

**NAMCHOW HOLDINGS CO., LTD.
AND SUBSIDIARIES**

Consolidated Financial Statements

**With Independent Auditors' Review Report
For the Three Months Ended March 31, 2024 and 2023**

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The independent 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 independent auditors' report and consolidated financial statements, the Chinese version shall prevail.

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Independent Auditors' Review Report

To the Board of Directors of Namchow Holdings Co., Ltd.:

Introduction

We have reviewed the accompanying consolidated balance sheets of Namchow Holdings Co., Ltd. ("the Company") and its subsidiaries ("the Group") as of March 31, 2024 and 2023, and the related consolidated statements of comprehensive income, changes in equity and cash flows for the three months then ended and notes to the consolidated financial statements, including a summary of significant accounting policies. Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34, "Interim Financial Reporting" endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China. Our responsibility is to express a conclusion on the consolidated financial statements based on our reviews.

Scope of Review

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

Basis for Qualified Conclusion

As stated in note 4(b), the consolidated financial statements included the financial statements of certain non-significant subsidiaries, which were not reviewed by independent auditors. These financial statements reflect the total assets amounting to \$1,786,766 thousand and \$1,967,286 thousand, constituting 6% and 7% of the consolidated total assets; and the total liabilities amounting to \$1,409,246 thousand and \$1,616,461 thousand, constituting 8% and 9% of the consolidated total liabilities as of March 31, 2024 and 2023, respectively; as well as the total comprehensive income (loss) amounting to \$78 thousand and \$10,778 thousand, constituting 0% and 4% of the consolidated total comprehensive income (loss) for the three months ended March 31, 2024 and 2023, respectively.

Qualified Conclusion

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

The engagement partners on the reviews resulting in this independent auditors’ review report are Wu, Chung-Shun and Chang, Chun-I.

KPMG

Taipei, Taiwan (Republic of China)
May 14, 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 review 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)

NAMCHOW HOLDINGS CO., LTD. AND SUBSIDIARIES

Consolidated Balance Sheets

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

(Expressed in Thousands of New Taiwan Dollars)

		March 31, 2024		December 31, 2023		March 31, 2023				March 31, 2024		December 31, 2023		March 31, 2023	
		Amount	%	Amount	%	Amount	%			Amount	%	Amount	%	Amount	%
11XX	Assets							21XX	Liabilities and Equity						
	Current assets:								Current liabilities:						
1100	Cash and cash equivalents (note 6(a))	\$ 9,744,333	32	9,516,930	31	10,752,552	36	2100	Short-term borrowings (note 6(l))	\$ 4,050,178	13	4,313,501	15	3,834,185	13
1150	Notes receivable, net (note 6(e))	210,599	1	197,365	1	168,456	1	2110	Short-term commercial paper payable (note 6(l))	-	-	234,855	1	11,994	-
1170	Accounts receivable, net (note 6(e))	1,960,144	6	2,012,280	6	1,920,095	5	2120	Current financial liabilities at fair value through profit or loss (note 6(b))	5,464	-	-	-	-	-
1200	Other receivables (note 6(f))	198,652	1	184,747	1	224,310	1	2322	Current portion of long-term borrowings (notes 6(l) and 8)	356,588	1	336,260	1	256,981	1
1220	Current income tax assets	187,016	1	183,784	1	238,826	1	2130	Contract liabilities — current (note 6(u))	295,384	1	383,721	1	446,668	2
130x	Inventories (note 6(g))	3,217,812	11	3,290,649	11	3,332,075	11	2170	Accounts payable	1,361,987	5	1,245,781	4	1,313,961	4
1410	Prepayments	140,342	-	170,877	1	270,538	1	2216	Dividend payables (note 6(r))	620,632	2	247	-	496,506	2
1470	Other current assets	64,874	-	87,218	-	83,588	-	2219	Other payables (notes 6(p), (v) and 9)	1,442,164	5	1,718,025	6	1,322,871	4
	Total current assets	<u>15,723,772</u>	<u>52</u>	<u>15,643,850</u>	<u>52</u>	<u>16,990,440</u>	<u>56</u>	2230	Current income tax liabilities	264,743	1	168,657	1	206,250	1
15XX	Non-current assets:							2280	Current lease liabilities (notes 6(o) and 7)	139,556	-	140,676	-	150,435	-
1517	Financial assets at fair value through other comprehensive income—non-current (note 6(c))	28,013	-	23,917	-	17,553	-	2399	Other current liabilities	46,384	-	54,031	-	62,734	-
1535	Financial assets at amortised cost—non-current (note 6(d))	1,773,753	6	1,638,372	6	-	-		Total current liabilities	<u>8,583,080</u>	<u>28</u>	<u>8,595,754</u>	<u>29</u>	<u>8,102,585</u>	<u>27</u>
1600	Property, plant and equipment (notes 6(i), 8 and 9)	11,883,940	39	11,831,971	39	11,955,302	40	25XX	Non-Current liabilities:						
1755	Right-of-use assets (notes 6(j) and 7)	705,587	2	719,334	2	781,670	3	2530	Bonds payable (note 6(m))	4,914,440	16	4,907,672	16	4,887,368	16
1760	Investment property (note 6(k))	29,433	-	29,698	-	32,885	-	2540	Long-term borrowings (notes 6(l) and 8)	2,184,989	7	1,925,778	6	2,835,438	9
1805	Goodwill	105,417	-	105,417	-	105,417	-	2550	Provision liabilities—non-current (note 6(n))	10,264	-	10,264	-	10,264	-
1840	Deferred income tax assets	157,667	1	172,218	1	189,518	1	2580	Lease liabilities—non-current (notes 6(o) and 7)	349,123	1	364,083	2	452,044	2
1915	Prepayments for equipment	53,976	-	48,061	-	99,240	-	2570	Deferred income tax liabilities	1,637,337	6	1,621,538	5	1,512,695	5
1990	Other non-current assets	72,174	-	68,134	-	81,978	-	2640	Net defined benefit liabilities—non-current (note 6(p))	198,194	1	206,530	1	177,966	1
	Total non-current assets	<u>14,809,960</u>	<u>48</u>	<u>14,637,122</u>	<u>48</u>	<u>13,263,563</u>	<u>44</u>	2670	Other non-current liabilities	95,481	-	108,420	-	124,278	-
									Total non-current liabilities	<u>9,389,828</u>	<u>31</u>	<u>9,144,285</u>	<u>30</u>	<u>10,000,053</u>	<u>33</u>
								2XXX	Total liabilities	<u>17,972,908</u>	<u>59</u>	<u>17,740,039</u>	<u>59</u>	<u>18,102,638</u>	<u>60</u>
									Equity attributable to shareholders of parent (notes 6(c), (r) and (s)):						
								3100	Common stock	2,941,330	10	2,941,330	10	2,941,330	10
								3200	Capital surplus	3,945,127	13	3,825,824	12	3,781,097	12
								3300	Retained earnings:						
								3310	Legal reserve	1,097,451	4	1,097,451	4	1,039,356	4
								3320	Special reserve	1,612,266	5	1,612,266	5	1,612,266	5
								3350	Unappropriated earnings	1,430,476	5	1,805,058	6	1,031,732	3
										<u>4,140,193</u>	<u>14</u>	<u>4,514,775</u>	<u>15</u>	<u>3,683,354</u>	<u>12</u>
								3400	Other equity:						
								3410	Financial statement translation differences for foreign operations	(766,538)	(3)	(928,392)	(3)	(639,686)	(2)
								3420	Unrealized gains (losses) on financial assets measured at fair value through other comprehensive income	8,033	-	3,940	-	(47,419)	-
										<u>(758,505)</u>	<u>(3)</u>	<u>(924,452)</u>	<u>(3)</u>	<u>(687,105)</u>	<u>(2)</u>
								3500	Treasury stock	(530,114)	(2)	(530,114)	(2)	(530,114)	(2)
									Total equity attributable to shareholders of parent	<u>9,738,031</u>	<u>32</u>	<u>9,827,363</u>	<u>32</u>	<u>9,188,562</u>	<u>30</u>
								36xx	Non-controlling interests (note 6(g))	<u>2,822,793</u>	<u>9</u>	<u>2,713,570</u>	<u>9</u>	<u>2,962,803</u>	<u>10</u>
								3XXX	Total equity	<u>12,560,824</u>	<u>41</u>	<u>12,540,933</u>	<u>41</u>	<u>12,151,365</u>	<u>40</u>
1XXX	Total assets	<u>\$ 30,533,732</u>	<u>100</u>	<u>30,280,972</u>	<u>100</u>	<u>30,254,003</u>	<u>100</u>	2-3XXX	Total liabilities and equity	<u>\$ 30,533,732</u>	<u>100</u>	<u>30,280,972</u>	<u>100</u>	<u>30,254,003</u>	<u>100</u>

See accompanying notes to consolidated financial statements.

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

NAMCHOW HOLDINGS CO., LTD. AND SUBSIDIARIES

Consolidated Statements of Comprehensive Income

For the three months ended March 31, 2024 and 2023

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

		For the three months ended March 31			
		2024		2023	
		Amount	%	Amount	%
4000	Operating revenue (note 6(u))	\$ 5,586,072	100	5,270,589	100
5000	Operating costs (notes 6(g), (i), (j), (n), (o), (p) and 9)	3,864,837	69	3,935,008	75
5900	Gross profit	1,721,235	31	1,335,581	25
6000	Operating expenses (notes 6(e), (f), (i), (j), (o), (p), (s), (v) and 7):				
6100	Selling expenses	690,174	12	662,959	13
6200	General and administrative expenses	426,536	8	384,012	7
6300	Research and development expenses	104,557	2	79,395	1
6450	Expected credit loss (reversal of impairment loss)	3,768	-	(7,900)	-
	Total operating expenses	1,225,035	22	1,118,466	21
6900	Operating profit	496,200	9	217,115	4
7000	Non-operating income and expenses (notes 6(i), (k), (m), (o), (w) and 7):				
7100	Interest income	63,983	1	61,968	1
7010	Other income	36,628	1	59,806	1
7020	Other gains and losses	67,161	1	(5,104)	-
7050	Finance costs	(49,561)	(1)	(55,196)	(1)
	Total non-operating income and expenses	118,211	2	61,474	1
7900	Profit from continuing operations before tax	614,411	11	278,589	5
7950	Less: Income tax expenses (note 6(q))	192,107	3	111,621	2
	Profit	422,304	8	166,968	3
8300	Other comprehensive income (note 6(r)):				
8310	Components of other comprehensive income (loss) that will not be reclassified to profit or loss				
8316	Unrealized gains (losses) from investments in equity instruments measured at fair value through other comprehensive income	4,093	-	1,681	-
8349	Less: Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	-	-	-	-
	Components of other comprehensive income that will not be reclassified to profit or loss	4,093	-	1,681	-
8360	Components of other comprehensive income (loss) that will be reclassified to profit or loss				
8361	Exchange differences on translation of foreign financial statements	211,206	3	86,822	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	211,206	3	86,822	2
8300	Other comprehensive income	215,299	3	88,503	2
	Total comprehensive income	\$ 637,603	11	255,471	5
	Net income attributable to:				
8610	Shareholders of the parent	\$ 360,750	7	133,114	2
8620	Non-controlling interests	61,554	1	33,854	1
		\$ 422,304	8	166,968	3
	Total Comprehensive income attributable to:				
8710	Shareholders of the parent	\$ 526,697	9	206,060	4
8720	Non-controlling interests	110,906	2	49,411	1
		\$ 637,603	11	255,471	5
9750	Basic earnings per share (in New Taiwan dollars) (note 6(t))	\$ 1.45		0.54	
9850	Diluted earnings per share (in New Taiwan dollars) (note 6(t))	\$ 1.45		0.54	

See accompanying notes to consolidated financial statements.

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

NAMCHOW HOLDINGS CO., LTD. AND SUBSIDIARIES

Consolidated Statements of Changes in Equity

For the three months ended March 31, 2024 and 2023

(Expressed in Thousands of New Taiwan Dollars)

	Equity attributable to owners of parent												
	Retained earnings						Total other equity interest			Treasury stock	Total equity attributable to shareholders of the parent	Non-controlling interests	Total equity
							Financial statements translation differences for foreign operations	Unrealized gains (losses) on financial assets measured at fair value through other comprehensive income	Total				
	Common stock	Capital surplus	Legal reserve	Special reserve	Unappropriated earnings	Total							
Balance at January 1, 2023	\$ 2,941,330	3,682,995	1,039,356	1,612,266	1,486,884	4,138,506	(710,951)	(49,100)	(760,051)	(530,114)	9,472,666	2,907,307	12,379,973
Appropriation and distribution of retained earnings:													
Cash dividends of common stock	-	91,760	-	-	(588,266)	(588,266)	-	-	-	-	(496,506)	-	(496,506)
Other changes in capital surplus	-	2,814	-	-	-	-	-	-	-	-	2,814	-	2,814
Net income	-	-	-	-	133,114	133,114	-	-	-	-	133,114	33,854	166,968
Other comprehensive income (loss)	-	-	-	-	-	-	71,265	1,681	72,946	-	72,946	15,557	88,503
Total comprehensive income (loss)	-	-	-	-	133,114	133,114	71,265	1,681	72,946	-	206,060	49,411	255,471
Share-based payments	-	-	-	-	-	-	-	-	-	-	-	10,115	10,115
Changes in non-controlling interests	-	3,528	-	-	-	-	-	-	-	-	3,528	(4,030)	(502)
Balance at March 31, 2023	\$ 2,941,330	3,781,097	1,039,356	1,612,266	1,031,732	3,683,354	(639,686)	(47,419)	(687,105)	(530,114)	9,188,562	2,962,803	12,151,365
Balance at January 1, 2024	\$ 2,941,330	3,825,824	1,097,451	1,612,266	1,805,058	4,514,775	(928,392)	3,940	(924,452)	(530,114)	9,827,363	2,713,570	12,540,933
Appropriation and distribution of retained earnings:													
Cash dividends of common stock	-	114,700	-	-	(735,332)	(735,332)	-	-	-	-	(620,632)	-	(620,632)
Other changes in capital surplus	-	2,920	-	-	-	-	-	-	-	-	2,920	-	2,920
Net income	-	-	-	-	360,750	360,750	-	-	-	-	360,750	61,554	422,304
Other comprehensive income (loss)	-	-	-	-	-	-	161,854	4,093	165,947	-	165,947	49,352	215,299
Total comprehensive income (loss)	-	-	-	-	360,750	360,750	161,854	4,093	165,947	-	526,697	110,906	637,603
Changes in non-controlling interests	-	1,683	-	-	-	-	-	-	-	-	1,683	(1,683)	-
Balance at March 31, 2024	\$ 2,941,330	3,945,127	1,097,451	1,612,266	1,430,476	4,140,193	(766,538)	8,033	(758,505)	(530,114)	9,738,031	2,822,793	12,560,824

See accompanying notes to consolidated financial statements.

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

NAMCHOW HOLDINGS CO., LTD. AND SUBSIDIARIES**Consolidated Statements of Cash Flows****For the three months ended March 31, 2024 and 2023****(Expressed in Thousands of New Taiwan Dollars)**

	For the three months ended March 31	
	2024	2023
Cash flows from operating activities:		
Consolidated net income before tax	\$ 614,411	278,589
Adjustments:		
Adjustments to reconcile profit and loss:		
Depreciation	250,714	243,639
Expected credit loss (reversal of impairment loss)	3,768	(7,900)
Interest expense	49,561	55,196
Interest income	(63,983)	(61,968)
Share-based payments	-	10,115
Gains on disposal of property, plant and equipment, net	(21,616)	(398)
Property, plant and equipment transferred to expenses	-	1,198
Total adjustments to reconcile profit	218,444	239,882
Changes in assets / liabilities relating to operating activities:		
Changes in operating assets:		
Notes receivable	(13,234)	30,035
Accounts receivables	48,494	85,910
Other receivables	(14,435)	(8,079)
Inventories	72,894	339,278
Prepayments	30,535	(1,281)
Other current assets	22,344	4,769
Total changes in operating assets, net	146,598	450,632
Changes in operating liabilities:		
Financial liabilities at fair value through profit or loss	5,464	-
Contract liabilities	(88,337)	(22,408)
Accounts payable	116,206	(4,988)
Other payables	(268,682)	(275,837)
Other current liabilities	(7,647)	16,693
Net defined benefit liabilities	(8,336)	(10,642)
Total changes in operating liabilities, net	(251,332)	(297,182)
Total changes in operating assets / liabilities, net	(104,734)	153,450
Total adjustments	113,710	393,332
Cash provided by operating activities	728,121	671,921
Interest income received	63,983	61,968
Interest paid	(12,383)	(42,048)
Income taxes paid	(68,903)	(23,126)
Net cash flows from operating activities	710,818	668,715
Cash flows from (used in) investing activities:		
Acquisition of financial assets at amortised cost	(135,381)	-
Acquisition of property, plant and equipment	(283,481)	(210,943)
Proceeds from disposal of property, plant and equipment	60,241	2,971
Decrease in other non-current assets	(4,040)	(762)
Net cash flows used in investing activities	(362,661)	(208,734)
Cash flows from (used in) financing activities:		
Increase in short-term borrowings	4,356,642	2,819,534
Decrease in short-term borrowings	(4,634,324)	(2,272,049)
Increase in short term commercial paper payable	1,810,000	230,000
Decrease in short-term commercial paper payable	(2,045,000)	(518,000)
Proceeds from long-term borrowings	2,714,000	3,168,000
Repayments of long-term borrowings	(2,417,821)	(3,636,629)
Payment of lease liabilities	(40,335)	(38,328)
Decrease in other non-current liabilities	237	(1,135)
Cash dividends paid	(247)	-
Interest paid	(35,580)	(19,533)
Change in non-controlling interests	-	(502)
Overaging unclaimed dividends	2,920	2,814
Net cash flows used in financing activities	(289,508)	(265,828)
Effect of exchange rate changes on cash and cash equivalents	168,754	63,956
Net increase in cash and cash equivalents	227,403	258,109
Cash and cash equivalents at beginning of period	9,516,930	10,494,443
Cash and cash equivalents at end of period	\$ 9,744,333	10,752,552

See accompanying notes to consolidated financial statements.

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

NAMCHOW HOLDINGS CO., LTD. AND SUBSIDIARIES

Notes to the Consolidated Financial Statements

For the three months ended March 31, 2024 and 2023

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

(1) Company history

Namchow Holdings Co., Ltd. (formerly called Namchow Chemical Industrial Co., Ltd.) (the Company) was incorporated on March 29, 1952 as a corporation limited by shares under the laws of the Republic of China (R.O.C.). The consolidated financial statements comprise the Company and its Subsidiaries (the Group). The Group is engaged in the manufacture, sale, and processing of edible and non-edible oil products and frozen dough, as well as dish and laundry liquid detergent, it also provides management consulting services.

In order to improve its business performance and competitiveness, the Company decided to conduct a group restructuring and division of profession. On May 31, 2017, the shareholders of the Company decided to divide its entire departments and categorize them into two, then transfer them to two of its subsidiaries. The Department of Edible Products, which includes frozen dough items, will be transferred to Namchow Oil and Fat Co., Ltd. and the Department of Non-Edible Products will be transferred to Huaciang Industry Co., Ltd.. Both entities are 100% owned by the Company, with a record date of August 1, 2017.

For the purpose of transforming into a holding company, the Company, which was formerly named as Namchow Chemical Industrial Co., Ltd. is renamed as Namchow Holdings Co., Ltd. After the spin-off, the Company only engaged in investment holding.

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

The consolidated financial statements were approved and issued by the Board of Directors on May 14, 2024.

(3) New standards, amendments and interpretations adopted

- (a) The impact of the IFRS Accounting Standards 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, 2024:

- 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)

NAMCHOW HOLDINGS CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

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

The following new and amended standards, which may be relevant to the Group, have been issued by the International Accounting Standards Board (IASB), but have yet to be endorsed by the FSC:

Standards or Interpretations	Content of amendment	Effective date per IASB
IFRS 18 “Presentation and Disclosure in Financial Statements”	<p>The new standard introduces three categories of income and expenses, two income statement subtotals and one single note on management performance measures. The three amendments, combined with enhanced guidance on how to disaggregate information, set the stage for better and more consistent information for users, and will affect all the entities.</p> <ul style="list-style-type: none"> • A more structured income statement: under current standards, companies use different formats to present their results, making it difficult for investors to compare financial performance across companies. The new standard promotes a more structured income statement, introducing a newly defined ‘operating profit’ subtotal and a requirement for all income and expenses to be allocated between three new distinct categories based on a company’s main business activities. • Management performance measures (MPMs): the new standard introduces a definition for management performance measures, and requires companies to explain in a single note to the financial statements why the measure provides useful information, how it is calculated and reconcile it to an amount determined under IFRS Accounting Standards. • Greater disaggregation of information: the new standard includes enhanced guidance on how companies group information in the financial statements. This includes guidance on whether information is included in the primary financial statements or is further disaggregated in the notes. 	January 1, 2027

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NAMCHOW HOLDINGS CO., LTD. AND SUBSIDIARIES

Notes to the Consolidated Financial Statements

The Group is evaluating the impact on its consolidated financial position and consolidated financial performance upon the initial adoption of the abovementioned standards or interpretations. The results thereof will be disclosed when the Group completes its evaluation.

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 IAS21 “Lack of Exchangeability”

(4) Summary of material accounting policies

Except the following accounting policies mentioned below, the material accounting policies adopted in the consolidated financial statements are the same as those in the consolidated financial statement for the year ended December 31, 2023. For the related information, please refer to note 4 of the consolidated financial statement for the year ended December 31, 2023.

(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" ("the Regulations") and IAS 34 Interim Financial Reporting endorsed by the FSC, and do not present all the disclosures required for a complete set of annual consolidated financial statements prepared in accordance with the International Financial Reporting Standards, International Accounting Statements, IFRIC Interpretations, or SIC Interpretations endorsed by the FSC (hereinafter referred to IFRS Accounting Standards endorsed by the FSC) for a complete set of the annual consolidated financial statements.

(b) Basis of consolidation

List of the subsidiaries included in the consolidated financial statements:

Name investor	Name of investee	Scope of business	Percentage of ownership			Description
			March 31, 2024	December 31, 2023	March 31, 2023	
The Company	Namchow (Thailand) Ltd. (Namchow Thailand)	Manufacturing and selling of instant noodles and rice cracker	100.00 %	100.00 %	100.00 %	
The Company	Mostro (Thailand) Ltd. (Mostro)	Manufacturing and selling of food	100.00 %	100.00 %	100.00 %	Note 6
The Company	Nacia International Corp. (Nacia Co.)	Holding of investments	100.00 %	100.00 %	100.00 %	
The Company	Chow Ho Enterprise Co., Ltd. (Chow Ho Co.)	Catering services, food and beverage retailing, and frozen food manufacturing	100.00 %	100.00 %	100.00 %	Note 6
The Company	Lucky Royal Co., Ltd. (Lucky Co.)	Manufacturing, selling and processing of various food and beverage products	99.65 %	99.65 %	99.65 %	
The Company	Nankyo Japan Co., Ltd. (Nankyo Japan Co.)	Catering services, Bistro and wine-selling	100.00 %	100.00 %	100.00 %	Note 6
The Company	Namchow Consulting Company, Ltd. (Namchow Consulting Co.)	Catering services, food and beverage retailing and other consulting services	100.00 %	100.00 %	100.00 %	Note 6

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NAMCHOW HOLDINGS CO., LTD. AND SUBSIDIARIES

Notes to the Consolidated Financial Statements

Name investor	Name of investee	Scope of business	Percentage of ownership			Description
			March 31, 2024	December 31, 2023	March 31, 2023	
The Company	Namchow Oil and Fat Co., Ltd. (Namchow Oil and Fat Co.)	Manufacturing, processing and selling of edible oil and frozen dough	100.00 %	100.00 %	100.00 %	
The Company	Huaciang Industry Co., Ltd. (Huaciang Co.)	Manufacturing, processing and selling of dish and laundry liquid detergent as well as frozen food	100.00 %	100.00 %	100.00 %	
The Company and Lucky Co.	Navigator Business Publications Co., Ltd. (NBP Co.)	Publishing, distributing and selling of printed publications	90.00 %	90.00 %	89.97 %	Notes 1 and 6
Lucky Co.	Namchow (British Virgin Island) Ltd. (Namchow BVI Co.)	Holding of investments	- %	93.00 %	93.00 %	Note 3
Lucky Co.	Dian Shui Lou Restaurant Business Co., Ltd. (Dian Shui Lou Co.)	Liquor importing and retailing, and catering services	- %	- %	99.65 %	Notes 2 and 6
Lucky Co.	Namchow Gastronomy Consulting Company, Ltd. (Namchow Gastronomy Consulting Co.)	Catering services and food consulting services	- %	99.65 %	99.65 %	Notes 2 and 5
Huaciang Co.	Dian Shui Lou Restaurant Business Co., Ltd. (Dian Shui Lou Co.)	Multinational eateries, and the promotion and management of craft beers	100.00 %	100.00 %	- %	Notes 2 and 6
Huaciang Co.	Namchow (British Virgin Island) Ltd. (Namchow BVI Co.)	Holding of investments	93.32 %	- %	- %	Notes 3 and 6
Namchow BVI Co.	Shanghai Bao Lai Na Company Limited.(Bao Lai Na Co.)	Multinational eateries, and the promotion and management of craft beers	93.32 %	93.00 %	93.00 %	Notes 3 and 6
Nacia Co.	Namchow International Corp. (Namchow International Co.)	Holding of investments	100.00 %	100.00 %	100.00 %	
Shanghai Qiaohao Co.	Shanghai Qiaohao Enterprise Management Co.,Ltd.(Shanghai Qiaohao Enterprise Management Co.)	Business management and investment consulting services	100.00 %	100.00 %	100.00 %	
Namchow Cayman Co. and Shanghai Qiaohao Co.	Shanghai Qiaohao Food Co.,Ltd(Shanghai Qiaohao Food Co.)	Food packaging, selling and trading of restaurant equipment	100.00 %	100.00 %	100.00 %	
Shanghai Qiaohao Co.	Tianjin Qiaohao Food Co.,Ltd. (Tianjin Qiaohao Co.)	Manufacturing, and selling of edible oil and related services	100.00 %	100.00 %	100.00 %	
Namchow Cayman Co.	Shanghai Qiaohao Trading Co., Ltd. (Shanghai Qiaohao Co.)	Holding of investments and international trade	100.00 %	100.00 %	100.00 %	
Namchow Cayman Co.	Shanghai Qiizhi Business Consulting Co.,Ltd. (Shanghai Qiizhi Co.)	Business management and investment consulting services	100.00 %	100.00 %	100.00 %	
Namchow Cayman Co. and Shanghai Qiizhi Co.	Namchow Food Group (Shanghai) co., Ltd. (Namchow Food Co.)	Food packaging, dairy product and product purchasing management and selling	81.25 %	81.24 %	80.88 %	
Namchow Cayman Co. and Namchow Food Co.	Shanghai Namchow Food co., Ltd. (Shanghai Namchow Co.)	Selling, developing, manufacturing and processing of fats and frozen food.	81.25 %	81.24 %	80.88 %	Note 4
Namchow Food Co.	Tianjin Namchow Food Co., Ltd. (Tianjin Namchow Co.)	Manufacturing, and selling of edible fat	81.25 %	81.24 %	80.88 %	Note 4
Namchow Food Co.	Guangzhou Namchow Food Co., Ltd. (Guangzhou Namchow Co.)	Manufacturing, and selling of edible fat	81.25 %	81.24 %	80.88 %	Note 4
Namchow Food Co.	Chongqing Qiaoxing Co., Ltd. (Chongqing Qiaoxing Co.)	Food packaging, dairy product and product purchasing management and selling	81.25 %	81.24 %	80.88 %	Note 4
Namchow Food Co.	Wuhan Qiaoxing Co., Ltd. (Wuhan Qiaoxing Co.)	The technical service of baking oil and fat product	81.25 %	81.24 %	80.88 %	Note 4
Namchow Food Co.	Namchow Trading Singapore Pte., Ltd (Namchow Singapore Pte.)	The sales service of baking oil and fat product	81.25 %	81.24 %	80.88 %	Note 4
Namchow Food Co.	Chongqing Namchow Food Co., Ltd. (Chongqing Namchow Co.)	Manufacturing and processing of light cream and frozen dough	81.25 %	81.24 %	80.88 %	Note 4
Namchow Food Co.	Namchow Trading HongKong Limited (Namchow HongKong Co.)	The sales service of baking oil and fat product	81.25 %	81.24 %	- %	Note 4

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NAMCHOW HOLDINGS CO., LTD. AND SUBSIDIARIES

Notes to the Consolidated Financial Statements

Name investor	Name of investee	Scope of business	Percentage of ownership			Description
			March 31, 2024	December 31, 2023	March 31, 2023	
Namchow Food Co. and Guangzhou Namchow Co.	Namchow Food (Thailand) Co., Ltd. (Namchow Bangkok Co.)	Manufacturing and selling of baking oil and fat product	81.25 %	81.24 %	- %	Note 4
Tianjin Namchow Co.	Tianjin Yoshi Yoshi Food Co., Ltd. (Tianjin Yoshi Yoshi Co.)	Developing , manufacturing, and selling of dairy products and related services	81.25 %	81.24 %	80.88 %	Note 4
Tianjin Yoshi Yoshi Co.	Guangzhou Yoshi Yoshi Food Co., Ltd. (Guangzhou Yoshi Yoshi Co.)	Developing , manufacturing, and selling of dairy products and related services	81.25 %	81.24 %	80.88 %	Note 4

Note 1: The Company, directly or indirectly, holds 89.97% shares of NBP Co. on March 31, 2023; Lucky Co.'s Board of Directors approved to dispose all of its 10.00% shares in NBP Co. to the Company on December 11, 2023. As a result, the Company's ownership percentage in NBP Co. became 90.00%. The aforementioned transaction was an organizational restructuring under common control; there has been no substantial change to the reporting entity, thus no retrospective restatement of prior period's financial statements is required.

Note 2: The Company, directly or indirectly, holds 99.65% shares of Dian Shui Lou Co. and Namchow Gastronomy Consulting Co. on March 31, 2023; Lucky Co.'s Board of Directors approved to sell all of its 100.00% shares in Dian Shui Lou Co. to Huaciang Co. on December 11, 2023. The aforementioned transaction was an organizational restructuring under common control; however, there has been no substantial change to the reporting entity, thus no retrospective restatement of prior period's financial statements is required.

Note 3: Lucky Co.'s Board of Directors approved to sell 93.32% shares in Namchow BVI Co. to Huaciang Co. on February 29, 2024. As a result, the Company's ownership percentage in Namchow BVI Co. became 93.32%. The aforementioned transaction was an organizational restructuring under common control; however, there has been no substantial change to the reporting entity, thus no retrospective restatement of prior period's financial statements is required.

Note 4: Nanchow Food Co., has submitted the application for A-share listing in the security market of China, thus, the board of directors of the Company has approved the resolution for the subsidiary to increase capital by cash injection and to award new shares of restricted stock on April 28, 2021 and on November 12, 2021. As the result, the Company's ownership percentage in the subsidiary decreased from 96.15% to 81.73% and then to 80.94%. In addition, due to the board of directors resolved to issue the remaining restricted shares on October 28, 2022 and the Company's ownership percentage in the subsidiary decreased further from 80.94% to 80.85%. In addition, due to the Company repurchased and write-off the remaining restricted shares in 2023 and 2024, and the Company's ownership percentage in the subsidiary increased from 80.88% to 81.24% and then to 81.25%.

Note 5: Namchow Gastronomy Consulting Co. was dissolved on December 31, 2023.

Note 6: It is a non-significant subsidiary, and its financial statements have not been reviewed.

(c) Employee benefits

Pension cost for an interim period is calculated on a year-to-date basis by using the actuarially determined pension cost rate at the end of the prior fiscal year plus any adjustments for significant post-market fluctuations, curtailments, settlements, or other one-time events.

(d) Income tax

Tax expense in the interim financial statements is measured and disclosed according to paragraph B12 of IAS 34 "Interim Financial Reporting".

Income tax expense for the period is best estimated by multiplying pretax income of the reporting period by the effective annual tax rate which was forecasted by the management. The outcome is then fully recognized as current tax expense or deferred income tax benefit.

Temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and their respective tax bases shall be measured based on the tax rates that have been enacted or substantively enacted at the time the asset or liability is recovered or settled, and be recognized directly in equity or other comprehensive income as tax expense.

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NAMCHOW HOLDINGS CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

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

The preparation of the consolidated financial statements is in conformity with IAS 34 “Interim Financial Reporting” endorsed by FSC. The standard requires management to make judgments, estimations 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.

During the preparation of the consolidated financial statements, the management adopts similar method used in accounting policy judgments and assumptions which are in conformity with note 5 of the consolidated financial statement for the year ended December 31, 2023.

(6) Explanation of significant accounts

Except as explained in the following paragraphs, there are no significant differences in description of significant accounts from financial statements as of December 31, 2023. For related information, please refer to note 6 of the consolidated financial statements for the year ended December 31, 2023.

(a) Cash and cash equivalents

	March 31, 2024	December 31, 2023	March 31, 2023
Cash on hand	\$ 11,932	10,103	12,090
Savings and checking deposits	6,967,103	7,008,412	10,236,280
Time deposits	2,675,172	2,153,096	418,650
Cash equivalents – repurchase agreement	90,126	345,319	85,532
Total	<u>\$ 9,744,333</u>	<u>9,516,930</u>	<u>10,752,552</u>

(b) Financial liabilities at fair value through profit or loss – current

	March 31, 2024	December 31, 2023	March 31, 2023
Financial liabilities held for trading:			
Derivative instruments not used for hedging			
Forward exchange contracts	\$ <u>5,464</u>	<u>-</u>	<u>-</u>

For the net gain or loss on fair value of financial instruments at FVTPL please refer to note 6(w).

The Group uses derivative financial instruments to manage the exposures due to fluctuations of foreign exchange risk from its operating activities. The Group reported the following derivatives financial instruments as financial liabilities at fair value through profit or loss without the application of hedge accounting:

	Contract amount (thousand dollars)	Currency	March 31, 2024 Maturity dates
Forward exchange contracts	USD 12,000 /	USD/THB	2024.9.13~2024.9.24
	THB 427,061		

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NAMCHOW HOLDINGS CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(c) Financial assets at fair value through other comprehensive income — non-current

	<u>March 31, 2024</u>	<u>December 31, 2023</u>	<u>March 31, 2023</u>
Equity investments at fair value through other comprehensive income			
Stocks listed on domestic markets	\$ <u>28,013</u>	<u>23,917</u>	<u>17,553</u>

(i) Equity investments at fair value through other comprehensive income

The Group held equity instrument investment, not held for trading purposes, which have been designated as measured at fair value through other comprehensive income.

The domestic private company Zhongsen Investment Co., Ltd. and Xiling Electronics Co., Ltd. were in a state of annulment. As such, the Company anticipated that the investment cannot be recovered, and the accumulated disposal loss amounted to \$45,000 thousand. The aforementioned accumulated loss has been transferred from other equity to retained earnings in 2023.

No strategic investments were disposed for the three months ended March 31, 2023, and there was no transfer of any cumulative gain or loss within equity relating to these investments.

(ii) Credit risk and market risk, please refer to note 6(x).

(iii) The aforesaid financial assets were not pledged as collateral.

(d) Financial assets measured at amortized cost — non-current

	<u>March 31, 2024</u>	<u>December 31, 2023</u>	<u>March 31, 2023</u>
Time deposits	\$ <u>1,773,753</u>	<u>1,638,372</u>	<u>-</u>

The Group has assessed that these financial assets are held to maturity to collect contrcash flows, which consist solely of payments of principal and interest on principal amount outstanding. Therefore, these investments were classified as financial assets measured at amortized cost.

As of March 31, 2024, the aforesaid financial assets were not pledged as collateral.

(e) Notes and accounts receivable

	<u>March 31, 2024</u>	<u>December 31, 2023</u>	<u>March 31, 2023</u>
Notes receivable	\$ 210,599	197,365	168,456
Accounts receivable	1,991,380	2,040,049	1,942,337
Less: allowance for impairment	<u>31,236</u>	<u>27,769</u>	<u>22,242</u>
	<u>\$ 2,170,743</u>	<u>2,209,645</u>	<u>2,088,551</u>

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NAMCHOW HOLDINGS CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

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 incorporated forward looking information. The allowance for impairment was determined as follows:

	March 31, 2024		
	Gross carrying amount	Weighted- average expected credit loss rate (%)	Loss allowance provision
Not overdue	\$ 1,979,872	0~50.00	5,913
Overdue 1~30 days	141,632	0.13~50.00	4,459
Overdue 31~60 days	44,183	0.46~66.69	2,306
Overdue 61~90 days	12,913	0.87~100.00	2,363
Overdue 91~180 days	12,349	1.00~100.00	6,031
Overdue 181~365 days	2,773	1.00~100.00	1,907
Overdue 365 days past due	8,257	100.00	8,257
	\$ 2,201,979		31,236
	December 31, 2023		
	Gross carrying amount	Weighted- average expected credit loss rate (%)	Loss allowance provision
Not overdue	\$ 2,072,879	0~50.00	7,060
Overdue 1~30 days	120,549	0.14~50.00	4,096
Overdue 31~60 days	21,714	0.47~68.78	1,952
Overdue 61~90 days	5,102	0.90~100.00	1,860
Overdue 91~180 days	6,145	1.00~100.00	2,773
Overdue 181~365 days	3,404	69.80~100.00	2,407
Overdue 365 days past due	7,621	100.00	7,621
	\$ 2,237,414		27,769

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NAMCHOW HOLDINGS CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

	March 31, 2023		
	Gross carrying amount	Weighted-average expected credit loss rate (%)	Loss allowance provision
Not overdue	\$ 1,936,710	0~100.00	4,954
Overdue 1~30 days	133,653	0.41~28.08	3,844
Overdue 31~60 days	23,818	1.01~69.67	2,278
Overdue 61~90 days	4,577	1.76~100.00	1,828
Overdue 91~180 days	2,528	4.23~100.00	2,025
Overdue 181~365 days	587	65.81	359
Overdue 365 days past due	8,920	0.78~100.00	6,954
	\$ 2,110,793		22,242

The movement in the allowance for notes receivable and accounts receivable were as follows:

	For the three months ended March 31	
	2024	2023
Balance at beginning of the period	\$ 27,769	30,203
Impairment losses recognized	3,295	-
Impairment loss reversed	-	(8,058)
Amounts written off	(154)	-
Effect of changes in exchange rates	326	97
Balance at end of the period	\$ 31,236	22,242

The Group has not provided the notes and accounts receivable as collateral or factored them for cash.

(f) Other receivables

	March 31, 2024	December 31, 2023	March 31, 2023
Other receivables	\$ 201,952	187,517	226,746
Less: loss allowance	3,300	2,770	2,436
	\$ 198,652	184,747	224,310

The Group's other receivables which were overdue on March 31, 2024, December 31 and March 31, 2023, have been assessed for impairment losses.

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NAMCHOW HOLDINGS CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

The movement in the allowance for other receivables were as follows:

	For the three months ended March 31	
	2024	2023
Balance at January 1	\$ 2,770	2,266
Impairment losses recognized	473	158
Effect of changes in exchange rates	57	12
Balance at March 31	<u><u>\$ 3,300</u></u>	<u><u>2,436</u></u>

(g) Inventories

The components of the Group's inventories were as follows:

	March 31, 2024	December 31, 2023	March 31, 2023
Merchandise	\$ 41,365	36,521	33,564
Finished goods	1,573,107	1,491,122	1,464,279
Work in progress	152,037	155,304	184,296
Raw materials	1,105,794	1,204,693	1,324,857
Supplies	296,528	358,226	297,179
Goods in transit	48,981	44,783	27,900
Total	<u><u>\$ 3,217,812</u></u>	<u><u>3,290,649</u></u>	<u><u>3,332,075</u></u>

As of March 31, 2024, December 31 and March 31, 2023, the Group's inventories were not provided as pledged assets.

Except for operating costs arising from the ordinary sale of inventories, other gains and losses directly recorded under operating cost were as follows:

	For the three months ended March 31	
	2024	2023
Loss on decline in market value of inventory	\$ 1,762	5,473
Loss on physical count, net	148	414
Loss on scrap of inventory	3,223	406
Income from sale of scrap	(3,864)	(4,242)
Total	<u><u>\$ 1,269</u></u>	<u><u>2,051</u></u>

(h) Material non-controlling interests of subsidiaries

Name of subsidiary	The main operating place / register country	Proportion of Non-controlling interests		
		March 31, 2024	December 31, 2023	March 31, 2023
Namchow Food CO.	China	18.75 %	18.76 %	19.12 %

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NAMCHOW HOLDINGS CO., LTD. AND SUBSIDIARIES
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The following information of the aforementioned subsidiary has been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers. Included in this information is the fair value adjustment made during the acquisition and the relevant difference in accounting principles between the Group and its subsidiary as at the acquisition date. Intra-group transactions were not eliminated in this information.

Summary of financial information of Namchow Food CO.

	March 31, 2024	December 31, 2023	March 31, 2023
Current assets	\$ 10,649,630	10,420,628	12,597,122
Non-current assets	7,554,296	7,275,704	5,643,739
Current liabilities	(2,735,417)	(2,826,265)	(3,074,846)
Non-current liabilities	(276,147)	(277,823)	(318,793)
Net assets	<u>\$ 15,192,362</u>	<u>14,592,244</u>	<u>14,847,222</u>
Net assets attributable to non-controlling interests	<u>\$ 2,812,950</u>	<u>2,702,705</u>	<u>2,955,663</u>

	For the three months ended March 31	
	2024	2023
Revenue	\$ <u>3,373,494</u>	<u>3,280,910</u>
Net income	\$ 329,588	172,148
Other comprehensive income (loss)	-	-
Total comprehensive income (loss)	<u>\$ 329,588</u>	<u>172,148</u>
Total net income attributable to non-controlling interests	<u>\$ 61,797</u>	<u>32,912</u>
Total comprehensive income attributable to non-controlling interests	<u>\$ 61,797</u>	<u>32,912</u>

	For the three months ended March 31	
	2024	2023
Net Cash flow from operating activities	\$ 563,086	432,144
Net Cash flow used in investing activities	(269,902)	(156,718)
Net Cash flow from (used in) financing activities	2,440	(27,108)
Effect of exchange rate changes on cash and cash equivalents	4,902	305
Increase in cash and cash equivalents	<u>\$ 300,526</u>	<u>248,623</u>

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NAMCHOW HOLDINGS CO., LTD. AND SUBSIDIARIES
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(i) Property, plant and equipment

The cost, depreciation, and impairment of the property, plant and equipment of the Group were as follows:

	Land	Buildings	Machinery	Other equipment	Unfinished construction	Total
Cost and revaluation:						
Balance at January 1, 2024	\$ 2,730,995	6,683,429	8,112,514	4,575,093	352,076	22,454,107
Additions	-	-	10,544	27,618	213,784	251,946
Disposals	(38,012)	(27,922)	(45,164)	(111,059)	-	(222,157)
Reclassification	-	40,035	49,760	42,665	(120,236)	12,224
Effect of changes in exchange rates	(17,518)	43,756	29,255	46,351	930	102,774
Balance at March 31, 2024	<u>\$ 2,675,465</u>	<u>6,739,298</u>	<u>8,156,909</u>	<u>4,580,668</u>	<u>446,554</u>	<u>22,598,894</u>
Balance at January 1, 2023	\$ 2,769,704	6,703,485	7,757,745	4,380,878	353,707	21,965,519
Additions	-	2,959	6,676	20,933	156,862	187,430
Disposals	-	-	(4,260)	(4,311)	(2,565)	(11,136)
Reclassification	-	45,726	292,410	43,332	(377,924)	3,544
Effect of changes in exchange rates	(8,963)	12,428	27,802	14,729	935	46,931
Balance at March 31, 2023	<u>\$ 2,760,741</u>	<u>6,764,598</u>	<u>8,080,373</u>	<u>4,455,561</u>	<u>131,015</u>	<u>22,192,288</u>
Depreciation and impairment loss:						
Balance at January 1, 2024	\$ 31,953	2,243,112	4,977,501	3,369,570	-	10,622,136
Depreciation	-	53,604	80,170	75,015	-	208,789
Disposal	-	(27,918)	(45,113)	(110,501)	-	(183,532)
Reclassification	-	-	-	803	-	803
Effect of changes in exchange rates	-	18,486	15,136	33,136	-	66,758
Balance at March 31, 2024	<u>\$ 31,953</u>	<u>2,287,284</u>	<u>5,027,694</u>	<u>3,368,023</u>	<u>-</u>	<u>10,714,954</u>
Balance at January 1, 2023	\$ 31,953	2,069,721	4,753,543	3,155,937	-	10,011,154
Depreciation	-	52,533	77,621	71,756	-	201,910
Disposal	-	-	(4,256)	(4,307)	-	(8,563)
Effect of changes in exchange rates	-	5,885	16,281	10,319	-	32,485
Balance at March 31, 2023	<u>\$ 31,953</u>	<u>2,128,139</u>	<u>4,843,189</u>	<u>3,233,705</u>	<u>-</u>	<u>10,236,986</u>
Carrying value:						
January 1, 2024	<u>\$ 2,699,042</u>	<u>4,440,317</u>	<u>3,135,013</u>	<u>1,205,523</u>	<u>352,076</u>	<u>11,831,971</u>
March 31, 2024	<u>\$ 2,643,512</u>	<u>4,452,014</u>	<u>3,129,215</u>	<u>1,212,645</u>	<u>446,554</u>	<u>11,883,940</u>
January 1, 2023	<u>\$ 2,737,751</u>	<u>4,633,764</u>	<u>3,004,202</u>	<u>1,224,941</u>	<u>353,707</u>	<u>11,954,365</u>
March 31, 2023	<u>\$ 2,728,788</u>	<u>4,636,459</u>	<u>3,237,184</u>	<u>1,221,856</u>	<u>131,015</u>	<u>11,955,302</u>

(i) Impairment loss and subsequent reversal

For the three months ended March 31, 2024 and 2023, the Group did not have any significant impairment or reversal on property, plant and equipment. For other relative information, please refers to note 6(g) of the consolidated financial statements for the year ended December 31, 2023.

(ii) Collateral

Please refer to note 8 for information on pledged property, plant and equipment as of March 31, 2024, December 31 and March 31, 2023.

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NAMCHOW HOLDINGS CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(j) Right-of-use assets

The Group leases many assets including land, buildings and transportation equipment. Information about leases for which the Group as a lessee is presented below:

	<u>Land</u>	<u>Buildings</u>	<u>Transportation equipment</u>	<u>Total</u>
Cost:				
Balance at January 1, 2024	\$ 373,375	854,904	83,154	1,311,433
Additions	-	10,518	7,896	18,414
Disposals	-	(3,026)	(3,314)	(6,340)
Reclassification	-	-	(1,644)	(1,644)
Effect of changes in exchange rates	6,989	11,422	48	18,459
Balance at March 31, 2024	<u>\$ 380,364</u>	<u>873,818</u>	<u>86,140</u>	<u>1,340,322</u>
Balance at January 1, 2023	\$ 334,009	850,385	82,960	1,267,354
Additions	-	26,343	2,657	29,000
Modification	-	(18,266)	-	(18,266)
Effect of changes in exchange rates	1,743	3,352	95	5,190
Balance at March 31, 2023	<u>\$ 335,752</u>	<u>861,814</u>	<u>85,712</u>	<u>1,283,278</u>
Accumulated depreciation:				
Balance at January 1, 2024	\$ 105,794	439,344	46,961	592,099
Depreciation	634	34,167	6,312	41,113
Disposals	-	(2,609)	(3,314)	(5,923)
Reclassification	-	-	(803)	(803)
Effect of changes in exchange rates	1,987	6,105	157	8,249
Balance at March 31, 2024	<u>\$ 108,415</u>	<u>477,007</u>	<u>49,313</u>	<u>634,735</u>
Balance at January 1, 2023	\$ 100,349	335,602	41,192	477,143
Depreciation	1,772	32,466	6,665	40,903
Modification	-	(18,266)	-	(18,266)
Effect of changes in exchange rates	521	1,249	58	1,828
Balance at March 31, 2023	<u>\$ 102,642</u>	<u>351,051</u>	<u>47,915</u>	<u>501,608</u>
Carrying value:				
January 1, 2024	<u>\$ 267,581</u>	<u>415,560</u>	<u>36,193</u>	<u>719,334</u>
March 31, 2024	<u>\$ 271,949</u>	<u>396,811</u>	<u>36,827</u>	<u>705,587</u>
January 1, 2023	<u>\$ 233,660</u>	<u>514,783</u>	<u>41,768</u>	<u>790,211</u>
March 31, 2023	<u>\$ 233,110</u>	<u>510,763</u>	<u>37,797</u>	<u>781,670</u>

(k) Investment property

	<u>Buildings</u>
Cost:	
Balance as at January 1, 2024	\$ 71,561
Effect of changes in exchange rates	1,339
Balance as at March 31, 2024	<u>\$ 72,900</u>
Balance as at January 1, 2023	\$ 72,900
Effect of changes in exchange rates	381
Balance as at March 31, 2023	<u>\$ 73,281</u>

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NAMCHOW HOLDINGS CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

	<u>Buildings</u>
Accumulated depreciation:	
Balance as at January 1, 2024	\$ 41,863
Depreciation	812
Effect of changes in exchange rates	792
Balance as at March 31, 2024	<u>\$ 43,467</u>
Balance as at January 1, 2023	\$ 39,366
Depreciation	826
Effect of changes in exchange rates	204
Balance as at March 31, 2023	<u>\$ 40,396</u>
Carrying value:	
Balance as at January 1, 2024	<u>\$ 29,698</u>
Balance as at March 31, 2024	<u>\$ 29,433</u>
Balance as at January 1, 2023	<u>\$ 33,534</u>
Balance as at March 31, 2023	<u>\$ 32,885</u>
Fair value:	
Balance as at January 1, 2024	<u>\$ 89,584</u>
Balance as at March 31, 2024	<u>\$ 95,052</u>
Balance as at January 1, 2023	<u>\$ 86,895</u>
Balance as at March 31, 2023	<u>\$ 88,726</u>

Investment property comprises a number of commercial properties that are leased to third parties. Each of the leases contains an initial non-cancellable period of 5 years. Subsequent renewals are negotiable with the lessee, and no contingent rents are charged. Please refer to note 6(w) for further information.

The fair value of investment property is based on expected cash flow from the rental income, discounted at yields which reflect the specific level of risk associated with the cash flow. The range of yields applied to the net annual rentals to determine the fair value of the property was as follows:

<u>Region</u>	<u>March 31, 2024</u>	<u>March 31, 2023</u>
Xuhui Dist., Shanghai	2.50%	3.22%

As of March 31, 2024, December 31 and March 31, 2023, the Group's investment properties were not provided as pledged assets.

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NAMCHOW HOLDINGS CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(l) Short-term and long-term borrowings

The details, terms and clauses of the Group's short-term and long-term borrowings were as follows:

(i) Short-term borrowings

March 31, 2024				
	Currency	Range of interest rates (%)	Year of maturity	Amount
Unsecured loans	RMB	2.15~3.65	2024~2025	\$ 1,577,046
Unsecured loans	TWD	1.60~1.875	2024	1,930,000
Unsecured loans	JPY	0.58~0.98	2024~2025	543,132
Total				<u><u>\$ 4,050,178</u></u>

December 31, 2023				
	Currency	Range of interest rates (%)	Year of maturity	Amount
Unsecured loans	RMB	2.15~3.65	2024	\$ 1,505,878
Unsecured loans	TWD	1.60~1.86	2024	2,262,000
Unsecured loans	JPY	0.58~0.97	2024	536,050
Unsecured loans	THB	4.65	2024	7,213
Letter of credit	USD	6.61	2024	2,360
Total				<u><u>\$ 4,313,501</u></u>

March 31, 2023				
	Currency	Range of interest rates (%)	Year of maturity	Amount
Unsecured loans	RMB	2.80~3.95	2023~2024	\$ 2,135,273
Unsecured loans	TWD	1.65~1.88	2023~2024	1,215,000
Unsecured loans	JPY	0.57~0.97	2023~2024	483,912
Total				<u><u>\$ 3,834,185</u></u>

As of March 31, 2024, December 31 and March 31, 2023, the unused credit facilities amounted to \$18,946,304 thousand, \$18,017,657 thousand and \$20,587,682 thousand, respectively.

(ii) Short-term commercial paper payable

December 31, 2023				
	Currency	Range of interest rates (%)	Year of maturity	Amount
Commercial paper payable	TWD	1.45~1.82	2024	\$ 235,000
Discount on commercial paper payable				(145)
Total				<u><u>\$ 234,855</u></u>

(Continued)

NAMCHOW HOLDINGS CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

March 31, 2023				
	Currency	Range of interest rates (%)	Year of maturity	Amount
Commercial paper payable	TWD	1.56	2023	\$ 12,000
Discount on commercial paper payable				(6)
Total				\$ 11,994

The Group did not pledge assets against the short-term commercial paper payable.

As of March 31, 2024, December 31 and March 31, 2023, the unused credit facilities amounted to \$910,000 thousand, \$630,000 thousand and \$718,000 thousand, respectively.

(iii) Long-term borrowings

March 31, 2024				
	Currency	Range of interest rates (%)	Year of maturity	Amount
Secured loans	JPY	1.25	2038~2039	\$ 588,427
Unsecured loans	JPY	1.01545	2024	21,150
Unsecured loans	TWD	1.71~1.99	2024~2026	1,932,000
Total				\$ 2,541,577
Current				\$ 356,588
Non-current				2,184,989
Total				\$ 2,541,577

December 31, 2023				
	Currency	Range of interest rates (%)	Year of maturity	Amount
Secured loans	JPY	1.25	2038~2039	\$ 613,318
Secured loans	TWD	1.8	2026	367,000
Unsecured loans	JPY	1.00545	2024	21,720
Unsecured loans	TWD	1.70~1.99	2024~2026	1,260,000
Total				\$ 2,262,038
Current				\$ 336,260
Non-current				1,925,778
Total				\$ 2,262,038

(Continued)

NAMCHOW HOLDINGS CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

March 31, 2023				
	Currency	Range of interest rates (%)	Year of maturity	Amount
Secured loans	JPY	1.25	2038~2039	\$ 674,397
Secured loans	TWD	1.725	2025	266,000
Unsecured loans	JPY	1.0018	2024	22,880
Unsecured loans	TWD	0.95~1.99	2024~2025	2,110,000
Unsecured loans	RMB	4.55	2023	19,142
Total				\$ 3,092,419
Current				\$ 256,981
Non-current				2,835,438
Total				\$ 3,092,419

As of March 31, 2024, December 31 and March 31, 2023, the unused credit facilities amounted to \$3,730,241 thousand, \$2,584,624 thousand and \$4,959,471 thousand, respectively.

The Group has disclosed the related risk exposure to the financial instruments in note 6(x).

The Group has pledge certain assets against the loans; please refer to note 8 for additional information.

(m) Bonds payable

(i) The details of bonds payable were as follows:

	March 31, 2024	December 31, 2023	March 31, 2023
Secured bonds	\$ 5,000,000	5,000,000	5,000,000
Less: discounts on bonds payable	85,560	92,328	112,632
Total	\$ 4,914,440	4,907,672	4,887,368

	For the three months ended March 31	
	2024	2023
Interest expenses	\$ 12,943	12,943

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NAMCHOW HOLDINGS CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

- (ii) As August 11, 2021, the Group issued its 1st domestic secured bonds, and its major obligations are as follows:

Item	110-1 Secured Bonds (Tranche A)
1) Issue date	August 11, 2021
2) Issue period	5 years, commencing from August 11, 2021 and matured on August 11, 2026.
3) Offering amount	3,000,000 thousand
4) Denomination	Issued by par value, each value at 10 million, and total of 300 bonds
5) Coupon Rate	Annual interest rate 0.47%
6) Repayment	Bullet repayment at an amount equal to the principal amount of the Bonds
7) Interest Payment	According to coupon rate. Interest is payable annually.
8) Way of guarantee	Commissioned by the First Commercial Bank Co., Ltd. as a guarantee institution

Item	110-1 Secured Bonds (Tranche B)
1) Issue date	August 11, 2021
2) Issue period	7 years, commencing from August 11, 2021 and matured on August 11, 2028.
3) Offering amount	2,000,000 thousand
4) Denomination	Issued by par value, each value at 10 million, and total of 200 bonds
5) Coupon Rate	Annual interest rate 0.53%
6) Repayment	Bullet repayment at an amount equal to the principal amount of the Bonds
7) Interest Payment	According to coupon rate. Interest is payable annually.
8) Way of guarantee	Commissioned by the First Commercial Bank Co., Ltd. as a guarantee institution

- (n) Provisions

	March 31, 2024	December 31, 2023	March 31, 2023
Site restoration	\$ <u>10,264</u>	<u>10,264</u>	<u>10,264</u>

For the three months ended March 31, 2024 and 2023, the Group did not have any significant change on the provisions. For other relative information, please refer to note 6(m) of the consolidated financial statements for the year ended December 31, 2023.

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NAMCHOW HOLDINGS CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(o) Lease liabilities

The carrying amounts of lease liabilities for the Group were as follows:

	March 31, 2024	December 31, 2023	March 31, 2023
Current	<u>\$ 139,556</u>	<u>140,676</u>	<u>150,435</u>
Non-current	<u>\$ 349,123</u>	<u>364,083</u>	<u>452,044</u>

For the maturity analysis, please refer to note 6(x).

The amounts recognized in profit or loss were as follows:

	For the three months ended March 31	
	2024	2023
Interest on lease liabilities	<u>\$ 4,508</u>	<u>6,295</u>
Variable lease payments not included in the measurement of lease liabilities	<u>\$ 6,961</u>	<u>14,925</u>
Income from sub-leasing right-of-use assets	<u>\$ (343)</u>	<u>(329)</u>
Expenses relating to short-term leases	<u>\$ 39,801</u>	<u>19,272</u>
Expenses relating to leases of low-value assets, excluding short-term leases of low-value assets	<u>\$ 1,980</u>	<u>1,416</u>

The amounts recognized in the statement of cash flows for the Group were as follows:

	For the three months ended March 31	
	2024	2023
Total cash outflow for leases	<u>\$ 93,242</u>	<u>79,907</u>

(p) Employee benefits

(i) Defined benefit plans

In the prior fiscal year, there was no material volatility of the market, material reimbursement and settlement or other material one-time events. As a result, pension cost in the condensed consolidated interim financial statements was calculated and disclosed on a year-to-date basis by using the actuarially determined pension cost rate as of December 31, 2023 and 2022.

The Group's expenses recognized in profit or loss were as follows:

	For the three months ended March 31	
	2024	2023
Operating costs	<u>\$ 1,528</u>	<u>1,979</u>
Operating expenses	<u>1,742</u>	<u>2,013</u>
Total	<u>\$ 3,270</u>	<u>3,992</u>

(Continued)

NAMCHOW HOLDINGS CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(ii) Defined contribution plans

The Group's expenses (under pension plan cost) to the Bureau of Labor Insurance and the local government were as follows:

	For the three months ended March 31	
	2024	2023
Operating costs	\$ 19,888	22,904
Operating expenses	35,266	32,690
Total	<u>\$ 55,154</u>	<u>55,594</u>

(iii) Short-term employee benefit

	March 31, 2024	December 31, 2023	March 31, 2023
Compensated absence liabilities (recorded under other payables)	<u>\$ 27,876</u>	<u>32,067</u>	<u>28,249</u>

(q) Income tax

i) Income tax expense was best estimated by multiplying pretax income for the interim reporting period by the effective tax rate which was forecasted by the management.

ii) Income tax expenses

The components of income tax are as follows:

	For the three months ended March 31	
	2024	2023
Current tax expenses		
Current period	\$ 161,757	89,625
Deferred tax expense		
Origination and reversal of temporary differences	30,350	21,996
Income tax on continuing operations	<u>\$ 192,107</u>	<u>111,621</u>

iii) Examination and approval

The tax returns of the Company have been examined and approved by the tax authorities through 2019.

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NAMCHOW HOLDINGS CO., LTD. AND SUBSIDIARIES
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(r) Capital and other equity

Except for those mentioned below, there were no significant changes in capital for the three months ended March 31, 2024 and 2023. Please refer to note 6(q) to the consolidated financial statements for the year ended December 31, 2023, for related information.

(i) Capital surplus

The components of capital surplus were as follows:

	March 31, 2024	December 31, 2023	March 31, 2023
Share premium	\$ 1,280	1,280	1,280
Overaging unclaimed dividends	12,774	9,854	9,906
Treasury stock	1,491,217	1,376,517	1,284,757
Recognize changes in all equity in subsidiaries	<u>2,439,856</u>	<u>2,438,173</u>	<u>2,485,154</u>
	<u><u>\$ 3,945,127</u></u>	<u><u>3,825,824</u></u>	<u><u>3,781,097</u></u>

(ii) Retained earnings

In accordance with the Company's articles of incorporation, in the event that the annual audit renders earnings, the Company shall pay taxes according to law and cover cumulative losses before setting aside 10% to be the legal reserve; if the legal reserve has reached the Company's paid-in capital size, however, it is allowed not to set aside further earnings. From the remainder the special reserve shall be set aside or reversed as required by law and any further remainder after that shall be brought forth in the shareholder's meeting based on the Earnings Distribution Proposal prepared by the Board of Directors along with accumulated retained earnings for a decision on assignment of dividend bonus to shareholders.

The dividend policy of the Company reflects its current and future development plans and takes into accounts factors such as investment climate, funding demand, and domestic and international competition as well as shareholders' interests. Each year, no less than 30% of earnings available for distribution are assigned to shareholders as dividend bonus. The dividend bonus may be done in case or in the form of stock. When it is done in cash, the value may not exceed 10% of the overall dividends.

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NAMCHOW HOLDINGS CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

1) Special earnings reserve

As the Company opted for the exemptions allowed under IFRS 1 "First-time Adoption of International Financial Reporting Standards" during the Company's first-time adoption of the IFRS as endorsed by the FSC, unrealized revaluation increments and cumulative translation adjustments of \$512,508 thousand, which were previously recognized in shareholders' equity were reclassified to retained earnings. A special reserve is appropriated from retained earnings for the aforementioned reclassification. In addition, during the use, disposal or reclassifications of relevant assets, this special reserve is reverted to distributable earnings proportionately. The carrying amount of above mentioned special reserve amounted to \$512,508 thousand as of March 31, 2024, December 31 and March 31, 2023.

For the regulatory permission mentioned above, the Company is also required to set aside an additional special reserve, as part of the distribution of its annual earnings, equal to the difference between the amount of the above-mentioned special reserve and net debit balance of the other components of stockholders' equity.

2) Distribution of retained earnings

The Company's Board of Directors resolved to appropriate the 2022 and 2021 earnings. These earnings were appropriated as follows:

	<u>2023</u>	<u>2022</u>
	<u>March 12, 2024</u>	<u>March 14, 2023</u>
Date resolved by Board of Directors		
Dividends distributed to common shareholders:		
Cash	\$ <u>735,332</u>	<u>588,266</u>
Dividend Payout (in NT dollars)	\$ <u>2.5</u>	<u>2.0</u>

(iii) Treasury stock

None shares were purchased by the Company and its subsidiaries during for the three months ended March 31, 2024 and 2023. The reason is that the subsidiaries held by long-term of the Company shares previous years. As of March 31, 2024, December 31 and March 31, 2023, the subsidiaries held the Company's shares as follows:

<u>March 31, 2024</u>					
<u>Subsidiary name</u>	<u>Number of shares (in thousand)</u>	<u>Market price per share</u>	<u>Adjusted cost per share</u>	<u>Total market value</u>	<u>Total treasury stock</u>
Lucky Co.	46,041	57.30	11.51	\$ <u>2,638,164</u>	<u>530,114</u>

<u>December 31, 2023</u>					
<u>Subsidiary name</u>	<u>Number of shares (in thousand)</u>	<u>Market price per share</u>	<u>Adjusted cost per share</u>	<u>Total market value</u>	<u>Total treasury stock</u>
Lucky Co.	46,041	50.80	11.51	\$ <u>2,338,896</u>	<u>530,114</u>

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NAMCHOW HOLDINGS CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

Subsidiary name	March 31, 2023				
	Number of shares (in thousand)	Market price per share	Adjusted cost per share	Total market value	Total treasury stock
Lucky Co.	46,041	47.15	11.51	<u>\$ 2,170,845</u>	<u>530,114</u>

Under the Business Mergers and Acquisitions Act, the treasury stock held by the Company shall not be pledged nor be entitled to any distribution of dividends or voting rights.

(iv) Other equities (net for tax)

	Foreign exchange differences arising from foreign operations	Unrealized gains (losses) on financial assets measured at fair value through other comprehensive income	Non-controlling interests	Total
Balance as of January 1, 2024	\$ (928,392)	3,940	227,653	(696,799)
Foreign exchange differences arising from foreign operations	161,854	-	49,352	211,206
Unrealized gains (losses) from financial assets measured at fair value through other comprehensive income	-	4,093	-	4,093
Balance as of March 31, 2024	<u>\$ (766,538)</u>	<u>8,033</u>	<u>277,005</u>	<u>(481,500)</u>
Balance as of January 1, 2023	\$ (710,951)	(49,100)	247,962	(512,089)
Foreign exchange differences arising from foreign operations	71,265	-	15,557	86,822
Unrealized gains (losses) from financial assets measured at fair value through other comprehensive income	-	1,681	-	1,681
Balance as of March 31, 2023	<u>\$ (639,686)</u>	<u>(47,419)</u>	<u>263,519</u>	<u>(423,586)</u>

(s) Share-based payment

- (i) On October 15, 2021 and November 12, 2021, the board of directors of Namchow Food CO., resolved to issue 4,595 thousand shares of RSAs, including 4,125 thousand shares of restricted stock and 470 thousand reserved shares of restricted stock; Of these the Board of Directors resolved to issue, 470 thousand shares on October 28, 2022, the grant price was RMB 16.425 per share of RSAs, the fair value was RMB 16.945 per share at the grant date. The recipients are limited to the full-time employees of Namchow Food CO. who meet certain conditions. As of October 10, 2022, the grant price of the reserved restricted shares is adjusted from RMB 16.425 per share to RMB 16.095 per share.

The sales restriction period of restricted stocks granted by this incentive plan is 12 months, 24 months, 36 months from the date of registration of the granted restricted stocks. The restricted stocks granted by this incentive plan shall not be transferred, and used for security or debt repayment before the restriction is lifted. The stocks resulting from the conversion from capital reserves to share capital, stock dividends and stock splits of the restricted stocks granted for incentive objects are also restricted for sales, and shall not be sold in the secondary market or transferred by other means, or used for security and debt repayment before the restriction is lifted. The releasing period of these shares is the same as that of the restricted stocks.

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NAMCHOW HOLDINGS CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

NAMCHOW HOLDINGS CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(t) Earnings per share

The calculation of the Group's basic earnings per share and diluted earnings per share for the three months ended March 31, 2024 and 2023, were as follows:

(i) Basic earnings per share

	Unit: thousand of shares	
	For the three months ended	
	March 31	
	2024	2023
Net income attributable to common shareholders of the Company	\$ <u>360,750</u>	<u>133,114</u>
Weighted-average number of common shares	<u>248,092</u>	<u>248,092</u>
Basic earnings per share (in NT dollars)	\$ <u>1.45</u>	<u>0.54</u>

ii) Diluted earnings per share

	Unit: thousand of shares	
	For the three months ended	
	March 31	
	2024	2023
Net income attributable to common shareholders of the Company (diluted)	\$ <u>360,750</u>	<u>133,114</u>
Weighted-average number of common shares (basic)	248,092	248,092
Impact of potential common shares:		
Effect of employees' remuneration	258	147
Weighted-average number of shares outstanding (diluted)	<u>248,350</u>	<u>248,239</u>
Diluted earnings per share (in NT dollars)	\$ <u>1.45</u>	<u>0.54</u>

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NAMCHOW HOLDINGS CO., LTD. AND SUBSIDIARIES
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(u) Revenue from contracts with customers

(i) Disaggregation of revenue

For the three months ended March 31, 2024								
Area of distribution:	Edible and non- edible oil products	Detergent products	Frozen dough	Ice cream products	Foods	Catering	Management, rental revenue and others	Total
China	\$ 2,979,227	-	399,651	-	9,103	57,237	7,359	3,452,577
Taiwan	245,565	119,974	170,040	418,775	148,668	138,497	10,084	1,251,603
Thailand	-	-	-	-	75,252	-	10,538	85,790
New Zealand and Australia	-	-	-	-	214,384	-	-	214,384
United States	-	-	-	-	203,559	-	-	203,559
Europe	-	-	-	-	298,667	-	-	298,667
Others	5,398	-	-	-	69,877	4,217	-	79,492
	<u>\$ 3,230,190</u>	<u>119,974</u>	<u>569,691</u>	<u>418,775</u>	<u>1,019,510</u>	<u>199,951</u>	<u>27,981</u>	<u>5,586,072</u>
For the three months ended March 31, 2023								
Area of distribution:	Edible and non- edible oil products	Detergent products	Frozen dough	Ice cream products	Foods	Catering	Management, rental revenue and others	Total
China	\$ 2,881,389	-	408,256	-	4,310	64,323	9,374	3,367,652
Taiwan	238,273	114,568	154,583	345,343	128,625	133,812	14,228	1,129,432
Thailand	-	-	-	-	57,901	-	10,999	68,900
New Zealand and Australia	-	-	-	-	253,628	-	-	253,628
United States	-	-	-	-	165,280	-	-	165,280
Europe	-	-	-	-	200,415	-	-	200,415
Others	10,870	-	-	-	69,493	4,919	-	85,282
	<u>\$ 3,130,532</u>	<u>114,568</u>	<u>562,839</u>	<u>345,343</u>	<u>879,652</u>	<u>203,054</u>	<u>34,601</u>	<u>5,270,589</u>

(Continued)

NAMCHOW HOLDINGS CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(ii) Contract balance

	March 31, 2024	December 31, 2023	March 31, 2023
Contract liability	<u>\$ 295,384</u>	<u>383,721</u>	<u>446,668</u>

The Group has disclosed the accounts receivable and the impairment losses to the financial instrument in note 6(e).

The amount of revenue recognized for the three months ended March 31, 2024 and 2023, that was included in the contract liability balance at the beginning of the period was \$307,662 thousand and \$137,544 thousand, respectively.

(v) Remuneration to employees and directors

In accordance with the Company's articles of incorporation, if there is profit for the year, the Company shall set aside no less than 1% of its profit as for employee remuneration and no more than 5% as directors' remuneration. However, priority shall be given to covering cumulative losses, if any.

Employees of subsidiaries may also be entitled to the employee remuneration of the Company, which can be settled in the form of cash or stock.

For the three months ended March 31, 2024 and 2023, the estimated amounts of employees' compensation were \$4,140 thousand and \$1,509 thousand, respectively, and the estimated amounts of directors' remuneration were \$18,632 thousand and \$6,034 thousand, respectively. The estimated amounts mentioned above are based on the net profit before tax, excluding employee compensation and directors' remuneration, of each respective ending period, multiplied by the percentage of the employee compensation, and the directors' remuneration, as specified in the Company's article. The estimations are recorded under operating expenses.

For the years ended December 31, 2023 and 2022, the remunerations to employees amounted to \$12,190 thousand and \$6,645 thousand, respectively, and the remunerations to directors amounted to \$54,856 thousand and \$26,578 thousand, respectively. The amounts are identical to those of the actual distributions. The information is available on the Market Observation Post System.

(w) Non-operating income and expenses

(i) Interest income

	For the three months ended March 31	
	2024	2023
Interest income from bank deposits	<u>\$ 63,983</u>	<u>61,968</u>

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NAMCHOW HOLDINGS CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(ii) Other income

		For the three months ended March 31	
		2024	2023
Rental income	\$	2,747	2,512
Other income — other			
Government grants		22,215	40,749
Others		11,666	16,545
Total other income — Other		33,881	57,294
Total other income	\$	<u>36,628</u>	<u>59,806</u>

(iii) Other gains and losses

		For the three months ended March 31	
		2024	2023
Gains on disposal of property, plant and equipment, net	\$	21,616	398
Foreign exchange gains, net		44,318	766
Others		1,227	(6,268)
Net other gains and losses	\$	<u>67,161</u>	<u>(5,104)</u>

(iv) Finance costs

		For the three months ended March 31	
		2024	2023
Interest expense	\$	<u>49,561</u>	<u>55,196</u>

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NAMCHOW HOLDINGS CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(x) Financial instruments

Except for the contention mentioned below, there was no significant change in the fair value of the Group's financial instruments and in the degree of exposure to credit risk, liquidity risk— interest rate risk and market risk arising from financial instruments. For the related information, please refer to note 6(w) of the consolidated financial statements for the year ended December 31, 2023.

(i) Liquidity risk

The following are the contractual maturities of financial liabilities, including estimated interest payments but excluding the impact of netting agreements.

	Carrying amount	Contractual cash flows	Within a year	1-2 years	2-5 years	More than 5 years
March 31, 2024						
Non-derivative financial liabilities						
Secured loans	\$ 588,427	646,377	42,592	85,184	127,776	390,825
Unsecured loans	6,003,328	6,075,010	4,348,472	874,930	851,608	-
Accounts payable	1,361,987	1,361,987	1,361,987	-	-	-
Dividends payable	620,632	620,632	620,632	-	-	-
Other payables	1,442,164	1,442,164	1,442,164	-	-	-
Bonds payable	4,914,440	5,000,000	-	-	5,000,000	-
Lease liabilities	488,679	528,665	149,201	107,503	233,873	38,088
Guarantee deposits received	60	60	60	-	-	-
Other forward exchange contracts:						
Out flow	5,464	5,464	5,464	-	-	-
	<u>\$ 15,425,181</u>	<u>15,680,359</u>	<u>7,970,572</u>	<u>1,067,617</u>	<u>6,213,257</u>	<u>428,913</u>
December 31, 2023						
Non-derivative financial liabilities						
Secured loans	\$ 980,318	1,069,659	50,346	94,086	512,934	412,293
Unsecured loans	5,595,221	5,673,993	4,652,926	811,286	209,781	-
Short-term commercial paper payable	234,855	235,000	235,000	-	-	-
Accounts payable	1,245,781	1,245,781	1,245,781	-	-	-
Dividends payable	247	247	247	-	-	-
Other payables	1,718,025	1,718,025	1,718,025	-	-	-
Bonds payable	4,907,672	5,000,000	-	-	5,000,000	-
Lease liabilities	504,759	559,455	158,939	111,468	236,909	52,139
Guarantee deposits received	60	60	60	-	-	-
	<u>\$ 15,186,938</u>	<u>15,502,220</u>	<u>8,061,324</u>	<u>1,016,840</u>	<u>5,959,624</u>	<u>464,432</u>
March 31, 2023						
Non-derivative financial liabilities						
Secured loans	\$ 940,397	1,025,254	50,665	367,492	138,228	468,869
Unsecured loans	5,986,207	6,093,503	4,109,348	1,984,155	-	-
Short-term commercial paper payable	11,994	11,994	11,994	-	-	-
Accounts payable	1,313,961	1,313,961	1,313,961	-	-	-
Dividends payable	496,506	496,506	496,506	-	-	-
Other payables	1,322,871	1,322,871	1,322,871	-	-	-
Bonds payable	4,887,368	5,000,000	-	-	3,000,000	2,000,000
Lease liabilities	602,479	673,706	172,337	155,928	245,704	99,737
Guarantee deposits received	60	60	60	-	-	-
	<u>\$ 15,561,843</u>	<u>15,937,855</u>	<u>7,477,742</u>	<u>2,507,575</u>	<u>3,383,932</u>	<u>2,568,606</u>

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NAMCHOW HOLDINGS CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

The Group does not expect that the cash flows included in the maturity analysis could occur significantly earlier or at significantly different amounts.

(ii) Liquidity risk — Currency risk

The Group's significant exposure to foreign currency risk was as follows:

	<u>Foreign currency</u>	<u>Exchange rate</u>	<u>TWD</u>
March 31, 2024			
Financial assets:			
Monetary assets:			
USD	\$ 14,042	32.000	449,330
THB	95,262	0.880	84,211
Financial liabilities:			
Monetary liabilities:			
USD	\$ 2,622	32.000	83,896
EUR	10,312	34.460	355,361
December 31, 2023			
Financial assets:			
Monetary assets:			
USD	\$ 21,185	30.705	650,494
THB	109,069	0.900	98,347
Financial liabilities:			
Monetary liabilities:			
USD	\$ 3,725	30.705	114,365
EUR	9,272	33.980	315,061
March 31, 2023			
Financial assets:			
Monetary assets:			
USD	\$ 11,614	30.450	353,632
Financial liabilities:			
Monetary liabilities:			
USD	\$ 2,338	30.450	71,188
EUR	9,676	33.150	320,745

(Continued)

NAMCHOW HOLDINGS CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

The Group's exposure to foreign currency risk arose from cash and cash equivalents, accounts receivable, other receivables, loans and borrowings, accounts payable and other payables that were denominated in foreign currencies. A 1% appreciation (depreciation) of the TWD against the USD, THB and EUR as of March 31, 2024 and 2023 would have increased (decreased) the net income after tax for the three months ended March 31, 2024 and 2023 by \$943 thousand and \$383 thousand, respectively. The analysis was performed on the same basis for both periods.

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 the three months ended March 31, 2024 and 2023, foreign exchange gains (losses) (including realized and unrealized abortions) amounted to \$44,318 thousand and \$766 thousand, respectively.

(iii) Interest rate risk analysis

Please refer to the note on liquidity risk management for the interest rate exposure of the Group's financial assets and liabilities.

The following sensitivity analysis is based on the risk exposure to interest rates on derivative and non-derivative financial instruments on the reporting date. Regarding assets with variable interest rates, the analysis is on the basis of 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 increment or decrement by 1% when reporting to the management internally, which also represents the management's assessment of the reasonable interest rate change.

If the interest rate had increased / decreased by 1%, the Group's net income before tax would have decreased / increased by \$5,357 thousand and \$16,270 thousand for the three months ended March 31, 2024 and 2023, respectively, with all other variable factors remaining constant. This is mainly due to the Group's borrowing, financial assets at amortised cost and time deposits at floating rates.

(iv) Fair value and carrying amount

1) Categories and fair value of financial instruments

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 whose carrying amount is reasonably close to the fair value, and lease liabilities, disclosure of fair value information is not required:

	March 31, 2024				
	Carrying amount	Fair value			Total
		Level 1	Level 2	Level 3	
Financial assets at fair value through other comprehensive income					
Stocks listed on domestic markets	\$ <u>28,013</u>	<u>28,013</u>	<u>-</u>	<u>-</u>	<u>28,013</u>

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NAMCHOW HOLDINGS CO., LTD. AND SUBSIDIARIES
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		March 31, 2024				
		Carrying amount	Fair value			
		Level 1	Level 2	Level 3	Total	
Financial liabilities at fair value through profit or loss						
Derivative financial liabilities	\$	<u>(5,464)</u>	<u>-</u>	<u>(5,464)</u>	<u>-</u>	<u>(5,464)</u>
		December 31, 2023				
		Carrying amount	Fair value			
		Level 1	Level 2	Level 3	Total	
Financial assets at fair value through other comprehensive income						
Stocks listed on domestic markets	\$	<u>23,917</u>	<u>23,917</u>	<u>-</u>	<u>-</u>	<u>23,917</u>
		March 31, 2023				
		Carrying amount	Fair value			
		Level 1	Level 2	Level 3	Total	
Financial assets at fair value through other comprehensive income						
Stocks listed on domestic markets	\$	<u>17,553</u>	<u>17,553</u>	<u>-</u>	<u>-</u>	<u>17,553</u>
Financial liabilities at fair value through profit or loss						

2) Valuation techniques and assumptions used in fair value determination

a) Non-derivative financial instruments

Financial instruments traded in active markets are based on quoted market prices. The quoted price of a financial instrument obtained from main exchanges and on-the-run bonds from Taipei Exchange can be used as a basis to determine the fair value of the listed companies' equity instrument and debt instrument of the quoted price in an active market.

Stocks of listed Companies and open-ended funds are financial assets possessing standard provision and trading in active markets. The fair values are determined based on the market quotes and net assets value, respectively.

b) Derivative financial instrument

Measurement of the fair value of derivative instruments is based on the valuation techniques generally accepted by market participants such as the discounted cash flow or option pricing models. Fair value of forward currency is usually determined by the forward currency exchange rate.

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NAMCHOW HOLDINGS CO., LTD. AND SUBSIDIARIES
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3) Fair value hierarchy

The Group used the fair value that can be observed in the market to measure the value of assets and liabilities. Fair value levels are based on the degree in which the fair value can be observed and grouped in to Levels 1 to 3 as follows:

- a) Level 1: quoted prices (unadjusted) in active markets for identified assets or liabilities.
- b) Level 2: inputs, other than the 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).
- c) Level 3: inputs for assets or liabilities that are not based on observable market data (unobservable inputs).

There was no such situation that the Company reclassified the financial instruments from one level to another as of the reporting date.

4) Transferring between Level 1 and Level 2

There were no transfers from Level 2 to Level 1 for the three months ended March 31, 2024 and 2023.

(y) Financial risk management

The objective and policies of the consolidated company are identical to those disclosed in note 6(x) of the consolidated financial statement for the year ended 2023.

(z) Capital management

The disclosure of objectives, policies and procedures of the Group's capital management are the same as those specified in the consolidated financial statements for the year ended December 31, 2023; and there were no significant changes in the Group's collective quantitative information from those disclosed in the consolidated financial statements for the year ended December 31, 2023. For related information, please refer to note 6(y) of the consolidated financial statements for the year ended December 31, 2023.

(aa) Investing and financing activities not affecting current cash flow

The Group did not have any non-cash flow transactions on the investing and financing activities for the three months ended March 31, 2024 and 2023.

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NAMCHOW HOLDINGS CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(ab) The reconciliation of liabilities arising from financing activities

For the three months ended March 31, 2024 and 2023, the reconciliation of liabilities arising from financing activities were as follows:

	January 1,		Non-cash changes		March 31,
	2024	Cash flows	Foreign exchange movement	Others	2024
Short-term borrowings	\$ 4,313,501	(277,682)	14,359	-	4,050,178
Short-term commercial paper payable	234,855	(235,000)	-	145	-
Bonds payable	4,907,672	-	-	6,768	4,914,440
Long-term borrowings (including current portion)	2,262,038	296,179	(16,640)	-	2,541,577
Lease liabilities	504,759	(62,739)	6,258	40,401	488,679
Other non-current liabilities	108,420	(12,939)	-	-	95,481
Total liabilities from financing activities	<u>\$ 12,331,245</u>	<u>(292,181)</u>	<u>3,977</u>	<u>47,314</u>	<u>12,090,355</u>

	January 1,		Non-cash changes		March 31,
	2023	Cash flows	Foreign exchange movement	Others	2023
Short-term borrowings	\$ 3,283,265	547,485	3,435	-	3,834,185
Short-term commercial paper payable	299,909	(288,000)	-	85	11,994
Bonds payable	4,880,600	-	-	6,768	4,887,368
Long-term borrowings (including current portion)	3,571,903	(468,629)	(10,855)	-	3,092,419
Lease liabilities	609,397	(44,623)	2,411	35,294	602,479
Other non-current liabilities	138,651	(14,373)	-	-	124,278
Total liabilities from financing activities	<u>\$ 12,783,725</u>	<u>(268,140)</u>	<u>(5,009)</u>	<u>42,147</u>	<u>12,552,723</u>

(7) Related-party transactions

(a) Names and relationship with related parties

The followings 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
Chen Fei Lung	Key management personnel
Chen Chang Li	Other related parties

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NAMCHOW HOLDINGS CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(b) Significant transactions with related parties — leases

The Group entered into a two-year lease agreement with its key management personnel for a building to be used for its business operation, with a rental fee based on the rental rates within the vicinity. For the three months ended March 31, 2024 and 2023, the Group recognized the amount of \$132 thousand and \$51 thousand as interest expense, respectively. As of March 31, 2024, December 31 and March 31, 2023, the balance of lease liabilities amounted to \$6,247 thousand, \$10,377 thousand and \$14,479 thousand, respectively.

(c) Personnel transactions from key management

The compensation of the key management personnel comprised as the following:

	For the three months ended March 31	
	2024	2023
Short-term employee benefits	\$ 87,544	53,345
Post-employments benefits	549	499
	\$ 88,093	53,844

(8) Pledged assets

The carrying values of pledged assets were as follows:

Pledged assets	Object	March 31, 2024	December 31, 2023	March 31, 2023
Property, plant and equipment:				
Land	Long-term borrowings	\$ 1,702,343	1,716,872	1,746,440
Buildings	Long-term borrowings	702,004	722,996	771,079
		\$ 2,404,347	2,439,868	2,517,519

(9) Commitments and contingencies

(a) Major contracts not recognized the commitment:

(i) The Group's unrecognized contractual commitments were as follows:

	March 31, 2024	December 31, 2023	March 31, 2023
Acquisition of property, plant and equipment	\$ 899,100	350,984	59,076

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NAMCHOW HOLDINGS CO., LTD. AND SUBSIDIARIES
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- (ii) The Group's unused letters of credit for purchases of materials:

	<u>March 31, 2024</u>	<u>December 31, 2023</u>	<u>March 31, 2023</u>
Unused letters of credit for purchases of materials	\$ <u>424,609</u>	<u>440,615</u>	<u>424,859</u>

- (iii) Long-term letters of credit guarantee bill:

	<u>March 31, 2024</u>	<u>December 31, 2023</u>	<u>March 31, 2023</u>
Long-term letters of credit guarantee bill	\$ <u>392,000</u>	<u>392,000</u>	<u>392,000</u>

- (b) Lucky Co., Namchow BVI Co. and Paulaner Brauhaus Consult GmbH (PBCG) have entered into a contract for the use of the PBCG brand name and beer brewing techniques. In accordance with the contract, PBCG has to provide the right to use its brand name and its management consultation service for restaurant management, information service. The contract lasts for 10 years, starting from October 1, 2019 to September 30, 2029, with the option of extending it for an additional of 10 years, and there will be an automatic renewal for five years after the first renewal.

	<u>March 31, 2024</u>
One year	\$ 827
Less than five years	3,308
More than five years	<u>414</u>
	<u>\$ 4,549</u>

- (c) Dian Shui Lou Co. entered into an agreement with several malls, it is agreed to take a certain percentage according to the turnover of each store.

(10) Losses Due to Major Disasters: None.

(11) Subsequent Events: None.

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NAMCHOW HOLDINGS CO., LTD. AND SUBSIDIARIES
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(12) Other

- (a) The employee benefit expenses, depreciation and amortization, categorized by function, were as follows:

By nature	Three months ended March 31, 2024			Three months ended March 31, 2023		
	Operating costs	Operating expenses	Total	Operating costs	Operating expenses	Total
Employee benefits						
Salary	277,914	403,920	681,834	300,592	398,767	699,359
Labor and health insurance	89,185	48,992	138,177	86,998	47,209	134,207
Pension	21,416	37,008	58,424	24,883	34,703	59,586
Remuneration of directors	-	20,229	20,229	-	7,191	7,191
Others	25,518	35,581	61,099	21,456	46,110	67,566
Depreciation (note 1)	147,208	102,694	249,902	144,466	98,347	242,813
Amortization	-	-	-	-	-	-

Note 1: Depreciation expenses for investment property recognized under non-operating income and expenses — other gains and losses amounting to \$812 thousand and \$826 thousand for the three months ended March 31, 2024 and 2023 were not excluded, respectively.

- (b) Operating and seasonality

The ice cream department of the Group's operation is affected by the weather conditions and the impact of seasonal fluctuations. In which ice cream sales at the main areas are easily adversely impacted due to the winter weather conditions from November to the following February each year. The Group's attempts satisfy supply needs by inventory management during this period to reduce the seasonal effects. Generally, revenue and operating profit in the first quarter of ice cream department is relatively low.

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NAMCHOW HOLDINGS CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(13) Other disclosures

(a) Information on significant transactions:

The following is the information on significant transactions required by the "Regulations Governing the Preparation of Financial Reports by Securities Issuers" for the Group for the three months ended March 31, 2024:

(i) Loans extended to other parties:

Unit: thousand dollars																
No.	Name of lender	Name of borrower	Financial statement account	Related party	Highest balance of financing to other parties during the period	Ending balance	Amount actually drawn (Note 1)	Range of interest rates	Purposes of fund financing for the borrowers	Transaction amount for business between two parties	Reasons for short-term financing	Allowance for bad debt	Collateral		Financing limit for each borrowing company	Maximum financing limit for the lender
													Item	Value		
1	Namchow Food Co.	Tianjin Namchow Co.	Other receivables — related parties	Yes	578,833	578,833	578,833	-	Short term financing	-	Capital for operation	-	-	-	6,072,189 (Note 2)	6,072,189 (Note 2)
2	Namchow Food Co.	Guangzhou Namchow Co.	Other receivables — related parties	Yes	824,426	824,426	824,426	-	Short term financing	-	Capital for operation	-	-	-	6,072,189 (Note 2)	6,072,189 (Note 2)
3	Namchow Food Co.	Shanghai Namchow Co.	Other receivables — related parties	Yes	574,818	574,818	574,818	-	Short term financing	-	Capital for operation	-	-	-	6,072,189 (Note 2)	6,072,189 (Note 2)

Note 1: The transactions within the Group were eliminated in the consolidated financial statements.
Note 2: Base on the Namchow Food CO’s guidelines, the allowable aggregate amount of financing provided to others and the maximum financing provided to an individual company cannot exceed 40% of the Namchow Food Co.’s stockholder’s equity.

(ii) Guarantees and endorsements for other parties:

Unit: thousand dollars													
No.	Name of company	Counter-party of guarantee and endorsement		Limitation on amount of guarantees and endorsements for one party	Highest balance for guarantees and endorsements during the period	Ending balance of guarantees and endorsements	Amount actually drawn	Property pledged on guarantees and endorsements (Amount)	Ratio of accumulated amounts of guarantees and endorsements to net worth of the latest financial statements	Maximum allowable amount for guarantees and endorsements	Parent company endorsement / guarantees to third parties on behalf of subsidiary	Subsidiary endorsement / guarantees to third parties on behalf of parent company	Endorsements/ guarantees to third parties on behalf of company in Mainland China
		Name	Relationship with the Company										
0	The Company	Nankyo Japan Co.	2	9,738,031	1,002,090	996,800	564,282	-	10.24 %	9,738,031	Y	N	N

Note 1: The guarantee's relationship with the guarantor is as follows:
(1) A company that has business transaction with another company.
(2) A public company which, directly or indirectly, holds more than 50 percent of the voting shares.
(3) A company that, directly or indirectly, holds more than 50 percent of the voting shares in the public company.
(4) A public company which, directly or indirectly, holds 90% or more of the voting shares.
(5) A company that fulfills its contractual obligations by providing mutual endorsements/guarantees for another company in the same industry or for joint builders for purposes of undertaking a construction project.
(6) A company wherein all its capital contributing shareholders can make endorsements/ guarantees for their jointly invested company in proportion to their shareholding percentages.
(7) Companies within the same industry that provide joint and several security among themselves for a performance guarantee of a sales contract for pre-construction homes pursuant to the Consumer Protection Act.
Note 2: According to the Company’s guarantee and endorsement policies, the total guarantee and endorsement not exceed 100% of the Company’s net worth, while the total guarantees and endorsements for an individual party not exceed 100% of the Company’s net worth.

(iii) Securities held at the end of the period (excluding investment in subsidiaries, associates and joint ventures):

Unit: thousand dollars/thousand of shares								
Name of holder	Nature and name of security	Relationship with the security issuer	Account name	Ending balance				Remarks
				Number of shares	Book value	Holding percentage	Market value	
The Company	Stock: Capital Securities Co., Ltd.	—	Financial assets at fair value through comprehensive income – non-current	1,185	22,700	0.05 %	22,700	
Lucky Co.	Stock: The Company	The Company's subsidiary	Financial assets at fair value through comprehensive income – non-current	46,041	2,638,164	15.65 %	2,638,164	Note 1
Lucky Co.	Stock: Capital Securities Co., Ltd.	—	Financial assets at fair value through comprehensive income – non-current	277	5,313	0.01 %	5,313	

Note 1: The stated book value is after subtraction of the amount being reclassified treasury stock.

- (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.

NAMCHOW HOLDINGS CO., LTD. AND SUBSIDIARIES

Notes to the Consolidated Financial Statements

- (vii) Related-party transactions for purchases and sales with amounts exceeding the lower of NT\$300 million or 20% of the capital stock:

Unit: thousand dollars

Name of company	Counter-party	Relationship	Transaction details				Status and reason for deviation from arm's-length transaction		Accounts / notes receivable (payable)		Remarks
			Purchase / Sale	Amount	Percentage of total purchases / sales	Credit period	Unit price	Credit period	Balance	Percentage of total accounts / notes receivable (payable)	
Namchow Food Co.	Tianjin Namchow Co.	Subsidiary	Purchase	436,209	20 %	Note 1	-	-	(184,012)	27 %	Eliminate d
Tianjin Namchow Co.	Namchow Food Co.	Subsidiary	(Sales)	(436,209)	(72) %	Note 1	-	-	184,012	73 %	Eliminate d
Namchow Food Co.	Guangzhou Namchow Co.	Subsidiary	Purchase	365,288	17 %	Note 1	-	-	(151,719)	22 %	Eliminate d
Guangzhou Namchow Co.	Namchow Food Co.	Subsidiary	(Sales)	(365,288)	(49) %	Note 1	-	-	151,719	48 %	Eliminate d
Namchow Food Co.	Tianjin Yoshi Yoshi Co.	Subsidiary	Purchase	103,482	5 %	Note 1	-	-	(42,472)	6 %	Eliminate d
Tianjin Yoshi Yoshi Co.	Namchow Food Co.	Subsidiary	(Sales)	(103,482)	(69) %	Note 1	-	-	42,472	75 %	Eliminate d
Namchow Food Co.	Shanghai Namchow Co.	Subsidiary	Purchase	494,358	23 %	Note 1	-	-	-	- %	Eliminate d
Shanghai Namchow Co.	Namchow Food Co.	Subsidiary	(Sales)	(494,358)	(74) %	Note 1	-	-	-	- %	Eliminate d
Chongqing Qiaoxing Co.	Shanghai Namchow Co.	Subsidiary	Purchase	114,404	20 %	Note 1	-	-	(45,845)	7 %	Eliminate d
Shanghai Namchow Co.	Chongqing Qiaoxing Co.	Subsidiary	(Sales)	(114,404)	(17) %	Note 1	-	-	45,845	49 %	Eliminate d
Chongqing Qiaoxing Co.	Guangzhou Namchow Co.	Subsidiary	Purchase	234,913	41 %	Note 1	-	-	(92,971)	13 %	Eliminate d
Guangzhou Namchow Co.	Chongqing Qiaoxing Co.	Subsidiary	(Sales)	(234,913)	(31) %	Note 1	-	-	92,971	30 %	Eliminate d
Guangzhou Yoshi Yoshi Co.	Guangzhou Namchow Co.	Subsidiary	Purchase	145,523	65 %	Note 1	-	-	(66,667)	54 %	Eliminate d
Guangzhou Namchow Co.	Guangzhou Yoshi Yoshi Co.	Subsidiary	(Sales)	(145,523)	(19) %	Note 1	-	-	66,667	21 %	Eliminate d
Namchow Food Co.	Guangzhou Yoshi Yoshi Co.	Subsidiary	Purchase	188,390	9 %	Note 1	-	-	(86,391)	12 %	Eliminate d
Guangzhou Yoshi Yoshi Co.	Namchow Food Co.	Subsidiary	(Sales)	(188,390)	(64) %	Note 1	-	-	86,391	67 %	Eliminate d
Chongqing Qiaoxing Co.	Guangzhou Yoshi Yoshi Co.	Subsidiary	Purchase	106,964	18 %	Note 1	-	-	(42,605)	6 %	Eliminate d
Guangzhou Yoshi Yoshi Co.	Chongqing Qiaoxing Co.	Subsidiary	(Sales)	(106,964)	(36) %	Note 1	-	-	42,605	33 %	Eliminate d
Namchow Food Co.	Chongqing Qiaoxing Co.	Subsidiary	Purchase	604,207	28 %	Note 1	-	-	(228,574)	33 %	Eliminate d
Chongqing Qiaoxing Co.	Namchow Food Co.	Subsidiary	(Sales)	(604,207)	(42) %	Note 1	-	-	228,574	53 %	Eliminate d

Note 1: Depending on capital movement motor adjustment.

- (viii) Receivables from related parties with amounts exceeding the lower of NT\$100 million or 20% of the capital stock:

Unit: thousand dollars

Name of related party	Counter-party	Relationship	Balance of receivables from related party (Note 1)	Turnover rate	Overdue amount		Amounts received in subsequent period	Allowances for bad debts
					Amount	Action taken		
Guangzhou Namchow Co.	Namchow Food Co.	Subsidiary	151,719	2.44	-		88,160 (As of May 14, 2024)	-
Tianjin Namchow Co.	Namchow Food Co.	Subsidiary	184,012	2.43	-		88,160 (As of May 14, 2024)	-
Chongqing Qiaoxing Co.	Namchow Food Co.	Subsidiary	228,574	2.60	-		228,574 (As of May 14, 2024)	-
Namchow Food Co.	Tianjin Namchow Co.	Subsidiary	578,833 (Note 2)	-	-		- (As of May 14, 2024)	-
Namchow Food Co.	Guangzhou Namchow Co.	Subsidiary	824,426 (Note 2)	-	-		- (As of May 14, 2024)	-
Namchow Food Co.	Shanghai Namchow Co.	Subsidiary	574,818 (Note 2)	-	-		- (As of May 14, 2024)	-

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NAMCHOW HOLDINGS CO., LTD. AND SUBSIDIARIES

Notes to the Consolidated Financial Statements

Note1: The transactions within the Group were eliminated in the consolidated financial statements.

Note2: Loan to the subsidiary.

(ix) Trading in derivative instruments

Please refer to note 6(b).

(x) Business relationships and significant intercompany transactions:

Unit: thousand dollars

No.	Name of company	Name of counter-party	Existing relationship with the counter-party	Transaction details			
				Account name	Amount (Notes 3 and 4)	Trading terms	Percentage of the total consolidated revenue or total assets
1	Tianjin Namchow Co.	Namchow Food Co.	3	Sales revenue	436,209	No significant differences	7.81 %
1	Tianjin Namchow Co.	Namchow Food Co.	3	Accounts receivable	184,012	No significant differences	0.60 %
2	Guangzhou Namchow Co.	Namchow Food Co.	3	Sales revenue	365,288	No significant differences	6.54 %
2	Guangzhou Namchow Co.	Namchow Food Co.	3	Accounts receivable	151,719	No significant differences	0.50 %
2	Guangzhou Namchow Co.	Chongqing Qiaoxing Co.	3	Sales revenue	234,913	No significant differences	4.21 %
2	Guangzhou Namchow Co.	Chongqing Qiaoxing Co.	3	Accounts receivable	92,971	No significant differences	0.30 %
2	Guangzhou Namchow Co.	Guangzhou Yoshi Yoshi Co.	3	Sales revenue	145,523	No significant differences	2.61 %
2	Guangzhou Namchow Co.	Guangzhou Yoshi Yoshi Co.	3	Accounts receivable	66,667	No significant differences	0.22 %
3	Tianjin Yoshi Yoshi Co.	Namchow Food Co.	3	Sales revenue	103,482	No significant differences	1.85 %
4	Tianjin Yoshi Yoshi Co.	Namchow Food Co.	3	Accounts receivable	42,472	No significant differences	0.14 %
4	Shanghai Namchow Co.	Namchow Food Co.	3	Sales revenue	494,358	No significant differences	8.85 %
4	Shanghai Namchow Co.	Chongqing Qiaoxing Co.	3	Sales revenue	114,404	No significant differences	2.05 %
4	Shanghai Namchow Co.	Chongqing Qiaoxing Co.	3	Accounts receivable	45,845	No significant differences	0.15 %
5	Guangzhou Yoshi Yoshi Co.	Namchow Food Co.	3	Sales revenue	188,390	No significant differences	3.37 %
5	Guangzhou Yoshi Yoshi Co.	Namchow Food Co.	3	Accounts receivable	86,391	No significant differences	0.28 %
5	Guangzhou Yoshi Yoshi Co.	Chongqing Qiaoxing Co.	3	Sales revenue	106,964	No significant differences	1.91 %
5	Guangzhou Yoshi Yoshi Co.	Chongqing Qiaoxing Co.	3	Accounts receivable	42,605	No significant differences	0.14 %
6	Chongqing Qiaoxing Co.	Namchow Food Co.	3	Sales revenue	604,207	No significant differences	10.82%
6	Chongqing Qiaoxing Co.	Namchow Food Co.	3	Accounts receivable	228,574	No significant differences	0.75 %
7	Namchow Oil and Fat Co.	Huaciang Co.	3	Accounts receivable	21,766	No significant differences	0.07 %
8	Huaciang Co.	Lucky Co.	3	Sales revenue	83,369	No significant differences	1.49 %
8	Huaciang Co.	Lucky Co.	3	Accounts receivable	84,940	No significant differences	0.28 %
9	Namchow Food Co.	Tianjin Namchow Co.	3	Other receivables-related parties	578,833	Determined capital demand	1.90 %

(Continued)

NAMCHOW HOLDINGS CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

No.	Name of company	Name of counter-party	Existing relationship with the counter-party	Transaction details			
				Account name	Amount (Notes 3 and 4)	Trading terms	Percentage of the total consolidated revenue or total assets
9	Namchow Food Co.	Guangzhou Namchow Co.	3	Other receivables-related parties	824,426	Determined capital demand	2.70 %
9	Namchow Food Co.	Shanghai Namchow Co.	3	Other receivables-related parties	574,818	Determined capital demand	1.88 %

- Note 1: Company numbering is as follows:
- (1) Parent company - 0.
 - (2) Subsidiary starts from 1.
- Note 2: The number of the relationship with the transaction counterparty represents the following:
- (1) 1 represents downstream transactions.
 - (2) 2 represents upstream transactions.
 - (3) 3 represents sidestream transactions.
- Note 3: Disclose that the individual amount record under the assets and liabilities are greater than \$20,000 thousand; profit and loss are greater than \$50,000 thousand.
- Note 4: The transactions within the Group were eliminated in the consolidated financial statements.

(b) Information on investees:

The following is the information on investees for the three months ended March 31, 2024 (excluding information on investees in Mainland China):

Unit: thousand dollars/thousand of shares											
Name of investor	Name of investee	Address	Scope of business	Original cost		Ending balance			Net income (losses) of investee	Investment income (losses)	Remarks
				March 31, 2024	December 31, 2023	Shares	Percentage of ownership	Book value			
The Company	Namchow Thailand	Bangkok, Thailand	Manufacturing and selling instant noodles and rice cracker	1,027,405	1,027,405	9,245	100.00 %	3,482,082	195,560	195,560	Eliminated
The Company	Mostro	Bangkok, Thailand	Manufacturing and selling food	10,201	10,201	100	100.00 %	50,665	16,982	16,982	Eliminated
The Company	Nacia Co.	Tortola, British Virgin Islands	Holding of investments	343,443	343,443	1	100.00 %	13,001,499	216,586	216,586	Eliminated
The Company	Chow Ho Co.	Taipei, Taiwan	Catering services, food and beverage retailing, and frozen food manufacturing	156,500	137,000	2,900	100.00 %	26,724	(2,219)	(2,215)	Eliminated
The Company	Lucky Co.	Taipei, Taiwan	Manufacturing, selling and processing various food and beverage products	682,641	938,438	69,758	99.65 %	850,231	161,132	45,854	Eliminated
The Company	NBP Co.	Taipei, Taiwan	Publishing, distributing and selling printed publications	792	792	90	90.00 %	241	(17)	(15)	Eliminated
The Company	Nankyo Japan Co.	Tokyo, Japan	Catering services, Bistro and wine-selling	690,580	690,580	- (Note 2)	100.00 %	69,550	(20,378)	(20,378)	Eliminated
The Company	Namchow Consulting Co.	Taipei, Taiwan	Catering services, food and beverage retailing and other consulting	9,200	9,200	500	100.00 %	4,058	(569)	(570)	Eliminated
The Company	Namchow Oil and Fat Co.	Taipei, Taiwan	Manufacturing, processing and selling of edible oil and frozen dough	411,731	411,731	41,173	100.00 %	559,579	38,555	38,567	Eliminated
The Company	Huaciang Co.	Taipei, Taiwan	Manufacturing, processing and selling of dish and laundry liquid detergent as well as frozen food	792,341	792,341	70,000	100.00 %	661,990	18,864	18,859	Eliminated
Lucky Co.	Namchow BVI Co.	Tortola, British Virgin Islands	Holding of investments	-	293,793	-	- %	-	(12,054)	(11,249)	Eliminated (Note 3)
Lucky Co.	Namchow Gastronomy Consulting Co.	Taipei, Taiwan	Catering services and food consulting	-	18,300	-	- %	-	-	-	Eliminated (Note 4)
Huaciang Co.	Dian Shui Lou Co.	Taipei, Taiwan	Liquor importing and retailing	20,135	20,135	13,100	100.00 %	35,384	10,633	10,633	Eliminated
Huaciang Co.	Namchow BVI Co.	Tortola, British Virgin Islands	Holding of investments	72,270	-	6,705	93.32 %	67,565	(12,054)	-	Eliminated (Note 3)
Nacia Co.	Namchow Cayman Co.	Gayman Islands British West Indies.	Holding of investments	2,522,207	2,522,207	35,378	100.00 %	12,982,829	216,141	216,141	Eliminated
Namchow Food Co.	Namchow Singapore Pte.	Singapore	The sales service of baking oil and fat product	30,517	30,517	-	81.25 %	19,722	1,334	1,084	Eliminated
Namchow Food Co.	Namchow HongKong Co.	HongKong	The sales service of baking oil and fat product	31,408	31,408	-	81.25 %	24,076	(298)	(242)	Eliminated
Namchow Food Co.	Namchow Bangkok Co.	Bangkok, Thailand	Manufacturing and selling of baking oil and fat product	96,366	95,336	-	80.44 %	75,472	(600)	(482)	Eliminated
Guangzhou Namchow Co.	Namchow Bangkok Co.	Bangkok, Thailand	Manufacturing and selling of baking oil and fat product	964	964	-	0.81 %	762	(600)	(5)	Eliminated

- Note 1: Its investment gain and loss are also recognized by parent company.
- Note 2: The Company holds the shares in subsidiaries Nankyo Japan Co. totaling 6 shares.
- Note 3: In response to the Group's reorganization, Lucky Co. has separately signed equity transfer agreements with Huaciang Co., to sell all of its shares in Namchow BVI Co.
- Note 4: Namchow Gastronomy Consulting Co. was dissolutiond on December 31,2023.

NAMCHOW HOLDINGS CO., LTD. AND SUBSIDIARIES
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- (c) Information on investment in mainland China:
- (i) The names of investees in Mainland China, the main businesses and products, and other information:

Unit: thousand dollars

Name of investee in Mainland China	Scope of business	Issued capital	Method of investment (Note 1)	Cumulative investment (amount) from Taiwan as of January 1, 2024	Investment flow during current period		Cumulative investment (amount) from Taiwan as of March 31, 2024	Net income (losses) of investee	Direct / indirect investment holding percentage	Investment income (loss) (note 2)	Book value as of March 31, 2024	Accumulated remittance of earnings in current period
					Remittance amount	Repatriation amount						
Shanghai Qiaohao Co.	Holding of investments and international trade	1,110,279	(3)	-	-	-	-	(31,929)	100.00 %	(31,929) (2)b.)	274,962	-
Shanghai Qiaohao Enterprise Management Co.	Business management and investment consulting	961	(3)	-	-	-	-	-	100.00 %	- (2)b.)	882	-
Shanghai Qiaohao Food Co.	Food packaging, selling and trading of restaurant equipment and trading	925,111	(3)	-	-	-	-	(23,387)	100.00 %	(23,387) (2)b.)	396,493	-
Tianjin Qiaohao Food Co.	Food packaging, selling and trading of restaurant equipment and trading	90,836	(3)	-	-	-	-	(1,102)	100.00 %	(1,102) (2)b.)	12,970	-
Namchow Food Co.	Food packaging, dairy product and product purchasing management and selling	1,142,628	(3)	-	-	-	-	329,588	81.25 %	267,791 (2)a.)	12,379,412	1,282,626
Tianjin Namchow Co.	Manufacturing and selling of edible fat	795,379	(3)	372,813	-	-	372,813	102,917	81.25 %	83,621 (2)a.)	2,183,132	45,974
Tianjin Yoshi Yoshi Co.	Developing , manufacturing, and selling of dairy products and related services	136,840	(3)	-	-	-	-	63,395	81.25 %	51,509 (2)a.)	767,463	-
Guangzhou Yoshi Yoshi Co.	Developing , manufacturing, and selling of dairy products and related services	452,150	(3)	-	-	-	-	57,495	81.25 %	46,715 (2)a.)	606,200	-
Guangzhou Namchow Co.	Manufacturing and selling of edible fat	544,950	(3)	-	-	-	-	100,024	81.25 %	81,269 (2)a.)	1,465,934	279,529
Shanghai Namchow Co.	Selling, developing, manufacturing and processing of fats and frozen food	824,810	(3)	-	-	-	-	14,422	81.25 %	11,718 (2)a.)	1,186,334	-
Chongqing Qiaoxing Co.	Food packaging dairy product and product purchasing management and selling	94,200	(3)	-	-	-	-	81,619	81.25 %	66,316 (2)a.)	718,617	-
Wuhan Qianxing CO.	The technical service of baking oil and fat product	215,250	(3)	-	-	-	-	(107)	81.25 %	(87) (2)a.)	176,685	-
Chongqing Namchow Co.	Manufacturing and processing of light cream and frozen dough	1,445,967	(3)	-	-	-	-	4,898	81.25 %	3,980 (2)a.)	1,203,427	-
Shanghai Qizhi Co.	Business management and investment consulting services	4,541	(3)	-	-	-	-	91	100.00 %	91 (2)b.)	8,789	-
Bao Lai Na Co.	Multinational eateries, and the promotion, and management of self-made beers	112,018	(3)	226,649	-	-	226,649	(11,714)	93.32 %	(10,894) (2)c.)	62,763	35,967

Note 1: The method of investment is divided into the following four categories:

- (1) Remittance from third-region companies to invest in Mainland China.
- (2) Through the establishment of third-region companies then investing in Mainland China.
- (3) Through transferring the investment to third-region existing companies then investing in Mainland China.
- (4) Other methods: EX: delegated investments.

Note 2: Amount of investment income (loss) was recognized base on:

- (1) There is no investment income for the preparatory case.
- (2) Investment gains and losses were based on three basic:
 - a. The financial statements were reviewed by an international accounting from that has a cooperative relationship with accounting firms of the Republic of China.
 - b. The financial statements were reviewed by the auditors of the parent company and were recognized as investment income (loss) under the equity method.
 - c. Others: the financial statements were not reviewed by the auditors of the parent company and were recognized as investment income (loss) under the equity method.

Note 3: The transactions within the Group were eliminated in the consolidated financial statements.

(ii) Limitation on investment in Mainland China:

Company name	Accumulated investment amount in Mainland China as of March 31, 2024	Investment (amount) approved by Investment Commission, Ministry of Economic Affairs	Maximum investment amount set by Investment Commission, Ministry of Economic Affairs
The Company	372,813	3,783,667	5,842,819
Huaciang Co.	72,270	72,270	395,296
Lucky Co.	154,379	194,406	2,118,512

Note: Huaciang Co.'s Board of Directors approved to acquire 93.32% shares in Namchow BVI Co. from Lucky Co. on February 29, 2024. The acquisition price of above transaction amounted to \$ 72,270 thousand. The original investment amount which was approved by the Department of Investment Review, Ministry of Economic Affairs, R.O.C. will be cancelled upon being submitted to Department of Investment Review, Ministry of Economic Affairs, R.O.C.. for reference.

(iii) Significant transactions with investees in Mainland China: None.

NAMCHOW HOLDINGS CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(d) Major shareholders:

Unit: Share

Shareholder's Name	Shareholding	Shares	Percentage
Lucky Royal Co., Ltd.		46,041,259	15.65 %
Chen Fei Lung		33,814,934	11.49 %
Chen Yu Wen		32,541,619	11.06 %

Note: (i) The information on major shareholders, which is provided by the Taiwan Depository & Clearing Corporation, summarized the shareholders who held over 5% of total non-physical common stocks and preferred stocks (including treasury stocks) on the last business date of each quarter. The registered non-physical stocks may be different from the capital stocks disclosed in the financial statement due to different calculation basis.

(ii) If shares are entrusted, the above information regarding such shares will be revealed by each trustors using the individual trust accounts opened by the trustees. As for shareholders who are required by the Securities and Exchange Act to declare their equity of more than 10% of the total shares of the Company, their shareholdings include their own shares plus the shares of the trusts they have entrusted and have the right to decide on the use of the trust's assets. For details of the insider's equity announcement, please refer to Market Observation Post System.

(14) Segment information

There are seven service departments which should be reported: Edible and non-edible oil department, frozen dough department, detergent department, ice cream department, food department, catering department and management and rental revenue department and other departments. The Edible and non-edible oil department provides manufacturing and selling of edible oil; frozen dough department provides manufacturing and selling of frozen dough; detergent department provides manufacturing and selling of detergent; ice cream department provides manufacturing and selling of variant ice cream; food department provides manufacturing and selling of instant noodles and rice cracker; catering department provides liquor importing and retailing and management and rental revenue department and other department provides business management and investment consulting services.

A reportable department is a strategic business unit providing different products and services. Because each strategic business unit requires different kinds of techniques and marketing tactics, it should be separately managed.

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NAMCHOW HOLDINGS CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

Information on reportable segments and reconciliation for the Group is as follows:

	<u>Edible and non-edible oil products</u>	<u>Detergent products</u>	<u>Frozen dough</u>	<u>Ice cream products</u>	<u>Foods</u>	<u>Catering</u>	<u>Management, rental revenue and others</u>	<u>Adjustments or elimination</u>	<u>Total</u>
Three months ended March 31, 2024									
Revenue:									
Revenue from external customers	\$ 3,230,190	119,974	569,691	418,775	1,019,510	199,951	27,981	-	5,586,072
Inter-segment revenues	60,376	71	680	704	84,909	5,466	44,081	(196,287)	-
Total revenue	\$ 3,290,566	120,045	570,371	419,479	1,104,419	205,417	72,062	(196,287)	5,586,072
Reportable segment profit or loss	<u>\$ 322,942</u>	<u>(4,443)</u>	<u>37,821</u>	<u>55,603</u>	<u>168,698</u>	<u>(20,374)</u>	<u>(62,256)</u>	<u>(1,791)</u>	496,200
Interest income and other income									100,611
Other gains and losses									67,161
Finance costs									(49,561)
Net income before tax									<u><u>\$ 614,411</u></u>
Three months ended March 31, 2023									
Revenue:									
Revenue from external customers	\$ 3,130,532	114,568	562,839	345,343	879,652	203,054	34,601	-	5,270,589
Inter-segment revenues	57,507	-	876	7,667	82,421	4,893	32,827	(186,191)	-
Total revenue	\$ 3,188,039	114,568	563,715	353,010	962,073	207,947	67,428	(186,191)	5,270,589
Reportable segment profit or loss	<u>\$ 83,183</u>	<u>4,177</u>	<u>75,337</u>	<u>11,670</u>	<u>90,356</u>	<u>(3,294)</u>	<u>(38,228)</u>	<u>(6,086)</u>	217,115
Interest income and other income									121,774
Other gains and losses									(5,104)
Finance costs									(55,196)
Net income before tax									<u><u>\$ 278,589</u></u>

(Continued)

NAMCHOW HOLDINGS CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

- (a) For the three months ended March 31, 2024 and 2023, inter-segment revenues amounted to \$196,287 thousand and \$186,191 thousand, respectively, should be eliminated from total revenue.
- (b) For the three months ended March 31, 2024 and 2023, share of associate loss under equity method amounted to \$(1,791) thousand and \$(6,086) thousand, respectively, should be eliminated.