YC Inox Co., Ltd. and Subsidiaries

Consolidated Financial Statements for the
Nine Months Ended September 30, 2024 and 2023 and
Independent Auditors' Review Report

INDEPENDENT AUDITORS' REVIEW REPORT

The Board of Directors and Shareholders
YC Inox Co., Ltd.

Introduction

We have reviewed the accompanying consolidated balance sheets of YC Inox Co., Ltd. and its subsidiaries (collectively, the "Group") as of September 30, 2024 and 2023, the related consolidated statements of comprehensive income for the three months ended September 30, 2024 and 2023 and for the nine months ended September 30, 2024 and 2023, the consolidated statements of changes in equity and cash flows for the nine months ended September 30, 2024 and 2023, and the related notes to the consolidated financial statements, including material accounting policy information (collectively referred to as the "consolidated financial statements"). Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and International Accounting Standard 34 "Interim Financial Reporting" endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China. Our responsibility is to express a conclusion on the consolidated financial statements based on our reviews.

Scope of Review

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

Conclusion

Based on our reviews, nothing has come to our attention that caused us to believe that the accompanying consolidated financial statements do not present fairly, in all material respects, the consolidated financial position of the Group as of September 30, 2024 and 2023, its consolidated financial performance for the three months ended September 30, 2024 and 2023, and its consolidated financial performance and its consolidated cash flows for the nine months ended September 30, 2024 and 2023 in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and International Accounting Standard 34 "Interim Financial Reporting" endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

The engagement partners on the reviews resulting in this independent auditors' review report are Done-Yuin Tseng and Shu-Chin Chiang.

Deloitte & Touche
Taipei, Taiwan
Republic of China

November 7, 2024

Notice to Readers

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

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

YC INOX CO., LTD. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS
(In Thousands of New Taiwan Dollars)

ASSETS	September 30, 2024 Amount	%	December 31, 2023 Amount	%	September 30, 2023 Amount	%
CURRENT ASSETS						
Cash (Note 6)	$ 2,972,904	13	$ 688,845	4	$ 667,128	3
Financial assets at fair value through profit or loss - current (Note 7)	173,250	1	198,000	1	258,656	1
Notes receivable (Note 20)	48,852	-	74,675	-	108,061	1
Trade receivables (Notes 9, 20 and 27)	886,556	4	902,158	5	933,235	5
Other receivables	74,948	-	516,051	3	288,165	2
Inventories (Note 10)	5,103,669	22	4,075,158	22	5,018,647	26
Prepayments	2,206,225	9	1,186,159	7	1,436,363	8
Other current assets (Note 28)	3,569	-	3,116	-	5,544	-
Total current assets	11,469,973	49	7,644,162	42	8,715,799	46
NON-CURRENT ASSETS						
Financial assets at fair value through other comprehensive income - non-current (Note 8)	1,317,977	6	1,865,234	10	1,909,487	10
Property, plant and equipment (Note 12)	8,361,513	36	6,906,175	38	6,734,998	35
Right-of-use assets (Note 13)	15,670	-	10,548	-	9,978	-
Computer software (Note 14)	6,042	-	7,944	-	9,189	-
Deferred tax assets (Notes 4 and 22)	508,046	2	467,954	2	350,416	2
Prepayments for equipment	1,272,282	5	1,068,459	6	1,011,318	5
Other non-current assets	404,212	2	343,913	2	360,973	2
Total non-current assets	11,885,742	51	10,670,227	58	10,386,359	54
TOTAL	$ 23,355,715	100	$ 18,314,389	100	$ 19,102,158	100
LIABILITIES AND EQUITY						
CURRENT LIABILITIES						
Short-term borrowings (Note 15)	$ 7,823,552	34	$ 5,751,078	31	$ 5,779,962	30
Short-term bills payable (Note 15)	99,893	-	-	-	99,980	1
Contract liabilities - current (Note 20)	549,040	2	432,997	2	520,210	3
Notes payable	6,446	-	494	-	243	-
Trade payables	247,330	1	116,005	1	205,234	1
Other payables (Note 17)	364,273	2	273,323	1	239,139	1
Current tax liabilities (Notes 4 and 22)	44,345	-	119,823	1	101,180	1
Lease liabilities - current (Note 13)	6,905	-	6,236	-	6,310	-
Current portion of long-term borrowings (Note 15)	571,429	3	471,429	3	357,143	2
Other current liabilities	49,174	-	38,349	-	88,812	-
Total current liabilities	9,762,387	42	7,209,734	39	7,398,213	39
NON-CURRENT LIABILITIES						
Bonds payable (Note 16)	224,899	1	228,240	2	719,868	4
Long-term borrowings (Note 15)	2,154,762	9	1,844,048	10	2,026,190	11
Deferred tax liabilities (Notes 4 and 22)	183,483	1	2,614	-	7,148	-
Lease liabilities - non-current (Note 13)	8,411	-	3,755	-	3,423	-
Net defined benefit liabilities - non-current (Notes 4 and 18)	38,325	-	41,284	-	48,144	-
Guarantee deposits received	34,308	-	34,545	-	33,321	-
Other non-current liabilities (Note 30)	2,010,000	9	-	-	-	-
Total non-current liabilities	4,654,188	20	2,154,486	12	2,838,094	15
Total liabilities	14,416,575	62	9,364,220	51	10,236,307	54
EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY						
Share capital						
Ordinary shares	4,702,256	20	4,475,783	25	4,474,265	23
Registered capital (pending change)	-	-	224,241	1	1,518	-
Capital surplus	1,835,038	8	2,302,582	13	2,033,543	11
Retained earnings						
Legal reserve	1,346,931	6	1,346,931	7	1,346,931	7
Unappropriated earnings	214,696	1	133,890	1	409,734	2
Other equity	840,219	3	466,742	2	599,860	3
Total equity	8,939,140	38	8,950,169	49	8,865,851	46
TOTAL	$ 23,355,715	100	$ 18,314,389	100	$ 19,102,158	100

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

YC INOX CO., LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	For the Three Months Ended September 30				For the Nine Months Ended September 30			
	2024		2023		2024		2023	
	Amount	%	Amount	%	Amount	%	Amount	%
NET REVENUE (Notes 20 and 27)	$ 3,796,589	100	$ 4,066,862	100	$ 10,434,500	100	$ 11,774,276	100
OPERATING COSTS (Notes 10 and 21)	3,325,663	88	3,656,626	90	9,063,828	87	10,685,715	91
GROSS PROFIT	470,926	12	410,236	10	1,370,672	13	1,088,561	9
OPERATING EXPENSES (Note 21)								
Selling and marketing expenses	216,451	6	132,701	3	538,566	5	370,005	3
General and administrative expenses	77,785	2	66,457	2	251,112	2	211,645	2
Total operating expenses	294,236	8	199,158	5	789,678	7	581,650	5
INCOME FROM OPERATIONS	176,690	4	211,078	5	580,994	6	506,911	4
NON-OPERATING INCOME AND EXPENSES								
Finance costs (Note 21)	(48,772)	(1)	(37,374)	(1)	(161,822)	(2)	(105,585)	(1)
Interest income	1,310	-	3,385	-	9,172	-	9,707	-
Other gains and losses, net (Notes 21 and 27)	(128,278)	(3)	(475,424)	(12)	(552,985)	(5)	(652,846)	(5)
Foreign exchange gain, net (Note 30)	21,709	-	103,244	2	231,204	2	440,181	4
Net loss on disposal of property, plant, equipment and ornaments	(3,269)	-	(4,868)	-	(3,378)	-	(4,249)	-
Net gain (loss) on fair value changes of financial instruments at fair value through profit or loss	(6,250)	-	(18,600)	-	(24,750)	-	10,882	-
Total non-operating income and expenses	(163,550)	(4)	(429,637)	(11)	(502,559)	(5)	(301,910)	(2)
INCOME (LOSS) BEFORE INCOME TAX	13,140	-	(218,559)	(6)	78,435	1	205,001	2
INCOME TAX EXPENSE (BENEFIT) (Notes 4 and 22)	10,337	-	(30,643)	(1)	(2,371)	-	94,242	1
NET PROFIT (LOSS)	2,803	-	(187,916)	(5)	80,806	1	110,759	1

(Continued)

YC INOX CO., LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	For the Three Months Ended September 30				For the Nine Months Ended September 30			
	2024		2023		2024		2023	
	Amount	%	Amount	%	Amount	%	Amount	%
OTHER COMPREHENSIVE INCOME (LOSS)								
Items that will not be reclassified subsequently to profit or loss:								
Unrealized (loss) gain on investments in equity instruments at fair value through other comprehensive income	$ (266,215)	(7)	$ (632,542)	(15)	$ (547,257)	(6)	$ (1,097,114)	(9)
Income tax relating to items that will not be reclassified subsequently to profit or loss	943	-	-	-	(1,134)	-	-	-
	(265,272)	(7)	(632,542)	(15)	(548,391)	(6)	(1,097,114)	(9)
Items that may be reclassified subsequently to profit or loss:								
Exchange differences on translating of the financial statements of foreign operations	(29,126)	(1)	1,118,852	28	1,152,334	11	68,541	-
Income tax related to items that may be reclassified subsequently to profit or loss	5,826	-	(223,770)	(6)	(230,466)	(2)	(13,708)	-
	(23,300)	(1)	895,082	22	921,868	9	54,833	-
Other comprehensive (loss) income for the period, net of income tax	(288,572)	(8)	262,540	7	373,477	3	(1,042,281)	(9)
TOTAL COMPREHENSIVE (LOSS) INCOME FOR THE PERIOD	$ (285,769)	(8)	$ 74,624	2	$ 454,283	4	$ (931,522)	(8)
EARNINGS (LOSS) PER SHARE (Note 23)								
Basic	$ -		$ (0.42)		$ 0.17		$ 0.25	
Diluted	$ 0.01		$ (0.39)		$ 0.17		$ 0.24	

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

YC INOX CO., LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2024 AND 2023
(In Thousands of New Taiwan Dollars)

	Ordinary Shares (Note 19)			Retained Earnings (Note 19)		Other Equity		
	Capital Stock Ordinary Shares	Registered Capital Pending Change	Capital Surplus (Note 19)	Legal Reserve	Unappropriated Earnings	Exchange Differences on Translating of the Financial Statements of Foreign Operations	Unrealized Gain (Loss) on Financial Assets at Fair Value through Other Comprehensive Income	Total Equity
BALANCE AT JANUARY 1, 2023	$ 4,453,799	$ -	$ 2,005,108	$ 1,292,961	$ 1,022,254	$ (187,660)	$ 1,829,801	$ 10,416,263
Appropriation of 2022 earnings								
Legal reserve	-	-	-	53,970	(53,970)	-	-	-
Cash dividends distributed by the Corporation	-	-	-	-	(669,309)	-	-	(669,309)
Net profit for the nine months ended September 30, 2023	-	-	-	-	110,759	-	-	110,759
Other comprehensive income (loss) for the nine months ended September 30, 2023, net of income tax	-	-	-	-	-	54,833	(1,097,114)	(1,042,281)
Total comprehensive income (loss) for the nine months ended September 30, 2023	-	-	-	-	110,759	54,833	(1,097,114)	(931,522)
Convertible bonds converted to ordinary shares	20,466	1,518	28,435	-	-	-	-	50,419
BALANCE AT SEPTEMBER 30, 2023	$ 4,474,265	$ 1,518	$ 2,033,543	$ 1,346,931	$ 409,734	$ (132,827)	$ 732,687	$ 8,865,851
BALANCE AT JANUARY 1, 2024	$ 4,475,783	$ 224,241	$ 2,302,582	$ 1,346,931	$ 133,890	$ (221,691)	$ 688,433	$ 8,950,169
Issuance of cash dividends from capital surplus	-	-	(470,226)	-	-	-	-	(470,226)
Net profit for the nine months ended September 30, 2024	-	-	-	-	80,806	-	-	80,806
Other comprehensive income (loss) for the nine months ended September 30, 2024, net of income tax	-	-	-	-	-	921,868	(548,391)	373,477
Total comprehensive income (loss) for the nine months ended September 30, 2024	-	-	-	-	80,806	921,868	(548,391)	454,283
Convertible bonds converted to ordinary shares	226,473	(224,241)	2,682	-	-	-	-	4,914
BALANCE AT SEPTEMBER 30, 2024	$ 4,702,256	$ -	$ 1,835,038	$ 1,346,931	$ 214,696	$ 700,177	$ 140,042	$ 8,939,140

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

YC INOX CO., LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS
(In Thousands of New Taiwan Dollars)

	For the Nine Months Ended September 30	
	2024	**2023**
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax	$ 78,435	$ 205,001
Adjustments for:		
Depreciation expense	275,905	264,399
Amortization expense	4,100	4,301
Loss (gain) on financial instruments at fair value through profit or loss, net	24,750	(10,881)
Finance costs	161,822	105,585
Interest income	(9,172)	(9,707)
Dividend income	(6,000)	(14,038)
Loss on disposal of property, plant and equipment	3,378	4,249
Loss on lease modification	111	-
Reversal of write-down of inventories	(238,333)	(236,228)
Gain on unrealized foreign currency exchange, net	(4,594)	(22,356)
Effect of hyperinflation	579,337	671,723
Changes in operating assets and liabilities:		
Notes receivable	25,797	(19,939)
Trade receivables	(18,354)	(99,683)
Other receivables	437,117	(13,432)
Inventories	(911,049)	89,335
Prepayments	(813,613)	(199,449)
Other current assets	(706)	(22)
Contract liabilities	117,591	120,508
Notes payable	5,952	(313)
Trade payables	131,872	18,203
Other payables	44,391	(70,824)
Other current liabilities	13,275	46,507
Net defined benefit liabilities	(2,959)	(3,004)
Cash (used in) generated from operations	(100,947)	829,935
Interest received	9,172	9,707
Dividends received	6,000	14,038
Interest paid	(155,108)	(98,483)
Income tax paid	(162,141)	(378,967)
Net cash (used in) generated from operating activities	(403,024)	376,230
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of property, plant and equipment	(953,124)	(621,751)
Proceeds from disposal of property, plant and equipment	38,875	36,132
(Increase) decrease in refundable deposits	(96)	908
Acquisition of computer software	(2,300)	(4,949)
Increase in other non-current assets	-	(13,526)
Increase in prepayments for equipment	(323,205)	(325,131)
Net cash (used in) generated from investing activities	(1,239,850)	(928,317)

(Continued)

YC INOX CO., LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS
(In Thousands of New Taiwan Dollars)

	For the Nine Months Ended September 30	
	2024	**2023**
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from short-term borrowings	$ 19,181,353	$ 15,062,824
Repayments of short-term borrowings	(17,107,986)	(14,106,998)
Proceeds from short-term bills payable	100,000	100,000
Proceeds from long-term borrowings	700,000	600,000
Repayments of long-term borrowings	(289,286)	(259,524)
(Decrease) increase in guarantee deposits received	(237)	2,936
Repayments of the principal portion of lease liabilities	(7,543)	(5,428)
Increase in other non-current liabilities	2,010,000	-
Dividends paid to owners of the Company	(470,226)	(669,309)
Net cash generated from financing activities	4,116,075	724,501
EFFECTS OF EXCHANGE RATE CHANGES ON CASH	(189,142)	(456,493)
NET INCREASE (DECREASE) IN CASH	2,284,059	(284,079)
CASH AT THE BEGINNING OF THE PERIOD	688,845	951,207
CASH AT THE END OF THE PERIOD	$ 2,972,904	$ 667,128

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

1. GENERAL INFORMATION

YC Inox Co., Ltd. (the "Company") was incorporated in the Republic of China (ROC) in January 1973. The Company is mainly engaged in the production, processing and sale of stainless steel pipes, stainless steel sheets and coils, agency services and international trading of stainless steel products.

The Company's shares were listed and have been trading on the Taiwan Stock Exchange since September 2001.

The consolidated financial statements of the Group are presented in the Company's functional currency, the New Taiwan dollar.

2. APPROVAL OF FINANCIAL STATEMENTS

The consolidated financial statements were approved by the Company's board of directors on November 7, 2024.

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

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

The initial application of the IFRS Accounting Standards endorsed and issued into effect by the FSC did not have a material impact on the Group's accounting policies.

b. The IFRS Accounting Standards endorsed by the FSC for application starting from 2025

New, IFRSs	Effective Date Announced by IASB
Amendments to IAS 21 "Lack of Exchangeability"	January 1, 2025 (Note 1)

Note 1: An entity shall apply those amendments for annual reporting periods beginning on or after January 1, 2025. Upon initial application of the amendments to IAS 21, the Group shall not restate the comparative information and shall recognize any effect of initially applying the amendments as an adjustment to the opening balance of retained earnings or, if applicable, to the cumulative amount of translation differences in equity as well as affected assets or liabilities.

c. The IFRS Accounting Standards in issue but not yet endorsed and issued into effect by the FSC

New, Amended and Revised Standards and Interpretations	Effective Date Announced by IASB (Note 1)
Annual Improvements to IFRS Accounting Standards - Volume 11	January 1, 2026
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 Associate or Joint Venture"	To be determined by IASB
IFRS 17 "Insurance Contracts"	January 1, 2023
Amendments to IFRS 17	January 1, 2023
Amendments to IFRS 17 "Initial Application of IFRS 17 and IFRS 9 - Comparative Information"	January 1, 2023
IFRS 18 "Presentation and Disclosure in Financial Statements"	January 1, 2027
IFRS 19 "Subsidiaries without Public Accountability: Disclosures"	January 1, 2027

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

IFRS 18 "Presentation and Disclosure in Financial Statements"

IFRS 18 will supersede IAS 1" Presentation of Financial Statements". The main changes comprise:

- Items of income and expenses included in the statement of profit or loss shall be classified into the operating, investing, financing, income taxes and discontinued operations categories.

- The statement of profit or loss shall present totals and subtotals for operating profit or loss, profit or loss before financing and income taxes and profit or loss.

- Provides guidance to enhance the requirements of aggregation and disaggregation: The Company shall identify the assets, liabilities, equity, income, expenses and cash flows that arise from individual transactions or other events and shall classify and aggregate them into groups based on shared characteristics, so as to result in the presentation in the primary financial statements of line items that have at least one similar characteristic. The Company shall disaggregate items with dissimilar characteristics in the primary financial statements and in the notes. The Company labels items as "other" only if it cannot find a more informative label.

- Disclosures on Management-defined Performance Measures (MPMs): When in public communications outside financial statements and communicating to users of financial statements management's view of an aspect of the financial performance of the Company as a whole, the Company shall disclose related information about its MPMs in a single note to the financial statements, including the description of such measures, calculations, reconciliations to the subtotal or total specified by IFRS Accounting Standards and the income tax and non-controlling interests effects of related reconciliation items.

Except for the above impact, as of the date the consolidated financial statements were authorized for issue, the Group is continuously assessing the other impact of the application of various standards and interpretations on the Group's financial position and financial performance and will disclose the relevant impact when the assessment is completed.

4. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION

a. Statement of compliance

These interim consolidated financial statements have been 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 into effect by the FSC. Disclosure information included in these interim consolidated financial statements is less than the disclosure information required in a complete set of annual consolidated financial statements.

b. Basis of preparation

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

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

1) Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities;

2) Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for an asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and

3) Level 3 inputs are unobservable inputs for the asset or liability.

c. Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and the entities controlled by the Company (i.e., its subsidiaries). When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by the Company. All intra-group transactions, balances, income and expenses are eliminated in full upon consolidation. Total comprehensive income of subsidiaries is attributed to the owners of the Company.

See Note 11 and Table 6 for the detailed information on subsidiaries (including the percentage of ownership and main business).

d. Other material accounting policies

Except for the following, refer to the consolidated financial statements for the year ended December 31, 2023.

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

Current assets include:

a) Assets held primarily for the purpose of trading;

b) Assets expected to be realized within 12 months after the reporting period; and

c) Cash unless the asset is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period.

Current liabilities include:

a) Liabilities held primarily for the purpose of trading;

b) Liabilities due to be settled within 12 months after the reporting period; and

c) Liabilities for which the Group does not have the substantial right at the end of the reporting period to defer settlement for at least 12 months after the reporting period.

Assets and liabilities that are not classified as current are classified as non-current. Terms of a liability that could, at the option of the counterparty, result in its settlement by the transfer of the entity's own equity instruments do not affect its classification as current or non-current if the entity classifies the option as an equity instrument.

2) Retirement benefits

Pension cost for an interim period is calculated on a year-to-date basis by using the actuarially determined pension cost rate at the end of the prior financial year, adjusted for significant market fluctuations since that time and for significant plan amendments, settlements, or other significant one-off events.

3) Income tax expense

Income tax expense represents the sum of the tax currently payable and deferred tax. Interim period income taxes are assessed on an annual basis and calculated by applying to an interim period's pre-tax income the tax rate that would be applicable to expected total annual earnings.

5. MATERIAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

When developing material accounting estimates, the Group considers the possible impact on the cash flow projection, growth rates, discount rates, profitability and other relevant material estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Refer to the statements of material accounting judgments and key sources of estimation uncertainty to the consolidated financial statements for the year ended December 31, 2023.

6. CASH

	September 30, 2024	December 31, 2023	September 30, 2023
Cash on hand	$ 1,411	$ 1,517	$ 1,341
Checking accounts and demand deposits	2,971,493	687,328	665,787
	$ 2,972,904	$ 688,845	$ 667,128

7. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS - CURRENT

	September 30, 2024	December 31, 2023	September 30, 2023
Current			
Financial assets mandatorily measured at FVTPL			
Domestic listed shares	$ 173,250	$ 198,000	$ 258,656

8. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME - NON - CURRENT

	September 30, 2024	December 31, 2023	September 30, 2023
Investments in equity instruments			
Foreign investments			
Unlisted shares	$ 286,276	$ 277,645	$ 277,645
Domestic investments			
Listed shares (note)	1,031,701	1,587,589	1,631,842
	$ 1,317,977	$ 1,865,234	$ 1,909,487

Note: The investee was listed and traded on the emerging stock market on June 18, 2024, and trading ended on the same day on the over-the-counter exchange.

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

9. TRADE RECEIVABLES

	September 30, 2024	December 31, 2023	September 30, 2023
At amortized cost			
Gross carrying amount	$ 866,516	$ 880,613	$ 882,793
Less: Allowance for impairment loss	(2,242)	(2,242)	(2,242)
	864,274	878,371	880,551
At FVTOCI	22,282	23,787	52,684
	$ 886,556	$ 902,158	$ 933,235

a. At amortized cost

The credit period of sales of goods is 30 to 150 days. No interest was charged on trade receivables. The Group adopted a policy of only dealing with entities that are rated the equivalent of investment grade or higher and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults. The Group uses other publicly available financial information or its own trading records to rate its customers. The Group's exposure and the credit ratings of its counterparties are continuously monitored and the aggregate value of transactions concluded is spread amongst

approved counterparties. Credit exposure is controlled by counterparty limits that are reviewed and approved by the management annually.

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

The Group measures the loss allowance for trade receivables at an amount equal to lifetime ECLs. The expected credit losses on trade receivables are estimated using a provision matrix by reference to the past default records of the debtor and an analysis of the debtor's current financial position, adjusted for general economic conditions of the industry in which the debtor operates and an assessment of both the current as well as the forecasted GDP and direction of economic conditions at the reporting date. As the Group's historical credit loss experience did not show significantly different loss patterns for different customer segments, the provision for loss allowance based on past due status is not further distinguished according to the Group's different customer base.

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

The loss allowance of trade receivables of the Group was as follows:

	Not Past Due	Past Due 1-60 Days	Past Due 61-120 Days	Past Due 121-180 Days	Past Due More than 180 Days	Total
September 30, 2024						
Expected credit loss rate (%)	0	0.05-5.26	5-16.18	11.88-15.21	100	
Gross carrying amount	$ 788,293	$ 78,223	$ -	$ -	$ -	$ 866,516
Loss allowance	-	(2,242)	-	-	-	(2,242)
Amortized cost	$ 788,293	$ 75,981	$ -	$ -	$ -	$ 864,274
December 31, 2023						
Expected credit loss rate (%)	0	6.75-17.31	13.71-17.86	16.23-16.96	100	
Gross carrying amount	$ 815,887	$ 64,724	$ 2	$ -	$ -	$ 880,613
Loss allowance	-	(2,242)	-	-	-	(2,242)
Amortized cost	$ 815,887	$ 62,482	$ 2	$ -	$ -	$ 878,371
September 30, 2023						
Expected credit loss rate (%)	0	9.35-23.49	18.29-23.43	0-23.32	100	
Gross carrying amount	$ 775,897	$ 106,896	$ -	$ -	$ -	$ 882,793
Loss allowance	-	(2,242)	-	-	-	(2,242)
Amortized cost	$ 775,897	$ 104,654	$ -	$ -	$ -	$ 880,551

b. At FVTOCI

The Group will decide whether to sell these trade receivables to banks without recourse based on its level of working capital. These trade receivables are classified as at FVTOCI because they are held within a business model whose objective is achieved by both contractual cash flows and selling financial assets.

As of September 30, 2024, December 31, 2023 and September 30, 2023, the Group had no overdue trade receivables, and no impairment loss was recognized within the respective aging ranges.

Refer to Note 26 for details of the factoring for trade receivables.

10. INVENTORIES

	September 30, 2024	December 31, 2023	September 30, 2023
Raw materials	$ 1,937,497	$ 1,434,565	$ 1,916,980
Work in progress	164,530	107,113	122,506
Semi-finished goods	485,649	373,650	502,739
Finished goods	2,506,377	2,145,570	2,463,089
Merchandise	9,616	14,260	13,333
	$ 5,103,669	$ 4,075,158	$ 5,018,647

Operating costs related to inventory for the three months ended September 30, 2024 and 2023 and for the nine months ended September 30, 2024 and 2023 were $3,321,414 thousand, $3,654,385 thousand, $9,055,133 thousand and $10,678,999 thousand, respectively.

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2024	2023	2024	2023
(Write-down) reversal of write-down of inventories	$ (29,049)	$ 78,841	$ 238,333	$ 236,228

Inventory write-downs were reversed as a result of increased selling prices of raw materials.

11. SUBSIDIARIES

Subsidiaries included in the consolidated financial statements were as follows:

		% of Ownership		
Investor	Investee	September 30, 2024	December 31, 2023	September 30, 2023
The Company	Chi Mao Investment Co., Ltd. (Chi Mao Company)	100	100	100
	YC INOX TR CELIK SANAYI VE TICARET A.S. (YC INOX TR Company)	100	100	100

For the nature of activities of the subsidiaries listed above, refer to Table 6.

The Company has been planning to increase the investment in YC INOX TR Company by TRY900,000 thousand, which was approved by the Company's board of directors in May 2023, and subsequently invested $430,360 thousand, $314,200 thousand, $161,550 thousand and $221,463 thousand, equivalent to TRY272,646 thousand, TRY269,329 thousand, TRY142,913 thousand and TRY215,112 thousand in May 2023, August 2023, November 2023 and January 2024, respectively. The aforementioned investments were approved by the MOEA.

The Company has been planning to increase the investment in YC INOX TR Company by TRY1,460,000 thousand, which was approved by the Company's board of directors in May 2024, and subsequently invested $648,000 thousand and $809,732 thousand, equivalent to TRY646,862 thousand and TRY813,138 thousand in June 2024 and July 2024, respectively. The aforementioned investments were approved by the MOEA.

The Company has been planning to increase the investment in YC INOX TR Company by TRY1,440,000 thousand, which was approved by the Company's board of directors in August 2024, and subsequently invested $652,520 thousand, equivalent to TRY669,686 thousand in August 2024. As of November 7, 2024, the aforementioned investments have not been approved by the MOEA.

12. PROPERTY, PLANT AND EQUIPMENT

	Land	Buildings	Machinery and Equipment	Other Equipment	Construction in Progress	Total
Cost						
Beginning balance January 1, 2024	$ 2,324,074	$ 2,528,039	$ 3,695,862	$ 1,273,082	$ 493,941	$ 10,314,998
Additions	-	8,834	140,302	162,457	704,489	1,016,082
Disposals	-	-	(17,977)	(67,321)	-	(85,298)
Reclassification	-	-	93,060	94,852	(83,752)	104,160
Effects of foreign currency exchange differences and inflation adjustments	63,363	205,096	284,478	13,547	150,871	717,355
Ending balance September 30, 2024	$ 2,387,437	$ 2,741,969	$ 4,195,725	$ 1,476,617	$ 1,265,549	$ 12,067,297
Accumulated depreciation						
Beginning balance January 1, 2024	$ -	$ 745,636	$ 2,076,156	$ 587,031	$ -	$ 3,408,823
Additions	-	65,684	127,753	76,195	-	269,632
Disposals	-	-	(17,389)	(25,656)	-	(43,045)
Reclassification	-	-	(12,811)	-	-	(12,811)
Effects of foreign currency exchange differences and inflation adjustments	-	15,666	59,755	7,764	-	83,185
Ending balance September 30, 2024	$ -	$ 826,986	$ 2,233,464	$ 645,334	$ -	$ 3,705,784
Ending carrying amount	$ 2,387,437	$ 1,914,983	$ 1,962,261	$ 831,283	$ 1,265,549	$ 8,361,513
Carrying amount at December 31, 2023 and January 1, 2024	$ 2,324,074	$ 1,782,403	$ 1,619,706	$ 686,051	$ 493,941	$ 6,906,175
Cost						
Beginning balance January 1, 2023	$ 2,318,756	$ 1,497,060	$ 3,185,073	$ 1,229,703	$ 886,641	$ 9,117,233
Additions	-	8,609	102,632	79,555	275,118	465,914
Disposals	-	-	(18,481)	(82,105)	-	(100,586)
Reclassification	-	415,470	92,378	12,231	(413,325)	106,754
Effects of foreign currency exchange differences and inflation adjustments	(9,410)	543,185	276,676	12,700	(364,390)	458,761
Ending balance September 30, 2023	$ 2,309,346	$ 2,464,324	$ 3,638,278	$ 1,252,084	$ 384,044	$ 10,048,076
Accumulated depreciation						
Beginning balance January 1, 2023	$ -	$ 654,788	$ 1,888,623	$ 530,317	$ -	$ 3,073,728
Additions	-	59,927	126,385	73,168	-	259,480
Disposals	-	-	(16,317)	(43,888)	-	(60,205)
Effects of foreign currency exchange differences and inflation adjustments	-	7,048	30,160	2,867	-	40,075
Ending balance September 30, 2023	$ -	$ 721,763	$ 2,028,851	$ 562,464	$ -	$ 3,313,078
Ending carrying amount	$ 2,309,346	$ 1,742,561	$ 1,609,427	$ 689,620	$ 384,044	$ 6,734,998

Property, plant and equipment are depreciated on a straight-line basis over their estimated useful lives as follows:

Buildings	
Office buildings	20-35 years
Plants	10-20 years
Machinery and equipment	3-20 years
Other equipment	3-50 years

Farmland held by the Company which is situated in No.1357 and 1359 (2,034 square meters) of Xinmei Section, Shijou Township, Chang-Hwa County and No.115 (171 square meters), No.115-1 and 115-2 (3,218 square meters), and No.116 (120 square meters) situated in Xinguan Section., Puoshing Township, Chang-Hwa County were designated as parking lots, finished goods storage and loading areas. As registration for the transfer of ownership rights cannot currently be implemented in accordance with the law, all farmland was registered under the name of Chairman Chang, Chin-Yu, and all 6 lots of land were mortgaged to the Company for a total of $40,000 thousand.

Furthermore, in September 2023, the Company acquired farmland located at No.1368 (6,148 square meters) of Xinmei Section, Shijou Township, Chang-Hwa County for a contract price of $17,272 thousand. This land is currently being used as parking lots. As registration for the transfer of ownership rights cannot currently be implemented in accordance with the law, the property is currently being registered under the name of Chairman Chang, Chin-Yu. The Company has secured a mortgage on the aforementioned land for a total consideration of $30,000 thousand.

No impairment assessment was performed for the nine months ended September 30, 2024 and 2023 as there was no indication of impairment.

13. LEASE ARRANGEMENTS

a. Right-of-use assets

	September 30, 2024	December 31, 2023	September 30, 2023
Right-of-use assets carrying amount			
Land	$ 2,049	$ 2,295	$ 2,377
Buildings	100	400	500
Transportation equipment	7,936	5,902	4,418
Other equipment	5,585	1,951	2,683
	$ 15,670	$ 10,548	$ 9,978

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2024	2023	2024	2023
Additions to right-of-use assets			$ 12,584	$ 1,623
Depreciation of right-of-use assets				
Land	$ 82	$ 82	$ 246	$ 246
Buildings	100	100	300	300
Transportation equipment	1,246	859	3,533	2,178
Other equipment	731	732	2,194	2,195
	$ 2,159	$ 1,773	$ 6,273	$ 4,919

The Group did not have significant sublease or impairment of right-of-use assets during the nine months ended September 30, 2024 and 2023.

b. Lease liabilities

	September 30, 2024	December 31, 2023	September 30, 2023
Lease liabilities carrying amount			
Current	$ 6,905	$ 6,236	$ 6,310
Non-current	8,411	3,755	3,423
	$ 15,316	$ 9,991	$ 9,733

Discount rates for lease liabilities were as follows:

	September 30, 2024	December 31, 2023	September 30, 2023
Land	2.20%	2.20%	2.20%
Buildings	1.15%	1.15%	1.15%
Transportation equipment	16.50%-48.00%	16.50%-28.00%	16.50%-28.00%
Other equipment	3.05%	2.60%	2.60%

c. Other lease information

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2024	2023	2024	2023
Expenses relating to short-term leases	$ 50	$ 818	$ 50	$ 2,154
Expenses relating to low value asset leases	$ 114	$ 506	$ 567	$ 942
Total cash outflow for leases			$ 8,160	$ 8,524

The Group leases of certain buildings qualify as short-term leases, and leases of certain office equipment qualify as low-value asset leases. The Group has elected to apply the recognition exemption for these leases and, thus, did not recognize right-of-use assets and lease liabilities for these leases.

d. Material leasing activities and terms (the Group is lessee)

The Group leases certain land, buildings, transportation equipment and other equipment for operating uses with lease terms of 2 to 9 years. The Group does not have bargain purchase options to acquire the leasehold land, buildings, transportation equipment and other equipment at the end of the lease terms.

14. COMPUTER SOFTWARE

	For the Nine Months Ended September 30, 2024				
	Beginning Balance	Additions	Disposals	Effects of Foreign Currency Exchange Differences and Inflation Adjustments	Ending Balance
Cost	$ 19,544	$ 2,300	$ (887)	$ (470)	$ 20,487
Accumulated amortization	11,600	$ 4,100	$ (887)	$ (368)	14,445
	$ 7,944				$ 6,042

	For the Nine Months Ended September 30, 2023				
	Beginning Balance	Additions	Disposals	Effects of Foreign Currency Exchange Differences and Inflation Adjustments	Ending Balance
Cost	$ 14,840	$ 4,949	$ -	$ (419)	$ 19,370
Accumulated amortization	6,243	$ 4,301	$ -	$ (363)	10,181
	$ 8,597				$ 9,189

Computer software of the group are amortized on a straight-line basis over their estimated useful lives of 1-5 years.

15. BORROWINGS

a. Short-term borrowings

	September 30, 2024	December 31, 2023	September 30, 2023
Letter of credit borrowings and export bills	$ 2,753,552	$ 2,181,078	$ 2,009,962
Line of credit borrowings	5,070,000	3,570,000	3,770,000
	$ 7,823,552	$ 5,751,078	$ 5,779,962
Annual interest rate range (%)			
Letter of credit borrowings and export bills	1.92-2.01	1.75-1.83	1.76-6.74
Line of credit borrowings	1.61-2.46	1.53-2.33	1.53-2.33

b. Short-term bills payable

	September 30, 2024	December 31, 2023	September 30, 2023
Commercial paper	$ 100,000	$ -	$ 100,000
Less: Unamortized discount on bills payable	(107)	-	(20)
	$ 99,893	$ -	$ 99,980
Annual interest rate range (%)	1.98	-	1.81

c. Long-term borrowings

	September 30, 2024	December 31, 2023	September 30, 2023
Unsecured borrowings			
Line of credit borrowings	$ 2,726,191	$ 2,315,477	$ 2,383,333
Less: Current portion	(571,429)	(471,429)	(357,143)
Long-term borrowings	$ 2,154,762	$ 1,844,048	$ 2,026,190
Annual interest rate range (%)	1.78-1.85	1.66-1.74	1.66-1.74

The line of credit borrowings of the Group will be repaid in New Taiwan dollars. The borrowings are repayable in installments or paid in one lump sum upon maturity at varying amounts from October 2024 to August 2029.

16. BONDS PAYABLE

	September 30, 2024	December 31, 2023	September 30, 2023
Third domestic unsecured convertible bonds	$ 224,899	$ 228,240	$ 719,868

On December 15, 2020, the Company issued 5-year, 0% NTD-denominated unsecured convertible bonds in Taiwan for $1,000,000 thousand, and the maturity date of the bonds is December 15, 2025. Each bond entitles the holder to convert it into ordinary shares of the Company at a conversion price of $26.5, which shall be later adjusted in accordance with the formula started in the Anti-dilution provisions of the "Rules and conditions of issuance and conversion of the third domestic unsecured corporate bonds" (as of September 30, 2024, the conversion price has been adjusted to $21.5). Three months from the date of issuance of the convertible bonds (March 16, 2021) to 40 days before the maturity date (November 5, 2025), if the closing share price of the Company exceeds 30% of the prevailing conversion price for 30 consecutive business days or the outstanding balance falls lower than 10% of the original total issuance amount, the Company may redeem the bonds in cash at face value. In addition, holders may request to sell the bonds they hold back to the Company at any time within 30 days before the expiry of the third year from the date of issuance (December 15, 2023).

The convertible bonds contain both liability and equity components. The equity component was presented in equity under the heading of capital surplus - options. The effective interest rate of the liability component was 0.93% per annum on initial recognition.

As of September 30, 2024, the face value of the bonds payable converted by the holders was $772,600 thousand.

Changes in the master contract of the debt and sell-back rights of derivatives (recognized as financial liabilities at FVTPL - non-current) are as follows:

	Debt Instrument for Master Contracts	
	For the Nine Months Ended September 30	
	2024	2023
Balance at January 1	$ 228,240	$ 765,149
Amortization of discount this period	1,573	5,138
Converted into ordinary shares this period	(4,914)	(50,419)
Balance at September 30	$ 224,899	$ 719,868

Derivative instrument - put options (financial liabilities)	For the Nine Months Ended September 30	
	2024	2023
Balance at January 1	$ -	$ 236
Changes in fair value for current period	-	(236)
Balance at September 30	$ -	$ -

17. OTHER PAYABLES

	September 30, 2024	December 31, 2023	September 30, 2023
Payables for salaries and bonuses	$ 93,900	$ 91,513	$ 92,213
Payables for acquisition of equipment	139,698	79,459	35,040
Payables for profit sharing bonus of employees and remuneration of directors	7,665	-	9,311
Payables for commission	994	2,761	3,437
Others	122,016	99,590	99,138
	$ 364,273	$ 273,323	$ 239,139

18. RETIREMENT BENEFIT PLANS

For the three months ended September 30, 2024 and 2023, the pension expenses of defined benefit plans were $161 thousand and $196 thousand, respectively, and for the nine months ended September 30, 2024 and 2023, the pension expenses of defined benefit plans were $483 thousand and $588 thousand, respectively, and these were calculated based on the pension cost rate determined by the actuarial calculation on December 31, 2023 and 2022, respectively.

19. EQUITY

a. Capital stock

	September 30, 2024	December 31, 2023	September 30, 2023
Authorized shares (in thousands of shares)	660,000	660,000	660,000
Authorized capital	$ 6,600,000	$ 6,600,000	$ 6,600,000
Issued and paid shares (in thousands of shares)	470,225	447,578	447,427
Issued capital	$ 4,702,256	$ 4,475,783	$ 4,474,265
Registered capital (pending change)	$ -	$ 224,241	$ 1,518

The issued share has a par value of NT$10 per share and is entitled to one vote and the right to receive dividends.

b. Capital surplus

	September 30, 2024	December 31, 2023	September 30, 2023
May be used to offset a deficit, distributed as cash dividends, or transferred to capital			
Additional paid-in capital	$ 996,074	$ 1,466,300	$ 1,466,300
Issuance of conversion bonds	824,421	821,535	531,944
Interest premium payable on convertible bonds	5,239	5,239	5,239
May not be used for any purpose			
Share warrants of convertible bonds	9,304	9,508	30,060
	$ 1,835,038	$ 2,302,582	$ 2,033,543

The capital surplus generated from the excess of the issuance price over the par value of capital stock, the conversion of bonds and interest premium payable on convertible bonds may be used to offset a deficit; in addition, when the Company has no deficit, such capital surplus may be distributed as cash dividends or transferred to share capital, limited to a certain percentage of the Company's capital surplus and to once a year.

c. Retained earnings and dividend policy

Under the dividend policy as set forth in the amended articles of incorporation, where the Company made a profit in a fiscal year, the profit shall be first utilized for paying taxes, offsetting losses of previous years, setting aside as legal reserve 10% of the remaining profit, setting aside or reversing a special reserve in accordance with the laws and regulations, and then any remaining profit together with any undistributed retained earnings shall be used by the Company's board of directors as the basis for proposing a distribution plan, which should be resolved in the stockholders' meeting for the distribution of dividends and bonuses to stockholders. For the policies on the distribution of profit-sharing bonuses of employees and remuneration of directors, refer to Note 21.

In line with the current and future development plans, the Company's dividend policy stipulates that at least 50% of the accumulated unappropriated earnings should be distributed as dividends to shareholders, taking into consideration the investment environment, funding needs, and foreign and domestic competition. However, when the dividend is less than 0.5 dollars per share, the Company reserves the right to not distribute any dividends. Since the Company belongs to the traditional industry, and current operations have entered a mature and stable phase, cash dividends should take precedence over share dividends. In the case of distribution of share dividends, the amount of cash dividends distributed should not be lower than 20% of the total dividends distributed.

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

When the special reserve is allocated from the net deduction of other equity accumulated in the previous period, if the undistributed surplus in the previous period is insufficient to allocate, the post-tax income plus items other than the after-tax net income of the current period will be added to the undistributed surplus of the current period for the allocation.

The appropriations of earnings for 2023 and 2022, which were approved in the shareholders' meetings in June 2024 and June 2023, respectively, were as follows:

	Appropriation of Earnings		Dividends Per Share (NT$)	
	For the Year Ended December 31		For the Year Ended December 31	
	2023	2022	2023	2022
Legal reserve appropriated	$ -	$ 53,970		
Cash dividends	-	669,309	$ -	$ 1.5

The Company's shareholders also resolved in the shareholders' meeting in June 2024 to issue cash dividends of $470,226 thousand from the capital surplus.

20. NET REVENUE

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2024	2023	2024	2023
Revenue from contracts with customers				
Revenue from the sale of goods	$ 3,769,969	$ 4,057,403	$ 10,393,244	$ 11,749,290
Other operating revenue				
Revenue from the sale of electricity	26,620	9,459	41,256	24,986
	$ 3,796,589	$ 4,066,862	$ 10,434,500	$ 11,774,276

Contract balance

	September 30, 2024	December 31, 2023	September 30, 2023	January 1, 2023
Notes and trade receivables	$ 935,408	$ 976,833	$1,041,296	$ 929,547
Contract liabilities				
Sale of goods	$ 549,040	$ 432,997	$ 520,210	$ 407,896

21. NET PROFIT

a. Finance costs

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2024	2023	2024	2023
Interest on borrowings	$ 48,967	$ 35,501	$ 127,260	$ 99,299
Interest on short-term bills payable	526	100	548	223
Interest on lease liabilities	783	90	2,186	925
Interest on bonds payable	524	1,683	1,573	5,138
Others	(2,028)	-	30,255	-
	$ 48,772	$ 37,374	$ 161,822	$ 105,585

b. Other gains and losses

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2024	2023	2024	2023
Rental income	$ 8	$ 8	$ 23	$ 23
Dividend income	6,000	14,038	6,000	14,038
Others	3,241	3,019	20,329	4,816
Loss on hyperinflation (e)	(137,527)	(492,489)	(579,337)	(671,723)
	$ (128,278)	$ (475,424)	$ (552,985)	$ (652,846)

c. Employee benefits expense, depreciation expense and amortization expense

	For the Three Months Ended September 30					
	2024			2023		
	Operating Costs	Operating Expenses	Total	Operating Costs	Operating Expenses	Total
Employee benefits expense						
Salaries expense	$ 154,664	$ 48,742	$ 203,406	$ 127,789	$ 41,694	$ 169,483
Post-employment benefits						
Defined contribution plans	6,764	2,194	8,958	5,552	2,059	7,611
Defined benefit plans	113	48	161	123	73	196
Remuneration of directors	-	2,490	2,490	-	(4,548)	(4,548)
Labor and health insurance expense	15,497	4,298	19,795	13,825	4,078	17,903
Other employee benefits	14,899	3,484	18,383	13,712	3,050	16,762
Depreciation expense	82,240	11,144	93,384	80,424	10,749	91,173
Amortization expense	150	1,140	1,290	152	1,417	1,569

	For the Nine Months Ended September 30					
	2024			2023		
	Operating Costs	Operating Expenses	Total	Operating Costs	Operating Expenses	Total
Employee benefits expense						
Salaries expense	$ 463,384	$ 151,112	$ 614,496	$ 386,392	$ 135,125	$ 521,517
Post-employment benefits						
Defined contribution plans	19,205	6,443	25,648	15,639	5,596	21,235
Defined benefit plans	320	163	483	368	220	588
Remuneration of directors	-	6,747	6,747	-	3,988	3,988
Labor and health insurance expense	45,672	13,163	58,835	40,335	12,598	52,933
Other employee benefits	42,619	9,609	52,228	40,018	7,900	47,918
Depreciation expense	241,919	33,986	275,905	233,025	31,374	264,399
Amortization expense	458	3,642	4,100	441	3,860	4,301

d. Profit sharing bonus of employees and remuneration of directors

According to the provisions of the Articles of Incorporation, when the Company has a profit in the year, it should accrue employees' profit-sharing and directors' compensation at rates of 2%-6% and no higher than 2%, respectively, of net income before income tax. The profit-sharing bonuses of employees and remuneration of directors for the three months ended September 30, 2024 and 2023, and for the nine months ended September 30, 2024 and 2023, were estimated as follows:

	For the Three Months Ended September 30			
	2024		2023	
	Accrual Rate	Amount	Accrual Rate	Amount
Profit sharing bonus of employees	5%	$ 226	5%	$ (12,517)
Remuneration of directors	2%	91	2%	(5,008)

	For the Nine Months Ended September 30			
	2024		2023	
	Accrual Rate	Amount	Accrual Rate	Amount
Profit sharing bonus of employees	5%	$ 5,475	5%	$ 6,653
Remuneration of directors	2%	2,190	2%	2,658

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

The Company incurred a loss for the fiscal year 2023; therefore, in accordance with the articles of incorporation, it is not proposed to provide for employee and director remuneration. The appropriations of employees' compensation and remuneration of directors for 2022 that were resolved by the board of directors in March 2023 are as shown below:

	For the Year Ended December 31	
	2022	
	Accrual Rate	Amount
Profit sharing bonus of employees	4%	$ 30,000
Remuneration of directors	2%	13,000

There is no difference between the actual amounts of employees' profit-sharing and directors' compensation paid and the amounts recognized in the consolidated financial statements for the year ended December 31, 2022.

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

e. Loss on hyperinflation

Following the categorization of Turkey with reference to the statistical indices from IMFDATA published by the International Monetary Fund as a country with a three-year cumulative inflation rate exceeding 100%, Turkey fulfills the requirements to be designated as a hyperinflationary economy under IAS 29. Furthermore, according to Turkish Statistical Institute estimates, Turkey's annual consumer price index were 940.91, 692.75 and 619.09 as of September 30, 2024, December 31, 2023 and September 30, 2023, respectively, with an annualized volatility of approximately 35.82% and 43.16% for the nine months ended September 30, 2024 and 2023. Therefore, the Group has applied hyperinflationary accounting for Turkish subsidiaries whose financial statements have been measured in terms of the current unit of measurement for the nine months ended September 30, 2024 and 2023, resulting in losses of $579,337 thousand and $671,723 thousand on the net monetary position included in profit or loss.

22. INCOME TAXES (BENEFIT) EXPENSE

a. Major components of income tax expense (benefit) recognized in profit or loss

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2024	2023	2024	2023
Current tax				
In respect of the current period	$ 43,973	$ 48,810	$ 100,453	$ 163,023
Adjustment for prior years	145	(16)	(9,462)	(10,289)
	44,118	48,794	90,991	152,734
Deferred tax				
In respect of the current period	(33,781)	(79,437)	(93,362)	(58,492)
Income tax (benefit) expense recognized in profit or loss	$ 10,337	$ (30,643)	$ (2,371)	$ 94,242

b. Income tax assessments

The tax returns through 2022 of the Company and Chi Mao Company have been assessed by the tax authorities.

23. EARNINGS (LOSS) PER SHARE

	Net Profit (Loss) Attributable to Owners of the Company	Number of Shares (In Thousands)	Earnings (Loss) Per Share (NT$)
For the Three Months Ended September 30, 2024			
Basic earnings per share			
Net income for the period attributable to owners of the Company	$ 2,803	470,225	$0.01
Effect of potentially dilutive ordinary shares:			
Profit sharing bonus of employees	-	9	
Convertible bonds	419	10,577	
Diluted earnings per share			
Net income for the period attributable to owners of the Company plus effect of potentially dilutive ordinary shares	$ 3,222	480,811	$0.01
For the Three Months Ended September 30, 2023			
Basic earnings per share			
Net loss for the period attributable to owners of the Company	$ (187,916)	446,991	$(0.42)
Effect of potentially dilutive ordinary shares:			
Profit sharing bonus of employees	-	244	
Convertible bonds	1,347	32,799	
Diluted earnings per share			
Net loss for the period attributable to owners of the Company plus effect of potentially dilutive ordinary shares	$ (186,569)	480,034	$(0.39)
For the Nine Months Ended September 30, 2024			
Basic earnings per share			
Net income for the period attributable to owners of the Company	$ 80,806	470,225	$0.17
Effect of potentially dilutive ordinary shares:			
Profit sharing bonus of employees	-	224	
Convertible bonds	1,258	10,577	
Diluted earnings per share			
Net income for the period attributable to owners of the Company plus effect of potentially dilutive ordinary shares	$ 82,064	481,026	$0.17

	Net Profit (Loss) Attributable to Owners of the Company	Number of Shares (In Thousands)	Earnings (Loss) Per Share (NT$)
For the Nine Months Ended September 30, 2023			
Basic earnings per share			
Net income for the period attributable to owners of the Company	$ 110,759	446,991	$0.25
Effect of potentially dilutive ordinary shares:			
Profit sharing bonus of employees	-	485	
Convertible bonds	3,922	32,799	
Diluted earnings per share			
Net income for the period attributable to owners of the Company plus effect of potentially dilutive ordinary shares	$ 114,681	480,275	$0.24

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

24. CASH FLOW INFORMATION

a. Non-cash transactions

In addition to those disclosed in other notes, the Group entered into the following non-cash investing and financing activities which were not reflected in the financial statements of cash flows for the nine months ended September 30, 2024 and 2023:

The amount of cash paid for the acquisition of property, plant and equipment for the nine months ended September 30, 2024 and 2023, respectively, were as follows:

	For the Nine Months Ended September 30	
	2024	2023
Purchase of property, plant and equipment	$ 1,016,082	$ 465,914
Net changes in payables for acquisition of equipment	(60,239)	219,173
Foreign exchange movements and inflation adjustments	(2,719)	(63,336)
Cash payments for property, plant and equipment	$ 953,124	$ 621,751

b. Changes in liabilities arising from financing activities

For the nine months ended September 30, 2024

			Non-cash Changes					
	Beginning Balance	Cash Flows	Exercise of Conversion Option	Discount Amortization	Increasing in Leasing	Amortized Finance Costs	Change in Exchange Rate and Effect of Inflation	Ending Balance
Short-term bank borrowings	$ 5,751,078	$ 2,073,367	$ -	$ -	$ -	$ -	$ (893)	$ 7,823,552
Short-term bills payable	-	100,000	-	(107)	-	-	-	99,893
Bonds payable	228,240	-	(4,914)	1,573	-	-	-	224,899
Long-term bank borrowings (including current portion)	2,315,477	410,714	-	-	-	-	-	2,726,191
Guarantee deposits received	34,545	(237)	-	-	-	-	-	34,308
Lease liabilities	9,991	(7,543)	-	-	12,584	2,186	(1,902)	15,316
	$ 8,339,331	$ 2,576,301	$ (4,914)	$ 1,466	$ 12,584	$ 2,186	$ (2,795)	$ 10,924,159

For the nine months ended September 30, 2023

			Non-cash Changes					
	Beginning Balance	Cash Flows	Exercise of Conversion Option	Discount Amortization	Increasing in Leasing	Amortized Finance Costs	Change in Exchange Rate and Effect of Inflation	Ending Balance
Short-term borrowings	$ 4,824,074	$ 955,826	$ -	$ -	$ -	$ -	$ 62	$ 5,779,962
Short-term bills payable	-	100,000	-	(20)	-	-	-	99,980
Bonds payable	765,149	-	(50,419)	5,138	-	-	-	719,868
Long-term bank borrowings (including current portion)	2,042,857	340,476	-	-	-	-	-	2,383,333
Guarantee deposits received	30,385	2,936	-	-	-	-	-	33,321
Lease liabilities	14,464	(5,428)	-	-	1,623	925	(1,851)	9,733
	$ 7,676,929	$ 1,393,810	$ (50,419)	$ 5,118	$ 1,623	$ 925	$ (1,789)	$ 9,026,197

25. CAPITAL MANAGEMENT

The capital risk management objective, policies and procedures of the Group, as well as the capital structure of the Group remain consistent with the consolidated financial statements for the year ended December 31, 2023.

26. FINANCIAL INSTRUMENTS

a. Fair value

1) Fair value of financial instruments not measured at fair value

Management of the Group considers the carrying amounts of the Group's financial instruments that are not measured at fair value as close to their fair values or their fair values could not be reasonably measured.

2) Fair value of financial instruments measured at fair value on a recurring basis

a) Fair Value Hierarchy

The following analysis details the measurement of financial instruments since initial recognition. The fair value measurements, which are grouped into Levels 1 to 3 based on the degree to which the fair value measurement inputs, are observable.

	Level 1	Level 2	Level 3	Total
September 30, 2024				
Financial assets at FVTPL				
Domestic listed shares	$ 173,250	$ -	$ -	$ 173,250
Financial assets at FVTOCI				
Investments in equity instruments				
Domestic listed share	1,031,701	-	-	1,031,701
Foreign unlisted shares	-	-	286,276	286,276
Investment in debt instruments				
Trade receivables	-	-	22,282	22,282
	$ 1,204,951	$ -	$ 308,558	$ 1,513,509
December 31, 2023				
Financial assets at FVTPL				
Domestic listed shares	$ 198,000	$ -	$ -	$ 198,000
Financial assets at FVTOCI				
Investments in equity instruments				
Domestic and foreign unlisted shares and emerging-market shares	1,587,589	-	277,645	1,865,234
Investment in debt instruments				
Trade receivables	-	-	23,787	23,787
	$ 1,785,589	$ -	$ 301,432	$ 2,087,021
September 30, 2023				
Financial assets at FVTPL				
Domestic listed shares	$ 258,656	$ -	$ -	$ 258,656
Financial assets at FVTOCI				
Investments in equity instruments				
Domestic and foreign unlisted shares and emerging-market shares	1,631,842	-	277,645	1,909,487
Investment in debt instrument				
Trade receivables	-	-	52,684	52,684
	$ 1,890,498	$ -	$ 330,329	$ 2,220,827

There were no transfers between Levels 1 and 2 for the nine months ended September 30, 2024 and 2023.

b) Reconciliation of Level 3 fair value measurements of financial instruments

For the nine months ended September 30, 2024

Financial Assets	Financial Assets at FVTOCI: Equity Instruments	Financial Assets at FVTOCI: Debt Instruments	Total
Balance at January 1, 2024	$ 277,645	$ 23,787	$ 301,432
Recognized in other comprehensive income (included in unrealized valuation gain (loss) on financial assets at FVTOCI)	8,631	-	8,631
Net increase in trade receivables	-	68,677	68,677
Factored trade receivables	-	(70,182)	(70,182)
Balance at September 30, 2024	$ 286,276	$ 22,282	$ 308,558

For the nine months ended September 30, 2023

Financial Assets	Financial Assets at FVTOCI: Equity Instruments	Financial Assets at FVTOCI: Debt Instruments	Total
Balance at January 1, 2023	$ 277,645	$ 12,047	$ 289,692
Net increase in trade receivables	-	133,445	133,445
Factored trade receivables	-	(92,808)	(92,808)
Balance at September 30, 2023	$ 277,645	$ 52,684	$ 330,329

Financial Liabilities at FVTPL	For the Nine Months Ended September 30: 2024	2023
Derivatives		
Balance at January 1	$ -	$ 236
Recognized in profit or loss (included in other gains and losses)	-	(236)
Balance at September 30	$ -	$ -

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

Financial Instrument	Valuation Technique and Inputs
Foreign unlisted shares in equity instruments	Discounted cash flow: Consideration of long-term revenue growth rate, long-term pre-tax operating profit margin, weighted average cost of capital (WACC), liquidity discount and other factors, and calculate the present value of expected returns from holding this investment.

Financial Instrument	Valuation Technique and Inputs
Foreign unlisted shares in equity instruments	Market approach: In the market approach, the selling price of comparable companies was used to estimate the fair value of the target asset through comparison, analysis and adjustments.
Factored trade receivables	As the effect of discounting is not significant, the fair value is measured based on the original invoice amount.
Financial liabilities at FVTPL	The binomial tree evaluation model of convertible bonds: Consideration of the duration, the share price and volatility of the convertible bond object, conversion price, risk-free interest rate, discount rate, liquidity risk of the convertible bonds and other factors

b. Categories of financial instruments

	September 30, 2024	December 31, 2023	September 30, 2023
Financial assets			
FVTPL			
Mandatorily classified as at FVTPL	$ 173,250	$ 198,000	$ 258,656
Amortized cost	3,964,776	2,161,393	1,950,162
FVTOCI			
Equity instruments	1,317,977	1,865,234	1,909,487
Trade receivables	22,282	23,787	52,684
Financial liabilities			
Amortized cost	11,526,892	8,719,162	9,461,080

The balances include financial assets at amortized cost, which comprise cash, notes receivable, trade receivables, other receivables, pledged time deposits (recognized as other current assets) and refundable deposits (recognized as other current assets).

The balances include financial liabilities at amortized cost, which comprise short-term and long-term bank borrowings (including current portion of long-term borrowings), short-term bills payable, notes payable, trade payables, other payables, bonds payable and guarantee deposits.

c. Financial risk management objectives and policies

The Group’s major financial instruments include equity, trade receivables, trade payables, borrowings, and lease liabilities. The Group’s financial department provides services to the business, coordinates access to domestic and international financial markets, monitors and manages the financial risks relating to the operations of the Group through internal risk reports which analyze exposures by degree and magnitude of risks. These risks include market risk (including foreign currency risk, interest rate risk and other price risk), credit risk and liquidity risk.

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

The finance department reports quarterly to the management, an independent body that monitors risks and implements to mitigate risk exposures.

1) Market risk

The Group's activities exposed it primarily to the financial risks of changes in foreign currency exchange rates and interest rates.

There is no change to the Group's exposure to market risks or the manner in which these risks were managed and measured.

a) Foreign currency risk

The Group enters into foreign currency-denominated sales and purchases, which expose the Group to foreign currency risk.

The carrying amounts of the Group's foreign currency-denominated monetary assets and monetary liabilities and of the derivatives exposed to foreign currency risk at the end of the period are set out in Note 30.

Sensitivity analysis

The Group is mainly exposed to the USD.

The following table details the Group's sensitivity to a 1% increase and decrease in the NTD against the relevant foreign currencies. The sensitivity rate used when reporting foreign currency risk internally to key management personnel and representing management's assessment of the reasonably possible change in foreign exchange rates is 1%. The sensitivity analysis included only outstanding foreign currency-denominated monetary items and foreign exchange forward contracts designated as cash flow hedges and adjusted their translation at the end of the year for a 1% change in foreign currency rates. A positive number below indicates an increase in profit (loss) before income tax associated with the NTD strengthening by 1% against the relevant currency. For a 1% weakening of the NTD against the relevant currency, there would be an equal and opposite impact on profit before income tax, and the balances below would be negative.

	Impact on profit or loss	
	For the Nine Months Ended September 30	
	2024	2023
NTD/USD	$ (2,165)	$ 8,428
TRY/USD	4,474	3,256

b) Interest rate risk

The Group was exposed to interest rate risk because entities in the Group borrow funds at both fixed and floating interest rates. The risk is managed by the Group by maintaining an appropriate mix of fixed and floating rate borrowings and using interest rate swap contracts and forward interest rate contracts. Hedging activities are evaluated regularly to align with interest rate views and defined risk appetites ensuring the most cost-effective hedging strategies are applied.

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

	September 30, 2024	**December 31, 2023**	**September 30, 2023**
Fair value interest rate risk			
Financial assets	$ 2,100	$ 2,100	$ 2,100
Financial liabilities	240,215	238,231	729,601
Cash flow interest rate risk			
Financial assets	2,544,537	436,232	437,699
Financial liabilities	10,649,636	8,066,555	8,263,275

Sensitivity analysis

The sensitivity analysis below was determined based on the Group's exposure to interest rates for non-derivative instruments at the end of the period. For floating rate liabilities, the analysis was prepared assuming the amount of each liability outstanding at the end of the period was outstanding for the whole year. A 0.1% increase or decrease in interest rates is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

If interest rates had been 0.1% higher or lower and all other variables were held constant, the Group's profit before income tax for the nine months ended September 30, 2024 and 2023 would have changed by $6,079 thousand and $5,869 thousand, respectively.

c) Other price risk

The Group was exposed to equity price risk through its investments in equity securities. The Group manages this exposure by maintaining a portfolio of investments with different risk levels.

Sensitivity analysis

The sensitivity analysis below was determined based on the exposure to equity price risks at the balance sheet date.

If equity prices been 1% higher or lower, pre-tax profit (loss) for the nine months ended September 30, 2024 and 2023 would have changed by $1,733 thousand and $2,587 thousand, respectively.

2) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations, resulting in a financial loss to the Group. At the balance sheet date, the Group's maximum exposure to credit risk, which would cause a financial loss to the Group due to the failure of the counterparty to discharge its obligation and due to the financial guarantees provided by the Group, could be equal to the carrying amount of the respective recognized financial assets as stated in the balance sheets.

The Group adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults. The Group uses other publicly available financial information and its own trading records to rate its major customers. The Group continuously monitors its exposure to credit risk and the credit ratings of its counterparties and allocates the total transaction amount among the creditworthy customers. The Group's management also controls credit risk by reviewing the credit limits of its counterparties on an annual basis.

The Group also continuously evaluates the financial status of the customers of the trade receivables, and purchases credit guarantee insurance contracts when necessary.

3) Liquidity risk

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

The Group relies on bank borrowings as a significant source of liquidity. As of September 30, 2024, December 31, 2023 and September 30, 2023, the amount of unused financing facilities was as follows:

	September 30, 2024	**December 31, 2023**	**September 30, 2023**
Amount of unused bank financing facilities	$ 12,435,482	$ 13,891,555	$ 13,809,146

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

As the Group has sufficient operating capital, there is no liquidity risk from inability to raise funds to satisfy performance obligations.

The following table details the Group's remaining contractual maturities for its non-derivative financial liabilities with agreed upon repayment periods.

	Less than 1 Year	**1-5 Years**	**Total**
September 30, 2024			
Non-interest bearing liabilities	$ 618,049	$ -	$ 618,049
Lease liabilities	8,317	8,810	17,127
Floating interest rate liabilities	8,494,874	2,154,762	10,649,636
Fixed interest rate liabilities	-	227,400	227,400
	$ 9,121,240	$ 2,390,972	$ 11,512,212

	Less than 1 Year	1-5 Years	Total
December 31, 2023			
Non-interest bearing liabilities	$ 389,822	$ -	$ 389,822
Lease liabilities	6,301	3,889	10,190
Floating interest rate liabilities	6,222,507	1,844,048	8,066,555
Fixed interest rate liabilities	-	232,400	232,400
	$ 6,618,630	$ 2,080,337	$ 8,698,967
September 30, 2023			
Non-interest bearing liabilities	$ 444,616	$ -	$ 444,616
Lease liabilities	6,658	3,568	10,226
Floating interest rate liabilities	6,237,085	2,026,190	8,263,275
Fixed interest rate liabilities	-	734,700	734,700
	$ 6,688,359	$ 2,764,458	$ 9,452,817

d. Transfers of financial assets

Factored trade receivables that are not yet overdue at the end of the period were as follows:

Counterparty	Receivables Factoring Proceeds	Amount Reclassified to Other Receivables	Advances Received Unused	Advances Received Used	Annual Interest Rates on Advances Received (Used)
September 30, 2024					
Fubon Bank	$ 493,975 (USD 15,607)	$ 49,628 (USD 1,568)	$ 230 (USD 7)	$ 444,347 (USD 14,039)	2M TAIFX3 +0.25%
December 31, 2023					
Fubon Bank	$ 467,748 (USD 15,234)	$ 458,742 (USD 14,940)	$ 411,967 (USD 13,417)	$ 9,006 (USD 293)	2M TAIFX3 +0.25%
September 30, 2023					
Fubon Bank	$ 506,087 (USD 15,683)	$ 225,670 (USD 6,993)	$ 175,062 (USD 5,425)	$ 280,417 (USD 8,690)	2M TAIFX3 +0.25%

Pursuant to the Group's factoring agreements, losses from commercial disputes (such as sales returns and discounts) are borne by the Group, while losses from credit risk are borne by the banks (receivables factoring proceeds are classified as other receivables).

27. TRANSACTIONS WITH RELATED PARTIES

Balances and transactions between the Company and its subsidiaries, which are related parties of the Company, have been eliminated on consolidation and are not disclosed in this note. Details of transactions between the Group and other related parties are disclosed below.

a. Categories of related parties

Related Party	Relationship with the Company
Tai Chyang Investment Co., Ltd.	Other related party
Chin Ying Fa Mechanical Ind. Co., Ltd.	Other related party

b. Sales revenue

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2024	2023	2024	2023
Other related parties	$ 907	$ 835	$ 2,384	$ 2,082

The transactions with the related parties were conducted without significant differences.

c. Receivables from related parties

Line Item	Related Party Category	September 30, 2024	December 31, 2023	September 30, 2023
Trade receivables	Other related parties	$ 627	$ 681	$ 462

d. Other income

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2024	2023	2024	2023
Other related parties	$ 8	$ 7	$ 23	$ 22

e. Remuneration of key management personnel

Remuneration of key management personnel was as follows:

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2024	2023	2024	2023
Short-term employee benefits	$ 6,932	$ (2,129)	$ 23,230	$ 22,011
Post-employment benefits	91	79	216	273
	$ 7,023	$ (2,050)	$ 23,446	$ 22,284

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

28. ASSETS PLEDGED AS COLLATERAL OR FOR SECURITY

The following assets were provided as collateral for usage of natural gas and construction:

	September 30, 2024	December 31, 2023	September 30, 2023
Pledged time deposits (classified as other current assets)	$ 2,100	$ 2,100	$ 2,100

29. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNIZED COMMITMENTS

Significant contingencies and unrecognized commitments of the Group as of September 30, 2024 and 2023 were as follows:

a. As of September 30, 2024, December 31, 2023 and September 30, 2023, unused letters of credit for purchases of raw materials amounted to $473,111 thousand, $140,437 thousand and $483,489 thousand, respectively.

b. As of September 30, 2024, December 31, 2023 and September 30, 2023, unpaid contracts for purchases of raw materials and equipment amounted to $1,295,097 thousand, $1,669,837 thousand and $1,778,384 thousand, respectively.

30. OTHERS

a. Significant assets and liabilities denominated in foreign currencies

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

	September 30, 2024		
	Foreign Currency	Exchange Rate	New Taiwan Dollars
Monetary items			
Financial assets			
USD	$ 24,155	31.65(USD/NTD)	$ 764,492
USD	16,640	34.09(USD/TRY)	526,025
Financial liabilities			
USD	30,994	31.65(USD/NTD)	980,975
USD	2,488	34.09(USD/TRY)	78,640

	December 31, 2023		
	Foreign Currency	Exchange Rate	New Taiwan Dollars
Monetary items			
Financial assets			
USD	$ 36,416	30.705(USD/NTD)	$ 1,118,147
USD	13,759	29.44(USD/TRY)	422,869
Financial liabilities			
USD	51	30.705(USD/NTD)	1,560
USD	505	29.44(USD/TRY)	15,505

	September 30, 2023		
	Foreign Currency	Exchange Rate	New Taiwan Dollars
Monetary items			
Financial assets			
USD	$ 26,639	32.27 (USD/NTD)	$ 859,626
USD	10,329	27.38 (USD/TRY)	333,091
Financial liabilities			
USD	521	32.27 (USD/NTD)	16,803
USD	234	27.38 (USD/TRY)	7,537

The significant realized and unrealized foreign exchange gains (losses) were as follows:

	For the Three Months Ended September 30, 2024		For the Three Months Ended September 30, 2023	
Functional Currency	Exchange Rate (Functional Currency: Presentation Currency)	Net Foreign Exchange Gains (Losses)	Exchange Rate (Functional Currency: Presentation Currency)	Net Foreign Exchange Gains (Losses)
NTD	1.0000 (NTD/NTD)	$ (30,696)	1.0000 (NTD/NTD)	$ 53,808
TRY	0.9626 (TRY/NTD)	52,405	1.1818 (TRY/NTD)	49,436
		$ 21,709		$ 103,244

	For the Nine Months Ended September 30, 2024		For the Nine Months Ended September 30, 2023	
Functional Currency	Exchange Rate (Functional Currency: Presentation Currency)	Net Foreign Exchange Gains (Losses)	Exchange Rate (Functional Currency: Presentation Currency)	Net Foreign Exchange Gains (Losses)
NTD	1.0000 (NTD/NTD)	$ 69,589	1.0000 (NTD/NTD)	$ 83,408
TRY	0.9273 (TRY/NTD)	161,615	1.1779 (TRY/NTD)	356,773
		$ 231,204		$ 440,181

b. In order to enrich working capital, the Company's board of directors resolved to issue the fourth domestic unsecured convertible corporate bonds on August 16, 2024. The face value per bond is $100 thousand, with a maximum total issued amount of $2,000,000 thousand. The issuance period is 5 years, with a 0% coupon rate. The issuance price will not be less than 100.5% of the par value. The case has been filed by the Financial Supervisory Commission Order No. 11303561091 effective Septemper 11, 2024. As of September 30, 2024, the collection bank has collected all the funds, totaling $2,010,000 thousand (classified as other non-current liabilities). The fourth domestic unsecured convertible corporate bonds were issued on October 2, 2024.

31. SEPARATELY DISCLOSED ITEMS

a. Information on significant transactions:

1) Financing provided to others (Table 1)

2) Endorsements/guarantees provided (Table 2)

3) Marketable securities held (excluding investments in subsidiaries, associates and joint ventures) (Table 3)

4) Marketable securities acquired or disposed of at costs or prices of at least NT$300 million or 20% of the paid-in capital (Table 4)

5) Acquisition of individual real estate at costs of at least NT$300 million or 20% of the paid-in capital (None)

6) Disposal of individual real estate at prices of at least NT$300 million or 20% of the paid-in capital (None)

7) Total purchases from or sales to related parties amounting to at least NT$100 million or 20% of the paid-in capital (None)

8) Receivables from related parties amounting to at least NT$100 million or 20% of the paid-in capital (None)

9) Trading in derivative instruments (None)

10) Other: Intercompany relationships and significant intercompany transactions (Table 5)

b. Information on investees (Table 6)

c. Information on investments in mainland China (None)

d. Information of major shareholders: list all shareholders with ownership of 5% or greater showing the name of the shareholder, the number of shares owned, and percentage of ownership of each shareholder (Table 7)

32. SEGMENT INFORMATION

Information reported to the chief operating decision maker for the purpose of resource allocation and assessment of segment performance focuses on the types of goods or services delivered or provided. Specifically, the Group's reportable segments were as stainless steel tubes/pipes, stainless steel sheets/coils, and others.

Segment revenue and operating results

	For the Nine Months Ended September 30			
	Segment Revenue		Segment Profit or Loss	
	2024	2023	2024	2023
Stainless steel tubes/pipes	$ 6,240,017	$ 6,689,577	$ 345,554	$ 334,190
Stainless steel sheets/coils	4,014,811	4,890,151	204,136	154,919
Others	179,672	194,548	31,304	17,802
Generated from continuing operating segment	$ 10,434,500	$ 11,774,276	580,994	506,911
Finance costs			(161,822)	(105,585)
Interest income			9,172	9,707
Other gains and losses, net			(552,985)	(652,846)
Net foreign exchange gain			231,204	440,181
Net loss on disposal of property, plant, equipment and ornaments			(3,378)	(4,249)
Net (loss) gain on financial instruments at FVTPL			(24,750)	10,882
Profit before income tax			$ 78,435	$ 205,001

Segment revenue reported above represents revenue generated from external customers. There were no intersegment sales for nine months ended September 30, 2024 and 2023.

Segment profit represents the gains and losses earned by each segment excluding finance costs, interest income, net other gains and losses, net foreign exchange gains, net loss on disposal of property, plant and equipment, net (loss) gain on financial instruments at FVTPL and income tax (benefit) expense. This was the measure reported to the chief operating decision maker for the purpose of resource allocation and assessment of segment performance.

YC INOX CO., LTD. AND SUBSIDIARIES

FINANCING PROVIDED TO OTHERS
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2024
(In Thousands of New Taiwan Dollars and Foreign Currency)

No. (Note 1)	Lender	Borrower	Financial Statement Account	Related Party	Highest Balance for the Period (Note 3)	Ending Balance (Note 3)	Actual Amount Borrowed	Interest Rate (%)	Nature of Financing	Business Transaction Amount	Reasons for Short-term Financing	Allowance for Impairment Loss	Collateral		Financing Limit for Each Borrower (Note 2)	Aggregate Financing Limit (Note 2)	Note
													Item	Value			
0	The Company	YC INOX TR Company	Other receivables-related party	Y	$ 1,627,250 (USD 50,000)	$ 949,500 (USD 30,000)	$ - (USD -)	7%	Short-term financing	$ -	Operation	$ -	-	$ -	$ 1,787,828	$ 3,575,656	

Note 1: 0 represents the parent company.

Note 2: The financing limit for each borrower and aggregate financing limit are 20% and 40%, respectively, of the net assets of the Company.

Note 3: If the relevant figures in this table involve foreign currencies, they shall be converted into the New Taiwan dollar at the exchange rate on the balance sheet date.

YC INOX CO., LTD. AND SUBSIDIARIES

ENDORSEMENTS/GUARANTEES PROVIDED
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2024
(In Thousands of New Taiwan Dollars and Foreign Currency)

No. (Note 1)	Endorser/Guarantor	Endorsee/Guarantee		Limit on Endorsement/ Guarantee Given on Behalf of Each Party (Note 2)	Maximum Amount Endorsed/ Guaranteed During the Period (Note 3)	Outstanding Endorsement/ Guarantee at the End of the Period (Note 3)	Actual Amount Borrowed	Amount Endorsed/ Guaranteed by Collateral	Ratio of Accumulated Endorsement/ Guarantee to Net Equity in Latest Financial Statements (%)	Aggregate Endorsement/ Guarantee Limit (Note 2)	Endorsement/ Guarantee Given by Parent on Behalf of Subsidiaries	Endorsement/ Guarantee Given by Subsidiaries on Behalf of Parent	Endorsement/ Guarantee Given on Behalf of Companies in Mainland China	Note
		Name	Relationship											
0	The Company	YC INOX TR Company	Subsidiary	$ 1,787,828	$ 328,350 (USD 10,000)	$ - (USD -)	$ -	$ -	%	$ 3,575,656	Y	-	-	-

Note 1: 0 represents the parent company.

Note 2: The financing limit for each borrower and aggregate financing limit are 20% and 40%, respectively, of the net assets of the Company.

Note 3: If the relevant figures in this table involve foreign currencies, they shall be converted into the New Taiwan dollar at the exchange rate on the balance sheet date.

YC INOX CO., LTD. AND SUBSIDIARIES

MARKETABLE SECURITIES HELD
SEPTEMBER 30, 2024
(In Thousands of New Taiwan Dollars and Shares)

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	September 30, 2024			
				Number of Shares/Units	Carrying Amount	Percentage of Ownership (%)	Fair Value
The Company	Ordinary Shares						
	Ta Chen Stainless Pipe Co., Ltd.	None	Financial assets at FVTPL - current	5,000	$ 173,250	0.21	$ 173,250
	AltruBio Inc.	None	Financial assets at FVTOCI - non-current	11,051	65,977	9.31	65,977
	Gongwin Biopharm Holdings Co., Ltd.	None	Financial assets at FVTOCI - non-current	7,910	929,373	6.20	929,373
	Preference Shares						
	AltruBio Inc. - Series A-2	None	Financial assets at FVTOCI - non-current	20,426	121,942	23.00	121,942
Chi Mao Company	Ordinary Shares						
	AltruBio Inc.	None	Financial assets at FVTOCI - non-current	560	3,343	0.47	3,343
	Gongwin Biopharm Holdings Co., Ltd.	None	Financial assets at FVTOCI - non-current	871	102,328	0.68	102,328
	Preference Shares						
	AltruBio Inc. - Series A-1	None	Financial assets at FVTOCI - non-current	15,915	95,014	4.74	95,014

YC INOX CO., LTD AND SUBSIDIARIES

MARKETABLE SECURITIES ACQUIRED OR DISPOSED OF AT COSTS OR PRICES OF AT LEAST NT$300 MILLION OR 20% OF THE PAID-IN CAPITAL
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2024
(In Thousands of New Taiwan Dollars, Unless Specified Otherwise)

Company Name	Type and Name of Marketable Securities	Financial Statement Account	Counterparty	Relationship	Beginning Balance (Note 2)		Acquisition (Note 3)		Disposal				Ending Balance (Note 2)	
					Number of Shares	Amount	Number of Shares	Amount	Number of Shares	Amount	Carrying Amount	Gain (Loss) on Disposal	Number of Shares	Amount
The Company	Ordinary shares (Note 1)	Investment accounted for using the equity method	YC INOX TR Company	Subsidiary	3,685	$5,947,025	2,345	$2,331,715	-	$ -	$ -	$ -	6,030	$8,878,151

Note 1: YC INOX TR Company's ordinary shares have a par value of TRY 1,000 thousand.

Note 2: The balance included the share of profit or loss from investments in subsidiaries accounted for using the equity method and exchange differences on translating foreign operations.

Note 3: Refer to Note 11 of consolidated financial statements.

Note 4: Eliminated.

YC INOX CO., LTD. AND SUBSIDIARIES

INTERCOMPANY RELATIONSHIPS AND SIGNIFICANT INTERCOMPANY TRANSACTIONS
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2024
(In Thousands of New Taiwan Dollars)

No.	Investee Company	Counterparty	Relationship	Transaction Details			% of Total Operating Revenues or Assets
				Financial Statement Accounts	Amount (Note)	Payment Terms	
0	The Company	YC INOX TR Company	Subsidiary	Revenue from sale of goods	$ 76,318	-	0.73
				Interest income	21,918	-	0.21
				Trade receivables	61,054	-	0.26

Note: Eliminated.

YC INOX CO., LTD. AND SUBSIDIARIES

INFORMATION ON INVESTEES
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2024
(In Thousands of New Taiwan Dollars, Unless Specified Otherwise)

Investor Company	Investee Company (Note)	Location	Main Businesses and Products	Original Investment Amount		Ending Balance			Net Income (Loss) of the Investee	Share of Profit (Loss)
				September 30, 2024	December 31, 2023	Number of Shares	%	Carrying Amount		
The Company	Chi Mao Company	Shijou Township, Chang-Hwa County, Taiwan	Investment	$ 100,120	$ 100,120	10,000,000	100	$ 137,153	$ (1,376)	$ (1,376)
	YC INOX TR Company	Turkey	Manufacturing and distribution of stainless steel tubes/pipes and sheets/coils	9,894,010	7,562,295	6,030	100	8,878,151	(545,754)	(545,754)

Note: Eliminated.

TABLE 7

YC INOX CO., LTD AND SUBSIDIARIES

INFORMATION OF MAJOR SHAREHOLDERS
SEPTEMBER 30, 2024

Name of Major Shareholder	Shares	
	Number of Shares Held	Percentage of Ownership (%)
Tai Chyang Investment Co., Ltd.	61,209,508	13.01
Chang, Chin-Peng	26,030,000	5.53

Note: The information of major shareholders presented in this table is provided by the Taiwan Depository & Clearing Corporation based on the number of ordinary shares and preferred shares held by shareholders with ownership of 5% or greater, that have been issued without physical registration (including treasury shares) by the Company as of the last business day for the current quarter. The share capital in the parent company only financial statements may differ from the actual number of shares that have been issued without physical registration because of different preparation basis.