

TONG YANG INDUSTRY CO., LTD.

2024 Annual Shareholders' Meeting Minutes

The method for convening: a physical shareholder's meeting

Meeting Time: 9:00 a.m. on Tuesday, June 18, 2024

Place: Conference Hall, Evergreen Plaza Hotel (Tainan), 3F, No. 1, Lane 336, Chunghua E. Rd., Sec. 3, East Dist., Tainan City, Taiwan (R.O.C.)

Attendants: All shareholders and their proxy holders, representing 537,162,670 shares, or 90.81% of the total 591,477,068 outstanding shares

Chairperson: Yeong-Maw Wu, Chairman Minute

Recorder: Yen-Ling Zhang

Members Presen: Yung-Feng Wu, Yung-Hsiang Wu, Chi-Pin Wang, Kan-Hsiung Lin, Ming-Tien Tsai, Yen-Ling Cheng, Tzu-Ren Hu, Zheng-An Huang

I. Call the Meeting to Order

II. Chairman's Remarks

III. Announcements

(I) 2023 Business Report

(II) Audit Committee's Review Report on the 2023 Financial Statements

(III) Report on 2023 Distribution of the Remuneration for Employees and Directors

(IV) Report on Distribution of the 2023 Cash Dividends from Profits

IV. Proposals

Proposal 1

Proposed by the board of directors

Subject: Adoption of the 2023 Business Report and Financial Statements.

Explanation:

1. The Company's 2023 Business Report and financial statements have been approved by the Company's Board of Directors through a resolution. The financial statements have been reviewed and endorsed by the CPAs, and, together with the Business Report, have been subsequently examined and approved by the Audit Committee.
2. Please refer to page 5 to 9 (Attachment 1) and page 11 to 28 (Attachments 3 and 4)) of this handbook for the 2023 Business Report, CPA Audit Report and financial statements respectively.
3. The proposal is hereby submitted for adoption.

Resolution:

1. Voting Result: 537,162,670 shares were represented at the time of voting.

Voting Results	%of the total representation at the time of voting
Votes in favor: 482,361,721 votes (including 461,498,232 shares voted via electronic transmission)	89.79%
Votes against: 433,349 votes (including 433,349 shares voted via electronic transmission)	0.08%
Votes invalid: 0 votes (including 0 share voted via electronic transmission)	0.00%
Votes abstained: 54,367,600 votes (including 54,367,600 shares voted via electronic transmission)	10.12%

2. It was resolved that the above proposal be approved as proposed.

Proposal 2

Proposed by the board of directors

Subject: Adoption of the 2023 Profit Distribution Proposal

Explanation:

1. Pursuant to Article 25 and 26 of the Company's Articles of Incorporation, the 2023 Profit Distribution Table is proposed as below:

TONG YANG INDUSTRY CO., LTD.

2023 Profit Distribution Table

Currency Unit: NT\$

Item	Amount	Amount
Beginning balance of retained earnings		9,332,978,908
Remeasurement of defined benefit plan recognized in the retained earnings	(104,312,792)	(104,312,792)
Adjusted balance of retained earnings		9,228,666,116
Add: Net profit	3,019,409,508	3,019,409,508
Less: Legal reserve appropriated	(291,509,672)	(291,509,672)
Reversal of special reserve	96,705,791	96,705,791
Earnings available for distribution		12,053,271,743
Distribution items:		
Dividend to shareholders (in cash): NT\$4 per share	(2,365,908,272)	(2,365,908,272)
Ending balance of retained earnings		9,687,363,471

Chairman: Yeong-Maw Wu President: Yung-Hsiang Wu Chief Accounting Officer: Chin-Hsi Chen

2. The above-mentioned dividend distribution ratio is based on the number of 591,477,068 shares outstanding as of March 8, 2024.
3. The proposed cash dividends to be distributed are calculated at NT\$4 per share, and are rounded to the nearest dollar, where the aggregate amount of dividends arising from fractional shares is counted as other income in the Company's financial statements.
4. The Company's 2023 profits shall be distributed first.
5. In the event of a subsequent change in the number of the Company's outstanding shares on the record date of dividend distribution due to the circumstances of conversion of the Company's outstanding convertible bonds into ordinary shares or buy-back of the Company's treasury shares, we propose to request this shareholders' meeting to authorize the Chairman to adjust the dividend payout ratio to shareholders, based on the amount of dividend distribution resolved for this proposal and the actual number of outstanding shares on the record date of dividend distribution.

6. The Board of Directors is authorized to handle matters related to this profit distribution if changes are required by laws and regulations or amendments approved by the competent authorities.
7. The proposal is hereby submitted for adoption.

Resolution:

1. Voting Result: 537,162,670 shares were represented at the time of voting.

Voting Results	%of the total representation at the time of voting
Votes in favor: 484,176,894 votes (including 463,313,405 shares voted via electronic transmission)	90.13%
Votes against: 21,377 votes (including 21,377 shares voted via electronic transmission)	0.00%
Votes invalid: 0 votes (including 0 share voted via electronic transmission)	0.00%
Votes abstained: 52,964,399 votes (including 52,964,399 shares voted via electronic transmission)	9.86%

2. It was resolved that the above proposal be approved as proposed.

V. Extempore Motions:

There being no other business and special motion, upon a motion duly made and seconded, the meeting was adjourned.

VI. Adjournment: Meeting ended at 9:16 a.m.

There is no question to 2024 Annual Shareholders' Meeting raised by the shareholders.

TONG YANG INDUSTRY CO., LTD.

2023 Business Report

I. Management Principles

Since the establishment, we have always adhered to "Humanistic Management" as our central notion, and "enthusiasm, honesty and creativity" as our corporate spirits. This has driven the development of the Tong Yang Group (TYG) in plastic parts of bicycles and motorcycles, and interior and exterior components. It has accelerated the development of high-level technology, provided more reliable products, developed its bases, and markets in the world, and provided more rapid and comprehensive services to our customers.

II. Implementation Overview

With the increasing demand for global automotive collision parts and the continuous growth of State Farm benefits, and that we continue to reorganize and optimize its product portfolio to meet market demand, the Company has achieved a consolidated revenue of NT\$23,858,806 thousand, representing a growth of 12.10% compared to that of last year. The consolidated net profit also increased by 49.62% compared to last year, reaching NT\$3,047,280 thousand. Moving forward, the Company will continue to optimize and expand production capacity, improve production lines, and produce high-quality products to meet customers' one-stop shopping demands. These efforts will enhance our overall competitiveness and strengthen our position in the automotive parts market.

III. Business Plan Implementation Results

The Company's consolidated operating revenue for 2023 was NT\$23,858,806 thousand, an increase of NT\$2,576,200 thousand from NT\$21,282,606 thousand in 2022, representing a growth rate of 12.10%; consolidated net gross profit from the operating activities was NT\$7,133,562 thousand, an increase of NT\$2,105,488 thousand from NT\$5,028,074 thousand in 2022, representing a growth rate of 41.87%; consolidated operating income was NT\$3,744,280 thousand, an increase of NT\$1,809,761 thousand from NT\$1,934,519 thousand in 2022, representing a growth rate of 93.55%. The growth can be attributed to the post-COVID-19 demand, benefits from State Farm, increased market demand, and the Company's continuous organizational restructuring and improvement. By providing high-quality products to meet market demand, the Company achieved rapid growth in revenue and profitability. The non-operating income and expenses for 2023 were NT\$67,828 thousand, a decrease of NT\$597,965 thousand from NT\$665,793 thousand in 2022. This

decrease was mainly due to the recognized gain on the disposal of equity interests in five reinvested paint companies in mainland China in 2022 of NT\$574,474 thousand. Therefore, the consolidated pre-tax net profit for 2023 was NT\$3,812,108 thousand, an increase of NT\$1,211,796 thousand from NT\$2,600,312 thousand in 2022. The consolidated net profit was NT\$3,047,280 thousand, an increase of NT\$1,010,560 thousand from NT\$2,036,720 thousand in 2022. The net profit attributable to the parent company was NT\$3,019,410 thousand, an increase of NT\$868,089 thousand from NT\$2,151,321 thousand in 2022, representing a growth rate of 40.35%.

Unit: NT\$1,000

Item	2023	2022	Change by amount	Change by percentage (%)
Consolidated operating revenue	23,858,806	21,282,606	2,576,200	12.10
Consolidated net gross profit	7,133,562	5,028,074	2,105,488	41.87
Consolidated operating income	3,744,280	1,934,519	1,809,761	93.55
Consolidated non-operating income and expenses	67,828	665,793	-597,965	-89.81
Consolidated income before tax	3,812,108	2,600,312	1,211,796	46.60
Consolidated income for current period	3,047,280	2,036,720	1,010,560	49.62
Net income attributable to shareholders of the parent company	3,019,410	2,151,321	868,089	40.35

IV. Performance of Operating Budget

Unit: NT\$1,000

Item	Actual amount of 2023	Estimated amount of 2023	Budget completion rate (%)
Consolidated operating revenue	23,858,806	21,562,812	110.65
Consolidated net gross profit	7,133,562	6,198,648	115.08
Consolidated operating expenses	3,389,282	3,423,458	104.50
Consolidated operating income	3,744,280	2,955,190	126.70
Consolidated income before tax	3,812,108	3,047,720	125.08

Note: The estimated amount of 2023 has yet to be reviewed by CPAs.

V. Profitability Analysis

Analysis item		Year	Financial analysis	
			2023	2022
Financial structure	Debt ratio (%)		26.06	27.65
	Ratio of long-term capital to property, plant, and equipment (%)		159.01	146.49
Profitability	Return on assets (ROA) (%)		9.03	6.20
	Return on equity (ROE) (%)		12.15	8.75
	As a percentage of paid-in capital (%)	Operation income	63.30	32.71
		Pre-tax profit	64.45	43.96
	Net Profit Margin (%)		12.77	9.57
	Earnings per share (NT\$) (Note)		5.10	3.64

Note: Earnings per share are calculated based on the weighted average number of outstanding shares for the year.

VI. Research & Development Status

TONG YANG has technology research and development centers for new product research and development. Innovative technologies are focused on product design, materials, coatings and processes, optoelectronic technology, e-communication research and innovation, and automation equipment and remote information monitoring systems are actively introduced. Therefore, various problems in the production line and data analysis can be quickly dealt with to improve production efficiency. In addition, the Technology Research and Development Center has newly established a Forward-Looking Components Group and an Intelligent Electrical Assembly Group. These groups aim to revolutionize the existing plastic products by integrating automotive electrical systems, optical components, and decoration techniques, as well as creating new product portfolio. With their specialized expertise and experience, they provide customers with reliable and comfortable transportation equipment accessories.

Our plastic and metal sheet parts have obtained the most Certified Automotive Parts Association (CAPA) product certifications in the US market, and the TÜV Rheinland quality certifications in the European market. We are number one in the number of product quality certificates obtained in the world. In response to environmental protection, we introduced the water-based painting for plastic products in 2016 and became the only manufacturer in the world to receive CAPA certification for water-based painting products.

In recent years, the electric vehicle industry has undergone rapid development. The automotive exterior has evolved with new decorative styles and applications. TONG YANG has integrated the decorative technology of exterior parts with the 'light element' and developed smart photoelectric decoration technology. This technology creates different visual effects during the day and night, while also adding information transmission capabilities, as it strengthens the connection between automobiles and people. The developed items include three-dimensional light and shadow optical front bumpers, large illuminated decorative panels, smart B-pillars, and illuminated bumpers and tailgates, among others.

In terms of interior decoration products, the ever-evolving automotive electronic systems have led to the emergence of complex operating interfaces and a significant amount of information transmission requirements. The Company has incorporated functionality into the automotive interior accessories, developed human-machine interaction and hidden information display, integrated driving information, and created various control interfaces to liberate people from complex operations. The items include totem ambient lighting, smart touch panels, electric glove boxes, and smart central armrests, etc., which are all integrated into the use of driving cabins. They adjust the cabin environment based on external conditions and driving situations, and then adapt the driving environment to reduce driving information fatigue and improve driving concentration.

Regarding issues related to environmental protection, TONG YANG has introduced the concepts of lightweight, energy consumption and carbon reduction in the product development stage. Product items include plastic tailgate panels, plastic hoods, plastic fenders, plastic front-end frames, and injection foam interior and exterior trims, etc. It is mainly based on the successful case of replacing steel with plastic and foam forming to reduce weight, and the weight can be reduced by 10-40%. Fuel efficiency and mileage can be increased, air pollution and energy saving and carbon reduction can be decreased. Meanwhile, TONG YANG has also introduced water-based coating technology and equipment to reduce the use of polluting solvents to achieve the goal of being environmentally friendly.

Our Technology R&D Center focuses on five major aspects of product development: lightweight, integrated, decoration, value, and environmental protection. We continuously develop key technology, so as to fulfill the market demand and customer requirement.

We insist that only by continuing R&D can we become the industry leader and lay a more professional, solid, and robust foundation for us to enter the international competitive market.

Chairman:
Yeong-Maw Wu

President:
Yung-Hsiang Wu

Chief Accounting Officer:
Chin-Hsi Chen

AUDIT COMMITTEE REVIEW REPORT

The Board of Directors has prepared the Company's 2023 Financial Statements. The CPA firm of Ernst & Young, by CPA Tzu-Ren Hu and Kuo-Sen Hung was retained to audit the Company's Financial Statements and has issued an audited report relating to the Financial Statements. The Financial Statements, Business Report, and the Proposal for Distribution of 2023 Profits have been reviewed and determined to be correct and accurate by Supervisor. According to the Securities and Exchange Act and the Company Act, we hereby submit this report. Please kindly approve.

To TONG YANG INDUSTRY CO., LTD. 2024 Annual General Shareholders' Meeting

TONG YANG INDUSTRY CO., LTD.

Chairman of the Audit Committee: Kan-Hsiung Lin

March 8, 2024

Independent Auditors' Report Translated from Chinese

To TONG YANG INDUSTRY CO., LTD.

Opinion

We have audited the accompanying consolidated balance sheets of TONG YANG INDUSTRY CO., LTD. (the "Company") and its subsidiaries as of 31 December 2023 and 2022, and the related consolidated statements of comprehensive income, changes in equity and cash flows for the years ended 31 December 2023 and 2022, and notes to the consolidated financial statements, including the summary of material accounting policies (together "the consolidated financial statements").

In our opinion, based on our audits and the reports of the other auditors (please refer to the *Other Matter – Making Reference to the Audits of Other Auditors* section of our report), the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of the Company and its subsidiaries as of 31 December 2023 and 2022, and their consolidated financial performance and cash flows for the years ended 31 December 2023 and 2022, in conformity with the requirements of the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Financial Reporting Standards, International Accounting Standards, Interpretations developed by the International Financial Reporting Interpretations Committee or the former Standing Interpretations Committee as endorsed and became effective by Financial Supervisory Commission of the Republic of China on Taiwan.

Basis for Opinion

We conducted our audits in accordance with the Regulations Governing Financial Statement Audit and Attestation Engagements of Certified Public Accountants and the Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Company and its subsidiaries in accordance with the Norm of Professional Ethics for Certified Public Accountant of the Republic of China (the "Norm"), and we have fulfilled our other ethical responsibilities in accordance with the Norm. Based on our audits and the reports of the other auditors, we believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

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

Loss Allowance Accounts Receivable

As of 31 December 2023, the balance of accounts receivable and allowance for doubtful accounts amounted to NT\$4,235,427 thousand and NT\$61,300 thousand, respectively. Net accounts receivable constituted 12% of total consolidated assets, which was considered material in the consolidated statements. Since the allowance for doubtful accounts was measured at the lifetime expected credit loss, the account receivables should be appropriately grouped during the measurement process and determine the use of related assumptions in the analysis and measurement, including appropriate aging intervals and their respective loss rate. As the measurement of expected credit loss involves making judgment, analysis and estimates, and the result will affect the net account receivable, we therefore determined this a key audit matter.

Our audit procedures included, but not limited to, evaluating the appropriateness of management's provisioning policy of allowance for doubtful accounts. The Company and its subsidiaries were tested by provision matrix, including evaluating the appropriateness of the aging intervals and the accuracy of the basic data by reviewing the original certificates; performing tests on subsequent collection of receivables.

We also assessed the adequacy of disclosures of accounts receivable. Please refer to Notes 5 and 6 to the Company's consolidated financial statements.

Valuation for slow-moving inventories

As of 31 December 2023, the Company's net inventories amounted to NT\$2,687,171 thousand, and constitutes 8% of total consolidated asset. Considering the significant amount of inventories and that the identification of slow-moving inventories as well as the assessment of the amount of inventory write-downs required significant management judgment, we determined this as a key audit matter.

Our audit procedures included, but not limited to, evaluating the appropriateness of management's provisioning policy of allowance of obsolescence loss, including sample testing the accuracy of inventory aging time period; performing and evaluating the changes in value of the slow-moving inventories reserve ratio and inventory aging and recalculating allowance to reduce inventory to market, to ensure that the valuation for slow-moving inventories followed accounting policies.

We also assessed the adequacy of disclosures of inventories. Please refer to Notes 5 and 6 to the Company's consolidated financial statements.

Other Matter – Making Reference to the Audits of Other Auditors

We did not audit the financial statements of certain consolidated subsidiaries, which statements reflect total assets of NT\$1,504,839 thousand and NT\$902,303 thousand, constituting 3.01% and 2.69% of consolidated total assets as of 31 December, 2023 and 2022, respectively, and total operating revenues of NT\$912,637 thousand and NT\$1,088,649 thousand, constituting 3.83% and 5.12% of consolidated operating revenues for the years ended 31 December 2023 and 2022, respectively. We did not audit the financial statements of certain associates and joint ventures accounted for under the equity method. Those financial statements were audited by other auditors, whose reports thereon have been furnished to us, and our opinions expressed herein are based solely on the audit reports of the other auditors. Those associates and joint ventures under equity method amounted to NT\$68,748 thousand and NT\$74,387 thousand, representing 0.20% and 0.22% of consolidated total assets as of 31 December 2023 and 2022, respectively. The related shares of profits from the associates and joint ventures under the equity method amounted to NT\$(5,769) thousand and NT\$(10,479) thousand, representing (0.15)% and (0.40)% of the consolidated net income before tax for the years ended 31 December 2023 and 2022, respectively, and the related shares of other comprehensive income from the associates and joint ventures under the equity method amounted to NT\$104 thousand and NT\$10,025 thousand, representing 0.07% and 2.12% of the consolidated other comprehensive income for the years ended 31 December 2023 and 2022, respectively.

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

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the requirements of the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Financial Reporting Standards, International Accounting Standards, Interpretations developed by the International Financial Reporting Interpretations Committee or the former Standing Interpretations Committee as endorsed by Financial Supervisory Commission of the Republic of China on Taiwan and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

Those charged with governance, including audit committee or supervisors, are responsible for overseeing the financial reporting process of the Company and its subsidiaries.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

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

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

1. Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control of the Company and its subsidiaries.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability to continue as a going concern of the Company and its subsidiaries. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company and its subsidiaries to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the accompanying notes, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company and its subsidiaries to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

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

We have audited and expressed an unqualified opinion on the parent company only financial statements of the Company as of and for the years ended 31 December 2023 and 2022.

Hu, Tzu-Ren

Hung, Kuo-Sen

Ernst & Young, Taiwan
8 March 2024

Notice to Readers

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

Accordingly, the accompanying financial statements and report of independent accounts are not intended for use by those who are not informed about the accounting principles or Standard on Auditing of the Republic of China on Taiwan, and their applications in practice. As the financial statements are the responsibility of the management, Ernest & Young cannot accept any liability for the use of, or reliance on, the English translation or for any errors or misunderstandings that may derive from the translation.

English Translation of Financial Statements Originally Issued in Chinese

TONG YANG INDUSTRY CO., LTD. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS

31 December 2023 and 2022

(Expressed in Thousands of New Taiwan Dollars)

ASSETS	Notes	31 Dec. 2023	31 Dec. 2022
Current assets			
Cash and cash equivalents	IV/VI.1	\$3,817,008	\$2,344,300
Financial assets at amortized cost-current	IV/VI.3/VIII	287,056	117,816
Notes receivable,net	IV/VI.4.16/VIII	439,738	376,873
Accounts receivable,net	IV/VI.5.15.16	4,075,372	3,552,270
Accounts receivable-related parties,net	IV/VI.5.16/VII	98,755	81,158
Other receivables	IV	416,621	148,946
Inventories,net	IV/VI.6	2,687,171	3,057,404
Other current assets	IV	284,758	308,221
Total current assets		12,106,479	9,986,988
Non-current assets			
Financial assets at fair value through other comprehensive income-noncurrent	IV/VI.2	671,057	359,454
Financial assets at amortized cost-noncurrent	IV/VI.3/VIII	11,498	18,098
Investments accounted for under the equity method	IV/VI.7	2,471,049	2,653,900
Property, plant and equipment	IV/VI.8/VIII	17,604,877	18,192,011
Right-of-use asset	IV/VI.17/VIII	233,447	265,237
Intangible assets	IV/VI.9.10	590,182	874,249
Deferred tax assets	IV/VI.21	231,847	146,272
Prepayment for equipments		769,472	701,087
Other noncurrent assets-others		356,274	342,876
Total non-current assets		22,939,703	23,553,184
Total assets		\$35,046,182	\$33,540,172

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

English Translation of Financial Statements Originally Issued in Chinese
TONG YANG INDUSTRY CO., LTD. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
31 December 2023 and 2022
(Expressed in Thousands of New Taiwan Dollars)

LIABILITIES AND SHAREHOLDERS' EQUITY	Notes	31 Dec. 2023	31 Dec. 2022
Current liabilities			
Short-term loans	IV/VI.11	\$528,878	\$1,237,828
Notes payable		314,124	117,234
Accounts payable		2,596,091	2,380,515
Accounts payable-related parties	VII	30,436	43,998
Other payables		1,513,568	1,135,661
Balance payable-machinery and equipment		477,582	573,378
Current tax liabilities	IV/VI.21	796,016	518,148
Lease liability-current	IV/VI.17	14,775	18,530
Current portion of long-term liabilities	IV/VI.12	387,352	382,304
Other current liabilities-others	IV/VI.15	393,554	482,277
Total current liabilities		7,052,376	6,889,873
Non-current liabilities			
Long-term loans	IV/VI.12	1,452,035	1,839,387
Deferred tax liabilities	IV/VI.21	359,749	366,500
Lease liability-noncurrent	IV/VI.17	7,349	16,702
Accrued pension liabilities	IV/VI.13	247,909	156,923
Other noncurrent liabilities-others		14,667	5,300
Total non-current liabilities		2,081,709	2,384,812
Total liabilities		9,134,085	9,274,685
Equity attributable to the parent company			
Capital	IV/VI.14		
Common stock		5,914,771	5,914,771
Capital surplus	IV/VI.14	4,150,503	4,150,081
Retained earnings	IV/VI.14		
Legal reserve		2,871,990	2,648,261
Special reserve		96,706	473,048
Unappropriated earnings		12,248,076	10,659,059
Subtotal		15,216,772	13,780,368
Other equity	IV/VI.14	169,350	(96,706)
Non-controlling interests	IV/VI.14	460,701	516,973
Total equity		25,912,097	24,265,487
Total liabilities and equity		\$35,046,182	\$33,540,172

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

English Translation of Financial Statements Originally Issued in Chinese
TONG YANG INDUSTRY CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
For the years ended 31 December 2023 and 2022
(Expressed in Thousands of New Taiwan Dollars, Except for Earnings Per Share)

ITEMS	NOTE	2023.1.1~ 2023.12.31	2022.1.1~ 2022.12.31
Operating revenues	IV/VI.15/VII	\$23,858,806	\$21,282,606
Operating costs	IV/VI.6.18/VII	(16,725,244)	(16,254,532)
Gross profit		7,133,562	5,028,074
Operating expenses	IV/VI.16.17.18/VII		
Sales and marketing expenses		(1,695,329)	(1,537,551)
General and administrative expenses		(1,095,332)	(1,049,733)
Research and development expenses		(566,612)	(503,003)
Expected credit (losses) gains		(32,009)	(3,268)
Subtotal		(3,389,282)	(3,093,555)
Operating income		3,744,280	1,934,519
Non-operating income and expenses			
Other revenue	IV/VI.19	303,158	229,611
Other gain and loss	IV/VI.19	(169,318)	559,729
Financial costs	IV/VI.19	(59,809)	(92,184)
Share of profit or loss of associates and joint ventures	IV/VI.7	(6,203)	(31,363)
Subtotal		67,828	665,793
Income from continuing operations before income tax		3,812,108	2,600,312
Income tax expense	IV/VI.21	(764,828)	(563,592)
Net income		\$3,047,280	\$2,036,720
Other comprehensive income	IV/VI.20		
Items that may not be reclassified subsequently to profit or loss			
Remeasurements of the defined benefit plan		(130,575)	108,146
Unrealized gain (loss) on investments in equity instruments at fair value through other comprehensive income		311,603	145,460
Income tax related to items that may not be reclassified subsequently		26,161	(21,284)
To be reclassified to profit or loss in subsequent periods			
Exchange differences resulting from translating the financial statements of foreign operations		101,216	181,159
Share of other comprehensive income (loss) of associates accounted for using the equity method		(166,160)	115,684
Income tax relating to those items to be reclassified to profit or loss		11,387	(56,702)
Total other comprehensive income (loss), net of tax		153,632	472,463
Total comprehensive income		\$3,200,912	\$2,509,183
Net income (loss) attributable to:			
Stockholders of the parent		\$3,019,410	\$2,151,321
Non-controlling interests		\$27,870	\$(114,601)
Comprehensive income (loss) attributable to:			
Stockholder of the parent		\$3,181,153	\$2,613,637
Non-controlling interests		\$19,759	\$(104,454)
Earnings per share (NTD)			
Earnings per share-basic	IV/VI.22	\$5.10	\$3.64
Earnings per share-diluted	IV/VI.22	\$5.10	\$3.64

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

English Translation of Financial Statements Originally Issued in Chinese

TONG YANG INDUSTRY CO., LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

For the years ended 31 December 2023 and 2022

(Expressed in Thousands of New Taiwan Dollars)

ITEMS	Equity attributable to the parent company								Non-controlling interests	Total Equity
	Common Stock	Capital Surplus	Retained Earnings			Other equity		Total		
			Legal Reserve	Special Reserve	Unappropriated Earnings	Exchange differences resulting from translating the financial statements of foreign operations	Unrealized gain (Loss) on financial assets at fair value through other comprehensive income			
Balance as of 1 January 2022	\$5,914,771	\$4,149,857	\$2,577,332	\$202,797	\$9,265,700	\$(610,658)	\$137,610	\$21,637,409	\$630,444	\$22,267,853
Appropriation and distribution of 2021 retained earning										
Legal Reserve	-	-	70,929	-	(70,929)	-	-	-	-	-
Special Reserve	-	-	-	270,251	(270,251)	-	-	-	-	-
Cash dividends	-	-	-	-	(502,756)	-	-	(502,756)	-	(502,756)
Other changes in additional paid-in capital	-	224	-	-	-	-	-	224	-	224
Net income (loss) for the year ended 31 December 2022	-	-	-	-	2,151,321	-	-	2,151,321	(114,601)	2,036,720
Other comprehensive income (loss), net of tax for the year ended 31 December 2022	-	-	-	-	85,974	230,882	145,460	462,316	10,147	472,463
Total comprehensive income (loss)	-	-	-	-	2,237,295	230,882	145,460	2,613,637	(104,454)	2,509,183
(Decrease) in non-controlling interests	-	-	-	-	-	-	-	-	(9,017)	(9,017)
Balance as of 31 December 2022	\$5,914,771	\$4,150,081	\$2,648,261	\$473,048	\$10,659,059	\$(379,776)	\$283,070	\$23,748,514	\$516,973	\$24,265,487
Balance as of 1 January 2023	\$5,914,771	\$4,150,081	\$2,648,261	\$473,048	\$10,659,059	\$(379,776)	\$283,070	\$23,748,514	\$516,973	\$24,265,487
Appropriation and distribution of 2022 retained earning										
Legal Reserve	-	-	223,729	-	(223,729)	-	-	-	-	-
Cash dividends	-	-	-	-	(1,478,693)	-	-	(1,478,693)	-	(1,478,693)
Special Reserve	-	-	-	(376,342)	376,342	-	-	-	-	-
Other changes in additional paid-in capital	-	422	-	-	-	-	-	422	-	422
Net income (loss) for the year ended 31 December 2023	-	-	-	-	3,019,410	-	-	3,019,410	27,870	3,047,280
Other comprehensive income (loss), net of tax for the year ended 31 December 2023	-	-	-	-	(104,313)	(45,547)	311,603	161,743	(8,111)	153,632
Total comprehensive income (loss)	-	-	-	-	2,915,097	(45,547)	311,603	3,181,153	19,759	3,200,912
(Decrease) in non-controlling interests	-	-	-	-	-	-	-	-	(76,031)	(76,031)
Balance as of 31 December 2023	\$5,914,771	\$4,150,503	\$2,871,990	\$96,706	\$12,248,076	\$(425,323)	\$594,673	\$25,451,396	\$460,701	\$25,912,097

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

English Translation of Financial Statements Originally Issued in Chinese
TONG YANG INDUSTRY CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
For the years ended 31 December 2023 and 2022
(Expressed in Thousands of New Taiwan Dollars)

ITEMS	2023.1.1~ 2023.12.31	2022.1.1~ 2022.12.31	ITEMS	2023.1.1~ 2023.12.31	2022.1.1~ 2022.12.31
Cash flows from operating activities:			Cash flows from investing activities:		
Net income before tax	\$3,812,108	\$2,600,312	Acquisition of financial assets at amortized cost	(732,714)	(282,176)
Adjustments for:			Proceeds from financial assets at amortized cost	570,074	195,774
Income and expense adjustments:			Disposal of equity investments under equity method	-	1,448,313
Depreciation (including right-of-use assets)	2,762,341	2,859,341	Proceeds from disposal of investments in subsidiaries	-	2,126
Amortization	186,014	323,234	Proceeds from capital reduction of equity investments under equity method	-	3,109
Expected credit (gains) losses	32,009	3,268	Acquisition of property, plant and equipment	(2,823,993)	(2,215,510)
Interest expense	59,809	92,184	Proceeds from disposal of property, plant and equipment	187,403	68,673
Interest income	(88,389)	(19,737)	Acquisition of intangible assets	(174,350)	(208,635)
Dividends Income	(17,352)	(17,897)	Disposal of intangible assets	-	195,302
Share of profit or loss of associates for using the equity method	6,203	31,363	Net cash used in investing activities	(2,973,580)	(793,024)
(Gain) on disposal of property, plant and equipment	18,457	(7,545)			
Loss on disposal of intangible assets	-	137,774			
(Gain) on disposal of equity investments under equity method	-	(576,617)			
Impairment loss on non-financial assets	122,549	193,979	Cash flows from financing activities:		
Changes in operating assets and liabilities:			(Decrease) increase in short-term loans	(708,950)	(696,402)
Notes receivable,net	(62,865)	(330,635)	Borrow in long-term loans	-	75,168
Accounts receivable,net	(563,932)	(108,651)	Reimburse long-term loans	(382,304)	(2,706,106)
Accounts receivable,related parties,net	(17,597)	21,650	Reimburse lease principal	(20,303)	(16,955)
Other receivable	(262,541)	4,666	Cash dividends	(1,478,693)	(502,756)
Inventories	370,233	(51,522)	Interest paid	(60,676)	(95,896)
Other current assets	48,225	31,309	Change in non-controlling interests	(4,508)	(9,017)
Other non-current assets	(23,053)	11,993	Net cash used in financing activities	(2,655,434)	(3,951,964)
Other operating assets	387,248	160,394			
Notes payable	196,890	85,556	Effect of exchange rate changes on cash and cash equivalents	14,925	44,005
Accounts payable	215,576	(32,408)			
Accounts payable,related parties	(13,562)	(22,140)	Net increase (decrease) in cash and cash equivalents	1,472,708	890,790
Other payables	381,744	69,214	Cash and cash equivalents at beginning of period	2,344,300	1,453,510
Other current liabilities	(87,999)	99,170	Cash and cash equivalents at end of period	\$3,817,008	\$2,344,300
Accrued pension liabilities	(39,820)	(60,139)			
Other non-current liabilities	9,367	(13,518)			
Cash generated from operations	7,431,663	5,484,598			
Interest received	82,859	19,737			
Dividend received	114,334	234,909			
Income tax paid	(542,059)	(147,471)			
Net cash provided by operating activities	7,086,797	5,591,773			

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

Independent Auditors' Report Translated from Chinese

To TONG YANG INDUSTRY CO., LTD.

Opinion

We have audited the accompanying parent company only balance sheets of TONG YANG INDUSTRY CO., LTD. (the "Company") as of 31 December 2023 and 2022, and the related parent company only statements of comprehensive income, changes in equity and cash flows for the years ended 31 December 2023 and 2022, and notes to the parent company only financial statements, including the summary of material accounting policies (together "the parent company only financial statements").

In our opinion, based on our audits and the reports of the other auditors (please refer to the *Other Matter – Making Reference to the Audits of Other Auditors* section of our report), the parent company only financial statements referred to above present fairly, in all material respects, the financial position of the Company as of 31 December 2023 and 2022, and its financial performance and cash flows for the years ended 31 December 2023 and 2022, in conformity with the requirements of the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

Basis for Opinion

We conducted our audits in accordance with the Regulations Governing Financial Statement Audit and Attestation Engagements of Certified Public Accountants and the Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Company in accordance with the Norm of Professional Ethics for Certified Public Accountant of the Republic of China on Taiwan (the "Norm"), and we have fulfilled our other ethical responsibilities in accordance with the Norm. Based on our audits and the reports of the other auditors, we believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

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

Loss Allowance Accounts Receivable

As of 31 December 2023, the balance of accounts receivable and allowance for doubtful accounts amounted to NT\$3,038,200 thousand and NT\$18,817 thousand, respectively. Net accounts receivable constituted 9% of total assets, which was considered material in the parent company only statements. Since the allowance for doubtful accounts was measured at the lifetime expected credit loss, the account receivables should be appropriately grouped during the measurement process and determine the use of related assumptions in the analysis and measurement, including appropriate aging intervals and their respective loss rate. As the measurement of expected credit loss involves making judgment, analysis and estimates, and the result will affect the net account receivable, we therefore determined this a key audit matter.

Our audit procedures included, but not limited to, evaluating the appropriateness of management's provisioning policy of allowance for doubtful accounts. The Company was tested by provision matrix, including evaluating the appropriateness of the aging intervals and the accuracy of the basic data by reviewing the original certificates; performing tests on subsequent collection of receivables.

We also assessed the adequacy of disclosures of accounts receivable. Please refer to Notes 5 and 6 to the Company's parent company only financial statements.

Valuation for slow-moving inventories

As of 31 December 2023, the Company's net inventories amounted to NT\$2,386,652 thousand, and constitutes 8% of total asset. Considering the significant amount of inventories and that the identification of slow-moving inventories as well as the assessment of the amount of inventory write-downs required significant management judgment, we determined this as a key audit matter.

Our audit procedures included, but not limited to, evaluating the appropriateness of management's provisioning policy of allowance of obsolescence loss, including sample testing the accuracy of inventory aging time period; performing and evaluating the changes in value of the slow-moving inventories reserve ratio and inventory aging and recalculating allowance to reduce inventory to market, to ensure that the valuation for slow-moving inventories followed accounting policies.

We also assessed the adequacy of disclosures of inventories. Please refer to Notes 5 and 6 to the parent company only financial statements.

Other Matter – Making Reference to the Audits of a Other Auditors

We did not audit the financial statements of certain subsidiaries, associates and joint ventures accounted for under the equity method. Those financial statements were audited by other auditors, whose reports thereon have been furnished to us, and our opinions expressed herein are based solely on the reports of the other auditors. These subsidiaries, associates and joint ventures under equity method amounted to NT\$933,313 thousand and NT\$808,768 thousand, representing 2.92% and 2.71% of total assets as of 31 December 2023 and 2022, respectively. The related shares of profits from the subsidiaries, associates and joint ventures under the equity method amounted to NT\$125,329 thousand and NT\$128,565 thousand, representing 3.34% and 4.83% of the income before tax for the years ended 31 December 2023 and 2022, respectively, and the related shares of other comprehensive income (loss) from the subsidiaries, associates and joint ventures under the equity method amounted to NT\$(627) thousand and NT\$81,843 thousand, representing (0.39)% and 17.70% of the comprehensive income (loss) for the years ended 31 December 2023 and 2022, respectively.

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

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

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

Those charged with governance, including audit committee or supervisors, are responsible for overseeing the financial reporting process of the Company.

Auditors' Responsibilities for the Audit of the Parent Company Only Financial Statements

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

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

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

5. Evaluate the overall presentation, structure and content of the parent company only financial statements, including the accompanying notes, and whether the parent company only financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the parent company only financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

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

Hu, Tzu-Ren

Hung, Kuo-Sen

Ernst & Young, Taiwan
8 March 2024

Notice to Readers

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

Accordingly, the accompanying financial statements and report of independent accountants are not intended for use by those who are not informed about the accounting principles or Standards on Auditing of the Republic of China on Taiwan, and their applications in practice. As the financial statements are the responsibility of the management, Ernest & Young cannot accept any liability for the use of, or reliance on, the English translation or for any errors or misunderstandings that may derive from the translation.

English Translation of Financial Statements Originally Issued in Chinese

TONG YANG INDUSTRY CO., LTD.

PARENT COMPANY ONLY BALANCE SHEETS

31 December 2023 and 2022

(Expressed in Thousands of New Taiwan Dollars)

ASSETS	Notes	31 Dec. 2023	31 Dec. 2022
Current assets			
Cash and cash equivalents	IV/VI.1	\$3,096,988	\$1,332,881
Financial assets at amortized cost-current	IV/VI.3	50,000	-
Notes receivables,net	IV/VI.4.15	17,728	26,518
Accounts receivables,net	IV/VI.5.15	2,968,973	2,497,666
Accounts receivables-related parties,net	IV/VI.5.15/VII	50,410	36,477
Other receivables	IV/VII	139,880	121,531
Inventories-net	IV/VI.6	2,386,652	2,511,266
Other current assets	IV	208,708	188,055
Total current assets		8,919,339	6,714,394
Non-current assets			
Financial assets at fair value through other comprehensive income-noncurrent	IV/VI.2	568,077	305,015
Financial assets at amortized cost-noncurrent	IV/VI. 3/VIII	11,498	18,098
Investments accounted for under the equity method	IV/VI.7	6,090,359	6,456,196
Property, plant and equipment	IV/VI.8	15,018,631	15,136,330
Right-of-use assets	IV/VI.16	28,146	46,662
Intangible assets	IV/VI.9.10	355,546	361,612
Deferred tax assets	IV/VI.20	219,154	133,291
Prepayment for equipments		697,862	628,559
Other noncurrent assets-others		12,414	12,423
Total non-current assets		23,001,687	23,098,186
Total assets		\$31,921,026	\$29,812,580

(The accompanying notes are an integral part of the parent company only financial statements.)

English Translation of Financial Statements Originally Issued in Chinese

TONG YANG INDUSTRY CO., LTD
PARENT COMPANY ONLY BALANCE SHEETS

31 December 2023 and 2022

(Expressed in Thousands of New Taiwan Dollars)

LIABILITIES AND SHAREHOLDERS' EQUITY	Notes	31 Dec. 2023	31 Dec. 2022
Current liabilities			
Notes payables		\$4,090	\$496
Accounts payables		1,396,471	1,185,332
Accounts payables-related parties	VII	29,078	34,091
Other payables		1,206,687	951,102
Balance payables-machinery and equipment		338,857	331,068
Current tax liabilities	IV/VI.20	795,174	517,466
Lease liabilities-current	IV/VI.16	11,688	15,843
Current portion of long-term liabilities	IV/VI.11	387,352	382,304
Other current liabilities-others	IV/VI.14	280,057	309,598
Total current liabilities		4,449,454	3,727,300
Non-current liabilities			
Long-term loans	IV/VI.11	1,452,035	1,839,387
Deferred tax liabilities	IV/VI.20	297,112	317,311
Lease liabilities-noncurrent	IV/VI.16	1,978	11,577
Accrued pension liabilities	IV/VI.12	254,383	163,191
Other noncurrent liabilities-others		14,668	5,300
Total non-current liabilities		2,020,176	2,336,766
Total liabilities		6,469,630	6,064,066
Equity attributable to the parent company			
Capital	IV/VI.13		
Common stock		5,914,771	5,914,771
Capital surplus	IV/VI.13	4,150,503	4,150,081
Retained earnings	IV/VI.13		
Legal reserve		2,871,990	2,648,261
Special reserve		96,706	473,048
Unappropriated earnings		12,248,076	10,659,059
Subtotal		15,216,772	13,780,368
Other equity	IV/VI.13	169,350	(96,706)
Total equity		25,451,396	23,748,514
Total liabilities and equity		\$31,921,026	\$29,812,580

(The accompanying notes are an integral part of the parent company only financial statements.)

English Translation of Financial Statements Originally Issued in Chinese
TONG YANG INDUSTRY CO., LTD.
PARENT COMPANY ONLY STATEMENTS OF COMPREHENSIVE INCOME
For the years ended 31 December 2023 and 2022
(Expressed in Thousands of New Taiwan Dollars, Except for Earnings Per Share)

ITEMS	NOTE	2023.1.1~ 2023.12.31	2022.1.1~ 2022.12.31
Operating revenues	IV/VI.14/VII	\$18,205,469	\$15,707,401
Operating costs	IV/VI.6.17/VII	(11,808,048)	(11,087,325)
Gross profit		6,397,421	4,620,076
Unrealized gross profit on sales		(9,189)	(10,068)
Realized gross profit on sales		10,068	9,533
Gross profit-net		6,398,300	4,619,541
Operating expenses	IV/VI.15.16.17/VII		
Sales and marketing expenses		(1,436,059)	(1,258,042)
General and administrative expenses		(669,929)	(614,768)
Research and development expenses		(543,689)	(468,747)
Expected credit gains (losses)		(3,307)	(3,600)
Subtotal		(2,652,984)	(2,345,157)
Operating income		3,745,316	2,274,384
Non-operating income and expenses			
Other revenue	IV/VI.18/VII	239,992	147,536
Other gains and losses	IV/VI.18	2,713	272,676
Financial costs	IV/VI.18	(7,979)	(13,881)
Share of profit or loss of associates and joint ventures	IV/VI.7	(232,159)	(18,407)
Subtotal		2,567	387,924
Income from continuing operations before income tax		3,747,883	2,662,308
Income tax expense	IV/VI.20	(728,473)	(510,987)
Net income		\$3,019,410	\$2,151,321
Other comprehensive income	IV/VI.19		
Items that may not be reclassified subsequently to profit or loss			
Remeasurements of the defined benefit plan		(130,498)	103,714
Unrealized gains or losses on investments in equity instruments at fair value through other comprehensive income		263,062	122,800
Share of other comprehensive income (loss) of subsidiaries, associates and joint ventures which may not be reclassified subsequently to profit or loss		48,628	25,663
Income tax related to items that may not be reclassified subsequently		26,099	(20,743)
To be reclassified to profit or loss in subsequent periods			
Exchange differences resulting from translating the financial statements of foreign operations		109,225	171,900
Share of other comprehensive income (loss) of associates accounted for using the equity method		(166,160)	115,684
Income tax relating to those items to be reclassified to profit or loss		11,387	(56,702)
Total other comprehensive income (loss), net of tax		161,743	462,316
Total comprehensive income		\$3,181,153	\$2,613,637
Earnings per share (NTD)			
Earnings per share-basic	IV/VI.21	\$5.10	\$3.64
Earnings per share-diluted	IV/VI.21	\$5.10	\$3.64

(The accompanying notes are an integral part of the parent company only financial statements.)

English Translation of Financial Statements Originally Issued in Chinese

TONG YANG INDUSTRY CO., LTD.

PARENT COMPANY ONLY STATEMENTS OF CHANGES IN EQUITY

For the years ended 31 December 2023 and 2022

(Expressed in Thousands of New Taiwan Dollars)

ITEMS	Equity attributable to the parent company							Total Equity
	Common Stock	Capital Surplus	Retained Earnings			Other equity		
			Legal Reserve	Special Reserve	Unappropriated Earnings	Exchange differences resulting from translating the financial statements of foreign operations	Unrealized gain (Loss) on financial assets at fair value through other comprehensive income	
Balance as of 1 January 2022	\$5,914,771	\$4,149,857	\$2,577,332	\$202,797	\$9,265,700	\$(610,658)	\$137,610	\$21,637,409
Appropriation and distribution of 2021 retained earning								
Legal Reserve	-	-	70,929	-	(70,929)	-	-	-
Special Reserve	-	-	-	270,251	(270,251)	-	-	-
Cash dividends	-	-	-	-	(502,756)	-	-	(502,756)
Other changes in additional paid-in capital	-	224	-	-	-	-	-	224
Net income (loss) for the year ended 31 December 2022	-	-	-	-	2,151,321	-	-	2,151,321
Other comprehensive income (loss), net of tax for the year ended 31 December 2022	-	-	-	-	85,974	230,882	145,460	462,316
Total comprehensive income (loss)	-	-	-	-	2,237,295	230,882	145,460	2,613,637
Balance as of 31 December 2022	<u>\$5,914,771</u>	<u>\$4,150,081</u>	<u>\$2,648,261</u>	<u>\$473,048</u>	<u>\$10,659,059</u>	<u>\$(379,776)</u>	<u>\$283,070</u>	<u>\$23,748,514</u>
Balance as of 1 January 2023	\$5,914,771	\$4,150,081	\$2,648,261	\$473,048	\$10,659,059	\$(379,776)	\$283,070	\$23,748,514
Appropriation and distribution of 2022 retained earning								
Legal Reserve	-	-	223,729	-	(223,729)	-	-	-
Cash dividends	-	-	-	-	(1,478,693)	-	-	(1,478,693)
Special Reserve	-	-	-	(376,342)	376,342	-	-	-
Other changes in additional paid-in capital	-	422	-	-	-	-	-	422
Net income (loss) for the year ended 31 December 2023	-	-	-	-	3,019,410	-	-	3,019,410
Other comprehensive income (loss), net of tax for the year ended 31 December 2023	-	-	-	-	(104,313)	(45,547)	311,603	161,743
Total comprehensive income (loss)	-	-	-	-	2,915,097	(45,547)	311,603	3,181,153
Balance as of 31 December 2023	<u>\$5,914,771</u>	<u>\$4,150,503</u>	<u>\$2,871,990</u>	<u>\$96,706</u>	<u>\$12,248,076</u>	<u>\$(425,323)</u>	<u>\$594,673</u>	<u>\$25,451,396</u>

(The accompanying notes are an integral part of the parent company only financial statements.)

English Translation of Financial Statements Originally Issued in Chinese

TONG YANG INDUSTRY CO., LTD.

PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS

For the years ended 31 December 2023 and 2022

(Expressed in Thousands of New Taiwan Dollars)

ITEMS	2023.1.1~ 2023.12.31	2022.1.1~ 2022.12.31	ITEMS	2023.1.1~ 2023.12.31	2022.1.1~ 2022.12.31
Cash flows from operating activities:			Cash flows from investing activities:		
Net income before tax	\$3,747,883	\$2,662,308	Acquisition of financial assets at amortised cost	(50,000)	-
Adjustments for:			Disposal of financial assets at amortized cost	6,600	-
Income and expense adjustments:			Disposal of equity investments under equity method	-	14,214
Depreciation (including right-of-use assets)	2,436,527	2,495,986	Proceeds from capital reduction of equity investments under equity method	-	492,605
Amortization	20,028	30,401	Acquisition of property, plant and equipment	(2,407,824)	(1,935,072)
Expected credit losses	3,307	3,600	Proceeds from disposal of property, plant and equipment	48,865	31,979
Interest expense	7,979	13,881	Acquisition of intangible assets	(13,962)	(17,184)
Interest income	(64,131)	(5,154)	Net cash used in investing activities	(2,416,321)	(1,413,458)
Dividend income	(15,838)	(16,180)			
Share of loss of subsidiaries, associates and joint ventures	232,159	18,407	Cash flows from financing activities:		
(Gain) on disposal of property, plant and equipment	116	(2,092)	(Decrease) in short-term loans	-	(4,354)
(Gain) on disposal of equity investments under equity method	-	(2,143)	Borrow in long-term loans	-	75,168
Impairment loss on non-financial assets	-	124,435	Reimburse long-term loans	(382,304)	(2,416,019)
Unrealized gross profit	9,189	10,068	Reimburse lease principal	(16,960)	(16,955)
Realized gross profit	(10,068)	(9,533)	Cash dividends	(1,478,693)	(502,756)
Changes in operating assets and liabilities:			Interest paid	(7,688)	(13,749)
Notes receivable,net	8,790	(3,387)	Net cash used in financing activities	(1,885,645)	(2,878,665)
Accounts receivable,net	(474,614)	(478,245)			
Accounts receivable,related parties,net	(13,933)	27,735	Net increase (decrease) in cash and cash equivalents	1,764,107	592,249
Other receivables	2,854	35,271	Cash and cash equivalents at beginning of period	1,332,881	740,632
Inventories	124,614	(41,429)	Cash and cash equivalents at end of period	\$3,096,988	\$1,332,881
Other current assets	(20,653)	(3,980)			
Other non-current assets	9	-			
Notes payables	3,594	(16)			
Accounts payables	211,139	23,751			
Accounts payables-related parties	(5,013)	(3,408)			
Other payables	255,939	102,782			
Other current liabilities	(29,541)	73,555			
Accrued pension liabilities	(39,306)	(59,358)			
Other noncurrent liabilities	9,368	-			
Cash generated from operations	6,400,398	4,997,255			
Interest received	58,766	5,154			
Dividend received	126,250	25,803			
Income tax paid	(519,341)	(143,840)			
Net cash provided by operating activities	6,066,073	4,884,372			

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