

**Standard Foods Corporation and
Subsidiaries**

**Consolidated Financial Statements and Independent
Auditors' Report
For the Three Months Ended March 31, 2024 and 2023**

INDEPENDENT AUDITORS' REVIEW REPORT

The Board of Directors and Shareholders
Standard Foods Corporation

Introduction

We have reviewed the accompanying consolidated balance sheets of Standard Foods Corporation and its subsidiaries (collectively, the “Group”) as of March 31, 2024 and 2023 and the related consolidated statements of comprehensive income, the consolidated statements of changes in equity and cash flows for the three months then ended, and the related notes to the consolidated financial statements, including material accounting policy information (collectively referred to as 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 International Accounting Standard 34 “Interim Financial Reporting” endorsed and issues into effect by the Financial Supervisory Commission of the Republic of China. Our responsibility is to express a conclusion on the consolidated financial statements based on our reviews.

Scope of Review

Except as explained in the following paragraph, we conducted our reviews in accordance with the Standards on Review Engagements of the Republic of China 2410 “Review of Interim Financial Information Performed by the Independent Auditor of the Entity”. A review of consolidated financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Basis for Qualified Conclusion

As disclosed in Note 14 to the consolidated financial statements, the financial statements of non-significant subsidiaries included in the consolidated financial statements referred to in the first paragraph were not reviewed. As of March 31, 2024 and 2023, combined total assets of these non-significant subsidiaries were NT\$7,981,610 thousand and NT\$7,433,409 thousand, respectively, representing 31% and 29%, respectively, of the consolidated total assets, and combined total liabilities of these subsidiaries were NT\$1,612,478 thousand and NT\$1,870,970 thousand, respectively, representing 21% and 25%, respectively, of the consolidated total liabilities; for the three months ended March 31, 2024 and 2023, the amounts of combined comprehensive income of these subsidiaries were NT\$29,152 and NT\$(14,873) thousand, respectively, representing 4% and (4) %, respectively, of the consolidated total comprehensive income. As disclosed in Note 36 to the consolidated financial statements, the information on these subsidiaries were not reviewed.

Qualified Conclusion

Based on our reviews, except for the adjustments, if any, as might have been determined to be necessary had the financial statements of the non-significant subsidiaries as described in the preceding paragraph been reviewed, nothing has come to our attention that caused us to believe that the accompanying consolidated financial statements do not present fairly, in all material respects, the financial position of the Group as of March 31, 2024 and 2023, and of its consolidated financial performance and its consolidated cash flows for the three months ended March 31, 2024 and 2023 in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and International Accounting Standard 34 “Interim Financial Reporting” endorsed and issues into effect by the Financial Supervisory Commission of the Republic of China.

The engagement partners on the reviews resulting in this independent auditors’ review report are Han-Ni Fang and Zhao-Yu Chen.

Deloitte & Touche
Taipei, Taiwan
Republic of China

May 9, 2024

STANDARD FOODS CORPORATION AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS

March 31, 2024, December 31 and March 31, 2023

(In Thousands of New Taiwan Dollars)

ASSETS	March 31, 2024		December 31, 2023		March 31, 2023	
	Amount	%	Amount	%	Amount	%
CURRENT ASSETS						
Cash and cash equivalents (Note 6)	\$ 3,399,565	13	\$ 2,938,886	12	\$ 2,528,393	10
Financial assets at fair value through profit or loss - current (Note 7)	1,270,499	5	1,160,504	5	1,667,656	7
Financial assets at fair value through other comprehensive income - current (Note 8)	212,868	1	198,617	1	210,366	1
Financial assets at amortized cost - current (Note 9)	2,239,659	9	1,203,147	5	1,465,668	6
Notes receivable (Notes 10 and 25)	5,215	-	14,829	-	4,403	-
Trade receivables (Notes 10 and 25)	3,732,723	14	4,492,265	17	3,623,529	14
Trade receivables from related parties (Notes 25 and 32)	57	-	43	-	-	-
Finance lease receivables - current (Note 11)	1,098	-	1,047	-	612	-
Other receivables (Note 10)	438,394	2	367,445	1	388,476	2
Current tax assets	537	-	299	-	2,445	-
Inventories (Note 12)	4,722,488	18	5,663,353	22	5,755,147	22
Prepayments (Note 13)	1,543,577	6	1,044,120	4	1,310,093	5
Other current assets (Notes 19 and 33)	107,113	-	107,394	-	125,195	-
Total current assets	17,673,793	68	17,191,949	67	17,081,983	67
NON-CURRENT ASSETS						
Financial assets at fair value through profit or loss - non-current (Note 7)	12,887	-	16,731	-	10,888	-
Financial assets at fair value through other comprehensive income - non-current (Note 8)	450,080	2	180,328	1	381,486	2
Financial assets at amortized cost - non-current (Note 9)	1,689,704	6	1,971,770	7	1,861,104	7
Property, plant and equipment (Notes 15 and 33)	4,163,003	16	4,135,856	16	4,224,225	16
Right-of-use assets (Note 16)	531,076	2	524,683	2	570,877	2
Investment properties (Notes 17 and 33)	728,084	3	712,637	3	755,925	3
Goodwill	558	-	558	-	558	-
Other intangible assets (Note 18)	173,244	1	170,289	1	111,744	-
Deferred tax assets	367,764	1	427,702	2	425,681	2
Finance lease receivables - non-current (Note 11)	3,607	-	3,883	-	4,705	-
Net defined benefit assets - non-current	632	-	632	-	619	-
Other non-current assets (Note 19)	356,919	1	388,593	1	224,532	1
Total non-current assets	8,477,558	32	8,533,662	33	8,572,344	33
TOTAL ASSETS	\$ 26,151,351	100	\$ 25,725,611	100	\$ 25,654,327	100
LIABILITIES AND EQUITY						
CURRENT LIABILITIES						
Short-term borrowings (Notes 20 and 33)	\$ 1,747,472	7	\$ 1,421,038	6	\$ 1,757,633	7
Short-term bills payable (Note 20)	19,987	-	49,993	-	49,917	-
Contract liabilities - current (Note 25)	215,573	1	295,312	1	210,713	1
Notes payable (Note 21)	375,871	1	519,183	2	76,796	-
Trade payables (Note 21)	1,304,803	5	1,535,268	6	1,187,026	5
Trade payables to related parties (Note 32)	11,017	-	9,889	-	14,106	-
Other payables (Note 22)	3,274,633	13	3,464,198	13	3,159,877	12
Current tax liabilities	225,235	1	107,241	-	344,132	1
Lease liabilities - current (Note 16)	65,903	-	69,502	-	93,113	-
Other current liabilities (Note 22)	124,121	-	157,687	1	128,409	1
Total current liabilities	7,364,615	28	7,629,311	29	7,021,722	27
NON-CURRENT LIABILITIES						
Deferred tax liabilities	66,590	-	62,223	-	104,843	-
Lease liabilities - non-current (Note 16)	117,723	1	120,685	1	137,294	1
Net defined benefit liabilities - non-current	176,136	1	230,996	1	169,209	1
Other non-current liabilities (Note 22)	21,619	-	21,249	-	19,578	-
Total non-current liabilities	382,068	2	435,153	2	430,924	2
Total liabilities	7,746,683	30	8,064,464	31	7,452,646	29
EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY (Note 24)						
Ordinary Shares	9,150,897	35	9,150,897	36	9,150,897	36
Capital surplus	165,585	1	165,585	1	156,981	1
Retained earnings						
Legal reserve	3,978,059	15	3,978,059	16	3,852,023	15
Special reserve	577,494	2	577,494	2	577,494	2
Unappropriated Earnings	4,397,624	17	3,920,727	15	4,308,600	17
Total retained earnings	8,953,177	34	8,476,280	33	8,738,117	34
Other equity	(150,312)	(1)	(392,623)	(2)	(150,842)	(1)
Treasury shares	(21,182)	-	(21,182)	-	(21,182)	-
Total equity attributable to owners of the Company	18,098,165	69	17,378,957	68	17,873,971	70
NON-CONTROLLING INTERESTS (Note 24)	306,503	1	282,190	1	327,710	1
Total equity	18,404,668	70	17,661,147	69	18,201,681	71
TOTAL LIABILITIES AND EQUITY	\$ 26,151,351	100	\$ 25,725,611	100	\$ 25,654,327	100

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

STANDARD FOODS CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE THREE MONTHS ENDED MARCH 31, 2024 AND 2023 (REVIEWED, NOT AUDITED) (IN THOUSANDS OF NEW TAIWAN DOLLARS, EXCEPT EARNINGS PER SHARE)

	For the Three Months Ended March 31, 2024		For the Three Months Ended March 31, 2023	
	Amount	%	Amount	%
OPERATING REVENUE				
Sales (Notes 25 and 32)	\$ 6,795,849	100	\$ 5,880,499	100
OPERATING COSTS				
Cost of goods sold (Notes 12, 26, and 32)	<u>5,141,782</u>	<u>76</u>	<u>4,537,064</u>	<u>77</u>
GROSS PROFIT	<u>1,654,067</u>	<u>24</u>	<u>1,343,435</u>	<u>23</u>
OPERATING EXPENSES (Note 26)				
Selling and marketing expenses	842,580	12	761,975	13
General and administrative expenses	289,180	4	252,355	4
Research and development expenses	47,019	1	38,685	1
Expected credit losses (or reversal)	<u>3,487</u>	<u>-</u>	<u>1,361</u>	<u>-</u>
Total operating expenses	<u>1,182,266</u>	<u>17</u>	<u>1,054,376</u>	<u>18</u>
OPERATING INCOME	<u>471,801</u>	<u>7</u>	<u>289,059</u>	<u>5</u>
NON-OPERATING INCOME AND EXPENSES (Note 26)				
Interest income	40,316	-	38,858	1
Other income	11,697	-	6,323	-
Other gains and losses	117,008	2	15,553	-
Financial cost	(<u>11,508</u>)	<u>-</u>	(<u>15,515</u>)	<u>-</u>
Total non-operating income and expenses	<u>157,513</u>	<u>2</u>	<u>45,219</u>	<u>1</u>
PROFIT BEFORE INCOME TAX	629,314	9	334,278	6
INCOME TAX EXPENSE (Note 27)	<u>129,618</u>	<u>2</u>	<u>68,035</u>	<u>1</u>
NET PROFIT FOR THE PERIOD	<u>499,696</u>	<u>7</u>	<u>266,243</u>	<u>5</u>

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	For the Three Months Ended March 31, 2024		For the Three Months Ended March 31, 2023	
	Amount	%	Amount	%
OTHER COMPREHENSIVE INCOME (LOSS)				
Items that will not be reclassified subsequently to profit or loss:				
Unrealized gain (loss) on investments in equity instruments at fair value through other comprehensive income	(\$ 5,802)	-	\$ 48,269	1
Income tax relating to items that will not be reclassified subsequently to profit or loss (Note 27)	<u>-</u> (<u>5,802</u>)	<u>-</u> <u>-</u>	(<u>6</u>) <u>48,263</u>	<u>-</u> <u>1</u>
Items that may be reclassified subsequently to profit or loss:				
Exchange differences on translating the financial statements of foreign operations	311,655	5	41,743	1
Income tax relating to the items that may be reclassified subsequently to profit or loss (Note 27)	(<u>62,028</u>) <u>249,627</u>	(<u>1</u>) <u>4</u>	(<u>8,308</u>) <u>33,435</u>	<u>-</u> <u>1</u>
Other comprehensive loss for the period, net of income tax	<u>243,825</u>	<u>4</u>	<u>81,698</u>	<u>2</u>
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	<u>\$ 743,521</u>	<u>11</u>	<u>\$ 347,941</u>	<u>7</u>
NET PROFIT ATTRIBUTABLE TO:				
Owners of the Company	\$ 476,897	7	\$ 262,945	5
Non-controlling Interests	<u>22,799</u>	<u>-</u>	<u>3,298</u>	<u>-</u>
	<u>\$ 499,696</u>	<u>7</u>	<u>\$ 266,243</u>	<u>5</u>
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:				
Owners of the Company	\$ 719,208	11	\$ 362,631	7
Non-controlling Interests	<u>24,313</u>	<u>-</u>	(<u>14,690</u>)	<u>-</u>
	<u>\$ 743,521</u>	<u>11</u>	<u>\$ 347,941</u>	<u>7</u>
EARNINGS PER SHARE (Note 28)				
Basic	<u>\$ 0.52</u>		<u>\$ 0.29</u>	
Diluted	<u>\$ 0.52</u>		<u>\$ 0.29</u>	

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

STANDARD FOODS CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY For The Three Months Ended March 31, 2024 And 2023 (Reviewed, not Audited) (In Thousands of New Taiwan Dollars)

	Equity Attributable to Owners of the Company												
							Other Equity Items						
	Retained earnings						Exchange differences on translating the financial statements of foreign operations	Unrealized gain (loss) on financial assets at FVTOCI	Total	Treasury shares	Total	Non-controlling Interests	Total equity
	Ordinary Shares	Capital surplus	Legal reserve	Special reserve	Unappropriated Earnings	Total							
Balance as of January 1, 2023	\$ 9,150,897	\$ 156,981	\$ 3,852,023	\$ 577,494	\$ 4,045,655	\$ 8,475,172	(\$ 489,177)	\$ 238,649	(\$ 250,528)	(\$ 21,182)	\$ 17,511,340	\$ 342,400	\$ 17,853,740
Net profit for the three months ended March 31, 2023	-	-	-	-	262,945	262,945	-	-	-	-	262,945	3,298	266,243
Other comprehensive income for the three months ended March 31, 2023	-	-	-	-	-	-	33,231	66,455	99,686	-	99,686	(17,988)	81,698
Total comprehensive income for the three months ended March 31, 2023	-	-	-	-	262,945	262,945	33,231	66,455	99,686	-	362,631	(14,690)	347,941
Balance as of March 31, 2023	<u>\$ 9,150,897</u>	<u>\$ 156,981</u>	<u>\$ 3,852,023</u>	<u>\$ 577,494</u>	<u>\$ 4,308,600</u>	<u>\$ 8,738,117</u>	<u>(\$ 455,946)</u>	<u>\$ 305,104</u>	<u>(\$ 150,842)</u>	<u>(\$ 21,182)</u>	<u>\$ 17,873,971</u>	<u>\$ 327,710</u>	<u>\$ 18,201,681</u>
Balance as of January 1, 2024	\$ 9,150,897	\$ 165,585	\$ 3,978,059	\$ 577,494	\$ 3,920,727	\$ 8,476,280	(\$ 576,053)	\$ 183,430	(\$ 392,623)	(\$ 21,182)	\$ 17,378,957	\$ 282,190	\$ 17,661,147
Net profit for the three months ended March, 2024	-	-	-	-	476,897	476,897	-	-	-	-	476,897	22,799	499,696
Other comprehensive income for the three months ended March, 2024	-	-	-	-	-	-	248,113	(5,802)	242,311	-	242,311	1,514	243,825
Total comprehensive income for the three months ended March, 2024	-	-	-	-	476,897	476,897	248,113	(5,802)	242,311	-	719,208	24,313	743,521
Balance as of March 31, 2024	<u>\$ 9,150,897</u>	<u>\$ 165,585</u>	<u>\$ 3,978,059</u>	<u>\$ 577,494</u>	<u>\$ 4,397,624</u>	<u>\$ 8,953,177</u>	<u>(\$ 327,940)</u>	<u>\$ 177,628</u>	<u>(\$ 150,312)</u>	<u>(\$ 21,182)</u>	<u>\$ 18,098,165</u>	<u>\$ 306,503</u>	<u>\$ 18,404,668</u>

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

STANDARD FOODS CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS For The Three Months Ended March 31, 2024 And 2023 (Reviewed, not Audited) (In Thousands of New Taiwan Dollars)

	(In Thousands of New Taiwan Dollars)	
	For the Three Months Ended March 31, 2024	For The Three Months Ended March 31, 2023
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax	\$ 629,314	\$ 334,278
Adjustments for:		
Depreciation expenses	144,007	145,603
Amortization expenses	18,368	18,492
Expected credit losses (or reversal)	3,487	1,361
Net Gain from financial assets at FVTPL	(34,127)	(13,954)
Financial cost	11,508	15,515
Interest income	(40,316)	(38,858)
Dividend income	(357)	(294)
Net gain (loss) from disposal of property, plant and equipment	(1,449)	551
Inventory devaluation and obsolescence loss	-	1,126
Gains on reversal of inventory devaluation and obsolescence	(12,730)	-
Net changes in operating assets and liabilities		
Financial assets mandatorily classified as at FVTPL	(71,919)	(368,508)
Notes receivable	9,957	4,882
Trade receivables	808,720	1,356,216
Trade receivables from related parties	(14)	4,737
Other receivables	(50,207)	(57,582)
Inventory	1,044,597	(86,426)
Prepayments	(461,467)	(46,806)
Other current assets	1,918	(15,394)
Contract liabilities	(89,025)	(271,744)
Notes payable	(159,858)	(471,600)
Trade payables	(239,980)	(220,022)
Trade payables to related parties	1,128	(5,527)
Other payables	(253,819)	(588,099)
Other current liabilities	(36,283)	(2,386)
Net defined benefit liabilities	(54,552)	(11,457)
Cash generated from operations	1,166,901	(315,896)
Interest received	24,646	15,453
Interest paid	(11,339)	(16,275)
Income tax paid	(7,407)	(2,710)
Net cash inflow (outflow) from operating activities	<u>1,172,801</u>	<u>(319,428)</u>

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	For the Three Months Ended March 31, 2024	For The Three Months Ended March 31, 2023
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of financial assets at FVTOCI	(\$ 289,750)	\$ -
Purchase of financial assets at amortized cost	(1,151,545)	(866,150)
Disposal of financial assets at amortized cost	496,332	417,720
Acquisition of property, plant and equipment	(76,518)	(43,980)
Proceeds from disposal of property, plant and equipment	12,252	111
Payments for intangible assets	(8,359)	(6,969)
Acquisition of right-of-use assets	-	(6,413)
Decrease in finance lease receivables	225	129
Decrease in other financial assets	51,558	138,434
Increase in other non-current assets	(20,017)	-
Decrease in other non-current assets	-	2,602
Dividends received	357	294
Net cash used in investing activities	(<u>985,465</u>)	(<u>364,222</u>)
CASH FLOWS FROM FINANCING ACTIVITIES		
Increase in short-term borrowings	268,239	-
Decrease in short-term borrowings	-	(1,188,261)
Increase in short-term notes and bills payable	-	49,917
Decrease in short-term bills payable	(30,006)	-
Repayment of lease principal	(26,519)	(17,404)
Decrease in other financial liabilities	(<u>358</u>)	(<u>2,755</u>)
Net cash inflow (outflow) from financing activities	<u>211,356</u>	(<u>1,158,503</u>)
EFFECTS OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH HELD IN FOREIGN CURRENCIES	<u>61,987</u>	<u>22,291</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	460,679	(1,819,862)
CASH AND CASH EQUIVALENTS, BEGINNING OF THE PERIOD	<u>2,938,886</u>	<u>4,348,255</u>
CASH AND CASH EQUIVALENTS, END OF THE PERIOD	<u>\$ 3,399,565</u>	<u>\$ 2,528,393</u>

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

STANDARD FOODS CORPORATION AND SUBSIDIARIES

Notes to Consolidated Financial Statements

For the Three Months Ended March 31, 2024 and 2023

(Reviewed, not Audited)

(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

1. GENERAL INFORMATION

Standard Foods Corporation (the "Company") was incorporated on June 6, 1986. The Company mainly manufactures and sells nutritious foods, edible oils, dairy products and beverages.

The Company's shares have been listed on the Taiwan Stock Exchange since April 1994.

The consolidated financial statements of the Company and its subsidiaries, collectively referred to as the "Group," are presented in the Company's functional currency, the New Taiwan dollar.

2. DATE AND PROCEDURES FOR APPROVAL OF FINANCIAL STATEMENTS

The consolidated financial statements were approved by the Board of Directors on May 9, 2024.

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

- a. The first-time application of the International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) (hereinafter referred to as "IFRSs") endorsed and issued into effect by the Financial Supervisory Commission (FSC).

The application of the IFRSs recognized and issued into effect by the FSC should not result in major changes in the accounting policies of the consolidated company (the "Group").

- b. IFRSs that have been issued by the IASB but have not yet been endorsed and issued into effect by the FSC

<u>New/Amended/Revised Standards and Interpretations</u>	<u>Effective Date Announced by IASB (Note 1)</u>
Amendments to IFRS 10 and IAS 28 "Sale or Contribution of Assets between an Investor and its Associate or Joint Venture"	To be determined
IFRS 17 "Insurance Contracts"	January 1, 2023
Amendments to IFRS 17	January 1, 2023
Amendments to IFRS 17 "Initial Application of IFRS 17 and IFRS 9 - Comparative Information"	January 1, 2023
IFRS 18 "Presentation and Disclosures in Financial Statements"	Friday, January 1, 2027
Amendments to IAS 21 "Lack of exchangeability"	Wednesday, January 1, 2025 (Note 2)

Note 1: Unless stated otherwise, the above New/Amended/Revised Standards and Interpretations are effective for annual reporting periods beginning on or after their respective effective dates.

Note 2: The amendments shall apply to annual reporting periods beginning on or after January 1, 2025. When the amendments are applied for the first time, the period of comparison shall not be restated, but the effects shall be recognized in the retained earnings on the date of initial application or the exchange differences of foreign operations under equity (as appropriate) and related affected assets and liabilities.

As of the date of authorization of the Consolidated Financial Statements, the Group has continued to assess the effects of amendments to the other standards and interpretations on its financial conditions and performance. Related impacts will be disclosed upon completion of the assessment.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

- a. Statement of compliance

The consolidated financial report was formulated in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and IAS 34

"Interim Financial Reporting" recognized and announced to enter into effect by FSC. The consolidated financial statements do not include all IFRSs disclosure information required by the annual financial report.

b. Basis of preparation

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

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

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

c. Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and the entities controlled by the Company (i.e., its subsidiaries). Income and expenses of subsidiaries acquired or disposed of during the period are included in the consolidated statements of comprehensive income from the effective dates of acquisitions up to the effective dates of disposals, as appropriate. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by the Group. All intra-group transactions, balances, income and expenses are eliminated in full upon consolidation. Total

comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Refer to Note 14 and Tables 7 and 8 for detailed information on subsidiaries (including the percentages of ownership and main businesses).

d. Other Significant Accounting Policies

Except for the following, please refer to the summary of material accounting policies in the 2023 consolidated financial statements.

1) Classification of current and non-current assets and liabilities

Current assets include:

- (1) Assets held mainly for the purpose of trading;
- (2) Assets expected to be realized within 12 months after the balance sheet date;
and
- (3) Cash and cash equivalents (excluding those restricted from being exchanged or used to settle a liability for at least 12 months after the balance sheet date).

Current liabilities include:

- (1) Liabilities held mainly for the purpose of trading;
- (2) Liabilities due to be settled within 12 months after the balance sheet date (even if a long-term refinancing or payment rearrangement agreement is completed after the balance sheet date and before the financial statements are approved for publication, they are also classified as current liabilities); and

- (3) Liabilities for which there is no substantive right to defer the settlement period to at least 12 months after the balance sheet date.

Assets or current liabilities that are not classified as above are classified as non-current assets or non-current liabilities.

2) Defined post-employment benefits

The pension cost for the interim period is calculated based on the actuarial cost ratio determined by the actuarial calculation at the end of the previous year. Calculation term is from the beginning of the period to the end of the period, and adjustments are made for major market fluctuations in the current period, major amendments to plans, settlement, or other significant one-time matters.

3) Income tax

Income tax expenses are the sum of current income tax and deferred income tax. The interim income tax is evaluated on an annual basis and the interim profit before tax is applied with the tax rate applicable to the expected total annual earnings for calculations.

5. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

The key sources of major accounting judgments and uncertainty of estimation and assumptions adopted in these consolidated financial statements are the same as those in the consolidated financial statements for the year ended December 31, 2023.

6. CASH AND CASH EQUIVALENTS

	March 31, 2024	December 31, 2023	March 31, 2023
Cash on hand	\$ 1,435	\$ 1,542	\$ 1,606
Checking accounts and demand deposits	3,057,626	2,174,213	1,532,344
Cash equivalents (investments with original maturities of less than 3 months)			
Time deposits	340,504	763,131	994,443
	<u>\$ 3,399,565</u>	<u>\$ 2,938,886</u>	<u>\$ 2,528,393</u>

The ranges of annual interest rate of cash in the bank at the end of the reporting period were as follows:

	<u>March 31, 2024</u>	<u>December 31, 2023</u>	<u>March 31, 2023</u>
Bank deposits	0.001%-5.500%	0.001%-5.580%	0.001%-5.150%

7. FINANCIAL INSTRUMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS

	<u>March 31, 2024</u>	<u>December 31, 2023</u>	<u>March 31, 2023</u>
<u>Financial assets at FVTPL -</u>			
<u>current</u>			
Mandatorily classified as at FVTPL			
Non-derivative financial assets			
- Listed shares	\$ 46,645	\$ 37,600	\$ 31,786
- Fund beneficiary certificates	1,142,757	1,043,024	1,606,836
- Bonds	81,097	79,880	29,034
	<u>\$ 1,270,499</u>	<u>\$ 1,160,504</u>	<u>\$ 1,667,656</u>
<u>Financial assets at FVTPL -</u>			
<u>non-current</u>			
Mandatorily classified as at FVTPL			
Non-derivative financial assets			
- Listed shares	\$ 10,879	\$ 14,703	\$ 8,840
- Unlisted shares	2,008	2,028	2,048
	<u>\$ 12,887</u>	<u>\$ 16,731</u>	<u>\$ 10,888</u>

8. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	<u>March 31, 2024</u>	<u>December 31, 2023</u>	<u>March 31, 2023</u>
<u>Current</u>			
Investments in equity instruments	<u>\$ 212,868</u>	<u>\$ 198,617</u>	<u>\$ 210,366</u>
<u>Non-current</u>			
Investments in equity instruments	<u>\$ 450,080</u>	<u>\$ 180,328</u>	<u>\$ 381,486</u>

Investments in equity instruments

	<u>March 31, 2024</u>	<u>December 31, 2023</u>	<u>March 31, 2023</u>
<u>Current</u>			
Listed shares			
Ordinary shares - Far Eastern International Bank	\$ 21,122	\$ 18,555	\$ 16,282
Ordinary shares - Chunghwa Telecom Co., Ltd	6,124	5,832	5,808
Ordinary shares - Formosa Plastics Corp.	6,300	7,242	8,394
Ordinary shares - China Steel Corp.	19,198	21,688	24,821
Ordinary shares - Polytronics Technology Corp.	90,014	91,930	107,091
Ordinary shares - Taiwan Semiconductor Manufacturing Co., Ltd.	<u>70,110</u>	<u>53,370</u>	<u>47,970</u>
	<u>\$ 212,868</u>	<u>\$ 198,617</u>	<u>\$ 210,366</u>
<u>Non-current</u>			
Listed shares			
Ordinary shares - GeneFerm Biotechnology Co., Ltd.	\$ 138,789	\$ 159,811	\$ 201,211
Unlisted shares			
Ordinary shares - Dah Chung Bills Finance Corp.	20,443	19,474	17,983
Ordinary shares - InnoComm Mobile Technology Corp.	-	-	161,244
Ordinary shares – H2U Corporation	289,750	-	-
Ordinary shares - AsiaVest Liquidation Co.	<u>1,098</u>	<u>1,043</u>	<u>1,048</u>
	<u>\$ 450,080</u>	<u>\$ 180,328</u>	<u>\$ 381,486</u>

These investments by the Group are held for medium- to long-term strategic purposes and the Group expects to profit from long-term investments. Accordingly, the management elected to designate these investments in equity instruments as at fair value through other comprehensive profit or loss as they believe that recognizing short-term fluctuations in these investments' fair value in profit or loss would not be consistent with the Group's strategy of holding these investments for long-term purposes.

In September 2023, the Group adjusted the investment position to diversify the risk and sold the ordinary shares to InnoComm Mobile Technology Corp. at the price of NT\$51,912

thousand. The related other equity – unrealized gain (loss) on financial assets at FVTOCI, NT\$13,172 thousand, was restated into the retained earnings.

9. FINANCIAL ASSETS AT AMORTIZED COST

	<u>March 31, 2024</u>	<u>December 31, 2023</u>	<u>March 31, 2023</u>
<u>Current</u>			
Time deposits with original maturities of more than 3 months	<u>\$ 2,239,659</u>	<u>\$ 1,203,147</u>	<u>\$ 1,465,668</u>
<u>Non-current</u>			
Time deposits with original maturities of more than 3 months	<u>\$ 1,689,704</u>	<u>\$ 1,971,770</u>	<u>\$ 1,861,104</u>

Until March 31, 2024 and December 31 and March 31, 2023, the ranges of annual interest rate of the time deposits with original maturities of more than 3 months have been 1.50%–5.59%, 1.45%– 5.60% and 0.80%–5.25%.

10. NOTE RECEIVABLES, TRADE RECEIVABLES, AND OTHER RECEIVABLES

	<u>March 31, 2024</u>	<u>December 31, 2023</u>	<u>March 31, 2023</u>
<u>Notes receivable</u>			
Operating	<u>\$ 5,215</u>	<u>\$ 14,829</u>	<u>\$ 4,403</u>
<u>Trade receivables</u>			
At amortized cost			
Gross carrying amount	\$ 3,838,358	\$ 4,590,853	\$ 3,684,614
Less: Allowance for impairment loss	(<u>105,635</u>)	(<u>98,588</u>)	(<u>61,085</u>)
	<u>\$ 3,732,723</u>	<u>\$ 4,492,265</u>	<u>\$ 3,623,529</u>
<u>Other receivables</u>			
Losses arising from the provision of customer management services	\$ 258,508	\$ 225,655	\$ 260,837
Accrued income	142,156	121,643	90,568
Others	<u>37,730</u>	<u>20,147</u>	<u>37,071</u>
	<u>\$ 438,394</u>	<u>\$ 367,445</u>	<u>\$ 388,476</u>

The Group's credit period for commodity sales averages 30~90 days. To minimize credit risk, the management of the Group has delegated a team responsible for determining credit limits,

credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue debts. In addition, the Group reviews the recoverable amount of each individual receivable on the balance sheet date to ensure that adequate allowances are made for possible irrecoverable amounts.

The Group adopts the simplified approach of IFRS 9 to measures the loss allowance for trade receivables at an amount equal to lifetime expected credit losses (ECLs). The Group performs assessment using the three forward-looking factors, i.e., industrial index of the customer, GDP growth rate and unemployment rate, as the ECL rate.

When there is evidence indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, the credit risk management department of the Group would continue to engage in enforcement activity in compliance with laws and regulations. The trade receivable will be written off when the amount due is collected.

The amount of loss provision on notes and accounts receivable calculated based on the provision matrix is presented below:

March 31, 2024

	Not Pass Due	1-30 days	31-90 days	91-180 days	Over 180 Days	Total
ECL rate	0.24%	4.57%	8.22%	43.6%	99.31%	
Gross carrying amount	\$ 3,613,988	\$ 57,491	\$ 74,436	\$ 15,451	\$ 82,207	\$ 3,843,573
Loss allowance (Lifetime ECL)	(8,512)	(2,629)	(6,117)	(6,736)	(81,641)	(105,635)
Amortized cost	<u>\$ 3,605,476</u>	<u>\$ 54,862</u>	<u>\$ 68,319</u>	<u>\$ 8,715</u>	<u>\$ 566</u>	<u>\$ 3,737,938</u>

December 31, 2023

	Not Pass Due	1-30 days	31-90 days	91-180 days	Over 180 Days	Total
ECL rate	0.29%	4.37%	11.91%	36.93%	99.17%	
Gross carrying amount	\$ 4,411,993	\$ 73,862	\$ 27,953	\$ 18,892	\$ 72,982	\$ 4,605,682
Loss allowance (Lifetime ECL)	(12,676)	(3,231)	(3,329)	(6,977)	(72,375)	(98,588)
Amortized cost	<u>\$ 4,399,317</u>	<u>\$ 70,631</u>	<u>\$ 24,624</u>	<u>\$ 11,915</u>	<u>\$ 607</u>	<u>\$ 4,507,094</u>

March 31, 2023

	Not Pass Due	1-30 days	31-90 days	91-180 days	Over 180 Days	Total
ECL rate	0.06%	2.23%	4.18%	9.69%	93.29%	
Gross carrying amount	\$ 2,788,408	\$ 452,337	\$ 336,502	\$ 82,431	\$ 29,339	\$ 3,689,017
Loss allowance (Lifetime ECL)	(1,569)	(10,108)	(14,050)	(7,987)	(27,371)	(61,085)
Amortized cost	<u>\$ 2,786,839</u>	<u>\$ 442,229</u>	<u>\$ 322,452</u>	<u>\$ 74,444</u>	<u>\$ 1,968</u>	<u>\$ 3,627,932</u>

The movements of the loss allowance of trade receivables were as follows:

	For the Three Months Ended March 31, 2024	For the Three Months Ended March 31, 2023
Balance as of January 1	\$ 98,588	\$ 59,455
Add: Impairment loss provided for the current period	3,487	1,361
Foreign exchange translation difference	<u>3,560</u>	<u>269</u>
Balance as of March 31	<u>\$105,635</u>	<u>\$ 61,085</u>

11. FINANCE LEASE RECEIVABLES

The composition of finance lease receivables was as follows:

	March 31, 2024	December 31, 2023	March 31, 2023
Undiscounted lease payments			
Year 1	\$ 1,143	\$ 1,095	\$ 666
Year 2	1,143	1,143	1,143
Year 3	2,516	1,143	1,143
Year 4	<u>-</u>	<u>1,659</u>	<u>2,516</u>
	4,802	5,040	5,468
Less: Unearned finance income	(<u>97</u>)	(<u>110</u>)	(<u>151</u>)
Net investment in leases presented as finance lease receivables	<u>\$ 4,705</u>	<u>\$ 4,930</u>	<u>\$ 5,317</u>

No finance lease receivable was past due on the balance sheet date. The Group has not recognized a loss allowance for finance lease receivables after taking into consideration the historical default experience and the future prospects of the industries in which the lessees operate, together with the value of collateral held over these finance lease receivables.

12. INVENTORIES

	March 31, 2024	December 31, 2023	March 31, 2023
Merchandise	\$ 356,697	\$ 423,121	\$ 474,442
Finished goods	1,848,377	2,294,966	1,983,554
Work in progress	740,076	913,832	1,063,108
Raw materials	1,699,156	1,939,428	2,136,976
Packing materials	<u>78,182</u>	<u>92,006</u>	<u>97,067</u>
	<u>\$ 4,722,488</u>	<u>\$ 5,663,353</u>	<u>\$ 5,755,147</u>

The cost of goods sold for the three months ended March 31, 2024 included the gain on reversal of inventor, NT\$12,730 thousand, and inventory obsolescence loss, NT\$712 thousand. Cost of sale between January 1 and March 31, 2023 included inventory devaluation losses of NT\$1,126 thousand and inventory write-offs totaling NT\$7,076 thousand. The increase in the net realizable value of inventories was a result of the sale of slow-moving inventories.

13. PREPAYMENTS

	March 31, 2024	December 31, 2023	March 31, 2023
Prepayments for purchases	\$ 864,348	\$ 539,205	\$ 797,568
Prepayments for rent	5,245	5,104	2,629
Prepayments for insurance	18,625	1,045	15,185
Excess business tax paid	224,668	212,621	205,215
Prepayments for advertisements	17,377	16,103	1,698
Others	413,314	270,042	287,798
	<u>\$ 1,543,577</u>	<u>\$ 1,044,120</u>	<u>\$ 1,310,093</u>

14. SUBSIDIARIES

Subsidiaries included in consolidated financial statements.

Entities of the consolidated financial statements were as follows:

Investor Company	Name of Subsidiary	Main Business	Proportion of Ownership			Remark
			March 31, 2024	December 31, 2023	March 31, 2023	
The Company	Standard Dairy Products Taiwan Ltd. (Standard Dairy Products) (Note)	Manufacture and sale of dairy products and beverages	100.0%	100.0%	100.0%	—
The Company	Charng Hui Ltd. (Charng Hui) (Note)	Investing	100.0%	100.0%	100.0%	—
The Company	Domex Technology Corporation (Domex Technology) (Note)	Manufacture and sale of computer peripherals and computer appliances	52.0%	52.0%	52.0%	—
The Company	Standard Beverage Company Ltd. (Standard Beverage) (Note)	Manufacture and sale of beverages	100.0%	100.0%	100.0%	—
The Company	Accession Limited	Investing	100.0%	100.0%	100.0%	—
The Company	Standard Investment (Cayman) Limited (Cayman Standard)	Investing	100.0%	100.0%	100.0%	The Company invested US\$6,923 thousand into Cayman Standard in October 2023.
The Company	Standard Foods, LLC. (Note)	Sale of health food	100.0%	100.0%	100.0%	—
The Company	Standard Great Foods Singapore PTE. LTD. (Note)	Food trading	100.0%	100.0%	100.0%	The Company invested SGD386 thousand into the incorporation of Standard Great Foods Singapore PTE. LTD. in December 2023.
Accession Limited	Shanghai Standard Foods Co., Ltd. (Shanghai Standard)	Manufacture and sale of edible oils and nutritious foods	100.0%	100.0%	100.0%	—
Accession Limited	Dermalab S.A. (Dermalab) (Note)	Development and sale of cosmetics	100.0%	100.0%	100.0%	—

Investor Company	Name of Subsidiary	Main Business	Proportion of Ownership			Remark
			March 31, 2024	December 31, 2023	March 31, 2023	
Dermalab	Swissderma SL (Swissderma) (Note)	Sale of cosmetics	100.0%	100.0%	100.0%	—
Cayman Standard	Standard Corporation (Hong Kong) Limited (Hong Kong Standard)	Investing	100.0%	100.0%	100.0%	Cayman Standard invested US\$6,923 thousand into Hong Kong Standard in October 2023.
Hong Kong Standard	Standard Investment (China) Co., Ltd. (China Standard Investment)	Investing and sale of edible oils and nutritious foods	99.0%	99.0%	99.0%	—
Hong Kong Standard	Shanghai New Vitality Health Technology (Group) Co., Ltd. (Shanghai New Vitality) (Note)	Sale of health foods and cosmetic goods, and import/export trade	99.0%	99.0%	99.0%	Hong Kong Standard invested RMB 49,500 thousand into Shanghai New Vitality in October 2023.
Hong Kong Standard	Shanghai Le Min Industrial Co., Ltd. (Shanghai Le Min) (Note)	Management of properties	100.0%	100.0%	100.0%	—
Hong Kong Standard	Shanghai Le Ho Industrial Co., Ltd. (Shanghai Le Ho) (Note)	Management of properties	100.0%	100.0%	100.0%	—
China Standard Investment	Standard Foods (China) Co., Ltd. (China Standard Foods)	Manufacture and sale of edible oils and nutritious foods	100.0%	100.0%	100.0%	—
China Standard Investment	Standard Foods (Xiamen) Co., Ltd. (Xiamen Standard) (Note)	Manufacture and sale of edible oils and nutritious foods	100.0%	100.0%	100.0%	—
Shanghai New Vitality	Shanghai Dermalab Corporation (Shanghai Dermalab) (Note)	Sale of health foods and cosmetic goods, and import/export trade	100.0%	100.0%	100.0%	—
Shanghai New Vitality	Le Bonta Wellness Co., Ltd. (Shanghai Le Bonta) (Note)	Sale of nutritional foods and engage in import and export business	100.0%	100.0%	100.0%	Shanghai Le Bonta split the assets amounting to RMB 20,300 thousand and incorporated Jiangsu Hua Sun in August 2023.
Shanghai New Vitality	Shanghai Le Ben De Health Technology Co., Ltd. (Shanghai Le Ben De) (Note)	Sales of health and beauty products and related services	100.0%	100.0%	100.0%	—
Shanghai New Vitality	Jiangsu Hua Sun Health Technology Co., Ltd. (Jiangsu Hua Sun) (Note)	Develop brands and products in the field of health foods and special nutritious foods	100.0%	100.0%	-	In November 2023, Shanghai New Vitality invested RMB 50,000 thousand in Jiangsu Hua Sun. Shanghai Le Bonta split the assets amounting to RMB 20,300 thousand and incorporated Jiangsu Hua Sun in August 2023.

Note: It is a non-significant subsidiary, and its financial statements have not been reviewed by any CPA.

15. REAL ESTATE, PLANT, AND EQUIPMENT

	Freehold Land	Land improvements	Buildings	Equipment	Other equipment	Property in Construction and Equipment to Be Tested	Total
Cost							
Balance as of January 1, 2023	\$ 994,620	\$ -	\$ 3,538,358	\$ 4,229,390	\$ 617,918	\$ 288,527	\$ 9,668,813
Additions	-	-	631	-	376	42,973	43,980
Disposals	-	-	(567)	(18,674)	(2,323)	-	(21,564)
Reclassification	-	-	-	26,647	9,645	(36,292)	-
Net foreign currency exchange differences	-	-	9,594	6,397	1,343	232	17,566
Balance as of March 31, 2023	<u>\$ 994,620</u>	<u>\$ -</u>	<u>\$ 3,548,016</u>	<u>\$ 4,243,760</u>	<u>\$ 626,959</u>	<u>\$ 295,440</u>	<u>\$ 9,708,795</u>
Accumulated depreciation and impairment							
Balance as of January 1, 2023	\$ -	\$ -	\$ 1,684,697	\$ 3,232,756	\$ 468,569	\$ -	\$ 5,386,022
Disposals	-	-	(567)	(18,187)	(2,148)	-	(20,902)
Reclassification	-	-	-	(3,925)	3,925	-	-
Depreciation expenses	-	-	40,307	59,874	11,504	-	111,685
Net foreign currency exchange differences	-	-	3,222	3,580	963	-	7,765
Balance as of March 31, 2023	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,727,659</u>	<u>\$ 3,274,098</u>	<u>\$ 482,813</u>	<u>\$ -</u>	<u>\$ 5,484,570</u>
Net on March 31, 2023	<u>\$ 994,620</u>	<u>\$ -</u>	<u>\$ 1,820,357</u>	<u>\$ 969,662</u>	<u>\$ 144,146</u>	<u>\$ 295,440</u>	<u>\$ 4,224,225</u>
Cost							
Balance as of January 1, 2024	\$ 999,150	\$ 33,771	\$ 3,571,469	\$ 4,355,951	\$ 634,823	\$ 242,333	\$ 9,837,497
Additions	-	-	-	27,250	28	49,240	76,518
Disposals	-	-	(3,065)	(58,134)	(31,064)	-	(92,263)
Reclassification	-	-	1,264	29,388	7,762	(38,414)	-
Net foreign currency exchange differences	-	-	76,864	52,611	10,437	294	140,206
Balance as of March 31, 2024	<u>\$ 999,150</u>	<u>\$ 33,771</u>	<u>\$ 3,646,532</u>	<u>\$ 4,407,066</u>	<u>\$ 621,986</u>	<u>\$ 253,453</u>	<u>\$ 9,961,958</u>
Accumulated depreciation and impairment							
Balance as of January 1, 2024	\$ -	\$ 1,248	\$ 1,830,092	\$ 3,377,732	\$ 492,569	\$ -	\$ 5,701,641
Disposals	-	-	(3,065)	(49,236)	(29,159)	-	(81,460)
Reclassification	-	-	-	46	(46)	-	-
Depreciation expenses	-	528	41,413	53,618	11,566	-	107,125
Net foreign currency exchange differences	-	-	30,504	33,386	7,759	-	71,649
Balance as of March 31, 2024	<u>\$ -</u>	<u>\$ 1,776</u>	<u>\$ 1,898,944</u>	<u>\$ 3,415,546</u>	<u>\$ 482,689</u>	<u>\$ -</u>	<u>\$ 5,798,955</u>
Net amount as of December 31, 2023 and January 1, 2024	<u>\$ 999,150</u>	<u>\$ 32,523</u>	<u>\$ 1,741,377</u>	<u>\$ 978,219</u>	<u>\$ 142,254</u>	<u>\$ 242,333</u>	<u>\$ 4,135,856</u>
Net on March 31, 2024	<u>\$ 999,150</u>	<u>\$ 31,995</u>	<u>\$ 1,747,588</u>	<u>\$ 991,520</u>	<u>\$ 139,297</u>	<u>\$ 253,453</u>	<u>\$ 4,163,003</u>

No impairment loss was recognized or reversed from January 1 to March 31, 2024 and 2023.

Depreciation expenses were recognized on a straight-line basis over the following estimated useful lives of the assets:

Land improvements	15 years
Buildings	
Main buildings	20 – 51 years
Electrical and mechanical equipment	8 – 20 years
Engineering system	3 – 39 years
Others	3 – 20 years
Equipment	
Main equipment	2 – 20 years
Engineering system	3 – 20 years
Others	3 – 15 years
Other equipment	2 – 15 years

For the amount of real estate, plant, and equipment pledged as collateral, refer to Note 33.

16. LEASE ARRANGEMENTS

a. Right-of-use assets

	<u>March 31, 2024</u>	<u>December 31, 2023</u>	<u>March 31, 2023</u>
Carrying amounts of right-of-use assets			
Land	\$ 392,703	\$ 382,267	\$ 394,847
Buildings	126,397	131,458	170,054
Office equipment	2,863	3,031	1,570
Transportation equipment	<u>9,113</u>	<u>7,927</u>	<u>4,406</u>
	<u>\$ 531,076</u>	<u>\$ 524,683</u>	<u>\$ 570,877</u>
	<u>For the Three Months Ended March 31, 2024</u>	<u>For the Three Months Ended March 31, 2023</u>	
Additions to right-of-use assets	<u>\$ 18,411</u>	<u>\$ 8,618</u>	
Depreciation expenses for right-of-use assets			
Land	\$ 3,234	\$ 3,240	
Buildings	22,929	19,853	
Office equipment	169	95	
Transportation equipment	<u>798</u>	<u>898</u>	
	<u>\$ 27,130</u>	<u>\$ 24,086</u>	

b. Lease liabilities

	<u>March 31, 2024</u>	<u>December 31, 2023</u>	<u>March 31, 2023</u>
Carrying amounts of lease liabilities			
Current	<u>\$ 65,903</u>	<u>\$ 69,502</u>	<u>\$ 93,113</u>
Non-current	<u>\$ 117,723</u>	<u>\$ 120,685</u>	<u>\$ 137,294</u>

Range of discount rate for lease liabilities is stated as follows:

	<u>March 31, 2024</u>	<u>December 31, 2023</u>	<u>March 31, 2023</u>
Land	1.07%~1.49%	1.07%~1.49%	1.07%~1.49%
Buildings	1.07%~4.35%	1.07%~4.35%	1.07%~4.35%
Office equipment	1.07%	1.07%	1.07%
Transportation equipment	1.07%~3.77%	1.07%~3.77%	1.07%~3.77%

c. Material leasing activities and terms

The Group leases land, buildings, and transportation equipment for the use of plants, offices and business cars with lease terms of 1 to 50 years. The Group does not have bargain purchase options to acquire the leasehold land and buildings at the end of the

lease terms. In addition, the Group is prohibited from subleasing or transferring all or any portion of the underlying assets without the lessor's consent.

d. Other lease information

Lease arrangements under operating leases for leasing out the investment properties are set out in Note 17. Lease arrangements for leasing out the assets under finance leases are set out in Note 11.

	For the Three Months Ended March 31, 2024	For the Three Months Ended March 31, 2023
Expenses relating to short-term leases	\$ <u>25,359</u>	\$ <u>23,098</u>
Expenses relating to low-value asset leases	\$ <u>508</u>	\$ <u>522</u>
Expenses relating to variable lease payments not included in the measurement of lease liabilities	\$ <u>20</u>	\$ <u>20</u>
Total cash outflow for leases	(\$ <u>53,503</u>)	(\$ <u>42,461</u>)

17. INVESTMENT PROPERTY

	Completed Investment Properties	Right-of-use assets	Total
<u>Cost</u>			
Balance as of January 1, 2023	\$ 1,005,938	\$ 5,693	\$ 1,011,631
Net foreign currency exchange differences	<u>4,374</u>	<u>28</u>	<u>4,402</u>
Balance as of March 31, 2023	<u>\$ 1,010,312</u>	<u>\$ 5,721</u>	<u>\$ 1,016,033</u>
<u>Accumulated depreciation and impairment</u>			
Balance as of January 1, 2023	\$ 247,588	\$ 1,682	\$ 249,270
Depreciation expenses	9,719	113	9,832
Net foreign currency exchange differences	<u>998</u>	<u>8</u>	<u>1,006</u>
Balance as of March 31, 2023	<u>\$ 258,305</u>	<u>\$ 1,803</u>	<u>\$ 260,108</u>
Net on March 31, 2023	<u>\$ 752,007</u>	<u>\$ 3,918</u>	<u>\$ 755,925</u>
<u>Cost</u>			
Balance as of January 1, 2024	\$ 991,052	\$ 5,597	\$ 996,649
Net foreign currency exchange differences	<u>35,110</u>	<u>226</u>	<u>35,336</u>

	Completed Investment Properties	Right-of-use assets	Total
Balance as of March 31, 2024	<u>\$ 1,026,162</u>	<u>\$ 5,823</u>	<u>\$ 1,031,985</u>
<u>Accumulated depreciation and impairment</u>			
Balance as of January 1, 2024	\$ 281,919	\$ 2,093	\$ 284,012
Depreciation expenses	9,640	112	9,752
Net foreign currency exchange differences	<u>10,050</u>	<u>87</u>	<u>10,137</u>
Balance as of March 31, 2024	<u>\$ 301,609</u>	<u>\$ 2,292</u>	<u>\$ 303,901</u>
Net amount as of December 31, 2023 and January 1, 2024	<u>\$ 709,133</u>	<u>\$ 3,504</u>	<u>\$ 712,637</u>
Net on March 31, 2024	<u>\$ 724,553</u>	<u>\$ 3,531</u>	<u>\$ 728,084</u>

The investment properties held by the Group are depreciated using the straight-line basis over the following estimated useful lives:

Buildings	
Main buildings	35 – 51 years
Electrical and mechanical equipment	24 – 25 years
Engineering system	28 years
Right-of-use assets	49 years
Others	24 years

The Group's investment properties are located in Suzhou City, Jiangsu Province, China. Due to the land is included in the industrial districts, the market for comparable properties is inactive and alternative reliable measurements of fair value are not available. Therefore, the fair value is not reliably measurable.

In addition to said circumstances, the fair values of the Group's investment properties were NT\$1,158,342 thousand, NT\$1,116,414 thousand and NT\$1,143,612 thousand, respectively, on March 31, 2024 and December 31 and March 31, 2023. Said values were not evaluated by independent appraisers but determined by the Group based on the market evidence in reference to the transaction price of similar properties.

All of the Group's investment properties are held under freehold interests. For the amount of investment real estate set by the Group as a loan guarantee, please refer to Note 33.

18. INTANGIBLE ASSETS

	Trademark	Computer software	Total
<u>Cost</u>			
Balance as of January 1, 2023	\$ 264,959	\$ 261,854	\$ 526,813
Additions	13	6,956	6,969
Net foreign currency exchange differences	<u>1,213</u>	<u>1</u>	<u>1,214</u>
Balance as of March 31, 2023	<u>\$ 266,185</u>	<u>\$ 268,811</u>	<u>\$ 534,996</u>
<u>Accumulated amortization and impairment</u>			
Balance as of January 1, 2023	\$ 181,483	\$ 235,070	\$ 416,553
Amortization expenses	1,375	4,323	5,698
Net foreign currency exchange differences	<u>1,001</u>	<u>-</u>	<u>1,001</u>
Balance as of March 31, 2023	<u>\$ 183,859</u>	<u>\$ 239,393</u>	<u>\$ 423,252</u>
Net on March 31, 2023	<u>\$ 82,326</u>	<u>\$ 29,418</u>	<u>\$ 111,744</u>
<u>Cost</u>			
Balance as of January 1, 2024	\$ 264,494	\$ 337,787	\$ 602,281
Additions	-	8,359	8,359
Net foreign currency exchange differences	<u>8,102</u>	<u>2,568</u>	<u>10,670</u>
Balance as of March 31, 2024	<u>\$ 272,596</u>	<u>\$ 348,714</u>	<u>\$ 621,310</u>
<u>Accumulated amortization and impairment</u>			
Balance as of January 1, 2024	\$ 178,680	\$ 253,312	\$ 431,992
Amortization expenses	1,420	4,277	5,697
Net foreign currency exchange differences	<u>10,286</u>	<u>91</u>	<u>10,377</u>
Balance as of March 31, 2024	<u>\$ 190,386</u>	<u>\$ 257,680</u>	<u>\$ 448,066</u>
Net amount as of December 31, 2023 and January 1, 2024	<u>\$ 85,814</u>	<u>\$ 84,475</u>	<u>\$ 170,289</u>
Net on March 31, 2024	<u>\$ 82,210</u>	<u>\$ 91,034</u>	<u>\$ 173,244</u>

Amortization expenses are calculated on a straight-line basis over the following useful lives:

Trademark	10 – 20 years
Computer software	2 – 15 years

19. OTHER ASSETS

	<u>March 31, 2024</u>	<u>December 31, 2023</u>	<u>March 31, 2023</u>
<u>Current</u>			
Pledged bank time deposits (Note 33)	\$ 10,246	\$ 10,174	\$ 9,962
Advances to officers	19,377	20,532	42,659
Right of products to be returned	76,393	75,885	71,275
Others	<u>1,097</u>	<u>803</u>	<u>1,299</u>
	<u>\$ 107,113</u>	<u>\$ 107,394</u>	<u>\$ 125,195</u>
<u>Non-current</u>			
Prepayments for equipment	\$ 9,760	\$ 2,425	\$ 5,005
Refundable deposits	242,083	284,360	135,323
Others	<u>105,076</u>	<u>101,808</u>	<u>84,204</u>
	<u>\$ 356,919</u>	<u>\$ 388,593</u>	<u>\$ 224,532</u>

20. BORROWINGS

a. Short-term borrowings

	<u>March 31, 2024</u>	<u>December 31, 2023</u>	<u>March 31, 2023</u>
Secured borrowings (Note 30)			
Bank loans	\$ 30,000	\$ 30,000	\$ 110,000
<u>Unsecured borrowings</u>			
Bank loans	<u>1,717,472</u>	<u>1,391,038</u>	<u>1,647,633</u>
	<u>\$ 1,747,472</u>	<u>\$ 1,421,038</u>	<u>\$ 1,757,633</u>

The annual interest rates of said short-term borrowings or financing were 1.84%–3.00%, 1.88%–3.00% and 1.69%–2.86% on March 31, 2024 and December 31 and March 31, 2023.

b. Short-term bills payable

	<u>March 31, 2024</u>	<u>December 31, 2023</u>	<u>March 31, 2023</u>
Commercial paper payable	\$ 20,000	\$ 50,000	\$ 50,000
Less: Discount on short-term bills payable	(<u>13</u>)	(<u>7</u>)	(<u>83</u>)
	<u>\$ 19,987</u>	<u>\$ 49,993</u>	<u>\$ 49,917</u>

The annual interest rates of commercial paper payable were 2.04%, 2.14% and 1.77% on March 31, 2024 and December 31 and March 31, 2023, respectively.

21. NOTES PAYABLE AND TRADE PAYABLES

	<u>March 31, 2024</u>	<u>December 31, 2023</u>	<u>March 31, 2023</u>
<u>Notes payable</u>			
Operating	<u>\$ 375,871</u>	<u>\$ 519,183</u>	<u>\$ 76,796</u>
<u>Trade payables</u>			
Operating	<u>\$ 1,304,803</u>	<u>\$ 1,535,268</u>	<u>\$ 1,187,026</u>

The average credit period of payables for purchases of goods was 30-90 days. The Group has financial risk management policies in place to ensure that all payables are paid within the pre-agreed credit terms.

22. OTHER LIABILITIES

	<u>March 31, 2024</u>	<u>December 31, 2023</u>	<u>March 31, 2023</u>
<u>Current</u>			
Other payables			
Losses arising from the provision of customer management services	\$ 174,394	\$ 173,171	\$ 188,727
Payable for salaries or bonuses	262,807	379,849	\$ 221,488
Payable for compensation of employees	27,190	19,472	23,614
Payable for remuneration to directors	11,329	8,113	9,990
Payable for commission and rebates	1,769,600	1,723,074	1,700,669
Payable for advertisement	237,717	318,624	267,965
Payable for royalties	24,030	24,998	22,945
Payable for freight	80,028	84,669	55,653
Payable for equipment	68,573	74,872	64,158
Others	<u>618,965</u>	<u>657,356</u>	<u>604,668</u>
	<u>\$ 3,274,633</u>	<u>\$ 3,464,198</u>	<u>\$ 3,159,877</u>
Other liabilities			
Advance receipts from customers	\$ 2,797	\$ 2,040	\$ 3,062
Refund liability	116,259	120,155	114,601
Others	<u>5,065</u>	<u>35,492</u>	<u>10,746</u>
	<u>\$ 124,121</u>	<u>\$ 157,687</u>	<u>\$ 128,409</u>
<u>Non-current</u>			
Other liabilities			
Guarantee deposits	<u>\$ 21,619</u>	<u>\$ 21,249</u>	<u>\$ 19,578</u>

The Group accepts returns of sold goods according to the business practices. Taking into account the accumulated experience in the past, the Company and its mainland subsidiaries estimate the return rate based on the most probable amount, and recognize the return liability (recorded as other current liabilities) and related pending return product rights (recorded as other current assets).

23. RETIREMENT BENEFIT PLANS

The defined benefit plan-related retirement costs recognized for the three months ended March 31, 2024 and 2023 are calculated based on the pension costs determined by the actuarial calculation on December 31, 2023 and 2022, namely NT\$3,001 thousand and NT\$2,623 thousand.

24. EQUITY

a. Share capital

Ordinary shares

	<u>March 31, 2024</u>	<u>December 31, 2023</u>	<u>March 31, 2023</u>
Number of shares authorized (in thousands)	<u>920,000</u>	<u>920,000</u>	<u>920,000</u>
Shares authorized	<u>\$ 9,200,000</u>	<u>\$ 9,200,000</u>	<u>\$ 9,200,000</u>
Number of shares issued and fully paid (in thousands)	<u>915,089</u>	<u>915,089</u>	<u>915,089</u>
Shares issued	<u>\$ 9,150,897</u>	<u>\$ 9,150,897</u>	<u>\$ 9,150,897</u>

b. Capital surplus

	<u>March 31, 2024</u>	<u>December 31, 2023</u>	<u>March 31, 2023</u>
<u>May be used to offset a</u> <u>deficit, distributed as cash</u> <u>dividends, or transferred to</u> <u>share capital (1)</u>			
Difference between consideration received or paid and the carrying amount of the subsidiaries' net assets during actual disposal or acquisition	\$ 1	\$ 1	\$ 1
Treasury share transactions	164,875	164,875	156,271
<u>May only be used to offset a</u> <u>deficit</u>			
Changes in percentage of ownership interests in subsidiaries (2)	<u>709</u>	<u>709</u>	<u>709</u>
	<u>\$ 165,585</u>	<u>\$ 165,585</u>	<u>\$ 156,981</u>

- 1) Such capital surplus may be used to offset a deficit; in addition, when the Company has no deficit, such capital surplus may be distributed as cash dividends or transferred to share capital (limited to a certain percentage of the Company's capital surplus and to once a year).
- 2) Such capital surplus arises from the effect of changes in ownership interests in subsidiaries that result from equity transactions other than actual disposals or acquisitions, or from changes in capital surplus of subsidiaries accounted for using the equity method.

c. Retained earnings and dividend policy

Under the dividend policy as set forth in the Articles of Incorporation, where the Company made any profits in a fiscal year, the profits shall be appropriated, less any paying taxes and deficit, 10% thereof as legal reserve, special reserve provided or reversed in accordance with the regulations, and 30% to 100% of the sum of the remainder and prior years' unappropriated earnings as dividends. The Company's Articles of Incorporation also prescribe that 30% to 100% of dividends shall be paid in cash; however, if the Company has major investment plans for which external funds are

not available, the percentage may be lowered to 5% to 20%. The distribution plan shall be proposed by the Company's board of directors and resolved in the shareholders' meeting for distribution of dividends and bonus to shareholders. For the policies on distribution of the compensation of employees and remuneration of directors in the Articles of Incorporation, please refer to Note 26(i) "employees' compensation and remuneration of directors."

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

The Company held its board of directors meeting on March 11, 2024 and annual general meeting on June 16, 2023 to propose and resolve earnings distribution plans for 2023 and 2022, respectively, as follows:

	2023	2022
Legal reserve	<u>\$ 118,157</u>	<u>\$ 126,036</u>
Cash dividends	<u>\$ 1,143,862</u>	<u>\$ 1,180,466</u>
Cash dividends per share (NT\$)	\$ 1.25	\$ 1.29

The Company's 2023 earnings distribution plan is pending a resolution at the annual general meeting expected to be held on June 19, 2024.

d. Special reserve

	For the Three Months Ended March 31, 2024	For the Three Months Ended March 31, 2023
Balance as of beginning and end of the period	<u>\$ 577,494</u>	<u>\$ 577,494</u>

Appropriation for special reserve should be made in the amount equal to the net debit balance of other equity at the end of the reporting period. If there is a subsequent reversal of the net deduction of other shareholders' equity, the special reserve reversed may be reverted to distribute the surplus.

e. Other Equity Items

1) Exchange differences on translating the financial statements of foreign operations

	For the Three Months Ended March 31, 2024	For the Three Months Ended March 31, 2023
Balance as of January 1	<u>(\$ 576,053)</u>	<u>(\$ 489,177)</u>
Recognized for the year		
Exchange differences on translating the financial statements of foreign operations	<u>248,113</u>	<u>33,231</u>
Other comprehensive income for the period	<u>248,113</u>	<u>33,231</u>
Balance as of March 31	<u>(\$ 327,940)</u>	<u>(\$ 455,946)</u>

2) Unrealized gain (loss) on financial assets at FVTOCI

	For the Three Months Ended March 31, 2024	For the Three Months Ended March 31, 2023
Balance as of January 1	<u>\$ 183,430</u>	<u>\$ 238,649</u>
Recognized for the year		
Unrealized gain (loss) Equity instruments	<u>(5,802)</u>	<u>66,455</u>
Other comprehensive income for the period	<u>(5,802)</u>	<u>66,455</u>
Balance as of March 31	<u>\$ 177,628</u>	<u>\$ 305,104</u>

f. Non-controlling Interests

	For the Three Months Ended March 31, 2024	For the Three Months Ended March 31, 2023
Balance as of January 1	<u>\$ 282,190</u>	<u>\$ 342,400</u>
Net profit for the period	22,799	3,298
Other comprehensive income for the period		
Exchange differences on translating the financial statements of foreign operations	1,514	204
Unrealized gain (loss) on financial assets at FVTOCI	<u>-</u>	<u>(18,192)</u>
Balance as of March 31	<u>\$ 306,503</u>	<u>\$ 327,710</u>

g. Treasury shares

<u>Purpose of Buy-back</u>	<u>Number of parent company's shares held by subsidiaries (thousand shares)</u>
Number of shares on January 1 and March 31, 2024	<u>6,669</u>
Number of shares as of January 1 and March 31, 2023	<u>6,669</u>

For the purpose of maintaining the Company's credit and shareholders' equity, the Company's shares held by its subsidiaries at the end of the reporting periods were as follows:

<u>Name of Subsidiary</u>	<u>Number of shares held (thousand shares)</u>	<u>Carrying Amount</u>	<u>Market Price</u>
<u>March 31, 2024</u>			
Charng Hui	6,669	<u>\$ 21,182</u>	<u>\$ 254,440</u>
<u>December 31, 2023</u>			
Charng Hui	6,669	<u>\$ 21,182</u>	<u>\$ 259,442</u>
<u>March 31, 2023</u>			
Charng Hui	6,669	<u>\$ 21,182</u>	<u>\$ 272,448</u>

The Company's shares held by subsidiaries were treated as treasury shares, aside from the rights to participate in any share issuance for cash and to vote, the rest were similar to general shareholder's rights.

25. REVENUE

	<u>For the Three Months Ended March 31, 2024</u>	<u>For the Three Months Ended March 31, 2023</u>
Revenue from contracts with customers		
Sale of goods	<u>\$ 6,795,849</u>	<u>\$ 5,880,499</u>

a. Contract balances

	<u>March 31, 2024</u>	<u>December 31, 2023</u>	<u>March 31, 2023</u>	<u>January 1, 2023</u>
Notes receivable (Note 10)	<u>\$ 5,215</u>	<u>\$ 14,829</u>	<u>\$ 4,403</u>	<u>\$ 9,223</u>
Trade receivables (Note 10)	<u>\$ 3,838,358</u>	<u>\$ 4,590,853</u>	<u>\$ 3,684,614</u>	<u>\$ 5,025,105</u>
Trade receivables from related parties (Note 32)	<u>\$ 57</u>	<u>\$ 43</u>	<u>\$ -</u>	<u>\$ 4,737</u>
Contract liabilities - current Sale of goods	<u>\$ 215,573</u>	<u>\$ 295,312</u>	<u>\$ 210,713</u>	<u>\$ 478,697</u>

b. Disaggregation of revenue

For the Three Months Ended March 31, 2024

	<u>Reportable Segments</u>			<u>Total</u>
	<u>Nutritious Foods</u>	<u>Cooking products Food</u>	<u>Others</u>	
<u>Types of goods or services</u>				
Sale of goods	<u>\$ 2,566,596</u>	<u>\$ 3,625,690</u>	<u>\$ 603,563</u>	<u>\$ 6,795,849</u>

For the Three Months Ended March 31, 2023

	<u>Reportable Segments</u>			<u>Total</u>
	<u>Nutritious Foods</u>	<u>Cooking products Food</u>	<u>Others</u>	
<u>Types of goods or services</u>				
Sale of goods	<u>\$ 2,491,661</u>	<u>\$ 2,706,146</u>	<u>\$ 682,692</u>	<u>\$ 5,880,499</u>

26. NET PROFIT

Components of net profit includes:

a. Interest income

	For the Three Months Ended March 31, 2024	For the Three Months Ended March 31, 2023
Interest income		
Bank deposits	\$ 7,305	\$ 9,944
Financial assets at amortized cost	31,188	26,511
Bond repurchase agreement	146	-
Others	<u>1,677</u>	<u>2,403</u>
	<u>\$ 40,316</u>	<u>\$ 38,858</u>

b. Other income

	For the Three Months Ended March 31, 2024	For the Three Months Ended March 31, 2023
Operating lease rental income		
Investment properties	\$ 11,117	\$ 5,853
Others	<u>223</u>	<u>176</u>
	<u>11,340</u>	<u>6,029</u>
Dividend income		
Financial assets at FVTPL	42	47
Investments in equity instruments at FVTOCI	<u>315</u>	<u>247</u>
	<u>357</u>	<u>294</u>
	<u>\$ 11,697</u>	<u>\$ 6,323</u>

c. Other gains and losses

	For the Three Months Ended March 31, 2024	For the Three Months Ended March 31, 2023
Gains and losses of financial assets and financial liabilities		
Financial assets mandatorily classified as at FVTPL	\$ 34,127	\$ 13,954
Net foreign exchange gains (losses)	68,422	2,973
Net gains (losses) on disposal of property, plant and equipment	1,449	(551)
Government grants	2,711	821
Others	10,299	(1,644)
	<u>\$117,008</u>	<u>\$ 15,553</u>

d. Financial cost

	For the Three Months Ended March 31, 2024	For the Three Months Ended March 31, 2023
Interest on bank loans	\$ 10,289	\$ 14,039
Interest on short-term bills payable	100	48
Interest on lease liabilities	1,097	1,417
Other interest expenses	22	11
	<u>\$ 11,508</u>	<u>\$ 15,515</u>

e. Impairment loss (gain on reversal)

	For the Three Months Ended March 31, 2024	For the Three Months Ended March 31, 2023
Trade receivables	<u>\$ 3,487</u>	<u>\$ 1,361</u>
Inventories (included in operating costs)	(<u>\$ 12,730</u>)	<u>\$ 1,126</u>

f. Depreciation and amortization

	For the Three Months Ended March 31, 2024	For the Three Months Ended March 31, 2023
An analysis of depreciation by function		
Operating costs	\$ 93,412	\$ 97,008
Operating expenses	40,843	38,763
Non-operating revenue and expenses	<u>9,752</u>	<u>9,832</u>
	<u>\$144,007</u>	<u>\$145,603</u>
An analysis of amortization by function		
Operating costs	\$ 6,359	\$ 7,063
Operating expenses	<u>12,009</u>	<u>11,429</u>
	<u>\$ 18,368</u>	<u>\$ 18,492</u>

g. Operating expenses directly related to investment properties

	For the Three Months Ended March 31, 2024	For the Three Months Ended March 31, 2023
Direct operating expenses of investment properties		
Direct operating expenses of investment properties that generated rental income	\$ 1,795	\$ 112
Direct operating expenses of investment properties that did not generated rental income	<u>144</u>	<u>145</u>
	<u>\$ 1,939</u>	<u>\$ 257</u>

h. Employee benefit expenses

	For the Three Months Ended March 31, 2024	For the Three Months Ended March 31, 2023
Post-employment benefits		
Defined contribution plans	\$ 35,701	\$ 33,637
Defined benefit plans (Note 23)	<u>3,001</u>	<u>2,623</u>
	38,702	36,260
Other employee benefits	<u>640,265</u>	<u>548,478</u>
Total employee benefit expenses	<u>\$678,967</u>	<u>\$584,738</u>
An analysis of employee benefit expenses by function		
Operating costs	\$237,159	\$216,805
Operating expenses	<u>441,808</u>	<u>367,933</u>
	<u>\$678,967</u>	<u>\$584,738</u>

i. Employees' compensation and remuneration of directors

According to the Company's Articles, the Company accrued employees' compensation and remuneration of directors at rates of no less than 0.5% and no higher than 0.75%, respectively, of net profit before income tax, employees' compensation, and remuneration of directors. The remuneration to employees and directors estimated for the three months ended March 31, 2024 and 2023 is stated as follows:

Accrual rate

	For the Three Months Ended March 31, 2024	For the Three Months Ended March 31, 2023
Compensation of employees	1.32%	1.30%
Remuneration of directors	0.55%	0.55%

Amount

	For the Three Months Ended March 31, 2024	For the Three Months Ended March 31, 2023
Compensation of employees	<u>\$ 7,718</u>	<u>\$ 4,144</u>
Remuneration of directors	<u>\$ 3,216</u>	<u>\$ 1,753</u>

If the amount changes after the consolidated financial statements are approved and announced to the public, the difference will be treated as a change in accounting estimate and recognized as a gain or loss in the following year.

Remunerations for employees and directors for 2023 and 2022 were resolved by the Board of Directors on March 11, 2024 and March 15, 2023, respectively.

	<u>2023</u>	<u>2022</u>
	<u>Cash</u>	<u>Cash</u>
Compensation of employees	\$ 19,472	\$ 19,470
Remuneration of directors	8,113	8,237

The amounts of employee and directors' compensation distributed for the years ended December 31, 2023 and 2022 and those recognized in 2023 and 2022 consolidated financial statements are consistent.

Information on compensation to employees and remuneration to directors approved by the Board of Directors is available at the Market Observation Post System website of Taiwan Stock Exchange.

j. Profit or loss on foreign currency exchange

	<u>For the Three Months Ended March 31, 2024</u>	<u>For the Three Months Ended March 31, 2023</u>
Foreign exchange gains	\$ 74,847	\$ 18,278
Foreign exchange losses	(<u>6,425</u>)	(<u>15,305</u>)
Net gains	<u>\$ 68,422</u>	<u>\$ 2,973</u>

27. INCOME TAX

a. Income tax recognized in profit or loss

Major components of income tax expense are as follows:

	For the Three Months Ended March 31, 2024	For the Three Months Ended March 31, 2023
Current tax		
In respect of the current year	\$115,423	\$106,375
Additional tax on unappropriated earnings	9,686	-
Adjustments from previous years	<u>-</u>	<u>6</u>
	<u>125,109</u>	<u>106,381</u>
Deferred tax		
In respect of the current year	<u>4,509</u>	(<u>38,346</u>)
Income tax expenses recognized in profit or loss	<u>\$129,618</u>	<u>\$ 68,035</u>

b. Income tax recognized in other comprehensive income

	For the Three Months Ended March 31, 2024	For the Three Months Ended March 31, 2023
<u>Deferred tax</u>		
Recognized for the year		
- Exchange differences of foreign operations	\$ 62,028	\$ 8,308
- Unrealized gain (loss) on financial assets at FVTOCI	<u>-</u>	<u>6</u>
Income tax recognized in other comprehensive income	<u>\$ 62,028</u>	<u>\$ 8,314</u>

c. Income tax assessments

The Company's income tax returns have been authorized by the tax collection authority up until 2021.

The income tax returns of Standard Dairy Products, Charng Hui, Standard Beverage and Domex Technology have been authorized by the tax collection authority up until 2022.

28. EARNINGS PER SHARE

	For the Three Months Ended March 31, 2024	For the Three Months Ended March 31, 2023
Basic earnings per share	<u>\$ 0.52</u>	<u>\$ 0.29</u>
Diluted earnings per share	<u>\$ 0.52</u>	<u>\$ 0.29</u>

The earnings and weighted average number of ordinary shares outstanding in the computation of earnings per share were as follows:

NET PROFIT FOR THE PERIOD

	For the Three Months Ended March 31, 2024	For the Three Months Ended March 31, 2023
Earnings used in the computation of basic and diluted earnings per share	<u>\$476,897</u>	<u>\$262,945</u>

Shares

Unit: Thousand shares

	For the Three Months Ended March 31, 2024	For the Three Months Ended March 31, 2023
Weighted average number of ordinary shares used in computation of basic earnings per share	908,420	908,420
Effect of potentially dilutive ordinary shares:		
Compensation of employees	<u>625</u>	<u>504</u>
Weighted average number of ordinary shares used in the computation of diluted earnings per share	<u>909,045</u>	<u>908,924</u>

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

29. INFORMATION ON CASH FLOWS

Changes in liabilities arising from financing activities:

For the Three Months Ended March 31, 2024

			Non-cash flow		
	January 1, 2024	Cash flows	New lease/lease modification	Adjustment of changes in exchange rates	March 31, 2024
Other non-current liabilities	\$ 1,421,038	\$ 268,239	\$ -	\$ 58,195	\$ 1,747,472
Short-term bills payable	49,993	(30,006)	-	-	19,987
Lease liabilities	190,187	(26,519)	18,411	1,547	183,626
Guarantee deposits	21,249	(358)	-	728	21,619
	<u>\$ 1,682,467</u>	<u>\$ 211,356</u>	<u>\$ 18,411</u>	<u>\$ 60,470</u>	<u>\$ 1,972,704</u>

For the Three Months Ended March 31, 2023

			Non-cash flow		
	January 1, 2023	Cash flows	New lease/lease modification	Adjustment of changes in exchange rates	March 31, 2023
Other non-current liabilities	\$ 2,928,175	(\$ 1,188,261)	\$ -	\$ 17,719	\$ 1,757,633
Short-term bills payable	-	49,917	-	-	49,917
Lease liabilities	250,858	(17,404)	(4,208)	1,161	230,407
Guarantee deposits	22,224	(2,755)	-	109	19,578
	<u>\$ 3,201,257</u>	<u>(\$ 1,158,503)</u>	<u>(\$ 4,208)</u>	<u>\$ 18,989</u>	<u>\$ 2,057,535</u>

30. CAPITAL RISK MANAGEMENT

The Group's capital management objective is to ensure financial resources are available and operating plans are in place for working capital, capital expenditures, research and development expenses, repay liabilities and dividend disbursement, etc. in the next 12 months. The Group manages its capital to ensure that entities in the Group will be able to continue as going concerns while maximizing the return to shareholders through the optimization of debt and equity balance.

31. FINANCIAL INSTRUMENTS

a. Fair value of financial instruments that are measured at fair value on a recurring basis

1) Fair value hierarchy

March 31, 2024

	Level 1	Level 2	Level 3	Total
<u>Financial assets at FVTPL</u>				
Listed shares	\$ 57,524	\$ -	\$ -	\$ 57,524
Unlisted shares	-	-	2,008	2,008
Mutual fund beneficiary certification	1,142,757	-	-	1,142,757
Debt securities	-	81,097	-	81,097
Total	<u>\$ 1,200,281</u>	<u>\$ 81,097</u>	<u>\$ 2,008</u>	<u>\$ 1,283,386</u>
<u>Financial assets at FVTOCI</u>				
Investments in equity instruments				
- Listed shares	\$ 351,657	\$ -	\$ -	\$ 351,657
- Unlisted shares	-	-	311,291	311,291
Total	<u>\$ 351,657</u>	<u>\$ -</u>	<u>\$ 311,291</u>	<u>\$ 662,948</u>

December 31, 2023

	Level 1	Level 2	Level 3	Total
<u>Financial assets at FVTPL</u>				
Listed shares	\$ 52,303	\$ -	\$ -	\$ 52,303
Unlisted shares	-	-	2,028	2,028
Mutual fund beneficiary certification	1,043,024	-	-	1,043,024
Debt securities	-	79,880	-	79,880
Total	<u>\$ 1,095,327</u>	<u>\$ 79,880</u>	<u>\$ 2,028</u>	<u>\$ 1,177,235</u>
<u>Financial assets at FVTOCI</u>				
Investments in equity instruments				
- Listed shares	\$ 358,428	\$ -	\$ -	\$ 358,428
- Unlisted shares	-	-	20,517	20,517
Total	<u>\$ 358,428</u>	<u>\$ -</u>	<u>\$ 20,517</u>	<u>\$ 378,945</u>

March 31, 2023

	Level 1	Level 2	Level 3	Total
<u>Financial assets at FVTPL</u>				
Listed shares	\$ 40,626	\$ -	\$ -	\$ 40,626
Unlisted shares	-	-	2,048	2,048
Mutual fund beneficiary certification	1,606,836	-	-	1,606,836
Debt securities	-	29,034	-	29,034
Total	<u>\$ 1,647,462</u>	<u>\$ 29,034</u>	<u>\$ 2,048</u>	<u>\$ 1,678,544</u>
<u>Financial assets at FVTOCI</u>				
Investments in equity instruments				
- Listed shares	\$ 411,577	\$ -	\$ -	\$ 411,577
- Unlisted shares	-	-	180,275	180,275
Total	<u>\$ 411,577</u>	<u>\$ -</u>	<u>\$ 180,275</u>	<u>\$ 591,852</u>

Between January 1 and March 31, 2024 and 2023, there was no change of fair value measurement between level 1 and level 2.

2) Reconciliation of financial instruments at Level 3 fair value measurement

For the Three Months Ended March 31, 2024

Financial assets	Financial assets at FVTPL Equity instruments	Financial assets at FVTOCI Equity instruments	Total
Balance as of January 1	\$ 2,028	\$ 20,517	\$ 22,545
Recognized in profit or loss (included in other gains and losses)	(20)	-	(20)
Recognized in other comprehensive income (included in unrealized gain (loss) on financial assets at FVTOCI)	-	982	982
Purchase	-	289,750	289,750
Impact of exchange rates	-	42	42
Balance as of March 31	<u>\$ 2,008</u>	<u>\$ 311,291</u>	<u>\$ 313,299</u>
Recognized in other gains and losses - unrealized	(\$ 20)	\$ -	(\$ 20)

For the Three Months Ended March 31, 2023

Financial assets	Financial assets at FVTPL Equity instruments	Financial assets at FVTOCI Equity instruments	Total
Balance as of January 1	\$ 2,059	\$ 215,709	\$ 217,768
Recognized in profit or loss (included in other gains and losses)	(11)	-	(11)
Recognized in other comprehensive income (included in unrealized gain (loss) on financial assets at FVTOCI)	-	(35,439)	(35,439)
Impact of exchange rates	-	5	5
Balance as of March 31	<u>\$ 2,048</u>	<u>\$ 180,275</u>	<u>\$ 182,323</u>
Recognized in other gains and losses - unrealized	(\$ 11)	\$ -	(\$ 11)

3) Valuation techniques and inputs applied for Level 2 fair value measurement

<u>Financial Instrument</u>	<u>Valuation Technique and Inputs</u>
Debt securities	Discounted cash flow: Future cash flows are discounted at a rate that reflects current borrowing interest rates of the bond issuers at the end of the reporting period.

4) Valuation techniques and inputs applied for Level 3 fair value measurement

The valuation techniques of unlisted shares with no active market are mostly the market and asset valuation methods.

The market method takes into account the market prices and status of object similar to the investment objects to measure the latter's fair value.

The asset method mainly takes into account the investment objects' net asset values for fair value measurement.

b. Categories of financial instruments

	<u>March 31, 2024</u>	<u>December 31, 2023</u>	<u>March 31, 2023</u>
<u>Financial assets</u>			
Financial assets at FVTPL			
Mandatorily classified as at FVTPL	\$ 1,283,386	\$ 1,177,235	\$ 1,678,544
Financial assets at amortized cost (Note 1)	11,757,646	11,282,919	10,016,858
Financial assets at FVTOCI			
Investments in equity instruments	662,948	378,945	591,852
<u>Financial liabilities</u>			
Financial liabilities at amortized cost (Note 2)	3,551,386	3,633,405	3,171,652

Note 1: The balance includes financial assets measured at amortized cost, such as cash and cash equivalents, debt instrument investments, note receivables, account receivables, other receivables, and other financial assets.

Note 2: The balance includes short-term borrowings, short-term bills payable, note payable, trade payables and other financial liabilities, which are financial liabilities measured at amortized cost.

c. Financial risk management objectives and policies

The Group's major financial instruments include cash and cash equivalents, equity and debt investments, mutual funds, trade receivables, trade payables, and borrowings. The Group's Financial Department provides services to the business, coordinates access to financial markets, monitors and manages the financial risks relating to the operations of the Group through internal risk reports which analyze exposures by degree and magnitude of risks. These risks include market risk (including foreign currency risk, interest rate risk, and other price risk), credit risk and liquidity risk.

1) Market risk

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

a) Foreign currency risk

The Group has monetary assets and monetary liabilities denominated in currencies other than the functional currency, which exposes it to foreign currency risk. The Group monitors exchange rate fluctuations and takes appropriate actions to manage the exchange rate risk.

For the monetary assets and liabilities of the Group denominated in non-functional currencies on the balance sheet date (including those written off in the consolidated financial statements), refer to Note 35.

Sensitivity analysis

The Group is mainly exposed to the fluctuation of RMB, USD, EUR, AUD, CHF, and SGD.

The following table details the Group's sensitivity to a 3% increase or decrease in the functional currency against the relevant foreign currencies. A change of 3% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis used the outstanding foreign-currency denominated monetary items at the end of the reporting period and assumed the exchange rates at the end of the reporting period changed by 3%. The amount below indicates an increase (decrease) in pre-tax profit associated with the functional currency weakening by 3% against the relevant currency. For a 3% strengthening of the functional currency against the relevant currency, there would be an equal and opposite impact on pre-tax profit and the balances below would be negative.

	RMB Impact		USD Impact	
	For the Three Months Ended March 31, 2024	For the Three Months Ended March 31, 2023	For the Three Months Ended March 31, 2024	For the Three Months Ended March 31, 2023
Profit or loss	\$ 30,336 (i)	\$ 29,788 (i)	\$ 16,846 (ii)	\$ 16,005 (ii)

	EUR Impact		AUD Impact	
	For the Three Months Ended March 31, 2024	For the Three Months Ended March 31, 2023	For the Three Months Ended March 31, 2024	For the Three Months Ended March 31, 2023
Profit or loss	\$ 4,973 (iii)	\$ 2,555 (iii)	\$ 3,078 (iv)	\$ 2,249 (iv)

	CHF Impact		SGD Impact	
	For the Three Months Ended March 31, 2024	For the Three Months Ended March 31, 2023	For the Three Months Ended March 31, 2024	For the Three Months Ended March 31, 2023
Profit or loss	\$ - (v)	(\$ 187) (v)	\$ 28 (vi)	\$ 49 (vi)

- i. This was mainly derived from the outstanding RMB-denominated bank deposits which were not hedged at the end of the reporting period.
- ii. This was mainly derived from the outstanding USD-denominated bank deposits, receivables and payables which were not hedged at the end of the reporting period.

- iii. This was mainly derived from the outstanding EUR-denominated bank deposits and payables which were not hedged at the end of the reporting period.
- iv. This was mainly derived from the outstanding AUD-denominated bank deposits which were not hedged at the end of the reporting period.
- v. This was mainly derived from the outstanding CHF-denominated payables which were not hedged at the end of the reporting period.
- vi. This was mainly derived from the Company's SGD-denominated bank deposits and accounts payables which were still outstanding but were not hedged on the balance sheet date.

b) Interest rate risk

The Group was exposed to interest rate risk because entities in the Group borrowed funds at both fixed and floating interest rates. The Group pays attention to the fluctuations of interest rates in the market, and takes appropriate actions to manage the interest rate risk.

The carrying amounts of the Group's financial assets and financial liabilities with exposure to interest rate risk at the end of the reporting periods were as follows.

	<u>March 31, 2024</u>	<u>December 31, 2023</u>	<u>March 31, 2023</u>
Fair value interest rate risk			
- Financial assets	\$ 4,113,618	\$ 3,781,952	\$ 4,165,294
- Financial liabilities	1,951,085	1,661,218	1,987,957
Cash flow interest rate risk			
- Financial assets	171,200	171,200	171,200
- Financial liabilities	-	-	50,000

Sensitivity analysis

The sensitivity analyses below were determined based on the Group's exposure to interest rate risk for non-derivative instruments at the end of the reporting period. For floating rate assets and liabilities, the analysis was prepared by assuming that the amount of the asset and liability outstanding at the end of the reporting period was outstanding for the reporting period. A 1% basis point increase or decrease was used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

If the interest rate increases by 1% and the other variables remain unchanged, the Group's pre-tax profit for the three months ended March 31, 2024 and 2023 would increase by NT\$428 thousand and NT\$303 thousand, respectively. If the interest rate decreases by 1%, it would be the same amount but negative number reflecting the effect on the pre-tax profit.

c) Other price risk

The Group was exposed to equity price risk due to its investments in listed equity securities and mutual funds. The Group has appointed designated personnel to monitor the price risk and will consider hedging the risk exposure should the need arise.

Sensitivity analysis

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

If the price increases/decreases by 1%, the pre-tax income for the the three months ended March 31, 2024 would increase/decrease by NT\$12,834 thousand, due to the increase/decrease in the fair value of the financial assets at fair value through profit or loss, and the pre-tax other comprehensive income the three months ended March 31, 2024 would increase/decrease by NT\$6,629

thousand, due to the increase/decrease in the fair value of the financial assets at fair value through other comprehensive income.

For the three months ended March 31, 2023, if prices rise/fall by 1%, the pre-tax income would increase/decrease by NT\$16,785 thousand due to the increase/decrease in the fair value of financial assets measured at fair value through profit or loss, while the pre-tax other comprehensive income for the three months ended March 31, 2023 would increase/decrease by NT\$5,919 thousand due to the increase/decrease in the fair value of financial assets measured at fair value through other comprehensive income.

2) Credit risk

Credit risk refers to the risk that the counterparty will default on its contractual obligations resulting in financial loss to the Group. As of the end of the reporting period, the Group's maximum exposure to credit risk (the maximum irrevocable amount exposed at risk), which the Group due to failure of counterparties to discharge an obligation was the carrying amount of financial assets recognized in the consolidated balance sheets.

The accounts receivable cover a number of customers in different industries and geographical areas. The Group continuously evaluates the collateral and financial status obtained by accounts receivable customers.

3) Liquidity risk

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

The Group relies on bank borrowings as a significant source of liquidity. Until March 31, 2024 and December 31 and March 31, 2023, the facilities remaining

unused by the Group have been NT\$8,822,494 thousand, NT\$7,864,874 thousand and NT\$7,019,706 thousand.

Liquidity and interest rate risk table for non-derivative financial liabilities

The following table details the Group's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The table had been drawn up based on the undiscounted cash flows of financial liabilities from the earliest date on which the Group may be required to pay. The table included both interest and principal cash flows. As a result, bank loans of the Group that are repayable on demand are included in the earliest period presented regardless of the probability of the banks exercising their right immediately. The maturity analysis for other non-derivative financial liabilities is prepared based on the agreed repayment dates.

March 31, 2024

	On Demand or Less than 1 Month	1-3 Months	3 Months to 1 Year	1 – 5 years	Over 5 years
<u>Non-derivative financial liabilities</u>					
Non-interest bearing	\$ 568,888	\$1,139,946	\$ 53,403	\$ 21,429	\$ -
Lease liabilities	7,983	19,634	40,317	122,471	57
Fixed interest rate liabilities	103,838	40,012	-	1,623,672	-
Contract liabilities	<u>71,858</u>	<u>143,715</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>\$ 752,567</u>	<u>\$1,343,307</u>	<u>\$ 93,720</u>	<u>\$1,767,572</u>	<u>\$ 57</u>

December 31, 2023

	On Demand or Less than 1 Month	1-3 Months	3 Months to 1 Year	1 – 5 years	Over 5 years
<u>Non-derivative financial liabilities</u>					
Non-interest bearing	\$ 691,909	\$1,391,149	\$ 58,140	\$ 21,088	\$ -
Lease liabilities	6,483	19,510	45,327	125,447	114
Fixed interest rate liabilities	78,525	92,034	-	1,300,560	-
Contract liabilities	<u>98,437</u>	<u>196,874</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>\$ 875,354</u>	<u>\$1,699,567</u>	<u>\$ 103,467</u>	<u>\$1,447,095</u>	<u>\$ 114</u>

March 31, 2023

	On Demand or Less than 1 Month	1-3 Months	3 Months to 1 Year	1 – 5 years	Over 5 years
<u>Non-derivative financial liabilities</u>					
Non-interest bearing	\$ 430,457	\$ 863,510	\$ 49,786	\$ 19,578	\$ -
Lease liabilities	8,023	19,029	69,580	144,477	155
Variable interest rate liabilities	-	-	50,029	-	-
Fixed interest rate liabilities	53,006	819,433	-	886,240	-
Contract liabilities	70,238	140,475	-	-	-
	<u>\$ 561,724</u>	<u>\$1,842,447</u>	<u>\$ 169,395</u>	<u>\$1,050,295</u>	<u>\$ 155</u>

The amounts included above for variable interest rate instruments of non-derivative financial liabilities were subject to change if variable interest rates differ from those estimates of interest rates determined at the end of the reporting period.

32. RELATED PARTY TRANSACTIONS

Transactions, balances, income and expenses between the Company and its subsidiaries, which are related parties of the Company, have been eliminated on consolidation and are not disclosed in this note. Besides as disclosed elsewhere in other notes, details of transactions between the Group and other related parties are disclosed below.

a. Related parties and relationships

<u>Name of Related Party</u>	<u>Relationship with the Group</u>
GeneFerm Biotechnology Co., Ltd. (GeneFerm)	The Company is one of the directors

b. Sales

<u>Related Party Category</u>	<u>For the Three Months Ended March 31, 2024</u>	<u>For the Three Months Ended March 31, 2023</u>
The Company is one of the directors	<u>\$ 54</u>	<u>\$ -</u>

Sales from related parties were conducted on normal commercial terms.

c. Purchases

<u>Related Party Category</u>	<u>For the Three Months Ended March 31, 2024</u>	<u>For the Three Months Ended March 31, 2023</u>
The Company is one of the directors	<u>\$ 10,492</u>	<u>\$ 13,502</u>

Purchases from related parties were conducted on normal commercial terms.

d. Receivables from related parties

<u>Line Item</u>	<u>Name of Related Party</u>	<u>March 31, 2024</u>	<u>December 31, 2023</u>	<u>March 31, 2023</u>
Trade receivables from related parties	GeneFerm	<u>\$ 57</u>	<u>\$ 43</u>	<u>\$ -</u>

The outstanding receivables from related parties were unsecured. No loss allowance was provided for the trade receivables from related parties for the three months ended March 31, 2024 and 2023.

e. Payables to related parties

<u>Line Item</u>	<u>Name of Related Party</u>	<u>March 31, 2024</u>	<u>December 31, 2023</u>	<u>March 31, 2023</u>
Trade payables to related parties	GeneFerm	<u>\$ 11,017</u>	<u>\$ 9,889</u>	<u>\$ 14,106</u>

The outstanding payables to related parties were unsecured.

f. Compensation of key management personnel

	<u>For the Three Months Ended March 31, 2024</u>	<u>For the Three Months Ended March 31, 2023</u>
Short-term employee benefits	<u>\$ 8,746</u>	<u>\$ 6,737</u>
Post-employment benefits	<u>150</u>	<u>150</u>
	<u>\$ 8,896</u>	<u>\$ 6,887</u>

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

33. PLEDGED ASSETS

The following assets were provided as collateral for bank borrowings, issuance of bank acceptances, performance guaranty, and bond for customs clearance:

	<u>March 31, 2024</u>	<u>December 31, 2023</u>	<u>March 31, 2023</u>
Pledge time deposits (included in other current assets)	\$ 10,246	\$ 10,174	\$ 9,962
Property, plant and equipment - net	108,313	109,673	112,571
Investment properties - net	<u>32,598</u>	<u>32,893</u>	<u>33,780</u>
	<u>\$ 151,157</u>	<u>\$ 152,740</u>	<u>\$ 156,313</u>

34. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNIZED CONTRACT COMMITMENTS

In addition to the other notes, the Group's significant commitments or contingencies on March 31, 2024 are stated as following:

- a. The Company has entered into a license agreement with The Quaker Oats Company (Quaker) for a period ending July 11, 2034. The agreement provides that the Company may use Quaker's trademark, and process, manufacture, market, and sell Quaker baby cereal, oatmeal, fruit cereal, ready-to-eat cereal, sesame paste, milk powder, and other cereal products in the ROC. In consideration of the above, the Company shall pay Quaker royalties at an agreed percentage of net sales (as defined).
- b. Unrecognized property, plant and equipment contract commitments amount to NT\$421,658 thousand.
- c. Unrecognized commitments for acquiring colostrum from dairymen were approximately 32,179 tons.

35. INFORMATION ON FOREIGN CURRENCY-DENOMINATED ASSETS AND LIABILITIES OF SIGNIFICANT INFLUENCE

The following information is aggregated in foreign currencies other than the functional currency of the Group. The exchange rate disclosed is the exchange rate of the foreign currency into the functional currency. Foreign currency assets and liabilities with significant influences are as follows:

March 31, 2024

Foreign currency assets	Foreign Currencies	Exchange Rate	Carrying Amount
<u>Monetary items</u>			
USD	\$ 13,222	32.00 (USD:NTD)	\$ 423,090
USD	5,820	7.10 (USD:RMB)	186,226
EUR	5,000	34.46 (EUR:NTD)	172,310
RMB	224,200	4.51 (RMB:NTD)	1,011,188
AUD	4,929	20.82 (AUD:NTD)	102,616
SGD	610	23.72 (SGD:NTD)	14,480
			<u>\$ 1,909,910</u>
 Foreign currency liabilities			
<u>Monetary items</u>			
USD	1,494	32.00 (USD:NTD)	\$ 47,793
EUR	190	34.46 (EUR:NTD)	6,559
SGD	571	23.72 (SGD:NTD)	13,555
			<u>\$ 67,907</u>

December 31, 2023

Foreign currency assets	Foreign Currencies	Exchange Rate	Carrying Amount
<u>Monetary items</u>			
USD	\$ 14,041	30.71 (USD:NTD)	\$ 431,135
USD	5,932	7.08 (USD:RMB)	182,142
EUR	4,566	33.98 (EUR:NTD)	155,151
RMB	226,233	4.34 (RMB:NTD)	980,767
AUD	4,505	20.98 (AUD:NTD)	94,520
SGD	306	23.29 (SGD:NTD)	7,134
			<u>\$ 1,850,849</u>

Foreign currency liabilities			
<u>Monetary items</u>			
USD	3,340	30.71 (USD:NTD)	\$ 102,540
CHF	230	8.42 (CHF:RMB)	8,388
SGD	560	23.29 (SGD:NTD)	13,041
			<u>\$ 123,969</u>

March 31, 2023

Foreign currency assets	Foreign Currencies	Exchange Rate	Carrying Amount
<u>Monetary items</u>			
USD	\$ 18,843	30.45 (USD:NTD)	\$ 573,777
USD	1,239	6.87 (USD:RMB)	37,713
EUR	2,834	33.15 (EUR:NTD)	93,949
RMB	224,077	4.43 (RMB:NTD)	992,930
AUD	3,688	20.33 (AUD:NTD)	74,978
SGD	590	22.91 (SGD:NTD)	13,519
			<u>\$ 1,786,866</u>

Foreign currency liabilities			
<u>Monetary items</u>			
USD	2,561	30.45 (USD:NTD)	\$ 77,983
EUR	265	33.15 (EUR:NTD)	8,790
CHF	187	7.51 (CHF:RMB)	6,222
SGD	519	22.91 (SGD:NTD)	11,895
			<u>\$ 104,890</u>

The Group is mainly exposed to RMB and USD. The following information was aggregated by the foreign functional currencies of the group entities, and the exchange rates between respective functional currencies and the presentation currency were disclosed. The significant realized and unrealized foreign exchange gains (losses) were as follows:

Functional Currencies	For the Three Months Ended March 31, 2024		For the Three Months Ended March 31, 2023	
	Exchange Rate	Net Foreign Exchange Gains (Losses)	Exchange Rate	Net Foreign Exchange Gains (Losses)
NTD	1 (NTD:NTD)	\$ 67,137	1 (NTD:NTD)	\$ 3,724
RMB	4.43 (RMB:NTD)	554	4.45 (RMB:NTD)	(576)
CHF	35.98 (CHF:NTD)	731	32.87 (CHF:NTD)	(175)
		<u>\$ 68,422</u>		<u>\$ 2,973</u>

36. SUPPLEMENTARY DISCLOSURES

a. Information on Significant Transactions:

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

b. Information on reinvestments (excluding investees in Mainland China): Table 7.

c. Information on investments in mainland China:

- 1) The name of the investee in mainland China, the main businesses and products, its issued capital, the method of investment, information on inflow or outflow of capital, percentage of ownership, investment income (losses), ending balance of investment, amount repatriated as dividends from the investee, and the limit of investment on investee: Table 8.
 - 2) Significant direct or indirect (through a third region) transactions with the investee, its prices and terms of payment, unrealized gain or loss: None.
- d. Information of major shareholders: List all shareholders with ownership of 5% or greater, showing the name of the shareholder, the number of shares owned, and percentage of ownership of each shareholder. (Table 9)

37. SEGMENT INFORMATION

Information reported to the chief operating decision maker for the purpose of resource allocation and assessment of segment performance focuses on types of corporation. Accordingly, the Group's reportable segments were as follows:

Standard Foods segment - the Company.

Standard Dairy Products segment - Standard Dairy Products.

China Standard segment - Shanghai Standard, China Standard Investment, China Standard Foods, and Xiamen Standard.

Other segments - other than the above subsidiaries.

The following was an analysis of the Group's revenue and results from continuing operations by reportable segments:

	Standard Foods Segment	Standard Dairy Products Segment	China Standard Segment	Other Segments	Adjustments and Eliminations	Total
<u>For the Three Months Ended March 31, 2024</u>						
Sales from external customers	\$ 2,844,589	\$ 530,962	\$ 2,983,402	\$ 436,896	\$ -	\$ 6,795,849
Sales among intersegments	<u>338,287</u>	<u>235,617</u>	<u>-</u>	<u>51</u>	<u>(573,955)</u>	<u>-</u>
Total sales	<u>\$ 3,182,876</u>	<u>\$ 766,579</u>	<u>\$ 2,983,402</u>	<u>\$ 436,947</u>	<u>(\$ 573,955)</u>	<u>\$ 6,795,849</u>
Interest income	<u>\$ 15,790</u>	<u>\$ 1,519</u>	<u>\$ 24,328</u>	<u>\$ 6,200</u>	<u>(\$ 7,521)</u>	<u>\$ 40,316</u>
Financial cost	<u>\$ 298</u>	<u>\$ -</u>	<u>\$ 15,645</u>	<u>\$ 3,086</u>	<u>(\$ 7,521)</u>	<u>\$ 11,508</u>
Depreciation expenses	<u>\$ 54,005</u>	<u>\$ 11,762</u>	<u>\$ 55,633</u>	<u>\$ 22,607</u>	<u>\$ -</u>	<u>\$ 144,007</u>
Amortization expenses	<u>\$ 5,746</u>	<u>\$ 1,143</u>	<u>\$ 8,250</u>	<u>\$ 3,229</u>	<u>\$ -</u>	<u>\$ 18,368</u>
Operating segment income (loss)	<u>\$ 500,596</u>	<u>\$ 78,528</u>	<u>\$ 36,683</u>	<u>(\$ 10,765)</u>	<u>\$ 24,272</u>	<u>\$ 629,314</u>
Profit before income tax						<u>\$ 629,314</u>
<u>For the Three Months Ended March 31, 2023</u>						
Sales from external customers	\$ 2,636,181	\$ 530,854	\$ 2,267,485	\$ 445,979	\$ -	\$ 5,880,499
Sales among intersegments	<u>313,285</u>	<u>266,373</u>	<u>2,882</u>	<u>4</u>	<u>(582,544)</u>	<u>-</u>
Total sales	<u>\$ 2,949,466</u>	<u>\$ 797,227</u>	<u>\$ 2,270,367</u>	<u>\$ 445,983</u>	<u>(\$ 582,544)</u>	<u>\$ 5,880,499</u>
Interest income	<u>\$ 10,243</u>	<u>\$ 1,071</u>	<u>\$ 28,107</u>	<u>\$ 3,565</u>	<u>(\$ 4,128)</u>	<u>\$ 38,858</u>
Financial cost	<u>\$ 305</u>	<u>\$ 1</u>	<u>\$ 15,889</u>	<u>\$ 3,448</u>	<u>(\$ 4,128)</u>	<u>\$ 15,515</u>
Depreciation expenses	<u>\$ 50,217</u>	<u>\$ 11,950</u>	<u>\$ 60,674</u>	<u>\$ 23,681</u>	<u>(\$ 919)</u>	<u>\$ 145,603</u>
Amortization expenses	<u>\$ 6,114</u>	<u>\$ 594</u>	<u>\$ 7,943</u>	<u>\$ 3,841</u>	<u>\$ -</u>	<u>\$ 18,492</u>
Operating segment income (loss)	<u>\$ 442,964</u>	<u>\$ 76,555</u>	<u>(\$ 170,490)</u>	<u>(\$ 21,325)</u>	<u>\$ 6,574</u>	<u>\$ 334,278</u>
Profit before income tax						<u>\$ 334,278</u>

Table 1

STANDARD FOODS CORPORATION AND SUBSIDIARIES

FINANCING PROVIDED TO OTHERS
For the Three Months Ended March 31, 2024
(In Thousands of New Taiwan Dollars)

No. (Note 1)	Lender	Borrower	Financial Statement Account	Related Parties	Highest Balance for the Period	Balance as of March 31	Amount Actually Drawn	Interest Rate	Nature of Financing (Note 2)	Business Transaction Amounts	Reasons for Short-term Financing	Allowance for Bad Debts	Collateral		Single borrower lending limit	Financing Amount Limit	Note
													Name	Value			
0	Standard Foods Corporation	Standard Foods (China) Co., Ltd.	Financing receivables - related parties	Yes	\$ 451,020	\$ 451,020	\$ 451,020	2.500%	2	\$ -	Need for operation	\$ -	—	\$ -	\$ 3,475,791 (Note 3)	\$ 6,951,583 (Note 4)	Note 10
0	Standard Foods Corporation	Standard Foods (Xiamen) Co., Ltd.	Financing receivables - related parties	Yes	451,020	451,020	451,020	2.500%	2	-	Need for operation	-	—	-	3,475,791 (Note 3)	6,951,583 (Note 4)	Note 10
0	Standard Foods Corporation	Charng Hui Ltd.	Financing receivables - related parties	Yes	50,000	50,000	50,000	2.867%	2	-	Need for operation	-	—	-	3,475,791 (Note 3)	6,951,583 (Note 4)	Note 10
1	Standard Investment (China) Co., Ltd.	Shanghai Dermalab Corporation	Financing receivables - related parties	Yes	180,408	180,408	149,261	2.000%	2	-	Need for operation	-	—	-	1,371,208 (Note 5)	1,371,208 (Note 5)	Note 10
1	Standard Investment (China) Co., Ltd.	Le Bonta Wellness Co., Ltd.	Financing receivables - related parties	Yes	405,918	405,918	333,421	2.000%	2	-	Need for operation	-	—	-	1,371,208 (Note 5)	1,371,208 (Note 5)	Note 10
1	Standard Investment (China) Co., Ltd.	Standard Foods (Xiamen) Co., Ltd.	Financing receivables - related parties	Yes	541,224	541,224	317,685	2.000%	2	-	Need for operation	-	—	-	1,371,208 (Note 5)	1,371,208 (Note 5)	Note 10
1	Standard Investment (China) Co., Ltd.	Standard Foods (China) Co., Ltd.	Financing receivables - related parties	Yes	90,204	90,204	78,798	2.000%	2	-	Need for operation	-	—	-	1,371,208 (Note 5)	1,371,208 (Note 5)	Note 10
2	Shanghai Standard Foods Co., Ltd.	Standard Investment (China) Co., Ltd.	Financing receivables - related parties	Yes	653,979	653,979	467,784	2.000%	2	-	Need for operation	-	—	-	1,348,482 (Note 6)	1,348,482 (Note 6)	Note 10
2	Shanghai Standard Foods Co., Ltd.	Standard Foods (Xiamen) Co., Ltd.	Financing receivables - related parties	Yes	225,510	225,510	225,510	2.000%	2	-	Need for operation	-	—	-	1,348,482 (Note 6)	1,348,482 (Note 6)	Note 10
2	Shanghai Standard Foods Co., Ltd.	Standard Foods (China) Co., Ltd.	Financing receivables - related parties	Yes	225,510	225,510	-	2.000%	2	-	Need for operation	-	—	-	1,348,482 (Note 6)	1,348,482 (Note 6)	Note 10
3	Shanghai Le Ho Industrial Co., Ltd.	Standard Investment (China) Co., Ltd.	Financing receivables - related parties	Yes	54,122	54,122	39,843	2.000%	2	-	Need for operation	-	—	-	180,820 (Note 7)	180,820 (Note 7)	Note 10
4	Shanghai Le Min Industrial Co., Ltd	Standard Investment (China) Co., Ltd.	Financing receivables - related parties	Yes	54,122	54,122	27,246	2.000%	2	-	Need for operation	-	—	-	113,190 (Note 8)	113,190 (Note 8)	Note 10
5	Shanghai New Vitality Health Technology (Group) Co., Ltd.	Jiangsu Hua Sun Health Technology Co., Ltd.	Financing receivables - related parties	Yes	54,122	54,122	-	2.000%	2	-	Need for operation	-	—	-	193,837 (Note 9)	193,837 (Note 9)	Note 10

Note 1: "0" for the Company. Subsidiaries are numbered in order from "1."

Note 2: Reasons for financing are as follows:

- a. Please fill in 1 for having business transactions.
- b. Please fill in 2 for short-term financing.

Note 3: The single limit is calculated based on 20% of the net worth of the latest financial statements of Standard Foods Corporation, which is NT\$3,475,791 thousand (the net worth, NT\$17,378,957 thousand, of the financial statements dated December 31, 2023x20%).

Note 4: The maximum limit is calculated based on 40% of the net worth of the latest financial statements of Standard Foods Corporation, which is NT\$6,951,583thousand (the net worth, NT\$17,378,957 thousand, of the financial statements dated December 31, 2023x40%).

Note 5: The single and maximum limit is calculated based on 40% of the net worth of the latest financial statements of Standard Investment (China) Co., Ltd., which is NT\$1,371,208 thousand (the net worth, NT\$3,428,019 thousand, of the financial statements dated December 31, 2023x40%).

Note 6: The single and maximum limit is calculated based on 40% of the net worth of the latest financial statements of Shanghai Standard Foods Co., Ltd., which is NT\$1,348,482 thousand (the net worth, NT\$3,371,204 thousand, of the financial statements dated December 31, 2023x40%).

Note 7: The single and maximum limit is calculated based on 40% of the net worth of the latest financial statements of Shanghai Le Ho Industrial Co., Ltd., which is NT\$180,820 thousand (the net worth, NT\$452,049 thousand, of the financial statements dated December 31, 2023x40%).

Note 8: The single and maximum limit is calculated based on 40% of the net worth of the latest financial statements of Shanghai Le Min Industrial Co., Ltd., which is NT\$113,190 thousand (the net worth, NT\$282,975 thousand, of the financial statements dated December 31, 2023x40%).

Note 9: The single and maximum limit is calculated based on 40% of the net worth of the latest financial statements of Shanghai New Vitality Health Technology (Group) Co., Ltd., which is NT\$193,837 thousand (the net worth, NT\$484,592 thousand, of the financial statements dated December 31, 2023x40%).

Note 10. The amounts presented above were eliminated upon consolidation.

Table 2

STANDARD FOODS CORPORATION AND SUBSIDIARIES

ENDORSEMENTS/GUARANTEES PROVIDED
For the Three Months Ended March 31, 2024
(In Thousands of New Taiwan Dollars)

No. (Note 1)	Endorsement/ Guarantee Provider	Guaranteed Party		Single party endorsement/ guarantee limit	Maximum Balance for the Period	Ending Balance	Amount Actually Drawn	Amount of Endorsement/ Guarantee Collateralized by Properties	Ratio of Accumulated Endorsement/ Guarantee to Net Equity Per Latest Financial Statements	Maximum Endorsement/Guarantee Amount	Guarantee Provided by Parent Company (Note 5)	Guarantee Provided by Subsidiary (Note 5)	Guarantee Provided to Subsidiaries in Mainland China (Note 5)	Note
		Nature of Relationships (Note 2)	Nature of Relationships (Note 2)											
0	Standard Foods Corporation	Standard Beverage Company Ltd.	(2)	\$ 13,903,166 (Note 3)	\$ 94,740	\$ -	\$ -	\$ -	0.00%	\$ 17,378,957 (Note 4)	Y	-	-	
0	Standard Foods Corporation	Charng Hui Ltd.	(2)	13,903,166 (Note 3)	96,000	96,000	33,800	-	0.55%	17,378,957 (Note 4)	Y	-	-	

Note 1: "0" for the Company. Subsidiaries are numbered in order from "1."

Note 2: There are seven types of relationships between the guaranteed party and the Company:

- a. Trading partner.
- b. The company in which the Company holds, directly or indirectly, more than fifty percent (50%) of the voting shares.
- c. The company that holds, directly or indirectly, more than fifty percent (50%) of the Company's voting shares.
- d. The company in which the Company holds, directly or indirectly, more than fifty percent (90%) of the voting shares.
- e. Guaranteed by construction contracts formed due to the need of construction projects, in which the companies in the same industry or joint builders provide endorsement/guarantee to one another.
- f. The guarantees were provided by shareholders based on their proportionate share in a jointly invested company.
- g. Companies in the same industry provided among themselves joint and several securities for a performance guarantee of a sales contract for pre-construction homes pursuant to the Consumer Protection Act for each other.

Note 3: The single enterprise’s limit is calculated based on 80% of the net worth of the latest financial statements of Standard Foods Corporation, which is NT\$13,903,166 thousand (the net worth, NT\$17,378,957 thousand, of the financial statements dated December 31, 2023x80%).

Note 4: The maximum limit is calculated based on 100% of the net worth of the latest financial statements of Standard Foods Corporation, which is NT\$17,378,957 thousand (the net worth, NT\$17,378,957 thousand, of the financial statements dated December 31, 2023x100%).

Note 5: Fill in Y if a listed parent company provides endorsements/guarantees for its subsidiary or if a subsidiary provides endorsements/guarantees for its listed parent company or if endorsements/guarantees involve mainland China.

Table 3

STANDARD FOODS CORPORATION AND SUBSIDIARIES

MARKETABLE SECURITIES HELD (EXCLUDING INVESTMENTS IN SUBSIDIARIES)
March 31, 2024
(In Thousands of New Taiwan Dollars)

Holding Company Name	Type of Marketable Securities	Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	End of the Period				Note
					Shares	Carrying Amount	Percentage of Ownership	Fair Value	
Standard Foods Corporation	Shares	Far Eastern International Commercial Bank Co., Ltd.	The Company is one of the directors	Financial assets at FVTOCI - current	1,466,828	\$ 21,122	-	\$ 21,122	
	Shares	Chunghwa Telecom Co., Ltd.		Financial assets at FVTOCI - current	48,600	6,124	-	6,124	
	Shares	GeneFerm Biotechnology Co., Ltd.		Financial assets at FVTOCI - non-current	2,145,110	138,789	5.2%	138,789	
	Shares	Dah Chung Bills Finance Corp.		Financial assets at FVTOCI - non-current	1,274,480	20,443	0.3%	20,443	
	Shares	H2U Corporation		Financial assets at FVTOCI - non-current	4,165,000	289,750	15.0%	289,750	
	Shares	Taiwan Semiconductor Manufacturing Co., Ltd.		Financial assets at FVTPL - current	7,063	5,502	-	5,502	
	Shares	Apple Inc.		Financial assets at FVTPL - current	1,675	9,191	-	9,191	
	Shares	Amazon.com, Inc.		Financial assets at FVTPL - current	740	4,271	-	4,271	
	Shares	Alphabet Inc.		Financial assets at FVTPL - current	820	3,961	-	3,961	
	Shares	Microsoft Corporation		Financial assets at FVTPL - current	372	5,008	-	5,008	
	Shares	NVIDIA Corporation		Financial assets at FVTPL - current	467	13,503	-	13,503	
	Shares	Tesla, Inc.		Financial assets at FVTPL - current	387	2,177	-	2,177	
	Mutual funds	Yuanta FTSE4Good TIP Taiwan ESG ETF		Financial assets at FVTPL - current	300,000	12,021	-	12,021	
	Mutual funds	Cathay China Domestic Demand Growth Fund		Financial assets at FVTPL - current	3,585,869	62,430	-	62,430	
	Mutual funds	Cathay Target Date 2029 Fund of Funds		Financial assets at FVTPL - current	4,720,915	66,989	-	66,989	
	Mutual funds	Cathay Glb Aggressive FOFs		Financial assets at FVTPL - current	2,284,844	67,609	-	67,609	
	Mutual funds	Taishin 1699 Money Market Fund		Financial assets at FVTPL - current	17,683,664	247,375	-	247,375	
	Mutual funds	Franklin Templeton Sinoam Money Market Fund		Financial assets at FVTPL - current	36,539,805	389,697	-	389,697	

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Holding Company Name	Type of Marketable Securities	Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	End of the Period				Note
					Shares	Carrying Amount	Percentage of Ownership	Fair Value	
Standard Dairy Products Taiwan Ltd.	Mutual funds	SinoPac TWD Money Market Fund		Financial assets at FVTPL - current	9,421,937	\$ 135,185	-	\$ 135,185	
	Debt securities	HSBC Holdings USD Bond (HSBC_4.3_030826.3_030826)		Financial assets at FVTPL - current	10,000	31,098	-	31,098	
	Debt securities	TSMC Unsecured Corporate Bond 2023 2nd Offering		Financial assets at FVTPL - current	500,000	49,999	-	49,999	
	Shares	Paradigm Venture Capital Corporation		Financial assets at FVTPL - non-current	153,320	2,008	7.0%	2,008	
	Shares	U-Teck Environment Corporation, Ltd.		Financial assets at FVTPL - non-current	11,200	-	0.2%	-	
	Shares	Techgains Pan-Pacific Corporation		Financial assets at FVTPL - non-current	500,000	-	0.9%	-	
	Shares	Authenex, Inc.		Financial assets at FVTPL - non-current	2,424,242	-	5.5%	-	
	Shares	Octamer, Inc. - Series E Preferred Stock		Financial assets at FVTPL - non-current	800,000	-	7.8%	-	
	Shares	Octamer, Inc. - Series F Preferred Stock		Financial assets at FVTPL - non-current	107,815	-	1.0%	-	
	Shares	Fortemedia, Inc. - Series D Preferred Stock		Financial assets at FVTPL - non-current	3,455	-	1.2%	-	
	Shares	Fortemedia, Inc. - Series E Preferred Stock		Financial assets at FVTPL - non-current	71,397	-	1.2%	-	
	Shares	Fortemedia, Inc. - Series F Preferred Stock		Financial assets at FVTPL - non-current	29,173	-	1.2%	-	
	Shares	Fortemedia, Inc. - Series G Preferred Stock		Financial assets at FVTPL - non-current	31,135	-	1.3%	-	
	Shares	Fortemedia, Inc. - Series I Preferred Stock		Financial assets at FVTPL - non-current	29,102	-	1.3%	-	
	Shares	Fortemedia, Inc. - Common Stock		Financial assets at FVTPL - non-current	12,938	-	1.2%	-	
	Mutual funds	FSITC Taiwan Money Market Fund		Financial assets at FVTPL - current	2,932,552	46,305	-	46,305	
	Mutual funds	Cathay China Domestic Demand Growth Fund		Financial assets at FVTPL - current	1,195,290	20,810	-	20,810	
	Mutual funds	Cathay Target Date 2029 Fund of Funds		Financial assets at FVTPL - current	786,819	11,165	-	11,165	
	Mutual funds	Cathay Glb Aggressive FOFs		Financial assets at FVTPL - current	761,615	22,536	-	22,536	
Charng Hui Ltd.	Shares	Standard Foods Corporation	Charng Hui Ltd.	Financial assets at FVTOCI - current	6,669,471	254,440	0.7%	254,440	Note

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Holding Company Name	Type of Marketable Securities	Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	End of the Period				Note
					Shares	Carrying Amount	Percentage of Ownership	Fair Value	
Standard Beverage Company Ltd. Accession Limited	Shares	Formosa Plastics Corporation	Charng Hui Ltd. is one of the directors	Financial assets at FVTOCI - current	91,440	\$ 6,300	-	\$ 6,300	
	Shares	China Steel Corporation		Financial assets at FVTOCI - current	803,258	19,198	-	19,198	
	Shares	Polytronics Technology Corporation		Financial assets at FVTOCI - current	1,596,000	90,014	1.9%	90,014	
	Shares	Taiwan Semiconductor Manufacturing Co., Ltd.		Financial assets at FVTOCI - current	90,000	70,110	-	70,110	
	Mutual funds	Fuh Hwa Global Strategic Allocation FoF		Financial assets at FVTPL - current	1,000,000	13,550	-	13,550	
	Mutual funds	Franklin Templeton SinoAm Franklin Templeton Global Bond Fund of Funds		Financial assets at FVTPL - current	1,453,360	18,028	-	18,028	
	Shares	Amphastar Pharmaceuticals Inc. (AMPH)		Financial assets at FVTPL - non-current	7,742	10,879	-	10,879	
	Mutual funds	Taishin 1699 Money Market Fund		Financial assets at FVTPL - current	2,077,166	29,057	-	29,057	
	Shares	AsiaVest Liquidation Co.		Financial assets at FVTOCI - non-current	200	1,098	0.7%	1,098	
Standard Investment (China) Co., Ltd.	Shares	CCOOP Group Co., Ltd.		Financial assets at FVTPL - current	342,939	3,032	-	3,032	

Note: The amounts presented above were eliminated upon consolidation.

Table 4

STANDARD FOODS CORPORATION AND SUBSIDIARIES

TOTAL PURCHASES FROM OR SALES TO RELATED PARTIES AMOUNTING TO AT LEAST NT\$100 MILLION OR 20% OF THE PAID-IN CAPITAL

For the Three Months Ended March 31, 2024

(In Thousands of New Taiwan Dollars)

Company Name	Counterparty	Nature of Relationships	Transaction Details				Abnormal Transaction		Notes/Trade Receivable (Payable)		Note
			Purchases (Sales)	Amount	As percentage of the total purchase (sales)	Payment Terms	Unit Price	Payment Terms	Ending Balance	Ratio to Total Notes or Accounts Receivable (payable) Ratio of notes/accounts	
Standard Foods Corporation	Standard Dairy Products Taiwan Ltd.	The Company's subsidiary	Sales	(\$ 338,287)	10.63%	55 days after month-end closing (net of receivables and payables)	—	—	\$ 150,337	7.15%	Note
			Purchases	235,617	17.17%	55 days after month-end closing (net of receivables and payables)	—	—	-	-	Note
Standard Dairy Products Taiwan Ltd.	Standard Foods Corporation	Parent company of Standard Dairy Products Taiwan Ltd.	Purchases	338,287	58.26%	55 days after month-end closing (net of receivables and payables)	—	—	(150,337)	41.34%	Note
			Sales	(235,617)	30.74%	55 days after month-end closing (net of receivables and payables)	—	—	-	-	Note
Shanghai Standard Foods Co., Ltd.	Standard Investment (China) Co., Ltd.	Brother company of Shanghai Standard Foods Co., Ltd.	Sales	(267,153)	58.84%	60 days after month-end closing	—	—	146,741	99.79%	Note
			Purchases	140,814	28.55%	60 days after month-end closing	—	—	(67,209)	53.07%	Note
Standard Investment (China) Co., Ltd.	Shanghai Standard Foods Co., Ltd.	Brother company of Standard Investment (China) Co., Ltd.	Purchases	267,153	11.53%	60 days after month-end closing	—	—	(146,741)	6.51%	Note
			Sales	(140,814)	4.89%	60 days after month-end closing	—	—	67,209	6.25%	Note
Standard Foods (China) Co., Ltd.	Standard Investment (China) Co., Ltd.	Parent company of Standard Foods (China) Co., Ltd.	Sales	(1,044,444)	99.14%	60 days after month-end closing	—	—	1,280,695	99.29%	Note
Standard Investment (China) Co., Ltd.	Standard Foods (China) Co., Ltd.	Standard Investment (China) Co., Ltd.'s subsidiary	Purchases	1,044,444	45.16%	60 days after month-end closing	—	—	(1,280,695)	56.86%	Note
Standard Foods (Xiamen) Co., Ltd.	Standard Investment (China) Co., Ltd.	Parent company of Standard Foods (Xiamen) Co., Ltd.	Sales	(979,544)	93.39%	60 days after month-end closing	—	—	542,134	97.89%	Note
Standard Investment (China) Co., Ltd.	Standard Foods (Xiamen) Co., Ltd.	Standard Investment (China) Co., Ltd.'s subsidiary	Purchases	979,544	42.36%	60 days after month-end closing	—	—	(542,134)	24.07%	Note

Note: The amounts presented above were eliminated upon consolidation.

Table 5

STANDARD FOODS CORPORATION AND SUBSIDIARIES

RECEIVABLES FROM RELATED PARTIES AMOUNTING TO AT LEAST NT\$100 MILLION OR 20% OF THE PAID-IN CAPITAL
 March 31, 2024
 (In Thousands of New Taiwan Dollars)

Company Name	Counterparty	Nature of Relationships	Ending Balance for Trade Receivable - Related Parties	Turnover Rate	Overdue		Amounts Received in Subsequent Period	Allowance for loss amount	Note
					Amount	Actions Taken			
Standard Foods Corporation	Standard Dairy Products Taiwan Ltd.	The Company's subsidiary	Trade receivable	8.77	\$ -		\$ 18,625 (Note 1)	\$ -	(Note 2)
			Other receivables		-		2,443 (Note 1)	-	(Note 2)
					<u>\$ 152,780</u>		<u>\$ 21,068</u> (Note 1)	<u>\$ -</u>	
Standard Foods Corporation	Standard Foods (China) Co., Ltd.	The Company's subsidiary	Financing receivables		\$ -		\$ - (Note 1)	\$ -	(Note 2)
			Other receivables		-		- (Note 1)	-	(Note 2)
					<u>\$ 453,831</u>		<u>\$ -</u> (Note 1)	<u>\$ -</u>	
Standard Foods Corporation	Standard Foods (Xiamen) Co., Ltd.	The Company's subsidiary	Financing receivables		\$ -		\$ - (Note 1)	\$ -	(Note 2)
			Other receivables		-		- (Note 1)	-	(Note 2)
					<u>\$ 453,831</u>		<u>\$ -</u> (Note 1)	<u>\$ -</u>	
Shanghai Standard Foods Co., Ltd.	Standard Investment (China) Co., Ltd.	Brother company of Shanghai Standard Foods Co., Ltd.	Trade receivables	4.73	\$ -		\$ 5,989 (Note 1)	\$ -	(Note 2)
			Financing receivables		-		- (Note 1)	-	(Note 2)
			Other receivables		-		374 (Note 1)	-	(Note 2)
					<u>\$ 617,421</u>		<u>\$ 6,363</u> (Note 1)	<u>\$ -</u>	
Shanghai Standard Foods Co., Ltd.	Standard Foods (Xiamen) Co., Ltd.	Brother company of Shanghai Standard Foods Co., Ltd.	Financing receivables		\$ -		\$ 225,510 (Note 1)	\$ -	(Note 2)
			Other receivables		-		3,477 (Note 1)	-	(Note 2)
					<u>\$ 228,987</u>		<u>\$ 228,987</u> (Note 1)	<u>\$ -</u>	
Standard Foods (China) Co., Ltd.	Standard Investment (China) Co., Ltd.	Parent company of Standard Foods (China) Co., Ltd.	Trade receivable	3.11	<u>\$ -</u>		<u>\$ 588,581</u> (Note 1)	<u>\$ -</u>	(Note 2)
Standard Investment (China) Co., Ltd.	Standard Foods (Xiamen) Co., Ltd.	Standard Investment (China) Co., Ltd.'s subsidiary	Trade receivable	40.44	\$ -		\$ 18 (Note 1)	\$ -	(Note 2)
			Financing receivables		-		- (Note 1)	-	(Note 2)
			Other receivables		-		- (Note 1)	-	(Note 2)
					<u>\$ 328,323</u>		<u>\$ 18</u> (Note 1)	<u>\$ -</u>	
Standard Investment (China) Co., Ltd.	Le Bonta Wellness Co., Ltd.	Standard Investment (China) Co., Ltd.'s subsidiary	Trade receivable	-	\$ -		\$ 18 (Note 1)	\$ -	(Note 2)
			Financing receivables		-		- (Note 1)	-	(Note 2)
			Other receivables		-		3,156 (Note 1)	-	(Note 2)
					<u>\$ 337,628</u>		<u>\$ 3,174</u> (Note 1)	<u>\$ -</u>	
Standard Investment (China) Co., Ltd.	Shanghai Dermalab Corporation Ltd.	Standard Investment (China) Co., Ltd.'s subsidiary	Financing receivables		\$ -		\$ - (Note 1)	\$ -	(Note 2)
			Other receivables		-		2,282 (Note 1)	-	(Note 2)
					<u>\$ 152,152</u>		<u>\$ 2,282</u> (Note 1)	<u>\$ -</u>	
Standard Foods (Xiamen) Co., Ltd.	Standard Investment (China) Co., Ltd.	Parent company of Standard Foods (Xiamen) Co., Ltd.	Trade receivables	7.03	<u>\$ -</u>		<u>\$ 232,140</u> (Note 1)	<u>\$ -</u>	(Note 2)

Note 1: The amount collected until May 9, 2024.

Note 2: The amounts presented above were eliminated upon consolidation.

Table 6

STANDARD FOODS CORPORATION AND SUBSIDIARIES

INTERCOMPANY RELATIONSHIPS AND SIGNIFICANT INTERCOMPANY TRANSACTIONS

For the Three Months Ended March 31, 2024

(In Thousands of New Taiwan Dollars)

No. (Note 1)	Name of Company	Counterparty	Relationship (Note 2)	Transactions Details			
				Financial Statement Accounts	Amount (Note 4)	Payment Terms	As % of the consolidated total operating revenue or total assets (Note 3)
0	Standard Foods Corporation	Standard Dairy Products	1	Trade receivables	\$ 150,337	According to the general conditions	0.6%
0	Standard Foods Corporation	Standard Dairy Products	1	Other receivables	2,443	According to the general conditions	-
0	Standard Foods Corporation	Standard Dairy Products	1	Sales	338,287	According to the general conditions	5.0%
0	Standard Foods Corporation	Standard Dairy Products	1	Purchases	235,617	According to the general conditions	3.5%
0	Standard Foods Corporation	Standard Dairy Products	1	Royalty revenue	1,806	According to the general conditions	-
0	Standard Foods Corporation	Charng Hui	1	Other receivables	127	According to the general conditions	-
0	Standard Foods Corporation	Charng Hui	1	Financing receivables	50,000	Interest rate 2.867% per annum	0.2%
0	Standard Foods Corporation	Charng Hui	1	Interest income	225	Interest rate 2.867% per annum	-
0	Standard Foods Corporation	Charng Hui	1	Service revenue (recognized under sundry revenue)	330	According to the general conditions	-
0	Standard Foods Corporation	China Standard Foods	1	Other receivables	2,811	According to the general conditions	-
0	Standard Foods Corporation	China Standard Foods	1	Financing receivables	451,020	Interest rate 2.500% per annum	1.7%
0	Standard Foods Corporation	China Standard Foods	1	Interest income	2,744	Interest rate 2.500% per annum	-
0	Standard Foods Corporation	Xiamen Standard	1	Other receivables	2,811	According to the general conditions	-
0	Standard Foods Corporation	Xiamen Standard	1	Financing receivables	451,020	Interest rate 2.500% per annum	1.7%
0	Standard Foods Corporation	Xiamen Standard	1	Interest income	2,744	Interest rate 2.500% per annum	-
1	Shanghai Standard	China Standard Investment	3	Trade receivables	146,741	According to the general conditions	0.6%
1	Shanghai Standard	China Standard Investment	3	Financing receivables	467,784	Interest rate 2.000% per annum	1.8%
1	Shanghai Standard	China Standard Investment	3	Other receivables	2,896	According to the general conditions	-
1	Shanghai Standard	China Standard Investment	3	Trade payables	67,209	According to the general conditions	0.3%
1	Shanghai Standard	China Standard Investment	3	Other payables	2,827	According to the general conditions	-
1	Shanghai Standard	China Standard Investment	3	Sales	267,153	According to the general conditions	3.9%
1	Shanghai Standard	China Standard Investment	3	Purchases	140,814	According to the general conditions	2.1%
1	Shanghai Standard	China Standard Investment	3	Interest income	2,145	Interest rate 2.000% per annum	-
1	Shanghai Standard	China Standard Investment	3	Other income	1,025	According to the general conditions	-
1	Shanghai Standard	China Standard Foods	3	Trade payables	200	According to the general conditions	-
1	Shanghai Standard	China Standard Foods	3	Purchases	176	According to the general conditions	-
1	Shanghai Standard	Xiamen Standard	3	Other receivables	3,477	According to the general conditions	-
1	Shanghai Standard	Xiamen Standard	3	Financing receivables	225,510	Interest rate 2.000% per annum	0.9%
1	Shanghai Standard	Xiamen Standard	3	Interest income	1,119	Interest rate 2.000% per annum	-

(Continued)

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No. (Note 1)	Name of Company	Counterparty	Relationship (Note 2)	Transactions Details			
				Financial Statement Accounts	Amount (Note 4)	Payment Terms	As % of the consolidated total operating revenue or total assets (Note 3)
2	China Standard Investment	China Standard Foods	1	Other receivables	\$ 4,086	According to the general conditions	-
2	China Standard Investment	China Standard Foods	1	Financing receivables	78,798	Interest rate 2.000% per annum	0.3%
2	China Standard Investment	China Standard Foods	1	Trade payables	1,280,695	According to the general conditions	4.9%
2	China Standard Investment	China Standard Foods	1	Sales	60	According to the general conditions	-
2	China Standard Investment	China Standard Foods	1	Purchases	1,044,444	According to the general conditions	15.4%
2	China Standard Investment	China Standard Foods	1	Interest income	889	Interest rate 2.000% per annum	-
2	China Standard Investment	China Standard Foods	1	Other income	3,140	According to the general conditions	-
2	China Standard Investment	China Standard Foods	1	Rental expenses	27	According to the general conditions	-
2	China Standard Investment	Shanghai Dermalab	3	Other receivables	2,891	According to the general conditions	-
2	China Standard Investment	Shanghai Dermalab	3	Financing receivables	149,261	Interest rate 2.000% per annum	0.6%
2	China Standard Investment	Shanghai Dermalab	3	Trade payables	15	According to the general conditions	-
2	China Standard Investment	Shanghai Dermalab	3	Interest income	596	Interest rate 2.000% per annum	-
2	China Standard Investment	Shanghai Dermalab	3	Other expenses	13	According to the general conditions	-
2	China Standard Investment	Xiamen Standard	1	Trade receivables	18	According to the general conditions	-
2	China Standard Investment	Xiamen Standard	1	Other receivables	10,620	According to the general conditions	-
2	China Standard Investment	Xiamen Standard	1	Financing receivables	317,685	Interest rate 2.000% per annum	1.2%
2	China Standard Investment	Xiamen Standard	1	Trade payables	542,134	According to the general conditions	2.1%
2	China Standard Investment	Xiamen Standard	1	Sales	91	According to the general conditions	-
2	China Standard Investment	Xiamen Standard	1	Purchases	979,544	According to the general conditions	14.4%
2	China Standard Investment	Xiamen Standard	1	Interest income	4,564	Interest rate 2.000% per annum	0.1%
2	China Standard Investment	Xiamen Standard	1	Other income	5,831	According to the general conditions	0.1%
2	China Standard Investment	Shanghai Le Bonta	3	Trade receivables	18	According to the general conditions	-
2	China Standard Investment	Shanghai Le Bonta	3	Other receivables	4,189	According to the general conditions	-
2	China Standard Investment	Shanghai Le Bonta	3	Financing receivables	333,421	Interest rate 2.000% per annum	1.3%
2	China Standard Investment	Shanghai Le Bonta	3	Interest income	1,007	Interest rate 2.000% per annum	-
2	China Standard Investment	Shanghai Le Bonta	3	Other expenses	31	According to the general conditions	-
2	China Standard Investment	Shanghai Le Ho	3	Other payables	121	According to the general conditions	-
2	China Standard Investment	Shanghai Le Ho	3	Financing payables	39,843	Interest rate 2.000% per annum	0.2%
2	China Standard Investment	Shanghai Le Ho	3	Interest expenses	119	Interest rate 2.000% per annum	-
2	China Standard Investment	Shanghai Le Min	3	Other payables	91	According to the general conditions	-
2	China Standard Investment	Shanghai Le Min	3	Financing payables	27,246	Interest rate 2.000% per annum	0.1%
2	China Standard Investment	Shanghai Le Min	3	Interest expenses	87	Interest rate 2.000% per annum	-
2	China Standard Investment	Jiangsu Hua Sun	3	Trade receivables	4,359	According to the general conditions	-

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No. (Note 1)	Name of Company	Counterparty	Relationship (Note 2)	Transactions Details			
				Financial Statement Accounts	Amount (Note 4)	Payment Terms	As % of the consolidated total operating revenue or total assets (Note 3)
3	Shanghai Dermalab	Dermalab	3	Trade payables	\$ 719	According to the general conditions	-
3	Shanghai Dermalab	Dermalab	3	Purchases	8,204	According to the general conditions	0.1%
3	Shanghai Dermalab	Shanghai Le Ben De	3	Purchases	1,625	According to the general conditions	-
4	China Standard Foods	Shanghai Le Bonta	3	Purchases	1	According to the general conditions	-
4	China Standard Foods	Xiamen Standard	3	Trade receivables	198	According to the general conditions	-
4	China Standard Foods	Xiamen Standard	3	Trade payables	11,709	According to the general conditions	-
4	China Standard Foods	Xiamen Standard	3	Sales	138	According to the general conditions	-
4	China Standard Foods	Xiamen Standard	3	Purchases	20,120	According to the general conditions	0.3%
4	China Standard Foods	Jiangsu Hua Sun	3	Trade receivables	7,467	According to the general conditions	-
4	China Standard Foods	Jiangsu Hua Sun	3	Other receivables	808	According to the general conditions	-
4	China Standard Foods	Jiangsu Hua Sun	3	Rental income	1,215	According to the general conditions	-
4	China Standard Foods	Jiangsu Hua Sun	3	Other expenses	590	According to the general conditions	-
5	Shanghai Le Bonta	Xiamen Standard	3	Sales	7	According to the general conditions	-
5	Shanghai Le Bonta	Jiangsu Hua Sun	3	Trade payables	289	According to the general conditions	-
5	Shanghai Le Bonta	Jiangsu Hua Sun	3	Purchases	221	According to the general conditions	-
6	Shanghai Le Ben De	Dermalab	3	Purchases	1,473	According to the general conditions	-

Note 1: Where the parent company and its subsidiaries do business with each other, information shall be stated separately in the "No." column and numbered as follows:

- Parent company is 0.
- Subsidiaries are numbered in order by Arabic numerals from 1.

Note 2: The related parties have the following three relationships:

- Parent company to its subsidiaries.
- Subsidiaries to its parent company.
- Subsidiaries to subsidiaries.

Note 3: The transaction amounts are calculated as percentage of consolidated total revenue or total assets; balance sheet accounts are calculated as percentage of consolidated total assets; amounts of income statement accounts are calculated as percentage of consolidated total revenues.

Note 4: The amounts presented above were eliminated upon consolidation.

Table 7

STANDARD FOODS CORPORATION AND SUBSIDIARIES

INFORMATION ON INVESTEE COMPANIES (EXCLUDING MAINLAND INVESTED COMPANIES)
For the Three Months Ended March 31, 2024
(In Thousands of New Taiwan Dollars)

Investor Company	Investee Company	Location	Main Businesses and Products	Original Investment Amount		As of March 31, 2024			Net Income (Loss) of the Investee	Share of Profits (Loss) Recognized for the Current Period	Note
				March 31, 2024	December 31, 2023	Shares	%	Carrying Amount			
Standard Foods Corporation	Accession Limited	Tortola, British Virgin Islands	Investing	\$ 3,936,267	\$ 3,936,267	123,600,000	100%	\$ 3,785,252	(\$ 696)	\$ 4,577 (Note 1)	Subsidiary (Note 4)
	Standard Investment (Cayman) Limited	Grand Cayman, Cayman Islands	Investing	4,931,225	4,931,225	157,147,892	100%	4,586,469	(24,520)	(24,520)	Subsidiary (Note 4)
	Standard Dairy Products Taiwan Ltd.	Taipei, Taiwan	Manufacture and sale of dairy products and beverages	300,853	300,853	30,000,000	100%	1,083,615	62,858	69,250 (Note 2)	Subsidiary (Note 4)
	Charng Hui Ltd.	Taipei, Taiwan	Investing	230,000	230,000	24,100,000	100%	323,279	(751)	(751)	Subsidiary (Note 4)
	Domex Technology Corporation	Hsinchu, Taiwan	Manufacture and sale of computer peripherals and computer appliances	114,116	114,116	10,374,399	52%	290,547	47,916	24,921	Subsidiary (Note 4)
	Standard Beverage Company Ltd.	Taipei, Taiwan	Manufacture and sale of beverages	79,072	79,072	7,907,000	100%	80,543	(332)	(332)	Subsidiary (Note 4)
	Standard Foods, LLC.	U.S.A.	Sale of health food	9,056	9,056	註3	100%	9,600	-	-	Subsidiary (Note 4)
	Standard Great Foods Singapore PTE. LTD.	Singapore	Food trading	9,427	9,427	註3	100%	9,544	55	55	Subsidiary (Note 4)
Accession Limited	Dermalab S.A.	Switzerland	Development and sale of cosmetics	379,489	379,489	4,050	100%	248,755	(10,408)	-	Second-tier subsidiary (Note 4)
Dermalab S.A.	Swissderma SL	Spain	Sale of cosmetics	96	96	3,000	100%	-	-	-	Third-tier subsidiary (Note 4)
Standard Investment (Cayman) Limited	Standard Corporation (Hong Kong) Limited	Hong Kong	Investing	4,927,405	4,927,405	157,021,892	100%	4,585,216	(24,434)	-	Second-tier subsidiary (Note 4)

Note 1: The amount after the net loss in investees recognized based on the shareholding ratio, NT\$696 thousand, less the adjustment on unrealized gain or loss from side-stream transactions, NT\$5,273 thousand.

Note 2: The amount after the net profit in investees recognized based on the shareholding ratio, NT\$62,858 thousand, less the adjustment on unrealized gain or loss from upstream transactions, NT\$6,392 thousand.

Note 3: This is a limited company with no issued shares.

Note 4: The amounts presented above were eliminated upon consolidation.

Table 8

STANDARD FOODS CORPORATION AND SUBSIDIARIES

INFORMATION ON INVESTMENTS IN MAINLAND CHINA
For the Three Months Ended March 31, 2024
(In Thousands of New Taiwan Dollars)

Investee Company in Mainland China	Main Businesses and Products	Paid-in Capital	Method of Investment (Note 1)	Accumulated Outward Remittance for Investment from Taiwan at the Beginning of the Period	Remittance or Recovery of Funds		Accumulated Outward Remittance for Investment from Taiwan at the End of the Period	Net Income (Loss) of the Investee	% of Ownership of Direct or Indirect Investment	Investment Profit (Loss) Recognized (Note 2)	Carrying Amount as of March 31, 2024	Accumulated Repatriation of Investment Income at the End of the Period	Note
					Outward	Inward							
Shanghai Standard Foods Co., Ltd.	Manufacture and sale of edible oils and nutritious foods	\$ 3,949,575	(2) (Note 3)	\$ 3,949,575 (Note 4)	\$ -	\$ -	\$ 3,949,575 (Note 4)	\$ 13,489	100.0%	\$ 12,974 (Note 9)	\$ 3,379,408	\$ -	Note 12
Standard Investment (China) Co., Ltd.	Investment and sales of edible oil products and nutritional foods, etc.	3,755,530	(2) (Note 5)	3,718,677 (Note 5)	-	-	3,718,677 (Note 5)	31,602	99.0%	31,286 (Note 9)	3,425,698	-	Note 12
Shanghai New Vitality Health Technology (Group) Co., Ltd.	Sale of health foods and cosmetic goods, and import/export trade	664,630	(2) (Note 5)	217,434 (Note 5)	-	-	217,434 (Note 5)	(51,227)	99.0%	(50,715) (Note 10)	427,940	-	Note 12
Standard Foods (China) Co., Ltd.	Manufacture and sale of edible oils and nutritious foods	1,935,453	(3) (Note 6)	- (Note 6)	-	-	- (Note 6)	(2,381)	99.0%	4,310 (Note 9)	2,632,858	-	Note 12
Shanghai Dermalab Corporation	Sale of health foods and cosmetic goods, and import/export trade	93,989	(3) (Note 7)	- (Note 7)	-	-	- (Note 7)	(3,829)	99.0%	(3,791) (Note 10)	(26,497)	-	Note 12
Le Bonta Wellness Co., Ltd.	Sale of nutritional foods and engage in import and export business	284,127	(3) (Note 7)	181,048 (Note 7)	-	-	181,048 (Note 7)	(33,973)	99.0%	(33,633) (Note 10)	(276,491)	-	Note 12
Shanghai Le Ben De Health Technology Co., Ltd.	Sales of health and beauty products and related services	31,220	(3) (Note 4 and 7)	31,220 (Note 4)	-	-	31,220 (Note 4)	145	99.0%	144 (Note 10)	33,454	-	Note 12
Standard Foods (Xiamen) Co., Ltd.	Manufacture and sale of edible oils and nutritious foods	1,307,582	(3) (Note 6)	- (Note 6)	-	-	- (Note 6)	35,971	99.0%	41,551 (Note 10)	1,781,449	-	Note 12
Shanghai Le Ho Industrial Co., Ltd.	Management of properties	607,717	(2) (Note 5)	607,717 (Note 5)	-	-	607,717 (Note 5)	(3,058)	100.0%	(3,058) (Note 10)	448,925	-	Note 12
Shanghai Le Min Industrial Co., Ltd	Management of properties	378,009	(2) (Note 5)	378,009 (Note 5)	-	-	378,009 (Note 5)	(1,906)	100.0%	(1,906) (Note 10)	281,028	-	Note 12
Jiangsu Hua Sun Health Technology Co., Ltd.	Develop brands and products in the field of health foods and special nutritious foods	315,921	(3) (Note 8)	- (Note 8)	-	-	- (Note 8)	(14,915)	99.0%	(14,766) (Note 10)	281,408	-	Note 12

Accumulated Outward Remittance for Investment in Mainland China at the End of the Period	Investment Amounts Authorized by Investment Commission, MOEA	Upper Limit on the Amount of Investment Stipulated by Investment Commission, MOEA
\$9,136,959	\$9,874,201	Unlimited amount of investment (Note 12)

Note 1: The methods for engaging in investment in mainland China include the following:

- a. Direct investment in mainland China.
- b. Indirect investment in mainland China through companies registered in a third region. (Please specify the investor company in a third region.)
- c. Other methods.

Note 2: For the investment income (loss) recognized in the current period:

- a. There was no investment income (loss) recognized due to the investment still being in the development stage.
- b. The investment income (loss) was determined based on the following basis:
 - 1) The financial statements were audited and certified by an international accounting firm in cooperation with an accounting firm in ROC.
 - 2) The financial statements were audited by the CPA of the parent company in Taiwan.
 - 3) Others.

Note 3: Accession Ltd. is the investor company in a third region.

Note 4: There was no difference between the beginning balance and the ending balance of the accumulated amount invested from Taiwan for the current period. The investment remained at \$4,034,074 thousand. Of the \$4,034,074 thousand, \$53,279 thousand has been retained in Accession Ltd. The remaining balance thereof, amounting to \$3,980,795 thousand, was originally the outward remittance of the investment of Shanghai Standard Foods Co., Ltd. However, as of July 2015, of the \$3,980,795 thousand, \$31,220 thousand was invested in Shanghai Le Ben De Health Technology Co., Ltd. by Shanghai Standard Foods Co., Ltd. In aggregate, the outward remittance of the investments in Shanghai Standard Foods Co., Ltd. and Shanghai Le Ben De Health Technology Co., Ltd. was \$3,949,575 thousand and \$31,220 thousand, respectively.

Note 5: Standard Corporation (Hong Kong) Ltd. is the investor company in a third region.

Note 6: The company in mainland China was reinvested through a company registered in mainland China, namely Standard Investment (China) Co., Ltd. Standard Investment (China) Ltd.

Note 7: The company in mainland China was reinvested through a company registered in Mainland China, namely Shanghai New Vitality Health Technology (Group) Co., Ltd.

Note 8: A new company incorporated upon split of Le Bonta Wellness Co., Ltd., as invested by Shanghai New Vitality Health Technology (Group) Co., Ltd., a company in mainland China.

Note 9: The basis for recognition of investment profit and loss is Note 2.b. Item 3) is based on the financial statements of the investee reviewed by CPAs of the parent company in Taiwan during the same period.

Note 10: The basis for recognition of investment profit and loss is Note 2.b. Item 3) is based on the financial statements of the investee that have not been reviewed by any CPA during the same period.

Note 11: The Industrial Development Bureau of the MOEA issued the proofing document of operational headquarters to the Company; the document is still valid within the review period. Hence, according to the Investment Commission of the MOEA, there is no upper limit on the amount of investment.

Note 12: The amounts presented above were eliminated upon consolidation.

Table 9**STANDARD FOODS CORPORATION****INFORMATION ON MAJOR SHAREHOLDERS**

March 31, 2024

Name of Major Shareholder	Shares	
	Number of Shares Held	Percentage of Ownership
Mu Te Investment Co., Ltd. Trust Property Account	178,727,315	19.53%
Chia Yun Investment Co., Ltd. Trust Property Account	147,633,489	16.13%
Chia Chieh Investment Co., Ltd. Trust Property Account	117,539,583	12.84%

Note 1: The major shareholders in this table are shareholders holding more than 5% of the ordinary and preference shares that have completed delivery without physical registration (including treasury shares) on the last business day of each quarter calculated by the Taiwan Depository & Clearing Corporation. The share capital recorded in the Company's consolidated financial report and the number of shares actually delivered by the company without physical registration may differ due to calculation basis.

Note 2: If the shares above are entrusted by the shareholders, the information thereto shall be disclosed by the individual trust account opened by the trustees. For information on shareholders, who declare to be insiders holding more than 10% of shares in accordance with the Securities and Exchange Act, and their shareholdings including their shareholdings plus their delivery of trust and shares with the right to make decisions on trust property, please refer to MOPS.