

Yeou Yih Steel Co., Ltd.

Minutes of the 2023 General Shareholders' Meeting

Time: June 13, 2023 (Tuesday), 9:00 AM.

Location: Gangshan Benjhou Industrial Park Service Center Auditorium (No.17, Bengong Rd., Gangshan Dist., Kaohsiung City).

Attendance: The total number of issued shares of the Company is 90,220,260 shares and the total number of shares in attendance was 49,328,9 shares (in which 7,419,832 shares attended the meeting via electronic means to vote), accounting for 54.67% of the total number of issued shares.

Convening method: Physical shareholders' meeting

Chairperson: Chairman Hsien-Tung Liu

Minutes taker: Li-Wen Chen

Directors in attendance: Chairman Hsien-Tung Liu, representative of Hong Yu Industrial Co., Ltd.; Director Ching-Tsung Huang, representative of Yusheng Investment & Development Co., Ltd.; Director Hsien-Jung Liu; Director Han-Chun Hsiao; Director Hung-Sheng Liu; Director Chien-Hua Huang; Independent Director Mei-Yao Chang, Independent Director Chih-Hsueh Lin; Independent Director Yu-Liang Pan.

Personnel in presence: CPA Kuo-Ming Lee, Crowe Horwath (TW) CPAs

One. Chairperson Address: Omitted

Two. Report Items:

- (I) The 2022 Business Report is submitted for approval; please refer to the attachment.
- (II) The 2022 Review Report of the Financial Statements from the Audit Committee is submitted for approval; please refer to the attachment.
- (III) The 2022 report on the distribution of remuneration for employees and Directors.
 1. Handled in accordance with Article 26 of the Company's "Articles of Incorporation."
 2. In 2022, the Company's employee and director remunerations were estimated at NT\$5,575,935 and NT\$5,575,935, respectively. There is no difference between the preceding remuneration and the recognized expenses, all of which were paid in cash.
- (IV) The report on the distribution of cash dividends from the 2022 earnings is submitted for approval.
 1. The Board of Directors resolved to allocate cash dividends of NT\$162,396,468 to shareholders and to distribute cash dividends of NT\$1.80 per share and authorize the Chairman to set the ex-dividends base date, payment date and other related matters.
 2. The Chairman of the Board of Directors resolved to set the ex-dividends base date as April 19, 2023, and the payout date as May 8, 2023.

Three. Approval Items

Motion 1: Proposed by the Board of Directors

Summary: The 2022 Business Report, Financial Statements and Earnings Distribution Statement are submitted for ratification.

Description: I. The financial statements of the Company for 2022 have been audited and completed by the attesting CPAs Kuo-Ming Lee and Ling-Wen Huang of Crowe Horwath (TW) CPAs. The Board of Directors approved the Business Report and the Statement of Earnings Distribution and submitted them to

the Audit Committee for review, which concluded that there was no discrepancy and issued an audit report.

- II. Please refer to the attachments for various supporting information.
- III. Proposed for ratification.

Resolution: The voting results for the proposal are as follows:

Number of votes held by attending shareholders at the time of the ballot: 49,328,954 votes

Voting results	Ratio to votes held by attending shareholders
Number of votes for: 43,898,590 votes	88.99%
Number of votes against: 16,075 votes	0.03%
Number of invalid votes: 0 votes	0.00%
Number of votes waived/not cast 5,414,289 votes	10.97%

Based on the results of the vote, the proposal is approved as proposed.

Four. Discussion and election Items

Motion 1: Proposed by the Board of Directors

Summary: Discussions on Proposed Amendments to the “Rules of Procedure of Shareholders’ Meetings.”

Description: (I) In accordance with the Financial Supervisory Commission’s letter Jin-Guan-Zheng-Jiao-Zi No. 1110133385 dated March 7, 2022, the Company intends to amend certain provisions of the “Rules of Procedure of Shareholders’ Meetings.” Please refer to the attachments for a comparison of the provisions before and after the amendment.

(II) Submitted for discussion

Resolution: The voting results for the proposal are as follows:

Number of votes held by attending shareholders at the time of the ballot: 49,328,954 votes

Voting results	Ratio to votes held by attending shareholders
Number of votes for: 43,887,174 votes	88.96%
Number of votes against: 28,911 votes	0.05%
Number of invalid votes: 0 votes	0.00%
Number of votes waived/not cast 5,412,869 votes	10.97%

Based on the results of the vote, the proposal is approved as proposed.

Five. Extraordinary Motions: None.

Six. Adjournment: the chairperson announced the adjournment of the meeting at 09:25 AM on the same day.

None of the shareholders proposed any questions at the shareholders' meeting.

Attachment

2022 Business Report

In 2022, although the world continued to be affected by the COVID-19 pandemic, the impact of port congestion and container shortages was alleviated and shipments were smoother. The Company strengthened the promotion of its export business and gradually increased its annual sales volume, further bolstered by exchange rate gains due to the depreciation of the New Taiwan dollar in the third quarter, resulting in increased revenue and profitability for the Company. In 2022, the Company's revenue was NT\$3.5381 billion, net income was NT\$213.05 million and earnings per share was NT\$2.36, all of which were higher than the previous year (2021).

At the beginning of 2023, the price of stainless steel showed an upward trend. The Company will continue implementing cost control measures, purchasing competitively-priced raw materials and controlling reasonable inventory levels. With the efforts of all colleagues, we aim to successfully achieve the operation goals and create profits to give back to shareholders.

I. 2022 Business Report

(I) Business Plan Implementation Results:

The Company's consolidated profit/loss for 2022 is as follows:

Unit: Thousand NTD

	2022	2021	Difference
Net operating revenue	3,530,808	2,591,575	939,233
Operating cost	-3,168,241	-2,339,172	829,069
Operating profit margin	362,567	252,403	110,164
Operating expenses	-111,499	-88,590	22,909
Operating income	251,068	163,813	87,255
Non-operating income & expense	16,803	11,505	5,298
Net income before tax	267,871	175,318	92,553
Income tax	-54,820	-35,152	19,668
Net income after tax	213,051	140,166	72,885
Earnings per Share	NT\$2.36	NT\$1.55	NT\$0.81
Diluted earnings per share	NT\$2.35	NT\$1.55	NT\$0.80

(II) Budget execution status: The Company did not disclose its financial forecast for 2022, so the budget execution status is not applicable.

(III) Financial revenue/expenditure and profitability analysis:

Item		2022	2021
Financial	Debt-to-asset ratio (%)	19.52	35.40

structure	The ratio of long-term funds to real estate, plant, and equipment (%)	425.61	418.38	
Solvency	Current ratio (%)	421.10	243.01	
	Quick ratio (%)	99.01	39.95	
	Interest coverage ratio	147.69	126.76	
Profitability	Return on assets (%)	13.50	10.09	
	Return on equity (%)	18.61	13.84	
	Ratio accounted for the paid-up capital (%)	Operating income	27.82	18.15
		Pre-tax profit	29.69	19.43
	Net profit rate (%)	6.03	5.40	
	Earnings per share (NT\$)	2.36	1.55	

(IV) R&D Status

1. The technical level of the businesses operated

- (1) The Company has successfully developed the solution heat treatment technology for stainless steel thick plates, which meets the ASTM, ASME, JIS, DNV shipbuilding materials, EN, and CNS requirements.
- (2) Our Company's technology for the metallographic structure of stainless steel thick plates significantly impacts stainless steel quality, and the technical level is quite high.
- (3) The technology developed by our Company to ensure the flatness of stainless steel thick plates has extremely important requirements for the appearance quality of stainless steel. The technical level has surpassed the requirements of ASTM, ASME, JIS, DNV shipbuilding materials, EN, and CNS standards.
- (4) The pickling technology developed by our Company for stainless steel thick plates is the basic condition for the appearance quality of our stainless steel plates, and the technical level has met the specification requirements.
- (5) Yeou Yih Steel Co., Ltd. has passed or obtained the following relevant product quality and environmental certifications as follows:

Item	Item Name	Valid period
1	Obtained the "Building Material Manufacturer" German TUV certification	2021/05/15-2024/05/28
2	Obtained the "PED/AD2000-W0/W2 Pressure Vessel Material Manufacturer" TUV certification	2021/05/20-2024/05/28
3	Passed German "TUV ISO9001: 2015 International Quality Management Qualification" certification	2021/05/28-2024/05/28
4	Obtained the Norwegian "DNV NV304L/NV316L Shipbuilding Materials Factory Verification" certification	2021/06/19-2024/06/30
5	Passed the British "SGS ISO14001: 2015 International Environmental Management System" certification	2021/12/18-2024/12/18

- (6) Yeou Yih International Co., Ltd. has passed or obtained the following relevant product quality and environmental certifications as follows:

Item	Item Name	Valid period
1	Obtained the Japanese "Industrial Standard JIS MARK" certification	2021/04/01-2024/03/31

2. The R&D of the Businesses Operated

(1) Solution heat treatment

- a. Regenerative burner solid solution furnaces energy-conservation technology.
- b. Solid solution furnace uniform temperature control technology.
- c. Quenching water uniform cooling technology.

(2) Stainless steel material

- a. Stainless steel homogenization technology.
- b. Solution temperature condition and holding time optimization.
- c. Production of cryogenic pressure vessel materials.
- d. Flatness optimization technology for thick stainless steel plates.
- e. Grain size and mechanical property processing capability.

(3) Stainless steel surface treatment

- a. Pickling solution concentration optimization technology.
- b. Pickling process condition optimizing technology.
- c. Sandblasting and derusting process condition optimization.

(3) Successfully developed technologies or products

- (1) Stainless steel materials for low-temperature pressure vessels.
- (2) Construction-use stainless steel materials.
- (3) Ship-building stainless steel materials.
- (4) JIS G4304 compliance stainless steel plates.

II. Summary of the 2023 Business Plan

(I) Operating policy:

Item	Operating Policy
Client Aspect	Actively develop clients and expand operation scales.
Product Aspect	Invest in equipment upgrades and high-quality supply products.
Market Aspect	Grasp the market dynamics and provide the best services.
Financial Aspect	Optimize the financial structure and sustainable operation of the enterprise.

(II) Expected sales volume and supporting basis:

Unit: ton

Product Items	Estimated Sales Weight	Basis
Stainless Steel Plates	33,600	2023 sales plan formulated according to the production capacity and market forecasts

(III) Important production and sales policies:

Business Development	Production and Sale Policy
Client Aspect	<ol style="list-style-type: none"> 1. Strengthen communications to enhance cooperative relationships. 2. Strengthen post-sales services and increase client satisfaction.
Product Aspect	<ol style="list-style-type: none"> 1. Strengthen process management and improve product quality. 2. Strengthen scheduling management and shorten product delivery time. 3. Strengthen the relationship with suppliers and

	stabilize the supply source.
Market Aspect	1. Actively expand domestic and overseas markets and increase product visibility. 2. Deepen client relationships and improve service processes.
Financial Aspect	1. Enhance the relationship with banks and strive for preferential conditions. 2. Stabilize the enterprise's financial constitution and operations.

III. The Company's Future Development Strategy

The Company is part of the stainless steel thick plate midstream processing industry and plays an important role in the stainless steel industry system. As a result, the Company's successes and failures are directly influenced by the upstream steel and downstream related industries. Therefore, our future development strategies are as follows:

- (I) Stable source material supply.
- (II) Master the raw material procurement market.
- (III) Production technology and product quality.
- (IV) Master the sales channels.

IV. Impacts from the External Competition, Legal Environment, and Overall Business Environment

Taiwan's stainless steel thick plate market has matured, and profit margins are increasingly compressed. Only by increasing turnover can we improve profits. Our company is leading in the domestic stainless steel thick plate industry. However, stainless steel has high international circulation under the free market economic system, so we must face competition from foreign manufacturers in domestic and foreign markets. The international trend has shifted from protection to openness due to the abolition of Article 201 by the United States, the withdrawal of defense measures by the European Union, and the abolition of the final guarantee clause in mainland China. Taiwan joined the WTO in 2003. Under the WTO system, all member countries must eliminate domestic tariffs and non-tariff barriers. Taiwan's steel market can become a fully open international market. In the future, the influence of foreign tariffs and non-tariff trade obstacles for various types of steel products exported from Taiwan will be greatly reduced, which will be more conducive to steel product exports.

The international steel market has recently shifted due to the lifting of pandemic lockdown measures in China, creating new demand and price changes. Baosteel took the lead in raising prices and the influence of declining nickel ore imports and with the restoration of market confidence, international nickel prices rose sharply to a recent high, the stainless steel industry should be able to benefit and is worthy of investors' attention.

Russia and Ukraine have played a significant role in the international steel market, with Russia being the sixth largest steel producer in the world, producing 76 million tons of steel in 2021. Ukraine, with an annual production of 21 million tons, is the 14th largest steel producing country, Vietnam has an annual production of 23 million tons and Taiwan also has an annual production of 23 million tons; all these countries have considerable influence on global steel production.

The war between Russia and Ukraine has profoundly affected the global steel supply. Ukraine has markedly reduced its production capacity and Russia has dumped a large amount of steel after the war broke out in order to raise funds for military spending, resulting in impacts to global steel market prices in 2022. It is worth noting that India has become a new production base in the international supply chain and the demand is increasing exponentially, while China has seen a resurgence in the construction and manufacturing industry with the lifting of pandemic restrictions; therefore we foresee a spike in demand for steel products.

Yeou Yih Steel Co., Ltd.
Audit Committee's Review Report

The Board of Directors has formulated and submitted the Company's 2022 business report, financial statements (including consolidated financial statements), profit distribution proposals, etc. Among them, the financial statements (including the consolidated financial statements) have been audited by the attesting CPAs Kuo-Ming Lee and Ling-Wen Huang of Crowe Horwath (TW) CPAs and the audit reports were also issued. The audit committee reviewed the preceding business report, financial statements (including consolidated financial statements), and profit distribution proposal; no discrepancy was found. The documents are hereby submitted according to Article 14-4 of the Securities Exchange Act and Article 219 of the Company Act for approval.

Respectfully submitted,

2023 General Shareholders' Meeting of Yeou Yih Steel Co., Ltd.

Convener of the Audit Committee: Yu-Liang Pan

March 24, 2023

Yeou Yih Steel Co., Ltd.
Earnings distribution schedule
2022

Unit: NTD

Item	Amount
Undistributed earnings at the beginning of the period	39,161,808
Plus: Net profit after tax for 2022	213,050,905
Disposal of equity instruments measured at FVTOCI	2,185,045
Other comprehensive income (remeasurement of defined benefit plans in 2022)	1,554,556
Reversal of special surplus reserve	(1,542,749)
Earnings available for distribution	254,409,565
Allocation Items:	
Provision of 10% of legal reserve	(21,679,051)
Shareholder cash dividends (NT\$1.8)	(162,396,468)
Undistributed earnings at the end of the period	70,334,046
Note:	
1. No. of shares: 90,220,260 shares.	

Chairperson: Hsien-Tong Liu Manager: Jui-Hsin Chang Accounting supervisor: Chung-Chih Chen

Independent Auditors' Report

To the Board of Directors and Shareholders
Yeou Yih Steel Co., Ltd.

Opinion

We have audited the accompanying consolidated balance sheets of Yeou Yih Steel Co., Ltd. and its subsidiaries (the "Group") as of December 31, 2022 and 2021, and the related consolidated statements of comprehensive income, changes in equity and cash flows for the years then ended, and the notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as of December 31, 2022 and 2021, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

Basis for Opinion

We conducted our audits in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and auditing standards in the Republic of China. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Norm of Professional Ethics for Certified Public Accountant of the Republic of China and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion base on the result that we audited and the audit reports of other accountants.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the year ended December 31, 2022. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, we do not provide a separate opinion on these matters.

Key audit matters of the Group's consolidated financial statements for the year ended December 31, 2022 are stated as follows:

Valuation of inventory

Please refer to Note 4.8 to the consolidated financial statements for the accounting policy of inventories, Note 5.2(4) for critical accounting judgments, estimates and key sources of assumption uncertainty of inventories, and Note 6.4 for inventory valuation.

Description of key audit matter

As of December 31, 2022, inventory was \$873,376 thousand and accounted for 58.43% of the total assets. The inventory valuation is measured at the lower of inventory cost and net realizable value. Since inventory valuation is dependent on the influence of frequently volatile fluctuations of nickel price, further affecting stainless steel price.

How the matter was addressed in our audit

In relation to the key audit matter above, our principal audit procedures included evaluating the correctness of the valuation allowance, rationality of evaluation loss, preciseness of evaluation allowance of the past and comparing which with that of current period to see if the estimation method and assumption was appropriate, and examining the appropriateness of the related disclosure of the inventory allowance.

Revenue recognition

Please refer to Note 4.16 to the consolidated financial statements for the accounting policy of revenue recognition, Note 5.1(1) and Note 5.2(1) for critical accounting judgements, estimates and key sources of assumption uncertainty of revenue recognition, and Note 6.17 for the description of revenue recognition.

Description of key audit matter

The Group sales revenue is easily influenced by various factors such as the industry boom, market environment and government policies, and has a significant impact on the capacity utilization rate of the Group (the recognition of idle capacity loss), inventory risk and cash flow. Consequently, revenue recognition is deemed to be a key audit matter.

How the matter was addressed in our audit

In relation to the key audit matter above, our principal audit procedures included testing the Group's controls surrounding revenue recognition; inspecting customer orders and performing a test of revenue transactions which incurred within a certain period before or after the balance sheet date, analysis of the trend of product sales and comparing the number of relevant changes or differences with the budget to confirm whether there is a significant exception; and evaluating the orders and related document of bill-and-hold sales, in which delivery is delayed at the buyer's request but the buyer takes the title and accept the billing, to see if the risk and reward had been transferred to the buyer for revenue recognition.

Other Matters

We have also audited the standalone financial statements of Yeou Yih Steel Co., Ltd. as of and for the years ended December 31, 2022 and 2021 on which we have issued an unmodified opinion.

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

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the IFRS, IAS, IFRIC, and SIC endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the auditing standards in the Republic of China will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with the auditing standards in the Republic of China, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

1. Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit

procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the year ended December 31, 2022 and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partners on the audit resulting in this independent auditors' report are Kuo Ming Lee and Ling Wen Huang.

Crowe (TW) CPAs
Kaohsiung, Taiwan
Republic of China

March 17, 2023

Notice to Readers

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

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

YEOU YIH STEEL CO., LTD. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
(In Thousands of New Taiwan Dollars)

Assets	Note	December 31, 2022		December 31, 2021	
		Amount	%	Amount	%
CURRENT ASSETS					
Cash and cash equivalents	6.1	\$211,799	14	\$108,286	6
Accounts receivable, net	6.2	45,947	3	103,422	6
Other receivables	6.3	16,124	1	15,831	1
Current income tax assets		-	-	1,547	-
Inventories	6.4	873,376	59	1,142,480	68
Prepayments		28,249	2	38,629	3
Other financial assets - current	6.5	3,300	-	3,300	-
Total current assets		<u>1,178,795</u>	<u>79</u>	<u>1,413,495</u>	<u>84</u>
NONCURRENT ASSETS					
Financial assets at fair value through other comprehensive income or loss - noncurrent	6.6	26,830	2	-	-
Property, plant and equipment	6.7	285,407	19	263,040	16
Intangible assets	6.8	196	-	531	-
Deferred income tax assets	6.23	2,809	-	4,413	-
Refundable deposits		635	-	680	-
Total noncurrent assets		<u>315,877</u>	<u>21</u>	<u>268,664</u>	<u>16</u>
TOTAL ASSETS		<u>\$1,494,672</u>	<u>100</u>	<u>\$1,682,159</u>	<u>100</u>
Liabilities and Equity					
CURRENT LIABILITIES					
Short-term loans	6.9	\$104,731	8	\$457,206	27
Contract liabilities - current	6.17	7,883	1	11,436	1
Notes payable		6,299	-	5,455	-
Accounts payable		71,999	5	35,375	2
Other payables	6.10	51,033	3	34,521	2
Current tax liabilities		36,399	2	34,261	2
Provisions - current	6.11	1,583	-	3,388	-
Total current liabilities		<u>279,927</u>	<u>19</u>	<u>581,642</u>	<u>34</u>
NONCURRENT LIABILITIES					
Deferred income tax liabilities	6.23	45	-	5	-
Net defined benefit liability - noncurrent	6.12	11,850	1	13,965	1
Total noncurrent liabilities		<u>11,895</u>	<u>1</u>	<u>13,970</u>	<u>1</u>
TOTAL LIABILITIES		<u>291,822</u>	<u>20</u>	<u>595,612</u>	<u>35</u>

Liabilities and Equity	Note	December 31, 2022		December 31, 2021	
		Amount	%	Amount	%
EQUITY					
Share capital	6.13				
Common stock		902,203	59	902,203	55
Capital surplus	6.14	8,385	1	8,087	-
Retained earnings	6.15				
Legal reserve		37,852	3	23,093	1
Special reserve		-	-	693	-
Unappropriated earnings		255,953	17	152,471	9
Other equity	6.16	(1,543)	-	-	-
Total equity attributable to owners of the parent		<u>1,202,850</u>	<u>80</u>	<u>1,086,547</u>	<u>65</u>
NON-CONTROLLING INTERESTS					
Total equity		<u>1,202,850</u>	<u>80</u>	<u>1,086,547</u>	<u>65</u>
TOTAL LIABILITIES AND EQUITY		<u>\$1,494,672</u>	<u>100</u>	<u>\$1,682,159</u>	<u>100</u>

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

YEOU YIH STEEL CO., LTD.

STANDALONE STATEMENTS OF COMPREHENSIVE INCOME

(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

Item	Note	Year Ended December 31			
		2022		2021	
		Amount	%	Amount	%
OPERATING REVENUE	6.17	\$3,530,808	100	\$2,591,575	100
OPERATING COST	6.4	(3,168,241)	(89)	(2,339,172)	(90)
GROSS PROFIT (LOSS)		362,567	11	252,403	10
OPERATING EXPENSES					
Sales and marketing		(41,120)	(1)	(32,996)	(1)
General and administrative		(70,379)	(2)	(55,594)	(2)
Total operating expenses		(111,499)	(3)	(88,590)	(3)
INCOME (LOSS) FROM OPERATIONS		251,068	8	163,813	7
NON-OPERATING INCOME AND EXPENSES					
Interest income	6.19	593	-	47	-
Other income	6.20	5,369	-	4,953	-
Other gains and losses	6.21	12,667	-	7,899	-
Finance cost	6.22	(1,826)	-	(1,394)	-
Total non-operating income and expenses		16,803	-	11,505	-
INCOME (LOSS) BEFORE INCOME TAX		267,871	8	175,318	7
INCOME TAX BENEFIT (EXPENSE)	6.23	(54,820)	(2)	(35,152)	(1)
NET INCOME (LOSS)		213,051	6	140,166	6
OTHER COMPREHENSIVE INCOME (LOSS)	6.24				
Items that will not be reclassified subsequently to profit or loss:					
Remeasurement of defined benefit obligation		1,943	-	(449)	-
Unrealized gain (loss) on investments in equity instruments at fair value through other comprehensive income		642	-	8,482	-
Income tax benefit (expense) related to items that will not be reclassified subsequently to profit or loss		(389)	-	90	-
Total other comprehensive income (loss), net of income tax		2,196	-	8,123	-
TOTAL COMPREHENSIVE INCOME (LOSS)		\$215,247	6	148,289	6
NET INCOME (LOSS) ATTRIBUTABLE TO					
Shareholders of the parent		\$213,051	6	\$140,166	6
Non-controlling interests		-	-	-	-
Total		\$213,051	6	\$140,166	6

TOTAL COMPREHENSIVE INCOME (LOSS)

ATTRIBUTABLE TO:

Shareholders of the parent

\$215,247

6

\$ 148,289

6

Non-controlling interests

-

-

-

-

Total

\$ 215,247

6

\$148,289

6

EARNINGS (LOSS) PER SHARE

Basic earnings (loss) per share

6.25

\$2.36

\$1.55

Diluted earnings (loss) per share

6.25

\$2.35

\$1.55

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

YEOU YIH STEEL CO., LTD.
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
(In Thousands of New Taiwan Dollars)

	Equity Attributable to Shareholders of the Parent									
	Common Stock	Capital Surplus	Retained Earnings			Other Equity Item		Shareholders of the parent	Non-controlling Interests	Total Equity
			Legal reserve	Special Reserve	Unappropriated Earnings	Unrealized				
						Gain (Loss) on Financial Assets at Fair Value Through Other Comprehensive Income				
BALANCE AT JANUARY 1, 2021	\$902,203	\$8,087	\$22,736	\$ -	\$5,925	(\$693)	\$938,258	\$ -	\$938,258	
Appropriations and distributions of prior years' earnings:										
Legal reserve	-	-	357	-	(357)	-	-	-	-	
Special reserve	-	-	-	693	(693)	-	-	-	-	
Net income (loss) in 2021	-	-	-	-	140,166	-	140,166	-	140,166	
Other comprehensive income (loss) in 2021, net of income tax	-	-	-	-	(359)	8,482	8,123	-	8,123	
Total comprehensive income in 2021	-	-	-	-	139,807	8,482	148,289	-	148,289	
Disposal of financial instruments designated at fair value through other comprehensive income	-	-	-	-	7,789	(7,789)	-	-	-	
BALANCE AT DECEMBER 31, 2021	902,203	8,087	23,093	693	152,471	-	1,086,547	-	1,086,547	
Appropriations and distributions of prior years' earnings:										
Legal reserve	-	-	14,759	-	(14,759)	-	-	-	-	
Cash dividends - \$1.1 per share	-	-	-	-	(99,242)	-	(99,242)	-	(99,242)	

Reversal of special reserve	-	-	-	(693)	693	-	-	-	-
Net income (loss) in 2022	-	-	-	-	213,051	-	213,051	-	213,051
Other comprehensive income (loss) in 2022, net of income tax	-	-	-	-	1,554	642	2,196	-	2,196
Total comprehensive income (loss) in 2022	-	-	-	-	214,605	642	215,247	-	215,247
Disposal of financial instruments designated at fair value through other comprehensive income	-	-	-	-	2,185	(2,185)	-	-	-
Other	-	298	-	-	-	-	298	-	298
BALANCE AT DECEMBER 31, 2022	\$902,203	\$8,385	\$37,852	\$ -	\$255,953	(\$1,543)	\$1,202,850	\$ -	\$1,202,850

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

YEOU YIH STEEL CO., LTD.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(In Thousands of New Taiwan Dollars)

Item	Year Ended December 31	
	2022	2021
1. CASH FLOWS FROM OPERATING ACTIVITIES		
Income (loss) before income tax	\$267,871	\$175,318
Adjustments to reconcile profit (loss)		
Depreciation	16,512	19,236
Amortization	778	822
Interest expense	1,826	1,394
Interest income	(593)	(47)
Dividend income	(820)	-
Loss (gain) on disposal and retirement of property , plant and equipment	(300)	681
Property, plant and equipment transfer to expense	544	-
Total adjustments to reconcile profit (loss)	17,947	22,086
Changes in operating assets and liabilities:		
Net changes in operating assets:		
Decrease (increase) in notes receivable	-	10
Decrease (increase) in accounts receivable	57,475	3,293
Decrease (increase) in other receivables	(141)	(6,738)
Decrease (increase) in inventories	269,104	(556,879)
Decrease (increase) in prepayments	10,380	(37,208)
Total net changes in operating assets	336,818	(597,522)
Net changes in operating liabilities:		
Increase (decrease) in contract liabilities	(3,553)	8,295
Increase (decrease) in notes payable	844	2,151
Increase (decrease) in accounts payable	36,624	3,849
Increase (decrease) in other payables	16,508	11,548
Increase (decrease) in provisions	(1,805)	2,136
Increase (decrease) in net defined benefit liability	(172)	(208)
Total net changes in operating liabilities	48,446	27,771
Total changes in operating assets and liabilities	385,264	(569,751)
Total adjustments	403,211	(547,665)
Cash generated from (used in) operations	671,082	(372,347)
Interest received	546	47
Dividends received	820	-
Interest paid	(1,960)	(1,276)
Income tax refund (paid)	(49,880)	6,153
Net cash generated from (used in) operating activities	620,608	(367,423)

Item	Year Ended December 31	
	2022	2021
2.CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of financial assets at fair value through other comprehensive income or loss	(39,454)	(92,899)
Proceeds from disposal of financial assets at fair value through other comprehensive income or loss	13,266	131,051
Acquisition of property, plant and equipment	(39,905)	(18,958)
Proceeds from disposal of property, plant and equipment	815	3,524
Decrease in refundable deposits	45	-
Acquisition of intangible assets	(443)	(643)
Net cash generated from (used in) investing activities	<u>(65,676)</u>	<u>22,075</u>
3.CASH FLOWS FROM FINANCING ACTIVITIES		
Increase in short-term loans	-	355,760
Decrease in short-term loans	(352,475)	-
Cash dividends paid	(99,242)	-
Other financing activities	298	-
Net cash generated from (used in) financing activities	<u>(451,419)</u>	<u>355,760</u>
4.NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	<u>103,513</u>	<u>10,412</u>
5.CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR	<u>108,286</u>	<u>97,874</u>
6.CASH AND CASH EQUIVALENTS - END OF YEAR	<u><u>\$211,799</u></u>	<u><u>\$108,286</u></u>

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

Independent Auditors' Report

To the Board of Directors and Shareholders
Yeou Yih Steel Co., Ltd.

Opinion

We have audited the accompanying standalone statements of Yeou Yih Steel Co., Ltd. (the "Company") as of December 31, 2022 and 2021, and the standalone statements of comprehensive income, changes in equity and cash flows for the years then ended, and the notes to the standalone financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying standalone financial statements present fairly, in all material respects, the standalone financial position of the Company as of December 31, 2022 and 2021, and its standalone financial performance and its standalone cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

Basis for Opinion

We conducted our audits in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and auditing standards in of the Republic of China. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the standalone Financial Statements section of our report. We are independent of the Company in accordance with the Norm of Professional Ethics for Certified Public Accountant of the Republic of China and we have fulfilled our other ethical responsibilities in accordance with these requirements. Based on our audits and the report of other independent accountants, we believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements for the year ended December 31, 2022. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, we do not provide a separate opinion on these matters.

Key audit matters for the Company's standalone financial statements for the year ended December 31, 2022 are stated as follows:

Valuation of inventory

Please refer to Note 4.7 to the standalone financial statements for the accounting policy on inventories, Note 5.2(5) for critical accounting judgements, estimates and key sources of assumption uncertainty of inventories, and Note 6.4 for inventory valuation.

Description of key audit matter

As of December 31, 2022, inventory was \$871,404 thousand and accounted for 58.34% of the total assets. The inventory valuation is measured at the lower of inventory cost and net realizable value. Since inventory valuation is dependent on the influence of frequently volatile fluctuations of nickel price, further affecting stainless steel price.

How the matter was addressed in our audit

In relation to the key audit matter above, our principal audit procedures included evaluating the correctness of the valuation allowance, rationality of evaluation loss, preciseness of evaluation allowance of the past and comparing which with that of current period to see if the estimation method and assumption was appropriate, and examining the appropriateness of the related disclosure of the inventory allowance.

Revenue recognition

Please refer to Note 4.16 to the standalone financial statements for the accounting policy on revenue recognition, Note 5.1(1) and 5.2(1) for critical accounting judgements, estimates and key sources of assumption uncertainty of revenue recognition and Note 6.18 for the details of revenue recognition.

Description of key audit matter

The Company sales revenue is easily influenced by various factors such as the industry boom, market environment and government policies, and has a significant impact on the capacity utilization rate of the Company (the recognition of idle capacity loss), inventory risk and cash flow. Consequently, revenue recognition is deemed to be a key audit matter.

How the matter was addressed in our audit

In relation to the key audit matter above, our principal audit procedures included testing the Company's controls surrounding revenue recognition; customer orders and performing a test of revenue transactions which incurred within a certain period before or after the balance sheet date; analysing of the trend of product sales and comparing the number of relevant changes or differences with the budget to confirm whether there is a significant exception; and evaluating the orders and related document of bill-and-hold sales, in which delivery is delayed at the buyer's request but the buyer takes the title and accept the billing, to see if the risk and reward had been transferred to the buyer for revenue recognition.

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

Management is responsible for the preparation and fair presentation of the standalone financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and for such internal control as management determines is necessary to enable the preparation of the standalone financial statements that are free from material misstatement,

whether due to fraud or error.

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

Those charged with governance (inclusive of the Audit Committee) are responsible for overseeing the Company's financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements

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

As part of an audit in accordance with the auditing standards in the Republic of China, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

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

conditions may cause the Company to cease to continue as a going concern.

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements for the year ended December 31, 2022 and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partners on the audit resulting in this independent auditors' report is Kuo Ming Lee and Ling Wen Huang

Crowe (TW) CPAs
Kaohsiung, Taiwan
Republic of China

March 17, 2023

Notice to Readers

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

those generally accepted and applied in the Republic of China.

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

YEOU YIH STEEL CO., LTD.
STANDALONE BALANCE SHEETS
(In Thousands of New Taiwan Dollars)

Assets	Note	December 31, 2022		December 31, 2021	
		Amount	%	Amount	%
CURRENT ASSETS					
Cash and cash equivalents	6.1	\$185,304	12	\$88,682	5
Accounts receivable, net	6.2	45,947	3	103,422	6
Account receivable - related parties, net	6.2,7	7,541	1	-	-
Other receivables	6.3	15,885	1	15,647	1
Current income tax assets		-	-	1,547	-
Inventories	6.4	871,404	58	1,142,480	68
Prepayments		27,725	2	38,172	3
Other financial assets - current	6.5	3,300	-	3,300	-
Total current assets		<u>1,157,106</u>	<u>77</u>	<u>1,393,250</u>	<u>83</u>
NONCURRENT ASSETS					
Financial assets at fair value through other comprehensive income or loss - noncurrent	6.6	26,830	2	-	-
Investments accounted for using equity method	6.7	20,673	1	20,060	1
Property, plant and equipment	6.8	285,407	20	263,040	16
Intangible assets	6.9	196	-	531	-
Deferred income tax assets	6.24	2,788	-	4,413	-
Refundable deposits		635	-	680	-
Total noncurrent assets		<u>336,529</u>	<u>23</u>	<u>288,724</u>	<u>17</u>
TOTAL ASSETS		<u><u>\$1,493,635</u></u>	<u><u>100</u></u>	<u><u>\$1,681,974</u></u>	<u><u>100</u></u>
Liabilities and Equity					
CURRENT LIABILITIES					
Short-term loans	6.10	\$104,731	8	\$457,206	27
Contract liabilities - current	6.18	7,234	-	11,407	1
Notes payable		6,299	-	5,455	-
Accounts payable		71,999	5	35,375	2
Other payables	6.11	50,890	3	34,365	2
Current tax liabilities		36,186	2	34,261	2
Provisions - current	6.12	1,583	-	3,388	-
Total current liabilities		<u>\$278,922</u>	<u>18</u>	<u>\$581,457</u>	<u>34</u>

YEOU YIH STEEL CO., LTD.

STANDALONE STATEMENTS OF COMPREHENSIVE INCOME

(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

Item	Note	Year Ended December 31			
		2022		2021	
		Amount	%	Amount	%
OPERATING REVENUE	6.18	\$3,531,799	100	\$2,590,494	100
OPERATING COST	6.4	(3,170,213)	(89)	(2,339,172)	(90)
GROSS PROFIT (LOSS)		361,586	11	251,322	10
UNREALIZED SALES BENEFIT		(291)	-	-	-
OPERATING EXPENSES					
Sales and marketing		(40,757)	(1)	(32,762)	(1)
General and administrative		(70,058)	(2)	(55,265)	(2)
Total operating expenses		(110,815)	(3)	(88,027)	(3)
INCOME (LOSS) FROM OPERATIONS		250,480	8	163,295	7
NON-OPERATING INCOME AND EXPENSES					
Interest income	6.20	534	-	43	-
Other income	6.21	5,489	-	5,073	-
Other gains and losses	6.22	12,064	-	7,928	-
Finance cost	6.23	(1,826)	-	(1,394)	-
Share of profit (loss) of subsidiaries, associates and joint ventures		904	-	373	-
Total non-operating income and expenses		17,165	-	12,023	-
INCOME (LOSS) BEFORE INCOME TAX		267,645	8	175,318	7
INCOME TAX BENEFIT (EXPENSE)	6.24	(54,594)	(2)	(35,152)	(1)
NET INCOME (LOSS)		213,051	6	140,166	6
OTHER COMPREHENSIVE INCOME (LOSS)	6.25				
Items that will not be reclassified subsequently to profit or loss:					
Remeasurement of defined benefit obligation		1,943	-	(449)	-
Unrealized gain (loss) on investments in equity instruments at fair value through other comprehensive income		642	-	8,482	-
Income tax benefit (expense) related to items that will not be reclassified subsequently to profit or loss		(389)	-	90	-
Total other comprehensive income (loss), net of income tax		2,196	-	8,123	-
TOTAL COMPREHENSIVE INCOME (LOSS)		\$215,247	6	148,289	6
EARNINGS (LOSS) PER SHARE					

Basic earnings (loss) per share	6.26	<u>\$2.36</u>	<u>\$1.55</u>
Diluted earnings (loss) per share	6.26	<u>\$2.35</u>	<u>\$1.55</u>

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

YEOU YIH STEEL CO., LTD.
 STANDALONE STATEMENTS OF CHANGES IN EQUITY
 (In Thousands of New Taiwan Dollars)

	Retained Earnings					Other Equity Item		Total Equity
	Common Stock	Capital Surplus	Legal reserve	Special Reserve	Unappropriated Earnings	Unrealized Gain (Loss) on Financial Assets at Fair Value Through Other Comprehensive Income		
BALANCE AT JANUARY 1, 2021	\$902,203	\$8,087	\$22,736	\$ -	\$5,925	(\$693)	\$938,258	
Appropriations and distributions of prior years' earnings:								
Legal reserve	-	-	357	-	(357)	-	-	
Special reserve	-	-	-	693	(693)	-	-	
Net income (loss) in 2021	-	-	-	-	140,166	-	140,166	
Other comprehensive income (loss) in 2021, net of income tax					(359)	8,482	8,123	
Total comprehensive income in 2021	-	-	-	-	139,807	8,482	148,289	
Disposal of financial instruments designated at fair value through other comprehensive income	-	-	-	-	7,789	(7,789)	-	
BALANCE AT DECEMBER 31, 2021	902,203	8,087	23,093	693	152,471	-	1,086,547	
Appropriations and distributions of prior years' earnings:								
Legal reserve	-	-	14,759	-	(14,759)	-	-	
Cash dividend - \$1.1 per share	-	-	-	-	(99,242)	-	(99,242)	
Reversal of special reserve	-	-	-	(693)	693	-	-	

Net income (loss) in 2022	-	-	-	-	213,051	-	213,051
Other comprehensive income (loss) in 2022, net of income tax	-	-	-	-	1,554	642	2,196
Total comprehensive income (loss) in 2022	-	-	-	-	214,605	642	215,247
Disposal of financial instruments designated at fair value through other comprehensive income	-	-	-	-	2,185	(2,185)	-
Other	-	298	-	-	-	-	298
BALANCE AT DECEMBER 31, 2022	902,203	8,385	37,852	-	255,953	(1,543)	\$1,202,850

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

YEOU YIH STEEL CO., LTD.
STANDALONE STATEMENTS OF CASH FLOWS
(In Thousands of New Taiwan Dollars)

Item	Year Ended December 31	
	2022	2021
1. CASH FLOWS FROM OPERATING ACTIVITIES		
Income (loss) before income tax	\$267,645	\$175,318
Adjustments to reconcile profit (loss)		
Depreciation	16,512	19,236
Amortization	778	822
Interest expense	1,826	1,394
Interest income	(534)	(43)
Dividend income	(820)	-
Share of loss (profit) of subsidiaries, associates and joint ventures	(904)	(373)
Loss (gain) on disposal and retirement of property, plant and equipment	(300)	681
Property, plant and equipment transfer to expense	544	-
Unrealized sales benefit	291	-
Total adjustments to reconcile profit (loss)	17,393	21,717
Net changes in operating assets and liabilities:		
Net changes in operating assets:		
Decrease (increase) in notes receivable	-	10
Decrease (increase) in accounts receivable	49,934	3,293
Decrease (increase) in other receivables	(93)	(6,554)
Decrease (increase) in inventories	271,076	(556,879)
Decrease (increase) in prepayments	10,447	(37,218)
Total net changes in operating assets	331,364	(597,348)
Net changes in operating liabilities:		
Increase (decrease) in contract liabilities	(4,173)	8,266
Increase (decrease) in notes payable	844	2,151
Increase (decrease) in accounts payable	36,624	3,849
Increase (decrease) in other payables	16,521	11,442
Increase (decrease) in provisions	(1,805)	2,136
Increase (decrease) in net defined benefit liability	(172)	(208)
Total net changes in operating liabilities	47,839	27,636
Total changes in operating assets and liabilities	379,203	(569,712)
Total adjustments	396,596	(547,995)
Cash generated from (used in) operations	664,241	(372,677)
Interest received	494	43
Dividends received	820	-

Interest paid	(1,960)	(1,276)
Income tax refund (paid)	(49,878)	6,153
Net cash generated from (used in) operating activities	<u>613,717</u>	<u>(367,757)</u>

Item	Year Ended December 31	
	2022	2021
2.CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of financial assets at fair value through other comprehensive income or loss	(\$39,454)	(\$92,899)
Proceeds from disposal of financial assets at fair value through other comprehensive income or loss	13,266	131,051
Acquisition of property, plant and equipment	(39,905)	(18,958)
Proceeds from disposal of property, plant and equipment	815	3,524
Decrease in refundable deposits	45	-
Acquisition of intangible assets	(443)	(643)
Net cash generated from (used in) investing activities	<u>(65,676)</u>	<u>22,075</u>
3.CASH FLOWS FROM FINANCING ACTIVITIES		
Increase in short-term loans	-	355,760
Decrease in short-term loans	(352,475)	-
Cash dividends paid	(99,242)	-
Other financing activities	298	-
Net cash generated from (used in) financing activities	<u>(451,419)</u>	<u>355,760</u>
4.NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	96,622	10,078
5.CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR	88,682	78,604
6.CASH AND CASH EQUIVALENTS - END OF YEAR	<u><u>185,304</u></u>	<u><u>88,682</u></u>

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

