

STOCK CODE : 8390



# JIIN YEEH DING ENTERPRISE CORP.

## 2023 Annual Report

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Market Observation Post System: <http://mops.twse.com.tw>

Company Website: <https://www.jyd.com.tw/>

**Notice to readers**

*This English-version annual report is a translation of the Chinese version. If there is any discrepancy between the English and Chinese versions, the Chinese version shall prevail*

## **I. Information for Spokesperson and Deputy Spokesperson**

### **(I) Spokesperson**

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Title: Operation Vice President

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### **(II) Deputy Spokesperson**

Name: Hsu, Pei-Ru

Title: Chief Financial Officer

Tel: 886-3-518-2368

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## **II. Address and Telephone Number of the Head Offices and Branch Offices**

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## **III. Stock Transfer Agency**

Name: Grand Fortune Securities Co., Ltd.

Address: 6F, No. 6, Section 1, Chung Hsiao West Road, Taipei City

Website: <http://www.gfortune.com.tw>

Tel: 886-2-2371-1658

## **IV. Certified Public Accountant for the financial statements of the most recent fiscal year**

Accounting firm: KPMG Certificated Public Accountants

Name of CPA : Luo, Re-Chih and Huang, Yu-Ting.

Address : 68F, No.7, Sec.5, Xinyi Road, Taipei, 11049

Website : <https://home.kpmg.com/tw>

Tel : 886-2-8101-6666

## **V. Name of the stock where the company's securities are traded offshore and disclosure information available at: None**

## **VI. Company website: <http://www.jyd.com.tw>**

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## One. Letter to the Shareholders

Ladies and Gentlemen, Esteemed Shareholders:

Thank you for taking the time to attend the Company's 2024 Annual Shareholders' Meeting amidst your busy schedules. In 2023, the Company once again achieved record profits, delivering an outstanding overall performance. Here is a report on the implementation of the 2023 business plan and the outlook for 2024 operations:

### I. Business results of the previous year (2023)

#### (I) Implementation results of the business plan

The Company recorded a consolidated net operating income of NT\$3.66 billion in 2023, consolidated gross profit was NT\$470 million (gross margin was 13%), a decrease from the NT\$500 million (gross margin was 22%) in the previous year. The main reasons were the high inflation, interest rate hikes and fluctuations in international metal prices, which dragged down gross profit performance. In 2023, the consolidated net profit after tax was NT\$527 million, with earnings per share of NT\$5.57. The net profit margin increased, demonstrating excellent profitability. In terms of the product sales mix in 2023, gold and gold-containing precious metals accounted for 28% of total revenue; copper accounted for 42% of revenue; other metals accounted for 28% of revenue; and waste disposal service income accounted for 2%.

Unit: NT\$ Thousand

Item \ Year	2023	%	2022	%
Operating revenue	3,658,466	100	3,625,350	100
Gross profit	472,448	13	504,594	14
Operating profit	280,151	8	308,342	9
Net profit attributable to owner of the parent company	534,753	15	316,313	9
Earnings per share (NT\$)	5.57	-	2.82	-

#### (II) Budget implementation status 、analysis of financial revenue and expenditure and profitability

1. Budget implementation status: The Company has not prepared financial forecasts for 2023 and this is therefore not applicable.

2. Analysis of financial revenue and expenditure and profitability: Please refer to the summary table and the complete financial report below.

##### (i) Financial revenue and expenditure

Unit: NT\$ Thousand

Item	2022	2021	Amount of increase (decrease)	Percentage of increase (decrease)
Operating activities in cash inflows	212,148	332,459	(120,311)	(36.18%)
Investing activities in cash outflows	(143,944)	(102,949)	(40,295)	(39.14%)
Financing activities in cash outflows	(183,061)	(454,436)	271,375	59.72%

Cash flow analysis:

- (1) Decrease in inflow from operating activities: Mainly due to increase in provisional income tax..
- (2) Increase in outflow from investing activities: Mainly due to the construction of plant and equipment for the Xibin Plant II.
- (3) Decrease in outflow from financing activities: Mainly due to the cash capital reduction of NT\$239,856 thousand in the prior year, not applicable in the current year.

(ii) Analysis of profitability

Item		2023	2022
Return on assets (%)		15.99	9.56
Return on equity (%)		18.90	11.69
Ratio of paid-in capital (%)	Operating profit	29.16	32.14
	Net profit before tax	68.35	43.56
Net profit margin (%)		14.40	8.59
Earnings per share (NT\$)		5.57	2.82

(IV) Research and development status

1. Research and development expenses:

Unit: NT\$ Thousand

Item	2022	2021
R&D expenses	2,263	2,183
Net operating revenue	3,625,350	3,409,843
%	0.06%	0.06%

2. Achievements in technology R&D:

1. The Company has developed purification technology to increase the recovery rate of precious metals and to reduce the use of chemicals in the recovery process. Pursuing a more eco-friendly processing method is the Company's main research direction.

2. Research and development results are as follows:

Year	Successfully developed technologies or products
2016	* Separation of Pt/Rh * Platinum process improvement and purity improvement
2017	* Recovery of indium * Recovery of nickel and tin from pachinko balls
2018	* Recovery of palladium from copper anode slime * Palladium has increased in purity from 80% to more than 90%.
2019	* Electrolysis of low grade copper

Year	Successfully developed technologies or products
2020	<ul style="list-style-type: none"> <li>* PET plastic recycling</li> <li>* Ni and Cu paste tank cleaning and recycling</li> <li>* Palladium has increased in purity from 90% to more than 99%.</li> </ul>
2021	* Recycling of tin-containing scrap
2022	* Recovery of rhodium from rhodium acetate materials
2023	* Recycling of valuable metals from waste batteries - Cobalt (Co)

## II. Outline of the business plan for the current year (2024)

### (I) Operating guidelines and Operating strategies

#### 1. Operating guidelines:

The Company upholds the business philosophy of "technology first, quality first, service first", and the three major operational principles of resource assurance, resource recycling, and resource utilization. It forges alliances with the technology industry to jointly create a new vision for the "green technology industry".

#### 2. Operating strategies: Upgrade, control, create, customer relationship maintenance, and building Brand Awareness

- (1) Upgrade: Refine existing gold, copper and rhodium refining technology, develop new product metal Cobalt and new energy automobile batteries recovery technology.
- (2) Control: Strictly control metal price fluctuation risk and exchange risk.
- (3) Create: Follow market trends and actively develop related products to expand the Company's product portfolio and reduce the impact of economic cycles on Company operations.
- (4) Customer relationship maintenance: By deepening customer relationships and accurately understanding their demands, the Company retains detailed records of the process and outcomes of addressing customer feedback, serving as a reference for providing customers with higher-quality services in the future.
- (5) Building Brand Awareness: By leveraging new channel development through cooperation or investment, the Company enhances its exposure, boosts customer brand awareness, and fosters greater feelings of security and trust among customers, thereby increasing collaboration opportunities. Establishing a successful, competitive brand can mitigate the impact of regional economic fluctuations or the operational risks posed by individual sales customers on the Company's operations

(II) Expected sales volume and its basis

The global demand for sustainable and clean energy continues to grow, with opportunities in the electric vehicle (EV) industry expanding. As the number of electric vehicles increases, the importance of green energy and energy storage technologies also grows. The use of renewable energy sources such as solar and wind power, as well as energy storage technologies, is closely linked to the EV market. Battery recycling for electric vehicles is one of the key aspects promoting sustainable development in EV technology. With the popularity of electric vehicles, effective battery recycling will play an increasingly important role in green and circular economies. Ensuring the environmentally friendly disposal of solar panels is also crucial for promoting solar power generation. Jiin Yeeh Ding Hsinchu Plant II is establishing a complete process for the disposal of waste solar panels and applying for patents in various countries. It is expected to be officially operational by the end of 2024, enabling the recovery of various materials from solar panels. The main materials in solar panels are approximately 75% glass, 10% aluminum, 10% EVA plastic, and other materials such as silicon, copper, and silver. Solar panels can withstand sunlight, wind, and rain for at least 20 years, indicating a high level of material quality that should be recycled and reused.

Another aspect, the International Energy Agency (IEA) estimated that global lithium battery production for automotive applications was 160GWh last year and will increase to 1,600GWh by 2030. It means that there is room for a tenfold growth in the global battery materials market. Jiin Yeeh Ding is deeply aware that the electric vehicle battery recycling business is a continuously expanding field. With the popularity of electric vehicles and technological advancements, the demand is steadily increasing. This business area includes the collection, processing, disassembly, and recycling of electric vehicle batteries to ensure the reuse of valuable materials in the batteries while reducing environmental impact. Before venturing into the electric vehicle battery recycling business, understanding market demand and trends is key. Establishing partnerships with electric vehicle manufacturers, battery producers, and government agencies can help ensure a stable supply and enhance the sustainability of the business. We are actively seeking battery processing plants as strategic partners to achieve greater value through collaborative efforts, risk sharing, and resource integration, thereby gaining a competitive advantage.

(III) Important production and marketing policies

1. Focus on the core business:
  - (1) Avoid non-hedge derivatives trading.
  - (2) Expand deployment in household electronic waste and waste solar panel recycling.
2. Lean operations:
  - (1) Reduce the inventory of raw materials and increase the speed of destocking.
  - (2) Optimize work flow.
3. Creating value:
  - (1) Develop new markets for existing products.
  - (2) Expand the recycling value chain of the existing recycling industry.
  - (3) We are diversifying the development of new products and new recycling technologies to broaden the Company's product range.

### **III. Future Development Strategy of the Company**

The business plan of the Company for 2024 is organized into five major development axes:

- 1.The ongoing construction of Jiin Yeeh Ding Hsinchu Plant No. 2 is expected to be completed by the end of 2024, which will increase revenue from the processing of Class A mixed hardware waste (including waste small appliances and waste solar panels).
- 2.We are establishing a complete process for the treatment of waste solar panels and applying for patents in various countries to penetrate the waste solar panel recycling market in the United States.
- 3.Work on the market access and recycling of electronic waste and hardware waste in Southeast Asia.
- 4.We are observing the mainstream direction and composition of battery manufacturing, and strategically allying with battery processing plants to expand the electronic waste treatment market.
- 5.Invest in green power and join the RE 10x10 renewable energy initiative to meet our commitment of using 10% renewable electricity by 2025.

### **IV. Influence of the External Competitive Environment, the legal environment, and the Overall Business Environment**

#### **(I) Competitive advantages of JYD:**

1. Environmental pollution directly and indirectly affects a country's overall image and competitiveness. With the continuous revision of the domestic Waste Disposal Act and the Resource Recycling Act, the government has become increasingly stringent in the formulation of environmental protection laws and regulations and has spared no effort to combat lawlessness. In addition, it is difficult to obtain acquisition and handling licenses for special purpose land use for waste clearance (processing) agencies. This makes the Company strongly competitive in the market.
2. The Company has abundant experience in clearing and disposing of industrial waste. Among the licensed Grade A processing institutions nationwide in Taiwan. There are only three companies that specialize in solid waste metal recovery and are listed on the TSE: Jiin Yeeh Ding, Super Dragon, and Solar Applied Materials. Jiin Yeeh Ding is a leader in waste processing volume and enjoys an outstanding reputation in the industry.
3. The Company is the only listed firm among classified participants in the domestic solar panel recycling industry. We can clear and dispose of "D-2528 solar panels discarded after use", making us the preferred manufacturer for the Taiwan Photovoltaic Industry Association. The Xibin Plant II is currently under construction and will increase production capacity after completion. We expect the Plant to create, generate profits and growth for JYD in the future.

- (II) The Company's daily operations are handled in accordance with the relevant domestic and foreign laws and regulations, and we pay constant attention to the development trend of domestic and foreign policies and regulatory changes, collect relevant information to provide for management decision-making reference, and consult with relevant professionals for the sake of immediate adjustments to the Company's operating strategy. In February 15, 2023, the President enacted the Climate Change Response Act, formally enshrining “Net Zero Emissions by 2050” into law. The Financial Supervisory Commission (FSC) also set a clear timetable for listed companies to complete carbon audits. Our Company has established a Sustainable Development Task Force in response. In the most recent year, the Company has not been affected by changes in important domestic and foreign policies and laws having an influence on the Company's financial business.
- (III) The emergence of green business opportunities has shifted the perception of “green” from a passive regulatory requirement to a critical competitive advantage affecting sales volume and brand image. Investing in and embracing these opportunities not only contributes to environmental preservation but also holds the potential for significant long-term economic returns. In light of the overall business landscape, Jiin Yeeh Ding is committed to supporting corporate sustainability through emission reduction and carbon offsetting, while also expanding our footprint in the recycling sector to capitalize on green business opportunities.

Jiin Yeeh Ding remains steadfast in our commitment to rewarding shareholders by sharing the Company's operational success through regular cash dividends. Moving forward, we will maintain our consistent execution capability, implement strategic initiatives, and fortify our competitive position. Lastly, we extend our sincere appreciation to all shareholders for their unwavering support and patronage over the years.

With sincere regards to all our shareholders  
We wish you all good health and all the best

Jiin Yeeh Ding Enterprise Corp.  
Chairperson: Chuang Ching-Chi  
President: Chuang Jui-Yuan

## Two. Company Profile

### I. Company Profile:

Jiin Yeeh Ding Corp., is a professional recycling and processing manufacturer for electronic waste. Founded on April 10, 1997, it was listed on the Taipei Exchange in May 2008. The Company is headquartered in Taiwan, and has invested in and set up factories in Hong Kong and in Jiangsu (China), so as to extend our reach outside of Taiwan and build a more complete business scope.

### II. Company History:

October 2023	Jiin Yeeh Ding obtained the gold certification: UL 2809 Gold Nugget contains 100% recycled content.
September 2023	Declaration of E-waste Responsible Recycling System R2v3 was obtained by Jiin Yeeh Ding.
September 2022	Jiin Yeeh Ding joined Greenpeace's RE10X10 green energy.
March 2022	Jiin Yeeh Ding obtained the greenhouse gas carbon inventory ISO 14064-3:2019 standard "DNV Statement of Verification".
March 2021	Passed the ISO 45001:2018 certification conducted by DNV GL Business Assurance.
December 2020	Jiin Yeeh Ding was selected by the Environmental Protection Administration as a Two-Star (the highest) award for "Circular Economy – Promoting High-Performance Enterprises for the Recycling of Recycled Materials" in the recycling group of the Environmental Protection Industry.
May 2020	In the "Survey of the Top 2000 Manufacturers" by CommonWealth Magazine, Jiin Yeeh Ding ranked 618th in the manufacturing industry and 36th in the metal products industry.
September 2019	Won the 2019 TOP 5000 Large Enterprise Ranking: Environmental Health and Pollution Prevention Service Industry 4th place awarded by China Credit Information Service.
May 2019	Won the "Manufacturing Industry-Top 2000 Survey" awarded by CommonWealth Magazine.
March 2018	JYD (Hong Kong) subsidiary passed the ISO 14001:2015 certification conducted by DNV GL Business Assurance.
March 2018	Passed the ISO 14001:2015 certification conducted by DNV GL Business Assurance.
September 2016	Passed the ISO 9001:2015 certification conducted by DNV GL Business Assurance.
April 2016	Passed the 2nd corporate governance assessment and was listed as ranking within the top 20% of companies.
August 2015	Won the "CSR Top 100" awarded by CommonWealth Magazine.
April 2015	Rated Level A in the 12th Information Disclosure Evaluation for Listed Companies.
April 2015	Passed the 1st corporate governance assessment and was listed as ranking within the top 20% of companies.

June 2014	Rated Level A in the 11th Information Disclosure Evaluation for Listed Companies.
February 2014	Won the 2013 "Deloitte Asia Pacific Technology Fast500".
February 2014	Won the 2013 China Cleaning Technology Top 20
June 2013	Rated Level A in the 10th Information Disclosure Evaluation for Listed Companies.
September 2012	Passed the gold product carbon footprint verification conducted by the DNV GL Business Assurance.
June 2012	Rated Level A in the 9th Information Disclosure Evaluation for Listed Companies.
April 2012	Indirectly invested in Yuan Rui Recycling Technology Co., Ltd., through GOLD FINANCE LIMITED.
March 2012	Indirectly invested in Jiin Yeeh Ding Hong Kong subsidiary through GOLD FINANCE LIMITED.
June 2011	Reinvested NTD50,000,000 in subsidiary Grand Tone Enterprise Co., Ltd.
June 2011	Rated Level A in the 8th Information Disclosure Evaluation for Listed Companies.
May 2011	Reinvested in Hong Kong Shing Jung Recycling Technology Co., Ltd., through GOLD FINANCE LIMITED and then invested in Lianyungang Rongding Metal Co., Ltd.
December 2010	Received the Certificate of CG6006 General Assessment for Corporate Governance System.
September 2010	Passed the ISO9001 positive evaluation conducted by DNV GL Business Assurance.
June 2010	Reinvested in Hong Kong Shing Jung Recycling Technology Co., Ltd., through GOLD FINANCE LIMITED and then invested in Lianyungang Rongding Metal Co., Ltd.
March 2010	Reinvested in Rongling Co., Ltd. through GOLD FINANCE LIMITED and reinvested in Taiding (Tianjin) Environmental Protection Technology Co., Ltd.
March 2010	Reinvested in Hong Kong Shing Jung Recycling Technology Co., Ltd., through GOLD FINANCE LIMITED and then invested in Lianyungang Rongding Metal Co., Ltd.
January 2010	Reinvested NTD50,000,000 in subsidiary Grand Tone Enterprise Co., Ltd.
January 2010	Reinvested in Hong Kong Shenzhou Environmental Protection Technology Co., Ltd., through GOLD FINANCE LIMITED and then invested in Zhejiang Kechao Electronic Materials Co., Ltd.
January 2010	Reinvested in Hong Kong Shenzhou Environmental Protection Technology Co., Ltd., through GOLD FINANCE LIMITED and then invested in Hangzhou Dazhou Material Recycling Co., Ltd.
December 2009	Won the "Excellence Award" for resource recycling companies with an outstanding resource recycling image issued by the Environmental Protection Bureau of Hsinchu City.
October 2009	JYD (Hong Kong) subsidiary passed ISO-14001 certification.

October 2009	Won the 18th National Award of Outstanding SMEs issued by the Small and Medium Enterprise Administration of the Ministry of Economic Affairs.
May 2009	Won the 12th Golden Peak Award issued by the Outstanding Enterprise Manager Association.
August 2008	Reinvested in the Jiin Yeeh Ding Hong Kong subsidiary through GOLD FINANCE LIMITED and invested in Lianyungang Rongding Metal Co., Ltd.
May 2008	Officially listed on the Taipei Exchange.
October 2007	Indirectly invested in the Jiin Yeeh Ding Hong Kong subsidiary through GOLD FINANCE LIMITED.
July 2007	The Jiin Yeeh Ding Kaohsiung Office obtained a Class A clearance license.
December 2006	Invested in Grand Tone Enterprise Co., Ltd.
March 2006	Jiin Yeeh Ding Nangang Plant passed the OHSAS18001 positive evaluation conducted by DNV GL Business Assurance.
March 2006	Jiin Yeeh Ding Nangang Plant passed the ISO14001 positive evaluation conducted by DNV GL Business Assurance.
September 2005	Jiin Yeeh Ding Nangang Plant obtained Class A processing license.
March 2005	Approved as a listed company on the emerging stock market.
March 2005	Jiin Yeeh Ding Nangang Plant obtained establishment license.
October 2004	Established a branch office in Kaohsiung.
July 2004	Became a public offering company.
November 2003	Passed the OHSAS 18001 positive evaluation conducted by the DNV GL Business Assurance.
October 2003	Acquired approximately 2,200 pings of land in the Nangang section of Hsinchu City, and completed the change of use for the land for environmental protection purposes.
May 2003	Obtained the approval letter of Compliance with Emerging Strategic Industries issued by the Industrial Development Bureau.
April 2003	Won the Golden Torch Award for excellent achievement issued by the Outstanding Enterprise Manager Association.
July 2002	Obtained the 1st Category Class A Waste Treatment Agency operation change license issued by the Environmental Protection Administration, Executive Yuan, and merged the clearance license into a processing license.
April 2002	Extension of the 1st Category Class A Waste Treatment Agency operation license was approved by the Environmental Protection Administration, Executive Yuan.
March 2001	Obtained the 1st Category Class A Waste Treatment Agency establishment change license issued by the Environmental Protection Administration, Executive Yuan, and added an electrolysis system to treat the electroplating aging solution and perform precious metal recovery.
November 2000	Obtained the 1st Category Class A Waste Treatment Agency clearance license issued by the Environmental Protection Administration, Executive Yuan.

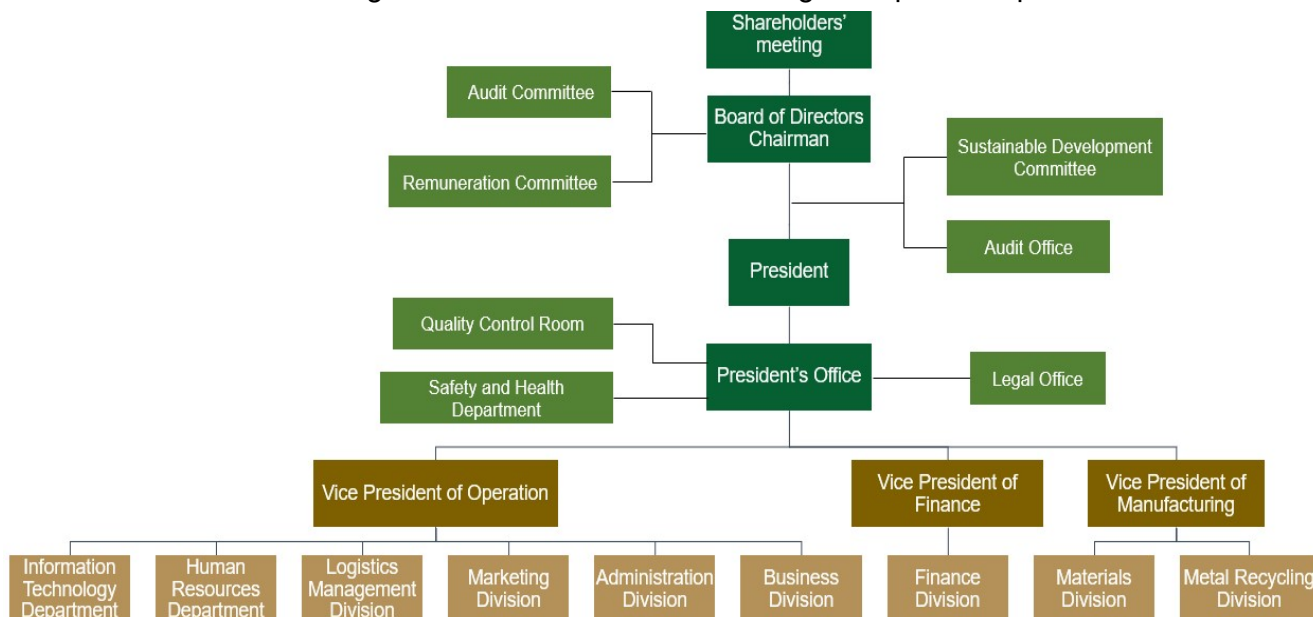
May 2000	Obtained the 1st Category Class A Waste Treatment Agency operation license issued by the Environmental Protection Administration, Executive Yuan, and officially started the business of handling industrial waste.
March 2000	Passed the ISO 14001 positive evaluation conducted by the DNV GL Business Assurance.
April 1999	Passed the trial operation and on-site audit of the 1st Category Class A Waste Treatment Agency conducted by the Environmental Protection Administration, Executive Yuan.
June 1998	Obtained the 1st Category Class A Waste Treatment Agency establishment license from the Environmental Protection Administration, Executive Yuan.
May 1997	The Ministry of Economic Affairs approved the establishment and registration of Jiin Yeeh Ding Enterprise Corp.

## Three. Corporate Governance Report

### I. Organizational System

#### 1.1 Organizational structure:

Organization chart of Jiin Yeeh Ding Enterprise Corp.



#### 1.2 Business operations of each major department:

Department	Business operations
President	(1) Operate and manage the Company at the behest of the Board of Directors. (2) Approve the organizational structure of the Company. (3) Promulgate the Company's business philosophy, corporate mission, corporate code and corporate policy. (4) Set the Company's business strategy and business objectives. (5) Management and training of senior management personnel. (6) Planning of each management policy, system, and project.
Audit Office	Responsible for performing the Company's internal audit operations and assessing the soundness, reasonableness and effectiveness of internal controls and tracking whether they continue to operate effectively, and issuing suggestions for improvement.
Quality Control Room	(1) Responsible for incoming inspection, certification, quality assurance of the treatment process, and other operations. (2) Research, tracking, and formulation of countermeasures for quality abnormalities. (3) Responsible for the implementation of product quality plan, supervise quality assurance and requirements, and improve product quality related business.
Legal Office	(1) Signing and review of Company contracts. (2) Handle legal professional issues related to the operation of the Company, cooperating with the legal affairs department and the Company's legal counsel in the provision of consulting services.

Department	Business operations
Safety and Health Department	<ul style="list-style-type: none"> <li>(1) Declarations of waste removal and treatment operations to the Environmental Protection Administration and environmental protection bureaus.</li> <li>(2) Clearance and processing license changes, extension applications, etc.</li> <li>(3) All work related to the prevention and control of pollution sources such as wastewater, exhaust gas, and waste.</li> <li>(4) Promotion and maintenance of ISO business.</li> </ul>
Metal Recycling Division	<p>Recycling Department:</p> <ul style="list-style-type: none"> <li>(1) Prepare and implement each production processing plan.</li> <li>(2) Responsible for the maintenance and supplementation of related equipment in the treatment plant.</li> <li>(3) In charge of the planning, guidance and further improvement of the treatment process of the treatment plant.</li> <li>(4) Responsible for the education and training for use of equipment, pre-employment training, and other related business.</li> </ul> <p>Precious Metals Department:</p> <ul style="list-style-type: none"> <li>(1) Responsible for the management, maintenance and pollution prevention, and other related chemical product business.</li> <li>(2) Responsible for the education and training for use of equipment, pre-employment training, and other related business.</li> <li>(3) Responsible for the analysis of waste samples and the refining of precious metals.</li> <li>(4) In charge of metal recovery quality purification and improvement and other related business.</li> </ul> <p>Research and Development Department:</p> <ul style="list-style-type: none"> <li>(1) Research and development of industrial material recycling and manufacturing.</li> <li>(2) Research and development of industrial waste treatment.</li> <li>(3) Research and development of waste treatment equipment and resource recycling</li> <li>(4) Research and development of new methods for improving efficiency of process materials.</li> </ul>
Materials Division	<ul style="list-style-type: none"> <li>(1) Oversee materials sorting, placement in and out of warehouses after production, storage, inventory and other services.</li> <li>(2) Loading of materials in containers and shipping.</li> <li>(3) Treasury and inventory management.</li> </ul>
Business Division	<ul style="list-style-type: none"> <li>(1) Responsible for the collection and feedback of market intelligence and the formulation of business policies.</li> <li>(2) Responsible for credit investigations of raw material suppliers, raw material price analysis, quotations, and internal and external raw material supply connections.</li> <li>(3) Oversee the development of new raw material suppliers.</li> <li>(4) Raw material inquiries, negotiation, and other services.</li> </ul>

Department	Business operations
Finance Division	<p>Finance Department:</p> <ol style="list-style-type: none"> <li>(1) Cash receipts and expenditures as well as custody matters.</li> <li>(2) Verification, signing, registration, custody, and handling of bills receivable.</li> <li>(3) Bank deposit scheduling and check issuance for each payment.</li> <li>(4) Financial institution loan quota applications, contact and foreign exchange business processing matters.</li> </ol> <p>Accounting Department:</p> <ol style="list-style-type: none"> <li>(1) Review of receipts and expenditure vouchers and tax accounting.</li> <li>(2) Accounting transactions and preparation of accounting reports.</li> <li>(3) Compilation of the Company's revenue and expenditure budget, operating profit and loss, and annual final accounts.</li> <li>(4) Issuance of customer invoices and collection of payments.</li> <li>(5) Fixed asset depreciation calculations.</li> <li>(6) Compilation matters for bank reconciliations.</li> <li>(7) Upload and release of material information to the public.</li> <li>(8) Convening of shareholders' meetings, compilation of the proceedings manual and the minutes of proceedings.</li> <li>(9) Contact with the company's stock operations.</li> </ol>
Administration Division	<p>Management Department:</p> <ol style="list-style-type: none"> <li>(1) Acquisition, repair, and management of fixed assets.</li> <li>(2) Shipment operation processing, order processing, delivery control, and insurance processing.</li> <li>(3) Purchase manufacturers' product inquiry, negotiation, and payment request operations.</li> </ol> <p>Customer Service Department:</p> <ol style="list-style-type: none"> <li>(1) Manage product sales, customer communication, timely online declarations, and other business.</li> <li>(2) Responsible for vehicle control, service quality, and other business.</li> <li>(3) Arrangement and declaration of clearance affairs.</li> <li>(4) Customer order management, contract management, quotation management, timely verification and reporting to competent authorities, and other business.</li> <li>(5) Provision of timely customer information and business information collation and analysis.</li> <li>(6) Operation of customs declarations for scrapped bonded goods.</li> </ol>
Marketing Division	<ol style="list-style-type: none"> <li>(1) Responsible for the collection and feedback of market intelligence and the formulation of business policies.</li> <li>(2) Responsible for customer credit investigation, product price analysis, quotation and production, and internal and external marketing contacts.</li> <li>(3) Manage new customers development.</li> <li>(4) Product inquiry, negotiation, and other services.</li> <li>(5) Development of international markets.</li> </ol>

Department	Business operations
Logistics Management Division	<p>Clean-up and Transport Department:</p> <ol style="list-style-type: none"> <li>(1) Oversee the allocation of all vehicle operations, clean-up, transportation, scrapping and related businesses.</li> <li>(2) Safety training for all operators of vehicles and heavy machinery and related maintenance, repairs, inventory and management.</li> <li>(3) Responsible for the training of all personnel working in other businesses and institutions for projecting a professional image.</li> <li>(4) Management, coordination and safe transport driving training for cleaning personnel when transporting materials.</li> <li>(5) Customer-end scrapping of defective products and other related businesses.</li> <li>(6) Cooperate with businesses and institutions in crushing and pulverizing defective products with heavy machinery.</li> <li>(7) Safety training for all operators of crushing and pulverizing operations with heavy machinery and related equipment maintenance and management.</li> <li>(8) Tool box meetings, training for the safe use of tools and communication of regulations of each plant before businesses and institutions carry out scrapping operations.</li> </ol> <p>Material Management Department:</p> <ol style="list-style-type: none"> <li>(1) Management, coordination, sorting, and classification after materials are returned to plants, placement in and out of warehouses after production, storage, inventory and other services.</li> <li>(2) Confirmation of materials classification and output and employee training.</li> <li>(3) Set and execute the materials handling classification plan of each business or institution back to the plant and manage personnel assignments.</li> <li>(4) Maintenance and supplementation of tools, consumables and related equipment.</li> </ol>
Human Resources Department	<ol style="list-style-type: none"> <li>(1) Responsible for matters related to personnel, documents, general affairs and various welfare items.</li> <li>(2) Handling of employee appointment and dismissal, promotion, retirement, pension, leave, insurance, and other procedures.</li> <li>(3) Compiling statistics on attendance and absences, calculation of salary and bonus</li> <li>(4) Human resources planning for recruitment, employment, labor relations, welfare, and training and development.</li> </ol>
Information Technology Department	<ol style="list-style-type: none"> <li>(1) Overall information system planning and evaluation.</li> <li>(2) Server maintenance and management.</li> <li>(3) Responsible for the coordination of internal and external business of information units.</li> <li>(4) Planning, establishment and promotion of the Company's information system and the establishment and management of information platforms.</li> <li>(5) Control, management, and maintenance of information system input and output.</li> <li>(6) Training and consulting for computer users.</li> </ol>

## II. Directors and key managers

### 2.1 Director information:

April 28,2024; Units: Shares

Job Title	Nationally or Place of Registration	Name	Gender Age	Date appointed	Term of office	Date first appointed	Shares held at the time of appointment		Number of shares currently held		Number of shares currently held by spouse and minor children		Shares held by proxy		Principal Experience (Education)	Office(s) concurrently held in the Company and in other companies	Spouse or relatives within the second degree of kinship or closer acting as other supervisors, directors, or supervisors		
							Shares	Percentage of ownership	Shares	Percentage of ownership	Shares	Percentage of ownership	Shares	Percentage of ownership			Title	Name	Relationship
Chairperson	Republic of China	Yeeh Ding Corp.	—	06/27/2022	3	06/13/2007	14,659,277	12.22%	11,727,421	12.20%	—	—	—	—	None	None	None	None	None
		Representative: Chuang, Ching-Chi	Male 81~90	06/27/2022	3	04/10/1997	2,318,610	1.93%	1,854,888	1.93%	—	—	—	—	Graduate of the Department of Chemical Engineering of Hualien Vocational High School; Chief Foreman of Taiwan Fertilizer Company Hsinchu Plant; Director, Taiwan Province Waste Removal Association; 1st and 2nd term Chairperson of the Hsinchu City Waste Removal Association; Member, Hsinchu City Industrial Development and Investment Promotion Association; Chairperson, Taiding (Tianjin) Environmental Protection Technology Co. Chairperson, Lianyungang Rongding Metal Co., Ltd.	Chairperson of the Company; Director, Yeeh Ding Corp; Director, Herui Investment Co., Ltd;	Director	Chuang Jui-Yuan	Father and son
																	Director	Chuang Jui-Chin	Father and daughter
																	None	None	None
Director	Republic of China	Chuang, Jui-Yuan	Male 51~60	06/27/2022	3	04/10/1997	6,654,892	5.55%	5,323,913	5.54%	16,000	0.02%	—	—	Graduate of the Department of Physics, Fu Jen Catholic University; Deputy President, Grand Tone Enterprise Co., Ltd; Supervisor, Geneaid Biotech Ltd; Director, Taiding (Tianjin) Environmental Protection Technology Co., Ltd.	President of the Company; President of Grand Tone Enterprise Co., Ltd; Chairperson of Yuanlong Investment Co., Ltd; Director, Yeeh Ding Corp; Director, Herui Investment Co., Ltd; Director, Chungtai Resources Technology Corp; Director, Su Fong Enterprise Co., Ltd.	Chairperson	Chuang Ching-Chi	Father and son
																Director	Chuang Jui-Chin	Sibling	

Job Title	Nationality or Place of Registration	Name	Gender Age	Date appointed	Term of office	Date first appointed	Shares held at the time of appointment		Number of shares currently held		Number of shares currently held by spouse and minor children		Shares held by proxy		Principal Experience (Education)	Office(s) concurrently held in the Company and in other companies	Spouse or relatives within the second degree of kinship or closer acting as other supervisors, directors, or supervisors		
							Shares	Percentage of ownership	Shares	Percentage of ownership	Shares	Percentage of ownership	Shares	Percentage of ownership			Title	Name	Relationship
Director	Republic of China	Huang, Jih-Tung	Male 61~70	06/27/2022	3	06/27/2022	3,501,000	2.92%	1,400,800	1.46%	—	—	1,400,000	1.46%	Graduated from Civil Engineering, Nanya Institute of Technology Supervisor, jazz hipster corporation	Chairman ,Dafu Environmental Protection Technology Co. Ltd. ; Director, Fortune Famous Investment Limited Supervisor, Zilltek Technology Corp.	None	None	None
Director	Republic of China	Peng, Cheng-Pin	Male 51~60	06/27/2022	3	06/27/2022	489,594	0.41%	553,783	0.58%	—	—	—	—	Materials Section, Department of Mechanical Engineering, Ta Hwa University of Science and Technology General Manager, Hung Chiao construction Principal, Hung Chiao building Principal, Kindom Automobile President, HCVS Parents' meeting	None	None	None	None
Director	Republic of China	Chuang, Jui-Chin	Female 51~60	06/27/2022	3	07/30/2002	5,039,098	4.20%	4,031,278	4.19%	—	—	—	—	MBA of University of California; Finance Manager, Dongfanglong Chinese Medicine Co., Ltd. Director, Lianyungang Rongding Metal Co., Ltd;	Vice President of Management of the Company; Deputy President of Grand Tone Enterprise Co., Ltd; Chairperson of Yeeh Ding Corp; Chairperson of Herui Investment Co., Ltd; Chairperson of Mingrui Co., Ltd.	Chairpe rson	Chuang Ching-Chi	Father and daughter
																	Director	Chuang Jui-Yuan	Sibling

Job Title	Nationality or Place of Registration	Name	Gender Age	Date appointed	Term of office	Date first appointed	Shares held at the time of appointment		Number of shares currently held		Number of shares currently held by spouse and minor children		Shares held by proxy		Principal Experience (Education)	Office(s) concurrently held in the Company and in other companies	Spouse or relatives within the second degree of kinship or closer acting as other supervisors, directors, or supervisors		
							Shares	Percentage of ownership	Shares	Percentage of ownership	Shares	Percentage of ownership	Shares	Percentage of ownership			Title	Name	Relationship
Director	Republic of China	Cheng, Kuang-Chieh	Male 51~60	06/27/2022	3	06/17/2013	—	—	—	—	—	—	—	—	EMBA, Department of Business Administration, National Taipei University of Technology; Director, Xinji Engineering Consulting Co., Ltd; Legislative Assistant, Legislative Yuan; Chairperson, Binghua Health and Welfare Affairs Co., Ltd; Director, Hwa Chih Glass Corporation; Executive Director of the Taiwan Resource Recycling Industries Association; Executive Director of the United Manufacturers Association of the Science and Technology Datan Industrial Zone of Taoyuan County; Director, Chinese Correctional Association; President, China Electric Mfg. Corp; Supervisor, Association of Industrial Relation, R.O.C; Chairperson of Chase Sustainability Technology Co., Ltd; Chairperson, Amoeba Co., Ltd. Chairperson, Zhejiang Taiwei Environmental Technology Co., Ltd;	Chairperson, Chung Tai Resource Technology Corp.; Chairperson, Smoking Environmentally Friendly Corp. ; Director, Chase Sustainability Technology Co., Ltd; Director, Keningwei Energy Co., Ltd; Supervisor, Top-Comment Resources Company Limited	None	None	None
Independent director	Republic of China	Chuang, Chin-Te	Male 61~70	06/27/2022	3	06/22/2004	—	—	—	—	—	—	—	—	Graduate of the Comprehensive Business Department of Yu Da High School of Commerce and Home Economics; Associate Manager, Hsinchu First Credit Cooperative; President of Hsinchu First Credit Cooperative	None	None	None	None

Job Title	Nationality or Place of Registration	Name	Gender Age	Date appointed	Term of office	Date first appointed	Shares held at the time of appointment		Number of shares currently held		Number of shares currently held by spouse and minor children		Shares held by proxy		Principal Experience (Education)	Office(s) concurrently held in the Company and in other companies	Spouse or relatives within the second degree of kinship or closer acting as other supervisors, directors, or supervisors		
							Shares	Percentage of ownership	Shares	Percentage of ownership	Shares	Percentage of ownership	Shares	Percentage of ownership			Title	Name	Relationship
Independent director	Republic of China	Lin, Jung-Yi	Male 41~50	06/27/2022	3	06/27/2022	—	—	—	—	—	—	—	—	Law Department, Fu Jen Catholic University Institute of Law, NCCU Prosecutor, Xinbei District Court	Presiding Lawyer, Hengsheng Lawfirm Director, Kinmen Kaoliang Liquor Inc. Director, Taiwan Sports Lottery Co., Ltd Director, Hold Jinn Electronics Co., Ltd. Director, Max Zipper Co., Ltd. Independent Director, Taihan Precision Technology Co., Ltd.	None	None	None
Independent director	Republic of China	Peng, Hsien-Chung	Male 51~60	06/27/2022	3	06/27/2022	—	—	—	—	—	—	—	—	Doctor, Economic Law, Tianjin Nankai University MBA, Royal University of Canada Master, NYCU, Industrial Disaster Prevention Department of Mechanics, Taiwan Tech Department of Mechanics, Taipei Tech Independent Administrative Institution Japan Student Services Organization Alderman, Hsinchu City Council Manager, Kezhan Industrial Company Yutai Fire Technician Office Director, Japanese Business Taiwan Electric Materials Corporation	Legal Counsel, Sungreen Energy Technology Corp. Director, 3i Agriculture Technology, Ltd.	None	None	None
Independent director	Republic of China	Wang, Hsin-Fa	Male 51~60	06/27/2022	3	06/27/2022	—	—	—	—	—	—	—	—	Department of Pharmacy, Taipei Medical University EMBA Master On-the-Job Postgraduate, Taiwan Tech President, Ningbo Xianghaolaibao Metal Industry Co., Ltd.	Chairman, Seehigh Biotech Co., Ltd.	None	None	None

Job Title	Nationality or Place of Registration	Name	Gender Age	Date appointed	Term of office	Date first appointed	Shares held at the time of appointment		Number of shares currently held		Number of shares currently held by spouse and minor children		Shares held by proxy		Principal Experience (Education)	Office(s) concurrently held in the Company and in other companies	Spouse or relatives within the second degree of kinship or closer acting as other supervisors, directors, or supervisors		
							Shares	Percentage of ownership	Shares	Percentage of ownership	Shares	Percentage of ownership	Shares	Percentage of ownership			Title	Name	Relationship

Note: Director Mr. Cheng, Kuang-Chieh was dismissed on August 14, 2023.

If the Chairperson of the Board of Directors and the President or equivalent position (the top manager) are the same person, or spouse or relative within one degree of kinship to the other, then explain the reasons, rationality, necessity, and relevant information of the corresponding measures:

The position of the Chairperson of the Board of Directors of the Company is responsible for the Board's setting of all the strategic objectives of the Company. Meanwhile, the President is responsible for the planning and management of the Company's daily operations, plans the sustainable operation and strategic development of the business, and leads the management team to report to the Board of Directors. There is thus a clear division between the powers of the Chairperson and the President. At the same time, a majority of the directors of the Company do not have employee or manager status, strengthening the independence of the Board of Directors.

## 2.2 Corporate shareholders

### 2.2.1 Major shareholders of corporate shareholders:

Name of corporate shareholder	Major shareholder of corporate shareholder
Yeesh Ding Corp.	Chuang, Jui-Chin (47.4%), Chuang, Jui-Yuan (31.6%), Chuang, Ching-Chi (10.5%), Chuang, Jui-Lung (10.5%)

2.2.2 If the major shareholder of a corporate shareholder is a corporate shareholder, its major shareholder: None.

### 2.3 Disclosure of information on the professional qualifications of directors and the independence of independent directors:

Condition Name	Professional qualifications and experience	Independence (Note1)	Number of other public companies where he/she/it serves as an independent director
Representative, Yeesh Ding Corp: Chuang, Ching-Chi	<ol style="list-style-type: none"> <li>Chairperson of the Board of Directors of the Company.</li> <li>Mr. Chuang, Ching-Chi serves as Chairperson of the Company and concurrently as Director of Yeesh Ding Corp., Director of Herui Investment Co., Ltd., and as a director of several other companies.</li> <li>Mr. Chuang, Ching-Chi is proficient in leadership, operational judgment, operational management, crisis management, industry knowledge, international markets, and other professional capabilities. The company will continue to rely on Mr. Chuang, Ching-Chi's expertise in making major decisions on the Board of Directors alongside other directors so that the Company can move towards improved development and the achievement of the goal of sustainable development.</li> </ol>	As relationships between directors fall within the second degree of kinship, the Company therefore allocates seats for four independent directors.	0
Chuang, Jui-Yuan	<ol style="list-style-type: none"> <li>President of the Company.</li> <li>Mr. Chuang, Jui-Yuan serves as Director of the Company and concurrently as Chairperson of</li> </ol>		0

<div>Condition</div> <div>Name</div>	Professional qualifications and experience	Independence (Note1)	Number of other public companies where he/she/it serves as an independent director
	<p>Yuanlong Investment Co., Ltd., Director of Chungtai Resources Technology Corp., Director of Su Fong Enterprise Co., Ltd., and as a director of several other companies.</p> <p>3. Mr. Chuang, Jui-Yuan is proficient in leadership, operational judgment, operational management, crisis management, industry knowledge, international markets, and other professional capabilities. The company will continue to rely on Mr. Chuang, Jui-Yuan's expertise in making major decisions on the Board of Directors alongside other directors so that the Company can move towards improved development and the achievement of the goal of sustainable development.</p>	As relationships between directors fall within the second degree of kinship, the Company therefore allocates seats for four independent directors.	
Chuang, Jui-Chin	<p>1. Vice President of Operation and Corporate Governance Officer of the Company.</p> <p>2. Ms. Chuang, Jui-Chin serves as Director of the Company and concurrently as Chairperson of Yeeh Ding Corp., Chairperson of Herui Investment Co., Ltd., Chairperson of Mingrui Co., Ltd., and as a director of several other companies.</p> <p>3. Ms. Chuang, Jui-Chin is proficient in leadership, operational judgment, operational management, crisis management, industry knowledge, international markets, and other professional</p>		0

Name \ Condition	Professional qualifications and experience	Independence (Note1)	Number of other public companies where he/she/it serves as an independent director
	capabilities. The company will continue to rely on Ms. Chuang, Jui-Chin's expertise in making major decisions on the Board of Directors alongside other directors so that the Company can move towards improved development and the achievement of the goal of sustainable development.		
Huang, Jih-Tung	<ol style="list-style-type: none"> <li>1. Director of the Company.</li> <li>2. Mr. Huang, Jih-Tung serves as a Director of the Company and concurrently as Chairperson of Dafu Environmental Protection Technology Co. Ltd, Director of Fortune Famous Investment Limited.</li> <li>3. Mr. Huang, Jih-Tung is proficient in leadership, operational judgment, operational management, crisis management, decision-making abilities, and other professional capabilities, and has contributed to environmental protection and public welfare. The Company will continue to rely on Mr. Huang, Jih-Tung's expertise in making major decisions on the Board of Directors alongside other directors so that the Company can move towards improved development and the achievement of the goal of sustainable development.</li> </ol>	There is no relationship between spouses or relatives within the second degree of kinship among directors.	0
Peng, Cheng-Pin	<ol style="list-style-type: none"> <li>1. Director of the Company.</li> <li>2. Mr. Peng, Cheng-Pin serves as a Director of the Company, and possesses operational judgment, operational management, crisis</li> </ol>		0

<div>Condition</div> <div>Name</div>	Professional qualifications and experience	Independence (Note1)	Number of other public companies where he/she/it serves as an independent director
	<p>management, and has contributed to environmental protection and public welfare. The Company will continue to rely on Mr. Peng, Cheng-Pin's expertise in making major decisions on the Board of Directors alongside other directors so that the Company can move towards improved development and the achievement of the goal of sustainable development.</p>	<p>There is no relationship between spouses or relatives within the second degree of kinship among directors.</p>	
Cheng, Kuang-Chieh(Note2)	<ol style="list-style-type: none"> <li>1. Director of the Company.</li> <li>2. Mr. Cheng, Kuang-Chieh serves as a Director of the Company and concurrently as Chairperson of Chung Tai Resource Technology Corp., Chairperson, Smoking Environmentally Friendly Corp., and as a director of several other companies.</li> <li>3. Mr. Cheng, Kuang-Chieh is proficient in leadership, operational judgment, operational management, decision-making abilities, crisis management, industry knowledge, international markets, and other professional capabilities. During his tenure as a Director of the Company, he has provided appropriate advice and guidance on the Company's audits and financial and operational analysis as we take advantage of the expertise of Mr. Cheng, Kuang-Chieh in his continued supervision of the Company's operations.</li> </ol>		0

<div>Condition</div> <div>Name</div>	Professional qualifications and experience	Independence (Note1)	Number of other public companies where he/she/it serves as an independent director
Chuang, Chin-Te	<ol style="list-style-type: none"> <li>1. Independent Director of the Company, presiding chair of the Audit Committee and member of the Remuneration Committee.</li> <li>2. Mr. Chuang, Chin-Te serves as an Independent Director of the Company, and possesses abundant experience in accounting, operational management, decision-making abilities, analytical ability, corporate sustainability, and other professional capabilities. During his tenure as an Independent Director of the Company, he has provided appropriate advice and guidance on the Company's audits and financial and operational analysis as we take advantage of the expertise of Mr. Chuang, Chin-Te in his continued supervision of the Company's operations.</li> </ol>	<p>The four directors listed on the left:</p> <ol style="list-style-type: none"> <li>1. All have the qualifications of independence of independent directors.</li> <li>2. Fully compliant with the status of independence:</li> </ol> <p>(1) Self, spouse, and relatives within the second degree of kinship do not serve as directors, supervisors, or employees of the Company or its affiliated companies;</p>	0
Lin, Jung-Yi	<ol style="list-style-type: none"> <li>1. Independent Director of the Company, member of the Audit Committee and member of the Remuneration Committee.</li> <li>2. Mr. Lin, Jung-Yi serves as an Independent Director of the Company and concurrently as Presiding Lawyer, Hengsheng Lawfirm ,an Independent Director of Taihan Precision Technology Co., Ltd.</li> <li>3. Mr. Lin, Jung-Yi is proficient in leadership, operational judgment, operational management, decision-making abilities, crisis management, industry knowledge, international markets, and other professional</li> </ol>	<p>(2) Self, spouse, or relatives within the second degree of kinship do not hold any shares of the Company;</p> <p>3. Not serving in the position of director, supervisor, or employee of a company that has a specified relationship with the Company (in reference to Article 6,</p>	3

Condition Name	Professional qualifications and experience	Independence (Note1)	Number of other public companies where he/she/it serves as an independent director
	capabilities. During his tenure as an Independent Director of the Company, he has provided appropriate advice and guidance on the Company's audits and financial and operational analysis as we take advantage of the expertise of Mr. Lin, Jung-Yi in his continued supervision of the Company's operations.	Paragraph 1, Subparagraphs 5-8 of the Regulations Governing the Appointment and Exercise of Powers by the Remuneration Committee of a Company	
Wang, Hsin-Fa	<ol style="list-style-type: none"> <li>Independent Director of the Company, presiding chair of the Remuneration and member of the Audit Committee Committee.</li> <li>Mr. Wang, Hsin-Fa serves as an Independent Director of the Company and concurrently as Chairperson of Seehigh Biotech Co., Ltd.</li> <li>Mr. Wang, Hsin-Fa is proficient in leadership, operational judgment, operational management, decision-making abilities, crisis management, industry knowledge, international markets, and other professional capabilities. During his tenure as an Independent Director of the Company, he has provided appropriate advice and guidance on the Company's audits and financial and operational analysis as we take advantage of the expertise of Mr. Wang, Hsin-Fa in his continued supervision of the Company's operations.</li> </ol>	(4) There has been no amount of remuneration for providing business, legal, financial, accounting, and other services to the Company or its affiliates in the last two years.	0
Peng, Hsien-Chung	<ol style="list-style-type: none"> <li>Independent Director of the Company, member of the Remuneration and member of the Audit Committee Committee.</li> </ol>		0

Condition Name	Professional qualifications and experience	Independence (Note1)	Number of other public companies where he/she/it serves as an independent director
	<p>2. Mr. Peng, Hsien-Chung serves as an Independent Director of the Company and concurrently as Legal Counsel of Sungreen Energy Technology Corp. , a Director, 3I Agriculture Technology, Ltd.</p> <p>3. Mr. Peng, Hsien-Chung possesses decision-making abilities, operational management, decision-making abilities, crisis management, industry knowledge, international markets, environmental protection, and other professional capabilities. During his tenure as an Independent Director of the Company, he has provided appropriate advice and guidance on the Company's audits and financial and operational analysis as we take advantage of the expertise of Mr. Peng, Hsien-Chung in his continued supervision of the Company's operations.</p>		

Note1: None of the directors of the Company have any of conditions stipulated under Article 30 of the Company Act.

Note2: Director Mr. Cheng, Kuang-Chieh was dismissed on August 14, 2023.

## 2.4 Diversity policy and independence of the Board of Directors

### 2.4.1 Board diversity:

1. The composition of the Board of Directors of the Company is determined by taking diversity into consideration, and in addition to the fact that directors who are also the managers of the Company should not account for more than one third of directors' seats, we further formulate an appropriate policy on diversity based on the company's business operations, operating dynamics, and development needs. It is advisable that the policy include, without being limited to, the following two general standards:
  - (1) Basic conditions and values: Gender, age, nationality and culture, and so on.
  - (2) Professional knowledge and skills: A professional background (e.g., law, accounting, industry, finance, marketing, technology), professional skills, and industry experience.
2. Each board member shall have the necessary knowledge, skill, and experience to perform their duties. In order to achieve the ideal goals of corporate governance, the Board of Directors as a whole should have the following capabilities:
  - (1) The ability to make judgments about operations.
  - (2) Accounting and financial analysis ability.
  - (3) Business management ability.
  - (4) Crisis management ability.
  - (5) Knowledge of the industry.
  - (6) An international market perspective.
  - (7) Leadership ability.
  - (8) Decision-making abilities.
3. The Board of Directors of the Company is composed of nine directors with abundant experience and expertise in the fields of accounting, finance, and international markets to achieve an ideal objective of corporate governance.
4. The proportion of directors with employee status in the Company is 22%. The proportion of independent directors is 44%. The proportion of female directors is 11 %. The term of office of three independent directors are less than 10 years, while the terms of office of one independent director is 20 years. One director is over the age of 70, and two are between 61 and 70 years old. Six are 60 years old or younger. The Company focuses on the professional backgrounds in the composition of the Board of Directors and had added two Directors Lin, Jung-Yi and Peng, Hsien-Chung with legal expertise to the 10th term Board of Directors.

### 2.4.2 Independence of the Board of Directors:

The Company currently has nine members of the Board of Directors, and as of the end of 2023, all independent directors comply with the norms of independent directors stipulated by the Securities and Futures Bureau of the Financial Supervisory Commission. Furthermore, there are no circumstances stipulated in paragraphs 3 and 4 of Article 26-3 of the Securities and Exchange Act between directors and independent directors. For information on the education, gender, and work experience of each director of the Company, please refer to 2.1 Information of Directors and Supervisors in this Annual Report.

## 2.5 Information of Key Managers:

April 29, 2022; Units: Shares

Job Title	Nationality	Name	Gender	Date assumed office	Shares held		Spouse and minor children holding shares		Shares held by proxy		Principal Experience (Education)	Office(s) concurrently held in other companies	Spouse or relatives within the second degree of kinship or closer acting as managerial officers		
					Shares	Percentage of ownership	Shares	Percentage of ownership	Shares	Percentage of ownership			Title	Name	Relationship
President	Republic of China	Chuang, Jui-Yuan	Male	06/18/2010	5,323,913	5.54%	16,000	0.02%	—	—	Department of Physics, Fu Jen Catholic University; Deputy President, Grand Tone Enterprise Co., Ltd; Supervisor, Geneaid Biotech Ltd; Director, Taiding (Tianjin) Environmental Protection Technology Co., Ltd; Director, Lianyungang Rongding Metal Co., Ltd;	President of Grand Tone Enterprise Co., Ltd; Chairperson of Yuanlong Investment Co., Ltd; Director, Yeeh Ding Corp; Director, Herui Investment Co., Ltd; Director, Chungtai Resources Technology Corp; Director, Su Fong Enterprise Co., Ltd.	Vice President of Management and Corporate Governance Officer	Chuang Jui-Chin	Sibling
Operation Vice President and Corporate Governance Officer	Republic of China	Chuang, Jui-Chin	Female	01/01/2012	4,031,278	4.19%	—	—	—	—	MBA of University of California; Finance Manager, Dongfanglong Chinese Medicine Co., Ltd; Director, Taiding (Tianjin) Environmental Protection Technology Co., Ltd; Director, Lianyungang Rongding Metal Co., Ltd.	Deputy President of Grand Tone Enterprise Co., Ltd; Chairperson of Yeeh Ding Corp; Chairperson of Herui Investment Co., Ltd; Chairperson of Mingrui Co., Ltd;	President	Chuang Jui-Yuan	Sibling
Manufacturing Deputy President	Republic of China	Yang, Jian-Hung	Male	01/01/2013	164,904	0.17%	30,649	0.03%	—	—	Department of Environmental Sanitation, Yuanpei University of Medical Technology; Associate Manager of Recycling Division, Jiin Yeeh Ding Enterprise Corp. Director, Su Fong Enterprise Co., Ltd.	Director and Vice President, Grand Tone Enterprise Co;	None	None	None
Finance Vice President and Chief Financial Officer	Republic of China	Hsu, Pei-Ru	Female	08/28/2013	—	—	—	—	—	—	Master's of Management Science, National Chiao Tung University; Deputy Manager, Deloitte Touche Tohmatsu Limited; Finance and Accounting Associate Manager, Info-Tek Corporation; Finance and Accounting Manager, QMI Industrial Co., Ltd; Associate Manager, Finance Office, Jiin Yeeh Ding Enterprise Corp. Director, Lianyungang Rongding Metal Co., Ltd.	Deputy President of Grand Tone Enterprise Co., Ltd;	None	None	None

Job Title	Nationality	Name	Gender	Date assumed office	Shares held		Spouse and minor children holding shares		Shares held by proxy		Principal Experience (Education)	Office(s) concurrently held in other companies	Spouse or relatives within the second degree of kinship or closer acting as managerial officers		
					Shares	Percentage of ownership	Shares	Percentage of ownership	Shares	Percentage of ownership			Title	Name	Relationship
Associate Manager, Business Division	Republic of China	Huang, Jin-Gui	Male	07/01/2010	122,446	0.13%	33,688	0.04%	—	—	Mechanical Engineering Department, National Hsinchu Industrial High School; Manager, Business Office, Jiin Yeeh Ding Enterprise Corp.	None	None	None	None
Associate Manager, Marketing Division	Republic of China	Chen, Yi-Ting	Female	04/25/2022	14,000	0.01%	15,000	0.02%	—	—	Department of International Trade, Feng Chia University; Manager, Marketing Division, Jiin Yeeh Ding Enterprise Corp.	None	None	None	None
Manager, Health and Safety Department (Note)	Republic of China	Tsou, Yi-Ta	Male	02/01/2009	53,036	0.06%	—	—	—	—	Master's of Environmental Engineering, National Chiao Tung University; Director, Sus Recycling Technology Inc; Project Manager, Precision Machinery Industry Development Promotion Task Force of the Ministry of Economic Affairs	None	None	None	None

Note: Mr. Tsou, Yi-Ta was dismissed on March 20, 2024.

If the President or equivalent position (the top manager) and the Chairperson of the Board of Directors are the same person, or spouse or relative within one degree of kinship to the other, then explain the reasons, rationality, necessity, and relevant information of the corresponding measures:

The position of the Chairperson of the Board of Directors of the Company is responsible for the Board's setting of all the strategic objectives of the Company. Meanwhile, the President is responsible for the planning and management of the Company's daily operations, plans the sustainable operation and strategic development of the business, and leads the management team to report to the Board of Directors. There is thus a clear division between the powers of the Chairperson and the President. At the same time, a majority of the directors of the Company do not have employee or manager status, strengthening the independence of the Board of Directors.

## 2.6 Remuneration paid to directors, supervisors, the President, Vice President(s), etc, in the most recent year

### 2.6.1. Remuneration paid to directors and independent directors:

Unit: NT\$ Thousand

Job Title	Name	Remuneration for Directors								Ratio of the total amount of A, B, C, and D vs. net profit after tax		Remuneration from concurrently serving as employee								Ratio of the total amount of A, B, C, D, E, F, and G vs. net profit after tax	Remuneration received from investee companies outside of subsidiaries, or from the parent company	
		Remuneration (A)		Retirement Pension (B)		Director's remuneration (C) (Note 1)		Business execution expenses (D)				Salaries, bonuses, special expenditures, etc. (E)		Retirement Pension (F)		Remuneration for Employees (G) (Note 2)						
		The Company	All companies included in the financial statements	The Company	All companies included in the financial statements	The Company	All companies included in the financial statements	The Company	All companies included in the financial statements	The Company	All companies included in the financial statements	The Company	All companies included in the financial statements	The Company	All companies included in the financial statements	The Company	All companies included in the financial statements	The Company	All companies included in the financial statements			
Chairperson	Representative, Yeeh Ding Corp: Chuang, Ching-Chi	3,204	3,204	-	-	1,736	1,736	36	36	4,976 0.93%	4,976 0.93%	-	-	-	-	-	-	-	-	4,976 0.93%	4,976 0.93%	None
Director	Chuang, Jui-Yuan	-	-	-	-	1,736	1,736	36	36	1,772 0.33%	1,772 0.33%	4,857	4,857	108	108	3,115	-	3,115	--	9,852 1.84%	9,852 1.84%	None
Director	Huang, Jih-Tung	-	-	-	-	744	744	36	36	780 0.15%	780 0.15%	-	-	-	-	-	-	-	-	780 0.15%	780 0.15%	None
Director	Peng, Cheng-Pin	-	-	-	-	496	496	24	24	520 0.10%	520 0.10%	-	-	-	-	-	-	-	-	520 0.10%	520 0.10%	None
Director	Chuang, Jui-Chin	-	-	-	-	992	992	36	36	1,028 0.19%	1,028 0.19%	3,214	3,214	95	95	1,882	-	1,882	-	6,219 1.16%	6,219 1.16%	None
Director	Cheng, Kuang-Chieh	-	-	-	-	154	154	12	12	166 0.03%	166 0.03%	-	-	-	-	-	-	-	-	166 0.03%	166 0.03%	None
Independent director	Chuang, Chin-Te	-	-	-	-	992	992	132	132	1,124 0.21%	1,124 0.21%	-	-	-	-	-	-	-	-	1,124 0.21%	1,124 0.21%	None
Independent director	Lin, Jung-Yi	-	-	-	-	992	992	132	132	1,124 0.21%	1,124 0.21%	-	-	-	-	-	-	-	-	1,124 0.21%	1,124 0.21%	None
Independent director	Wang, Hsin-Fa	-	-	-	-	992	992	132	132	1,124 0.21%	1,124 0.21%	-	-	-	-	-	-	-	-	1,124 0.21%	1,124 0.21%	None
Independent director	Peng, Hsien-Chung	-	-	-	-	992	992	108	108	1,100 0.21%	1,100 0.21%	-	-	-	-	-	-	-	-	1,100 0.21%	1,100 0.21%	None

Note 1: The Director Mr. Cheng, Kuang-Chieh was dismissed on August 14, 2023.

Note 2: Please state the policies, systems, standards, and structure of independent directors' remuneration, and, according to the responsibilities, risks, time invested, and other factors, describe the relevance to the remuneration amount:

- (1) In respect to the remuneration of independent directors of the Company, in accordance with provisions of the Company's Articles of Incorporation, the Board of Directors is authorized to make decisions based on their degrees of participation and contributions to the operations of the Company, and to consider industry standards as a reference.
- (2) The Company's Articles of Incorporation also stipulate that when the Company has a profit in the year, no more than 5% shall be allocated toward remuneration of directors by a resolution of the Board of Directors. The payment of remuneration to directors shall be handled in accordance with the provisions of the Company's "Board of Directors Performance Evaluation Measures".
- (3) The remuneration of independent directors is provisionally estimated and shall be submitted to the shareholders' meeting on June 26, 2024 for execution in accordance with the law.

Note 3: The above listed remuneration amounts are provisionally estimated and shall be submitted to the shareholders' meeting on June 26, 2024 for execution in accordance with the law.

Note 4: Other than the content revealed in the table above, remuneration received by directors of the Company for their services in the most recent year (such as serving as an external consultant to the parent company, to any company listed in the financial statements, or to a reinvested company): None.

## 2.6.2. Remuneration Paid to the President and Vice President(s):

Units: NT\$ thousand/thousand shares

Job Title	Name	Salary (A)		Retirement pension (B)		Bonuses, special expenses, etc. (C)		Employee compensation amount (D) (Note 1)				Ratio of the total amount of A, B, C, and D vs. net profit after tax (%)		Whether remuneration was received from investee companies outside of subsidiaries, or from the parent company
		The Company	All companies included in the financial statements	The Company	All companies included in the financial statements	The Company	All companies included in the financial statements	The Company		All companies included in the financial statements		The Company	All companies included in the financial statements	
								Amount in cash	Amount in shares	Amount in cash	Amount in shares			
President	Chuang, Jui-Yuan	2,514	2,514	108	108	2,343	2,343	3,115	-	3,115	-	8,080 1.51%	8,080 1.51%	None
Vice President	Chuang, Jui-Chin	1,667	1,667	95	95	1,547	1,547	1,882	-	1,882	-	5,191 0.97%	5,191 0.97%	None
Vice President	Hsu, Pei-Ru	1,592	1,842	95	95	1,656	1,697	1,907	-	1,907	-	5,250 0.98%	5,541 1.04%	None
Vice President	Yang, Jian-Hung	1,667	1,667	95	95	1,629	1,629	2,066	-	2,066	-	5,457 1.02%	5,457 1.02%	None

Note 1: The above listed remuneration amounts are provisionally estimated and shall be submitted to the shareholders' meeting on June 26, 2024 for execution in accordance with the law.

2.6.3 Names of managerial officers entitled to employee bonuses and amounts entitled:

December 31, 2023; Unit: NT\$ thousand

Item	Job Title	Name	Stock amount	Amount in cash (Note 1)	Total	As percentage of income after tax (%)
Manager	President	Chuang, Jui-Yuan	-	10,829	10,829	2.03%
	Vice President	Chuang, Jui-Chin				
	Vice President	Yang, Jian-Hung				
	Vice President and Chief Financial Division	Hsu, Pei-Ru				
	Associate Manager, Business Division	Huang, Jin-Gui				
	Associate Manager, Marketing Division	Chen, Yi-Ting				
	Manager, Health and Safety Department (Note2)	Tsou, Yi-Ta				

Note 1: The above listed remuneration amounts are provisionally estimated and shall be submitted to the shareholders' meeting on June 26, 2024 for execution in accordance with the law.

Note 2: Mr. Tsou Yi-Ta was dismissed on March 20, 2024

2.6.4. Comparison and explanation of the ratios of remuneration paid to directors, supervisors, the President and vice presidents of the Company, and of all companies in the consolidated financial statements to net profit after tax in the parent company only or individual financial statements in the last two years. Further explain the correlation between the policies, standards, and combinations of payment, procedures for determination of remuneration, business performance and future risks:

2.6.4.1 Analysis of the proportion to net profits after tax in parent company only and individual financial statements of the total of the remuneration paid to directors, the President, and vice presidents by the Company and all companies in the consolidated financial statements in the most recent two years:

Unit: NT\$ Thousand

Job Title	The proportion to net profits after tax in parent company only financial statements of the total of the remuneration			
	2023		2022	
	The Company	The Consolidated Company	The Company	The Consolidated Company
Directors	5.05%	5.05%	6.45%	6.45%
The President and vice presidents	4.48%	4.54%	6.06%	6.15%

- 2.6.4.2 Policies, criteria, and combinations of remuneration payments:  
The remuneration paid by the Company to directors and managers is based on their positions, overall contributions, performance, and consideration of the Company's future risks. These are considered by the Remuneration Committee individually and sent to the Board of Directors for resolution.
- 2.6.4.3 Procedures for setting remuneration:  
Remuneration of directors and the relevant remuneration of managers (including employee remuneration, salary adjustment, non-fixed bonuses, etc) shall be reviewed by the Company's Remuneration Committee in accordance with the regulations and sent to the Board of Directors for approval.
- 2.6.4.4 Relevance to business performance:  
(1) Remuneration of directors is given due consideration regarding the Company's operating objectives, financial position, and directors' responsibilities.  
(2) Bonuses and remuneration of managers is given due consideration regarding their professional capabilities, achievement of the Company's operating objectives, financial position, and managers' responsibilities.
- 2.6.4.5 Relevance to future risk:  
Important decisions made by the Company's management will be made after weighing each category of risk factors. The performance of these important decisions will be reflected in the Company's profitability and in turn is related to the remuneration of the management level. That is, the remuneration of directors and managers of the Company is linked to the performance of future risk control.

### III. Corporate Governance Status

#### 3.1 Board of Directors and Audit Committee Attendance:

#### **(1) Information on the operation of the Board of Directors**

In 2023 and up to the date of publication of the Annual Report, the Board of Directors met 9 times (A) and the attendance of directors and supervisors was as follows:

Job Title	Name	Number of times actually attending (observing) (B)	Frequency of attendance	Actual attendance (observation) rate (%) (B/A)	Note
Chairperson	Representative, Yeeh Ding Corp: Chuang, Ching-Chi	9	-	100	
Director	Chuang, Jui-Yuan	9	-	100	

Job Title	Name	Number of times actually attending (observing) (B)	Frequency of attendance	Actual attendance (observation) rate (%) (B/A)	Note
Director	Chuang, Jui-Chin	9	-	100	
Director	Huang, Jih-Tung	9	-	100	
Director	Peng, Cheng-Pin	7	2	78	
Director	Cheng, Kuang-Chieh	2	1	67	Dismissaled on August 14,2023 The Board of Directors met 6 times (A)
Independent director	Chuang, Chin-Te	9	-	100	
Independent director	Lin, Jung-Yi	9	-	100	
Independent director	Wang, Hsin-Fa	9	-	100	
Independent director	Peng, Hsien-Chung	9	-	100	

Other matters to be recorded:

- I. If any of the following occurs in the operation of the Board, specify the date, the session, the content of the motion, the opinions of the Independent Directors, and the response of the Company to the opinions of the Independent Directors:
  - (I) Matters listed in Article 14-3 of the Securities and Exchange Act: No independent directors of the Company expressed objections or reservations concerning resolutions of the Board of Directors.
  - (II) Further to the aforementioned matters, any adverse opinion or qualified opinion of the Independent Directors against the resolutions of the Board that have been noted in the record or declared in writing: No independent directors of the Company expressed objections or reservations concerning resolutions of the Board of Directors.
- II. For recusal of directors from motions due to conflicts of interest, specify the names of the Directors, the content of the motions, the reasons for recusal, and the participation in voting:
 

Director names: Chuang, Ching-Chi 、 Chuang, Jui-Yuan 、 Chuang, Jui-Chin

Motion content: On March 6, 2023, the Board of Directors of the Company discussed Item 4, concerning discussion of the Company's 2022 annual performance appraisal bonus proposal for the Chairperson and managers.

Reasons for recusal and avoidance of participation in voting: Director Chuang, Ching-Chi 、 Director Chuang, Jui-Yuan and Director Chuang, Jui-Chin are concurrently serving as managers of the Company. These directors did in fact recuse themselves and did not participate in the discussion and voting. The remaining directors who were present gave unanimous approval without objection.

Director names: Chuang, Ching-Chi

Motion content: On May 11, 2023, the Board of Directors of the Company discussed Item 2, concerning the Company sale an agricultural land to a related party proposal.

Reasons for recusal and avoidance of participation in voting: Director Chuang, Ching-Chi did in fact recuse themselves and did not participate in the discussion and voting. The remaining directors who were present gave unanimous approval without objection.

Director names: Chuang, Jui-Yuan 、 Chuang, Jui-Chin

Motion content: On August 09, 2023, the Board of Directors of the Company discussed Item 3, concerning the Company's 2022 annual director's remuneration distribution and manager employee bonus distribution proposal.

Reasons for recusal and avoidance of participation in voting: Director Chuang, Jui-Yuan concurrently serves as the President of the Company while Director Chuang, Jui-Chin concurrently serves as Vice President of Operation. These directors did in fact recuse themselves and did not participate in the discussion and voting. The remaining directors who were present gave unanimous approval without objection.

- III. Information on the evaluation cycle and period, evaluation scope, method, and evaluation content of the Board of Directors of the Company's self (or peer) assessment as in the Table (2) implementation of the evaluation of the Board of Directors:
- IV. Evaluation of targets for strengthening of the functions of the board during the current and immediately preceding fiscal years (e.g. setting up an Audit Committee, enhancing information transparency, etc), and measures taken toward achievement thereof:
1. In order to improve and strengthen corporate jurisprudence, in accordance with the provisions of Article 14-4 of the Securities and Exchange Act and the provisions of Article 13, Paragraph 2 of the Articles of Incorporation of the Company, the Audit Committee was established under the seventh term Board of Directors to replace the functions of supervisors and was to be entirely composed of independent directors.
  2. The Company elected Mr. Chuang, Chin-Te 、 Mr. Lin, Jung-Yi 、 Mr. Wang, Hsin-Fa and Mr. Peng, Hsien-Chung as independent directors at the General Meeting of Shareholders on June 27, 2022, whereupon they became ex-officio members of the Audit Committee. On August 10, 2022, in accordance with Article 7, Paragraph 2 of the Regulations Governing the Exercise of Powers by Audit Committees of Public Companies as promulgated by the Financial Supervisory Commission, the Audit Committee of the Company mutually agreed that independent director Chuang, Chin-Te shall serve as the convener and the presiding chair of meetings of the Committee.
  3. In response to the re-election of 10th term Board of Directors at the General Meeting of Shareholders on June 27, 2022, the Board of Directors selected independent directors Mr. Chuang, Chin-Te 、 Mr. Lin, Jung-Yi, and Mr. Wang, Hsin-Fa as members of the 5th term Remuneration Committee on June 27, 2022. Furthermore, independent director Mr. Wang, Hsin-Fa was to serve as the convener.
  4. The evaluation of the effectiveness of the Company's internal control system in 2023 was completed in accordance with the Company's Internal Control System Self-Evaluation Measures and on March 8, 2024, the Board of Directors submitted a motion for the 2023 annual Internal Control System Statement for internal self-evaluation of control.
  5. In order to assist the Company in practicing corporate social responsibility and promoting economic, environmental and social progress, and in line with the provisions of Taiwan Stock Exchange Corporation Letter Taizhengzhili No. 1100024173 dated

December 7, 2021, as well as international development trends, and to improve the quality of sustainable development information disclosures, the Company established a CSR Promotion Committee under our Board of Directors and formulated our Sustainable Development Best Practice Principles.

6. In order to establish a corporate culture of ethical management and sound development, the Company established our Ethical Corporate Management Best Practice Principles as well as Procedures for Ethical Management and Guidelines for Conduct.
7. The Audit Committee met nine times in 2023 and through the date of publication of the Annual Report. It amended Rules of Procedure for Board of Directors Meetings, its Operational Procedure for Preparation and Validation of the Sustainability Report ,its Internal Audit System, its Procedures for Internal Control of Sales and Collection Cycles, its Organizational Rules of the Audit Committee.

## **(2) The Board of Directors status of evaluation and implementation**

Evaluation cycle	Evaluation period	Evaluation scope	Evaluation method	Evaluation content
Regularly performed once per year	January 1, 2023 to December 31, 2023	Performance evaluations of the Board of Directors, individual directors, and functional committees	Internal self-evaluations of the Board of Directors and self-evaluations of director members	<p>Measurement items for the Board of Directors performance evaluation include the following five aspects:</p> <ol style="list-style-type: none"> <li>1. Degree of participation in Company operations.</li> <li>2. Improvement of the quality of Board decisions.</li> <li>3. Board composition and structure.</li> <li>4. Selection and continuous training of directors.</li> <li>5. Internal control.</li> </ol> <p>Individual board member performance evaluations include the following six aspects:</p> <ol style="list-style-type: none"> <li>1. Mastery of the Company's goals and tasks.</li> <li>2. Awareness of directors' responsibilities.</li> <li>3. Degree of participation in Company operations.</li> <li>4. Internal relationship management and communication.</li> <li>5. Director's professional and continuous education.</li> <li>6. Internal control.</li> </ol> <p>The performance evaluations of functional committees include the following five aspects:</p>

				1. Degree of participation in Company operations. 2. Recognition of functional committee responsibilities. 3. Improvement of quality of decisions made by the functional committee. 4. Functional committee composition and member selection. 5. Internal control
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The Company has completed the 2023 annual board performance self-evaluation results and submitted the 2024 first quarter Board of Directors Report as a basis for review and improvement. The Board's self-evaluation had an overall average score of 4.9 (out of 5 points), while self-evaluations for individual board member performance had an overall average score of 4.7 (out of 5 points). These averages indicate that the overall Board of Directors performance ranged from “excellent” to “excellent”. The overall average score for the functional committee performance self-evaluations was 4.65 (out of 5 points), showing that overall functional committee performance results ranged from “excellent” to “excellent”.

### **Information on operation of the Audit Committee**

In 2023 and up to the date of publication of the annual Report, the Audit Committee met 9 times (A), and the attendance of independent directors was as follows:

Job Title	Name	Actual number of attendances (B)	Frequency of attendance	Actual attendance rate (%) (B/A) (Note)	Note
Independent director	Chuang Chin-Te	9	0	100	Convener
Independent director	Lin Jung-Yi	9	0	100	
Independent director	Wang Hsin-Fa	9	0	100	
Independent director	Peng Hsien-Chung	9	0	100	

Other matters to be recorded:

- I. If any of the following circumstances arises in the operation of the Audit Committee, the meeting date, period, motion content, and any objections of independent directors should be stated, as well as contents of reserved opinions or major recommendations, the results of the audit committee's resolutions, and the Company's handling of the Audit Committee's opinions:

Audit Committee	Motion content and subsequent handling	Matters listed in Article 14-5 of the Securities and Exchange Act:	Resolutions not adopted by the Audit Committee but approved by 2/3 or more of all the directors
3rd meeting of the 4th term 2023/03/06	1. Review of the 2022 parent company only financial statements and consolidated financial statements.	V	
	2. The Company's 2022 earnings distribution plan.	V	
	3. Evaluation of the effectiveness of the Company's internal control system and internal control system statement.	V	
	4. Motion to amend the Company's Rules of Procedure for Board of Directors Meetings.	V	
	5. Formulation of the Company's Operational Procedure for Preparation and Validation of the Sustainability Report.		
	6. Motion to amend the Company's Internal Audit System.	V	
	Extempore Motions : KPMG firm will provide non-assurance services in 2023.		
	Audit Committee resolution results (2023/03/06): Approved by all members of the Audit Committee.		
4th meeting of the 4th term 2023/05/11	1. The Company change Certified Public Accountant due to the internal rotation of the CPA firm..	V	
	2. The Company sale an agricultural land to a related party proposal.	V	
	Audit Committee resolution results (2023/05/11): Approved by all members of the Audit Committee.		
	The Company's handling of the Audit Committee's opinions: approved by all directors present.		
5th meeting of the 4th term 2023/08/09	1. Review of consolidated financial statements for the second quarter of 2023.	V	
	2. Adjustment in endorsement/guarantee amounts for subsidiary Jiin Yeeh Ding Co., Ltd. (Hong Kong).	V	
	3. Motion to amend the Company's Procedures for Internal Control of Sales and Collection Cycles.	V	
	Audit Committee resolution results (2023/08/09): Approved by all members of the Audit Committee.		
	The Company's handling of the Audit Committee's opinions: approved by all directors present.		

Audit Committee	Motion content and subsequent handling	Matters listed in Article 14-5 of the Securities and Exchange Act:	Resolutions not adopted by the Audit committee but approved by 2/3 or more of all the directors
6th meeting of the 4th term 2023/09/08	1. Motion to sell equity interest in Lianyungangrongding Metal Co., Ltd., an important subsidiary.	√	
	2. Given the sale of the equity stake in a major subsidiary, Lianyungang Rongding Metal Co., Ltd., the reasons for the overdue receivables from Rongding to the parent company Jiin Yeeh Ding Enterprise Corp. and the corresponding measures are as follows	√	
	Audit Committee resolution results (2023/09/08): Approved by all members of the Audit Committee.		
	The Company's handling of the Audit Committee's opinions: approved by all directors present.		
7th meeting of the 4th term 2023/11/08	1. The Company plans the acquisition of equipment for new construction projects In Xibin Plant II.	√	
	2. Formulation of the Company's 2024 internal audit plan.	√	
	Audit Committee resolution results (2023/11/08): Approved by all members of the Audit Committee.		
	The Company's handling of the Audit Committee's opinions: approved by all directors present.		
8th meeting of the 4th term 2023/12/20	1. The Company's 2024 application for short-term comprehensive bank credit lines, guaranteed lines and financial transaction lines.	√	
	Audit Committee resolution results (2023/12/20): Approved by all members of the Audit Committee.		
	The Company's handling of the Audit Committee's opinions: approved by all directors present.		
9th meeting of the 4th term 2024/01/30	1. Amendment to the amount of endorsements/guarantees among affiliated companies.	√	
	Audit Committee resolution results (2024/01/30): Approved by all members of the Audit Committee.		
	The Company's handling of the Audit Committee's opinions: approved by all directors present.		

Audit Committee	Motion content and subsequent handling	Matters listed in Article 14-5 of the Securities and Exchange Act:	Resolutions not adopted by the Audit ommittee but approved by 2/3 or more of all the directors
10th meeting of the 4th term 2024/03/08	1. Review of the 2023 parent company only financial statements and consolidated financial statements.	V	
	2. The Company's 2023 earnings distribution plan.		
	3. Evaluation of the appointment, fees, independence and suitability of attesting CPAs in 2024	V	
	4. Amendment to the amount of endorsements/guarantees among affiliated companies.	V	
	5. Evaluation of the effectiveness of the Company's internal control system and internal control system statement.	V	
	6. Motion to amend the Company's Operational Procedure for Preparation and Validation of the Sustainability Report.		
	7. Motion to amend the Company's Organizational Rules of the Audit Committee.		
	Audit Committee resolution results (2024/03/08): Approved by all members of the Audit Committee.		
	The Company's handling of the Audit Committee's opinions: approved by all directors present.		
11th meeting of the 4th term 2024/05/10	1. Increase inthe amount of endorsements/guarantees among affiliated companies.	V	
	Audit Committee resolution results (2024/05/10): Approved by all members of the Audit Committee.		
	The Company's handling of the Audit Committee's opinions: approved by all directors present.		

II. Matters considered by the Audit Committee in its meetings from 2022 to May 2023 were as follows:

1. Annual financial reports and semi-annual financial reports.

2. Evaluation of the effectiveness of the internal control system.

3. Establishment or revision of the internal control system.

4. Adoption or amendment of relevant procedures pursuant to Article 36-1 of the Securities and Exchange Act.

5. Matters bearing on the personal interest of a director

6. Significant asset transactions.

7. Significant loans of funds or endorsements/guarantees. 8. The hiring of CPA and evaluation of the competence and independence of CPA. 9. Communicate with the Company's attesting CPAs 10.To negotiate the differences of opinion between the management team and the Company's attesting CPAs regarding the financial statements. 11.Regulatory compliance.			
VI. Implementation status of independent directors' recusals due to conflicts of interest, including the name of the independent director, the content of the proposal, the reasons for recusal and voting status: In the most recent year, the Company has not had any implementation of proposals involving independent directors' interests.			
VII. The communication between the Independent Directors and the Chief Internal Auditor and the CPAs (materiality, means, and result of communication on the financial position and operation of the Company should be covered):			
1. The Company's internal audit supervisor regularly communicates with Audit Committee members on the results of the audit report and the implementation of follow-up reports, and fully communicates the implementation and results of audit business.			
2. The accountants regularly report and communicate with the independent directors on the results of the financial report reviews or audits.			
The communication between the Independent Directors and the Chief Internal Auditor were following:			
DATE	COMMUNICATION MEETING	COMMUNICATION WITH AUDIT SUPERVISOR	RESULT OF COMMUNICATION
2023/03/06	Independent directors and internal audit supervisor communication meetings (pre-Audit Committee meeting)	1.Implementation of audited matters as required by laws and regulations. 2.Implementation of the audit plan from Q3 to Q4 in 2022. 3.2022 main audit findings from Q3 to Q4 and audit follow-up results: description is provided in the follow-up report.	No comments at this meeting
2023/08/09	Independent directors and internal audit supervisor communication meetings (pre-Audit Committee meeting)	1.Implementation of audited matters as required by laws and regulations. 2.Implementation of the audit plan from Q1 to Q2 in 2023. 3.2023 main audit findings from Q2 and audit follow-up results: description is provided in the follow-up report.	No comments at this meeting
2023/11/08	The Audit Committee	1.FY2024 annual audit plan discussion and communication .	No comments at this meeting

The communication between the Independent Directors and the Chief Internal Auditor and the CPAs were following

DATE	COMMUNICATION MEETING	COMMUNICATION WITH CPAS	RESULT OF COMMUNICATION
2023/03/06	Independent directors and CPAs communication meetings (pre-Audit Committee meeting)	1.Explanation by the CPAs on independence. 2.Explanation by the CPAs regarding the responsibilities of audit personnel for auditing financial statements. 3.Explanation of the types of audit opinions issued by the CPAs. 4.CPA's scope of audit, audit findings, main impact of Statement of Auditing Standards No. 75, recent auditing standards updates, other precautions, important accounting standards or interpretations, securities and taxation laws and regulations.	No comments at this meeting
2023/08/09	Independent directors and CPAs communication meetings (pre-Audit Committee meeting)	The questions inquired by the members of the Audit Committee are discussed and communicated with the CPAs .	No comments at this meeting

3.2 Status of corporate governance, and deviation from Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and causes thereof:

Evaluation item	Status			Difference from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies, and reasons
	Yes	No	Summary description	
I. Has the Company prepared and disclosed the Corporate Governance Best Practice Principles in accordance with the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies?	√		The Company adheres to the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies to establish Corporate Governance Best Practice Principles, which are disclosed on the Market Observation Post System and on the Company's website.	It is in line with the spirit of the Corporate Governance Best Practice Principles and has shown no deviation therefrom.
II. The equity structure and shareholders' equity of the Company (I) Does the Company have internal operating procedures in place to deal with shareholder recommendations, doubts, disputes, and litigation matters	√		(I) The Company has a spokesperson and acting spokesperson system to handle shareholder proposals and other matters externally, and we abide by information disclosure regulations to regularly disclose the Company's financial and business information for shareholders' reference on the Market Observation Post System.	It is in line with the spirit of the Corporate Governance Best Practice Principles and has shown no deviation therefrom.

Evaluation item	Status			Difference from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies, and reasons
	Yes	No	Summary description	
according to the procedures?				
(II) Does the Company have a list of the major shareholders who actually control the Company, and the ultimate controllers of the major shareholders?	√		(II) Via its professional stock agency, the Company is responsible for establishing dedicated personnel to keep track of the shareholding status of important shareholders (directors, supervisors, managers, and major shareholders holding more than 10% of shares).	It is in line with the spirit of the Corporate Governance Best Practice Principles and has shown no deviation therefrom.
(III) Has the Company established and implemented the risk management, control, and prevention mechanisms for affiliated companies?	√		(III) The finances and businesses of the Company and each affiliated company operate independently. The Company has formulated our Measures for the Handling of Transactions by Related Persons of Specified Companies and Group Enterprises and our Operating Standards for Financial Services of Affiliated Enterprises in order to clarify the management of personnel, assets, and finances between related enterprises.	
(IV) Has the Company established internal regulations that prohibit insiders from using unpublished information in the market to buy and sell securities?	√		(IV) The Company has established our Internal Material Information Processing and Operational Procedures for Preventing Insider Transactions as a mechanism for standardized internal material information processing and disclosure. We have also stipulated that insiders such as directors or employees of the Company are prohibited from profiting from information that cannot be obtained in the market, so as to prevent the occurrence of insider trading.	

Evaluation item	Status			Difference from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies, and reasons
	Yes	No	Summary description	
III. Composition and Duties of the Board of Directors (I) Has the Board of Directors formulated a diversity policy and specific management objectives, and implemented them?	√		(I) 1.Diversity policy for the members of Board of Directors : (1)The Company strengthened the regulations governing the functions of the Board of Directors in accordance with Article 20 of its “Corporate Governance Best Practice Principles” .The composition of the Board of Directors of the Company is determined by taking diversity into consideration, and we further formulate an appropriate policy on diversity based on the company's business operations, operating dynamics, and development needs. It is advisable that the policy include, without being limited to, the following two general standards: a.Basic conditions and values: Gender, age, nationality and culture, and so on. b.Professional knowledge and skills: A professional background (e.g., law, accounting, industry, finance, marketing, technology), professional skills, and industry experience. (2)Each board member shall have the necessary knowledge, skill, and experience to perform their duties. In order to achieve the ideal goals of corporate governance, the Board of Directors as a whole should have the following capabilities: a.The ability to make judgments about operations. b.Accounting and financial analysis ability. c.Business management ability.	It is in line with the spirit of the Corporate Governance Best Practice Principles and has shown no deviation therefrom.

Evaluation item	Status			Difference from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies, and reasons
	Yes	No	Summary description	
			<p>d.Crisis management ability.  e.Knowledge of the industry.  f. An international market perspective.  g.Leadership ability.  h.Decision-making abilities.</p> <p>2.Specific diversity management objectives for members of the Board of Directors :</p> <p>The Board of Directors of the Company shall direct company strategies, supervise the management and be responsible to the Company and shareholders. The procedures and arrangements of its corporate governance system shall ensure that, in exercising its authority, the Board of Directors complies with laws, regulations, the Articles of Incorporation and the resolutions of the shareholders' meetings. The specific management objectives are as follows :</p> <p>(1)The Board of Directors of the Company also values gender equality and board members should include at least one female Director.</p> <p>(2)The Board of Directors of the Company retain operating judgment, business management, and crisis management skills and at least 2/3 of the board members should have relevant core competencies.</p> <p>(3)Independent directors should not serve more than three terms to ensure their independence.</p> <p>(4)The number of employees of the Company, its parent, subsidiary or sister companies should account for less than 1/3 or less of the total number of</p>	It is in line with the spirit of the Corporate Governance Best Practice Principles and has shown no deviation therefrom.

Evaluation item	Status			Difference from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies, and reasons
	Yes	No	Summary description	
			<p>Directors to ensure supervisory functions</p> <p>3.Implementation status of the diversity policy for board members :</p> <p>The Company's board members have the knowledge, skills, and education necessary for business operations, as well as decision-making and management skills suitable for the industry. The Company also continues to arrange a wide range of continuing education programs for board members to enhance the quality of their decision-making and supervisory responsibilities and to strengthen the functions of the Board of Directors.</p> <p>(1)The list of the nine 10th term directors of the Company, aside from including one female member, encompasses members with strong leadership capabilities, operational judgment, operational management skills, and crisis management, namely: <u>Chuang, Ching-Chi</u> 、 <u>Chuang, Jui-Yuan</u> 、 <u>Chuang, Jui-Chin</u> 、 <u>Huang, Jih-Tung</u> 、 <u>Lin, Jung-Yi</u> and <u>Wang, Hsin-Fa</u>. Meanwhile, those with industry knowledge and an international market perspective include <u>Chuang, Ching-Chi</u> 、 <u>Chuang, Jui-Yuan</u> 、 <u>Chuang, Jui-Chin</u> 、 <u>Lin, Jung-Yi</u> 、 <u>Wang, Hsin-Fa</u> and <u>Peng, Hsien-Chung</u>. Those who have made contributions to environmental protection include <u>Chuang, Ching-Chi</u> 、 <u>Chuang, Jui-Yuan</u> 、 <u>Huang, Jih-Tung</u> 、 <u>Peng, Cheng-Pin</u> and <u>Peng, Hsien-Chung</u>. Those with accounting and financial analysis skills include <u>Chuang, Jui-Chin</u> 、 <u>Chuang, Chin-Te</u> and <u>Wang Hsin-Fa</u>. Those with decision-making capabilities include <u>Chuang, Ching-Chi</u> 、 <u>Chuang, Jui-Yuan</u> 、 <u>Chuang, Jui-Chin</u>, <u>Huang, Jih-Tung</u> 、 <u>Peng, Cheng-Pin</u> 、 <u>Chuang, Chin-Te</u> 、 <u>Lin, Jung-Yi</u> 、 <u>Wang, Hsin-Fa</u> and <u>Peng, Hsien-Chung</u>.</p>	It is in line with the spirit of the Corporate Governance Best Practice Principles and has shown no deviation therefrom.

Evaluation item	Status			Difference from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies, and reasons
	Yes	No	Summary description	
(II) Has the Company voluntarily set up other functional committees other than the Remuneration Committee and the Audit Committee according to law?	√		<p>(2)The proportion of directors with employee status in the Company is 22%. The proportion of independent directors is 44.4%. The proportion of female directors is 11 %. The term of office of three independent director is less than 10 years, while the terms of office of one independent directors is 20 years. One directors are over the age of 70, and two are between 60 and 70 years old. Six are 60 years old or younger. The Company focuses on the professional backgrounds in the composition of the Board of Directors and had added two Directors <u>Lin, Jung-Yi</u> and <u>Peng, Hsien-Chung</u> with legal expertise to the 10th term Board of Directors.</p> <p>(3)The Board of Directors has formulated a diversity policy on the composition of members and disclosed it on the Company's website and on the Market Observation Post System.</p> <p>(II) In addition to establishing a Remuneration Committee and an Audit Committee in accordance with relevant laws, remaining corporate governance operations are carried out by each department according to its respective function. The Company established a CSR Promotion Committee under the Board of Directors with the President as presiding chair and convener, always paying attention to the development trends of social responsibility domestically and abroad and to changes in the environment in order to undertake its relevant responses.</p>	(II)Except for the fact that the Company has not set up other functional committees, it is otherwise in line with the spirit of the Corporate Governance Best Practice Principles and has shown no deviation therefrom.

Evaluation item	Status			Difference from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies, and reasons
	Yes	No	Summary description	
(III) Does the Company formulate the Board's performance assessment and evaluation method, conduct performance evaluation annually and regularly, and report the results of the performance evaluation to the Board of Directors, and apply it to individual directors' remuneration and nomination renewal?	√		<p>(III) The Company has established the Board of Directors Performance Evaluation Measures and regularly reviews the policies, systems, standards, and structures of the performance appraisal and remuneration of directors and managers every year, and submits them to the Board of Directors of the Company for resolution.</p> <p>The measurement items of the performance evaluation of the Board of Directors of the Company cover the following five aspects:</p> <ol style="list-style-type: none"> <li>(1) Degree of participation in Company operations.</li> <li>(2) Improvement of the quality of Board decisions.</li> <li>(3) Board composition and structure.</li> <li>(4) Selection and continuous training of directors.</li> <li>(5) Internal Control.</li> </ol> <p>Board member (self) performance evaluation measurement items cover the following six aspects:</p> <ol style="list-style-type: none"> <li>(1) Mastery of the Company's goals and tasks.</li> <li>(2) Awareness of directors' responsibilities.</li> <li>(3) Degree of participation in Company operations.</li> <li>(4) Internal relationship management and communication.</li> <li>(5) Director's professional and continuous education.</li> <li>(6) Internal Control.</li> </ol>	It is in line with the spirit of the Corporate Governance Best Practice Principles and has shown no deviation therefrom.

Evaluation item	Status			Difference from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies, and reasons
	Yes	No	Summary description	
			<p>The measurement items of functional committee performance evaluations cover the following five aspects:</p> <p>(1) Degree of participation in Company operations.</p> <p>(2) Recognition of functional committee responsibilities.</p> <p>(3) Improvement of the quality of decisions made by the functional committee.</p> <p>(4) Functional committee composition and member selection.</p> <p>(5) Internal Control.</p> <p>The Company's executive unit for performance (self) evaluation of the Board of Directors, directors, and functional committees is the President's Office. Questionnaires are used, and the performance evaluation results will be used as a reference for the selection or nomination of directors. Furthermore, the performance evaluation results of directors and functional committee members will be used as a reference for determining their individual remuneration.</p> <p>The Company completed its performance (self) evaluations of the Board of Directors, directors, and functional committees in March 2024, and the Board of Directors convened on March 8, 2024 to report the results of the evaluations. The average assessment scores for this year ranged from 4.65 points to 4.9 points (out of 5 points).</p>	It is in line with the spirit of the Corporate Governance Best Practice Principles and has shown no deviation therefrom.

Evaluation item	Status			Difference from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies, and reasons
	Yes	No	Summary description	
			<p>The recommendations and improvement actions for the Board, the Board members (self), and the Functional Committee are as follows:</p> <p>(1) Board of Directors:</p> <ul style="list-style-type: none"> <li>➢ Continue to improve the average actual attendance of directors at board meetings.</li> <li>➢ Arrange the frequency of board meetings appropriately.</li> </ul> <p>(2) Board members (self):</p> <ul style="list-style-type: none"> <li>➢ Continue to assist directors to make effective contributions at board meetings.</li> <li>➢ Increase the directors' commitment to sufficient time for board-related matters.</li> <li>➢ Enhance the Board's thorough assessment and supervision of various risks existing or potential to the Company, and discuss the implementation and monitoring status of internal control systems.</li> <li>➢ Conduct preliminary inquiries regarding the availability of each director's schedule and coordinate the meeting schedule accordingly to ensure the attendance of all directors. If there is any extraordinary meeting, make every effort to coordinate a time that accommodates the availability of all directors.</li> </ul> <p>(3) Functional Committees:</p> <ul style="list-style-type: none"> <li>➢ Continuous to assist the members of Functional Committee to read and understand the meeting materials in advance of the meeting.</li> <li>➢ Enhance the clarity and appropriateness of the scope of authority for</li> </ul>	It is in line with the spirit of the Corporate Governance Best Practice Principles and has shown no deviation therefrom.

Evaluation item	Status			Difference from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies, and reasons
	Yes	No	Summary description	
			<p>each functional committee.</p> <ul style="list-style-type: none"> <li>➤ Strengthen the functional committees to timely and professionally present recommendations to the board for discussion, providing the board with references for informed decision-making.</li> <li>➤ Strengthen functional committee meeting resolutions and appropriate follow-up implementation.</li> <li>➤ Strengthen the Company's deliberation proposals submitted to the functional Committee resolutions appropriately.</li> <li>➤ Strengthen the regular review of the Company's directors' performance evaluation standards and submit them to the Board of Directors for approval, and set the salaries and remuneration of directors based on the results of the performance evaluation.</li> </ul> <p>If the Company makes an annual profit for the year, the remuneration of the directors of the Company shall be allocated by the Board of Directors as not more than 5% as the remuneration of the directors and supervisors in accordance with the provisions of Article 20 of the Company's Articles of Incorporation. Procedures for setting remuneration are drawn from the Company's Director Compensation Measures as the basis for evaluation. With reference to the directors' participation in the Company's operations and the value of their contributions, weights are given and reasonable remunerations are distributed according to the weighted results.</p>	It is in line with the spirit of the Corporate Governance Best Practice Principles and has shown no deviation therefrom.

Evaluation item	Status			Difference from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies, and reasons
	Yes	No	Summary description	
(IV) Has the Company assessed the independence status of the CPAs at regular intervals?	√		<p>Relevant performance evaluations as well as the rationality of the remuneration are reviewed by the Remuneration Committee and the Board of Directors. In addition, we will review the remuneration system in a timely manner based on actual operating conditions and relevant laws and regulations, so as to seek a balance between the Company's sustainable operations and risk controls.</p> <p>(IV) The Company conducts an annual assessment of the independence and suitability of the CPAs, considering indicators such as the CPAs' conflicts of interest, integrity, fairness, objectivity, nature and extent of non-audit services provided, disciplinary actions by regulatory bodies and trade associations. The CPAs and their firm are requested to provide individual resumes of recommended CPAs, along with each CPA's declaration of independence and "Guidelines for Audit Quality Indicators (AQI) for Accounting Firms." These documents are evaluated by the Finance Department, and the assessment results for the past two years were discussed and approved by the Board of Directors on May 11, 2023 and March 8, 2024, respectively. Please see the Company's website for details: <a href="http://www.jyd.com.tw/investor-zone-63-84-114Home/Investor%20Area%20Corporate%20Governance%20Functional%20Committees/Independent%20Directors%20and%20Internal%20Communication">http://www.jyd.com.tw/investor-zone-63-84-114Home/Investor Area Corporate Governance Functional Committees/Independent Directors and Internal Communication</a>.</p>	It is in line with the spirit of the Corporate Governance Best Practice Principles and has shown no deviation therefrom.

Evaluation item	Status			Difference from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies, and reasons
	Yes	No	Summary description	
IV. Is the company equipped with an appropriate number of qualified corporate governance personnel, and appointed a corporate governance director responsible for corporate governance-related matters (including but not limited to providing information needed by directors and supervisors to carry out business, assisting directors and supervisors to comply with laws and regulations, handling matters related to meetings of the Board of Directors and shareholders' meeting in accordance with the law,	√		On November 9, 2021, the Board of Directors appointed Ms. Chuang Jui-Chin, Vice President of Operation and Spokesperson of the Company, as Corporate Governance Officer. She is responsible for corporate governance-related matters, including handling matters related to the Board of Directors, the Audit Committee, the Remuneration Committee, and shareholders' meetings in accordance with the law. She also facilitates director appointments and continuing education,. As well as providing information necessary for the directors to perform their functions, and assists directors in complying with laws and regulations, etc.	It is in line with the spirit of the Corporate Governance Best Practice Principles and has shown no deviation therefrom.

Evaluation item	Status			Difference from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies, and reasons
	Yes	No	Summary description	
and producing minutes of board meetings and shareholders' meetings)?				
V. Has the Company established communication channels with stakeholders (including but not limited to shareholders, employees, customers, and suppliers), set up a special column for stakeholders on the Company's website, and responded appropriately to important corporate social responsibility issues of concern to stakeholders?	√		<p>The Company adheres to the principles of good faith and openness, and provides transparent financial and business information to the investing public. In addition to encouraging greater employee communication with management, the Company's website has an Audit Committee mailbox, a Stakeholder Area to provide Complaint channels for shareholders and investors, customers, suppliers, and employees, and whistleblower mailboxes and whistleblower hotlines for reporting violations of professional ethics. These are provided for the sake of responding to stakeholder concerns and important corporate social responsibility issues.</p> <p>President's Mailbox: In addition to communicating with the President through weekly meetings attended by supervisors at all levels, it is hoped under the common goals of the Company that these communication measures are not limited to supervisors but also incorporate observations of front-line colleagues to formulate more appropriate plans. In order to increase the communication channels of colleagues, therefore, a President's Mailbox where sender information is hidden has been set up.</p> <p>Labor-management meetings: Held on a regular quarterly basis to understand the needs of colleagues and to track and discuss the opinions of employees.</p> <p>Please see the Company's website for details: <a href="http://www.jyd.com.tw/investor-zone-63-85Home/Investor Area/Corporate Governance/Stakeholder Area">http://www.jyd.com.tw/investor-zone-63-85Home/Investor Area/Corporate Governance/Stakeholder Area</a></p>	It is in line with the spirit of the Corporate Governance Best Practice Principles and has shown no deviation therefrom.

Evaluation item	Status			Difference from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies, and reasons
	Yes	No	Summary description	
VI. Has the Company appointed a professional share registration and investors service agent for handling matters pertaining to the Shareholders Meeting?	√		The Company has appointed a professional stock agency, the Stock Agency Department of Grand Fortune Securities Co., Ltd., to handle various stock affairs of the Company.	It is in line with the spirit of the Corporate Governance Best Practice Principles and has shown no deviation therefrom.
VII. Disclosure of information (I) Has the Company installed a website for the disclosure of information on its financial position and operation, as well as corporate governance?	√		(I) The Company's website is <a href="http://www.jyd.com.tw">http://www.jyd.com.tw</a> . In addition to regular updates of the Company's relevant information by dedicated personnel, investors can also inquire about the Company's relevant financial, business, and corporate governance information through the Market Observation Post System.	(I)~(II) It is in line with the spirit of the Corporate Governance Best Practice Principles and has shown no deviation therefrom.
(II) Has the Company adopted other means for disclosure (such as the installation of a website in the English language, appointment of	√		(II) The Company has full-time staff responsible for the collection and disclosure of company information, and has a spokesperson system (a role which is concurrently taken by the Company's Vice President of Operation). If an institutional investor conference is held in the current year, it will be disclosed on the Company's website.	

Evaluation item	Status			Difference from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies, and reasons
	Yes	No	Summary description	
<p>designated persons for the collection and disclosure of information on the Company, the implementation of a spokesman system, and videotaping institutional investor conferences)?</p> <p>(3) Does the Company announce and declare its annual financial statements within two months after the end of the fiscal year, and announce and declare the first, second, and third quarter financial statements and the monthly operating situation as early as possible within the prescribed time limit?</p>		√	<p>(III) The Company's 2023 annual financial statements has been announced and declared its within three months after the end of the fiscal year, and announces and declares the first, second, and third quarter financial statements and the monthly operating situations within the prescribed time limits. Please refer to the Market Observation Post System or the Company's website for disclosure of the above information:  <a href="https://www.jyd.com.tw/financial-statements">https://www.jyd.com.tw/financial-statements</a>Home/Investor Area/Financial Information.</p>	<p>(III) Our company is still working on the adjustment of the schedule for early announcement and declaration.</p>

Evaluation item	Status			Difference from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies, and reasons
	Yes	No	Summary description	
VIII. Is there any other material information that would facilitate an understanding of the pursuit of corporate governance (including but not limited to employee rights, employee care, investor relations, supplier relations, stakeholder rights, the continuing education of directors and supervisors, the pursuit of a risk management policy and standard of risk assessment, the pursuit of a customer policy, and professional liability insurance coverage for the directors and supervisors)?	√		<p>Workers' Rights and Employee Care:</p> <p>The Company has always adhered to the concept of sound and sustainable management. We attach great importance to the welfare of employees and their education and training, and we recruit employees without restrictions on gender, religion, race, or political affiliation, but rather through open recruitment and meritocracy. The protection of employees' rights and interests is thoroughly implemented in accordance with the provisions of the Labor Standards Act and other relevant laws, and the health and safety of the working environment are also supervised according to high standards. Furthermore, employee health examinations and related health knowledge courses are provided every year to enable employees to receive optimal care. The Employee Welfare Committee allocates welfare benefits every month, and the Committee arranges activities, such as various tourism activities, community activities, Mid-Autumn Festival activities, and other welfare matters. The Company also provides various welfare subsidies such as wedding stipends, hospital condolences, maternity subsidies, funeral subsidies, children's scholarships, and festive gift certificates. In addition, the Company stipulates employee retirement measures in accordance with the Labor Standards Act and the Labor Pension Act, and the Company has a sound financial system to ensure that colleagues have a stable pension allocation and payments. Relevant regulations and measures related to labor relations are handled in accordance with the relevant laws and optimal implementation. For any new or revised measures relating to labor relations, this shall be decided between both parties after full communication and agreement between labor and management.</p>	It is in line with the spirit of the Corporate Governance Best Practice Principles and has shown no deviation therefrom.

Evaluation item	Status			Difference from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies, and reasons
	Yes	No	Summary description	
			<p>We engage in regular and intermittent dispatch of personnel to participate in safety fire and health training and pre-employment and on-the-job training of employees. We arrange free health examinations for employees every year, and disinfect the factory area on an intermittent basis in anticipation of providing a comfortable and safe working environment for employees.</p> <p>Investor Relations: The Company has a dedicated person responsible for handling shareholder suggestions. Please see the Company's website for details: <a href="http://www.jyd.com.tw/service-3196Home/Contact Us/Investor Inquiries">http://www.jyd.com.tw/service-3196Home/Contact Us/Investor Inquiries</a></p> <p>Supplier Relations: In line with a relationship of coexistence and mutual benefit, the Company gives suppliers the profits they deserve and creates a win-win situation. In addition, Jiin Yeeh Ding Enterprise continues to conduct environmental, safety, and health audits of major suppliers and requires continuous performance improvements. Please see the Company's website for details: <a href="http://www.jyd.com.tw/investor-zone-63-85-118Home/Investor Area/Corporate Governance/Stakeholder Area/Supplier Relations">http://www.jyd.com.tw/investor-zone-63-85-118Home/Investor Area/Corporate Governance/Stakeholder Area/Supplier Relations</a></p>	It is in line with the spirit of the Corporate Governance Best Practice Principles and has shown no deviation therefrom.

Evaluation item	Status			Difference from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies, and reasons
	Yes	No	Summary description	
			<p>When a contractor signs a contract for a project, all safety and environmental protection precautions should be given notification in writing, and should clearly define the safety protection and control measures that construction workers need to take. Also, contractors who undertake high-risk projects in the plant are required to have their staff complete work skills training.</p> <p>Stakeholders: The Company takes "technology first, quality first, service first" as our business philosophy, providing services or products with zero defects to customers on time. We also uphold the principle of ethics and the concept of sustainable management, as well as cooperating with customers, suppliers, and other stakeholders for mutual benefit in anticipation of creating long-term and stable benefits for shareholders and employees. Please see the Company's website for details: <a href="http://www.jyd.com.tw/investor-zone-63-85">http://www.jyd.com.tw/investor-zone-63-85</a>Home/Investor Area/Corporate Governance/Stakeholder Area</p> <p>Director training status: The directors of the Company all have industry professional backgrounds in the industry and operational management experience, and have continued to study in accordance with the relevant regulations every year. Details are given in the attached table and have been announced on the Market Observation Post System:</p>	It is in line with the spirit of the Corporate Governance Best Practice Principles and has shown no deviation therefrom.

Evaluation item	Status							Difference from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies, and reasons	
	Yes	No	Summary description						
			Job Title	Name	Training date	Organizer	Course Title	Training hours	It is in line with the spirit of the Corporate Governance Best Practice Principles and has shown no deviation therefrom.
			Chairperson	Chuang, Ching-Chi	1.2023/05/11 2.2023/11/08	Taiwan Corporate Governance Association	1. Discuss on the three principles of corporate governance, ethical management, corporate sustainable development, and insider trading prevention. 2. Trends and risk management of digital technology and artificial intelligence.	6 hours	
			Director	Chuang, Jui-Yuan					
			Director	Chuang, Jui-Chin					
			Director	Huang, Jih-Tung					
			Director	Peng, Cheng-Pin					
			Independent director	Chuang, Chin-Te					
			Independent director	Lin, Jung-Yi					
			Independent director	Wang, Hsin-Fa					
			Independent director	Peng, Hsien-Chung					
			Independent director	Lin, Jung-Yi	2023/10/04	Securities & Futures Institute	Advanced Seminar on Directors, Supervisors (including Independent), and Chief Corporate Governance Officers Practices	3 hours	

Evaluation item	Status			Difference from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies, and reasons
	Yes	No	Summary description	
			<p>Implementation of risk management policies and risk measurement standards:  The Company has a risk management policy, and the organizational structure of risk management is responsible for the relevant management units according to the nature of its business. The Company's risk management constitutes recognizing, analyzing, and measuring potential risks at each unit, while selecting appropriate treatment methods to control, process, manage, and supervise them and then improving the risk management plan. This is done according to the characteristics and levels of risks and using centralized or hierarchical implementation, so that all risks can be effectively controlled at any time. We have furthermore set up an audit unit to check and report on the Company's internal control systems regularly and intermittently, such that operational risks should be minimized.  Please see the Company's website for details: <a href="https://www.jyd.com.tw/investor-zone-63-87">https://www.jyd.com.tw/investor-zone-63-87</a></p> <p>Implementation of risk management policies:  <a href="https://www.jyd.com.tw/storage/system/PDF/05-1/2022/20221115-111-11.pdf">https://www.jyd.com.tw/storage/system/PDF/05-1/2022/20221115-111-11.pdf</a></p> <p>Risk management policy:  <a href="https://www.jyd.com.tw/storage/system/PDF/05-1/05-1-21.pdf">https://www.jyd.com.tw/storage/system/PDF/05-1/05-1-21.pdf</a></p> <p>Implementation of customer policies:  The Company continues to maintain good interaction with customers, attaches great importance to customer relationships and customer satisfaction, and handles valued opinions by dedicated personnel to create a relationship of mutual benefit.  The Company's purchases of liability insurance for directors and supervisors:  The has purchased liability insurance for directors and managers, and the</p>	It is in line with the spirit of the Corporate Governance Best Practice Principles and has shown no deviation therefrom.

Evaluation item	Status			Difference from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies, and reasons
	Yes	No	Summary description	
			<p>Company's Board functions and implementation are in accordance with the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and demonstrate an optimal performance.</p> <p>Others: In order to implement corporate governance, establish an effective internal control system, and introduce an independent director system, while relying on the professional experience of independent directors and increasing the practical experience of the management team, the Company has formulated its Rules and Procedures of Board of Directors Meetings and has established a Remuneration Committee and an Audit Committee to strengthen the functions of the Board of Directors. These efforts have been made in order to protect the rights and interests of shareholders and enhance information transparency. The company has also set up a spokesperson and an acting spokesperson to disclose the Company's material information in a timely manner, and a dedicated person is responsible for handling communication with shareholders. In addition, the Company focuses on expanding sales customers in the industry and strives to create shareholder value.</p>	It is in line with the spirit of the Corporate Governance Best Practice Principles and has shown no deviation therefrom.
IX. Corrective action taken in response to the result of the Corporate Governance Evaluation conducted by the Corporate Governance Center of Taiwan Stock Exchange Corporation, and the priority of action			Not applicable.	

Evaluation item	Status			Difference from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies, and reasons
	Yes	No	Summary description	
on issues pending for corrective action in the most recent year. (Not applicable for companies not evaluated by TSEC)				

### 3.3 The composition, responsibilities, and operations of the Remuneration Committee

#### 3.3.1 Remuneration Committee Member Data:

ID classification	Condition Name	Professional qualifications and experience	Status of independence	Number concurrently serving as members of the remuneration committees of other publicly issued companies
Independent director /convener	Wang, Hsin-Fa	<ol style="list-style-type: none"> <li>1. Independent Director of the Company, convener of the Remuneration Committee and member of the Audit Committee.</li> <li>2. Mr. Wang Hsin-Fa serves as an Independent Director of the Company and concurrently as Chairperson of Seehigh Biotech Co., Ltd.</li> <li>3. Mr. Wang Hsin-Fa is proficient in leadership, operational judgment, operational management, crisis management, industry knowledge, corporate sustainability, international markets, and other professional capabilities. During his tenure as an Independent Director of the Company, he has provided appropriate advice and guidance on the Company's audits, financial and operational analysis as we take advantage of the expertise of Mr. Wang Hsin-Fa in his continued supervision of the Company's operations.</li> </ol>	<p>The three directors listed on the left:</p> <ol style="list-style-type: none"> <li>1. All have the qualifications of independence of independent directors.</li> <li>2. Fully compliant with the status of independence: <ol style="list-style-type: none"> <li>(1) Self, spouse, and relatives within the second degree of kinship do not serve as directors, supervisors, or employees of the Company or its affiliated companies;</li> <li>(2) Self, spouse, or relatives within the second degree of kinship do not hold any shares of the Company;</li> <li>3. Not serving in the position of director, supervisor, or employee of a company that has a specified relationship with the Company (in reference to Article 6, Paragraph 1, Subparagraphs 5-8 of the Regulations Governing the Appointment and Exercise of Powers by the Remuneration Committee of a</li> </ol> </li> </ol>	0
Independent director	Chuang, Chin-Te	<ol style="list-style-type: none"> <li>1. Independent Director of the Company, presiding chair of the Audit Committee, and member of the Remuneration Committee.</li> <li>2. Mr. Chuang Chin-Te serves as an Independent Director of the Company and possesses abundant experience in accounting, operational management, decision-making abilities, analytical ability, corporate sustainability, and other</li> </ol>		0

ID classification	Condition	Professional qualifications and experience	Status of independence	Number concurrently serving as members of the remuneration committees of other publicly issued companies
	Name			
		professional capabilities. During his tenure as an Independent Director of the Company, he has provided appropriate advice and guidance on the Company's audits, financial and operational analysis as we take advantage of the expertise of Mr. Chuang Chin-Te in his continued supervision of the Company's operations.	(4) Company Whose Stock is Listed on the Stock Exchange or Traded Over the Counter); There has been no amount of remuneration for providing business, legal, financial, accounting, and other services to the Company or its affiliates in the last two years.	
Independent director	Lin, Jung-Yi	<ol style="list-style-type: none"> <li>1. Independent Director of the Company, member of the Audit Committee and member of the Remuneration Committee.</li> <li>2. Mr. Lin, Jung-Yi serves as an Independent Director of the Company and concurrently as Presiding Lawyer, Hengsheng Lawfirm ,an Independent Director of Taihan Precision Technology Co., Ltd.</li> <li>3. Mr. Lin, Jung-Yi is proficient in decision-making abilities, operational judgment, legal expertise, operational management, crisis management, corporate sustainability, international markets, and other professional capabilities. During his tenure as an Independent Director of the Company, he has provided appropriate advice and guidance on the Company's audits, financial and operational analysis as we take advantage of the expertise of Mr. Lin, Jung-Yi in his continued supervision of the Company's operations.</li> </ol>		0

Note: The members of the Remuneration Committee are independent directors of the Company. For details, please refer to 2.1 Director Information on page 13.

### 3.3.2 Duties of the Remuneration Committee:

The Remuneration Committee of the Company shall meet at least twice a year to formulate and regularly review the policies, systems, standards, and structures of performance evaluation of and salary remuneration for directors and managers. It shall assess and determine the remuneration for directors and managers on a regular basis.

### 3.3.3 Information on the operation of the Remuneration Committee:

1. There are 3 members of the Remuneration Committee of the Company.
2. Term of office of current members: from June 27, 2022 to June 26, 2025. The Remuneration Committee met 4 times (A) in the most recent year and member qualifications and attendance are as follows:

Job Title	Name	Actual number of attendances (B)	Frequency of attendance	Actual attendance rate (%) (B/A)	Note
Committee member / Independent director	Chuang, Chin-Te	4	0	100	
Convener / Independent director	Wang, Hsin-Fa	4	0	100	
Committee member / Independent director	Lin, Jung-Yi	4	0	100	

The dates, schedule, contents of proposals, outcomes of resolutions and the Company's disposition of opinions of the Remuneration Committee in the most recent year are as follows: In January, 1 2023 and up to the date of publication of the annual report, the Remuneration Committee met 1 time, all members were attended in person.

The Remuneration Committee met 4 times in 2023 and 100% average attendance of all members.

Remuneration Committee	Motion content and subsequent handling	Resolution result	Company's response to Remuneration Committee's opinions
2nd meeting of the 5th term 2023/03/06	<ol style="list-style-type: none"> <li>1. Discussion of the Company's 2022 employee remuneration and director remuneration allocation proposal and performance evaluation report.</li> <li>2. Discussion of the Company's 2022 annual performance appraisal bonus proposal for the Chairperson and managers.</li> </ol>	Approved by all members of the Committee	Submitted to the Board of Directors and approved by all directors present

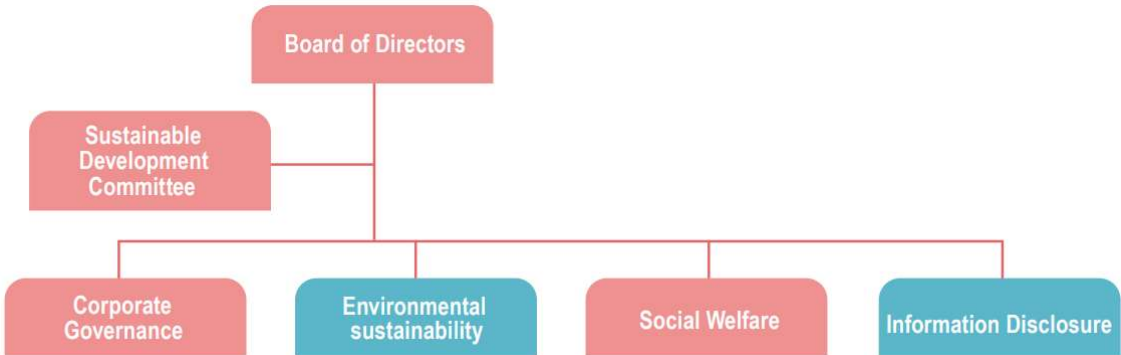
Remuneration Committee	Motion content and subsequent handling	Resolution result	Company's response to Remuneration Committee's opinions
3th meeting of the 5th term 2023/08/09	1. Discussion of the Company's 2022 annual director's remuneration distribution and manager employee bonus distribution proposal.	Approved by all members of the Committee	Submitted to the Board of Directors and approved by all directors present
4th meeting of the 5th term 2024/01/31	1. Motion to amend the Company's " Regulations Governing the Remuneration of Directors". 2. Discussion of the Company's 2023 annual performance appraisal bonus proposal for the Chairperson and managers.	Approved by all members of the Committee	Submitted to the Board of Directors and approved by all directors present
5th meeting of the 5th term 2024/03/08	1. Discussion of the Company's proposal for remuneration to employees and directors for 2023. 2. Discussion of the proposal of the Company's salary adjustment in 2024.	Approved by all members of the Committee	Submitted to the Board of Directors and approved by all directors present

Other matters to be recorded:

- I. If the Board of Directors does not adopt or amend the recommendations of the Remuneration Committee, the date and period of the Board of Directors, the content of the motion, the resolution of the Board of Directors, and the Company's handling of the opinions of the Remuneration Committee should be stated. (If the remuneration approved by the Board of Directors exceeds the recommendation of the Remuneration Committee, the differences and reasons should be stated): No such situation.
- II. On resolutions of the Remuneration Committee, if members have objections or reservations and have records or written declarations, the date, period, motion content, opinions of all members and the handling of the opinions of the members shall be stated: No such situation.

3.4 Implementation of sustainable development promotions and the deviation from Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and causes thereof:

For the systems and measures adopted by the Company for environmental protection, community participation, social contribution, social services, social welfare, consumer rights, human rights, safety and health, and other social responsibility activities and their implementation status, these are described in the following table:

Promotion item	Implementation			Deviation from Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and causes thereof
	Yes	No	Summary description	
I. Does the Company establish a governance structure to promote sustainable development, and set up a designated full-time (or part-time) unit to promote Sustainable Development, and the Board of Directors authorizes senior management to handle this and the Board of Directors supervises the situation?	√		<p>The Company established a CSR Promotion Committee under the Board of Directors with the President as presiding chair and convener, always paying attention to the development trends of social responsibility domestically and abroad and to changes in the environment in order to undertake relevant responses. The CSR Promotion Committee organization is as follows:</p>  <pre> graph TD     A[Board of Directors] --- B[Sustainable Development Committee]     B --- C[Corporate Governance]     B --- D[Environmental sustainability]     B --- E[Social Welfare]     B --- F[Information Disclosure] </pre> <p>Sustainable development policies, members of the ESG Promotion Committee, plans, and results. Please see the Company's website for details: <a href="https://www.jyd.com.tw/corporate-social-67-101">https://www.jyd.com.tw/corporate-social-67-101</a></p>	No differences.

Promotion item	Implementation					Deviation from Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and causes thereof
	Yes	No	Summary description			
			Committee	Member	Primary authority	2023 Operational status
			ESG Promotion Committee	Convener: Chuang, Jui-Yuan Corporate governance officer: Chuang, Jui-Chin Committee member: Tsou, Yi-Ta Committee member: Wu, I-Chen Committee member: Tseng, Chiung-Wan Committee member: Huang, Hsin-Ning	<ul style="list-style-type: none"><li>• Review and improve the sustainable development system established by the Company</li><li>• Pay continual attention to domestic and foreign sustainable development trends and environmental changes to make relevant responses.</li><li>• Implement and promote corporate governance</li><li>• Take responsibility for corporate governance-related matters</li><li>• Foster a sustainable environment</li><li>• Preserve social welfare</li><li>• Strengthen corporate social responsibility information disclosure</li></ul>	6 meetings were held, with an average attendance rate of 92%
			The ESG Promotion Committee convenes quarterly meetings to discuss the sustainable management objectives and policies, formulate action plans in response and implement regular reviews on their effectiveness. Including (1) Corporate governance (2) Sustainable environment (3) Social welfare (4) Information disclosure of sustainable issues.			

Promotion item	Implementation			Deviation from Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and causes thereof
	Yes	No	Summary description	
II. Does the Company follow the principle of materiality, conduct risk assessments on environmental, social, and corporate governance issues related to company operations, and formulate relevant risk management policies or strategies?	√		<p>After discussions, the Committee reports specific promotion plans and implementation results to the Board of Directors each year, and strengthens the participation of the Board of Directors in the Company's ESG implementation results. The date of the most recent report to the Board was December 20, 2023.</p> <p>1. Boundaries of the risk assessment: The information disclosed herein includes the Company's performance in sustainable development at major business locations from January to December 2023. The boundaries of the risk assessment are based on the Company's operations in Taiwan (Hsinchu Head Office and Kaohsiung Branch).</p> <p>2. Identify risk assessment standards, processes, results and risk management policies or strategies for material environmental, social, and governance issues.</p> <p>3. The Company adheres to "technology first, quality first, service first" as our business philosophy and principle of materiality, while pursuing sustainable operations and profit of the business, promoting its sustainable development, attaching importance to the rights and interests of stakeholders, paying attention to environmental, social, and corporate governance issues, and incorporating them into the Company's management policies and operational activities to achieve the goal of sustainable operations.</p> <p>The ESG Promotion Committee conducted analysis based on the materiality principle of the Sustainability Report. They communicated with internal and external stakeholders, integrated the evaluation information provided by departments to evaluate material ESG issues. They formulated risk management policies for effective identification, measurement, monitoring, and management of major environmental hazards, corporate governance, labor rights, and social support issues, and take specific actions to reduce the impact of related risks.</p>	No differences.

Promotion item	Implementation			Deviation from Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and causes thereof									
	Yes	No	Summary description										
			<div>4.The Company has formulated the following risk management policies or strategies based on the assessed risks :</div> <table><thead><tr><th>Material Issues</th><th>Risk Assessment Item</th><th>Explanation</th></tr></thead><tbody><tr><td>Environmental</td><td>Environmental impact and management</td><td>1. The Company meets environmental protection regulations and passed DNV's ISO 14001 environmental management system certification, and regularly obtains re-certification. 2. We regularly review greenhouse gas emissions, review the impact on the Company's operations, and continue to implement carbon reduction measures to effectively reduce carbon emissions.</td></tr><tr><td>Social</td><td>Occupational safety</td><td>The Company established a comprehensive occupational safety and health management system, received DNV's ISO 45001 certification and regularly obtains re-certification.</td></tr></tbody></table>	Material Issues	Risk Assessment Item	Explanation	Environmental	Environmental impact and management	1. The Company meets environmental protection regulations and passed DNV's ISO 14001 environmental management system certification, and regularly obtains re-certification. 2. We regularly review greenhouse gas emissions, review the impact on the Company's operations, and continue to implement carbon reduction measures to effectively reduce carbon emissions.	Social	Occupational safety	The Company established a comprehensive occupational safety and health management system, received DNV's ISO 45001 certification and regularly obtains re-certification.	
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Promotion item	Implementation			Deviation from Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and causes thereof		
	Yes	No	Summary description			
			Material Issues	Risk Assessment Item	Explanation	
			Corporate governance	Regulatory compliance	We established a governance organization and implement internal control mechanisms to ensure that all employees and operations of the Company comply with relevant laws and regulations.	
				Strengthen the functions of the Board of Directors	1.Plan related continuing education courses for directors and provide the latest information on regulations, system development, and policies. 2.Purchase directors' liability insurance to protect them from lawsuits and claims.	
				Stakeholder engagement	1.To avoid business or litigation risks caused by misunderstandings between stakeholders and the Company, the Company analyzes the important issues of concern to stakeholders every year. 2.Establish various communication channels to facilitate actively communication and reduce differences in opinions and misunderstanding. Set up a mailbox for investors and assign a spokesperson to process and respond to opinions.	

Promotion item	Implementation			Deviation from Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and causes thereof
	Yes	No	Summary description	
III. Environmental Issues				
(I) Has the Company established an appropriate environmental management system based on its industry characteristics?	√		(I) The Company regularly collects and evaluates adequate and timely information on the impact of its operations on the natural environment, establishes measurable targets, and reviews the progress of its environmental sustainability goals or objectives. The Company has followed ISO14001 to establish our environmental management system, and we continue to pass third-party verifications. Furthermore, a greenhouse gas inventory is conducted every year in accordance with the ISO14064-1:2018 standard, and resulting emissions reductions are tracked.	(I) No differences.
(II) Has the Company committed itself to improving energy efficiency and to using recycled materials with low impact on the environment?	√		(II) The Company has designated a dedicated individual who is responsible for the Company's overall environmental resource planning, for the sake of improving the utilization efficiency of each resource item. Because the Company works in a licensed industry, beyond adhering to general administrative decrees, we must additionally comply with provisions of environmental protection laws. As a result, such licensing is not easily obtained. Nonetheless, the Company has actively invested in environmental protection, air and water pollution prevention, waste management, and so on, and has proposed and implemented feasible improvement plans, such that there is no use of recycled materials that impacts environmental loads.	(II) No differences.

Promotion item	Implementation			Deviation from Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and causes thereof
	Yes	No	Summary description	
(III) Does the Company assess the potential risks and opportunities of climate change for the Company now and in the future, and take measures to deal with climate-related issues?	√		(III) Currently, the Company has not yet undertaken an evaluation to assess the potential risks and opportunities of climate change for the Company now and in the future or taken measures to deal with climate-related issues. Improvements will be gradually implemented in the future.	(III) The Company has not yet assessed the current and future potential risks and opportunities for companies in relation to climate change and has not taken measures to address climate-related issues.
(IV) Is the company counting greenhouse gas emissions, water consumption, and the volume of total waste in the past two years, and formulated policies	√		(IV) Based on our concern for global warming issues, the Company hopes to reduce greenhouse gas emissions while starting to reduce carbon emissions. Furthermore, we stand as the first company in Taiwan to pass carbon footprint verification for gold products, i.e., products from the raw material, manufacturing, distribution, and disposal stages. The greenhouse gases emitted in the production activities at various life cycle stages are rationally distributed and calculated, and the carbon emissions of the product are derived to reveal the use of carbon and determine energy-consuming black holes. Since learning about product carbon footprints, Jiin Yeeh Ding Company has planned control measures to complete the	(IV) No differences.

Promotion item	Implementation			Deviation from Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and causes thereof
	Yes	No	Summary description	
for public energy conservation and carbon reduction, greenhouse gas reduction, water management, or other waste management?			<p>required "carbon reduction" work. Furthermore, through the implementation of the carbon reduction plan, we create considerable "energy saving" space, thereby reducing the cost of production and achieving the goal of a mutually beneficial outcome for business and for environmental protection. The Company's energy conservation and carbon reduction and greenhouse gas reduction management policies and specific practices are as follows:</p> <ol style="list-style-type: none"> <li>1. Greenhouse gases: Due to the increase in greenhouse gas emissions caused by global activities, resulting in continuous floods and droughts generated by climate change problems, which in turn influence corporate operations, the Company expects to effectively implement greenhouse gas reduction measures to alleviate the phenomenon of global warming and fulfill our responsibilities as a member of the global village.</li> <li>(1) Policies and commitments: Jiin Yeeh Ding Enterprise Corp., conducts an organized greenhouse gas inventory operation to accurately grasp the annual greenhouse gas emissions situation, plans reduction measures and offset strategies, and has committed to a zero net increase in greenhouse gas emissions by 2050 to achieve carbon neutrality goals.</li> <li>(2) Short-term goals: (A) Complete the annual greenhouse gas inventory inspection; (B) Complete the annual organization greenhouse gas claim verification operation and obtain the verification statement; (C) Implement and complete reduction measures with 20% reduction target achieved by 2030.</li> <li>(3) Medium- and long-term targets: (A) Implement the reduction and complete the offsetting strategy year by year, achieve carbon neutrality and complete the report, (B) Complete the carbon neutrality external verification operation by 2050.</li> </ol>	

Promotion item	Implementation			Deviation from Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and causes thereof																																																	
	Yes	No	Summary description																																																		
			<p>(4) Promotional measures: (A) The Company established a carbon neutral management team (with members covering production, administration, factory affairs, and security), (B) We have analyzed the water and electricity consumption of the organization on a quarterly basis, ensuring that the effect of the relevant carbon reduction plan is reliable, (C) For the process power consumption reduction and power consumption reduction plan, the relevant performance will be reviewed regularly.</p> <p>(5) Verification status: The Company has completed the 2020 greenhouse gas inventory management report and obtained third-party inspection, which is carried out in accordance with the ISO 14064-1:2018 standard and the generally recognized guidelines related to the consistency of the process of identification, calculation, monitoring and reporting of greenhouse gas emissions. The implementation of this inspection is consistent with the requirements of the ISO 14064-3:2019 standard.</p> <table><tr><th colspan="8">GHG category and Scope 1 emission type emission statistics table of the whole plant</th></tr><tr><th></th><th colspan="4">Scope 1</th><th>Scope 2</th><th>Scope 3</th><th rowspan="2">Total emissions equivalent</th></tr><tr><th></th><th>Fixed emissions</th><th>Process emissions</th><th>Mobile emissions</th><th>Fugitive emissions</th><th>Indirect energy emissions</th><th>Other indirect emissions</th></tr><tr><td>Emissions equivalent (CO2e mt/year)</td><td colspan="4">353.9451</td><td rowspan="2">908.8385</td><td rowspan="2">1,488.5058</td><td rowspan="2">2,751.289</td></tr><tr><td></td><td>17.2372</td><td>0.0000</td><td>325.0711</td><td>11.6368</td></tr><tr><td>Proportion of gas type (%)</td><td colspan="4">12.86%</td><td rowspan="2">33.03%</td><td rowspan="2">54.10%</td><td rowspan="2">100.00%</td></tr><tr><td></td><td>0.63%</td><td>0.00%</td><td>11.82%</td><td>0.42%</td></tr></table>	GHG category and Scope 1 emission type emission statistics table of the whole plant									Scope 1				Scope 2	Scope 3	Total emissions equivalent		Fixed emissions	Process emissions	Mobile emissions	Fugitive emissions	Indirect energy emissions	Other indirect emissions	Emissions equivalent (CO2e mt/year)	353.9451				908.8385	1,488.5058	2,751.289		17.2372	0.0000	325.0711	11.6368	Proportion of gas type (%)	12.86%				33.03%	54.10%	100.00%		0.63%	0.00%	11.82%	0.42%	
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Promotion item	Implementation			Deviation from Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and causes thereof
	Yes	No	Summary description	
			<p>The Company's total greenhouse gas emissions (Scope 1 and Scope 2) totaled 1,262.784 CO<sub>2</sub>e mt/year. The total emissions of Scope 1 greenhouse gases were 353.9451 CO<sub>2</sub>e mt/year, and the total emissions of Scope 2 greenhouse gases were 908.8385 CO<sub>2</sub>e mt/year. Total greenhouse gas emissions (Scope 3) came to 1488.5058 CO<sub>2</sub>e mt/year.</p> <p>2. Waste management: The Company needs to properly manage the waste generated in the process of recycling and reuse to avoid secondary pollution and environmental hazards.</p> <p>(1) Policies and commitments: Committed to the prevention and continuous improvement of waste pollution, and promoting environmental protection concepts to employees, customers, suppliers, and contractors.</p> <p>(2) Short-term goals: (A) Waste discharge during the recycling process can comply with the regulations, (B) Implement contractor audits to ensure that the relevant commissioned waste can be properly disposed of and is harmless.</p> <p>(3) Medium- and long-term objectives: To comply with regulatory requirements, ensure that the waste recycling system can be properly handled from upstream to downstream, fulfill corporate social responsibility, and avoid environmental impacts.</p> <p>(4) Promotion measures: In accordance with the ISO14001 environmental management system, we will implement in-plant waste management through the PDCA system to achieve annual targets.</p>	

Promotion item	Implementation			Deviation from Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and causes thereof
	Yes	No	Summary description	
IV. Social Issues				
(I) Has the Company established related policies and procedures in accordance with applicable legal rules and the International Convention on Human Rights?	√		(I) Jiin Yeeh Ding pays close attention to employees' rights and builds a friendly environment with human rights protection. The Company obtained the approval of the Chairman for the establishment of the "Human Rights Policy", which recognizes the basic human rights enshrined in the values of the international community. It includes the ban on the use of child labor, elimination of all forms of forced labor, elimination of discrimination in employment, and prevention of any action that infringe or violate human rights to ensure gender equality and fair treatment of all employees.	(I)-(II) No differences.
(II) Has the Company formulated and implemented reasonable employee welfare measures (including salary, vacation and other benefits, etc), and appropriately reflected business performance or results in employee compensation?	√		(II) The Company has working rules and related personnel management regulations. The content covers basic wages, working hours, vacations, pension benefits, labor and health insurance benefits, occupational accident compensation, and so on for the Company's hired workers, which are in compliance with the relevant provisions of the Labor Standards Act. We have set up an Employee Welfare Committee to operate through a welfare committee elected by employees to handle various welfare matters. The company's remuneration policy has a positive correlation with business performance, according to individual ability, contributions to the Company, and performance.	

Promotion item	Implementation			Deviation from Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and causes thereof
	Yes	No	Summary description	
(III) Has the Company provided a safe and healthy work environment for the employees, and related education on occupational safety and health for the employees at regular intervals?	√		(III) The Company is committed to providing a safe and reasonable working environment for all employees and safeguarding the rights and interests of employees, implementing occupational safety and health management systems (ISO 14001 & ISO 45001), establishing a more perfect management mechanism, and regularly implementing safety and health education and training for employees (including providing necessary health and first aid facilities). Furthermore, we are committed to reducing hazards to employee safety and health to prevent occupational incidents.	(III)-(IV) No differences.
(IV) Has the Company provided effective training in career planning for employees?	√		(IV) The Company's Human Resources Department has a complete training plan for the career development of colleagues, so that colleagues can perform services in existing positions and further train in the skills necessary for promotion.	

Promotion item	Implementation			Deviation from Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and causes thereof
	Yes	No	Summary description	
(V) Regarding issues such as customer health and safety, customer privacy, and marketing and labeling of products and services, does the Company comply with the relevant regulations and international standards, and formulate relevant consumer and customer protection policies and complaint procedures?	√		(V) The Company formulates management laws to maintain the social environment in accordance with the Waste Disposal Act and the Resource Recycling Act.	(V) No differences.

Promotion item	Implementation			Deviation from Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and causes thereof
	Yes	No	Summary description	
(VI) Has the Company formulated supplier management policies, where suppliers are required to follow relevant regulations on issues such as environmental protection, occupational safety and health or labor and their implementation?	√		(VI) The Company attaches great importance to the protection of the environment and society, and also selects manufacturers with the same integrity as the Company to perform supplier evaluation and review every year.	(VI) No differences.
V. Does the Company refer to the internationally-prepared reporting standards or guidelines, preparation of sustainability	√		The Company prepared the "2022 Jiin Yeeh Ding Sustainability Report" in accordance with the internationally accepted guidelines for the preparation of reports (GRI Standards). The Report has been verified by Great Certification, and disclosed on the Company's website. <a href="https://www.jyd.com.tw/corporate-socialHome/ESGArea">https://www.jyd.com.tw/corporate-socialHome/ESG Area</a>	No differences.

Promotion item	Implementation			Deviation from Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and causes thereof
	Yes	No	Summary description	
reports and other reports that disclose the Company's non-financial information? Did the preliminary report obtain the confidence or assurance opinion of the third-party verification unit?				
<p>VI. If the Company has its own sustainable development code in accordance with the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies, please describe the differences between its operation and the Principles:</p> <p>The Company has Sustainable Development Best Practice Principles and implements them, which are no different from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies.</p>				

VII. Other important information helpful to understand the implementation of the promotion of sustainable development:

The Company actively practices sustainable development in line with international development trends, and through corporate citizenship, we enhance the country's economic contributions, improve the quality of life of employees, communities and society, and promote our competitive advantage based on corporate sustainability. The main contents of the activities in 2023 are briefly described as follows:

**1.Lamplighting Buddies – Street Lamp Adoption**

Jiin Yeeh Ding fulfills corporate social responsibility and gives back to the society. We have sponsored street lamps since 2011 and sponsored 78 street lamps this year to make the streets brighter and safer and also allows us to work together to achieve the goals of energy conservation, carbon reduction and love for the Earth. We hope that more people can sponsor street lamps with us together.

**2.Greening Action GO GO GO**

We seek to improve the city's "cement forest" , and implement of green spatial design. So that colleagues can have a comfortable living environment. Greening will improve sanitation and maintain the balance and efficiency of ecosystems.

**3.Massage Masters**

Jiin Yeeh Ding ESG has arranged for massage experts to be stationed at the Company, offering massages to employees every Wednesday from 10 am to 5 pm. Besides providing employment opportunities for people with disabilities, this initiative aims to relieve stress for employees, loosen muscles, boost morale, and ultimately improve work efficiency.

**4.Environmental Protection, Love the Earth**

Jiin Yeeh Ding Jiin Yeeh Ding employees utilize recycled materials such as discarded glass, pallets, and wires to create usable materials and seasonal plants, crafting captivating moss ball plant artworks. These creations become the freshest scenery in daily life, forming Jiin Yeeh Ding's unique breath of nature. 20 employees participated in handcraft activities. The DIY process not only satisfied employees' sense of happiness, but also raised diverse environmental issues and compelled concrete actions to love the Earth.

**5.1919 Food Bank**

The event was organized in cooperation with the "1919 Food Bank" of the Chinese Christian Relief Association. Jiin Yeeh Ding and its employees donated a total of NT\$ 174,000. This donation was exchanged for 580 boxes of food through the 1919 Food Bank. On that day, 113 employees and their families gathered together to participate in a charity event, packing food boxes to be delivered to those in need. This not only demonstrates the Company's corporate social responsibility but also helps children profoundly understand the importance of caring for others.

#### **6.Rolling up Sleeves to Donate Blood – A Benefit to Help Others**

Jiin Yeeh Ding Enterprise held its sixth blood donation drive on October 24th, 2023. A total of 32 employees and residents participated, donating 49 bags of 250cc blood, totaling 12,250cc of blood, setting a new record compared to previous years.

#### **7.KPMG-Charity Donating Used Laptops to Remote Villages**

Jiin Yeeh Ding has participated in the donation of second-hand computers to digital centers of remote rural areas organized by KPMG Taiwan each year for six consecutive years and donated 5 second-hand laptop computers this year.

Jiin Yeeh Ding will continue to provide sponsorship and implement the "Remote Rural Area Digital Care Implementation Plan" to reduce the digital gap for rural areas. We shall help residents of rural areas learn without interruption with the aim of transferring knowledge and skills to rural areas and effectively reducing the digital gap between urban and rural areas. We hope disadvantaged groups can also have the opportunity to connect with the world and make their dreams come true.

#### **8.Parent-Child Day**

Jiin Yeeh Ding invited employees' family members to visit the Company to learn about the work environment and operations, aiming to enhance their understanding and support for employees' work. The initiative also aimed to raise awareness among family members about the electronic waste recycling and reuse industry that the Company is involved in, while showcasing the significance of their work and their contribution to the environment and nature. A total of 113 employees and their dependents gathered for this event to participate in the parent-child activity designed by the Company's employees, which brought everyone closer together.

#### **9.Education and Training – Corporate Social Responsibility Issues**

- The Safety and Health Department regularly conducts environmental news and occupational disaster case publicity at supervisory meetings every week.
- In November 2023, Jiin Yeeh Ding held a health promotion seminar titled "Introduction to Strength Training and Jogging for Office Workers." The seminar aimed to educate employees about muscle strength and proper exercise posture. It emphasized that even seemingly simple exercises like jogging require the involvement of muscles throughout the body to perform effectively and avoid injury !
- Share ESG-related articles by e-mail to all colleagues of Jiin Yeeh Ding.

#### **10.Additional - Dragon Boat Festival Walk for Health**

Jiin Yeeh Ding enthusiastically participated in the "Dragon Boat Festival Mountain Cleanup Walk for Health and Family Fun Event" held by the Nangang community in Hsinchu City on June 18, 2023. Employees of Jiin Yeeh Ding, along with community residents, followed a pre-planned route for hiking, enjoying the beautiful natural scenery while also collectively cleaning up litter along the way, contributing their efforts to environmental conservation. This event not only allowed participants to enjoy physical and mental health exercise, but also raised everyone's awareness of environmental protection

### **11.Additional - Donated Food to Foodbank Hsinchu**

Jiin Yeeh Ding donated 10 supplies, including rice, noodles, canned goods, soy sauce, and biscuits, which were delivered to local families in need by Foodbank Hsinchu. The donation of these supplies not only provides practical help, but also demonstrates our care and commitment to the society.

### **12.2022 Jiin Yeeh Ding Sustainability Report**

Completed the 2022 Jiin Yeeh Ding Sustainability Report which was uploaded to the Market Observation Post System and the Company's website on September 28, 2023.

The Company's website. <https://www.jyd.com.tw/corporate-social-151>

### **13.Additional - Beach Cleanup (Xingfu Beach)**

Employees of the Company participated in the "Hsinchu City 2023 Salute to the Seas Autumn Beach Cleanup Event" organized by the Hsinchu City Government in Xingfu Beach to jointly maintain the beautiful coasts and protect local marine ecology. Following the beach cleanup activity under the scorching sun, participants gained a deeper appreciation for the challenges involved in maintaining coastal cleanliness. They expressed a collective hope for increased public awareness and education regarding the importance of preserving the natural environment, particularly focusing on coastal areas.

### **14.Additional - Hsinchu City Marathon**

Jiin Yeeh Ding donated 10 supplies, including rice, noodles, canned goods, soy sauce, and biscuits, which were delivered to local families in need by Foodbank Hsinchu. The donation of these supplies not only provides practical help, but also demonstrates our care and commitment to the society.

The specific promotion plan for sustainable development in 2024 is briefly described as follows:

#### **1.Lamplighting Buddies – Street Lamp Adoption**

The adoption of benevolent street lamps makes the streets brighter and safer, and also allows us to work together to achieve the goals of energy conservation, carbon reduction and love for the Earth.

#### **2.Greening Action GO GO GO**

We seek to improve the city's "cement forest" , and implement of green spatial design. So that colleagues can have a comfortable living environment. Greening will improve sanitation and maintain the balance and efficiency of ecosystems.

#### **3.Massage Masters**

After the massage service, employees can relieve stress, stretch their muscles and bones, enhance their work spirit, and improve work efficiency.

#### **4.Environmental Protection, Love the Earth**

Through the outdoor activities, we increased everyone's environmental protection awareness and start with themselves to clean up waste together, keep the environment clean and restore the beauty of nature, and do our part to protect our beautiful homeland.

#### **5.1919 Food Bank**

We used the Food Bank to help families in need across Taiwan. It provides them with a renewed sense of hope for life as well as material care and spiritual support.

#### **6.Charitable Donations**

By donating supplies to local families in need, these donations not only provide practical assistance but also express care and commitment to society.

#### **7.Rolling up Sleeves to Donate Blood – A Benefit to Help Others**

It is hoped that the purpose of "donating blood to save people" will be achieved through blood donation with love, which will not only establish a good corporate image, but also to let employees' warm contributions convey "love" and "hope"

#### **8.Reducing the use of single-use utensils**

As part of the initiative to reduce the use of disposable utensils, Jiin Yeeh Ding adheres to the Zero Waste City Plan and the Ministry of Environment's policy on banning disposable tableware. Through prevention, reduction, recycling, and reuse, the Company aims to minimize waste generation and contribute to building a sustainable city. This initiative encourages employees to adopt eco-friendly habits by bringing their own reusable tableware, fostering a collective effort to protect the environment.

#### **9.Parent-Child Day**

Jiin Yeeh Ding's annual family parent-child activities unite employees and their families to make happy friendships and enhance corporate consensus and motivation.

#### **10.KPMG-Charity Donating Used Laptops to Remote Villages**

This involved donating second-hand computers to students in schools in remote rural areas, in the hope of passing on love to more disadvantaged groups and making a contribution to society.

#### **11.Education and Training – Corporate Social Responsibility Issues**

We promote employees' awareness of corporate social responsibility through regular publicity of environmental news, sharing of occupational incident cases, and articles on corporate social responsibility issues.

3.5 Ethical business performance conditions, as well as differences and reasons for differences with Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies:

The Company's operations are handled in accordance with the provisions of the relevant competent authorities, and its decision-making is based on the interests of shareholders and the Company, and complies with the norms set by the Company.

**Ethical business performance conditions, as well as differences and reasons for differences with Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies**

Evaluation item	Status			Deviation from Ethical Corporate Management Best-Practice Principles for TWSE/TPEX Listed Companies and causes thereof
	Yes	No	Summary description	
I. Formulation of ethical management policy and plans				
(I) Has the Company formulated the ethical management policy approved by the Board of Directors, and in the regulations and external documents expressed the policies and practices of operating in good faith, and the commitment of the Board of Directors and senior management to actively implement business policies?	√		(I) In order to establish a corporate culture of ethical management and sound development, the Board of Directors of the Company adopted and formulated the Ethical Corporate Management Best Practice Principles and the Ethical Management and Guidelines for Conduct on March 26, 2018.	(I) No differences.
(II) Has the company established an assessment mechanism for the risk of dishonesty, regularly analyzing and evaluating business activities with a high risk of dishonesty in the business scope, and formulated a plan to prevent dishonesty, and cover at a minimum the preventive	√		(II) The Company has established relevant regulations such as internal audit and internal control systems and verification authority. It is expected it can reduce the risk of dishonest behavior through the control and verification operation of two or more people.	(II) No differences.

Evaluation item	Status			Deviation from Ethical Corporate Management Best-Practice Principles for TWSE/TPEX Listed Companies and causes thereof
	Yes	No	Summary description	
measures for various acts under Article 7, Paragraph 2 of "Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies?"				
(III) Does the Company specify the operating procedures, behavior guidelines, disciplinary penalties, and grievance system in the plan to prevent dishonesty, and implement it, and regularly review and revise the pre-disclosure plan?	√		(III) The Company has established "the Ethical Management and Guidelines for Conduct " to specify the operating procedures, behavior guidelines, punishment and complaint system for violations, and implement them.	(III) No differences.
II. Implementation of Ethical Corporate Management				
(I) Does the Company assess the integrity records of the counter parties, and specify the terms of good faith in its contracts with the counterparties?	√		(I) The Company's external business activities are based on the basic principles of ethics and compliance with the law, and when signing agreements with cooperative manufacturers, they will be required to undertake good faith cooperation and comply with relevant laws and regulations.	(I) No differences.
(II) Has the Company set up a special unit under the Board of Directors to promote corporate ethical	√		(II) The Company has designated the Corporate Social Responsibility Promotion Committee as a dedicated unit attached to the Board of Directors, handling the revision,	(II) No differences.

Evaluation item	Status			Deviation from Ethical Corporate Management Best-Practice Principles for TWSE/TPEX Listed Companies and causes thereof
	Yes	No	Summary description	
management, and regularly report (at least once a year) to the Board of Directors on its ethical management policies and plans to prevent dishonesty and supervision and implementation?			implementation, interpretation, consulting services, registration and filing of notification content and other related operations, and supervising the implementation of the Procedures for Ethical Management and Guidelines for Conduct and reporting to the Board of Directors.	
(III) Has the Company developed a policy to prevent conflicts of interest, provided a proper presentation channel, and put such policy in place?	√		(III) The Company has established a code of ethical conduct and requires practitioners to perform relevant business in good faith and legally to prevent improper incidents and an unfavorable cultural atmosphere.	(III) No differences.
(IV) Has the Company established an effective accounting system for the implementation of ethical management, internal control system, and the evaluation result of the risk of dishonesty by the internal audit unit, to formulate relevant audit plans, and check the compliance with the plan to prevent dishonesty, or entrusted an accountant to perform the audit?	√		(IV) The Company's internal control system has set up an Ethical Management Evaluation Form as well as Procedures for Ethical Management and Guidelines for Conduct. The internal audit unit regularly evaluates risks and draws up audit plans, carries out relevant audits according to its plan, and also performs ad hoc audits as needed. Furthermore, it regularly reports the audit results to the Audit Committee and to the Board of Directors, allowing management to understand the implementation of the Company's internal controls for management purposes.	(IV) No differences.

Evaluation item	Status			Deviation from Ethical Corporate Management Best-Practice Principles for TWSE/TPEX Listed Companies and causes thereof
	Yes	No	Summary description	
(V) Does the Company hold educational training in ethical corporate management inside and outside the Company on a regular basis?	√		(V) The Company has established a "Code of Ethical Conduct" to promote personal responsibility, group responsibility, and responsibility norms for the Company, the public, and other stakeholders at various meetings from time to time, with the aim of preventing misconduct.	(V) No differences.
III. Operation of the Company's Reporting System (I) Has the Company put in place a specific whistle-blowing and reward system, established a convenient reporting channel, and assigned appropriate personnel to deal with whistle-blowing?	√		(I) The Company has established the following: Handling of suggestions, doubts, disputes, and litigation procedures, whistleblowing systems, and whistleblowing letters, and the setup of independent whistleblowing mailboxes and dedicated lines. This is done as a conduit for reporting complaints of violations of the Code of Ethical Conduct. For reported matters, we will clarify details of the individual involved, the matter at hand, and other related facts and evidence of the content of the report, and we shall take appropriate action according to the seriousness of the reported incident. Please see the Company's website for details: <a href="http://www.iyd.com.tw/investor-zone-63-85-119">http://www.iyd.com.tw/investor-zone-63-85-119</a> Home/Investor Area/Corporate Governance/Stakeholder Area/Reporting System for Ethical Violations	(I) No differences.

Evaluation item	Status			Deviation from Ethical Corporate Management Best-Practice Principles for TWSE/TPEX Listed Companies and causes thereof
	Yes	No	Summary description	
(II) Has the Company set the investigation standards, operating procedures and related confidentiality mechanisms for reporting events?	√		(II) The Company has established independent whistleblowing mailboxes and dedicated lines. This is done as a conduit for reporting complaints of violations of the Code of Ethical Conduct. For reported matters, we will clarify details of the individual involved, the matter at hand, and other related facts and evidence of the content of the report, and we shall take appropriate action according to the seriousness of the reported incident, and at the same time, the Company shall maintain the confidentiality of the person and content involved in the whistleblowing report.	(II) No differences.
(III) Has the Company taken measures to protect whistleblowers from retaliation due to reporting?	√		(III) If a stakeholder has suggestions, doubts, disputes, and litigation matters, he or she may use the whistleblowing mailbox or hotline to contact the Company's audit supervisor. The safety of whistleblowers shall be protected and shall be dealt with by exercising due diligence in accordance with the precautions of the confidentiality statement, and they shall not be unjustly punished for whistleblowing.	(III) No differences.

Evaluation item	Status			Deviation from Ethical Corporate Management Best-Practice Principles for TWSE/TPEX Listed Companies and causes thereof
	Yes	No	Summary description	
IV. Enhancing disclosure of information does the Company disclose the ethical corporate management policies and the results of its implementation on the Company website and MOPS?	√		In order to establish a corporate culture of ethical management and sound development, the Board of Directors of the Company adopted and formulated the "Ethical Corporate Management Best Practice Principles" and the "Ethical Management and Guidelines for Conduct" on March 26, 2018. Please see the Company's website for details: <a href="https://www.jyd.com.tw/storage/system/PDF/05-1/05-1-19.pdf">https://www.jyd.com.tw/storage/system/PDF/05-1/05-1-19.pdf</a> & <a href="https://www.jyd.com.tw/storage/system/PDF/05-1/05-1-20.pdf">https://www.jyd.com.tw/storage/system/PDF/05-1/05-1-20.pdf</a>	No differences.
<p>V. If the Company has enacted the "Ethical Corporate Management Best Practice Principles" in accordance with the "Ethical Corporate Management Best Practice Principles" for TWSE/ TPEX Listed Companies, please describe the difference between its operation and the Principles:</p> <p>In order to establish a corporate culture of ethical management and sound development, and with reference to the "Ethical Corporate Management Best Practice Principles" for TWSE/TPEX Listed Companies, the Company has established "Ethical Corporate Management Best Practice Principles" as well as "Procedures for Ethical Management and Guidelines for Conduct" as approved by the Board of Directors on March 26, 2018 and reported to the Shareholders' Meeting on June 22, 2018. In accordance with the requirements of the Financial Supervisory Commission's Letter SFB No. 1080307434 dated May 16, 2019, amendments were made to a portion of the clauses of the Company's "Ethical Corporate Management Best Practice Principles" and "Procedures for Ethical Management and Guidelines for Conduct", as approved by the Board of Directors on March 23, 2020 and reported to the Shareholders' Meeting on June 23, 2020. All was handled in accordance with the spirit and norms of the "Ethical Corporate Management Best Practice Principles" for TWSE/TPEX Listed Companies.</p>				

- VI. Other information that enables a better understanding of the Company's ethical corporate management (for example, the Company's review and revision the Ethical Corporate Management Best Practice Principles, etc):
- The operational status and results of ethical 2023 are as follows:
    - I. To establish a corporate culture of ethical management and sound development, actively prevent unethical conduct and establish a sound framework for positive business operations, we included ethical corporate management into the training programs for employees to learn about the Company's ethical corporate management strategies and policies.
    - II. Participation in training programs and awareness campaigns in 2023 :
      - i. The Company's HR Department explains the Company's rules and regulations during the orientation training. The contents include training on the Company's integrity and ethical corporate management issues (courses include interest patterns, prevention programs, ethical corporate management environment, reporting channels, and case studies).
      - ii. The Company organizes training programs during internal meetings or management meetings to communicate the ethical corporate management policy, prevention programs, and consequences of unethical conduct.
      - iii. In November 2023, the Company conducted educational training for all employees. A total of 137 people read the educational materials this time, with a total of 68.5 hours of educational training.
    - III. To improve ethical corporate management, the "Sustainable Development Promotion Team" is currently responsible for promoting ethical corporate management and it reports to the Board of Directors once a year. The most recent report to the Board of Directors was made on December 20, 2023.
  - For all directors, we will carry out "Prevention of Insider Trading" education and promotions. Content contains: Explain the purpose and criteria of legislation for insider trading with cases studies of misconduct involving securities.
  - This year, no complaints or appeals related to ethical management were received.
  - We have a "Supplier Code of Ethical Sourcing" and clearly declare on our website that we protect labor human rights in accordance with internationally recognized guidelines and work with suppliers who also comply with this principle. These standards include the labor standards recognized by the national Labor Standards Act, as well as the standards that major suppliers should follow, to ensure the confidentiality and security of the information we entrust, and to work with suppliers who also comply with this practice.
  - Suppliers shall not give promises, bribes, commissions, kickbacks, or other improper benefits to our personnel, nor shall subcontractors do so. In case of non-compliance, we may terminate or rescind the contract. Suppliers shall comply with relevant provisions such as labor safety and health regulations when performing the contract.

3.6 If the Company has established the Corporate Governance Best Practice Principles and the related regulations, it should disclose how to inquire about such principles:

The Company has established "Corporate Governance Best Practice Principles", and the exercise of authority by directors and the internal control system are handled in accordance with the spirit and norms of the "Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies.

Please see the Company's website for details: <https://www.jyd.com.tw/investor-zone-63-87>

3.7 Other important information that is sufficient to enhance the understanding of corporate governance and operational conditions must be disclosed together:

3.7.1 The Company has formulated the following relevant rules and measures in accordance with the "Corporate Governance Best Practice Principles" for TWSE/TPEX Listed Companies:

- (1) Articles of Incorporation
- (2) Operational Procedures for Endorsements/Guarantees
- (3) Measures for the Management of Funds Lending
- (4) Procedures for Acquisition or Disposal of Assets
- (5) Measures for the Administration of Derivatives Trading
- (6) Code of Ethical Conduct
- (7) Rules of Procedure for Shareholders Meetings
- (8) Rules of Procedure for Board of Directors Meetings
- (9) Procedures for Selection of Directors
- (10) Rules Governing the Scope of Powers and Responsibilities of Independent Directors
- (11) Main Points of Advanced Training Implementation for Directors
- (12) Measures for the Handling of Transactions by Related Persons of Specified Companies and Group Enterprises
- (13) Corporate Governance Best Practice Principles
- (14) Remuneration Committee Charter
- (15) Organizational Rules of the Audit Committee
- (16) Board of Directors Performance Evaluation Measures
- (17) Internal Material Information Processing and Operational Procedures
- (18) Corporate Social Responsibility Best Practice Principles
- (19) Ethical Corporate Management Best Practice Principles
- (20) Procedures for Ethical Management and Guidelines for Conduct
- (21) Risk management policy
- (22) Implementation of Risk Management Policies
- (23) Specific Circumstances of Implementation of Internal Rules
- (24) Information security policy

(25) Energy Conservation and Carbon Reduction and Greenhouse Gas Reduction Management Policies

(26) Human Rights Policy

Inquiry method: The Company's website <https://www.jyd.com.tw/investor-zone-63>, disclosing the Company's financial business and corporate governance information.

3.7.2 Other important information that is sufficient to improve the understanding of corporate governance operations:

The inquiry method is as follows:

- (1) In order to manage the Company's internal material information and prevent insider trading, revisions have been made to the Company's "Internal Material Information Processing and Operational Procedures" and all directors, managers, and employees have been informed accordingly. Furthermore, we have posted this procedural system and its precautions on the Company's internal network announcement area and on the Company's website for all colleagues to follow. These Operational Procedures clearly stipulate that insiders, such as company directors or employees, are prohibited from profiting from the use of information that is not available in the market, and violations or occurrences of insider trading should be avoided.
- (2) For the Company's newly appointed directors, managers, and other insiders, distribution shall be made at the time of their taking office of the latest version of "Relevant Laws and Matters for Attention for Insider Trading and Insider Equity of TPEX and Emerging Market Listed Companies" as issued by the Taipei Exchange, so as to facilitate the compliance of insiders therewith.
- (3) Market Observation Post System: <https://mops.twse.com.tw/mops/web/index>
- (4) Web page of the Company: <https://www.jyd.com.tw/investor-zone-63-87>

### 3.8 Implementation status of internal control system

#### 3.8.1 Statement of Internal Control:

Jiin Yeeh Ding Enterprise Corp.  
Statement of Internal Control System

Date: March 8, 2024

For the Company's Internal Control System of 2023, based on the results of self-assessment, the following is hereby declared:

- I. The Company acknowledges and understands that the establishment, implementation, and maintenance of the internal control system are the responsibility of the Board and managerial officers of the Company, and that such a system has been implemented within the Company. The purpose of the system is to reasonably ensure that the effectiveness and efficiency of operations (including profits, performance, and protecting the security of assets), reliability, timeliness, transparency, and regulatory compliance of reporting, as well as the compliance with applicable laws, regulations, and bylaws are achieved.
- II. The internal control system is designed with inherent limitations. No matter how perfect the internal control system is, it can only provide a reasonable assurance to the fulfillment of the three objectives referred to above. Moreover, the effectiveness of the internal control system could be affected by the changes of environment and circumstances. However, the company's internal control system has a self-supervision mechanism. Once a missing element is recognized, the company takes corrective action.
- III. The Company examined the design and effective implementation of its internal control system according to the criteria prescribed in the Regulations Governing Establishment of Internal Control Systems by Public Companies (called the Regulations below). The "Regulations" divide internal control into five constituents in line with the process of management control: 1. Control environment, 2. Risk assessment, 3. Control operation, 4. Information and communication, and 5. Supervision. Each constituent contains several criteria. Please refer to the "The Governing Principles" for more details.
- IV. The Company has adopted the said criteria to validate the effectiveness of its internal control system design and execution.
- V. Based on the assessments described above, the Company considers the design and execution of its internal control system to be effective as at December 31, 2023. This system (including supervision and management of subsidiaries) has provided assurance with regards to the Company's business results, target accomplishments, reliability, timeliness and transparency of reported financial information, and its compliance with relevant laws.
- VI. The Statement of Declaration will be the major contents of the annual report and prospectus of the Company and to be publicly disclosed. The Company shall be held liable for misrepresentation or nondisclosure in the above content, according to Articles 20, 32, 171, and 174 of the Securities and Exchange Act.
- VII. This Statement has been approved by the Company's Board of Directors at the meeting held on March 8, 2024, at which this Statement was unanimously endorsed by all 9 attending directors without any opposing opinions.

Jiin Yeeh Ding Enterprise Corp.  
Chairperson: Chuang, Ching-Chi  
President: Chuang, Jui-Yuan

Signed  
Signed

3.8.2 The special internal control audit report issued by the CPA, if any: No such situation.

3.9 In the most recent year and as of the date of publication of the annual report, whether the company and its internal personnel have been disciplined according to law, or whether the company has disciplined its internal personnel for violating the provisions of the Internal Control System. The content of the disciplinary measures should be listed, as well as the main deficiencies and improvements: No such situation.

3.10 In the most recent year and as of the printing date of the annual report, important resolutions of the shareholders meeting and Board of Directors

3.10.1 Important resolutions of the Board of Directors:

Date	Board of Directors term and session	Important resolutions
2023/03/06	The 5th meeting of the 10th term Board of Directors	1. Review of the 2022 parent company only financial statements and consolidated financial statements.
		2. The Company's 2022 earnings distribution plan.
		3. Allocation of remuneration for the Company's employees and directors for 2022.
		4. Discussed the Company's 2022 annual performance appraisal bonus proposal for the Chairperson and managers.
		5. Discussed the Company's "Salary Regulations".
		6. Evaluation of the effectiveness of the Company's internal control system and internal control system statement.
		7. Motion to amend the Company's "Rules of Procedure for Board of Directors Meetings".
		8. Motion to formulate the Company's "Operational Procedure for Preparation and Validation of the Sustainability Report".
		9. Motion to amend the Company's "Internal Audit System".
		10. Motion to amend the Company's "Articles of Incorporation".
		11. Proposal regarding the date of the Company's 2023 General Meeting of Shareholders and related matters.
		12. Extempore Motions : KPMG firm will provide non-assurance services in 2023.
2023/05/11	The 6th meeting of the 10th term Board of Directors	1. The Company change Certified Public Accountant due to the internal rotation of the CPA firm.
		2. The Company sale an agricultural land to a related party proposal.
		3. Set the benchmark date for employee stock option certificates for the issuance of new shares.
2023/08/09	The 7th meeting of the 10th term Board of Directors	1. Adjustment in endorsement/guarantee amounts for subsidiary Jiin Yeeh Ding Enterprises Limited (Hong Kong).
		2. Lifting restrictions on non-compete for the managerial officer.
		3. The Company's 2022 annual director's remuneration distribution and manager employee bonus distribution proposal.
		4. Motion to amend the Company's "Procedures for Internal Control of Sales and Collection Cycles".

Date	Board of Directors term and session	Important resolutions
2023/09/08	The 8th meeting of the 10th term Board of Directors	<ol style="list-style-type: none"> <li>1. Motion to sell equity interest in Lianyungangrongding Metal Co., Ltd., an important subsidiary.</li> <li>2. Given the sale of the equity stake in a major subsidiary, Lianyungang Rongding Metal Co., Ltd. (hereinafter referred to as "Rongding"), the reasons for the overdue receivables from Rongding to the parent company Jiin Yeeh Ding Enterprise Corp. and the corresponding measures are as follows.</li> </ol>
2023/11/08	The 9th meeting of the 10th term Board of Directors	<ol style="list-style-type: none"> <li>1. The Company plans the acquisition of equipment for new construction projects In Xibin Plant II.</li> <li>2. Formulation of the Company's 2024 internal audit plan..</li> </ol>
2023/12/20	The 10th meeting of the 10th term Board of Directors	<ol style="list-style-type: none"> <li>1. The Company's 2024 annual operating plan and budget..</li> <li>2. The Company's 2024 application for short-term comprehensive bank credit lines, guaranteed lines financial transaction lines.</li> <li>3. The Company's 2024 the specific promotion plan for sustainable development and 2023 implementation results report.</li> </ol>
2024/01/30	The 11th meeting of the 10th term Board of Directors	<ol style="list-style-type: none"> <li>1. Motion to amend the Company's " Regulations Governing the Remuneration of Directors ".</li> <li>2. Discussed the Company's 2023 annual performance appraisal bonus proposal for the Chairperson and managers.</li> <li>3. Discussion of the Company's "Regulations Governing the Distribution of Remuneration to Employees" and "Wage Regulations".</li> <li>4. Amendment to the amount of endorsements/guarantees among affiliated companies.</li> <li>5. Proposal for changing the investment structure of the subsidiary, Jiin Yeeh Ding (H.K.) Enterprises Ltd</li> </ol>
2024/03/08	The 12th meeting of the 10th term Board of Directors	<ol style="list-style-type: none"> <li>1. Review of the 2023 parent company only financial statements and consolidated financial statements.</li> <li>2. The Company's 2023 earnings distribution plan.</li> <li>3. Allocation of remuneration for the Company's employees and directors for 2023.</li> <li>4. Discussion of the proposal of the Company's salary adjustment in 2024.</li> <li>5. Evaluation of the appointment, fees, independence and suitability of attesting CPAs in 2024.</li> <li>6. Amendment to the amount of endorsements/guarantees among affiliated companies.</li> <li>7. Evaluation of the effectiveness of the Company's internal control system and internal control system statement.</li> <li>8. Motion to amend the Company's "Operational Procedure for Preparation and Validation of the Sustainability Report".</li> <li>9. Motion to amend the Company's " Organizational Rules of the Audit Committee ".</li> </ol>

Date	Board of Directors term and session	Important resolutions
2024/03/08	The 12th meeting of the 10th term Board of Directors	10. Motion to amend the Company's "Articles of Incorporation".
		11. Proposal regarding the date of the Company's 2024 General Meeting of Shareholders and related matters.
2024/05/08	The 13th meeting of the 10th term Board of Directors	1. Liquidation of the Company's subsidiary Xingrong Environmental Protection Technology Co., Ltd..
		2. Proposal for cash capital reduction of subsidiary Gold Finance Limited.
		3. Increase in the amount of endorsements/guarantees among affiliated companies.
		4. Motion to amend the Company's " Internal Material Information Processing and Operational Procedures".
		5. Set the benchmark date for employee stock option certificates for the issuance of new shares.

3.10.2 Important resolutions of the shareholders' meeting and their implementation:

The Company's 2023 General Meeting of Shareholders was held on June 28, 2023 in Hsinchu. Resolutions passed by shareholders present at the meeting were as follows:

- A. Approved the final accounts of 2022 of the Company.
- B. Approved the Company's 2022 earnings distribution plan.  
Implementation: The Chairman is authorized to set the ex-dividend record date of August 2, 2023, and cash dividends were to be paid on August 30, 2023 in accordance with the resolution of the the 2023 Annual Shareholders' Meeting.
- C. Approved amendments to the " Articles of Incorporation ".  
Implementation: Implemented in accordance with the revised procedure.

3.11 In the most recent year and up to the date of publication of the annual report, the major contents of the opposition to or qualified opinions expressed by directors or supervisors about the significant resolutions passed by the Board of Directors that have been noted in the records or declared in writing: No such situation.

3.12 Summary of resignation or relief from office of the Chairperson, President, Chief Accountant, Chief Financial Officer, Chief Internal Auditor, Chief of Corporate Governance, and Chief R&D Officer of the Company in the most recent year to the day this report was printed: No such situation.

#### IV. Information about CPA Professional Fees:

Unit: NT\$ Thousand

Accounting firm name	Accountant name		Accountant audit period	Audit Fees	Non-Audit Fees	Total	Note
KPMG	Luo, Re-Chih	Huang, Yu-Ting	01/01/2023 – 12/31/2023	2,320	490	2,810	Non-audit fee services: tax certifications and employee salary checklists.

4.1 If the accounting fees paid during the year when the accounting firm is replaced are less than the previous year, the amount of the audit fees before and after the replacement and the reasons thereof shall be disclosed: No such situation.

4.2 If the audit fees are reduced by more than 10% compared with the previous year, the amount, proportion and reasons for the reduction in the audit fees shall be disclosed: No such situation.

#### V. Change of CPA information:

##### 5.1 Information regarding the former CPAs

Date of replacement	2023/05/11		
Reason for replacement and explanation	To meet the needs of risk control of KPMG, CPA has been consecutively visaed for 7 years and should be rotated.		
Describe whether the Company terminated or the CPAs terminated or did not accept the engagement	Parties		
	Circumstances	CPAs	The Company
	Terminated the engagement	—	—
	No longer accepted (discontinued) the engagement	—	—
If the CPAs issued an audit report expressing any opinion other than an unqualified opinion during the 2 most recent years, specify the opinion and the reasons	No.		
Disagreement with the Company?	Yes		Accounting principles or practices
			Disclosure of financial reports
			Audit scope or steps
			Other
	No	V	
		Specify details : None.	

Other disclosures (Any matters required to be disclosed under sub-items d to g of Article 10.6.A)	None.
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Date of replacement	2024/03/08		
Reason for replacement and explanation	In compliance with internal rotation of KPMG.		
Describe whether the Company terminated or the CPAs terminated or did not accept the engagement	Parties		
	Circumstances	CPAs	The Company
	Terminated the engagement	—	—
	No longer accepted (discontinued) the engagement	—	—
If the CPAs issued an audit report expressing any opinion other than an unqualified opinion during the 2 most recent years, specify the opinion and the reasons	No.		
Disagreement with the Company?	Yes		Accounting principles or practices
			Disclosure of financial reports
			Audit scope or steps
			Other
	No	V	
	Specify details : None.		
Other disclosures (Any matters required to be disclosed under sub-items d to g of Article 10.6.A)	None.		

## 5.2 Information Regarding the Successor CPAs

Name of accounting firm	KPMG
Names of CPAs	Luo, Re-Chih CPA 、Huang, Yu-Ting CPA
Date of engagement	2023/05/11
Subjects discussed and results of any consultation with the CPAs prior to the engagement, regarding the accounting treatment of or application of accounting principles to any specified transaction, or the type of audit opinion that might be issued on the company's financial report	None.

Successor CPAs' written opinion regarding the matters of disagreement between the Company and the former CPAs	None.
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Name of accounting firm	KPMG
Names of CPAs	Luo, Re-Chih CPA 、Huang, Yung-Hua CPA
Date of engagement	2024/03/08
Subjects discussed and results of any consultation with the CPAs prior to the engagement, regarding the accounting treatment of or application of accounting principles to any specified transaction, or the type of audit opinion that might be issued on the company's financial report	None.
Successor CPAs' written opinion regarding the matters of disagreement between the Company and the former CPAs	None.

5.3 The reply letter from the former CPA regarding the Company's disclosures regarding the matters under Article 10.6.A and 10.6.B(c) of the Regulations: None.

**VI. The Company's Chairperson, President, or the manager responsible for financing or accounting affairs who has worked for the accounting firm to which CPAs belong or the affiliated enterprises in the past year:** No such situation.

**VII. Information about the shares transferred by and changes to the shares pledged by the directors, supervisors, managers and the shareholders holding more than 10% of shares in the most recent year and up to the date of publication of the annual report**

**7.1 Circumstances of changes in equity transfer and equity pledge of directors, managers, and major shareholders:**

Unit: Shares

Job Title	Name	2023		From the current year up to May 10	
		Increase (decrease) in the number of shares held	Increase (decrease) in the number of pledged shares	Increase (decrease) in the number of shares held	Increase (decrease) in the number of pledged shares
Chairperson and major shareholder	Yeesh Ding Corp.	0	0	0	0
Institutional representative of the Chairperson	Chuang Ching-Chi	0	0	0	0
Director and President	Chuang Jui-Yuan	(3,487)	0	2,000	0
Director and Vice President	Chuang Jui-Chin	0	0	0	0
Director	Huang Jih-Tung	0	0	0	0
Director	Peng Cheng-Pin	0	0	0	0
Director	Cheng Kuang-Chieh (Note 1)	0	0	0	0
Independent director	Chuang Chin-Te	0	0	0	0
Independent director	Lin Jung-Yi	0	0	0	0
Independent director	Wang Hsin-Fa	0	0	0	0
Independent director	Peng Hsien-Chung	0	0	0	0
Vice President	Yang Jian-Hung	55,000	0	55,000	0
Vice President	Hsu Pei-Ru	0	0	0	0
Associate Manager	Huang Jin-Gui	0	0	0	0
Associate Manager	Chen Yi-Ting (Note 4)	(12,800)	0	(3,000)	0
Manager	Tsou Yi-Ta (Note 2)	0	0	(16,000)	0

Note 1: Director Mr. Cheng, Kuang-Chieh was dismissed on August 14, 2023.

Note 2: Mr. Tsou, Yi-Ta was dismissed on March 20, 2024.

7.2 Directors, managers, and major shareholders whose counterparts in equity transfers or equity pledges are related persons: No such situation.

# **VIII. Information about relationships of the ten largest shareholders:**

April 28, 2024; Units: Shares

Name	Number of shares personally held		Spouse and minor children holding shares		Total holding of shares in the names of others		Name of a related party, spouse or second-grade relative, and relationships among top ten shareholders		Note
	Shares	Percentage of ownership	Shares	Percentage of ownership	Shares	Percentage of ownership	Designation	Relationship	
Yeesh Ding Corp. Representative: Chuang, Jui-Chin	11,727,421	12.20%	-	-	-	-	Chuang Jui-Chin Chuang Ching-Chi Chuang Jui-Yuan	Chairperson Director Director	
	4,031,278	4.19%	-	-	-	-	Chuang Ching-Chi Chuang Jui-Yuan Yeesh Ding Corp. Herui Investment	Father and daughter Sibling Chairperson Chairperson	
Chuang, Jui-Yuan	5,323,913	5.54%	16,000	0.02%	-	-	Chuang Ching-Chi Chuang Jui-Chin Yuanlong Investment Yeesh Ding Corp. Herui Investment	Father and son Sibling Chairperson Director Director	
Chuang, Jui-Chin	4,031,278	4.19%	-	-	-	-	Chuang Ching-Chi Chuang Jui-Yuan Yeesh Ding Corp. Herui Investment	Father and daughter Sibling Chairperson Chairperson	
Yuanlong Investment Co., Ltd. Representative: Chuang, Jui-Yuan	3,685,339	3.83%	-	-	-	-	Chuang Jui-Yuan	Chairperson	
	5,323,913	5.54%	16,000	0.02%	-	-	Chuang Ching-Chi Chuang Jui-Chin Yuanlong Investment Yeesh Ding Corp. Herui Investment	Father and son Sibling Chairperson Director Director	
Herui Investment Co., Ltd. Representative: Chuang, Jui-Chin	3,359,616	3.50%	-	-	-	-	Chuang Jui-Chin Chuang Ching-Chi Chuang Jui-Yuan	Chairperson Director Director	
	4,031,278	4.19%	-	-	-	-	Chuang Ching-Chi Chuang Jui-Yuan Yeesh Ding Corp. Herui Investment	Father and daughter Sibling Chairperson Chairperson	
Chuang, Ching-Chi	1,854,888	1.93%	-	-	-	-	Chuang Jui-Yuan Chuang Jui-Chin Yeesh Ding Corp. Herui Investment	Father and son Father and daughter Director Director	
Huang, Jih-Tung	1,400,800	1.46%	-	-	1,400,000	1.46%	TungHuang Investment Co., Ltd.	Chairperson	
Tunghuang Investment Co., Ltd. Representative: Huang, Jih-Tung	1,400,000	1.46%	-	-	-	-	Huang Jih-Tung	Chairperson	
	1,400,800	1.46%	-	-	1,400,000	1.46%	TungHuang Investment Co., Ltd.	Chairperson	
Hsu, Chih-Hao	792,000	0.82%	-	-	-	-	-	-	
Peng, Hui-Chi	768,864	0.80%	-	-	-	-	-	-	

## IX. Comprehensive Shareholding Ratios:

December 31, 2023; Units: Shares

Reinvested business (Note 1)	The Company's investment (1)		Directors, managers, and direct or indirect control of investment in the business (2)		Comprehensive investment (1)+(2)	
	Shares	Percentage of shareholding	Shares	Percentage of shareholding	Shares	Percentage of shareholding
Grand Tone Enterprise Co., Ltd.	(Note 2)	100%	-	-	(Note 2)	100%
Su Fong Enterprise Co., Ltd.	2,000	40%	-	-	2,000	40%
Hong Wei Development Co., Ltd.	10,000	100%	-	-	10,000	100%
GOLD FINANCE LIMITED	19,661 (Note 3)	100%	-	-	19,661 (Note 3)	100%
Jiin Yeeh Ding Enterprise Ltd. (Hong Kong)	(Note 2)	100%	-	-	(Note 2)	100%
Yuan Rui Recycling Technology Co., Ltd. (Hong Kong)	(Note 2)	100%	-	-	(Note 2)	100%
Shing Jung Recycling Technology Co., Ltd. (Hong Kong)	(Note 2)	100%	-	-	(Note 2)	100%
New Yuan Rui Recycling Technology Co., Ltd. (Hong Kong)	(Note 4)	100%	-	-	(Note 4)	100%

Note 1: It is a long-term investment of the Company.

Note 2: It is a limited company with only the amount of capital contributed and no shares.

Note 3: On December 11, 2023, the Company underwent an organizational restructuring to streamline the investment structure and reduce management costs. As a result, the Company replaced its previous investment in Jiin Yeeh Ding (H.K.) through GOLD FINANCE LIMITED with a direct investment in Jiin Yeeh Ding (H.K.). And on December 20, 2023, the shares of Jiin Yeeh Ding (H.K.) Enterprises Ltd. was used as the payment for capital reduction and returned to Jin Yeeh Ding Enterprise Corp..

Note 4: GOLD FINANCE LIMITED initiated the establishment of New Yuan Rui Co., (H.K.) on December 7, 2023 and implemented a capital injection of US\$ 2 million on January 3, 2024.

## Four. Status of Fundraising

### 1. Capital and Shares

#### 1.1 Sources of equity:

Unit: Shares, New Taiwan Dollars

Year/Month	Issuing price	Approved share capital		Paid-in capital		Note		
		Number of shares	Amount	Number of shares	Amount	Sources of equity	Property other than cash contributed as equity capital	Others
April 2019	10	100,000,000	1,000,000,000	96,326,487	963,264,870	Conversion of stock option certificates 1,340,000	-	Approved by Letter No. 10801038190
July 2019	10	100,000,000	1,000,000,000	96,334,487	963,344,870	Conversion of stock option certificates 80,000	-	Approved by Letter No. 10801084870
August 2019	10	100,000,000	1,000,000,000	96,350,487	963,504,870	Conversion of stock option certificates 160,000	-	Approved by Letter No. 10801118710
November 2019	10	100,000,000	1,000,000,000	96,384,487	963,844,870	Conversion of stock option certificates 340,000	-	Approved by Letter No. 10801172090
April 2020	10	100,000,000	1,000,000,000	96,401,987	964,019,870	Conversion of stock option certificates 175,000	-	Approved by Letter No. 10901054530
July 2020	10	100,000,000	1,000,000,000	92,988,987	929,889,870	Cancellation of treasury shares 34,130,000	-	Approved by Letter No. 10901133390
September 2020	10	150,000,000	1,500,000,000	92,996,987	929,969,870	Conversion of stock option certificates 80,000	-	Approved by Letter No. 10901172630
December 2020	10	150,000,000	1,500,000,000	105,813,991	1,058,139,910	Conversion of stock option certificates 1,380,000 Conversion of corporate bonds 126,790,040	-	Approved by Letter No. 10901232870
April 2021	10	150,000,000	1,500,000,000	116,182,850	1,161,828,500	Conversion of corporate bonds 103,688,590	-	Approved by Letter No. 11001063650
May 2021	10	150,000,000	1,500,000,000	119,922,660	1,199,226,600	Conversion of stock option certificates 500,000 Conversion of corporate bonds 36,898,100	-	Approved by Letter No. 11001090890
July 2022	10	150,000,000	1,500,000,000	119,927,660	1,199,276,600	Conversion of stock option certificates 50,000	-	Approved by Letter No. 11101124260
September 2022	10	150,000,000	1,500,000,000	95,942,128	959,421,280	capital reduction and return of share funds 239,855,320	-	Approved by Letter No. 11101175150
July 2023	10	150,000,000	1,500,000,000	96,006,128	960,061,280	Conversion of stock option certificates 64,000	-	Approved by Letter No. 11230127030
March 2024	10	150,000,000	1,500,000,000	96,061,128	960,611,280	Conversion of stock option certificates 55,000	-	Approved by Letter No. 11330029530

#### 1.1.1 Class of shares

April 28, 2024; Units: Shares

April 29, 2024, 01:00:00 PM

Class of shares	Approved share capital					Note
	Issued shares			Unissued shares	Total	
	TPEx listed (Note)	Not TPEx listed	Total			
Common share	96,116,128	-	96,116,128	53,883,872	150,000,000	-

#### 1.1.2 Information concerning the collective reporting system: None.

#### 1.2 Shareholder structure:

April 28, 2024; Units: Shares

Shareholder structure Volume	Government agency	Financial institution	Other legal persons	Individual	Foreign institutions and foreign individuals	Total
Number of Individuals	-	3	180	25,050	47	25,280
Number of shares held	-	464,186	20,945,803	72,367,889	2,338,250	96,116,128
% of shareholding	-	0.48%	21.79%	75.29%	2.43%	100.00%

### 1.3 Distribution of Equity

#### 1.3.1 Distribution of equity in common shares:

April 28, 2024; Units: Shares

Shareholding class	Number of shareholders	Number of shares held (shares)	% of shareholding
1 To 999	16,804	1,770,034	1.84%
1,000 To 5,000	6,717	13,320,504	13.86%
5,001 To 10,000	861	6,754,980	7.03%
10,001 To 15,000	262	3,335,590	3.47%
15,001 To 20,000	168	2,985,771	3.11%
20,001 To 30,000	154	3,956,337	4.12%
30,001 To 40,000	68	2,406,244	2.50%
40,001 To 50,000	51	2,344,745	2.44%
50,001 To 100,000	105	7,307,275	7.60%
100,001 To 200,000	50	6,940,191	7.22%
200,001 To 400,000	19	5,147,169	5.36%
400,001 To 600,000	8	3,648,969	3.80%
600,001 To 800,000	5	3,415,064	3.55%
800,001 To 1,000,000	0	0	0.00%
1,000,001 (inclusive) or more	8	32,783,255	34.10%
Total	25,280	96,006,128	100.00%

#### 1.3.2 Distribution of equity in preferred shares: None.

#### 1.4 List of major shareholders:

April 28, 2024

Share Name	Number of shares held	Percentage of shareholding
Yeesh Ding Corp.	11,727,421	12.20%
Chuang, Jui-Yuan	5,323,913	5.54%
Chuang, Jui-Chin	4,031,278	4.19%
Yuanlong Investment Co., Ltd.	3,685,339	3.83%
Herui Investment Co., Ltd.	3,359,616	3.50%
Chuang, Ching-Chi	1,854,888	1.93%
Huang, Jih-Tung	1,400,800	1.46%
Tunghuang Investment Co., Ltd.	1,400,000	1.46%
Hsu, Chih-Hao	792,000	0.82%
Peng, Hui-Chi	768,864	0.80%

1.5 Information about market price, net value, earnings, and dividends per share in the most recent two years:

Unit: NTD thousand; thousand shares

Item \ Year		2022	2023	From the current year through May 10, 2024
Market value per share (Note 1)	High	40.55	58.90	66.00
	Low	27.20	35.30	48.30
	Average	36.03	47.34	58.20
Net value per share (Note 2)	Before distribution	27.08	30.71	32.13 (Note 8)
	After distribution	25.20	(Note 9)	-
Earnings per share (EPS)	Weighted average number of shares	111,975	96,002	96,110
	Earnings per share (Note 3)	2.82	5.57	1.09 (Note 8)
Dividend per share	Cash dividend	1.88	2.20 (Note 9)	-
	Stock dividends	Stock dividends from capitalization of retained earnings	-	-
		Additional paid in capital	-	-
	Accumulated unpaid dividends (Note 4)		-	-
Return on investment analysis	P/E ratio (Note 5)		12.78	8.50
	Price to dividend ratio (Note 6)		19.16	21.52 (Note 9)
	Cash dividend yield (Note 7)		5.22%	4.65% (Note 9)

Note 1: The maximum and minimum market prices of common stock in each year are listed, and the average market price of each year is calculated according to the transaction value and volume of each year.

Note 2: Please fill in the number of shares issued at the end of the year and the distribution according to the resolution of the Board of Directors or the following year's shareholders' meeting.

Note 3: If retrospective adjustment is required due to circumstances such as stock dividends, the pre-adjusted and adjusted earnings per share should be shown.

Note 4: If the equity securities issuance conditions stipulate that the dividends not paid in the current year will be accumulated to the surplus year, separate disclosure should be made of the accumulated and unpaid dividends as of the current year.

Note 5: P/E ratio = average closing price per share for the year/earnings per share.

Note 6: P/E ratio = average closing price per share for the year/cash dividend per share.

Note 7: Cash dividend yield = cash dividend per share/average closing price per share for the year.

Note 8: Net value per share and earnings per share are based on financial statements reviewed by accountants in the first quarter of 2024.

Note 9: The 2023 earnings distribution has been approved by the Board of Directors of the Company and is pending the resolution of the 2024 General Meeting of Shareholders.

## 1.6 Company dividend policy and implementation status

### 1.6.1 Dividend policy as set out in the Articles of Incorporation:

If there is a surplus in the annual final accounts of the Company, taxes shall first be paid in accordance with the law and accumulated losses shall be made up for and then another 10% withdrawal shall be made for legal reserve. However, this provision shall no longer be made when the legal reserve has reached the level of the Company's paid-in capital and the remainder will be set aside or reversed as special reserve according to the laws and regulations. If there is any remaining balance and accumulated undistributed surplus, the Board of Directors shall formulate a proposal for distribution of the surplus, and the shareholders' meeting shall be petitioned to issue a resolution on the distribution of dividends to shareholders.

The Company's dividend policy shall align with current and future development plans, consider the investment environment and the capital needs and domestic and foreign competition, and take into account the interests of shareholders, thereby balancing dividends and the Company's long-term financial planning and other factors, and every year the Board of Directors shall draw up a distribution plan in accordance with the law and submit it to the shareholders' meeting. The Company may allocate 20% to 50% of the dividends to shareholders of the current year's distributable earnings. When distributing dividends to shareholders, in cash or stock, corresponding cash dividends shall not be less than 20% of the total dividends.

### 1.6.2 Proposed dividend distribution for presentation to this year's Shareholders' Meeting:

The Company's 2023 annual earnings distribution was been approved by the Board of Directors on March 8, 2024, but has not yet been approved by the resolution of the Shareholders' Meeting. Its distribution is as follows:

The earnings distribution schedule is hereby attached as follows:

Jiin Yeeh Ding Enterprise Corp.

2023 earnings distribution schedule

Unit: New Taiwan Dollars

Undistributed surplus earnings, beginning of period	420,956,736
Add: Remeasurement of the defined benefit plan	294,061
Add: Net profit for the period	534,751,507
Less: Legal reserve	(53,504,557)
Less: Special reserve appropriated	(4,013,052)
Earnings available for distribution for the period	898,484,695
Distribution item:	
Shareholder' dividends (cash dividend of NT\$2.2 per share).	(211,455,481)
Undistributed surplus earnings, end of period	687,029,214

Chairperson: Chuang Ching-Chi

President: Chuang Jui-Yuan

Accounting Supervisor: Hsu Pei-Ru

In the event of any subsequent change in the Company's share capital that affects the number of outstanding shares, and the shareholders' cash dividend ratio changes as a result, it will be proposed to the shareholders' meeting to fully authorize the Chairman to handle it.

After the proposal is passed by the 2024 shareholders' meeting, the Chairman will be authorized to set the ex-dividend record date, and the payment operation.

### 1.7 The influence of stock dividends proposed at the Shareholders Meeting of this year on the operation performance and earnings per share of the Company: Not applicable.

## 1.8 Remuneration of employees and directors

### 1.8.1 The percentage or scope of compensation for employees and directors as set out in the Articles of Incorporation:

If the Company has a profit for the year, 6%-15% shall be allocated as employee remuneration, to be distributed in stock or cash by a resolution of the Board of Directors. Distribution recipients are to include employees of affiliated companies who meet certain conditions. The amount of profit obtained above shall be allocated by the Board of Directors to not more than 5% as remuneration of directors and supervisors of the Company. The distribution of employee remuneration and remuneration of directors and supervisors shall be submitted in a report to the shareholders' meeting. However, when the Company still has accumulated losses, it should reserve the compensation amount in advance, and then allocate employee remuneration and remuneration of directors and supervisors in accordance with the proportions indicated in the preceding paragraph.

### 1.8.2 The accounting of the difference between the amounts calculated on the basis of the estimation of the remuneration to the employees and the Directors, the calculation of shares for paying stock dividends to the employees as remuneration and the actual amount of payment:

Basis for the valuation of the amount of remuneration for employees and directors in the current period: It is estimated at a certain rate within the range of the number of units specified in the Articles of Incorporation.

Basis for calculating the number of shares of employee remuneration distributed in stocks: Not applicable.

If there is a discrepancy between the actual amount of the distribution and the estimated number, it will be treated according to the change in the accounting estimate and adjusted and recorded in the distribution year.

### 1.8.3 Distribution of remuneration adopted by the Board of Directors:

As approved by the Board of Directors on March 8, 2023, the Company's 2023 employee remuneration and director remuneration was proposed to distribute corresponding amounts in cash of NT\$39,308,212 and NT\$9,827,053. There is no difference between the amount of employee remuneration and directors' remuneration in 2023 and the annual estimate of expenses recognized in the accounts.

The amount of employee bonuses distributed by stocks and its proportion to the total after-tax net profit and total employee bonuses in the parent company only financial report for the current period: There is no employee remuneration distributed in stock this time, so this is not applicable.

### 1.8.4 The actual payment of remuneration to the employees and the Directors in the previous year (including the number of distributed shares, amounts, and stock price). If there is a difference with the recognized amount of remuneration for employees and directors, the number of differences, the reasons, and the handling circumstances should be stated:

As approved by the Board of Directors on March 6, 2023, the Company's 2022 employee remuneration and director remuneration was proposed to distribute corresponding amounts of NT\$24,734,955 and NT\$6,183,739 and there were no differences with the actual distribution amounts.

## 1.9 Repurchases of shares by the Company: No such situation.

- II. **Handling of corporate bonds:** No such situation.
- III. **Disposal of preferred shares:** No such situation.
- IV. **Circumstances of handling overseas depository receipts:** No such situation.

## V. Handling of employee stock options

### 5.1 Handling of employee stock options:

Printed on May 10, 2024; Unit: NTD

Category of employee stock option certificates	Handling of first-instance employee stock option certificates of 2014
Effective date of declaration	August 13, 2014
Issuance (Handling) Date	October 1, 2014
Number of units issued (Note 1)	2,000 units
The ratio of issued and subscribed shares to the total number of issued shares	2.08%
Subscription period	10 years
Method of performance	Issuance of new shares
Restricted subscription period and ratio (%)	2 years fulfilled: 50%
	3 years fulfilled: 80%
	4 years fulfilled: 100%
Number of shares acquired and executed	1,809 units
Subscription amount executed	NT\$16,276 thousand
Number of unexecuted subscriptions (Note 2)	—
Subscription price per share of for non-executed subscriptions	—
The ratio of the number of unexecuted subscriptions to the total number of issued shares (%)	—
Impact on shareholder rights	The dilution of the original common shareholders' equity has little impact

Note 1: Each option unit can subscribe for 1,000 shares of common stock.

Note 2: The number of unexecuted stock options does not include units with invalid employee option certificates.

Note 3: On January 5, 2024, employee stock options were exercised in full.

5.2 The names, acquisitions, and subscriptions of managers who have obtained employee options and the top ten employees who have obtained options:

Printed on May 10, 2024; Unit: Shares/NTD thousand

	Job Title	Name	Number of shares acquired	The ratio of the number of shares acquired to the total number of shares outstanding	Already executed				Not executed			
					Number of shares to be subscribed	Subscription price	Subscription amount	The ratio of the number of shares subscribed to the total number of shares outstanding	Number of shares to be subscribed	Subscription price	Subscription amount	The ratio of the number of shares subscribed to the total number of shares outstanding
Manager	Vice President	Yang, Jian-Hung	505,000	0.53%	241,000	9.1	2,193	0.25%	-	-	-	-
	Vice President	Chen, Yi-Ting (Note1)										
	Vice President	Hsu, Pei-Ru			110,000	9.0	990	0.11%				
	Associate Manager, Business Office	Huang, Jin-Gui										
	Associate Manager, Marketing Division	Chen, Yi-Ting (Note3)			24,000	8.9	214	0.02%				
	Manager, Safety and Health Department	Tsou, Yi-Ta (Note5)			20,000	8.7	174	0.02%				
	Associate Manager, Administration Division	Hu, Mei-Mei (Note4)			110,000	8.2	902	0.11%				
Employees (Note 5)	Employees	Kao, Hsiang-Chien	545,000	0.47%	30,000	9.4	282	0.03%	-	-	-	-
	Employee	Chen, Chen-Nan			392,000	9.1	3,567	0.41%				
	Employee	Huang, Chun-Ming										
	Employee	Wu, Chien-Chi			75,000	8.9	668	0.08%				
	Employee	Chen, Yi-Ting										
	Employee(Note2)	Chu, Chun-Yen			30,000	8.7	261	0.03%				
	Employee	Lin, Chun-Yi										
	Employee	Wu, Shih-Lun			8,000	8.2	66	0.01%				
	Employee	Chiu, Wei-Cheng										
	Employee	Chen, Tien-Hsin										

Note 1: Director Mr. Sung Hung-Kai passed away on December 27, 2016.

Note 2: Ms. Chu Chun-Yen was reassigned to serve as the Corporate Governance Specialist on May 9, 2019 and no longer served as manager. Her employee stock options from personal acquisition and subscription were changed from managers and supervisors to the top ten employees.

Note 3: Ms. Chen Yi-Ting was promoted to manager on April 25, 2022. Her employee stock options from personal acquisition and subscription were changed from the top ten employees to managers and supervisors.

Note 4: Ms. Hu Mei-Mei was resigned on October 1, 2022.

Note 5: Mr. Tsou, Yi-Ta was dismissed as manager on March 20, 2024.

Note 6: Top 10 employees with shares that can be subscribed for employee stock option certificates refers to employees other than managers.

**VI. Handling of restricted employee shares:** No such situation.

**VII. Handling of M&A or transfer of shares of other companies to issue new shares:** No such situation.

**VIII. Implementation status of fund utilization plan:** No such situation.

## Five. Overview of Operations

### 1. Business content

#### 1.1 Scope of Business

##### 1.1.1 Principal Business Activities:

- A. Income from the clearance and processing of industrial waste.
- B. Income from OEM refining of precious metals.
- C. Income from sales of precious metals such as gold, silver, platinum, and palladium.
- D. Sales revenue of mixed metal scrap and single metals (scrap iron, copper, aluminum, tin, etc).
- E. Foreign metal scrap and scrap metal trade revenue.

##### 1.1.2 Revenue contributions:

Unit: NTD thousand; %

Revenue from the sale of major products (merchandise)	2023	
	Amount	%
Precious metal raw materials	1,240,374	33.9
Industrial metals	1,765,511	48.3
Others	652,581	17.8
Total	3,658,466	100.0

##### 1.1.3 Current goods and services of the Company:

- A. Sales and refining of precious metals, including gold (99.99% purity), silver (99.99% purity), and platinum (99.90% purity).
- B. Sales of copper-containing metals.
- C. Sales of mixed metals containing precious metals and other single metals.
- D. Waste clearance and processing business.

##### 1.1.4 New products planned for development:

The Company currently plans and conducts research and development of new recycling processes such as palladium process improvement and purity enhancement, and the recovery of rhodium-containing materials.

## 1.2 Industry Overview

### 1.2.1 Current status and development of the industry:

The Company primarily constitutes a professional environmental protection manufacturer engaged in the clearance and transportation of industrial waste, the recycling and processing of waste electronic items, and the recycling of resources. According to the “Industry Classification Standards of the Republic of China” as published by the Accounting Office of the Executive Yuan, the Company’s industry falls under the “Waste Disposal Industry”. The sources of its waste electronic materials include industrial waste generated by the manufacture and production of semiconductors, passive components, optoelectronics, printed circuit boards (PCBs), communications products, and computer peripherals.

The development of the waste treatment industry stems from the Industrial Revolution in the nineteenth century, when people began to use new methods, technologies, and tools to greatly increase productivity, create economic development, and greatly improve living standards. In addition to capital and technology, the most important thing for economic development is the mastery and effective use of resources. Given rising environmental awareness, moreover, the each country’s environmental protection regulations as well as and international environmentally friendly trade, are undergoing an increasingly stringent trend. Promotion of the resource recovery industry can facilitate the recycling and reuse of waste. In addition to increasing the added value of waste, such efforts can also create substantial available resources and marginal economic benefits. Moreover, in line with the global trend of environmental protection regulations, they also can drive the research and development of environmental protection industry technology. This in turn will enable the industry to play a pivotal role in its development and importance.

Due to the lack of metal mineral raw materials in Taiwan, therefore, most metal raw materials rely on expensive imported metal or scrap recycling. As a result, the status of metal recycling and recycling companies including Jiin Yeeh Ding has improved. The world's largest scrap metal recycler is Sims Metal Management Ltd., and the largest renewable metal resource company in mainland China is China Metal Recycling (Holdings) Limited. Product life cycles are being shortened under the continuous innovation of global information and consumer electronics. The resulting rapid replacements generate large volumes of e-waste that are increasing 16% to 28% every five years, outpacing the growth of total waste threefold. E-waste has thus become the world's fastest growing garbage type, much of it containing a range of base metals or precious metals that are suitable for recycling and reuse. As a result, a recycling sector has emerged that specializes in the clearance and processing of industrial waste.

With the increasing awareness of the value of waste among manufacturers, and the change in procurement of standard materials or bargaining methods to deal with their e-waste, it has become increasingly difficult for recyclers obtain materials. Therefore, how to expand and master a stable source of purchases is increasingly important. Also, accurate control and professional judgment of the content of precious metals in electronic waste have huge impacts on the revenue and costs of the recycling industry.

Taiwan has become the center of the global electronics industry. In the rapid replacement of electronic products, it also produces a lot of electronic waste, and if not handled properly, the harmful substances it generates thereby would also be increasing day by day. Disposal of waste electronic and electrical items have become the focus of environmental protection policies and regulations in every country. While the emerging electronics industry pursues competitiveness, if it fails to effectively solve environmental protection problems, it will cause serious reputational damage to technology manufacturers and retailers. Looking to the future, with the increasingly stringent international environmental protection laws, the vigorous development of the optoelectronic and

semiconductor industries, and the government's inclusion of the resource industry as one of the top ten emerging industries, the volumes of industrial waste to be disposed of and the derived resource recycling products will also increase accordingly. The future growth and explosive power of the industry to which the Company belongs is worthy of anticipation.

#### 1.2.2 Relationships with upstream, middle-stream, and downstream companies:

The Company positions itself as a precious metal resource recycling technology company. Waste motherboards, waste printed circuit boards, waste electronic parts, waste electroplating solutions, and other waste generated by the electronics industry all constitute upstream industries of the Company. After being collected and sorted by the Company, valuable scrap copper raw materials, scrap aluminum raw materials, scrap metals, and precious metals (gold, silver, palladium, platinum) are generated as raw materials. These are then provided to downstream industries as raw materials for production applications.

#### 1.2.3 Development trend categories and competitive status of products:

##### Removal and processing of industrial waste

###### A. Development trends:

Due to the rising awareness of environmental protection in Taiwan, industry concepts of legal disposal of industrial waste have taken shape and the government has spared no effort in promoting environmental protection. Meanwhile, the improvement of environmental protection laws and regulations is increasing the Company's development opportunities.

###### B. Competition:

Domestically, with the promulgation of the Waste Disposal Act and the Resource Recycling Act, the government has actively promoted and assisted the industry in carrying out waste clean-up and resource recycling with a view to establishing a circular economic and social stage. Pursuant to relevant laws and regulations on environmental protection, domestic waste clearance (processing) agencies are divided into two grades, A and B. Among them, Grade A agencies may engage in the simultaneous clearance (processing) of general industrial and hazardous industrial waste. Meanwhile, Grade B agencies are limited to general industrial waste. Domestically, there are currently 113 licensed Grade A waste processing agencies. Due to the wide variety of industrial waste, the types of industrial waste that each agency is authorized to clear and process are also different. These mainly include waste acid, flammable waste liquids, metal-containing sludge, and scrap metal recycling. Although the relevant competent authorities intend to relax the conditions for applications, many business groups are afraid to step in under the constraints of the difficult acquisition of land and related treatment technologies. Coupled with the Company's abundant experience in the clearance and processing of industrial waste, it has established a good reputation in the domestic industry and this will make the Company more competitive in the market.

##### Refining and sale of precious metals

###### A. Development trends:

As the Company's clearance and processing volume continues to increase, the refining and sales of precious metals will expand accordingly and this business will become one of the important sources of revenue for the Company.

###### B. Competition:

The purity of refined gold can reach 99.99%, while silver can reach 99.99%, palladium can reach 99.00%, and platinum can attain 99.90%, so their market

acceptance is quite high. Precious metal raw materials (gold, silver, palladium, and platinum) can be provided to downstream industries as raw materials and recycled precious metal resources.

Recycled products – copper, iron, aluminum, other single metals, plastics, and other recycled raw materials

A. Development trends:

When the Company's mixed metal scrap processing volume is larger, the more raw materials are recovered, and the greater the profits that can be obtained.

B. Competition:

The Company has more than three supply sources for each kind of recycled materials, which constitutes the Company's complete recycling system and increases the Company's market competitiveness.

### 1.3 Technology and R&D Overview

#### 1.3.1 Technical level of the business to be carried out:

Primary: Waste recycling, where the technical focus is on increasing the type and scope of recyclable materials.

Intermediate: Recycling technology, where the focus is on improving the recovery rate and purity of recyclable materials.

Advanced: Material application, where we enhance the added value of recycled materials and establish a consistent, comprehensive and complete recycling, refining and application processing system.

#### 1.3.2 Research and development of the business:

Platinum process improvement and purity improvement

In addition to the semiconductor equipment cleaning business, there is also the recycling value of platinum. At present, the Company can produce ammonium chloroplatinate chemicals, and then use its high-temperature furnace for combustion, which can effectively remove impurities to achieve purity of more than 3N.

Separation of Pt/Rh, recovery of Pt (platinum) and Rh (rhodium).

Due to the high recovery value of Pt/Rh, after separation and purification, the research objectives for use as industrial raw materials are as follows:

- A. Complete the separation of Pt/Rh.
- B. Pt recovery to be more than 99% in purity.
- C. Pt and Rh recycling to reach more than 95%.

Recovery of indium

In addition to the recycling value of precious metals (gold, silver, and platinum) in the semiconductor equipment cleaning business, indium can also be recycled in the ITO process.

Palladium process improvement and purity improvement

The purity of palladium is greatly affected by copper, and as a result, the purity cannot be increased to more than 99%. Using pretreatment to remove copper and refining two to three times can further effectively remove impurities such as copper and iron, making the purity of palladium more than 99%.

### Recycling of tin-containing scrap

Tin is one of the most widely used metals, and it accounts for a high proportion of electronic applications. Tin gold waste also contains a small amount of precious metals, in addition to extracting precious metals such as gold, silver, and palladium. Tin can also be chemically replaced into tin blocks and offered for sale. This not only can reduce costs but also reduce environmental pollution and further create profits.

### Recovery of rhodium from rhodium acetate materials

The price of rhodium in international markets has remained high and the rhodium recovery technology is rare in Taiwan. The development of this technology is therefore a valuable investment. Rhodium is insoluble. Therefore, we first use calcination/acid leaching to remove most of the impurities, and then we use crushing and melting to recover the rhodium acetate. It can recover more than 90% of the rhodium powder.

### The Company's current plans or current development of new recycling processes

#### A. Solar panel recycling:

Waste solar photovoltaic panels refer to solar photovoltaic panels that have reached an operating life of about 20 years or are damaged due to external forces.

##### (1) The composition of solar photovoltaic panels is –

1. Glass, EVA, battery cells – 89.21%.
2. Aluminum frame – 10.30%.
3. Cables, junction box – 0.49%.

##### (2) Recyclable substances are – glass, aluminum, copper, silver

Therefore, the recycling technology is carried out towards the above four types of substances. Considering the environmental protection process, it does not use high temperature treatment, and the use of physical treatment methods does not produce wastewater or other derived waste.

#### Solar Recycling Technology:

##### (1) Aluminum frame recycling:

Jointly developed a semi-automatic defragmenter with hydraulic equipment manufacturers to remove aluminum frames for complete or slightly damaged waste solar panels. A single item of scrap aluminum can also be obtained by reducing the lengthy time required for manual dismantling.

##### (2) Surface treatment of waste solar panels:

Jointly developed with sandblasting equipment manufacturers to use the principle of bead tapping machine, using about 2.5 mm steel balls to hit the surface of discarded solar panels, forcing the surface glass to break apart. Using the control device parameters, the resulting mixture of high-purity waste glass particles/powder, EVA/cells with 1000 ppm silver content, and copper wire can be used for subsequent glass recycling and metal refining recycling.

#### B. Rh Metal Recycling Technology:

Mainly for the recovery of Rh isooctanol-containing waste liquid. Because it is an organic waste liquid, it cannot be directly reduced by the reducing agent. It must first adsorb the organic waste liquid with wood chips to achieve pattern conversion and effectively reduce the accumulation. After calcining wet wood chips at high temperature, we remove sawdust and volatilize organic matter at high temperature. We then use a silver rhodium crushing melting method for purification so that the rhodium powder is 97 % pure.

C. Recycling of valuable metals from waste batteries:

To combat climate change and mitigate global warming, there has been a continuous promotion of energy conservation and carbon reduction internationally. The Executive Yuan has announced plans for complete electrification of vehicles by 2040, leading to an explosive growth in the EV market. However, this is followed by the exponential generation of waste lithium batteries.

The valuable metals cobalt, manganese, and nickel are effectively separated and recovered from batteries by first discharging the batteries and then using extraction methods to obtain cobalt, manganese, nickel, and other precious metals in the form of sulfates. At this stage, the recovery of cobalt has been achieved, and the recovery of manganese and nickel is yet to be researched and developed.

Utilizing extraction methods is a viable option, although the subsequent high load of wastewater treatment is a cause for concern.

1.3.3 Future R&D plans and estimated R&D expenses:

Unit: NTD Thousand

R&D project name	Current progress	R&D expenses to be reinvested	Estimated time to complete mass production	The main factors influencing the success of future R&D
Solar panel recycling	90%	1,000	2024	Sites and equipment under construction.
Recovery of waste liquid containing Rh isooctanol	90%	100	2024	Preliminary operations are completed and we are looking for a partner for the next stage.
Recycling of valuable metals from waste batteries	30%	2,000	2025	Effective separation of precious metals .

1.3.4 R&D personnel and their academic experience:

Item		2021		2022		2023	
		Number of Individuals	%	Number of Individuals	%	Number of Individuals	%
Educational Analysis	Master's degree	1	33	1	33	2	50
	College and university (inclusive)	2	67	2	67	2	50
	High school (inclusive)	0	0	0	0	0	0
	Total	3	100	3	100	3	100

1.3.5 Research and development expenses and proportion of revenue for the most recent year and as of March 31, 2024:

Unit: NTD Thousand

Year	2022	2023	March 31, 2024
Research and development costs	2,263	2,831	710
Operating income	3,625,350	3,658,466	942,524
R&D expenses as a percentage of net operating revenue	0.06%	0.08%	0.08%

1.3.6 The technologies or products developed successfully for the Company in the most recent five years:

- A. Separated Pt and Rh.
- B. Improved the platinum processes and enhanced the purity.
- C. Indium recovery.
- D. Recovered nickel and tin from small steel balls.
- E. Recovered palladium gold from copper anode slime.
- F. Increased the purity of palladium from 80% to 90% or higher.
- G. Electrolyzed low-grade copper.
- H. PET plastic recycling.
- I. Cleaned and recycled Ni and Cu paste containers for reuse.
- J. Increased the purity of palladium from 90% to 99% or higher.
- K. Recycling of tin-containing scrap.
- L. Recovery of rhodium from rhodium acetate materials.
- M. Recycling of valuable metals from waste batteries - Cobalt (Co).

#### 1.4 Long and short-term business development plans:

Near-term target	Medium-term target (Note)	Long-term target
<ol style="list-style-type: none"> <li>1. Establish precious metal scrap sampling technology to improve the representativeness of sampling and the accuracy of analysis.</li> <li>2. Improvement of process technology and formulation to improve recycling efficiency and recovery rate.</li> <li>3. Catalyst recovery RH, PD/C, PT, and other process development.</li> <li>4. Output of tin.</li> <li>5. Design and planning for the cleaning and recycling of nickel paste tanks and the recycling of PET.</li> <li>6. Recycling of organic rhodium waste liquid.</li> <li>7. Recycling of solar panels.</li> </ol>	<ol style="list-style-type: none"> <li>1. Cooperation with relevant industries to establish a precious metal processing center to enhance the value of products.</li> <li>2. Research and development of recycling and processing technology for the precious metals rhodium and ruthenium.</li> <li>3. Increase the value of recycled products <ol style="list-style-type: none"> <li>A. Au (gold) recovery purity was improved from 4 N to 5 N.</li> <li>B. Pt (platinum) recovery purity was improved from 3 N to 3 N 5.</li> <li>C. Pd (palladium) recovery purity was improved from 3 N to 3 N 5.</li> </ol> </li> <li>4. Recycled products upgraded from industrial raw materials to direct products.</li> <li>5. Improvement of tin purity.</li> </ol>	<ol style="list-style-type: none"> <li>1. Entry into the precious metal industrial materials market.</li> <li>2. Consolidation of downstream industries in the Asian market.</li> <li>3. Establish a consistent, comprehensive, and complete precious metal product production plant for precious metal recovery and refining. <ol style="list-style-type: none"> <li>A. Establish technology for the pre-treatment of precious metal raw materials.</li> <li>B. Establish enrichment technology for low-content precious metal raw materials.</li> <li>C. Development of application technology and markets for precious metals.</li> </ol> </li> <li>4. Recovery of common metals such as copper, nickel and tin.</li> </ol>

Note: 2 N represents 99 % purity, 3 N is 99.9 %, 3N5 is 99.95 %, 4 N is 99.99 %, and so on.

## II. Overview of the Market and of Production and Sales

### 2.1 Market analysis

#### 2.1.1 Main product (service) sales (provision) areas :

Unit: NTD thousand; %

Region \ Year		2022		2023	
		Sales amount	Percentage (%)	Sales amount	Percentage (%)
Domestic sales		677,723	18.7	1,113,186	30.4
Exports	Mainland China	1,411,702	38.9	994,962	27.2
	Japan	910,961	25.1	753,658	20.6
	Belgium	173,102	4.8	258,381	7.1
	Others	451,862	12.5	538,279	14.7
	Total	3,625,350	100.0	3,658,466	100.0

#### 2.1.2 Market share:

According to statistics, there are 113 licensed [Grade A waste treatment agencies] in China.

The main operating items of the Company are the clearance, transportation, and disposal of industrial waste and the recycling and reuse of resources. Due to the special characteristics of the industry, it is of little significance to express market share of a product (such as silver or gold) to indicate status within the same industry. Therefore, waste disposal capacity is more in line with industry characteristics in comparison with peers. If we compare the data on the number of scrap metal recycling and disposal companies that are allowed undertake recycling and processing in a single month, it shows that the company's current licensed processing volume is 1,962.5 metric tons per month, making us one of the three largest industry players in the country. It is thus obvious that the Company has a leading position in the scrap metal recycling and disposal market.

#### 2.1.3 Future supply and demand conditions and market growth:

The current market supply and demand situation is still in short supply. The main reason is that related industries are paying increasing attention to the treatment of industrial waste. Coupled with the completeness of environmental protection regulations and the lengthy time limit required to apply for a license (about 2 to 4 years), it makes it difficult for new investors to easily enter. It is expected that the market for the recycling industry will continue to be in short supply in the next 3 to 5 years. Due to the rising awareness of environmental protection in Taiwan, industry concepts of legal disposal of industrial waste have taken shape and the government has spared no effort in promoting environmental protection. Meanwhile, the improvement of environmental protection laws and regulations is increasing the Company's development opportunities. At present, Jiin Yeeh Ding's contracted service customers in Taiwan are increasing day by day, most of which are listed companies in Taiwan, and the number of customers is still increasing.

#### 2.1.4 Competitive niche:

With the best service team, the customer will hand over electronic waste to the Company for the most proper treatment and recovery of the greatest economic value. It is the biggest niche for Jiin Yeeh Ding to maintain its market share.

The Company takes "technology first, quality first, service first" as our business philosophy, with the following competitive niches:

- A. Recycling technology: Excellent recycling technology and equipment.  
Internal operations management: This includes unified management of entry control, storage, inspection and analysis, pretreatment, chemical chain extraction, and pollution prevention and control forms.
- B. Upstream and downstream supply channels: stable and smooth channels for waste sources and resource-based products.
- C. Goodwill and reputation: Accumulating credit with customers.

The Company has been in contact with and cooperated with nearly a thousand customers over our years of operation, and we have a basic understanding of the value of electronic waste and recycling generated the upstream, midstream, and downstream of the electronics industry. The Company's analytical laboratory retains thousands of samples of waste generated by various types of electronic factories, and what kind of waste can be applied to what industry as raw materials for the industry. Moreover, we maintain good cooperative relationships with existing customers, and by virtue of good service quality, the customer base continues to expand.

- D. Partners.
  - a. Material sources



- Recognized by international electronics manufacturers and become close partners.
- Recognized by international recycling companies. In addition to being an Asian partner, this has been extended to the Americas, New Zealand, Australia, and other regions.
- Through alliances, we obtain sources and make them more stable.

## b. Industrial chain coherence



Advanced countries have actively developed the circular economy in recent years for the sustainable development of the economy and the environment, doing so through resource recycling to solve the problem of excessive consumption of raw materials and the environmental damage caused by economic growth.

The Company has long-term partners in the United States, Japan, Belgium and Hong Kong to sell the precious metals produced. We continue to maintain good cooperative relations with our partners and continue to extend our customer base through good service quality.

### 2.1.5 Favorable and unfavorable factors of development prospects and countermeasures:

#### Favorable factors

##### A. Favorable industry prospects:

As mentioned above, the future market will continue to be in short supply and continue to grow significantly, which is beneficial to the Company.

##### B. ISO-14001 and ISO-45001 systems have been established:

The Company is positioned as an environmental protection industry, and has obtained ISO- 14001 and ISO- 45001 system certification. This can achieve good results, to win the trust of customers and benefit the Company's image and employee momentum.

##### C. Reducing costs and enhancing competitiveness:

The Company regularly holds vocational training to teach employees the processing standards and recycling value of various types of waste, so as to ensure that all the industrial waste collected by the Company can have the best treatment and the highest recycling value.

D. Protection of regulations:

Complete domestic environmental protection regulations have increased the threshold for entering this industry, and the Company regularly declares in accordance with the provisions of environmental protection regulations and provides customers with complete regulatory advice, which increases the Company's competitive advantage.

E. Good management system:

The Company formulates various management systems, and actively promotes and implements them, so that each employee understands his or her own responsibilities, relevant system norms and various welfare measures.

Unfavorable factors and countermeasures

A. Environmental regulations overlap with those of the Industrial Development Bureau

At present, if an environmental protection treatment resource company applies to the Industrial Development Bureau for a resource chemical plant, the Industrial Development Bureau will mostly approve it; but if it applies to the Environmental Protection Administration for a removal permit, it will often affect the Company's operations and development.

Because the resource chemical plant approved by the Industrial Development Bureau can only recycle the waste of a single customer, it will not affect the large-scale market at one time. Therefore, the Company shall publicize the strengthening of environmental protection laws and regulations in the market and take the initiative to communicate with the competent environmental protection authorities to further shorten the time for applying for permits.

B. Public authorities cannot fully assert their power:

At present, among companies that engage in clearing and processing for environmental protection, there are still illegal businesses and unlicensed business models. Because the ability of public authorities to effectively audit and the punish is too light, the competitiveness of the legitimate and decent business operators cannot be compared and this generates a situation in which bad currency expels good money, so that the space for legitimate companies to survive is squeezed.

We strengthen the promotion of environmental protection laws and regulations and established our own upstream, middle, and downstream recycling system, so that the waste of related businesses can be handed over to legally operating companies for disposal, and further improve our own treatment technology to achieve a safe and harmless domain.

In conjunction with the forces of legitimate businessmen, the government should strengthen the inspection of illegal handling agencies to protect the rights and interests of legitimate business operators.

## 2.2 Important uses and production processes of main products

### 2.2.1 Important applications of major products:

Product name	Important applications
Gold	Sold with precious metal materials manufacturing plants for the power supply industry.
Silver	Sold to industries using silver as a material.
Palladium	Sold to the automotive, chemical, petrochemical, and electronics industries.
Platinum	Sold to the automotive, chemical, petrochemical, and electronics industries.
Other metals	Iron, copper, aluminum, tin, etc, are handed over to iron smelting plants, copper melting plants, aluminum ingot plants, etc, for recycling.

#### **Gold**

Gold has always been used for currency, value preservation, jewelry, and other purposes because of its rarity, its durability and chemical resistance to oxidation, and its good ductility. Later, there has been a large amount of use in precision electronics because of its good electrical conductivity.

#### **Silver**

Silver has the best thermal and electrical conductivity, other than for industrial use. Like gold, it also plays the roles of a store of value, currency, and jewelry. For a time, silver and gold were used by central banks as currency backing simultaneously, and later, because of their excessive supply, countries abandoned silver and only used gold as their currency backing. Silver is mostly a byproduct of mining other metals, and about 70% of the world's silver is a byproduct of copper, lead, zinc, and other minerals.

#### **Palladium**

“Palladium” in the platinum family is similar in physical and chemical properties, and is also used in catalytic converters. Due to the development of the automobile industry, it has led to widespread catalytic converter applications, and because of its special color, corrosion, resistance and rarity, it is often regarded as a precious metal together with gold and silver.

#### **Platinum**

Platinum is a transitional metal with high density and almost two times the strength of gold. With good ductility, a gram of platinum can be pulled out into a 2 km long filament. Platinum's color is silvery white and has metallic luster and very stable chemical properties, is insoluble in strong acid and alkali, and does not oxidize in air. It is widely used in the jewelry and chemical industries, applied in the manufacturing of advanced chemical vessels, platinum crucibles, and catalysts to accelerate chemical reactions.

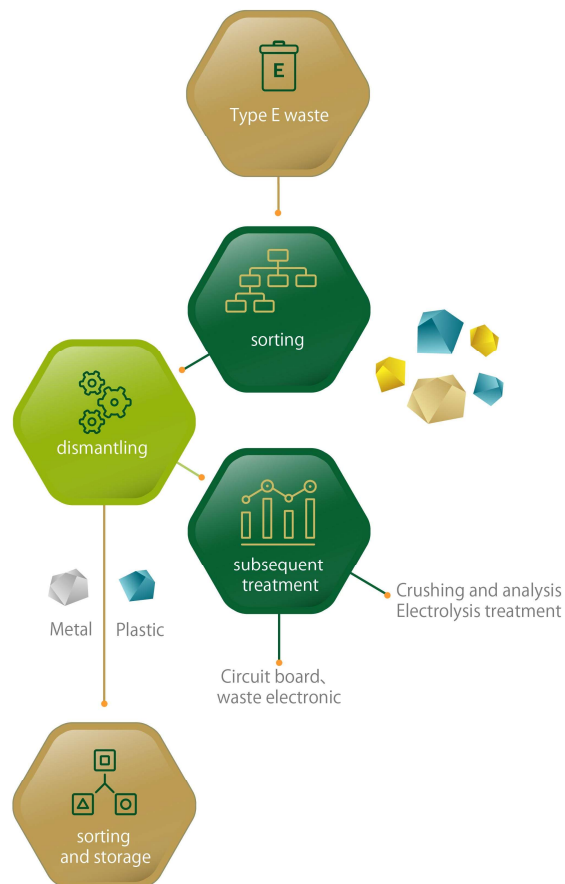
#### **Copper**

Copper was the earliest metal used by humans. As early as prehistoric times, people mined open-pit copper mines, and used the copper they obtained to make weapons, tools, and other utensils. The use of copper had a profound impact on the progress of early human civilization. Copper is a tough, soft, malleable, purplish-red, lustrous metal. Pure copper has a high electrical and thermal conductivity, second only to silver. Copper is widely used in electrical applications, lighting, machinery and manufacturing, the construction industry, defense industries, and other fields.

### 2.2.2 The processing of the Company's main business or the production process of the products:

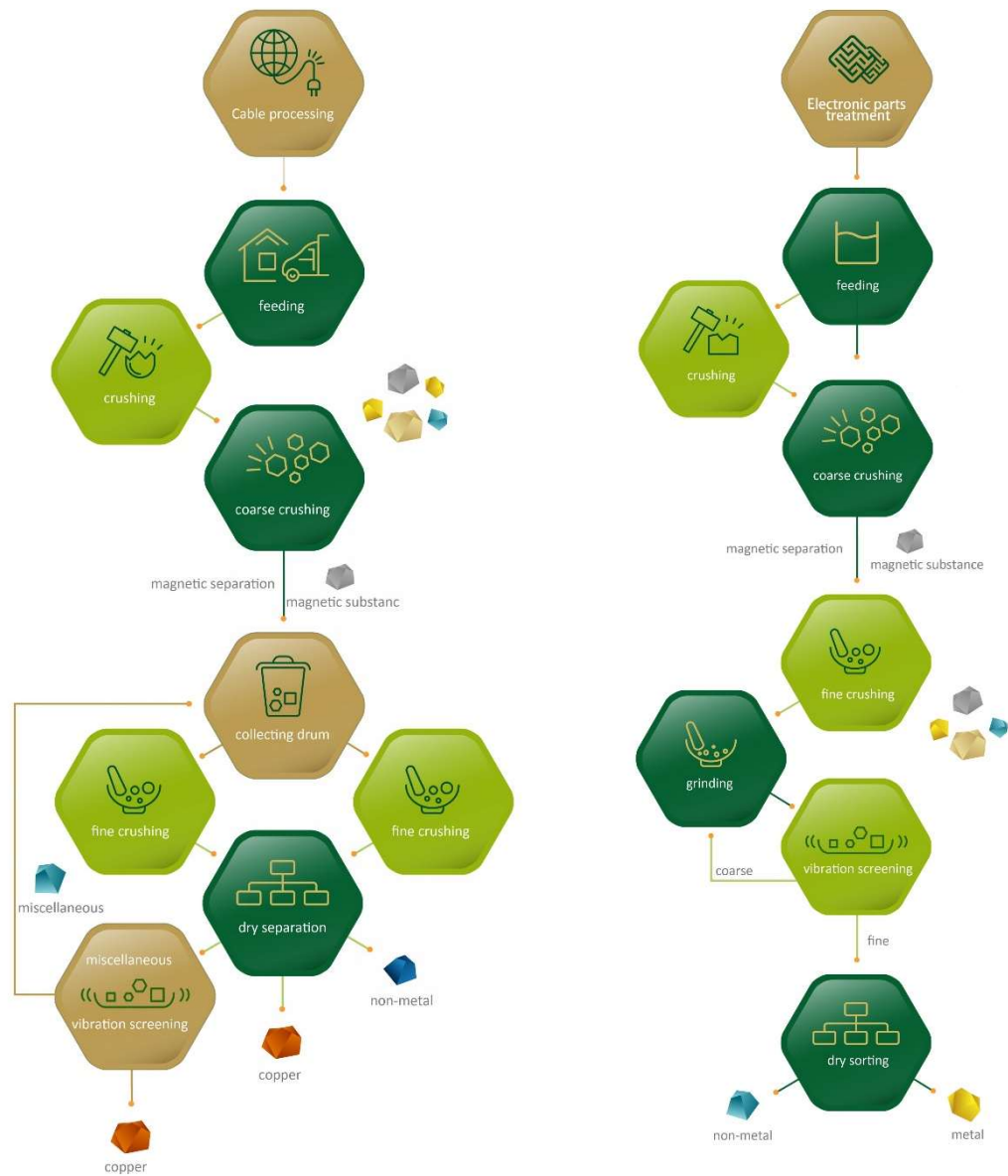
#### A. Dismantling and sorting process:

Stages for the processing of Type E waste include "recycling weighing," "material classification," "component disassembly," "material separation," "impurity removal", and "resource storage". Through these stages, the resource category and value can be determined first, and then enter the subsequent processing stage, which can greatly shorten the regeneration time.



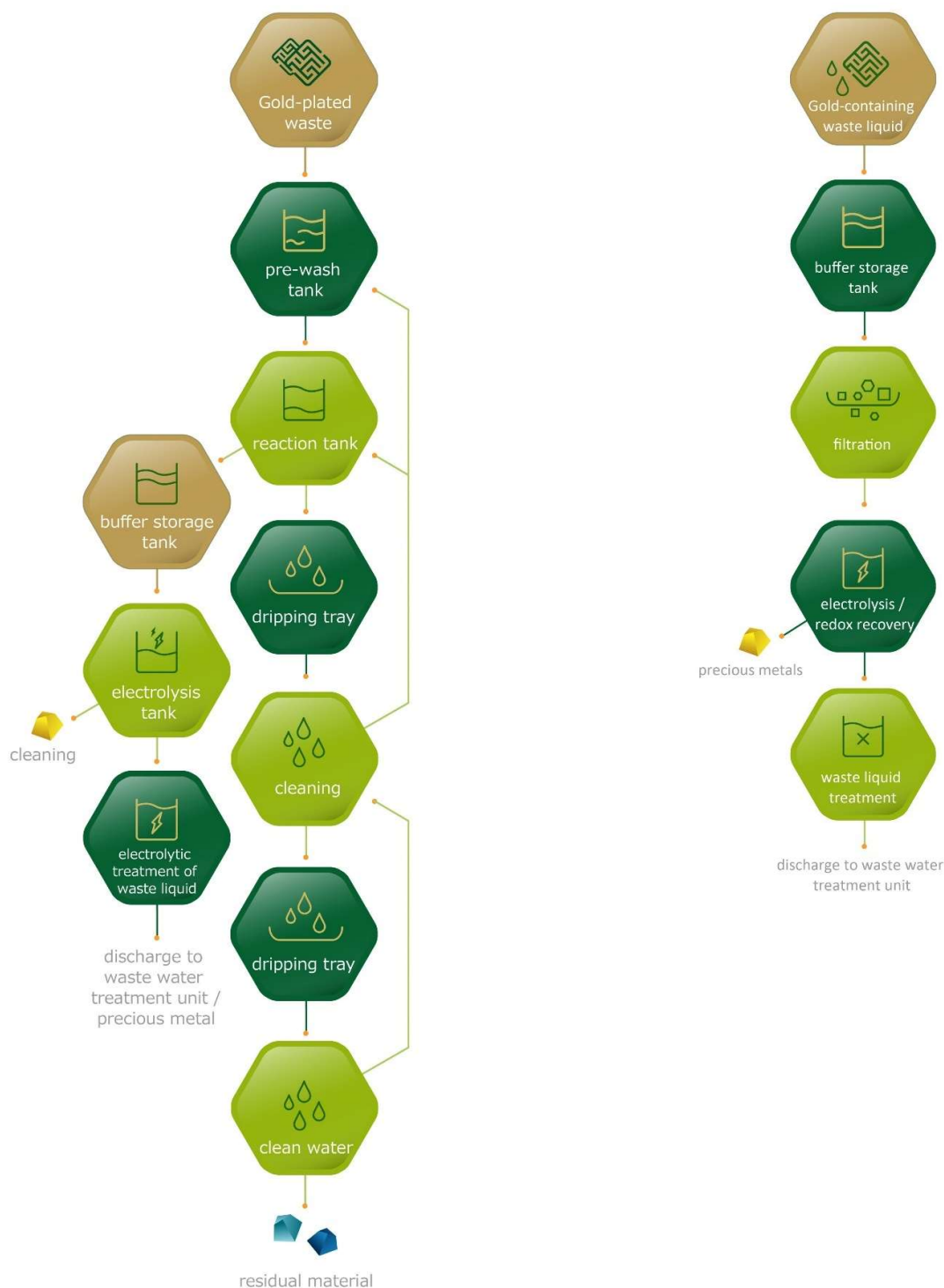
B. Crush sorting process:

The valuable resources that have been roughly sorted out after disassembly and classification are further detailed by shredding and sorting technology, and then the resources are sorted into two categories: "metallic" and "non-metallic," so as to obtain more valuable renewable resources.



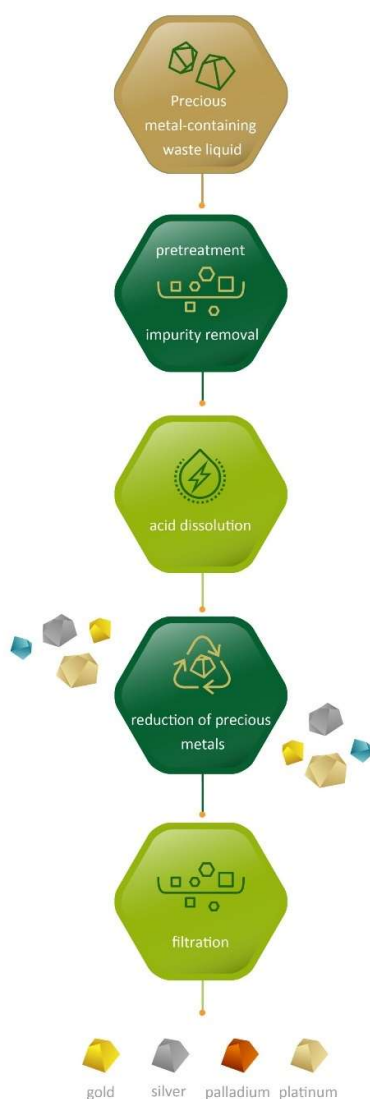
### C. Electrolysis processing procedures:

After pre-washing, reaction, dripping and other actions, by electrolytic treatment and redox procedures, the precious metal components are extracted from electronic materials and waste liquids containing precious metals. Afterward, the remaining wastewater is finally treated by special procedures to improve the environmental protection of pollution prevention and control.



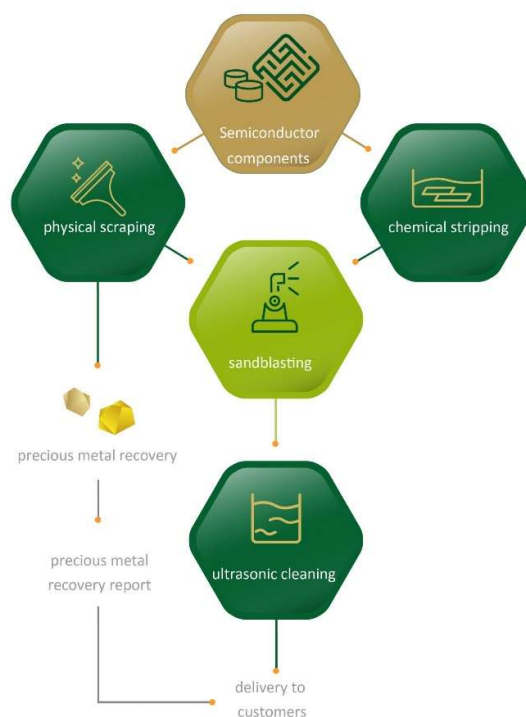
D. Precious metal refining processing procedures:

After the electronic materials containing precious metals are dissolved in aqua regia, high-purity precious metals (such as gold, silver, palladium, etc) are refined through filtration, reduction, precipitation, and other steps, which greatly enhances the regeneration value and creates rich profits.



E. Component washing process:

Semiconductor components are first removed from impurities by chemical stripping, physical scraping, and sandblasting. Then high-frequency ultrasonic waves are introduced into the cleaning solution, using the high-speed impact force of dynamic acoustic vibration energy, to peel off the stains on the components. The ultrasonic cleaning process will produce a large number of vacuum bubbles that can penetrate into pores, concave surfaces, or other blind holes of components to achieve the effect of comprehensive cleaning.



### 2.3 Supply conditions of principal raw materials:

Main Materials	Supply agents	Supply conditions
Scrap metal raw materials	Ingrasys Technology, Keystone Microtech , Leme International	Good
Precious metal raw materials	Kinsus Interconnect, Focal Tech Systems, Epileds	Good

### 2.4 Major purchase and sale customers

#### 2.4.1 Suppliers whose purchase amounts in the most recent two years accounted for more than 10% of the total purchase amount:

Unit: NTD Thousand

	2022				2023				Through through the first quarter of 2024 (March 31, 2024)			
Item	Name	Amount	Percentage of total annual net purchases (%)	Relations hip with issuer	Name	Amount	Percentage of total annual net purchases (%)	Relations hip with issuer	Name	Amount	As a percentage of net purchases for the year through the first quarter (%)	Relations hip with issuer
1	Others	2,879,902	100.0	None	Chung Jia Metal	400,240	14.8	None	Chung Jia Metal	222,255	28.1	None
2					Others	2,301,943	85.2	None	Yoshikatsu shoji	83,166	10.5	None
3									Others	485,100	61.4	None
	Net purchases	2,879,902	100.0		Net purchases	2,702,183	100.0		Net purchases	790,521	100.0	

#### Explanation of increases and decreases:

The Company is mainly engaged in the removal and transportation of industrial waste, the recycling of waste electronic items, and the recycling of resources. The main incoming items are wires, scrapped PCB boards, mixed metals, and scrap copper. When purchasing incoming goods, the Company will refer to the current international copper price market quotation, supplier product quality level and cooperative relationships, and so on, as the basis for the Company's procurement. The increase or decrease in the purchase amount of suppliers is mainly due to the purchase of suppliers from different sources of supply considering the purchase price of suppliers and the quality level of products.

2.4.2 Customers whose sales amount in the last two years accounted for more than 10% of the total sales:

Unit: NTD Thousand

	2022				2023				Through through the first quarter of 2024 (March 31, 2024)			
Item	Name	Amount	Percentage of total annual net sales (%)	Relations hip with issuer	Name	Amount	Percentage of total annual net sales (%)	Relations hip with issuer	Name	Amount	As a percentage of net sales for the year through the first quarter (%)	Relationshi p with issuer
1	Customer A	862,682	23.8	None	Customer A	689,480	18.9	None	Customer D	292,318	31.0	None
2	Customer B	637,390	17.6	None	Customer B	669,507	18.3	None	Customer B	158,553	16.8	None
3	Customer C	469,500	12.9	None	Customer D	414,708	11.3	None	Customer A	137,029	14.6	None
4	Others	1,655,778	45.7	None	Customer C	282,256	7.7	None	Others	354,624	37.6	None
5					Others	1,602,515	43.7	None				
	Net sales	3,625,350	100.00	-	Net sales	3,658,466	100.00	-	Net sales	942,524	100.00	-

Explanation of increases and decreases:

The Company is a professional environmental protection manufacturer mainly engaged in the removal and transportation of industrial waste, the recycling of waste electronic items and the recycling of resources. Our sales targets include domestic and foreign precious metal and non-ferrous metal refineries and waste processing and recycling plants. The products sold by the Company are all non-ferrous metal raw materials that have been valued by the global market in recent years. Under a seller's market, there is no shortage of customer sales channels, and the Company is still actively expanding other sales customers. Therefore, there is no risk of concentration of sales. In addition, the change in the main selling customers is mainly due to the consideration of the quotation price and conditions of customers and the allocation of the sales amount to them.

## 2.5 Production value in the last two years:

Production units: Kg, NTD thousand

Production value Major Products	Year	2022			2023		
		Production capacity (Note 1)	Production volume	Production value	Production capacity (Note 1)	Production volume	Production value
Precious metal raw materials		10,196,150	4,785,821	1,062,903	10,196,150	5,549,775	947,699
Industrial metals		50,185,900	17,188,479	1,776,547	50,185,900	18,537,277	1,956,104
Others		31,480,700	19,187,957	482,979	31,480,700	20,889,144	615,812
Total		91,862,750	41,162,257	3,322,429	91,862,750	44,976,176	3,519,615

Note 1: Capacity refers to the volume that the Company can produce under normal operations using existing production equipment after taking necessary shutdowns, holidays, and other factors into account.

## 2.6 Sales volume in the last two years:

Sales units: Kg, NTD thousand

Sales value Principal products	Year	2022				2023			
		Domestic sales		Exports		Domestic sales		Exports	
		Volume	Value	Volume	Value	Volume	Value	Volume	Value
Precious metal raw materials		223	1,651	4,400,597	1,247,252	1,174	98,549	5,105,732	1,141,824
Industrial metals		4,779,784	526,156	12,583,420	1,310,123	5,500,866	893,979	9,000,514	871,533
Others		4,917,976	123,393	11,649,572	416,775	3,318,332	100,907	14,799,001	551,674
Total		9,697,983	651,200	28,633,589	2,974,150	8,820,372	1,093,435	28,905,247	2,565,031

### III. Global employees:

Year		2022	2023	From the current year through May 10, 2024
Number of employees	Manager level and above	33	26	26
	Production line employees	116	105	104
	General staff	64	54	53
	Total	212	185	183
Average age		39.32	39.25	39.56
Average years of service		8.41	8.88	9.02
Education distribution ratio (%)	Doctoral Degree	0.94	1.08	1.09
	Master's degree	5.66	4.86	4.92
	College and university	41.98	47.03	45.90
	High school	18.87	16.22	16.94
	Below high school	15.57	13.51	14.21
	Foreign workers	16.98	17.30	16.94

### IV. Environmental protection expenditure information:

4.1 In the most recent year and as of the date of publication of the annual report, losses due to environmental pollution (including compensation and environmental protection audit results that violate environmental protection laws and regulations, the date of punishment, the scope of the punishment, the violation of the provisions of the regulations, the content of the violation of the regulations, the content of the punishment): No such situation.

4.2 Countermeasures and improvement measures:

After treatment, the Company's wastewater, exhaust gas, and other treatment equipment, are line with the regulations and emission standards, and we have obtained a treatment discharge permit issued by the Environmental Protection Administration. Moreover, the Company has environmental protection personnel responsible for operations, and regular maintenance and upkeep, so that the equipment engages in the maximum processing efficiency. At the same time, we regularly carry out environmental protection inspections such as for wastewater to confirm compliance with environmental protection laws and regulations.

4.3 Expected environmental expenditures in the next three years:

	2024	2025	2026
• Pollution prevention and control equipment or expenditure content to be purchased	• Environmental protection regular testing fees such as for wastewater and exhaust gas • Wastewater, exhaust gas, dust treatment equipment operation and maintenance costs • Wastewater and waste disposal fees	• Environmental protection regular testing fees such as for wastewater and exhaust gas • Wastewater, exhaust gas, dust treatment equipment operation and maintenance costs • Wastewater and waste disposal fees	• Environmental protection regular testing fees such as for wastewater and exhaust gas • Wastewater, exhaust gas, dust treatment equipment operation and maintenance costs • Wastewater and waste disposal fees
• Expected improvements	Complies with the relevant environmental protection laws and regulations	Complies with the relevant environmental protection laws and regulations	Complies with the relevant environmental protection laws and regulations
• Payout amount	NTD 16,824 thousand	NTD 15,732 thousand	NTD 15,666 thousand

#### 4.4 Impact after improvement:

	2024	2025	2026
*Impact on net profit	Due to environmental protection-related testing costs and equipment operation and maintenance costs, the estimated costs and depreciation increased by NTD 14,980 thousand and NTD 243 thousand respectively	Due to environmental protection-related testing costs and equipment operation and maintenance costs, the estimated costs and depreciation increased by NTD 14,980 thousand and NTD 151 thousand respectively	Due to environmental protection-related testing costs and equipment operation and maintenance costs, the estimated costs and depreciation increased by NTD 14,980 thousand and NTD 85 thousand respectively
*Impact on competitive position	Continuously improve the ecological benefits of resources, reduce the environmental protection costs due to process pollution, maintain the Company's good environmental protection image, and enhance market competitiveness.	Continuously improve the ecological benefits of resources, reduce the environmental protection costs due to process pollution, maintain the Company's good environmental protection image, and enhance market competitiveness.	Continuously improve the ecological benefits of resources, reduce the environmental protection costs due to process pollution, maintain the Company's good environmental protection image, and enhance market competitiveness.

## V. Labor Relations

5.1 Each item of the Company's employee welfare measures, advanced education, training, retirement system and its implementation status, as well as the agreements between labor and management and various employee rights and interests protection measures

### 5.1.1 Employee welfare measures:

- A. Employees of the Company participate in labor insurance and universal health insurance and enjoy the right to pay various insurance benefits.
- B. The Dragon Boat Festival and Mid-Autumn Festival will see payments made of festive bonuses, in addition to year-end bonuses and employee bonus systems.
- C. The Company holds on-the-job training for employees from time to time to improve the relevant skills of employees.
- E. The Employee Welfare Committee of the Company was established in 2004 and was submitted for investigation by the Hsinchu City Government under Letter Xin Fu Zi No. 0932500002.
- F. The Company allocates welfare benefits in accordance with regulations, and the Committee arranges activities such as various tourism activities, community activities, Mid-Autumn Festival activities, and other welfare matters.
- G. The Company provides various welfare subsidies such as wedding stipends, hospital condolences, maternity subsidies, funeral subsidies, children's scholarships, and festive gift certificates.
- H. We provide multiple reward schemes, such as outstanding employee selection and foreign language training awards.
- I. Occupational medical doctors and nurses specially engaged in labor health services provide plant services, conduct employee health guidance, and handle health lectures and health promotion activities at the plant.

#### 5.1.2 Employee education, training and its implementation status:

The Company provides employees with an open and diverse learning environment, and colleagues can constantly challenge their own growth through internal/external training, book clubs, and supervisor/peer guidance. At the same time, employees can obtain the greatest satisfaction through the training system of new personnel/professional functions/management skills/general courses/self-inspiration. On the other hand, through the planning of grades/scores, work rotation, project assignment and overseas assignments, colleagues can combine their jobs and careers, enjoy the joy of knowledge growth together, and create a better future.

The Company has formulated management measures for employee education and training, planned relevant training courses according to the requirements of functions and professions to enhance the knowledge of employees, improved the overall quality of employees, and improved its business performance. The relevant education and training performance in 2023 was as follows:

Item	Number of shifts	Total number of people	Total hours	Total cost (NTD thousand)
New personnel training	13	20	39	0
Professional functional training	46	157	226	120
Management skills training	23	69	113	46
Total	82	246	378	166

#### 5.1.3 Retirement system:

The Labor Pension Act, which came into force on 1 July 2005, is a prescribing scheme for the retirement of employees who were employed before July 1, 2005. Those who were employed on that date may choose to continue to apply the pension provisions of the Labor Standards Act, or apply the pension system of the Act and retain the years of service before the Act applied. According to the Act, the monthly retirement pension contribution rate borne by the Company shall not be less than 6% of the employee's monthly salary to the individual pension account of the Bureau of Labor Insurance.

Labor Pension Act (new system) years of service: Pension determination allocation system

- The Company allocates a 6% pension on a monthly basis: According to the monthly wage grading table for labor pension issued by the Bureau of Labor Insurance, 6% of the employee's salary is allocated to the employee's personal pension account every month.
- Employees' personal pension: Employees can also voluntarily withdraw pensions within 6% of their monthly salary according to their personal wishes.

#### 5.1.4 Circumstances of agreements between labor and management:

The Company has always maintained harmonious labor-management relations by means of rational communication. Therefore, we attach great importance to the opinions of employees, and can build consensus with each other on the problems encountered in the life and work of workers, and work together for the sustainable operation of the business.

#### 5.1.5 Status of various employee rights and interests protection measures:

Based on the protection of employees' work safety, the Company has established the following management procedures for the working environment and employee personal safety protection measures, and we require subordinate colleagues to implement them thoroughly. This is done in addition to purchasing group insurance every year and holding regular industrial safety lectures, while additionally sending people to participate in relevant industrial safety courses, all to ensure the safety of the lives of our colleagues and to calmly respond to emergencies. In order to achieve the goal of zero incidents, the Company regularly revises the annual emergency response plan according to the plan content and develops detailed execution operations, and each department of the Company implements them according to the planned schedule and content. Furthermore, we then explore the implementation of the lack of implementation through the audit system and review and amend at any time according to the implementation process and audit operations, and so on. This is done to reduce the risk of harm to business units so as to achieve the ultimate goal of zero incidents.

The management measures include:

- A. Labor operation environment measurement and management procedures
- B. Health management procedures
- C. Safety and health protective equipment management procedures
- D. Safety and health automatic inspection management procedures
- E. Safety and health label management procedures
- F. Exhaust gas emergency contingency plan
- G. Wastewater emergency response plan
- H. Chemical spill response plan
- I. Toxic chemical spill response plan
- J. Waste removal contingency plan
- K. Fire protection plan

#### 5.2 In the most recent year and up to the date of publication of the annual report, list any losses suffered due to labor disputes (including labor inspection results that violate the Labor Standards Act, sanction date, sanction code, regulatory provisions that were violated, details of the regulatory violation, and sanction details) and disclose current and future estimated amounts and possible measures. If it cannot be reasonably estimated, the fact that it cannot be reasonably estimated shall be stated: No such situation.

## **VI. Information security management**

### **6.1 Information and communications security policy and organization:**

To ensure the confidentiality, integrity, and availability of the information and information assets necessary for the operation of the Company, and in line with the principles of safety, rationality and system, and based on information security, we provide an information environment for the continuous operation of the Company's information business, establish operational innovation, strengthen service safety, and improve team capabilities, thereby achieving sustainable operations and meeting the requirements of relevant laws and regulations.

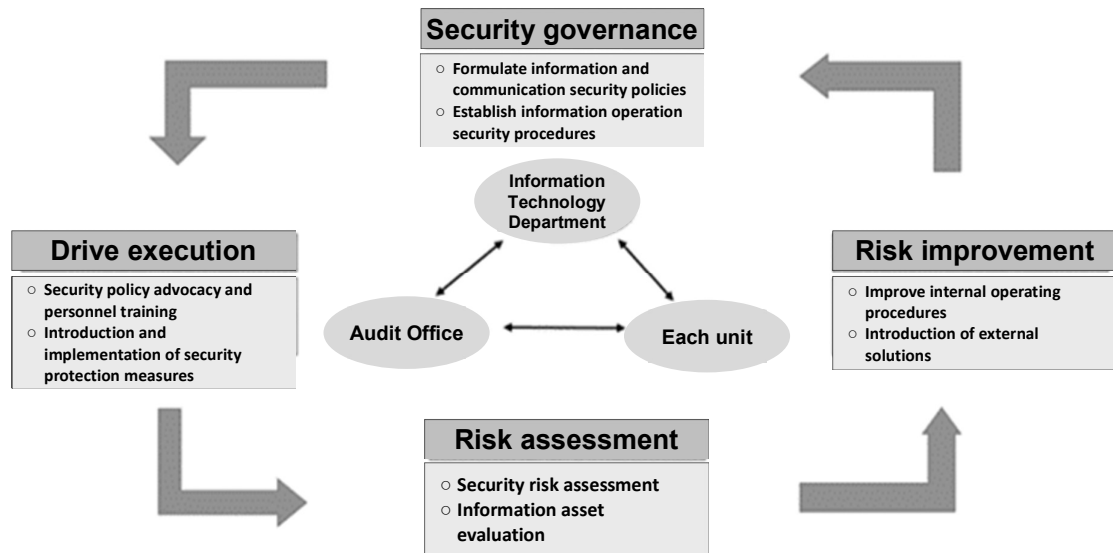
#### **6.1.1 Information security policy:**

The Company's information security management covers the following matters:

- (1) Information security organization Information security organization.
- (2) Asset classification and control.
- (3) Personnel safety and management.
- (4) Entity and environmental safety management.
- (5) Communication and operation management.
- (6) Access control.
- (7) System development and maintenance.
- (8) Sustainable management.
- (9) Internal audit.
- (10) Additions and amendments.

#### **6.1.2 Information and communications security risk management framework:**

1. The Company's Information Technology Department is under the command of Operation Vice President. The Department sets up one information supervisor and one professional information personnel to be responsible for formulating internal information security policies, planning and implementing information security protection and promotion and implementation of information security policies, and regularly publishing the Company's information security governance overview.
2. The Company's Audit Office is the supervisory unit of information security supervision. There is an audit supervisor in this office who is responsible for supervising the implementation of internal information security. If an audit uncovers something missing, the inspected unit is immediately required to put forward relevant improvement plans and specific actions. Moreover, improvements results are regularly tracked to reduce internal security risks.
3. The organizational operation mode adopts regular audits and circular management to ensure that reliability goals are achieved and continuously improved.



#### 6.1.3 Specific management plan of information and communication security:

**System specifications:** The Company has formulated a number of internal security norms and systems to standardize the information security behavior of the Company's personnel, and regularly check whether the relevant systems are in line with changes in the operating environment every year, and adjust them in a timely manner according to needs.

**System protection:** In order to prevent various internal/external security threats, in addition to adopting multi-layer network architecture design, the Company has also built various security protection systems to enhance the security of the overall information environment. In addition, in order to ensure that the operational behavior of internal colleagues complies with the Company's system norms, we also design an audit mechanism for operating procedures and import security management tools to implement personnel information security management measures.

**Personnel training:** The Company regularly implements information security education and training practical courses for new recruits, and implements information security opportunity advocacy from time to time to enhance the knowledge and professional skills of the Company's colleagues.

#### 6.1.4 Resources to invest in information and communications safety management:

The Company's investment in information equipment and security totaled NTD1,175 thousand in 2023.

#### 6.2 Security risk assessment and response:

The Company has established network and computer-related information security protection measures. However, there is no guarantee that the computer system that controls or maintains important corporate functions, such as the Company's manufacturing operations and accounting information, can be completely protected from cyber attacks from third parties that paralyze the system. These cyber attacks illegally invade the Company's internal network systems, engage in activities that disrupt the Company's operations, and damage the Company's goodwill. In the event of a serious network attack, the Company's systems may lose important information about the Company, resulting in the suspension of the operation of the Company's operational information. Through continuous reviews of information security regulations and procedures, the Company ensures its appropriateness and effectiveness. Although there is no guarantee that the Company will not be affected by emerging risks and attacks amid the ever-changing information security threats, nonetheless,

through the relevant information security equipment investment and the technical assistance of the third-party manufacturers, the Company's operation information operation can be resumed in the shortest time.

- 6.3 Losses suffered due to major information security incidents in the most recent year and as of the publication date of the annual report, possible impact, and response measures: No such situation.

**VII. Important contracts:**

Contract nature	Contractual parties	Commence and expire on	Major terms	Restrictive clauses
Waste removal and disposal contract	CHUNG JIA METAL ENTERPRISE CO., LTD.	2024/01/01 – 2024/12/31	Industrial waste removal and processing	None
Waste removal and disposal contract	TIAN SIANG METAL CO., LTD.	2023/01/01 – 2024/12/31	Industrial waste removal and processing	None
Waste removal and disposal contract	Company B	2024/03/14 – 2025/12/31	Industrial waste removal and processing	None
Waste removal and disposal contract	Company C	2020/09/28 – 2025/09/27	Industrial waste removal and processing	None
Waste removal and disposal contract	Company F	2024/02/07 – 2024/05/31	Industrial waste removal and processing	None
Waste removal and disposal contract	Company G	2024/04/01 – 2027/03/31	Industrial waste removal and processing	None
Construction	GOANG SHIN CONSTRUCTION INC.	07/01/2022 to the end of warranty period	New construction of projects in Xibin Plant II	None
Construction	WOEI CHANG ELECTRIC ENGINEER CO., LTD.	11/07/2022 to the end of warranty period	New construction of power, water supply and fire protection engineering in Xibin Plant II	None

## Six. Financial Overview

### I. Concise balance sheet and statement of comprehensive income for most recent five years

#### 1.1 Concise balance sheet and statement of comprehensive income data:

##### Consolidated Concise Balance Sheet

Unit: NTD Thousand

Item \ Year		Financial data for the most recent five years (Note 1)					Financial data from the current year through March 31, 2024 (Note 2)
		2019	2020	2021	2022	2023	
Current assets		2,263,319	2,204,170	2,521,704	2,198,742	2,505,979	2,660,769
Property, plant and equipment		491,412	520,615	389,692	454,411	540,241	577,507
Right of use assets		201,085	205,002	188,603	194,321	174,414	184,716
Intangible assets		107	524	6,298	6,217	6,320	6,245
Other assets		274,725	169,245	224,329	330,873	176,251	200,433
Total assets		3,230,648	3,099,556	3,330,626	3,184,564	3,403,205	3,629,670
Current liabilities	Before distribution	765,259	623,143	561,125	478,650	316,587	389,605
	After distribution	880,941	815,019	776,995	659,142	(Note3)	-
Non-current liabilities		509,082	33,487	63,962	82,627	136,487	152,269
Total liabilities	Before distribution	1,274,341	656,630	625,087	561,277	453,074	541,874
	After distribution	1,390,023	848,506	840,957	741,769	(Note3)	-
Equity attributable to owners of parent		1,926,070	2,405,337	2,676,408	2,598,492	2,950,131	3,087,796
Share capital		964,020	1,161,829	1,199,227	959,421	960,611	961,161
Additional paid-in capital		609,732	780,567	811,254	811,244	811,151	811,096
Retained earnings	Before distribution	388,810	516,240	736,007	834,491	1,189,046	1,294,200
	After distribution	273,128	324,364	520,137	653,999	(Note3)	-
Other equity interest		(36,492)	(53,299)	(70,080)	(6,664)	(10,677)	21,339
Treasury shares		-	-	-	-	-	-
Non-controlling interests		30,237	37,589	29,131	24,795	-	-
Total equity	Before distribution	1,956,307	2,442,926	2,705,539	2,623,287	2,950,131	3,087,796
	After distribution	1,840,625	2,251,050	2,489,669	2,442,795	(Note3)	-

Note 1: The financial information listed above for the each year has been verified by an accountant.

Note 2: The financial information for the first quarter of 2023 has been reviewed by accountants.

Note 3: The 2023 earnings distribution was approved by the Board of Directors on March 8, 2024 and is pending the resolution of the 2024 General Meeting of Shareholders.

## **Consolidated Concise Statement of Comprehensive Income**

Unit: NTD Thousand

Item \ Year	Financial data for the most recent five years (Note 1)					Financial data from the current year through March 31, 2024 (Note 2)
	2019	2020	2021	2022	2023	
Operating income	3,850,803	3,332,438	3,409,843	3,625,350	3,658,466	942,524
Operating margin	415,311	502,453	754,734	504,594	472,448	180,309
Operating profit and loss	227,819	307,160	552,762	308,342	280,151	127,687
Non-operating income and expenses	(37,839)	(11,228)	(7,377)	109,615	376,434	6,087
Net profit before tax	189,980	295,932	545,385	417,957	656,585	133,774
Profit from continuing operations	148,496	255,069	449,973	339,029	572,648	133,74
Profit or loss from discontinued operations	-	-	(46,995)	(27,496)	(45,869)	-
Profit (loss) for the period	148,496	255,069	402,978	311,533	526,779	105,154
Other comprehensive income for the period (net after tax)	(14,994)	(16,312)	(16,572)	61,495	(3,790)	32,016
Total comprehensive income for the period	133,502	238,757	386,406	373,028	522,989	137,170
Net profit attributable to owner of the parent company	150,048	248,372	411,148	316,313	534,753	105,154
Net profit attributable to non-controlling interest	(1,552)	6,697	(8,170)	(4,780)	(7,974)	-
Total comprehensive income attributable to owners of the parent company	136,227	231,405	394,864	377,364	531,034	137,170
Total comprehensive profit and loss attributable to non-controlling interests	(2,725)	7,352	(8,458)	(4,336)	(8,045)	-
Earnings per share (EPS)	1.56	2.48	3.47	2.82	5.57	1.09

Note 1: The financial information listed above for the each year has been verified by an accountant.

Note 2: The financial information for the first quarter of 2024 has been reviewed by accountants.

## **Parent Company Only Concise Balance Sheet**

Unit: NTD Thousand

Year Item		Financial data for the most recent five years (Note 1)				
		2019	2020	2021	2022	2023
Current assets		1,320,626	1,382,044	1,373,193	1,157,357	1,538,227
Property, plant, and equipment		191,438	234,445	289,544	360,607	445,959
Right of use assets		21,515	22,100	18,833	14,967	12,486
Intangible asset		90	510	510	429	452
Other assets		1,172,156	1,138,531	1,302,477	1,406,916	1,317,750
Total assets		2,705,825	2,777,630	2,984,557	2,940,276	3,314,874
Current liabilities	Before distribution	268,701	352,165	292,331	311,902	266,824
	After distribution	384,383	160,289	508,201	492,394	(Note2)
Non-current liabilities		511,054	20,128	15,818	29,882	97,919
Total liabilities	Before distribution	779,755	372,293	308,149	341,784	364,743
	After distribution	895,437	180,417	524,019	522,276	(Note2)
Equity attributable to owners of parent		1,926,070	2,405,337	2,676,408	2,598,492	2,950,131
Share capital		964,020	1,161,829	1,199,227	959,421	960,611
Additional paid-in capital		609,732	780,567	811,254	811,244	811,151
Retained earnings	Before distribution	388,810	516,240	736,007	834,491	1,189,046
	After distribution	273,128	324,364	520,137	653,999	(Note2)
Other equity interest		(36,492)	(53,299)	(70,080)	(6,664)	(10,677)
Treasury shares		-	-	-	-	-
Non-controlling interests		-	-	-	-	-
Total equity	Before distribution	1,926,070	2,405,337	2,676,408	2,598,492	2,950,131
	After distribution	1,810,388	2,213,461	2,460,438	2,418,000	(Note2)

Note 1: The financial information listed above for the each year has been verified by an accountant.

Note 2: The 2023 earnings distribution was approved by the Board of Directors on March 8, 2023 and is pending the resolution of the 2024 General Meeting of Shareholders.

## **Parent Company Only Concise Statement of Comprehensive Income**

Unit: NTD Thousand

Item \ Year	Financial data for the most recent five years (Note 1)				
	2019	2020	2021	2022	2023
Operating income	2,191,851	2,216,496	2,358,081	2,358,112	2,406,222
Operating margin	356,045	414,730	569,801	392,354	372,912
Operating profit and loss	229,661	280,625	406,869	236,205	212,727
Non-operating income and expenses	(32,502)	11,299	78,715	145,126	393,276
Net profit before tax	197,159	291,924	485,584	381,331	606,003
Profit from continuing operations	150,048	248,372	411,148	316,313	534,753
Profit or loss from discontinued operations	-	-	-	-	-
Profit (loss) for the period	150,048	248,372	411,148	316,313	534,753
Other comprehensive income, net of tax, for the period (Net of tax)	(13,821)	(16,967)	(16,284)	61,051	(3,719)
Total comprehensive income for the period	136,227	231,405	394,864	377,364	531,034
Net profit attributable to owner of the parent company	150,048	248,372	411,148	316,313	534,753
Net profit attributable to non-controlling interest	-	-	-	-	-
Total comprehensive income attributable to owners of the parent company	136,227	231,405	394,864	377,364	531,034
Total comprehensive profit and loss attributable to non-controlling interests	-	-	-	-	-
Earnings per share (EPS)	1.56	2.48	3.47	2.82	5.57

Note 1: The financial information listed above for the each year has been verified by an accountant.

### 1.2 CPA name and audit opinion for the most recent five years:

Year	Accounting firm name	Certified public accountant	Audit opinion
2019	KPMG	Yu, Sheng-He 、Lee, Tzu-Hui	Unqualified opinion
2020	KPMG	Yu, Sheng-He 、Lee, Tzu-Hui	Unqualified opinion
2021	KPMG	Yu, Sheng-He 、Lee, Tzu-Hui	Unqualified opinion
2022	KPMG	Yu, Sheng-He 、Lee, Tzu-Hui	Unqualified opinion
2023	KPMG	Luo, Rui-Zhi 、Huang, Yu-Ting	Unqualified opinion

## II. Financial analysis for the last five years

### 2.1 Consolidated financial analysis:

Analysis item		Financial analysis for the most recent five years (Note 1)					From the current year through March 31, 2024 (Note 2)
		2019	2020	2021	2022	2023	
Financial structure %	Debt to asset ratio	39.45	21.18	18.77	17.62	13.31	14.93
	Ratio of long-term funds to property, plant, and equipment	495.54	468.45	710.69	595.48	571.34	561.04
Solvency %	Current ratio	295.76	353.72	449.40	459.36	791.56	682.94
	Quick ratio	178.30	223.55	318.74	280.28	545.51	445.83
	Interest coverage ratio	12.49	32.10	155.06	125.69	403.07	251.04
Operating ability	Accounts receivable turnover (times)	10.12	9.09	10.25	15.42	17.09	14.24
	Average cash collection days	36.06	40.15	35.6	23.67	21.36	25.62
	Inventory turnover (times)	4.22	4.15	3.96	4.10	3.89	3.58
	Payables turnover (times)	17.19	15.98	17.60	22.03	27.78	27.11
	Average sales days	86.49	87.95	92.17	89.02	93.83	101.96
	Property, plant, and equipment turnover rate (times)	7.53	6.59	7.49	8.59	7.36	6.75
	Total asset turnover (times)	1.24	1.08	1.06	1.11	1.11	1.07
Profitability	Return on assets (%)	5.19	8.30	12.57	9.56	15.99	11.96
	Return on equity (%)	7.92	11.78	15.65	11.69	18.90	13.93
	Net profit before tax to paid-in capital ratio (%)	19.71	25.47	45.48	43.56	68.35	13.92
	Net profit rate (%)	3.86	7.65	11.82	8.59	14.40	11.16
	Earnings per share (NTD)	1.56	2.48	3.47	2.82	5.57	1.09
Cash flow	Cash flow ratio (%)	50.75	63.65	91.67	69.46	67.01	-
	Cash flow adequacy ratio (%)	129.41	131.07	159.89	161.62	144.95	103.67
	Cash reinvestment ratio (%)	14.76	11.26	12.87	4.96	1.07	-
Leverage	Operational leverage	16.23	10.43	5.94	11.31	12.66	7.20
	Financial leverage	1.08	1.02	1.00	1.01	1.01	1.00

Changes in financial ratios of 20% or more in the last two years are explained as follows:

1. Debt to asset ratio decreased by 24%: Mainly due to decrease in trade payables and income tax payables.
2. Current ratio increased by 72% and quick ratio increased by 95%: Mainly due to increase in financial assets at fair value through profit or loss and decrease in repay short-term bank loans.
3. Payables turnover (times) increased by 26% : Mainly due to increase in operating costs and decrease in trade payables.
4. Interest coverage ratio increased by 221% and net profit before tax to paid-in capital ratio increased by 57% : Mainly due to increase in net profit before tax.
5. Return on assets increased by 67% 、return on equity increased by 62% 、net profit rate increased by 68% and earnings per share increased by 98%: Mainly due to increase in net profit after tax.
6. Cash reinvestment ratio decreased by 78%: Mainly due to increase in provisional income tax and .decrease in cash inflows from operating activities.

## 2.2 Parent company only financial analysis:

Analysis item \ Year		Financial analysis for the most recent five years (Note 1)				
		2019	2020	2021	2022	2023
Financial structure %	Debt to asset ratio	28.82	13.40	10.32	11.62	11.00
	Ratio of long-term funds to property, plant, and equipment	1273.06	1034.56	929.82	728.87	683.48
Solvency %	Current ratio	491.49	392.44	469.74	371.06	576.49
	Quick ratio	364.41	277.96	342.37	233.49	389.76
	Interest coverage ratio	28.89	77.28	664.37	463.78	607.00
Operating ability	Accounts receivable turnover (times)	11.82	13.80	11.75	16.22	19.71
	Average cash collection days	31	26	31	23	19
	Inventory turnover (times)	6.67	5.35	5.11	5.16	4.39
	Payables turnover (times)	14.73	15.15	14.17	16.83	19.73
	Average sales days	55	68	71	71	83
	Property, plant, and equipment turnover rate (times)	11.41	10.41	9.00	7.25	5.97
	Total asset turnover (times)	0.84	0.81	0.82	0.80	0.77
Profitability	Return on assets (%)	5.94	9.17	14.29	10.70	17.12
	Return on equity (%)	8.01	11.47	16.18	11.99	19.28
	Net profit before tax to paid-in capital ratio (%)	20.45	25.13	40.49	39.75	63.09
	Net profit rate (%)	6.85	11.21	17.44	13.41	22.22
	Earnings per share (NTD)	1.56	2.48	3.47	2.82	5.57
Cash flow	Cash flow ratio (%)	92.6	38.88	98.51	92.90	13.32
	Cash flow adequacy ratio (%)	196.73	123.05	113.77	112.70	74.69
	Cash reinvestment ratio (%)	9.25	0.90	3.70	2.95	(4.69)
Leverage	Operational leverage	9.22	7.64	5.60	9.60	10.95
	Financial leverage	1.03	1.01	1.00	1.00	1.00
<p>Changes in financial ratios of 20% or more in the last two years are explained as follows:</p> <ol style="list-style-type: none"> <li>1. Current ratio increased by 55% and quick ratio increased by 67% : Mainly due to increase in financial assets at fair value through profit or loss and decrease in repay short-term bank loans.</li> <li>2. Interest coverage ratio increased by 31% and net profit before tax to paid-in capital ratio increased by 59% : Mainly due to increase in net profit before tax.</li> <li>3. Accounts receivable turnover (times) increased by 22%: Mainly due to decrease in accounts receivable.</li> <li>4. Return on assets increased by 60% 、return on equity increased by 61% 、net profit rate increased by 66% and earnings per share increased by 98%: Mainly due to increase in net profit after tax.</li> <li>5. Cash flow ratio decreased by 86% and cash reinvestment ratio decreased by 259%: Mainly due to increase in provisional income tax and .decrease in cash inflows from operating activities.</li> </ol>						

Note 1: The financial information listed above for the each year has been verified by an accountant.

Note 2: The financial information for the first quarter of 2024 has been reviewed by accountants.

Note 3: The calculation formulas for financial analysis is listed as follows:

1. Financial structure
  - (1) Liabilities to assets ratio = total liabilities/total assets.
  - (2) The ratio of long-term funds to property, plant, and equipment = (total equity + non-current liabilities)/net property, plant, and equipment.
2. Solvency
  - (1) Current ratio = current assets/current liabilities.
  - (2) Quick ratio = (current assets-inventory-prepaid expenses)/current liabilities.
  - (3) Interest coverage ratio = net profit before income tax and interest expense/interest expense in the current period.
3. Operating ability
  - (1) Accounts receivable (including accounts receivable and notes receivable due to business) turnover rate = net sales/average receivables in each period (including accounts receivable and notes receivable due to business) balance.
  - (2) Average cash collection days=365/receivable turnover rate.
  - (3) Inventory turnover rate = cost of goods sold/average inventory value.
  - (4) Payables (including accounts payable and bills payable due to business) turnover rate = cost of goods sold/average payables in each period (including accounts payable and bills payable due to business) balance.
  - (5) Average sales days = 365/inventory turnover rate.
  - (6) Turnover rate of property, plant, and equipment = net sales/average net property, plant, and equipment.
  - (7) Total asset turnover ratio = net sales/average total assets.
4. Profitability
  - (1) Return on assets = [(after-tax profit and loss + interest expense × (1-tax rate))/average total assets.
  - (2) Return on equity = profit and loss after tax/average total equity.
  - (3) Net profit rate = after-tax profit and loss/net sales.
  - (4) Earnings per share = (profit and loss attributable to owners of the parent company-preferred share dividends)/weighted average number of issued shares.
5. Cash flow
  - (1) Cash flow ratio = net cash flow from operating activities/current liabilities.
  - (2) Net cash flow ratio = net cash flow from operating activities in the last five years/the last five years (capital expenditure + inventory increase + cash dividend)
  - (3) Cash reinvestment ratio = (net cash flow from operating activities-cash dividends)/(gross property, plant, and equipment + long-term investment + other non-current assets + working capital)
6. Leverage:
  - (1) Operating leverage = (net operating income-variable operating costs and expenses)/business interests.
  - (2) Financial leverage = operating profit/(business profit-interest expense)

III. Audit Committee Review Report:

Jiin Yeeh Ding Enterprise Corp.

Audit Committee's Report

The Board of Directors prepared and submitted the Company's 2023 Business Report, Consolidated and Parent Company Only Financial Statements, and an earnings distribution proposal to us for review, among which the Consolidated and Parent Company Only Financial Statements have been audited by Luo, Re-Chih and Huang, Yu-Ting, CPAs at KPMG, by whom an audit report have been issued. The statements and reports above have been examined and reviewed by us, and no discrepancies were found. Therefore, we hereby submit this report for your review according to Article 14-4 of the Securities and Exchange Act.

To

2024 Annual Shareholders' Meeting of Jiin Yeeh Ding Enterprise Corp.

Jiin Yeeh Ding Enterprise Corp.

Convener of the Audit Committee: Chuang, Chin-Te

May 8, 2024

#### **IV. Consolidated Financial Statements and Accountant's Audit Report:**

##### **Representation Letter**

The entities that are required to be included in the combined financial statements of Jiin Yeeh Ding Enterprise Corp. as of and for the year ended December 31, 2023 under the Criteria Governing the Preparation of Affiliation Reports, Consolidated Business Reports, and Consolidated Financial Statements of Affiliated Enterprises are the same as those included in the consolidated financial statements prepared in conformity with International Financial Reporting Standards No. 10 by the Financial Supervisory Commission, "Consolidated Financial Statements". In addition, the information required to be disclosed in the combined financial statements is included in the consolidated financial statements. Consequently, Jiin Yeeh Ding Enterprise Corp. and Subsidiaries do not prepare a separate set of combined financial statements.

Company name: Jiin Yeeh Ding Enterprise Corp.  
Chairman: CHUANG, CHING-CHI  
Date: March 8, 2024

## **Independent Auditors' Report**

To the Board of Directors of Jiin Yeeh Ding Enterprise Corp.:

### **Opinion**

We have audited the consolidated financial statements of Jiin Yeeh Ding Enterprise Corp. and its subsidiaries ("the Group"), which comprise the consolidated balance sheets as of December 31, 2023 and 2022, the consolidated statements of comprehensive income, changes in equity and cash flows for the years then ended and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as of December 31, 2023 and 2022, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and with the International Financial Reporting Standards ("IFRSs"), International Accounting Standards ("IASs"), Interpretations developed by the International Financial Reporting Interpretations Committee ("IFRIC") or the former Standing Interpretations Committee ("SIC") endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

### **Basis for Opinion**

We conducted our audits in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants, and the Statements of Auditing Standards. 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 Jiin Yeeh Ding Enterprise Corp. and its subsidiaries in accordance with the Certified Public Accountants Code of Professional Ethics in Republic of China ("the Code"), and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis of our opinion.

### **Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. 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.

#### **1. Inventory valuation**

Refer to Notes 4(h) "Inventories", Note 5(a) "Valuation of inventories" and Note 6(e) "Inventories" to the consolidated financial statements.

Description of key audit matter:

The Group is operating professional electronic waste recycling and treatment business. Inventories are measured at the lower of cost and net realizable value. The main content of inventories are precious metals (copper, gold, silver, palladium, etc.), which have risk of impairment due to market price fluctuation. Therefore, inventory valuation is one of the important issues in performing audit of the consolidated financial statement of the Group.

How the matter was addressed in our audit:

Our principal audit procedures to the key audit matter mentioned above included: understanding the Group's policies regarding inventory impairment loss recognition; selecting proper samples in assessing whether the established accounting policies had been implemented accordingly; check the calculation of allowance for inventory impairment prepared by management, select items to check the data resource of its net realizable value and verify supporting documents, recalculate the amount of allowance for inventory impairment to assess whether it is reasonable.

## 2. Revenue Recognition

Refer to Note 4(n) "Revenue" and Note 6(u) "Revenue from contracts with customers" to the consolidated financial statements.

Description of key audit matter:

The Group is operating professional electronic waste recycling and treatment business. Operating revenue is one of the most significant accounts to the consolidated financial statements. It matters to consolidated financial statements that whether revenue is recognized at proper timing and whether it is complete. Therefore, revenue recognition is one of the important issues in performing audit of the consolidated financial statement of the Group.

How the matter was addressed in our audit:

Our principal audit procedures to the key audit matter mentioned above included: understanding the Group's policies regarding revenue recognition and matching them to the sales terms to see if the applicable policies are reasonable; understanding and testing internal control of sales and collection cycle for effectiveness of its design and implementation; selecting sales transactions to check its supporting documents such as customer orders and shipment documentations; selecting sales transactions before and after cutoff date to check supporting documents of shipment and sales terms to verify if they are recorded in proper period.

## Other Matter

Jiin Yeeh Ding Enterprise Corp. has additionally prepared its parent-company-only financial statements as of and for the years ended December 31, 2023 and 2022, on which we have issued an unmodified opinion.

## 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 Regulations Governing the Preparation of Financial Reports by Securities Issuers and IFRSs, IASs, interpretation as well as related guidance endorsed by the Financial Supervisory Commission of the Republic of China, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

Those charged with governance (including the Audit Committee) are responsible for overseeing the Group's financial reporting process.

### **Auditors' Responsibilities for the Audit of the Consolidated Financial Statements**

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Statements of Auditing Standards 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 Statements of Auditing Standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

1. Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

The engagement partners on the audit resulting in this independent auditors' report are Luo, Rui-Zhi and Huang, Yu-Ting.

KPMG

Taipei, Taiwan (Republic of China)  
March 25, 2024

#### **Notes to Readers**

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

The auditors' report and the accompanying consolidated financial statements are the English translation of the Chinese version prepared and used in the Republic of China. If there is any conflict between, or any difference in the interpretation of the English and Chinese language auditors' report and consolidated financial statements, the Chinese version shall prevail.

(English Translation of Consolidated Financial Statements and Report Originally Issued in Chinese)

**Jiin Yeeh Ding Enterprise Corp. and subsidiaries**

**Consolidated Balance Sheets**

**December 31, 2023 and 2022**

**(Expressed in Thousands of New Taiwan Dollars)**

		<u>December 31, 2023</u>		<u>December 31, 2022</u>				<u>December 31, 2023</u>		<u>December 31, 2022</u>	
<b>Assets</b>		<b>Amount</b>	<b>%</b>	<b>Amount</b>	<b>%</b>	<b>Liabilities and Equity</b>		<b>Amount</b>	<b>%</b>	<b>Amount</b>	<b>%</b>
<b>Current assets:</b>						<b>Current liabilities:</b>					
1100	Cash and cash equivalents (note 6(a))	\$ 631,532	19	738,386	28	2100	Short-term borrowings (notes 6(m) and 7)	\$ -	-	85,906	3
1110	Current financial assets at fair value through profit or loss (note 6(b))	414,359	12	12,150	-	2120	Current financial liabilities at fair value through profit or loss (note 6(b))	1,439	-	3,132	-
1170	Net notes receivables and trade receivables (note 6(c))	274,679	8	153,351	5	2170	Notes payables and trade payables	91,016	3	138,346	4
1200	Other accounts receivables (note 6(d)(h) and 7)	125,483	4	13,804	-	2220	Other payables (note 7)	116,504	3	106,708	3
130X	Inventories (note 6(e))	778,960	23	857,199	27	2230	Current tax liabilities (note 6(q))	61,010	2	103,528	3
1460	Non-current assets classified as held for sale, net (notes 6(f))	-	-	210,567	7	2260	Liabilities related to non-current assets classified as held for sale (notes 6(f))	-	-	19,671	1
1476	Other current financial assets (notes 6(k) and 8)	211,534	6	128,744	4	2280	Current lease liabilities (note 6(o) and 7)	16,875	-	16,272	1
1479	Other current assets, others (note 6(l))	<u>69,432</u>	<u>2</u>	<u>84,541</u>	<u>3</u>	2322	Long-term loans due within one year (note 6(n) and 8)	29,149	1	3,973	-
		<u>2,505,979</u>	<u>74</u>	<u>2,198,742</u>	<u>69</u>	2399	Other current liabilities	<u>594</u>	<u>-</u>	<u>1,114</u>	<u>-</u>
<b>Non-current assets:</b>						<b>Total Current liabilities:</b>		<u>316,587</u>	<u>9</u>	<u>478,650</u>	<u>15</u>
1510	Non-current financial assets at fair value through profit or loss (note 6(b))	19,404	1	221,886	7	<b>Non-Current liabilities:</b>					
1550	Investments accounted for using equity method (note 6(g))	16,809	-	15,123	-	2540	Long-term borrowings (note 6(m) and 8)	87,066	3	16,611	1
1600	Property, plant and equipment (notes 6(i) and 8)	540,241	16	454,411	15	2580	Non-current leased liabilities (note 6(o) and 7)	15,204	-	28,852	1
1755	Right-of-use assets (note 6(i))	174,414	5	194,321	6	2600	Other non-current liabilities (notes 6(p)(q))	<u>34,217</u>	<u>1</u>	<u>37,164</u>	<u>1</u>
1780	Intangible assets	6,320	-	6,217	-	<b>Non-Current liabilities:</b>		<u>136,487</u>	<u>4</u>	<u>82,627</u>	<u>3</u>
1980	Other non-current financial assets (notes 6(k) and 8)	32,954	1	49,350	2	<b>Total liabilities</b>		<u>453,074</u>	<u>13</u>	<u>561,277</u>	<u>18</u>
1990	Other non-current assets (note 6(l)(p)(q))	<u>107,084</u>	<u>3</u>	<u>44,514</u>	<u>1</u>	<b>Equity attributable to owners of parent (notes 6(s)(t)):</b>					
		897,26	26	985,822	31	3100	Ordinary share	960,611	28	959,421	30
						3200	Capital surplus	811,151	24	811,244	25
						3300	Retained earnings	1,189,046	35	834,491	26
						3400	Other equity interest	<u>(10,677)</u>	<u>-</u>	<u>(6,664)</u>	<u>-</u>
						<b>Total equity attributable to owners of parent:</b>		<u>2,950,131</u>	<u>87</u>	<u>2,598,492</u>	<u>81</u>
						36XX	Non-controlling interests	<u>-</u>	<u>-</u>	<u>24,795</u>	<u>1</u>
						<b>Total equity</b>		<u>2,950,131</u>	<u>87</u>	<u>2,623,287</u>	<u>82</u>
<b>Total assets</b>		<u>\$ 3,403,205</u>	<u>100</u>	<u>3,184,564</u>	<u>100</u>	<b>Total liabilities and equity</b>		<u>\$ 3,403,205</u>	<u>100</u>	<u>3,184,564</u>	<u>100</u>

See accompanying notes to consolidated financial statements.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)  
**JIN YEEH DING ENTERPRISE CORP. AND SUBSIDIARIES**

**Consolidated Statements of Comprehensive Income**

**For the years ended December 31, 2023 and 2022**

(Expressed in Thousands of New Taiwan Dollars, Except for Earnings Per Common Share)

		<b>2023</b>		<b>2022</b>	
		<b>Amount</b>	<b>%</b>	<b>Amount</b>	<b>%</b>
4000	<b>Operating revenues (note 6(u))</b>	\$ 3,658,466	100	3,625,350	100
5000	<b>Operating costs (notes 6(e)(i)(j)(p) and 7)</b>	<u>3,186,018</u>	<u>87</u>	<u>3,120,756</u>	<u>86</u>
5900	<b>Gross profit from operations</b>	<u>472,448</u>	<u>13</u>	<u>504,594</u>	<u>14</u>
6000	<b>Operating expenses (notes 6(c)(i)(j)(o) and (v)):</b>				
6100	Selling expenses	38,545	1	39,569	1
6200	Administrative expenses	150,921	4	154,556	4
6300	Research and development expenses	2,831	-	2,263	-
6450	(Impairment gain and reversal of impairment loss) and impairment loss determined in accordance with IFRS 9	-	-	(136)	-
	<b>Total operating expenses</b>	<u>192,297</u>	<u>5</u>	<u>196,252</u>	<u>5</u>
6900	<b>Net operating income</b>	<u>280,151</u>	<u>8</u>	<u>308,342</u>	<u>9</u>
7000	<b>Non-operating income and expenses:</b>				
7010	Other income (notes 6(w))	34,900	1	18,201	1
7020	Other gains and losses, net (notes 6(w) and 7)	372,518	9	89,372	2
7050	Finance costs (notes 6(o)(w) and 7)	(1,633)	-	(1,822)	-
7060	Share of profit of associates accounted for using equity method (note 6(g))	1,686	-	(1,881)	-
7100	Interest income (notes 6(w))	<u>13,963</u>	<u>-</u>	<u>5,745</u>	<u>-</u>
	<b>Total non-operating income and expenses</b>	<u>376,434</u>	<u>10</u>	<u>109,615</u>	<u>3</u>
	<b>Profit before income tax</b>	656,585	18	417,957	12
7950	<b>Less: Income tax expenses (note 6(q))</b>	<u>83,937</u>	<u>2</u>	<u>78,928</u>	<u>2</u>
	Profit from continuing operations	<u>572,648</u>	<u>16</u>	<u>339,029</u>	<u>10</u>
	<b>(Loss) profit from discontinued operations (Unit Subject to Disposal) (note 12(b)):</b>				
8101	(Loss) profit from discontinued operations (Unit Subject to Disposal), net of tax	<u>(45,869)</u>	<u>(1)</u>	<u>(27,496)</u>	<u>(1)</u>
	<b>Profit</b>	<u>526,779</u>	<u>15</u>	<u>311,533</u>	<u>9</u>
8300	<b>Other comprehensive income:</b>				
8310	<b>Items that will not be reclassified subsequently to profit or loss</b>				
8311	Gains (losses) on remeasurements of defined benefit plans	294	-	2,430	-
8349	Less: Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	-	-	-	-
	Items that will not be reclassified subsequently to profit or loss	<u>294</u>	<u>-</u>	<u>2,430</u>	<u>-</u>
8360	<b>Items that will not be reclassified subsequently to profit or loss</b>				
8361	Exchange differences on translation	(4,084)	-	59,065	2
8399	Less: income tax related to components of other comprehensive income that will be reclassified to profit or loss	-	-	-	-
	Components of other comprehensive income that will be reclassified to profit or loss	<u>(4,084)</u>	<u>-</u>	<u>59,065</u>	<u>2</u>
8300	<b>Other comprehensive income</b>	<u>(3,790)</u>	<u>-</u>	<u>61,495</u>	<u>2</u>
8500	<b>Total comprehensive income</b>	<u>\$ 522,989</u>	<u>15</u>	<u>373,028</u>	<u>11</u>
	<b>Profit (loss), attributable to:</b>				
8610	Owners of parent	\$ 534,753	15	316,313	9
8620	Non-controlling interests	<u>(7,974)</u>	<u>-</u>	<u>(4,780)</u>	<u>-</u>
		<u>\$ 526,779</u>	<u>15</u>	<u>311,533</u>	<u>9</u>
	<b>Comprehensive income attributable to:</b>				
8710	Owners of parent	\$ 531,034	15	377,364	11
8720	Non-controlling interests	<u>(8,045)</u>	<u>-</u>	<u>(4,336)</u>	<u>-</u>
		<u>\$ 522,989</u>	<u>15</u>	<u>373,028</u>	<u>11</u>
	<b>Basic earnings per share (NT dollars) (note 6(t))</b>				
9710	Basic earnings (losses) per share from continuing operations	\$	6.05		3.07
9720	Basic earnings (losses) per share from discontinued operations (Unit Subject to Disposal)		<u>(0.48)</u>		<u>(0.25)</u>
	<b>Total basic earnings per share</b>	<u>\$</u>	<u>5.57</u>		<u>2.82</u>
	<b>Diluted earnings (losses) per share (NT dollars) (note 6(t))</b>				
9810	Diluted earnings (losses) per share from continuing operations	\$	5.98		3.04
9820	Diluted earnings (losses) per share from discontinued operations (Unit Subject to Disposal)		<u>(0.47)</u>		<u>(0.24)</u>
	<b>Total diluted earnings per share</b>	<u>\$</u>	<u>5.51</u>		<u>2.80</u>

See accompanying notes to consolidated financial statements.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)  
**Jiin Yeeh Ding Enterprise Corp. and subsidiaries**  
**Consolidated Statements of Changes in Equity**  
**For the years ended December 31, 2023 and 2022**  
**(Expressed in Thousands of New Taiwan Dollars)**

	Share capital		Retained earnings				Other equity interest					
	Ordinary shares	Capital surplus	Legal reserve	Special reserve	Unappropriated retained earnings	Total retained earnings	Exchange differences on translation of foreign financial statements	Unrealized gains (losses) on financial assets measured at fair value through other comprehensive income	Total other equity interest	Total equity attributable to owners of parent	Non-controlling interests	Total equity
<b>Balance at January 1, 2022</b>	\$ 1,119,227	811,254	153,778	53,299	528,930	736,007	(65,285)	(4,795)	(70,080)	2,676,408	29,131	2,705,539
Appropriation and distribution of retained earnings:												
Legal reserve appropriated	-	-	41,164	-	(41,164)	-	-	-	-	-	-	-
Special reserve appropriated	-	-	-	16,782	(16,782)	-	-	-	-	-	-	-
Cash dividends of ordinary share	-	-	-	-	(215,870)	(215,870)	-	-	-	(215,870)	-	(215,870)
	-	-	41,164	16,782	(273,816)	(215,870)	-	-	-	(215,870)	-	(215,870)
Profit (loss)	-	-	-	-	316,313	316,313	-	-	-	316,313	(4,780)	311,533
Other comprehensive income	-	-	-	-	2,430	2,430	58,621	-	58,621	61,051	444	61,495
Total comprehensive income	-	-	-	-	318,743	318,743	58,621	-	58,621	377,364	(4,336)	373,028
Cash capital decrease	(239,856)	-	-	-	-	-	-	-	-	(239,856)	-	(239,856)
Share-based payments	50	(10)	-	-	-	-	-	-	-	40	-	40
Disposal of equity instruments measured at fair value through other comprehensive income	-	-	-	-	(4,389)	(4,389)	-	4,795	4,795	406	-	406
Balance at December 31, 2022	959,421	811,244	194,942	70,081	569,468	834,491	(6,664)	(4,795)	(6,664)	2,598,492	24,795	2,623,287
Appropriation and distribution of retained earnings:												
Legal reserve appropriated	-	-	31,435	-	(31,435)	-	-	-	-	-	-	-
Special reserve appropriated	-	-	-	(63,416)	63,416	-	-	-	-	-	-	-
Cash dividends of ordinary share	-	-	-	-	(180,492)	(180,492)	-	-	-	(180,492)	-	(180,492)
	-	-	31,435	(63,416)	(148,511)	(180,492)	-	-	-	(180,492)	-	(180,492)
Profit (loss)	-	-	-	-	534,753	534,753	-	-	-	534,753	(7,974)	526,779
Other comprehensive income	-	-	-	-	294	294	(4,013)	-	(4,013)	(3,719)	(71)	(3,790)
Total comprehensive income	-	-	-	-	535,047	535,047	(4,013)	-	(4,013)	531,034	(8,045)	522,989
Cash capital decrease	1,190	(93)	-	-	-	-	-	-	-	1,097	-	1,097
Non-controlling interests	-	-	-	-	-	-	-	-	-	-	(16,750)	(16,750)
<b>Balance at December 31, 2023</b>	<u>\$ 960,611</u>	<u>811,151</u>	<u>226,377</u>	<u>6,665</u>	<u>956,004</u>	<u>1,189,046</u>	<u>(10,677)</u>	<u>-</u>	<u>(10,677)</u>	<u>2,950,131</u>	<u>-</u>	<u>2,950,131</u>

See accompanying notes to consolidated financial statements.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)

**JIIN YEEH DING ENTERPRISE CORP. AND SUBSIDIARIES**

**Consolidated Statements of Cash Flows**

**For the years ended December 31, 2023 and 2022**

**(Expressed in Thousands of New Taiwan Dollars)**

	2023	2022
<b>Cash flows from (used in) operating activities:</b>		
Profit from continuing operations before tax	\$ 656,585	417,957
Net loss from discontinued operations (Unit Subject to Disposal) before tax	(45,869)	(27,496)
<b>Profit before tax</b>	<b>610,716</b>	<b>390,461</b>
<b>Adjustments:</b>		
Adjustments to reconcile profit (loss):		
Depreciation expense	49,206	64,656
Amortization expense	261	275
Gains from reversal of expected credit loss	-	(136)
Net profit on financial assets or liabilities at fair value through profit or loss	(290,290)	(31,331)
Interest expense	1,633	3,352
Interest	(13,963)	(5,816)
Dividend income	(6,449)	(6,205)
Share of (profit) loss of associates accounted for using equity method	(1,686)	1,881
Profit from disposal of property, plant and equipment	(188)	(8,882)
Unrealized foreign exchange profit	(16,159)	(9,415)
Net loss from discontinued operations	45,869	-
Disposal of interests in non-current assets pending for sale	(18,446)	-
<b>Total adjustments to reconcile profit (loss)</b>	<b>(250,212)</b>	<b>8,379</b>
<b>Changes in operating assets and liabilities:</b>		
Changes in operating assets:		
Financial assets at fair value through profit or loss, mandatorily measured at fair value	(1,805)	(3,621)
Net notes receivables and trade receivables	(67,299)	166,422
Other receivables	(29,986)	(1,148)
Inventories	78,239	(137,978)
Other current assets	15,108	(6,948)
<b>Total changes in operating assets</b>	<b>(5,743)</b>	<b>16,727</b>
Changes in operating liabilities:		
Financial liabilities held for trading	1,439	15,124
Notes payables and trade payables	(47,163)	(17,994)
Other payables	4,965	(24,240)
Other current liabilities	(519)	(42,506)
Other non-current liabilities	(551)	(739)
<b>Total changes in operating liabilities</b>	<b>(41,829)</b>	<b>(70,355)</b>
<b>Total changes in operating assets and liabilities</b>	<b>(47,572)</b>	<b>(53,628)</b>
<b>Total adjustments</b>	<b>(297,784)</b>	<b>(45,249)</b>

See accompanying notes to consolidated financial statements.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)  
JIIN YEEH DING ENTERPRISE CORP. AND SUBSIDIARIES

**Consolidated Statements of Cash Flows**  
**For the years ended December 31, 2023 and 2022**  
**(Expressed in Thousands of New Taiwan Dollars)**

	2023	2022
Cash inflow generated from operations	312,932	345,212
Interest received	14,272	6,703
Interest paid	(1,608)	(3,404)
Income taxes paid	(113,448)	(16,052)
<b>Net cash inflows from operating activities</b>	<b>212,148</b>	<b>332,459</b>
<b>Cash flows from (used in) investing activities:</b>		
Acquisition of financial assets at fair value through profit or loss	(25,000)	(58,192)
Disposal of financial assets at fair value through profit or loss	113,917	-
Investments accounted for using equity method	-	(8,000)
Acquisition of property, plant and equipment	(102,315)	(83,190)
Disposal of property, plant and equipment	2,645	-
Acquisition of intangible assets	(364)	(190)
Disposal of right-of-use assets	-	18,778
Increase in other financial assets	(65,553)	40,169
Decrease in other non-current assets	(73,318)	(2,935)
Increase in prepayments for business facilities	-	(15,999)
Dividends received	6,449	6,205
Other investing activities	295	405
<b>Net cash outflows from (used in) investing activities</b>	<b>(143,244)</b>	<b>(102,949)</b>
<b>Cash flows from (used in) financing activities:</b>		
(Decrease) in short term loans	(81,029)	(6,818)
Proceeds from long-term debt	106,991	20,584
Repayments from long-term debt	(11,360)	-
(Decrease) increase in guarantee deposits received	(766)	3,486
Payment of lease liabilities	(17,502)	(16,002)
Cash dividends paid	(180,492)	(215,870)
Cash capital decrease	-	(239,856)
Proceeds from exercise of employee stock options	1,097	40
<b>Net cash outflows used in financing activities</b>	<b>(183,061)</b>	<b>(454,436)</b>
<b>Effect of exchange rate changes on cash and cash equivalents</b>	<b>7,303</b>	<b>37,899</b>
<b>Net decrease in cash and cash equivalents</b>	<b>(106,854)</b>	<b>(187,027)</b>
<b>Cash and cash equivalents at beginning of period</b>	<b>738,386</b>	<b>929,914</b>
<b>Cash and cash equivalents at end of period</b>	<b>\$ 631,532</b>	<b>742,887</b>
<b>Components of cash and cash equivalents</b>		
Cash and cash equivalents reported in the statement of financial position	\$ 631,532	738,386
Reclassification to non-current assets (or disposal groups) held for sale	-	4,501
<b>Cash and cash equivalents at end of period</b>	<b>\$ 631,532</b>	<b>742,887</b>

See accompanying notes to consolidated financial statements.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)  
**JIN YEEH DING ENTERPRISE CORP. AND SUBSIDIARIES**

**Notes to the Consolidated Financial Statements**

**For the years ended December 31, 2023 and 2022**

**(Expressed in Thousands of New Taiwan Dollars, Unless Otherwise Specified)**

**(1) Company history**

Jiin Yeeh Ding Enterprise Corp. (the “Company”) was incorporated in April 10, 1997 as a company limited by shares and registered under the Ministry of Economic Affairs, ROC. The Company was registered in No. 599, Sec. 6, Xibin Rd., Hsinchu City 300, Taiwan (R.O.C.). The Company’s common shares were listed on the Taipei Exchange (TPEx) since May 21, 2008..

The consolidated financial statements of the Company and subsidiaries (together referred to as the “Group”). The major business activities of the Group are metal recycling and processing, scrap metal trading, and electronic waste removal and processing.

**(2) Approval date and procedures of the consolidated financial statements:**

These consolidated financial statements were authorized for issue by the Board of Directors on March 8, 2024.

**(3) New standards, amendments and interpretations adopted:**

- (a) The impact of the International Financial Reporting Standards (“IFRSs”) endorsed by the Financial Supervisory Commission, R.O.C. which have already been adopted.

The Group has initially adopted the following new amendments, which do not have a significant impact on its consolidated financial statements, from January 1, 2023.

- Amendments to IAS 1 “Presentation of Financial Statements”
- Amendments to IAS 8 “Accounting Policies, Changes in Accounting Estimates and Errors”
- Amendments to IAS 12 “Deferred Tax related to Assets and Liabilities arising from a Single Transaction”

The Group has initially adopted the following new amendments, which do not have a significant impact on its consolidated financial statements, from May 23, 2023.

- Amendments to IAS 12 “International Tax Reform-Pillar Two Model Rules”

- (b) The impact of IFRS issued by the FSC but not yet effective

The Group assesses that the adoption of the following new amendments, effective for annual period beginning on January 1, 2024, would not have a significant impact on its consolidated financial statements:

- Amendments to IAS 1 “Classification of Liabilities as Current or Non-current”
- Amendments to IAS 1 “Non-Current Liabilities with Covenants”
- Amendments to IAS 7 and IFRS 7 “Supplier Finance Arrangements”
- Amendments to IFRS 16 “Lease Liability in a Sale and Leaseback”

(Continued)

## JIIN YEEH DING ENTERPRISE CORP. AND SUBSIDIARIES

### Notes to the Consolidated Financial Statements

- (c) The impact of IFRS issued by IASB but not yet endorsed by the FSC

The Group does not expect the following other new and amended standards, which have yet to be endorsed by the FSC, to have a significant impact on its consolidated financial statements:

- Amendments to IFRS 10 and IAS 28 “Sale or Contribution of Assets Between an Investor and Its Associate or Joint Venture”
- IFRS 17 “Insurance Contracts” and amendments to IFRS 17 “Insurance Contracts”
- Amendments to IFRS 17 “Initial Application of IFRS 17 and IFRS 9 – Comparative Information “
- Amendments to IAS 21 “Lack of Exchangeability”

**(4) Summary of significant accounting policies:**

The significant accounting policies presented in the consolidated financial statements are summarized below. Except for those specifically indicated, the following accounting policies were applied consistently throughout the periods presented in the consolidated financial statements.

**(a) Statement of compliance**

These consolidated financial statements have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers (hereinafter referred to as “the Regulations”) and the International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations endorsed and issued into effect by the Financial Supervisory Commission, R.O.C. (Hereinafter referred to as “Applicable IFRSs recognized by the Financial Supervisory Commission”)

**(b) Basis of preparation**

**(i) Basis of measurement**

Except for the following significant accounts, the consolidated financial statements have been prepared on a historical cost basis:

- 1) Financial instruments at fair value through profit or loss are measured at fair value;
- 2) The defined benefit liabilities (assets) are measured at fair value of the plan assets less the present value of the defined benefit obligation, limited as explained in note 4(p).

**(ii) Functional and presentation currency**

The functional currency of each Group entity is determined based on the primary economic environment in which the entity operates. The consolidated financial statements are presented in New Taiwan Dollar (NTD), which is the Company’s functional currency. All financial information presented in NTD has been rounded to the nearest thousand.

**(c) Basis of consolidation**

**(i) Principles of preparation of the consolidated financial statements**

The consolidated financial statements comprise the Company and subsidiaries. Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

(Continued)

## JIIN YEEH DING ENTERPRISE CORP. AND SUBSIDIARIES

### Notes to the Consolidated Financial Statements

The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases. Intragroup balances and transactions, and any unrealized income and expenses arising from Intragroup transactions are eliminated in preparing the consolidated financial statements. The Group attributes the profit or loss and each component of other comprehensive income to the owners of the parent and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance.

The Group prepares consolidated financial statements using uniform accounting policies for like transactions and other events in similar circumstances.

When the Group loses control of a subsidiary, the assets (including goodwill) and liabilities of the former subsidiary and any non-controlling interest should be divided based on the carrying amount on the date of loss of control. The retained investment in the former subsidiary will then be remeasured based on the fair value on the date of loss of control. The gain or loss on disposal can be calculated by taking the difference between (1) the total fair value of the consideration received, along with the fair value of the retained investment in the former subsidiary on the date of loss of control, and (2) the total assets (including goodwill) and liabilities of the subsidiary, as well as the carrying amount of non-controlling interest, all of which are evaluated on the date of loss of control. For all amounts previously recognized in other comprehensive income related to the subsidiary, the accounting treatment is to be based on the same principles that the consolidated entity would be required to follow if it directly disposed of the related assets or liabilities.

#### (ii) List of subsidiaries in the consolidated financial statements

Name of investor	Name of subsidiary	Principal activity	Shareholding		Description
			December 31, 2023	December 31, 2022	
The Company	GRAND TONE ENTERPRISE CO., LIMITED	Waste Disposal	100%	100%	-
"	GOLD FINANCE LIMITED	Investment	100%	100%	-
"	HUNG WEI DEVELOPMENT CO., LIMITED	Real estate development	100%	100%	-
"	JIIN YEEH DING (H.K.) ENTERPRISES LIMITED	Waste Disposal	100%	- %	Note2
GOLD FINANCE LIMITED	JIIN YEEH DING (H.K.) ENTERPRISES LIMITED	Waste Disposal	- %	100%	Note2
"	SHING JUNG RECYCLING TECHNOLOGY CO., LIMITED	Investment	100%	100%	Note3
"	YUAN RUI RECYCLING TECHNOLOGY CO., LIMITED	Trade	100%	100%	Note3
"	NEW YUAN RUI RECYCLING TECHNOLOGY CO., LIMITED	Trade	100%	100%	Note4
SHING JUNG RECYCLING TECHNOLOGY CO., LIMITED	LIANYUNGANG RONGDING METAL CO., LIMITED	Production and sales of copper, gold, silver, palladium	- %	82.62%	Note1

Note: Classified as non-current assets held for sale and discontinued operation since August 6, 2021.

Note 2: On December 11, 2023, the Company underwent an organizational restructuring to streamline the investment structure and reduce management costs. As a result, the Company replaced its previous investment in Jiin Yeeh Ding (H.K.) through GOLD FINANCE LIMITED with a direct investment in Jiin Yeeh Ding (H.K.).

(Continued)

## JIIN YEEH DING ENTERPRISE CORP. AND SUBSIDIARIES

### Notes to the Consolidated Financial Statements

Note 3: GOLD FINANCE LIMITED approved the dissolution and liquidation of its subsidiaries Shing Jung Co., (H.K.) and Yuan Rui Co., (H.K.) through resolutions of its shareholders meeting on November 22, 2023. As of December 31, 2023, the legal procedures had not been completed.

Note 4: The Group initiated the establishment of New Yuan Rui Co., (H.K.) on December 7, 2023.

(iii) Subsidiaries excluded from the consolidated financial statements: None.

(d) Foreign currencies

(i) Foreign currency transactions

Transactions in foreign currencies are translated into the respective functional currencies of Group entities at the exchange rates at the dates of the transactions. At the end of each subsequent reporting period, monetary items denominated in foreign currencies are translated into the functional currencies using the exchange rate at that date. Non-monetary items denominated in foreign currencies that are measured at fair value are translated into the functional currencies using the exchange rate at the date that the fair value was determined. Non-monetary items denominated in foreign currencies that are measured based on historical cost are translated using the exchange rate at the date of the transaction.

Exchange differences are generally recognized in profit or loss.

- 1) an investment in equity securities designated as at fair value through other comprehensive income;
- 2) a financial liability designated as a hedge of the net investment in a foreign operation to the extent that the hedge is effective; or
- 3) qualifying cash flow hedges to the extent that the hedges are effective.

(ii) Foreign operations

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on acquisition, are translated into the presentation currency at the exchange rates at the reporting date. The income and expenses of foreign operations are translated into the presentation currency at the average exchange rate. Exchange differences are recognized in other comprehensive income.

When a foreign operation is disposed of such that control, significant influence, or joint control is lost, the cumulative amount in the translation reserve related to that foreign operation is reclassified to profit or loss as part of the gain or loss on disposal. When the Group disposes of only part of its interest in a subsidiary that includes a foreign operation while retaining control, the relevant proportion of the cumulative amount is reattributed to non-controlling interests. When the Group disposes of only part of its investment in an associate or joint venture that includes a foreign operation while retaining significant influence or joint control, the relevant proportion of the cumulative amount is reclassified to profit or loss.

When the settlement of a monetary receivable from or payable to a foreign operation is neither planned nor likely to occur in the foreseeable future, Exchange differences arising from such a monetary item that are considered to form part of the net investment in the foreign operation are recognized in other comprehensive income.

(Continued)

## **JIIN YEEH DING ENTERPRISE CORP. AND SUBSIDIARIES**

### **Notes to the Consolidated Financial Statements**

(e) Classification of current and non-current assets and liabilities

An asset is classified as current under one of the following criteria, and all other assets are classified as non-current.

- (i) It is expected to be realized, or intended to be sold or consumed, in the normal operating cycle;
- (ii) It is held primarily for the purpose of trading;
- (iii) It is expected to be realized within twelve months after the reporting period; or
- (iv) The asset is cash or a cash equivalent (as defined in IAS 7) unless the asset is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

A liability is classified as current under one of the following criteria, and all other liabilities are classified as non-current.

- (i) It is expected to be settled in the normal operating cycle;
- (ii) It is held primarily for the purpose of trading;
- (iii) It is due to be settled within twelve months after the reporting period; or
- (iv) The Group does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting period. Terms of a liability that could, at the option of the counterparty, result in its settlement by issuing equity instruments do not affect its classification.

(f) Cash and cash equivalents

Cash comprises cash on hand and demand deposits. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value. Time deposits which meet the above definition and are held for the purpose of meeting short-term cash commitments rather than for investment or other purposes should be recognized as cash equivalents.

(g) Financial instruments

Trade receivables and debt securities issued are initially recognized when they are originated. All other financial assets and financial liabilities are initially recognized when the Group becomes a party to the contractual provisions of the instrument. A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not at fair value through profit or loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

(i) Financial assets

All regular way purchases or sales of financial assets are recognized and derecognized on a trade date basis.

On initial recognition, a financial asset is classified as measured at: amortized cost or FVTPL.

Financial assets are not reclassified subsequent to their initial recognition unless the Group changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

(Continued)

## **JIIN YEEH DING ENTERPRISE CORP. AND SUBSIDIARIES**

### **Notes to the Consolidated Financial Statements**

#### **1) Financial assets measured at amortized cost**

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as at FVTPL:

- It is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- Its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

These assets are subsequently measured at amortized cost, which is the amount at which the financial asset is measured at initial recognition, plus/minus, the cumulative amortization using the effective interest method, adjusted for any loss allowance. Interest income, foreign exchange gains and losses, as well as impairment, are recognized in profit or loss. Any gain or loss on derecognition is recognized in profit or loss.

#### **2) Fair value through profit or loss (FVTPL)**

All financial assets not classified as amortized cost are measured at FVTPL, including derivative financial assets. On initial recognition, the Group may irrevocably designate a financial asset, which meets the requirements to be measured at amortized cost as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognized in profit or loss.

#### **3) Impairment of financial assets**

The Group recognizes loss allowances for expected credit losses (ECL) on financial assets measured at amortized cost (including cash and cash equivalents, amortized costs, notes and trade receivables, other receivables, guarantee deposit paid and other financial assets).

The Group measures loss allowances at an amount equal to lifetime ECL, except for the following which are measured as 12-month ECL:

- Debt securities that are determined to have low credit risk at the reporting date ; and
- Other debt securities and bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Loss allowance for trade receivables and contract assets are always measured at an amount equal to lifetime ECL.

Lifetime ECL are the ECL that result from all possible default events over the expected life of a financial instrument.

12-month ECL are the portion of ECL that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

(Continued)

## **JIN YEEH DING ENTERPRISE CORP. AND SUBSIDIARIES**

### **Notes to the Consolidated Financial Statements**

The maximum period considered when estimating ECL is the maximum contractual period over which the Group is exposed to credit risk.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECL, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis based on the Group's historical experience and informed credit assessment as well as forward-looking information.

The Group considers a debt security to have low credit risk when its credit risk rating is equivalent to the globally understood definition of 'investment grade' which is considered to be BBB- or higher per Standard & Poor's, Baa3 or higher per Moody's or twA or higher per Taiwan Ratings'.

The Group assumes that the credit risk on a financial asset has increased significantly if it is more than 90 days past due.

The Group considers a financial asset to be in default when the financial asset is more than 1 year past due or the debtor is unlikely to pay its credit obligations to the Group in full.

ECL are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Group in accordance with the contract and the cash flows that the Group expects to receive). ECL are discounted at the effective interest rate of the financial asset.

At each reporting date, the Group assesses whether financial assets carried at amortized cost are credit impaired. A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred. Evidence that a financial asset is credit-impaired includes the following observable data:

- Significant financial difficulty of the borrower or issuer;
- A breach of contract such as a default or being more than 1 year past due;
- The lender of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession that the lender would not otherwise consider;
- It is probable that the borrower will enter bankruptcy or other financial reorganization ; or
- The disappearance of an active market for a security because of financial difficulties.

Loss allowances for financial assets measured at amortized cost are deducted from the gross carrying amount of the assets.

(Continued)

## **JIIN YEEH DING ENTERPRISE CORP. AND SUBSIDIARIES**

### **Notes to the Consolidated Financial Statements**

The gross carrying amount of a financial asset is written off when the Group has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. For corporate customers, the Group individually makes an assessment with respect to the timing and amount of write-off based on whether there is a reasonable expectation of recovery. The Group expects no significant recovery from the amount written off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedures for recovery of amounts due.

#### **4) Derecognition of financial assets**

The Group derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

The Group enters into transactions whereby it transfers assets recognized in its statement of balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets. In these cases, the transferred assets are not derecognized.

#### **(ii) Financial liabilities and equity instruments**

##### **1) Classification of debt or equity**

Debt and equity instruments issued by the Group are classified as financial liabilities or equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

##### **2) Equity transactions**

An equity instrument is any contract that recognizes the Group's remaining interest in assets less all of its liabilities. Equity instruments issued by the Group are recognized at the price obtained after deducting direct issue costs.

##### **3) Financial liabilities**

Financial liabilities are classified as measured at amortized cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in profit or loss.

Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognized in profit or loss. Any gain or loss on derecognition is also recognized in profit or loss.

##### **4) Derecognition of financial liabilities**

The Group derecognizes a financial liability when its contractual obligations are discharged or cancelled, or expire. The Group also derecognizes a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognized at fair value.

(Continued)

## **JIIN YEEH DING ENTERPRISE CORP. AND SUBSIDIARIES**

### **Notes to the Consolidated Financial Statements**

On derecognition of a financial liability, the difference between the carrying amount of a financial liability extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognized in profit or loss.

#### **5) Offsetting of financial assets and liabilities**

Financial assets and financial liabilities are offset and the net amount presented in the statement of balance sheet when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realize the asset and settle the liability simultaneously.

#### **(iii) Derivative financial instruments and hedge accounting**

The Group holds derivative financial instruments to hedge its foreign currency and interest rate exposures. Embedded derivatives are separated from the host contract and accounted for separately if the host contract is not a financial asset and certain criteria are met. Derivatives are initially measured at fair value. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are generally recognized in profit or loss.

#### **(h) Inventories**

Inventories are measured at the lower of cost and net realizable value. The cost of inventories is calculated using the weighted average method, and includes expenditure incurred in acquiring the inventories, production or conversion costs, and other costs incurred in bringing them to their present location and condition.

Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

#### **(i) Non-current assets held for sale & Discontinued operations**

##### **(i) Non-current assets held for sale**

Non-current assets or disposal groups comprising assets and liabilities that are highly probable to be recovered primarily through sale rather than through continuing use, are reclassified as held for sale. Immediately before classification as held for sale, the assets, or components of a disposal group, are remeasured in accordance with the Group's accounting policies. Thereafter, generally, the assets or disposal groups are measured at the lower of their carrying amount and fair value less costs to sell. Any impairment loss on a disposal group is first allocated to goodwill, and then to the remaining assets and liabilities on a pro rata basis, except that no loss is allocated to assets not within the scope of IAS 36 – Impairment of Assets. Such assets will continue to be measured in accordance with the Group's accounting policies. Impairment losses on assets initially classified as held for sale and any subsequent gains or losses on remeasurement are recognized in profit or loss. Gains are not recognized in excess of the cumulative impairment loss that has been recognized.

Once classified as held for sale, intangible assets and property, plant and equipment are no longer amortized or depreciated, and any equity-accounted investee is no longer equity accounted.

(Continued)

## **JIIN YEEH DING ENTERPRISE CORP. AND SUBSIDIARIES**

### **Notes to the Consolidated Financial Statements**

#### **(ii) Discontinued operations**

A discontinued operation is a component of the Group's business that either has been disposed, or is classified as held for sale, and

- 1) Represents a separate major line of business or geographic area of operations;
- 2) Is part of a single coordinated plan to dispose of a separate major line of business or geographic area of operations; or
- 3) Is a subsidiary acquired exclusively with a view to resale.

Classification as a discontinued operation occurs at the earlier of disposal or when the operation meets the criteria to be classified as held for sale.

#### **(j) Investment in associates**

Associates are those entities in which the Group has significant influence, but not control or joint control, over their financial and operating policies.

Investments in associates are accounted for using the equity method and are recognized initially at cost. The cost of the investment includes transaction costs. The carrying amount of the investment in associates includes goodwill arising from the acquisition less any accumulated impairment losses.

The consolidated financial statements include the Group's share of the profit or loss and other comprehensive income of those associates, after adjustments to align their accounting policies with those of the Group, from the date on which significant influence commences until the date on which significant influence ceases. The Group recognizes any changes of its proportionate share in the investee within capital surplus, when an associate's equity changes due to reasons other than profit and loss or comprehensive income, which did not result in changes in actual proportionate share.

Gains and losses resulting from transactions between the Group and an associate are recognized only to the extent of Group's interests in the associate. When the Group's share of losses of an associate equals or exceeds its interests in an associate, it discontinues recognizing its share of further losses. After the recognized interest is reduced to zero, additional losses are provided for, and a liability is recognized, only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate.

#### **(k) Property, plant and equipment**

##### **(i) Recognition and measurement**

Items of property, plant and equipment are measured at cost, which includes capitalized borrowing costs, less accumulated depreciation and any accumulated impairment losses.

If significant parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognized in profit or loss.

(Continued)

## **JIIN YEEH DING ENTERPRISE CORP. AND SUBSIDIARIES**

### **Notes to the Consolidated Financial Statements**

(ii) Subsequent expenditure

Subsequent expenditure is capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the Group.

(iii) Depreciation

Depreciation is calculated on the cost of an asset less its residual value and is recognized in profit or loss on a straight-line basis over the estimated useful lives of each component of an item of property, plant and equipment.

Land is not depreciated.

The estimated useful lives of property, plant and equipment for current and comparative periods are as follows:

1) Buildings	6~50 years
2) Machinery and equipment	2~11 years
3) Transportation equipment	4~10 years
4) Other equipment	2~20 years

Depreciation methods, useful lives and residual values are reviewed at each annual reporting date and adjusted if appropriate.

(l) Leases

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

(i) As a lessee

The Group recognizes a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be reliably determined, the Group's incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate.

(Continued)

## **JIIN YEEH DING ENTERPRISE CORP. AND SUBSIDIARIES**

### **Notes to the Consolidated Financial Statements**

Lease payments included in the measurement of the lease liability comprise the following:

- 1) Fixed payments, including in substance fixed payments;
- 2) Variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- 3) Amounts expected to be payable under a residual value guarantee; and
- 4) Payments for purchase or termination options that are reasonably certain to be exercised.

The lease liability is measured at amortized cost using the effective interest method. It is remeasured when:

- 1) There is a change in future lease payments arising from the change in an index or rate; or
- 2) There is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee; or
- 3) There is a change in the lease term resulting from a change of its assessment on whether it will exercise an option to purchase the underlying asset, or
- 4) There is a change of its assessment on whether it will exercise a purchase, extension or termination option; or
- 5) There are any lease modifications.

When the lease liability is remeasured, other than lease modifications, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or in profit and loss if the carrying amount of the right-of-use asset has been reduced to zero.

When the lease liability is remeasured to reflect the partial or full termination of the lease for lease modifications that decrease the scope of the lease, the Group accounts for the remeasurement of the lease liability by decreasing the carrying amount of the right-of-use asset to reflect the partial or full termination of the lease, and recognize in profit or loss any gain or loss relating to the partial or full termination of the lease.

If an arrangement contains lease and non-lease components, the Group allocates the consideration in the contract to each lease component on the basis of their relative stand-alone prices. However, for the leases of land and buildings in which it is a lessee, the Group has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

The Group has elected not to recognize right-of-use assets and lease liabilities for short-term leases of machinery that have a lease term of 12 months or less and leases of low-value assets. The Group recognizes the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

From January 1, 2021, when the basis for determining future lease payments changes as required by interest rate benchmark reform, the Group will remeasure the lease liability by discounting the revised lease payments using the revised discount rate that reflects the change to an alternative benchmark interest rate.

(Continued)

## **JIIN YEEH DING ENTERPRISE CORP. AND SUBSIDIARIES**

### **Notes to the Consolidated Financial Statements**

(ii) As a lessor

When the Group acts as a lessor, it determines at lease commencement whether each lease is a finance lease or an operating lease. To classify each lease, the Group makes an overall assessment of whether the lease transfers to the lessee substantially all of the risks and rewards of ownership incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then the lease is an operating lease. As part of this assessment, the Group considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

If an arrangement contains lease and non-lease components, the Group applies IFRS15 to allocate the consideration in the contract.

(m) Intangible assets

(i) Recognition and measurement

Expenditure on research activities is recognized in profit or loss as incurred.

Development expenditure is capitalized only if the expenditure can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable and the Group intends to, and has sufficient resources to, complete development and to use or sell the asset. Otherwise, it is recognized in profit or loss as incurred. Subsequent to initial recognition, development expenditure is measured at cost, less accumulated amortization and any accumulated impairment losses.

Other intangible assets that are acquired by the Group and have finite useful lives are measured at cost less accumulated amortization and any accumulated impairment losses.

(ii) Subsequent expenditure

Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, is recognized in profit or loss as incurred.

(iii) Amortization

Amortization is calculated over the cost of the asset, less its residual value, and is recognized in profit or loss on a straight-line basis over the estimated useful lives of intangible assets, from the date that they are available for use.

The estimated useful lives for current and comparative periods are as follows:

Computer software 5 years

Amortization methods, useful lives and residual values are reviewed at each annual reporting date and adjusted if appropriate.

(n) Impairment of non-financial assets

At each reporting date, the Group reviews the carrying amounts of its non-financial assets (other than inventories, contract assets and deferred tax assets) to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. Goodwill is tested annually for impairment.

(Continued)

## **JIIN YEEH DING ENTERPRISE CORP. AND SUBSIDIARIES**

### **Notes to the Consolidated Financial Statements**

For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or cash-generating units ( CGUs ) . Goodwill arising from a business combination is allocated to CGUs or groups of CGUs that are expected to benefit from the synergies of the combination.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU.

An impairment loss is recognized if the carrying amount of an asset or CGU exceeds its recoverable amount.

Impairment losses are recognized in profit or loss. They are allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets in the CGU on a pro rata basis.

#### **(o) Revenue**

##### **(i) Revenue from contracts with customers**

Revenue is measured based on the consideration to which the Group expects to be entitled in exchange for transferring goods or services to a customer. The Group recognizes revenue when it satisfies a performance obligation by transferring control of a good or a service to a customer. The accounting policies for the Group's main types of revenue are explained below.

##### **1) Sale of goods–trading of electronic wastes which including precious metals**

The Group provides the electronic wastes disposal, metal recycling treatment services and scrap metal trading. The Group recognizes revenue when control of the products has transferred, being when the products are delivered to the customer, the customer has full discretion over the channel and price to sell the products, and there is no unfulfilled obligation that could affect the customer's acceptance of the products. Delivery occurs when the products have been shipped to the specific location, the risks of obsolescence and loss have been transferred to the customer, and either the customer has accepted the products in accordance with the sales contract, the acceptance provisions have lapsed, or the Group has objective evidence that all criteria for acceptance have been satisfied.

##### **2) Financing components**

The Group does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, the group does not adjust any of the transaction prices for the time value of money.

(Continued)

## **JIIN YEEH DING ENTERPRISE CORP. AND SUBSIDIARIES**

### **Notes to the Consolidated Financial Statements**

#### **(ii) Contract costs**

##### **1) Incremental costs of obtaining a contract**

The Group recognizes as an asset the incremental costs of obtaining a contract with a customer if the Group expects to recover those costs. The incremental costs of obtaining a contract are those costs that the Group incurs to obtain a contract with a customer that it would not have incurred if the contract had not been obtained. Costs to obtain a contract that would have been incurred regardless of whether the contract was obtained shall be recognized as an expense when incurred, unless those costs are explicitly chargeable to the customer regardless of whether the contract is obtained.

The Group applies the practical expedient to recognize the incremental costs of obtaining a contract as an expense when incurred if the amortization period of the asset that the entity otherwise would have recognized is one year or less.

##### **2) Costs to fulfil a contract**

If the costs incurred in fulfilling a contract with a customer are not within the scope of another Standard (for example, IAS 2 Inventories, IAS 16 Property, Plant and Equipment or IAS 38 Intangible Assets), the Group recognizes an asset from the costs incurred to fulfil a contract only if those costs meet all of the following criteria:

- a) The costs relate directly to a contract or to an anticipated contract that the Group can specifically identify;
- b) The costs generate or enhance resources of the Group that will be used in satisfying (or in continuing to satisfy) performance obligations in the future; and
- c) The costs are expected to be recovered.

General and administrative costs, costs of wasted materials, labor or other resources to fulfil the contract that were not reflected in the price of the contract, costs that relate to satisfied performance obligations (or partially satisfied performance obligations), and costs for which the Group cannot distinguish whether the costs relate to unsatisfied performance obligations or to satisfied performance obligations (or partially satisfied performance obligations), the Group recognizes these costs as expenses when incurred.

#### **(p) Employee benefits**

##### **(i) Defined contribution plans**

Obligations for contributions to defined contribution plans are expensed as the related service is provided. Prepaid contributions are recognized as an asset to the extent that a cash refund or a reduction in future payments is available.

##### **(ii) Defined benefit plans**

The Group's net obligation in respect of defined benefit plans is calculated separately for each the plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

(Continued)

## **JIIN YEEH DING ENTERPRISE CORP. AND SUBSIDIARIES**

### **Notes to the Consolidated Financial Statements**

The calculation of defined benefit obligations is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Group, the recognized asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan. To calculate the present value of economic benefits, consideration is given to any applicable minimum funding requirements.

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognized immediately in other comprehensive income, and accumulated in retained earnings within equity. The Group determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability (asset). Net interest expense and other expenses related to defined benefit plans are recognized in profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognized immediately in profit or loss. The Group recognizes gains and losses on the settlement of a defined benefit plan when the settlement occurs.

#### **(iii) Termination benefits**

Termination benefits are expensed at the earlier of when the Group can no longer withdraw the offer of those benefits and when the Group recognizes costs for a restructuring. If benefits are not expected to be settled wholly within 12 months of the reporting date, then they are discounted.

#### **(iv) Short-term employee benefits**

Short-term employee benefits are expensed as the related service is provided. A liability is recognized for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

#### **(q) Share-based payment**

The grant-date fair value of equity-settled share-based payment arrangements granted to employees is generally recognized as an expense, with a corresponding increase in equity, over the vesting period of the awards. The amount recognized as an expense is adjusted to reflect the number of awards for which the related service and non-market performance conditions are expected to be met, such that the amount ultimately recognized is based on the number of awards that meet the related service and non-market performance conditions at the vesting date.

For share-based payment awards with non-vesting conditions, the grant-date fair value of the share-based payment is measured to reflect such conditions and there is no true-up for differences between expected and actual outcomes.

(Continued)

## **JIIN YEEH DING ENTERPRISE CORP. AND SUBSIDIARIES**

### **Notes to the Consolidated Financial Statements**

The fair value of the amount payable to employees in respect of share appreciation rights, which are settled in cash, is recognized as an expense with a corresponding increase in liabilities, over the period during which the employees become unconditionally entitled to payment. The liability is remeasured at each reporting date and at settlement date based on the fair value of the share appreciation rights. Any changes in the liability are recognized in profit or loss.

Grant date of a share-based payment award is the date which The Group's confirms the number of shares subscribed by its employees

#### **(r) Income taxes**

Income taxes comprise current taxes and deferred taxes. Except for expenses related to business combinations or recognized directly in equity or other comprehensive income, all current and deferred taxes are recognized in profit or loss.

The Group has determined that interest and penalties related to income taxes, including uncertain tax treatment, do not meet the definition of income taxes, and therefore accounted for them under IAS37.

Current taxes comprise the expected tax payables or receivables on the taxable profits (losses) for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax payables or receivables are the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any. It is measured using tax rates enacted or substantively enacted at the reporting date.

Deferred tax is the measurement and recognition of temporary differences between the carrying amount of assets and liabilities for reporting date and their tax base. Deferred tax is not recognized for temporary differences arising from:

- (i) Assets or liabilities that are not originally recognized in the transaction of a business combination, and at the time of the transaction (i) do not affect accounting profits and taxable income (losses) and (ii) do not give rise to equal temporary differences that are taxable and deductible.
- (ii) Temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and
- (iii) Taxable temporary differences arising on the initial recognition of goodwill.

Deferred taxes are measured at tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date, and reflect uncertainty related to income taxes, if any.

Deferred tax assets and liabilities are offset if the following criteria are met:

- (i) the Group has a legally enforceable right to set off current tax assets against current tax liabilities; and

(Continued)

## JIIN YEEH DING ENTERPRISE CORP. AND SUBSIDIARIES

### Notes to the Consolidated Financial Statements

- (ii) the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on either:
  - 1) The same taxable entity; or
  - 2) Different taxable entities which intend to settle current tax assets and liabilities on a net basis, or to realize the assets and liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

Deferred tax assets are recognized for the carry forward of unused tax losses, unused tax credits, and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefits will be realized; such reductions are reversed when the probability of future taxable profits improves.

(s) Earnings per share

The Group discloses the Company's basic and diluted earnings per share attributable to ordinary shareholders of the Company. Basic earnings per share is calculated as the profit attributable to ordinary shareholders of the Company divided by the weighted average number of ordinary shares outstanding.

Diluted earnings per share is calculated as the profit attributable to ordinary shareholders of the Company divided by the weighted average number of ordinary shares outstanding after adjustment for the effects of all potentially dilutive ordinary shares, such as employee compensation.

(t) Operating segments

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses (including revenues and expenses relating to transactions with other components of the Group). Operating results of the operating segment are regularly reviewed by the Group's chief operating decision maker to make decisions about resources to be allocated to the segment and to assess its performance. Each operating segment consists of standalone financial information.

**(5) Significant accounting assumptions and judgments, and major sources of estimation uncertainty:**

The preparation of the consolidated financial statements by the management to make judgments, estimates, and assumptions that affect the application of the accounting policies and the reported amount of assets, liabilities, income, and expenses. Actual results may differ from these estimates.

The management continues to monitor the accounting estimates and assumptions. The management recognizes any changes in accounting estimates during the period and the impact of those changes in accounting estimates in the following period.

There are no critical judgments in applying accounting policies that have significant effect on the amounts recognized in the consolidated financial statements.

(Continued)

## **JIIN YEEH DING ENTERPRISE CORP. AND SUBSIDIARIES**

### **Notes to the Consolidated Financial Statements**

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment within the next financial year is as follows:

(a) Valuation of inventories

Inventories are stated at the lower of cost or net realizable value. The Group estimates the net realizable value of inventory for normal waste, obsolescence and unmarketable items at the end of reporting period and then writes down the cost of inventories to net realizable value. The net realizable value of the inventory is determined mainly based on the assumptions of future prices. Please refer to note 6(e) for further description of the valuation of inventories.

(b) The Group's accounting policies include measuring financial and non-financial assets and liabilities at fair value through profit or loss. The Group's financial instrument valuation group conducts independent verification on fair value by using data sources that are independent, reliable, and representative of exercise prices. This financial instrument valuation group also periodically adjusts valuation models, conducts back testing, renews input data for valuation models, and makes all other necessary fair value adjustments to assure the rationality of fair value. The Group strives to use market observable inputs when measuring assets and liabilities. Different levels of the fair value hierarchy to be used in determining the fair value of financial instruments are as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the assets or liability that are not based on observable market data.

(Continued)

# JIIN YEEH DING ENTERPRISE CORP. AND SUBSIDIARIES

## Notes to the Consolidated Financial Statements

### (6) Explanation of significant accounts:

#### (a) Cash and cash equivalents

	<b>December 31, 2023</b>	<b>December 31, 2022</b>
Cash	\$ 526	647
Demand deposits	141,544	482,444
Time deposits	<u>489,462</u>	<u>255,295</u>
Cash and cash equivalents in the consolidated statement of cash flows	<u><b>\$ 631,532</b></u>	<u><b>738,386</b></u>

Please refer to note 6(x) for the interest rate risk, and sensitivity analysis of the financial assets and liabilities of the Group.

#### (b) Financial assets and liabilities at fair value through profit or loss

##### (i) The Details are as follows:

	<b>December 31, 2023</b>	<b>December 31, 2022</b>
Current financial asset mandatorily measured at fair value through profit or loss:		
Non-hedging derivative financial instruments		
Structured products linked to interest rates	\$ 60,551	-
Non-derivative financial assets		
Stocks listed on domestic markets	<u>353,808</u>	<u>12,150</u>
	<u>414,359</u>	<u>12,150</u>
Non-current financial asset mandatorily measured at fair value through profit or loss:		
Non-hedging derivative financial instruments		
Structured products linked to interest rates	-	58,100
Non-derivative financial assets		
Unlisted stocks	<u>19,404</u>	<u>163,786</u>
	<u>19,404</u>	<u>221,886</u>
Total	<u><b>\$ 433,763</b></u>	<u><b>234,036</b></u>
Held-for-trading current financial liabilities:		
Derivative financial instruments not designated as hedging instruments		
Copper futures	<u>\$ 1,439</u>	<u>3,132</u>

Please refer to note 6(x) for profit or loss from fair value remeasurement.

(Continued)

## JIIN YEEH DING ENTERPRISE CORP. AND SUBSIDIARIES

### Notes to the Consolidated Financial Statements

#### (ii) Derivative financial instruments

The Group uses derivative financial instruments to hedge the certain foreign exchange and interest risk the Group is exposed to, arising from its operating, financing and investing activities. The following derivative instruments, without the application of hedge accounting, were classified as mandatorily measured at fair value through profit or loss and held-for-trading financial liabilities:

##### (1) Future contracts

December 31, 2023				
	The name of the futures company	Quantity	Contract amount	Maturity dates
Sell copper futures	Yuanta Futures Co., Ltd.	15 ports (375 kilolbs)	USD 1,427	2024.03.31
Sell copper futures	Fubon Futures Co., Ltd.	7 ports (175 kilolbs)	USD 666	2024.03.31
December 31, 2022				
	The name of the futures company	Quantity	Contract amount	Maturity dates
Sell copper futures	Yuanta Futures Co., Ltd.	15 ports (375 kilolbs)	USD 1,361	2023.05.31
Sell copper futures	Fubon Futures Co., Ltd.	7 ports (175 kilolbs)	USD 635	2023.05.31

##### (2) Hybrid contracts

December 31, 2023				
	Nominal amount	Maturity date	Product return on investment	Linked underlying
Structured products linked to interest rates	USD 2,000	March 10, 2024	First year: 2% Second year 0% to 4%	USD fixed- period interest rate swap
December 31, 2022				
	Nominal amount	Maturity date	Product return on investment	Linked underlying
Structured products linked to interest rates	USD 2,000	March 10, 2024	First year: 2% Second year 0% to 4%	USD fixed- period interest rate swap

##### (3) Collateral

As of December 31, 2023 and 2022, the Group did not provide any financial asset accounted for using fair value through profit or loss as pledge, collateral, or restriction.

(Continued)

# JIIN YEEH DING ENTERPRISE CORP. AND SUBSIDIARIES

## Notes to the Consolidated Financial Statements

### (c) Notes and Trade receivables

	December 31, 2023	December 31, 2022
Notes receivable from operating activities	\$ 8	23
Trade receivable from operating activities	274,671	153,328
	<b><u>\$ 274,679</u></b>	<b><u>153,351</u></b>

The Group applies the simplified approach to provide for its expected credit losses, i.e. the use of lifetime expected loss provision for all receivables. To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due, as well as the incorporated forward-looking information, including macroeconomic and relevant industry information. The loss allowance provisions in Taiwan were determined as follows:

	December 31, 2023		
	Gross carrying amount	Weighted-average loss rate	Loss allowance provision
Current	\$ 241,298	0%	-
1 to 60 days past due	32,539	0%	-
60 to 180 days past due	62	0%	-
180 to 240 days past due	780	0%	-
240 to 365 days past due	-	0%	-
More than 365 days past due	-	100%	-
	<b><u>\$ 274,679</u></b>		<b><u>-</u></b>

	December 31, 2022		
	Gross carrying amount	Weighted-average loss rate	Loss allowance provision
Current	\$ 153,080	0%	-
1 to 60 days past due	233	0%	-
60 to 180 days past due	38	0%	-
180 to 240 days past due	-	0%	-
240 to 365 days past due	-	0%~0.33%	-
More than 365 days past due	-	100%	-
	<b><u>\$ 153,351</u></b>		<b><u>-</u></b>

(Continued)

## JIIN YEEH DING ENTERPRISE CORP. AND SUBSIDIARIES

### Notes to the Consolidated Financial Statements

The movement in the allowance for notes and trade receivables were as follows:

	<u>2023</u>	<u>2022</u>
Balance at January 1	\$ -	136
Impairment losses recognized	-	241
Impairment losses reversed	-	(377)
Balance at December 31	<u>\$ -</u>	<u>-</u>

Based on historical payment practices and considering that the credit quality of the customers to which the trade receivable is subject has not changed materially, the Group does not consider that there is any material doubt about the recoverability of the impairment losses on trade receivables.

Trade receivable that are overdue on the balance sheet but have not yet been recognized by the Group as a loss allowance, in the opinion of the Group's management, can be recovered due to the fact that there has been no material change in their credit quality and due to an aging analysis, historical experience, and the degree of customer risk.

As of December 31, 2023 and 2022, the Group did not provide any above financial asset as pledge, guarantee, or restriction.

(d) Other receivables

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Tax refund receivables	\$ 15,758	12,897
Receivables for disposal of non-current assets pending for sale	96,519	-
Others	13,206	1,798
Less: Loss allowance	-	(891)
	<u><b>\$ 125,483</b></u>	<u><b>13,804</b></u>

(e) Inventories

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Finished goods	\$ 520,694	553,342
Work in progress	191,106	240,176
Raw materials	66,872	63,544
Merchandise inventories	288	137
Total	<u><b>\$ 778,960</b></u>	<u><b>857,199</b></u>

Due to the offset of inventory to NPV in 2023 and 2022, the Group recognized \$6,945 thousand and \$883 thousand in inventory impairment and recognized it as the cost of sales.

As of December 31, 2023 and 2021, the Group did not provide any inventory as pledge, guarantee, or restriction.

(Continued)

## JIIN YEEH DING ENTERPRISE CORP. AND SUBSIDIARIES

### Notes to the Consolidated Financial Statements

(f) Non-current assets held for sale

Through a resolution of its Board of Directors dated August 6, 2021 to dispose of the 82.62% equity stake in Lianyungang Rongding Metal Co., Ltd. processing of related sales matters has begun and the sale is expected to be completed within one year. The assets and liabilities of the subsidiary are accordingly classified as held for sale. As of December 31, 2022, the Group's non-current assets held of sale and the liabilities directly associated with the non-current assets held for sale were as follows:

	<b>December 31, 2022</b>
Cash and cash equivalents	\$ 4,501
Trade and other receivables	6,362
Inventories	10,707
Property, plant and equipment	146,963
Right-of-use assets and intangible assets	6,421
Other assets and other financial assets	<u>35,613</u>
Non-current assets classified as held for sale	<u>210,567</u>
Trade and other payable (note)	(3,963)
Other liabilities	<u>(15,708)</u>
Liabilities related to non-current assets classified as held for sale	<u>(19,671)</u>
Net value	<b><u>\$ 190,896</u></b>

Note: As of December 31, 2022, payables of \$48,270 thousand have been eliminated in the consolidated financial statements.

The Group also consulted other potential buyers, as the counterparty to the aforementioned transaction was unable to perform under the contract due to force majeure factors. The sale was completed on September 25, 2023. Separately, the legal procedures related to the transfer of equity between the Group and the buyer were completed on October 9, 2023. Please refer to note 6(h) for details.

(g) Investments accounted for using equity method

(i) Associates

The Group's financial information for investments accounted for using the equity method that are individually insignificant was as follows:

	<b>December 31, 2023</b>	<b>December 31, 2022</b>
Carrying amount of individually insignificant associates' equity	<b><u>\$ 16,809</u></b>	<b><u>15,123</u></b>
	<b><u>2022</u></b>	<b><u>2021</u></b>
Attributable to the Group:		
Profit (Loss)	\$ 1,686	(1,881)
Other comprehensive income	-	-
Comprehensive income	<b><u>\$ 1,686</u></b>	<b><u>(1,881)</u></b>

(Continued)

## **JIIN YEEH DING ENTERPRISE CORP. AND SUBSIDIARIES**

### **Notes to the Consolidated Financial Statements**

(ii) Collateral

As of December 31, 2022 and 2021, the Group did not provide any investment accounted for using equity method as collaterals for its loans.

(h) Loss of control of subsidiaries

The Group has entered into a contract on August 31, 2021 to dispose 82.62% of the Rongding Company's equity and ownership with consideration of CNY 49,569 thousand (hereinafter referred to as the Share Transfer Agreement). On January 20, 2022, the Group and the aforementioned buyer signed a supplementary agreement stating that if the contract cannot be performed due to force majeure, the buyer agrees to purchase a part of the land use rights owned by Rongding and pay a compensation amounting to CNY 4,300 thousand for the damage to rights and interests of the Group.

The land right use transaction contract specified above had been concluded on June, 2022 and the price of disposal totaling NT\$18,797 thousand had been collected. The gain from the disposal totaling NT\$8,980 thousand was recognized as the profit and loss of the discontinued operations.

Diverging on the issue of force majeure, the Group and the buyer entered judicial proceedings in April 2022. The trial was concluded by the Intermediate People's Court of Lianyungang City, Jiangsu Province on June 2, 2023, ruling to terminate the Equity Transfer Agreement signed on August 31, 2021, and to compensate three sellers including the Group in the amount of RMB 4,300 thousand, to be made to three sellers including the Group. The judgment took effect on July 3, 2023, in accordance with the relevant provisions of the Civil Procedure Law of the People's Republic of China regarding foreign-related litigation subjects.

On September 9, 2023, the Group signed a contract with another party to sell the 82.62% equity stake and corresponding interests in Lianyungang Rongding Metal Co., Ltd. The disposal price totaled NT\$ 96,519 thousand (US\$ 3,051 thousand), listed under Other Receivables. The aforementioned gains on disposal recognized by the Group due to its disposal of Lianyungang Rongding Metal Co., Ltd. amounted to NT\$18,446 thousand and are included in the statement of comprehensive income under Other Gains and Losses.

The legal procedures related to the transfer of equity between the Group and the buyer were completed on October 9, 2023.

The carrying amounts of assets and liabilities of Lianyungang Rongding Metal Co. classified as held for sale on September 25, 2023 are detailed as follows:

(Continued)

# JIIN YEEH DING ENTERPRISE CORP. AND SUBSIDIARIES

## Notes to the Consolidated Financial Statements

	<b>112.9.25</b>
Cash and cash equivalents	\$ 3,752
Trade and other receivables	2,249
Inventories	9,614
Property, plant and equipment	133,021
Right of use assets and intangible assets	6,305
Other assets and other financial assets	27,217
Trade and other payable	(75,100)
Other liabilities	(10,280)
Carrying amount of net assets	<u><u>\$ 96,778</u></u>

(i) Property, plant and equipment

The cost, depreciation, and impairment of the property, plant and equipment of the Group for the years ended December 31, 2023 and 2022, were as follows:

	Land	Buildings and construction	Machinery and equipment	Transportatio n equipment	Other Facilities	Construction in progress and testing equip	Total
Cost or deemed cost:							
Balance on January 1, 2023	\$ 185,499	225,774	39,656	45,672	20,583	53,323	570,507
Additions	-	-	5,076	1,176	998	95,065	102,315
Disposal and retirement	(2,457)	-	(13,567)	(5,030)	(7,041)	-	(28,095)
Reclassification	-	-	-	504	-	10,476	10,980
Effect of movements in exchange rates	-	(53)	(14)	-	(7)	-	(74)
Balance on December 31, 2023	<u><u>\$ 183,042</u></u>	<u><u>225,721</u></u>	<u><u>31,151</u></u>	<u><u>42,322</u></u>	<u><u>14,533</u></u>	<u><u>158,864</u></u>	<u><u>655,633</u></u>
Balance on January 1, 2022	\$ 185,421	223,026	38,020	24,390	34,000	2,226	507,083
Additions	78	1,602	8,119	19,990	2,254	51,097	83,140
Disposal and retirement	-	(1,167)	(8,102)	(95)	(15,956)	-	(25,320)
Reclassification	-	-	1,307	1,387	-	-	2,694
Effect of movements in exchange rates	-	2,313	312	-	285	-	2,910
Balance on December 31, 2022	<u><u>\$ 185,499</u></u>	<u><u>225,774</u></u>	<u><u>39,656</u></u>	<u><u>45,672</u></u>	<u><u>20,583</u></u>	<u><u>53,323</u></u>	<u><u>570,507</u></u>
Depreciation and impairments loss:							
Balance on January 1, 2023	\$ -	68,236	20,948	15,186	11,726	-	116,096
Depreciation	-	6,406	6,289	9,434	2,860	-	24,989
Disposal and retirement	-	-	(13,567)	(5,030)	(7,041)	-	(25,638)
Effect of movements in exchange rates	-	(32)	(12)	-	(11)	-	(55)
Balance on December 31, 2023	<u><u>\$ -</u></u>	<u><u>74,610</u></u>	<u><u>13,658</u></u>	<u><u>19,590</u></u>	<u><u>7,534</u></u>	<u><u>-</u></u>	<u><u>115,392</u></u>

(Continued)

# JIIN YEEH DING ENTERPRISE CORP. AND SUBSIDIARIES

## Notes to the Consolidated Financial Statements

	LAND	Buildings and construction	Machinery and equipment	Transportation equipment	Office equipment	Construction in progress and testing equip	Total
Balance on January 1, 2022	\$ -	62,458	22,761	8,335	23,837	-	117,391
Depreciation	-	6,253	6,151	6,946	3,785	-	23,135
Disposal and retirement	-	(1,167)	(8,102)	(95)	(15,956)	-	(25,320)
Effect of movements in exchange rates	-	692	138	-	60	-	890
Balance on December 31, 2022	<u>\$ -</u>	<u>68,236</u>	<u>20,948</u>	<u>15,186</u>	<u>11,726</u>	<u>-</u>	<u>116,096</u>
Carrying amounts:							
Balance on December 31, 2023	<u>\$ 183,042</u>	<u>151,111</u>	<u>17,493</u>	<u>22,732</u>	<u>6,999</u>	<u>158,864</u>	<u>540,241</u>
Balance on January 1, 2022	<u>\$ 185,421</u>	<u>160,568</u>	<u>15,259</u>	<u>16,055</u>	<u>10,163</u>	<u>2,226</u>	<u>389,692</u>
Balance on December 31, 2022	<u>\$ 185,499</u>	<u>157,538</u>	<u>18,708</u>	<u>30,486</u>	<u>8,857</u>	<u>53,323</u>	<u>454,411</u>

### (i) Collateral

As of December 31, 2023 and 2022, the Group did not provide any property, plant and equipment as collaterals for its loans.

### (ii) Land held by nominee registration

On December 31, 2022, the Group, considering operational factors, temporarily registered the ownership of 2,040.99 square meters of agricultural land in the Haishan Section of Hsinchu City in the name of a third party. A contract for registration under another's name was signed, and the land was mortgaged to the Group for asset preservation at a total price of NT\$2,449 thousand.

On May 11, 2023, the Group's Board of Directors passed a resolution to sell the above-mentioned agricultural land in the Haishan Section of Hsinchu City to the Company's Chairman Chuang, Ching Chi for a total price of NT\$2,645 thousand. Please refer to note 7 for details.

### (j) Right-of-use assets

The Group leases land, buildings, machinery equipment and transportation equipment. Information about leases for the Group was presented below:

	Land	Buildings	Machinery and equipment	Total
Cost:				
Balance at January 1, 2023	\$ 187,669	57,144	6,467	251,280
Additions	321	4,185	-	4,506
Disposal/Write-off	-	-	(4,139)	(4,139)
Effect of movements in exchange rates	(398)	(184)	-	(582)
Balance at December 31, 2023	<u>\$ 187,592</u>	<u>61,145</u>	<u>2,328</u>	<u>251,065</u>
Balance at January 1, 2022	\$ 170,169	43,155	10,474	223,798
Additions	395	8,948	-	9,343
Disposal/Write-off	(78)	-	(4,007)	(4,085)
Reclassification to non-current assets held for sale	17,183	5,041	-	22,224
Effect of movements in exchange rates	<u>\$ 187,669</u>	<u>57,144</u>	<u>6,467</u>	<u>251,280</u>

(Continued)

# JIIN YEEH DING ENTERPRISE CORP. AND SUBSIDIARIES

## Notes to the Consolidated Financial Statements

	Land	Buildings	Machinery and equipment	Total
Balance at December 31, 2022	\$ 170,169	43,155	10,474	223,798
Depreciation:				
Balance at January 1, 2023	\$ 27,910	24,852	4,197	56,959
Depreciation	7,143	15,293	1,781	24,217
Disposal/Write-off	-	-	(4,141)	(4,141)
Effect of movements in exchange rates	(133)	(251)	-	(384)
Balance at December 31, 2023	<u>\$ 34,920</u>	<u>39,894</u>	<u>1,837</u>	<u>76,651</u>
Balance at January 1, 2022	\$ 19,115	10,790	5,290	35,195
Depreciation	6,859	12,446	2,914	22,219
Disposal/Write-off	(78)	-	(4,007)	(4,085)
Reclassification to non-current assets held for sale	2,014	1,616	-	3,630
Balance at December 31, 2022	<u>\$ 27,910</u>	<u>24,852</u>	<u>4,197</u>	<u>56,959</u>
Carrying amount:				
Balance at December 31, 2023	<u>\$ 152,672</u>	<u>21,251</u>	<u>491</u>	<u>174,414</u>
Balance at January 1, 2022	<u>\$ 151,054</u>	<u>32,365</u>	<u>5,184</u>	<u>188,603</u>
Balance at December 31, 2022	<u>\$ 159,759</u>	<u>32,292</u>	<u>2,270</u>	<u>194,321</u>

### (k) Other financial assets

	December 31, 2023	December 31, 2022
Restricted deposits	\$ 36,135	59,005
Guarantee deposits paid	89,794	79,613
Futures deposits	37,417	39,310
Time deposits with original maturity more than 3 months	81,142	166
	<u>\$ 244,488</u>	<u>178,094</u>
	December 31, 2023	December 31, 2022
Current	\$ 211,534	128,744
Non-current	32,954	49,350
	<u>\$ 244,488</u>	<u>178,094</u>

Other financial assets of the Group have been provided as collateral. Please refer to note 8 for details.

(Continued)

# JIIN YEEH DING ENTERPRISE CORP. AND SUBSIDIARIES

## Notes to the Consolidated Financial Statements

(l) Other current assets and other non-current assets

	December 31, 2023	December 31, 2022
Payment to suppliers	\$ 52,801	78,363
Deferred tax assets	2,041	1,116
Prepaid payment for land	23,413	23,413
Prepaid payment for equipment	78,407	16,068
Overpaid sales tax	3,281	22
Others	16,573	10,073
	<b>\$ 176,516</b>	<b>129,055</b>
Current	\$ 69,432	84,541
Non-current	107,084	44,514
	<b>\$ 176,516</b>	<b>129,055</b>

(m) Short-term loans

	December 31, 2023	December 31, 2022
Credit loans	\$ -	85,90
Unused credit line	\$ 997,50	943,32
Range of interest rate	-	0.70%-4.80%

The Chairman of the subsidiary is guarantor when the Group borrow from financial institutions. Please refer to note 7 in detail.

(n) Long-term borrowing

	December 31, 2023			
	Currency	Range of rate	Maturity year	Amount
Secured bank loans	NTD	1.15%	115	\$ 71,020
Unsecured bank loans	NTD	1%	114	45,195
Less: portion due within one year				(29,149)
Total				<b>\$ 87,066</b>
Unused long-term credit lines				<b>\$ 111,026</b>

(Continued)

# JIIN YEEH DING ENTERPRISE CORP. AND SUBSIDIARIES

## Notes to the Consolidated Financial Statements

	December 31, 2021			
	Currency	Range of rate	Maturity year	Amount
Secured bank loans	NTD	0.875%	114	\$ 20,584
Less: portion due within one year				(3,973)
Total				<u>\$ 16,611</u>
Unused long-term credit lines				<u>\$ 111,017</u>

For the collateral for long-term borrowings, Please refer to note 8 in detail.

### (o) Lease liabilities

The lease liabilities of the Group are as follows:

	December 31, 2023	December 31, 2022
Current	<u>\$ 16,875</u>	<u>16,272</u>
Non-current financial assets	<u>\$ 15,204</u>	<u>28,852</u>

For the maturity analysis, please refer to note 6(x).

The amounts recognized in profit or loss was as follows:

	2023	2022
Interest on lease liabilities	<u>\$ 898</u>	<u>1,017</u>
Expenses relating to short-term leases	<u>\$ 1,333</u>	<u>1,298</u>
Expenses relating to leases of low-value assets, excluding short-term leases of low-value assets	<u>\$ 190</u>	<u>181</u>

The amounts recognized in the statement of cash flows for the Group was as follows:

	2023	2022
Total cash outflow for leases	<u>\$ 19,923</u>	<u>18,498</u>

### (i) Real estate leases

The Group leases land and buildings for its office space and storehouse. The leases of office space typically run for a period of 10 years, and of storehouse for 3 to 10 years. Some leases include an option to renew the lease for an additional period of the same duration after the end of the contract term.

Some leases provide for additional rent payments that are based on changes in local price indices, or sales that the Group makes at the leased store in the period. Some also require the Group to make payments that relate to the real estate taxes levied on the lessor and insurance payments made by the lessor; these amounts are generally determined annually.

In which lessee is not reasonably certain to use an optional extended lease term, payments associated with the optional period are not included within lease liabilities.

(Continued)

## JIIN YEEH DING ENTERPRISE CORP. AND SUBSIDIARIES

### Notes to the Consolidated Financial Statements

(ii) Other leases

The Group also leases some machinery equipment and office equipment with lease terms of 1 to 3 years. These leases are short-term or leases of low-value items. The Group has elected not to recognize right-of-use assets and lease liabilities for these leases.

(p) Employee benefits

(i) Defined contribution plan

Reconciliation of defined benefit obligation at present value and plan asset at fair value for the Group were as follows:

	<b>December 31, 2023</b>	<b>December 31, 2022</b>
Present value of established welfare obligations	\$ 7,600	13,987
Fair value of plan assets	(10,821)	(17,905)
Net defined benefit liabilities	<u><b>\$ (3,221)</b></u>	<u><b>(3,918)</b></u>

The Group makes defined benefit plan contributions to the pension fund account with Bank of Taiwan that provides pensions for employees upon retirement. Plans (covered by the Labor Standards Law) entitle a retired employee to receive retirement benefits based on years of service and average monthly salary for the six months prior to retirement.

The Group allocates pension funds in accordance with the Regulations for Revenues, Expenditures, Safeguard and Utilization of the Labor Retirement Fund, and such funds are managed by the Bureau of Labor Funds, Ministry of Labor. With regard to the utilization of the funds, minimum earnings shall be no less than the earnings attainable from two-year time deposits with interest rates offered by local banks.

The Group's Bank of Taiwan labor pension reserve account balance amounted to \$10,821 thousand as of December 31, 2023. For information on the utilization of the labor pension fund assets, including the asset allocation and yield of the fund, please refer to the website of the Bureau of Labor Funds, Ministry of Labor.

(ii) Movements in present value of the defined benefit obligations

The movement in present value of the defined benefit obligations for the Group in 2023 and 2022 were as follows:

	<b>2023</b>	<b>2022</b>
Defined benefit obligations at January 1	\$ 13,987	15,102
Current service costs and interest cost	207	75
Remeasurements of net defined benefit liabilities (assets):		
— Actuarial loss (gain) arising from:		
- Effect of settlement	(7,417)	-
- Financial assumptions	194	(1,625)
- Experience adjustments	(412)	435
Upfront service costs	1,041	-
Defined benefit obligations at December 31	<u><b>\$ 7,600</b></u>	<u><b>13,987</b></u>

(Continued)

## JIIN YEEH DING ENTERPRISE CORP. AND SUBSIDIARIES

### Notes to the Consolidated Financial Statements

(iii) Movements of defined benefit plan assets

The movements in the present value of the defined benefit plan assets for the Group in 2023 and 2022 were as follows:

	<b>2023</b>	<b>2022</b>
Fair value of plan assets at January 1	\$ (17,905)	(15,852)
Interest income	(268)	(76)
Remeasurements of net defined benefit liabilities (assets):		
— Return on plan assets (excluding interest income)	(76)	(1,240)
Contributions paid by the employer	(328)	(737)
Effect of settlement	7,756	-
Fair value of plan assets at December 31	<b><u>\$ (10,821)</u></b>	<b><u>(17,905)</u></b>

(iv) Expenses recognized in profit or loss

The expenses recognized in profit or loss for the Group in 2023 and 2022 were as follows:

	<b>2023</b>	<b>2022</b>
Net interest of net liabilities for defined benefit obligations	\$ (61)	(1)
Upfront service costs and settlement of gains and losses	1,380	-
Net interest of net liabilities for defined benefit obligations	<b><u>\$ 1,319</u></b>	<b><u>(1)</u></b>
Administration expenses	<b><u>\$ 1,319</u></b>	<b><u>(1)</u></b>

(v) Remeasurement of net defined benefit liabilities (asset) recognized in other comprehensive income (loss)

Accumulated remeasurement of net defined benefit liabilities (asset) recognized in other comprehensive income (loss) for the Group in 2023 and 2022 were as follows:

	<b>2023</b>	<b>2022</b>
Accumulated balance at January 1	\$ 3,831	6,071
Current recognition	(437)	(2,240)
Accumulated balance at December 31	<b><u>\$ 3,394</u></b>	<b><u>3,831</u></b>

(vi) Actuarial assumptions

The principal actuarial assumptions at the reporting date were as follows:

	<b>2023</b>	<b>2022</b>
Discount rate	1.24%~1.38%	1.24%~1.50%
Future salary increase rate	1.00%~2.50%	1.00%~2.50%

(Continued)

## JIIN YEEH DING ENTERPRISE CORP. AND SUBSIDIARIES

### Notes to the Consolidated Financial Statements

The Group does not anticipate making any provision for the defined benefit plan within one year after the reporting date in 2023.

The weighted average lifetime of the defined benefits plans is 13 years.

(vii) Sensitivity analysis

As of December 31, 2023 and 2022, If the actuarial assumptions had changed, the impact on the present value of the defined benefit obligation shall be as follows:

	<b>Influences of defined benefit obligations</b>	
	<b>Increased 0.25%</b>	<b>Decreased 0.25%</b>
December 31, 2023		
Discount rate	\$ (371)	386
Future salary increasing rate	375	(363)
December 31, 2022		
Discount rate	(371)	386
Future salary increasing rate	375	(363)

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown above. The method used in the sensitivity analysis is consistent with the calculation of pension liabilities in the balance sheets.

There is no change in the method and assumptions used in the preparation of sensitivity analysis for 2023 and 2022.

(ii) Defined contribution plans

The Group and GRAND TONE ENTERPRISE CO., LTD. allocate 6% of each employee's monthly wages to the labor pension personal account at the Bureau of the Labor Insurance in accordance with the provisions of the Labor Pension Act. Under this defined contribution plan, the Group and GRAND TONE ENTERPRISE CO., LTD. allocate the labor pension at a specific percentage to the Bureau of the Labor Insurance without additional legal or constructive obligations.

YUAN RUI RECYCLING TECHNOLOGY CO., LTD. and JIIN YEEH DING (H.K.) ENTERPRISES LTD. adopt a definite allocation system for pension payments. The company allocates insurance money every month and deposits it into the employee's special pension insurance account, which is completely separated from the company. When the resignation is accompanied by the transfer, the amount that should be allocated is listed as the current expense, and the remaining subsidiaries have no formal employees.

The pension costs incurred from the contributions to the Bureau of the Labor Insurance amounted to \$4,567 thousand and \$4,459 thousand for the years ended December 31, 2023 and 2022, respectively.

(Continued)

# JIIN YEEH DING ENTERPRISE CORP. AND SUBSIDIARIES

## Notes to the Consolidated Financial Statements

(q) Income tax

(i) The components of income tax in the years 2023 and 2022 were as follows:

	<u>2023</u>	<u>2022</u>
Current tax expense	\$ 85,881	76,159
Deferred tax expense	<u>(1,944)</u>	<u>2,769</u>
Income tax expense	<u><u>\$ 83,937</u></u>	<u><u>78,928</u></u>

Reconciliation of income tax and profit before tax for 2023 and 2022 were as follows:

	<u>2023</u>	<u>2022</u>
Profit excluding income tax	\$ 656,585	417,957
Income tax using the Company's domestic tax rate	132,709	83,313
Non-deductible expenses	1	(899)
Permanent difference	(61,665)	(3,659)
Changes in unrecognized temporary differences	7,579	(6,009)
Recognition of unrecognized tax losses from prior periods	(15)	-
Change in provision in prior periods	(2,964)	(709)
5% additional tax on unappropriated earnings	<u>8,292</u>	<u>6,891</u>
Income tax expense	<u><u>\$ 83,937</u></u>	<u><u>78,928</u></u>

(ii) Deferred tax assets and liabilities

1) Unrecognized deferred tax assets

Deferred tax assets have not been recognized in respect of the following items:

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Share of losses of foreign investments accounted for using equity method	<u><u>\$ 51,758</u></u>	<u><u>44,179</u></u>

(Continued)

## JIIN YEEH DING ENTERPRISE CORP. AND SUBSIDIARIES

### Notes to the Consolidated Financial Statements

#### 2) Recognized deferred tax assets and liabilities

Changes in the amount of deferred tax assets and liabilities for 2023 and 2022 were as follows:

	Inventory valuation losses	Unrealized exchange loss	Evaluation loss of financial instrument	Others	Total
Deferred Tax Assets:					
Balance at January 1, 2023	\$ 489	1	626	-	1,116
Recognized in profit or loss	1,264	(1)	(338)	-	925
Balance at December 31, 2023	<u>\$ 1,753</u>	<u>-</u>	<u>288</u>	<u>-</u>	<u>2,041</u>
Balance at January 1, 2022	\$ 1,318	693	603	37	2,651
Recognized in profit or loss	(878)	(692)	23	(40)	(1,587)
Foreign currency translation differences for foreign operations	49	-	-	3	52
Balance at December 31, 2022	<u>\$ 489</u>	<u>1</u>	<u>626</u>	<u>-</u>	<u>1,116</u>
					Evaluation gain of financial instruments
Deferred Tax Liabilities:					
Balance at January 1, 2023					\$ 1,155
Recognized in profit or loss					(1,019)
Balance at December 31, 2023					<u>\$ 136</u>
Balance at January 1, 2022					\$ -
Recognized in profit or loss					1,155
Balance at December 31, 2022					<u>\$ 1,155</u>

- (iii) The Company and domestic subsidiaries' tax returns for the years through 2021 were assessed by the Taipei National Tax Administration. In addition, mainland subsidiary and Hong Kong subsidiary were declared to local tax authority for the years through 2022, respectively.
- (iv) The Group has obtained the approval of the taxation authority in June 2023 and July 2022 to pay the payable taxes settled and reported for 2022 and 2021 in three years. If there are other payments of refundable taxes, they shall be used to offset the owed tax payments in separate periods. As of December 31, 2023, remaining income tax payable for 2022 and 2021 amounted to \$3,544 thousand and \$1,098 thousand respectively and had not yet been fully paid.

(Continued)

## JIIN YEEH DING ENTERPRISE CORP. AND SUBSIDIARIES

### Notes to the Consolidated Financial Statements

(r) Capital and other equity

As of December 31, 2023, the total value of authorized shares was amounted to \$1,500,000 thousand (2022: \$1,500,000 thousand) with par value of \$10 per share. Above-mentioned authorized shares are all ordinary shares, the number of issued shares were 96,061 thousand of shares (2022: 95,942 thousand of shares) and all issued shares were paid up upon issuance.

Reconciliation of shares outstanding for 2023 and 2022 were as follows:

(in thousand shares)

	<b>Ordinary share</b>	
	<b>2023</b>	<b>2022</b>
Balance on January 1	95,942	119,923
Cash capital decrease	-	(23,986)
Execution of employee share options	119	5
Balance on December 31	<u><b>96,061</b></u>	<u><b>95,942</b></u>

(i) Ordinary share

On June 27, 2022, the general shareholders' meeting of the Company resolved to decrease capital by cash and refunded \$239,856 thousand in cash, with a par value of \$10 per share. The Company cancelled 23,986 thousand shares (20,218 thousand shares of TPEx common shares and 3,768 thousand shares of private placement common shares). The capital decrease proposal was approved by the Board of Directors which set September 2, 2022 as the record date for the capital decrease and set October 28, 2022 as the record date for the replacement shares. As of December 31, 2022, the legal registration procedures have been completed.

The Company issued 119 thousand and 5 thousand of new shares of common stock for the exercise of employee stock options in 2023 and 2022 at par value \$10 per share, amounted to \$1,190 thousand and \$50 thousand with paid amount to \$1,097 thousand and \$40 thousand. The difference between par value and subscription price were recorded as capital surplus-share premium. The record date for capital increase of 55,000 shares was February 5, 2024, and the statutory registration process was completed on March 6, 2024.

(ii) Capital surplus

	<b>December 31, 2023</b>	<b>December 31, 2022</b>
Share premium	\$ 810,286	809,101
Employee share options	591	1,869
Others	274	274
	<u><b>\$ 811,151</b></u>	<u><b>811,244</b></u>

According to the R.O.C. Company Act, capital surplus can only be used to offset a deficit, and only the realized capital surplus can be used to increase the common stock or be distributed as cash dividends. The aforementioned realized capital surplus includes capital surplus resulting from premium on issuance of capital stock and earnings from donated assets received. According to the Regulations Governing the Offering and Issuance of Securities by Securities Issuers, capital increases by transferring capital surplus in excess of par value should not exceed 10% of the total common stock outstanding.

(Continued)

## JIIN YEEH DING ENTERPRISE CORP. AND SUBSIDIARIES

### Notes to the Consolidated Financial Statements

(iii) Retained earnings

By the Company's article of incorporation, if there is a surplus in the annual final accounts of the Company, taxes shall first be paid in accordance with the law and accumulated losses shall be made up for and then another 10% withdrawal shall be made for legal reserve. However, this provision shall no longer be made when the legal reserve has reached the level of the Company's paid-in capital and the remainder will be set aside or reversed as special reserve according to the laws and regulations. If there is any remaining balance and accumulated undistributed surplus, the Board of Directors shall formulate a proposal for distribution of the surplus, and the shareholders' meeting shall be petitioned to issue a resolution on the distribution of dividends to shareholders.

The Company's dividend policy shall align with current and future development plans, consider the investment environment and the capital needs and domestic and foreign competition, and take into account the interests of shareholders, thereby balancing dividends and the Company's long-term financial planning and other factors, and every year the Board of Directors shall draw up a distribution plan in accordance with the law and submit it to the shareholders' meeting. The Company may allocate more than 30% of the dividends to shareholders of the current year's distributable earnings. The Company revised its dividend policy starting from June 28, 2023. The Company may appropriate 20% to 50% of the current year's distributable earnings as shareholder dividends; When distributing dividends to shareholders, in cash or stock, corresponding cash dividends shall not be less than 20% of the total dividends.

(1) Legal reserve

If the Company does not have losses, the shareholders' meeting may resolve to distribute legal reserve in the form of new shares or cash. However, the distribution shall be restricted to the legal reserve in excess of 25% of the paid-in capital.

(2) Special reserve

Pursuant to Jiin-Guan-Zheng-Fa No. 1010012865 Letter of the FSC, when the Company distributes distributable earnings, it shall set aside a special reserve from the earnings of the current period and undistributed earnings from the previous period for the net deductions in other shareholders' equity that occurred in the current year. The special reserve from undistributed earnings of the previous period shall not be distributed for the net deductions in other shareholders' equity accumulated in the previous period. If there is a subsequent reversal in the deductions in other shareholders' equity, the reversed portion of the surplus may be distributed.

(3) Earnings distribution

Earnings distribution for 2022 and 2021 was decided by the resolution adopted, at the general meeting of shareholders held on June 28, 2023 and June 27, 2022, respectively. The relevant dividend distributions to shareholders were as follow:

	2022		2021	
	Amount per share	Total amount	Amount per share	Total amount
Dividends distributed to ordinary shareholders:				
Cash	\$ <u>1.88</u>	<u>180,492</u>	<u>1.80</u>	<u>215,870</u>

(Continued)

## JIIN YEEH DING ENTERPRISE CORP. AND SUBSIDIARIES

### Notes to the Consolidated Financial Statements

Earnings distribution for 2023 was decided by the resolution adopted, at the Board of Directors held on March 8, 2024. The cash dividend amount proposed to be distributed is NT\$211,455 thousand and the dividend rate is NT\$2.2. The proposal is pending resolution by the General Meeting of Shareholders.

(s) Share-based payment

(i) Determining the fair value of equity instruments granted

In 2014, the Group used two binomial method in measuring the fair value of the employee stock options. The measurement inputs were as follows:

	<b>2014</b>
Expected life (years)	10 years
Expected dividend rate	-

The market price of stocks on the grant date is evaluated using the market-based method.

The expected volatility is estimated by using the standard deviation of the rate of return of stock prices given to the industry in the most recent year.

(ii) Information of employee stock options

Employee stock options	2023		2022	
	Weighted-average exercise price (NT dollars)	Shares (in thousands)	Weighted-average exercise price (NT dollars)	Shares (in thousands)
Outstanding shares on January 1	\$ 9.40	174	7.90	194
Invalidated shares during the period	-	-	7.90	(15)
Exercisable shares during the period	9.22	(119)	7.90	(5)
Outstanding shares on December 31	9.00	<u>55</u>	9.40	<u>174</u>
Exercisable shares on December 31	9.00	<u>55</u>	9.40	<u>174</u>

The details of the share options of the Group were as follows:

	<b>December 31, 2023</b>	<b>December 31, 2022</b>
Range of exercise price (dollar)	\$ 9.00	9.40
Weighted average of remaining contractual period (year)	0.75	1.75

In the event of any cash dividend distributed, change of common shares or cancellation of non-treasury shares, the subscription price of the stock options plan has been adjusted in accordance with the measures for issuance of employee stock options and subscription of the Company.

On July 8, 2021, the Board of Directors decided to distribute cash dividend, with August 3, 2022 as the ex-dividend date. The exercise price shall be adjusted from NT\$7.9 per share to NT\$7.5 per share in accordance with the terms and conditions of the issuance.

On June 27, 2022, the Company's general shareholders' meeting passed a resolution to approve the cash capital decrease and authorized the Chairman to set the record date of the capital reduction as September 2, 2022. The exercise price shall be adjusted from NT\$7.5 per share to NT\$9.4 per share in accordance with the terms and conditions of the issuance.

(Continued)

# JIIN YEEH DING ENTERPRISE CORP. AND SUBSIDIARIES

## Notes to the Consolidated Financial Statements

On July 3, 2023, the Board of Directors decided to distribute cash dividend, with August 2, 2023 as the ex-dividend date. The exercise price shall be adjusted from NT\$9.4 per share to NT\$9.0 per share in accordance with the terms and conditions of the issuance.

(t) Earnings per share

1. Basic earnings (losses) per share

(1) Net profit attributable to shareholders of the Company's common shares

	2023		
	Continuing operations	Discontinued operations	Total
Net profit (loss) attributable to shareholders of the Company's common shares	\$ <u>580,622</u>	<u>(45,869)</u>	<u>534,753</u>

	2022		
	Continuing operations	Discontinued operations	Total
Net profit (loss) attributable to shareholders of the Company's common shares	\$ <u>343,809</u>	<u>(27,496)</u>	<u>316,313</u>

(2) Weighted average number of common shares outstanding

	2023	2022
Weighted average number of common shares outstanding (thousand shares)	<u>96,002</u>	<u>111,975</u>

2. Diluted earnings (losses) per share

(1) Net profit attributable to shareholders of the Company's common shares (diluted)

	2023		
	Continuing operations	Discontinued operations	Total
Net profit (loss) attributable to shareholders of the Company's common shares	\$ <u>580,622</u>	<u>(45,869)</u>	<u>534,753</u>

	2022		
	Continuing operations	Discontinued operations	Total
Net profit (loss) attributable to shareholders of the Company's common shares	\$ <u>343,809</u>	<u>(27,496)</u>	<u>316,313</u>

(Continued)

# JIIN YEEH DING ENTERPRISE CORP. AND SUBSIDIARIES

## Notes to the Consolidated Financial Statements

### (2) Weighted average number of common shares outstanding (diluted)

	<u>2023</u>	<u>2022</u>
Weighted average number of common shares outstanding		
(thousand shares)	\$ 96,002	111,975
Impact of dilutive potential common shares		
Impact of employees' remuneration	883	880
Impact of the issuance of employee stock options	<u>90</u>	<u>124</u>
Weighted average number of common shares outstanding		
(after adjusting for the impact of dilutive potential		
common shares) (thousand shares)	<u><u>\$ 96,975</u></u>	<u><u>112,979</u></u>

For calculation of the dilution effect of employ stock options, the average market value is assessed based on the market price of the Group's shares during the period in which the stock options are outstanding.

### (u) Revenue from contracts with customers

#### (i) Disaggregation of revenue

	<u>2023</u>		
	<b>Continuing</b>	<b>Discontinued</b>	
	<b>operations</b>	<b>operations</b>	
	<b>(Unit Subject to</b>	<b>(Unit Subject to</b>	
	<b>Disposal)</b>	<b>Disposal)</b>	
<u>Primary geographical markets</u>	<u>Total</u>	<u>Total</u>	<u>Total</u>
China	\$ 994,962	126,937	1,121,899
Taiwan	1,113,186	-	1,113,186
Northeast Asia	753,658	-	753,658
Europe	258,381	-	258,381
Southeast Asia	538,279	-	538,279
	<u><u>\$ 3,658,466</u></u>	<u><u>126,937</u></u>	<u><u>3,785,403</u></u>
	<u>2022</u>		
	<b>Continuing</b>	<b>Discontinued</b>	
	<b>operations</b>	<b>operations</b>	
	<b>(Unit Subject to</b>	<b>(Unit Subject to</b>	
	<b>Disposal)</b>	<b>Disposal)</b>	
<u>Primary geographical markets</u>	<u>Total</u>	<u>Total</u>	<u>Total</u>
China	\$ 1,411,702	369,131	1,780,833
Taiwan	677,723	-	677,723
Northeast Asia	910,961	-	910,961
Europe	173,102	-	173,102
Southeast Asia	451,862	-	451,862
	<u><u>\$ 3,625,350</u></u>	<u><u>369,131</u></u>	<u><u>3,994,481</u></u>

(Continued)

# JIIN YEEH DING ENTERPRISE CORP. AND SUBSIDIARIES

## Notes to the Consolidated Financial Statements

<u>Major products/services lines</u>	<b>2023</b>		
	<b>Continuing operations</b>	<b>Discontinued operations (Unit Subject to Disposal)</b>	<b>Total</b>
Gold and mixed metal including gold	\$ 1,145,036	1,366	1,146,402
Copper	1,518,896	58,650	1,577,546
Other	994,534	66,921	1,061,455
	<b>\$ 3,658,466</b>	<b>126,937</b>	<b>3,785,403</b>

<u>Major products/services lines</u>	<b>2022</b>		
	<b>Continuing operations</b>	<b>Discontinued operations (Unit Subject to Disposal)</b>	<b>Total</b>
Gold and mixed metal including gold	\$ 1,171,095	2,194	1,173,289
Copper	1,272,160	176,127	1,448,287
Other	1,182,095	190,810	1,372,905
	<b>\$ 3,625,350</b>	<b>369,131</b>	<b>3,994,481</b>

(ii) Contract balances

	<b>December 31, 2023</b>	<b>December 31, 2022</b>	<b>January 1, 2022</b>
Note receivables	\$ 8	23	-
Trade receivables	274,671	153,328	-
Total	<b>\$ 274,679</b>	<b>153,351</b>	<b>-</b>

For details on trade receivables and allowance for impairment, please refer to note 6(c).

(v) Employee compensation and directors' and supervisors' remuneration

In accordance with the articles of incorporation the Company should contribute 6%~15% of the profit as employee compensation and less than 5% as directors' and supervisors' remuneration when there is profit for the year. However, if the Company has accumulated deficits, the profit should be reserved to offset the deficit. The amount of remuneration of each director and supervisor and of compensation for employees entitled to receive the abovementioned employee compensation is approved by the Board of Directors. The recipients of shares and cash may include the employees of the Company's affiliated companies who meet certain conditions.

(Continued)

## JIIN YEEH DING ENTERPRISE CORP. AND SUBSIDIARIES

### Notes to the Consolidated Financial Statements

For the years ended December 31, 2023 and 2022, the Company estimated its employee remuneration amounting to \$39,308 thousand and \$24,735 thousand, and directors' and supervisors' remuneration amounting to \$9,827 thousand and \$6,184 thousand, respectively. The estimated amounts mentioned above are calculated based on the net profit before tax, excluding the remuneration to employees, directors and supervisors of each period, multiplied by the percentage of remuneration to employees, directors and supervisors as specified in the Company's articles. These remunerations were expensed under operating costs or operating expenses during 2022 and 2021 and distributed entirely in cash. The numbers of shares to be distributed were calculated based on the closing price of the Company's ordinary shares, one day before the date of the meeting of Board of Directors, respectively. Related information would be available at the Market Observation Post System website. The amounts, as stated in the consolidated financial statements, are identical to those of the actual distributions for 2023 and 2022.

(w) Non-operating income and expenses

(i) Other income

Components of other income for the Group was as follows:

	<b>2023</b>		
	<b>Continuing operations</b>	<b>Discontinued operations (Unit Subject to Disposal)</b>	<b>Total</b>
Rent Income	\$ 7,104	-	7,104
Dividend income	6,449	-	6,449
Other income, others	21,347	1,126	22,473
	<b><u>\$ 34,900</u></b>	<b><u>1,126</u></b>	<b><u>36,026</u></b>
	<b>2022</b>		
	<b>Continuing operations</b>	<b>Discontinued operations (Unit Subject to Disposal)</b>	<b>Total</b>
Rent Income	\$ 6,990	-	6,990
Dividend income	6,205	-	6,205
Other income, others	5,006	4,530	9,536
	<b><u>\$ 18,201</u></b>	<b><u>4,530</u></b>	<b><u>22,731</u></b>

(Continued)

# JIIN YEEH DING ENTERPRISE CORP. AND SUBSIDIARIES

## Notes to the Consolidated Financial Statements

### (ii) Other gains and losses

Components of Other gains and losses for the Group were as follows :

	<b>2023</b>		
	<b>Continuing operations</b>	<b>Discontinued operations (Unit Subject to Disposal)</b>	<b>Total</b>
Gains on disposals of property, plant and equipment	\$ 188	-	188
Foreign exchange net gain or loss	19,390	(1,310)	18,080
Net gains on financial assets (liabilities) at fair value through profit or loss	290,290	-	290,290
Gains on disposal of investments	18,446	-	18,446
Other losses	(796)	(546)	(1,342)
	<b>\$ 327,518</b>	<b>(1,856)</b>	<b>325,662</b>

	<b>2022</b>		
	<b>Continuing operations</b>	<b>Discontinued operations (Unit Subject to Disposal)</b>	<b>Total</b>
Losses on disposals of property, plant and equipment	\$ -	8,882	8,882
Foreign exchange net gain or loss	58,041	(9,894)	48,147
Net losses on financial assets (liabilities) at fair value through profit or loss	31,331	-	31,331
Other losses	-	(2,795)	(2,795)
	<b>\$ 89,372</b>	<b>(3,807)</b>	<b>85,565</b>

### (iii) Finance costs

Components of finance costs were as follows:

	<b>2023</b>		
	<b>Continuing operations</b>	<b>Discontinued operations (Unit Subject to Disposal)</b>	<b>Total</b>
Interest expense	\$ 1,633	1,250	2,883

	<b>2022</b>		
	<b>Continuing operations</b>	<b>Discontinued operations</b>	<b>Total</b>
Interest expense	\$ 1,822	1,530	3,352

(Continued)

## JIIN YEEH DING ENTERPRISE CORP. AND SUBSIDIARIES

### Notes to the Consolidated Financial Statements

(iv) Interest income

Components of interest income for the Group were as follows:

	2023		
	Continuing operations	Discontinued operations (Unit Subject to Disposal)	Total
Interest income from bank deposits	\$ 13,952	6	13,958
Other interest income	11	-	11
	<u>\$ 13,963</u>	<u>6</u>	<u>13,969</u>
	2022		
	Continuing operations	Discontinued operations (Unit Subject to Disposal)	Total
Interest income from bank deposits	\$ 5,734	49	5,783
Other interest income	11	-	11
	<u>\$ 5,745</u>	<u>49</u>	<u>5,794</u>

(x) Financial instrument

(i) Credit risk

1) Credit risk exposure

As at reporting date December 31, 2023 and 2022, the Group's exposure to credit risk and the maximum exposure were mainly from the carrying amount of financial assets and contract assets recognized in the consolidated balance sheet.

2) Concentration of credit risk

As the Group has a large customer base and intends to reduce the credit risk, the Group monitors and reviews the recoverable amount of the trade receivables to ensure the uncollectible amount are recognized appropriately as impairment losses, always within the expectations of management. As of December 31, 2023 and 2022, the proportion of accounts receivable balances coming from major customers is 49% respectively, of trade receivables were the major customers. Thus, credit risk is significantly centralized.

# JIIN YEEH DING ENTERPRISE CORP. AND SUBSIDIARIES

## Notes to the Consolidated Financial Statements

### (ii) Liquidity risk

The following table shows the contractual maturities of financial liabilities, including estimated interest payments and excluding the impact of netting agreements.

	<b>Contractual cash flows</b>	<b>Within 1 year</b>	<b>1-2 years</b>	<b>2-5 years</b>	<b>Over 5 years</b>
<b>December 31, 2023</b>					
Non-derivative financial liabilities					
Liabilities without interest	\$ 135,417	135,417	-	-	-
Leased liabilities	33,302	17,371	7,450	2,280	6,201
Floating-rate instruments	118,422	30,284	16,914	71,224	-
Derivative financial liabilities					
Outflow	1,439	1,439	-	-	-
	<b>\$ 288,580</b>	<b>184,511</b>	<b>24,364</b>	<b>73,504</b>	<b>6,201</b>
<b>December 31, 2022</b>					
Non-derivative financial liabilities					
Liabilities without interest	\$ 185,456	185,456	-	-	-
Leased liabilities	47,222	17,085	15,773	7,586	6,778
Floating-rate instruments	20,882	4,147	10,396	6,339	-
Fixed rate instrument	102,802	102,802	-	-	-
Derivative financial liabilities					
Outflow	3,132	3,132	-	-	-
	<b>\$ 359,494</b>	<b>312,622</b>	<b>26,169</b>	<b>13,925</b>	<b>6,778</b>

The Group does not expect the cash flows included in the maturity analysis to occur significantly earlier or at significantly different amounts.

### (iii) Currency risk

#### 1) Exposure to foreign currency risk

The Group's significant exposure to foreign currency risk were as follows:

	<b>December 31, 2023</b>			<b>December 31, 2022</b>		
	<b>Foreign currency</b>	<b>Exchange rate</b>	<b>TWD</b>	<b>Foreign currency</b>	<b>Exchange rate</b>	<b>TWD</b>
<b>(in thousands)</b>						
<u>Financial assets</u>						
<u>Monetary items</u>						
USD	\$ 11,455	30.71	351,783	11,463	30.71	352,029
JPY	690,710	0.22	151,956	212,653	0.23	48,910
CNY	8,247	4.33	35,710	8,140	4.41	35,897
EUR	1,850	33.98	62,863	371	32.72	12,139
<u>Financial liabilities</u>						
<u>Monetary items</u>						
USD	118	30.71	3,623	1,460	30.71	44,837
JPY	-	-	-	192,821	0.23	44,349

(Continued)

## **JIIN YEEH DING ENTERPRISE CORP. AND SUBSIDIARIES**

### **Notes to the Consolidated Financial Statements**

#### **2) Sensitivity analysis**

The Group's exposure to foreign currency risk arises from the translation of the foreign currency exchange gains and losses on cash and cash equivalents, trade and other receivables, loans and borrowings; and trade and other payables that are denominated in foreign currency.

A strengthening (weakening) of 1% of the NTD against the USD, EUR, CNY and JPY as of December 31, 2023 and 2022 would have increased (decreased) the net profit after tax by \$5,987 thousand and \$3,598 thousand. The analysis assumes that all other variables remain constant and ignores any impact of forecasted sales and purchases.

#### **3) Exchange gain and loss of monetary items**

Since the Group has many kinds of functional currency, the information on foreign exchange gain (loss) on monetary items is disclosed by total amount. For years 2023 and 2022, foreign exchange gain (loss) (including realized and unrealized portions), Please refer to note 6(w) in detail.

#### **(iv) Interest rate analysis**

Please refer to the notes on liquidity risk management and interest rate exposure of the Group's financial assets and liabilities.

#### **(v) Other market price risk**

The Group is subject to the price of precious metals fluctuation, resulting in the risk of hedging its futures trades against market inventory price fluctuations.

For the years ended December 31, 2023 and 2022, the sensitivity analyses for the changes in the securities price at the reporting date were performed increase / decrease by 10% basis points, profit before tax would have decreased / increased by \$6,426 thousand and \$6,130 thousand.

#### **(vi) Fair value of financial instruments**

##### **1) Fair value hierarchy**

The fair value of financial assets and liabilities at fair value through profit or loss, financial instruments used for hedging, and financial assets at fair value through other comprehensive income is measured on a recurring basis. The carrying amount and fair value of the Group's financial assets and liabilities, including the information on fair value hierarchy were as follows; however, except as described in the following paragraphs, for financial instruments not measured at fair value whose carrying amount is reasonably close to the fair value, and lease liabilities, disclosure of fair value information is not required:

(Continued)

# JIIN YEEH DING ENTERPRISE CORP. AND SUBSIDIARIES

## Notes to the Consolidated Financial Statements

December 31, 2023					
	<u>Book Value</u>	<u>Fair Value</u>			<u>Total</u>
		<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	
Financial assets at fair value through profit or loss					
Derivative financial instruments – current	\$ 60,551	-	60,551	-	60,551
Current financial asset mandatorily measured at fair value through profit or loss	353,808	353,808	-	-	353,808
Non-current financial asset mandatorily measured at fair value through profit or loss	19,404	-	-	19,404	19,404
Subtotal	<u>\$ 433,763</u>	<u>353,808</u>	<u>60,551</u>	<u>19,404</u>	<u>433,763</u>
Financial liabilities at fair value through profit or loss					
Derivative financial instruments – current	<u>\$ (1,439)</u>	<u>-</u>	<u>(1,439)</u>	<u>-</u>	<u>(1,439)</u>
December 31, 2022					
	<u>Book Value</u>	<u>Fair Value</u>			<u>Total</u>
		<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	
Financial assets and liabilities at fair value through profit or loss					
Current financial asset mandatorily measured at fair value through profit or loss	\$ 12,150	12,150	-	-	12,150
Non-current financial asset mandatorily measured at fair value through profit or loss	163,786	-	-	163,786	163,786
Derivative financial instruments – non-current	58,100	-	58,100	-	58,100
Subtotal	<u>\$ 234,036</u>	<u>12,150</u>	<u>58,100</u>	<u>163,786</u>	<u>234,036</u>
Financial liabilities at fair value through profit or loss					
Derivative financial instruments – current	<u>\$ (3,132)</u>	<u>-</u>	<u>(3,132)</u>	<u>-</u>	<u>(3,132)</u>

(Continued)

## **JHIN YEEH DING ENTERPRISE CORP. AND SUBSIDIARIES**

### **Notes to the Consolidated Financial Statements**

#### **2) Valuation techniques for financial instruments measured at fair value**

##### **a) Non-derivative financial instruments**

If a financial instrument has an open quotation in the active market, the open quotation in the active market shall be taken as its fair value. The quoted market prices of major exchanges and central government bond over the counter trading centers judged to be popular securities are the basis for the fair value of listed (counter) equity instruments and debt instruments with active open market quotations.

A financial instrument is regarded as being quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency and those prices represent actual and regularly occurring market transactions on an arm's length basis.

For financial instruments held by the Group with active markets, their fair values are listed as follows according to their categories and attributes:

Domestic and foreign listed (counter) company stocks and domestic fund beneficiary certificates are financial assets that have standard terms and conditions and are traded in active markets, and their fair values are determined with reference to market quotes.

Measurements of fair value of financial instruments without an active market are based on a valuation technique or quoted price from a competitor. Fair value measured by a valuation technique can be extrapolated from similar financial instruments, the discounted cash flow method, or other valuation technique including a model using observable market data at the reporting date. (e.g. Taipei Exchange refers to the yield curve and the average quotation of the Reuters commercial promissory note interest rate)

If the financial instruments held by the Group have no active market, their fair values are listed as follows according to their categories and attributes:

Equity instruments without public quotation: The fair value is estimated using the market comparable company method. The main assumption is based on the net profit of the investor and the earnings multiplier derived from the market quotation of the comparable listed (counter) company. This estimate has been adjusted for the discount effect of the lack of market liquidity of the equity securities.

##### **b) Derivative financial instruments**

Measurement of the fair value of derivative instruments is based on the valuation techniques that are generally accepted by the market participants. For instance, discount method or option pricing models. Fair value of forward currency exchange is usually determined by using the forward currency rate.

(Continued)

# JIIN YEEH DING ENTERPRISE CORP. AND SUBSIDIARIES

## Notes to the Consolidated Financial Statements

### 3) Reconciliation of Level 3 fair values

	<b>At fair value through profit or loss</b>
	<b>Non-derivative mandatorily measured at fair value through profit or loss</b>
Opening balance at January 1, 2023	\$ 163,786
Total gains and losses recognized:	
In profit or loss	46,194
Disposal	(2,053)
Transferred from Level 3	(188,523)
Ending Balance at December 31, 2023	<b>\$ 19,404</b>
Opening balance at January 1, 2022	\$ 134,269
Total gains and losses recognized:	
In profit or loss	33,297
Purchased	(3,780)
Ending Balance at December 31, 2022	<b>\$ 163,786</b>

For the years ended December 31, 2023 and 2022, total gains and losses that was included in “other gains and losses” was as follows:

	<b>2023</b>	<b>2022</b>
Total gains and losses recognized:		
In profit or loss, and including “other gains and losses”	\$ 46,194	33,297

### 4) The quantified information for significant unobservable inputs (level 3) used in fair value measurement

The Group’s financial instruments that use level 3 input to measure fair values include financial assets at fair value through profit or loss — equity securities investment.

Most of fair value measurements of the Group which are categorized as equity investment into level 3 have several significant unobservable inputs. Significant unobservable inputs of equity investments without quoted price are independent of each other.

(Continued)

# JIIN YEEH DING ENTERPRISE CORP. AND SUBSIDIARIES

## Notes to the Consolidated Financial Statements

The quantified information for significant unobservable inputs was as follows:

Item	Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
Financial assets at fair value through other comprehensive income—equity investment without an active market	Comparable market approach	<ul style="list-style-type: none"> <li>Company value multiplier (2.83 and 3.05 respectively, on December 31, 2023 and 2022)</li> <li>Price-to-Earning Ratio (19.33 and 16.89~17.56 respectively, on December 31, 2023 and 2022)</li> <li>Price Book ratio (3.02 and 3.75 respectively, on December 31, 2023 and 2022)</li> <li>Lack-of-Marketability discount rate (12.64% and 10%~12.64% respectively, on December 31, 2023 and 2022)</li> </ul>	<ul style="list-style-type: none"> <li>The higher the multiplier is, the higher the fair value will be.</li> <li>The higher the Price-to-Earning Ratio is, the higher the fair value will be.</li> <li>The higher the Price-Book ratio is, the higher the fair value will be.</li> <li>The higher the Lack-of-Marketability discount rate is, the lower the fair value will be.</li> </ul>

### 5) Sensitivity analysis for fair value of financial instruments using level 3 inputs

The Group's fair value measurement on financial instruments is reasonable. However, the measurement would be different if different valuation models or valuation parameters are used. For financial instruments using level 3 inputs, if the valuation parameters changed, the impact on other comprehensive income or loss are as follows:

		Move up	Profit or loss		Other comprehensive income	
	Input	or down	Favorable	Unfavorable	Favorable	Unfavorable
December 31, 2023						
Financial assets at fair value through profit or loss						
Equity investments without active market	Company value multiplier/PE ratio/PB ratio/	1%	1,98	(198)	-	-
	Discount rate	1%	222	(222)	-	-
December 31, 2022						
Financial assets at fair value through profit or loss						
Equity investments without active market	Company value multiplier/PE ratio/ PB ratio	1%	1,629	(1,629)	-	-
	Discount rate	1%	1,828	(1,828)	-	-

The favorable and unfavorable effects represent the changes in fair value, and fair value is based on a variety of unobservable inputs calculated using a valuation technique. The analysis above only reflects the effects of changes in a single input, and it does not include the interrelationships with another input.

(Continued)

## **JIIN YEEH DING ENTERPRISE CORP. AND SUBSIDIARIES**

### **Notes to the Consolidated Financial Statements**

#### **(y) Financial risk management**

##### **(i) Overview**

The Group have exposures to the following risks from its financial instruments:

- 1) Credit risk
- 2) Liquidity risk
- 3) Market risk

The following likewise discusses the Group's objectives, policies and processes for measuring and managing the above mentioned risks. For more disclosures about the quantitative effects of these risk exposures, please refer to the respective notes in the accompanying consolidated financial statements.

##### **(ii) Structure of risk management**

The Board of Directors has responsibility for the establishment and oversight of the risk management framework.

The Group's risk management policies are established to identify and analyze the risks faced by the Group, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Board of Directors of the Group oversees how management monitors compliance with the Group's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Group. The Board of Directors of the Group is assisted in its oversight role by Internal Audit. Internal Audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the Board of Directors.

##### **(iii) Credit risk**

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers.

##### **1) Trade and other receivable**

To mitigate credit risk, the Group has established credit extension and accounts receivable management procedures to ensure that appropriate actions are taken for the collection of overdue receivables. In addition, the Group will review the recoverable amounts of receivables on a case-by-case basis on the balance sheet date to ensure that appropriate impairment losses have been provided for unrecoverable receivables. Accordingly, the management of the Group believes that the credit risk of the Group has been significantly reduced.

In addition, because the counterparty of current assets and derivative financial instruments is a bank with good credit, the credit risk is limited.

(Continued)

## JIIN YEEH DING ENTERPRISE CORP. AND SUBSIDIARIES

### Notes to the Consolidated Financial Statements

Trade receivable cover a wide range of customers, dispersed in different industries and geographical regions. The Group continuously evaluates the financial position of trade receivable customers.

(iv) Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it always has sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

(v) Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates and equity prices, will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

(z) Capital management

The Group's objectives for managing capital to safeguard the capacity to continue to operate, to continue to provide a return on shareholders, to maintain the interest of other related parties, and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the dividend payment to the shareholders, reduce the capital for redistribution to shareholders, issue new shares, or sell assets to settle any liabilities.

The Group and other entities in the same industry use the debt-to-equity ratio to manage capital. This ratio is the total net debt divided by the total capital. The net debt from the balance sheet is derived from the total liabilities less cash and cash equivalents. The total capital and equity include share capital, capital surplus, retained earnings, and other equity.

The Group's debt-to-equity ratio at the end of the reporting period as of December 31, 2023 and 2022 were as follows:

	<b>December 31, 2023</b>	<b>December 31, 2022</b>
Total liabilities	\$ 453,074	561,277
Less: cash and cash equivalents	(631,532)	(738,386)
Net debt	<u>\$ (178,458)</u>	<u>(177,109)</u>
Total equity	<u>\$ 2,950,131</u>	<u>2,623,287</u>
Debt-to-equity ratio at December 31	<u>(7.20)%</u>	<u>(7.24)%</u>

(aa) Investing and financing activities not affecting current cash flow

The Group's investing and financing activities which did not affect the current cash flow in 2022 and 2021 were as follows:

- (i) For the acquisition of right-of-use assets via lease Please refer to note 6(j) in detail.
- (ii) Reconciliation of liabilities arising from financing activities were as follows:

(Continued)

# JIIN YEEH DING ENTERPRISE CORP. AND SUBSIDIARIES

## Notes to the Consolidated Financial Statements

			Non cash changes		
	January 1, 2023	Cash flows	Foreign exchange movement	changes in lease payments	December 31, 2023
Long-term borrowing (Including maturities less than one year)	\$ 20,584	95,631	-	-	116,215
Short-term borrowing	85,906	(81,029)	(4,877)	-	-
Lease liabilities	45,124	(17,502)	61	4,396	32,079
Total liabilities from financing activities	<u>\$ 151,614</u>	<u>(2,900)</u>	<u>(4,877)</u>	<u>4,396</u>	<u>148,294</u>
			Non cash changes		
	January 1, 2022	Cash flows	Foreign exchange movement	changes in lease payments	December 31, 2022
Short-term borrowings (Including maturities less than one year)	\$ -	20,584	-	-	20,584
Lease liabilities	92,652	(6,818)	72	-	85,906
Cooperate bonds	48,585	(16,002)	3,429	9,112	45,124
Total liabilities from financing activities	<u>\$ 141,237</u>	<u>(2,236)</u>	<u>3,501</u>	<u>9,112</u>	<u>151,614</u>

### (7) Related-party transactions:

#### (a) Names and relationship with related parties

The following are entities that have had transactions with related party during the periods covered in the consolidated financial statements.

Name of related party	Relationship with the Group
Yeeh Ding Corporation	The Director of the Company
Su Fong Enterprise Co., Ltd.	An affiliate of the Company
Chuang, Ching-Chi	The Chairman of the Company
Chuang, Jui-Yuan	The General Manager of the Company
Chuang, Jui-Lung	The Chairman of the subsidiary

#### (b) Significant transactions with related parties

##### 1. Operating Costs

	Operating Costs		Trade Payables	
	2023	2022	December 31, 2022	December 31, 2021
Associate – Su Fong Enterprise	<u>\$ 46,709</u>	<u>18,119</u>	<u>-</u>	<u>1,485</u>

The Group has commissioned Su Fong Enterprise to manufacture plastic pellets on an OEM basis since July 2022. The Group's OEM prices for the above-mentioned associate does not materially differ from the OEM prices of general manufacturers. Payment terms are payment within 7 days after acceptance.

(Continued)

# JIIN YEEH DING ENTERPRISE CORP. AND SUBSIDIARIES

## Notes to the Consolidated Financial Statements

	Operating Costs - Labor		Trade Receivables	
	Deductions			
	2023	2022	December 31, 2022	December 31, 2021
Associate—Su Fong Enterprise	\$ 3,736	1,396	28	448

The Group provides personnel secondment to the above-mentioned affiliated enterprises.

### (ii) Guarantee

As of December 31, 2022, The Chairman, Chuang, Jui-Lung, has provided guarantees for the subsidiary, Grand Tone Enterprise Co., Ltd., was loaned from financial institutions. As of December 31, 2023, there were no such conditions.

### (iii) Leases

In May 2018, the Groups rented the land for parking of the business cars from Yeeh Ding Corporation. A lease contract was signed, in which the rental fee is determined based on nearby rental rates. For the year ended December 31, 2023 and 2022, the Group recognized the amount of \$19 thousand and \$21 thousand as interest expense, respectively. As of December 31, 2023 and 2022, the balance of lease liabilities amounted to \$1,190 thousand and \$1,343 thousand, respectively.

### (iv) Property transactions

In June 2023, the Group sold agricultural land in the Haishan Section of Hsinchu City to the Company's Chairman Chuang, Ching Chi. The land area was 2,040.99 square meters and the total price was NT\$2,645 thousand. The transfer process was completed in July 2023. Payment has been fully collected for the sale of the land, and the proceeds from the disposal of property, plant and equipment amounted to NT\$188,000 are accounted for under Other Gains and Losses.

### (c) Key management personnel transactions

	2023	2022
Short-term employee benefits	\$ 38,001	30,534
Termination benefits	537	567
Total	\$ 38,538	31,101

The above amount does not include vehicle and seat rental fees. As of December 31, 2023, and December 31, 2022, the Group provided one and two vehicles for rental, with original costs of \$1,500 thousand and \$3,292 thousand, respectively.

(Continued)

## JIIN YEEH DING ENTERPRISE CORP. AND SUBSIDIARIES

### Notes to the Consolidated Financial Statements

#### (8) Pledged assets:

The following assets of the Groups have been provided as collateral for customs duties, purchase guarantees, futures guarantees and land:

Assets name	Pledged items	December 31, 2023	December 31, 2022
Other current financial assets	Customs duties and purchase guarantees	\$ 36,135	59,005
Other current financial assets	Futures guarantees	37,417	39,310
Land	Long-term borrowing	92,404	92,404
		<u><u>\$ 165,956</u></u>	<u><u>190,719</u></u>

#### (9) Commitments and contingencies:

Material unrecognized contractual commitments:

	112.12.31	111.12.31
Acquisition of land	\$ 93,653	93,653
Acquisition of equipment	111,910	-
	<u><u>\$ 205,563</u></u>	<u><u>93,653</u></u>

The Group acquired industrial land in the Lunwei West District of the Changbin Industrial Zone in August 2020. The total contract price was approximately \$117,066 thousand. The first installment of \$23,413 thousand was paid in November 2020 (recorded as other non-current assets, prepayment for land). The land development project is expected to be completed in the first half of 2024, with the land being handed over to the Group for factory use. The remaining second installment of land price, approximately \$93,653 thousand, and the industrial park development and management fund of approximately \$1,171 thousand, are expected to be paid in the future. An additional deposit of approximately \$11,707 thousand (10% of the total contract price) is required, which can be refunded after obtaining the permit for use.

The Group is building a solar photovoltaic system, and the total contract price for this equipment project is approximately \$77,293 thousand. As of December 31, 2023, \$42,511 thousand had been paid (accounted for under non-current assets, prepaid equipment), and the remaining future amount payable is approximately \$34,782 thousand.

The Group is expanding the Xibin No. 2 Factory, and the total purchase price of machinery and equipment is expected to be approximately \$115,280 thousand. As of December 31, 2023, \$38,152 thousand had been paid and the remaining future amount payable was approximately \$77,128 thousand.

#### (10) Losses Due to Major Disasters: None

#### (11) Subsequent Events:

The Group established JYD Apollo Solutions, Inc. on January 1, 2024, and obtained 100% of the equity. On March 20, 2024, it remitted investment funds totaling US\$2,000 thousand.

(Continued)

# JIIN YEEH DING ENTERPRISE CORP. AND SUBSIDIARIES

## Notes to the Consolidated Financial Statements

### (12) Other:

(a) A summary of current period employee benefits, depreciation, and amortization, by function, is as follows:

By function By item	2023						2022					
	Cost of Sale		Operating Expense		Total		Cost of Sale		Operating Expense		Total	
	Continuing operations	Discontinued operations	Continuing operations	Discontinued operations	Continuing operations	Discontinued operations	Continuing operations	Discontinued operations	Continuing operations	Discontinued operations	Continuing operations	Discontinued operations
Employee benefits expense												
Salary	73,777	-	110,093	9,834	187,870	9,834	59,420	107	107,158	10,311	166,578	10,418
Labor and health insurance	6,136	-	5,808	336	11,944	336	5,449	-	5,680	552	11,129	532
Pension	2,479	-	3,407	616	5,886	616	2,395	-	2,063	928	4,458	928
Remuneration of directors	-	-	12,840	-	12,840	-	-	-	9,720	-	9,720	-
Others	3,374	-	2,169	444	5,543	444	3,589	-	1,993	633	5,582	633
Depreciation	44,522	-	4,684	14,248	49,206	14,248	40,389	-	4,966	19,301	45,355	19,301
Amortization	-	-	261	3	261	3	-	-	270	5	270	5

### (b) Discontinued operation (Unit Subject to Disposal):

As mentioned in note 6(h), the Group's Board of Directors made a decision on August 2021 to dispose equity in subsidiary, Lianyungang Rongding Metal Co., Ltd., and it has been classified as discontinued operation (Unit Subject to Disposal) and the discontinued operation is shown separately from continuing operations.

Profit and loss, and cash flows from (used in) discontinued operations are summarized as follows:

	2023	2022
Operating revenues	\$ 126,937	369,131
Operating costs	(122,025)	(348,653)
Operating expenses	(33,645)	(47,216)
Operating losses	(28,733)	(26,738)
Non-operating income and expenses	(1,974)	(758)
Loss before income tax	(30,707)	(27,496)
Income tax expenses	(15,162)	-
Loss for the year	<u>\$ (45,869)</u>	<u>(27,496)</u>
Basic losses per share	<u>\$ (0.48)</u>	<u>(0.25)</u>
Diluted losses per share	<u>\$ (0.47)</u>	<u>(0.24)</u>
Cash outflows to discontinued operation:		
Net cash outflow from (used in) operating activities	\$ (753)	(9,257)
Net cash outflow to investing activities	-	(109)
Effect of exchange rate changes	(71)	231
Net cash outflow inflow	<u>\$ (824)</u>	<u>(9,135)</u>

(Continued)

# JIIN YEEH DING ENTERPRISE CORP. AND SUBSIDIARIES

## Notes to the Consolidated Financial Statements

### (13) Other disclosures:

#### (a) Information on significant transactions:

As of December 31, 2021, the following is the information on significant transactions required by the “Regulations Governing the Preparation of Financial Reports by Securities Issuers” for the Group:

#### (i) Loans to other parties:

Number	Name of lender	Name of borrower	Account name	Related party	Highest balance of financing to other parties during the period	Ending balance	Actual usage amount during the period	Range of interest rates during the period	Purposes of fund financing for the borrower	Transaction amount for business between two parties	Reasons for short-term financing	Allowance for bad debt	Collateral		Individual funding loan limits	Maximum limit of fund financing
													Item	Value		
0	The Company	Lianyungang Rongding Metal Co., Ltd.	Other accounts receivable	No (Note 4)	18,722	-	-	-%	1	19,910		-		-	295,013	1,180,052

Note 1: The numbers filled in as follows:

1. 0 represents the Company.
2. Subsidiaries are sorted in a numerical order starting from 1.

Note 2: Reference for the Nature loan column

- The borrower has business contact with the creditor.
- The borrower has short-term financial necessities.

Note 3: The total amount of loans to others shall not exceed 40% of the net worth of the Company. The total amount for lending to any company shall not exceed 10% of the net worth of the Company. When Gold Finance Limited directly and indirectly reinvests 100% of its overseas subsidiaries and engages in fund loans, and the total amount for lending the borrower shall not exceed 100% of the net worth of Gold Finance Limited.

Note 4: The sale of Lianyungang Rongding Metal Co., Ltd. was completed on September 25, 2023, and relevant legal procedures for the buyer's equity transfer were completed on October 9, 2023.

#### (ii) Guarantees and endorsements for other parties:

No.	Name of guarantor	Counter guarantee and endorsement-party of		Limitation on amount of guarantees and endorsements for a specific enterprise	Highest balance for guarantees and endorsements during the period	Balance of guarantees and endorsements as of reporting date	Actual usage amount during the period	Property pledged for guarantees and endorsements (Amount)	Ratio of accumulated amounts of guarantees and endorsements to net worth of the latest financial statements	Maximum amount for guarantees and Endorsement	Parent company endorsements guarantees to third parties on behalf of subsidiary	Subsidiary endorsements guarantees to third parties on behalf of parent company	Endorsements guarantees to third parties on behalf of companies in Mainland China
		Name	Relationship with the Company										
0	The Company	Yuan Rui Recycling Technology Co., Ltd.	2	885,039	184,230 (USD6,000)	184,230 (USD 6,000)	-	-	6.24%	1,475,065	Y	N	N
0	The Company	Jiin Yeeh ding (H.K.) Enterprise Limited	2	885,039	245,640 (USD8,000)	245,640 (USD8,000)	-	-	6.24%	1,475,065	Y	N	N

Note 1: The numbers filled in as follows:

1. 0 represents the Company.
2. Subsidiaries are sorted in a numerical order starting from 1.

Note 2: The relationship between the endorser /guarantor and the endorsed guarantor has the following 7 types, just indicate the type:

1. Having business relationship.
2. The borrower has short-term financial necessities.
3. The endorser /guarantor parent company directly and indirectly holds more than 50 % of voting shares of the endorser /guarantor subsidiary.
4. The endorser /guarantor company and the endorsed/guaranteed party both be held more than 90% by the parent company.
5. Company that is mutually protected under contractual requirements based on the needs of the contractor.
6. Company that is endorsed by its shareholders in accordance with its shareholding ratio because of the joint investment relationship.
7. Performance guarantees for pre-sale contracts under the Consumer Protection Act.

Note 3: The endorsement /guarantee provided to individual guarantee party shall not exceed 30% of the most recent audited net worth of the Company.

Note 4: The total endorsement /guarantee of the Company to others shall not exceed 50% of the most recent audited net worth of the Company.

Note 5: If the amounts were based on foreign currencies, please refer to the spot exchange rate on the financial statement date (exchange rate on December 31,2023 is USD/NTD: 30.705)

(Continued)

# JIIN YEEH DING ENTERPRISE CORP. AND SUBSIDIARIES

## Notes to the Consolidated Financial Statements

(iii) Securities held as of December 31, 2022 (excluding investment in subsidiaries, affiliates and joint ventures):

Name of holder	Category and name of security	Relations hip with company	Account title	Ending balance				Highest Percentage of ownership (%)	Note
				Shares/Units (thousands)	Carrying value	Percentage of ownership (%)	Fair value		
The Company	Chung Tai Resource Technology Corp.	-	Non-current financial assets at fair value through other comprehensive income	2,975	318,408	3.60%	318,408	4.78%	
The Company	Foxtron Vehicle Technologies Co., Ltd.	-	Non-current financial assets at fair value through other comprehensive income	500	22,300	0.03%	22,300	0.03%	
Hung Wei Development Co., Ltd.	Amia Co., Ltd.	-	Current financial assets at fair value through other comprehensive income	500	13,100	0.71%	13,100	0.71%	
Hung Wei Development Co., Ltd.	Zung Fu Co., Ltd.	-	Non-current financial assets at fair value through other comprehensive income	1,099	19,404	1.55%	19,404	1.55%	

- (iv) Individual securities acquired or disposed of with accumulated amount exceeding the lower of NT\$300 million or 20% of the capital stock: None
- (v) Acquisition of individual real estate with amount exceeding the lower of NT\$300 million or 20% of the capital stock: None
- (vi) Disposal of individual real estate with amount exceeding the lower of NT\$300 million or 20% of the capital stock: None
- (vii) Related-party transactions for purchases and sales with amounts exceeding the lower of NT\$300 million or 20% of the capital stock: None
- (viii) Receivables from related parties with amounts exceeding the lower of NT\$100 million or 20% of the capital stock: None
- (ix) Trading in derivative instruments: Please refer to notes 6(b).
- (x) Business relationships and significant intercompany transactions (Only disclose those transaction amount over one million dollars):

No.	Name of company	Name of counter-party	Nature of relationship	Intercompany transactions			
				Account name	Amount	Trading terms	Percentage of the consolidated net revenue or total assets
0	The Company	Grand Tone Enterprise Co., Limited	1	Sales revenue	26,180	Open account 30 days	0.72%
0	The Company	Grand Tone Enterprise Co., Limited	1	Operating cost	111,865	Open account 55 days	3.06%
0	The Company	Grand Tone Enterprise Co., Limited	1	Accounts receivable	3,616	Open account 30 days	0.11%
0	The Company	Grand Tone Enterprise Co., Limited	1	Trade payable	13,717	Open account 60 days	0.40%
0	The Company	Jiin Yeeh Ding (H.K.) Enterprises Limited	1	Other income	4,606	Open account 60 days	0.13%
0	The Company	Yuan Rui Recycling Technology Co., Ltd	1	Other income	1,940	Open account 60 days	0.05%
0	The Company	Lianyungang Rongding Metal Co., Ltd.	1	Other income	1,239	Open account 120 days	0.03%
2	Grand Tone Enterprise Co., Ltd.	Jiin Yeeh Ding (H.K.) Enterprises Limited	3	Other income	2,420	Open account 60 days	0.07%
2	Grand Tone Enterprise Co., Ltd.	Lianyungang Rongding Metal Co., Ltd.	3	Other income	1,599	Open account 60 days	0.04%

Note 1: The numbers filled in as follows:

- 1. 0 represents the Company.
- 2. Subsidiaries are sorted in a numerical order starting from 1.

Note 2: Transactions labeled as follows:

- 1. represents transactions between the parent company and its subsidiaries.
- 2. represents transactions between the subsidiaries and the parent company.
- 3. represents transactions between the subsidiaries and the parent company.

Note 3: The business relationship and important transactions between the parent company and the subsidiary company only disclose the parent company's sales and accounts receivable information, and its purchases and accounts payable to the other party will not be repeated.

Note 4: The transaction had been eliminated in the consolidated financial statements.

(Continued)

# JIIN YEEH DING ENTERPRISE CORP. AND SUBSIDIARIES

## Notes to the Consolidated Financial Statements

(b) Information on investees:

The following is the information on investees for the years ended December 31, 2023 (excluding information on investees in Mainland China):

Name of investor	Name of investee	Location	Main businesses and products	Original investment amount		Balance as of December 31, 2022			Highest Percentage of ownership	Net income (losses) of investee	Share of profits/losses of investee	Note
				December 31, 2021	December 31, 2020	Shares (thousands)	Percentage of ownership	Carrying value				
The Company	GOLD FINANCE LIMITED	Samoa	Investment	1,069,602	1,069,602	19,661	100.00%	415,272	100.00%	56,343	56,343	Subsidiaries
The Company	Grand Tone Enterprise Co., Limited	Taiwan	Waste removal	145,000	145,000	(Note 1)	100.00%	169,146	100.00%	18,411	18,415(Note 2)	Subsidiaries
The Company	Hung Wei Development Co., Ltd.	Taiwan	Real estate development	100,000	100,000	10,000	100.00%	80,159	100.00%	(2,817)	(2,817)	Subsidiaries
The Company	Su Fong Enterprise Co., Ltd.	Taiwan	Manufacturing of plastic products	20,000	20,000	2,000	40.00%	16,809	40.00%	4,215	1,686	Associate
The Company	Jiin Yeeh Ding (H.K.) Enterprises Limited	Hong Kong	Waste removal	274,364	-	(Note 3)	100.00%	561,647	100.00%	-	-	Subsidiaries
GOLD FINANCE LIMITED	Jiin Yeeh Ding (H.K.) Enterprises Limited	Hong Kong	Waste removal	-	274,364	(Note 3)	-%	-	100.00%	28,289	28,289	Subsidiaries
GOLD FINANCE LIMITED	Shing Jung Recycling Technology Co., Limited	Hong Kong	Investment	674,925	674,925	(Note 1)	100.00%	109,512	100.00%	(5,900)	(5,900)	Subsidiaries
GOLD FINANCE LIMITED	Yuan Rui Recycling Technology Co., Limited	Hong Kong	Trade	29,476	29,476	(Note 1)	100.00%	94,855	100.00%	24,502	24,502	Subsidiaries
GOLD FINANCE LIMITED	New Yuan Rui Recycling Technology Co., Limited	Hong Kong	Trade	-	-	(Note 5)	100.00%	-	100.00%	-	-	Subsidiaries

Note 1: It is a limited company with only capital contribution and no shares.

Note 2: The difference between profit and loss of the investee company for the period and investment gains and losses recognized in this period is mainly due to the unrealized gains from the sale of transportation equipment.

Note 3: On December 11, 2023, the Company underwent an organizational restructuring to streamline the investment structure and reduce management costs. As a result, the Company replaced its previous investment in Jiin Yeeh Ding (H.K.) through GOLD FINANCE LIMITED with a direct investment in Jiin Yeeh Ding (H.K.).

Note 4: The transaction had been eliminated in the consolidated financial statements except Su Fong Enterprise Co., Ltd.

Note 5: The Group initiated the establishment of New Yuan Rui Co., Ltd. (H.K.) on December 7, 2023.

(c) Information on investment in mainland China:

(i) The names of investees in Mainland China, the main businesses and products, and other information:

Name of investee	Main businesses and products	Total amount of paid-in capital	Method of investment (Note 1)	Accumulated outflow of investment from Taiwan as of January 1, 2022	Investment flows		Accumulated outflow of investment from Taiwan as of December 31, 2022	Net income (losses) of the investee	Percentage of ownership	Investment income (losses)	Book value	Highest Percentage of ownership	Accumulated remittance of earnings in current period
					Outflow	Inflow							
Lianyungang Rongding Metal Co., Ltd.	Production and sales of copper, gold, silver and palladium	794,799 USD25,885	(2)	674,925 USD21,385	-	-	674,925 USD 21,385	-	-%	-%	-	-	-

(ii) Limitation on investment in Mainland China:

Accumulated Investment in Mainland China as of December 31, 2023 (Note 3)	Investment Amounts Authorized by Investment Commission, MOEA (Note 3)	Upper Limit on Investment (Note 4)
738,578 (USD 24,054 thousand)	741,434 (USD 24,147 thousand)	1,770,078

Note 1: Method of Investment:

Type1: Indirectly investment in Mainland China through companies remit money in the third region.

Type2: Indirectly investment in Mainland China through companies registered in the third region.

Type3: Indirectly investment in Mainland China through an existing company registered in the third region.

Type4: Directly investment in Mainland China.

Note 2: It is calculated based on the financial statements reviewed by the accountant during the same period. In addition, the conversion is based on the announced exchange rate.

Note 3: The amounts in New Taiwan Dollars were translated at the exchange rates at the balance sheet date or the average exchange rate.

Note 4: It is calculated in accordance with the "Principles for the Review of Investment or Technical Cooperation in Mainland China" revised by the Investment Review Committee on August 29, 2008 to 60% of the net value.

Note 5: The Group disposed of all its shares in Lianyungang Rongding Metal Co. on September 25, 2023.

(iii) Significant transactions:

For the year ended December 31, 2022, the significant inter-company transactions with the subsidiary in Mainland China, which were eliminated in the preparation of consolidated financial statements, are disclosed in "Information on significant transactions".

(Continued)

# JIIN YEEH DING ENTERPRISE CORP. AND SUBSIDIARIES

## Notes to the Consolidated Financial Statements

(d) Major shareholders:

Shareholder's Name	Shareholding	Shares	Percentage
YEEH DING CORP.		11,727,421	12.20%
Zhuang, Rui-Yuan		5,323,913	5.54%

Note: (1) The information on major shareholders in this table is calculated by Taiwan Depository & Clearing Corporation on the last business day at the end of each quarter, showing who holds more than 5% of the common shares and preferred shares that have been delivered (including treasury shares) without physical registration. Due to different calculation bases, there may be differences between the share capital recorded in the company's financial report and the actual number.

(2) If the above-mentioned information is that the shareholders hand over the shares to the trust, it will be disclosed by the special account opened by the trustee. As for the insider equity declaration of shareholders holding more than 10%, according to the Securities and Exchange Act, their shareholding includes the shares held by themselves plus the shares that they have delivered to the trust, having the right to exercise decision-making power over the trust property, etc., please refer to Public Information Observatory for the information on the declaration of insider equity.

### (14) Segment information:

(a) General information

The Group have similar economic characteristics and use similar manufacturing processes and produce similar products. Therefore, the Group reported by a single operating department. In addition, the information on the consolidated company's departmental profit and loss, department assets and department liabilities are consistent with the consolidated financial report. Please refer to the Consolidated Balance Sheet and the Consolidated Statements of Comprehensive Income.

(b) Information about reportable segments and their measurement and reconciliations

The Group's operating segment information and reconciliation are as follows:

	2023		
	Continuing operations	Discontinued operations	Total
Gold and mixed metal including gold \$	1,145,036	1,366	1,146,402
Copper	1,518,896	58,650	1,577,546
Others	994,534	66,921	1,061,455
	<b>\$ 3,658,466</b>	<b>126,937</b>	<b>3,785,403</b>

	2022		
	Continuing operations	Discontinued operations	Total
Gold and mixed metal including gold \$	1,171,095	2,194	1,173,289
Copper	1,272,160	176,127	1,448,287
Others	1,182,095	190,810	1,372,905
	<b>\$ 3,625,350</b>	<b>369,131</b>	<b>3,994,481</b>

(Continued)

# JIIN YEEH DING ENTERPRISE CORP. AND SUBSIDIARIES

## Notes to the Consolidated Financial Statements

### (c) Geographic information

In presenting information on the basis of geography, segment revenue is based on the geographical location of customers and segment assets are based on the geographical location of the assets.

<b>Geographical information</b>	<b>2023</b>		
	<b>Continuing operations</b>	<b>Discontinued operations</b>	<b>Total</b>
Revenue from external:			
China	\$ 994,962	126,937	1,121,899
Taiwan	1,113,186	-	1,113,186
Japan	753,658	-	753,658
Belgium	258,381	-	258,381
Others	538,279	-	538,279
<b>Total</b>	<b>\$ 3,658,466</b>	<b>126,937</b>	<b>3,785,403</b>

<b>Geographical information</b>	<b>2022</b>		
	<b>Continuing operations</b>	<b>Discontinued operations</b>	<b>Total</b>
Revenue from external:			
China	\$ 1,411,702	369,131	1,780,833
Taiwan	677,723	-	677,723
Japan	910,961	-	910,961
Belgium	173,102	-	173,102
Others	451,862	-	451,862
<b>Total</b>	<b>\$ 3,625,350</b>	<b>369,131</b>	<b>3,994,481</b>

<b>Geographical information</b>	<b>December 31, 2023</b>		
	<b>Continuing operations</b>	<b>Discontinued operations</b>	<b>Total</b>
Non-current assets			
China	\$ 181,364	-	181,364
Taiwan	649,321	-	649,321
<b>Total</b>	<b>\$ 830,685</b>	<b>-</b>	<b>830,685</b>

(Continued)

# JIIN YEEH DING ENTERPRISE CORP. AND SUBSIDIARIES

## Notes to the Consolidated Financial Statements

<u>Geographical information</u>	<b>December 31, 2022</b>		
	<b>Continuing operations</b>	<b>Discontinued operations</b>	<b>Total</b>
Non-current assets :			
China	\$ 200,824	153,384	354,208
Taiwan	516,512	-	516,512
Total	<b>\$ 717,336</b>	<b>153,384</b>	<b>870,720</b>

Non-current assets include property, plant and equipment, investment property, intangible assets, and other assets, not including financial instruments, deferred tax assets, pension fund assets, and rights arising from an insurance contract (non-current).

(d) Major customers

The details of sales revenue from external customers more than 10% of the amount of consolidated statement of comprehensive income are as follows in 2023 and 2022:

<u>Customer name</u>	<b>2023</b>	<b>2022</b>
A Company	\$ 689,480	862,682
B Company	669,507	637,390
F Company	414,708	-
D Company	282,256	469,500
	<b>\$ 2,055,951</b>	<b>1,969,572</b>

## **V. Parent Company Only Financial Statements and Accountant's Audit Report:**

### **Independent Auditors' Report**

To the Board of Directors of Jiin Yeeh Ding Enterprise Corp.:

#### **Opinion**

We have audited the financial statements of Jiin Yeeh Ding Enterprise Corp. ("the Company"), which comprise the balance sheets as of December 31, 2023 and 2022, the statements of comprehensive income, changes in equity and cash flows for the years then ended and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2023 and 2022, and its financial performance and its cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

#### **Basis for Opinion**

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

#### **Key Audit Matters**

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

## 1. Inventory valuation

Please refer to note 4(g) "Inventories", note 5(a) "Valuation of inventories" and note 6(e) "Inventories" to the financial statements.

Description of key audit matter:

The Company is operating professional electronic waste recycling and treatment business. Inventories are measured at the lower of cost and net realizable value. The main content of inventories are precious metals (copper, gold, silver, palladium, etc.), which have risk of impairment due to market price fluctuation. Therefore, inventory valuation is one of the important issues in performing audit of the financial statement of the Company.

How the matter was addressed in our audit:

Our principal audit procedures to the key audit matter mentioned above included: understanding the Company's policies regarding inventory impairment loss recognition; selecting proper samples in assessing whether the established accounting policies had been implemented accordingly; check the calculation of allowance for inventory impairment prepared by management, select items to check the data resource of its net realizable value and verify supporting documents, recalculate the amount of allowance for inventory impairment to assess whether it is reasonable.

## 2. Revenue Recognition

Please refer to note 4(n) "Revenue" and note 6(s) "Revenue from contracts with customers" to the financial statements.

Description of key audit matter:

The Company is operating professional electronic waste recycling and treatment business. Operating revenue is one of the most significant accounts to the financial statements. It matters to financial statements that whether revenue is recognized at proper timing and whether it is complete. Therefore, revenue recognition is one of the important issues in performing audit of the financial statement of the Company.

How the matter was addressed in our audit:

Our principal audit procedures to the key audit matter mentioned above included: understanding the Company's policies regarding revenue recognition and matching them to the sales terms to see if the applicable policies are reasonable; understanding and testing internal control of sales and collection cycle for effectiveness of its design and implementation; selecting sales transactions to check its supporting documents such as customer orders and shipment documentations; selecting sales transactions before and after cutoff date to check supporting documents of shipment and sales terms to verify if they are recorded in proper period.

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with 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 financial statements that are free from material misstatement, whether due to fraud or error.

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

Those charged with governance (including the Audit Committee) are responsible for overseeing the Company's financial reporting process.

## **Auditors' Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the 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 Statements of Auditing Standards 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 financial statements.

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

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

6. Obtain sufficient and appropriate audit evidence regarding the financial information of the investment in other entities accounted for using the equity method to express an opinion on this financial statements. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.

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

The engagement partners on the audit resulting in this independent auditors' report are Luo, Rui-Zhi and Huang, Yu-Ting.

KPMG

Taipei, Taiwan (Republic of China)  
March 25, 2024

#### **Notes to Readers**

The accompanying financial statements are intended only to present the financial position, financial performance and cash flows in accordance with the accounting principles and practices generally accepted in the Republic of China 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.

The independent auditors' report and the accompanying financial statements are the English translation of the Chinese version prepared and used in the Republic of China. If there is any conflict between, or any difference in the interpretation of the English and Chinese language auditors' report and financial statements, the Chinese version shall prevail.

(English Translation of Parent Company Only Financial Statements and Report Originally Issued in Chinese)  
**Jiin Yeeh Ding Enterprise Corp.**  
**Balance Sheets December 31, 2023 and 2022**  
**(Expressed in Thousands of New Taiwan Dollars)**  
(English Translation of Parent Company Only Financial Statements and Report Originally Issued in Chinese)

**December 31, 2022 and 2021**

(Expressed in Thousands of New Taiwan Dollars)

		<u>December 31, 2023</u>		<u>December 31, 2022</u>				<u>December 31, 2023</u>		<u>December 31, 2022</u>	
<b>Assets</b>		<b>Amount</b>	<b>%</b>	<b>Amount</b>	<b>%</b>	<b>Liabilities and Equity</b>		<b>Amount</b>	<b>%</b>	<b>Amount</b>	<b>%</b>
<b>Current assets:</b>						<b>Current liabilities:</b>					
1100	Cash and cash equivalents (note 6(a))	\$ 347,328	10	388,616	13	2120	Current financial liabilities at fair value through profit or loss (note 6(b))	\$ 1,439	-	3,132	-
1110	Current financial assets at fair value through profit or loss (note 6(b))	340,708	10	-	-	2170	Net notes and trade payables (including related parties) (note 7)	81,817	2	124,282	4
1170	Net notes and trade receivables (including related parties) (note 6(c) and 7)	147,554	4	96,568	3	2200	Other payables (including related parties) (note 7)	104,192	3	94,825	3
1200	Other payables (including related parties) (note 6(d) and 7)	17,390	1	38,659	1	2230	Current tax liabilities (notes 6(o))	47,385	1	81,977	3
130X	Inventories (notes 6(e))	498,265	15	429,089	15	2280	Current lease liabilities (note 6(m) and 7)	2,294	-	3,254	-
1476	Other current financial assets (note 6(i) and 8)	128,225	4	126,014	4	2322	Long-term loans due within one year or one operating cycle (notes 6(l), 7 and 8)	29,149	1	3,973	-
1479	Other current assets (note 6(j)(o))	<u>58,757</u>	<u>2</u>	<u>78,411</u>	<u>3</u>	2399	Other current liabilities	<u>548</u>	<u>-</u>	<u>459</u>	<u>-</u>
		<u>1,538,227</u>	<u>46</u>	<u>1,157,357</u>	<u>39</u>			<u>266,824</u>	<u>7</u>	<u>311,902</u>	<u>10</u>
<b>Non-current assets:</b>						<b>Non-Current liabilities:</b>					
1510	Non-current financial assets at fair value through profit or loss (note 6(b))	-	-	139,778	5	2540	Long-term loans (note 6(l), 7 and 8)	87,066	3	16,611	1
1550	Investments accounted for using equity method (note 6(f))	1,243,033	38	1,194,644	41	2570	Deferred income tax liabilities (notes 6(o))	136	-	1,155	-
1600	Property, plant, and equipment (notes 6(g) and 8)	445,959	14	360,607	12	2580	Non-current lease liabilities (note 6(m) and 7)	10,572	1	12,090	-
1755	Right-of-use assets (note 6(h))	12,486	-	14,967	1	2600	Other non-current liabilities (notes 6(n))	<u>145</u>	<u>-</u>	<u>26</u>	<u>-</u>
1980	Other non-current financial assets (notes 6(i) and 8)	11,396	-	29,355	1			<u>97,919</u>	<u>4</u>	<u>29,882</u>	<u>1</u>
1990	Other non-current assets (notes 6(j), (n) and 7)	<u>63,773</u>	<u>2</u>	<u>43,568</u>	<u>1</u>		<b>Total liabilities</b>	<u>364,743</u>	<u>11</u>	<u>341,784</u>	<u>11</u>
		1,776,647	54	1,782,919	61		<b>Equity attributable to owners of parent (notes 6(p)(q)):</b>				
						3100	Share capital	960,611	29	959,421	33
						3200	Capital surplus	811,151	24	811,244	28
						3300	Retained earnings	1,189,046	36	834,491	28
						3400	Other equity interest	<u>(10,677)</u>	<u>-</u>	<u>(6,664)</u>	<u>-</u>
							Total equity attributable to owners of parent	<u>2,950,131</u>	<u>89</u>	<u>2,598,492</u>	<u>89</u>
							<b>Total equity</b>	<u>2,950,131</u>	<u>89</u>	<u>2,598,492</u>	<u>89</u>
<b>Total assets</b>		<b>\$ 3,314,874</b>	<b>100</b>	<b>2,940,276</b>	<b>100</b>	<b>Total liabilities and equity</b>		<b>\$ 3,314,874</b>	<b>100</b>	<b>2,940,276</b>	<b>100</b>

See accompanying notes to parent company only financial statements.

(English Translation of Parent Company Only Financial Statements Originally Issued in Chinese)  
Jiin Yeeh Ding Enterprise Corp.

Statements of Comprehensive Income

For the years ended December 31, 2023 and 2022

(Expressed in Thousands of New Taiwan Dollars , Except for Earnings Per Common Share)

		2023		2022	
		Amount	%	Amount	%
4000	<b>Operating revenues (note 6(s) and 7)</b>	\$ 2,406,222	100	2,358,112	100
5000	<b>Operating costs (notes 6(g), 7 and 12)</b>	<u>2,033,310</u>	<u>84</u>	<u>1,965,758</u>	<u>83</u>
5900	<b>Gross profit from operations</b>	<u>372,912</u>	<u>16</u>	<u>392,354</u>	<u>17</u>
6000	<b>Operating expenses (notes 6(c)(n)(t), 7 and 12)):</b>				
6100	Selling expenses	38,065	2	38,645	2
6200	Administrative expenses	119,289	5	115,362	5
6300	Research and development expenses	2,831	-	2,263	-
6450	Impairment loss (Impairment gain and reversal of impairment loss) determined in accordance with IFRS 9	<u>-</u>	<u>-</u>	<u>(121)</u>	<u>-</u>
	<b>Total operating expenses</b>	<u>160,185</u>	<u>7</u>	<u>156,149</u>	<u>7</u>
6900	<b>Net operating income</b>	<u>212,727</u>	<u>9</u>	<u>236,205</u>	<u>10</u>
7000	<b>Non-operating income and expenses:</b>				
7010	Other income (note 6(u) and 7)	14,208	1	18,694	1
7020	Other gains and losses, net (notes 6(b)(u))	299,874	12	79,494	3
7050	Finance costs (notes 6(u) and 7)	(1,000)	-	(824)	-
7060	Share of profit of associates accounted for using equity method (note 6(f))	73,627	3	43,254	2
7100	Interest income (notes 6(u) and 7)	<u>6,567</u>	<u>-</u>	<u>4,508</u>	<u>-</u>
	<b>Total non-operating income and expenses</b>	<u>393,276</u>	<u>16</u>	<u>145,126</u>	<u>6</u>
	<b>Profit before income tax</b>	606,003	25	381,331	16
7950	<b>Less: Income tax expenses (note 6(o))</b>	<u>71,250</u>	<u>3</u>	<u>65,018</u>	<u>3</u>
	<b>Profit</b>	<u>534,753</u>	<u>22</u>	<u>316,313</u>	<u>13</u>
8300	<b>Other comprehensive income:</b>				
8310	<b>Items that will not be reclassified subsequently to profit or loss</b>				
8311	Gains (losses) on remeasurements of defined benefit plans (note 6(n))	437	-	2,240	-
8330	Share of other comprehensive income of subsidiaries, associates and joint ventures accounted for using equity method, components of other comprehensive income that will not be reclassified to profit or loss	(143)	-	190	-
8349	Less: Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	Items that will not be reclassified subsequently to profit or loss	<u>294</u>	<u>-</u>	<u>2,430</u>	<u>-</u>
8360	<b>Items that will be reclassified subsequently to profit or loss</b>				
8381	Share of other comprehensive income of subsidiaries, associates and joint ventures accounted for using equity method, components of other comprehensive income that will be reclassified to profit or loss	(4,013)	-	58,621	2
8399	Less: Income tax related to components of other comprehensive income that will be reclassified to profit or loss	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<b>Components of other comprehensive income that will be reclassified to profit or loss</b>	<u>(4,013)</u>	<u>-</u>	<u>58,621</u>	<u>2</u>
8300	<b>Other comprehensive income</b>	<u>(3,719)</u>	<u>-</u>	<u>61,051</u>	<u>2</u>
8500	<b>Total comprehensive income</b>	<u>\$ 531,034</u>	<u>22</u>	<u>377,364</u>	<u>15</u>
	<b>Basic earnings per share (NT dollars) (note 6(v))</b>				
9750	<b>Basic earnings per share</b>	<u>\$ 5.57</u>		<u>2.82</u>	
9850	<b>Diluted earnings per share</b>	<u>\$ 5.51</u>		<u>2.80</u>	

See accompanying notes to parent company only financial statements.

(English Translation of Parent Company Only Financial Statements Originally Issued in Chinese)

Jiin Yeeh Ding Enterprise Corp.

Statements of Changes in Equity

For the years ended December 31, 2023 and 2022

(Expressed in Thousands of New Taiwan Dollars)

	Share capital		Retained earnings				Other equity interest			
	Ordinary shares	Capital surplus	Legal reserve	Special reserve	Unappropriated retained earnings	Total retained earnings	Exchange differences on translation of foreign financial statements	Unrealized gains (losses) on financial assets measured at fair value through other comprehensive income	Total other equity interest	Total equity
Balance at January 1, 2022	\$ 1,199,227	811,254	153,778	53,299	528,930	736,007	(65,285)	(4,795)	(70,080)	2,676,408
Appropriation and distribution of retained earnings:										
Legal reserve appropriated	-	-	41,164	-	(41,164)	-	-	-	-	-
Special reserve appropriated	-	-	-	16,782	(16,782)	-	-	-	-	-
Cash dividends of ordinary share	-	-	-	-	(215,870)	(215,870)	-	-	-	(215,870)
	-	-	41,164	16,782	(273,816)	(215,870)	-	-	-	(215,870)
Profit (loss)	-	-	-	-	316,313	316,313	-	-	-	316,313
Other comprehensive income	-	-	-	-	2,430	2,430	58,621	-	58,621	61,051
Total comprehensive income	-	-	-	-	318,743	318,743	58,621	-	58,621	377,364
Cash capital decrease	(239,856)	-	-	-	-	-	-	-	-	(239,856)
Share-based payments	50	(10)	-	-	-	-	-	-	-	40
Disposal of equity instruments measured at fair value through other comprehensive income	-	-	-	-	(4,389)	(4,389)	-	4,795	4,795	406
Balance at December 31, 2022	959,421	811,254	194,942	70,081	569,468	834,491	(6,664)	-	(6,664)	2,598,492
Appropriation and distribution of retained earnings:										
Legal reserve appropriated	-	-	31,435	-	(31,435)	-	-	-	-	-
Special reserve appropriated	-	-	-	(63,416)	63,416	-	-	-	-	-
Cash dividends of ordinary share	-	-	-	-	(180,492)	(180,492)	-	-	-	(180,492)
	-	-	31,435	(63,416)	(148,511)	(180,492)	-	-	-	(180,492)
Profit (loss)	-	-	-	-	534,753	534,753	-	-	-	534,753
Other comprehensive income	-	-	-	-	294	294	(4,013)	-	(4,013)	(3,719)
Total comprehensive income	-	-	-	-	535,047	535,047	(4,013)	-	(4,013)	531,034
Cash capital decrease	1,190	(93)	-	-	-	-	-	-	-	1,097
Balance at December 31, 2023	\$ 960,611	811,151	226,377	6,665	956,004	1,189,046	(10,677)	-	(10,677)	2,950,131

See accompanying notes to parent company only financial statements.

(English Translation of Parent Company Only Financial Statements Originally Issued in Chinese)

**Jiin Yeeh Ding Enterprise Corp.**

**Statements of Cash Flows**

**For the years ended December 31, 2023 and 2022**

**(Expressed in Thousands of New Taiwan Dollars)**

	<u>2023</u>	<u>2022</u>
<b>Cash flows from operating activities:</b>		
<b>Profit before tax</b>	\$ 606,003	381,331
<b>Adjustments:</b>		
<b>Adjustments to reconcile profit:</b>		
Depreciation expense	20,325	17,276
Amortization expense	247	271
Gains from reversal of expected credit loss	-	(121)
Net profit on financial assets or liabilities at fair value through profit or loss	(291,174)	(51,890)
Interest expense	1,000	824
Interest income	(6,567)	(4,508)
Dividend income	(5,949)	(5,205)
Share of profit of associates accounted for using equity method	(73,627)	(43,254)
Profit from disposal of property, plant and equipment	(188)	-
Unrealized foreign exchange profit	(877)	(6,605)
<b>Total adjustments to reconcile profit</b>	<u>(356,810)</u>	<u>(93,212)</u>
<b>Changes in operating assets and liabilities:</b>		
<b>Changes in operating assets:</b>		
Financial assets at fair value through profit or loss, mandatorily	(1,805)	-
Net notes and trade receivables	(50,971)	100,682
Other receivables	21,267	46,601
Inventories	(69,176)	(96,379)
Other current assets	19,654	(16,874)
<b>Total changes in operating assets</b>	<u>(81,031)</u>	<u>34,030</u>
<b>Changes in operating liabilities:</b>		
Financial liabilities at fair value through profit or loss	1,439	11,503
Net notes and trade payables (including related parties)	(42,297)	15,035
Other payables (including related parties)	9,296	5,358
Other current liabilities	89	(492)
Other non-current liabilities	1,008	(736)
<b>Total changes in operating liabilities</b>	<u>(30,465)</u>	<u>30,668</u>
<b>Total changes in operating assets and liabilities</b>	<u>(111,496)</u>	<u>64,698</u>
<b>Total adjustments</b>	<u>(468,306)</u>	<u>(28,514)</u>

See accompanying notes to parent company only financial statements.

(English Translation of Parent Company Only Financial Statements Originally Issued in Chinese)

**Jiin Yeeh Ding Enterprise Corp.**

**Statements of Cash Flows (CONT'D)**

**For the years ended December 31, 2023 and 2022**

**(Expressed in Thousands of New Taiwan Dollars)**

	<b>2023</b>	<b>2022</b>
Cash inflow generated from operations	137,697	352,817
Interest received	6,567	4,508
Interest paid	(929)	(817)
Income taxes paid	(107,787)	(66,737)
<b>Net cash inflows from operating activities</b>	<b>35,548</b>	<b>289,771</b>
<b>Cash flows from (used in) investing activities:</b>		
Acquisition of financial assets measured at fair value through profit and loss	(25,000)	-
Disposal of financial assets measured at fair value through profit and loss	113,917	3,780
Acquisition of investments accounted for using equity method	-	(8,000)
Disposal of investments accounted for using equity method	428	-
Acquisition of property, plant and equipment	(93,695)	(81,575)
Disposal of property, plant and equipment	2,646	-
Acquisition of intangible assets	(270)	(190)
Decrease in other financial assets	16,589	18,624
Increase in prepayments for business facilities	(30,807)	(15,999)
Dividends received	26,603	58,542
<b>Net cash inflows (out) from (used in) investing activities</b>	<b>10,411</b>	<b>(24,818)</b>
<b>Cash flows from (used in) financing activities:</b>		
Proceeds from long-term debt	106,991	20,584
Repayments from long-term debt	(11,360)	-
Decrease in guarantee deposits received	(26)	(214)
Payment of lease liabilities	(3,457)	(4,008)
Cash dividends paid	(180,492)	(215,870)
Cash capital reduction	-	(239,856)
Proceeds from exercise of employee stock options	1,097	40
<b>Net cash outflows used in financing activities</b>	<b>(87,247)</b>	<b>(439,324)</b>
<b>Net decrease in cash and cash equivalents</b>	<b>(41,288)</b>	<b>(174,371)</b>
<b>Cash and cash equivalents at beginning of period</b>	<b>388,616</b>	<b>562,987</b>
<b>Cash and cash equivalents at end of period</b>	<b><u>\$ 347,328</u></b>	<b><u>388,616</u></b>

See accompanying notes to parent company only financial statements.

(English Translation of Parent Company Only Financial Statements Originally Issued in Chinese)

**Jiin Yeeh Ding Enterprise Corp.**

**Notes to the Financial Statements**

**For the years ended December 31, 2023 and 2022**

**(Expressed in Thousands of New Taiwan Dollars, Unless Otherwise Specified)**

**(1) Company history**

Jiin Yeeh Ding Enterprise Corp. (the “Company”) was incorporated in April 10, 1997 as a company limited by shares and registered under the Ministry of Economic Affairs of the Republic of China (R.O.C.). The Company was registered in No. 599, Sec. 6, Xibin Rd., Hsinchu City 300, Taiwan (R.O.C.). The Company’s common shares were listed on the Taipei Exchange (TPEX) since May 21, 2008..

The major business activities of the Company are metal recycling and treatment, scrap metal trading, and electronic waste removal and recycling.

**(2) Approval date and procedures of the financial statements:**

These financial statements were authorized for issue by the Board of Directors on March 8, 2024.

**(3) New standards, amendments and interpretations adopted:**

- (a) The impact of the International Financial Reporting Standards (“IFRSs”) endorsed by the Financial Supervisory Commission, R.O.C. which have already been adopted.

The Company has initially adopted the following new amendments, which do not have a significant impact on its financial statements, from January 1, 2023.

- Amendments to IAS 1 “Presentation of Financial Statements”
- Amendments to IAS 8 “Accounting Policies, Changes in Accounting Estimates and Errors”
- Amendments to IAS 12 “Deferred Tax related to Assets and Liabilities arising from a Single Transaction”

The Company has initially adopted the following new amendments, which do not have a significant impact on its financial statements, from May 23, 2023.

- Amendments to IAS 12 “Deferred Tax related to Assets and Liabilities arising from a Single Transaction”

- (b) The impact of IFRS issued by the FSC but not yet effective

The Company assesses that the adoption of the following new amendments, effective for annual period beginning on January 1, 2024, would not have a significant impact on its financial statements:

- Amendments to IAS 1 “Classification of Liabilities as Current or Non-current”
- Amendments to IAS 1 “Non-Current Liabilities with Covenants”
- Amendments to IAS 7 “Supplier Finance Arrangements ”
- Amendments to IFRS 16 “Lease Liability in a Sale and Leaseback”

(Continued)

**Jiin Yeeh Ding Enterprise Corp.**  
**Notes to the Financial Statements**

- (c) The impact of IFRS issued by IASB but not yet endorsed by the FSC

The Company does not expect the following other new and amended standards, which have yet to be endorsed by the FSC, to have a significant impact on its financial statements:

- Amendments to IFRS 10 and IAS 28 “Sale or Contribution of Assets Between an Investor and Its Associate or Joint Venture”
- IFRS 17 “Insurance Contracts” and amendments to IFRS 17 “Insurance Contracts”
- Amendments to IFRS 17 “Initial Application of IFRS 17 and IFRS 9—Comparative Information “
- Amendments to IAS 21 “Lack of Exchangeability”

**(4) Summary of significant accounting policies:**

The significant accounting policies presented in the financial statements are summarized below. Except for those specifically indicated, the following accounting policies were applied consistently throughout the periods presented in the financial statements.

- (a) Statement of compliance

These financial statements have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports (Hereinafter referred to as “the Regulations”).

- (b) Basis of preparation

- (i) Basis of measurement

Except for the following significant accounts, the financial statements have been prepared on a historical cost basis:

- 1) Financial instruments at fair value through profit or loss are measured at fair value;
- 2) The defined benefit liabilities (assets) are measured at fair value of the plan assets less the present value of the defined benefit obligation, limited as explained in note 4(o).

- (ii) Functional and presentation currency

The functional currency of the Company is determined based on the primary economic environment in which the entity operates. The financial statements are presented in New Taiwan Dollar (NTD), which is the Company’s functional currency. All financial information presented in NTD has been rounded to the nearest thousand.

- (c) Foreign currencies

- (i) Foreign currency transactions

Transactions in foreign currencies are translated into the respective functional currencies of Company entities at the exchange rates at the dates of the transactions. At the end of each subsequent reporting period, monetary items denominated in foreign currencies are translated into the functional currencies using the exchange rate at that date. Non-monetary items denominated in foreign currencies that are measured at fair value are translated into the functional currencies using the exchange rate at the date that the fair value was determined. Non-monetary items denominated in foreign currencies that are measured based on historical cost are translated using the exchange rate at the date of the transaction.

(Continued)

**Jiin Yeeh Ding Enterprise Corp.**  
**Notes to the Financial Statements**

Exchange differences are generally recognized in profit or loss, except for those differences relating to the following, which are recognized in other comprehensive income:

- 1) An investment in equity securities designated as at fair value through other comprehensive income;
  - 2) A financial liability designated as a hedge of the net investment in a foreign operation to the extent that the hedge is effective; or
  - 3) Qualifying cash flow hedges to the extent that the hedges are effective.
- (ii) Foreign operations

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on acquisition, are translated into the presentation currency at the exchange rates at the reporting date. The income and expenses of foreign operations are translated into the presentation currency at the average exchange rate. Exchange differences are recognized in other comprehensive income.

When a foreign operation is disposed of such that control, significant influence, or joint control is lost, the cumulative amount in the translation reserve related to that foreign operation is reclassified to profit or loss as part of the gain or loss on disposal. When the Company disposes of only part of its investment in an associate or joint venture that includes a foreign operation, the relevant proportion of the cumulative amount is reclassified to profit or loss.

When the settlement of a monetary receivable from or payable to a foreign operation is neither planned nor likely to occur in the foreseeable future, exchange differences arising from such a monetary item that are considered to form part of the net investment in the foreign operation are recognized in other comprehensive income.

(d) Classification of current and non-current assets and liabilities

An asset is classified as current under one of the following criteria, and all other assets are classified as non-current.

- (i) It is expected to be realized, or intended to be sold or consumed, in the normal operating cycle;
- (ii) It is held primarily for the purpose of trading;
- (iii) It is expected to be realized within twelve months after the reporting period; or
- (iv) The asset is cash or a cash equivalent unless the asset is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

A liability is classified as current under one of the following criteria, and all other liabilities are classified as non-current.

- (i) It is expected to be settled in the normal operating cycle;
- (ii) It is held primarily for the purpose of trading;
- (iii) It is due to be settled within twelve months after the reporting period; or

(Continued)

**Jiin Yeeh Ding Enterprise Corp.**  
**Notes to the Financial Statements**

- (iv) The Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting period. Terms of a liability that could, at the option of the counterparty, result in its settlement by issuing equity instruments do not affect its classification.

(e) Cash and cash equivalents

Cash comprises cash on hand and demand deposits. Cash equivalents are short term, highly liquid investments that are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value. Time deposits which meet the above definition and are held for the purpose of meeting short term cash commitments rather than for investment or other purposes should be recognized as cash equivalents.

(f) Financial instruments

Trade receivables and debt securities issued are initially recognized when they are originated. All other financial assets and financial liabilities are initially recognized when the Company becomes a party to the contractual provisions of the instrument. A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not at fair value through profit or loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

(i) Financial assets

All regular way purchases or sales of financial assets are recognized and derecognized on a trade date basis.

On initial recognition, a financial asset is classified as measured at: amortized cost or FVTPL.

Financial assets are not reclassified subsequent to their initial recognition unless the company changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

1) Financial assets measured at amortized cost

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as at FVTPL:

- It is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- Its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

These assets are subsequently measured at amortized cost, which is the amount at which the financial asset is measured at initial recognition, plus/minus, the cumulative amortization using the effective interest method, adjusted for any loss allowance. Interest income, foreign exchange gains and losses, as well as impairment, are recognized in profit or loss. Any gain or loss on derecognition is recognized in profit or loss.

(Continued)

**Jiin Yeeh Ding Enterprise Corp.**  
**Notes to the Financial Statements**

2) Financial assets measured at Fair value through profit or loss (FVTPL)

All financial assets not classified as amortized cost are measured at FVTPL, including derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset, which meets the requirements to be measured at amortized cost, as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognized in profit or loss.

3) Impairment of financial assets

The Company recognizes loss allowances for expected credit losses (ECL) on financial assets measured at amortized cost (including cash and cash equivalents, amortized costs, notes and trade receivables, other receivables, guarantee deposit paid and other financial assets).

The Company measures loss allowances at an amount equal to lifetime ECL, except for the following which are measured as 12-month ECL:

- Debt securities that are determined to have low credit risk at the reporting date ; and
- Other debt securities and bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Loss allowance for trade receivables and contract assets are always measured at an amount equal to lifetime ECL.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECL, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis based on the Company's historical experience and informed credit assessment as well as forward-looking information.

The Company considers a debt security to have low credit risk when its credit risk rating is equivalent to the globally understood definition of 'investment grade which is considered to be BBB- or higher per Standard & Poor' s, Baa3 or higher per Moody' s or twA or higher per Taiwan Ratings'.

The Company assumes that the credit risk on a financial asset has increased significantly if it is more than 90 days past due.

The Company considers a financial asset to be in default when the financial asset is more than 1 year past due or the debtor is unlikely to pay its credit obligations to the Company in full.

Lifetime ECL are the ECLs that result from all possible default events over the expected life of a financial instrument.

(Continued)

**Jiin Yeeh Ding Enterprise Corp.**  
**Notes to the Financial Statements**

12-month ECL are the portion of ECL that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

The maximum period considered when estimating ECL is the maximum contractual period over which the Company is exposed to credit risk.

ECL are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Company in accordance with the contract and the cash flows that the Company expects to receive). ECL are discounted at the effective interest rate of the financial asset.

At each reporting date, the Company assesses whether financial assets carried at amortized cost are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred. Evidence that a financial asset is credit-impaired includes the following observable data:

- Significant financial difficulty of the borrower or issuer;
- A breach of contract such as a default or being more than 1 year past due;
- The lender of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession that the lender would not otherwise consider;
- It is probable that the borrower will enter bankruptcy or other financial reorganization ;  
or
- The disappearance of an active market for a security because of financial difficulties.

Loss allowances for financial assets measured at amortized cost are deducted from the gross carrying amount of the assets.

The gross carrying amount of a financial asset is written off when the Company has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. For corporate customers, the Company individually makes an assessment with respect to the timing and amount of write-off based on whether there is a reasonable expectation of recovery. The Company expects no significant recovery from the amount written off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

4) Derecognition of financial assets

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

(Continued)

**Jiin Yeeh Ding Enterprise Corp.**  
**Notes to the Financial Statements**

The Company enters into transactions whereby it transfers assets recognized in its statement of balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets. In these cases, the transferred assets are not derecognized.

(ii) Financial liabilities and equity instruments

1) Classification of debt or equity

Debt and equity instruments issued by the Company are classified as financial liabilities or equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

2) Equity transactions

An equity instrument is any contract that recognizes the Group's remaining interest in assets less all of its liabilities. Equity instruments issued by the Group are recognized at the price obtained after deducting direct issue costs.

3) Financial liabilities

Financial liabilities are classified as measured at amortized cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in profit or loss.

Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognized in profit or loss. Any gain or loss on derecognition is also recognized in profit or loss.

4) Derecognition of financial liabilities

The Company derecognizes a financial liability when its contractual obligations are discharged or cancelled, or expired. The Company also derecognizes a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognized at fair value.

On derecognition of a financial liability, the difference between the carrying amount of a financial liability extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognized in profit or loss.

5) Offsetting of financial assets and liabilities

Financial assets and financial liabilities are offset and the net amount presented in the statement of balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realize the asset and settle the liability simultaneously.

(iii) Derivative financial instruments and hedge accounting

The Company holds derivative financial instruments to hedge its foreign currency and interest rate exposures. Embedded derivatives are separated from the host contract and accounted for separately if the host contract is not a financial asset and certain criteria are met.

(Continued)

**Jiin Yeeh Ding Enterprise Corp.**  
**Notes to the Financial Statements**

Derivatives are initially measured at fair value. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are generally recognized in profit or loss.

(g) Inventories

Inventories are measured at the lower of cost and net realizable value. The cost of inventories is calculated using the weighted average method, and includes expenditure incurred in acquiring the inventories, production or conversion costs, and other costs incurred in bringing them to their present location and condition.

Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

(h) Investment in associates

Associates are those entities in which the Company has significant influence, but not control or joint control, over their financial and operating policies.

Investments in associates are accounted for using the equity method and are recognized initially at cost. The cost of the investment includes transaction costs. The carrying amount of the investment in associates includes goodwill arising from the acquisition less any accumulated impairment losses.

The financial statements include the Company's share of the profit or loss and other comprehensive income of those associates, after adjustments to align their accounting policies with those of the Company, from the date on which significant influence commences until the date on which significant influence ceases. The Company recognizes any changes of its proportionate share in the investee within capital surplus, when an associate's equity changes due to reasons other than profit and loss or comprehensive income, which did not result in changes in actual proportionate share.

Gains and losses resulting from transactions between the Company and an associate are recognized only to the extent of Company's interests in the associate. When the Company's share of losses of an associate equal or exceeds its interests in an associate, it discontinues recognizing its share of further losses. Additional losses are provided for, and a liability is recognized, only to the extent that the Company has incurred legal or constructive obligations or made payments on behalf of the associate.

(i) Investment in subsidiaries

When preparing the financial reports, the Company adopts the equity method to evaluate investee companies with control. Under the equity method, the share of current gains and losses and other comprehensive gains and losses attributable to the owner of the Company in the financial report is the same as that attributable to the owner of the Company in the financial report prepared on a consolidated basis, and the owner's equity in the financial report is the same as that attributable to the owner of the Company in the financial report prepared on a consolidated basis.

If the change of the Company's ownership interest in a subsidiary does not result in the loss of control, it is treated as an equity transaction between the Company and the owner.

(j) Property, plant and equipment

(i) Recognition and measurement

Items of property, plant and equipment are measured at cost, which includes capitalized borrowing costs, less accumulated depreciation and any accumulated impairment losses.

(Continued)

**Jiin Yeeh Ding Enterprise Corp.**  
**Notes to the Financial Statements**

If significant parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognized in profit or loss.

(ii) Subsequent expenditure

Subsequent expenditure is capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

(iii) Depreciation

Depreciation is calculated on the cost of an asset less its residual value and is recognized in profit or loss on a straight-line basis over the estimated useful lives of each component of an item of property, plant and equipment.

Land is not depreciated.

The estimated useful lives of property, plant and equipment for current and comparative periods are as follows:

1) Buildings	10~50 years
2) Machinery and equipment	3~10 years
3) Transportation equipment	3~5 years
4) Other equipment	2~20 years

Depreciation methods, useful lives and residual values are reviewed at each annual reporting date and adjusted if appropriate.

(k) Leases

At inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

(i) As a lessee

The Company recognizes a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

(Continued)

**Jiin Yeeh Ding Enterprise Corp.**  
**Notes to the Financial Statements**

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be reliably determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability comprise the following:

- 1) Fixed payments, including in substance fixed payments;
- 2) Variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- 3) Amounts expected to be payable under a residual value guarantee; and
- 4) Payments for purchase or termination options that are reasonably certain to be exercised.

The lease liability is measured at amortized cost using the effective interest method. It is remeasured when:

- 1) There is a change in future lease payments arising from the change in an index or rate;
- 2) There is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee;
- 3) There is a change in the lease term resulting from a change of its assessment on whether it will exercise an option to purchase the underlying asset,
- 4) There is a change of its assessment on whether it will exercise a purchase, extension or termination option;
- 5) There are any lease modifications

When the lease liability is remeasured due to above reasons including there is a change in future payment, change in Company's estimate of the amount expected to be payable under a residual value guarantee, and change in its assessment on whether the Company will exercise an extension or termination option, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or in profit and loss if the carrying amount of the right-of-use asset has been reduced to zero.

When the lease liability is remeasured to reflect the partial or full termination of the lease for lease modifications that decrease the scope of the lease, the Company accounts for the remeasurement of the lease liability by decreasing the carrying amount of the right-of-use asset to reflect the partial or full termination of the lease, and recognize in profit or loss any gain or loss relating to the partial or full termination of the lease.

If an arrangement contains lease and non-lease components, the Company allocates the consideration in the contract to each lease component on the basis of their relative stand-alone prices. However, for the leases of land and buildings in which it is a lessee, the Company has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

(Continued)

**Jiin Yeeh Ding Enterprise Corp.**  
**Notes to the Financial Statements**

The Company has elected not to recognize right-of-use assets and lease liabilities for short-term leases of machinery or less and leases of low-value assets. The Company recognizes the lease payments associated with these leases as an expense on a straight-line basis over the lease term. From January 1, 2021, when the basis for determining future lease payments changes as required by interest rate benchmark reform, the Company will remeasure the lease liability by discounting the revised lease payments using the revised discount rate that reflects the change to an alternative benchmark interest rate.

(ii) As a lessor

When the Company acts as a lessor, it determines at lease commencement whether each lease is a finance lease or an operating lease. To classify each lease, the Company makes an overall assessment of whether the lease transfers to the lessee substantially all of the risks and rewards of ownership incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then the lease is an operating lease. As part of this assessment, the Company considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

If an arrangement contains lease and non-lease components, the Company applies IFRS15 to allocate the consideration in the contract.

(I) Intangible assets

(i) Recognition and measurement

Expenditure on research activities is recognized in profit or loss as incurred.

Development expenditure is capitalized only if the expenditure can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable and the Company intends to, and has sufficient resources to, complete development and to use or sell the asset. Otherwise, it is recognized in profit or loss as incurred. Subsequent to initial recognition, development expenditure is measured at cost, less accumulated amortization and any accumulated impairment losses.

Other intangible assets that are acquired by the Company and have finite useful lives are measured at cost less accumulated amortization and any accumulated impairment losses.

(ii) Subsequent expenditure

Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, is recognized in profit or loss as incurred.

(iii) Amortization

Amortization is calculated over the cost of the asset, less its residual value, and is recognized in profit or loss on a straight-line basis over the estimated useful lives of intangible assets, from the date that they are available for use, except for goodwill.

The estimated useful lives for current and comparative periods are as follows:

Computer software 5 years

Amortization methods, useful lives and residual values are reviewed at each annual reporting date and adjusted if appropriate.

(Continued)

**Jiin Yeeh Ding Enterprise Corp.**  
**Notes to the Financial Statements**

(m) Impairment of non-financial assets

At each reporting date, the Company reviews the carrying amounts of its non-financial assets (other than inventories, contract assets and deferred tax assets) to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or cash-generating units (CGUs). Goodwill arising from a business combination is allocated to CGUs or groups of CGUs that are expected to benefit from the synergies of the combination.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU.

An impairment loss is recognized if the carrying amount of an asset or CGU exceeds its recoverable amount.

Impairment losses are recognized in profit or loss. They are allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets in the CGU on a pro rata basis.

(n) Revenue

(i) Revenue from contracts with customers

1) Sale of goods—trading of electronic wastes which including precious metals

The Company is operating electronic wastes recycling and treatment services and scrap metal trading. The Company recognizes revenue when control of the goods has transferred, being when the products are delivered to the customer, the customer has full discretion over the channel and price to sell the products, and there is no unfulfilled obligation that could affect the customer's acceptance of the products. Delivery occurs when the products have been shipped to the specific location, the risks of obsolescence and loss have been transferred to the customer, and either the customer has accepted the products in accordance with the sales contract, the acceptance provisions have lapsed, or the Company has objective evidence that all criteria for acceptance have been satisfied.

Trade receivable is recognized when the goods are delivered as this is the point in time that the Company has a right to an amount of consideration that is unconditional.

2) Financing components

The Company does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, the Company does not adjust any of the transaction prices for the time value of money.

(Continued)

**Jiin Yeeh Ding Enterprise Corp.**  
**Notes to the Financial Statements**

(ii) Customer contract costs

1) Incremental costs of obtaining a contract

The Company recognizes as an asset the incremental costs of obtaining a contract with a customer if the Company expects to recover those costs. The incremental costs of obtaining a contract are those costs that the Company incurs to obtain a contract with a customer that it would not have incurred if the contract had not been obtained. Costs to obtain a contract that would have been incurred regardless of whether the contract was obtained shall be recognized as an expense when incurred, unless those costs are explicitly chargeable to the customer regardless of whether the contract is obtained.

The Company applies the practical expedient to recognize the incremental costs of obtaining a contract as an expense when incurred if the amortization period of the asset that the entity otherwise would have recognized is one year or less.

2) Costs to fulfil a contract

If the costs incurred in fulfilling a contract with a customer are not within the scope of another Standard (for example, IAS 2 Inventories, IAS 16 Property, Plant and Equipment or IAS 38 Intangible Assets), the Company recognizes an asset from the costs incurred to fulfil a contract only if those the costs relate directly to a contract or to an anticipated contract that the Company can specifically identify, the costs generate or enhance resources of the Company that will be used in satisfying (or in continuing to satisfy) performance obligations in the future; and the costs are expected to be recovered.

General and administrative costs, costs of wasted materials, labor or other resources to fulfil the contract that were not reflected in the price of the contract, costs that relate to satisfied performance obligations (or partially satisfied performance obligations), and costs for which the Company cannot distinguish whether the costs relate to unsatisfied performance obligations or to satisfied performance obligations (or partially satisfied performance obligations), the Company recognizes these costs as expenses when incurred.

(o) Employee benefits

(i) Defined contribution plans

Obligations for contributions to defined contribution plans are expensed as the related service is provided.

(ii) Defined benefit plans

The Company's net obligation in respect of defined benefit plans is calculated separately for each the plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligations is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Company, the recognized asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan. To calculate the present value of economic benefits, consideration is given to any applicable minimum funding requirements.

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**Jiin Yeeh Ding Enterprise Corp.**  
**Notes to the Financial Statements**

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognized immediately in other comprehensive income, and accumulated in retained earnings within equity. The Company determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability (asset). Net interest expense and other expenses related to defined benefit plans are recognized in profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognized immediately in profit or loss. The Company recognizes gains and losses on the settlement of a defined benefit plan when the settlement occurs.

(iii) Termination benefits

Termination benefits are expensed at the earlier of when the Company can no longer withdraw the offer of those benefits and when the Company recognizes costs for a restructuring. If benefits are not expected to be settled wholly within 12 months of the reporting date, then they are discounted.

(iv) Short-term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognized for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

(p) Share-based payment

The grant-date fair value of equity-settled share-based payment arrangements granted to employees is generally recognized as an expense, with a corresponding increase in equity, over the vesting period of the awards. The amount recognized as an expense is adjusted to reflect the number of awards for which the related service and non-market performance conditions are expected to be met, such that the amount ultimately recognized is based on the number of awards that meet the related service and non-market performance conditions at the vesting date.

For share-based payment awards with non-vesting conditions, the grant-date fair value of the share-based payment is measured to reflect such conditions and there is no true-up for differences between expected and actual outcomes.

The fair value of the amount payable to employees in respect of share appreciation rights, which are settled in cash, is recognized as an expense with a corresponding increase in liabilities, over the period during which the employees become unconditionally entitled to payment. The liability is remeasured at each reporting date and at settlement date based on the fair value of the share appreciation rights. Any changes in the liability are recognized in profit or loss.

Grant date of a share-based payment award is the date which the Board of directors authorized the price and number of a new reward.

(Continued)

**Jiin Yeeh Ding Enterprise Corp.**  
**Notes to the Financial Statements**

(q) Income taxes

Income taxes comprise current taxes and deferred taxes. Except for expenses related to business combinations or recognized directly in equity or other comprehensive income, all current and deferred taxes are recognized in profit or loss.

The Company has determined that interest and penalties related to income taxes, including uncertain tax treatment, do not meet the definition of income taxes, and therefore accounted for them under IAS37.

Current taxes comprise the expected tax payables or receivables on the taxable profits (losses) for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax payables or receivables are the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any. It is measured using tax rates enacted or substantively enacted at the reporting date.

Deferred taxes arise due to temporary differences between the carrying amounts of assets and liabilities for financial reporting date and their respective tax bases. Deferred tax is not recognized for temporary differences arising from:

- (i) The initial recognition of assets and liabilities in a transaction that is not a business combination and that affects neither accounting profits nor taxable profits (losses) at the time of the transaction;
- (ii) Temporary differences related to investments in subsidiaries, affiliates and joint ventures to the extent that the Company is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and
- (iii) Taxable temporary differences arising on the initial recognition of goodwill.

Deferred taxes are measured at tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date, and reflect uncertainty related to income tax

Deferred tax assets and liabilities are offset if the following criteria are met:

- (i) The Company has a legally enforceable right to set off current tax assets against current tax liabilities; and
- (ii) The deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on either:
  - 1) The same taxable entity; or
  - 2) Different taxable entities which intend to settle current tax assets and liabilities on a net basis, or to realize the assets and liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

(r) Earnings per share

The Company discloses the Company's basic and diluted earnings per share attributable to ordinary shareholders of the Company. Basic earnings per share is calculated as the profit attributable to ordinary shareholders of the Company divided by the weighted average number of ordinary shares outstanding.

(Continued)

**Jiin Yeeh Ding Enterprise Corp.**  
**Notes to the Financial Statements**

Diluted earnings per share is calculated as the profit attributable to ordinary shareholders of the Company divided by the weighted average number of ordinary shares outstanding after adjustment for the effects of all potentially dilutive ordinary shares, such as employee compensation

(s) Operating segments

The Company has disclosed operating segments information in consolidated financial report, therefore, there the financial report does not disclose operating segments.

**(5) Significant accounting assumptions and judgments, and major sources of estimation uncertainty:**

The preparation of the financial statements by the management to make judgments, estimates, and assumptions that affect the application of the accounting policies and the reported amount of assets, liabilities, income, and expenses. Actual results may differ from these estimates.

The management continues to monitor the accounting estimates and assumptions. The management recognizes any changes in accounting estimates during the period and the impact of those changes in accounting estimates in the following period.

There are no critical judgments in applying accounting policies that have significant effect on the amounts recognized in the financial statements.

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment within the next financial year which have been updated to reflect the impact of COVID-19 pandemic is as follows:

(a) Valuation of inventories

Inventories are measured at the lower of cost or net realizable value. The value of precious metals fluctuates according to international market price, the Company assesses value of inventories on the reporting date, and writes down the cost of inventories to their net realizable value. Inventory valuation is based on expected market demand in a period of foreseeable future which may fluctuate by rapid change in industry. On the other hand, there is uncertainty in estimation of content of precious metal for work in progress inventories, which involves management judgement which would affect inventories valuation. Please refer to note 6(e) for further description of the valuation of inventories.

(b) The Company's accounting policies include measuring financial and non-financial assets and liabilities at fair value through profit or loss. The Company's financial instrument valuation group conducts independent verification on fair value by using data sources that are independent, reliable, and representative of exercise prices. This financial instrument valuation group also periodically adjusts valuation models, conducts back-testing, renews input data for valuation models, and makes all other necessary fair value adjustments to assure the rationality of fair value. The Company strives to use market observable inputs when measuring assets and liabilities. Different levels of the fair value hierarchy to be used in determining the fair value of financial instruments are as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the assets or liability that are not based on observable market data.

(Continued)

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**Notes to the Financial Statements**

**(6) Explanation of significant accounts:**

(a) Cash and cash equivalents

	<b>December 31, 2023</b>	<b>December 31, 2022</b>
Cash	\$ 265	386
Demand deposits	77,476	388,230
Time deposits	<u>269,587</u>	<u>-</u>
Cash and cash equivalents in the statement of cash flows	<b><u>\$ 347,328</u></b>	<b><u>388,616</u></b>

Please refer to Note 6(v) for the disclosure of the interest rate risks and sensitivity analysis of the Company's financial assets and liabilities.

(b) Financial assets and liabilities at fair value through profit or loss

(i) The Details are as follows:

	<b>December 31, 2023</b>	<b>December 31, 2022</b>
Current financial asset mandatorily measured at fair value through profit or loss:		
Non-derivative financial assets		
Stocks listed on domestic markets	<b><u>\$ 340,708</u></b>	<u>-</u>
Non-current financial asset mandatorily measured at fair value through profit or loss		
non-derivative financial assets:		
Unlisted shares	<b><u>\$ -</u></b>	<b><u>139,778</u></b>
Held-for-trading current financial liabilities:		
Derivative financial instruments not designated as hedging instruments		
Copper futures	<b><u>\$ 1,439</u></b>	<b><u>3,132</u></b>

Please refer to note 6(x) for profit or loss from fair value remeasurement.

(ii) Derivative financial instruments

The Company uses derivative financial instruments to hedge the certain foreign exchange and interest risk the Company is exposed to, arising from its operating, financing and investing activities. The following derivative instruments, without the application of hedge accounting for the year 2023 and 2022, were classified as held-for-trading financial liabilities:

1) Future contracts

<b>December 31, 2023</b>					
	<b>The name of the futures company</b>	<b>Quantity</b>	<b>Contract amount (in thousands)</b>	<b>Maturity date</b>	
Sell copper futures	Yuanta Futures Co., Ltd.	15 ports (375 kilolbs)	USD 1,427	2024.03.31	
Sell copper futures	Fubon Futures Co., Ltd.	7 ports (175 kilolbs)	USD 666	2024.03.31	

(Continued)

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**Notes to the Financial Statements**

December 31, 2022					
	The name of the futures company	Quantity	Contract amount (in thousands)		Maturity date
Sell copper futures	Yuanta Futures Co., Ltd.	15 ports (375 kilolbs)	USD	1,1361	2023.05.31
Sell copper futures	Fubon Futures Co., Ltd.	7 ports (175 kilolbs)	USD	635	2023.05.31

(iii) Collateral

As of December 31, 2023 and 2022, the Company did not provide any financial asset accounted for using fair value through profit or loss as pledge, collateral, or restriction.

(c) Notes and Trade receivables

	December 31, 2023	December 31, 2022
Trade receivable from operating activities	<u>\$ 147,554</u>	<u>96,568</u>

The Company applies the simplified approach to provide for its expected credit losses, i.e. the use of lifetime expected loss provision for all receivables. To measure the expected credit losses, notes and trade receivables have been grouped based on shared credit risk characteristics and the days past due, as well as the incorporated forward look information, including macroeconomic and relevant industry information. The loss allowance provisions in Taiwan were determined as follows:

December 31, 2023			
	Trade receivables amount	Weighted-aver age loss rate	Loss allowance provision
Current	\$ 139,481	0.00%	-
1 to 60 days past due	7,284	0.00%	-
60 to 180 days past due	9	0.00%	-
180 to 240 days past due	780	0.00%	-
240 to 365 days past due	-	0.00%	-
More than 365 days past due	-	100.00%	-
	<u>\$ 147,554</u>		<u>-</u>

December 31, 2022			
	Trade receivables amount	Weighted-aver age loss rate	Loss allowance provision
Current	\$ 80,508	0.00%	-
1 to 60 days past due	5,415	0.00%	-
60 to 180 days past due	10,645	0.00%	-
180 to 240 days past due	-	0.00%	-
240 to 365 days past due	-	0.33%	-
More than 365 days past due	-	100.00%	-
	<u>\$ 96,568</u>		<u>-</u>

(Continued)

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**Notes to the Financial Statements**

The movement in the allowance for notes and trade receivables were as follows:

	<b>2023</b>	<b>2022</b>
Balance at January 1	\$ -	121
Impairment losses recognized	-	241
Impairment losses reversed	-	(362)
Balance at December 31	<u><u>\$ -</u></u>	<u><u>-</u></u>

Based on historical payment practices and considering that the credit quality of the customers to which the trade receivable is subject has not changed materially, the Company does not consider that there is any material doubt about the recoverability of the impairment losses on trade receivables.

Trade receivable that are overdue on the balance sheet but have not yet been recognized by the Company as a loss allowance, in the opinion of the Company's management, can be recovered due to the fact that there has been no material change in their credit quality and due to an aging analysis, historical experience, and the degree of customer risk.

As of December 31, 2023 and 2022, the Company did not provide any Trade receivables as collaterals for its loans.

(d) Other receivables

	<b>December 31, 2023</b>	<b>December 31, 2022</b>
Tax refund receivables	\$ 15,758	11,824
Other	1,632	26,834
	<u><u>\$ 17,390</u></u>	<u><u>38,658</u></u>

(e) Inventories

	<b>December 31, 2023</b>	<b>December 31, 2022</b>
Finished goods	\$ 325,712	285,171
Work in progress	138,212	139,352
Raw materials	34,053	4,429
Merchandise Inventories	288	137
Total	<u><u>\$ 498,265</u></u>	<u><u>429,089</u></u>

Cost of goods sold in 2023 was attributable to inventory write-down to net realizable value, and inventory valuation losses of \$6,322 thousand were recognized. In the year of 2022, due to inventory sold, the Company recognized \$741 thousand gain from price recovery of inventory.

As of December 31, 2023 and 2022, the Company did not provide any inventory as collaterals for its loans.

(Continued)

**Jiin Yeeh Ding Enterprise Corp.**  
**Notes to the Financial Statements**

(f) Investments accounted for using equity method

A summary of the Company's investments accounted for using the equity method at the reporting date is as follows:

	December 31, 2023	December 31, 2022
Subsidiaries	\$ 1,226,224	1,179,521
Associates	16,809	15,123
	<u><u>\$ 1,243,033</u></u>	<u><u>1,194,644</u></u>

(i) Subsidiaries

For the related information, please refer to the 2023 consolidated financial statement.

(ii) Associates

The Company's financial information for investments accounted for using the equity method that are individually insignificant was as follows, this financial information is the amount contained in the financial report of the Company:

	December 31, 2023	December 31, 2022
Carrying amount of individually insignificant associates' equity	<u><u>\$ 16,809</u></u>	<u><u>15,123</u></u>
	<u>2023</u>	<u>2022</u>
Attributable to the Company:		
Profit (Loss)	\$ 1,686	(1,881)
Other comprehensive income	-	-
Total comprehensive income	<u><u>\$ 1,686</u></u>	<u><u>(1,881)</u></u>

(iii) Collateral

As of December 31, 2023 and 2022, the Company did not provide any investment accounted for using equity method as collaterals for its loans.

(g) Property, plant and equipment

The detail of changes in property, plant and equipment were as follows:

	Land	Buildings and construction	Machinery and equipment	Transportati on equipment	Other Facilities	Construction in progress and testing equip	Total
Cost or deemed cost:							
Balance on January 1, 2023	\$ 175,409	121,358	23,524	35,675	12,843	52,188	420,997
Additions	-	-	4,606	1,843	751	86,495	93,695
Reclassification	-	-	-	504	-	10,476	10,980
Disposal and retirement	(2,457)	-	(3,205)	(1,500)	(4,043)	-	(11,205)
Balance on December 31, 2023	<u><u>\$ 172,952</u></u>	<u><u>121,358</u></u>	<u><u>24,925</u></u>	<u><u>36,522</u></u>	<u><u>9,551</u></u>	<u><u>149,159</u></u>	<u><u>514,467</u></u>

(Continued)

**Jiin Yeeh Ding Enterprise Corp.**  
**Notes to the Financial Statements**

	Land	Buildings and construction	Machinery and equipment	Transportation equipment	Other Facilities	Construction in progress and testing equip	Total
Balance on January 1, 2022	\$ 175,331	120,264	16,348	13,679	21,628	2,226	349,476
Additions	78	1,219	7,544	20,704	2,068	49,962	81,575
Reclassification	-	-	1,307	1,387	-	-	2,694
Disposal and retirement	-	(125)	(1,675)	(95)	(10,853)	-	(12,748)
Balance on December 31, 2022	<u>\$ 175,409</u>	<u>121,358</u>	<u>23,524</u>	<u>35,675</u>	<u>12,843</u>	<u>52,188</u>	<u>420,997</u>
Balance on January 1, 2023	\$ -	36,121	8,056	9,440	6,773	-	60,390
Depreciation	-	2,938	4,458	7,700	1,769	-	16,865
Disposal and retirement	-	-	(3,205)	(1,500)	(4,042)	-	(8,747)
Balance on December 31, 2023	<u>\$ -</u>	<u>39,059</u>	<u>9,309</u>	<u>15,640</u>	<u>4,500</u>	<u>-</u>	<u>68,508</u>
Balance on January 1, 2022	\$ -	33,409	6,290	4,738	15,495	-	59,932
Depreciation	-	2,837	3,441	4,797	2,132	-	13,207
Disposal and retirement	-	(125)	(1,675)	(95)	(10,854)	-	(12,749)
Balance on December 31, 2022	<u>\$ -</u>	<u>36,121</u>	<u>8,056</u>	<u>9,440</u>	<u>6,773</u>	<u>-</u>	<u>60,390</u>
Carrying amounts:							
Balance on December 31, 2023	<u>\$ 172,952</u>	<u>82,299</u>	<u>15,616</u>	<u>20,882</u>	<u>5,051</u>	<u>149,159</u>	<u>445,959</u>
Balance on January 1, 2022	<u>\$ 175,331</u>	<u>86,855</u>	<u>10,058</u>	<u>8,941</u>	<u>6,133</u>	<u>2,226</u>	<u>289,544</u>
Balance on December 31, 2022	<u>\$ 175,409</u>	<u>85,237</u>	<u>15,468</u>	<u>26,235</u>	<u>6,070</u>	<u>52,188</u>	<u>360,607</u>

(i) Collateral

As of December 31, 2023 and 2022, the property, plant and equipment of the Company have been provided as collateral. Please refer to note 8 for details.

(ii) Land held by nominee registration

On December 31, 2022, the Company, considering operational factors, temporarily registered the ownership of 2,040.99 square meters of agricultural land in the Haishan Section of Hsinchu City in the name of a third party. A contract for registration under another's name was signed, and the land was mortgaged to the Group for asset preservation at a total price of NT\$2,449 thousand.

On May 11, 2023, the Company's Board of Directors passed a resolution to sell the above-mentioned agricultural land in the Haishan Section of Hsinchu City to the Company's Chairman Chuang, Ching Chi for a total price of NT\$2,645 thousand. Please refer to note 7 for details.

(Continued)

**Jiin Yeeh Ding Enterprise Corp.**  
**Notes to the Financial Statements**

(h) Right-of-use assets

The Company leases land, buildings, machinery equipment and transportation equipment. Information about leases for the Company was presented below:

	Land	Buildings	Machinery and equipment	Transportation equipment	Total
Cost:					
Balance at January 1, 2023	\$ 13,528	7,233	3,445	1,792	25,998
Additions	321	659	-	-	980
Disposal/ Write-off	-	-	(2,349)	(1,792)	(4,141)
Balance at December 31, 2023	<u>\$ 13,849</u>	<u>7,892</u>	<u>1,096</u>	<u>-</u>	<u>22,837</u>
Balance at January 1, 2022	\$ 13,403	7,233	6,295	1,792	28,723
Additions	203	-	-	-	203
Disposal/Write-off	(78)	-	(2,850)	-	(2,928)
Balance at December 31, 2022	<u>\$ 13,528</u>	<u>7,233</u>	<u>3,445</u>	<u>1,792</u>	<u>25,998</u>
Depreciation of right-of-use assets:					
Balance at January 1, 2023	\$ 3,490	3,858	2,339	1,344	11,031
Depreciation	938	1,152	922	448	3,460
Disposal/ Write-off	-	-	(2,348)	(1,792)	(4,140)
Balance at December 31, 2023	<u>\$ 4,428</u>	<u>5,010</u>	<u>913</u>	<u>-</u>	<u>10,351</u>
Balance at January 1, 2022	\$ 2,613	2,894	3,637	746	9,890
Depreciation	955	964	1,552	598	4,069
Disposal/Write-off	(78)	-	(2,850)	-	(2,928)
Balance at December 31, 2022	<u>\$ 3,490</u>	<u>3,858</u>	<u>2,339</u>	<u>1,344</u>	<u>11,031</u>
Carrying amount:					
Balance at December 31, 2023	<u>\$ 9,421</u>	<u>2,882</u>	<u>183</u>	<u>-</u>	<u>12,486</u>
Balance at January 1, 2022	<u>\$ 10,790</u>	<u>4,339</u>	<u>2,658</u>	<u>1,046</u>	<u>18,833</u>
Balance at December 31, 2022	<u>\$ 10,038</u>	<u>3,375</u>	<u>1,106</u>	<u>448</u>	<u>14,967</u>

(i) Other financial assets

	December 31, 2023	December 31, 2022
Restricted deposits	\$ 31,135	55,505
Guarantee deposits paid	71,069	60,553
Futures deposits	37,417	39,311
	<u>\$ 139,621</u>	<u>155,369</u>
Current	\$ 128,225	126,014
Non-current	11,396	29,355
	<u>\$ 139,621</u>	<u>155,369</u>

As of December 31, 2023 and 2022, the Company's restricted deposits and futures deposits have been provided as collateral. Please refer to note 8 for details.

(Continued)

**Jiin Yeeh Ding Enterprise Corp.**  
**Notes to the Financial Statements**

(j) Other current assets and other non-current assets

	December 31, 2023	December 31, 2022
Prepayments for goods	\$ 57,627	75,282
Deferred income tax assets	2,041	1,116
Prepayments for land	23,413	23,413
Prepayments for equipment	35,895	16,068
Intangible assets	452	429
Others	3,102	5,671
	<u><u>\$ 122,530</u></u>	<u><u>121,979</u></u>
Current	\$ 58,757	78,411
Non-current	63,773	43,568
	<u><u>\$ 122,530</u></u>	<u><u>121,979</u></u>

(k) Short-term loans

	December 31, 2023	December 31, 2022
Credit loans	\$ -	-
Unused credit lines	<u><u>\$ 547,125</u></u>	<u><u>835,792</u></u>
Range of interest rate	<u><u>\$ -</u></u>	<u><u>-</u></u>

(l) Long-term borrowing

The details, terms and conditions of the Company's long-term borrowing are as follows:

December 31, 2023				
	Currency	Range of rate	Maturity year	Amount
Unsecured bank loans	NTD	1.15%	114	\$ 45,195
Secured bank loans	NTD	1.15%	115	71,020
Less: portion due within one year				(29,149)
Total				<u><u>\$ 87,066</u></u>
Unused long-term credit lines				<u><u>\$ 110,026</u></u>
December 31, 2022				
	Currency	Range of rate	Maturity year	Amount
Unsecured bank loans	NTD	0.875%	112	\$ 20,584
Less: portion due within one year				(3,973)
Total				<u><u>\$ 16,611</u></u>
Unused long-term credit lines				<u><u>\$ 111,017</u></u>

(Continued)

**Jiin Yeeh Ding Enterprise Corp.**  
**Notes to the Financial Statements**

(m) Lease liabilities

The lease liabilities of the Company are as follows:

	December 31, 2023	December 31, 2022
Current	<u>\$ 2,294</u>	<u>3,254</u>
Non-current	<u>\$ 10,572</u>	<u>12,090</u>

For the maturity analysis, please refer to note 6(w).

The amounts recognized in profit or loss were as follows:

	2023	2022
Interest on lease liabilities	<u>\$ 171</u>	<u>246</u>
Expenses relating to short-term leases	<u>\$ 1,333</u>	<u>1,298</u>
Expenses relating to leases of low-value assets, excluding short-term leases of low-value assets (excluding short term leases of low value assets)	<u>\$ 178</u>	<u>169</u>

The amounts recognized in the statement of cash flows for the Company were as follows:

	2023	2022
Total cash outflow for leases	<u>\$ 5,139</u>	<u>5,721</u>

(i) Lands and buildings leases

The Company leases lands and buildings for its office space and storehouse. The leases of office space typically run for a period of 10 years, and of storehouse for 3 to 10 years. Some leases include an option to renew the lease for an additional period of the same duration after the end of the contract term.

Some leases provide for additional rent payments that are based on changes in local price indices, or sales that the Company makes at the leased store in the period. Some also require the Company to make payments that relate to the real estate taxes levied on the lessor and insurance payments made by the lessor; these amounts are generally determined annually.

In which lessee is not reasonably certain to use an optional extended lease term, payments associated with the optional period are not included within lease liabilities.

(ii) Other leases

The Company also leases some machinery and office equipment with lease period for 1 to 3 years. These leases are short-term and leases of low-value items. The Company has elected not to recognize right-of-use assets and lease liabilities for these leases.

(Continued)

**Jiin Yeeh Ding Enterprise Corp.**  
**Notes to the Financial Statements**

(o) Employee benefits

(i) Defined contribution plan

Reconciliation of defined benefit obligation at present value and plan asset at fair value for the company in 2023 and 2022 were as follows:

	<b>December 31, 2023</b>	<b>December 31, 2022</b>
Present value of established welfare obligations	\$ 7,600	12,987
Fair value of plan assets	(9,571)	(15,529)
Net defined benefit liabilities (assets)	<u><b>\$ (1,971)</b></u>	<u><b>(2,542)</b></u>

The Company makes defined benefit plan contributions to the pension fund account with Bank of Taiwan that provides pensions for employees upon retirement. Plans (covered by the Labor Standards Law) entitle a retired employee to receive retirement benefits based on years of service and average monthly salary for the six months prior to retirement.

1) Composition of plan assets

The Company allocates pension funds in accordance with the Regulations for Revenues, Expenditures, Safeguard and Utilization of the Labor Retirement Fund, and such funds are managed by the Bureau of Labor Funds, Ministry of Labor. With regard to the utilization of the funds, minimum earnings shall be no less than the earnings attainable from two-year time deposits with interest rates offered by local banks.

The Company's Bank of Taiwan labor pension reserve account balance amounted to \$9,571 thousand as of December 31, 2023. For information on the utilization of the labor pension fund assets, including the asset allocation and yield of the fund, please refer to the website of the Bureau of Labor Funds, Ministry of Labor.

2) Movements in present value of the defined benefit obligations

The movement in present value of the defined benefit obligations for the Company in 2023 and 2022 were as follows:

	<b>2023</b>	<b>2022</b>
Defined benefit obligations at January 1	\$ 12,987	14,095
Current service costs and interest cost	1,236	71
Remeasurements of net defined benefit liabilities (assets):		
— Actuarial loss (gain) arising from		
- Financial assumptions	194	(1,583)
- Experience adjustments	(569)	404
- Effect of settlement	(6,248)	-
Defined benefit obligations at December 31	<u><b>\$ 7,600</b></u>	<u><b>12,987</b></u>

(Continued)

**Jiin Yeeh Ding Enterprise Corp.**  
**Notes to the Financial Statements**

3) Movements of defined benefit plan assets

The movements in the present value of the defined benefit plan assets for the Company in 2023 and 2022 were as follows:

	<b>2023</b>	<b>2022</b>
Fair value of plan assets at January 1	\$ (15,529)	(13,661)
Interest income	(238)	(70)
Remeasurements of net defined benefit liabilities (assets):		
— Return on plan assets (excluding interest income)	(62)	(1,061)
— Effect of settlement	6,586	-
Contributions paid by the employer	(328)	(737)
Fair value of plan assets at December 31	<u><u>\$ (9,571)</u></u>	<u><u>(15,529)</u></u>

4) Expenses recognized in profit or loss

The expenses recognized in profit or loss for the Company in 2023 and 2022 were as follows:

	<b>2023</b>	<b>2022</b>
Net interest of net liabilities for defined benefit obligations	\$ (43)	1
Upfront service costs and settlement of gains and losses	1,379	-
	<u><u>\$ 1,336</u></u>	<u><u>1</u></u>
	<b>2023</b>	<b>2022</b>
Administration expenses	<u><u>\$ 1,336</u></u>	<u><u>1</u></u>

5) Remeasurement of net defines benefit liabilities (asset) recognized in other comprehensive income (loss)

Accumulated remeasurement of net defined benefit liabilities (asset) recognized in other comprehensive income (loss) for the company in 2023 and 2022 were as follows:

	<b>2023</b>	<b>2022</b>
Accumulated balance at January 1	\$ 3,831	6,071
Current recognition	(437)	(2,240)
Accumulated balance at December 31	<u><u>\$ 3,394</u></u>	<u><u>3,831</u></u>

(Continued)

**Jiin Yeeh Ding Enterprise Corp.**  
**Notes to the Financial Statements**

6) Actuarial assumptions

The principal actuarial assumptions at the reporting date were as follows:

	<u>2023</u>	<u>2022</u>
Discount rate	1.375%	1.500%
Future salary increase rate	2.500%	2.500%

The Company does not anticipate making any provision for the defined benefit plan within one year after the reporting date in 2023.

The weighted average lifetime of the defined benefits plans is 13.1 years.

7) Sensitivity analysis

If the actuarial assumptions had changed, the impact on the present value of the defined benefit obligation shall be as follows:

	<b>Influences of defined benefit obligations</b>	
	<b>Increased 0.25%</b>	<b>Decreased 0.25%</b>
December 31, 2023		
Discount rate	\$ (206)	215
Future salary increasing rate	209	(201)
December 31, 2022		
Discount rate	(360)	374
Future salary increasing rate	363	(352)

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown above. The method used in the sensitivity analysis is consistent with the calculation of pension liabilities in the balance sheets.

There is no change in the method and assumptions used in the preparation of sensitivity analysis for 2023 and 2022.

(ii) Defined contribution plans

The Company allocates 6% of each employee's monthly wages to the labor pension personal account at the Bureau of the Labor Insurance in accordance with the provisions of the Labor Pension Act. Under this defined contribution plan, the Company allocates the labor pension at a specific percentage to the Bureau of the Labor Insurance without additional legal or constructive obligations.

The pension costs incurred from the contributions to the Bureau of the Labor Insurance amounted to \$3,821 thousand and \$3,697 thousand for the years ended December 31, 2023 and 2022, respectively.

(Continued)

**Jiin Yeeh Ding Enterprise Corp.**  
**Notes to the Financial Statements**

(p) Income tax

(i) The components of income tax in the years 2023 and 2022 were as follows:

	<u>2023</u>	<u>2022</u>
Current tax expense	\$ 73,194	63,036
Deferred tax expense	(1,944)	1,982
Tax expense	<u><b>\$ 71,250</b></u>	<u><b>65,018</b></u>

Reconciliation of income tax and profit before tax for 2023 and 2022 were as follows:

	<u>2023</u>	<u>2022</u>
Profit before income tax	\$ 606,003	381,331
Income tax calculated at the domestic tax rate of the Company's location	121,200	76,266
Permanent differences	(62,903)	(8,666)
Undervaluation for the prior period	7,580	(8,764)
Changes in unrecognized temporary differences	(2,919)	(709)
5% additional tax on undistributed earnings	8,292	6,891
Income tax expense	<u><b>\$ 71,250</b></u>	<u><b>65,018</b></u>

(ii) Deferred tax assets and liabilities

1) Unrecognized deferred tax assets

Deferred tax assets have not been recognized in respect of the following items:

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Tax effect of deductible temporary differences	<u><b>\$ 51,759</b></u>	<u><b>\$ 44,179</b></u>

The share of investment loss that can be recognized by the equity method with the exception of temporary differences is not recognized because it is not likely to be realized by the Company in the future.

**Jiin Yeeh Ding Enterprise Corp.**  
**Notes to the Financial Statements**

2) Recognized deferred tax assets and liabilities

Changes in the amount of deferred tax assets and liabilities were as follows:

	Inventory valuation losses	Evaluation loss of financial instrument	Unrealized exchange loss	Total
Deferred Tax Assets:				
<b>Balance at January 1, 2023</b>	\$ 489	627	-	1,116
Recognized in profit or loss	1,264	(339)	-	925
<b>Balance at December 31, 2023</b>	<u><b>\$ 1,753</b></u>	<u><b>288</b></u>	<u><b>-</b></u>	<u><b>2,041</b></u>
<b>Balance at January 1, 2022</b>	\$ 637	603	703	1,943
Recognized in profit or loss	(148)	24	(703)	(827)
<b>Balance at December 31, 2022</b>	<u><b>\$ 489</b></u>	<u><b>627</b></u>	<u><b>-</b></u>	<u><b>1,116</b></u>
			<b>Unrealized exchange gain</b>	
Deferred Tax Liabilities:				
<b>Balance at January 1, 2023</b>			\$ 1,155	
Recognized in profit or loss			(1,019)	
<b>Balance at December 31, 2023</b>			<u><b>\$ 136</b></u>	
<b>Balance at January 1, 2022</b>			\$ -	
Recognized in profit or loss			1,155	
<b>Balance at December 31, 2022</b>			<u><b>\$ 1,155</b></u>	

- (iii) The Company's tax returns for the years through 2021 were assessed by the tax authority.
- (iv) The Company has obtained the approval of the taxation authority in June 2023 and July 2022 to pay the payable taxes settled and reported for 2022 and 2021 in three years. If there are other payments of refundable taxes, they shall be used to offset the owed tax payments in separate periods. As of December 31, 2023, remaining income tax payable for 2022 and 2021 amounted to \$3,544 thousand and \$1,098 thousand respectively and had not yet been fully paid.

**Jiin Yeeh Ding Enterprise Corp.**  
**Notes to the Financial Statements**

(q) Capital and other equity

As of December 31, 2023 and 2022, the total value of authorized shares amounted to \$1,500,000 thousand with par value of \$10 per share and the number of authorized ordinary shares were 150,000 thousand of shares. Above-mentioned authorized shares are all ordinary shares, the number of issued shares were 96,061 thousand of shares (2022: 95,942 thousand of shares) and all issued shares were paid up upon issuance.

Reconciliation of shares outstanding for 2023 and 2022 were as follows:

	(in thousands of shares)	
	<b>Ordinary share</b>	
	<b>2023</b>	<b>2022</b>
Balance on January 1	95,492	119,923
Cash capital decrease	-	(23,986)
Execution of employee share options	119	5
Balance on December 31	<b>95,611</b>	<b>95,942</b>

(i) Ordinary share and issuance

On June 27, 2022, the general shareholders' meeting of the Company resolved to decrease capital by cash and refunded \$239,856 thousand in cash, with a par value of \$10 per share. The Company cancelled 23,986 thousand shares (20,218 thousand shares of TPEx common shares and 3,768 thousand shares of private placement common shares). The capital decrease proposal was approved by the Board of Directors which set September 2, 2022 as the record date for the capital decrease and set October 28, 2022 as the record date for the replacement shares. As of December 31, 2022, the legal registration procedures have been completed.

The Company issued 119 thousand and 5 thousand of new shares of common stock for the exercise of employee stock options in 2023 and 2022 at par value \$10 per share, amounted to \$1190 thousand and \$50 thousand with paid amounted to \$1,097 thousand and \$40 thousand. The difference between par value and subscription price were recorded as capital surplus share premium. The record date for capital increase of 55,000 shares was February 5, 2024, and the statutory registration process was completed on March 6, 2024.

(ii) Capital surplus

	<b>December 31, 2023</b>	<b>December 31, 2022</b>
Share capital	\$ 810,286	809,101
Employee share options	591	1,869
Others	274	274
	<b>\$ 811,151</b>	<b>811,244</b>

According to the R.O.C. Company Act, capital surplus can only be used to offset a deficit, and only the realized capital surplus can be used to increase the common stock or be distributed as cash dividends. The aforementioned realized capital surplus includes capital surplus resulting from premium on issuance of capital stock and earnings from donated assets received. According to the Regulations Governing the Offering and Issuance of Securities by Securities Issuers, capital increases by transferring capital surplus in excess of par value should not exceed 10% of the total common stock outstanding.

(Continued)

**Jiin Yeeh Ding Enterprise Corp.**  
**Notes to the Financial Statements**

(iii) Retained earnings

By the Company's article of incorporation, if there is a surplus in the annual final accounts of the Company, taxes shall first be paid in accordance with the law and accumulated losses shall be made up for and then another 10% withdrawal shall be made for legal reserve. However, this provision shall no longer be made when the legal reserve has reached the level of the Company's paid-in capital and the remainder will be set aside or reversed as special reserve according to the laws and regulations. If there is any remaining balance and accumulated undistributed surplus, the Board of Directors shall formulate a proposal for distribution of the surplus, and the shareholders' meeting shall be petitioned to issue a resolution on the distribution of dividends to shareholders.

The Company's dividend policy shall align with current and future development plans, consider the investment environment and the capital needs and domestic and foreign competition, and take into account the interests of shareholders, thereby balancing dividends and the Company's long-term financial planning and other factors, and every year the Board of Directors shall draw up a distribution plan in accordance with the law and submit it to the shareholders' meeting. The Company may allocate more than 30% of the dividends to shareholders of the current year's distributable earnings. The Company revised its dividend policy starting from June 28, 2023. The Company may appropriate 20% to 50% of the current year's distributable earnings as shareholder dividends; When distributing dividends to shareholders, in cash or stock, corresponding cash dividends shall not be less than 20% of the total dividends.

1) Legal reserve

When a company incurs no loss, it may, pursuant to a resolution by a shareholders' meeting, distribute its legal reserve by issuing new shares or by distributing cash, and only the portion of legal reserve which exceeds 25% of capital may be distributed.

2) Special reserve

Pursuant to Jiin-Guan-Zheng-Fa No. 1010012865 Letter of the FSC, when the Company distributes distributable earnings, it shall set aside a special reserve from the earnings of the current period and undistributed earnings from the previous period for the net deductions in other shareholders' equity that occurred in the current year. The special reserve from undistributed earnings of the previous period shall not be distributed for the net deductions in other shareholders' equity accumulated in the previous period. If there is a subsequent reversal in the deductions in other shareholders' equity, the reversed portion of the surplus may be distributed.

3) Earnings Distribution

Earnings distribution for 2022 and 2021 were decided by the resolution adopted, at the general meeting of shareholders held on June 28, 2023 and June 27, 2022, respectively. The relevant dividend distributions to shareholders were as follow:

(Continued)

**Jiin Yeeh Ding Enterprise Corp.**  
**Notes to the Financial Statements**

	<b>2022</b>		<b>2021</b>	
	<b>Amount (NT dollars)</b>	<b>Total amount</b>	<b>Amount (NT dollars)</b>	<b>Total amount</b>
Dividends distributed to ordinary shareholders:				
Cash	<u>\$ 1.88</u>	<u>180,492</u>	<u>1.80</u>	<u>215,870</u>

Earnings distribution for 2023 was decided by the resolution adopted, at the Board of Directors held on March 8, 2024. The cash dividend amount proposed to be distributed is \$211,455 thousand and the dividend rate is \$2.2. The proposal is pending resolution by the General Meeting of Shareholders.

(r) Share-based payment

(i) Determining the fair value of equity instruments granted

In 2014, the Company used binominal method in measuring the fair value of the employee stock options. The measurement inputs were as follows:

	<b>2014</b>
Expected life (years)	10 years
Expected dividend rate	-

The market price of stocks on the grant date is evaluated using the market-based method.

The expected volatility is estimated by using the standard deviation of the rate of return of stock prices given to the industry in the most recent year.

(ii) Information of employee stock options

Detail of information regarding above employee stock options was as follows:

	<b>2023</b>		<b>2022</b>	
	<b>Weighted exercise price (NT dollars)-average</b>	<b>Shares (in thousands)</b>	<b>Weighted exercise price (NT dollars)-average</b>	<b>Shares (in thousands)</b>
<b>Employee stock options</b>				
Outstanding shares at January 1	\$ 9.40	174	7.90	194
Invalidated shares during the year	-	-	7.90	(15)
Exercisable shares during the year	9.22	(119)	7.90	(5)
Outstanding shares at December 31	9.00	<u>55</u>	9.40	<u>174</u>
Exercisable shares at December 31	9.00	<u>55</u>	9.40	<u>174</u>

The details of the share options of the Company outstanding were as follows:

	<b>December 31, 2023</b>	<b>December 31, 2022</b>
Range of exercise price (NT dollars)	\$ 9.00	9.40
Weighted average of remaining contractual period (year)	0.75	1.75

(Continued)

**Jiin Yeeh Ding Enterprise Corp.**  
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In the event of any cash dividend distributed, change of common shares or cancellation of non-treasury shares, the subscription price of the stock options plan has been adjusted in accordance with the measures for issuance of employee stock options and subscription of the Company.

On July 8, 2022, the Board of Directors decided to distribute cash dividend, with August 3, 2022 as the ex-dividend date. The exercise price shall be adjusted from NT \$7.9 per share to NT \$7.5 per share in accordance with the terms and conditions of the issuance.

On June 27, 2022, the Company's general shareholders' meeting passed a resolution to approve the cash capital decrease and authorized the Chairman to set the record date of the capital reduction as September 2, 2022. The exercise price shall be adjusted from NT\$7.5 per share to NT\$9.4 per share in accordance with the terms and conditions of the issuance.

On July 3, 2023, the Board of Directors decided to distribute cash dividend, with August 2, 2023 as the ex dividend date. The exercise price shall be adjusted from NT \$9.4 per share to NT \$9.0 per share in accordance with the terms and conditions of the issuance.

(s) Earnings per share

The calculation of basic earnings per share and diluted earnings per share are as follows:

	<u>2023</u>	<u>2022</u>
<b>Basic earnings per share</b>		
Net profit attributable to shareholders of the Company's common shares	<u>\$ 534,753</u>	<u>316,313</u>
Weighted average number of common shares outstanding (thousand shares)	<u>96,02</u>	<u>111,975</u>
<b>Diluted earnings per share</b>		
Net profit attributable to shareholders of the Company's common shares (Diluted)	<u>\$ 534,236</u>	<u>316,313</u>

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	<u>2022</u>	<u>2021</u>
Weighted average number of common shares outstanding (thousand shares)	96,002	111,975
Impact of dilutive potential common shares		
Impact of employee' remuneration	883	880
Impact of the issuance of employee stock options	90	124
Weighted average number of common shares outstanding (after adjusting for the impact of dilutive potential common shares)	<u><b>96,975</b></u>	<u><b>112,979</b></u>

For calculation of the dilution effect of employ stock options, the average market value is assessed based on the market price of the Company's shares during the period in which the stock options are outstanding.

(t) Revenue from contracts with customers

(i) Disaggregation of revenue

	<u>2023</u>	<u>2022</u>
Primary geographical markets:		
China	\$ 519,094	829,904
Taiwan	1,106,700	627,497
Japan	566,119	743,861
Belgium	214,309	133,832
Other countries	-	23,018
	<u><b>\$ 2,406,222</b></u>	<u><b>2,358,112</b></u>
Major products/services lines:		
Gold and mixed metal including gold	\$ 959,929	1,060,232
Copper	1,206,792	1,010,170
Other	239,501	287,710
	<u><b>\$ 2,406,222</b></u>	<u><b>2,358,112</b></u>

(ii) Contract balances

	<u>December 31, 2023</u>	<u>December 31, 2022</u>	<u>Januray 31, 2022</u>
Note receivables	\$ -	-	92
Trade receivables	147,554	96,568	194,203
Less: allowance for impairment	-	-	(121)
Total	<u><b>\$ 147,554</b></u>	<u><b>96,568</b></u>	<u><b>194,174</b></u>

(Continued)

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(u) Employee compensation and directors' and supervisors' remuneration

In accordance with the articles of incorporation the Company should contribute 6%~15% of the profit as employee compensation and less than 5% as directors' and supervisors' remuneration when there is profit for the year. However, if the Company has accumulated deficits, the profit should be reserved to offset the deficit. The amount of remuneration of each director and supervisor and of compensation for employees entitled to receive the abovementioned employee compensation is approved by the Board of Directors. The recipients of shares and cash may include the employees of the Company's affiliated companies who meet certain conditions.

For the years ended December 31, 2023 and 2022, the Company estimated its employee remuneration amounting to \$39,308 thousand and \$24,735 thousand, and directors' and supervisors' remuneration amounting to \$9,827 thousand and \$6,184 thousand, respectively. The estimated amounts mentioned above are calculated based on the net profit before tax, excluding the remuneration to employees, directors and supervisors of each period, multiplied by the percentage of remuneration to employees, directors and supervisors as specified in the Company's articles. These remunerations were expensed under operating costs or operating expenses during 2022 and 2021 and distributed entirely in cash. The numbers of shares to be distributed were calculated based on the closing price of the Company's ordinary shares, one day before the date of the meeting of Board of Directors, respectively. Related information would be available at the Market Observation Post System website. The amounts, as stated in the consolidated financial statements, are identical to those of the actual distributions for 2023 and 2022.

(v) Non-operating income and expenses

(i) Other income

Components of other income for the Company was as follows:

	<b>2023</b>	<b>2022</b>
Rent income	\$ 1,538	1,554
Dividend income	5,949	5,205
Other income, others	6,721	11,935
Total other income	<b><u>\$ 14,208</u></b>	<b><u>18,694</u></b>

(ii) Other gains and losses

Components of Other gains and losses for the Company were as follows:

	<b>2023</b>	<b>2022</b>
Gains on disposals of property, plant and equipment	\$ 188	-
Net gains on foreign exchange	8,512	27,604
Net gains on financial assets (liabilities) at fair value through profit or loss	291,174	51,890
	<b><u>\$ 299,874</u></b>	<b><u>79,494</u></b>

(Continued)

**Jiin Yeeh Ding Enterprise Corp.**  
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(iii) Finance costs

Components of finance costs were as follows:

	<u>2023</u>	<u>2022</u>
Interest expense	<u>\$ 1,000</u>	<u>824</u>

(iv) Interest income

Components of interest income for the Company were as follows:

	<u>2023</u>	<u>2022</u>
Interest income from bank deposits	\$ 5,317	2,968
Interest income from contract assets	1,239	1,530
Other interest income	11	10
	<u>\$ 6,567</u>	<u>4,508</u>

(w) Financial instrument

(i) Credit risk

1) Credit risk exposure

As at reporting date December 31, 2023 and 2022, the Company's exposure to credit risk and the maximum exposure were mainly from the carrying amount of financial assets and contract assets recognized in the consolidated balance sheet.

2) Concentration of credit risk

As the Company has a large customer base and intends to reduce the credit risk, the Company monitors and reviews the recoverable amount of the trade receivables to ensure the uncollectible amount are recognized appropriately as impairment losses, always within the expectations of management. As of December 31, 2023 and 2022, the proportion of accounts receivable balances coming from major customers is 49% respectively, of trade receivables were from top 5 customers. Thus, credit risk is significantly centralized.

(Continued)

**Jiin Yeeh Ding Enterprise Corp.**  
**Notes to the Financial Statements**

(ii) Liquidity risk

The following table shows the contractual maturities of financial liabilities, including estimated interest payments and excluding the impact of netting agreements.

	<b>Contractual cash flows</b>	<b>Within 1 year</b>	<b>1-2 years</b>	<b>2-5 years</b>	<b>Over 5 years</b>
<b>December 31, 2023</b>					
Non-derivative financial liabilities					
Liabilities without interest	\$ 90,942	90,942	-	-	-
Leased liabilities	13,687	2,424	2,238	2,824	6,201
Floating-rate instruments	118,422	30,284	16,914	71,224	-
Derivative financial liabilities					
Outflow	1,439	1,439	-	-	-
	<u><b>\$ 224,490</b></u>	<u><b>125,089</b></u>	<u><b>19,152</b></u>	<u><b>74,048</b></u>	<u><b>6,201</b></u>
<b>December 31, 2022</b>					
Non-derivative financial liabilities					
Liabilities without interest	\$ 133,949	133,949	-	-	-
Leased liabilities	16,502	3,445	2,237	4,042	6,778
Floating-rate instruments	20,882	4,147	10,396	6,339	-
Derivative financial liabilities					
Outflow	3,132	3,132	-	-	-
	<u><b>\$ 174,465</b></u>	<u><b>144,673</b></u>	<u><b>12,633</b></u>	<u><b>10,381</b></u>	<u><b>6,778</b></u>

The Company does not expect the cash flows included in the maturity analysis to occur significantly earlier or at significantly different amounts.

(iii) Currency risk

1) Exposure to foreign currency risk

The Company's significant exposure to foreign currency risk were as follows:

	<b>December 31, 2023</b>			<b>December 31, 2022</b>		
	<b>Foreign currency</b>	<b>Exchange rate</b>	<b>TWD</b>	<b>Foreign currency</b>	<b>Exchange rate</b>	<b>TWD</b>
<b>(in thousands)</b>						
<b>Financial assets</b>						
<b>Monetary items</b>						
USD	\$ 1,619	30.71	49,719	7,384	30.71	226,763
JPY	261,014	0.22	57,423	144,645	0.23	33,268
EUR	1,850	33.98	62,863	371	32.72	12,139

(Continued)

**Jiin Yeeh Ding Enterprise Corp.**  
**Notes to the Financial Statements**

2) Sensitivity analysis

The Company's exposure to foreign currency risk arises from the translation of the foreign currency exchange gains and losses on cash and cash equivalents, trade and other receivables, loans and borrowings; and trade and other payables that are denominated in foreign currency. A strengthening (weakening) of 1% of the NTD against the USD, EUR, and JPY as of December 31, 2023 and 2022 would have increased (decreased) the net profit after tax by \$1,700 thousand and \$2,705 thousand. The analysis assumes that all other variables remain constant and ignores any impact of forecasted sales and purchases.

3) Exchange gains and losses of monetary items

Since the Company has many kinds of functional currency, the information on foreign exchange gain (loss) on monetary items is disclosed by total amount. For years 2023 and 2022, foreign exchange profit (loss) (including realized and unrealized portions). Please refer to note 6(w) in detail.

(iv) Interest rate analysis

Please refer to the notes on liquidity risk management and interest rate exposure of the Company's financial assets and liabilities.

The following sensitivity analysis is based on the exposure to the interest rate risk of derivative and non-derivative financial instruments on the reporting date. Regarding liabilities with variable interest rates, the analysis is based on the assumption that the amount of assets outstanding at the reporting date was outstanding throughout the year. The rate of change is expressed as the interest rate increases or decreases by 0.1% when reporting to management internally, which also represents the Company management's assessment of the reasonably possible interest rate change.

(v) Other market price risk

The Company is subject to the price of precious metals fluctuation, resulting in the risk of hedging its futures trades against market inventory price fluctuations.

For the years ended December 31, 2023 and 2022, the sensitivity analyses for the changes in the securities price at the reporting date were performed increase / decrease by 10% basis points, profit before tax would have increased / decreased by \$6,426 thousand and \$6,130 thousand if the analyses were based on the same basis and assumed that other variables were unchanged.

(Continued)

**Jiin Yeeh Ding Enterprise Corp.**  
**Notes to the Financial Statements**

(vi) Fair value of financial instruments

1) Fair value hierarchy

The fair value of financial assets and liabilities at fair value through profit or loss, financial instruments used for hedging, and financial assets at fair value through other comprehensive income is measured on a recurring basis. The carrying amount and fair value of the Company's financial assets and liabilities, including the information on fair value hierarchy were as follows; however, except as described in the following paragraphs, for financial instruments not measured at fair value whose carrying amount is reasonably close to the fair value, and lease liabilities, disclosure of fair value information is not required:

		<b>December 31, 2023</b>			
		<b>Fair Value</b>			
	<b>Book Value</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
Financial assets at fair value through profit or loss					
Non-current financial asset mandatorily measured at fair value through profit or loss	\$ 340,708	340,708	-	-	340,708
Financial liabilities at fair value through profit or loss					
Derivative financial instruments	\$ (1,439)	-	(1,439)	-	(1,439)
		<b>December 31, 2022</b>			
		<b>Fair Value</b>			
	<b>Book Value</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
Financial assets and liabilities at fair value through profit or loss					
Non-current financial asset mandatorily measured at fair value through profit or loss	\$ 139,778	-	-	139,778	139,778
Financial liabilities at fair value through profit or loss					
Derivative financial instruments	\$ (3,132)	-	(3,132)	-	(3,132)

(Continued)

**Jiin Yeeh Ding Enterprise Corp.**  
**Notes to the Financial Statements**

2) Valuation techniques for financial instruments measured at fair value

a) Non-derivative financial instruments

If a financial instrument has an open quotation in the active market, the open quotation in the active market shall be taken as its fair value. The quoted market prices of major exchanges and central government bond over-the-counter trading centers judged to be popular securities are the basis for the fair value of listed (counter) equity instruments and debt instruments with active open market quotations.

A financial instrument is regarded as being quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency and those prices represent actual and regularly occurring market transactions on an arm's length basis.

For financial instruments held by the Company with active markets, their fair values are listed as follows according to their categories and attributes:

Domestic and foreign listed (counter) company stocks and domestic fund beneficiary certificates are financial assets that have standard terms and conditions and are traded in active markets, and their fair values are determined with reference to market quotes.

Measurements of fair value of financial instruments without an active market are based on a valuation technique or quoted price from a competitor. Fair value measured by a valuation technique can be extrapolated from similar financial instruments, the discounted cash flow method, or other valuation technique including a model using observable market data at the reporting date. (e.g. Taipei Exchange refers to the yield curve and the average quotation of the Reuters commercial promissory note interest rate)

If the financial instruments held by the Company have no active market, their fair values are listed as follows according to their categories and attributes:

Equity instruments without public quotation: The fair value is estimated using the market comparable company method. The main assumption is based on the net profit of the investor and the earnings multiplier derived from the market quotation of the comparable listed (counter) company. This estimate has been adjusted for the discount effect of the lack of market liquidity of the equity securities.

b) Derivative financial instruments

Measurement of the fair value of derivative instruments is based on the valuation techniques that are generally accepted by the market participants. For instance, discount method or option pricing models. Fair value of forward currency exchange is usually determined by using the forward currency rate.

(Continued)

**Jiin Yeeh Ding Enterprise Corp.**  
**Notes to the Financial Statements**

3) Reconciliation of Level 3 fair values

	<b>At fair value through profit or loss</b>
	<b>Non derivative mandatorily measured at fair value through profit or loss</b>
Opening balance January 1, 2023	\$ 139,778
Total gains and losses recognized:	
In profit or loss	50,798
Disposal	(2,053)
Transferred from Level 3	(188,523)
Ending Balance December 31, 2023	<u><u>\$ -</u></u>
Opening balance January 1, 2022	\$ 103,054
Total gains and losses recognized:	
In profit or loss	40,504
Disposal	(3,780)
Ending Balance December 31, 2022	<u><u>\$ 139,778</u></u>

For the years ended December 31, 2023 and 2022, total gains and losses that was included in “other gains and losses” was as follows:

	<b>2023</b>	<b>2022</b>
Total gains and losses recognized:		
In profit or loss, and including “other gains and losses”	\$ 50,798	40,504

4) The quantified information for significant unobservable inputs (level 3) used in fair value measurement

The Company's financial instruments that use level 3 input to measure fair values include financial assets at fair value through profit or loss — equity securities investment.

Most of fair value measurements of the Company which are categorized as equity investment into level 3 have several significant unobservable inputs. Significant unobservable inputs of equity investments without quoted price are independent of each other.

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**Notes to the Financial Statements**

The quantified information for significant unobservable inputs was as follows:

Item	Valuation technique	Significant unobservable inputs	Inter
			-relationship between significant unobservable inputs and fair value measurement
Financial assets at fair value through other comprehensive income—equity investment without an active market	Comparable market approach	Price-to-earning ratio (17.56 on December 31, 2022)	The higher the multiple is, the higher the fair value will be.
		Lack-of-marketability discount rate (10.00% on December 31, 2022)	The higher the lack-of-marketability discount rate is, the lower the fair value will be.

5) Sensitivity analysis for fair value of financial instruments using level 3 inputs

The Company's fair value measurement on financial instruments is reasonable. However, the measurement would be different if different valuation models or valuation parameters are used. For financial instruments using level 3 inputs, if the valuation parameters changed, the impact on other comprehensive income or loss are as follows:

			Profit or loss		Other comprehensive income	
	Input	Move up or down	Favorable	Unfavorable	Favorable	Unfavorable
December 31, 2022						
Financial assets at fair value through profit or loss						
Equity investments without active market						
	P/E ratio	1%	1,398	(1,398)	-	-
	Discounted rate	1%	1,553	(1,553)	-	-

The favorable and unfavorable changes reflect the movement of the fair value, in which the fair value is calculated by using the different unobservable inputs in the valuation technique. The table above shows the effects of one unobservable input, without considering the inter-relationships with another unobservable input for financial instrument, if there are one or more unobservable inputs.

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**Jiin Yeeh Ding Enterprise Corp.**  
**Notes to the Financial Statements**

(x) Financial risk management

(i) Overview

The Company have exposures to the following risks from its financial instruments:

- 1) Credit risk
- 2) Liquidity risk
- 3) Market risk

The following likewise discusses the Company's objectives, policies and processes for measuring and managing the mentioned risks. For more disclosures about the quantitative effects of these risk exposures, please refer to the respective notes in the accompanying consolidated financial statements.

(ii) Structure of risk management

The Board of Directors has responsibility for the establishment and oversight of the risk management framework.

The Company's risk management policies are established to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Board of Directors of the Company oversees how management monitors compliance with the Company's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The Board of Directors of the Company is assisted in its oversight role by Internal Audit. Internal Audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the Board of Directors.

(iii) Credit risk

Credit risk is the risk of financial loss to Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customer.

(i) Trade and other receivable

To mitigate credit risk, the Company has established credit extension and accounts receivable management procedures to ensure that appropriate actions are taken for the collection of overdue receivables. In addition, the Company will review the recoverable amounts of receivables on a case-by-case basis on the balance sheet date to ensure that appropriate impairment losses have been provided for unrecoverable receivables. Accordingly, the management of the Company believes that the credit risk of the Company has been significantly reduced.

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In addition, because the counterparty of current assets and derivative financial instruments is a bank with good credit, the credit risk is limited.

Trade receivable cover a wide range of customers, dispersed in different industries and geographical regions. The Company continuously evaluates the financial position of trade receivable customers.

(iv) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it always has sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

(v) Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates and equity prices, will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

(y) Capital management

The Company's objectives for managing capital to safeguard the capacity to continue to operate, to continue to provide a return on shareholders, to maintain the interest of other related parties, and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Company may adjust the dividend payment to the shareholders, reduce the capital for redistribution to shareholders, issue new shares, or sell assets to settle any liabilities.

The Company and other entities in the same industry use the debt-to-equity ratio to manage capital. This ratio is the total net debt divided by the total capital. The net debt from the balance sheet is derived from the total liabilities less cash and cash equivalents. The total capital and equity include share capital, capital surplus, retained earnings, and other equity.

The Company's capital management policy for 2023 remains the same as 2022. The Company's debt-to-equity ratio at the end of the reporting period as of December 31, 2023 and 2022 were as follows:

	<b>December 31, 2023</b>	<b>December 31, 2022</b>
Total liabilities	\$ 364,74	341,78
Less: cash and cash equivalents	(347,328)	(388,616)
Net debt	<u>\$ 17,41</u>	<u>(46,832)</u>
Total equity	<u>\$ 2,950,13</u>	<u>2,598,49</u>
Debt-to-equity ratio at December 31	<u>0.60%</u>	<u>(1.84)%</u>

The debt-to-equity ratio had increased on December 31, 2023, primarily attributable to an increase in net liabilities.

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**Notes to the Financial Statements**

(z) Investing and financing activities not affecting current cash flow

The Company's investing and financing activities not affecting current cash flow as of December 31, 2023 and 2022 were as follows.

(i) For right-of-use assets under leases, please refer to note 6(h).

(ii) Reconciliation of liabilities arising from financing activities were as follows:

			<u>Non-cash changes</u>	
	<u>January 1, 2023</u>	<u>Cash flows</u>	<u>Change in lease payable</u>	<u>December 31, 2023</u>
Long-term loans (Including maturities less than one year)	\$ 20,584	95,631	-	116,215
Lease liabilities	<u>15,344</u>	<u>(3,457)</u>	<u>979</u>	<u>12,866</u>
Total liabilities from financing activities	<u><u>\$ 35,928</u></u>	<u><u>92,174</u></u>	<u><u>979</u></u>	<u><u>129,081</u></u>
			<u>Non-cash changes</u>	
	<u>January 1, 2022</u>	<u>Cash flows</u>	<u>Change in lease payable</u>	<u>December 31, 2022</u>
Lease liabilities (Including maturities less than one year)	\$ -	20,584	-	20,584
Lease liabilities	<u>19,149</u>	<u>(4,008)</u>	<u>203</u>	<u>15,344</u>
Total liabilities from financing activities	<u><u>\$ 19,149</u></u>	<u><u>16,576</u></u>	<u><u>203</u></u>	<u><u>35,928</u></u>

**(7) Related-party transactions:**

(a) Names and relationship with related parties

<u>Name of related party</u>	<u>Relationship with the Group</u>
Grand Tone Enterprise Co., Ltd.	A Subsidiary
Gold Finance Limited	A Subsidiary
Hong Wei Development Co., Ltd.	A Subsidiary
Jiin Yeeh Ding (H.K.) Enterprises Ltd.	A Subsidiary
Shing Jung Recycling Technology Co., Ltd. (H.K.)	A Subsidiary
Yuan Rui Recycling Technology Co., Ltd. (H.K.)	A Subsidiary
Lianyungang Rongding Metal Co., Ltd.	A Subsidiary
Yeeh Ding Corporation	The Director of the Company
Su Fong Enterprise Co., Ltd.	An affiliate of the Company
Chuang, Ching-Chi	The Chairman of the Board of Directors
Chuang, Jui-Yuan	The General Manager of the Company

Note: The Company sold its equity in Lianyungang Rongding Metal Co., Ltd. and relinquished control, and it is no longer a related party of the Company starting from September 25, 2023.

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**Jiin Yeeh Ding Enterprise Corp.**  
**Notes to the Financial Statements**

(b) Significant transactions with related parties

(i) Sales

The amount of significant sales by the Company to related parties were as follows:

	2023	2022
Subsidiaries	<u>\$ 26,180</u>	<u>39,899</u>

The Company's sales terms to the subsidiaries are not significantly different from the general sales prices, with a collection period of 30 days to 120 days.

(ii) Purchase and Other operating costs

(1) The Company's purchase to the related parties were as follows:

	2023	2022
Subsidiaries	<u>\$ 106,151</u>	<u>54,735</u>

The Company's prices for the above-mentioned associate does not materially differ from the prices of general manufacturers.

(2) Other operating costs from related parties of the Company:

	Operating Costs		Trade payables	
	2023	2022	December 31, 2022	December 31, 2021
Associate — Su Fong Enterprise	<u>\$ 46,709</u>	<u>18,119</u>	<u>-</u>	<u>1,485</u>

The Company has commissioned Su Fong Enterprise to manufacture plastic pellets on an OEM basis since July 2022. The Group's OEM prices for the above-mentioned associate does not materially differ from the OEM prices of general manufacturers. Payment terms are payment within 7 days after acceptance.

	Operating Costs - Labor Deductions		Trade Receivables	
	2023	2022	December 31, 2022	December 31, 2021
Associate — Su Fong Enterprise	<u>\$ 3,736</u>	<u>1,396</u>	<u>28</u>	<u>448</u>

The Company provides personnel secondment to the above-mentioned affiliated enterprises.

(iii) Receivables to related parties

The payables to related parties were as follows:

Account	Relationship	December 31, 2023	December 31, 2022
Trade Receivables	Lianyungang Rongding Metal Co., Ltd.	\$ -	20,395
Trade Receivables	Subsidiaries	3,616	7,589
Other Receivables	Lianyungang Rongding Metal Co., Ltd.	-	26,314
Other Receivables	Subsidiaries	406	502
Other current assets	Subsidiaries	-	147
		<u>\$ 4,022</u>	<u>54,947</u>

(Continued)

**Jiin Yeeh Ding Enterprise Corp.**  
**Notes to the Financial Statements**

Of the other receivables of the Company from the subsidiary Lianyungang Rongding Metal Co., Ltd., \$18,725 thousand were overdue accounts receivable. As it exceeds the normal collection period of 120 days, the Board of Directors decided that it was a loan and reclassified it as other receivables, for which the interest is calculated at 4% per annum.

(iv) Payables to related parties

Account	Relationship	December 31, 2023	December 31, 2022
Trade payables	Grand Tone Enterprise Co., Ltd.	\$ 13,717	7,131
Trade payables	Jiin Yeeh Ding (H.K.) Enterprises Ltd.	-	1,247
Other payables	Su Fong Enterprise Co., Ltd.	-	1,485
Other payables	Grand Tone Enterprise Co., Ltd.	148	75
		<b>\$ 13,865</b>	<b>9,938</b>

(v) Guarantee

As of December 31, 2023 and 2022, the Company has provided endorsements and guarantees for subsidiaries' loans from banks totaling \$368,460 thousand and \$429,940 thousand, respectively.

(vi) Leases

In May 2018, the Company rented the land for parking of the business cars from Yeeh Ding Corporation. A lease contract was signed, in which the rental fee is determined based on nearby rental rates. For the year ended December 31, 2023 and 2022, the Company recognized the amount of \$19 thousand and \$21 thousand as interest expense, respectively. As of December 31, 2023 and 2022, the balance of lease liabilities amounted to \$1,190 thousand and \$1,343 thousand, respectively.

(vii) Property transaction

In June 2023, the Company sold agricultural land in the Haishan Section of Hsinchu City to the Company's Chairman Chuang, Ching Chi. The land area was 2,040.99 square meters and the total price was NT\$ 2,645 thousand. The transfer process was completed in July 2023. Payment has been fully collected for the sale of the land, and the proceeds from the disposal of property, plant and equipment amounted to \$188 thousand are accounted for under Other Gains and Losses.

(c) Key management personnel transactions

	2023	2022
Short-term employee benefits	\$ 37,710	30,246
Termination benefits	537	567
Total	<b>\$ 38,247</b>	<b>30,813</b>

The above amount does not include vehicle and seat rental fees. As of December 31, 2023, and December 31, 2022, the Company provided one and two vehicles for rental, with original costs of \$1,500 thousand and \$3,292 thousand, respectively.

(Continued)

**Jiin Yeeh Ding Enterprise Corp.**  
**Notes to the Financial Statements**

**(8) Pledged assets:**

The following assets of the Company have been provided as collateral for, customs duties, purchase guarantees, futures guarantees and long-term loans:

<u>Assets name</u>	<u>Pledged items</u>	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Other financial assets	Customs duties and purchase guarantees	\$ 31,135	55,505
Other financial assets	Futures guarantees	37,417	39,310
Property, plant and equipment	Long-term loans	92,404	92,404
		<u>\$ 160,956</u>	<u>187,219</u>

**(9) Commitments and contingencies:**

Material unrecognized contractual commitments:

	<u>112.12.31</u>	<u>111.12.31</u>
Acquisition of land	\$ 93,653	93,653
Acquisition of equipment	77,128	-
	<u>\$ 170,781</u>	<u>93,653</u>

The Company acquired industrial land in the Lunwei West District of the Changbin Industrial Zone in August 2020. The total contract price was approximately NT\$117,066 thousand. The first installment of NT\$23,413 thousand was paid in November 2020 (recorded as other non-current assets, prepayment for land). The land development project is expected to be completed in the first half of 2024, with the land being handed over to the Company for factory use. The remaining second installment of land price, approximately \$93,653 thousand, and the industrial park development and management fund of approximately \$1,171 thousand, are expected to be paid in the future. An additional deposit of approximately \$11,707 thousand (10% of the total contract price) is required, which can be refunded after obtaining the permit for use.

The Company is expanding the Xibin No. 2 Factory, and the total purchase price of machinery and equipment is expected to be approximately \$115,280 thousand. As of December 31, 2023, \$38,152 thousand had been paid and the remaining future amount payable was approximately \$77,128 thousand.

**(10) Losses Due to Major Disasters: None.**

**(11) Subsequent Events:**

The Company established JYD Apollo Solutions, Inc. on January 1, 2024, and obtained 100% of the equity. On March 20, 2024, it remitted investment funds totaling US\$2,000 thousand.

(Continued)

**Jiin Yeeh Ding Enterprise Corp.**  
**Notes to the Financial Statements**

**(12) Other:**

(a) A summary of current-period employee benefits, depreciation, and amortization, by function, is as follows:

	By function	For the year ended December 31					
		2023			2022		
		Cost of Sale	Operating Expense	Total	Cost of Sale	Operating Expense	Total
<b>By item</b>							
Employee benefits expense							
Salary		60,702	93,280	153,982	48,706	92,192	140,898
Labor and health insurance		5,620	5,083	10,703	4,877	5,253	10,130
Pension		2,089	3,068	5,157	1,994	1,704	3,698
Remuneration of directors		-	13,498	13,498	-	9,720	9,720
Others		2,749	1,855	4,604	3,017	1,701	4,718
Depreciation		16,358	3,967	20,325	13,174	4,102	17,276
Amortization		-	247	247	-	271	271

Additional information on the number of employees and the cost of employee benefits in 2022 and 2021 were as follows:

	2023	2022
Number of employees	<u>163</u>	<u>151</u>
Number of directors who were not employees	<u>7</u>	<u>7</u>
The average employee benefit	<u>\$ 1,118</u>	<u>\$ 1,107</u>
The average salaries and wages	<u>\$ 987</u>	<u>\$ 978</u>
Average employee salary and cost adjustment	<u>0.92%</u>	<u>(8.43)%</u>
Supervisor's remuneration	<u>\$ -</u>	<u>\$ -</u>

The Company's compensation policies (including directors, supervisors, managers and employees) were as follows:

Employee's compensation policy:

The employee's salary is based on the Company's salary policy, including basic salary and allowance for fixed items, bonus and bonus for variable items. The actual salary will be determined by factors such as seniority, grade, job performance, overall contribution and special merit.

Manager's compensation policy:

The manager is responsible for the Company's business performance and success or failure. The compensation is determined according to the employee's compensation policy, the achievement of objectives, the employee bonus payment policy of the current year and the past payment situation. The compensation committee reviews and evaluates the compensation and submit it to the board of directors for approval before implementation.

Director's compensation policy:

The compensation paid by the Company to the directors includes compensation for the directors and travel expenses for each meeting. The compensation of directors is set out in accordance with the provisions of Article 20 of the Articles of Association of the Company, and the "Performance Appraisal Measures of the Board of Directors" is formulated to periodically review the policies, systems, standards and structures of performance appraisal and compensation of directors and managers and shall be submitted to the resolution of the Board of Directors of the Company.

(Continued)

# Jiin Yeeh Ding Enterprise Corp.

## Notes to the Financial Statements

### (13) Other disclosures:

#### (a) Information on significant transactions:

As of December 31, 2023, the following is the information on significant transactions required by the “Regulations” for the Company:

#### (i) Loans to other parties:

Number	Name of lender	Name of borrower	Account name	Related party	Highest balance of financing to other parties during the period	Ending balance	Actual usage amount during the period	Range of interest rates during the period	Purposes of fund financing for the borrower	Transaction amount for business between two parties	Reasons for short-term financing	Allowance for bad debt	Collateral		Individual funding loan limits	Maximum limit of fund financing
													Item	Value		
0	The Company	Lianyungang Rongding Metal Co., Ltd.	Other receivables	No (Note 4)	18,722	-	-	-%	1	19,910		-		-	295,013	1,180,052

Note 1: The numbers filled in as follows:

- 0 represents the Company.
- Subsidiaries are sorted in a numerical order starting from 1.

Note 2: Reference for the Nature loan column

- The borrower has business contact with the creditor.
- The borrower has short-term financial necessities.

Note 3: The total amount of loans to others shall not exceed 40% of the net worth of the Company. The total amount for lending to any company shall not exceed 10% of the net worth of the Company.

Note 4: The Company has sold the equity of Lianyungang Rongding Metal Co., Ltd., and has lost control over Rongding Company. Since September 25, 2023, it is no longer considered a related party of Jiin Yeeh Ding.

#### (ii) Guarantees and endorsements for other parties:

No.	Name of guarantor	Counter guarantee and endorsement-party of		Limitation on amount of guarantees and endorsements for a specific enterprise	Highest balance for guarantees and endorsements during the period	Balance of guarantees and endorsements as of reporting date	Actual usage amount during the period	Property pledged for guarantees and endorsements (Amount)	Ratio of accumulated amounts of guarantees and endorsements to net worth of the latest financial statements	Maximum amount for guarantees and Endorsements	Parent company endorsements/ guarantees to third parties on behalf of subsidiary	Subsidiary endorsements/ guarantees to third parties on behalf of parent company	Endorsements/ guarantees to third parties on behalf of companies in Mainland China
		Name	Relationship with the Company										
0	The Company	Yuan Rui Recycling Technology Co., Ltd. (H.K.)	2	884,884	184,230 (USD6,000)	184,230 (USD6,000)	-	-	6.24%	1,475,065	Y	N	N
0	The Company	Jiin Yeeh Ding (H.K.) Enterprises Ltd.	2	884,884	184,230 (USD8,000)	184,230 (USD6,000)	-	-	6.24%	1,475,065	Y	N	N

Note 1: The numbers filled in as follows:

- 0 represents the Company.
- Subsidiaries are sorted in a numerical order starting from 1.

Note 2: The relationship between the endorser /guarantor and the endorsed guaranteed has the following 7 types, just indicate the type:

- Having business relationship.
- The endorser/guarantor company and the endorsed / guaranteed party both be hold more than 50% of the Company.
- The endorser /guarantor parent company directly and indirectly holds more than 50 % of voting shares of the endorser /guarantor subsidiary.
- The endorser /guarantor company and the endorsed /guaranteed party both be held more than 90% by the parent company.
- Company that is mutually protected under contractual requirements based on the needs of the contractor.
- Company that is endorsed by its shareholders in accordance with its shareholding ratio because of the joint investment relationship.
- Performance guarantees for pre-sale contracts under the Consumer Protection Act.

Note 3: The endorsement /guarantee provided to individual guarantee party shall not exceed 30% of the most recent audited net worth of the Company.

Note 4: The total endorsement /guarantee of the Company to others shall not exceed 50% of the most recent audited net worth of the Company.

Note 5: If the amounts were based on foreign currencies, please refer to the spot exchange rate on the financial statement date (exchange rate on December 31, 2023 is USD/NTD: 30.71)

(Continued)

## Jiin Yeeh Ding Enterprise Corp. Notes to the Financial Statements

(iii) Securities held as of December 31, 2023 (excluding investment in subsidiaries, affiliates and joint ventures):

Name of Company	Types of security/and name	Relationship with the security issuer	Account Subject	Ending balance				Note
				Number of shares (thousands)	Book value	Ownership	Fair value	
The Company	Chung Tai Resource Technology Corp.	-	current financial assets at fair value through profit or loss	2,975	318,408	3.60%	318,408	
The Company	Foxtron Vehicle Technologies Co., Ltd.	-	current financial assets at fair value through profit or loss	500	22,300	0.03%	22,300	
Hung Wei Development Co., Ltd.	Amia Co., Ltd.	-	current financial assets at fair value through profit or loss	500	13,100	0.71%	13,100	
Hung Wei Development Co., Ltd.	Zung Fu Co., Ltd.	-	Non-current financial assets at fair value through profit or loss	1,099	19,404	1.55%	19,404	

(iv) Individual securities acquired or disposed of with accumulated amount exceeding the lower of NT\$300 million or 20% of the capital stock: None

(v) Acquisition of individual real estate with amount exceeding the lower of NT\$300 million or 20% of the capital stock: None

(vi) Disposal of individual real estate with amount exceeding the lower of NT\$300 million or 20% of the capital stock: None

(vii) Related-party transactions for purchases and sales with amounts exceeding the lower of NT\$100 million or 20% of the capital stock: None

(viii) Receivables from related parties with amounts exceeding the lower of NT\$100 million or 20% of the capital stock: None

(ix) Trading in derivative instruments: Please refer to notes 6(b).

(b) Information on investees:

The following is the information on investees for the years ended December 31, 2023:

Unit: thousand shares

Name of investor	Name of investee	Location	Main businesses and products	Original investment amount		Balance as of December 31, 2022			Net income (losses) of investee	Share of profits/losses of investee	Note
				December 31, 2022	December 31, 2021	Shares (thousands)	Percentage of ownership	Carrying value			
The Company	Gold Finance Limited	Samoa	Investment	1,069,602	1,069,602	19,661	100.00%	415,272	56,343	56,343	Subsidiaries
The Company	Grand Tone Enterprise Co., Ltd.	Taiwan	Waste removal	145,000	145,000	- (Note 1)	100.00%	169,146	18,141	18,415 (Note 2)	Subsidiaries
The Company	Hung Wei Development Co., Ltd.	Taiwan	Real Estate development	100,000	100,000	100,000	100.00%	80,159	(2,817)	(2,817)	Subsidiaries
The Company	Su Fong Enterprise Co., Ltd.	Taiwan	Waste removal	20,000	12,000	2,000	40.00%	16,809	4,215	1,686	An associate
The Company	Jiin Yeeh Ding (H.K.) Enterprises Limited	Hong Kong	Waste removal	274,364	-	- (Note 3)	100.00%	561,647	-	-	Subsidiaries
Gold Finance Limited	Jiin Yeeh Ding (H.K.) Enterprises Ltd.	Hong Kong	Waste removal	-	274,364	- (Note 3)	-%	-	28,289	28,289	Subsidiaries
Gold Finance Limited	Shing Jung Recycling Technology Co., Ltd. (H.K.)	Hong Kong	Investment	674,925	674,925	- (Note 1)	100.00%	109,512	(5,900)	(5,900)	Subsidiaries
Gold Finance Limited	Yuan Rui Recycling Technology Co., Ltd. (H.K.)	Hong Kong	Trade	29,476	29,476	- (Note 1)	100.00%	94,855	24,502	24,502	Subsidiaries
Gold Finance Limited	New Yuan Rui Recycling Technology Co., Ltd. (H.K.)	Hong Kong	Trade	-	-	- (Note 4)	100.00%	-	100.00%	-	Subsidiaries

Note 1: It is a limited company with only capital contribution and no shares.

Note 2: The difference between profit and loss of the investee company for the period and investment gains and losses recognized in this period is mainly due to the unrealized gains from the sale of transportation equipment.

Note 3: On December 11, 2023, the Company underwent an organizational restructuring to streamline the investment structure and reduce management costs. As a result, the Company replaced its previous investment in Jiin Yeeh Ding (H.K.) through GOLD FINANCE LIMITED with a direct investment in Jiin Yeeh Ding (H.K.).

Note 4: The Company initiated the establishment of New Yuan Rui Co., Ltd. (H.K.) on December 7, 2023.

(Continued)

# Jiin Yeeh Ding Enterprise Corp.

## Notes to the Financial Statements

(c) Information on investment in mainland China:

(i) The names of investees in Mainland China, the main businesses and products, and other information:

Name of investee	Main businesses and products	Total amount of paid-in capital	Method of investment	Accumulated outflow of investment from Taiwan as of January 1, 2022	Investment flows		Accumulated outflow of investment from Taiwan as of December 31, 2022	Net income (losses) of the investee	Percentage of ownership	Investment income (losses)	Book value	Accumulated remittance of earnings in current period
					Outflow	Inflow						
Lianyungang Rongding Metal Co., Ltd.	Production and sales of copper, gold, silver and palladium	835,309 (USD25,885)	(2)	674,925 (USD 21,385)	-	-	674,925 (USD 21,385)	-	-%	-	-	-

(ii) Limitation on investment in Mainland China:

Accumulated Investment in Mainland China as of December 31, 2022 (Note3)	Investment Amounts Authorized by Investment Commission, MOEA (Note3)	Upper Limit on Investment (Note4)
738,578 USD 24,054 thousand	741,434 USD 24,147 thousand	1,770,078

Note 1: Method of Investment:

- Type1: Indirectly investment in Mainland China through companies remit money in the third region.
- Type2: Indirectly investment in Mainland China through companies registered in the third region.
- Type3: Indirectly investment in Mainland China through an existing company registered in the third region.
- Type4: Directly investment in Mainland China.

Note 2: It is calculated based on the financial statements reviewed by the accountant during the same period. In addition, the conversion is based on the announced exchange rate.

Note 3: The amounts in New Taiwan Dollars were translated at the exchange rates at the balance sheet date or the average exchange rate.

Note 4: It is calculated in accordance with the "Principles for the Review of Investment or Technical Cooperation in Mainland China" revised by the Investment Review Committee on August 29, 2008 to 60% of the net value.

Note 5: The Group disposed of all shares held in Lianyungang Rongding Metal Co., Ltd. on September 25 2023.

(iii) Significant transactions:

For the year ended December 31, 2023, Significant direct or indirect transactions between the Company and its investees in Mainland China. Please refer to "Information on significant transactions".

(d) Major shareholders:

Shareholder's Name	Shareholding	Shares	Percentage
YEEH DING CORP.		11,727,421	12.20%
Zhuang, Rui Yuan		5,323,913	5.54%

Note: (1) The information on major shareholders in this table is calculated by Taiwan Depository & Clearing Corporation on the last business day at the end of each quarter, showing who holds more than 5% of the common shares and preferred shares that have been delivered (including treasury shares) without physical registration. Due to different calculation bases, there may be differences between the share capital recorded in the company's financial report and the actual number.

(2) If the above-mentioned information is that the shareholders hand over the shares to the trust, it will be disclosed by the special account opened by the trustee. As for the insider equity declaration of shareholders holding more than 10%, according to the Securities and Exchange Act, their shareholding includes the shares held by themselves plus the shares that they have delivered to the trust, having the right to exercise decision-making power over the trust property, etc., please refer to Public Information Observatory for the information on the declaration of insider equity.

(14) Segment information:

Please refer to the consolidated financial statements for the year ended December 31, 2023

- VI. In the most recent year and as of the publication date of the annual report, if any financial difficulties occur among the Company and its affiliated companies, their effect on the Company's financial status:** No such situation.

## Seven. Review and Analysis of Financial Conditions, Financial Performance, and Risk Matters

### I. Financial conditions:

Unit: NTD Thousand

Item \ Year	2023	2022	Difference		
			Amount	%	Explanation
Current assets	2,505,979	2,198,742	307,237	14	
Financial assets at fair value through profit or loss	19,404	221,886	(202,482)	(91)	Explanation 1
Investments accounted for using equity method	16,8093	15,123	1,686	11	
Property, plant and equipment	540,241	454,411	85,830	19	
Right of use assets	174,414	194,321	(19,907)	(10)	
Intangible asset	6,320	6,217	103	2	
Other assets	140,038	93,864	46,174	49	Explanation 2
Total assets	3,403,205	3,184,564	218,641	7	
Current liabilities	316,587	478,650	(162,063)	(34)	Explanation 3
Non-current liabilities	136,487	82,627	53,860	65	Explanation 4
Total liabilities	453,074	561,277	(108,203)	(19)	
Share capital	960,611	959,421	1,190	0	
Additional paid-in capital	811,151	811,244	(93)	(0)	
Retained earnings	1,189,046	834,491	354,555	42	Explanation 5
Other equity interest	(10,677)	(6,664)	(4,013)	60	
Non-controlling interests	-	24,795	(24,795)	(100)	Explanation 6
Total equity	2,950,131	2,623,287	326,844	12	
<p>Analysis and explanation of the proportion of increase and decrease in the last two years: (If the increase or decrease does not reach 20% or the amount does not exceed NTD 10,000,000, this is not analyzed)</p> <p>Explanation 1: Decrease in financial assets at fair value through profit or loss: Mainly due to the listing of Chung-Tai Resource Technology Co., Ltd. on the emerging market on March 30, 2023 and was transferred to current assets.</p> <p>Explanation 2: Increase in other assets: Mainly due to the prepayment for the purchase of equipment and construction of solar photovoltaic system equipment for Xibin Plant II.</p> <p>Explanation 3: Decrease in current liabilities: Mainly due to repay short-term bank loans and decrease in trade payables .</p> <p>Explanation 4: Decrease in non-current liabilities: Mainly due to long-term bank loans.</p> <p>Explanation 5: Increase in retained earnings: Mainly due to increase in net profit after tax in 2023.</p> <p>Explanation 6: Decrease in Non-controlling interests: Mainly due to the disposal of all equity shares on September 25, 2023 by a subsidiary not 100% owned.</p>					

## II. Financial performance

### 2.1 Financial performance analysis for the last two years:

Unit: NTD Thousand

Item \ Year	2023	2022	Increase (decrease) amount	Change (%)	Explanation:
Operating income	3,658,466	3,625,350	33,116	1	
Operating costs	3,186,018	3,120,756	65,262	2	
Operating margin	472,448	504,594	(32,146)	(6)	
Operating Expenses	192,297	196,252	(3,955)	(2)	
Operating profit	280,151	308,342	(28,191)	(9)	
Non-operating income and expenses	376,434	109,615	266,819	243	Explanation 1
Net profit before tax	656,585	417,957	238,628	57	Explanation 1
Income tax expense	83,937	78,928	5,009	6	
Profit from continuing operations	572,648	339,029	233,619	69	Explanation 1
Profit or loss for the period from discontinued operations (Net profit)	(45,869)	(27,496)	(18,373)	(67)	Explanation 2
Net profit for the period	526,779	311,533	215,246	69	Explanation 1
Other comprehensive income for the period (net after tax)	(3,790)	61,495	(65,285)	(106)	Explanation 3
Total comprehensive income for the period	522,989	373,028	149,961	40	
Net profit attributable to owner of the parent company	534,753	316,313	218,440	69	Explanation 1
Net profit attributable to non-controlling interest	(7,974)	(4,780)	(3,194)	67	
Total comprehensive income attributable to owners of the parent company	531,034	377,364	153,670	41	Explanation 1
Total comprehensive profit and loss attributable to non-controlling interests	(8,045)	(4,336)	(3,709)	86	
Earnings per share (EPS)	5.57	2.82	2.75	98	
Analysis of increases and decreases: (If the proportion of increase or decrease does not reach 20% or the amount does not exceed NTD10,000,000, this is not analyzed)					
Explanation 1: Increase in Non-operating income and expenses 、 net profit before tax 、 profit from continuing operations 、 net profit for the period 、 net profit attributable to owner of the parent company and total comprehensive income attributable to owners of the parent company, this is due to increase in valuation gain on financial assets held in emerging stocks.					
Explanation 2: Increase in net loss for the period from discontinued operations, this is due to the poor operating conditions of Rongding Company.					
Explanation 3: Decrease in other comprehensive income for the period, this is due to the depreciation of the USD and HKD.					

### 2.2 Expected sales volume and its basis, and its possible impact on the Company's future financial business, and response plan:

Please refer to "One. Letter to the Shareholders" in this Annual Report.

### III. Cash flows

#### 3.1. Analysis of the changes in cash flows for the most recent year:

Unit: NTD Thousand

Year	Beginning cash balance	Annual net cash flow from operating activities	Net cash flow from investing and financing activities for the year	Effect of exchange rate fluctuations	Cash surplus amount	Remedial measures for cash shortages	
						Investment plan	Financing plan
2023	738,386	212,148	(326,305)	7,303	631,532	-	-
Analysis of the changes in cash flows for the current year: (1) Operating activities: The net cash inflow of NTD 212,148 thousand in this period was mainly due to increase in provisional income tax. (2) Investing activities: The net cash outflow in this period was NTD 143,244 thousand, which was mainly due to the construction of plant and equipment for the Xibin Plant II. (3) Financing activities: The net cash outflow of NTD 183,061 thousand in this period was mainly due to the cash capital reduction of NTD239,856 thousand in the prior year, not applicable in the current year.							

#### 3.2. Improvement plan for insufficient liquidity: Not applicable.

#### 3.3. Analysis of cash liquidity in the coming year:

Unit: NTD Thousand

Beginning cash balance	Annual net cash flow from operating activities	Net cash flow from investing and financing activities for the year	Cash surplus amount	Remedial measures for cash shortages	
				Investment plan	Financing plan
631,532	372,246	(216,394)	787,384	—	—
Analysis of changes in cash flow status in the coming year: (1) Net cash inflow from operating activities: Mainly it is expected to generate cash inflows from the Company's business operations. (2) Annual cash outflows: Mainly for the acquisition of property, plant, and equipment and distribution of cash dividends.					

### IV. The impact of major capital expenditures in recent years on financial operations: No such situation.

### V. Reinvestment policy in the most recent year, main reasons for its profit or loss, improvement plan, and investment plan for the next year:

#### 5.1 Reinvestment policy in the most recent year:

The Company's reinvestments mainly focus on the strategic needs of the Company's long-term development and diversified operations.

#### 5.2 Main reasons for profits from reinvestments:

Investment benefit recognized by the Company using the equity method in 2023 was NTD 73,627 thousand, mainly because reinvestment operations are in good condition due to their profitability.

#### 5.3 Investment plan for the coming year:

In the future, the Company will continue to adhere to the principle of long-term strategic investment and continue to carefully evaluate investment plans.

## VI. Analysis and evaluation of risk events:

### 6.1 The impact of interest rates, exchange rate changes, and inflation on the Company's profit and loss and future countermeasures:

#### 6.1.1 Impact on the Company's profit and loss:

Item	2023 (NTD thousand; %)
Net interest income	12,330
Net exchange gain	19,390
Ratio of net interest income to net revenue	0.34%
Ratio of net interest income to net profit before tax	1.88%
Ratio of net exchange gains and losses to net revenue	0.53%
Ratio of net exchange gain or loss to net profit before tax	2.95%

#### (1) Changes in interest rates:

The interest rate risks of the Company and subsidiaries are derived mainly from fixed and floating-rate short-term borrowings and long-term borrowings raised to support operating and investing activities. Changes in market interest rates thus causes fluctuations in cash flows for future interest payments. If the market interest rate increases by 0.1%, it will not affect the Company's net profit.

#### (2) Changes in exchange rates:

The Company and its subsidiaries are exposed to exchange rate risks that mainly arise from cash and cash equivalents, accounts receivable, other receivables, loans, accounts payable and other payables denominated in foreign currencies. They are mainly affected by fluctuations in the exchange rates of the US dollar, Japanese yen and Reminbi. When the New Taiwan Dollar appreciates or depreciates by 1% against each currency, with other factors remaining unchanged, the Company's net profit before tax for 2023 would decrease or increase by NTD 5,987 thousand. Overall, changes in exchange rates have limited impact on the Company's operations.

#### (3) Inflation:

The total CPI index for December 2023 was 106.59, with the CPI increasing year-on-year compared to the same month of 2022 2.71%, an average increase of 2.50% for the whole year. Inflation risk is still within an acceptable range, and inflation rate has no significant impact on the Company's operations.

### 6.2 Policies, main reasons for profit or loss, and future countermeasures for engaging in high risk and high leverage investments, loans of funds to others, endorsements/guarantees, and derivatives transactions in the most recent year:

The Company's financial management is prudent and we do not engage in high-risk, high-leverage investments. For loans of funds to others, endorsements/guarantees, and derivative transactions, the Company has formulated complete policies and internal control procedures.

- (1) The Company has not the situation for loans of funds to others in 2023.
- (2) For Jiin Yeeh Ding Enterprise in 2023, the conditions for endorsements/guarantees to related enterprises were as follows:

Company Name	Endorsement/guarantee amount	Relationship with the Company	Reason for endorsement/guarantee	Lending bank
Jiin Yeeh Ding Enterprises Limited (Hong Kong)	USD 6,000 thousand	Indirectly invested in 100% of the subsidiary of Jiin Yeeh Ding	To meet operational needs and for bank financing	Taipei Fubon Bank E.Sun Bank Cathay United Bank
Yuan Rui Recycling Technology Co., Ltd. (Hong Kong)	USD 6,000 thousand	Indirectly invested in 100% of the subsidiary of Jiin Yeeh Ding	To meet operational needs and for bank financing	Taipei Fubon Bank Chang Hwa Bank Cathay United Bank Yuanta Bank

- (3) The Company's derivatives trading contracts are of a hedging nature. Its profit or loss due to changes in international precious metal prices will roughly offset the profit and loss of the hedged item.

The executive and responsible unit for the management of this risk of the Company is the financial department of the head office.

#### 6.3 Future R&D plans and estimated R&D expenses:

For explanations, please refer to page 120 to page 122 of this Annual Report under “1.3.2 Research and development of the business” and “1.3.3 Future R&D plans and estimated R&D expenses”.

The executive and responsible unit for the management of this risk of the Company is the Metal Recycling Division.

#### 6.4 The impact of important domestic and foreign policies and legal changes on the Company's financial business and corresponding measures:

In 2023, the Company was not affected by changes in important domestic and foreign policies and laws having influence on the Company's financial business.

#### 6.5 The impact of technological changes (including information security risks) and industrial changes on the Company's financial business and corresponding measures:

The main products of Jiin Yeeh Ding are electrolytic copper plates and precious metal materials. Both constitute mainly upstream material suppliers in the electronics industry. Regardless of technological changes (including information security risks) and how the industry changes, all materials are required to manufacture electronic components and end products, so technology changes (including information security risks) and industry changes have no significant impact on the Company's financial business.

#### 5.6 The impact of corporate image changes on corporate crisis management and countermeasures:

Jiin Yeeh Ding has continued to strengthen corporate governance in recent years. The Board of Directors currently has independent directors, and a Remuneration Committee, an Audit Committee, and a CSR Promotion Committee have been established. In addition, the Company also cooperates with laws and regulations to disclose all material information in

real time. Beyond this, we have continued to invest in environmental protection and social responsibility, and has passed the certification of CG6006 Universal Edition of the Corporate Governance System in December 2000 to build a good corporate image.

The executive and responsible unit for the management of this risk of the Company is each business department.

6.7 Expected benefits and possible risks of mergers and acquisitions and countermeasures:

There were no mergers and acquisitions involving Jiin Yeeh Ding in 2022 and up to the date of publication of the annual report.

6.8 Expected benefits and possible risks of plant expansion and countermeasures:

Jiin Yeeh Ding is actively expanding the recycling and processing business of solar panels. Due to damage, renewal, and other factors, a large number of solar panels that were originally expected to enter the disposal stage after 2030 have faced the problem of recycling in advance. According to Environmental Protection Administration estimates, the amount of solar photovoltaic waste was about 3,000 metric tons in 2017, with an expected 10,000 tons in 2023 and 100,000 tons in 2035. Jiin Yeeh Ding is currently the only company that has obtained Taiwan's solar panel recycling classification. It is expected to create considerable output value for the Company.

Starting from 2020, Jiin Yeeh Ding had been looking for suitable locations around the head office to expand the second plant, and successively purchased complete land for the construction of the plant in 2021. The plant construction license was obtained on February 18, 2022 and is currently in the stage of factory construction.

6.9 Risks and countermeasures faced by purchase or sales concentration:

1. Risk of purchase concentration:

There was no purchase concentration involving Jiin Yeeh Ding in 2023 and up to the date of publication of the annual report.

2. Risk of sales concentration:

The business model of Jiin Yeeh Ding is completely different from that of the general electronics industry. We have the advantage of choosing sales customers, and the main factors that Jiin Yeeh Ding considers when choosing customers for sales are: customer price, payment terms and technology to customers (or pathways), strategic cooperation, and other factors. Furthermore, we make customer partnerships a core strategy, and work closely with customers to increase overall value. Therefore, the possibility of such risks can be minimized.

6.10 The influence and risk of a massive transfer of shares or the replacement of the Directors or major shareholders holding more than 10% of the shares issued by the Company, and the response:

There was no a massive transfer of shares or the replacement of the Directors or major shareholders holding more than 10% of the shares issued involving Jiin Yeeh Ding in 2023 and up to the date of publication of the annual report.

6.11 The impact, risks, and countermeasures of a change of management rights on the Company:

There have been no changes in control over the Company in 2023 and up to the date of publication of the annual report.

#### 6.12 Litigation or non-litigation events:

If the Company and its directors, President, substantive responsible persons, major shareholders holding more than 10% of the shares and subsidiaries of the Company are involved in a major litigation or non-litigation events or administrative disputes confirmed or pending in the past two years and through the publication date of Annual Report where the outcomes may have a significant impact on shareholders' equity or the price of securities, the facts in dispute, the amount involved, the start date of the lawsuit, the main parties involved in the lawsuit, and the current handling situation shall be disclosed: No such situation.

#### 6.13 Other important risks and countermeasures:

##### 1. Risk management policy:

The Company's risk management constitutes recognizing, analyzing, and measuring potential risks at each unit, while selecting appropriate treatment methods to control, process, manage, and supervise them and then improving the risk management plan. This is done according to the characteristics and levels of risks and using centralized or hierarchical implementation, so that all risks can be effectively controlled at any time.

##### 2. Risk management organization:

###### (1) Organization and operation of risk management:

In accordance with the latest internal audit developments and the requirements of the standards, the Company has strengthened the management of corporate risks in recent years, including risk detection, assessment, reporting, and handling, which are very prudent and rigorous. The Company's risk control is divided into three levels (mechanisms): the organizers or undertakers are the "first mechanism", which must be responsible for the consideration, design and prevention of the initial risk detection, assessment and control of the operation. The "second mechanism" is a review committee chaired by the President (or vice president), which is responsible for the assessment of various risks in addition to the feasibility assessment. The "third mechanism" is the deliberation of the directors and supervisors. The Company does not have long-term risks, and our purpose is to comprehensively control the risk of all employees, taking precautions at every level to implement risk control methods.

Important risk assessment matters of the Company, such as implementation matters, do not need to be considered by the second and third mechanisms, and will assign the audit office to carry out risk detection, assessment and prevention recommendations. If it is usually found that there is an immediate possible risk, periodic inspections are also available.

(2) Risk management organization chart:

Important risk assessment matters	Direct unit of risk control (First mechanism)	Risk review and control (Second mechanism)	Board meetings (Third mechanism)
1. Interest rate, exchange rate, and financial risks	Finance Office	Financial investment review team (members: president, vice president, chief financial officer)	
2. Derivatives trading, loans of funds to others and endorsements/guarantees	Finance Office	Financial investment review panel	Board of Directors

6.14 Key performance indicators of the Company

1. Financial indicators

Significance: The optimal adaptation of the financial structure and solvency of the enterprise and the control of the restrictions on bank financing contracts.

Ratio	Formula	Targeted KPI	2023	2022
Debt ratio	Liabilities/tangible assets	$\leq 150\%$	15.39%	21.45%
Current ratio	Current assets/current liabilities.	$\geq 100\%$	791.56%	459.36%
Tangible net worth	Net Worth – Intangible Assets	$\geq$ NTD1.5 billion	NTD2.944 billion	NTD2.617 billion

2. Performance indicators

Significance: Personnel and cost control benefits and profit creation.

Ratio	Formula	Targeted KPI	2023	2022
(1) Productivity benefit indicator	Revenue/Actual number of employees at the end of the year (NTD million)	>10	19.8	17.1
(2) Freight efficiency indicator	Revenue/Shipping (NTD thousand)	>200	217	233

**VII. Other important matters:** None.

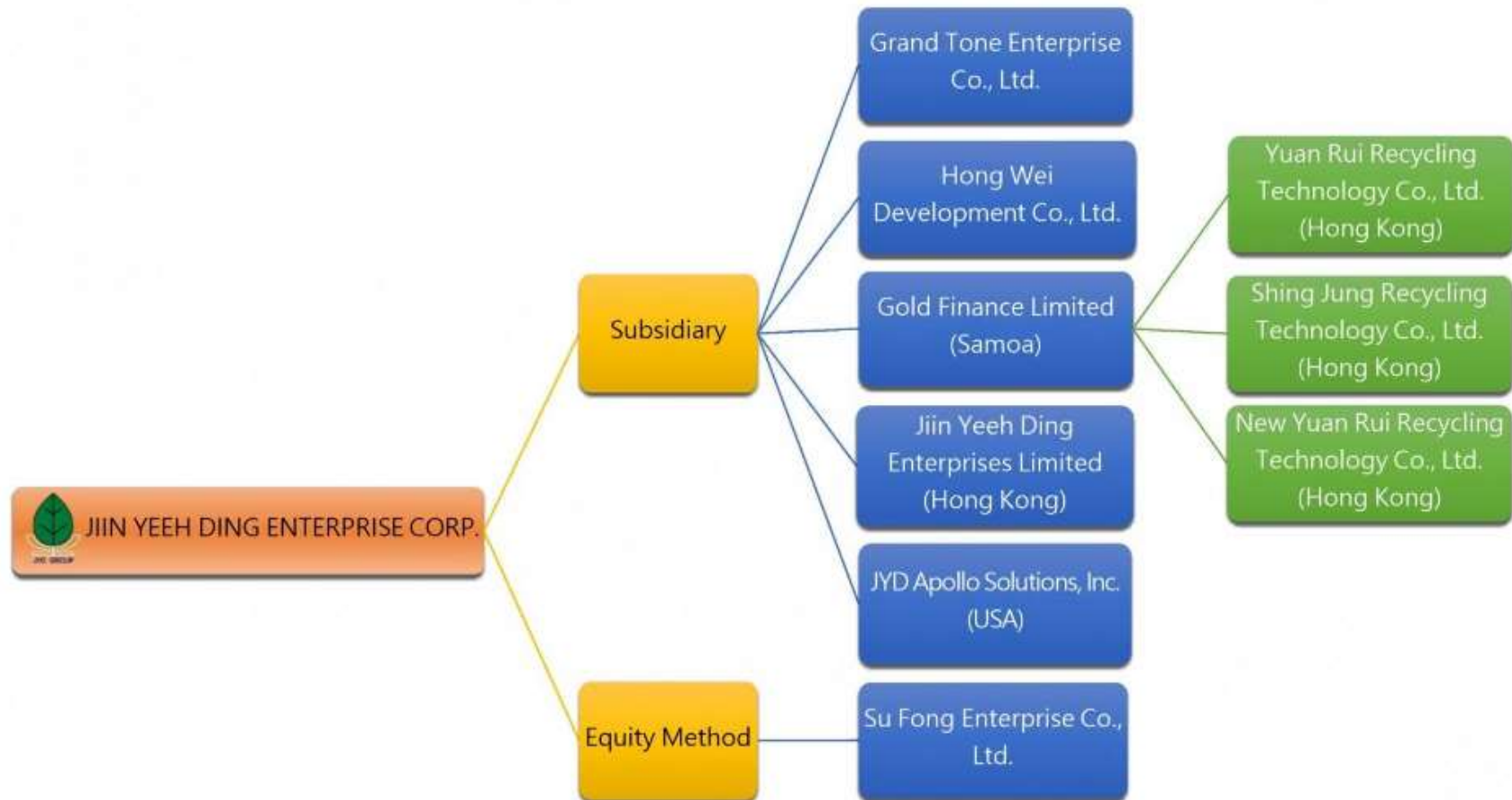
## Eight. Special Disclosures

### 1. Related information of affiliated companies

#### 1. Affiliated business merger report

#### 1.1 Organization chart of affiliated companies:

December 31, 2023



## 1.2 Basic information of affiliated companies:

December 31, 2023; Units: NTD thousand

Enterprise Name	Date of establishment	Address	Paid-in capital amount	Main business items
Grand Tone Enterprise Co., Ltd.	August 8, 1983	1st Floor, No. 545, Section 5, Zhonghua Rd, Xiangshan District, Hsinchu City	NTD 140,000	Waste removal
Su Fong Enterprise Co., Ltd.	January 21, 2019	No. 2079, Zhongzheng W Rd, Zhubei City, Hsinchu County	NTD 50,000	Plastics manufacturing
Hong Wei Development Co., Ltd.	November 27, 2020	No. 599, Section 6, Xibin Road, Xiangshan District, Hsinchu City	NTD 100,000	Real estate development
GOLD FINANCE LIMITED	January 10, 2007	Le Sanalele Complex, Ground Floor, Vaea Street, Saleufi, Apia, Samoa.	USD 34,067	Investment
Jiin Yeeh Ding Enterprises Limited (Hong Kong)	September 3, 2007	No.188 Tai Po Tin, Ping Che, Fanling, N.T.	USD 9,000	Waste removal
Yuan Rui Recycling Technology Co., Ltd. (Hong Kong)	May 15, 2009	Flat A,42/F,Tower7, Central Park Towers II, Tin Shui Wai, Yuen Long,N.T.	USD 1,000	Trade
Shing Jung Recycling Technology Co., Ltd. (Hong Kong)	May 15, 2009	Flat A,42/F,Tower7, Central Park Towers II, Tin Shui Wai, Yuen Long,N.T.	USD 21,385	Investment
New Yuan Rui Recycling Technology Co., Ltd. (Hong Kong)	December 19, 2023	Flat A,42/F,Tower7, Central Park Towers II, Tin Shui Wai, Yuen Long,N.T.	USD 2,000	Trade

## 1.3 Information of identical shareholders presumed to have control and subsidiary relationship: No such situation.

## 1.4. Information on directors, supervisors and Presidents of related companies:

December 31, 2023; Units: NTD thousand

Enterprise Name	Job Title	Name or representative	Number of shares held	
			Number of shares (capital contribution)	Shareholding ratio (capital contribution)
Grand Tone Enterprise Co., Ltd.	Director	Chuang, Jui-Lung	-	-
	Director	Yang, Jian-Hung	-	-
	Director	Yu, Hsiao-Chen	-	-
	President	Chuang, Jui-Yuan	-	-
			(Jiin Yeeh Ding capital contribution of NTD145,000)	(100%)

Enterprise Name	Job Title	Name or representative	Number of shares held	
			Number of shares (capital contribution)	Shareholding ratio (capital contribution)
Su Fong Enterprise Co., Ltd.	Director	Huang, Chun-Hsiung	-	-
	Director	Huang, Chi-Chen	-	-
	Director	Chuang, Jui-Yuan	-	-
	Director	Tsao, Chin-Jui	-	-
	Director	Lin, Yung-Wei	-	-
	Supervisor	Huang, Jih-Tung	-	-
			Jiin Yeeh Ding holds 2,000,000 shares	40.00%
Hong Wei Development Co., Ltd.	Director	Chuang, Jui-Yuan	- (Jiin Yeeh Ding capital contribution of NTD100,000)	- (100%)
GOLD FINANCE LTD.	Director	Chuang, Ching-Chi	-	-
	Director	Chuang, Jui-Yuan	- Jiin Yeeh Ding holds 19,661,488 shares	- (100%)
Jiin Yeeh Ding Enterprises Limited (Hong Kong)	Director	Chen, Chen-Nan	- (GOLD FINANCE LTD. capital contribution of USD9,000)	- (100%)
Yuan Rui Recycling Technology Co., Ltd. (Hong Kong)	Director	Chuang, Jui-Yuan	- (GOLD FINANCE LTD. capital contribution of USD1,000)	- (100%)
Shing Jung Recycling Technology Co., Ltd. (Hong Kong)	Director	Chuang, Jui-Chin	- (GOLD FINANCE LTD. capital contribution of USD21,385)	- (100%)
New Yuan Rui Recycling Technology Co., Ltd. (Hong Kong)	Director	Chuang, Jui-Lung	- (GOLD FINANCE LTD. capital contribution of USD 0)	- (100%)

Note : GOLD FINANCE LIMITED initiated the establishment of New Yuan Rui Recycling Technology Co., Ltd. (H.K.) on December 7, 2023 and implemented a capital injection of US\$ 2 million on January 3, 2024.

1.5 The industries covered by the business of the overall related enterprise and the business of the related enterprises that are related to each other shall explain the division of labor between them:

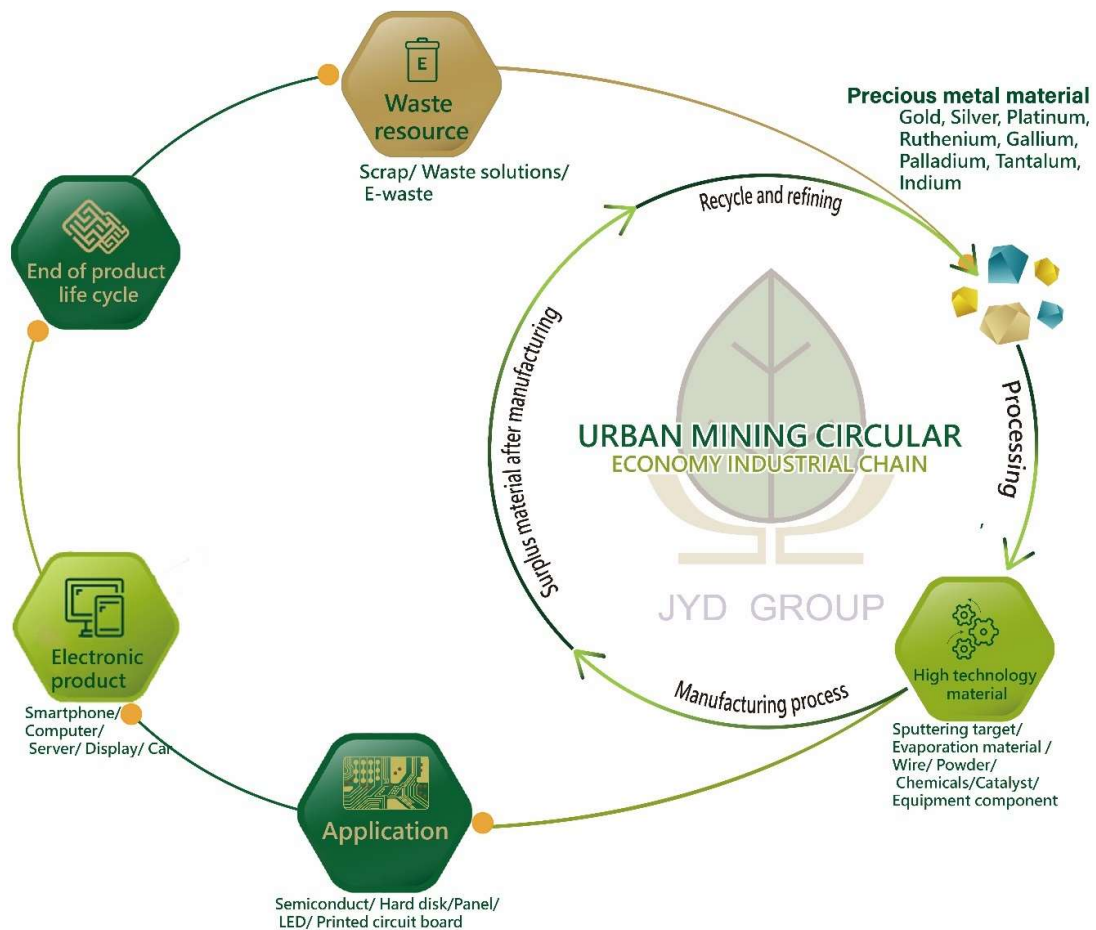
Jiin Yeeh Ding Group is at the end and forefront of the circular economy, from waste recycling to raw material production, and connecting the industrial chain to achieve the goal of symbiosis between the environment and the industry.

Channel recycling: Jiin Yeeh Ding, Hong Kong, Grand Tone

Categories: Jiin Yeeh Ding, Hong Kong, Grand Tone

Physical and chemical sorting: Jiin Yeeh Ding

Rough chain: Jiin Yeeh Ding



## 1.6 Overview of operations of each affiliated company:

Unit: NTD Thousand

Enterprise Name	Paid-in capital amount	Total assets	Total liabilities	Net worth	Operating income	Operating profit (loss)	Current profit and loss	Earnings per share (EPS)
Grand Tone Enterprise Co., Ltd.	140,000	207,893	35,984	171,909	188,504	16,833	19,072	Not applicable
Su Fong Enterprise Co., Ltd.	50,000	71,019	28,996	42,023	32,332	(2,543)	4,215	Not applicable
Hong Wei Development Co., Ltd.	100,000	80,231	72	80,159	-	(375)	(2,817)	Not applicable
GOLD FINANCE LTD.	603,706	415,272	-	415,272	-	(192)	56,343	Not applicable
Jiin Yeeh Ding Enterprises Limited (Hong Kong)	276,345	640,640	78,993	561,647	925,634	29,071	28,289	Not applicable
Yuan Rui Recycling Technology Co., Ltd. (Hong Kong)	30,705	95,337	482	94,855	275,773	9,393	24,502	Not applicable
Shing Jung Recycling Technology Co., Ltd. (Hong Kong)	658,626	109,858	346	109,512	-	(583)	(5,900)	Not applicable

Note: The amount of paid-in capital, total assets, total liabilities, and net worth stated in this table is converted at the exchange rate at the end of 2023; operating income, operating profit (loss) and the amount of profit and loss for the current period is based on the annual average exchange rate in 2023.

## 1.7 Consolidated financial statements of related companies:

Please refer to page 152 of this Annual Report under "Consolidated Financial Statements of Affiliated Businesses".

## 1.8 Relationship report: the Company is not nor is presumed to be a subsidiary company controlled by another company, and this is therefore not applicable.

## II. Handling of privately placed securities in the most recent year and as of the date of publication of the annual report: No such situation.

## III. Status of holding or disposing of the Company's stocks by subsidiaries in the most recent year and as of the date of publication of the annual report: No such situation.

## IV. Commitments made when listing on the TPEX market:

According to the document number issued by the Taipei Exchange on March 21, 2013, the Company made disclosure of TPEX listing commitments per Zhenggui Jian Zi No. 1020200236.

## Tracking schedule of TPEX listing commitments

March 2024

TPEX listing commitments	Handling of commitment matters
<p>1. If the financial statements of the Company's future overseas subsidiaries are checked and certified by other accountants and the Company recognizes investment gains and losses or prepares consolidated financial statements, the Company's CPA must issue an audit report on its financial statements that does not refer to other accountants.</p>	<p>The Company has issued a letter of commitment to the Taipei Exchange to undertake handling.</p> <p>At present, the financial statements of the overseas subsidiaries of the Company are planned to be audited, and in addition to entrusting the local accountants to audit, the relevant consolidated statements are still audited by the Company's CPAs.</p>
<p>2. The Company and GOLD FINANCE LIMITED (Samoa) have added the following matters under the Management Procedures for Acquiring and Disposing of Assets, and if the processing procedure is subsequently amended, they should enter material information disclosures from the Market Post Observation System and report them to the Center for future reference.</p> <p>(1) The Company shall not waive the capital increase of Grand Tone Enterprise Co., Ltd., and GOLD FINANCE LIMITED (Samoa) in future years, and if there is a waiver of the capital increase to the aforementioned companies or the disposal of the shares of the aforementioned companies in the future, it must be approved by a special resolution of the Company's Board of Directors.</p> <p>(2) GOLD FINANCE LIMITED (SAMOA) shall not waive the capital increase of JIIN YEEH DING (HK) ENTERPRISES LIMITED in future years, and if there is a waiver of the capital increase to the aforementioned company or the disposal of the shares of the aforementioned company in the future, it must be approved by a special resolution of the Board of Directors of GOLD FINANCE LIMITED (SAMOA).</p>	<p>The Company has issued a letter of commitment to the Taipei Exchange to undertake handling.</p>

**V. The occurrence of the matters that have a significant impact on shareholders' equity or securities prices as specified in Article 36 Paragraph 3, Item 2 of the Securities and Exchange Act:** No such situation.

**VI. Other necessary supplementary explanations:** None.