Stock Code: 2020

Mayer Steel Pipe Corporation and Subsidiaries

Consolidated Financial Statements and Independent Auditors' Report

Q2 in 2024 and 2023

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Mayer Steel Pipe Corporation and Subsidiaries

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CPA's Report

To Mayer Steel Pipe Corporation:

Foreword

We have audited the accompanying consolidated financial statements of Mayer Steel Pipe Corporation (the “Company”) and its subsidiaries, which comprise the consolidated balance sheets as of June 30, 2024 and 2023, for the periods April 1 to June 30, 2024 and 2023, and for January 2024 and 2023, and the consolidated statements of comprehensive income, changes in equity and cash flows, and the related notes to the consolidated financial statements, including a summary of significant accounting policies. Management is accountable for the preparation and fair presentation of the consolidated financial statements in accordance with the "Regulations Governing the Preparation of Financial Reports by Securities Issuers" and the International Accounting Standard No. 34 "Interim Financial Reporting" that have been recognized and issued by the Financial Supervisory Commission. Based on the examination of these consolidated financial statements, the accountants are obligated to render a conclusion.

Scope

Except as stated in the Basis for Qualified Conclusion paragraph, we conducted the review in accordance with the "Audit Review of Financial Statements" of the "TWSRE 2410". The procedures to be executed in reviewing the consolidated financial statements include inquiry (mainly with the person in charge of financial and accounting affairs), analytical procedures, and other review procedures. The scope of a review is significantly smaller than the scope of an audit. We therefore are unable to express an opinion on the significant matters that can be identified by an audit.

Basis for Qualified Conclusion

As stated in Notes 4(3) and 6(11) to the consolidated financial statements, the financial statements of some non-material subsidiaries and investee companies under the equity method included in the above consolidated financial statements have not been reviewed by the CPAs. In the year 2024 and as of June 30, 2023, the net amounts of investments accounted for using the equity method were NT$554,310 thousand and NT$572,419 thousand respectively, representing 7% and 8% of the total consolidated assets. The loan balances of investments under the equity method as of the same dates were NT$62,114 thousand and NT$59,625 thousand, both amounting to 1% of the total consolidated assets. For the periods from April 1 to June 30 in the years 2024 and 2023, and from January 1 to June 30 in the same years, the total income and other comprehensive income recognized from associated enterprises accounted for using the equity method were NT$23,951 thousand and NT$25,690 thousand, and NT$46,641 thousand and NT$47,768 thousand, respectively. These figures represent 9%, 16%, 6%, and 15% of the total consolidated comprehensive income, respectively. The information on investees as described in Note 13 to the consolidated financial statements is based on the financial statements of the investees for the same period that have not been reviewed by a Certified Public Accountant.

Qualified Conclusion

Based on our review, except for the possible impact of adjustments to the consolidated financial statements due to the financial statements and related information of certain immaterial subsidiaries and equity-method investees mentioned in the basis for the qualified conclusion, we have not found any material aspects in the aforementioned consolidated financial statements that would cause them not to be prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers” and IAS 34 “Interim Financial Reporting,” as endorsed and issued by the Financial Supervisory Commission. Therefore, the consolidated financial position of Mayer Steel Pipe Corporation and its subsidiaries as of June 30, 2024, and 2023, as well as the consolidated financial performance for the periods from April 1 to June 30, 2024, and 2023, and for the six months ended on June 30, 2024, and 2023, and the consolidated cash flows, are fairly presented.

Crowe (TW) CPAs

Certified Public Accountant: Chun-Chih Lin

Certified Public Accountant: Meng-Ta Wu

Approval No.: Jin-Guan-Zheng-Shen-Zi No. 1050001113
August 9, 2024

Mayer Steel Pipe Corporation and Subsidiaries
Consolidated Balance Sheets
June 30, 2024, December 31, 2023, and June 30, 2023

Unit: NT$ thousands

Code	Assets	2024.06.30 Amount	%	2023.12.31 Amount	%	2023.06.30 Amount	%
	Current assets:						
1100	Cash and cash equivalents (Note 6)	$ 699,526	8	$ 659,456	9	$ 580,314	8
1110	Financial assets at fair value through profit or loss - current (Note 6)	133,670	2	124,048	2	88,355	1
1120	Financial assets at fair value through other comprehensive income - current (Note 6)	70,735	1	27,722	-	16,020	-
1136	Financial assets at amortized cost - current (Note 6)	95,627	1	370,085	5	97,323	1
1150	Notes receivable, net (Note 6)	44,550	1	27,564	-	41,782	1
1170	Net accounts receivable (Note 6)	589,034	7	490,753	7	524,355	7
1180	Accounts receivable - related parties, net (Note 6 and 7)	13,106	-	9,369	-	13,672	-
1197	Finance lease receivable, net (Note 6 and 8)	1,961	-	1,218	-	1,518	-
1200	Other receivables (Note 6)	29,191	-	21,305	-	122,137	2
1210	Other receivables - Related parties, net (Note 7)	143	-	98	-	-	-
1220	Current income tax assets	123	-	84	-	5	-
1310	Inventories - Manufacturing (Note 6)	1,280,223	15	1,093,858	15	1,178,726	16
1320	Inventories - Construction (Note 6, 7 and 8)	1,537,396	19	1,181,454	16	753,167	10
1410	Prepayments (Note 7)	79,572	1	23,662	-	129,534	2
1470	Other current assets (Note 6 and 8)	556,685	7	447,188	6	384,040	5
11XX	Total current assets	5,131,542	62	4,477,864	60	3,930,948	53
	Non-current assets:						
1510	Financial assets at fair value through profit or loss - non-current (Note 6)	291,234	3	266,402	3	321,498	4
1517	Financial assets at fair value through other comprehensive income - non-current (Note 6)	142,463	2	136,198	2	140,997	2
1550	Net investment under equity method (Note 6 and 7)	554,310	7	601,972	8	572,419	8
1600	Property, plant and equipment (Note 6 and 8)	1,084,213	13	1,063,611	14	1,035,545	14
1755	Right-of-use assets (Note 6)	470,635	6	502,447	7	533,867	8
1760	Investment property (Note 6 and 8)	140,302	2	141,768	2	143,235	2
1780	Intangible assets	2,544	-	2,637	-	7,105	-
1840	Deferred income tax assets (Note 6)	9,448	-	13,003	-	21,335	-
1975	Net defined benefit assets - non-current (Note 6)	1,314	-	874		-	-
1900	Other non-current assets (Note 6, 7 and 8)	455,169	5	273,323	4	642,714	9
15XX	Total non-current assets	3,151,632	38	3,002,235	40	3,418,715	47
1XXX	Total assets	$ 8,283,174	100	$ 7,480,099	100	$ 7,349,663	100
	Liabilities and equity						
	Current liabilities:						
2100	Short-term loans (Note 6 and 8)	$ 1,817,384	22	$ 1,691,943	23	$ 2,015,541	27
2110	Short-term notes payable (Note 6 and 8)	-	-	-	-	142,609	2
2130	Contract liabilities - current (Note 6 and 7)	52,221	1	6,199	-	5,736	-
2150	Payable notes	259,325	3	145,750	2	335,367	5
2170	Accounts payable	96,054	1	84,283	1	93,081	1
2180	Accounts payable - Related parties (Note 7)	100	-	105	-	-	-
2200	Other payables	595,888	7	202,418	3	336,613	5
2220	Other payables - Related parties (Note 7)	74	-	13	-	11	-
2230	Current income tax liabilities	167,319	2	286,368	4	121,728	2
2280	Lease liabilities - current (Note 6)	53,101	1	55,444	1	57,057	1
2320	Long-term liabilities due within one year or one operating cycle (Note 6	2,816	-	2,793	-	2,763	-

	and 8)						
2399	Other current liabilities - Other	27,173	-	31,944	-	12,296	-
21XX	Total of current liabilities	3,071,455	37	2,507,260	34	3,122,802	43
	Non-current liabilities:						
2540	Long-term loans (Note 6 and 8)	13,231	-	14,641	-	16,045	-
2550	Provision - non-current (Note 6)	80,505	1	81,371	1	33,393	-
2560	Current income tax liabilities - non-current (Note 6)	23,276	-	50,488	1	77,700	1
2570	Deferred income tax liabilities (Note 6)	175,607	2	179,741	3	178,858	2
2580	Lease liabilities - non-current (Note 6)	450,967	6	477,521	6	503,585	7
2640	Net defined benefit liabilities - non-current (Note 6)	-	-	-	-	157	-
2670	Other non-current liabilities - others (Note 6)	90,575	1	96,714	1	103,751	2
25XX	Total non-current liabilities	834,161	10	900,476	12	913,489	12
2XXX	Total liabilities	3,905,616	47	3,407,736	46	4,036,291	55
	Equity attributable to owners of the parent company						
	Share capital						
3110	Common stock capital (Note 6)	2,225,261	27	2,225,261	30	2,225,261	30
3150	Stock dividends to be distributed (Note 6)	445,052	5	-	-	-	-
3200	Capital reserve (Note 6)	281,622	4	281,622	4	281,622	4
	Retained earnings (Note 6)						
3310	Legal reserve	435,767	5	328,919	4	328,919	4
3320	Special reserves	102,504	1	102,504	1	102,504	1
3350	Undistributed earnings	695,123	9	1,101,819	15	354,501	6
3300	Total retained earnings	1,233,394	15	1,533,242	20	785,924	11
3400	Other equity (Note 6)	185,755	2	26,838	-	15,174	-
31XX	Total equity attributable to owners of the parent company	4,371,084	53	4,066,963	54	3,307,981	45
36XX	Non-controlling interests (Note 6)	6,474	-	5,400	-	5,391	-
3XXX	Total equity	4,377,558	53	4,072,363	54	3,313,372	45
3X2X	Total liabilities and equity	$ 8,283,174	100	$ 7,480,099	100	$ 7,349,663	100

(Please refer to the accompanying notes to the consolidated financial statements)

Chairman: Chun-Fa Huang Manager: Min-Chi Hsiao Accounting Supervisor: Hui-Wen Li

Mayer Steel Pipe Corporation and Subsidiaries

Consolidated Statements of Comprehensive Income

For the periods April 1 to June 30, and January 1 to June 30, 2024 and 2023

Unit: NT$ thousands

(Earnings per share: NTD)

Code	Item	April to June 2024 Amount	%	April to June 2023 Amount	%	January to June 2024 Amount	%	January to June 2023 Amount	%
4000	Operating revenue (Notes 6, 7 and 14)	$ 1,419,039	100	$ 2,085,945	100	$ 2,840,440	100	$ 3,737,223	100
5000	Operating cost (Note 6 and 7)	(1,193,118)	(84)	(1,837,018)	(88)	(2,395,683)	(84)	(3,269,893)	(87
5900	Operating gross profit	225,921	16	248,927	12	444,757	16	467,330	13
5910	Unrealized gains (losses) from sales	383	-	(1,714)	-	(4,810)	-	(5,196)	-
5920	Realized profit (loss) from sales	-	-	-	-	5,494	-	2,337	-
5950	Gross operating profit, net	226,304	16	247,213	12	445,441	16	464,471	13
	Operating expenses (Note 6 and 7)								
6100	Sales promotion expenses	(27,337)	(2)	(47,939)	(2)	(51,628)	(2)	(73,368)	(1
6200	Administrative expenses	(52,267)	(4)	(49,595)	(2)	(126,161)	(4)	(95,214)	(3
6450	Expected credit impairment (loss) benefit	7,105	-	14,788	1	7,076	-	16,455	-
6000	Total operating expenses	(72,499)	(6)	(82,746)	(3)	(170,713)	(6)	(152,127)	(4
6900	Operating profit	153,805	10	164,467	9	274,728	10	312,344	9
	Non-operating income and expenses								
7100	Interest revenue (Note 6)	7,975	-	9,082	-	13,269	-	16,894	-
7010	Other income (Note 6 and 7)	8,339	1	46,995	2	266,482	9	51,134	2
7020	Other gains and losses, net (Note 6)	35,733	3	(38,061)	(2)	100,146	4	(10,793)	-
7050	Net finance cost (Note 6)	(10,356)	(1)	(18,831)	(1)	(20,747)	(1)	(35,025)	(1
7060	Net share of profit or loss of affiliated companies and joint ventures under equity method (Note 6 and 14)	25,861	2	26,662	1	50,878	2	47,966	1
7000	Total non-operating income and expenses	67,552	5	25,847	-	410,028	14	70,176	2
7900	Profit (loss) before tax from continuing operations	221,357	15	190,314	9	684,756	24	382,520	11
7950	Income tax (expense) gains (Note 6 and 14)	(35,404)	(2)	(35,228)	(2)	(115,104)	(4)	(59,661)	(2
8200	Net income (loss)	185,953	13	155,086	7	569,652	20	322,859	9
	Other comprehensive income								
8316	Equity instruments at fair value through other comprehensive income	84,728	6	(725)	-	161,021	6	4,141	-
	Unrealized valuation gains or losses on investments (Note 6)								
8310	Total of items not reclassified to profit or loss	84,728	6	(725)	-	161,021	6	4,141	-
8361	Exchange differences on translation of financial statements of foreign operations (Note 6)	(2,213)	-	4,770	- -	3,396	-	3,666	-
8370	Share of other comprehensive income of affiliates and joint ventures under equity method	(2,293)	-	- (1,421)	-	(5,304)	-	(765)	-
	- Items that may be reclassified into profit or loss (Note 6)		-						
8399	Income tax related to items that may be reclassified (Note 6)	914	-	(656)	-	423	-	(569)	-
8360	Total of items that may be reclassified subsequently to profit or loss	(3,592)	-	2,693	-	(1,485)	-	2,332	-
8300	Other comprehensive income, net	81,136	6	1,968	-	159,536	6	6,473	-
8500	Total comprehensive income for the period	$ 267,089	19	$ 157,054	7	$ 729,188	26	$ 329,332	9
	Net income (loss) attributable to:								
8610	Owners of the parent company (net profit/loss)	$ 185,112	13	$ 153,624	7	$ 568,786	20	$ 321,163	9
8620	Non-controlling interests (net income/loss)	841	-	1,462	-	866	-	1,696	-
		$ 185,953	13	$ 155,086	7	$ 569,652	20	$ 322,859	9
	Total comprehensive income attributable to:								
8710	Shareholders of the parent company (comprehensive profit or loss)	$ 266,184	19	$ 155,523	7	$ 728,114	26	$ 327,580	9
8720	Non-controlling interests (comprehensive income or loss)	905	-	1,531	-	1,074	-	1,752	-
		$ 267,089	19	$ 157,054	7	$ 729,188	26	$ 329,332	9
9750	Basic earnings per share (Note 6)	$ 0.69		$ 0.57		$ 2.13		$ 1.20	

(Please refer to the accompanying notes to the consolidated financial statements)

Chairman: Chun-Fa Huang　　Manager: Min-Chi Hsiao　　Accounting Supervisor: Hui-Wen Li

Mayer Steel Pipe Corporation and Subsidiaries
Consolidated Statements of Changes in Equity
January 1 to June 30, 2024 and 2023

Unit: NT$ thousands

Item Code	Item	Share capital		Additional paid-in capital	Retained earnings				Other equity			Total equity attributable to owners of the parent company	Non-controlling interests	Total equity
		Common stock capital	Stock dividends to be distributed		Legal reserve	Special reserves	Undistributed earnings	Total retained earnings	Exchange differences on translation of financial statements of foreign operations	Unrealized gain or loss on financial assets at fair value through other comprehensive income	Total of other equity items			
A1	Balance on January 1, 2024	$ 2,225,261	$ -	$ 281,622	$ 328,919	$ 102,504	$ 1,101,819	$ 1,533,242	$ (26,497)	$ 53,335	$ 26,838	$ 4,066,963	$ 5,400	$ 4,072,363
B1	Appropriation of legal reserve	-	-	-	106,848	-	(106,848)	-	-	-	-	-	-	-
B5	Common stock cash dividends	-	-	-	-	-	(445,052)	(445,052)	-	-	-	(445,052)	-	(445,052)
B9	Common stock dividends	-	445,052	-	-	-	(445,052)	(445,052)	-	-	-	-	-	-
D1	Net income (loss) from January to June 2024	-	-	-	-	-	568,786	568,786	-	-	-	568,786	866	569,652
D3	Other comprehensive income from January to June 2024	-	-	-	-	-	-	-	(1,693)	161,021	159,328	159,328	208	159,536
D5	Total comprehensive income from January to June 2024	-	-	-	-	-	568,786	568,786	(1,693)	161,021	159,328	728,114	1,074	729,188
Q1	Disposal of equity instruments at fair value through other comprehensive income	-	-	-	-	-	21,470	21,470	-	(411)	(411)	21,059	-	21,059
Z1	Balance on June 30, 2024	$ 2,225,261	$ 445,052	$ 281,622	$ 435,767	$ 102,504	$ 695,123	$ 1,233,394	$ (28,190)	$ 213,945	$ 185,755	$ 4,371,084	$ 6,474	$ 4,377,558
A1	Balance on January 1, 2023	$ 2,225,261	$ -	$ 281,622	$ 311,875	$ 102,504	$ 272,908	$ 687,287	$ (17,640)	$ 26,397	$ 8,757	$ 3,202,927	$ 3,639	$ 3,206,566
B1	Appropriation of legal reserve	-	-	-	17,044	-	(17,044)	-	-	-	-	-	-	-
B5	Common stock cash dividends	-	-	-	-	-	(222,526)	(222,526)	-	-	-	(222,526)	-	(222,526)
D1	Net income (loss) from January to June 2023	-	-	-	-	-	321,163	321,163	-	-	-	321,163	1,696	322,859
D3	Other comprehensive income from January to June 2023	-	-	-	-	-	-	-	2,276	4,141	6,417	6,417	56	6,473
D5	Total comprehensive income from January to June 2023	-	-	-	-	-	321,163	321,163	2,276	4,141	6,417	327,580	1,752	329,332
Z1	Balance on June 30, 2023	$ 2,225,261	$ -	$ 281,622	$ 328,919	$ 102,504	$ 354,501	$ 785,924	$ (15,364)	$ 30,538	$ 15,174	$ 3,307,981	$ 5,391	$ 3,313,372

(Please refer to the accompanying notes to the consolidated financial statements)

Chairman: Chun-Fa Huang   Manager: Min-Chi Hsiao   Accounting Supervisor: Hui-Wen Li

Mayer Steel Pipe Corporation and Subsidiaries
Consolidated Statements of Cash Flows
January 1 to June 30, 2024 and 2023

Unit: NT$ thousands

Code	Item	January to June 2024	January to June 2023
	Cash flow from operating activities:		
A10000	Profit (loss) before tax	$ 684,756	$ 382,520
	Adjustments:		
	Income and expenses		
A20100	Depreciation expense	69,623	70,934
A20200	Amortization expense	4,571	5,284
A20300	Expected credit impairment loss (gain)	(7,076)	(16,455)
A20400	Net loss (gain) on financial assets and liabilities at fair value through profit or loss	(60,940)	13,821
A20900	Interest expense	20,747	35,025
A21200	Interest income	(13,269)	(16,894)
A21300	Dividend income	(3,358)	(42,757)
A22300	Share of loss (gain) on affiliates and joint ventures under equity method	(50,878)	(47,966)
A22500	Losses (gains) from the disposal and scrapping of property, plant and equipment	69	124
A23100	Disposal of investment losses (gains)	(34,872)	(2,267)
A29900	Other items	238	(330)
A20010	Total income and expense	(75,145)	(1,481)
	Changes in assets/liabilities related to operating activities		
A31115	Decrease (increase) of financial assets mandatorily measured at fair value through profit or loss	64,838	(38,147)
A31130	Decrease (increase) of notes receivable	(16,986)	26,635
A31150	Decrease (increase) of accounts receivable	(99,470)	(52,837)
A31160	Decrease (increase) of accounts receivable - related parties	(3,737)	1,431
A31180	Decrease (increase) of other receivables	2,956	46,993
A31190	Decrease (increase) of other receivables - related parties	(45)	-
A31200	Decrease (increase) in inventory	(542,307)	90,861
A31230	Decrease (increase) of prepayments	(55,910)	15,059
A31240	Decrease (increase) of other current assets	2,753	90,556
A31000	Total net changes in assets related to operating activities	(647,908)	180,551
A32125	Increase (decrease) of contract liabilities	46,022	(69,403)
A32130	Increase (decrease) of notes payable	113,575	77,695
A32150	Increase (decrease) of accounts payable	11,771	59,259
A32160	Increase (decrease) of accounts payable - related parties	(5)	(120)
A32180	Increase (decrease) of other payables	(51,135)	(6,506)
A32190	Other payables - increase (decrease) of related parties	61	(271)
A32200	Increase (decrease) in liability reserve	(867)	(798)
A32230	Increase (decrease) of other current liabilities	(4,771)	4,994
A32240	Increase (decrease) of net defined benefit liabilities	(440)	(435)
A32000	Total net changes in liabilities related to operating activities	114,211	64,415
A30000	Total net changes in assets and liabilities related to operating activities	(533,697)	244,966
A20000	Total adjustment items	(608,842)	243,485
A33000	Cash inflow (outflow) from operations	75,914	626,005
A33100	Interest received	10,692	48,653
A33200	Dividends received	101,641	79,356
A33300	Interest paid	(14,571)	(30,047)
A33500	Income tax refunded (paid)	(261,546)	(50,293)
AAAA	Net cash inflows (outflows) from operating activities	(87,870)	673,674

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Code	Item	January to June 2024	January to June 2023
	Cash flow from investing activities:		
B00010	Financial assets at fair value through other comprehensive income	(30,910)	(6,304)
B00020	Disposal of financial assets at fair value through other comprehensive income	37,051	-
B00030	Capital reduction refund of financial assets measured at fair value through other comprehensive income	10,930	-
B00040	Acquisition of financial assets at amortized cost	(95,796)	(96,336)
B00060	Repayment at maturity of financial assets measured at cost after amortization	372,351	19,519
B02700	Acquisition of property, plant and equipment	(56,829)	(55,725)
B02800	Disposal of property, plant and equipment	23	57
B03700	Increase in refundable deposits	(206,006)	(124,816)
B04500	Acquisition of intangible assets	-	(160)
B06000	Increase in long-term lease receivables	(13,731)	-
B06100	Decrease in long-term lease receivables	-	69
B06700	Increase of other non-current assets	(2,582)	(3,406)
B07100	Increase in prepayment for equipment	-	(12,504)
B07200	Decrease in prepayment for equipment	35,049	-
B09900	Other investment activities	(684)	2,859
BBBB	Net cash inflows (outflows) from investing activities	48,866	(276,747)
	Cash flow from financing activities:		
C00100	Increase in short-term loans	125,441	-
C00200	Decrease in short-term loans	-	(519,438)
C00500	Increase in short-term notes payable	-	105,624
C01700	Repayment of long-term loans	(1,387)	(1,364)
C03000	Increase in refundable deposits received	-	3,500
C03100	Decrease in refundable deposits received	(10,500)	-
C04020	Lease principal repayment	(35,521)	(36,045)
CCCC	Net cash inflows (outflows) from financing activities	78,033	(447,723)
DDDD	Effect of exchange rate changes on cash and cash equivalents	1,041	2,184
EEEE	Increase (decrease) in cash and cash equivalents in the current period	40,070	(48,612)
E00100	Opening balance of cash and cash equivalents	659,456	628,926
E00200	Closing balance of cash and cash equivalents	$ 699,526	$ 580,314

(Please refer to the accompanying notes to the consolidated financial statements)

Chairman: Chun-Fa Huang　　Manager: Min-Chi Hsiao　　Accounting Supervisor: Hui-Wen Li

Mayer Steel Pipe Corporation and Subsidiaries

Notes to the Consolidated Financial Statements

January 1 to June 30, 2024 and 2023

(In NTD thousand, Unless Stated Otherwise)

I. History of the Company

Mayer Steel Pipe Corporation (hereinafter referred to as the "Company") was established in September 1959 in accordance with the Company Act of the Republic of China and was registered in Taipei City. As the first professional steel pipe manufacturer in Taiwan, the Company and the entity controlled by the Company mainly engage in the production and sale of black steel pipes, galvanized steel pipes and stainless steel coils for piping. The Company has obtained the following awards: Certificate for the lettering of the "Low-pressure seamed black steel pipe, low-pressure seamed galvanized steel pipe, carbon steel pipe for general structural use, carbon steel pipe for mechanical structural use, and steel pipe for electric wires." In order to expand diversified operations since 2003, the Company established a construction department, and purchased construction land for self-construction on its own land or for the construction of public housing by means of joint construction and separate sales. For the main operating activities of the Company and its subsidiaries (hereinafter referred to as the "Group"), please refer to the descriptions in Note 4(3).

The Company's shares were approved for public offering by the Securities and Futures Commission of the Ministry of Finance (now renamed as the Securities and Futures Bureau, Financial Supervisory Commission of the Executive Yuan) in August 1990, and was approved for listing on February 4, 1993. The Company was officially listed for trading on April 27, 1993.

II. Date and procedure of financial report approval

This consolidated financial statement was announced after being submitted to the Board of Directors on August 9, 2024.

III. Applicability of newly issued and revised accounting standards and interpretations

(I) Impacts of the International Financial Reporting Standards (hereinafter referred to as "IFRSs"), International Accounting Standards, and Interpretations developed by the

International Financial Reporting Interpretations Committee (IFRIC) or the former Standing Interpretations Committee (SIC). endorsed and issued into effect by the Financial Supervisory Commission (hereinafter referred to as the "FSC"):

The following table summarizes the standards and interpretations of new releases, amendments, and revisions of the IFRSs applicable in 2024 as approved by the FSC:

New/amended/revised standards and interpretations	Effective date issued by IASB
Amendments to IFRS 16 "Lease Liabilities in a Sale and Leaseback"	January 1, 2024 (Note)
Amendments to IAS 1 "Current or Non-current Classification of Liabilities"	January 1, 2024 (Note)
Amendments to IAS 1 "Non-current Liabilities with Covenants"	January 1, 2024 (Note)
Amendments to IAS 7 and IFRS 7 "Supplier Financing Arrangements"	January 1, 2024 (Note)

Note: The amendments apply to the annual reporting periods beginning on or after January 1, 2024.

1. Amendments to IFRS 16 "Lease Liabilities in a Sale and Leaseback"

   The amendments clarify that, for a sale and leaseback transaction, if the transfer of assets is treated as a sale in accordance with IFRS 15, the liability of the seller-lessee arising from the leaseback should be treated in accordance with IFRS 16 regarding lease liabilities; However, if it involves variable lease payments that do not depend on the index or rate, the seller and lessee should still recognize the lease liabilities arising from such variable payments in a manner that does not recognize gains and losses related to the retained right of use. The difference between the subsequent actual lease payment amount and the reduced carrying amount of the lease liability is recognized in profit or loss.

2. Amendments to IAS 1 "Current or Non-current Classification of Liabilities"

   The amendments clarify that when judging whether a liability is classified as non-current, it shall assess whether the enterprise has the right to defer the settlement period for at least 12 months after the reporting period at the end of the reporting period. If the enterprise has the right at the end of the reporting period, regardless of whether the enterprise is expected to exercise the right, the liability should be classified as non-current. If an enterprise must comply with specific conditions in order to have the right to defer settlement, it must have complied with the specific conditions at the end of the reporting period in order to be able to classify the liability as non-current, even if the creditor Such conditions.

In addition, the amendments stipulate that, for the purpose of liability classification, the aforementioned settlement refers to the transfer of cash, other economic resources, or the Company's equity instruments to the counterparty to result in disappearance of liabilities. However, if the terms of a liability may, at the option of the counterparty, result in its settlement by the transfer of the Company's equity instruments, and if the option is recognized separately in equity in accordance with IAS 32 "Financial Instruments: Presentation," The aforementioned provisions do not affect the classification of liabilities.

3. Amendments to IAS 1 "Non-current Liabilities with Covenants"

The amendment further clarifies that only the contractual terms before the end of the reporting period affect the classification of a liability on that date. The terms of the contract to be complied with within 12 months after the reporting period do not affect the classification of the liability, except for those classified as non-current at the end of the reporting period if they are unable to comply with the contractual terms and must be settled within 12 months after the reporting period, the relevant facts and circumstances should be disclosed in the notes.

4. Amendments to IAS 7 and IFRS 7 "Supplier Financing Arrangements"

A supplier financing arrangement is one or more financing providers that pay the supplier on behalf of the enterprise, and the enterprise agrees to pay the financing provider on the payment date agreed with the supplier or on a later date. The amendments to IAS 7 are to require enterprises to disclose information about their supplier financing arrangements, so that users of financial statements can assess the impact of such arrangements on an enterprise's liabilities, cash flows and liquidity risk exposure. The amendments to IFRS 7 include in its application guidance that when disclosing how to manage the liquidity risk of financial liabilities, enterprises may also consider whether they have obtained or can obtain financing risk concentration.

The Group has assessed that the standards and interpretations above have no significant impact on the financial position and financial performance of the Group.

(II) Impact of the adoption of the new and amended IFRSs approved by the FSC: None.

(III) The impact of the IFRSs issued by the IASB but not yet endorsed by the FSC:

The table below summarizes the new, amended, and revised standards and interpretations that have been published by the IASB but have not yet been endorsed by the Financial Supervisory Commission (FSC):

New/amended/revised standards and interpretations	Effective date issued by IASB
Amendments to IFRS 9 and IFRS 7 “Amendments to the Classification and Measurement of Financial Instruments”	January 1, 2026
Amendments to IFRS 10 and IAS 28 "Sale or Contribution of Assets between an Investor and its Affiliate or Joint Venture"	To be determined
IFRS 17 "Insurance Contracts"	January 1, 2023
Amendments to IFRS 17 "Insurance Contracts"	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 of Financial Statements"	January 1, 2027
IFRS 19 “Subsidiaries Not Responsible: Disclosures”	January 1, 2027
Amendments to IAS 21 "Lack of Convertibility"	January 1, 2025

Except for the following, the Group has assessed that the standards and interpretations above have no significant impact on the Group's financial position and financial performance.

1. Amendments to IFRS 9 and IFRS 7 “Amendments to the Classification and Measurement of Financial Instruments”

The amendments are as follows:

(1) Clarify the dates of recognition and derecognition of certain financial assets and liabilities, and add that when a financial liability (or part of a financial liability) is settled in cash using the electronic payment system, if and only if the enterprise initiates a payment instruction that results in the following, the Company is allowed to have its financial liabilities discharged before the settlement date:

A. The enterprise does not have the ability to revoke, stop or cancel the payment designation;

B. Due to the payment instruction, the enterprise has no actual ability to access the cash that will be used for settlement;

C. The delivery risk related to the electronic payment system is not significant.

(2) Clarify and add further guidelines for assessing whether financial assets meet the SPPI standard only; the scope includes contractual terms that change cash flows based on contingent events (e.g., interest rates linked to ESG targets), instruments with non-recourse characteristics, and instruments linked to contracts.

(3) For newly added instruments with contractual terms that can alter cash flows (such as those with features related to achieving environmental, social, and governance (ESG) objectives), a qualitative description of the contingent nature of these terms should be disclosed. Additionally, quantitative information regarding the potential range of changes in contractual cash flows resulting from such terms should be provided, along with the total carrying amount of financial assets and the amortized cost of financial liabilities under these contractual terms.

(4) Update the equity instrument designated to be measured at fair value through other comprehensive income (FVTOCI) through irrevocable election, it should disclose the fair value of each category, and it is no longer necessary to disclose the fair value of each subject. Additionally, the fair value gains or losses recognized in other comprehensive income during the reporting period should be disclosed. These should be separately listed as the fair value gains or losses related to investments derecognized during the reporting period and the fair value gains or losses related to investments still held at the end of the reporting period. Furthermore, any cumulative gains or losses that were reclassified to equity due to the derecognition of investments during the reporting period should also be disclosed.

2. Amendments to IFRS 10 and IAS 28 "Sale or Contribution of Assets between an Investor and its Affiliate or Joint Venture"

This amendment resolves the existing inconsistency between IFRS 10 and IAS 28. When an investor sells (invests) assets with its affiliates or joint ventures, all or part of it will be recognized as disposition gain or loss depending on the nature of the assets sold (invested):

(1) When the assets sold (invested) meet the criteria of "business," all gains and losses on disposal are recognized;

(2) When the sold (invested) assets do not qualify as "business," only part of the gain or loss on disposal of the equity in affiliates or joint ventures with non-affiliate investors can be recognized.

3. IFRS 18 "Presentation and Disclosures of Financial Statements"

IFRS 18 "Presentation and Disclosures of Financial Statements" replaces IAS 1 and updates the structure of the Comprehensive Income Statement, adds management performance measurement disclosures, and strengthens the principle of aggregation and disaggregation applied to key financial statements and notes.

4. IFRS 19 “Subsidiaries Not Responsible: Disclosures”

This standard allows qualifying subsidiaries to apply IFRS with reduced disclosure requirements.

5. Amendments to IAS 21 "Lack of Convertibility"

These amendments define convertibility and provide guidance on how to determine the spot exchange rate on the measurement date when a currency lacks convertibility. In addition, this amendment requires an enterprise to provide more useful information in its financial statements when a certain currency is not convertible into another currency.

As of the date of release of these consolidated financial statements, the Group continues to evaluate the impact of the above standards and interpretations on the Group's financial position and financial performance, and the relevant impact will be disclosed when the evaluation is completed.

IV. Summary of Significant Accounting Policies

Significant accounting policies are same as Note 4 to the 2023 consolidated financial statements, except for the declaration of compliance, basis of preparation, basis of consolidation and additions are as follows. Unless otherwise stated, these policies apply consistently throughout the reporting period.

(I) Statement of Compliance

The consolidated financial statements are prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and IAS No. 34 "Interim Financial Reporting" endorsed and issued into effect by the FSC. This consolidated financial statement should be read in conjunction with the 2023 consolidated financial statement.

(II) Basis of Preparation

1. These consolidated financial statements have been prepared using a historical cost basis, with the exception of financial instruments measured at fair value and defined benefit liabilities recognized as the net amount of the present value of defined benefit obligations minus the fair value of plan assets. Historical cost is typically determined by the fair value of the consideration received in exchange for the assets.
2. The preparation of financial reports in conformity with IFRSs recognized by the FSC requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Group's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements, are disclosed in Note 5.
3. The items listed in the financial statements of each entity in the Group are measured in accordance with the functional currency of the entity. The consolidated financial statements are prepared in accordance with the functional currency of the Company, NTD.

(III) Basis of Consolidation

1. Principles for the preparation of consolidated financial statements

(1) The Group included all subsidiaries in the consolidated financial statements. A subsidiary is an entity that is controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are included in the consolidated financial

statements from the date the Group acquires the control, and the consolidation is terminated from the date of loss of control.

(2) Inter-company transactions, unrealized gains and losses have been eliminated. The accounting policies of the subsidiaries have been adjusted as necessary to be consistent with the policies adopted by the Group.

(3) The components of profit or loss and other comprehensive income are attributed to the owners and non-controlling interests of the parent company; the total amount of comprehensive income is also attributed to the owners and non-controlling interests of the parent company, even if the resulting non-controlling interests incur balance.

(4) If the change in the shareholding of the subsidiary does not result in the loss of control (transaction with non-controlling interests), it is treated as an equity transaction, which is deemed to be a transaction with owners. The difference between the adjusted amount of the non-controlling interests and the fair value of the consideration paid or received is recognized directly in equity.

(5) When the Group loses control of a subsidiary, the remaining investment in the former subsidiary is re-measured at fair value, and treated as the fair value of the initially recognized financial assets or the cost of the investment in affiliates or joint ventures initially. The difference between the fair value and the carrying amount and recognized in profit or loss. For all amounts previously recognized in other comprehensive income related to the subsidiary, the accounting treatment is the same as if the Group had directly disposed of the related assets or liabilities. That is, if the gain or loss previously recognized in other comprehensive income would be reclassified to profit or loss upon disposal of the related assets or liabilities, then the Group reclassifies that gain or loss from equity to profit or loss upon the loss of control of the subsidiary.

2. Subsidiaries included in the consolidated financial statements

The entities in the consolidated financial statements are as follows:

			Percentage of equity held		
Name of investment company	Name of subsidiary	Nature of business	2024.06.30	2023.12.31	2023.06.30
Mayer Steel Pipe	VIETNAM MAYER CORP., LTD	Processing and sale of steel pipes, steel	100.00%	100.00%	100.00%

Name of investment company	Name of subsidiary	Nature of business	Percentage of equity held		
			2024.06.30	2023.12.31	2023.06.30
Corporation		sheets and other metal products			
	Mei Kong Development Co., Ltd.	Various investments and real estate development	100.00%	100.00%	100.00%
	MIRAMAR DEVELOPMENT (HK) CO., LTD.	Various investments	90.00%	90.00%	90.00%
	MAYER INN CORPORATION	Regular Hotel and International Trade	100.00%	100.00%	100.00%
	Meiyi Construction Co., Ltd.	Real estate investment and development business	90.00%	90.00%	90.00%

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

4. Information on subsidiaries with significant non-controlling equity: None.

(IV) Employee benefits

Post-employment benefits

Defined benefit plan

The pension cost in the interim period is calculated using the actuarially determined pension cost rate at the end of the previous fiscal year from the beginning of the year to the end of the current period, and is subject to significant market fluctuations and material one-time events are adjusted accordingly.

(V) Income taxes

Income tax expense represents the sum of current income tax and deferred income tax. Income tax for the interim period is assessed on an annual basis, with the tax rate applicable to the expected total earnings for the year, on the interim income before tax. The impact of changes in tax rates due to amendments to the tax law in the interim period is consistent with the accounting treatment principles of the transactions that give rise to tax consequences, and is recognized in a lump sum in the period in which they occur.

V. Significant accounting judgments, estimates and sources of assumption uncertainty

When the Group prepared the consolidated financial statements, the major judgments made, significant accounting estimates and assumptions about the main sources of uncertainty are consistent with Note 5 to the 2023 consolidated financial statements.

VI. Description of significant accounting items

(I) Cash and cash equivalents

	2024.06.30	2023.12.31	2023.06.30
Cash on hand and revolving funds	$ 419	$ 477	$ 423
Bank deposits	250,039	511,543	465,438
Cash equivalents	449,068	147,436	114,453
	$ 699,526	$ 659,456	$ 580,314

1. The credit quality of the financial institutions with which the Group interacts is good, and the Group interacts with multiple financial institutions to diversify credit risks, and the possibility of default is expected to be very low.

2. Please refer to Note 8 for the Group’s bank deposits and cash equivalents on June 30, 2024 and December 31, 2023 and June 30, 2023, which were provided to financial institutions as bank loan pledges due to restrictions.

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

	2024.06.30	2023.12.31	2023.06.30
Financial assets - current			
Mandatorily at fair value through profit or loss			
Non-derivative financial assets			
Domestic listed (OTC) stock	$ 131,670	$ 124,048	$ 79,740
Fund beneficiary certificates	2,000	—	8,615
	$ 133,670	$ 124,048	$ 88,355
Financial assets - noncurrent			
Mandatorily at fair value through profit or loss			
Non-derivative financial assets			
Domestic unlisted stocks	$ 291,234	$ 266,402	$ 297,585
Foreign unlisted stocks	—	—	23,913
	$ 291,234	$ 266,402	$ 321,498

1. The Group's investment in the above-mentioned investment targets is not for strategic investment. The Group's management believes that the short-term fluctuation of the fair value of these investments should be included in profit or loss, and chose to designate these investments as mandatory investments at fair value through profit and loss.

2. Please refer to Note 8 for the financial assets at fair value through profit or loss provided by the Group on June 30, 2024 and December 31, 2023 and June 30, 2023 as collateral for bank borrowings.

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

	2024.06.30	2023.12.31	2023.06.30
Current			
Equity instruments			
Domestic listed (OTC) stock	$ 26,805	$ 19,041	$ 12,538
Evaluation adjustment	43,930	8,681	3,482
	$ 70,735	$ 27,722	$ 16,020
Non-current			
Equity instruments			
Domestic unlisted stocks	$ 7,660	$ 7,660	$ 7,660
Foreign unlisted stocks	101,076	112,006	112,006
Evaluation adjustment	33,727	16,532	21,331
	$ 142,463	$ 136,198	$ 140,997

1. The Group invests in the above-mentioned investment targets in accordance with medium and long-term strategic purposes, and expects to make profits through long-term investment. The Group's management believes that including the short-term fluctuation of fair value of these investments in profit or loss is not consistent with the aforementioned long-term investment plan, and therefore chooses to designate these investments as measured at fair value through other comprehensive income.
2. During the period from January to June 2024, the Group adjusted its investment portfolio to diversify risk and sold a portion of its domestic listed (OTC) stocks at a fair value of NT$37,051 thousand. The related amount of "Other equity – unrealized gains and losses on financial assets measured at fair value through other comprehensive income" of NT$21,470 thousand was reclassified to "Retained earnings."
3. Please refer to Note 8 for the financial assets at fair value through profit or loss as through other comprehensive income of June 30, 2024 and December 31, 2023 and June 30, 2023, which are pledged for bank borrowings.

(IV) Financial assets measured at amortized cost

	2024.06.30	2023.12.31	2023.06.30
Current			
Bank time deposits with original maturity date of more than 3 months	$ 95,627	$ 370,085	$ 97,323
Interest rate range	1.70%-5.70%	0.80%-8.40%	1.30%-8.70%

As of June 30, 2024 and December 31, 2023 and June 30, 2023, the above financial assets measured at amortized cost had no restricted uses and no provision as collateral guarantees.

(V) Net notes receivable

	2024.06.30	2023.12.31	2023.06.30
Notes receivable	$ 45,255	$ 28,083	$ 42,297
Less: Loss allowance	(705)	(519)	(515)
	$ 44,550	$ 27,564	$ 41,782

1. Please refer to the following accounts receivable for the relevant disclosure of the loss allowance for notes receivable.

2. As of June 30, 2024 and December 31, 2023 and June 30, 2023, the above notes receivable were not restricted in use and provided as collateral guarantees.

(VI) Net accounts receivable

	2024.06.30	2023.12.31	2023.06.30
Accounts receivable	$ 594,472	$ 495,188	$ 528,964
Less: Loss allowance	(5,438)	(4,435)	(4,609)
Accounts receivable - non-related parties, net	589,034	490,753	524,355
Accounts receivable - related parties	13,106	9,369	13,672
	$ 602,140	$ 500,122	$ 538,027

The Group's average credit period for sales of goods is 30 to 120 days. For the allowance loss, the uncollectible amount is estimated with reference to the aging analysis, historical experience and analysis of the customer's current financial condition.

The Group adopts a simplified method to recognize the loss allowance for accounts receivable based on the expected credit loss during the period. The lifetime expected credit losses are based on customers' past payments. As the Group's historical credit loss experience shows that there is no significant difference in the loss patterns of different customer groups, the expected credit loss rate is set based on the number of days past due on accounts receivable.

The Group measures the allowance for losses of notes receivable and accounts receivable (excluding related parties) based on the provision matrix as follows:

2024.06.30	Expected credit loss rate	Gross carrying amount	Allowance for losses (expected credit loss during the duration)	Amortized cost
Not past due	0%-1%	$ 639,727	$ (6,143)	$ 633,584

2023.12.31	Expected credit loss rate	Gross carrying amount	Allowance for losses (expected credit loss during the duration)	Amortized cost
Not past due	0%–1%	$ 523,271	$ (4,954)	$ 518,317

2023.06.30	Expected credit loss rate	Gross carrying amount	Allowance for losses (expected credit loss during the duration)	Amortized cost
Not past due	0%-1%	$ 571,261	$ (5,124)	$ 566,137

The changes in the allowance for losses on notes and accounts receivable were as follows:

	January to June 2024	January to June 2023
Opening balance	$ 4,954	$ 5,023
Add: Impairment loss (Note)	1,189	101
Closing balance	$ 6,143	$ 5,124

The changes in allowance for losses on other notes and accounts receivable (excluding related parties) were as follows:

	January to June 2024	January to June 2023
Opening balance	$ 16,314	$ 32,945
Less: Amount recovered this year (Note)	(8,265)	(16,556)
Foreign exchange difference	776	147
Closing balance	$ 8,825	$ 16,536

Note: Indicated as "expected credit impairment loss (gain)."

For related credit risk management and assessment methods, please refer to Note 12 (3).

As of June 30, 2024 and December 31, 2023 and June 30, 2023, the above notes receivable were not restricted in use and provided as collateral guarantees.

(VII) Financing lease receivables

	2024.06.30	2023.12.31	2023.06.30
Undiscounted lease payments			
Year 1	$ 7,521	$ 5,797	$ 6,110
Year 2	6,752	5,477	5,445
Year 3	6,752	5,477	5,445
Year 4	6,752	5,477	5,445
Year 5	6,752	5,477	5,445
Over 5 years	72,026	56,139	58,534
	106,555	83,844	86,424

	2024.06.30	2023.12.31	2023.06.30
Less: Unearned financing income	(54,602)	(45,621)	(47,474)
Net investment in leases	$ 51,953	$ 38,223	$ 38,950
Current	$ 1,961	$ 1,218	$ 1,518
Non-current	49,992	37,005	37,432
	$ 51,953	$ 38,223	$ 38,950

In the power supply contract signed with respect to the Company's solar power generation equipment, it is agreed that all the electricity generated will be sold to Taipower from the date of the commercial transfer, and its accounting treatment is treated as a financial lease with an average financing period of 20 years.

The Company measures the loss allowance for the finance lease receivable based on the lifetime expected credit. As of the end of the reporting period, there were no overdue finance lease receivables. Considering the counterparties' past default records, the future development of the related industries of the lease targets, and the value of collateral, the Group believes that there is no impairment of the aforementioned finance lease receivables.

Please refer to Note 8 for the information on the provision of solar power generation equipment to financial institutions as collateral for bank loans by the Company on June 30, 2024 and December 31, 2023 and June 30, 2023.

(VIII) Inventories - Manufacturing

	2024.06.30	2023.12.31	2023.06.30
Finished goods	$ 303,067	$ 267,599	$ 262,948
Work in process	55,970	28,850	24,636
Semi-finished product	145,664	148,408	142,213
Materials in transit	—	—	19,731
Raw materials and supplies	669,365	607,850	702,292
Commodities	104,203	41,151	25,534
Others	1,954	—	1,372
Total	$ 1,280,223	$ 1,093,858	$ 1,178,726
Mortgage status	None	None	None

1. Gains (losses) related to inventories recognized as cost of goods sold in the current period are as follows:

	April to June 2024	April to June 2023	January to June 2024	January to June 2023
Cost of inventories sold	$ 1,181,631	$ 1,442,263	$ 2,365,023	$ 2,885,860

Loss on inventory valuation and obsolescence (gain on recovery)	(13,981)	23,408	(17,857)	(10,786)
Loss of inventory idle capacity (gain on recovery)	282	215	(1,491)	623
	$ 1,167,932	$ 1,465,886	$ 2,345,675	$ 2,875,697

2. As of June 30, 2024 and December 31, 2023 and June 30, 2023, the above inventories have not been provided with restrictions in use and as collateral guarantees.

(IX) Inventories - Construction

Name of construction site	2024.06.30	2023.12.31	2023.06.30
Buildings and land for sale	$ 1,161	$ 1,161	$ 21,475
Construction site	655,621	585,061	585,057
Real estate under construction	829,283	529,241	－
Prepayment for land	51,331	65,991	146,635
	$ 1,537,396	$ 1,181,454	$ 753,167

1. On March 7, 2008, the Company entered into an agreement with Ching-Huei Chien and three others to purchase land No.800 located in Guoguang Section, Banqiao District, New Taipei City, with a total price of NTD 1,930,800 thousand. In the same year, the Company paid NTD 89,110 thousand according to the agreement. The land readjustment project for the Guoguang Section in Banqiao District was completed on November 26, 2015, and the land was subsequently registered in the Yongcui Section, Banqiao District. However, the Company discovered that Ching-Huei Chien and the others had engaged in detrimental actions such as gifting and selling parts of the subject land. As a result, the Company applied for provisional attachment and provisional disposition. A settlement record was signed on September 14, 2023, the four parties including Ching-Huei Chien and others have made full payment in accordance with the agreement, and the Company has also scratched the surface of the amount in accordance with the agreement. the maximum amount of mortgage established before the cancellation and the provisional disposition, provisional attachment, and provisional execution to preserve the abovementioned claims were closed in January 2024.

2. On April 24, 2019, the Company's Board of Directors resolved to participate in the "Urban Renewal Business Plan and Rights Transformation Plan for 34 parcels

of land, including land No. 310 in Subsection 4 of Hulin Section, Xinyi District, Taipei City," as approved by the Taipei City Urban Renewal Office. On April 25, 2019, the Company signed a joint venture agreement with Ding Bang Development Co., Ltd. to jointly invest in the construction project, with both parties contributing equally on a 1:1 ratio. The above construction projects have been fully transferred in 2023.

3. On December 8, 2023, the Company purchased the land of land No.1216, Datong Section, Zhunan Town, Miaoli County from a non-related party, and signed a land transaction contract with an area of approximately 618.68 pings for a total contract price of NT$198,000 thousand. As of June 30, 2024, the above amounts have been paid in full.

4. For the Xingnan project at Nanshi Section, Zhonghe District, New Taipei City, on January 29, 2024, the Company purchased 6 pieces of land from non-related parties including the road land for capacity transfer, and signed a land transaction contract with a land area of about 145.64 pings. The total contractual sum amounted to NT$70,424 thousand, which had been paid in full as of June 30, 2024.

5. On March 22, 2024, the Company purchased the land of Land No. 1791 at the Puzi Section in Taoyuan District from a non-related party and signed a land purchase and sale contract with an area of about 130.38 pings of land for a total contract price of NT$83,000 thousand. As of June 30, 2024, NT$24,900 thousand has been paid.

6. Please refer to Note 8 for the “inventories - construction industry” as collateral for bank loans by the Group on June 30, 2024 and December 31, 2023 and June 30, 2023.

(X) Other current assets

	2024.06.30	2023.12.31	2023.06.30
Other financial assets	$ 556,675	$ 447,178	$ 384,030
Payment on behalf of others	10	10	10
	$ 556,685	$ 447,188	$ 384,040

As of June 30, 2024 and December 31, 2023 and June 30, 2023, the Group had repatriated overseas funds in accordance with the Management, Utilization, and

Taxation of Repatriated Offshore Funds Act, and had provided financial assets as collateral for bank loans. Please refer to Note 8 for details.

(XI) Investments accounted for under the equity method

1. The Group's investments under equity method are listed as follows:

	Original investment cost	2024.06.30	2023.12.31	2023.06.30
Subsidiaries				
Mayer Corporation Development International Limited (BVI)	$ 390,881	$ 15,287	$ 15,287	$ 15,287
Glory World Development Ltd. (BVI)	259,121	—	—	—
Subtotal		15,287	15,287	15,287
Less: Accumulated impairment - Investments accounted for using equity method		(15,287)	(15,287)	(15,287)
		—	—	—
Associated companies that are not individually material				
GRAND TECH PRECISION MANUFACTURING (THAILAND) CORPORATION LIMITED	179,688	203,933	227,561	200,826
Diamond Precision Steel Corp.	106,248	201,618	223,102	222,660
LUEN JIN ENTERPRISE CO., LTD.	156,600	148,759	151,309	148,933
		554,310	601,972	572,419
		$ 554,310	$ 601,972	$ 572,419

2. The Group's ownership interest and percentage of voting rights in the subsidiaries and associates at the end of the reporting period are as follows:

	2024.06.30	2023.12.31	2023.06.30
Mayer Corporation Development International Limited (BVI)	100.00% (Note 1)	100.00% (Note 1)	100.00% (Note 1)
Glory World Development Ltd. (BVI)	50.21% (Note 2)	50.21% (Note 2)	50.21% (Note 2)
GRAND TECH PRECISION MANUFACTURING (THAILAND) CORPORATION LIMITED	45.01%	45.01%	45.01%
Diamond Precision Steel Corp.	42.50%	42.50%	42.50%
LUEN JIN ENTERPRISE CO., LTD.	30.00%	30.00%	30.00%

Note 1: Mayer Corporation Development International Limited (BVI) was approved by the Court of the British Virgin Islands (BVI) on March 27, 2017 to enter the liquidation procedure and appointed a liquidator. As a result, the Company lost control and excluded from the consolidated financial statements.

Note 2: Glory World Development Ltd.(BVI) was ruled to be struck off status by the local government on November 3, 2020, and thus was not included as an entity in the consolidated report as of November 3, 2020.

Please refer to Table 5 for information on the business nature and principal place of business of the above subsidiaries and affiliated companies.

3. Information on subsidiaries:

	April to June 2024	April to June 2023	January to June 2024	January to June 2023
The Group's share				
Net income from continuing operations	$ (218)	$ (208)	$ (431)	$ (413)
Other comprehensive income in the current period	(1,007)	(1,562)	(3,930)	(977)
Total comprehensive income for the period	$ (1,225)	$ (1,770)	$ (4,361)	$ (1,390)

4. The market price of the equity investment of listed companies under the equity method on the balance sheet date is calculated as follows: None.

5. The aggregate financial information of material affiliates is as follows: None.

6. Aggregate information on individually immaterial associates:

	April to June 2024	April to June 2023	January to June 2024	January to June 2023
The Group's share				
Net income from continuing operations	$ 26,079	$ 26,870	$ 51,309	$ 48,379
Other comprehensive income in the current period	(1,286)	141	(1,374)	212
Total comprehensive income for the period	$ 24,793	$ 27,011	$ 49,935	$ 48,591

7. As of June 30, 2024, December 31, 2023, and June 30, 2023, the above

investments under the equity method were not restricted in use and provided as collateral guarantees.

8. The Group conducted assessment and impairment testing on the investment in affiliates in 2024 and January to June, 2023. After assessment, there were no impairment losses that should be recognized.

(XII) Property, plant and equipment

	January to June 2024						
	Land	Houses and buildings	Machinery and equipment	Transportation equipment	Other equipment	Leasehold improvements	Total
Cost:							
Opening balance	$ 557,911	$ 259,824	$ 1,645,161	$ 66,982	$ 181,497	$ 143,061	$ 2,854,436
Increase	–	3,819	11,072	4,672	37,266	–	56,829
Decrease	–	(105)	–	(1,604)	(241)	–	(1,950)
Effect of foreign currency exchange differences	–	152	475	6	131	–	764
Closing balance	$ 557,911	$ 263,690	$ 1,656,708	$ 70,056	$ 218,653	$ 143,061	$ 2,910,079
Accumulated depreciation:							
Opening balance	$ –	$ 224,693	$ 1,333,240	$ 57,040	$ 129,628	$ 46,224	$ 1,790,825
Increase	–	1,882	19,376	1,191	8,836	5,007	36,292
Decrease	–	(79)	–	(1,579)	(199)	–	(1,857)
Effect of foreign currency exchange differences	–	57	413	10	126	–	606
Closing balance	$ –	$ 226,553	$ 1,353,029	$ 56,662	$ 138,391	$ 51,231	$ 1,825,866
Closing net amount	$ 557,911	$ 37,137	$ 303,679	$ 13,394	$ 80,262	$ 91,830	$ 1,084,213

	January to June 2023						
	Land	Houses and buildings	Machinery and equipment	Transportation equipment	Other equipment	Leasehold improvements	Total
Cost:							
Opening balance	$ 557,911	$ 253,391	$ 1,544,811	$ 66,120	$ 178,760	$ 142,855	$ 2,743,848
Increase	–	7,123	45,853	780	1,849	120	55,725
Decrease	–	–	(2,566)	(616)	–	–	(3,182)
Effect of foreign currency exchange differences	–	368	1,154	23	318	–	1,863
Closing balance	$ 557,911	$ 260,882	$ 1,589,252	$ 66,307	$ 180,927	$ 142,975	$ 2,798,254
Accumulated depreciation:							
Opening balance	$ –	$ 220,988	$ 1,301,582	$ 55,495	$ 112,870	$ 36,218	$ 1,727,153
Increase	–	2,068	20,027	1,070	8,936	4,999	37,100
Decrease	–	–	(2,411)	(590)	–	–	(3,001)
Effect of foreign currency exchange differences	–	137	992	22	306	–	1,457
Closing balance	$ –	$ 223,193	$ 1,320,190	$ 55,997	$ 122,112	$ 41,217	$ 1,762,709
Closing net amount	$ 557,911	$ 37,689	$ 269,062	$ 10,310	$ 58,815	$ 101,758	$ 1,035,545

1. Please refer to Note 8 for the property, plant and equipment provided as guarantees or pledges by the Group on June 30, 2024 and December 31, 2023 and June 30, 2023.

2. The Group's property, plant and equipment had no impairment loss recognized in 2024 and from January to June 2023.

(XIII) Lease agreement

1. Right of use assets

	January to June 2024					
	Land	Houses and buildings	Machinery and equipment	Transportation equipment	Other equipment	Total
Cost:						
Opening balance	$ 16,980	$ 730,016	$ 693	$ 2,098	$ 517	$ 750,304
Effect of foreign currency exchange differences	62	—	—	—	—	62
Closing balance	$ 17,042	$ 730,016	$ 693	$ 2,098	$ 517	$ 750,366
Accumulated depreciation:						
Opening balance	$ 3,131	$ 243,558	$ 382	$ 664	$ 122	$ 247,857
Increase	1,139	30,114	69	484	59	31,865
Effect of foreign currency exchange differences	9	—	—	—	—	9
Closing balance	$ 4,279	$ 273,672	$ 451	$ 1,148	$ 181	$ 279,731
Closing net amount	$ 12,763	$ 456,344	$ 242	$ 950	$ 336	$ 470,635

	January to June 2023					
	Land	Houses and buildings	Machinery and equipment	Transportation equipment	Other equipment	Total
Cost:						
Opening balance	$ 19,673	$ 738,541	$ 693	$ 6,135	$ 646	$ 765,688
Increase	5,702	13,065	—	856	—	19,623
Decrease	(8,082)	(21,592)	—	(2,851)	—	(32,525)
Effect of foreign currency exchange differences	152	—	—	—	—	152
Closing balance	$ 17,445	$ 730,014	$ 693	$ 4,140	$ 646	$ 752,938
Accumulated depreciation:						
Opening balance	$ 3,603	$ 192,700	$ 243	$ 4,831	$ 213	$ 201,590
Increase	1,139	30,101	69	980	78	32,367
Decrease	(2,703)	(9,356)	—	(2,851)	—	(14,910)
Effect of foreign currency exchange differences	24	—	—	—	—	24
Closing balance	$ 2,063	$ 213,445	$ 312	$ 2,960	$ 291	$ 219,071
Closing net amount	$ 15,382	$ 516,569	$ 381	$ 1,180	$ 355	$ 533,867

The Group’s income from sublease of the right-of-use assets for the years ended 2024 and 2023 and from April to June 2023 and from January to June 2023 were NTD 45 thousand and NTD 90 thousand, respectively.

2. Lease liabilities

	2024.06.30	2023.12.31	2023.06.30
Book value of lease liabilities			
Current	$ 53,101	$ 55,444	$ 57,057
Non-current	450,967	477,521	503,585
	$ 504,068	$ 532,965	$ 560,642

Range of discount rate for lease liabilities:

	2024.06.30	2023.12.31	2023.06.30
Land	2.65%	2.65%	2.65%
Houses and buildings	2.20%-2.75%	2.20%-2.75%	2.20%-2.75%
Machinery and equipment	1.53%	1.53%	1.53%
Transportation equipment	1.68%-2.35%	1.68%-2.35%	1.47%-2.35%
Other equipment	1.80%-2.27%	1.80%-2.27%	1.52%-1.80%

3. Important lease-in activities and terms and conditions

The Group leases land, buildings and equipment as plant, office, regular hotel business premises and operating equipment. The lease term is 1 to 14 years, with renewal option upon expiry of the lease term. In addition, according to the contract, without the consent of the lessor, the Group shall not sublease the underlying assets of the lease to others. As of June 30, 2024, right-of-use assets have no indication of impairment and hence no impairment assessment.

4. Subletting

The Group subleases the right-of-use of buildings under an operating lease over a lease term of 5 years. The total amount of lease payments to be received in the future for the operating lease sublease is as follows:

	2024.06.30	2023.12.31	2023.06.30
Year 1	$ 22	$ 112	$ 180
Over 1 year but no more than 5 years	—	—	22
	$ 22	$ 112	$ 202

5. Other lease information

The Group chose the recognition exemption for short-term leases and leases of low-value assets in 2024 and from January to June 2023, and did not recognize right-of-use assets and lease liabilities for these leases. The related expenses are as follows:

	January to June 2024	January to June 2023
Short-term lease expense	$ 489	$ 567
Low-value asset lease expense	103	77
Variable lease payments not included in the measurement of lease liabilities	137	120
	$ 729	$ 764
Total cash outflow for leases	$ (36,250)	$ (36,809)

(XIV) Investment property

1. The Company's investment property is listed as follows:

	January to June 2024		
	Land	Buildings	Total
Cost:			
Opening balance	$ 82,543	$ 104,963	$ 187,506
Closing balance	$ 82,543	$ 104,963	$ 187,506
Accumulated depreciation:			

	January to June 2024		
	Land	Buildings	Total
Opening balance	$ —	$ 45,738	$ 45,738
Increase	—	1,466	1,466
Closing balance	$ —	$ 47,204	$ 47,204
Closing net amount	$ 82,543	$ 57,759	$ 140,302

	January to June 2023		
	Land	Buildings	Total
Cost:			
Opening balance	$ 82,543	$ 104,963	$ 187,506
Closing balance	$ 82,543	$ 104,963	$ 187,506
Accumulated depreciation:			
Opening balance	$ —	$ 42,804	$ 42,804
Increase	—	1,467	1,467
Closing balance	$ —	$ 44,271	$ 44,271
Closing net amount	$ 82,543	$ 60,692	$ 143,235

2. Rental income and direct operating expenses of investment property:

	April to June 2024	April to June 2023	January to June 2024	January to June 2023
Rent income from investment property	$ 2,715	$ 2,628	$ 5,429	$ 5,257
Direct operating expenses of investment property that generates rental income	(733)	(733)	(1,466)	(1,467)
	$ 1,982	$ 1,895	$ 3,963	$ 3,790

3. On June 30, 2024 and December 31 and June 30, 2023, the total lease payments to be received in the future for the investment properties leased out under operating leases are as follows:

	2024.06.30	2023.12.31	2023.06.30
Within 1 year	$ 10,857	$ 10,857	$ 10,686
Over 1 year but no more than 5 years	5,429	10,857	16,286
	$ 16,286	$ 21,714	$ 26,972

4. The Company's investment property is depreciated on a straight-line basis over 35 years.

5. The fair value of the investment property held by the Company as of 2023 and December 31, 2020 was NTD 285,803 thousand and NTD 272,992 thousand, respectively, which was based on the evaluation results of independent evaluation experts. The valuation on June 30, 2024 and December 31, 2023 and June 30, 2023 is based on market evidence of similar real estate transaction prices, and

there is no significant change in the basic assumptions as of December 31, 2023 and 2020.

6. Please refer to Note 8 for the Company’s investment property as collateral for bank borrowings on June 30, 2024 and December 31, 2023 and June 30, 2023.

(XV) Other non-current assets

	2024.06.30	2023.12.31	2023.06.30
Guarantee	$ —	$ —	$ 489,361
Performance bond	350,000	144,000	15,730
Prepaid equipment payment	15,745	50,794	58,196
Long-term financing lease receivable	49,992	37,005	37,432
Others	39,432	41,524	41,995
	$ 455,169	$ 273,323	$ 642,714

Please refer to Note 8 for the information on the provision of solar power generation equipment to financial institutions as collateral for bank loans by the Company on June 30, 2024 and December 31, 2023 and June 30, 2023.

(XVI) Short-term loans

	2024.06.30	2023.12.31	2023.06.30
Guaranteed loans			
Bank borrowings	$ 1,563,912	$ 1,412,783	$ 1,237,564
Unsecured borrowings			
Credit limit borrowings	78,500	129,500	305,000
Letter of credit borrowing for purchase of materials	174,972	149,660	272,977
Other borrowings	—	—	200,000
	253,472	279,160	777,977
	$ 1,817,384	$ 1,691,943	$ 2,015,541
Interest rate range	2.08%~3.18%	1.95%~4.00%	1.93%~2.95%
Undrawn limit	$ 2,223,949	$ 2,113,870	$ 1,503,823
Secured borrowings	Note 8	Note 8	Note 8

(XVII) Short-term notes payable

	2024.06.30	2023.12.31	2023.06.30
Commercial paper payable	$ —	$ —	$ 143,000
Less: Discounts on short-term bills payable	—	—	(391)
Net Amount	$ —	$ —	$ 142,609
Interest rate range	—	—	1.42%~1.86%
Undrawn limit	$ 80,000	$ 60,000	$ —
Secured borrowings	Note 8	Note 8	Note 8

(XVIII) Long-term loans

	2024.06.30	2023.12.31	2023.06.30

	2024.06.30	2023.12.31	2023.06.30
Guaranteed loans			
Bank borrowings	$ 16,047	$ 17,434	$ 18,808
Less: Due within one year	(2,816)	(2,793)	(2,763)
	$ 13,231	$ 14,641	$ 16,045
Interest rate range	2.28%	2.15%	2.15%
Undrawn limit	$ —	$ —	$ —
Secured borrowings	Note 8	Note 8	Note 8

(XIX) Provision for liabilities

	2024.06.30	2023.12.31	2023.06.30
Employee benefits	$ 2,110	$ 1,733	$ 1,733
Cost of decommissioning, restoration and restoration	29,220	30,463	31,660
Others	49,175	49,175	—
	$ 80,505	$ 81,371	$ 33,393

(XX) Post-employment benefit plan

1. Defined contribution plan

(1) The pension system under the "Labor Pension Act" applicable to the Company and its subsidiaries in the Republic of China is a government-managed defined contribution plan. A pension contribution of 6% of employees’ monthly salary is made to their personal accounts at the Bureau of Labor Insurance. The subsidiaries outside the Republic of China have participated in the defined contribution plan managed by the local government and make monthly contributions to the local government as pension funds.

(2) The pension expenses recognized by the Group in 2024 and April to June 2023 and January to June 2024 and 2023 were NTD 2,463 thousand, NTD 2,308 thousand, and NTD 4,877 thousand, and NTD 4,564 thousand, respectively.

2. Defined benefit plan

The defined benefit plan-related pension expenses recognized by the Group in 2024 and from April to June 2023 and from January to June 2023 were NTD 276 thousand, NTD 316 thousand, and NTD 552 thousand, respectively, and NTD 632 thousand. The above was calculated using the actuarial pension cost rate on December 31, 2023 and 2022.

(XXI) Equity

1. Common stock capital

	2024.06.30	2023.12.31	2023.06.30
Rated shares (thousand shares)	320,000	320,000	320,000
Authorized share capital	$ 3,200,000	$ 3,200,000	$ 3,200,000
Issued and paid shares (thousand shares)	222,526	222,526	222,526
Issued share capital	$ 2,225,261	$ 2,225,261	$ 2,225,261

On June 7, 2024, the Company’s shareholders’ meeting approved the distribution of stock dividends from undistributed earnings to shareholders of NTD 445,052 thousand. The capital increase was approved by the Financial Supervisory Commission on July 2, 2024 and registered. The base date is August 5, 2024. As of August 9, 2024, the share capital change registration has not been completed.

2. Additional paid-in capital

	2024.06.30	2023.12.31	2023.06.30
Convertible corporate bond conversion premium	$ 232,709	$ 232,709	$ 232,709
Difference between the equity price and book value of the subsidiary acquired for disposal	36,010	36,010	36,010
Changes in net equity of affiliated companies and joint ventures under equity method	6,828	6,828	6,828
Interest compensation payable for convertible corporate bonds	6,075	6,075	6,075
	$ 281,622	$ 281,622	$ 281,622

According to the Company's Articles of Incorporation, if there is a surplus after the annual final accounts, it shall be used to offset accumulated losses from previous years. Additionally, the surplus from issuing shares above par value (including premiums from issuing common stock above par value, capital surpluses from stock issuance due to mergers, conversion premiums from convertible bonds, and gains from treasury stock transactions) and received donations can also be used to offset losses. Furthermore, if there are no losses, these amounts can be used to distribute cash dividends or to increase capital. However, the annual capital increase is limited to a certain percentage of the paid-in capital.

The capital reserves arising from investments under the equity method, employee share options and share options shall not be used for any purpose.

3. Retained earnings and dividend policy

According to the Company's profit distribution policy specified in the Articles of Incorporation, if the Company has a profit for the year, 1% to 5% of the profit should be allocated as employee compensation, and no more than 3% should be allocated as director compensation. However, if the Company still has accumulated losses, the amount should be reserved to offset the losses before calculating and allocating the remaining profit.

Employees' remuneration may be paid in the form of shares or cash, and the remuneration may be paid to the employees of the Company and the subsidiaries of the Company who meet certain criteria. Remuneration to directors shall be in the form of cash only.

Matters concerning the distribution of employees' remuneration and directors' remuneration shall be resolved by a board of directors meeting attended by at least two-thirds of the directors and approved by more than half of the attending directors, and shall be reported at a shareholders' meeting.

If the board of directors has resolved to pay employees' remuneration in the form of shares, the board of directors may, at the same time, resolve to issue new shares or repurchase its own shares.

The Company's dividend policy takes into account the Company's capital needs and long-term financial planning, in line with current and future development plans, the investment environment and domestic and international competition, and the interests of shareholders, in order to determine the amount and type of earnings distribution. If the Company has earnings in the annual final accounting, it shall first pay income tax and make up for the losses of the previous years, and then set aside 10% of the balance as a legal reserve, unless the legal reserve amounts to the total paid-in capital. and special reserve shall be appropriated or reversed in accordance with the regulations of the competent authority. However, if a special reserve is appropriated for the net deduction of other equity accumulated in the previous period, the same amount of special reserve shall be appropriated from the undistributed earnings of the previous period. If there is still insufficient, after adding the current after-tax net profit and the item other than the current period's net profit and including in the amount of undistributed earnings of the current period, together with the accumulated undistributed earnings, it shall be proposed to the shareholders' meeting for resolution.

The Company may distribute earnings in the form of cash dividends or stock dividends. If distribution is made, shareholders' dividends shall be set aside based on the distributable earnings in the year of final accounting for no less than 50% each year. The percentage of stock dividends shall not exceed 50% of the total dividends.

The proceeding shareholders' dividends in this proposal are distributed in the form of cash and shall be attended by at least two-thirds of the directors of the authorized board of directors; resolutions must be passed by more than half of the directors present at the meeting, and shall be reported to the shareholders' meeting.

When distributing earnings, the Company must deduct the net amount of other shareholders' equity (such as the exchange difference on the translation of the financial statements of foreign operations and the accumulated balance of unrealized gain or loss on financial assets at fair value through other comprehensive income), set aside as special reserve before distribution. When the amount of other deductions in other equity is reversed, the reversed amount can be included in the income available for distribution.

The Company's 2023 and 2022 earnings distribution proposals resolved by the Board of Directors on March 13, 2024 and March 13, 2023, respectively, are as follows:

	2023	2022	2023	2022
Appropriation of legal reserve	$ 106,848	$ 17,044		
Common stock cash dividends	445,052	222,526	$ 2.00	$ 1.00
Common stock dividends	445,052	—	$ 2.00	$ —

The above proposal for the distribution of earnings for 2023 and 2022 was passed by the Board of Directors and was passed at the general shareholders' meeting as it was.

4. Special reserves

	2024.06.30	2023.12.31	2023.06.30
Adopted IFRSs to provide special reserve for the first time	$ 102,504	$ 102,504	$ 102,504

The company, in accordance with the letter Jin-Guan-Zheng-Fa No. 1010012865 and Jin-Guan-Zheng-Fa No. 1010047490 issued by the Financial Supervisory Commission and the "Q&A on the Appropriateness of Special Reserve under IFRSs," has appropriated and reversed special reserves. If the balance of the deduction of other shareholders' equity is reversed subsequently, the special reserve may be reversed in accordance with the requirements for distribution of earnings and reversal of the reversal.

5. Other equity

	January to June 2024		
	Exchange differences on translation of financial statements of foreign operations	Unrealized gain or loss on financial assets at fair value through other comprehensive income	Total
Opening balance	$ (26,497)	$ 53,335	$ 26,838
Exchange differences arising from the translation of the financial statements of foreign operations	3,188	—	3,188
Unrealized gain or loss on financial assets at fair value through other comprehensive income	—	161,021	161,021
Portions of affiliates and joint ventures recognized under the equity method	(5,304)	—	(5,304)
Income tax related to other comprehensive income components	423	—	423
Disposal of equity instruments at fair value through other comprehensive income	—	(411)	(411)
Closing balance	$ (28,190)	$ 213,945	$ 185,755

	January to June 2023		
	Exchange differences on translation of financial statements of foreign operations	Unrealized gain or loss on financial assets at fair value through other comprehensive income	Total
Opening balance	$ (17,640)	$ 26,397	$ 8,757
Exchange differences arising from the translation of the financial statements of foreign operations	3,610	—	3,610
Unrealized gain or loss on financial assets at fair value through other comprehensive income	—	4,141	4,141
Portions of affiliates and joint ventures recognized under the equity method	(765)	—	(765)
Income tax related to other comprehensive income components	(569)	—	(569)
Closing balance	$ (15,364)	$ 30,538	$ 15,174

6. Non-controlling interests

	January to June 2024	January to June 2023
Opening balance	$ 5,400	$ 3,639
Share attributable to non-controlling equity:		
Net income (loss) for the year	866	1,696
Exchange differences arising from the translation of the financial statements of foreign operations	208	56
Closing balance	$ 6,474	$ 5,391

(XXII) Operating income

1. Revenue from contracts with customers

	April to June 2024	April to June 2023	January to June 2024	January to June 2023
Revenue from customer contracts				
Sales revenue	$ 1,373,684	$ 1,582,612	$ 2,742,214	$ 3,201,790
Construction revenue (Note)	(72)	463,269	(72)	463,269
Others	45,427	40,064	98,298	72,164
	$ 1,419,039	$ 2,085,945	$ 2,840,440	$ 3,737,223

Please refer to Note 14(3) for the analysis of the revenue of each main product.

Note: This is the sales discount for the sale of houses.

2. Contract balance

Information on the Group's revenue from contracts with customers for January to June 2024 and 2023 is as follows:

	2024.01.01	2024.06.30	Differences
Sale of goods	1,430	1,730	300
Property sales	3,994	49,995	46,001
Others	775	496	(279)
	$ 6,199	$ 52,221	$ 46,022

	2023.01.01	2023.06.30	Differences
Sale of goods	8,340	4,978	(3,362)
Property sales	66,552	—	(66,552)
Others	247	758	511
	$ 75,139	$ 5,736	$ (69,403)

The change in contractual liabilities is mainly due to the difference between the point of meeting the repayment obligation and the time of payment by the customer.

The amounts from the contract liabilities at the beginning of the year recognized as operating revenues in 2024 and 2023 from January to June 2023 were NTD 2,157 thousand and NTD 72,087 thousand, respectively.

(XXIII) Interest income

	April to June 2024	April to June 2023	January to June 2024	January to June 2023
Interest on bank deposits	$ 6,117	$ 3,373	$ 10,083	$ 4,946
Other interest income	1,858	5,709	3,186	11,948
	$ 7,975	$ 9,082	$ 13,269	$ 16,894

(XXIV) Other income

	April to June 2024	April to June 2023	January to June 2024	January to June 2023
Rental income	$ 2,768	$ 2,682	$ 5,537	$ 5,364
Dividend income	3,358	42,757	3,358	42,757
Compensation income	—	—	253,798	—
Others	2,213	1,556	3,789	3,013
	$ 8,339	$ 46,995	$ 266,482	$ 51,134

The compensation income is due to the rights litigation between the Company and four parties including Ching-Huang Chien, Ching-Ming Chien, Ching-Hsing Chien, Ching-Huei Chien due to the scheduled sale and purchase contract and supplementary agreement. The reconciliation record was signed on September 14,

2023. When it is certain to be realized, it is recognized in the book, and the necessary costs and litigation expenses are deducted.

(XXV) Other gains and losses, net

	April to June 2024	April to June 2023	January to June 2024	January to June 2023
Gains (losses) on the disposal and scrapping of property, plant and equipment	$ 22	$ (155)	$ (69)	$ (124)
Gains (losses) on disposal of investment	18,480	2,738	34,872	2,267
Gain on lease modification	—	330	—	330
Net foreign currency exchange gain (loss)	1,663	1,775	5,246	1,419
Gain (loss) on financial assets at fair value through profit or loss	15,872	(42,014)	60,940	(13,821)
Other losses	(304)	(735)	(843)	(864)
	$ 35,733	$ (38,061)	$ 100,146	$ (10,793)

(XXVI) Finance costs, net

	April to June 2024	April to June 2023	January to June 2024	January to June 2023
Interest expense				
Borrowing interest	$ 11,831	$ 16,748	$ 22,108	$ 31,209
Lease liabilities and expenses	3,267	3,605	6,624	7,271
Others	10	10	20	18
Less: Amount of capitalized assets that meet the criteria	(4,752)	(1,532)	(8,005)	(3,473)
	$ 10,356	$ 18,831	$ 20,747	$ 35,025

(XXVII) Additional information on the nature of the expense

	April to June 2024			April to June 2023		
	Attributable to operating costs	Attributable to operating expenses	Total	Attributable to operating costs	Attributable to operating expenses	Total
Employee benefit expense						
Salary expenses	$ 50,256	$ 23,140	$ 73,396	$ 45,895	$ 20,135	$ 66,030
Labor and national health insurance expenses	5,643	2,202	7,845	4,929	1,683	6,612
Pension expense	1,952	2,772	4,724	1,881	748	2,629
Other employee benefit expenses	2,546	22,544	25,090	2,036	19,475	21,511
Depreciation expense	31,219	3,517	34,736	31,361	3,709	35,070
Amortization expense	2,201	20	2,221	2,086	524	2,610
Total	$ 93,817	$ 54,195	$ 148,012	$ 88,188	$ 46,274	$ 134,462

	January to June 2024			January to June 2023		
	Attributable to operating costs	Attributable to operating expenses	Total	Attributable to operating costs	Attributable to operating expenses	Total
Employee benefits						
Salary expenses	$ 98,934	$ 39,391	$ 138,325	$ 92,441	$ 39,723	$ 132,164
Labor and national health insurance expenses	10,723	3,658	14,381	9,752	3,073	12,825
Pension expense	3,854	3,938	7,792	3,723	2,701	6,424
Other employee benefit expenses	5,005	66,144	71,149	4,109	39,101	43,210
Depreciation expense	62,631	6,992	69,623	63,476	7,458	70,934
Amortization expense	4,529	42	4,571	4,123	1,161	5,284
Total	$ 185,676	$ 120,165	$ 305,841	$ 177,624	$ 93,217	$ 270,841

1. In accordance with the Company's Articles of Incorporation, the Company shall appropriate 1% to 5% of the balance, if any, after deducting accumulated losses from the current year's profit as employees, and no more than 3% as directors' remuneration.

April to June 2024		April to June 2023	
Remuneration to employees	Remuneration of Directors	Remuneration to employees	Remuneration of Directors
$ 11,852	$ 7,111	$ 10,125	$ 6,075

January to June 2024		January to June 2023	
Remuneration to employees	Remuneration of Directors	Remuneration to employees	Remuneration of Directors
$ 36,850	$ 22,110	$ 20,469	$ 12,281

The remunerations to the employees and Directors are estimated at 5% and 3% of the net income before tax, respectively. If there is still a change in the amount of the annual financial statements after the publication date, it will be treated as a change in accounting estimates and will be adjusted and accounted for in the next year.

2. The Company held the board meeting on March 13, 2024 and March 13, 2023, respectively, and resolved to approve the compensation of employees and directors for 2023 and 2022:

	2023		2022	
	Remuneration to employees	Remuneration of Directors	Remuneration to employees	Remuneration of Directors
Amount to be distributed as resolved	$ 56,384	$ 42,288	$ 18,000	$ 10,800

The remuneration to employees and directors for 2023 and 2022, as resolved by the Board of Directors, are consistent with the amounts recognized in the financial statements.

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

(XXVIII) Income taxes

1. Components of income tax expense

	April to June 2024	April to June 2023	January to June 2024	January to June 2023
Current income tax				
Occurrences in the current year	$ 33,705	$ 39,757	$ 115,236	$ 59,694
Adjusted in previous years	24	48	24	28
	33,729	39,805	115,260	59,722
Deferred income taxes				
The origin and reversal of the temporary difference	1,675	(4,577)	(156)	(61)
Income tax expense	$ 35,404	$ 35,228	$ 115,104	$ 59,661

2. Income tax expenses related to other comprehensive income

	April to June 2024	April to June 2023	January to June 2024	January to June 2023
Difference on translation of financial statements of foreign operations	$ 914	$ 656	$ (423)	$ 569

3. The accounting income and income tax expense recognized in profit or loss for the year are adjusted as follows:

	April to June 2024	April to June 2023	January to June 2024	January to June 2023
Net income before tax	$ 221,357	$ 190,314	$ 684,756	$ 382,520
Tax amount on net profit before tax calculated at statutory tax rate	$ 48,346	$ 41,120	$ 147,810	$ 80,789
Tax effects of the adjusted items:				
Effects of items not included in the calculation of taxable income	(12,675)	(6,701)	(27,495)	(26,431)
Occurrence and reversal of temporary difference	1,675	(4,577)	(156)	(61)
Loss carryforwards	(2,220)	(985)	(5,909)	(987)
Basic tax amount	254	－	830	－
Income tax adjustment for prior years	24	48	24	28
Land Value Increment Tax	－	6,323	－	6,323
Income tax expense recognized in profit or loss	$ 35,404	$ 35,228	$ 115,104	$ 59,661

The parent company only tax rate applicable to the Group under the Income Tax Act of the Republic of China is 20%. The applicable tax rate for the unappropriated earnings is 5%. Taxes arising in other jurisdictions are calculated in accordance with the tax rates applicable in the respective jurisdictions.

4. Deferred income tax assets or liabilities arising from temporary differences

	January to June 2024			
	Opening balance	Recognized in profit or loss	Recognized in other comprehensive income	Closing balance
Deferred income tax assets				
Temporary difference				
Unrealized inventory devaluation and obsolescence losses	$ 11,456	$ (4,111)	$ —	$ 7,345
Income tax impact of investment gains and losses recognized under the equity method	—	965	—	965
Others	1,547	(409)	—	1,138
	$ 13,003	$ (3,555)	$ —	$ 9,448
Deferred income tax liabilities				
Property, plant and equipment	$ 162,405	$ —	$ —	$ 162,405
Exchange differences on foreign operations	13,531	—	(423)	13,108
Income tax impact of investment gains and losses recognized under the equity method	3,805	(3,805)	—	—
Others	—	94	—	94
	$ 179,741	$ (3,711)	$ (423)	$ 175,607

	January to June 2023			
	Opening balance	Recognized in profit or loss	Recognized in other comprehensive income	Closing balance
Deferred income tax assets				
Temporary difference				
Unrealized inventory devaluation and	$ 16,184	$ (2,215)	$ —	$ 13,969

	January to June 2023			
	Opening balance	Recognized in profit or loss	Recognized in other comprehensive income	Closing balance
obsolescence losses				
Income tax impact of investment gains and losses recognized under the equity method	5,081	1,246	—	6,327
Others	499	540	—	1,039
	$ 21,764	$ (429)	$ —	$ 21,335
Deferred income tax liabilities				
Property, plant and equipment	$ 162,405	$ —	$ —	$ 162,405
Exchange differences on foreign operations	15,745	—	569	16,314
Others	629	(490)	—	139
	$ 178,779	$ (490)	$ 569	$ 178,858

5. Due to the impact of the COVID-19 pandemic, the company's profit-seeking enterprise income tax payments for the years 2022, 2021, and 2020 were approved by the Taipei National Taxation Bureau of the Ministry of Finance to be paid in 36 installments on May 30, 2023, June 7, 2022, and June 25, 2021, respectively. The payment status as of June 30, 2024 is as follows:

	2022	2021	2020
Tax payable	$ 76,175	$ 87,096	$ 59,964
Tax paid	$ 27,508	$ 58,064	$ 59,964
Number of installments paid	13	24	36

6. Authorization of income tax

As of June 30, 2024, the Company’s profit-seeking enterprise income tax returns have been approved by the tax authorities up to the year 2021.

(XXIX) Earnings per share

	April to June 2024	April to June 2023
Basic earnings per share:		
Net income attributable to owners of parent company	$ 185,112	$ 153,624
Weighted average number of outstanding shares for the current period (thousand shares)	267,031	267,031

	April to June 2024	April to June 2023
Basic earnings per share:		
Basic earnings per share (after tax) (NTD)	$ 0.69	$ 0.57

	January to June 2024	January to June 2023
Basic earnings per share:		
Net income attributable to owners of parent company	$ 568,786	$ 321,163
Weighted average number of outstanding shares for the current period (thousand shares)	267,031	267,031
Basic earnings per share (after tax) (NTD)	$ 2.13	$ 1.20

On June 7, 2024, the company resolved during the shareholders' meeting that the record date for the capitalization of earnings would be August 5, 2024. The weighted average number of shares outstanding from January 1 to June 30, 2023, has been retroactively adjusted based on the earnings capitalization ratio.

(XXX) Reconciliation of liabilities arising from financing activities

	2024.01.01	Cash flow	Non-cash changes Others	2024.06.30
Short-term loans	$ 1,691,943	$ 125,441	$ —	$ 1,817,384
Long-term borrowings (including long-term liabilities due within one year or one operating cycle)	17,434	(1,387)	—	16,047
Lease liabilities	532,965	(35,521)	6,624	504,068
Guarantee deposits received	17,083	(10,500)	—	6,583
Total liabilities from financing activities	$ 2,259,425	$ 78,033	$ 6,624	$ 2,344,082

	2023.01.01	Cash flow	Non-cash changes Others	2023.06.30
Short-term loans	$ 2,534,979	$ (519,438)	$ —	$ 2,015,541
Short-term notes payable	36,985	105,624	—	142,609
Long-term borrowings (including long-term liabilities due within one year or one operating cycle)	20,172	(1,364)	—	18,808
Lease liabilities	587,738	(36,045)	8,949	560,642

	2023.01.01	Cash flow	Non-cash changes Others	2023.06.30
Guarantee deposits received	20,083	3,500	–	23,583
Total liabilities from financing activities	$ 3,199,957	$ (447,723)	$ 8,949	$ 2,761,183

VII. Related party transactions

(I) Names and relationships of related parties

Name of related party	Relationship with the Group
Mayer Corporation Development International Limited	Subsidiaries
GRAND TECH PRECISION MANUFACTURING (THAILAND) CORPORATION LIMITED (hereinafter referred to as GRAND TECH PRECISION)	Affiliated companies
Diamond Precision Steel Corp. (hereinafter referred to as KY-Diamond)	Affiliated companies
LUEN JIN ENTERPRISE CO., LTD.	Affiliated companies
De An Development Co., Ltd.	Other related party
Athena Information Systems Ltd., Co.	Other related party
MIRAMAR HOSPITALITY CO., LTD	Other related party
TZE SHIN INTERNATIONAL CO., LTD. (hereinafter referred to as TZE SHIN INTERNATIONAL)	Other related party
All Director, Presidents, Vice Presidents, and other managers	Key management personnel

(II) Material transactions with related parties

In 2024 and from January to June 2023, the Group engaged in the following business transactions with the related party of the non-consolidated company:

1. Sales revenue

	April to June 2024	April to June 2023	January to June 2024	January to June 2023
Affiliated companies	$ 18,734	$ 50,483	$ 49,006	$ 93,181

The Group's sale to the above-mentioned related party is based on the terms and conditions agreed by both parties.

2. Accounts receivable

	2024.06.30	2023.12.31	2023.06.30
Affiliated companies	$ 13,106	$ 9,369	$ 13,672

3. Real estate under construction

From January to June 2024, the Group paid other related parties a management service fee of NTD 600 thousand due to real estate development, which was recorded under “inventory – construction business – construction in progress.”

4. Other receivables (including loans of funds)

	2024.06.30	2023.12.31	2023.06.30
General Payment			
Subsidiaries	$ 182	$ 172	$ 175
Affiliated companies	143	98	—
Loaning of funds			
Subsidiaries	19,760	18,712	18,967
Subtotal	20,085	18,982	19,142
Less: Loss allowance	(19,942)	(18,884)	(19,142)
	$ 143	$ 98	$ —

5. Prepayments

	2024.06.30	2023.12.31	2023.06.30
Other related party	$ 200	$ —	$ —

6. Refundable deposits

	2024.06.30	2023.12.31	2023.06.30
Other related party	$ 5	$ 5	$ 5

7. Contractual liabilities

	2024.06.30	2023.12.31	2023.06.30
Other related party	$ 7	$ 7	$ 7

8. Accounts payable

	2024.06.30	2023.12.31	2023.06.30
Other related party	$ 100	$ 105	$ —

9. Other payables

	2024.06.30	2023.12.31	2023.06.30
Other related party	$ 74	$ 13	$ 11

10. Borrowings from related parties (recognized as short-term borrowings)

	2024.06.30	2023.12.31	2023.06.30
TZE SHIN INTERNATIONAL	$ —	$ —	$ 200,000
Interest rate range	—	—	5.00%

	Interest expense			
	April to June 2024	April to June 2023	January to June 2024	January to June 2023
Other related party	$ —	$ 2,356	$ —	$ 2,356

11. Lease income

	April to June 2024	April to June 2023	January to June 2024	January to June 2023
Other related party	$ 45	$ 45	$ 90	$ 90

12. Dividend income

	April to June 2024	April to June 2023	January to June 2024	January to June 2023
Deductions of investments accounted for using the equity method				
GRAND TECH PRECISION	$ 39,850	$ 32,646	$ 39,850	$ 32,646
KY—Diamond	—	—	55,823	38,824
LUEN JIN ENTERPRISE	2,610	7,830	2,610	7,830
	42,460	40,476	98,283	79,300
Other income recognized				
Other related party	413	—	413	—
	$ 42,873	$ 40,476	$ 98,696	$ 79,300

13. Others

(1) Attributable operating cost

	April to June 2024	April to June 2023	January to June 2024	January to June 2023
Affiliated companies	$ (204)	$ —	$ (408)	$ —
Other related party	35	515	71	551
	$ (169)	$ 515	$ (337)	$ 551

(2) Attributable operating expenses

	April to June 2024	April to June 2023	January to June 2024	January to June 2023
Other related party	$ 73	$ 52	$ 106	$ 103

(III) Compensation to key managerial officers

	April to June 2024	April to June 2023	January to June 2024	January to June 2023
Salary and other short-term benefits	$ 18,791	$ 15,426	$ 50,522	$ 30,747
Post-employment benefits	75	51	527	473
	$ 18,866	$ 15,477	$ 51,049	$ 31,220

The remuneration of directors and other key management personnel is determined by the Remuneration Committee in accordance with individual performance and market trends.

VIII. Assets pledged

On June 30, 2024, and on December 31, 2023 and June 30, 2023, the Group was restricted from providing assets to financial institutions as collateral for long-term and short-term loans, the pledge of short-term bills payable. The book value is detailed as follows:

	2024.06.30	2023.12.31	2023.06.30
Inventories - Construction	$ 491,989	$ 164,689	$ —
Other financial assets - bank deposits	77,358	80,111	20,500
Other financial assets - financial assets at fair value through profit or loss - current	136,850	165,951	208,121
Other financial assets - investments in equity instruments at fair value through other comprehensive income - current	233,590	117,860	66,750
Other financial assets - Financial assets at fair value through profit or loss - non-current	108,877	83,256	88,659
Financing lease receivables	37,908	38,223	38,950
Property, plant and equipment	578,238	575,994	577,511
Investment property	140,302	141,768	143,235
	$ 1,805,112	$ 1,367,852	$ 1,143,726

IX. Material contingent liabilities and unrecognized contractual commitments

(I) Mayer Corporation Development International Limited (hereinafter referred to as Mayer Corp. (BVI)) held 200 million shares of Mayer Holdings Limited (Cayman) known as the “Contested Shares.” On January 12, 2012, Mayer Corp. (BVI) was notified by Computershare that Aspial Investment Limited and Bumper East Limited had applied to transfer the Contested Shares to their names. On July 3, 2014, the Hong Kong Court of Final Appeal ruled that Mayer Corp. (BVI) lost ownership of Mayer Holdings Limited (Cayman). The Contested Shares were managed by a person named Lai, who was responsible for their custody and disposition. Lai, without the company’s consent or authorization, improperly sold the shares to a third party, preventing the company from returning the shares to Mayer Corp. (BVI). On April 29, 2015, the board of directors resolved to file a criminal complaint with the District Prosecutor's Office to hold Lai legally accountable and protect the interests of the company and its shareholders. On March 19, 2021, the Taiwan Taipei District Prosecutor's Office filed criminal charges under Case 2016 Zheng-Zi No. 7922 and No. 7923, which were transferred to the Taiwan Taipei District Court Criminal Division under Case 2021 Jin-Zhong-Su-Zi No. 16 for trial. On January 17, 2023, the court rendered a verdict acquitting Mr. Lai of all charges. In July 4, 2023, the Taiwan High Court, in Appeal Case 2023 Jin-Shang-Zhong-Su-Zi No. 14, upheld the acquittal of Lai, the responsible person. As the Prosecutor did not appeal to the court that made the judgment within the statutory period, the judgment has been confirmed. After discussion with lawyers, the Company no longer has the benefit of bringing a civil lawsuit against the responsible person surnamed Lai. Therefore, after assessment, the case has no significant impact on the Company, and the case is closed.

(II) On April 5, 2017, the Securities and Futures Commission of Hong Kong's Market Misconduct Tribunal ruled that Mayer Holdings Limited (Cayman) and nine current and former senior executives failed to fulfill their disclosure obligations under the Securities and Futures Ordinance. They were collectively fined HKD 10.2 million. The Company has appointed legal representatives, including its general manager and six others, to appeal to the Hong Kong High Court. The appeal was granted on June 14, 2017. After hearings on November 20 and 21, 2018, the tribunal instructed both parties on July 24, 2020 to submit expert reports. Closing arguments were held on August 31, 2022, awaiting the tribunal's judgment. As of June 30, 2024, the Company’s accumulated attorney fees recognized as a result of the above cases amounted to HKD 6,976 thousand.

(III) As of June 30, 2024, December 31, 2023, and June 30, 2023, the unused balances of the letters of credit issued by the Group were NTD 152,304 thousand, NTD 96,096 thousand, and NTD 104,676 thousand, respectively.

(IV) As of June 30, 2024, and December 31 and June 30, 2023, the balances of guaranteed notes issued by the Group for bank loans, purchase of materials, and endorsement/guarantee were NTD 3,993,440 thousand, NTD 3,809,680 thousand, and NTD 3,939,340 thousand, respectively.

(V) As of June 30, 2024, and December 31 and June 30, 2023, the significant contracted but unpaid amounts for the purchase of machinery and equipment, construction in progress, and land development of the Group were NTD 287,523 thousand and NTD 467,295 thousand, respectively and NTD 225,057 thousand.

X. Losses due to major disasters: None.

XI. Material events after the reporting period: None.

XII. Others:

(I) Explanation of seasonality or periodicity of interim operations

The Group's operations are not affected by seasonal or cyclical factors.

(II) Capital risk management

As the Group needs to maintain sufficient capital to support the needs for expansion and upgrade of plants and equipment. Therefore, the Group's capital management aims to ensure that it has the necessary financial resources and operating plans to meet the needs for working capital, capital expenditures, research and development expenses, debt repayment and dividend payments required in the next 12 months.

(III) Financial instruments

1. Type of financial instruments

	2024.06.30	2023.12.31	2023.06.30
Financial assets			
Measured at amortized cost (Note 1)	$ 1,972,108	$ 1,862,578	$ 1,966,093
Measured at fair value through profit or loss	670,631	639,657	706,633
Measured at fair value through other comprehensive income	446,788	281,780	223,767
Financial liabilities			
Measured at amortized cost (Note 2)	$ 2,791,455	$ 2,159,029	$ 2,965,613

Note 1: The balance includes financial assets measured at amortized cost, including cash and cash equivalents, notes receivable, accounts receivable, other receivables, refundable deposits, financing lease receivables, and other financial assets.

Note 2: The balance includes financial liabilities measured at amortized cost, including short-term borrowings, short-term bills payable, notes payable, accounts payable, other payables, guarantee deposits received and long-term borrowings.

2. Information on fair value

(1) Financial instruments not measured at fair value

The Group believes that the book value of financial assets and financial liabilities measured at amortized cost is a reasonable approximation of the fair value.

(2) Financial instruments measured at fair value

The following table provides the relevant analysis of the financial instruments measured at fair value after initial recognition, and is divided into Levels 1 to 3 based on the observability of the fair value.

A. Level 1 fair value measurement refers to the open quotation (unadjusted) of the same asset or liability from the active market.

B. Level 2 fair value measurements refer to the deriving of the fair value from the directly (i.e. price) or indirect (i.e. price-derived) observable input values of the asset or liability, in addition to the publicly quoted prices in Level 1.

C. The third level of fair value measurement refers to the evaluation technology to derive the fair value from the input value of the asset or liability not based on observable market data (unobservable input value).

	2024.06.30			
Repetitive fair value	Level 1	Level 2	Level 3	Total
Financial assets at fair value through profit or loss				
Stocks of domestic listed (OTC) companies	$ 268,520	$ －	$ －	$ 268,520
Stocks of domestic non-listed (OTC) companies	－	－	400,111	400,111
Fund beneficiary certificates	2,000	－	－	2,000
	$ 270,520	$ －	$ 400,111	$ 670,631
Financial assets at fair value through other comprehensive income				
Stocks of domestic listed (OTC) companies	$ 304,325	$ －	$ －	$ 304,325
Stocks of domestic non-listed (OTC) companies	－	－	2,289	2,289
Stocks of foreign non-listed (OTC) companies	－	－	140,174	140,174
	$ 304,325	$ －	$ 142,463	$ 446,788

	2023.12.31			
Repetitive fair value	Level 1	Level 2	Level 3	Total
Financial assets at fair value through profit or loss				
Stocks of domestic listed (OTC) companies	$ 289,999	$ －	$ －	$ 289,999
Stocks of domestic non-listed (OTC) companies	－	－	349,658	349,658
	$ 289,999	$ －	$ 349,658	$ 639,657
Financial assets at fair value through other comprehensive income				
Stocks of domestic listed (OTC) companies	$ 145,582	$ －	$ －	$ 145,582
Stocks of domestic non-listed (OTC) companies	－	－	1,303	1,303

Repetitive fair value	2023.12.31 Level 1	Level 2	Level 3	Total
Stocks of foreign non-listed (OTC) companies	—	—	134,895	134,895
	$ 145,582	$ —	$ 136,198	$ 281,780

Repetitive fair value	2023.06.30 Level 1	Level 2	Level 3	Total
Financial assets at fair value through profit or loss				
Stocks of domestic listed (OTC) companies	$ 287,861	$ —	$ —	$ 287,861
Stocks of domestic non-listed (OTC) companies	—	—	386,244	386,244
Stocks of foreign non-listed (OTC) companies	—	—	23,913	23,913
Fund beneficiary certificates	8,615	—	—	8,615
	$ 296,476	$ —	$ 410,157	$ 706,633
Financial assets at fair value through other comprehensive income				
Stocks of domestic listed (OTC) companies	$ 82,770	$ —	$ —	$ 82,770
Stocks of domestic non-listed (OTC) companies	—	—	1,825	1,825
Stocks of foreign non-listed (OTC) companies	—	—	139,172	139,172
	$ 82,770	$ —	$ 140,997	$ 223,767

There were no transfers between Level 1 and Level 2 fair value measurements of the Group’s financial assets and liabilities measured at fair value on a recurring basis during January 1 to June 30, 2024 and 2023.

Reconciliation of financial instruments measured at Level 3 fair value

The Group's financial assets classified as Level 3 fair value are investments in equity instruments that are measured at fair value through profit or loss and that are measured at fair value through other comprehensive income.

The adjustment of financial assets measured at fair value through profit and loss is as follows:

	January to June 2024	January to June 2023
Opening balance	$ 349,658	$ 398,782

	January to June 2024	January to June 2023
Increase in current period	10,244	—
Unrealized profit or loss of financial assets measured at fair value through profit or loss	40,209	11,375
Closing balance	$ 400,111	$ 410,157

The adjustment of the investment in equity instruments measured at fair value through other comprehensive income is as follows:

	January to June 2024	January to June 2023
Opening balance	$ 136,198	$ 136,101
Refunds from decapitalization	(10,930)	—
Unrealized gain or loss on financial assets at fair value through other comprehensive income	17,195	4,896
Closing balance	$ 142,463	$ 140,997

(3) Valuation techniques and assumptions adopted for measuring fair value

The fair value of the Group's financial assets and financial liabilities is determined using the following methods and assumptions:

The fair value of financial assets and financial liabilities with standard terms and conditions and traded in active markets is determined by reference to market quotations (including corporate bonds, government bonds, stocks of TWSE/TPEX listed companies, and government bonds).

For the stocks of unlisted companies for which there is no active market, the fair value is estimated by the market method, and the determination is based on recent fund-raising activities, evaluation of companies of the same type, the company's technology development, market conditions, and other economic indicators.

3. Financial risk management objectives and policies

The objective of the Group's financial risk management is to manage exchange rate risk, interest rate risk, credit risk and liquidity risk related to operating activities. In order to reduce related financial risks, the Company is committed to identifying, evaluating and avoiding market uncertainties to reduce the potential adverse effects of market changes on the Company's financial performance.

The Group's major financial activities are reviewed by the Board of Directors in accordance with the relevant regulations and internal control system. During the period of the financial plan, the Company must strictly abide by the relevant financial operating procedures regarding overall financial risk management and division of authority.

(1) Market risk

The Group's market risk arises from the fluctuation of fair value or cash flow due to changes in the market price of financial instruments. Market risk mainly includes exchange rate risk, interest rate risk and other price risks.

A. Exchange rate risk

The Group's operating activities and net investment in foreign operating institutions are mainly conducted in foreign currency, so the foreign currency exchange rate risk is generated. The Group's receivables and payables denoted in foreign currencies are partially denominated in the same currency. In this case, certain positions will have a natural hedging effect; in addition, the net investment in foreign operating institutions is Hedging.

The sensitivity analysis on the calculation of foreign currency exchange rate risk from the information of foreign currency financial assets and liabilities of the Group with significant impact is as follows:

Unit: Each in thousands of foreign currency

(Foreign currency: functional currency)	2024.06.30			
	Foreign currency	Exchange rate	Range of change	Impacted profit and loss (NTD)
Financial assets				
Monetary items				
USD: NTD	$ 5,532	32.43	1%	1,794
USD: VND	262	25,445	1%	85
Financial liabilities				
USD: NTD	$ 107	32.43	1%	35
USD: VND	94	25,445	1%	31

Unit: Each in thousands of foreign currency

(Foreign currency: functional currency)	2023.12.31			
	Foreign currency	Exchange rate	Range of change	Impacted profit and loss (NTD)
Financial assets				
Monetary items				
USD: NTD	$ 1,469	30.71	1%	$ 451
USD: VND	159	24,245	1%	49
HKD: NTD	320	3.934	1%	13
Financial liabilities				
USD: NTD	$ 273	30.71	1%	$ 84
HKD: NTD	12,500	3.934	1%	492

Unit: Each in thousands of foreign currency

(Foreign currency: functional currency)	2023.06.30			
	Foreign currency	Exchange rate	Range of change	Impacted profit and loss (NTD)
Financial assets				
Monetary items				
USD: NTD	$ 1,522	31.13	1%	$ 474
USD: VND	79	23,585	1%	25
Financial liabilities				
USD: VND	11	23,585	1%	3

B. Interest rate risk

Interest rate risk refers to the risk of changes in the fair value of financial instruments due to changes in market interest rates. The Company's interest rate risk is mainly from fixed income investments and fixed interest rate borrowings.

The sensitivity analysis of interest rate risk is based on the change in the fair value of the fixed income investment at the end of the reporting period. If the interest rate increases/decreases by 1 bps, and all other factors remain unchanged, the Group’s net income will decrease by NTD 1,205 thousand and NTD 1,852 thousand in 2024 and 2023 from January to June, respectively.

C. Other price risk

The price risk of the Group's equity instruments mainly comes from financial assets measured at fair value through gains and losses and financial assets measured at fair value through other comprehensive income. All significant equity instrument investments are subject to the approval of the Company's board of directors.

The sensitivity analysis of equity instrument price risk is based on the change in fair value at the end of the reporting period. If the price of equity instruments increased/decreased by 5 percentage points (5%), the Group's net income would increase by NTD 13,576 thousand and NTD 14,786 thousand for 2024 and 2023 from January to June 2023, respectively; other comprehensive income would increase by NTD 15,263 thousand and NTD 4,154 thousand, respectively.

(2) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations and cause financial loss to the Group. The Group's credit risk mainly comes from receivables generated from operating activities, bank deposits, fixed income investment and other financial instruments generated from investment activities. Operation-related credit risk and financial credit risk are managed separately.

A. Operation-related credit risk

In order to maintain the quality of accounts receivable, the Group has established procedures for credit risk management related to operations.

The risk assessment of individual customer takes into account factors that may affect the customer's ability to pay, including the customer's financial position, credit rating agency ratings, the Group's internal credit rating, historical transaction records, and current economic conditions. The Group also uses certain credit enhancement instruments at appropriate times, such as prepayment for purchases and credit insurance, in order to reduce the credit risk of specific customers.

The Group has a large customer base that are not related to each other, so the concentration of credit risk is limited. As of June 30, 2024 and

December 31, 2023 and June 30, 2023, the accounts receivable balances from the top ten customers as a percentage of the group’s total accounts receivable balances were 65%, 37%, and 48%, respectively.

B. Financial credit risk

The credit risk of bank deposits and other financial instruments is measured and monitored by the Group's Finance Department. As the counterparties of the Group's transactions and the counterparties are banks with good credit standing and financial institutions with investment grade or above, and there is no major concern about performance, there is no significant credit risk.

(3) Liquidity risk management

The goal of the Group's liquidity risk management is to maintain the cash and cash equivalents, highly liquid securities and sufficient bank financing facilities required for maintaining operations, to ensure that the Group has sufficient financial flexibility.

The following table summarizes the analysis of the Group's financial liabilities with the agreed repayment periods by maturity date and undiscounted maturity amount:

	2024.06.30				
	Less than 1 year	2-3 years	4-5 years	Over 5 years	Total
Non-derivative financial liabilities					
Short-term loans	$ 1,817,384	$ –	$ –	$ –	$ 1,817,384
Notes and accounts payable (including related parties)	355,479	–	–	–	355,479
Other payables (including related parties)	595,962	–	–	–	595,962
Lease liabilities	53,101	100,195	103,226	247,546	504,068
Long-term bank borrowings	2,816	5,827	6,099	1,305	16,047
	$ 2,824,742	$ 106,022	$ 109,325	$ 248,851	$ 3,288,940

	2023.12.31				
	Less than 1 year	2-3 years	4-5 years	Over 5 years	Total
Non-derivative financial liabilities					
Short-term loans	$ 1,691,943	$ –	$ –	$ –	$ 1,691,943
Notes and accounts payable (including related parties)	230,138	–	–	–	230,138

Other payables (including related parties)	202,431	—	—	—	202,431
Lease liabilities	55,444	102,648	100,747	274,126	532,965
Long-term bank borrowings	2,793	5,770	6,023	2,848	17,434
	$ 2,182,749	$ 108,418	$ 106,770	$ 276,974	$ 2,674,911

	2023.06.30				
	Less than 1 year	2-3 years	4-5 years	Over 5 years	Total
Non-derivative financial liabilities					
Short-term loans	$ 2,015,541	$ —	$ —	$ —	$ 2,015,541
Short-term notes payable	142,609	—	—	—	142,609
Notes and accounts payable (including related parties)	428,448	—	—	—	428,448
Other payables (including related parties)	336,624	—	—	—	336,624
Lease liabilities	57,057	103,432	99,786	300,367	560,642
Long-term bank borrowings	2,763	5,708	5,959	4,378	18,808
	$ 2,983,042	$ 109,140	$ 105,745	$ 304,745	$ 3,502,672

XIII. Disclosures in notes:

In preparing the consolidated financial statements, significant transactions between the parent company and subsidiaries and all balances thereof have been eliminated.

(I) Material transactions with related parties and (II) Information on investees:

1. Loans to others: Please refer to Table 1.
2. Endorsements/guarantees provided for others: Please refer to Table 2.
3. Marketable securities held at the end of the period (excluding investment in subsidiaries, affiliates and joint ventures): Please refer to Table 3.
4. The cumulative amount of buying or selling the same securities reaches NTD 300 million or more than 20% of the paid-in capital: None.
5. Acquisition of real estate amounting to at least NTD 300 million or 20% of the paid-in capital: None.
6. Disposal of real estate for an amount over NTD 300 million or 20% of the paid-in capital: None.

7. Total purchases from or sales to related parties amounting to at least NTD 100 million or 20% of the paid-in capital: None.
8. Receivables from related parties amounting to at least NTD 100 million or 20% of the paid-in capital: None.
9. Derivatives traders: None.
10. Business relationships and important transactions between the parent company and subsidiaries: Please refer to Table 4.
11. The name and location of the investee company and other relevant information - does not include the investee companies in Mainland China: Please refer to Table 5.

(III) Investment information in Mainland China

1. Information on the investee company in Mainland China, including the name, principal business, paid-in capital, method of investment, inward and outward remittance of funds, shareholding, investment income or loss, carrying amount of the investment at the end of the period, repatriation of investment income, and limit on the amount of investment in the Mainland China area: None.
2. Significant transactions with investee companies in mainland China, either directly or indirectly through third regions, and their prices, payment terms, and unrealized gains or losses: None.

(IV) Information on major shareholders (names of shareholders with a shareholding ratio of more than 5%, number of shares held, and percentage) : Please refer to Table 6.

XIV. Department Information

(I) General information

For management purposes, the Group's operating decision-maker divides the operating units according to the business entity and divides the main reportable departments into the steel department, real estate investment department, investment department, and hotel service department.

1. Steel Department: This department produces and sells black steel pipes for piping, galvanized pipes, and stainless steel coils.

2. Real Estate Investment Department: This department engages in the development, leasing, and trading of real estate by purchasing and constructing lands for own construction or joint construction and separate selling.
3. Investment Department: This department is mainly responsible for the holding company and investment business.
4. Hotel Services Department: This department is mainly engaged in the business of hotels.

(II) Basis of measurement

The operational decision-makers of the Group supervise the operating results of each operating unit individually to make decisions on resource allocation and performance evaluation. The department's performance is evaluated based on net income (loss) before tax, which is measured in a manner consistent with the net income (loss) before tax in the consolidated financial statements. In addition, as the Group does not include the amount of assets and liabilities in the business decision-making report, the measured amount of assets and liabilities of the operating department is zero. The accounting policies of the operating segments are the same as the summary of important accounting policies described in Note 2 to the consolidated financial statements.

(III) Information on departmental profits and losses, assets and liabilities

Information on segment revenue and operating results of the Group is as follows:

	January to June 2024					
Income	Steel Department	Real Estate Investment Department	Investment Department	Hotel Services Department	Elimination of inter-segment write-offs	Total
Revenue from external customers	$ 2,742,214	$ (72)	$ 1,491	$ 96,807	$ –	$ 2,840,440
Inter-segment revenue	–	–	–	6	(6)	–
	$ 2,742,214	$ (72)	$ 1,491	$ 96,813	$ (6)	$ 2,840,440
Operating income	$ 231,250	$ (536)	$ 9,509	$ 34,334	$ 171	$ 274,728
Share of net profit of affiliated companies and joint ventures under the equity method	$ 113,856	$ –	$ –	$ –	$ (62,978)	$ 50,878
Income tax expense	$ 112,936	$ 1,211	$ 127	$ 830	$ –	$ 115,104

	January to June 2023					
Income	Steel Department	Real Estate Investment Department	Investment Department	Hotel Services Department	Elimination of inter-segment write-offs	Total
Revenue from external customers	$ 3,201,790	$ 463,269	$ –	$ 72,164	$ –	$ 3,737,223
Inter-segment	–	–	–	–	–	–

Income	January to June 2023					
	Steel Department	Real Estate Investment Department	Investment Department	Hotel Services Department	Elimination of inter-segment write-offs	Total
revenue						
	$ 3,201,790	$ 463,269	$ —	$ 72,164	$ —	$ 3,737,223
Operating income	$ 201,043	$ 83,108	$ 16,394	$ 11,685	$ 114	$ 312,344
Share of net profit of affiliated companies and joint ventures under the equity method	$ 86,356	$ —	$ —	$ —	$ (38,390)	$ 47,966
Income tax expense	$ 53,295	$ 6,323	$ 43	$ —	$ —	$ 59,661

Mayer Steel Pipe Corporation and Subsidiaries
Loans to others
January 1 to June 30, 2024

Table 1

Unit: NT$ thousands

Serial number (Note 1)	Lending company	Borrower	Transaction Items	Related party	Current maximum amount	Closing balance (Note 2)	The actual amount drawn down	Interest rate range	Nature of loan	Business transaction amount	Reasons for the necessity of short-term financing	Amount of Allowance for Losses	Collateral		Limit of loans to individual borrowers (Note 4)	Total limit of loans (Note 5)
													Name	Value		
0	Mayer Steel Pipe Corporation	Mayer Corporation Development International Limited	Other receivables	Yes	$ 19,827	$ 19,760	$ 19,760	1.22 % (Note 6)	Note 3	—	In response to the subsidiary's short-term demand for capital financing	$ 19,760	—	—	$ 437,108	$ 1,748,434
0	Mayer Steel Pipe Corporation	Mei Kong Development Co., Ltd.	Other receivables	Yes	300,000	300,000	—	—	Note 3	—	In response to the subsidiary's short-term demand for capital financing	—	—	—	437,108	1,748,434
0	Mayer Steel Pipe Corporation	Ding Bang Development Co., Ltd.	Other receivables	No	105,650	105,650	7,400	12%-18%	Note 3	—	In response to short-term demand for capital financing	—	—	—	437,108	1,748,434

Note 1: The method of filling in the number column is as follows:

1. For issuer, fill in "0".
2. The investee companies are numbered sequentially starting from 1 by each company.

Note 2: The amount of loans to others still valid after the approval of the board of directors.

Note 3: In need of short-term financing.

Note 4: The limit of financing for a single enterprise shall not exceed 10% of the net value in the most recent financial statements.

Note 5: The maximum amount of the Company's financing shall not exceed 40% of the net value in the most recent financial statements.

Note 6: Mayer Corporation Development International Limited entered the liquidation process on March 27, 2017, so the interest accrual has been stopped since April 2017.

Mayer Steel Pipe Corporation and Subsidiaries
Endorsements/guarantees for others
January 1 to June 30, 2024

Table 2

Unit: NT$ thousands

Serial number (Note 1)	Endorsing/guaranteeing company name	Counterparty of endorsements and guarantees		The limit of endorsements/ guarantees for a single enterprise (Note 3)	Current maximum endorsement /guarantee balance	Ending balance of endorsements/guarantees	The actual amount drawn down	Endorsement/ guarantee amount secured by property	Ratio of accumulated endorsement/ guarantee amount to net worth as stated in the latest financial statement	Maximum endorsements/ guarantees (Note 4)	Endorsements/ guarantees made by the parent company to subsidiaries	Endorsement/guarantee provided by the subsidiary to the parent company	Endorsements and guarantees in Mainland China
		Company Name	Relationship with the Company (Note 2)										
0	Mayer Steel Pipe Corporation	Meiyi Construction Co., Ltd.	2	$ 4,371,084	$ 72,820	$ 72,820	$ —	$ —	1.67%	$ 4,371,084	Yes	No	No

Note 1: The method of filling in the number column is as follows:

1. For issuer, fill in "0".
2. The investee companies are numbered sequentially starting from 1 by each company.

Note 2: The relationship between the endorsing guarantor and the endorsee is divided into the following seven types:

1. A company that has business dealings.
2. A company in which the Company holds, directly or indirectly, more than 50% of the voting shares.
3. The company directly or indirectly holds more than 50% of the voting shares of the company.
4. Among companies in which the Company directly or indirectly holds more than 90% of the voting shares.
5. Companies that require mutual insurance companies in the same industry or co-builders in accordance with the contract for the needs of contracting projects.
6. A company to which all contributing shareholders endorse and guarantee in accordance with their shareholding ratios for joint investment.
7. The joint guarantee for the performance of the pre-sale house sales contract is engaged in by the industry peers in accordance with the Consumer Protection Act.

Note 3: The limit of the Company's endorsement and guarantee for a single enterprise shall not exceed the net value in the latest financial statement.

Note 4: The ceiling of the Company's endorsement/guarantee is limited to 100% of the net value in the latest financial statements.

Mayer Steel Pipe Corporation and Subsidiaries

Marketable securities held at the end of the period (excluding investments in subsidiaries, affiliates and joint ventures)

June 30, 2024

Table 3

Unit: NT$ thousands

Holding company	Type and name of marketable securities	Relationship between the securities issuer and the Company	Presentation account	End of period			Market price	Remarks
				Number of shares/unit	Carrying amount	Ratio (%)		
Mayer Steel Pipe Corporation	IBF Financial Holdings Co., Ltd.		Financial assets at fair value through profit or loss - current	10,000,000	$ 161,000	0.29	$ 161,000	Pledged 8,500 thousand shares
	Aerospace Industrial Development Corporation		〃	700,000	37,380	0.07	37,380	
	Qimin Entertainment Inc. (formerly XPEC Entertainment Inc.)		〃	70,225	—	0.04	—	
	ADATA Technology Co., Ltd.		〃	150,000	16,200	0.05	16,200	
	Wistron Corporation		〃	200,000	21,200	0.01	21,200	
	MICRO-STAR INTERNATIONAL CO., LTD.		〃	100,000	17,800	0.01	17,800	
	Neuberger Berman ESG Quality Select Balanced Securities Investment Trust Fund TWD T ACC		〃	200,000	2,000	—	2,000	
	TZE SHIN INTERNATIONAL CO., LTD.	Same chairman	Financial assets at fair value through other comprehensive income - current	9,250,000	304,325	4.89	304,325	Pledged 7,100 thousand shares
	Taiwan Stock Exchange Corporation		Financial assets at fair value through profit or loss - non-current	642,916	124,998	0.06	124,998	Pledge of 560 thousand shares
	De An Development Co., Ltd.		〃	966,552	6,241	1.27	6,241	
	Miramar Resort Taitung Ltd.	Same chairman	〃	2,389,500	403	9.00	403	
	Taiwan Linhang Asset Investment Co., Ltd.		〃	18,000,000	258,430	14.06	258,430	
	Genesis Capital Holdings Limited		〃	3,151	—	4.51	—	
	MIRAMAR HOSPITALITY CO., LTD		〃	725,000	5,293	1.95	5,293	
	Jia Rui Investment Development Co., Ltd.		Financial assets measured at fair value through other comprehensive income - non-current	2,040,000	79,621	6.07	79,621	
	CSGT (Shenzhen) Co., Ltd.		〃	20,000	477	2.50	477	
Mei Kong Development Co., Ltd.	Jia Rui Investment Development Co., Ltd.		Financial assets measured at fair value through other comprehensive income - non-current	1,538,862	60,076	4.58	60,076	
	Xinlitong Co., Ltd. (formerly Xinglitong Logistics Co., Ltd.)		〃	1,276,600	2,289	16.08	2,289	
MAYER INN CORPORATION	INVENTEC CORPORATION		Financial assets at fair value through profit or loss - current	100,000	5,580	—	5,580	
	QUANTA COMPUTER INC.		〃	30,000	9,360	—	9,360	
	MIRAMAR HOSPITALITY CO., LTD		Financial assets at fair value through profit or loss - non-current	650,000	4,746	1.75	4,746	
MIRAMAR DEVELOPMENT (HK) CO., LTD.	Oasis Eden Properties Limited		Financial assets at fair value through profit or loss - current	1,750	—	13.46	—	

Note 1: Please refer to Table 5 for information on investment in subsidiaries and associates.

Mayer Steel Pipe Corporation and Subsidiaries

Business relationships and important transactions between the parent company and its subsidiaries

January 1 to June 30, 2024

Table 4

Unit: NT$ thousands

Serial number (Note 1)	Name of Transactor	Transaction counterpart	Relationship with the counterparty (Note 2)	Business Transactions			
				Account	Amount	Trading terms and conditions	As a percentage of consolidated total revenue or total assets (Note 3)
0	Mayer Steel Pipe Corporation	Mei Kong Development Co., Ltd.	1	Rental income	57	Note 4	－
0	Mayer Steel Pipe Corporation	Mei Kong Development Co., Ltd.	1	Interest income	345	Note 5	－
0	Mayer Steel Pipe Corporation	MAYER INN CORPORATION	1	Entertainment expenses	7	Note 5	－
0	Mayer Steel Pipe Corporation	Meiyi Construction Co., Ltd.	1	Rental income	57	Note 4	－
0	Mayer Steel Pipe Corporation	MIRAMAR DEVELOPMENT (HK) CO., LTD.	1	Other receivables	30	Note 5	－
0	Mayer Steel Pipe Corporation	MIRAMAR DEVELOPMENT (HK) CO., LTD.	1	Rental income	57	Note 4	－

Note 1: Information on business transactions between the parent company and its subsidiaries should be indicated in the numbered column. The number should be filled in as follows:

1. Fill in "0" for parent company.
2. Subsidiaries are numbered sequentially starting from 1 according to the company type.

Note 2: There are three types of relationship with traders as follows, indicating the type is sufficient:

1. Parent company to subsidiary
2. Subsidiary to parent company
3. Subsidiary to subsidiary

Note 3: For the calculation of the ratio of the transaction amount to the consolidated total revenue or total assets, in the case of assets and liabilities, it is calculated as the ending balance as a percentage of the consolidated total assets; in the case of profit and loss, it is calculated as the cumulative amount at the period as a percentage of the consolidated total operating revenue is calculated.

Note 4: Revenue from rental of offices.

Note 5: The terms of the transaction with the related party are negotiated by both parties.

Mayer Steel Pipe Corporation and Subsidiaries

The name, location, etc. of the investee company - excluding investee companies in Mainland China

January 1 to June 30, 2024

Table 5

Unit: NT$ thousands

Name of investment company	Name of investee	Location of the area	Main business items	Initial investment amount		Held at end of period			Investee profit (loss) for the current period	Investment income (loss) recognized by the company	Remarks
				End of current period	End of last year	Number of shares	Ratio	Carrying amount			
Mayer Steel Pipe Corporation	Mayer Corporation Development International Limited	British Virgin Islands	Holding and various investments	$ 390,881	$ 390,881	5,550,000	100.00	$ – (Note 1)	$ –	$ –	Subsidiaries
	VIETNAM MAYER CORP., LTD	Vietnam	Processing and sale of steel pipes, steel sheets and other metal products	212,601	212,601	–	100.00	270,000	19,889	19,889	Subsidiaries
	Glory World Development Limited	British Virgin Islands	Various investments	259,121	259,121	8,881,539	50.21	– (Note 2)	(859)	(431)	Subsidiaries
	Mei Kong Development Co., Ltd.	Taiwan	Various investments and real estate development	510,149	510,149	505,000,000	100.00	539,535	1,699	1,699	Subsidiaries
	MIRAMAR DEVELOPMENT (HK) CO., LTD.	Hong Kong	Various investments	498,923	498,923	17,100,000	90.00	41,016	9,056	8,150	Subsidiaries
	MAYER INN CORPORATION	Taiwan	Regular Hotel and International Trade	324,800	374,800	10,000,000	100.00	138,269	33,594	33,594	Subsidiaries
	Meiyi Construction Co., Ltd.	Taiwan	Real estate investment and development business	18,000	18,000	1,800,000	90.00	17,252	(393)	(354)	Subsidiaries
	GRAND TECH PRECISION MANUFACTURING (THAILAND) CORPORATION LIMITED	Thailand	Processing and sale of steel pipes, steel sheets and other metal products	179,688	179,688	17,350,000	45.01	203,933	43,982	19,796	Invested company under the equity method
	Diamond Precision Steel Corp.	Cayman Islands	Various investments	106,248	106,248	3,527,500	42.50	201,618	74,443	31,638	Invested company under the equity method
	LUEN JIN ENTERPRISE CO., LTD.	Taiwan	Other metal-related manufacturing business	156,600	156,600	6,525,000	30.00	148,759	(418)	(125)	Invested company under the equity method
Glory World Development Limited	Sinowise Devlopment Limited	British Virgin Islands	Trading of non-ferrous metals and other mineral resources	236,731	236,731	7,550,000	100.00	– (Note 3)	–	Note 6	Sub-subsidiary of indirect investment
	Elternal Galaxy Limited	British Virgin Islands	Trading of non-ferrous metals and other mineral resources	291,617	291,617	9,350,000	100.00	– (Note 4)	(859)	Note 6	Sub-subsidiary of indirect investment
	Grace Capital Group Limited	Samoa	Trading of non-ferrous metals and other mineral resources	2,099	2,099	70,000	100.00	– (Note 5)	–	Note 6	Sub-subsidiary of indirect investment

Note 1: Mayer Corporation Development International Limited entered liquidation proceedings on March 27, 2017, and therefore is not included in the consolidated financial statements. Accordingly, the net book value of equity (82,056) thousand deducted by other receivables provision for losses of 19,942 thousand results in a balance of (62,114) thousand transferred to non-current liabilities – other.

Note 2: Glory World Development Limited was ruled “Struck off” by the local government on November 3, 2020 and thus not included in the consolidated financial statements. Therefore, it was transferred to non-current liabilities – others in accordance with the book equity net value NTD 12,037 thousand.

Note 3: NTD 834 thousand transferred to non-current liabilities – others.

Note 4: NTD 21,255 thousand transferred to non-current liabilities – others.

Note 5: NTD 215 thousand transferred to non-current liabilities – others.

Note 6: The profit and loss of the investee company has been included in the investee, so it is not presented separately.

Mayer Steel Pipe Corporation and Subsidiaries

Information of major shareholders

June 30, 2024

Table 6

Name of major shareholder	Shares of Stock	
	Number of shares held (thousand shares)	Shareholding ratio (%)
Yuan Chuan Steel Co., Ltd.	36,962	16.61
TZE SHIN INTERNATIONAL CO., LTD.	17,750	7.97
Xianda Investment Co., Ltd.	15,562	6.99

Note 1: The information on major shareholders in this table is calculated by Taiwan Depository & Clearing Corporation on the last business day of each quarter, if the total number of ordinary and special shares that have completed delivery of non-physical registration (including treasury shares) reaches 5% Information above. The share capital reported in the financial report and the actual number of shares that have completed the scripless registration may be different due to different calculation bases.

Note 2: If the information above is related to the shareholder's delivery of shares to the trust, it will be disclosed based on the individual accounts opened by the trustee for the trustee. As for the insider declaration of more than 10% shareholding in accordance with the Securities and Exchange Act, the shareholding includes the shares held by the owner and the shares entrusted to the trust for which the person has the right to use the trust property. For information on insider declaration of equity, please refer to the Market Observation Post System.