3. APPLICATION OF NEW STANDARDS, AMENDMENTS AND INTERPRETATIONS

(1) Effect of the adoption of new issuances of or amendments to International Financial Reporting Standards ("IFRS") that came into effect as endorsed by the Financial Supervisory Commission ("FSC")

New standards, interpretations and amendments endorsed by the FSC and became effective from 2022 are as follows:

New Standards, Interpretations and Amendments	Effective date by International Accounting Standards Board ("IASB")
Amendments to IFRS 3, 'Reference to the conceptual framework'	January 1, 2022
Amendments to IAS 16, 'Property, plant and equipment – Proceeds before Intended Use'	January 1, 2022
Amendment to IAS 37, 'Onerous contracts – cost of fulfilling a contract'	January 1, 2022
Annual improvements to IFRS Standards 2018 – 2020	January 1, 2022

The above standards and interpretations have no significant impact to the Group's financial position and financial performance based on the Group's assessment.

(2) Effect of new issuances of or amendments to IFRSs as endorsed by the FSC but not yet adopted by the Group

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

New Standards, Interpretations and Amendments	Effective date by IASB
Amendments to IAS 1, 'Disclosure of accounting policies'	January 1, 2023
Amendments to IAS 8, 'Definition of accounting estimates'	January 1, 2023
Amendments to IAS 12, 'Deferred tax related to assets and liabilities arising from a single transaction'	January 1, 2023

The above standards and interpretations have no significant impact to the Group's financial position and financial performance based on the Group's assessment.

(3) Effect of IFRSs issued by IASB but not yet endorsed by the FSC

New standards, interpretations and amendments issued by IASB but not yet included in the IFRSs endorsed by the FSC are as follows:

New Standards, Interpretations and Amendments	Effective date by IASB
Amendments to IFRS 10 and IAS 28, 'Sale or contribution of assets between an investor and its associate or joint venture'	To be determined by IASB
Amendments to IFRS 16, 'Lease liability in a sale and leaseback'	January 1, 2024
IFRS 17, 'Insurance contracts'	January 1, 2023
Amendments to IFRS 17, 'Insurance contracts'	January 1, 2023
Amendment to IFRS 17,'Initial application of IFRS 17 and IFRS 9 – comparative information'	January 1, 2023
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

The above standards and interpretations have no significant impact to the Group's financial position and financial performance based on the Group's assessment.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated.

(1) Compliance statement

The consolidated financial statements of the Group have been prepared in accordance with the "Regulations Governing the Preparation of Financial Reports by Securities Issuers", International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations that came into effect as endorsed by the FSC (collectively referred herein as the "IFRSs").

(2) Basis of preparation

A. Except for the following items, these consolidated financial statements have been prepared under the historical cost convention:

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

b. Financial assets at fair value through other comprehensive income.

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

B. The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Group's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 5 'Critical accounting judgements, estimates and key sources of assumption uncertainty'.

(3) Basis of consolidation

A. Basis for preparation of consolidated financial statements:

a. All subsidiaries are included in the Group's consolidated financial statements. Subsidiaries are all entities (including structured entities) controlled by the Group. The Group controls an entity when the Group is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Consolidation of subsidiaries begins from the date the Group obtains control of the subsidiaries and ceases when the Group loses control of the subsidiaries.

b. Inter-company transactions, balances and unrealized gains or losses on transactions between companies within the Group are eliminated. Accounting policies of subsidiaries have been adjusted where necessary to ensure consistency with the policies adopted by the Group.

c. Profit or loss and each component of other comprehensive income are attributed to the owners of the parent and to the non-controlling interests. Total comprehensive income is attributed to the owners of the parent and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

d. Changes in a parent's ownership interest in a subsidiary that do not result in the parent losing control of the subsidiary (transactions with non-controlling interests) are accounted for as equity transactions, i.e. transactions with owners in their capacity as owners. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognized directly in equity.

e. When the Group loses control of a subsidiary, the Group remeasures any investment retained in the former subsidiary at its fair value. That fair value is regarded as the fair value on initial recognition of a financial asset or the cost on initial recognition of the associate or joint venture. Any difference between fair value and carrying amount is recognized in profit or loss. All amounts previously recognized in other comprehensive income in relation to the subsidiary are reclassified to profit or loss on the same basis as would be required if the related assets or liabilities were disposed of. That is, when the Group loses control of a subsidiary, all gains or losses previously recognized in other comprehensive income in relation to the subsidiary should be reclassified from equity to profit or loss, if such gains or losses would be reclassified to profit or loss when the related assets or liabilities are disposed of.

B. Subsidiaries included in the consolidated financial statements:

			Percentage owned by the Group (%)		
Name of investors	Name of subsidiaries	Business activities	December 31, 2022	December 31, 2021	Note
Ton Yi Industrial Corp.	Cayman Ton Yi Industrial Holdings Ltd.	General investment	100.00	100.00	—
Ton Yi Industrial Corp.	Tovecan Corp.	Manufacturing and sale of cans	51.00	51.00	—
Cayman Ton Yi Industrial Holdings Ltd.	Cayman Ton Yi Holdings Ltd.	General investment	100.00	100.00	—
Cayman Ton Yi Industrial Holdings Ltd.	Cayman Fujian Ton Yi Holding Ltd.	General investment	100.00	100.00	—
Cayman Ton Yi Industrial Holdings Ltd.	Cayman Jiangsu Ton Yi Holding Ltd.	General investment	100.00	100.00	—
Cayman Ton Yi Industrial Holdings Ltd.	Wuxi Ton Yi Industrial Packing Co., Ltd.	Manufacturing and sale of PET packages and beverage filling OEM, and sale of cans	100.00	100.00	—
Cayman Ton Yi Industrial Holdings Ltd.	Chengdu Ton Yi Industrial Packing Co., Ltd.	Sale of cans	100.00	100.00	—
Cayman Ton Yi Industrial Holdings Ltd.	Changsha Ton Yi Industrial Co., Ltd.	Sale of cans	100.00	100.00	—
Cayman Ton Yi Holdings Ltd.	Cayman Ton Yi (China) Holdings Ltd.	General investment	100.00	100.00	—
Cayman Fujian Ton Yi Holding Ltd.	Fujian Ton Yi Tinplate Co., Ltd.	Manufacturing and sale of tinplate	86.80	86.80	—
Cayman Jiangsu Ton Yi Holding Ltd.	Jiangsu Ton Yi Tinplate Co., Ltd.	Sale of tinplate	82.86	82.86	—
Wuxi Ton Yi Industrial Packing Co., Ltd.	Wuxi Ton Yi Daiwa Industrial Co., Ltd.	Manufacturing and sale of new bottle can	66.50	66.50	—
Cayman Ton Yi (China) Holdings Ltd.	Ton Yi (China) Investment Co., Ltd.	General investment	100.00	100.00	—
Ton Yi (China) Investment Co., Ltd.	Taizhou Ton Yi Industrial Co., Ltd.	Manufacturing and sale of PET packages and beverage filling OEM	100.00	100.00	—

Name of investors	Name of subsidiaries	Business activities	Percentage owned by the Group (%) December 31, 2022	Percentage owned by the Group (%) December 31, 2021	Note
Ton Yi (China) Investment Co., Ltd.	Zhangzhou Ton Yi Industrial Co., Ltd.	Manufacturing and sale of PET packages and beverage filling OEM	100.00	100.00	—
Ton Yi (China) Investment Co., Ltd.	Kunshan Ton Yi Industrial Co., Ltd.	Manufacturing and sale of PET packages and beverage filling OEM	100.00	100.00	—
Ton Yi (China) Investment Co., Ltd.	Beijing Ton Yi Industrial Co., Ltd.	Manufacturing and sale of PET packages and beverage filling OEM	100.00	100.00	—
Ton Yi (China) Investment Co., Ltd.	Huizhou Ton Yi Industrial Co., Ltd.	Manufacturing and sale of PET packages and beverage filling OEM	100.00	100.00	—
Ton Yi (China) Investment Co., Ltd.	Chengdu Ton Yi Industrial Co., Ltd.	Manufacturing and sale of PET packages and beverage filling OEM	100.00	100.00	—
Ton Yi (China) Investment Co., Ltd.	Sichuan Ton Yi Industrial Co., Ltd	Manufacturing and sale of PET packages and beverage filling OEM	100.00	100.00	—
Ton Yi (China) Investment Co., Ltd.	Zhanjiang Ton Yi Industrial Co., Ltd.	Manufacturing and sale of PET packages and beverage filling OEM	100.00	100.00	—
Ton Yi (China) Investment Co., Ltd.	Tianjin Ton Yi Industrial Co., Ltd.	Manufacturing and sale of PET packages and beverage filling OEM	100.00	100.00	—

C. Subsidiaries not included in the consolidated financial statements: None.

D. Adjustments for subsidiaries with different balance sheet dates: None.

E. Significant restrictions: None.

F. Subsidiaries that have non-controlling interests that are material to the Group: None.

(4) Foreign currency translation

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The consolidated financial statements are presented in New Taiwan Dollars, which is the Company's functional and presentation currency.

A. Foreign currency transactions and balances

a. Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are remeasured. Foreign exchange gains and losses resulting from the settlement of such transactions are recognized in profit or loss in the period in which they arise.

b. Monetary assets and liabilities denominated in foreign currencies at the period end are re-translated at the exchange rates prevailing at the balance sheet date. Exchange differences arising upon re-translation at the balance sheet date are recognized in profit or loss.

c. Non-monetary assets and liabilities denominated in foreign currencies held at fair value through profit or loss are re-translated at the exchange rates prevailing at the balance sheet date; their

translation differences are recognized in profit or loss. Non-monetary assets and liabilities denominated in foreign currencies held at fair value through other comprehensive income are re-translated at the exchange rates prevailing at the balance sheet date; their translation differences are recognized in other comprehensive income. However, non-monetary assets and liabilities denominated in foreign currencies that are not measured at fair value are translated using the historical exchange rates at the dates of the initial transactions.

d. All foreign exchange gains and losses based on the nature of those transactions are presented in the consolidated statements of comprehensive income within "Other gains and losses".

B. Translation of foreign operations

a. The financial performance and financial position of all the group entities that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

(a) Assets and liabilities for each balance sheet presented are translated at the closing exchange rate at the date of that balance sheet;

(b) Income and expenses for each statement of comprehensive income are translated at average exchange rates of that period; and

(c) All resulting exchange differences are recognized in other comprehensive income.

b. When the foreign operation partially disposed of or sold is a subsidiary, cumulative exchange differences that were recorded in other comprehensive income are proportionately transferred to the non-controlling interest in this foreign operation. In addition, even when the Group still retains partial interest in the former foreign subsidiary after losing control of the former foreign subsidiary, such transactions should be accounted for as disposal of all interest in the foreign operation.

(5) Classification of current and non-current items

A. Assets that meet one of the following criteria are classified as current assets; otherwise they are classified as non-current assets:

a. Assets arising from operating activities that are expected to be realized, or are intended to be sold or consumed within the normal operating cycle;

b. Assets held mainly for trading purposes;

c. Assets that are expected to be realized within twelve months from the balance sheet date;

d. Cash and cash equivalents, excluding restricted cash and cash equivalents and those that are to be exchanged or used to pay off liabilities more than twelve months after the balance sheet date.

B. Liabilities that meet one of the following criteria are classified as current liabilities; otherwise they are classified as non-current liabilities:

a. Liabilities that are expected to be paid off within the normal operating cycle;

b. Liabilities arising mainly from trading activities;

c. Liabilities that are to be paid off within twelve months from the balance sheet date;

d. Liabilities for which the repayment date cannot be extended unconditionally to more than twelve months after the balance sheet date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

(6) Cash equivalents

A. Cash equivalents refer to short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

B. Time deposits that meet the definition above and are held for the purpose of meeting short-term cash commitments in operations are classified as cash equivalents.

(7) Financial assets at fair value through profit or loss

A. Financial assets at fair value through profit or loss are financial assets that are not measured at amortized cost or fair value through other comprehensive income.

B. On a regular way purchase or sale basis, financial assets at fair value through profit or loss are recognized and derecognized using trade date accounting.

C. At initial recognition, the Group measures the financial assets at fair value and recognizes the transaction costs in profit or loss. The Group subsequently measures the financial assets at fair value, and recognizes the gain or loss in profit or loss.

(8) Accounts and notes receivable

A. Accounts and notes receivable entitle the Group a legal right to receive consideration in exchange for transferred goods or rendered services.

B. The short-term accounts and notes receivable without bearing interest are subsequently measured at initial invoice amount as the effect of discounting is immaterial.

(9) Inventories

Inventories are stated at the lower of cost and net realizable value. Cost is determined using the weighted-average method. The cost of finished goods and work in process comprises raw materials, direct labor, other direct costs and related production overheads (allocated based on normal operating capacity). It excludes borrowing costs. The item by item approach is used in applying the lower of cost and net realizable value. Net realizable value is the estimated selling price in the ordinary course of business, less the estimated cost of completion and the estimated costs necessary to make the sale. When the cost of inventory is higher than net realizable value, a write down is provided and recognized in operating costs. If the circumstances that caused the write-down cease to exist, such that all or part of the write down is no longer needed, it should be reversed to that extent and recognized as deduction of operating costs.

(10) Financial assets at fair value through other comprehensive income

A. Financial assets at fair value through other comprehensive income comprise equity securities which are not held for trading, and for which the Group has made an irrevocable election at initial recognition to recognize changes in fair value in other comprehensive income and debt instruments which meet all of the following criteria:

a. The objective of the Group's business model is achieved both by collecting contractual cash flows and selling financial assets; and

b. The assets' contractual cash flows represent solely payments of principal and interest on the principal outstanding.

B. On a regular way purchase or sale basis, financial assets at fair value through other comprehensive income are recognized and derecognized using trade date accounting.

C. At initial recognition, the Group measures the financial assets at fair value plus transaction costs. The Group subsequently measures the financial assets at fair value:

The changes in fair value of equity instruments that were recognized in other comprehensive income. Cumulative gain or loss previously recognized in comprehensive income are reclassified to retained earnings and are not reclassified to profit or loss following the derecognition of the instrument. Dividends are recognized as revenue when the right to receive payment is established, future economic benefits associated with the dividend will flow to the Group and the amount of the dividend can be measured reliably.

(11) Impairment of financial assets

For debt instruments measured at fair value through other comprehensive income and financial assets at amortized cost, at each reporting date, the Group recognizes the impairment provision for 12 months expected credit losses if there has not been a significant increase in credit risk since initial recognition or recognizes the impairment provision for the lifetime expected credit losses (ECLs) if such credit risk has increased since initial recognition after taking into consideration all reasonable and verifiable information that includes forecasts. On the other hand, for accounts receivable or contract assets that do not contain a significant financing component, the Group recognizes the impairment provision for lifetime ECLs.

(12) Derecognition of financial assets

The Group derecognizes a financial asset when one of the following conditions is met:

A. The contractual rights to receive cash flows from the financial asset expire.

B. The contractual rights to receive cash flows from the financial asset have been transferred and the Group has transferred substantially all risks and rewards of ownership of the financial asset.

C. The contractual rights to receive cash flows from the financial asset have been transferred, and the Group has not retained control of the financial asset.

(13) Property, plant and equipment

A. Property, plant and equipment are initially recorded at cost. Borrowing costs incurred during the construction period are capitalized.

B. Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognized. All other repairs and maintenance are charged to profit or loss during the financial period in which they are incurred.

C. Property, plant and equipment apply the cost model. Except for land, other property, plant and equipment are depreciated using the straight-line method to allocate their cost over their estimated useful lives. If each component of property, plant and equipment is significant, it is depreciated separately.

D. The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each balance sheet date. If expectations for the assets' residual values and useful lives differ from previous estimates or the consumption patterns of the assets' future economic benefits embodied in the assets have changed significantly, any change is accounted for as a change in estimate under IAS 8, 'Accounting Policies, Changes in Accounting Estimates and Errors', from the date of the change. The estimated useful lives of property, plant and equipment are as follows:

Asset	Useful Lives
Buildings	5 ～ 55 years
Machinery	2 ～ 30 years
Transportation equipment	3 ～ 20 years
Office equipment	2 ～ 10 years
Other equipment	2 ～ 40 years

(14) Leasing arrangements (lessor)－operating leases

Lease income from an operating lease (net of any incentives given to the lessee) is recognized in profit or loss on a straight-line basis over the lease term.

(15) Leasing arrangements (lessee)－right-of-use assets/ lease liabilities

A. Leases are recognized as a right-of-use asset and a corresponding lease liability at the date at which the leased asset is available for use by the Group. For short-term leases or leases of low value assets, lease payments are recognized as an expense on a straight-line basis over the lease term.

B. Lease liabilities include the net present value of the remaining lease payments at the commencement date, discounted using the incremental borrowing interest rate. Lease payments are comprised of the following:

a. Fixed payments, less any lease incentives receivable; and

b. Variable lease payments that depend on an index or a rate.

The Group subsequently measures the lease liability at amortized cost using the interest method and recognizes interest expense over the lease term. The lease liability is remeasured and the amount of remeasurement is recognized as an adjustment to the right-of-use asset when there are changes in the lease term or lease payments and such changes do not arise from contract modifications.

C. At the commencement date, the right-of-use asset is stated at cost comprising the following:

a. The amount of the initial measurement of lease liability;

b. Any lease payments made at or before the commencement date; and

c. Any initial direct costs incurred by the lessee.

The right-of-use asset is measured subsequently using the cost model and is depreciated from the commencement date to the earlier of the end of the asset's useful life or the end of the lease term. When the lease liability is remeasured, the amount of remeasurement is recognized as an adjustment to the right-of-use asset.

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

(16) Investment property

An investment property is stated initially at its cost and measured subsequently using the cost model. Except for land, investment property is depreciated on a straight-line basis over its estimated useful life of 20 years.

(17) Intangible assets

A. Goodwill

Goodwill arises in a business combination accounted for by applying the acquisition method.

B. Computer software

Computer software is stated at cost and amortized on a straight-line basis over its estimated useful life of 10 years.

(18) Impairment of non-financial assets

A. The Group assesses at each balance sheet date the recoverable amounts of those assets where there is an indication that they are impaired. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell or value in use. Except for goodwill, when the circumstances or reasons for recognizing impairment loss for an asset in prior years no longer exist or diminish, the impairment loss is reversed. The increased carrying amount due to reversal

should not be more than what the depreciated or amortized historical cost would have been if the impairment had not been recognized.

B. The recoverable amounts of goodwill shall be evaluated periodically. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. Impairment loss of goodwill previously recognized in profit or loss shall not be reversed in the following years.

C. For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the cash-generating units, or groups of cash-generating units, that is/are expected to benefit from the synergies of the business combination.

(19) Borrowings

Borrowings comprise long-term and short-term bank borrowings. Borrowings are recognized initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortized cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognized in profit or loss over the period of the borrowings using the effective interest method.

(20) Notes and accounts payable

A. Accounts payable are liabilities for purchases of raw materials, goods or services and notes payable are those resulting from operating and non-operating activities.

B. The short-term notes and accounts payable without bearing interest are subsequently measured at initial invoice amount as the effect of discounting is immaterial.

(21) Derecognition of financial liabilities

A financial liability is derecognized when the obligation under the liability specified in the contract is discharged, cancelled or expired.

(22) Offsetting financial instruments

Financial assets and liabilities are offset and reported at net amount on the balance sheet when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously.

(23) Provision

Provision (decommissioning liabilities) is recognized when the Group has a present legal or constructive obligation as a result of past events; it is probable that an outflow of economic resources will be required to settle the obligation and the amount of the obligation can be reliably estimated. Provision is measured at the present value of the expenditures expected to be required to settle the obligation on the balance sheet date, which is discounted using a pre-tax discount rate that reflects the current market assessments of the time value of money and the risks specific to the obligation. When discounting is used, the increase in the provision due to passage of time is recognized as interest expense.

(24) Employee benefits

A. Short-term employee benefits

Short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid and should be recognized as expenses in that period when the employees render service.

B. Pensions

a. Defined contribution plans

For defined contribution plans, the contributions are recognized as pension expenses on an accrual basis. Prepaid contributions are recognized as an asset to the extent of a cash refund or a reduction in the future payments.

b. Defined benefit plans

(a) Net obligation under a defined benefit plan is defined as the present value of an amount of pension benefits that employees will receive on retirement for their services with the Group in current period or prior period. The liability recognized in the balance sheet in respect of defined benefit pension plans is the present value of the defined benefit obligation at the balance sheet date less the fair value of plan assets. The net defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The rate used to discount is determined by using interest rates of government bonds (at the balance sheet date) of a currency and term consistent with the currency and term of the employment benefit obligations.

(b) Remeasurements arising on defined benefit plans are recognized in other comprehensive income in the period in which they arise and are recorded as retained earnings.

C. Employees' compensation and directors' remuneration

Employees' compensation and directors' remuneration are recognized as expenses and liabilities, provided that such recognition is required under legal or constructive obligation and those amounts can be reliably estimated. Any difference between the resolved amounts and the subsequently actual distributed amounts is accounted for as changes in estimates. If employee compensation is distributed by shares, the Group calculates the number of shares based on the closing price at the previous day of the board meeting resolution.

(25) Income tax

A. The tax expense comprises current and deferred tax. Income tax is recognized in profit or loss, except to the extent that it relates to items recognized in other comprehensive income or items recognized directly in equity, in which case the tax is recognized in other comprehensive income or equity.

B. The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the Group and its subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns

with respect to situations in accordance with applicable tax regulations. It establishes provisions where appropriate based on the amounts expected to be paid to the tax authorities. An additional tax is levied on the unappropriated retained earnings and is recorded as income tax expense in the year the shareholders resolve to retain the earnings.

C. Deferred income tax is recognized, using the balance sheet liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, the deferred income tax is not accounted for if it arises from initial recognition of goodwill or of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is provided on temporary differences arising on investments in subsidiaries and associates, except where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred income tax is determined using tax rates that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

D. Deferred income tax assets are recognized only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised. At each balance sheet date, unrecognized and recognized deferred income tax assets are reassessed.

(26) Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or stock options are shown in equity as a deduction, net of tax, from the proceeds.

(27) Dividends

Dividends are recorded in the Company's financial statements in the period in which they are approved by the Company's shareholders. Cash dividends are recorded as liabilities; stock dividends are recorded as stock dividends to be distributed and are reclassified to ordinary shares and share premium on the effective date of new shares issuance.

(28) Revenue recognition

Sales of goods

A. The Group manufactures and sells tinplate and PET package products. Sales are recognized when control of the products has transferred, being when the products are delivered to the customers, the customers have full discretion over the channel and price to sell the products, and there is no unfulfilled obligation that could affect the customers' acceptance of the products. Delivery occurs when the products have been shipped to the specific location, the risks of obsolescence and loss have been transferred to the customers, and either the customers have accepted the products in accordance with the sales contract, or the Group has objective evidence that all criteria for acceptance have been satisfied.

B. Revenue from these sales is recognized based on the price specified in the contract, net of the estimated sales discounts and volume discounts. The products are often sold with volume discounts based on estimated sales of each year. Accumulated experience is used to estimate and provide for the sales discounts and volume discounts, using the expected value method, and revenue is only recognized to the extent that it is highly probable that a significant reversal will not occur. The estimation is subject to an assessment at each reporting date. A refund liability is recognized for expected sales discounts and volume discounts payable to customers in relation to sales made until the end of the reporting period.

(29) Government grants

Government grants are recognized at their fair value only when there is reasonable assurance that the Group will comply with any conditions attached to the grants and the grants will be received. Government grants are recognized in profit or loss on a systematic basis over the periods in which the Group recognizes expenses for the related costs for which the grants are intended to compensate.

(30) Operating segments

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments.

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

The preparation of these consolidated financial statements requires management to make critical judgements in applying the Group's accounting policies and make critical assumptions and estimates concerning future events. Assumptions and estimates may differ from the actual results and are continually evaluated and adjusted based on historical experience and other factors. Such assumptions and estimates have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, and the related information is addressed below:

(1) Critical judgements in applying the Group's accounting policies

None.

(2) Critical accounting estimates and assumptions

1. Evaluation of inventories

A. As inventories are stated at the lower of cost and net realizable value, the Group must determine the net realizable value of inventories on balance sheet date using judgements and estimates. Because of the change in market demand and the sales strategy, the Group evaluates the amounts of price fluctuations of inventories, obsolete inventories or inventories without market selling value on the balance sheet date, and writes down the cost of inventories to the net realizable value. Such an evaluation is principally based on the demand for the products within the specified period in the future. Therefore, there might be material changes to the evaluation.

B. As of December 31, 2022, the carrying amount of inventories was $4,702,077.

2. Impairment assessment of goodwill

A. The impairment assessment of goodwill relies on the subjective judgment of the Group, including identifying cash-generating units and determining the recoverable amounts of related cash-generating units.

B. As of December 31, 2022, the carrying amount of goodwill was $－.

6. DETAILS OF SIGNIFICANT ACCOUNTS

(1) Cash and cash equivalents

	December 31, 2022	December 31, 2021
Cash:		
Cash on hand	$ 451	$ 390
Checking deposits and demand deposits	1,870,353	932,659
	1,870,804	933,049
Cash equivalents:		
Time deposits	1,297,561	1,730,976
	$ 3,168,365	$ 2,664,025

A. The Group transacts with a variety of financial institutions all with high credit quality to diversify credit risk, so it expects that the probability of counterparty default is remote.

B. The Group did not pledge cash and cash equivalents as collateral as at December 31, 2022 and 2021.

(2) Notes and accounts receivable, net

	December 31, 2022	December 31, 2021
Notes receivable	$ 1,044,665	$ 847,576
Less: Allowance for doubtful accounts	(2,446)	(2,303)
	$ 1,042,219	$ 845,273

	December 31, 2022	December 31, 2021
Accounts receivable	$ 1,803,372	$ 3,191,843
Less: Allowance for doubtful accounts	(32,217)	(42,753)
	$ 1,771,155	$ 3,149,090

A. The aging analysis of notes receivable and accounts receivable (including related parties) is as follows:

	December 31, 2022		December 31, 2021	
	Notes Receivable	Accounts Receivable	Notes Receivable	Accounts Receivable
1 to 30 days	$ 268,304	$ 3,212,743	$ 376,495	$ 3,858,564
31 to 60 days	179,464	372,412	174,875	516,712
61 to 90 days	79,231	86,305	193,931	140,058
91 to 180 days	517,221	16,026	101,404	704
Over 181 days	445	18,297	871	20,909
	$ 1,044,665	$ 3,705,783	$ 847,576	$ 4,536,947

The above aging analysis was based on credit date.

B. As of December 31, 2022 and 2021, notes receivable and accounts receivable were all from contracts with customers. As of January 1, 2021, the balance of receivables (including related parties) from contracts with customers amounted to $3,261,843.

C. The Group did not pledge notes receivable and accounts receivable as collateral as at December 31, 2022 and 2021.

D. Without taking into account any collateral held or other credit enhancements, the maximum exposure to credit risk in respect of the amount that best represents the notes receivable and accounts receivable held by the Group was the book value.

E. Information relating to credit risk of notes and accounts receivable is provided in Note 12(2), “Financial instruments”.

(3) Transfer of financial assets

Transferred financial assets that are derecognized in their entirety.

A. The Group entered into a factoring agreement with China Construction Bank to sell its notes receivable. Under the agreement, the Group is not obligated to bear the default risk of the transferred notes receivable, but is liable for the losses incurred on any business dispute. The Group does not have any continuing involvement in the transferred notes receivable. As of December 31, 2022 and 2021, the Group derecognized the transferred notes receivable, and the related information is as follows:

December 31, 2022

Purchase of notes receivable	Notes receivable transferred	Amount derecognized	Amount advanced	Interest rate of amount advanced
China Construction Bank	$ 125,783	$ 125,783	$ 125,783	3.30%

December 31, 2021

Purchase of notes receivable	Notes receivable transferred	Amount derecognized	Amount advanced	Interest rate of amount advanced
China Construction Bank	$ 129,035	$ 129,035	$ 129,035	4.12%

(b) The Group has recognized financial expense (listed under "Finance costs") of $291 and $1,897, respectively, when transferring the derecognized notes receivable for the years ended December 31, 2022 and 2021, respectively. Part of the financial expense when transferring the derecognized notes receivable was not borne by the Group.

(4) Inventories

	December 31, 2022		
	Cost	Allowance for price decline of inventories	Carrying amount
Raw materials	$ 1,630,553	($ 30,859)	$ 1,599,694
Raw materials in transit	21,717	(143)	21,574
Supplies	624,313	(7,721)	616,592
Work in process	882,218	(30,373)	851,845
Finished goods	1,744,876	(132,504)	1,612,372
	$ 4,903,677	($ 201,600)	$ 4,702,077

	December 31, 2021		
	Cost	Allowance for price decline of inventories	Carrying amount
Raw materials	$ 2,188,723	($ 16,181)	$ 2,172,542
Supplies	600,805	-	600,805
Work in process	936,773	(22,907)	913,866
Finished goods	2,040,290	(70,170)	1,970,120
	$ 5,766,591	($ 109,258)	$ 5,657,333

The cost of inventories recognized as expense for the year:

	For the years ended December 31,	
	2022	2021
Cost of goods sold	$ 37,351,295	$ 36,885,172
Provision for inventory market price decline	89,625	4,411
Loss on disposal of inventory	1,843	480
Revenue from sale of scraps	(395,998)	(440,983)
Indemnities	(10,817)	(12,209)
	$ 37,035,948	$ 36,436,871

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

Items	December 31, 2022	December 31, 2021
Equity instruments		
Listed stocks	$ 378,917	$ 378,917
Valuation adjustment	(289,676)	(290,714)
	$ 89,241	$ 88,203

A. The Group has elected to classify listed stocks that are considered to be strategic investment as financial assets at fair value through other comprehensive income. The fair value of such investments was approximately its book value as of December 31, 2022 and 2021.

B. Amounts recognized in profit or loss and other comprehensive income in relation to the financial assets at fair value through other comprehensive income are listed below:

	For the years ended December 31,	
	2022	2021
Equity instruments at fair value through other comprehensive income		
Fair value change recognized in other comprehensive income	$ 1,038	$ 19,957
Dividend income recognized in profit (listed under "Other income")	$ 6,051	$ 3,607

C. The Group has no financial assets at fair value through other comprehensive income pledged to others as collateral.

D. Information relating to credit risk of financial assets at fair value through other comprehensive income is provided in Note 12(2), "Financial instruments".

(6) Property, plant and equipment

	Land	Buildings	Machinery		Transportation equipment	Office equipment		Other equipment		Equipment under installation and construction in progress	Total
			Owner-occupied	Lease		Owner-occupied	Lease	Owner-occupied	Lease		
Balance at January 1, 2022											
Cost	$ 615,892	$ 10,514,012	$ 46,570,851	$ 1,100,770	$ 261,234	$ 210,293	$ 2,035	$ 5,991,064	$ 2,817	$ 547,843	$ 65,816,811
Accumulated depreciation	–	(5,649,885)	(34,022,040)	(932,575)	(239,113)	(187,062)	(1,761)	(4,804,355)	(2,810)	–	(45,839,601)
Accumulated impairment	–	–	(43,549)	(30,484)	–	–	–	–	–	–	(74,033)
	$ 615,892	$ 4,864,127	$ 12,505,262	$ 137,711	$ 22,121	$ 23,231	$ 274	$ 1,186,709	$ 7	$ 547,843	$ 19,903,177
For the year ended December 31, 2022											
Balance at January 1, 2022	$ 615,892	$ 4,864,127	$ 12,505,262	$ 137,711	$ 22,121	$ 23,231	$ 274	$ 1,186,709	$ 7	$ 547,843	$ 19,903,177
Additions - Cost	–	1,351	51,825	–	8,767	3,675	–	97,626	4,785	667,882	835,911
Transferred - Cost (Note)	–	66,451	1,006,925	(12,009)	2,357	588	–	91,877	–	(850,843)	305,346
Transferred - Accumulated depreciation	–	–	(5,609)	5,609	–	–	–	–	–	–	–
Depreciation	–	(261,139)	(1,875,028)	(24,583)	(6,255)	(7,085)	(71)	(282,013)	(367)	–	(2,456,541)
Gain on reversal of impaitment loss	–	–	–	13,290	–	–	–	–	–	–	13,290
Disposal - Cost	–	–	(43,201)	–	(2,377)	(1,175)	–	(16,293)	–	–	(63,046)
Disposal - Accumulated depreciation	–	–	30,443	–	2,161	1,166	–	13,305	–	–	47,075
Net currency exchange differences	–	76,878	170,579	3,004	390	483	6	12,472	(2)	11,950	275,760
Balance at December 31, 2022	$ 615,892	$ 4,747,668	$ 11,841,196	$ 123,022	$ 27,164	$ 20,883	$ 209	$ 1,103,683	$ 4,423	$ 376,832	$ 18,860,972
Balance at December 31, 2022											
Cost	$ 615,892	$ 10,704,256	$ 48,015,194	$ 1,113,221	$ 271,411	$ 217,956	$ 2,080	$ 6,229,218	$ 7,664	$ 376,832	$ 67,553,724
Accumulated depreciation	–	(5,956,588)	(36,129,482)	(972,392)	(244,247)	(197,073)	(1,871)	(5,125,535)	(3,241)	–	(48,630,429)
Accumulated impairment	–	–	(44,516)	(17,807)	–	–	–	–	–	–	(62,323)
	$ 615,892	$ 4,747,668	$ 11,841,196	$ 123,022	$ 27,164	$ 20,883	$ 209	$ 1,103,683	$ 4,423	$ 376,832	$ 18,860,972

(Note) Including transfers from prepayments for business facilities.

	Land	Buildings	Machinery		Transportation equipment	Office equipment		Other equipment		Equipment under installation and construction in progress	Total
			Owner-occupied	Lease		Owner-occupied	Lease	Owner-occupied	Lease		
Balance at January 1, 2021											
Cost	$ 615,892	$ 9,899,196	$ 46,315,272	$ 1,108,327	$ 257,996	$ 198,470	$ 2,039	$ 5,887,541	$ 300	$ 538,857	$ 64,823,890
Accumulated depreciation	–	(5,405,476)	(32,249,806)	(909,322)	(238,777)	(182,052)	(1,464)	(4,590,106)	(271)	–	(43,577,274)
Accumulated impairment	–	–	(43,633)	(30,544)	–	–	–	–	–	–	(74,177)
	$ 615,892	$ 4,493,720	$ 14,021,833	$ 168,461	$ 19,219	$ 16,418	$ 575	$ 1,297,435	$ 29	$ 538,857	$ 21,172,439
For the year ended December 31, 2021											
Balance at January 1, 2021	$ 615,892	$ 4,493,720	$ 14,021,833	$ 168,461	$ 19,219	$ 16,418	$ 575	$ 1,297,435	$ 29	$ 538,857	$ 21,172,439
Additions - Cost	–	4,631	40,817	–	5,215	5,962	–	66,273	–	593,048	715,946
Transferred - Cost (Note)	–	622,814	292,321	(2,199)	2,282	7,373	–	102,458	2,517	(583,028)	444,538
Transferred - Accumulated depreciation	–	–	82	(82)	–	–	–	2,517	(2,517)	–	–
Depreciation	–	(250,601)	(1,813,117)	(26,358)	(4,485)	(6,468)	(299)	(270,308)	(22)	–	(2,371,658)
Disposal - Cost	–	(2,888)	(39,366)	(3,220)	(4,022)	(1,139)	–	(59,705)	–	–	(110,340)
Disposal - Accumulated depreciation	–	2,888	21,998	1,518	3,988	1,137	–	49,776	–	–	81,305
Net currency exchange differences	–	(6,437)	(19,306)	(409)	(76)	(52)	(2)	(1,737)	–	(1,034)	(29,053)
Balance at December 31, 2021	$ 615,892	$ 4,864,127	$ 12,505,262	$ 137,711	$ 22,121	$ 23,231	$ 274	$ 1,186,709	$ 7	$ 547,843	$ 19,903,177
Balance at December 31, 2021											
Cost	$ 615,892	$ 10,514,012	$ 46,570,851	$ 1,100,770	$ 261,234	$ 210,293	$ 2,035	$ 5,991,064	$ 2,817	$ 547,843	$ 65,816,811
Accumulated depreciation	–	(5,649,885)	(34,022,040)	(932,575)	(239,113)	(187,062)	(1,761)	(4,804,355)	(2,810)	–	(45,839,601)
Accumulated impairment	–	–	(43,549)	(30,484)	–	–	–	–	–	–	(74,033)
	$ 615,892	$ 4,864,127	$ 12,505,262	$ 137,711	$ 22,121	$ 23,231	$ 274	$ 1,186,709	$ 7	$ 547,843	$ 19,903,177

(Note) Including transfers from prepayments for business facilities.

A. Amount of borrowing costs capitalized as part of prepayment for business facilities and the range of the interest rates for such capitalization are as follows:

	For the years ended December 31,	
	2022	2021
Amount capitalized	$ 137	$ 171
Range of interest rates	0.95%～1.39%	1.30%

B. Reversal of impairment of property, plant and equipment is provided in Note 6(11), "Impairment of non-financial assets".

C. The Group did not pledge property, plant and equipment as collateral as at December 31, 2022 and 2021.

(7) Leasing arrangements－lessee

A. The Group leases various assets including land, buildings and other equipment. Rental contracts are typically made for periods of 1 to 50 years. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions.

B. Low-value assets are comprised of multifunction printers.

C. The carrying amount of right-of-use assets and the depreciation are as follows:

	December 31, 2022	December 31, 2021
	Carrying amount	Carrying amount
Land	$ 818,161	$ 828,920
Buildings	1,198,398	1,427,655
Other equipment	－	468
	$ 2,016,559	$ 2,257,043

	For the years ended December 31,	
	2022	2021
	Depreciation	Depreciation
Land	$ 29,936	$ 30,982
Buildings	231,970	227,477
Other equipment	468	1,403
	$ 262,374	$ 259,862

D. For the years ended December 31, 2022 and 2021, the additions and remeasurement to right-of-use assets were $9,273 and $13,682, respectively.

E. The information on profit or loss relating to lease contracts is as follows:

	For the years ended December 31,	
	2022	2021
Items affecting profit or loss		
Interest expense on lease liabilities	$ 65,618	$ 73,664
Expense on leases of low-value assets	189	154
Gain from lease modification	(1,285)	(1,310)

F. For the years ended December 31, 2022 and 2021, the Group's total cash outflow for leases were $284,643 and $315,716, respectively.

G. The Group has applied the practical expedient to "Covid-19-related rent concessions", and recognized the gain from changes in lease payments arising from the rent concessions amounting to $152 and $1,319 (listed under "Other gains and losses") by decreasing rent expense for the years ended December 31, 2022 and 2021, respectively.

(8) Leasing arrangements－lessor

A. The Group leases various assets including buildings and machineries. Rental contracts are typically made for periods of 1 to 15 years. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions.

B. For the years ended December 31, 2022 and 2021, the Group recognized rent income (listed under "Other income") in the amounts of $41,242 and $42,981, respectively, based on the operating lease agreement, which does not include variable lease payments.

C. The maturity date analysis of the unrealized lease payments of the Group under operating leases is as follows:

	December 31, 2022	December 31, 2021
Within 1 year	$ 37,264	$ 41,056
1 to 2 years	30,570	33,109
2 to 3 years	30,417	29,826
3 to 4 years	27,285	29,756
4 to 5 years	17,889	26,692
Over 5 years	20,871	37,917
	$ 164,296	$ 198,356

(9) Investment property, net

	Land	Buildings	Total
Balance at January 1, 2022			
Cost	$ 3,785	$ 140,875	$ 144,660
Accumulated depreciation	-	(49,010)	(49,010)
Accumulated impairment	(2,719)	-	(2,719)
	$ 1,066	$ 91,865	$ 92,931
For the year ended December 31, 2022			
Carrying amount at January 1	$ 1,066	$ 91,865	$ 92,931
Additions－cost	-	2,916	2,916
Depreciation	-	(6,493)	(6,493)
Disposal - Cost	(2,253)	-	(2,253)
Disposal - Accumulated impairment	1,619	-	1,619
Net currency exchange differences	-	2,009	2,009
Carrying amount at December 31	$ 432	$ 90,297	$ 90,729
Balance at December 31, 2022			
Cost	$ 1,532	$ 146,921	$ 148,453
Accumulated depreciation	-	(56,624)	(56,624)
Accumulated impairment	(1,100)	-	(1,100)
	$ 432	$ 90,297	$ 90,729

	Land	Buildings	Total
Balance at January 1, 2021			
Cost	$ 3,785	$ 141,147	$ 144,932
Accumulated depreciation	-	(42,753)	(42,753)
Accumulated impairment	(2,719)	-	(2,719)
	$ 1,066	$ 98,394	$ 99,460
For the year ended December 31, 2021			
Carrying amount at January 1	$ 1,066	$ 98,394	$ 99,460
Depreciation	-	(6,319)	(6,319)
Net currency exchange differences	-	(210)	(210)
Carrying amount at December 31	$ 1,066	$ 91,865	$ 92,931
Balance at December 31, 2021			
Cost	$ 3,785	$ 140,875	$ 144,660
Accumulated depreciation	-	(49,010)	(49,010)
Accumulated impairment	(2,719)	-	(2,719)
	$ 1,066	$ 91,865	$ 92,931

A. Rental income from the lease of the investment property and direct operating expenses arising from the investment property are shown below:

	For the years ended December 31,	
	2022	2021
Rental income from the lease of the investment property	$ 17,802	$ 17,445
Direct operating expenses arising from the investment property that generated rental income during the period	$ 9,905	$ 9,662

B. The fair values of the investment property held by the Group as at December 31, 2022 and 2021 were $104,187 and $116,592, respectively, which were categorized within Level 2 and Level 3 in the fair value hierarchy. Land is valued according to Current Land Value announced by the Department of Land Administration. Buildings are valued based on discounted recoverable amounts of future rent income.

C. As of December 31, 2022 and 2021, no investment property held by the Group was pledged to others as collateral.

(10) Intangible assets

	Goodwill	Computer Software	Total
Balance at January 1, 2022			
Cost	$ 342,773	$ 107,600	$ 450,373
Accumulated amortization	-	(85,150)	(85,150)
Accumulated impairment	(20,999)	-	(20,999)
Net currency exchange differences	(53,645)	(5,240)	(58,885)
	$ 268,129	$ 17,210	$ 285,339
For the year ended December 31, 2022			
Carrying amount at January 1	$ 268,129	$ 17,210	$ 285,339
Amortization	-	(9,664)	(9,664)
Impairment loss	(289,139)	-	(289,139)
Disposal - Cost	-	(23,416)	(23,416)
Disposal - Accumulated depreciation	-	23,416	23,416
Net currency exchange differences	21,010	335	21,345
Carrying amount at December 31	$ -	$ 7,881	$ 7,881
Balance at December 31, 2022			
Cost	$ 342,773	$ 84,184	$ 426,957
Accumulated amortization	-	(71,398)	(71,398)
Accumulated impairment	(310,138)	-	(310,138)
Net currency exchange differences	(32,635)	(4,905)	(37,540)
	$ -	$ 7,881	$ 7,881

	Goodwill	Computer Software	Total
Balance at January 1, 2021			
Cost	$ 342,773	$ 107,600	$ 450,373
Accumulated amortization	-	(75,489)	(75,489)
Net currency exchange differences	(45,534)	(5,157)	(50,691)
	$ 297,239	$ 26,954	$ 324,193
For the year ended December 31, 2021			
Carrying amount at January 1	$ 297,239	$ 26,954	$ 324,193
Amortization	-	(9,661)	(9,661)
Impairment loss	(20,999)	-	(20,999)
Net currency exchange differences	(8,111)	(83)	(8,194)
Carrying amount at December 31	$ 268,129	$ 17,210	$ 285,339
Balance at December 31, 2021			
Cost	$ 342,773	$ 107,600	$ 450,373
Accumulated amortization	-	(85,150)	(85,150)
Accumulated impairment	(20,999)	-	(20,999)
Net currency exchange differences	(53,645)	(5,240)	(58,885)
	$ 268,129	$ 17,210	$ 285,339

A. No borrowing costs were capitalized as part of intangible assets for the years ended December 31, 2022 and 2021.

B. Details of amortization on intangible assets are as follows:

	For the years ended December 31,	
	2022	2021
Operating costs	$ 1,740	$ 1,705
Selling expenses	1,135	1,112
Administrative expenses	6,789	6,844
	$ 9,664	$ 9,661

C. Goodwill distributed to cash-generating unit according to operating segment is shown below:

	December 31, 2022	December 31, 2021
Tinplate factory located in Mainland China	$ -	$ 268,129

D. For information about impairment loss of the intangible assets, refer to Note 6(11), “Impairment of non-financial assets”.

E. The Group had no intangible assets pledged as collateral as at December 31, 2022 and 2021.

(11) Impairment of non-financial assets

A. The Group recognized (impairment loss) gain on reversal of impairment loss (listed under "Other gains and losses") for the years ended December 31, 2022 and 2021, and the details are as follows:

	For the year ended December 31, 2022	
Item	Recognized in profit or loss	Recognized in other comprehensive income
Gain on reversal of impairment loss－Property, plant and equipment	$ 13,290	$ -
Impairment loss－Goodwill	(289,139)	-
	($ 275,849)	$ -

	For the year ended December 31, 2021	
Item	Recognized in profit or loss	Recognized in other comprehensive income
Impairment loss－Goodwill	($ 20,999)	$ -

B. The gain on reversal of impairment loss reported by operating segments is as follows:

	For the year ended December 31, 2022	
Segments	Recognized in profit or loss	Recognized in other comprehensive income
Others	$ 13,290	$ -
Tinplate factories located in mainland China	(289,139)	-
	($ 275,849)	$ -

	For the year ended December 31, 2021	
Segments	Recognized in profit or loss	Recognized in other comprehensive income
Tinplate factories located in mainland China	($ 20,999)	$ -

C. The Group's goodwill is tested for impairment on an annual basis. As the tinplate factories located in Mainland China was affected by raw material costs, product prices, supply and demand in the local market and government policies, the Group expected that the future operations of the cash-generating unit would not reach the Group's expectation and the recoverable amount will be lower than its carrying amount. Thus, the Group assessed that the goodwill is impaired. Additionally, in accordance with the impairment assessment report of goodwill issued by the external appraisal expert who was commissioned by the management, the recoverable amount is estimated according to the fair value less costs to sell. The fair value is based on the evaluation result after adjusting the various assets and liabilities of the cash-generating unit according to the

market method with reference to the valuation multiples, transaction price of similar targets in the region or according to the cost method after considering various factors such as the use of various assets and liabilities. The fair value is at level 3 and has reflected the specific risks of the relevant operating units. Based on the Group's assessment, the recoverable amount of goodwill which was determined based on the fair value less costs to sell is less than the carrying amount. Thus, an impairment loss was recognized amounted to $289,138 and $20,999 for the years ended December 31, 2022 and 2021, respectively.

(12) Short-term borrowings

Nature	December 31, 2022	Range of interest rates	Collateral
Unsecured bank borrowings	$ 2,429,889	1.36%～6.03%	None

Nature	December 31, 2021	Range of interest rates	Collateral
Unsecured bank borrowings	$ 2,798,456	0.62%～0.80%	None

A. For more information about interest expenses recognized by the Group for the years ended December 31, 2022 and 2021, refer to Note 6(24), "Finance costs".

B. For information on the terms and conditions of all the loan contracts the Group entered into with financial institutions, refer to Note 9, "Significant contingent liabilities and unrecognized contract commitments".

(13) Short-term notes and bills payable

	December 31, 2021	Collateral
Commercial paper payable	$ 400,000	None
Less: Unamortized discount	(100)	
	$ 399,900	
Range of interest rates	0.83%	

There was no such situation as of December 31, 2022.

A. For more information about interest expenses recognized by the Group for the years ended December 31, 2022 and 2021, refer to Note 6(24), "Finance costs."

B. The above commercial papers were issued and secured by China Bills Finance Corporation for short-term financing.

(14) Long-term borrowings

Nature	Range of maturity dates	Range of interest rates	Collateral	December 31, 2022
Unsecured bank borrowings	2024.1.28～2025.12.5	1.38%～1.69%	None	$ 3,800,000

Nature	Range of maturity dates	Range of interest rates	Collateral	December 31, 2021
Unsecured bank borrowings	2023.2.9～2024.10.21	0.93%～1.08%	None	$ 7,050,000

A. For more information about interest expenses recognized by the Group for the years ended December 31, 2022 and 2021, refer to Note 6(24), "Finance costs".

B. For information on the terms and conditions of all the loan contracts the Group entered into with financial institutions, refer to Note 9, "Significant contingent liabilities and unrecognized contract commitments".

(15) Provision - non-current

	For the years ended December 31,	
Decommissioning liabilities	2022	2021
Balance, beginning of year	$ 82,727	$ 81,204
Unwinding of discount	1,550	1,523
Balance, end of year	$ 84,277	$ 82,727

According to the policy published, applicable agreement or the law and regulation, the Group has obligations to restore certain property, plant and equipment located in Yong-Kang District, Tainan City in the future. A provision is recognized for the present value of costs to be incurred for dismantling, removing the asset and restoring the site. It is expected that the provision will be settled within 50 years from the beginning of contract.

(16) Pensions

A. The Company has a defined benefit pension plan in accordance with the Labor Standards Law, covering all regular employees' service years prior to the enforcement of the Labor Pension Act on July 1, 2005 and service years thereafter of employees who chose to continue to be subject to the pension mechanism under the Law. Under the defined benefit pension plan, two units are accrued for each year of service for the first 15 years and one unit for each additional year thereafter, subject to a maximum of 45 units. Pension benefits are based on the number of units accrued and the average monthly salaries and wages of the last 6 months prior to retirement. The Company contributes monthly an amount equal to 10% of the employees' monthly salaries and wages to the retirement fund deposited with Bank of Taiwan, the trustee, under the name of the independent retirement fund committee. Also, the Company would assess the balance in the aforementioned labor pension reserve account by December 31, every year. If the account balance is insufficient to pay the pension calculated by the aforementioned method to the employees expected to qualify for retirement in the following year, the Company will make contributions to cover the deficit by next March.

a. The amounts recognized in the balance sheet are as follows:

	December 31, 2022	December 31, 2021
Present value of defined benefit obligations	($ 1,422,863)	($ 1,604,794)
Fair value of plan assets	1,407,401	1,293,760
Net defined benefit liabilities - non-current	($ 15,462)	($ 311,034)

b. Movements in net defined benefit liabilities - non-current are as follows:

	Present value of defined benefit obligations	Fair value of plan assets	Net defined benefit liabilities
For the year ended December 31, 2022			
Balance at January 1, 2022	($ 1,604,794)	$ 1,293,760	($ 311,034)
Current service cost	(14,426)	-	(14,426)
Interest (expense) income	(9,944)	8,167	(1,777)
	(1,629,164)	1,301,927	(327,237)
Remeasurements:			
Return on plan assets (excluding amounts included in interest income or expense)	-	101,813	101,813
Change in financial assumptions	176,661	-	176,661
Experience adjustments	(22,488)	-	(22,488)
	154,173	101,813	255,986
Pension fund contribution	-	55,789	55,789
Paid pension	52,128	(52,128)	-
Balance at December 31, 2022	($ 1,422,863)	$ 1,407,401	($ 15,462)

	Present value of defined benefit obligations	Fair value of plan assets	Net defined benefit liabilities
For the year ended December 31, 2021			
Balance at January 1, 2021	($ 1,592,052)	$ 1,275,359	($ 316,693)
Past service cost	(9,996)	-	(9,996)
Current service cost	(15,857)	-	(15,857)
Interest (expense) income	(9,906)	8,088	(1,818)
	(1,627,811)	1,283,447	(344,364)
Remeasurements:			
Return on plan assets (excluding amounts included in interest income or expense)	-	14,563	14,563
Change in financial assumptions	(50,145)	-	(50,145)
Experience adjustments	13,571	-	13,571
	(36,574)	14,563	(22,011)
Pension fund contribution	-	55,341	55,341
Paid pension	59,591	(59,591)	-
Balance at December 31, 2021	($ 1,604,794)	$ 1,293,760	($ 311,034)

c. The Bank of Taiwan was commissioned to manage the Fund of the Company's defined benefit pension plan in accordance with the Fund's annual investment and utilization plan and the "Regulations for Revenues, Expenditures, Safeguard and Utilization of the Labor Retirement Fund" (Article 6: The scope of utilization for the Fund includes deposit in domestic or foreign financial institutions, investment in domestic or foreign listed, over-the-counter, or private placement equity securities, investment in domestic or foreign real estate securitization products, etc.). With regard to the utilization of the Fund, its minimum earnings in the annual distributions on the final financial statements shall be no less than the earnings attainable from the amounts accrued from two-year time deposits with the interest rates offered by local banks. If the earnings is less than aforementioned rates, government shall make payment for the deficit after being authorized by the Regulator. The Company has no right to participate in managing and operating that fund and hence the Company is unable to disclose the classification of plan assets fair value in accordance with IAS 19 paragraph 142. The composition of fair value of plan assets as of December 31, 2022 and 2021 is given in the Annual Labor Retirement Fund Utilization Report announced by the government.

d. The principal actuarial assumptions used were as follows:

	For the years ended December 31,	
	2022	2021
Discount rate	1.75%	0.63%
Future salary increase rate	3.00%	3.00%

Future mortality rate was estimated based on the 6th Taiwan Standard Ordinary Experience Mortality Table for the years ended December 31, 2022 and 2021.

Because the main actuarial assumption changed, the present value of defined benefit obligation is affected. The analysis was as follows:

	Discount rate		Future salary increase rate	
	Increase 0.25%	Decrease 0.25%	Increase 0.25%	Decrease 0.25%
December 31, 2022				
Effect on present value of defined benefit obligation	($ 35,743)	$ 36,963	$ 35,726	($ 34,737)
December 31, 2021				
Effect on present value of defined benefit obligation	($ 44,775)	$ 46,429	$ 44,450	($ 43,122)

The sensitivity analysis above was arrived at based on one assumption which changed while the other conditions remain unchanged. In practice, more than one assumption may change all at once. The method of analyzing sensitivity and the method of calculating net pension liability in the balance sheet are the same. The methods and types of assumptions used in preparing

the sensitivity analysis did not change compared to the previous period.

e. Expected contributions to the defined benefit pension plan of the Company for the year ending December 31, 2023 amount to $55,789.

f. As of December 31, 2022, the weighted average duration of the retirement plan is 12 years. The analysis of timing of the future pension payment was as follows:

Within 1 year	$	28, 346
2-5 years		212, 527
6-10 years		406, 323
11-12 years		252, 791
	$	899, 987

B. Effective July 1, 2005, the Company has established a defined contribution pension plan (the "New Plan") under the Labor Pension Act (the "Act") , covering all regular employees with R.O.C. nationality. Under the New Plan, the Company contributes monthly an amount based on 6% of the employees' monthly salaries and wages to the employees' individual pension accounts at the Bureau of Labor Insurance. The benefits accrued are paid monthly or in lump sum upon termination of employment. The Group's subsidiaries have defined contribution plans. Monthly contributions to an independent fund administered by the government in accordance with the pension regulations are based on certain percentage of employees' monthly salaries and wages. Other than the monthly contributions, the Group has no further obligations. The pension costs under the defined contribution pension plans of the Group (listed under "Operating cost" and "Operating expense") for the years ended December 31, 2022 and 2021 were $203,611 and $176,664, respectively.

(17) Share capital - Common stock

A. Movements in the number of the Company's ordinary shares outstanding are as follows (in thousands of shares):

	For the years ended December 31,	
	2022	2021
Beginning and ending balance	1, 579, 145	1, 579, 145

B. As of December 31, 2022, the Company's authorized capital was $17,847,009, and the paid-in capital was $15,791,453, consisting of 1,579,145 thousand shares of ordinary stock with a par value of $10 (in dollars) per share. All proceeds from shares issued have been collected.

(18) Capital surplus

Pursuant to the R.O.C. Company Act, capital reserve arising from paid-in capital in excess of par value on issuance of common stocks and donations can be used to offset accumulated deficit or to issue new stocks or cash to shareholders in proportion to their share ownership, provided that the Company has no accumulated deficit. Further, the R.O.C. Securities and Exchange Law requires that the amount of capital surplus to be capitalized mentioned above should not exceed 10% of the

paid-in capital each year. Capital reserve should not be used to cover accumulated deficit after the legal reserve is used.

Movement of the Company's capital reserve for the years ended December 31, 2022 and 2021 are as follow:

	For the year ended December 31, 2022				
	Share premium	Treasury share transactions	Donations	Others	Total
Balance, beginning of year	$ 58,271	$ 169,088	$ 819	$ 3,495	$ 231,673
Non-payment of expired cash dividends from previous years transferred to capital reserve	-	-	-	431	431
Payment of unpaid cash dividends from previous years transferred to capital reserve	-	-	-	(59)	(59)
Balance, end of year	$ 58,271	$ 169,088	$ 819	$ 3,867	$ 232,045

	For the year ended December 31, 2021				
	Share premium	Treasury share transactions	Donations	Others	Total
Balance, beginning of year	$ 58,271	$ 169,088	$ 819	$ 3,512	$ 231,690
Non-payment of expired cash dividends from previous years transferred to capital reserve	-	-	-	369	369
Payment of unpaid cash dividends from previous years transferred to capital reserve	-	-	-	(386)	(386)
Balance, end of year	$ 58,271	$ 169,088	$ 819	$ 3,495	$ 231,673

(19) Retained earnings

A. The legal reserve shall be exclusively used to offset accumulated deficit, to issue new stocks or distribute cash to shareholders in proportion to their share ownership. The use of legal reserve for the issuance of stocks or cash dividends to shareholders in proportion to their share ownership is permitted provided that the balance of such reserve exceeds 25% of the Company's paid-in capital.

B. According to the Articles of Incorporation of the Company, the current year's earnings, if any, shall first be used to pay all taxes and offset prior years' operating losses and then 10% of the remaining amount shall be set aside as legal reserve and special reserve shall be set aside or reversed in accordance with related regulations. The remaining amount plus the accumulated unappropriated earnings from prior years is the accumulated distributable earnings. Of the amount to be distributed by the Company, shareholders' dividends shall comprise 50% to 100% of the accumulated distributable earnings and cash dividends shall not be lower than 30% of the

total dividends distributed. The appropriation of earnings shall be proposed by the Board of Directors and resolved by the shareholders.

C. Special reserve

a. In accordance with the regulations, the Company shall set aside special reserve arising from the debit balances in other equity items at the balance sheet date before distributing earnings. When debit balances in other equity items are reversed subsequently, an equal amount could be included in the distributable earnings. As of December 31, 2022 and 2021, special reserve of $1,829,875 and $1,811,806, respectively, was set aside in accordance with the Company Act on special reserve, and no dividends shall be distributed.

b. The amounts previously set aside by the Company as special reserve of $826,453 on initial application of IFRSs in accordance with Jin-Guan-Zheng-Fa-Zi Letter No. 1010012865, dated April 6, 2012, shall be reversed proportionately when the relevant assets, those other than land, are used, disposed of or reclassified subsequently. Such amounts are reversed upon disposal or reclassified if the assets are investment property of land, and reversed over the use period if the assets are investment property other than land.

D. The Company recognized dividends distributed to owners amounting to $836,947, constituting $0.53 (in dollars) per share as cash dividend from the distribution of 2020 earnings. On May 24, 2022, the stockholders during their meeting resolved for the distribution of cash dividends from 2021 earnings in the amount of $1,579,145 at $1 (in dollars) per share. On March 7, 2023, the distribution of 2022 earnings amounted to $2,337,135, constituting $1.48 (in dollars) per share as cash dividends, was proposed by the Board of Directors.

(20) Operating revenue

	For the years ended December 31,	
	2022	2021
Revenue from contracts with customers	$ 43,480,280	$ 41,889,726

A. Disaggregation of revenue from contracts with customers

The Group derives revenue from the transfer of goods at a point in time in the following major product and segment:

Segment	For the year ended December 31, 2022	
	Revenue from products of Tinplate	Revenue from products of Plastic pack (including filling)
Taiwan	$ 18,845,114	$ 40,684
Mainland China - tinplate products	4,575,771	–
Mainland China - plastic products	–	16,852,466
Others	3,166,245	–
	$ 26,587,130	$ 16,893,150

Segment	For the year ended December 31, 2021	
	Revenue from products of Tinplate	Revenue from products of Plastic pack (including filling)
Taiwan	$ 17,077,196	$ 40,604
Mainland China - tinplate products	6,230,888	–
Mainland China - plastic products	–	15,241,695
Others	3,299,343	–
	$ 26,607,427	$ 15,282,299

B. The Group has recognized the following revenue-related contract liabilities:

	December 31, 2022	December 31, 2021	January 1, 2021
Contract liabilities-current	$ 70,503	$ 187,357	$ 62,930

Revenue recognized that was included in the contract liability balance at the beginning of the years ended December 31, 2022 and 2021 were $186,690 and $37,162, respectively.

(21) Interest income

	For the years ended December 31,	
	2022	2021
Interest income from bank deposits	$ 47,623	$ 42,117

(22) Other income

	For the years ended December 31,	
	2022	2021
Rental income	$ 41,242	$ 42,981
Dividend income	6,051	3,607
Government grants	29,785	122,061
Other income	35,637	38,603
	$ 112,715	$ 207,252

(23) Other gains and losses

	For the years ended December 31,	
	2022	2021
Net loss on financial assets at fair value through profit or loss	($ 2,673)	$ -
Net loss on disposal of property, plant and equipment	(427)	(5,212)
Gain from lease modifications	1,285	1,310
Net gain on disposal of investment property	418	-
Loss on impairment of non-financial assets	(275,849)	(20,999)
Net currency exchange gain	223,394	17,144
Other losses	(31,512)	(18,686)
	($ 85,364)	($ 26,443)

(24) Finance costs

	For the years ended December 31,	
	2022	2021
Interest expense:		
Bank borrowings	$ 113,436	$ 97,748
Interest expense on lease liabilities	65,618	73,664
Financial expense of transferred notes receivable	291	1,897
Provisions - unwinding of discount	1,550	1,523
	180,895	174,832
Less: Capitalization of qualifying assets	(137)	(171)
	$ 180,758	$ 174,661

(25) Expenses by nature

	For the year ended December 31, 2022			For the year ended December 31, 2021		
	Operating cost	Operating expense	Total	Operating cost	Operating expense	Total
Employee benefits expense	$ 2,019,533	$ 1,019,751	$ 3,039,284	$ 1,877,658	$ 931,390	$ 2,809,048
Depreciation	$ 2,401,714	$ 317,201	$ 2,718,915	$ 2,327,876	$ 303,644	$ 2,631,520
Amortization	$ 1,740	$ 7,924	$ 9,664	$ 1,705	$ 7,956	$ 9,661

(26) Employee benefits expense

	For the year ended December 31, 2022			For the year ended December 31, 2021		
	Operating cost	Operating expense	Total	Operating cost	Operating expense	Total
Wages and salaries	$ 1,545,773	$ 805,642	$ 2,351,415	$ 1,458,883	$ 725,065	$ 2,183,948
Labor and health insurance expenses	141,943	50,536	192,479	128,866	45,295	174,161
Pension costs	164,629	55,185	219,814	144,426	59,909	204,335
Other personnel expenses	167,188	108,388	275,576	145,483	101,121	246,604
	$ 2,019,533	$ 1,019,751	$ 3,039,284	$ 1,877,658	$ 931,390	$ 2,809,048

A. According to the Articles of Incorporation of the Company, a ratio of distributable profit of the current year, after covering accumulated losses, shall be distributed as employees' compensation and directors' remuneration. The ratio shall not be lower than 2% for employees' compensation and shall not be higher than 2% for directors' remuneration.

B. For the years ended December 31, 2022 and 2021, employees' compensation was accrued at $139,558 and $100,460, respectively, while directors' remuneration was accrued at $40,436 and $32,625, respectively. The aforementioned amounts were recognized in salary expenses. The expenses recognized were accrued based on the profit of current period distributable and the percentage specified in the Articles of Incorporation of the Company. The employees' compensation and directors' remuneration resolved by the Board of Directors were $139,558 and $52,473, respectively, for the year ended December 31, 2022, and the employees' compensation will be distributed in the form of cash. The difference due to estimates of $12,037 will be adjusted in profit or loss for the year ended December 31, 2023. The employees' compensation and directors' remuneration resolved by the Board of Directors were $100,460 and $32,660, respectively, for the year ended December 31, 2021, and the employees' compensation was distributed in the form of cash. The difference due to estimates of $35 had been adjusted in profit or loss for the year ended December 31, 2022.

Information about employees' compensation and directors' remuneration by the Company as proposed by the Board of Directors will be posted in the "Market Observation Post System" at the website of the Taiwan Stock Exchange.

(27) Income tax

A. Income tax expense

a. Components of income tax expense

	For the years ended December 31,	
	2022	2021
Current income tax:		
Income tax incurred in current period	$ 946,944	$ 611,397
Tax on unappropriated earnings	194	2,219
Under provision of prior year's income tax	4,723	9,371
	951,861	622,987
Deferred income tax:		
Origination and reversal of temporary differences	(172,920)	(19,232)
Income tax expense	$ 778,941	$ 603,755

b. The income tax relating to components of other comprehensive income is as follows:

	For the years ended December 31,	
	2022	2021
Remeasurement of defined benefit obligations	$ 51,197	($ 4,402)
Currency translation differences	867	(211)
	$ 52,064	($ 4,613)

B. Reconciliation between income tax expense and accounting profit:

	For the years ended December 31,	
	2022	2021
Income tax expense at the statutory tax rate	$ 880,265	$ 1,007,222
Effect from items disallowed by tax regulation	(165,612)	(415,566)
Tax losses and temporary differences not recognized as deferred income tax assets	59,347	509
Tax on unappropriated earnings	194	2,219
Separate taxation	24	-
Under provision of prior year's income tax	4,723	9,371
Income tax expense	$ 778,941	$ 603,755

C. Amounts of deferred income tax assets or liabilities recognized as a result of temporary differences and tax losses are as follows:

	For the year ended December 31, 2022			
	Balance, beginning of year	Recognized in profit or loss	Recognized in other comprehensive income	Balance, end of year
Deferred income tax assets				
Temporary differences:				
Unrealized sales returns and allowance	$ 3,017	$ 669	$ -	$ 3,686
Unrealized profit from sales	7,366	31	-	7,397
Loss on doubtful debts	6,008	(870)	-	5,138
Loss on inventories from market value decline	22,415	22,018	-	44,433
Depreciation	193,998	29,901	-	223,899
Unused compensated absences	7,556	153	-	7,709
Maintenance fees for machinery	16,852	(2,364)	-	14,488
Unrealized provision	14,073	413	-	14,486
Unrealized losses	20,005	(4,424)	-	15,581
Remeasurement of defined benefit obligation	83,770	-	(51,197)	32,573
Currency translation differences	2,303	-	(867)	1,436
Others	6,735	(1,137)	-	5,598
Tax losses	272,511	186,633	-	459,144
	$656,609	$231,023	($ 52,064)	$835,568
Deferred income tax liabilities				
Temporary differences:				
Pensions	($ 21,563)	($ 7,917)	$ -	($ 29,480)
Foreign investment income	(5,761)	(312)	-	(6,073)
Depreciation	(386,685)	(47,408)	-	(434,093)
Land value incremental tax	(197,039)	-	-	(197,039)
Unrealized gain	-	(2,466)	-	(2,466)
	($611,048)	($ 58,103)	$ -	($669,151)
	$ 45,561	$172,920	($ 52,064)	$166,417

	For the year ended December 31, 2021			
	Balance, beginning of year	Recognized in profit or loss	Recognized in other comprehensive income	Balance, end of year
Deferred income tax assets				
Temporary differences:				
Unrealized sales returns and allowance	$ 2,142	$ 875	$ -	$ 3,017
Unrealized profit from sales	3,935	3,431	-	7,366
Loss on doubtful debts	10,006	(3,998)	-	6,008
Loss on inventories from market value decline	19,770	2,645	-	22,415
Depreciation	161,346	32,652	-	193,998
Unused compensated absences	7,678	(122)	-	7,556
Maintenance fees for machinery	12,740	4,112	-	16,852
Unrealized provision	13,665	408	-	14,073
Unrealized losses	20,641	(636)	-	20,005
Remeasurement of defined benefit obligation	79,368	-	4,402	83,770
Currency translation differences	2,092	-	211	2,303
Others	-	6,735	-	6,735
Tax losses	247,275	25,236	-	272,511
	$580,658	$ 71,338	$ 4,613	$656,609
Deferred income tax liabilities				
Temporary differences:				
Pensions	($ 16,029)	($ 5,534)	$ -	($ 21,563)
Foreign investment income	(6,637)	876	-	(5,761)
Depreciation	(338,721)	(47,964)	-	(386,685)
Land value incremental tax	(197,039)	-	-	(197,039)
Unrealized gain	(516)	516	-	-
	($558,942)	($ 52,106)	$ -	($611,048)
	$ 21,716	$ 19,232	$ 4,613	$ 45,561

D. Expiration dates of unused tax losses and amounts of unrecognized deferred income tax assets are as follows:

December 31, 2022				
Year incurred	Amount filed/ assessed	Unused amount	Unrecognized deferred income tax assets	Expiry year
2018～2022	$2,285,957	$ 2,080,995	$ 244,419	2023～2027

December 31, 2021				
Year incurred	Amount filed/ assessed	Unused amount	Unrecognized deferred income tax assets	Expiry year
2018～2021	$1,452,847	$ 1,090,043	$ -	2023～2026

E. The Group did not recognize temporary differences arising from gains on investment in overseas subsidiaries. As of December 31, 2022 and 2021, unrecognized deferred income tax liabilities were $4,513,656 and $4,455,874, respectively.

F. The Company's income tax returns through 2020 have been assessed and approved by the TaxAuthority. As of March 7, 2023, there was no administrative lawsuit.

(28) Earnings per share

	For the year ended December 31, 2022		
	Amount after tax	Weighted average number of ordinary shares outstanding (shares in thousands)	Earnings per share (in dollars)
Basic earnings per share			
Profit attributable to ordinary shareholders of the parent	$ 2,246,437	1,579,145	$ 1.42
Diluted earnings per share			
Profit attributable to ordinary shareholders of the parent	2,246,437	1,579,145	
Assumed conversion of all dilutive potential ordinary shares			
Employees' compensation	-	9,386	
Profit attributable to ordinary shareholders of the parent plus assumed conversion of all dilutive potential ordinary shares	$ 2,246,437	1,588,531	$ 1.41

	For the year ended December 31, 2021		
	Amount after tax	Weighted average number of ordinary shares outstanding (shares in thousands)	Earnings per share (in dollars)
Basic earnings per share			
Profit attributable to ordinary shareholders of the parent	$ 1,852,148	1,579,145	$ 1.17
Diluted earnings per share			
Profit attributable to ordinary shareholders of the parent	1,852,148	1,579,145	
Assumed conversion of all dilutive potential ordinary shares			
Employees' compensation	-	7,733	
Profit attributable to ordinary shareholders of the parent plus assumed conversion of all dilutive potential ordinary shares	$ 1,852,148	1,586,878	$ 1.17

(29) Supplemental cash flow information

A. Investing activities with partial cash payments:

	For the years ended December 31,	
	2022	2021
Acquisition of property, plant and equipment	$ 835,911	$ 715,946
Add: Beginning balance of other payables	170,752	233,672
Beginning balance of other payables —related parties	-	20,342
Less: Ending balance of other payables	(236,106)	(170,752)
Cash paid for acquisition of property, plant and equipment	$ 770,557	$ 799,208

B. Operating activities with no cash flow effect:

	For the years ended December 31,	
	2022	2021
Write-off of allowance for doubtfull amounts	$ -	$ 24,716

C. Investing activities with no cash flow effect:

	For the years ended December 31,	
	2022	2021
a. Prepayment for business facilities reclassified to prepayments	$ 10,605	$ 327
b. Prepayment for business facilities reclassified to property, plant and equipment	$ 305,346	$ 444,538

(30) Changes in liabilities from financing activities

For the year ended December 31, 2022	Short-term borrowings	Short-term notes and bills payable	Lease liabilities	Long-term borrowings	Others	Total liabilities from financing activities
Balance at January 1, 2022	$2,798,456	$ 399,900	$1,805,166	$7,050,000	$ 63,750	$12,117,272
Changes in cash flow from financing activities	(368,567)	(400,000)	(218,836)	(3,250,000)	(1,575,654)	(5,813,057)
Changes in other non-cash items	-	100	(20,627)	-	1,579,145	1,558,618
Impact of changes in foreign exchange rate	-	-	32,616	-	-	32,616
Balance at December 31, 2022	$2,429,889	$ -	$1,598,319	$3,800,000	$ 67,241	$ 7,895,449

For the year ended December 31, 2021	Short-term borrowings	Short-term notes and bills payable	Lease liabilities	Long-term borrowings	Others	Total liabilities from financing activities
Balance at January 1, 2021	$1,848,141	$ -	$2,038,867	$6,520,000	$ 50,456	$10,457,464
Changes in cash flow from financing activities	950,315	400,000	(241,898)	530,000	(823,653)	814,764
Changes in other non-cash items	-	(100)	12,372	-	836,947	849,219
Impact of changes in foreign exchange rate	-	-	(4,175)	-	-	(4,175)
Balance at December 31, 2021	$2,798,456	$ 399,900	$1,805,166	$7,050,000	$ 63,750	$12,117,272

7. RELATED PARTY TRANSACTIONS

(1) Parent and ultimate controlling party

The ultimate parent of the Company is Uni-President Enterprises Corp.. The ultimate controlling party of the Company is 45.55%.

(2) Names of related parties and relationship

Names of related parties	Relationship with the Group
Guangzhou President Enterprises Co., Ltd.	Parent company to entity with joint control or significant influence
Beijing President Enterprises Drinks Co., Ltd.	Parent company to entity with joint control or significant influence
Uni-President Trading (Kunshan) Co., Ltd.	Parent company to entity with joint control or significant influence
President (Shanghai) Trading Co., Ltd.	Parent company to entity with joint control or significant influence
Taizhou President Enterprises Co., Ltd.	Parent company to entity with joint control or significant influence
Chengdu President Enterprises Food Co., Ltd.	Parent company to entity with joint control or significant influence
Zhanjiang President Enterprises Co., Ltd.	Parent company to entity with joint control or significant influence
Zhengzhou President Enterprises Co., Ltd.	Parent company to entity with joint control or significant influence
Uni-President Enterprises (TianJin) Co., Ltd.	Parent company to entity with joint control or significant influence
TTET Union Corp.	Parent company to entity with joint control or significant influence
Shanghai E & P Trading Co., Ltd.	Parent company to entity with joint control or significant influence
Tong-Sheng Finance Leasing Co., Ltd.	Parent company to entity with joint control or significant influence
Daiwa Can Co., Ltd.	Entity to subsidiary-Wuxi Ton Yi Daiwa Industrial Co., Ltd. with significant influence

(3) Significant transactions and balances with related parties

A. Sales

	For the years ended December 31,	
	2022	2021
Sales of goods		
Parent company to entities with joint control or significant influence	$ 16, 983, 939	$ 14, 728, 123

Sales price from related party is similar to that of a third party. The Group's collection terms and methods for related parties are wire transfer within 45～90 days of monthly statements, and wire transfer within 15～45 days after receipt of the invoice. The collection terms are similar to those of third parties.

B. Purchases

	For the years ended December 31,	
	2022	2021
Purchases of goods:		
Parent company to entities with joint control or significant influence	$ 2, 233, 275	$ 1, 821, 355
Others	972	624
	$ 2, 234, 247	$ 1, 821, 979

Purchase price from related party is similar to that of a third party. Payments are made within 25~28 days of monthly statement, 5~45 days after invoice date, wire transfer within 15~45 days after receipt of the invoice and 15~45 days after delivery.

C. Property transactions

Acquisition of property, plant and equipment:

	For the years ended December 31,	
	2022	2021
Tong-Sheng Finance Leasing Co., Ltd.	$ 15, 348	$ 377

D. Receivables from related parties

	December 31, 2022	December 31, 2021
Receivables from related parties:		
Parent company to entities with joint control or significant influence		
Guangzhou President Enterprises Co., Ltd.	$ 448, 313	$ 256, 352
Others	1, 454, 098	1, 088, 752
	$ 1, 902, 411	$ 1, 345, 104

Receivables from related party arise primarily from sales of goods. These receivables have not been pledged and do not incur interest.

E. Guarantee deposit paid

	December 31, 2022	December 31, 2021
Parent company to entities with joint control or significant influence	$ 21,922	$ 24,398

F. Payables to related parties

	December 31, 2022	December 31, 2021
Payables to related parties:		
Parent company to entities with joint control or significant influence	$ 338,678	$ 362,069
Others	95	-
	$ 338,773	$ 362,069

Payables to related parties arise from purchase of goods, collections and payments on behalf of others. These payables do not incur interest.

G. Lease transactions－lessee

(a) The Group leases plants and other equipment from related parties. Rental contracts are typically made for periods of 3 to 9 years. Rents are prepaid for three months or paid monthly.

(b) Acquisition of right-of-use assets

	For the years ended December 31,	
	2022	2021
Parent company to entities with joint control or significant influence		
Beijing President Enterprises Drinks Co., Ltd.	$ 684	$ 10,405

(c) Disposal of right-of-use assets

(1) In November 2022, the Group's Board of Directors resolved to reduce the leased area of the plants rented from Uni-President Enterprises (TianJin) Co., Ltd. and to terminate certain lease contracts early. The right-of-use assets and lease liabilities were reduced by $28,615 and $29,751 respectively, and the gain from lease modification was $1,133 (listed under “Other gains and losses”)

(2) There was no such situation for the year ended December 31, 2021.

(d) Lease liabilities and interest expense

	December 31, 2022	December 31, 2021
	Lease liabilities	Lease liabilities
Parent company to entities with joint control or significant influence		
Uni-President Enterprises (TianJin) Co., Ltd.	$ 315,841	$ 359,867
Taizhou President Enterprises Co., Ltd.	304,868	356,995
Zhanjiang President Enterprises Co., Ltd.	291,132	312,089
Kunshan President Enterprises Food Co., Ltd.	172,858	200,484
Others	196,024	254,743
	$ 1,280,723	$ 1,484,178

	For the years ended December 31,	
	2022	2021
	Interest expense	Interest expense
Parent company to entities with joint control or significant influence		
Uni-President Enterprises (TianJin) Co., Ltd.	$ 14,236	$ 15,000
Taizhou President Enterprises Co., Ltd.	14,028	16,226
Zhanjiang President Enterprises Co., Ltd.	13,141	14,594
Kunshan President Enterprises Food Co., Ltd.	8,355	9,512
Others	9,155	11,497
	$ 58,915	$ 66,829

(4) Key management compensation

	For the years ended December 31,	
	2022	2021
Salaries and other short-term employee benefits	$ 131,787	$ 109,024

8. PLEDGED ASSETS

None.

9. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNIZED CONTRACT COMMITMENTS

A. As of December 31, 2022 and 2021, the remaining balances due to capital expenditure contracted for at the balance sheet date but not yet incurred were $574,981 and $417,004, respectively.

B. As of December 31, 2022 and 2021, the unused letters of credit amounted to $333,662 and $913,279, respectively.

C. The commitments of the Group to sign loan agreements with banks are as follows::

a. The Company has entered into a loan agreement with CTBC Bank in 2022 and 2021. In accordance with the agreement, the Company has to maintain the following financial ratios and terms: the consolidated debt-to-equity ratio【(Total liability less cash and cash equivalents) / consolidated tangible shareholders' equity】of less than 180%, interest coverage ratio of over 200%, and the consolidated tangible shareholders' equity of not less than $15,000,000 at the annual assessment. Under the terms of the loan agreement, if any of the financial covenants were not met, and the Company has not improved its financial condition, the bank has the right to cancel or reduce the credit line, shorten credit period, or principal and interest deemed as due.

b. The Company has entered into a loan agreement with KGI Bank in 2022. In accordance with the agreement, the Company has to maintain the following financial ratios and terms: the consolidated debt-to-equity ratio【(Total liability less cash and cash equivalents) / consolidated tangible shareholders' equity】of less than 180%, interest coverage ratio of over 200%, and the consolidated tangible shareholders' equity of not less than $15,000,000 at the annual assessment. Under the terms of the loan agreement, if any of the financial covenants were not met, and the Company has not improved its financial condition, the bank has the right to cancel or reduce the credit line, shorten credit period or principal and interest deemed as due.

As of December 31, 2022 and 2021, the Group has not violated any of the above covenants.

10. SIGNIFICANT DISASTER LOSS

None.

11. SIGNIFICANT EVENTS AFTER THE BALANCE SHEET DATE

None.

12. OTHERS

(1) Capital management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders, maintain an optimal capital structure to both reduce the cost of capital and to meet the monetary needs of improving productivity. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

(2) Financial instruments

A. Financial instruments by category

Details of financial instruments by category of the Group are described in Note 6, 'Financial assets.'

B. Financial risk management policies

a. The Group's activities expose it to a variety of financial risks: market risk (including foreign exchange risk, price risk and interest rate risk), credit risk and liquidity risk. The Group seeks to minimize potential adverse effects on the Group's financial performance. The Group hedges foreign exchange risk by using forward foreign exchange contracts.

b. Risk management is carried out by a central treasury department (Group Finance Department) under policies approved by the board of directors. Group Finance Department identifies, evaluates and hedges financial risks in close cooperation with the Group's operating units. The Board provides written principles for overall risk management, as well as written policies covering specific areas and matters, such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments, and investment of excess liquidity.

C. Significant financial risks and degrees of financial risks

a. Market risk

(a) Foreign exchange risk

i. The Group operates internationally and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the USD, EUR and China Yuan (the 'CNY'). Foreign exchange risk arises from future commercial transactions, recognized assets and liabilities and net investments in foreign operations.

ii. The Group has certain investments in foreign operations, whose net assets are exposed to foreign currency translation risk. The Group's foreign operations are considered strategic investments; thus, no hedging for the purpose is conducted.

iii. The Group's businesses involve some non-functional currency operations (the Company's functional currency: NTD; certain subsidiaries' functional currency: USD, CNY and VND). The information on assets and liabilities denominated in foreign currencies whose values would be materially affected by the exchange rate fluctuations is as follows:

(Foreign currency: Functional currency)	December 31, 2022 Foreign Currency (in thousands)	Exchange Rate	Carrying Amount
Financial assets			
Monetary items			
USD : NTD	$ 33,163	30.71	$ 1,018,436
USD : CNY	2,975	6.90	91,362
EUR : NTD	3,818	32.72	124,925
Financial liabilities			
Monetary items			
USD : NTD	14,594	30.71	448,182
USD : CNY	10,605	6.90	325,680
USD : VND	1,149	23,633.00	35,286

(Foreign currency: Functional currency)	December 31, 2021 Foreign Currency (in thousands)	Exchange Rate	Carrying Amount
Financial assets			
Monetary items			
USD : NTD	$ 79,074	27.68	$ 2,188,768
USD : CNY	8,210	6.36	227,253
Financial liabilities			
Monetary items			
USD : NTD	16,648	27.68	460,817
USD : CNY	27,362	6.36	757,380
USD : VND	1,347	22,826.00	37,285

iv. As of December 31, 2022 and 2021, if the functional currency exchange rate had appreciated/depreciated by 1%, with all other factors remaining constant, the Group's post-tax profit for the years ended December 31, 2022 and 2021 would have increased/decreased by $3,405 and $9,284, respectively.

v. The total exchange gain, including realized and unrealized arising from significant foreign exchange variation on the monetary items held by the Group for the years ended December 31, 2022 and 2021 amounted to $223,394 and $17,144, respectively.

(b)Price risk

i. The Group's to equity securities, which are exposed to price risk, are held as financial assets at fair value through other comprehensive income. To manage its price risk arising from investments in equity securities, the Group diversifies its portfolio. Accordingly, no material market risk is expected.

ii. The Group's investments in equity securities comprise the prices of equity securities would change due to the change of the future value of investee companies. If the prices

of these equity securities had increased/decreased by 1% with all other variables held constant, other components of equity for the years ended December 31, 2022 and 2021 would have increased/decreased by $892 and $882, respectively, as a result of other comprehensive income classified as equity investment at fair value through other comprehensive income.

(c) Cash flow and fair value interest rate risk

i. The Group's interest rate risk arises from short-term and long-term borrowings. Borrowings issued at variable rates expose the Group to cash flow interest rate risk which is partially offset by cash and cash equivalents held at variable rate. For the years ended December 31, 2022 and 2021, the Group's borrowings at variable rate were mainly denominated in New Taiwan dollars, US dollars and Japanese yens.

ii. If the borrowing interest rate had increased/decreased by 1% with all other variables held constant, profit, net of tax for the years ended December 31, 2022 and 2021 would have decreased/increased by $910 and $797, respectively. The main factor is that changes in interest expense result from floating rate borrowings.

b. Credit risk

(a) Credit risk refers to the risk of financial loss to the Group arising from default by the clients or counterparties of financial instruments on the contract obligations. The main factor is that counterparties could not repay in full the accounts receivable based on the agreed terms, and the contract cash flows of debt instruments stated at amortized cost.

(b) The Group manages its credit risk taking into consideration the entire group's concern. For banks and financial institutions, only those with a high credit rating are accepted. According to the Group's credit policy, each local entity in the Group is responsible for managing and analysing the credit risk for each of their new clients before standard payment and delivery terms and conditions are offered. Internal risk control assesses the credit quality of the customers, taking into account their financial position, past experience and other factors. Individual risk limits are set based on internal or external ratings in accordance with limits set by the Board of Directors. The utilisation of credit limits is regularly monitored.

(c) In line with credit risk management procedure, when the contract payments are past due over certain number days, the default has occurred.

(d) The Group adopts the following assumptions to assess whether there has been a significant increase in credit risk on that instrument since initial recognition:

i. If the contract payments are past due over certain number of days based on the terms, there has been a significant increase in credit risk on that instrument since initial recognition.

ii. If any external credit rating agency rates these bonds as investment grade, the credit risk of these financial assets is low. If the credit rating grade of an investment target degrades two scales, there has been a significant increase in credit risk on that instrument since initial recognition.

(e) The Group classifies customers' notes and accounts receivable in accordance with credit rating of customers. The Group applies the simplified approach using the provision matrix to estimate expected credit loss, and used the forecastability concern to adjust historical and timely information to assess the default possibility of notes and accounts receivable. Movements in relation to the Group applying the simplified approach to provide loss allowance for notes and accounts receivable are as follows:

	For the year ended December 31, 2022		
	Notes receivable	Accounts receivable	Total
Balance, beginning of year	$ 2,303	$ 42,753	$ 45,056
Expected credit losses (gains)	126	(11,287)	(11,161)
Effect of foreign exchange	17	751	768
Balance, end of year	$ 2,446	$ 32,217	$ 34,663

	For the year ended December 31, 2021		
	Notes receivable	Accounts receivable	Total
Balance, beginning of year	$ 1,279	$ 51,896	$ 53,175
Expected credit losses	1,024	15,710	16,734
Write-offs	-	(24,716)	(24,716)
Effect of foreign exchange	-	(137)	(137)
Balance, end of year	$ 2,303	$ 42,753	$ 45,056

c. Liquidity risk

(a) Cash flow forecasting is performed in the operating entities of the Group and aggregated by the Group Finance Department. Group Finance Department monitors rolling forecasts of the Group's liquidity requirements to ensure it has sufficient cash to meet operational needs while maintaining sufficient headroom on its undrawn committed borrowing facilities at all times so that the Group does not breach borrowing limits or covenants (where applicable) on any of its borrowing facilities.

(b) Surplus cash held by the operating entities over and above the balance required for working capital management are transferred to the Group Finance Department. Group Finance Department invests surplus cash in interest bearing current accounts and time deposits, choosing instruments with appropriate maturities or sufficient liquidity to provide sufficient headroom as determined by the abovementioned forecasts.

(c) The table below analyses the Group's non-derivative financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

December 31, 2022	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	More than 5 years
Non-derivative financial liabilities:				
Short-term borrowings	$ 2,442,414	$ -	$ -	$ -
Accounts payable (including related parties)	1,592,712	-	-	-
Other payables (including related parties)	1,835,378	-	-	-
Lease liabilities (current and non-current)	291,771	283,462	691,358	576,978
Other financial liabilities - current	30,958	-	-	-
Refund liabilities - current	18,432	-	-	-
Long-term borrowings	60,056	2,090,393	1,769,158	-
Guarantee deposits received	-	7,570	10,907	17,806

December 31, 2021	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	More than 5 years
Non-derivative financial liabilities:				
Short-term borrowings	$ 2,802,972	$ -	$ -	$ -
Short-term notes and bills payable	400,000	-	-	-
Accounts payable (including related parties)	1,562,638	-	-	-
Other payables (including related parties)	1,716,197	-	-	-
Lease liabilities (current and non-current)	278,087	289,785	783,519	779,589
Other financial liabilities - current	34,462	-	-	-
Refund liabilities - current	15,085	-	-	-
Long-term borrowings	70,790	3,812,714	3,314,882	-
Guarantee deposits received	-	11,868	-	17,420

(d) The Group does not expect the maturity date to end early nor the actual cash flow to be materially different.

(3) Fair value information

A. The different levels that the inputs to valuation techniques are used to measure fair value of financial and non-financial instruments have been defined as follows:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the

entity can access at the measurement date. A market is regarded as active where a market in which transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis. The fair value of the Group's investment in listed stocks is included in Level 1.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: Unobservable inputs for the asset or liability.

B. The carrying amounts of financial assets and financial liabilities not measured at fair value including cash and cash equivalents, notes receivable, accounts receivable (including related parties), other receivables, other financial assets - current, guarantee deposits paid, short-term borrowings, short-term notes and bills payable, accounts payable (including related parties), other payables (including related parties), other financial liabilities - current, refund liabilities - current, long-term borrowings and guarantee deposits received are approximate to their fair values.

C. The related information on financial and non-financial instruments measured at fair value by level on the basis of the nature, characteristics and risks of the assets and liabilities are as follows:

December 31, 2022	Level 1	Level 2	Level 3	Total
Assets:				
Recurring fair value measurements				
Financial assets at fair value through other comprehensive income				
Equity securities	$ 89,241	$ -	$ -	$ 89,241

December 31, 2021	Level 1	Level 2	Level 3	Total
Assets:				
Recurring fair value measurements				
Financial assets at fair value through other comprehensive income				
Equity securities	$ 88,203	$ -	$ -	$ 88,203

D. The methods and assumptions the Group used to measure fair value are as follows:

The instruments the Group used market quoted prices as their fair values (that is, Level 1) are listed below by characteristics:

	Listed shares
Market quoted price	Closing price

E. For the years ended December 31, 2022 and 2021, there was no transfer into or out between Level 1 and Level 2.

F. For the years ended December 31, 2022 and 2021, there was no such situation of Level 3.

(4) Other information

The Group is classified as a multinational enterprise. In response to the differences in the scale of the pandemic in each operating location and the preventive measures each local government has established, the Group has complied with the preventive measures that each local government has mandated, adopted workplace hygiene management and reinforced worker's self-health management. The Group has also maintained its close communication with clients and suppliers, continued evaluating market needs and inventory management. Currently, the pandemic has no significant impact on the Group's operations. However, the impact of the pandemic on the Group's operations in the future will depend on the subsequent development of the pandemic.

13. SUPPLEMENTARY DISCLOSURES

According to the current regulatory requirements, the Group is only required to disclose the information for the year ended December 31, 2022.

(1) Significant transactions information

A. Loans to others: Refer to table 1.

B. Provision of endorsements and guarantees to others: None.

C. Holding of marketable securities at the end of the period (not including subsidiaries, associates and joint ventures): Refer to table 2.

D. Acquisition or sale of the same security with the accumulated cost exceeding NT$300 million or 20% of the Company's paid-in capital: None.

E. Acquisition of real estate reaching NT$300 million or 20% of paid-in capital or more: None.

F. Disposal of real estate reaching NT$300 million or 20% of paid-in capital or more: None.

G. Purchases or sales of goods from or to related parties reaching NT$100 million or 20% of paid-in capital or more: Refer to table 3.

H. Receivables from related parties reaching NT$100 million or 20% of paid-in capital or more: Refer to table 4.

I. Trading in derivative financial instruments undertaken during the reporting periods: None.

J. Significant inter-company transactions during the reporting period: Refer to table 5.

(2) Information on investees

Names, locations and other information of investee companies (not including investees in Mainland China): Refer to table 6.

(3) Information on investments in Mainland China

A. Basic information: Refer to table 7.

B. Significant transactions, either directly or indirectly through a third area, with investee companies in the Mainland Area: Refer to table 8.

(4) Major shareholders information

Major shareholders information: Refer to table 9.

14. SEGMENT INFORMATION

(1) General information

The management of the Group has identified the operating segments based on information provided to the Group's chief operating decision-maker in order to make strategic decisions. The Group's organization, basis of identification and measurement of segment information had no significant changes in this period.

(2) Measurement of segment information

The chief operating decision-maker evaluates the performance of operating segments based on segment pre-tax income.

(3) Information about segment profit or loss and assets

The segment information provided to the chief operating decision-maker for the reportable segments is as follows:

	For the year ended December 31, 2022				
	Taiwan	Tinplate Products (in Mainland China)	Plastic Products (in Mainland China)	Others	Total
Revenue from external customers	$ 18,885,798	$ 4,575,771	$ 16,852,466	$ 3,166,245	$ 43,480,280
Revenue from internal customers	4,515,500	709,822	88,355	1,211	5,314,888
Segment revenue	$ 23,401,298	$ 5,285,593	$ 16,940,821	$ 3,167,456	$ 48,795,168
Segment income	$ 2,871,990	($ 802,573)	$ 1,153,783	$ 21,499	$ 3,244,699
Segment assets	$ 29,371,082	$ 6,265,263	$ 18,610,007	$ 20,659,996	$ 74,906,348

	For the year ended December 31, 2021				
	Taiwan	Tinplate Products (in Mainland China)	Plastic Products (in Mainland China)	Others	Total
Revenue from external customers	$ 17,117,800	$ 6,230,888	$ 15,241,695	$ 3,299,343	$ 41,889,726
Revenue from internal customers	5,754,634	715,570	34,197	120,319	6,624,720
Segment revenue	$ 22,872,434	$ 6,946,458	$ 15,275,892	$ 3,419,662	$ 48,514,446
Segment income	$ 2,132,289	($ 291,215)	$ 1,619,007	$ 936,263	$ 4,396,344
Segment assets	$ 32,345,491	$ 7,283,606	$ 14,935,378	$ 22,875,854	$ 77,440,329

(4) Reconciliation for segment income (loss) and assets

A. Sales between segments were carried out at arm's length. Basis of measurement remained consistent with revenue in the consolidated statements of comprehensive income and revenue from external parties reported to the chief operating decision-maker. A reconciliation of segment profit or loss before tax and the profit or loss before tax from continuing operations is shown below:

	For the years ended December 31,	
	2022	2021
Reportable segments profit or loss	$ 3,223,200	$ 3,460,081
Other segments profit or loss	21,499	936,263
Elimination of intersegment transactions	(331,336)	(1,993,993)
Net income before income tax from continuing operations	$ 2,913,363	$ 2,402,351

B. The amount of total assets provided to the chief operating decision-maker adopts the same basis of measurement as assets in the Group's financial statements. The reconciliations between reportable segments' assets and total assets are as follows:

	December 31, 2022	December 31, 2021
Assets of reportable segments	$ 54,246,352	$ 54,564,475
Assets of other operating segments	20,659,996	22,875,854
Elimination of intersegment transactions	(40,000,385)	(39,592,006)
Total assets	$ 34,905,963	$ 37,848,323

(5) Information on products and services

The Group's revenue information for the years ended December31, 2022 and 2021 is as follows:

	For the years ended December 31,	
	2022	2021
Revenue from products of Tinplate	$ 26,587,130	$ 26,607,427
Renevue from products of Plastic pack (including filling)	16,893,150	15,282,299
	$ 43,480,280	$ 41,889,726

(6) Geographical information

Geographical information for the years ended December 31, 2022 and 2021 is as follows:

	For the year ended December 31, 2022		For the year ended December 31, 2021	
	Revenue	Non-current assets	Revenue	Non-current assets
Taiwan	$ 4,052,248	$ 6,655,276	$ 3,825,071	$ 7,582,781
Mainland China	23,812,446	14,360,988	24,344,045	15,035,381
Others	15,615,586	35,613	13,720,610	41,594
	$ 43,480,280	$ 21,051,877	$ 41,889,726	$ 22,659,756

(7) Major customer information

The income from each customer of the Group for the years ended December 31, 2022 and 2021 did not reach 10% of the amount of income on the consolidated statements of comprehensive income.

Ton Yi Industrial Corp. and Subsidiaries

Loans to others

For the year ended December 31, 2022

Table 1

Expressed in thousands of NTD

NO.	Name of lender	Name of borrower	Account	Related party	Maximum balance	Ending balance	Actual amount drawn down	Interest rate	Nature of financial activity (Note 1)	Total transaction amount	Reason for short-term financing	Allowance for doubtful accounts	Collateral Item	Collateral Value	Loan limit per entity	Maximum amount available for loan	Note
1	Kunshan Ton Yi Industrial Co., Ltd.	Ton Yi (China) Investment Co., Ltd.	Other receivables	Y	$ 133,549	$ 133,549	$ 129,097	2.315	2	$ -	Operational use	$ -	—	$ -	$ 1,079,758	$ 1,079,758	Note 2
1	Kunshan Ton Yi Industrial Co., Ltd.	Chengdu Ton Yi Industrial Co., Ltd.	Other receivables	Y	311,614	89,033	89,033	3.365~3.515	2	-	Operational use	-	—	-	$ 1,079,758	$ 1,079,758	Note 2
1	Kunshan Ton Yi Industrial Co., Ltd.	Huizhou Ton Yi Industrial Co., Ltd.	Other receivables	Y	89,033	-	-	3.515	2	-	Operational use	-	—	-	$ 1,079,758	$ 1,079,758	Note 2
1	Kunshan Ton Yi Industrial Co., Ltd.	Wuxi Ton Yi Industrial Packing Co., Ltd.	Other receivables	Y	133,549	133,549	-	-	2	-	Operational use	-	—	-	$ 1,079,758	$ 1,079,758	Note 2
1	Kunshan Ton Yi Industrial Co., Ltd.	Fujian Ton Yi Tinplate Co., Ltd.	Other receivables	Y	133,549	133,549	-	3.515	2	-	Operational use	-	—	-	$ 215,952	$ 431,903	Note 2
2	Chengdu Ton Yi Industrial Packing Co., Ltd.	Wuxi Ton Yi Industrial Packing Co., Ltd.	Other receivables	Y	289,356	289,356	289,356	3.365~3.515	2	-	Operational use	-	—	-	426,856	426,856	Note 2
3	Taizhou Ton Yi Industrial Co., Ltd.	Ton Yi (China) Investment Co., Ltd.	Other receivables	Y	133,549	133,549	-	2.315~2.465	2	-	Operational use	-	—	-	1,669,657	1,669,657	Note 2
3	Taizhou Ton Yi Industrial Co., Ltd.	Huizhou Ton Yi Industrial Co., Ltd.	Other receivables	Y	89,033	89,033	89,033	3.315	2	-	Operational use	-	—	-	1,669,657	1,669,657	Note 2
3	Taizhou Ton Yi Industrial Co., Ltd.	Fujian Ton Yi Tinplate Co., Ltd.	Other receivables	Y	289,356	133,549	133,549	3.315~3.515	2	-	Operational use	-	—	-	333,931	667,863	Note 2
3	Taizhou Ton Yi Industrial Co., Ltd.	Wuxi Ton Yi Daiwa Industrial Co., Ltd.	Other receivables	Y	178,065	178,065	178,065	3.365~3.515	2	-	Operational use	-	—	-	333,931	667,863	Note 2
4	Sichuan Ton Yi Industrial Co., Ltd.	Wuxi Ton Yi Industrial Packing Co., Ltd.	Other receivables	Y	244,840	244,840	244,840	3.315~3.515	2	-	Operational use	-	—	-	1,435,290	1,435,290	Note 2

NO.	Name of lender	Name of borrower	Account	Related party	Maximum balance	Ending balance	Actual amount drawn down	Interest rate	Nature of financial activity (Note 1)	Total transaction amount	Reason for short-term financing	Allowance for doubtful accounts	Collateral Item	Collateral Value	Loan limit per entity	Maximum amount available for loan	Note
4	Sichuan Ton Yi Industrial Co., Ltd.	Ton Yi (China) Investment Co., Ltd.	Other receivables	Y	$ 133,549	$ 133,549	$ 26,710	2.315~2.465	2	$ -	Operational use	$ -	—	$ -	1,435,290	1,435,290	Note 2
4	Sichuan Ton Yi Industrial Co., Ltd.	Chengdu Ton Yi Industrial Co., Ltd.	Other receivables	Y	445,163	356,130	356,130	3.315~3.515	2	-	Operational use	-	—	-	1,435,290	1,435,290	Note 2
4	Sichuan Ton Yi Industrial Co., Ltd.	Fujian Ton Yi Tinplate Co., Ltd.	Other receivables	Y	133,549	133,549	133,549	3.365	2	-	Operational use	-	—	-	287,058	574,116	Note 2
5	Zhanjiang Ton Yi Industrial Co., Ltd.	Huizhou Ton Yi Industrial Co., Ltd.	Other receivables	Y	333,872	244,840	244,840	3.315~3.515	2	-	Operational use	-	—	-	830,624	830,624	Note 2
5	Zhanjiang Ton Yi Industrial Co., Ltd.	Ton Yi (China) Investment Co., Ltd.	Other receivables	Y	133,549	133,549	13,355	2.315	2	-	Operational use	-	—	-	830,624	830,624	Note 2
5	Zhanjiang Ton Yi Industrial Co., Ltd.	Fujian Ton Yi Tinplate Co., Ltd.	Other receivables	Y	133,549	133,549	133,549	3.315	2	-	Operational use	-	—	-	166,125	332,250	Note 2
6	Ton Yi (China) Investment Co., Ltd.	Zhangzhou Ton Yi Industrial Co., Ltd.	Other receivables	Y	133,549	133,549	-	—	2	-	Operational use	-	—	-	12,066,199	12,066,199	Note 2
6	Ton Yi (China) Investment Co., Ltd.	Taizhou Ton Yi Industrial Co., Ltd.	Other receivables	Y	133,549	133,549	-	—	2	-	Operational use	-	—	-	12,066,199	12,066,199	Note 2
6	Ton Yi (China) Investment Co., Ltd.	Chengdu Ton Yi Industrial Co., Ltd.	Other receivables	Y	133,549	133,549	89,033	3.315	2	-	Operational use	-	—	-	12,066,199	12,066,199	Note 2
6	Ton Yi (China) Investment Co., Ltd.	Kunshan Ton Yi Industrial Co., Ltd.	Other receivables	Y	133,549	133,549	-	3.465	2	-	Operational use	-	—	-	12,066,199	12,066,199	Note 2
6	Ton Yi (China) Investment Co., Ltd.	Beijing Ton Yi Industrial Co., Ltd.	Other receivables	Y	133,549	133,549	-	—	2	-	Operational use	-	—	-	12,066,199	12,066,199	Note 2
6	Ton Yi (China) Investment Co., Ltd.	Huizhou Ton Yi Industrial Co., Ltd.	Other receivables	Y	244,840	133,549	-	3.365~3.515	2	-	Operational use	-	—	-	12,066,199	12,066,199	Note 2
6	Ton Yi (China) Investment Co., Ltd.	Zhanjiang Ton Yi Industrial Co., Ltd.	Other receivables	Y	133,549	133,549	-	—	2	-	Operational use	-	—	-	12,066,199	12,066,199	Note 2

Table 1 page 2

NO.	Name of lender	Name of borrower	Account	Related party	Maximum balance	Ending balance	Actual amount drawn down	Interest rate	Nature of financial activity (Note 1)	Total transaction amount	Reason for short-term financing	Allowance for doubtful accounts	Collateral Item	Collateral Value	Loan limit per entity	Maximum amount available for loan	Note
6	Ton Yi (China) Investment Co., Ltd.	Sichuan Ton Yi Industrial Co., Ltd.	Other receivables	Y	$ 133,549	$ 133,549	$ -	—	2	$ -	Operational use	$ -	—	$ -	$ 12,066,199	$ 12,066,199	Note 2
6	Ton Yi (China) Investment Co., Ltd.	Tianjin Ton Yi Industrial Co., Ltd.	Other receivables	Y	133,549	133,549	106,839	3.315~3.465	2	-	Operational use	-	—	-	12,066,199	12,066,199	Note 2
6	Ton Yi (China) Investment Co., Ltd.	Wuxi Ton Yi Industrial Packing Co., Ltd.	Other receivables	Y	1,046,133	823,551	690,002	3.315~3.515	2	-	Operational use	-	—	-	12,066,199	12,066,199	Note 2
6	Ton Yi (China) Investment Co., Ltd.	Fujian Ton Yi Tinplate Co., Ltd.	Other receivables	Y	578,712	445,163	311,614	3.315~3.515	2	-	Operational use	-	—	-	2,413,240	4,826,480	Note 2
6	Ton Yi (China) Investment Co., Ltd.	Wuxi Ton Yi Daiwa Industrial Co., Ltd.	Other receivables	Y	133,549	133,549	-	3.315~3.365	2	-	Operational use	-	—	-	2,413,240	4,826,480	Note 2
7	Zhangzhou Ton Yi Industrial Co., Ltd.	Ton Yi (China) Investment Co., Ltd.	Other receivables	Y	133,549	133,549	26,710	2.315~2.465	2	-	Operational use	-	—	-	1,869,371	1,869,371	Note 2
7	Zhangzhou Ton Yi Industrial Co., Ltd.	Huizhou Ton Yi Industrial Co., Ltd.	Other receivables	Y	89,033	89,033	89,033	3.315	2	-	Operational use	-	—	-	1,869,371	1,869,371	Note 2
8	Chengdu Ton Yi Industrial Co., Ltd.	Ton Yi (China) Investment Co., Ltd.	Other receivables	Y	133,549	133,549	-	2.365	2	-	Operational use	-	—	-	1,223,434	1,223,434	Note 2
9	Beijing Ton Yi Industrial Co., Ltd.	Ton Yi (China) Investment Co., Ltd.	Other receivables	Y	133,549	133,549	-	2.365~2.465	2	-	Operational use	-	—	-	1,012,818	1,012,818	Note 2
9	Beijing Ton Yi Industrial Co., Ltd.	Huizhou Ton Yi Industrial Co., Ltd.	Other receivables	Y	200,323	200,323	200,323	3.315~3.365	2	-	Operational use	-	—	-	1,012,818	1,012,818	Note 2
9	Beijing Ton Yi Industrial Co., Ltd.	Wuxi Ton Yi Industrial Packing Co., Ltd.	Other receivables	Y	267,098	111,291	111,291	3.315~3.515	2	-	Operational use	-	—	-	1,012,818	1,012,818	Note 2
9	Beijing Ton Yi Industrial Co., Ltd.	Fujian Ton Yi Tinplate Co., Ltd.	Other receivables	Y	178,065	111,291	111,291	3.315~3.515	2	-	Operational use	-	—	-	202,564	405,127	Note 2
10	Huizhou Ton Yi Industrial Co., Ltd.	Ton Yi (China) Investment Co., Ltd.	Other receivables	Y	133,549	133,549	-	—	2	-	Operational use	-	—	-	1,270,031	1,270,031	Note 2

NO.	Name of lender	Name of borrower	Account	Related party	Maximum balance	Ending balance	Actual amount drawn down	Interest rate	Nature of financial activity (Note 1)	Total transaction amount	Reason for short-term financing	Allowance for doubtful accounts	Collateral Item	Collateral Value	Loan limit per entity	Maximum amount available for loan	Note
11	Jiangsu Ton Yi Tinplate Co., Ltd.	Fujian Ton Yi Tinplate Co., Ltd.	Other receivables	Y	$ 133,549	$ 133,549	$ 133,549	3.515	2	$ -	Operational use	$ -	—	$ -	$ 455,453	$ 910,906	Note 2
11	Jiangsu Ton Yi Tinplate Co., Ltd.	Wuxi Ton Yi Daiwa Industrial Co., Ltd.	Other receivables	Y	320,517	178,065	178,065	3.365~3.515	2	-	Operational use	-	—	-	455,453	910,906	Note 2
11	Jiangsu Ton Yi Tinplate Co., Ltd.	Wuxi Ton Yi Industrial Packing Co., Ltd.	Other receivables	Y	155,807	155,807	155,807	3.365~3.515	2	-	Operational use	-	—	-	455,453	910,906	Note 2
12	Tianjin Ton Yi Industrial Co., Ltd.	Ton Yi (China) Investment Co., Ltd.	Other receivables	Y	133,549	133,549	-	—	2	-	Operational use	-	—	-	458,707	458,707	Note 2

(Note 1) Nature of loans to others is filled as follows:
(1) For trading partner.
(2) For short-term financing.

(Note 2) The maximum loan amount is 40% of its net assets.
(1) Trading partner: The maximum amount for individual trading partner shall not exceed the higher of total purchase or sale transactions during the reporting period or the most recent year.
(2) Short-term financing: The maximum amount for short-term financing is 20% of the Company's net assets; If the Company loans to foreign subsidiaries, which the Company holds 100% ownership directly or indirectly, the maximum amount for the subsidiary is 100% of the Company's net assets.

(Note 3) Foreign currency was translated into New Taiwan Dollars with exchange rate as at December 31, 2022 as follows: CNY:NTD 1：4.451628.

Ton Yi Industrial Corp. and Subsidiaries

Holding of marketable securities at the end of the period (not including subsidiaries, associates and joint ventures)

December 31, 2022

Table 2

Expressed in thousands of NTD

Investor	Marketable securities type and name	Relationship with the issuer	General ledger account (Note)	As of December 31, 2022				Note
				Shares/units (in thousands)	Book value	Percentage of ownership (%)	Fair value	
Ton-Yi Industrial Corp.	Stocks:							
	JFE Holdings Inc.	—	1	250	$ 89,241	0.04%	$ 89,241	—

(Note) The code number explanation is as follows:

1.Financial assets at fair value through other comprehensive income - non-current

Ton Yi Industrial Corp. and Subsidiaries

Purchases or sales of goods from or to related parties reaching NT$100 million or 20% of paid-in captial or more

For the year ended December 31, 2022

Table 3

Expressed in thousands of NTD

			Transaction				Description and reasons for difference in transaction terms compared to third party transactions		Notes or accounts receivable/(payable)		
Purchaser/seller	Counterparty	Relationship with the counterparty	Purchases (sales)	Amount	Percentage of total purchases (sales)	Credit terms	Unit price	Credit terms	Ending balance	Percentage of total notes or accounts receivable/(payable)	Note
Ton Yi Industrial Corp.	Fujian Ton Yi Tinplate Co., Ltd.	An investee company of Cayman Fujian Ton Yi Holdings Ltd. accounted for using equity method	(Sales)	($ 4,454,395)	(19)	50 days after shipping, T/T	$ -	—	$ 318,927	21	—
Ton Yi Industrial Corp.	TTET union Co., Ltd.	An investee company of parent company (Uni-President Enterprises Corp.) to entity with joint control or significant influence	(Sales)	(334,599)	(1)	Within 30 days of statements settled monthly, T/T	-	—	62,751	4	—
Wuxi Ton Yi Industrial Packing Co., Ltd.	Chengdu Ton Yi Industrial Packing Co., Ltd.	An investee company of Cayman Ton Yi Industrial Holdings Ltd. accounted for using equity method	(Sales)	(486,972)	(19)	Within 30 days of statements settled monthly, T/T	-	—	46,588	17	—
Wuxi Ton Yi Industrial Packing Co., Ltd.	Changsha Ton Yi Industrial Co., Ltd.	An investee company of Cayman Ton Yi Industrial Holdings Ltd. accounted for using equity method	(Sales)	(426,360)	(17)	Within 30 days of statements settled monthly, T/T	-	—	36,084	13	—
Wuxi Ton Yi Industrial Packing Co., Ltd.	Uni-President Trading (Kunshan) Co., Ltd.	An investee company of parent company (Uni-President Enterprises Corp.) to entity with joint control or significant influence	(Sales)	(227,266)	(9)	Within 90 days of statements settled monthly, T/T	-	—	67,156	25	—
Chengdu Ton Yi Industrial Packing Co., Ltd.	Wuxi Ton Yi Industrial Packing Co., Ltd.	An investee company of Cayman Ton Yi Industrial Holdings Ltd. accounted for using equity method	Purchases	486,972	96	Within 30 days of statements settled monthly, T/T	-	—	(46,588)	(91)	—
Changsha Ton Yi Industrial Co., Ltd.	Jiangsu Ton Yi Tinplate Co., Ltd.	An investee company of Cayman Jiangsu Ton Yi Holdings Ltd. accounted for using equity method	Purchases	521,691	47	67 days after invoice date, T/T	-	—	(75,242)	(62)	—
Changsha Ton Yi Industrial Co., Ltd.	Wuxi Ton Yi Industrial Packing Co., Ltd.	An investee company of Cayman Ton Yi Industrial Holdings Ltd. accounted for using equity method	Purchases	426,360	39	Within 30 days of statements settled monthly, T/T	-	—	(36,084)	(30)	—

Purchaser/seller	Counterparty	Relationship with the counterparty	Transaction: Purchases (sales)	Transaction: Amount	Transaction: Percentage of total purchases (sales)	Transaction: Credit terms	Description and reasons for difference in transaction terms compared to third party transactions: Unit price	Description and reasons for difference in transaction terms compared to third party transactions: Credit terms	Notes or accounts receivable/(payable): Ending balance	Notes or accounts receivable/(payable): Percentage of total notes or accounts receivable/(payable)	Note
Changsha Ton Yi Industrial Co., Ltd.	Fujian Ton Yi Tinplate Co., Ltd.	An investee company of Cayman Fujian Ton Yi Holdings Ltd. accounted for using equity method	Purchases	$ 156,294	14	67 days after invoice date, T/T	$ -	—	($ 9,336)	(8)	—
Fujian Ton Yi Tinplate Co., Ltd	Ton Yi Industrial Corp.	The Company	Purchases	4,454,395	89	50 days after shipping, T/T	-	—	(318,927)	(90)	—
Fujian Ton Yi Tinplate Co., Ltd	Jiangsu Ton Yi Tinplate Co., Ltd.	An investee company of Cayman Jiangsu Ton Yi Holdings Ltd. accounted for using equity method	(Sales)	(2,365,488)	(45)	67 days after invoice date, T/T	-	—	91,586	13	—
Fujian Ton Yi Tinplate Co., Ltd	Changsha Ton Yi Industrial Co., Ltd.	An investee company of Cayman Ton Yi Industrial Holdings Ltd. accounted for using equity method	(Sales)	(156,294)	(3)	67 days after invoice date, T/T	-	—	9,336	1	—
Jiangsu Ton Yi Tinplate Co., Ltd.	Fujian Ton Yi Tinplate Co., Ltd.	An investee company of Cayman Fujian Ton Yi Holdings Ltd. accounted for using equity method	Purchases	2,365,488	100	67 days after invoice date, T/T	-	—	(91,586)	(100)	—
Jiangsu Ton Yi Tinplate Co., Ltd.	Changsha Ton Yi Industrial Co., Ltd.	An investee company of Cayman Ton Yi Industrial Holdings Ltd. accounted for using equity method	(Sales)	(521,691)	(22)	67 days after invoice date, T/T	-	—	75,242	9	—
Zhangzhou Ton Yi Industrial Co., Ltd.	Shanghai E & P Trading Co., Ltd.	An investee company of parent company (Uni-President Enterprises Corp.) to entity with joint control or significant influence	Purchases	152,783	12	15 days after receipt of invoice, T/T	-	—	(13,181)	(8)	—
Zhangzhou Ton Yi Industrial Co., Ltd.	Guangzhou President Enterprises Co., Ltd.	An investee company of parent company (Uni-President Enterprises Corp.) to entity with joint control or significant influence	(Sales)	(1,672,055)	(78)	25 days after receipt of invoice, T/T	-	—	188,804	79	—
Taizhou Ton Yi Industrial Co., Ltd.	Shanghai E & P Trading Co., Ltd.	An investee company of parent company (Uni-President Enterprises Corp.) to entity with joint control or significant influence	Purchases	303,408	16	15 days after receipt of invoice, T/T	-	—	(12,752)	(8)	—
Taizhou Ton Yi Industrial Co., Ltd.	Taizhou President Enterprises Co., Ltd.	An investee company of parent company (Uni-President Enterprises Corp.) to entity with joint control or significant influence	(Sales)	(2,221,899)	(74)	25 days after receipt of invoice, T/T	-	—	193,675	65	—

Purchaser/seller	Counterparty	Relationship with the counterparty	Transaction: Purchases (sales)	Transaction: Amount	Transaction: Percentage of total purchases (sales)	Transaction: Credit terms	Description and reasons for difference in transaction terms compared to third party transactions: Unit price	Description and reasons for difference in transaction terms compared to third party transactions: Credit terms	Notes or accounts receivable/(payable): Ending balance	Notes or accounts receivable/(payable): Percentage of total notes or accounts receivable/(payable)	Note
Taizhou Ton Yi Industrial Co., Ltd.	Guangzhou President Enterprises Co., Ltd.	An investee company of parent company (Uni-President Enterprises Corp.) to entity with joint control or significant influence	(Sales)	($ 138,699)	(5)	50% prepaid/ 50% 45 days after invoice date, T/T	$ -	—	$ 26,990	9	—
Chengdu Ton Yi Industrial Co., Ltd.	Chengdu President Enterprises Food Co., Ltd.	An investee company of parent company (Uni-President Enterprises Corp.) to entity with joint control or significant influence	(Sales)	(583,467)	(51)	25 days after receipt of invoice, T/T	-	—	71,424	44	—
Chengdu Ton Yi Industrial Co., Ltd.	Guangzhou President Enterprises Co., Ltd.	An investee company of parent company (Uni-President Enterprises Corp.) to entity with joint control or significant influence	(Sales)	(118,078)	(10)	50% prepaid/ 50% 45 days after invoice date, T/T	-	—	18,486	11	—
Huizhou Ton Yi Industrial Co., Ltd.	Shanghai E & P Trading Co., Ltd.	An investee company of parent company (Uni-President Enterprises Corp.) to entity with joint control or significant influence	Purchases	134,762	13	15 days after receipt of invoice, T/T	-	—	(26,620)	(19)	—
Huizhou Ton Yi Industrial Co., Ltd.	Guangzhou President Enterprises Co., Ltd.	An investee company of parent company (Uni-President Enterprises Corp.) to entity with joint control or significant influence	(Sales)	(1,478,584)	(88)	25 days after receipt of invoice, T/T	-	—	154,680	89	—
Kunshan Ton Yi Industrial Co., Ltd.	Shanghai E & P Trading Co., Ltd.	An investee company of parent company (Uni-President Enterprises Corp.) to entity with joint control or significant influence	Purchases	279,361	16	15 days after receipt of invoice, T/T	-	—	(33,515)	(16)	—
Kunshan Ton Yi Industrial Co., Ltd.	Uni-President Trading (Kunshan) Co., Ltd.	An investee company of parent company (Uni-President Enterprises Corp.) to entity with joint control or significant influence	(Sales)	(2,379,166)	(98)	25 days after receipt of invoice, T/T	-	—	291,487	98	—
Beijing Ton Yi Industrial Co., Ltd.	Shanghai E & P Trading Co., Ltd.	An investee company of parent company (Uni-President Enterprises Corp.) to entity with joint control or significant influence	Purchases	154,900	11	15 days after receipt of invoice, T/T	-	—	(14,863)	(11)	—
Beijing Ton Yi Industrial Co., Ltd.	Beijing President Enterprises Drinks Co., Ltd.	An investee company of parent company (Uni-President Enterprises Corp.) to entity with joint control or significant influence	(Sales)	(2,064,741)	(99)	25 days after receipt of invoice, T/T	-	—	188,211	100	—
Sichuan Ton Yi Industrial Co., Ltd.	Shanghai E & P Trading Co., Ltd.	An investee company of parent company (Uni-President Enterprises Corp.) to entity with joint control or significant influence	Purchases	210,978	13	15 days after receipt of invoice, T/T	-	—	(37,287)	(16)	—

Purchaser/seller	Counterparty	Relationship with the counterparty	Transaction				Description and reasons for difference in transaction terms compared to third party transactions		Notes or accounts receivable/(payable)		Note
			Purchases (sales)	Amount	Percentage of total purchases (sales)	Credit terms	Unit price	Credit terms	Ending balance	Percentage of total notes or accounts receivable/(payable)	
Sichuan Ton Yi Industrial Co., Ltd.	Chengdu President Enterprises Food Co., Ltd.	An investee company of parent company (Uni-President Enterprises Corp.) to entity with joint control or significant influence	(Sales)	($ 2,301,964)	(98)	25 days after receipt of invoice, T/T	$ -	—	$ 262,372	99	—
Zhanjiang Ton Yi Industrial Co., Ltd.	Shanghai E & P Trading Co., Ltd.	An investee company of parent company (Uni-President Enterprises Corp.) to entity with joint control or significant influence	Purchases	144,052	14	5～45 days after receipt of invoice, T/T	-	—	(9,865)	(10)	—
Zhanjiang Ton Yi Industrial Co., Ltd.	Zhanjiang President Enterprises Co., Ltd.	An investee company of parent company (Uni-President Enterprises Corp.) to entity with joint control or significant influence	(Sales)	(1,315,495)	(81)	25 days after receipt of invoice, T/T	-	—	66,624	61	—
Zhanjiang Ton Yi Industrial Co., Ltd.	Guangzhou President Enterprises Co., Ltd.	An investee company of parent company (Uni-President Enterprises Corp.) to entity with joint control or significant influence	(Sales)	(305,297)	(19)	50% prepaid/ 50% 45 days after invoice date, T/T	-	—	41,321	38	—
Tianjin Ton Yi Industrial Co., Ltd.	Uni-President Enterprises (TianJin) Co., Ltd.	An investee company of parent company (Uni-President Enterprises Corp.) to entity with joint control or significant influence	(Sales)	(589,065)	(91)	25 days after receipt of invoice, T/T	-	—	88,491	98	—

(Note 1) The above terms are in accordance with the Company's policy on credit management, please refer to Note 7 Related Party Transactions for details.

(Note 2) Foreign currency was translated into New Taiwan Dollars using the following exchange rates: Ending balances of receivables and payables were translated using the exchange rate as at December 31, 2022 (USD:NTD 1:30.71；CNY:NTD 1:4.451628).

Purchases and sales were translated using the weighted-average exchange rate for the year ended December 31, 2022 (USD:NTD 1:29.848936；CNY:NTD 1:4.429843).

Ton Yi Industrial Corp. and Subsidiaries

Receivables from related parties reaching NT$100 million or 20% of paid-in capital or more

For the year ended December 31, 2022

Table 4

Expressed in thousands of NTD

Company name	Counterparty	Relationship with the counterparty	Ending balance		Turnover rate	Overdue receivables		Amount received in subsequent period	Allowance for doubtful accounts
			Items	Amount		Amount	Action taken		
Ton Yi Industrial Corp.	Fujian Ton Yi Tinplate Co., Ltd.	An investee company of Cayman Fujian Ton Yi Holdings Ltd. accounted for using equity method	Accounts receivable	$ 318,927	8.53	$ -	—	$ 104,020	$ -
Chengdu Ton Yi Industrial Packing Co., Ltd.	Wuxi Ton Yi Industrial Packing Co., Ltd.	An investee company of Cayman Ton Yi Industrial Holdings Ltd. accounted for using equity method	Other receivables	289,653	-	-	—	-	-
Jiangsu Ton Yi Tinplate Co., Ltd.	Wuxi Ton Yi Daiwa Industrial Co., Ltd.	An investee company of Wuxi Ton Yi Industrial Packing Co., Ltd. accounted for using equity method	Other receivables	178,248	-	-	—	-	-
Jiangsu Ton Yi Tinplate Co., Ltd.	Wuxi Ton Yi Industrial Packing Co., Ltd.	An investee company of Cayman Ton Yi Industrial Holdings Ltd. accounted for using equity method	Other receivables	155,967	-	-	—	-	-
Jiangsu Ton Yi Tinplate Co., Ltd.	Fujian Ton Yi Tinplate Co., Ltd.	An investee company of Cayman Fujian Ton Yi Holdings Ltd. accounted for using equity method	Other receivables	134,296	-	-	—	134,296	-
Ton Yi (China) Investment Co., Ltd.	Wuxi Ton Yi Industrial Packing Co., Ltd.	An investee company of Cayman Ton Yi Industrial Holdings Ltd. accounted for using equity method	Other receivables	705,256	-	-	—	138,086	-
Ton Yi (China) Investment Co., Ltd.	Fujian Ton Yi Tinplate Co., Ltd.	An investee company of Cayman Fujian Ton Yi Holdings Ltd. accounted for using equity method	Other receivables	316,765	-	-	—	-	-
Ton Yi (China) Investment Co., Ltd.	Tianjin Ton Yi Industrial Co., Ltd.	An investee company of Ton Yi (China) Investment Co., Ltd. accounted for using equity method	Other receivables	107,144	-	-	—	305	-
Zhangzhou Ton Yi Industrial Co., Ltd.	Guangzhou President Enterprises Co., Ltd.	An investee company of parent company (Uni-President Enterprises Corp.) to entity with joint control or significant influence	Accounts receivable	188,804	10.99	-	—	176,868	-
Taizhou Ton Yi Industrial Co., Ltd.	Taizhou President Enterprises Co., Ltd.	An investee company of parent company (Uni-President Enterprises Corp.) to entity with joint control or significant influence	Accounts receivable	193,675	12.68	-	—	193,675	-

Company name	Counterparty	Relationship with the counterparty	Ending balance		Turnover rate	Overdue receivables		Amount received in subsequent period	Allowance for doubtful accounts
			Items	Amount		Amount	Action taken		
Taizhou Ton Yi Industrial Co., Ltd.	Wuxi Ton Yi Daiwa Industrial Co., Ltd.	An investee company of Wuxi Ton Yi Industrial Packing Co., Ltd. accounted for using equity method	Other receivables	$ 178,248	-	$ -	—	$ -	$ -
Taizhou Ton Yi Industrial Co., Ltd.	Fujian Ton Yi Tinplate Co., Ltd.	An investee company of Cayman Fujian Ton Yi Holdings Ltd. accounted for using equity method	Other receivables	134,459	-	-	—	-	-
Huizhou Ton Yi Industrial Co., Ltd.	Guangzhou President Enterprises Co., Ltd.	An investee company of parent company (Uni-President Enterprises Corp.) to entity with joint control or significant influence	Accounts receivable	154,680	11.34	-	—	84,510	-
Kunshan Ton Yi Industrial Co., Ltd.	Uni-President Trading (Kunshan) Co., Ltd.	An investee company of parent company (Uni-President Enterprises Corp.) to entity with joint control or significant influence	Accounts receivable	291,487	9.29	-	—	291,487	-
Kunshan Ton Yi Industrial Co., Ltd.	Ton Yi (China) Investment Co., Ltd.	An investee company of Cayman Ton Yi (China) Holding Ltd. accounted for using equity method	Other receivables	129,286	-	-	—	49,157	-
Beijing Ton Yi Industrial Co., Ltd.	Beijing President Enterprises Drinks Co., Ltd.	An investee company of parent company (Uni-President Enterprises Corp.) to entity with joint control or significant influence	Accounts receivable	188,211	13.79	-	—	188,211	-
Beijing Ton Yi Industrial Co., Ltd.	Huizhou Ton Yi Industrial Co., Ltd.	An investee company of Ton Yi (China) Investment Co., Ltd. accounted for using equity method	Other receivables	200,528	-	-	—	-	-
Beijing Ton Yi Industrial Co., Ltd.	Fujian Ton Yi Tinplate Co., Ltd.	An investee company of Cayman Fujian Ton Yi Holdings Ltd. accounted for using equity method	Other receivables	111,690	-	-	—	-	-
Beijing Ton Yi Industrial Co., Ltd.	Wuxi Ton Yi Industrial Packing Co., Ltd.	An investee company of Cayman Ton Yi Industrial Holdings Ltd. accounted for using equity method	Other receivables	111,424	-	-	—	-	-
Sichuan Ton Yi Industrial Co., Ltd.	Chengdu President Enterprises Food Co., Ltd.	An investee company of parent company (Uni-President Enterprises Corp.) to entity with joint control or significant influence	Accounts receivable	262,372	9.40	-	—	262,372	-
Sichuan Ton Yi Industrial Co., Ltd.	Chengdu Ton Yi Industrial Co., Ltd.	An investee company of Ton Yi (China) Investment Co., Ltd. accounted for using equity method	Other receivables	363,405	-	-	—	194	-
Sichuan Ton Yi Industrial Co., Ltd.	Wuxi Ton Yi Industrial Packing Co., Ltd.	An investee company of Cayman Ton Yi Industrial Holdings Ltd. accounted for using equity method	Other receivables	248,406	-	-	—	54	-
Sichuan Ton Yi Industrial Co., Ltd.	Fujian Ton Yi Tinplate Co., Ltd.	An investee company of Cayman Fujian Ton Yi Holdings Ltd. accounted for using equity method	Other receivables	136,745	-	-	—	-	-

Company name	Counterparty	Relationship with the counterparty	Ending balance		Turnover rate	Overdue receivables		Amount received in subsequent period	Allowance for doubtful accounts
			Items	Amount		Amount	Action taken		
Zhanjiang Ton Yi Industrial Co., Ltd.	Huizhou Ton Yi Industrial Co.,Ltd.	An investee company of Ton Yi (China) Investment Co., Ltd. accounted for using equity method	Other receivables	$ 245,089	-	$ -	—	$ -	$ -
Zhanjiang Ton Yi Industrial Co., Ltd.	Fujian Ton Yi Tinplate Co., Ltd.	An investee company of Cayman Fujian Ton Yi Holdings Ltd. accounted for using equity method	Other receivables	134,397	-	-	—	-	-

(Note) Foreign currencies were translated into New Taiwan Dollars using the following exchanges: Ending balances of receivable and subsequent collections were translated using the exchange rate as at December 31, 2022 (CYN:NTD 1:4.451628；USD:NTD 1:30.71).

Ton Yi Industrial Corp. and Subsidiaries

Significant inter-company transactions during the reporting period

For the year ended December 31, 2022

Table 5

Expressed in thousands of NTD

No (Note 2)	Company name	Counterparty	Relationship (Note 3)	Intercompany transaction			
				General ledger account	Amount	Transaction terms	Percentage of consolidated net revenues or total assets (Note 4)
0	Ton Yi Industrial Corp.	Fujian Ton Yi Tinplate Co., Ltd.	1	Sales	$ 4,454,395	50 days after shipping, T/T	10
			1	Accounts receivable	318,927	—	1
1	Chengdu Ton Yi Industrial Packing Co., Ltd.	Wuxi Ton Yi Industrial Packing Co., Ltd.	3	Other receivables	289,653	—	1
2	Wuxi Ton Yi Industrial Packing Co., Ltd.	Chengdu Ton Yi Industrial Packing Co., Ltd.	3	Sales	486,972	Within 30 days of statements settled monthly, T/T	1
		Changsha Ton Yi Industrial Co., Ltd.	3	Sales	426,360	Within 30 days of statements settled monthly, T/T	1
3	Fujian Ton Yi Tinplate Co., Ltd.	Jiangsu Ton Yi Tinplate Co., Ltd.	3	Sales	2,365,488	67 days after invoice date, T/T	5
		Changsha Ton Yi Industrial Co., Ltd.	3	Sales	156,294	67 days after invoice date, T/T	—
4	Jiangsu Ton Yi Tinplate Co., Ltd.	Changsha Ton Yi Industrial Co., Ltd.	3	Sales	521,691	67 days after invoice date, T/T	1
		Wuxi Ton Yi Daiwa Industrial Co., Ltd.	3	Other receivables	178,248	—	1
		Wuxi Ton Yi Industrial Packing Co., Ltd.	3	Other receivables	155,967	—	—
		Fujian Ton Yi Tinplate Co., Ltd.	3	Other receivables	134,296	—	—
5	Ton Yi (China) Investment Co., Ltd.	Wuxi Ton Yi Industrial Packing Co., Ltd.	3	Other receivables	705,256	—	2
		Fujian Ton Yi Tinplate Co., Ltd.	3	Other receivables	316,765	—	1
		Tianjin Ton Yi Industrial Co., Ltd.	3	Other receivables	107,144	—	—
6	Taizhou Ton Yi Industrial Co., Ltd.	Wuxi Ton Yi Daiwa Industrial Co., Ltd.	3	Other receivables	178,248	—	1
		Fujian Ton Yi Tinplate Co., Ltd.	3	Other receivables	134,459	—	—
7	Kunshan Ton Yi Industrial Co., Ltd.	Ton Yi (China) Investment Co., Ltd.	3	Other receivables	129,286	—	—
8	Beijing Ton Yi Industrial Co., Ltd.	Huizhou Ton Yi Industrial Co., Ltd.	3	Other receivables	200,528	—	1
		Fujian Ton Yi Tinplate Co., Ltd.	3	Other receivables	111,690	—	—
		Wuxi Ton Yi Industrial Packing Co., Ltd.	3	Other receivables	111,424	—	—

No (Note 2)	Company name	Counterparty	Relationship (Note 3)	Intercompany transaction			
				General ledger account	Amount	Transaction terms	Percentage of consolidated net revenues or total assets (Note 4)
9	Sichuan Ton Yi Industrial Co., Ltd.	Chengdu Ton Yi Industrial Packing Co., Ltd.	3	Other receivables	$ 363,405	—	1
		Wuxi Ton Yi Industrial Packing Co., Ltd.	3	Other receivables	248,406	—	1
		Fujian Ton Yi Tinplate Co., Ltd.	3	Other receivables	136,745	—	—
10	Zhanjiang Ton Yi Industrial Co., Ltd.	Huizhou Ton Yi Industrial Co., Ltd.	3	Other receivables	245,089	—	1
		Fujian Ton Yi Tinplate Co., Ltd.	3	Other receivables	134,397	—	—

(Note 1) Transactions among the company and subsidiaries with amount over NTD$100,000 and one side of them are disclosed.

(Note 2) The numbers filled in for the transaction company in respect of inter-company transactions are as follows:

(1) Parent company is ‘0’.

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

(Note 3) Relationship between transaction company and counterparty is classified into the following three categories:

(1) Parent company to subsidiary.

(2) Subsidiary to parent company.

(3) Subsidiary to subsidiary.

(Note 4) Regarding percentage of transaction amount to consolidated total operating revenues or total assets, it is computed based on period-end balance of transaction to consolidated total assets for balance sheet accounts and based on accumulated transaction amount for the period to consolidated total operating revenues for income statement accounts.

(Note 5) Foreign currency was translated into New Taiwan Dollars using the following exchanges: Ending balances of receivables were translated using the exchange rate as at December 31, 2022 (CNY:NTD 1:4.451628); Sales were translated using the weighted-average exchange rate for the year ended December 31, 2022 (CNY:NTD 1:4.429843).

Ton Yi Industrial Corp. and Subsidiaries

Names, locations and other information of investee companies (not including investees in Mainland China)

For the year ended December 31, 2022

Table 6

Expressed in thousands of NTD

Investor company	Investee company	Location	Main business activities	Original investment amount		Shares held as at December 31, 2022			Net income (loss) of the investee	Income (loss) recognized by the Company	Note
				Balance at December 31, 2022	Balance at December 31, 2021	Number of shares	Ownership (%)	Book value			
Ton Yi Industrial Corp.	Cayman Ton Yi Industrial Holdings Ltd.	Cayman	General investment	$ 13,399,488	$ 13,399,488	43,470,820	100.00	$ 17,885,134	$ 44,306	$ 44,306	Subsidiary
Ton Yi Industrial Corp.	Tovecan Corp.	Vietnam	Manufacturing and sale of cans	43,740	43,740	-	51.00	57,104	3,062	1,562	Subsidiary
Cayman Ton Yi Industrial Holdings Ltd.	Cayman Ton Yi Holdings Ltd.	Cayman	General investment	7,063,300	7,063,300	230,000,000	100.00	12,066,203	978,751	-	Subsidiary (Note 1)
Cayman Ton Yi Industrial Holdings Ltd.	Cayman Fujian Ton Yi Holdings Ltd.	Cayman	General investment	1,967,346	1,967,346	8,727	100.00	2,187,797	(525,939)	-	Subsidiary (Note 1)
Cayman Ton Yi Industrial Holdings Ltd.	Cayman Jiangsu Ton Yi Holdings Ltd.	Cayman	General investment	1,102,575	1,102,575	5,000	100.00	1,886,898	(154,809)	-	Subsidiary (Note 1)
Cayman Ton Yi Holdings Ltd.	Cayman Ton Yi (China) Holdings Ltd.	Cayman	General investment	7,063,300	7,063,300	230,000,000	100.00	12,066,203	978,751	-	Subsidiary (Note 1)

(Note 1) Not required to disclose income (loss) recognized by the Company.

(Note 2) Foreign currency was translated into New Taiwan Dollars using the following exchanges: Ending balances and carrying value were translated using the exchange rate as at December 31, 2022 (USD:NTD 1:30.71); Profit and loss were translated using the weighted-average exchange rate for the year ended December 31, 2022 (USD:NTD 1:29.848936).

Ton Yi Industrial Corp. and Subsidiaries

Information on investments in Mainland China - Basic information

For the year ended December 31, 2022

Table 7

Expressed in thousands of NTD

Investee company	Main business activities	Paid-in capital	Investment method	Accumulated amount of remittance from Taiwan to Mainland China as of January 1, 2022	Investment amount: Remitted to Mainland China	Investment amount: Remitted back to Taiwan	Accumulated amount of remittance from Taiwan as of December 31, 2022	Net income (loss) of the investee	Ownership held by the Company (direct or indirect)	Income (loss) recognized by the Company	Book value as of December 31, 2022	Accumulated remittance	Note
Wuxi Ton Yi Industrial Packing Co., Ltd.	Manufacturing and sale of PET packages and beverage filling OEM, sale of cans	$ 829,170	Note 1	$ 214,970	$ -	$ -	$ 214,970	($ 121,402)	100.00	($ 119,319)	$ 1,013,240	$ -	Note 7
Chengdu Ton Yi Industrial Packing Co., Ltd.	Sale of cans	230,325	Note 1	230,325	-	-	230,325	30,339	100.00	30,339	426,856	-	Note 7
Changsha Ton Yi Industrial Co., Ltd.	Sale of cans	214,970	Note 1	-	-	-	-	7,132	100.00	7,132	332,102	-	Note 7
Fujian Ton Yi Tinplate Co., Ltd.	Manufacturing and sale of tinplate	2,656,415	Note 2	1,638,286	-	-	1,638,286	(592,400)	86.80	(514,229)	2,187,797	-	Note 7
Jiangsu Ton Yi Tinplate Co., Ltd.	Sales of tinplate	1,228,400	Note 3	852,203	-	-	852,203	(59,413)	82.86	(49,229)	1,886,898	-	Note 7
Ton Yi (China) Investment Co., Ltd.	General investment	7,063,300	Note 4	921,300	-	-	921,300	1,024,797	100.00	1,024,797	12,066,203	820,032	Note 7
Zhangzhou Ton Yi Industrial Co., Ltd.	Manufacturing and sale of PET packages and beverage filling OEM	921,300	Note 5	921,300	-	-	921,300	193,960	100.00	193,960	1,869,371	-	Note 7
Taizhou Ton Yi Industrial Co., Ltd.	Manufacturing and sale of PET packages and beverage filling OEM	921,300	Note 5	921,300	-	-	921,300	284,000	100.00	284,000	1,669,657	-	Note 7
Chengdu Ton Yi Industrial Co., Ltd.	Manufacturing and sale of PET packages and beverage filling OEM	921,300	Note 5	353,165	-	-	353,165	91,533	100.00	91,533	1,223,434	-	Note 7
Huizhou Ton Yi Industrial Co., Ltd.	Manufacturing and sale of PET packages and beverage filling OEM	921,300	Note 5	184,260	-	-	184,260	135,642	100.00	135,642	1,270,031	-	Note 7
Kunshan Ton Yi Industrial Co., Ltd.	Manufacturing and sale of PET packages and beverage filling OEM	921,300	Note 5	-	-	-	-	25,460	100.00	25,460	1,079,758	-	Note 7
Beijing Ton Yi Industrial Co., Ltd.	Manufacturing and sale of PET packages and beverage filling OEM	921,300	Note 5	-	-	-	-	59,458	100.00	59,458	1,012,818	-	Note 7
Sichuan Ton Yi Industrial Co., Ltd.	Manufacturing and sale of PET packages and beverage filling OEM	921,300	Note 5	-	-	-	-	167,058	100.00	167,058	1,435,290	-	Note 7

Investee company	Main business activities	Paid-in capital	Investment method	Accumulated amount of remittance from Taiwan to Mainland China as of January 1, 2022	Investment amount		Accumulated amount of remittance from Taiwan as of December 31, 2022	Net income (loss) of the investee	Ownership held by the Company (direct or indirect)	Income (loss) recognized by the Company	Book value as of December 31, 2022	Accumulated remittance	Note
					Remitted to Mainland China	Remitted back to Taiwan							
Zhanjiang Ton Yi Industrial Co., Ltd.	Manufacturing and sale of PET packages and beverage filling OEM	$ 614,200	Note 5	$ -	$ -	$ -	$ -	$ 120,033	100.00	$ 120,033	$ 830,624	$ -	Note 7
Tianjin Ton Yi Industrial Co., Ltd.	Manufacturing and sale of PET packages and beverage filling OEM	614,200	Note 5	-	-	-	-	(59,911)	100.00	(59,911)	458,707	-	Note 7
Wuxi Ton Yi Daiwa Industrial Co., Ltd.	Manufacturing and sale of new bottle can	1,228,400	Note 6	-	-	-	-	(75,103)	66.50	(49,944)	623,777	-	Note 7

Company name	Accumulated amount of remittance from Taiwan to Mainland China as of December 31, 2022	Investment amount authorized by the Investment Commission of the Ministry of Economic Affairs (MOEA)	Ceiling on investments in Mainland China imposed by the Investment Commission of MOEA (Note 8)
Ton Yi Industrial Corp.	$ 6,237,109	$ 12,483,222	$ 13,292,071

(Note 1) Through investing in an existing company in the third area (Cayman Ton Yi Industrial Holdings Ltd.), which then invested in the investee in Mainland China.

(Note 2) Through investing in an existing company in the third area (Cayman Fujian Ton Yi Holdings Ltd.), which then invested in the investee in Mainland China.

(Note 3) Through investing in an existing company in the third area (Cayman Jiangsu Ton Yi Holdings Ltd.), which then invested in the investee in Mainland China.

(Note 4) Through investing in an existing company in the third area (Cayman Ton Yi (China) Holdings Limited), which then invested in the investee in Mainland China.

(Note 5) Through investing in an existing company in the Mainland China (Ton Yi (China) Investment Co., Ltd.), which then invested in the investee in Mainland China.

(Note 6) Through investing in an existing company in the Mainland China (Wuxi Ton Yi Industrial Packing Co., Ltd.), which then invested in the investee in Mainland China.

(Note 7) The Company recognized income (loss) based on audited financial statements.

(Note 8) The ceiling amount is 60% of consolidated net assets.

(Note 9) Foreign currencies were translated into New Taiwan Dollars using the following exchanges: Ending investment balances were translated using the exchange rate as at December 31, 2022 (CNY:NTD 1:4.451628, USD:NTD 1:30.71); Investment gains or losses were translated using the weighted-average exchange rate for the year ended December 31, 2022 (CNY:NTD 1:4.429843, USD:NTD 1:29.848936).

Ton Yi Industrial Corp. and Subsidiaries

Significant transactions, either directly or indirectly through a third area, with investee companies in the Mainland Area

For the year ended December 31, 2022

Table 8

Expressed in thousands of NTD

	Sales/(purchases)		Property transaction		Accounts receivable/ (payable)		Provision of endorsements/guarantees or collaterals	Financing					
Investee in Mainland China	Amount	%	Amount	%	Balance at December 31, 2022	%	Balance at December 31, 2022	Purpose	Maximum balance during the year ended December 31, 2022	Balance at December 31, 2022	Interest rate	Interest during the year ended December 31, 2022	Others
Fujian Ton Yi Tinplate Co., Ltd.	$ 4,454,395	19	$ -	-	$ 318,927	21	$ -	—	$ -	$ -	—	$ -	—

Ton Yi Industrial Corp. and Subsidiaries

Major shareholders information

December 31, 2022

Table 9

Express in shares

Name of major shareholders	Number of shares held	Ownership Percentage
Uni-President Enterprises Corp.	719,357,425	45.55%
Toyota Tsusho Corporation	88,549,987	5.60%

(Note) The major shareholders information was derived from the data that the Company issued common shares (including treasury shares) and preference shares in dematerialised form which were registered and held by the shareholders above 5% on the last operating date of each quarter and was calculated by Taiwan Depository & Clearing Corporation.

The share capital which was recorded in the financial statements may differ from the actual number of shares issued in dematerialised form because of a different calculation basis.

Appendix. Audited and certified separate financial statements of the most recent year

INDEPENDENT AUDITORS' REPORT TRANSLATED FROM CHINESE

To the Board of Directors and Shareholders of Ton Yi Industrial Corp.

Opinion

We have audited the accompanying parent company only balance sheets of Ton Yi Industrial Corp. (the "Company") as of December 31, 2022 and 2021, and the related parent company only statements of comprehensive income, of changes in equity and of cash flows for the years then ended, and notes to the parent company only financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying parent company only financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2022 and 2021, 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 audits in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the parent company only financial statements section of our report. We are independent of the Company in accordance with the Norm of Professional Ethics for Certified Public Accountants of the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that these 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 Company's 2022 financial statements. These matters were addressed in the context of our audit of the parent company only financial statements as a whole and, in forming our opinion thereon, we do not provide a separate opinion on these matters.

Existence of sales revenues

Description

Refer to Note 4(26) for the accounting policy on revenue recognition.

The primary business of the Company is selling Tin Plate products. The Company has a large volume of transactions from sales of numerous kinds of products to a wide range of customers in many different locations such as Taiwan, Asia, Europe, America, etc. For the customers and dealers who are from remote districts, the sales revenue transactions need more time for verification. This matter also exists in the subsidiaries of the Company (investments accounted for using equity method). Thus, the existence of sales revenue has been identified as a key audit matter.

How our audit addressed the matter

Our key audit procedures performed in respect of the above key audit matter included the following:

1. Inspecting whether approved additions to the merchandise master file data had been correctly entered in the merchandise master file which include basic information of customers, such as name of representative, location of company, amount of capital and scope of business for evaluating the creditworthiness of buyers.
2. Understanding, evaluating and validating management's controls in respect of the Company's sales transactions from customer order's approval, goods delivery, sales recording, reconciliation of cash receipts and customer's records to subsequent settlement of trade receivables. In addition, testing the effectiveness of internal control environment over revenue recognition.
3. Performing substantive test on selected sales transactions including confirming orders, shipping documents, invoices and cash receipts to verify the existence of sales revenues.

Inventory valuation

Description

Refer to Note 4(7) for accounting policy on inventory valuation, and Note 5(2) for the accounting estimates and assumption uncertainty in relation to inventory valuation and Note 6(3) for details of inventories. For the year ended December 31, 2022, inventory and allowance for price decline of inventories amounted to NT$2,841,596 thousand and NT$50,000 thousand, respectively.

The Company's raw materials are often subject to fluctuations in the international steel prices. However, as the Tin Plate products are considered necessities, such price changes may not be immediately reflected in material costs. In addition, the competition landscape within the steel industry in China will continue to affect the price of raw materials that would impact the estimation of net realizable value of inventory.

This matter also applies to the subsidiaries of the Company (listed as investments accounted for using equity method). Thus, the inventory valuation has been identified as a key audit matter.

How our audit addressed the matter

Our key audit procedures performed in respect of the above key audit matter included the following:

1. Evaluating the adequacy of allowance for inventory and the consistency of provision policy.
2. Assessing the reasonableness of the estimation of net realizable value of Tin Plate products and discussing with management and examining related documents to confirm the adequacy of allowance for price decline.

Responsibilities of management and those charged with governance for the parent company only financial statements

Management is responsible for the preparation and fair presentation of the parent company only 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 parent company only financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the parent company only 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 parent company only financial statements

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

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

1. Identify and assess the risks of material misstatement of the parent company only 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 consolidated financial statements, including the disclosures, and whether the parent company only financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the parent company only financial statements. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance, including audit committee, 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, including audit committee, 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, including audit committee, we determine those matters that were of most significance in the audit of the parent company only financial statements of the current period 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.

Yeh, Fang-Ting

Independent Accountants

Lin, Yung-Chih

PricewaterhouseCoopers, Taiwan
Republic of China
March 7, 2023

The accompanying parent company only financial statements are not intended to present the financial position and results of operations and cash flows in accordance with accounting principles generally accepted in countries and jurisdictions other than the Republic of China. The standards, procedures and practices in the Republic of China governing the audit of such financial statements may differ from those generally accepted in countries and jurisdictions other than the Republic of China. Accordingly, the accompanying parent company only financial statements and independent auditors' report are not intended for use by those who are not informed about the accounting principles or auditing standards generally accepted in the Republic of China, and their applications in practice.

As the financial statements are the responsibility of the management, PricewaterhouseCoopers cannot accept any liability for the use of, or reliance on, the English translation or for any errors or misunderstandings that may derive from the translation.

TON YI INDUSTRIAL CORP.
PARENT COMPANY ONLY BALANCE SHEETS
DECEMBER 31, 2022 AND 2021
(Expressed in thousands of New Taiwan dollars)

	Assets	Notes	December 31, 2022 AMOUNT	%	December 31, 2021 AMOUNT	%
	Current assets					
1100	Cash and cash equivalents	6(1)	$ 160,105	1	$ 13,038	-
1150	Notes receivable, net	6(2) and 12	154,040	1	152,088	-
1170	Accounts receivable, net	6(2) and 12	936,953	3	1,553,297	5
1180	Accounts receivable - related parties	6(2) and 7	422,677	1	832,788	3
1200	Other receivables		88,424	-	162,315	1
1220	Current income tax assets	6(25)	-	-	39,466	-
130X	Inventories	5(2) and 6(3)	2,791,596	10	3,867,088	12
1410	Prepayments		53,019	-	49,504	-
11XX	**Total current assets**		4,606,814	16	6,669,584	21
	Non-current assets					
1517	Financial assets at fair value through other comprehensive income - non-current	6(4)	89,241	-	88,203	-
1550	Investments accounted for using equity method	6(5)	17,942,238	61	17,878,715	55
1600	Property, plant and equipment	6(6) and 7	6,299,241	22	7,216,802	23
1755	Right-of-use assets	6(7) and 7	354,163	1	364,914	1
1760	Investment property, net	6(9)	432	-	1,066	-
1840	Deferred income tax assets	6(25)	77,287	-	125,981	-
1915	Prepayments for business facilities	6(6)	1,440	-	-	-
1920	Guarantee deposits paid		226	-	226	-
15XX	**Total non-current assets**		24,764,268	84	25,675,907	79
1XXX	**Total assets**		$ 29,371,082	100	$ 32,345,491	100

(Continued)

TON YI INDUSTRIAL CORP.
PARENT COMPANY ONLY BALANCE SHEETS
DECEMBER 31, 2022 AND 2021
(Expressed in thousands of New Taiwan dollars)

	Liabilities and Equity	Notes	December 31, 2022 AMOUNT	%	December 31, 2021 AMOUNT	%
	Current liabilities					
2100	Short-term borrowings	6(10)	$ 2,429,889	8	$ 2,798,456	9
2110	Short-term notes and bills payable	6(11)	-	-	399,900	1
2130	Contract liabilities - current	6(18)	44,813	-	169,878	-
2170	Accounts payable		108,710	-	239,483	1
2200	Other payables		782,871	3	724,116	2
2230	Current income tax liabilities	6(25)	473,351	2	235,949	1
2280	Lease liabilities - current	7	10,141	-	10,116	-
2305	Other financial liabilities - current		14,810	-	17,088	-
2365	Refund liabilities - current		18,432	-	15,085	-
21XX	**Total current liabilities**		3,883,017	13	4,610,071	14
	Non-current liabilities					
2540	Long-term borrowings	6(12)	3,800,000	13	7,050,000	22
2550	Provisions - non-current	6(13)	84,277	-	82,727	-
2570	Deferred income tax liabilities	6(25)	235,058	1	224,363	1
2580	Lease liabilities - non-currnet	7	297,987	1	300,001	1
2640	Net defined benefit liabilities - non-current	6(14)	15,462	-	311,034	1
2645	Guarantee deposits received		2,500	-	4,500	-
25XX	**Total non-current liabilities**		4,435,284	15	7,972,625	25
2XXX	**Total liabilities**		8,318,301	28	12,582,696	39
	Equity					
	Share capital					
3110	Common stock	6(15)	15,791,453	54	15,791,453	48
3200	Capital surplus	6(16)	232,045	1	231,673	1
	Retained earnings	6(17)				
3310	Legal reserve		2,062,280	7	1,878,827	6
3320	Special reserve		1,829,875	6	1,811,806	6
3350	Unappropriated retained earnings		2,549,470	9	1,878,911	6
3400	Other equity interest		(1,412,342)	(5)	(1,829,875)	(6)
3XXX	**Total equity**		21,052,781	72	19,762,795	61
	Significant contingent liabilities and unrecognized contract commitments	9				
3X2X	**Total liabilities and equity**		$ 29,371,082	100	$ 32,345,491	100

The accompanying notes are an integral part of these parent company only financial statements.

TON YI INDUSTRIAL CORP.
PARENT COMPANY ONLY STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021
(Expressed in thousands of New Taiwan dollars, except earnings per share)

			Year ended December 31			
			2022		2021	
	Items	Notes	AMOUNT	%	AMOUNT	%
4000	Operating revenue	6(18) and 7	$ 23,401,298	100	$ 22,872,434	100
5000	Operating costs	6(3)(14)(23)(24) and 7	(18,723,912)	(80)	(19,890,372)	(87)
5900	Gross profit from operations		4,677,386	20	2,982,062	13
5910	Unrealized profit from sales	6(5) and 7	(36,987)	-	(36,827)	-
5920	Realized profit from sales	6(5) and 7	36,827	-	19,673	-
5950	Gross profit from operations		4,677,226	20	2,964,908	13
	Operating expenses	6(14)(23)(24), 7 and 12				
6100	Selling expenses		(1,421,104)	(6)	(1,203,267)	(5)
6200	Administrative expenses		(606,578)	(3)	(522,648)	(3)
6450	Expected credit gains (losses)	12	6,474	-	(12,914)	-
6000	Total operating expenses		(2,021,208)	(9)	(1,738,829)	(8)
6900	Operating income		2,656,018	11	1,226,079	5
	Non-operating income and expenses					
7100	Interest income	6(19)	739	-	68	-
7010	Other income	6(4)(8)(20)	14,613	-	33,096	-
7020	Other gains and losses	6(7)(21) and 12	275,567	1	(7,252)	-
7050	Finance costs	6(6)(7)(13)(22) and 7	(120,815)	-	(105,117)	-
7070	Share of profit of subsidiaries, associates and joint ventures accounted for using equity method, net	6(5)	45,868	-	985,415	4
7000	Total non-operating income and expenses		215,972	1	906,210	4
7900	**Profit before income tax**		2,871,990	12	2,132,289	9
7950	Income tax expense	6(25)	(625,553)	(3)	(280,141)	(1)
8200	**Profit for the year**		$ 2,246,437	9	$ 1,852,148	8
	Other comprehensive income (loss)					
	Components of other comprehensive income (loss) that will not be reclassified to profit or loss					
8311	Gain (loss) on remeasurements of defined benefit plan	6(14)	$ 255,986	1	($ 22,011)	-
8316	Unrealized gain from investments in equity instruments measured at fair value through other comprehensive income	6(4)	1,038	-	19,957	-
8349	Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	6(25)	(51,197)	-	4,402	-
	Components of other comprehensive income (loss) that will be reclassified to profit or loss					
8361	Exchange differences on translation	6(5)	417,362	2	(38,237)	-
8399	Income tax relating to the components of other comprehensive income that will be reclassified to profit or loss	6(25)	(867)	-	211	-
8300	**Other comprehensive income (loss) for the year**		$ 622,322	3	($ 35,678)	-
8500	**Total comprehensive income for the year**		$ 2,868,759	12	$ 1,816,470	8
	Earnings per share (in dollars)	6(26)				
9750	Basic		$ 1.42		$ 1.17	
9850	Diluted		$ 1.41		$ 1.17	

The accompanying notes are an integral part of these parent company only financial statements.

TON YI INDUSTRIAL CORP.
PARENT COMPANY ONLY STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021
(Expressed in thousands of New Taiwan dollars)

				Retained Earnings			Other equity interest		
	Notes	Share capital - common stock	Capital surplus	Legal reserve	Special reserve	Unappropriated retained earnings	Exchange differences on translation of foreign financial statements	Unrealized gain (loss) from financial assets measured at fair value through other comprehensive income	Total equity
For the year ended December 31, 2021									
Balance at January 1, 2021		$ 15,791,453	$ 231,690	$ 1,793,153	$ 1,922,076	$ 856,723	($ 1,501,135)	($ 310,671)	$ 18,783,289
Profit for the year		-	-	-	-	1,852,148	-	-	1,852,148
Other comprehensive income (loss) for the year	6(4)	-	-	-	-	(17,609)	(38,026)	19,957	(35,678)
Total comprehensive income (loss)		-	-	-	-	1,834,539	(38,026)	19,957	1,816,470
Distribution of 2020 net income:									
Legal reserve		-	-	85,674	-	(85,674)	-	-	-
Cash dividends	6(17)	-	-	-	-	(836,947)	-	-	(836,947)
Reveral of special reserve		-	-	-	(110,270)	110,270	-	-	-
Non-payment of expired cash dividends from previous years transferred to capital reserve	6(16)	-	369	-	-	-	-	-	369
Payment of unpaid cash dividends from previous years transferred to capital reserve	6(16)	-	(386)	-	-	-	-	-	(386)
Balance at December 31, 2021		$ 15,791,453	$ 231,673	$ 1,878,827	$ 1,811,806	$ 1,878,911	($ 1,539,161)	($ 290,714)	$ 19,762,795
For the year ended December 31, 2022									
Balance at January 1, 2022		$ 15,791,453	$ 231,673	$ 1,878,827	$ 1,811,806	$ 1,878,911	($ 1,539,161)	($ 290,714)	$ 19,762,795
Profit for the year		-	-	-	-	2,246,437	-	-	2,246,437
Other comprehensive income for the year	6(4)	-	-	-	-	204,789	416,495	1,038	622,322
Total comprehensive income		-	-	-	-	2,451,226	416,495	1,038	2,868,759
Distribution of 2021 net income:									
Legal reserve		-	-	183,453	-	(183,453)	-	-	-
Special reserve		-	-	-	18,069	(18,069)	-	-	-
Cash dividends	6(17)	-	-	-	-	(1,579,145)	-	-	(1,579,145)
Non-payment of expired cash dividends from previous years transferred to capital reserve	6(16)	-	431	-	-	-	-	-	431
Payment of unpaid cash dividends from previous years transferred to capital reserve	6(16)	-	(59)	-	-	-	-	-	(59)
Balance at December 31, 2022		$ 15,791,453	$ 232,045	$ 2,062,280	$ 1,829,875	$ 2,549,470	($ 1,122,666)	($ 289,676)	$ 21,052,781

The accompanying notes are an integral part of these parent company only financial statements.

TON YI INDUSTRIAL CORP.
PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021
(Expressed in thousands of New Taiwan dollars)

	Notes	Years ended December 31 2022	Years ended December 31 2021
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax		$ 2,871,990	$ 2,132,289
Adjustments			
Adjustments to reconcile profit (loss)			
Expected credit (gains) losses	12	(6,474)	12,914
Provision (reveral of allowance) for inventory market price decline	6(3)	18,000	(38,000)
Share of profit of subsidiaries, associates and joint ventures accounted for using equity method	6(5)	(45,868)	(985,415)
Unrealized profit from sales	6(5)	36,987	36,827
Realized profit from sales	6(5)	(36,827)	(19,673)
Depreciation	6(6)(7)(23)	996,625	996,799
Loss (gain) on disposal of property, plant and equipment	6(21)	309	(45)
Gain from lease modifications	6(7)(21)	(152)	(1,319)
Gain on disposal of investment property	6(21)	(418)	-
Dividend income	6(4)(20)	(6,051)	(3,607)
Interest income	6(19)	(739)	(68)
Interest expense	6(22)	120,815	105,117
Changes in operating assets and liabilities			
Changes in operating assets			
Notes receivable		(1,972)	(78,501)
Accounts receivable		622,838	(1,201,478)
Accounts receivable - related parties		410,111	(477,304)
Other receivables		73,891	(81,221)
Inventories		1,057,492	(1,954,236)
Prepayments		(3,515)	6,554
Changes in operating liabilities			
Contract liabilities - current		(125,065)	127,118
Accounts payable		(130,773)	(138,038)
Other payables		56,091	206,568
Refund liabilities - current		3,347	4,373
Net defined benefit liabilities - non-current		(39,586)	(27,670)
Cash inflow (outflow) generated from operations		5,871,056	(1,378,016)
Dividends received		405,598	396,693
Interest received		739	68
Interest paid		(116,501)	(102,915)
Income tax paid		(341,360)	-
Net cash flows from (used in) operating activities		5,819,532	(1,084,170)

(Continued)

TON YI INDUSTRIAL CORP.
PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021
(Expressed in thousands of New Taiwan dollars)

	Notes	Years ended December 31 2022	Years ended December 31 2021
CASH FLOWS FROM INVESTING ACTIVITIES			
Derease in other financial assets - current		$ -	$ 942
Cash paid for acquisition of property, plant and equipment	6(6)(27)	(46,103)	(31,132)
Proceeds from disposal of property, plant and equipment		-	52
Proceeds from disposal of investment property		1,052	-
Increase in prepayments for business facilities		(15,294)	(8,103)
Interest paid for prepayments for business facilities	6(6)(22)	(137)	(171)
Net cash flows used in investing activities		(60,482)	(38,412)
CASH FLOWS FROM FINANCING ACTIVITIES			
(Decrease) increase in short-term borrowings	6(28)	(368,567)	972,132
(Decrease) increase in short-term notes and bills payable	6(28)	(400,000)	400,000
(Decrease) increase in other financial liabilities - current	6(28)	(2,278)	11,768
Payments of lease liabilities	6(28)	(10,365)	(10,614)
Increase in long-term borrowings	6(28)	1,050,000	900,000
Decrease in long-term borrowings	6(28)	(4,300,000)	(370,000)
Decrease in guarantee deposits received	6(28)	(2,000)	-
Cash dividends paid	6(17)(28)	(1,579,145)	(836,947)
Non-payment of expired cash dividends from previous years transferred to capital reserve	6(16)	431	369
Payment of unpaid cash dividends from previous years transferred to capital reserve	6(16)	(59)	(386)
Net cash flows (used in) from financing activities		(5,611,983)	1,066,322
Net increase (decrease) in cash and cash equivalents		147,067	(56,260)
Cash and cash equivalents at beginning of year	6(1)	13,038	69,298
Cash and cash equivalents at end of year	6(1)	$ 160,105	$ 13,038

The accompanying notes are an integral part of these parent company only financial statements.

TON YI INDUSTRIAL CORP.

NOTES TO THE PARENT COMPANY ONLY FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021

(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

1. HISTORY AND ORGANIZATION

(1) Ton Yi Industrial Corp. (the "Company") was incorporated as a company limited by shares under the provisions of the Company Act of the Republic of China (R.O.C.) on April 14, 1969. The Company is primarily engaged in the manufacture, processing and sales of various cans of steel and tin plate.

(2) The common shares of the Company have been listed on the Taiwan Stock Exchange since January 1991.

(3) Uni-President Enterprises Corp. holds 45.55% equity interest in the Company and is the ultimate parent company.

2. THE DATE OF AUTHORIZATION FOR ISSUANCE OF THE PARENT COMPANY ONLY FINANCIAL STATEMENTS AND PROCEDURES FOR AUTHORIZATION

These parent company only financial statements were authorized for issuance by the Board of Directors on March 7, 2023.

3. APPLICATION OF NEW STANDARDS, AMENDMENTS AND INTERPRETATIONS

(1) Effect of the adoption of new issuances of or amendments to International Financial Reporting Standards ("IFRS") that came into effect as endorsed by the Financial Supervisory Commission ("FSC")

New standards, interpretations and amendments endorsed by the FSC and became effective from 2022 are as follows:

New Standards, Interpretations and Amendments	Effective date by International Accounting Standards Board ("IASB")
Amendments to IFRS 3, 'Reference to the conceptual framework'	January 1, 2022
Amendments to IAS 16, 'Property, plant and equipment: proceeds before intended use'	January 1, 2022
Amendments to IAS 37, 'Onerous contracts – cost of fulfilling a contract'	January 1, 2022
Annual improvements to IFRS Standards 2018 – 2020	January 1, 2022

The above standards and interpretations have no significant impact to the Company's financial position and financial performance based on the Company's assessment.

(2) Effect of new issuances of or amendments to IFRSs as endorsed by the FSC but not yet adopted by the Company

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

New Standards, Interpretations and Amendments	Effective date by IASB
Amendments to IAS 1, 'Disclosure of accounting policies'	January 1, 2023
Amendments to IAS 8, 'Definition of accounting estimates'	January 1, 2023
Amendments to IAS 12, 'Deferred tax related to assets and liabilities arising from a single transaction'	January 1, 2023

The above standards and interpretations have no significant impact to the Company's financial position and financial performance based on the Company's assessment.

(3) Effect of IFRSs issued by IASB but not yet endorsed by the FSC

New standards, interpretations and amendments issued by IASB but not yet included in the IFRSs endorsed by the FSC are as follows:

New Standards, Interpretations and Amendments	Effective date by IASB
Amendments to IFRS 10 and IAS 28, 'Sale or contribution of assets between an investor and its associate or joint venture'	To be determined by IASB
Amendments to IFRS 16, 'Lease liability in a sale and leaseback'	January 1, 2024
IFRS 17, 'Insurance contracts'	January 1, 2023
Amendments to IFRS 17, 'Insurance contracts'	January 1, 2023
Amendment to IFRS 17, 'Initial application of IFRS 17 and IFRS 9 – comparative information'	January 1, 2023
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

The above standards and interpretations have no significant impact to the Company's financial position and financial performance based on the Company's assessment.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these parent company only financial statements are set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated.

(1) Compliance statement

These parent company only financial statements are prepared by the Company have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

(2) Basis of preparation

A. Except for the following items, the parent company only financial statements have been prepared under the historical cost convention:

a. Financial assets and financial liabilities (including derivative instruments) at fair value through profit or loss.
b. Financial assets at fair value through other comprehensive income.
c. Defined benefit liabilities recognized based on the net amount of pension fund assets less present value of defined benefit obligation.

B. The preparation of financial statements in conformity with International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations that came into effect as endorsed by the FSC (collectively referred herein as the "IFRSs") requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Company's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the parent company only financial statements are disclosed in Note 5. 'Critical accounting judgements, estimates and key sources of assumption uncertainty'.

(3) Foreign currency translation

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates (the "functional currency"). The parent company only financial statements are presented in New Taiwan Dollars, which is the Company's functional currency.

A. Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are remeasured. Foreign exchange gains and losses resulting from the settlement of such transactions are recognized in profit or loss in the period in which they arise.

B. Monetary assets and liabilities denominated in foreign currencies at the period end are re-translated at the exchange rates prevailing at the balance sheet date. Exchange differences arising upon re-translation at the balance sheet date are recognized in profit or loss.

C. Non-monetary assets and liabilities denominated in foreign currencies held at fair value through profit or loss are re-translated at the exchange rates prevailing at the balance sheet date; their translation differences are recognized in profit or loss. Non-monetary assets and liabilities denominated in foreign currencies held at fair value through other comprehensive income are re-translated at the exchange rates prevailing at the balance sheet date; their translation differences are recognized in other comprehensive income. However, non-monetary assets and liabilities denominated in foreign currencies that are not measured at fair value are translated using the historical exchange rates at the dates of the initial transactions.

D. All foreign exchange gains and losses based on the nature of those transactions are presented in the statement of comprehensive income within other gains and losses.

(4) Classification of current and non-current items

A. Assets that meet one of the following criteria are classified as current assets; otherwise they are classified as non-current assets:

a. Assets arising from operating activities that are expected to be realized, or are intended to be sold or consumed within the normal operating cycle;

b. Assets held mainly for trading purposes;

c. Assets that are expected to be realized within twelve months from the balance sheet date;

d. Cash and cash equivalents, excluding restricted cash and cash equivalents and those that are to be exchanged or used to pay off liabilities more than twelve months after the balance sheet date.

B. Liabilities that meet one of the following criteria are classified as current liabilities; otherwise they are classified as non-current liabilities:

a. Liabilities that are expected to be paid off within the normal operating cycle;

b. Liabilities arising mainly from trading activities;

c. Liabilities that are to be paid off within twelve months from the balance sheet date;

d. Liabilities for which the repayment date cannot be extended unconditionally to more than twelve months after the balance sheet date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

(5) Financial assets at fair value through profit or loss

A. Financial assets at fair value through profit or loss are financial assets that are not measured at amortized cost or fair value through other comprehensive income.

B. On a regular way purchase or sale basis, financial assets at fair value through profit or loss are recognized and derecognized using trade date accounting.

C. At initial recognition, the Group measures the financial assets at fair value and recognizes the transaction costs in profit or loss. The Group subsequently measures the financial assets at fair value, and recognizes the gain or loss in profit or loss.

(6) Accounts and notes receivable

A. Accounts and notes receivable entitle the Company a legal right to receive consideration in exchange for transferred goods or rendered services.

B. The short-term accounts and notes receivable without bearing interest are subsequently measured at initial invoice amount as the effect of discounting is immaterial.

(7) Inventories

Inventories are stated at the lower of cost and net realizable value. Cost is determined using the weighted-average method. The cost of finished goods and work in process comprises raw materials, direct labor, other direct costs and related production overheads (allocated based on normal operating capacity). It excludes borrowing costs. The item by item approach is used in applying the lower of cost and net realizable value. Net realizable value is the estimated selling price in the ordinary course

of business, less the estimated cost of completion and the estimated costs necessary to make the sale. When the cost of inventory is higher than net realizable value, a write down is provided and recognized in operating costs. If the circumstances that caused the write-down cease to exist, such that all or part of the write down is no longer needed, it should be reversed to that extent and recognized as deduction of operating costs.

(8) Financial assets at fair value through other comprehensive income

A. Financial assets at fair value through other comprehensive income comprise equity securities which are not held for trading, and for which the Company has made an irrevocable election at initial recognition to recognize changes in fair value in other comprehensive income and debt instruments which meet all of the following criteria:

a. The objective of the Company's business model is achieved both by collecting contractual cash flows and selling financial assets; and

b. The assets' contractual cash flows represent solely payments of principal and interest on the principal outstanding.

B. On a regular way purchase or sale basis, financial assets at fair value through other comprehensive income are recognized and derecognized using trade date accounting.

C. At initial recognition, the Company measures the financial assets at fair value plus transaction costs. The Company subsequently measures the financial assets at fair value:

The changes in fair value of equity investments that were recognized in other comprehensive income. Cumulative gain or loss previously recognized in comprehensive income are reclassified to retained earnings and are not reclassified to profit or loss following the derecognition of the instrument. Dividends are recognized as revenue when the right to receive payment is established, future economic benefits associated with the dividend will flow to the Company and the amount of the dividend can be measured reliably.

(9) Impairment of financial assets

For debt instruments measured at fair value through other comprehensive income and financial assets at amortized cost, at each reporting date, the Company recognizes the impairment provision for 12 months expected credit losses if there has not been a significant increase in credit risk since initial recognition or recognizes the impairment provision for the lifetime expected credit losses (ECLs) if such credit risk has increased since initial recognition after taking into consideration all reasonable and verifiable information that includes forecasts. On the other hand, for accounts receivable or contract assets that do not contain a significant financing component, the Company recognizes the impairment provision for lifetime ECLs.

(10) Derecognition of financial assets

The Company derecognizes a financial asset when one of the following conditions is met;

A. The contractual rights to receive cash flows from the financial asset expire.

B. The contractual rights to receive cash flows from financial asset have been transferred and the Company has transferred substantially all risks and rewards of ownership of the financial asset.

C. The contractual rights to receive cash flows from financial asset have been transferred, and the Company has not retained control of the financial asset.

(11) Investments accounted for using equity method / Subsidiaries

A. Subsidiaries are all entities (including structured entities) controlled by the Company. The Company controls an entity when the Company is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

B. Unrealized profit (loss) from the transactions between the Company and subsidiaries has been offset. The accounting policies of the subsidiaries have been adjusted to ensure consistency with the policies of the Company.

C. The Company's share of its subsidiaries' post-acquisition profits or losses is recognized in profit or loss, and its share of post-acquisition movements in other comprehensive income is recognized in other comprehensive income. When the Company's share of losses in a subsidiary equals or exceeds its interest in the subsidiary, the Company continues to recognize losses proportionate to its ownership.

D. Pursuant to the Regulations Governing the Preparation of Financial Reports by Securities Issuers, profit (loss) of the current period and other comprehensive income in the parent company only financial statements shall equal to the amount attributable to owners of the parent in the consolidated financial statements. Owners' equity in the parent company only financial statements shall equal to equity attributable to owners of the parent in the consolidated financial statements.

(12) Property, plant and equipment

A. Property, plant and equipment are initially recorded at cost. Borrowing costs incurred during the construction period are capitalized.

B. Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognized. All other repairs and maintenance are charged to profit or loss during the financial period in which they are incurred.

C. Property, plant and equipment apply the cost model. Except for land, other property, plant and equipment are depreciated using the straight-line method to allocate their cost over their estimated useful lives. If each component of property, plant and equipment is significant, it is depreciated separately.

D. The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each balance sheet date. If expectations for the assets' residual values and useful lives differ from previous estimates or the consumption patterns of the assets' future economic benefits embodied in the assets have changed significantly, any change is accounted for as a

change in estimate under IAS 8, 'Accounting Policies, Changes in Accounting Estimates and Errors', from the date of the change. The estimated useful lives of property, plant and equipment are as follows:

Asset	Useful Lives
Buildings	5 ～ 55 years
Machinery	2 ～ 30 years
Transportation equipment	3 ～ 20 years
Office equipment	2 ～ 8 years
Other equipment	2 ～ 40 years

(13) Leasing arrangements (lessor)－operating leases

Lease income from an operating lease (net of any incentives given to the lessee) is recognized in profit or loss on a straight-line basis over the lease term.

(14) Leasing arrangements (lessee)－right-of-use assets/ lease liabilities

A. Leases are recognized as a right-of-use asset and a corresponding lease liability at the date at which the leased asset is available for use by the Company. For short-term leases or leases of low value assets, lease payments are recognized as an expense on a straight-line basis over the lease term.

B. Lease liabilities include the net present value of the remaining lease payments at the commencement date, discounted using the incremental borrowing interest rate. Lease payments are comprised of the following:

a. Fixed payments, less any lease incentives receivable; and

b. Variable lease payments that depend on an index or a rate.

The Company subsequently measures the lease liability at amortized cost using the interest method and recognizes interest expense over the lease term. The lease liability is remeasured and the amount of remeasurement is recognized as an adjustment to the right-of-use asset when there are changes in the lease term or lease payments and such changes do not arise from contract modifications.

C. At the commencement date, the right-of-use asset is stated at cost comprising the following:

a. The amount of the initial measurement of lease liability;

b. Any lease payments made at or before the commencement date; and

c. Any initial direct costs incurred by the lessee.

The right-of-use asset is measured subsequently using the cost model and is depreciated from the commencement date to the earlier of the end of the asset's useful life or the end of the lease term. When the lease liability is remeasured, the amount of remeasurement is recognized as an adjustment to the right-of-use asset.

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

(15) Investment property

An investment property is stated initially at its cost and measured subsequently using the cost model.

(16) Impairment of non-financial assets

The Company assesses at each balance sheet date the recoverable amounts of those assets where there is an indication that they are impaired. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell or value in use. Except for goodwill, when the circumstances or reasons for recognizing impairment loss for an asset in prior years no longer exist or diminish, the impairment loss is reversed. The increased carrying amount due to reversal should not be more than what the depreciated or amortized historical cost would have been if the impairment had not been recognized.

(17) Borrowings

Borrowings comprises long-term and short-term bank borrowings. Borrowings are recognized initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortized cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognized in profit or loss over the period of the borrowings using the effective interest method.

(18) Notes and accounts payable

A. Accounts payable are liabilities for purchases of raw materials, goods or services and notes payable are those resulting from operating and non-operating activities.

B. The short-term notes and accounts payable without bearing interest are subsequently measured at initial invoice amount as the effect of discounting is immaterial.

(19) Derecognition of financial liabilities

A financial liability is derecognized when the obligation under the liability specified in the contract is discharged, cancelled or expired.

(20) Offsetting financial instruments

Financial assets and liabilities are offset and reported at net amount on the balance sheet when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously.

(21) Provision

Provision (decommissioning liabilities) is recognized when the Company has a present legal or constructive obligation as a result of past events; it is probable that an outflow of economic resources will be required to settle the obligation and the amount of the obligation can be reliably estimated. Provision is measured at the present value of the expenditures expected to be required to settle the obligation on the balance sheet date, which is discounted using a pre-tax discount rate that reflects the current market assessments of the time value of money and the risks specific to the obligation. When discounting is used, the increase in the provision due to passage of time is recognized as interest expense.

(22) Employee benefits

A. Short-term employee benefits

Short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid and should be recognized as expenses in that period when the employees render service.

B. Pensions

a. Defined contribution plan

For defined contribution plan, the contributions are recognized as pension expenses on an accrual basis. Prepaid contributions are recognized as an asset to the extent of a cash refund or a reduction in the future payments.

b. Defined benefit plan

(a) Net obligation under a defined benefit plan is defined as the present value of an amount of pension benefits that employees will receive on retirement for their services with the Company in current period or prior periods. The liability recognized in the balance sheet in respect of the defined benefit pension plan is the present value of the defined benefit obligation at the balance sheet date less the fair value of plan assets. The net defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The rate used to discount is determined by using interest rates of government bonds (at the balance sheet date) of a currency and term consistent with the currency and term of the employment benefit obligations.

(b) Remeasurements arising on defined benefit plan are recognized in other comprehensive income in the period in which they arise and are recorded as retained earnings.

C. Employees' compensation and directors' remuneration

Employees' compensation and directors' remuneration are recognized as expenses and liabilities, provided that such recognition is required under legal or constructive obligation and those amounts can be reliably estimated. Any difference between the resolved amounts and the subsequently actual distributed amounts is accounted for as changes in estimates. If employee compensation is distributed by shares, the Company calculates the number of shares based on the closing price at the previous day of the board meeting resolution.

(23) Income tax

A. The tax expense for the period comprises current and deferred tax. Income tax is recognized in profit or loss, except to the extent that it relates to items recognized in other comprehensive income or items recognized directly in equity, in which cases the tax is recognized in other comprehensive income or equity.

B. The Company's current income tax expense is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date. Management periodically evaluates positions taken in tax returns with respect to situations in accordance with applicable tax regulations. It establishes provisions where appropriate based on the amounts expected to be paid to the tax

authorities. An additional tax is levied on the unappropriated retained earnings and is recorded as income tax expense in the year the stockholders resolve to retain the earnings.

C. Deferred income tax is recognized, using the balance sheet liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the parent company only balance sheet. However, the deferred income tax is not accounted for if it arises from initial recognition of goodwill or of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is provided on temporary differences arising on investments in subsidiaries, except where the timing of the reversal of the temporary difference is controlled by the Company and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred income tax is determined using tax rates that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

D. Deferred income tax assets are recognized only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilized. At each balance sheet date, unrecognized and recognized deferred income tax assets are reassessed.

(24) Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or stock options are shown in equity as a deduction, net of tax, from the proceeds.

(25) Dividends

Dividends are recorded in the Company's financial statements in the period in which they are approved by the Company's shareholders. Cash dividends are recorded as liabilities; stock dividends are recorded as stock dividends to be distributed and are reclassified to ordinary shares and share premium on the effective date of new shares issuance.

(26) Revenue recognition

Sales of goods

A. The Company manufactures and sells tinplate and PET package products. Sales are recognized when control of the products has transferred, being when the products are delivered to the wholesaler, the wholesaler has full discretion over the channel and price to sell the products, and there is no unfulfilled obligation that could affect the wholesaler's acceptance of the products. Delivery occurs when the products have been shipped to the specific location, the risks of obsolescence and loss have been transferred to the wholesaler, and either the wholesaler has accepted the products in accordance with the sales contract, or the Company has objective evidence that all criteria for acceptance have been satisfied.

B. Revenue from these sales is recognized based on the price specified in the contract, net of the estimated sales discounts and volume discounts. The products are often sold with volume discounts based on estimated sales of each year. Accumulated experience is used to estimate and provide for the sales discounts and volume discounts, using the expected value method, and

revenue is only recognized to the extent that it is highly probable that a significant reversal will not occur. The estimation is subject to an assessment at each reporting date. A refund liability is recognized for expected sales discounts and volume discounts payable to customers in relation to sales made until the end of the reporting period.

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

The preparation of these parent company only financial statements requires management to make critical judgements in applying the Company's accounting policies and make critical assumptions and estimates concerning future events. Assumptions and estimates may differ from the actual results and are continually evaluated and adjusted based on historical experience and other factors. Such assumptions and estimates have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, and the related information is addressed below:

(1) Critical judgements in applying the Company's accounting policies

None.

(2) Critical accounting estimates and assumptions

Evaluation of inventories

A. As inventories are stated at the lower of cost and net realizable value, the Company must determine the net realizable value of inventories on balance sheet date using judgements and estimates. Because of the change in market demand and the sales strategy, the Company evaluates the amounts of price fluctuations of inventories, obsolete inventories or inventories without market selling value on the balance sheet date, and writes down the cost of inventories to the net realizable value. Such an evaluation is principally based on the demand for the products within the specified period in the future. Therefore, there might be material changes to the evaluation.

B. As of December 31, 2022, the carrying amount of inventories was $2,791,596.

6. DETAILS OF SIGNIFICANT ACCOUNTS

(1) Cash and cash equivalents

	December 31, 2022	December 31, 2021
Cash:		
Cash on hand	$ 28	$ –
Checking deposits and demand deposits	160,077	13,038
	$ 160,105	$ 13,038

A. The Company transacts with a variety of financial institutions all with high credit quality to diversify credit risk, so it expects that the probability of counterparty default is remote.

B. The Company did not pledge cash and cash equivalents as collateral as at December 31, 2022 and 2021.

(2) Notes receivable and accounts receivable, net

	December 31, 2022	December 31, 2021
Notes receivable	$ 155,596	$ 153,624
Less: Allowance for doubtful accounts	(1,556)	(1,536)
	$ 154,040	$ 152,088

	December 31, 2022	December 31, 2021
Accounts receivable	$ 946,196	$ 1,569,034
Less: Allowance for doubtful accounts	(9,243)	(15,737)
	$ 936,953	$ 1,553,297

A. The ageing analysis of notes receivable and accounts receivable (including related parties) is as follows:

	December 31, 2022		December 31, 2021	
	Notes receivable	Accounts receivable	Notes receivable	Accounts receivable
1 to 30 days	$ 125,388	$ 1,162,121	$ 119,823	$ 1,945,284
31 to 60 days	29,844	175,121	29,021	449,401
61 to 90 days	364	1,415	4,780	7,137
91 to 180 days	–	20,624	–	–
Over 181 days	–	9,592	–	–
	$ 155,596	$ 1,368,873	$ 153,624	$ 2,401,822

The above aging analysis was based on credit date.

B. As of December 31, 2022 and 2021, notes receivable and accounts receivable were all from contracts with customers. As of January 1, 2021, the balance of receivables (including related parties) from contracts with customers amounted to $798,163.

C. The Company did not pledge notes receivable and accounts receivable as collateral as at December 31, 2022 and 2021.

D. Without taking into account any collateral held or other credit enhancements, the maximum exposure to credit risk in respect of the amount that best represents the notes receivable and accounts receivable held by the Company was the book value.

E. Information relating to credit risk of notes receivable and accounts receivable is provided in Note 12(2), “Financial instruments.”

(3) Inventories

	December 31, 2022		
	Cost	Allowance for price decline of inventories	Carrying amount
Merchandise	$ 5,979	($ 32)	$ 5,947
Raw materials	963,425	(6,452)	956,973
Raw materials in transit	21,184	(143)	21,041
Supplies	206,193	(7,722)	198,471
Work in process	638,437	(21,741)	616,696
Finished goods	1,006,378	(13,910)	992,468
	$ 2,841,596	($ 50,000)	$ 2,791,596

	December 31, 2021		
	Cost	Allowance for price decline of inventories	Carrying amount
Merchandise	$ 5,515	$ -	$ 5,515
Raw materials	1,560,217	(315)	1,559,902
Supplies	200,873	-	200,873
Work in process	754,703	(20,094)	734,609
Finished goods	1,377,780	(11,591)	1,366,189
	$ 3,899,088	($ 32,000)	$ 3,867,088

The cost of inventories recognized as expense for the year:

	For the years ended December 31,	
	2022	2021
Cost of goods sold	$ 19,067,074	$ 20,333,572
Provision (reversal of allowance) for inventory market price decline (Note)	18,000	(38,000)
Income from sale of scraps	(350,345)	(392,991)
Indemnities	(10,817)	(12,209)
	$ 18,723,912	$ 19,890,372

(Note) For the year ended December 31, 2021, the Company reversed a previous inventory write – down as a result of subsequent sales of inventories which were previously provided with allowance.

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

Items	December 31, 2022	December 31, 2021
Equity instruments		
Listed stocks	$ 378,917	$ 378,917
Valuation adjustment	(289,676)	(290,714)
	$ 89,241	$ 88,203

A. The Company has elected to classify listed stocks that are considered to be strategic investments as financial assets at fair value through other comprehensive income. The fair value of such investments was approximately its book value as of December 31, 2022 and 2021.

B. Amounts recognized in profit or loss and other comprehensive income in relation to the financial assets at fair value through other comprehensive income are listed below:

	For the years ended December 31,	
	2022	2021
Equity instruments at fair value through other comprehensive income		
Fair value change recognized in other comprehensive income	$ 1,038	$ 19,957
Dividend income recognized in profit (listed under "Other income")	$ 6,051	$ 3,607

C. The Company has no financial assets at fair value through other comprehensive income pledged to others as collateral.

D. Information relating to credit risk of financial assets at fair value through other comprehensive income is provided in Note 12(2) "Financial instruments".

(5) Investments accounted for using equity method

	For the years ended December 31,	
	2022	2021
Balance, beginning of year	$ 17,878,715	$ 17,341,777
Share of profit of investments accounted for using equity method	45,868	985,415
Earnings distribution from investments accounted for using equity method	(399,547)	(393,086)
Unrealized profit from sales	(36,987)	(36,827)
Realized profit from sales	36,827	19,673
Changes in other equity items－Exchange differences on translation of foreign financial statements	417,362	(38,237)
Balance, end of year	$ 17,942,238	$ 17,878,715

	December 31, 2022	December 31, 2021
Cayman Ton Yi Industrial Holdings Ltd.	$ 17,885,134	$ 17,828,541
Tovecan Corp.	57,104	50,174
	$ 17,942,238	$ 17,878,715

Information on the Company's subsidiaries is provided in Note 4(3) "Basis of consolidation" in the Company's 2022 consolidated financial statements.

(6) Property, plant and equipment

	Land	Buildings	Machinery	Transportation equipment	Office equipment	Other equipment	Equipment under installation and construction in progress	Total
Balance at January 1, 2022								
Cost	$ 615,892	$ 5,066,881	$ 27,716,071	$ 216,808	$ 4,445	$ 3,083,295	$ 10,036	$ 36,713,428
Accumulated depreciation	–	(3,677,140)	(23,109,339)	(207,327)	(4,440)	(2,498,380)	–	(29,496,626)
	$ 615,892	$ 1,389,741	$ 4,606,732	$ 9,481	$ 5	$ 584,915	$ 10,036	$ 7,216,802
For the year ended December 31, 2022								
Balance at January 1, 2022	$ 615,892	$ 1,389,741	$ 4,606,732	$ 9,481	$ 5	$ 584,915	$ 10,036	$ 7,216,802
Additions - Cost	–	–	35,757	–	806	9,540	–	46,103
Transferred - Cost (Note)	–	4,559	–	–	–	8,340	1,092	13,991
Depreciation	–	(100,080)	(776,247)	(1,655)	(188)	(99,176)	–	(977,346)
Disposal - Cost	–	–	(22,027)	(780)	(243)	(6,353)	–	(29,403)
Disposal - Accumulated depreciation	–	–	21,910	780	243	6,161	–	29,094
Balance at December 31, 2022	$ 615,892	$ 1,294,220	$ 3,866,125	$ 7,826	$ 623	$ 503,427	$ 11,128	$ 6,299,241
Balance at December 31, 2022								
Cost	$ 615,892	$ 5,071,440	$ 27,729,801	$ 216,028	$ 5,008	$ 3,094,822	$ 11,128	$ 36,744,119
Accumulated depreciation	–	(3,777,220)	(23,863,676)	(208,202)	(4,385)	(2,591,395)	–	(30,444,878)
	$ 615,892	$ 1,294,220	$ 3,866,125	$ 7,826	$ 623	$ 503,427	$ 11,128	$ 6,299,241

(Note) Including transfers from prepayments for business facilities.

	Land	Buildings	Machinery	Transportation equipment	Office equipment	Other equipment	Equipment under installation and construction in progress	Total
Balance at January 1, 2021								
Cost	$ 615,892	$ 5,066,171	$ 27,702,265	$ 213,898	$ 4,919	$ 3,085,138	$ 2,806	$ 36,691,089
Accumulated depreciation	–	(3,580,460)	(22,341,126)	(205,752)	(4,914)	(2,405,338)	–	(28,537,590)
	$ 615,892	$ 1,485,711	$ 5,361,139	$ 8,146	$ 5	$ 679,800	$ 2,806	$ 8,153,499
For the year ended December 31, 2021								
Balance at January 1, 2021	$ 615,892	$ 1,485,711	$ 5,361,139	$ 8,146	$ 5	$ 679,800	$ 2,806	$ 8,153,499
Additions - Cost	–	3,598	14,201	2,910	–	4,479	–	25,188
Transferred - Cost (Note)	–	–	6,202	–	–	–	7,230	13,432
Depreciation	–	(99,568)	(774,803)	(1,575)	–	(99,364)	–	(975,310)
Disposal - Cost	–	(2,888)	(6,597)	–	(474)	(6,322)	–	(16,281)
Disposal - Accumulated depreciation	–	2,888	6,590	–	474	6,322	–	16,274
Balance at December 31, 2021	$ 615,892	$ 1,389,741	$ 4,606,732	$ 9,481	$ 5	$ 584,915	$ 10,036	$ 7,216,802
Balance at December 31, 2021								
Cost	$ 615,892	$ 5,066,881	$ 27,716,071	$ 216,808	$ 4,445	$ 3,083,295	$ 10,036	$ 36,713,428
Accumulated depreciation	–	(3,677,140)	(23,109,339)	(207,327)	(4,440)	(2,498,380)	–	(29,496,626)
	$ 615,892	$ 1,389,741	$ 4,606,732	$ 9,481	$ 5	$ 584,915	$ 10,036	$ 7,216,802

(Note) Including transfers from prepayments for business facilities.

A. The Company's property, plant and equipment are all owner-occupied as at December 31, 2022 and 2021.

B. Amount of borrowing costs capitalized as part of prepayment for business facilities and the range of the interest rates for such capitalization are as follows:

	For the years ended December 31,	
	2022	2021
Amount capitalized	$ 137	$ 171
Range of interest rates	0.95%～1.39%	1.30%

C. The Company did not pledge property, plant and equipment as collateral as at December 31, 2022 and 2021.

(7) Leasing arrangements－lessee

A. The Company leases various assets including land and other equipment. Rental contracts are typically made for periods of 3 to 50 years. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions.

B. The carrying amount of right-of-use assets and the depreciation are as follows:

	December 31, 2022	December 31, 2021
	Carrying amount	Carrying amount
Land	$ 354,163	$ 364,446
Other equipment	–	468
	$ 354,163	$ 364,914

	For the years ended December 31,	
	2022	2021
	Depreciation	Depreciation
Land	$ 18,811	$ 20,086
Other equipment	468	1,403
	$ 19,279	$ 21,489

C. For the years ended December 31, 2022 and 2021, the additions and remeasurement to right-of-use assets were $8,528 and ($808), respectively.

D. The information on profit or loss relating to lease contracts is as follows:

	For the years ended December 31,	
Items affecting profit or loss	2022	2021
Interest expense on lease liabilities	$ 5,965	$ 6,102
Gain from lease modification	(152)	(1,319)

E. For the years ended December 31, 2022 and 2021, the Company's total cash outflow for leases were $16,330 and $16,716, respectively.

F. The Company has applied the practical expedient to "Covid-19-related rent concessions", and recognized the gain from changes in lease payments arising from the rent concessions amounting

to $152 and $1,319 (listed under "Other gains and losses") by decreasing rent expense for the years ended December 31, 2022 and 2021, respectively.

(8) Leasing arrangements－lessor

A. The Company leases various assets including buildings and machineries. Rental contracts are typically made for periods of 2 to 3 years. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions.

B. For the years ended December 31, 2022 and 2021, the Company recognized rent income (listed under "Other income") in the amounts of $5,375 and $5,336, respectively, based on the operating lease agreement, which does not include variable lease payments.

C. The maturity date analysis of the unrealized lease payments of the Company under operating leases is as follows:

	December 31, 2022	December 31, 2021
Within 1 year	$ 2,716	$ 5,336
1 to 2 years	75	2,640
	$ 2,791	$ 7,976

(9) Investment property, net

	For the years ended December 31,	
Land	2022	2021
Balance, beginning of year		
Cost	$ 3,785	$ 3,785
Accumulated impairment	(2,719)	(2,719)
	$ 1,066	$ 1,066
Carrying amount at beginning of year	$ 1,066	$ 1,066
Disposal - Cost	(2,253)	-
Disposal - Accumulated impairment	1,619	-
Carrying amount at end of year	$ 432	$ 1,066
Balance, end of year		
Cost	$ 1,532	$ 3,785
Accumulated impairment	(1,100)	(2,719)
	$ 432	$ 1,066

A. The fair values of the investment property held by the Company as at December 31, 2022 and 2021 were $605 and $1,468, respectively, which were categorized within Level 2. Land is valued according to Current Land Value announced by the Department of Land Administration.

B. As of December 31, 2022 and 2021, no investment property held by the Company was pledged to others as collateral.

(10) Short-term borrowings

Nature	December 31, 2022	Range of interest rates	Collateral
Unsecured bank borrowings	$ 2,429,889	1.36%～6.03%	None

Nature	December 31, 2021	Range of interest rates	Collateral
Unsecured bank borrowings	$ 2,798,456	0.62%～0.80%	None

A. For more information about interest expenses recognized by the Company for the years ended December 31, 2022 and 2021, refer to Note 6(22), "Finance costs".

B. For information on the terms and conditions of all the loan contracts the Company entered into with financial institutions, refer to Note 9, "Significant contingent liabilities and unrecognized contract commitments".

(11) Short-term notes and bills payable

	December 31, 2021	Security or collateral
Commercial paper payable	$ 400,000	None
Less: Unamortized discount	(100)	
	$ 399,900	
Range of interest rates	0.83%	

There was no such situation as of December 31, 2022.

A. For more information about interest expenses recognized by the Company for the years ended December 31, 2022 and 2021, refer to Note 6(22), "Finance costs".

B. The above commercial papers were issued and secured by finance institutions such as China Bills Finance Corporation, etc. for short-term financing.

(12) Long-term borrowings

Nature	Range of maturity dates	Range of interest rates	Collateral	December 31, 2022
Unsecured bank borrowings	2024.1.28～2025.12.5	1.38%～1.69%	None	$ 3,800,000

Nature	Range of maturity dates	Range of interest rates	Collateral	December 31, 2021
Unsecured bank borrowings	2023.2.9～2024.10.21	0.93%～1.08%	None	$ 7,050,000

A. For more information about interest expenses recognized by the Company for the years ended December 31, 2022 and 2021, refer to Note 6(22), "Finance costs".

B. For information on the terms and conditions of all the loan contracts the Company entered into with financial institutions, refer to Note 9, "Significant contingent liabilities and unrecognized contract commitments".

(13) Provision - non-current

Decommissioning liabilities	For the years ended December 31, 2022	2021
Balance, beginning of year	$ 82,727	$ 81,204
Unwinding of discount	1,550	1,523
Balance, end of year	$ 84,277	$ 82,727

According to the policy published, applicable agreement or the law and regulation, the Company has obligations to restore certain property, plant and equipment located in Yong-Kang District, Tainan City in the future. A provision is recognized for the present value of costs to be incurred for dismantling, removing the asset and restoring the site. It is expected that the provision will be settled within 50 years from the beginning of contract.

(14) Pensions

A. The Company has a defined benefit pension plan in accordance with the Labor Standards Law, covering all regular employees' service years prior to the enforcement of the Labor Pension Act on July 1, 2005 and service years thereafter of employees who chose to continue to be subject to the pension mechanism under the Law. Under the defined benefit pension plan, two units are accrued for each year of service for the first 15 years and one unit for each additional year thereafter, subject to a maximum of 45 units. Pension benefits are based on the number of units accrued and the average monthly salaries and wages of the last 6 months prior to retirement. The Company contributes monthly an amount equal to 10% of the employees' monthly salaries and wages to the retirement fund deposited with Bank of Taiwan, the trustee, under the name of the independent retirement fund committee. Also, the Company would assess the balance in the aforementioned labor pension reserve account by December 31, every year. If the account balance is insufficient to pay the pension calculated by the aforementioned method to the employees expected to qualify for retirement in the following year, the Company will make contributions to cover the deficit by next March.

a. The amounts recognized in the balance sheet are as follows:

	December 31, 2022	December 31, 2021
Present value of defined benefit obligation	($ 1,422,863)	($ 1,604,794)
Fair value of plan assets	1,407,401	1,293,760
Net defined benefit liabilities - non-current	($ 15,462)	($ 311,034)

b. Movements in net defined benefit liabilities - non-current are as follows:

For the year ended December 31, 2022	Present value of defined benefit obligation	Fair value of plan assets	Net defined benefit liabilities
Balance at January 1, 2022	($ 1,604,794)	$ 1,293,760	($ 311,034)
Current service cost	(14,426)	-	(14,426)
Interest (expense) income	(9,944)	8,167	(1,777)
	(1,629,164)	1,301,927	(327,237)
Remeasurement:			
Return on plan assets (excluding amounts included in interest income or expense)	-	101,813	101,813
Changes in financial assumptions	176,661	-	176,661
Experience adjustments	(22,488)	-	(22,488)
	154,173	101,813	255,986
Pension fund contribution	-	55,789	55,789
Paid pension	52,128	(52,128)	-
Balance at December 31, 2022	($ 1,422,863)	$ 1,407,401	($ 15,462)

For the year ended December 31, 2021	Present value of defined benefit obligation	Fair value of plan assets	Net defined benefit liabilities
Balance at January 1, 2021	($ 1,592,052)	$ 1,275,359	($ 316,693)
Past service cost	(9,996)	-	(9,996)
Current service cost	(15,857)	-	(15,857)
Interest (expense) income	(9,906)	8,088	(1,818)
	(1,627,811)	1,283,447	(344,364)
Remeasurement:			
Return on plan assets (excluding amounts included in interest income or expense)	-	14,563	14,563
Changes in financial assumptions	(50,145)	-	(50,145)
Experience adjustments	13,571	-	13,571
	(36,574)	14,563	(22,011)
Pension fund contribution	-	55,341	55,341
Paid pension	59,591	(59,591)	-
Balance at December 31, 2021	($ 1,604,794)	$ 1,293,760	($ 311,034)

c. The Bank of Taiwan was commissioned to manage the Fund of the Company's defined benefit pension plan in accordance with the Fund's annual investment and utilisation plan and the

"Regulations for Revenues, Expenditures, Safeguard and Utilisation of the Labor Retirement Fund" (Article 6: The scope of utilisation for the Fund includes deposit in domestic or foreign financial institutions, investment in domestic or foreign listed, over-the-counter, or private placement equity securities, investment in domestic or foreign real estate securitization products, etc.). With regard to the utilisation of the Fund, its minimum earnings in the annual distributions on the final financial statements shall be no less than the earnings attainable from the amounts accrued from two-year time deposits with the interest rates offered by local banks. If the earnings is less than aforementioned rates, government shall make payment for the deficit after being authorized by the Regulator. The Company has no right to participate in managing and operating that fund and hence the Company is unable to disclose the classification of plan asset fair value in accordance with IAS 19 paragraph 142. The composition of fair value of plan assets as of December 31, 2022 and 2021 is given in the Annual Labor Retirement Fund Utilisation Report announced by the government.

d. The principal actuarial assumptions used were as follows:

	For the years ended December 31,	
	2022	2021
Discount rate	1.75%	0.63%
Future salary increase rate	3.00%	3.00%

Future mortality rate was estimated based on the 6th Taiwan Standard Ordinary Experience Mortality Table for the years ended December 31, 2022 and 2021.

Because the main actuarial assumption changed, the present value of defined benefit obligation is affected. The analysis was as follows:

	Discount rate		Future salary increase rate	
	Increase	Decrease	Increase	Decrease
December 31, 2022	0.25%	0.25%	0.25%	0.25%
Effect on present value of defined benefit obligation	($ 35,743)	$ 36,963	$ 35,726	($ 34,737)
December 31, 2021				
Effect on present value of defined benefit obligation	($ 44,775)	$ 46,429	$ 44,450	($ 43,122)

The sensitivity analysis above was arrived at based on one assumption which changed while the other conditions remain unchanged. In practice, more than one assumption may change all at once. The method of analysing sensitivity and the method of calculating net pension liability in the balance sheet are the same. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the previous period.

e. Expected contributions to the defined benefit pension plan of the Company for the year ending December 31, 2023 amount to $55,789.

f. As of December 31, 2022, the weighted average duration of that retirement plan is 12 years. The analysis of timing of the future pension payment was as follows:

Within 1 year	$	28, 346
2~5 years		212, 527
6~10 years		406, 323
11~12 years		252, 791
	$	899, 987

B. Effective July 1, 2005, the Company has established a defined contribution pension plan (the "New Plan") under the Labor Pension Act (the "Act"), covering all regular employees with R.O.C. nationality. Under the New Plan, the Company contributes monthly an amount based on 6% of the employees' monthly salaries and wages to the employees' individual pension accounts at the Bureau of Labor Insurance. The benefits accrued are paid monthly or in lump sum upon termination of employment. The pension costs under the defined contribution pension plan of the Company (listed under "Operating cost" and "Operating expense") for the years ended December 31, 2022 and 2021 were $26,079 and $25,350, respectively.

(15) Share capital – Common stock

A. Movements in the number of the Company's ordinary shares outstanding are as follows (in thousands of shares):

	For the years ended December 31,	
	2022	2021
Balance as at January 1 and December 31	1, 579, 145	1, 579, 145

B. As of December 31, 2022, the Company's authorized capital was $17,847,009, and the paid-in capital was $15,791,453, consisting of 1,579,145 thousand shares of ordinary stock, with a par value of $10 (in dollars) per share. All proceeds from shares issued have been collected.

(16) Capital surplus

Pursuant to the Company Act, capital reserve arising from paid-in capital in excess of par value on issuance of common stocks and donations can be used to offset accumulated deficit or to issue new stocks or cash to shareholders in proportion to their share ownership, provided that the Company has no accumulated deficit. Further, the Securities and Exchange Law requires that the amount of capital surplus to be capitalized mentioned above should not exceed 10% of the paid-in capital each year. Capital reserves should not be used to cover accumulated deficit after the legal reserve is used.

Movements of the Company's capital reserve for the years ended December 31, 2022 and 2021 are as follows:

	For the year ended December 31, 2022				
	Share premium	Treasury share transactions	Donations	Others	Total
Balance, beginning of year	$ 58,271	$ 169,088	$ 819	$ 3,495	$ 231,673
Non-payment of expired cash dividends from previous years transferred to capital reserve	–	–	–	431	431
Payment of unpaid cash dividends from previous years transferred to capital reserve	–	–	–	(59)	(59)
Balance, end of year	$ 58,271	$ 169,088	$ 819	$ 3,867	$ 232,045

	For the year ended December 31, 2021				
	Share premium	Treasury share transactions	Donations	Others	Total
Balance, beginning of year	$ 58,271	$ 169,088	$ 819	$ 3,512	$ 231,690
Non-payment of expired cash dividends from previous years transferred to capital reserve	–	–	–	369	369
Payment of unpaid cash dividends from previous years transferred to capital reserve	–	–	–	(386)	(386)
Balance, end of year	$ 58,271	$ 169,088	$ 819	$ 3,495	$ 231,673

(17) Retained earnings

A. The legal reserve shall be exclusively used to offset accumulated deficit, to issue new stocks or distribute cash to shareholders in proportion to their share ownership. The use of legal reserve for the issuance of stocks or cash dividends to shareholders in proportion to their share ownership is permitted provided that the balance of such reserve exceeds 25% of the Company's paid-in capital.

B. According to the Company's Articles of Incorporation, the current year's earnings, if any, shall first be used to pay all taxes and offset prior years' operating losses and then 10% of the remaining amount shall be set aside as legal reserve and special reserve shall be set aside or reversed in accordance with related regulations. The remaining amount plus the accumulated unappropriated earnings from prior years is the accumulated distributable earnings. Of the amount to be distributed by the Company, shareholders' dividends shall comprise 50% to 100%

of the accumulated distributable earnings and cash dividends shall not be lower than 30% of the total dividends distributed. The appropriation of earnings shall be proposed by the Board of Directors and resolved by the shareholders.

C. Special reserve

a. In accordance with the regulations, the Company shall set aside special reserve arising from the debit balances in other equity items at the balance sheet date before distributing earnings. When debit balances on other equity items are reversed subsequently, an equal amount could be included in the distributable earnings. As of December 31, 2022 and 2021, special reserve of $1,829,875 and $1,811,806, respectively, was set aside in accordance with the Company Act on special reserve, and no dividends shall be distributed.

b. The amounts previously set aside by the Company as special reserve of $826,453 on initial application of IFRSs in accordance with Jin-Guan-Zheng-Fa-Zi Letter No. 1010012865, dated April 6, 2012, shall be reversed proportionately when the relevant assets, those other than land, are used, disposed of or reclassified subsequently. Such amounts are reversed upon disposal or reclassified if the assets are investment property of land, and reversed over the use period if the assets are investment property other than land.

D. The Company recognized dividends distributed to owners amounting to $836,947, constituting $0.53 (in dollars) per share as cash dividend from the distribution of 2020 earnings. On May 24, 2022, the stockholders during their meeting resolved for the distribution of cash dividends from 2021 earnings in the amount of $1,579,145 at $1 (in dollars) per share. On March 7, 2023, the distribution of 2022 earnings amounted to $2,337,135, constituting $1.48 (in dollars) per share as cash dividends, was proposed by the Board of Directors.

(18) Operating revenue

	For the years ended December 31,	
	2022	2021
Revenue from contracts with customers	$ 23,401,298	$ 22,872,434

A. Disaggregation of revenue from contracts with customers

The Company derives revenue from the transfer of goods at a point in time in the following major products:

	For the years ended December 31,	
	2022	2021
Revenue from products of Tinplate	$ 23,360,614	$ 22,831,830
Revenue from products of Plastic pack	40,684	40,604
	$ 23,401,298	$ 22,872,434

B. The Company has recognized the following revenue-related contract liabilities:

	December 31, 2022	December 31, 2021	January 1, 2021
Contract liabilities - current	$ 44,813	$ 169,878	$ 42,760

Revenue recognized that was included in the contract liability balance at the beginning of the years ended December 31, 2022 and 2021 was $169,392 and $16,667, respectively.

(19) Interest income

	For the years ended December 31,	
	2022	2021
Interest income from bank deposits	$ 739	$ 68

(20) Other income

	For the years ended December 31,	
	2022	2021
Rental income	$ 5,375	$ 5,336
Dividend income	6,051	3,607
Other income	3,187	24,153
	$ 14,613	$ 33,096

(21) Other gains and losses

	For the years ended December 31,	
	2022	2021
Net loss on financial assets at fair value through profit or loss	($ 2,773)	$ -
Net (loss) gain on disposal of property, plant and equipment	(309)	45
Gain from lease modifications	152	1,319
Net gain on disposal of investment property	418	-
Net currency exchange gain (loss)	278,142	(8,460)
Other losses	(63)	(156)
	$ 275,567	($ 7,252)

(22) Finance costs

	For the years ended December 31,	
	2022	2021
Interest expense:		
Bank borrowings	$ 113,437	$ 97,663
Interest expense on lease libilities	5,965	6,102
Provisions – unwinding of discount	1,550	1,523
	120,952	105,288
Less: Capitalization of qualifying assets	(137)	(171)
	$ 120,815	$ 105,117

(23) Expenses by nature

	For the year ended December 31, 2022			For the year ended December 31, 2021		
	Operating cost	Operating expense	Total	Operating cost	Operating expense	Total
Employee benefits expense	$ 691,950	$ 555,186	$ 1,247,136	$ 686,104	$ 484,614	$ 1,170,718
Depreciation	$ 989,641	$ 6,984	$ 996,625	$ 990,424	$ 6,375	$ 996,799

(24) Employee benefits expense

	For the year ended December 31, 2022			For the year ended December 31, 2021		
	Operating cost	Operating expense	Total	Operating cost	Operating expense	Total
Wages and salaries	$ 559,086	$ 459,722	$ 1,018,808	$ 552,752	$ 387,942	$ 940,694
Labor and health insurance expenses	61,743	24,418	86,161	61,006	22,116	83,122
Directors' remuneration	–	48,181	48,181	–	41,179	41,179
Pension costs	30,830	11,452	42,282	31,342	21,679	53,021
Other personnel expenses	40,291	11,413	51,704	41,004	11,698	52,702
	$ 691,950	$ 555,186	$ 1,247,136	$ 686,104	$ 484,614	$ 1,170,718

A. For the years ended December 31, 2022 and 2021, the Company had approximately 1,131 and 1,147 employees on average, respectively, including 8 non-employee directors for both years. The employee benefit expenses were $1,067 and $992, while the employee wages and salaries were $906 and $826 on average for the years ended December 31, 2022 and 2021, respectively. The employee wages and salaries for the year ended December 31, 2022 increased by approximately 9.69% compared to the year ended December 31, 2021. The Company has set up an Audit Committee, thus there is no remuneration of supervisors.

B. Directors' remuneration is determined by the board of directors and measured according to the level of importance and value of contribution of directors to the Company, usually with an average level. President, vice president, and directors' remuneration are determined in accordance with the Company's articles of incorporation and business performance. The reward which the Company offers to the employees for the services rendered is measured based on the level of employees' position, contribution and value to the Company. It has a positive correlation with the performance of the Company's business. It mainly includes basic salary, bonus and fringe benefits. Basic salary is assessed by taking into account of the Company's articles of salary promotion; the bonus is considered with each individual and divisional achievement or entire performance of the Company; the fringe benefits is planned in accordance with the law to meet the needs of employees. The Company has set up an Audit Committee, thus there is no policy on remuneration of supervisors.

C. According to the Articles of Incorporation of the Company, a ratio of distributable profit of the current year, after covering accumulated losses, shall be distributed as employees' compensation and directors' remuneration. The ratio shall not be lower than 2% for employees' compensation and shall not be higher than 2% for directors' remuneration.

D. For the years ended December 31, 2022 and 2021, employees' compensation was accrued at $139,558 and $100,460, respectively, while directors' remuneration was accrued at $40,436 and $32,625, respectively. The aforementioned amounts were recognized in salary expenses. The expenses recognized were accrued based on the profit of current period distributable and the percentage specified in the Articles of Incorporation of the Company. The employees' compensation and directors' remuneration resolved by the Board of Directors were $139,558 and $52,473, respectively, for the year ended December 31, 2022, and the employees' compensation will be distributed in the form of cash. The difference due to estimates of $12,037 will be adjusted in profit or loss for the year ending December 31, 2023. The employees' compensation and directors' remuneration resolved by the Board of Directors were $100,460 and $32,660, respectively, for the year ended December 31, 2021, and the employees' compensation was distributed in the form of cash. The difference due to estimates of $35 had been adjusted in profit or loss for the year ended December 31, 2022.

Information about employees' compensation and directors' remuneration by the Company as proposed by the Board of Directors will be posted in the "Market Observation Post System" at the website of the Taiwan Stock Exchange.

(25) Income tax

A. Income tax expense

a. Components of income tax expense:

	For the years ended December 31,	
	2022	2021
Current income tax:		
Income tax incurred in current year	$ 613,288	$ 233,730
Tax on unappropriated earnings	194	2,219
Under provision of prior year's income tax	4,746	-
	618,228	235,949
Deferred income tax:		
Origination and reversal of temporary differences	7,325	44,192
Income tax expense	$ 625,553	$ 280,141

b. The income tax relating to components of other comprehensive income is as follows:

	For the years ended December 31,	
	2022	2021
Remeasurement of defined benefit obligations	$ 51,197	($ 4,402)
Currency translation differences	867	(211)
	$ 52,064	($ 4,613)

B. Reconciliation between income tax expense and accounting profit

	For the years ended December 31,	
	2022	2021
Income tax expense at the statutory tax rate	$ 574,398	$ 426,458
Effect from items disallowed by tax regulation	46,191	(148,536)
Tax on unappropriated earnings	194	2,219
Separate Taxation	24	-
Under provision of prior year's income tax	4,746	-
Income tax expense	$ 625,553	$ 280,141

C. Amounts of deferred income tax assets or liabilities recognized as a result of temporary differences and tax losses are as follows:

	For the year ended December 31, 2022			
	Balance, beginning of year	Recognized in profit or loss	Recognized in other comprehensive income	Balance, end of year
Deferred income tax assets				
Temporary differences:				
Unrealized sales returns and allowance	$ 3,017	$ 669	$ -	$ 3,686
Unrealized profit from sales	7,365	32	-	7,397
Loss on inventories from market value decline	6,400	3,600	-	10,000
Unused compensated absences	7,556	153	-	7,709
Unrealized provision	14,072	414	-	14,486
Unrealized loss on currency exchange	1,498	(1,498)	-	-
Remeasurement of defined benefit obligation	83,770	-	(51,197)	32,573
Currency translation differences	2,303	-	(867)	1,436
	$ 125,981	$ 3,370	($ 52,064)	$ 77,287
Deferred income tax liabilities				
Temporary differences:				
Pensions	($ 21,563)	($ 7,917)	$ -	($ 29,480)
Foreign investment income	(5,761)	(312)	-	(6,073)
Land value incremental tax	(197,039)	-	-	(197,039)
Unrealized gain on currency exchange	-	(2,466)	-	(2,466)
	($ 224,363)	($ 10,695)	$ -	($ 235,058)
	($ 98,382)	($ 7,325)	($ 52,064)	($ 157,771)

	For the year ended December 31, 2021			
	Balance, beginning of year	Recognized in profit or loss	Recognized in other comprehensive income	Balance, end of year
Deferred income tax assets				
Temporary differences:				
Unrealized sales returns and allowance	$ 2,142	$ 875	$ -	$ 3,017
Unrealized profit from sales	3,935	3,430	-	7,365
Loss on inventories from market value decline	14,000	(7,600)	-	6,400
Unused compensated absences	7,678	(122)	-	7,556
Unrealized provision	13,665	407	-	14,072
Unrealized loss on currency exchange	-	1,498	-	1,498
Remeasurement of defined benefit obligation	79,368	-	4,402	83,770
Currency translation differences	2,092	-	211	2,303
Tax losses	38,538	(38,538)	-	-
	$ 161,418	($ 40,050)	$ 4,613	$ 125,981
Deferred income tax liabilities				
Temporary differences:				
Pensions	($ 16,029)	($ 5,534)	$ -	($ 21,563)
Foreign investment income	(6,637)	876	-	(5,761)
Land value incremental tax	(197,039)	-	-	(197,039)
Unrealized gain on currency exchange	(516)	516	-	-
	($ 220,221)	($ 4,142)	$ -	($ 224,363)
	($ 58,803)	($ 44,192)	$ 4,613	($ 98,382)

D. The Company did not recognize temporary differences arising from gains on investment in overseas subsidiaries. As of December 31, 2022 and 2021, unrecognized deferred income tax liabilities were $4,513,656 and $4,455,874, respectively.

E. The Company's income tax returns through 2020 have been assessed and approved by the Tax Authority. As of March 7, 2023, there was no administrative lawsuit.

(26) Earnings per share

	For the year ended December 31, 2022		
	Amount after tax	Weighted average number of ordinary shares outstanding (shares in thousands)	Earnings per share (in dollars)
Basic earnings per share			
Profit attributable to ordinary shareholders	$ 2,246,437	1,579,145	$ 1.42
Diluted earnings per share			
Profit attributable to ordinary shareholders	$ 2,246,437	1,579,145	
Assumed conversion of all dilutive potential ordinary shares			
Employees' compensation	-	9,386	
Profit attributable to ordinary shareholders plus assumed conversion of all dilutive potential ordinary shares	$ 2,246,437	$ 1,588,531	$ 1.41

	For the year ended December 31, 2021		
	Amount after tax	Weighted average number of ordinary shares outstanding (shares in thousands)	Earnings per share (in dollars)
Basic earnings per share			
Profit attributable to ordinary shareholders	$ 1,852,148	1,579,145	$ 1.17
Diluted earnings per share			
Profit attributable to ordinary shareholders	$ 1,852,148	1,579,145	
Assumed conversion of all dilutive potential ordinary shares			
Employees' compensation	-	7,733	
Profit attributable to ordinary shareholders plus assumed conversion of all dilutive potential ordinary shares	$ 1,852,148	1,586,878	$ 1.17

(27) Supplemental cash flow information

A. Investing activities with partial cash payments:

	For the years ended December 31,	
	2022	2021
Acquisition of property, plant and equipment	$ 46,103	$ 25,188
Add: Beginning balance of other payables	–	5,944
Cash paid for acquisition of property, plant and equipment	$ 46,103	$ 31,132

B. Investing activities with no cash flow effect:

	For the years ended December 31,	
	2022	2021
Prepayment for business facilities reclassification to property, plant and equipment	$ 13,991	$ 13,432

(28) Changes in liabilities from financing activities

For the year ended December 31, 2022	Short-term borrowings	Short-term notes and bills payable	Lease liabilities	Long-term borrowings	Others	Total liabilities from financing activities
Balance at January 1, 2022	$ 2,798,456	$ 399,900	$ 310,117	$ 7,050,000	$ 21,588	$ 10,580,061
Changes in cash flow from financing activities	(368,567)	(400,000)	(10,365)	(3,250,000)	(1,583,423)	(5,612,355)
Changes in other non-cash items	-	100	8,376	-	1,579,145	1,587,621
Balance at December 31, 2022	$ 2,429,889	$ -	$ 308,128	$ 3,800,000	$ 17,310	$ 6,555,327

For the year ended December 31, 2021	Short-term borrowings	Short-term notes and bills payable	Lease liabilities	Long-term borrowings	Others	Total liabilities from financing activities
Balance at January 1, 2021	$ 1,826,324	$ -	$ 322,858	$ 6,520,000	$ 9,820	$ 8,679,002
Changes in cash flow from financing activities	972,132	400,000	(10,614)	530,000	(825,179)	1,066,339
Changes in other non-cash items	-	(100)	(2,127)	-	836,947	834,720
Balance at December 31, 2021	$ 2,798,456	$ 399,900	$ 310,117	$ 7,050,000	$ 21,588	$ 10,580,061

7. RELATED PARTY TRANSACTIONS

(1) Parent and ultimate controlling party

The ultimate parent of the Company is Uni-President Enterprises Corp. The ultimate controlling party of the Company is 45.55%.

(2) Names of related parties and relationship

Names of related parties	Relationship with the Company
Tovecan Corp.	Subsidiary
Fujian Ton Yi Tinplate Co., Ltd.	Subsidiary
Wuxi Ton Yi Industrial Packing Co., Ltd.	Subsidiary
Zhangzhou Ton Yi Industrial Co., Ltd.	Subsidiary
TTET Union Corp.	Parent company to entity with joint control or significant influence
President Tokyo Corp.	Parent company to entity with joint control or significant influence

(3) Significant transactions and balances with related parties

A. Sales

	For the years ended December 31,	
	2022	2021
Sales of goods:		
Subsidiaries		
Fujian Ton Yi Tinplate Co., Ltd.	$ 4,454,395	$ 5,665,527
Others	61,105	89,107
Parent company to entities with joint control or significant influence	397,277	379,952
	$ 4,912,777	$ 6,134,586

a. Sales price from related party is similar to that of a third party. The Company's collection terms and methods for related parties are wire transfer within 30 days of monthly statements, within 50 days after packing or within 30 days after arrival at port. The collection terms are similar to those of third parties.

b. The unrealized gain arising from goods sold to subsidiaries of $36,987 and $36,827 was recorded as a reduction to 'investments accounted for using equity method' for the years ended December 31, 2022 and 2021, respectively.

B. Purchases

	For the years ended December 31,	
	2022	2021
Purchases of goods:		
Subsidiaries	$ 45,496	$ 31,779
Parent company to entities with joint control or significant influence	65,393	55,267
	$ 110,889	$ 87,046

Purchase price from related party is similar to that of a third party. The payment terms are similar to those of third parties, which are 30 days of invoice receipt.

C. Receivables from related parties

	December 31, 2022	December 31, 2021
Subsidiaries		
Fujian Ton Yi Tinplate Co., Ltd.	$ 318,927	$ 725,934
Others	34,697	37,223
	353,624	763,157
Parent company to entities with joint control or significant influence	69,053	69,631
	$ 422,677	$ 832,788

The Receivables from related parties arise mainly from sales of goods. The receivables have not been pledged and do not incur interest.

D. Property transactions

Acquisition of property, plant and equipment:

	For the years ended December 31,	
	2022	2021
Subsidiaries	$ 13,595	$ –

E. Lease transactions－lessee

(a) The Company leases other equipment from related parties. Rental contracts are typically made for periods of 3 years. Rents are paid monthly.

(b) Lease liabilities and interest expense:

	December 31, 2022	December 31, 2021
	Lease liabilities	Lease liabilities
Parent company to entities with joint control or significant influence		
President Tokyo Corp.	$ –	$ 492

	For the years ended December 31,	
	2022	2021
	Interest expense	Interest expense
Parent company to entities with joint control or significant influence		
President Tokyo Corp.	$ 2	$ 25

(4) Key management compensation

	For the years ended December 31,	
	2022	2021
Salaries and other short-term employee benefits	$ 121,736	$ 100,427

8. PLEDGED ASSETS

None.

9. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNIZED CONTRACT COMMITMENTS

A. As of December 31, 2022 and 2021, the remaining balances due for construction in progress and prepayment for equipment were $87,858 and $57,898, respectively.

B. As of December 31, 2022 and 2021, the unused letters of credit amounted to $333,662 and $913,279, respectively.

C. The commitments of the Company to sign loan agreements with banks are as follows:

a. The Company has entered into a loan agreement with CTBC Bank in 2022 and 2021. In accordance with the agreement, the Company has to maintain the following financial ratios and terms: the consolidated debt-to-equity ratio【(Total liability less cash and cash equivalents) / consolidated tangible shareholders' equity】of less than 180%, interest coverage ratio of over 200%, and the consolidated tangible shareholders' equity of not less than $15,000,000 at the annual assessment. Under the terms of the loan agreement, if any of the financial covenants were not met, and the Company has not improved its financial condition, the bank has the right to cancel or reduce the credit line, shorten credit period, or principal and interest deemed as due.

b. The Company has entered into a loan agreement with KGI Bank in 2022. In accordance with the agreement, the Company has to maintain the following financial ratios and terms: the consolidated debt-to-equity ratio【(Total liability less cash and cash equivalents) / consolidated tangible shareholders' equity】of less than 180%, interest coverage ratio of over 200%, and the consolidated tangible shareholders' equity of not less than $15,000,000 at the annual assessment. Under the terms of the loan agreement, if any of the financial covenants were not met, and the Company has not improved its financial condition, the bank has the right to cancel or reduce the credit line, shorten credit period or principal and interest deemed as due.

As of December 31, 2022 and 2021, the Company has not violated any of the above covenants.

10. SIGNIFICANT DISASTER LOSS

None.

11. SIGNIFICANT EVENTS AFTER THE BALANCE SHEET DATE

None.

12. OTHERS

(1) Capital management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

(2) Financial instruments

A. Financial instruments by category

Details of financial instruments by category of the Company are described in Notes 6.

B. Financial risk management policies

a. The Company's activities expose it to a variety of financial risks: market risk (including foreign exchange risk, price risk and interest rate risk), credit risk and liquidity risk. The Company seeks to minimize potential adverse effects on the Company's financial performance. The Company hedges foreign exchange risk by using forward foreign exchange contracts.

b. Risk management is carried out by a central treasury department under policies approved by the Board of Directors. Company treasury identifies, evaluates and hedges financial risks in close co-operation with the Company's operating units. The Board provides written principles for overall risk management, as well as written policies covering specific areas and matters, such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments, and investment of excess liquidity.

C. Significant financial risks and degrees of financial risks

a. Market risk

(a) Foreign exchange risk

i. The Company operates internationally and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the USD and EUR. Foreign exchange risk arises from future commercial transactions, recognized assets and liabilities and net investments in foreign operations.

ii. The Company has certain investments in foreign operations, whose net assets are exposed to foreign currency translation risk. The Company's foreign operations are considered strategic investments; thus, no hedging for the purpose is conducted.

iii. The Company's businesses involve some non-functional currency operations (the Company's functional currency: NTD). The information on assets and liabilities

denominated in foreign currencies whose values would be materially affected by the exchange rate fluctuations is as follows:

	December 31, 2022		
(Foreign currency: functional currency)	Foreign Currency (in thousands)	Exchange Rate	Carrying amount
Financial assets			
Monetary items			
USD : NTD	$ 33,163	30.71	$ 1,018,436
EUR : NTD	3,818	32.72	124,925
Investments accounted for using equity method			
USD : NTD	583,300	30.71	17,913,143
VND : NTD	50,853,086	0.001299	66,058
Financial liabilities			
Monetary items			
USD : NTD	14,594	30.71	448,182

	December 31, 2021		
(Foreign currency: functional currency)	Foreign Currency (in thousands)	Exchange Rate	Carrying amount
Financial assets			
Monetary items			
USD : NTD	$ 79,074	27.68	$ 2,188,768
Investments accounted for using equity method			
USD : NTD	645,064	27.68	17,855,372
VND : NTD	49,627,458	0.001213	60,198
Financial liabilities			
Monetary items			
USD : NTD	16,648	27.68	460,817

iv. As of December 31, 2022 and 2021, if the functional currency exchange rate had appreciated/depreciated by 1%, with all other factors remaining constant, the Company's post-tax profit for the years ended December 31, 2022 and 2021 would have increased/decreased by $5,561 and $13,824, respectively.

v. The total exchange gain (loss), including realized and unrealized arising from significant foreign exchange variation on the monetary items held by the Company for the years ended December 31, 2022 and 2021 amounted to $278,142 and ($8,460), respectively.

(b) Price risk

i. The Company's to equity securities, which are exposed to price risk, are held as financial assets at fair value through other comprehensive income. To manage its price risk arising from investments in equity securities, the Company diversifies its portfolio. Accordingly, no material market risk is expected.

ii. The Company's investments in equity securities comprise the prices of equity securities would change due to the change of the future value of investee companies. If the prices of these equity securities had increased/decreased by 1% with all other variables held constant, other components of equity for the years ended December 31, 2022 and 2021 would have increased/decreased by $892 and $882, respectively.

(c) Cash flow and fair value interest rate risk

i. The Company's interest rate risk arises from short-term and long-term borrowings. Borrowings issued at variable rates expose the Company to cash flow interest rate risk which is partially offset by cash and cash equivalents held at variable rate. For the years ended December 31, 2022 and 2021, the Company's borrowings at variable rate were denominated in New Taiwan dollars, Japanese yens and US dollars.

ii. If the borrowing interest rate had increased/decreased by 1% with all other variables held constant, profit, net of tax for the years ended December 31, 2022 and 2021 would have decreased/increased by $907 and $781, respectively. The main factor is that changes in interest expense result from floating rate borrowings.

b. Credit risk

(a) Credit risk refers to the risk of financial loss to the Company arising from default by the clients or counterparties of financial instruments on the contract obligations. The main factor is that counterparties could not repay in full the accounts receivable based on the agreed terms and the contract cash flows of debt instruments stated at amortized cost.

(b) The Company manages its credit risk taking into consideration the entire Company's concern. For banks and financial institutions, only those with a high credit rating are accepted. According to the Company's credit policy, the Company is responsible for managing and analyzing the credit risk for each of their new clients before standard payment and delivery terms and conditions are offered. Internal risk control assesses the credit quality of the customers, taking into account their financial position, past experience and other factors. The utilization of credit limits is regularly monitored.

(c) In line with credit risk management procedure, when the contract payments are past due over certain number days, the default has occurred.

(d) The Company adopts following assumptions to assess whether there has been a significant increase in credit risk on that instrument since initial recognition:

i. If the contract payments were past due over certain number of days based on the terms, there has been a significant increase in credit risk on that instrument since initial recognition.

ii. If any external credit rating agency rates these bonds as investment grade, the credit risk of these financial assets is low. When the investment target of the independent credit rating is set to be reduced by two grades, the company judges that the credit risk of the investment target has increased significantly.

(e) The Company classifies customers' notes and accounts receivable in accordance with credit rating of customers. The Company applies the simplified approach using the provision matrix to estimate expected credit loss, and used the forecastability concern to adjust historical and timely information to assess the default possibility of notes and accounts receivable. Movements in relation to the Company applying the simplified approach to provide loss allowance for notes and accounts receivable are as follows:

	For the year ended December 31, 2022		
	Notes receivable	Accounts receivable	Total
Balance, beginning of year	$ 1,536	$ 15,737	$ 17,273
Expected credit gains (losses)	20	(6,494)	(6,474)
Balance, end of year	$ 1,556	$ 9,243	$ 10,799

	For the year ended December 31, 2021		
	Notes receivable	Accounts receivable	Total
Balance, beginning of year	$ 751	$ 3,608	$ 4,359
Expected credit losses	785	12,129	12,914
Balance, end of year	$ 1,536	$ 15,737	$ 17,273

C. Liquidity risk

(a) Finance Department monitors rolling forecasts of the Company's liquidity requirements to ensure it has sufficient cash to meet operational needs while maintaining sufficient headroom on its undrawn committed borrowing facilities at all times so that the Company does not breach borrowing limits or covenants (where applicable) on any of its borrowing facilities.

(b) Surplus cash held by the Company over and above the balance required for working capital management are transferred to the Finance Department. Finance Department invests surplus cash in interest bearing current accounts, choosing instruments with appropriate maturities or sufficient liquidity to provide sufficient headroom as determined by the abovementioned forecasts.

(c) The table below analyses the Company's non-derivative financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

December 31, 2022	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	More than 5 years
Non-derivative financial liabilities				
Short-term borrowings	2,442,414	-	-	-
Accounts payable	108,710	-	-	-
Other payables	782,871	-	-	-
Lease liabilities (current and non-current)	15,988	15,988	47,882	295,489
Other financial liabilities - current	14,810	-	-	-
Refund liabilities - current	18,432	-	-	-
Long-term borrowings	60,056	2,090,393	1,769,158	-
Guarantee deposits received	-	2,500	-	-

December 31, 2021	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	More than 5 years
Non-derivative financial liabilities				
Short-term borrowings	2,802,972	-	-	-
Short-term notes and bills payable	400,000	-	-	-
Accounts payable	239,483	-	-	-
Other payables	724,116	-	-	-
Lease liabilities (current and non-current)	15,999	15,505	46,474	303,534
Other financial liabilities - current	17,088	-	-	-
Refund liabilities - current	15,085	-	-	-
Long-term borrowings	70,789	3,812,714	3,314,882	-
Guarantee deposits received	-	4,500	-	-

(d) The Company does not expect the maturity date to end early nor the actual cash flow to be materially different.

(3) Fair value information

A. The different levels that the inputs to valuation techniques are used to measure fair value of financial and non-financial instruments have been defined as follows:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date. A market is regarded as active where a market in which transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis. The fair value of the Company's investment in listed stocks is included in Level 1.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: Unobservable inputs for the asset or liability.

B. The carrying amounts of financial assets and financial liabilities not measured at fair value including cash and cash equivalents, notes receivable, accounts receivable (including related parties), other receivables, guarantee deposits paid, short-term borrowings, short-term notes and bills payable, accounts payable, other payables, other financial liabilities - current, refund liabilities - current, long-term borrowings, and guarantee deposits received are approximate to their fair values.

C. The related information on financial and non-financial instruments measured at fair value by level on the basis of the nature, characteristics and risks of the assets and liabilities are as follows:

December 31, 2022	Level 1	Level 2	Level 3	Total
Assets:				
Recurring fair value measurements				
Financial assets at fair value through other comprehensive income				
Equity securities	$ 89,241	$ -	$ -	$ 89,241

December 31, 2021	Level 1	Level 2	Level 3	Total
Assets:				
Recurring fair value measurements				
Financial assets at fair value through other comprehensive income				
Equity securities	$ 88,203	$ -	$ -	$ 88,203

D. The methods and assumptions the Company used to measure fair value are as follows:

The instruments the Company used market quoted prices as their fair values (that is, Level 1) are listed below by characteristics:

	Listed shares
Market quoted price	Closing price

E. For the years ended December 31, 2022 and 2021, there was no transfer into or out between Level 1 and Level 2.

F. For the years ended December 31, 2022 and 2021, there was no transfer into or out from Level 3.

(4) Others

Due to the epidemic of the Covid-19, the Company has complied with the preventive measures that government has mandated, adopted workplace hygiene management and reinforced worker's self-health management. The Company has also maintained its close communication with suppliers, continued evaluating market needs and inventory management. Currently, the pandemic has no significant impact on the Company's operations. However, the impact of the pandemic on the Company's operations in the future will depend on the subsequent development of the pandemic.

13. SUPPLEMENTARY DISCLOSURES

According to the current regulatory requirements, the Company is only required to disclose the information for the year ended December 31, 2022.

(1) Significant transactions information

A. Loans to others: Refer to table 1.

B. Provision of endorsements and guarantees to others: None

C. Holding of marketable securities at the end of the period (not including subsidiaries, associates and joint ventures): Refer to table 2.

D. Acquisition or sale of the same security with the accumulated cost exceeding $300 million or 20% of the Company's paid-in capital: None.

E. Acquisition of real estate reaching $300 million or 20% of paid-in capital or more: None.

F. Disposal of real estate reaching $300 million or 20% of paid-in capital or more: None.

G. Purchases or sales of goods from or to related parties reaching $100 million or 20% of paid-in capital or more: Refer to table 3.

H. Receivables from related parties reaching $100 million or 20% of paid-in capital or more: Refer to table 4.

I. Trading in derivative financial instruments undertaken during the reporting periods: None.

J. Significant inter-company transactions during the reporting periods: Refer to table 5.

(2) Information on investees

Names, locations and other information of investee companies (not including investees in Mainland China): Refer to table 6.

(3) Information on investments in Mainland China

A. Basic information: Refer to table 7.

B. Significant transactions, either directly or indirectly through a third area, with investee companies in the Mainland Area: Refer to table 8.

(4) Major shareholders information

Major shareholders information: Refer to table 9.

14. SEGMENT INFORMATION

None.

Ton Yi Industrial Corp.

Loans to others

For the year ended December 31, 2022

Table 1

Expressed in thousands of NTD

NO.	Name of lender	Name of borrower	Account	Related party	Maximum balance	Ending balance	Actual amount drawn down	Interest rate	Nature of financial activity (Note 1)	Total transaction amount	Reason for short-term financing	Allowance for doubtful accounts	Collateral Item	Collateral Value	Loan limit per entity	Maximum amount available for loan	Note
1	Kunshan Ton Yi Industrial Co., Ltd.	Ton Yi (China) Investment Co., Ltd.	Other receivables	Y	$ 133,549	$ 133,549	$ 129,097	2.315	2	$ -	Operational use	$ -	—	$ -	$ 1,079,758	$ 1,079,758	Note 2
1	Kunshan Ton Yi Industrial Co., Ltd.	Chengdu Ton Yi Industrial Co., Ltd.	Other receivables	Y	311,614	89,033	89,033	3.365~3.515	2	-	Operational use	-	—	-	$ 1,079,758	$ 1,079,758	Note 2
1	Kunshan Ton Yi Industrial Co., Ltd.	Huizhou Ton Yi Industrial Co., Ltd.	Other receivables	Y	89,033	-	-	3.515	2	-	Operational use	-	—	-	$ 1,079,758	$ 1,079,758	Note 2
1	Kunshan Ton Yi Industrial Co., Ltd.	Wuxi Ton Yi Industrial Packing Co., Ltd.	Other receivables	Y	133,549	133,549	-	-	2	-	Operational use	-	—	-	$ 1,079,758	$ 1,079,758	Note 2
1	Kunshan Ton Yi Industrial Co., Ltd.	Fujian Ton Yi Tinplate Co., Ltd.	Other receivables	Y	133,549	133,549	-	3.515	2	-	Operational use	-	—	-	$ 215,952	$ 431,903	Note 2
2	Chengdu Ton Yi Industrial Packing Co., Ltd.	Wuxi Ton Yi Industrial Packing Co., Ltd.	Other receivables	Y	289,356	289,356	289,356	3.365~3.515	2	-	Operational use	-	—	-	426,856	426,856	Note 2
3	Taizhou Ton Yi Industrial Co., Ltd.	Ton Yi (China) Investment Co., Ltd.	Other receivables	Y	133,549	133,549	-	2.315~2.465	2	-	Operational use	-	—	-	1,669,657	1,669,657	Note 2
3	Taizhou Ton Yi Industrial Co., Ltd.	Huizhou Ton Yi Industrial Co., Ltd.	Other receivables	Y	89,033	89,033	89,033	3.315	2	-	Operational use	-	—	-	1,669,657	1,669,657	Note 2
3	Taizhou Ton Yi Industrial Co., Ltd.	Fujian Ton Yi Tinplate Co., Ltd.	Other receivables	Y	289,356	133,549	133,549	3.315~3.515	2	-	Operational use	-	—	-	333,931	667,863	Note 2
3	Taizhou Ton Yi Industrial Co., Ltd.	Wuxi Ton Yi Daiwa Industrial Co., Ltd.	Other receivables	Y	178,065	178,065	178,065	3.365~3.515	2	-	Operational use	-	—	-	333,931	667,863	Note 2
4	Sichuan Ton Yi Industrial Co., Ltd.	Wuxi Ton Yi Industrial Packing Co., Ltd.	Other receivables	Y	244,840	244,840	244,840	3.315~3.515	2	-	Operational use	-	—	-	1,435,290	1,435,290	Note 2

NO.	Name of lender	Name of borrower	Account	Related party	Maximum balance	Ending balance	Actual amount drawn down	Interest rate	Nature of financial activity (Note 1)	Total transaction amount	Reason for short-term financing	Allowance for doubtful accounts	Collateral Item	Collateral Value	Loan limit per entity	Maximum amount available for loan	Note
4	Sichuan Ton Yi Industrial Co., Ltd.	Ton Yi (China) Investment Co., Ltd.	Other receivables	Y	$ 133,549	$ 133,549	$ 26,710	2.315~2.465	2	$ -	Operational use	$ -	—	$ -	1,435,290	1,435,290	Note 2
4	Sichuan Ton Yi Industrial Co., Ltd.	Chengdu Ton Yi Industrial Co., Ltd.	Other receivables	Y	445,163	356,130	356,130	3.315~3.515	2	-	Operational use	-	—	-	1,435,290	1,435,290	Note 2
4	Sichuan Ton Yi Industrial Co., Ltd.	Fujian Ton Yi Tinplate Co., Ltd.	Other receivables	Y	133,549	133,549	133,549	3.365	2	-	Operational use	-	—	-	287,058	574,116	Note 2
5	Zhanjiang Ton Yi Industrial Co., Ltd.	Huizhou Ton Yi Industrial Co., Ltd.	Other receivables	Y	333,872	244,840	244,840	3.315~3.515	2	-	Operational use	-	—	-	830,624	830,624	Note 2
5	Zhanjiang Ton Yi Industrial Co., Ltd.	Ton Yi (China) Investment Co., Ltd.	Other receivables	Y	133,549	133,549	13,355	2.315	2	-	Operational use	-	—	-	830,624	830,624	Note 2
5	Zhanjiang Ton Yi Industrial Co., Ltd.	Fujian Ton Yi Tinplate Co., Ltd.	Other receivables	Y	133,549	133,549	133,549	3.315	2	-	Operational use	-	—	-	166,125	332,250	Note 2
6	Ton Yi (China) Investment Co., Ltd.	Zhangzhou Ton Yi Industrial Co., Ltd.	Other receivables	Y	133,549	133,549	-	—	2	-	Operational use	-	—	-	12,066,199	12,066,199	Note 2
6	Ton Yi (China) Investment Co., Ltd.	Taizhou Ton Yi Industrial Co., Ltd.	Other receivables	Y	133,549	133,549	-	—	2	-	Operational use	-	—	-	12,066,199	12,066,199	Note 2
6	Ton Yi (China) Investment Co., Ltd.	Chengdu Ton Yi Industrial Co., Ltd.	Other receivables	Y	133,549	133,549	89,033	3.315	2	-	Operational use	-	—	-	12,066,199	12,066,199	Note 2
6	Ton Yi (China) Investment Co., Ltd.	Kunshan Ton Yi Industrial Co., Ltd.	Other receivables	Y	133,549	133,549	-	3.465	2	-	Operational use	-	—	-	12,066,199	12,066,199	Note 2
6	Ton Yi (China) Investment Co., Ltd.	Beijing Ton Yi Industrial Co., Ltd.	Other receivables	Y	133,549	133,549	-	—	2	-	Operational use	-	—	-	12,066,199	12,066,199	Note 2
6	Ton Yi (China) Investment Co., Ltd.	Huizhou Ton Yi Industrial Co., Ltd.	Other receivables	Y	244,840	133,549	-	3.365~3.515	2	-	Operational use	-	—	-	12,066,199	12,066,199	Note 2
6	Ton Yi (China) Investment Co., Ltd.	Zhanjiang Ton Yi Industrial Co., Ltd.	Other receivables	Y	133,549	133,549	-	—	2	-	Operational use	-	—	-	12,066,199	12,066,199	Note 2

Table 1 page 2

NO.	Name of lender	Name of borrower	Account	Related party	Maximum balance	Ending balance	Actual amount drawn down	Interest rate	Nature of financial activity (Note 1)	Total transaction amount	Reason for short-term financing	Allowance for doubtful accounts	Collateral Item	Collateral Value	Loan limit per entity	Maximum amount available for loan	Note
6	Ton Yi (China) Investment Co., Ltd.	Sichuan Ton Yi Industrial Co., Ltd.	Other receivables	Y	$ 133,549	$ 133,549	$ -	—	2	$ -	Operational use	$ -	—	$ -	$ 12,066,199	$ 12,066,199	Note 2
6	Ton Yi (China) Investment Co., Ltd.	Tianjin Ton Yi Industrial Co., Ltd.	Other receivables	Y	133,549	133,549	106,839	3.315~3.465	2	-	Operational use	-	—	-	12,066,199	12,066,199	Note 2
6	Ton Yi (China) Investment Co., Ltd.	Wuxi Ton Yi Industrial Packing Co., Ltd.	Other receivables	Y	1,046,133	823,551	690,002	3.315~3.515	2	-	Operational use	-	—	-	12,066,199	12,066,199	Note 2
6	Ton Yi (China) Investment Co., Ltd.	Fujian Ton Yi Tinplate Co., Ltd.	Other receivables	Y	578,712	445,163	311,614	3.315~3.515	2	-	Operational use	-	—	-	2,413,240	4,826,480	Note 2
6	Ton Yi (China) Investment Co., Ltd.	Wuxi Ton Yi Daiwa Industrial Co., Ltd.	Other receivables	Y	133,549	133,549	-	3.315~3.365	2	-	Operational use	-	—	-	2,413,240	4,826,480	Note 2
7	Zhangzhou Ton Yi Industrial Co., Ltd.	Ton Yi (China) Investment Co., Ltd.	Other receivables	Y	133,549	133,549	26,710	2.315~2.465	2	-	Operational use	-	—	-	1,869,371	1,869,371	Note 2
7	Zhangzhou Ton Yi Industrial Co., Ltd.	Huizhou Ton Yi Industrial Co., Ltd.	Other receivables	Y	89,033	89,033	89,033	3.315	2	-	Operational use	-	—	-	1,869,371	1,869,371	Note 2
8	Chengdu Ton Yi Industrial Co., Ltd.	Ton Yi (China) Investment Co., Ltd.	Other receivables	Y	133,549	133,549	-	2.365	2	-	Operational use	-	—	-	1,223,434	1,223,434	Note 2
9	Beijing Ton Yi Industrial Co., Ltd.	Ton Yi (China) Investment Co., Ltd.	Other receivables	Y	133,549	133,549	-	2.365~2.465	2	-	Operational use	-	—	-	1,012,818	1,012,818	Note 2
9	Beijing Ton Yi Industrial Co., Ltd.	Huizhou Ton Yi Industrial Co., Ltd.	Other receivables	Y	200,323	200,323	200,323	3.315~3.365	2	-	Operational use	-	—	-	1,012,818	1,012,818	Note 2
9	Beijing Ton Yi Industrial Co., Ltd.	Wuxi Ton Yi Industrial Packing Co., Ltd.	Other receivables	Y	267,098	111,291	111,291	3.315~3.515	2	-	Operational use	-	—	-	1,012,818	1,012,818	Note 2
9	Beijing Ton Yi Industrial Co., Ltd.	Fujian Ton Yi Tinplate Co., Ltd.	Other receivables	Y	178,065	111,291	111,291	3.315~3.515	2	-	Operational use	-	—	-	202,564	405,127	Note 2
10	Huizhou Ton Yi Industrial Co., Ltd.	Ton Yi (China) Investment Co., Ltd.	Other receivables	Y	133,549	133,549	-	—	2	-	Operational use	-	—	-	1,270,031	1,270,031	Note 2

NO.	Name of lender	Name of borrower	Account	Related party	Maximum balance	Ending balance	Actual amount drawn down	Interest rate	Nature of financial activity (Note 1)	Total transaction amount	Reason for short-term financing	Allowance for doubtful accounts	Collateral Item	Collateral Value	Loan limit per entity	Maximum amount available for loan	Note
11	Jiangsu Ton Yi Tinplate Co., Ltd.	Fujian Ton Yi Tinplate Co., Ltd.	Other receivables	Y	$ 133,549	$ 133,549	$ 133,549	3.515	2	$ -	Operational use	$ -	—	$ -	$ 455,453	$ 910,906	Note 2
11	Jiangsu Ton Yi Tinplate Co., Ltd.	Wuxi Ton Yi Daiwa Industrial Co., Ltd.	Other receivables	Y	320,517	178,065	178,065	3.365~3.515	2	-	Operational use	-	—	-	455,453	910,906	Note 2
11	Jiangsu Ton Yi Tinplate Co., Ltd.	Wuxi Ton Yi Industrial Packing Co., Ltd.	Other receivables	Y	155,807	155,807	155,807	3.365~3.515	2	-	Operational use	-	—	-	455,453	910,906	Note 2
12	Tianjin Ton Yi Industrial Co., Ltd.	Ton Yi (China) Investment Co., Ltd.	Other receivables	Y	133,549	133,549	-	—	2	-	Operational use	-	—	-	458,707	458,707	Note 2

(Note 1) Nature of loans to others is filled as follows:
(1) For trading partner.
(2) For short-term financing.

(Note 2) The maximum loan amount is 40% of its net assets.
(1) Trading partner: The maximum amount for individual trading partner shall not exceed the higher of total purchase or sale transactions during the reporting period or the most recent year.
(2) Short-term financing: The maximum amount for short-term financing is 20% of the Company's net assets; If the Company loans to foreign subsidiaries, which the Company holds 100% ownership directly or indirectly, the maximum amount for the subsidiary is 100% of the Company's net assets.

(Note 3) Foreign currency was translated into New Taiwan Dollars with exchange rate as at December 31, 2022 as follows: CNY:NTD 1：4.451628.

Ton Yi Industrial Corp.

Holding of marketable securities at the end of the period (not including subsidiaries, associates and joint ventures)

December 31, 2022

Table 2

Expressed in thousands of NTD

Investor	Marketable securities type and name	Relationship with the issuer	General ledger account (Note)	As of December 31, 2022				Note
				Shares/units (in thousands)	Book value	Percentage of ownership (%)	Fair value	
Ton-Yi Industrial Corp.	Stocks:							
	JFE Holdings Inc.	—	1	250	$ 89,241	0.04%	$ 89,241	—

(Note) The code number explanation is as follows:

1.Financial assets at fair value through other comprehensive income - non-current

Ton Yi Industrial Corp.

Purchases or sales of goods from or to related parties reaching NT$100 million or 20% of paid-in captial or more

For the year ended December 31, 2022

Table 3

Expressed in thousands of NTD

			Transaction				Description and reasons for difference in transaction terms compared to third party transactions		Notes or accounts receivable/(payable)		
Purchaser/seller	Counterparty	Relationship with the counterparty	Purchases (sales)	Amount	Percentage of total purchases (sales)	Credit terms	Unit price	Credit terms	Ending balance	Percentage of total notes or accounts receivable/(payable)	Note
Ton Yi Industrial Corp.	Fujian Ton Yi Tinplate Co., Ltd.	An investee company of Cayman Fujian Ton Yi Holdings Ltd. accounted for using equity method	(Sales)	($ 4,454,395)	(19)	50 days after shipping, T/T	$ -	—	$ 318,927	21	—
Ton Yi Industrial Corp.	TTET union Co., Ltd.	An investee company of parent company (Uni-President Enterprises Corp.) to entity with joint control or significant influence	(Sales)	(334,599)	(1)	Within 30 days of statements settled monthly, T/T	-	—	62,751	4	—
Wuxi Ton Yi Industrial Packing Co., Ltd.	Chengdu Ton Yi Industrial Packing Co., Ltd.	An investee company of Cayman Ton Yi Industrial Holdings Ltd. accounted for using equity method	(Sales)	(486,972)	(19)	Within 30 days of statements settled monthly, T/T	-	—	46,588	17	—
Wuxi Ton Yi Industrial Packing Co., Ltd.	Changsha Ton Yi Industrial Co., Ltd.	An investee company of Cayman Ton Yi Industrial Holdings Ltd. accounted for using equity method	(Sales)	(426,360)	(17)	Within 30 days of statements settled monthly, T/T	-	—	36,084	13	—
Wuxi Ton Yi Industrial Packing Co., Ltd.	Uni-President Trading (Kunshan) Co., Ltd.	An investee company of parent company (Uni-President Enterprises Corp.) to entity with joint control or significant influence	(Sales)	(227,266)	(9)	Within 90 days of statements settled monthly, T/T	-	—	67,156	25	—
Chengdu Ton Yi Industrial Packing Co., Ltd.	Wuxi Ton Yi Industrial Packing Co., Ltd.	An investee company of Cayman Ton Yi Industrial Holdings Ltd. accounted for using equity method	Purchases	486,972	96	Within 30 days of statements settled monthly, T/T	-	—	(46,588)	(91)	—
Changsha Ton Yi Industrial Co., Ltd.	Jiangsu Ton Yi Tinplate Co., Ltd.	An investee company of Cayman Jiangsu Ton Yi Holdings Ltd. accounted for using equity method	Purchases	521,691	47	67 days after invoice date, T/T	-	—	(75,242)	(62)	—
Changsha Ton Yi Industrial Co., Ltd.	Wuxi Ton Yi Industrial Packing Co., Ltd.	An investee company of Cayman Ton Yi Industrial Holdings Ltd. accounted for using equity method	Purchases	426,360	39	Within 30 days of statements settled monthly, T/T	-	—	(36,084)	(30)	—

Purchaser/seller	Counterparty	Relationship with the counterparty	Transaction				Description and reasons for difference in transaction terms compared to third party transactions		Notes or accounts receivable/(payable)		Note
			Purchases (sales)	Amount	Percentage of total purchases (sales)	Credit terms	Unit price	Credit terms	Ending balance	Percentage of total notes or accounts receivable/(payable)	
Changsha Ton Yi Industrial Co., Ltd.	Fujian Ton Yi Tinplate Co., Ltd.	An investee company of Cayman Fujian Ton Yi Holdings Ltd. accounted for using equity method	Purchases	$ 156,294	14	67 days after invoice date, T/T	$ -	—	($ 9,336)	(8)	—
Fujian Ton Yi Tinplate Co., Ltd	Ton Yi Industrial Corp.	The Company	Purchases	4,454,395	89	50 days after shipping, T/T	-	—	(318,927)	(90)	—
Fujian Ton Yi Tinplate Co., Ltd	Jiangsu Ton Yi Tinplate Co., Ltd.	An investee company of Cayman Jiangsu Ton Yi Holdings Ltd. accounted for using equity method	(Sales)	(2,365,488)	(45)	67 days after invoice date, T/T	-	—	91,586	13	—
Fujian Ton Yi Tinplate Co., Ltd	Changsha Ton Yi Industrial Co., Ltd.	An investee company of Cayman Ton Yi Industrial Holdings Ltd. accounted for using equity method	(Sales)	(156,294)	(3)	67 days after invoice date, T/T	-	—	9,336	1	—
Jiangsu Ton Yi Tinplate Co., Ltd.	Fujian Ton Yi Tinplate Co., Ltd.	An investee company of Cayman Fujian Ton Yi Holdings Ltd. accounted for using equity method	Purchases	2,365,488	100	67 days after invoice date, T/T	-	—	(91,586)	(100)	—
Jiangsu Ton Yi Tinplate Co., Ltd.	Changsha Ton Yi Industrial Co., Ltd.	An investee company of Cayman Ton Yi Industrial Holdings Ltd. accounted for using equity method	(Sales)	(521,691)	(22)	67 days after invoice date, T/T	-	—	75,242	9	—
Zhangzhou Ton Yi Industrial Co., Ltd.	Shanghai E & P Trading Co., Ltd.	An investee company of parent company (Uni-President Enterprises Corp.) to entity with joint control or significant influence	Purchases	152,783	12	15 days after receipt of invoice, T/T	-	—	(13,181)	(8)	—
Zhangzhou Ton Yi Industrial Co., Ltd.	Guangzhou President Enterprises Co., Ltd.	An investee company of parent company (Uni-President Enterprises Corp.) to entity with joint control or significant influence	(Sales)	(1,672,055)	(78)	25 days after receipt of invoice, T/T	-	—	188,804	79	—
Taizhou Ton Yi Industrial Co., Ltd.	Shanghai E & P Trading Co., Ltd.	An investee company of parent company (Uni-President Enterprises Corp.) to entity with joint control or significant influence	Purchases	303,408	16	15 days after receipt of invoice, T/T	-	—	(12,752)	(8)	—
Taizhou Ton Yi Industrial Co., Ltd.	Taizhou President Enterprises Co., Ltd.	An investee company of parent company (Uni-President Enterprises Corp.) to entity with joint control or significant influence	(Sales)	(2,221,899)	(74)	25 days after receipt of invoice, T/T	-	—	193,675	65	—

Purchaser/seller	Counterparty	Relationship with the counterparty	Transaction: Purchases (sales)	Transaction: Amount	Transaction: Percentage of total purchases (sales)	Transaction: Credit terms	Description and reasons for difference in transaction terms compared to third party transactions: Unit price	Description and reasons for difference in transaction terms compared to third party transactions: Credit terms	Notes or accounts receivable/(payable): Ending balance	Notes or accounts receivable/(payable): Percentage of total notes or accounts receivable/(payable)	Note
Taizhou Ton Yi Industrial Co., Ltd.	Guangzhou President Enterprises Co., Ltd.	An investee company of parent company (Uni-President Enterprises Corp.) to entity with joint control or significant influence	(Sales)	($ 138,699)	(5)	50% prepaid/ 50% 45 days after invoice date, T/T	$ -	—	$ 26,990	9	—
Chengdu Ton Yi Industrial Co., Ltd.	Chengdu President Enterprises Food Co., Ltd.	An investee company of parent company (Uni-President Enterprises Corp.) to entity with joint control or significant influence	(Sales)	(583,467)	(51)	25 days after receipt of invoice, T/T	-	—	71,424	44	—
Chengdu Ton Yi Industrial Co., Ltd.	Guangzhou President Enterprises Co., Ltd.	An investee company of parent company (Uni-President Enterprises Corp.) to entity with joint control or significant influence	(Sales)	(118,078)	(10)	50% prepaid/ 50% 45 days after invoice date, T/T	-	—	18,486	11	—
Huizhou Ton Yi Industrial Co., Ltd.	Shanghai E & P Trading Co., Ltd.	An investee company of parent company (Uni-President Enterprises Corp.) to entity with joint control or significant influence	Purchases	134,762	13	15 days after receipt of invoice, T/T	-	—	(26,620)	(19)	—
Huizhou Ton Yi Industrial Co., Ltd.	Guangzhou President Enterprises Co., Ltd.	An investee company of parent company (Uni-President Enterprises Corp.) to entity with joint control or significant influence	(Sales)	(1,478,584)	(88)	25 days after receipt of invoice, T/T	-	—	154,680	89	—
Kunshan Ton Yi Industrial Co., Ltd.	Shanghai E & P Trading Co., Ltd.	An investee company of parent company (Uni-President Enterprises Corp.) to entity with joint control or significant influence	Purchases	279,361	16	15 days after receipt of invoice, T/T	-	—	(33,515)	(16)	—
Kunshan Ton Yi Industrial Co., Ltd.	Uni-President Trading (Kunshan) Co., Ltd.	An investee company of parent company (Uni-President Enterprises Corp.) to entity with joint control or significant influence	(Sales)	(2,379,166)	(98)	25 days after receipt of invoice, T/T	-	—	291,487	98	—
Beijing Ton Yi Industrial Co., Ltd.	Shanghai E & P Trading Co., Ltd.	An investee company of parent company (Uni-President Enterprises Corp.) to entity with joint control or significant influence	Purchases	154,900	11	15 days after receipt of invoice, T/T	-	—	(14,863)	(11)	—
Beijing Ton Yi Industrial Co., Ltd.	Beijing President Enterprises Drinks Co., Ltd.	An investee company of parent company (Uni-President Enterprises Corp.) to entity with joint control or significant influence	(Sales)	(2,064,741)	(99)	25 days after receipt of invoice, T/T	-	—	188,211	100	—
Sichuan Ton Yi Industrial Co., Ltd.	Shanghai E & P Trading Co., Ltd.	An investee company of parent company (Uni-President Enterprises Corp.) to entity with joint control or significant influence	Purchases	210,978	13	15 days after receipt of invoice, T/T	-	—	(37,287)	(16)	—

Purchaser/seller	Counterparty	Relationship with the counterparty	Transaction				Description and reasons for difference in transaction terms compared to third party transactions		Notes or accounts receivable/(payable)		Note
			Purchases (sales)	Amount	Percentage of total purchases (sales)	Credit terms	Unit price	Credit terms	Ending balance	Percentage of total notes or accounts receivable/(payable)	
Sichuan Ton Yi Industrial Co., Ltd.	Chengdu President Enterprises Food Co., Ltd.	An investee company of parent company (Uni-President Enterprises Corp.) to entity with joint control or significant influence	(Sales)	($ 2,301,964)	(98)	25 days after receipt of invoice, T/T	$ -	—	$ 262,372	99	—
Zhanjiang Ton Yi Industrial Co., Ltd.	Shanghai E & P Trading Co., Ltd.	An investee company of parent company (Uni-President Enterprises Corp.) to entity with joint control or significant influence	Purchases	144,052	14	5～45 days after receipt of invoice, T/T	-	—	(9,865)	(10)	—
Zhanjiang Ton Yi Industrial Co., Ltd.	Zhanjiang President Enterprises Co., Ltd.	An investee company of parent company (Uni-President Enterprises Corp.) to entity with joint control or significant influence	(Sales)	(1,315,495)	(81)	25 days after receipt of invoice, T/T	-	—	66,624	61	—
Zhanjiang Ton Yi Industrial Co., Ltd.	Guangzhou President Enterprises Co., Ltd.	An investee company of parent company (Uni-President Enterprises Corp.) to entity with joint control or significant influence	(Sales)	(305,297)	(19)	50% prepaid/ 50% 45 days after invoice date, T/T	-	—	41,321	38	—
Tianjin Ton Yi Industrial Co., Ltd.	Uni-President Enterprises (TianJin) Co., Ltd.	An investee company of parent company (Uni-President Enterprises Corp.) to entity with joint control or significant influence	(Sales)	(589,065)	(91)	25 days after receipt of invoice, T/T	-	—	88,491	98	—

(Note 1) The above terms are in accordance with the Company's policy on credit management, please refer to Note 7 Related Party Transactions for details.

(Note 2) Foreign currency was translated into New Taiwan Dollars using the following exchange rates: Ending balances of receivables and payables were translated using the exchange rate as at December 31, 2022 (USD:NTD 1:30.71；CNY:NTD 1:4.451628).

Purchases and sales were translated using the weighted-average exchange rate for the year ended December 31, 2022 (USD:NTD 1:29.848936；CNY:NTD 1:4.429843).

Ton Yi Industrial Corp.

Receivables from related parties reaching NT$100 million or 20% of paid-in capital or more

For the year ended December 31, 2022

Table 4

Expressed in thousands of NTD

Company name	Counterparty	Relationship with the counterparty	Ending balance		Turnover rate	Overdue receivables		Amount received in subsequent period	Allowance for doubtful accounts
			Items	Amount		Amount	Action taken		
Ton Yi Industrial Corp.	Fujian Ton Yi Tinplate Co., Ltd.	An investee company of Cayman Fujian Ton Yi Holdings Ltd. accounted for using equity method	Accounts receivable	$ 318,927	8.53	$ -	—	$ 104,020	$ -
Chengdu Ton Yi Industrial Packing Co., Ltd.	Wuxi Ton Yi Industrial Packing Co., Ltd.	An investee company of Cayman Ton Yi Industrial Holdings Ltd. accounted for using equity method	Other receivables	289,653	-	-	—	-	-
Jiangsu Ton Yi Tinplate Co., Ltd.	Wuxi Ton Yi Daiwa Industrial Co., Ltd.	An investee company of Wuxi Ton Yi Industrial Packing Co., Ltd. accounted for using equity method	Other receivables	178,248	-	-	—	-	-
Jiangsu Ton Yi Tinplate Co., Ltd.	Wuxi Ton Yi Industrial Packing Co., Ltd.	An investee company of Cayman Ton Yi Industrial Holdings Ltd. accounted for using equity method	Other receivables	155,967	-	-	—	-	-
Jiangsu Ton Yi Tinplate Co., Ltd.	Fujian Ton Yi Tinplate Co., Ltd.	An investee company of Cayman Fujian Ton Yi Holdings Ltd. accounted for using equity method	Other receivables	134,296	-	-	—	134,296	-
Ton Yi (China) Investment Co., Ltd.	Wuxi Ton Yi Industrial Packing Co., Ltd.	An investee company of Cayman Ton Yi Industrial Holdings Ltd. accounted for using equity method	Other receivables	705,256	-	-	—	138,086	-
Ton Yi (China) Investment Co., Ltd.	Fujian Ton Yi Tinplate Co., Ltd.	An investee company of Cayman Fujian Ton Yi Holdings Ltd. accounted for using equity method	Other receivables	316,765	-	-	—	-	-
Ton Yi (China) Investment Co., Ltd.	Tianjin Ton Yi Industrial Co., Ltd.	An investee company of Ton Yi (China) Investment Co., Ltd. accounted for using equity method	Other receivables	107,144	-	-	—	305	-
Zhangzhou Ton Yi Industrial Co., Ltd.	Guangzhou President Enterprises Co., Ltd.	An investee company of parent company (Uni-President Enterprises Corp.) to entity with joint control or significant influence	Accounts receivable	188,804	10.99	-	—	176,868	-
Taizhou Ton Yi Industrial Co., Ltd.	Taizhou President Enterprises Co., Ltd.	An investee company of parent company (Uni-President Enterprises Corp.) to entity with joint control or significant influence	Accounts receivable	193,675	12.68	-	—	193,675	-

Company name	Counterparty	Relationship with the counterparty	Ending balance		Turnover rate	Overdue receivables		Amount received in subsequent period	Allowance for doubtful accounts
			Items	Amount		Amount	Action taken		
Taizhou Ton Yi Industrial Co., Ltd.	Wuxi Ton Yi Daiwa Industrial Co., Ltd.	An investee company of Wuxi Ton Yi Industrial Packing Co., Ltd. accounted for using equity method	Other receivables	$ 178,248	-	$ -	—	$ -	$ -
Taizhou Ton Yi Industrial Co., Ltd.	Fujian Ton Yi Tinplate Co., Ltd.	An investee company of Cayman Fujian Ton Yi Holdings Ltd. accounted for using equity method	Other receivables	134,459	-	-	—	-	-
Huizhou Ton Yi Industrial Co., Ltd.	Guangzhou President Enterprises Co., Ltd.	An investee company of parent company (Uni-President Enterprises Corp.) to entity with joint control or significant influence	Accounts receivable	154,680	11.34	-	—	84,510	-
Kunshan Ton Yi Industrial Co., Ltd.	Uni-President Trading (Kunshan) Co., Ltd.	An investee company of parent company (Uni-President Enterprises Corp.) to entity with joint control or significant influence	Accounts receivable	291,487	9.29	-	—	291,487	-
Kunshan Ton Yi Industrial Co., Ltd.	Ton Yi (China) Investment Co., Ltd.	An investee company of Cayman Ton Yi (China) Holding Ltd. accounted for using equity method	Other receivables	129,286	-	-	—	49,157	-
Beijing Ton Yi Industrial Co., Ltd.	Beijing President Enterprises Drinks Co., Ltd.	An investee company of parent company (Uni-President Enterprises Corp.) to entity with joint control or significant influence	Accounts receivable	188,211	13.79	-	—	188,211	-
Beijing Ton Yi Industrial Co., Ltd.	Huizhou Ton Yi Industrial Co., Ltd.	An investee company of Ton Yi (China) Investment Co., Ltd. accounted for using equity method	Other receivables	200,528	-	-	—	-	-
Beijing Ton Yi Industrial Co., Ltd.	Fujian Ton Yi Tinplate Co., Ltd.	An investee company of Cayman Fujian Ton Yi Holdings Ltd. accounted for using equity method	Other receivables	111,690	-	-	—	-	-
Beijing Ton Yi Industrial Co., Ltd.	Wuxi Ton Yi Industrial Packing Co., Ltd.	An investee company of Cayman Ton Yi Industrial Holdings Ltd. accounted for using equity method	Other receivables	111,424	-	-	—	-	-
Sichuan Ton Yi Industrial Co., Ltd.	Chengdu President Enterprises Food Co., Ltd.	An investee company of parent company (Uni-President Enterprises Corp.) to entity with joint control or significant influence	Accounts receivable	262,372	9.40	-	—	262,372	-
Sichuan Ton Yi Industrial Co., Ltd.	Chengdu Ton Yi Industrial Co., Ltd.	An investee company of Ton Yi (China) Investment Co., Ltd. accounted for using equity method	Other receivables	363,405	-	-	—	194	-
Sichuan Ton Yi Industrial Co., Ltd.	Wuxi Ton Yi Industrial Packing Co., Ltd.	An investee company of Cayman Ton Yi Industrial Holdings Ltd. accounted for using equity method	Other receivables	248,406	-	-	—	54	-
Sichuan Ton Yi Industrial Co., Ltd.	Fujian Ton Yi Tinplate Co., Ltd.	An investee company of Cayman Fujian Ton Yi Holdings Ltd. accounted for using equity method	Other receivables	136,745	-	-	—	-	-

Company name	Counterparty	Relationship with the counterparty	Ending balance		Turnover rate	Overdue receivables		Amount received in subsequent period	Allowance for doubtful accounts
			Items	Amount		Amount	Action taken		
Zhanjiang Ton Yi Industrial Co., Ltd.	Huizhou Ton Yi Industrial Co.,Ltd.	An investee company of Ton Yi (China) Investment Co., Ltd. accounted for using equity method	Other receivables	$ 245,089	-	$ -	—	$ -	$ -
Zhanjiang Ton Yi Industrial Co., Ltd.	Fujian Ton Yi Tinplate Co., Ltd.	An investee company of Cayman Fujian Ton Yi Holdings Ltd. accounted for using equity method	Other receivables	134,397	-	-	—	-	-

(Note) Foreign currencies were translated into New Taiwan Dollars using the following exchanges: Ending balances of receivable and subsequent collections were translated using the exchange rate as at December 31, 2022 (CYN:NTD 1:4.451628；USD:NTD 1:30.71).

Ton Yi Industrial Corp.

Significant inter-company transactions during the reporting period

For the year ended December 31, 2022

Table 5

Expressed in thousands of NTD

No (Note 2)	Company name	Counterparty	Relationship (Note 3)	Intercompany transaction			
				General ledger account	Amount	Transaction terms	Percentage of consolidated net revenues or total assets (Note 4)
0	Ton Yi Industrial Corp.	Fujian Ton Yi Tinplate Co., Ltd.	1	Sales	$ 4,454,395	50 days after shipping, T/T	10
			1	Accounts receivable	318,927	—	1
1	Chengdu Ton Yi Industrial Packing Co., Ltd.	Wuxi Ton Yi Industrial Packing Co., Ltd.	3	Other receivables	289,653	—	1
2	Wuxi Ton Yi Industrial Packing Co., Ltd.	Chengdu Ton Yi Industrial Packing Co., Ltd.	3	Sales	486,972	Within 30 days of statements settled monthly, T/T	1
		Changsha Ton Yi Industrial Co., Ltd.	3	Sales	426,360	Within 30 days of statements settled monthly, T/T	1
3	Fujian Ton Yi Tinplate Co., Ltd.	Jiangsu Ton Yi Tinplate Co., Ltd.	3	Sales	2,365,488	67 days after invoice date, T/T	5
		Changsha Ton Yi Industrial Co., Ltd.	3	Sales	156,294	67 days after invoice date, T/T	—
4	Jiangsu Ton Yi Tinplate Co., Ltd.	Changsha Ton Yi Industrial Co., Ltd.	3	Sales	521,691	67 days after invoice date, T/T	1
		Wuxi Ton Yi Daiwa Industrial Co., Ltd.	3	Other receivables	178,248	—	1
		Wuxi Ton Yi Industrial Packing Co., Ltd.	3	Other receivables	155,967	—	—
		Fujian Ton Yi Tinplate Co., Ltd.	3	Other receivables	134,296	—	—
5	Ton Yi (China) Investment Co., Ltd.	Wuxi Ton Yi Industrial Packing Co., Ltd.	3	Other receivables	705,256	—	2
		Fujian Ton Yi Tinplate Co., Ltd.	3	Other receivables	316,765	—	1
		Tianjin Ton Yi Industrial Co., Ltd.	3	Other receivables	107,144	—	—
6	Taizhou Ton Yi Industrial Co., Ltd.	Wuxi Ton Yi Daiwa Industrial Co., Ltd.	3	Other receivables	178,248	—	1
		Fujian Ton Yi Tinplate Co., Ltd.	3	Other receivables	134,459	—	—
7	Kunshan Ton Yi Industrial Co., Ltd.	Ton Yi (China) Investment Co., Ltd.	3	Other receivables	129,286	—	—
8	Beijing Ton Yi Industrial Co., Ltd.	Huizhou Ton Yi Industrial Co., Ltd.	3	Other receivables	200,528	—	1
		Fujian Ton Yi Tinplate Co., Ltd.	3	Other receivables	111,690	—	—
		Wuxi Ton Yi Industrial Packing Co., Ltd.	3	Other receivables	111,424	—	—

No (Note 2)	Company name	Counterparty	Relationship (Note 3)	Intercompany transaction: General ledger account	Amount	Transaction terms	Percentage of consolidated net revenues or total assets (Note 4)
9	Sichuan Ton Yi Industrial Co., Ltd.	Chengdu Ton Yi Industrial Co., Ltd.	3	Other receivables	$ 363,405	—	1
		Wuxi Ton Yi Industrial Packing Co., Ltd.	3	Other receivables	248,406	—	1
		Fujian Ton Yi Tinplate Co., Ltd.	3	Other receivables	136,745	—	—
10	Zhanjiang Ton Yi Industrial Co., Ltd.	Huizhou Ton Yi Industrial Co., Ltd.	3	Other receivables	245,089	—	1
		Fujian Ton Yi Tinplate Co., Ltd.	3	Other receivables	134,397	—	—

(Note 1) Transactions among the company and subsidiaries with amount over NTD$100,000 and one side of them are disclosed.

(Note 2) The numbers filled in for the transaction company in respect of inter-company transactions are as follows:

(1) Parent company is ‘0’.

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

(Note 3) Relationship between transaction company and counterparty is classified into the following three categories:

(1) Parent company to subsidiary.

(2) Subsidiary to parent company.

(3) Subsidiary to subsidiary.

(Note 4) Regarding percentage of transaction amount to consolidated total operating revenues or total assets, it is computed based on period-end balance of transaction to consolidated total assets for balance sheet accounts and based on accumulated transaction amount for the period to consolidated total operating revenues for income statement accounts.

(Note 5) Foreign currency was translated into New Taiwan Dollars using the following exchanges: Ending balances of receivables were translated using the exchange rate as at December 31, 2022 (CNY:NTD 1:4.451628); Sales were translated using the weighted-average exchange rate for the year ended December 31, 2022 (CNY:NTD 1:4.429843).

Ton Yi Industrial Corp.

Names, locations and other information of investee companies (not including investees in Mainland China)

For the year ended December 31, 2022

Table 6

Expressed in thousands of NTD

Investor company	Investee company	Location	Main business activities	Original investment amount		Shares held as at December 31, 2022			Net income (loss) of the investee	Income (loss) recognized by the Company	Note
				Balance at December 31, 2022	Balance at December 31, 2021	Number of shares	Ownership (%)	Book value			
Ton Yi Industrial Corp.	Cayman Ton Yi Industrial Holdings Ltd.	Cayman	General investment	$ 13,399,488	$ 13,399,488	43,470,820	100.00	$ 17,885,134	$ 44,306	$ 44,306	Subsidiary
Ton Yi Industrial Corp.	Tovecan Corp.	Vietnam	Manufacturing and sale of cans	43,740	43,740	-	51.00	57,104	3,062	1,562	Subsidiary
Cayman Ton Yi Industrial Holdings Ltd.	Cayman Ton Yi Holdings Ltd.	Cayman	General investment	7,063,300	7,063,300	230,000,000	100.00	12,066,203	978,751	-	Subsidiary (Note 1)
Cayman Ton Yi Industrial Holdings Ltd.	Cayman Fujian Ton Yi Holdings Ltd.	Cayman	General investment	1,967,346	1,967,346	8,727	100.00	2,187,797	(525,939)	-	Subsidiary (Note 1)
Cayman Ton Yi Industrial Holdings Ltd.	Cayman Jiangsu Ton Yi Holdings Ltd.	Cayman	General investment	1,102,575	1,102,575	5,000	100.00	1,886,898	(154,809)	-	Subsidiary (Note 1)
Cayman Ton Yi Holdings Ltd.	Cayman Ton Yi (China) Holdings Ltd.	Cayman	General investment	7,063,300	7,063,300	230,000,000	100.00	12,066,203	978,751	-	Subsidiary (Note 1)

(Note 1) Not required to disclose income (loss) recognized by the Company.

(Note 2) Foreign currency was translated into New Taiwan Dollars using the following exchanges: Ending balances and carrying value were translated using the exchange rate as at December 31, 2022 (USD:NTD 1:30.71); Profit and loss were translated using the weighted-average exchange rate for the year ended December 31, 2022 (USD:NTD 1:29.848936).

Ton Yi Industrial Corp.

Information on investments in Mainland China - Basic information

For the year ended December 31, 2022

Table 7

Expressed in thousands of NTD

Investee company	Main business activities	Paid-in capital	Investment method	Accumulated amount of remittance from Taiwan to Mainland China as of January 1, 2022	Investment amount: Remitted to Mainland China	Investment amount: Remitted back to Taiwan	Accumulated amount of remittance from Taiwan as of December 31, 2022	Net income (loss) of the investee	Ownership held by the Company (direct or indirect)	Income (loss) recognized by the Company	Book value as of December 31, 2022	Accumulated remittance	Note
Wuxi Ton Yi Industrial Packing Co., Ltd.	Manufacturing and sale of PET packages and beverage filling OEM, sale of cans	$ 829,170	Note 1	$ 214,970	$ -	$ -	$ 214,970	($ 121,402)	100.00	($ 119,319)	$ 1,013,240	$ -	Note 7
Chengdu Ton Yi Industrial Packing Co., Ltd.	Sale of cans	230,325	Note 1	230,325	-	-	230,325	30,339	100.00	30,339	426,856	-	Note 7
Changsha Ton Yi Industrial Co., Ltd.	Sale of cans	214,970	Note 1	-	-	-	-	7,132	100.00	7,132	332,102	-	Note 7
Fujian Ton Yi Tinplate Co., Ltd.	Manufacturing and sale of tinplate	2,656,415	Note 2	1,638,286	-	-	1,638,286	(592,400)	86.80	(514,229)	2,187,797	-	Note 7
Jiangsu Ton Yi Tinplate Co., Ltd.	Sale of tinplate	1,228,400	Note 3	852,203	-	-	852,203	(59,413)	82.86	(49,229)	1,886,898	-	Note 7
Ton Yi (China) Investment Co., Ltd.	General investment	7,063,300	Note 4	921,300	-	-	921,300	1,024,797	100.00	1,024,797	12,066,203	820,032	Note 7
Zhangzhou Ton Yi Industrial Co., Ltd.	Manufacturing and sale of PET packages and beverage filling OEM	921,300	Note 5	921,300	-	-	921,300	193,960	100.00	193,960	1,869,371	-	Note 7
Taizhou Ton Yi Industrial Co., Ltd.	Manufacturing and sale of PET packages and beverage filling OEM	921,300	Note 5	921,300	-	-	921,300	284,000	100.00	284,000	1,669,657	-	Note 7
Chengdu Ton Yi Industrial Co., Ltd.	Manufacturing and sale of PET packages and beverage filling OEM	921,300	Note 5	353,165	-	-	353,165	91,533	100.00	91,533	1,223,434	-	Note 7
Huizhou Ton Yi Industrial Co., Ltd.	Manufacturing and sale of PET packages and beverage filling OEM	921,300	Note 5	184,260	-	-	184,260	135,642	100.00	135,642	1,270,031	-	Note 7
Kunshan Ton Yi Industrial Co., Ltd.	Manufacturing and sale of PET packages and beverage filling OEM	921,300	Note 5	-	-	-	-	25,460	100.00	25,460	1,079,758	-	Note 7
Beijing Ton Yi Industrial Co., Ltd.	Manufacturing and sale of PET packages and beverage filling OEM	921,300	Note 5	-	-	-	-	59,458	100.00	59,458	1,012,818	-	Note 7
Sichuan Ton Yi Industrial Co., Ltd.	Manufacturing and sale of PET packages and beverage filling OEM	921,300	Note 5	-	-	-	-	167,058	100.00	167,058	1,435,290	-	Note 7

Investee company	Main business activities	Paid-in capital	Investment method	Accumulated amount of remittance from Taiwan to Mainland China as of January 1, 2022	Investment amount: Remitted to Mainland China	Investment amount: Remitted back to Taiwan	Accumulated amount of remittance from Taiwan as of December 31, 2022	Net income (loss) of the investee	Ownership held by the Company (direct or indirect)	Income (loss) recognized by the Company	Book value as of December 31, 2022	Accumulated remittance	Note
Zhanjiang Ton Yi Industrial Co., Ltd.	Manufacturing and sale of PET packages and beverage filling OEM	$ 614,200	Note 5	$ -	$ -	$ -	$ -	$ 120,033	100.00	$ 120,033	$ 830,624	$ -	Note 7
Tianjin Ton Yi Industrial Co., Ltd.	Manufacturing and sale of PET packages and beverage filling OEM	614,200	Note 5	-	-	-	-	(59,911)	100.00	(59,911)	458,707	-	Note 7
Wuxi Ton Yi Daiwa Industrial Co., Ltd.	Manufacturing and sale of new bottle can	1,228,400	Note 6	-	-	-	-	(75,103)	66.50	(49,944)	623,777	-	Note 7

Company name	Accumulated amount of remittance from Taiwan to Mainland China as of December 31, 2022	Investment amount authorized by the Investment Commission of the Ministry of Economic Affairs (MOEA)	Ceiling on investments in Mainland China imposed by the Investment Commission of MOEA (Note 8)
Ton Yi Industrial Corp.	$ 6,237,109	$ 12,483,222	$ 13,292,071

(Note 1) Through investing in an existing company in the third area (Cayman Ton Yi Industrial Holdings Ltd.), which then invested in the investee in Mainland China.

(Note 2) Through investing in an existing company in the third area (Cayman Fujian Ton Yi Holdings Ltd.), which then invested in the investee in Mainland China.

(Note 3) Through investing in an existing company in the third area (Cayman Jiangsu Ton Yi Holdings Ltd.), which then invested in the investee in Mainland China.

(Note 4) Through investing in an existing company in the third area (Cayman Ton Yi (China) Holdings Limited), which then invested in the investee in Mainland China.

(Note 5) Through investing in an existing company in the Mainland China (Ton Yi (China) Investment Co., Ltd.), which then invested in the investee in Mainland China.

(Note 6) Through investing in an existing company in the Mainland China (Wuxi Ton Yi Industrial Packing Co., Ltd.), which then invested in the investee in Mainland China.

(Note 7) The Company recognized income (loss) based on audited financial statements.

(Note 8) The ceiling amount is 60% of consolidated net assets.

(Note 9) Foreign currencies were translated into New Taiwan Dollars using the following exchanges: Ending investment balances were translated using the exchange rate as at December 31, 2022 (CNY:NTD 1:4.451628, USD:NTD 1:30.71); Investment gains or losses were translated using the weighted-average exchange rate for the year ended December 31, 2022 (CNY:NTD 1:4.429843, USD:NTD 1:29.848936).

Ton Yi Industrial Corp.

Significant transactions, either directly or indirectly through a third area, with investee companies in the Mainland Area

For the year ended December 31, 2022

Table 8

Expressed in thousands of NTD

	Sales/(purchases)		Property transaction		Accounts receivable/ (payable)		Provision of endorsements/guarantees or collaterals	Financing					
Investee in Mainland China	Amount	%	Amount	%	Balance at December 31, 2022	%	Balance at December 31, 2022	Purpose	Maximum balance during the year ended December 31, 2022	Balance at December 31, 2022	Interest rate	Interest during the year ended December 31, 2022	Others
Fujian Ton Yi Tinplate Co., Ltd.	$ 4,454,395	19	$ -	-	$ 318,927	21	$ -	—	$ -	$ -	—	$ -	—

Ton Yi Industrial Corp.

Major shareholders information

December 31, 2022

Table 9

Express in shares

Name of major shareholders	Number of shares held	Ownership Percentage
Uni-President Enterprises Corp.	719,357,425	45.55%
Toyota Tsusho Corporation	88,549,987	5.60%

(Note) The major shareholders information was derived from the data that the Company issued common shares (including treasury shares) and preference shares in dematerialised form which were registered and held by the shareholders above 5% on the last operating date of each quarter and was calculated by Taiwan Depository & Clearing Corporation.

The share capital which was recorded in the financial statements may differ from the actual number of shares issued in dematerialised form because of a different calculation basis.

TON YI INDUSTRIAL CORP.
STATEMENT OF ACCOUNTS RECEIVABLE, NET
DECEMBER 31, 2022
(Expressed in thousands of New Taiwan dollars)

Client Name	Item	Amount
Duferco Steel LLC.	Accounts receivable	$ 359,173
Steel Trade Advisors S.L.	"	104,443
United Steel Global Trading Corporation	"	93,316
Metal One Corporation (Taiwan) Ltd.	"	65,487
Others (less than 5%)	"	323,777
		946,196
Less：Allowance for doubtful accounts		(9,243)
		$ 936,953

TON YI INDUSTRIAL CORP.
STATEMENT OF ACCOUNTS RECEIVABLE-RELATED PARTIES, NET
DECEMBER 31, 2022
(Expressed in thousands of New Taiwan dollars)

Client Name	Item	Amount	Note
Fujian Ton Yi Tinplate Co., Ltd.	Accounts receivable	$ 318,927	—
TTET Union Corp.	"	62,751	—
Tovecan Corp.	"	34,697	—
Others (less than 5%)	"	6,302	—
		$ 422,677	

TON YI INDUSTRIAL CORP.
STATEMENT OF INVENTORIES
DECEMBER 31, 2022
(Expressed in thousands of New Taiwan dollars)

Item	Description	Amount		Note
		Cost	Net Realizable Value	
Merchandise	—	$ 5,979	$ 6,453	(Note)
Raw materials	—	963,425	1,022,263	"
Raw materials in transit	—	21,184	26,082	"
Supplies	—	206,193	200,224	"
Work in progress	—	638,437	712,645	"
Finished goods	—	1,006,378	1,130,415	"
		2,841,596	$ 3,098,082	
Less：Allowance for price decline of inventories		(50,000)		
		$ 2,791,596		

Note: Please refer to Note 4(7) for the method to determine the net realizable value.

TON YI INDUSTRIAL CORP.
STATEMENT OF CHANGES IN INVESTMENTS ACCOUNTED FOR USING EQUITY METHOD
FOR THE YEAR ENDED DECEMBER 31, 2022
(Expressed in thousands of New Taiwan dollars)

	Beginning Balance		Additions		Decrease		Ending Balance			Market Value or Net Assets Value			
Company Name	Number of shares (in thousands)	Amount	Number of shares (in thousands)	Amount	Number of shares (in thousands)	Amount	Number of shares (in thousands)	Percentage of Ownership(%)	Amount	Unit Price (NT$)	Total Amount	Collateral	Note
Cayman Ton Yi Industrial Holdings Ltd.	43,471	$ 17,828,541	-	$ 457,330	-	($ 400,737)	43,471	100%	$ 17,885,134	$ 412	$ 17,913,144	None	—
Tovecan Corp.	-	50,174	-	6,930	-	-	-	51%	57,104	-	66,081	None	—
	43,471	$ 17,878,715	-	$ 464,260	-	($ 400,737)	43,471		$ 17,942,238		$ 17,979,225		

TON YI INDUSTRIAL CORP.
STATEMENT OF CHANGES IN PROPERTY, PLANT AND EQUIPMENT-COST
FOR THE YEAR ENDED DECEMBER 31, 2022
(Expressed in thousands of New Taiwan dollars)

Please refer to Note 6(6) for the information related to property, plant and equipment.

TON YI INDUSTRIAL CORP.
STATEMENT OF CHANGES IN PROPERTY, PLANT AND EQUIPMENT-ACCUMULATED DEPRECIATION
FOR THE YEAR ENDED DECEMBER 31, 2022
(Expressed in thousands of New Taiwan dollars)

Please refer to Note 6(6) for the information related to property, plant and equipment, and Note 4(12) for the method to determine depreciation and useful lives of assets.

TON YI INDUSTRIAL CORP.
STATEMENT OF CHANGES IN RIGHT-OF-USE ASSETS-COST
FOR THE YEAR ENDED DECEMBER 31, 2022
(Expressed in thousands of New Taiwan dollars)

	Land	Other equipment	Total
Balance at January 1, 2022	$ 419,856	$ 4,125	$ 423,981
Additions	8,528	-	8,528
Decrease	-	(4,125)	(4,125)
Balance at December 31, 2022	$ 428,384	$ -	$ 428,384

TON YI INDUSTRIAL CORP.
STATEMENT OF CHANGES IN RIGHT-OF-USE ASSETS-ACCUMULATED DEPRECIATION
FOR THE YEAR ENDED DECEMBER 31, 2022
(Expressed in thousands of New Taiwan dollars)

	Land	Other equipment	Total
Balance at January 1, 2022	$ 55,410	$ 3,657	$ 59,067
Additions	18,811	468	19,279
Decrease	-	(4,125)	(4,125)
Balance at December 31, 2022	$ 74,221	$ -	$ 74,221

TON YI INDUSTRIAL CORP.
STATEMENT OF SHORT-TERM BORROWINGS
DECEMBER 31, 2022
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

Type	Description	Balance, End of Year	Period of Contract	Range of Interest Rate	Loan Commitments	Collateral	Note
Unsecured loan	Bank of Taiwan	$ 650,000	2022.11.10～2023.5.23	(Note)	$ 950,000	None	—
Unsecured loan	The Export-Import Bank of the Republic of China	500,000	2022.7.14～2023.11.24	"	500,000	"	—
Unsecured loan	DBS Bank	300,000	2022.12.6～2023.2.6	"	USD 10,000 in thousands	"	—
Unsecured loan	Bank of China	250,000	2022.12.6～2023.2.6	"	300,000	"	—
Unsecured loan	MUFG Bank, Ltd.	200,000	2022.12.9～2023.1.9	"	500,000	"	—
Unsecured loan	E.Sun Commercial Bank, Ltd.	143,855	2022.11.15～2023.3.16	"	300,000	"	—
Unsecured loan	Bangkok Bank Public Company Ltd.	123,881	2022.11.15～2023.3.16	"	USD 20,000 in thousands	"	—
Unsecured loan	HSBC Bank, Ltd.	100,000	2022.12.22～2023.4.21	"	USD 20,000 in thousands	"	—
Unsecured loan	Land Bank of Taiwan	93,332	2022.10.25～2023.3.19	"	400,000	"	—
Unsecured loan	First Commercial Bank	33,918	2022.10.21～2023.3.14	"	800,000	"	—
Unsecured loan	Bank of Panhsin	20,243	2022.12.8～2023.3.30	"	200,000	"	—
Unsecured loan	Mega International Commercial Bank	14,660	2022.10.28～2023.2.10	"	950,000	"	—
		$ 2,429,889					

Note：Range of interest rate is 1.36%～6.03%。

TON YI INDUSTRIAL CORP.
STATEMENT OF OTHER PAYABLES
DECEMBER 31, 2022
(Expressed in thousands of New Taiwan dollars)

Item	Desciption	Amount
Payroll and bonus payable		$ 280,509
Employees' compensation and directors' remuneration payable		179,994
Freight payable		57,342
Utilities payable		51,807
Others (less than 5%)		213,219
		$ 782,871

TON YI INDUSTRIAL CORP.
STATEMENT OF CURRENT INCOME TAX LIABILITIES
DECEMBER 31, 2022
(Expressed in thousands of New Taiwan dollars)

Please refer to Note 6(25) for the information related to income tax.

TON YI INDUSTRIAL CORP.
STATEMENT OF LONG-TERM BORROWINGS
DECEMBER 31, 2022
(Expressed in thousands of New Taiwan dollars)

Creditor	Description	Amount	Period of Contract	Rate	Collateral	Note
Bangkok Bank Public Company Ltd.	Unsecured loan	$ 800,000	2021.7.28～2025.11.22	(Note)	None	Payable upon maturity.
E.Sun Commercial Bank, Ltd.	Unsecured loan	800,000	2021.6.15～2025.2.15	"	"	"
Bank of Taiwan	Unsecured loan	750,000	2021.6.3～2024.6.3	"	"	"
Yuanta Commercial Bank Co., Ltd.	Unsecured loan	650,000	2022.8.16～2025.8.15	"	"	The amount revolves in credit facility until the expiry date, and payable upon maturity.
Mizuho Bank Ltd.	Unsecured loan	500,000	2022.6.30～2024.6.30	"	"	"
CTBC Bank Co., Ltd.	Unsecured loan	300,000	2022.12.7～2025.12.5	"	"	Payable upon maturity.
		$ 3,800,000				

Note：Range of Interest rate is 1.38%～1.69%。

TON YI INDUSTRIAL CORP.
STATEMENT OF LEASE LIABILITIES, NON-CURRENT
DECEMBER 31, 2022
(Expressed in thousands of New Taiwan dollars)

Item	Period of lease	Discount rate	Amount	Note
Land	2019.1～2050.3	1.95%	$ 308,128	—
Less：Current portion			(10,141)	
			$ 297,987	

TON YI INDUSTRIAL CORP.
STATEMENT OF OPERATING REVENUE
FOR THE YEAR ENDED DECEMBER 31, 2022
(Expressed in thousands of New Taiwan dollars)

Item	Quantity	Amount	Note
TMBP & SPCC	344,528 tons	$ 11,880,149	—
Tinplate	225,118 tons	10,628,485	—
Tin-Can	108,927 bottles in thousands		
	6,218 angled can in thousands	807,899	—
Other		140,264	—
		23,456,797	
Less：Sales return		(3,258)	—
Sales discounts and allowance		(52,241)	—
Operating revenue, net		$ 23,401,298	

TON YI INDUSTRIAL CORP.
STATEMENT OF OPERATING COSTS
FOR THE YEAR ENDED DECEMBER 31, 2022
(Expressed in thousands of New Taiwan dollars)

Item	Amount
Merchandise beginning of year	$ 5,515
Add: Merchandise purchased	34,531
Merchandise end of year	(5,979)
Merchandise sold in this period	34,067
Raw materials beginning of year	1,560,217
Add: Raw materials purchased	14,009,881
Finished goods transfer in	7,386,764
Less: Transfer to manufacturing or operating expenses	(2,950)
Raw materials (including raw materials in transit) end of year	(984,609)
Raw materials used in this period	21,969,303
Supplies beginning of year	200,873
Add: Supplies purchased	1,031,163
Less: Sales of supplies	(1,566)
Supplies end of year	(206,193)
Supplies used in this period	1,024,277
Direct labor	462,917
Manufacturing overhead	2,500,777
Manufacturing cost	25,957,274
Work in process beginning of year	754,703
Less: Transfer to manufacturing or operating expenses	(21,654)
Work in process end of year	(638,437)
Cost of finished goods	26,051,886
Finished goods beginning of year	1,377,780
Add: Finished goods purchased	8,442
Less: Finished goods transfer out	(7,386,764)
Transfer to manufacturing or operating expenses	(13,525)
Finished goods end of year	(1,006,378)
Cost of production and marketing	19,031,441
Cost of supplies sold	1,566
Cost of inventories sold	19,067,074
Provision for inventory market price decline	18,000
Revenue from sale of scraps	(350,345)
Revenue from indemnities	(10,817)
Operating cost	$ 18,723,912

TON YI INDUSTRIAL CORP.
STATEMENT OF MANUFACTURING OVERHEAD
FOR THE YEAR ENDED DECEMBER 31, 2022
(Expressed in thousands of New Taiwan dollars)

Item	Description	Amount	Note
Wages and salaries	—	$ 126,999	—
Repairs and maintenance expense	—	254,305	—
Utilities expense	—	431,230	—
Depreciation	—	989,641	—
Packing costs	—	270,844	—
Heating expenses	—	207,112	—
Others (less than 5%)	—	220,646	—
		$ 2,500,777	

TON YI INDUSTRIAL CORP.
STATEMENT OF SELLING EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2022
(Expressed in thousands of New Taiwan dollars)

Item	Description	Amount	Note
Freight	—	$ 1,300,340	—
Others (less than 5%)	—	120,764	—
		$ 1,421,104	

TON YI INDUSTRIAL CORP.
STATEMENT OF ADMINISTRATIVE EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2022
(Expressed in thousands of New Taiwan dollars)

Item	Description	Amount	Note
Wages and salaries	—	$ 442,544	—
Directors' remuneration	—	48,181	—
Others (less than 5%)	—	115,853	—
		$ 606,578	

TON YI INDUSTRIAL CORP.
STATEMENT OF OTHER GAINS AND LOSSES
FOR THE YEAR ENDED DECEMBER 31, 2022
(Expressed in thousands of New Taiwan dollars)

Please refer to Note 6(21) for the information related to other gains and losses.

TON YI INDUSTRIAL CORP.
STATEMENT OF SUMMARY OF EMPLOYEE BENEFITS, DEPRECIAION AND AMORTIZATION EXPENSES IN THE CURRENT PERIOD
FOR THE YEAR ENDED DECEMBER 31, 2022
(Expressed in thousands of New Taiwan dollars)

Please refer to Note 6(23) for the additional information related to expense by nature and Note 6(24) for the information related to employee benefits expense.