Stock Code:1532

CHINA METAL PRODUCTS CO., LTD.
AND SUBSIDIARIES

CONSOLIDATED FINANCIAL STATEMENTS

with Independent Auditors' Review Report
For the Nine Months Ended September 30, 2024 and 2023

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

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Independent Auditors' Review Report

To the Board of Directors of China Metal Products Co., Ltd.:

Introduction

We have reviewed the accompanying consolidated balance sheets of China Metal Products Co., Ltd. (the "Company") and its subsidiaries (the "Group") as of September 30, 2024 and 2023, and the related consolidated statements of comprehensive income, for the three months and nine months ended September 30, 2024 and 2023, and the changes in equity and cash flows for the nine months ended September 30, 2024 and 2023, 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 $4,691,556 thousand and $3,363,963 thousand, constituting 8.81% and 6.36% of the consolidated total assets; and the total liabilities amounting to $2,040,848 thousand and $1,617,361 thousand, constituting 6.01% and 4.53% of the consolidated total liabilities as of September 30, 2024 and 2023, respectively, as well as the total comprehensive income (loss) amounting to $(97,077) thousand, $9,987 thousand, $(118,313) thousand and $56,381 thousand, constituting (49.27)%, 1.18%, (5.63)% and 5.82% of the consolidated total comprehensive income (loss) for the three months and nine months ended September 30, 2024 and 2023, respectively.

Furthermore, as stated in Note 6(e), the other equity accounted investments of the Group in its investee companies of $719,476 thousand and $644,116 thousand as of September 30, 2024 and 2023, respectively, and its equity in net earnings on these investee companies of $(6,639) thousand, $(13,530) thousand, $(37,035) thousand and $(37,519) thousand for the three months and nine months ended September 30, 2024 and 2023, respectively, were recognized solely on the financial statements prepared by these investee companies, but not reviewed by independent auditors.

KPMG, a Taiwan partnership and a member firm of the KPMG global organization of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee.

Qualified Conclusion

Except for the adjustments, if any, as might have been determined to be necessary had the financial statements of certain consolidated subsidiaries and equity accounted investee companies 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 September 30, 2024 and 2023, and of its consolidated financial performance for the three months and nine months ended September 30, 2024 and 2023, and its consolidated cash flows for the nine months ended September 30, 2024 and 2023 in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34, "Interim Financial Reporting" endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

The engagement partners on the reviews resulting in this independent auditors' review report are Tsou, Yi-Yun and Tseng, Kuo-Yang.

KPMG

Taipei, Taiwan (Republic of China)
November 13, 2024

Notes to Readers

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

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

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

CHINA METAL PRODUCTS CO., LTD. AND SUBSIDIARIES

Consolidated Balance Sheets

September 30, 2024, December 31, 2023, and September 30, 2023

(Expressed in Thousands of New Taiwan Dollars)

		September 30, 2024		December 31, 2023		September 30, 2023	
	Assets	**Amount**	**%**	**Amount**	**%**	**Amount**	**%**
	Current assets:						
1100	Cash and cash equivalents (Notes 6(a) and (y))	$ 6,322,973	12	6,556,648	12	5,992,373	12
1110	Current financial assets at fair value through profit or loss (Notes 6(n) and (y))	71	-	-	-	-	-
1170	Notes and accounts receivable, net (Notes 6(c), (v) and (y))	3,151,119	6	3,659,978	7	3,851,217	7
1180	Accounts receivable due from related parties, net (Notes 6(y) and 7)	1,407	-	5,993	-	5,971	-
1200	Other receivables (Note 6(y))	139,447	-	66,931	-	97,480	-
1210	Other receivables due from related parties (Notes 6(y) and 7)	4,265	-	4,503	-	291	-
130X	Inventories (Notes 6(d), 8 and 9(a))	19,649,839	37	22,791,079	42	22,162,205	42
1410	Prepayments (Note 9(a))	288,023	1	171,744	-	188,865	-
1476	Other current financial assets (Notes 6(a), (y), 8 and 9(a))	3,323,773	6	1,654,490	3	1,471,689	3
1479	Other current assets, others	537,934	1	480,231	1	499,816	1
1480	Incremental costs of obtaining contracts	499,377	1	423,267	1	418,878	1
	Total current assets	33,918,228	64	35,814,864	66	34,688,785	66
	Non-current assets:						
1510	Non-current financial assets at fair value through profit or loss (Notes 6(n) and (y))	-	-	156	-	-	-
1517	Non-current financial assets at fair value through other comprehensive income (Notes 6(b) and (y))	216,316	1	192,751	-	196,151	1
1550	Investments accounted for using equity method (Note 6(e))	719,476	1	685,724	1	644,116	1
1600	Property, plant and equipment (Notes 6(f), 8 and 9(a))	11,237,224	21	10,588,497	20	10,520,680	20
1755	Right-of-use assets (Notes 6(g) and 9(a))	1,543,878	3	1,673,213	3	1,713,559	3
1760	Investment property, net (Notes 6(h) and 8)	659,954	1	661,229	1	661,654	1
1780	Intangible assets (Note 6(i))	447,291	1	429,275	1	432,689	1
1840	Deferred tax assets (Note 6(s))	177,626	-	186,598	-	178,624	-
1980	Other non-current financial assets (Notes 6(j), (y), 7 and 9(a))	937,758	2	704,533	2	694,696	1
1990	Other non-current assets, others (Notes 6(k), 7, 8 and 9(a))	3,379,628	6	3,212,749	6	3,156,148	6
	Total non-current assets	19,319,151	36	18,334,725	34	18,198,317	34
	Total assets	**$ 53,237,379**	**100**	**54,149,589**	**100**	**52,887,102**	**100**

		September 30, 2024		December 31, 2023		September 30, 2023	
	Liabilities and equity	**Amount**	**%**	**Amount**	**%**	**Amount**	**%**
	Current liabilities:						
2100	Short-term borrowings (Notes 6(l) and (y))	$ 13,658,658	26	11,193,977	21	12,833,838	24
2130	Current contract liabilities (Notes 6(v), 7 and 9(a))	3,457,576	7	4,994,268	9	4,846,265	9
2170	Notes and accounts payable (Notes 6(y) and 7)	3,299,571	6	4,087,130	8	3,255,206	6
2180	Accounts payable due to related parties (Notes 6(y) and 7)	23,361	-	26,087	-	39,561	-
2200	Other payables (Note 6(y))	1,727,507	3	1,724,133	3	1,534,595	3
2220	Other payables due to related parties (Notes 6(y) and 7)	1,290	-	835	-	1,434	-
2230	Current income tax liabilities	32,570	-	250,651	-	123,230	-
2280	Current lease liabilities (Notes 6(o) and (y))	206,071	1	202,937	-	195,897	1
2321	Bonds payable, current portion (Notes 6(n) and (y))	647,298	1	-	-	-	-
2322	Long-term borrowings, current portion (Notes 6(m) and (y))	1,046,593	2	2,971,393	6	2,550,261	5
2399	Other current liabilities (Note 6(r))	156,113	-	186,413	-	153,755	-
	Total current liabilities	24,256,608	46	25,637,824	47	25,534,042	48
	Non-current liabilities:						
2530	Bonds payable (Notes 6(n) and (y))	-	-	1,445,763	3	1,492,305	3
2540	Long-term borrowings (Notes 6(m) and (y))	7,643,813	14	7,710,742	14	6,561,990	12
2570	Deferred tax liabilities (Note 6(s))	519,377	1	501,892	1	493,867	1
2580	Non-current lease liabilities (Notes 6(o) and (y))	1,154,906	2	1,294,887	2	1,335,510	3
2640	Non-current net defined benefit liabilities (Note 6(r))	29,209	-	29,185	-	27,861	-
2670	Other non-current liabilities, others (Notes 6(p), (y) and 7)	337,652	1	342,104	1	291,172	1
	Total non-current liabilities	9,684,957	18	11,324,573	21	10,202,705	20
	Total liabilities	33,941,565	64	36,962,397	68	35,736,747	68
	Equity attributable to owners of parent (Note 6(t)):						
3100	Ordinary share	4,039,121	7	3,787,865	7	3,775,478	7
3200	Capital surplus (Note 6(n))	2,129,301	4	1,600,373	3	1,573,567	3
3300	Retained earnings	8,844,523	17	8,004,646	15	7,719,222	15
3400	Other equity	229,122	1	(110,385)	-	53,953	-
	Total equity attributable to owners of parent:	15,242,067	29	13,282,499	25	13,122,220	25
36XX	Non-controlling interests	4,053,747	7	3,904,693	7	4,028,135	7
	Total equity	19,295,814	36	17,187,192	32	17,150,355	32
	Total liabilities and equity	**$ 53,237,379**	**100**	**54,149,589**	**100**	**52,887,102**	**100**

See accompanying notes to consolidated financial statements.

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

CHINA METAL PRODUCTS CO., LTD. AND SUBSIDIARIES

Consolidated Statements of Comprehensive Income

For the Three Months and Nine Months Ended September 30, 2024 and 2023

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

		For the Three Months Ended September 30				For the Nine Months Ended September 30			
		2024		2023		2024		2023	
		Amount	%	Amount	%	Amount	%	Amount	%
4000	**Operating revenues (Notes 6(v) and 7)**	$ 3,415,707	100	5,449,147	100	14,974,536	100	12,981,859	100
5000	**Operating costs (Notes 6(d) and 7)**	(2,666,906)	(78)	(4,153,925)	(76)	(11,086,782)	(74)	(10,042,024)	(77)
	Gross profit from operations	748,801	22	1,295,222	24	3,887,754	26	2,939,835	23
	Operating expenses (Note 7):								
6100	Selling expenses	(125,756)	(4)	(165,234)	(3)	(441,043)	(3)	(410,811)	(3)
6200	Administrative expenses (Note 6(w))	(485,230)	(14)	(468,448)	(9)	(1,437,991)	(10)	(1,294,459)	(10)
6300	Research and development expenses	(3,021)	-	(3,454)	-	(9,258)	-	(10,214)	-
6450	Expected credit losses (Note 6(c))	(14,503)	-	(1,527)	-	(20,409)	-	(2,682)	-
	Total operating expenses	(628,510)	(18)	(638,663)	(12)	(1,908,701)	(13)	(1,718,166)	(13)
	Net operating income	120,291	4	656,559	12	1,979,053	13	1,221,669	10
	Non-operating income and expenses:								
7100	Interest income (Notes 6(x) and 7)	23,812	-	13,465	-	85,278	-	53,720	-
7010	Other income (Notes 6(x) and 7)	26,681	1	27,585	1	115,282	1	138,163	1
7020	Other gains and losses (Notes 6(n) and (x))	1,139	-	18,858	-	22,479	-	44,030	-
7050	Finance costs (Notes 6(x) and 7)	(94,305)	(3)	(96,433)	(2)	(273,914)	(2)	(303,311)	(2)
7060	Share of loss of associates and joint ventures accounted for using equity method, net (Note 6(e))	(6,639)	-	(13,530)	-	(37,035)	-	(37,519)	-
	Total non-operating income and expenses	(49,312)	(2)	(50,055)	(1)	(87,910)	(1)	(104,917)	(1)
	Profit from continuing operations before tax	70,979	2	606,504	11	1,891,143	12	1,116,752	9
7950	**Less: Tax expense (Note 6(s))**	(14,738)	-	(64,371)	(1)	(195,601)	(1)	(140,987)	(1)
8200	**Net profit**	56,241	2	542,133	10	1,695,542	11	975,765	8
8300	**Other comprehensive income:**								
8310	**Items that may not be reclassified subsequently to profit or loss:**								
8316	Unrealized losses from investments in equity instruments measured at fair value through other comprehensive income (Notes 6(t) and (y))	(8,873)	-	-	-	(8,873)	-	(3,112)	-
8349	Less:Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	-	-	-	-	-	-	-	-
	Total items that may not be reclassified subsequently to profit or loss	(8,873)	-	-	-	(8,873)	-	(3,112)	-
8360	**Items that may be reclassified subsequently to profit or loss:**								
8361	Exchange differences on translation of foreign financial statements (Note 6(t))	149,677	4	302,180	6	416,345	3	(4,063)	-
8399	Less:Income tax related to components of other comprehensive income that will be reclassified to profit or loss	-	-	-	-	-	-	-	-
	Total items that may be reclassified subsequently to profit or loss	149,677	4	302,180	6	416,345	3	(4,063)	-
8300	**Other comprehensive income (after tax)**	140,804	4	302,180	6	407,472	3	(7,175)	-
8500	**Comprehensive income**	**$ 197,045**	**6**	**844,313**	**16**	**$ 2,103,014**	**14**	**968,590**	**8**
	Net profit, attributable to:								
8610	Owners of parent	$ 30,834	1	382,149	7	1,412,588	9	680,301	6
8620	Non-controlling interests	25,407	1	159,984	3	282,954	2	295,464	2
		$ 56,241	**2**	**542,133**	**10**	**1,695,542**	**11**	**975,765**	**8**
	Comprehensive income attributable to:								
8710	Owners of parent	$ 145,065	4	631,463	12	1,752,095	12	671,242	6
8720	Non-controlling interests	51,980	2	212,850	4	350,919	2	297,348	2
		$ 197,045	**6**	**844,313**	**16**	**2,103,014**	**14**	**968,590**	**8**
	Earnings per share (expressed in dollars) (Note 6(u))								
9750	**Basic earnings per share**	**$**	**0.08**		**1.02**		**3.66**		**1.81**
9850	**Diluted earnings per share**	**$**	**0.06**		**0.89**		**3.42**		**1.54**

See accompanying notes to consolidated financial statements.

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

CHINA METAL PRODUCTS CO., LTD. AND SUBSIDIARIES

Consolidated Statements of Changes in Equity

For the Nine Months Ended September 30, 2024 and 2023

(Expressed in Thousands of New Taiwan Dollars)

	Equity Attributable to Owners of Parent									
	Share Capital		Retained Earnings			Other Equity				
	Ordinary Share	Capital Surplus	Legal Reserve	Special Reserve	Unappropriated Retained Earnings	Exchange Differences on Translation of Foreign Financial Statements	Unrealized Gains (Losses) from Financial Assets Measured at Fair Value Through Other Comprehensive Income	Total Equity Attributable to Owners of Parent	Non-Controlling Interests	Total Equity
Balance at January 1, 2023	$ 3,761,221	1,542,440	1,964,848	49,081	5,478,142	10,196	51,013	12,856,941	3,827,949	16,684,890
Profit for the nine months ended September 30, 2023	-	-	-	-	680,301	-	-	680,301	295,464	975,765
Other comprehensive income for the nine months ended September 30, 2023	-	-	-	-	-	(5,947)	(3,112)	(9,059)	1,884	(7,175)
Total comprehensive income for the nine months ended September 30, 2023	-	-	-	-	680,301	(5,947)	(3,112)	671,242	297,348	968,590
Appropriation and distribution of retained earnings:										
Legal reserve	-	-	81,335	-	(81,335)	-	-	-	-	-
Cash dividends	-	-	-	-	(451,347)	-	-	(451,347)	-	(451,347)
Conversion of convertible bonds	14,257	31,127	-	-	-	-	-	45,384	-	45,384
Changes in non-controlling interests	-	-	-	-	-	-	-	-	29,951	29,951
Cash dividends paid to non-controlling interests	-	-	-	-	-	-	-	-	(127,113)	(127,113)
Disposal of investments in equity instruments designated at fair value through other comprehensive income	-	-	-	-	(1,803)	-	1,803	-	-	-
Balance on September 30, 2023	**$ 3,775,478**	**1,573,567**	**2,046,183**	**49,081**	**5,623,958**	**4,249**	**49,704**	**13,122,220**	**4,028,135**	**17,150,355**
Balance on January 1, 2024	$ 3,787,865	1,600,373	2,046,183	49,081	5,909,382	(160,089)	49,704	13,282,499	3,904,693	17,187,192
Profit for the nine months ended September 30, 2024	-	-	-	-	1,412,588	-	-	1,412,588	282,954	1,695,542
Other comprehensive income for the nine months ended September 30, 2024	-	-	-	-	-	348,380	(8,873)	339,507	67,965	407,472
Total comprehensive income for the nine months ended September 30, 2024	-	-	-	-	1,412,588	348,380	(8,873)	1,752,095	350,919	2,103,014
Appropriation and distribution of retained earnings:										
Legal reserve	-	-	96,392	-	(96,392)	-	-	-	-	-
Special reserve	-	-	-	61,304	(61,304)	-	-	-	-	-
Cash dividends	-	-	-	-	(571,968)	-	-	(571,968)	-	(571,968)
Changes in equity of associates and joint ventures accounted for using equity method	-	-	-	-	(743)	-	-	(743)	(293)	(1,036)
Conversion of convertible bonds	251,256	528,928	-	-	-	-	-	780,184	-	780,184
Changes in non-controlling interests	-	-	-	-	-	-	-	-	3,000	3,000
Cash dividends paid to non-controlling interests	-	-	-	-	-	-	-	-	(204,572)	(204,572)
Balance on September 30, 2024	**$ 4,039,121**	**2,129,301**	**2,142,575**	**110,385**	**6,591,563**	**188,291**	**40,831**	**15,242,067**	**4,053,747**	**19,295,814**

See accompanying notes to consolidated financial statements.

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

CHINA METAL PRODUCTS CO., LTD. AND SUBSIDIARIES

Consolidated Statements of Cash Flows

For the Nine Months Ended September 30, 2024 and 2023

(Expressed in Thousands of New Taiwan Dollars)

	For the Nine Months Ended September 30	
	2024	2023
Cash flows from operating activities:		
Profit before tax	$ 1,891,143	1,116,752
Adjustments:		
Adjustments to reconcile profit (loss):		
Depreciation expense	769,929	795,248
Amortization expense	5,428	3,505
Expected credit losses	20,409	2,682
Net losses (gains) on financial assets or liabilities at fair value through profit or loss	85	(8,253)
Interest expense	273,914	303,311
Interest income	(85,278)	(53,720)
Dividend income	(30,773)	(15,689)
Share of profit loss of associates and joint ventures accounted for using equity method	37,035	37,519
Losses on disposal of property, plant and equipment	929	3,826
Property, plant and equipment transferred to expenses	(2,945)	542
Lease modification gains	(12)	(25)
Deferred credits recognized as the deduction of cost	(242,755)	-
Effect of exchange rate changes on short-term and long-term borrowings	(4,141)	6,553
Total adjustments to reconcile profit	741,825	1,075,499
Changes in operating assets and liabilities:		
Changes in operating assets:		
Notes and accounts receivable, net	622,120	(35,837)
Accounts receivable due from related parties, net	5,538	6,957
Other receivables	(54,271)	(14,416)
Inventories	3,624,868	(23,281)
Prepayments	(113,331)	5,940
Other current assets	(48,864)	(139,522)
Other financial assets	(1,374,193)	4,716
Incremental costs of obtaining contracts	(76,110)	10,466
Total changes in operating assets	2,585,757	(184,977)
Changes in operating liabilities:		
Notes and accounts payable (including related parties), net	(845,361)	222,601
Other payables	(27,013)	(15,279)
Current contract liabilities	(1,550,317)	(15,285)
Other current liabilities	(19,289)	(13,477)
Net defined benefit liabilities	(498)	-
Other non-current liabilities	(161)	(161)
Total changes in operating liabilities	(2,442,639)	178,399
Total changes in operating assets and liabilities	143,118	(6,578)
Total adjustments	884,943	1,068,921
Cash inflow generated from operations	2,776,086	2,185,673
Interest received	78,713	44,556
Dividends received	31,034	48,354
Interest paid	(424,790)	(415,033)
Income taxes paid	(400,888)	(125,348)
Net cash flows generated from operating activities	2,060,155	1,738,202
Cash flows from investing activities:		
Acquisition of financial assets at fair value through other comprehensive income	(32,438)	(20,000)
Acquisition of investments accounted for using equity method	(66,304)	-
Acquisition of property, plant and equipment	(942,477)	(477,341)
Proceeds from disposal of property, plant and equipment	1,724	1,573
Acquisition of intangible assets	(2,913)	(1,907)
(Increase) decrease in other financial assets	(517,540)	416,842
Increase in other non-current assets	(296,859)	(410,360)
Net cash flows used in investing activities	(1,856,807)	(491,193)
Cash flows from financing activities:		
Increase in short-term borrowings	6,159,225	7,058,719
Decrease in short-term borrowings	(3,996,734)	(5,809,161)
Increase (decrease) in short-term notes and bills payable	185,132	(15,791)
Proceeds from long-term borrowings	2,880,000	5,150,000
Repayments of long-term borrowings	(4,888,128)	(6,995,048)
Payment of lease liabilities	(155,820)	(141,046)
Increase (decrease) in other non-current liabilities	440	(22,733)
Cash dividends paid	(571,968)	(451,347)
Cash dividends paid to non-controlling interests	(204,572)	(127,113)
Change in non-controlling interests	3,000	29,950
Net cash flows used in financing activities	(589,425)	(1,323,570)
Effect of exchange rate changes on cash and cash equivalents	152,402	32
Net decrease in cash and cash equivalents	(233,675)	(76,529)
Cash and cash equivalents at the beginning of the period	6,556,648	6,068,902
Cash and cash equivalents at the end of the period	**$ 6,322,973**	**5,992,373**

See accompanying notes to consolidated financial statements.

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

CHINA METAL PRODUCTS CO., LTD. AND SUBSIDIARIES

Notes to the Consolidated Financial Statements

September 30, 2024 and 2023

(Expressed in Thousands of New Taiwan Dollars, unless otherwise specified)

(1) Company history

CHINA METAL PRODUCTS CO., LTD. (the "Company") was established on September 9, 1972, via Ministry of Economic Affairs' authorization. The registered office is located at 4F, No. 85, Section 4, Ren'ai Road, Taipei. The major business activities of the Company and its subsidiaries (the "Group") are iron hardware manufacturing and casting, residents and commercial buildings developing, leasing and selling, international hotel servicing and department store retailing. Please refer to Note 14, for the aforementioned information.

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

The accompanying consolidated financial statements were authorized for issue by the Board of Directors on November 13, 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"

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

The Group assesses that the adoption of the following new amendments, effective for annual period beginning on January 1, 2025, would not have a significant impact on its consolidated financial statements:

- Amendments to IAS21 "Lack of Exchangeability"

(Continued)

(c) 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"	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. ● 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

(Continued)

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"
- IFRS 19 "Subsidiaries without Public Accountability: Disclosures"
- Amendments to IFRS 9 and IFRS 7 "Amendments to the Classification and Measurement of Financial Instruments"
- Annual Improvements to IFRS Accounting Standards

(4) Summary of material accounting policies

(a) Statement of compliance

These consolidated financial statements have been prepared in accordance with the preparation and guidelines of IAS 34 "Interim Financial Reporting" which are endorsed and issued into effect by FSC, and do not include all of the information required by the Regulations and International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations and SIC Interpretations endorsed and issued into effect by the FSC (hereinafter referred to IFRS endorsed by the FSC) for a complete set of the annual consolidated financial statements.

Except the following accounting policies mentioned below, the significant 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 statements for the year ended December 31, 2023.

(b) Basis of consolidation

Principles of preparation of the consolidated financial statements are the same as those of the consolidated financial statements for the year ended December 31, 2023. For the related information, please refer to Note 4(c) of the consolidated financial statements for the year ended December 31, 2023.

(i) List of subsidiaries in the consolidated financial statements

			Percentage Ownership			
Investor	Name of Subsidiary	Principal Activity	September 30, 2024	December 31, 2023	September 30, 2023	Note
The Company	United Elite Agents Limited (UEA)	Investing	100.00 %	100.00 %	100.00 %	Note 2
The Company and Sunflower Investment	Atrans Precision Industries Co., Ltd. (Atrans Precision)	Vehicle parts processing	85.51 %	85.51 %	85.51 %	Note 1

(Continued)

CHINA METAL PRODUCTS CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

Investor	Name of Subsidiary	Principal Activity	Percentage Ownership			Note
			September 30, 2024	December 31, 2023	September 30, 2023	
The Company	Sunflower Investment Co., Ltd. (Sunflower Investment)	Investing	99.01 %	99.01 %	99.01 %	Note 1
The Company	The Hotel National Co., Ltd. (The Hotel National)	International tourist hotel services and other hotel business approved by the Ministry of Transportation and Communications	100.00 %	100.00 %	100.00 %	Note 2
The Company	CMAI CO., LIMITED. (CMAI)	Vehicle parts retailing	100.00 %	100.00 %	100.00 %	Note 1
The Company	CMJ CO., LTD. (CMJ)	Cast iron product retailing	83.33 %	83.33 %	83.33 %	Note 1
The Company	National Management Co., Ltd. (National Management)	Management and consulting services	100.00 %	100.00 %	100.00 %	Note 1
The Company and Sunflower Investment	PUJEN Land Development Co., Ltd. (PUJEN Land Development)	Residents, commercial buildings and factories leasing and developing	71.82 %	71.82 %	71.82 %	Note 2
The Company	Shangrila Tourism Co., Ltd. (Shangrila Tourism)	Amusement park and hotel services	100.00 %	100.00 %	100.00 %	Note 1
The Company	Taichung CMP Hospitality Management Consulting Co., Ltd.(Taichung CMP Hospitality)	International tourist hotel services	100.00 %	100.00 %	100.00 %	Note 1
The Company	Calligraphy Greenway Plaza Co., Ltd. (Calligraphy Greenway Plaza)	Management and consulting services	100.00 %	100.00 %	100.00 %	Note 1
The Company	Great Naturalistic Block Co., Ltd. (Great Naturalistic Block)	Management and consulting, department store retailing services	100.00 %	100.00 %	100.00 %	Note 1
The Company	CMP Intelligence Technology Co., Ltd. (CMP Intelligence Technology)	Intelligence manufacturing services	70.00 %	- %	- %	Note1 and 5
UEA	China Metal International Holdings Inc. (CMI)	Investing and cast iron product retailing	83.27 %	83.27 %	83.27 %	Note 2
CMI	China Metal International (BVI) Limited (CMI (BVI))	Investing	100.00 %	100.00 %	100.00 %	Note 2
CMI	CMW (Cayman Islands) Co., Ltd. (CMW (C.I.))	Investing	100.00 %	100.00 %	100.00 %	Note 2
CMI	CMB (H.K.) Co., Ltd. (CMB (H.K.))	Investing	100.00 %	100.00 %	100.00 %	Note 2
CMB (H.K.)	Suzhou CMB Machinery Co., Ltd. (Suzhou CMB)	Cast iron product designing, manufacturing and retailing	100.00 %	100.00 %	100.00 %	Note 2
CMI (BVI)	CMP (H.K.) Industry Co., Ltd. (CMP (H.K.))	Investing	100.00 %	100.00 %	100.00 %	Note 2
CMP (H.K.)	Tianjin CMT Industry Co., Ltd. (Tianjin CMT)	Cast iron products, machine parts and vehicle parts designing, developing, manufacturing and selling	100.00 %	100.00 %	100.00 %	Note 2
CMP (H.K.)	Suzhou CMS Machinery Co., Ltd. (Suzhou CMS)	Vehicle parts, E&M as-casting and finished product developing, manufacturing and selling	100.00 %	100.00 %	100.00 %	Note 2
CMW (C.I.)	CMW (Tianjin) Industry Co., Ltd. (CMW (Tianjin))	Vehicle parts, E&M as-casting and finished product developing, manufacturing and selling	100.00 %	100.00 %	100.00 %	Note 2

(Continued)

CHINA METAL PRODUCTS CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

Investor	Name of Subsidiary	Principal Activity	Percentage Ownership			Note
			September 30, 2024	December 31, 2023	September 30, 2023	
CMW (C.I.)	CMI (Wu Han) Precision Machinery Co., Ltd. (CMH)	Vehicle parts, farm wagon parts, industrial wagon parts, household appliances parts and E&M as-casting and molds developing, manufacturing, selling and the after sales services	100.00 %	100.00 %	100.00 %	Note 2
CMJ	Qingdao Sourcing Specialists Trading Co., Ltd. (Qingdao Sourcing Specialists)	Cast iron product retailing	100.00 %	100.00 %	100.00 %	Note 1
CMJ	SIAM SST Co., LTD (SIAM SST)	Cast iron product retailing	99.99 %	- %	- %	Note 1 and 4
Atrans Precision	FAR HSING (SAMOA) ENTERPRISE CO., LTD. (FAR HSING (SAMOA))	Investing	100.00 %	100.00 %	100.00 %	Note 1
PUJEN Land Development	CHINGENG Land Development Co., Ltd. (CHINGENG Land Development)	Residents, commercial buildings and factories leasing and developing	50.00 %	50.00 %	50.00 %	Note 1
PUJEN Land Development	PUJEN CHENGMEI Land Development Co., Ltd. (PUJEN CHENGMEI Land Development)	Residents, commercial buildings and factories leasing and developing	70.00 %	70.00 %	70.00 %	Note 1
PUJEN Land Development	PUZHI Construction Co., Ltd. (PUZHI Construction)	Comprehensive construction Activities, residents, commercial buildings and factories leasing and developing	100.00 %	100.00 %	100.00 %	Note 1
CMAI	CMAI Holding, Inc. (CMAI Holding)	Investing	100.00 %	100.00 %	100.00 %	Note 1
CMAI Holding	Pilot Drive LLC (Pilot)	Assets leasing	100.00 %	100.00 %	100.00 %	Note 1
Pilot	CMAI INDUSTRIES, INC. (CMAI N.A.)	Vehicle parts retailing	100.00 %	100.00 %	100.00 %	Note 1
CMAI Holding	CMAI-MEX Holding LLC(CMAI-MEX)	Investing	100.00 %	100.00 %	- %	Note 1 and 3
CMAI Holding&CMAI-MEX	MEXICO CMI-CMAI S. de R.L. de C.V. (MEXICO CMI-CMAI)	Vehicle parts retailing	100.00 %	100.00 %	- %	Note 1 and 3

Note 1: An non-significant subsidiary, its financial statements have not been reviewed.

Note 2: The financial statements have been reviewed.

Note 3: The establishments of both CMAI-MEX and MEXICO CMI-CMAI had registered on June 19, 2023 and December 14, 2023.

Note 4: The establishments of SIAM SST had registered on May 3, 2024.

Note 5: The establishments of CMP Intelligence Technology had registered on July 23, 2024.

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

(c) Income taxes

The income tax expenses have been prepared and disclosed in accordance with paragraph B12 of International Financial Reporting Standards 34, Interim Reporting.

(Continued)

Income tax expenses for the period are best estimated by multiplying pre-tax income for the interim reporting period by the effective annual tax rate which is forecasted by the management. This should be recognized fully as tax expense for the current period.

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 of the asset or liability is recovered or settled, and be recognized directly in equity or other comprehensive income as tax expense.

(d) Employee benefits

The pension cost for the interim period was calculated and disclosed on a year-to-date basis by using the actuarially determined pension cost rate at the end of the prior fiscal year, and be adjusted by the significant market flotation, significant curtailment, settlement or other significant single occasions.

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

The preparation of the consolidated financial statements in conformity with the Regulations and IFRSs (in accordance with IAS 34 "Interim Financial Reporting" and endorsed by the FSC) requires management to make judgments, estimates and assumptions that affect the application of the accounting policies and the reported amount of assets, liabilities, income and expenses. Actual results may differ from these estimates.

The preparation of the consolidated interim financial statements, estimates and underlying assumptions are reviewed on an ongoing basis which are in conformity with the consolidated financial statements for the year ended December 31, 2023. For the related information, please refer to Note 5 of the consolidated financial statements for the year ended December 31, 2023.

(6) Explanation of significant accounts:

Except for the following disclosures, there is no significant difference as compared with those disclosed in the consolidated financial statements for the year ended December 31, 2023. Please refer to Note 6 of the 2023 annual consolidated financial statements.

(a) Cash and cash equivalents

	September 30, 2024	December 31, 2023	September 30, 2023
Cash on hand	$ 5,531	5,499	5,701
Cash in banks	3,136,706	4,457,079	3,203,750
Time deposits	3,180,736	2,094,070	2,782,922
Cash and cash equivalents	**$ 6,322,973**	**6,556,648**	**5,992,373**

The expiration period of time deposits between three months and one year are classified under other current financial assets. As of September 30, 2024, December 31, 2023 and September 30, 2023, the amounts of $1,273,461 thousand, $180,323 thousand and $178,845 thousand, respectively, were classified under other current financial assets. The expiration period of time deposits above one year are classified under other non-financial assets, As of September 30, 2024, the amount of $232,274 thousand was classified under other non-current financial assets.

(Continued)

Please refer to Note 6(y) for the sensitivity analysis of the financial assets.

(b) Non-current financial assets at fair value through other comprehensive income

	September 30, 2024	December 31, 2023	September 30, 2023
Equity investments at fair value through other comprehensive income			
Stocks unlisted on domestic markets—MEITA Industrial Co., Ltd.	$ 85,381	99,955	99,955
Stocks unlisted on domestic markets—GUANGYUAN Investment Co., Ltd.	35,584	31,134	31,134
Stocks unlisted on domestic markets—DEVELOPMENT Venture Capital Co., Ltd.	12,913	11,662	15,062
Stocks unlisted on domestic markets—Asia World Engineering & Construction Co., Ltd.	53,212	30,000	30,000
Stocks unlisted on domestic markets—MASADA Technology Limited Co., Ltd.	29,226	20,000	20,000
Total	**$ 216,316**	**192,751**	**196,151**

Note 1:DEVELOPMENT Venture Capital Co., Ltd. had completed its liquidation registration procedures on January 24, 2024.

(i) The Group holds the equity investments for long-term strategic purposes, rather than transaction purposes. Therefore, the investments are measured at FVOCI.

(ii) For the three months and nine months ended September 30, 2024 and 2023, the Group received dividend income amounting to $0 thousand, $1,162 thousand, $30,773 thousand and $15,689 thousand, respectively, from the above investments measured at FVOCI.

(iii) The Group had strategic investments in YUHUA Venture Capital Co., Ltd. and FUHUA Venture Capital Co., Ltd., whose liquidation registration procedures had been completed in 2023, resulting in the investment amounts, which had been remitted back to the Group, to be reclassified from FVOCI to other receivables, and the accumulated losses of $1,803 thousand to be reclassified from other comprehensive income to retained earnings.

(iv) Please refer to Note 6(y) for the information on credit risk (including the impairment of debt instrument investments) and market risk.

(v) As of September 30, 2024, December 31, 2023 and September 30, 2023, the financial assets were not pledged as collateral.

(c) Notes and accounts receivable

	September 30, 2024	December 31, 2023	September 30, 2023
Notes receivable from operating activities	$ 353,130	601,091	565,370
Accounts receivable measured as amortized cost	2,823,859	3,063,571	3,293,417
Subtotal	3,176,989	3,664,662	3,858,787
Less: Loss allowance	(25,870)	(4,684)	(7,570)
Total	**$ 3,151,119**	**3,659,978**	**3,851,217**

The Group applies the simplified approach to estimate its expected credit losses, which permit the use of lifetime expected loss provision for all receivables. To measure the expected credit losses, notes and accounts receivable have been grouped based on shared credit risk characteristics and the days past due, as well as forward-looking information including macroeconomics and relative industries information. The loss allowance provision is determined as follows:

	September 30, 2024		
	Gross Carrying Amount	Weighted Average Loss Rate	Loss Allowance Provision
Current	$ 3,027,104	0%	-
1 to 30 days past due	97,433	0%	-
31 to 90 days past due	21,020	0%	-
91 to 120 days past due	1,518	0%	-
121 days to a year past due	16,663	27.03%~75.73%	12,619
Over a year past due	13,251	100%	13,251
	$ 3,176,989		**25,870**

	December 31, 2023		
	Gross Carrying Amount	Weighted Average Loss Rate	Loss Allowance Provision
Current	$ 3,515,929	0%	-
1 to 30 days past due	81,888	0%	-
31 to 90 days past due	31,553	0%	-
91 to 120 days past due	14,044	0%	-
121 days to a year past due	8,350	27.03%~68.26%	4,222
Over a year past due	12,898	100%	462
	$ 3,664,662		**4,684**

(Continued)

CHINA METAL PRODUCTS CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

	September 30, 2023		
	Gross Carrying Amount	Weighted Average Loss Rate	Loss Allowance Provision
Current	$ 3,711,697	0%	-
1 to 30 days past due	61,356	0%	-
31 to 90 days past due	20,844	0%	-
91 to 120 days past due	26,189	0%	-
121 days to a year past due	25,094	25.23%~49.96%	6,671
Over a year past due	13,607	100%	899
	$ 3,858,787		**7,570**

The movements in the allowance for notes and accounts receivable is as follows:

	For the Nine Months Ended September 30	
	2024	2023
Balance on January 1	$ 4,684	5,348
Impairment losses recognized	20,409	2,682
Amounts written off	-	(510)
Foreign exchange losses	777	50
Balance on September 30	**$ 25,870**	**7,570**

The financial assets mentioned above were not pledged as collateral.

(d) Inventories

	September 30, 2024	December 31, 2023	September 30, 2023
Raw materials	$ 152,221	174,117	195,213
Work in process	225,052	200,848	213,897
Semi-finished goods	97,974	101,620	115,386
Finished goods	921,623	1,154,947	1,125,465
Merchandise	145,080	147,271	140,536
Land held for development	4,204,782	4,151,545	6,056,992
Properties and land held for sale	2,113,066	6,301,871	165,386
Construction-in-progress	11,664,417	10,444,392	14,021,518
Prepayments for land	60,070	60,070	60,070
Other inventories	65,554	54,398	67,742
	$ 19,649,839	**22,791,079**	**22,162,205**

(Continued)

(i) For the three months and nine months ended September 30, 2024 and 2023, the cost of goods sold amounted to $2,666,906 thousand, $4,153,925 thousand, $11,086,782 thousand and $10,042,024 thousand, respectively. For the three months and nine months ended September 30, 2024 and 2023, the reversal gain (loss for inventory obsolescence) from the increase (decrease) in inventories' net realizable value amounted to $3,818 thousand, $(7,343) thousand, $5,608 thousand and $(757) thousand, respectively.

(ii) For the information on inventories pledged as collateral, as of September 30, 2024, December 31, 2023 and September 30, 2023, please refer to Note 8.

(iii) For the nine months ended September 30, 2024 and 2023, the capitalized interest expense recognized in the inventory amounted to $139,690 thousand and $92,148 thousand, respectively. The interest rate of capitalization were 2.54%~2.68% and 2.40%~2.59%, respectively.

(e) Investments accounted for using equity method

The components of investments accounted for using the equity method at the reporting date is as follows:

	September 30, 2024	December 31, 2023	September 30, 2023
Associates	$ 396,513	331,711	344,575
Joint ventures	322,963	354,013	299,541
	$ 719,476	**685,724**	**644,116**

(i) Associates

Due to the fact that the Group does not have the obligation of assuming the excess losses, it ceased the recognition of the losses from the investment of Amida Trustlink Assets Management Co., Ltd. (Amida Trustlink Assets). For the three months and nine months ended September 30, 2024 and 2023, the unrealized investment losses amounted to $55 thousand, $67 thousand, $195 thousand and $268 thousand, respectively; the accumulated unrealized investment losses, as of September 30, 2024 and 2023, amounted to $58,727 thousand and $58,395 thousand, respectively.

The Group’s financial information for investments accounted for using the equity method that were individually insignificant is as follows:

	September 30, 2024	December 31, 2023	September 30, 2023
Carrying amount of individually insignificant associates' equity	**$ 396,513**	**331,711**	**344,575**

CHINA METAL PRODUCTS CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2024	2023	2024	2023
Attributable to the Group:				
Net income (loss)	$ 877	(6,154)	(4,776)	(18,779)
Other comprehensive income	-	-	-	-
Comprehensive income	**$ 877**	**(6,154)**	**(4,776)**	**(18,779)**

(ii) Joint ventures

The Group's financial information for joint ventures accounted for using the equity method that were individually insignificant is as follows:

	September 30, 2024	December 31, 2023	September 30, 2023
Carrying amount of individually insignificant joint ventures' equity	**$ 322,963**	**354,013**	**299,541**

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2024	2023	2024	2023
Attributable to the Group:				
Net loss	$ (7,516)	(7,376)	(32,259)	(18,740)
Other comprehensive income	-	-	-	-
Comprehensive income	**$ (7,516)**	**(7,376)**	**(32,259)**	**(18,740)**

(iii) Pledge to secure

As of September 30, 2024, December 31, 2023 and September 30, 2023, the investments accounted for using equity method were not pledged as collateral.

(iv) The unreviewed financial statements of investments accounted for using equity method

The investments were accounted for by the equity method, and the share of profit or loss and other comprehensive income of those investments were calculated based on the financial statements that have not been reviewed.

CHINA METAL PRODUCTS CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(f) Property, plant and equipment

The cost and accumulated depreciation of the property, plant and equipment of the Group for the nine months ended September 30, 2024 and 2023 are as follows:

	Land	Buildings	Machinery	Office Equipment	Transportation Equipment	Leasehold Improvement	Other Equipment	Construction in Progress	Total
Cost:									
Balance on January 1, 2024	$ 3,176,092	4,313,532	10,409,370	127,203	57,156	265,880	971,520	973,794	20,294,547
Additions	-	9,082	80,672	10,526	1,111	4,602	40,759	795,725	942,477
Disposals	-	(2,294)	(84,922)	(829)	(2,341)	(5,158)	(9,420)	-	(104,964)
Reclassification	30,140	(6,132)	139,067	2,072	1,958	14,550	36,294	(131,252)	86,697
Influence from exchange rates	256	140,805	402,861	3,068	1,658	11,800	20,709	5,885	587,042
Balance on September 30, 2024	**$ 3,206,488**	**4,454,993**	**10,947,048**	**142,040**	**59,542**	**291,674**	**1,059,862**	**1,644,152**	**21,805,799**
Balance on January 1, 2023	$ 3,129,584	4,332,425	10,056,387	124,071	58,909	261,248	868,402	1,001,199	19,832,225
Additions	17,452	10,833	59,096	6,779	81	11,856	16,214	355,030	477,341
Disposals	-	-	(77,157)	(6,833)	(4,162)	(14,649)	(6,751)	-	(109,552)
Reclassification	-	39,248	509,986	5,064	3,195	5,384	76,483	(568,808)	70,552
Influence from exchange rates	426	11,265	23,512	507	(118)	1,046	1,187	(1,709)	36,116
Balance on September 30, 2023	**$ 3,147,462**	**4,393,771**	**10,571,824**	**129,588**	**57,905**	**264,885**	**955,535**	**785,712**	**20,306,682**
Accumulated depreciation and impairment loss									
Balance on January 1, 2024	$ -	1,780,961	7,011,127	97,729	48,484	125,445	642,304	-	9,706,050
Depreciation	-	95,352	405,146	9,840	2,620	24,494	72,617	-	610,069
Disposals	-	(1,995)	(82,720)	(815)	(2,261)	(5,158)	(9,362)	-	(102,311)
Reclassification	-	(231)	-	-	-	231	-	-	-
Influence from exchange rates	-	50,749	279,523	2,529	1,394	5,790	14,782	-	354,767
Balance on September 30, 2024	**$ -**	**1,924,836**	**7,613,076**	**109,283**	**50,237**	**150,802**	**720,341**	**-**	**10,568,575**
Balance on January 1, 2023	$ -	1,675,417	6,707,455	94,942	49,322	115,819	578,624	-	9,221,579
Depreciation	-	93,722	435,373	9,868	3,056	34,765	65,374	-	642,158
Disposals	-	-	(72,543)	(6,510)	(4,050)	(14,649)	(6,401)	-	(104,153)
Reclassification	-	-	4,986	-	-	-	-	-	4,986
Influence from exchange rates	-	3,513	16,204	452	(141)	607	797	-	21,432
Balance on September 30, 2023	**$ -**	**1,772,652**	**7,091,475**	**98,752**	**48,187**	**136,542**	**638,394**	**-**	**9,786,002**
Carrying value:									
Balance on January 1, 2024	**$ 3,176,092**	**2,532,571**	**3,398,243**	**29,474**	**8,672**	**140,435**	**329,216**	**973,794**	**10,588,497**
Balance on September 30, 2024	**$ 3,206,488**	**2,530,157**	**3,333,972**	**32,757**	**9,305**	**140,872**	**339,521**	**1,644,152**	**11,237,224**
Balance on January 1, 2023	**$ 3,129,584**	**2,657,008**	**3,348,932**	**29,129**	**9,587**	**145,429**	**289,778**	**1,001,199**	**10,610,646**
Balance on September 30, 2023	**$ 3,147,462**	**2,621,119**	**3,480,349**	**30,836**	**9,718**	**128,343**	**317,141**	**785,712**	**10,520,680**

As of September 30, 2024, December 31, 2023 and September 30, 2023, please refer to Note 8 for the details of property, plant and equipment pledged as collateral for the Group's long-term loan and financing guarantee.

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(g) Right-of-use assets

The cost and accumulated depreciation of the right-of-use assets, which includes land, buildings, machinery and transportation equipment rented by the Group, for the nine months ended September 30, 2024 and 2023 are as follows:

	Land	Buildings	Machinery	Transportation Equipment	Office Equipment	Other Equipment	Total
Cost:							
Balance on January 1, 2024	$ 1,003,993	2,399,913	37,451	22,439	1,584	120,726	3,586,106
Additions	-	281	9,042	5,373	1,023	2,363	18,082
Reduction for expiration	-	(702)	(1,182)	(4,403)	-	-	(6,287)
Influence from exchange rates	14,802	361	1,668	-	2	-	16,833
Balance on September 30, 2024	**$ 1,018,795**	**2,399,853**	**46,979**	**23,409**	**2,609**	**123,089**	**3,614,734**
Balance on January 1, 2023	$ 1,010,225	2,401,476	33,287	22,150	1,762	120,670	3,589,570
Additions	-	1,142	-	6,324	433	119	8,018
Reduction for expiration	-	(2,327)	(7,016)	(6,574)	(613)	(63)	(16,593)
Influence from exchange rates	780	19	53	7	23	-	882
Balance on September 30, 2023	**$ 1,011,005**	**2,400,310**	**26,324**	**21,907**	**1,605**	**120,726**	**3,581,877**
Accumulated depreciation:							
Balance on January 1, 2024	$ 224,598	1,639,220	15,028	11,206	788	22,053	1,912,893
Depreciation	17,726	122,365	10,542	4,971	429	2,552	158,585
Reduction for expiration	-	(702)	(1,182)	(4,403)	-	-	(6,287)
Influence from exchange rates	4,647	267	752	-	(1)	-	5,665
Balance on September 30, 2024	**$ 246,971**	**1,761,150**	**25,140**	**11,774**	**1,216**	**24,605**	**2,070,856**
Balance on January 1, 2023	$ 202,927	1,478,153	20,424	8,676	1,068	18,973	1,730,221
Depreciation	17,668	122,465	3,787	4,831	249	2,357	151,357
Transferred to construction cost	-	324	-	-	-	-	324
Reduction for expiration	-	(2,327)	(7,016)	(3,900)	(613)	(63)	(13,919)
Influence from exchange rates	259	20	48	2	6	-	335
Balance on September 30, 2023	**$ 220,854**	**1,598,635**	**17,243**	**9,609**	**710**	**21,267**	**1,868,318**
Carrying value:							
Balance on January 1, 2024	**$ 779,395**	**760,693**	**22,423**	**11,233**	**796**	**98,673**	**1,673,213**
Balance on September 30, 2024	**$ 771,824**	**638,703**	**21,839**	**11,635**	**1,393**	**98,484**	**1,543,878**
Balance on January 1, 2023	**$ 807,298**	**923,323**	**12,863**	**13,474**	**694**	**101,697**	**1,859,349**
Balance on September 30, 2023	**$ 790,151**	**801,675**	**9,081**	**12,298**	**895**	**99,459**	**1,713,559**

(h) Investment property

Investment property comprises office buildings that are leased to third parties under operating leases, as well as properties that are owned by the Group. The leases of investment properties contain an initial non-cancellable lease term of 5 to 10 years. Some leases provide the lessees with options to extend at the end of the term.

For all investment property leases, the rental income is fixed under the contracts, but some leases require the lessee to reimburse the insurance costs of the Group. When this is the case, the amounts of insurance costs are determined annually.

(Continued)

The movements in the investment property is as follows:

	Owned Property		
	Land	Buildings	Total
Carrying value:			
Balance on January 1, 2024	**$ 596,723**	**64,506**	**661,229**
Balance on September 30, 2024	**$ 596,723**	**63,231**	**659,954**
Balance on January 1, 2023	**$ 596,723**	**66,663**	**663,386**
Balance on September 30, 2023	**$ 596,723**	**64,931**	**661,654**

Investment properties comprise a number of commercial properties that are leased to third parties. Each leasing contact includes an original non-cancelable lease term of one to three years, and the lease term of the renewal is available for discussion with the lessee. The contingent rent is not charged in the contract. Please refer to Note 6(q) for the regarding information.

Information on depreciation for the nine months ended September 30, 2024 and 2023 is discussed in Note 12(c), and for the information on rental revenue and other direct operating expense, please refer to Note 6(q).

The fair value of the investment property was not signficantly different from those disclosed in the Note 6(i) of the consolidated financial statements for the year ended December 31, 2023.

As of September 30, 2024, December 31, 2023 and September 30, 2023, the details of investment properties pledged as collateral, please refer to Note 8.

(i) Intangible assets

The movements in the costs of intangible assets and amortization of the Group are as follows:

	Goodwill	Patent	Client Relationship	Computer Software	Total
Cost:					
Balance on January 1, 2024	$ 410,156	62,942	227,226	56,315	756,639
Acquisitions	-	-	-	2,913	2,913
Reclassification	-	-	-	6,342	6,342
Influence from exchange rates	14,189	2,762	9,971	102	27,024
Balance on September 30, 2024	**$ 424,345**	**65,704**	**237,197**	**65,672**	**792,918**
Balance on January 1, 2023	$ 414,417	64,105	231,424	46,300	756,246
Acquisitions	-	-	-	1,907	1,907
Disposal	-	-	-	(1,927)	(1,927)
Reclassification	-	-	-	254	254
Influence from exchange rates	7,287	146	525	168	8,126
Balance on September 30, 2023	**$ 421,704**	**64,251**	**231,949**	**46,702**	**764,606**

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	Goodwill	Patent	Client Relationship	Computer Software	Total
Accumulated amortization:					
Balance on January 1, 2024	$ -	62,942	227,226	37,196	327,364
Amortization	-	-	-	5,428	5,428
Influence from exchange rates	-	2,762	9,971	102	12,835
Balance on September 30, 2024	**$ -**	**65,704**	**237,197**	**42,726**	**345,627**
Balance on January 1, 2023	$ -	64,105	231,424	33,971	329,500
Amortization	-	-	-	3,505	3,505
Disposal	-	-	-	(1,927)	(1,927)
Influence from exchange rates	-	146	525	168	839
Balance on September 30, 2023	**$ -**	**64,251**	**231,949**	**35,717**	**331,917**
Carrying value:					
Balance on January 1, 2024	**$ 410,156**	**-**	**-**	**19,119**	**429,275**
Balance on September 30, 2024	**$ 424,345**	**-**	**-**	**22,946**	**447,291**
Balance on January 1, 2023	**$ 414,417**	**-**	**-**	**12,329**	**426,746**
Balance on September 30, 2023	**$ 421,704**	**-**	**-**	**10,985**	**432,689**

(j) Other non-current financial assets

	September 30, 2024	December 31, 2023	September 30, 2023
Debt obligation receivable－The Splendor Hospitality International Co., Ltd.	$ 575,000	575,000	575,000
Debt obligation receivable－Chin Ling Steel Co., Ltd.－Non-guaranteed	-	-	23,250
Less: Accumulated impairment－Debt obligation receivable－Chin Ling Steel Co., Ltd.	-	-	(23,250)
Refundable deposits	130,484	129,533	119,696
Time deposits－The expiration period above one year	232,274	-	-
	$ 937,758	**704,533**	**694,696**

(i) In June, 2006, the Group and Prince Housing and Development Co., Ltd. (Prince Housing and Development) entered into an assignment of debt agreement with Amida Trustlink Assets which the Group and Prince Housing and Development each owned half of the obligation. The Group and Prince Housing and Development each injected 50% and obtained the major mortgages, collateral, and the appurtenant rights of Taichung Port Splendor Hospitality International Co., Ltd. (Taichung Port Splendor). The Group and Prince Housing and Development agreed to pay Amida Trustlink Assets the residual debt in the agreement, the related costs and returns when the real right of the underlying is completed. The Group and Prince Housing and Development each injected 50% and cofounded The Splendor Hospitality

(Continued)

International Co., Ltd. (The Splendor Hospitality International). In November 2006, The Splendor Hospitality International and Taichung Port Splendor entered into a specific asset transfer agreement and obtained the specific assets of Taichung Port Splendor by assuming its debts. The Group' s right of receivables transferred from Taichung Port Splendor to The Splendor Hospitality International. In December 2006, the Group and Prince Housing and Development signed a supplementary agreement with Amida Trustlink Assets which increased the selling price of all debt obligations and canceled the payment of the related cost and return. The verdinglichung obligatorischer rechte was assumed by the Group and Prince Housing and Development equally. The details of total debt obligation receivable and obligation cost after deducted the received amount in 2007 is as follows:

	September 30, 2024			
Underlying	Obligation Cost	Obligation Principal	Valuation Assessment	Collateral
The Splendor Hospitality International	$ 575,000	796,845	According to the assessment of Colliers International Real Estate Appraiser Joint Office, the valuation of mortgage is $8,671,540 thousand. After deducting the 1st security, which amounted to $3,960,000 thousand, the residual mortgage attributed to the Group amounted to $2,355,770 thousand.	The building of The Splendor Hospitality International (the 2nd security)

	December 31, 2023			
Underlying	Obligation Cost	Obligation Principal	Valuation Assessment	Collateral
The Splendor Hospitality International	$ 575,000	796,845	According to the assessment of Colliers International Real Estate Appraiser Joint Office, the valuation of mortgage is $8,453,706 thousand. After deducting the 1st security, which amounted to $3,960,000 thousand, the residual mortgage attributed to the Group amounted to $2,246,853 thousand.	The building of The Splendor Hospitality International (the 2nd security)

	September 30, 2023			
Underlying	Obligation Cost	Obligation Principal	Valuation Assessment	Collateral
The Splendor Hospitality International	$ 575,000	796,845	According to the assessment of Colliers International Real Estate Appraiser Joint Office, the valuation of mortgage is $8,453,706 thousand. After deducting the 1st security, which amounted to $3,960,000 thousand, the residual mortgage attributed to the Group amounted to $2,246,853 thousand.	The building of The Splendor Hospitality International (the 2nd security)

(ii) For the year ended December 31, 2023, the cost and principal of debt obligation from Chin Ling Steel Co., Ltd. were $23,250 thousand and $118,561 thousand, respectively. Chin Ling steel Co., Ltd. had been liquidated, wherein the account receivables had been written off in 2023.

(Continued)

(k) Other non-current assets

The details of other non-current assets are as follows:

		September 30, 2024	December 31, 2023	September 30, 2023
Construction in progress	$	3,277,865	3,062,212	3,010,870
Land		14,159	44,299	44,299
Other		87,604	106,238	100,979
	$	**3,379,628**	**3,212,749**	**3,156,148**

(i) The construction in progress is the development of land and shopping mall of the Group, please refer to Note 9(a), (viii) for details.

(ii) The land held by the Group is located at Xinfeng Township Kengzikou and Zaoqiao Township Niulan Lake. According to the laws and regulations, companies cannot be registered as landowners, due to the usage of the land is registered for farming, graveyard and conservation. Therefore, the ownership of the land was passed to individuals and was registered as private personal property. For obtaining the right of land, the Group held the land certificate and entered into an agreement with the registered owner, which specified that the Group retain all rights and obligations of the land, and pledged the land as collateral for the Group.

(iii) For the nine months ended September 30, 2024 and 2023, the capitalized interest expense recognized in other non-current assets amounted to $11,076 thousand and $23,609 thousand, respectively. The interest rate of capitalization were 2.50% and 2.38%～2.50%, respectively.

(l) Short-term borrowings

		September 30, 2024	December 31, 2023	September 30, 2023
Unsecured bank borrowings	$	6,931,333	5,252,529	4,502,783
Secured bank borrowings		5,966,160	5,365,415	7,832,026
Notes and bills payable		761,165	576,033	499,029
Total	**$**	**13,658,658**	**11,193,977**	**12,833,838**
Unused credit limit	**$**	**9,075,679**	**6,208,717**	**7,600,666**
Range of interest rates		**1.58%~5.90%**	**1.35%~6.61%**	**1.75%~6.95%**

(i) Borrowing and repayment

For the nine months ended September 30, 2024 and 2023, the Group obtained from short-term borrowings amounting to $6,159,225 thousand and $7,058,719 thousand with an interest rate of 1.73%～6.67% and 1.75%～6.82%; the repayment amounting to $3,996,734 thousand and $5,809,161 thousand, respectively. Please refer to Note 6(x) for details of the interest expense.

(ii) Collateral for bank borrowings

Please refer to Note 8 for details of the assets pledged as collateral for bank borrowings.

(m) Long-term borrowings

	September 30, 2024	December 31, 2023	September 30, 2023
Unsecured bank borrowings	$ 1,450,000	2,995,170	1,800,000
Secured bank borrowings	7,240,411	7,686,979	7,312,258
Less: Current portion	(1,046,593)	(2,971,393)	(2,550,261)
Unamortized long-term borrowings costs	(5)	(14)	(7)
Total	**$ 7,643,813**	**7,710,742**	**6,561,990**
Unused credit limit	**$ 1,554,365**	**954,630**	**1,627,463**
Interest rate range	**1.81%~2.68%**	**1.73%~4.78%**	**1.69%~5.63%**

(i) Borrowing and repayment

For the nine months ended September 30, 2024 and 2023, the Group obtained from long-term borrowings amounting to $2,880,000 thousand and $5,150,000 thousand with an interest rate of 1.81%～2.68% and 1.81%～2.55%; the repayment amounting to $4,888,128 thousand and $6,995,048 thousand, respectively. Please refer to Note 6(x) for details of the interest expense.

(ii) Collateral for bank borrowings

Please refer to Note 8 for details of the assets pledged as collateral for bank borrowings.

(iii) Borrowing covenants

The Group entered into a syndicated loan contract in a total credit of $3,150,000 thousand with four joint banks, including Bank Sinopac on September 16, 2024. The borrowed funds were used to pay off the outstanding balance of the original syndicated loan contract and to support all direct or indirect costs and expenses of the Taichung CMP Hospitality development project. According to the contract, during the borrowing repayment periods the Company should file annual and semi-annual consolidated financial statements which were audited and reviewed by CPA and must comply with certain financial covenants, such as the current ratio shall be greater than or equal to 100%, the financial debt ratio shall be less than or equal to 180%, the interest coverage ratio shall be greater than or equal to 5 times, and the tangible net value shall be greater than or equal to $14,000,000 thousand. The compliance with the aforementioned covenants will be examined semi-annually.

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(n) Bonds payable

The details of the bonds payable are as follows:

	September 30, 2024	December 31, 2023	September 30, 2023
Unsecured convertible bonds	$ 644,100	1,417,400	1,455,800
Unamortized premium on bonds payable	3,198	28,363	36,505
Less: Current portion	(647,298)	-	-
	$ -	**1,445,763**	**1,492,305**
Embedded derivative-call option (which is listed under "financial assets at FVTPL")			
Current	**$ 71**	**-**	**-**
Non-current	**$ -**	**156**	**-**
Equity component-convertible option (which is listed under "capital surplus-stock option")	**$ 20,852**	**45,888**	**47,131**

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2024	2023	2024	2023
Embedded derivative-(losses) gains on remeasurements through fair value (which is listed under "other gains and losses")	**$ (44)**	**165**	**(85)**	**8,253**
Interest expense	**$ (4,498)**	**(7,560)**	**(18,280)**	**(22,944)**

On January 24, 2022, the Group issued the fourth domestic unsecured convertible corporate bonds amounting to $1.5 billion with the following conditions:

(i) Coupon rate: 0%

(ii) Issuance period: Three years (maturing on January 24, 2025)

(iii) Repayment: Unless the bonds had been redeemed before maturity, repurchased and converted, the bonds will be redeemed by the Group upon maturity at par value.

(Continued)

(iv) Redemption: The Group will redeem the bonds from its creditors under the following circumstances:

1) The Group would repurchase the bond at par value if the close price of the Group's ordinary share listed on the Taiwan Stock Exchange exceeds or equals 30% of the conversion price for 30 consecutive days from the day after the bonds have been issued for three months to 40 days before maturity.

2) The Group would repurchase the bond at par value if the outstanding balance of bonds is less than 10% of the original issuance value from the day after the bonds have been issued for three months to 40 days before maturity.

(v) Repurchase:

The holders can require the Group to repurchase the bonds at 100.5% of the par value from the day after the bonds have been issued for two years.

(vi) Conversion:

1) The holders can convert the bonds into ordinary shares according to the conversion method from the day after the bonds have been issued for three months to the expiry.

2) The conversion price is $34.2 per share, which is the average close price on the first day, as well as the first three and five operating days, before the base date of the Group's ordinary share listed on the Taiwan Stock Exchange, which was on January 4, 2022, multiply by 104%. To cooperate with the ex-dividend work in 2024, the conversion price had been adjusted from $31.0 per share to $29.90 per share on September 5, 2024 (ex-dividends date).

(vii) For the nine months ended September 30, 2024, the holders had converted their bonds into 5,086,932 and 20,038,661 ordinary shares of the Company, with the face value of $152,100 thousand and $621,200 thousand, and the conversion prices of $29.9 and $31.0 per share, respectively. For the nine months ended September 30, 2023, the holders had converted their bands into 3,125 and 1,422,567 ordinary shares of Company, with the face value of $100 thousand and $44,100 thousand, and the conversion prices of $32.0 and $31.0 per share, respectively. However, the relevant statutory registration procedures of 13,128,847 ordinary shares have yet to be completed as the date of report.

(o) Lease liabilities

The details of the lease liabilities are as follows:

	September 30, 2024	December 31, 2023	September 30, 2023
Current	$ 206,071	202,937	195,897
Non-current	$ 1,154,906	1,294,887	1,335,510

For the maturing analysis, please refer to Note 6(y).

The amounts recognized in profit or loss are as follows:

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2024	2023	2024	2023
Interest on lease liabilities	$ 4,599	5,007	14,232	15,468
Variable lease payments not included in the measurement of lease liabilities	$ 1,479	-	4,438	-
Expenses relating to leases short-term assets	$ 12,294	2,270	23,575	6,542

The amounts recognized in the statement of cash flows are as follows:

	For the Nine Months Ended September 30	
	2024	2023
Total cash outflow for leases	$ 198,065	163,056

(i) Real estate leases

The Group leases land and buildings for its offices, retail stores and future project development. The leases of offices, typically run for a period of 2 years, retail stores for a period of 15 years, and the land use rights leased for future project development for 40 to 50 years. Some leases include an option to renew the lease for an additional period of the same duration after the end of the contract term.

Some leases provide for additional rent payments that are based on changes in local price indices, or sales that the Group makes at the leased store in the period. Some also require the Group to make payments that relate to the property taxes levied on the lessor and insurance payments made by the lessor; these amounts are generally determined annually.

Some leases of equipment contain extension or cancellation options exercisable by the Group before the end of the non-cancellable contract period. These leases are negotiated and monitored by local management, and accordingly, contain a wide range of different terms and conditions. The extension options held are exercisable only by the Group and not by the lessors. In which the leasee is not reasonably certain to use an optional extended lease term, payments associated with the optional period are not included within lease liabilities.

(ii) Other leases

The Group leases equipment and transportation, with lease terms of 2 to 6 years. In some cases, the Group has options to purchase the assets at the end of the contract term.

The Group also leases equipment and machinery, dormitory and company cars with contract terms of one year. These leases are short-term or low-value items which the Group has elected not to recognize right-of-use assets and lease liabilities.

(p) Other non-current liabilities

		September 30, 2024	December 31, 2023	September 30, 2023
Non-current:				
Financial guarantee contracts	$	43,395	50,203	840
Legal		236,052	236,052	236,052
Deposits received		34,838	32,332	30,710
Others		23,367	23,517	23,570
Total	**$**	**337,652**	**342,104**	**291,172**

(i) Financial guarantee contracts

The Group assisted the joint venture to obtain the endorsement guarantee for the credit limit from the financial institutions. According to IFRS 9 " Financial Instruments", the financial guarantee contracts are measured at fair value.

(ii) Legal

Please refer to Note 9(b), (ii) for the information on estimated legal provisions and losses.

(q) Operating leases

The Group leases out investment properties under operating lease which was classified based on not transferring substantially all of the risks and rewards of ownership incidental to ownership of the underlying asset to the lessee. Please refer to Note 6(h) for the regarding information on investment properties.

A maturity analysis of lease payments, showing the undiscounted lease payments to be received after the reporting date are as follows:

		September 30, 2024	December 31, 2023	September 30, 2023
Less than one year	$	10,765	11,728	10,957
One to two years		2,931	6,273	2,159
Two to three years		-	1,363	151
Total undiscounted lease payments	**$**	**13,696**	**19,364**	**13,267**

For the three months and nine months ended September 30, 2024 and 2023, rental revenues from investment properties amounted to $3,697 thousand, $4,672 thousand, $11,093 thousand and $11,166 thousand, respectively. The equipment and maintenance costs arising from the investment properties (recognized under "operating costs") are $0 thousands.

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(r) Employee benefits

(i) Defined benefit plans

Management believes that there was no material volatility of the market, no material reimbursement and settlement or no other material onetime events since prior fiscal year. As a result, the pension cost in the accompanying interim period was measured and disclosed according to the actuarial report as of December 31, 2023 and 2022.

The expenses recognized in profit or loss for the Group are as follows:

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2024	2023	2024	2023
Operating cost	$ 9	-	27	-
Administration expenses	69	(149)	190	1,024
Total	**$ 78**	**(149)**	**217**	**1,024**

(ii) Defined contribution plans

The Group's expenses under the pension plan cost to the Bureau of Labor Insurance are as follows:

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2024	2023	2024	2023
Operating cost	$ 13,131	11,764	38,651	36,052
Selling expenses	764	717	2,283	2,095
Administration expenses	9,976	8,646	28,621	26,584
Research and development expenses	92	102	292	306
Total	**$ 23,963**	**21,229**	**69,847**	**65,037**

(iii) Short-term employee benefits

	September 30, 2024	December 31, 2023	September 30, 2023
Paid leave and other liabilities	**$ 6,478**	**9,590**	**9,031**

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(s) Income tax

(i) Applicated legal tax rates of foreign subsidiaries: China: 10%~25%; Japan: 33.79%; the USA: 21%.

(ii) The income tax expense are as follows:

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2024	2023	2024	2023
Current income tax expense				
Current period incurred	$ (299)	77,672	138,283	137,655
Land value increment taxes	4,631	2,866	44,707	19,556
Undistributed profit tax	-	-	18,565	16,189
Adjustment for prior periods	107	2	(34,203)	(10,676)
	4,439	80,540	167,352	162,724
Deferred tax expence (income)				
Origination and reversal of temporary differences	10,299	(16,169)	28,249	(21,737)
Income tax expense	**$ 14,738**	**64,371**	**195,601**	**140,987**

(iii) The income tax returns of the Company had been assessed and approved by the Tax Authority through 2021, other domestic consolidated subsidiaries had been assessed and approved through 2022. The Company and Sunflower Investment did not agree with the proposed tax adjustments made by the tax authority, and filed the petition of administration. Please refer to Note 9(b) for details.

(t) Share capital and other equity

Except for the following disclosure, there was no significant change for capital and other equity for the nine months ended September 30, 2024 and 2023. For the related information, please refer to Note 6(u) of the consolidated financial statements for the year ended December 31, 2023.

(i) Capital stock

As of September 30, 2024, December 31, 2023 and September 30, 2023, the Company' s authorized share capital are $5,000,000 thousands, with par value of $10 per share and the issued capital are $4,039,121 thousand, $3,787,865 thousand and $3,775,478 thousand respectively. All the proceeds from the issued capital have been remitted. However, the relevant statutory registration procedures of 13,128,847 ordinary shares have yet to be completed as the date of report.

(ii) Capital surplus

The components of the capital surplus are as follows:

	September 30, 2024	December 31, 2023	September 30, 2023
From issuance of share capital	$ 1,225,843	671,879	643,830
Employee stock option of subsidiaries	33,352	33,352	33,352
Stock option of convertible bonds	20,852	45,888	47,131
From conversion of convertible bonds	843,035	843,035	843,035
Difference between consideration and carrying amount of subsidiaries acquired or disposed of	6,219	6,219	6,219
	$ 2,129,301	**1,600,373**	**1,573,567**

(iii) Retained earnings

In accordance with the Company's Articles of Incorporation, after-tax earnings and other items in undistributed earnings except from after-tax earnings shall first be offset against any deficit, and 10% of the balance shall be set aside as legal reserve. The appropriation for legal reserve is discontinued when the balance of the legal reserve equals the total authorized capital. Aside from the aforesaid legal reserve, the Company may, as required by its operation or by the government, appropriate for special reserve. The remaining balance of the earnings, if any, may be appropriated according to the distribution plan proposed by the Board of Directors and submitted to the shareholders' meeting for approval. If all or part of the aforementioned employees' compensation is distributed in cash, the resolution will be approved by a majority vote at a meeting of Board of Directors attended by two-thirds of the total number of directors, and the distribution shall be submitted to the shareholders' meeting.

The Company is in the growth stage of business cycle and the annual earnings and future cash flow is maintained stable. Considering the Company's significant investment plan for the future, the Company applied "Residual dividend policy" for long-term operating plan and funding needs. The dividend distribution of cash and stock is correlated with annual earning. The Company's stock dividends cannot be higher than 70% of the total dividend.

1) Earnings distribution

The amount of cash dividends of appropriations of the Company's 2023 and 2022 earnings was based on the resolutions decided during the meetings of the Board of Directors held on March 14, 2024 and March 16, 2023, respectively.

These earnings are appropriated as follows:

	2023		2022	
	Allotment (NTD)	Amount	Allotment (NTD)	Amount
Common stock dividends per share				
Cash	$ 1.51	**571,968**	1.20	**451,347**

(iv) Other equity (net of tax)

	Exchange Differences on Translation of Foreign Financial Statements	Unrealized Gains (Losses) from Financial Assets Measured at FVOCI	Non-controlling Interest	Total
Balance on January 1, 2024	$ (160,089)	49,704	3,904,693	3,794,308
Profit attributable to non-controlling interests	-	-	282,954	282,954
Exchange differences on foreign operations	348,380	-	67,965	416,345
Unrealized losses on financial assets measured at FVOCI	-	(8,873)	-	(8,873)
Changes in equity of associates and joint ventures accounted for using equity method	-	-	(293)	(293)
Changes in non-controlling interest	-	-	3,000	3,000
Cash dividends paid to non-controlling interests	-	-	(204,572)	(204,572)
Balance on September 30, 2024	**$ 188,291**	**40,831**	**4,053,747**	**4,282,869**
Balance on January 1, 2023	$ 10,196	51,013	3,827,949	3,889,158
Profit attributable to non-controlling interests	-	-	295,464	295,464
Exchange differences on foreign operations	(5,947)	-	1,884	(4,063)
Unrealized losses on financial assets measured at FVOCI	-	(3,112)	-	(3,112)
Changes in non-controlling interest	-	-	29,951	29,951
Cash dividends paid to non-controlling interests	-	-	(127,113)	(127,113)
Disposal of investments in equity instruments designated at fair value through other comprehensive income	-	1,803	-	1,803
Balance on September 30, 2023	**$ 4,249**	**49,704**	**4,028,135**	**4,082,088**

(u) Earnings per share

The Group's earnings per share are calculated as follows:

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2024	2023	2024	2023
Basic earnings per share				
Profit attributable to owners of the parent	**$ 30,834**	**382,149**	**1,412,588**	**680,301**
Weighted average number of ordinary shares	**397,617**	**376,285**	**386,314**	**376,285**
Basic earnings per share	**$ 0.08**	**1.02**	**3.66**	**1.81**

(Continued)

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2024	2023	2024	2023
Diluted earnings per share				
Profit attributable to owners of the parent (after the adjustment of diluted ordinary shares)	$ 30,834	382,149	1,412,588	680,301
Effect of potential diluted ordinary shares				
Convertible bonds	(3,554)	(6,213)	(14,539)	(26,608)
Profit attributable to owners of the parent (after the adjustment of diluted ordinary shares)	**$ 27,280**	**375,936**	**1,398,049**	**653,693**
Weighted average number of ordinary shares	397,617	376,285	386,314	376,285
Effect of potential diluted ordinary shares				
Employee stock option	1,101	557	1,293	746
Convertible bonds	21,542	46,961	21,542	46,961
Weighted average number of ordinary shares (after the adjustment of diluted ordinary shares)	420,260	423,803	409,149	423,992
Diluted earnings per share	**$ 0.06**	**0.89**	**3.42**	**1.54**

(v) Revenue from contracts with customers

(i) Disaggregation of revenue

	For the Three Months Ended September 30, 2024			
	Metal Manufacturing Segment	Real Estate Development Segment	Lifestyle Innovation Segment	Total
Major geographic markets:				
Taiwan	$ 78,008	810,547	163,100	1,051,655
United States	444,340	-	-	444,340
Japan	328,953	-	-	328,953
China	1,264,336	-	-	1,264,336
Europe	136,033	-	-	136,033
South America	19,857	-	-	19,857
Others	170,533	-	-	170,533
	$ 2,442,060	**810,547**	**163,100**	**3,415,707**

(Continued)

CHINA METAL PRODUCTS CO., LTD. AND SUBSIDIARIES
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	For the Three Months Ended September 30, 2024			
	Metal Manufacturing Segment	Real Estate Development Segment	Lifestyle Innovation Segment	Total
Major product/service lines:				
Iron casting hardware	$ 2,435,504	-	-	2,435,504
Construction	-	805,707	-	805,707
Counter commissions	-	-	115,455	115,455
Others	6,556	4,840	47,645	59,041
	$ 2,442,060	**810,547**	**163,100**	**3,415,707**

	For the Three Months Ended September 30, 2023			
	Metal Manufacturing Segment	Real Estate Development Segment	Lifestyle Innovation Segment	Total
Major geographic markets:				
Taiwan	$ 100,986	2,311,246	163,013	2,575,245
United States	486,028	-	-	486,028
Japan	454,189	-	-	454,189
China	1,616,872	-	-	1,616,872
Europe	154,152	-	-	154,152
South America	26,987	-	-	26,987
Others	135,674	-	-	135,674
	$ 2,974,888	**2,311,246**	**163,013**	**5,449,147**
Major product/service lines:				
Iron casting hardware	$ 2,966,016	-	-	2,966,016
Construction	-	2,307,536	-	2,307,536
Counter commissions	-	-	113,090	113,090
Others	8,872	3,710	49,923	62,505
	$ 2,974,888	**2,311,246**	**163,013**	**5,449,147**

(Continued)

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	For the Nine Months Ended September 30, 2024			
	Metal Manufacturing Segment	Real Estate Development Segment	Lifestyle Innovation Segment	Total
Major geographic markets:				
Taiwan	$ 261,361	7,128,963	495,439	7,885,763
United States	1,411,488	-	-	1,411,488
Japan	1,055,110	-	-	1,055,110
China	3,716,477	-	-	3,716,477
Europe	410,815	-	-	410,815
South America	55,338	-	-	55,338
Others	439,545	-	-	439,545
	$ 7,350,134	**7,128,963**	**495,439**	**14,974,536**
Major product/service lines:				
Iron casting hardware	$ 7,328,016	-	-	7,328,016
Construction	-	7,116,276	-	7,116,276
Counter commissions	-	-	337,264	337,264
Others	22,118	12,687	158,175	192,980
	$ 7,350,134	**7,128,963**	**495,439**	**14,974,536**

	For the Nine Months Ended September 30, 2023			
	Metal Manufacturing Segment	Real Estate Development Segment	Lifestyle Innovation Segment	Total
Major geographic markets:				
Taiwan	$ 247,536	4,193,783	476,096	4,917,415
United States	1,461,149	-	-	1,461,149
Japan	1,377,824	-	-	1,377,824
China	4,290,123	-	-	4,290,123
Europe	411,408	-	-	411,408
South America	83,523	-	-	83,523
Others	440,417	-	-	440,417
	$ 8,311,980	**4,193,783**	**476,096**	**12,981,859**
Major product/service lines:				
Iron casting hardware	$ 8,285,941	-	-	8,285,941
Construction	-	4,182,617	-	4,182,617
Counter commissions	-	-	326,851	326,851
Others	26,039	11,166	149,245	186,450
	$ 8,311,980	**4,193,783**	**476,096**	**12,981,859**

(Continued)

(ii) Contract balances

	September 30, 2024	December 31, 2023	September 30, 2023
Notes and accounts receivable	$ 3,176,989	3,664,662	3,858,787
Less: Loss allowance	(25,870)	(4,684)	(7,570)
Total	**$ 3,151,119**	**3,659,978**	**3,851,217**
Contract assets	**$ -**	-	-
Contract liabilities–Advance real estate receipts	**$ 3,406,006**	**4,949,634**	**4,801,175**
Contract liabilities–Advance receipts	**$ 51,570**	**44,634**	**45,090**

For the details of accounts receivable and loss allowance, please refer to Note 6(c).

The amount of revenue recognized for the nine months ended September 30, 2024 and 2023, that were included in the contract liabilities balance at the beginning of the period were $2,689,438 thousand and $933,944 thousand, respectively.

The major change in the balance of contract assets and contract liabilities is the difference between the time frame in the performance obligation to be satisfied by transferring ownership to the customer and the payment to be received.

(w) Employees' compensation and remuneration of directors

Based on the amended Company' s Articles of Incorporation, employees' compensation is appropriated at the rate of no less than 2.5% and remuneration of directors is appropriated no more than 2.5% of profit before tax, respectively. Prior years' accumulated deficit is first offset before any appropriation of profit, then calculate the employees' compensation and remuneration of directors by the appropriate ratio stipulated in the bylaws. The employees to whom the Company distributes employees' compensation, or issued new restricted employee shares, employee stock option certificates, preemptive right of new shares, and transfer of shares include the employees of subsidiaries which are qualified with the requirements stipulated by the Board of Directors.

For the three months and nine months ended September 30, 2024 and 2023, appropriated employees' compensation by $1,133 thousand, $10,846 thousand, $43,114 thousand and $19,786 thousand, respectively, and appropriated remuneration of directors by $1,011 thousand, $9,685 thousand, $38,494 thousand and $17,667 thousand, respectively, which were estimated on the basis of the Company' s net profit before tax, excluding employees' compensation and the remuneration of directors of each period, then multiplied by the percentage of remuneration of employees and directors as specified in the Company's Articles of Incorporation. Such amounts were recognized as operating cost or operating expense for the period. The number of shares to be distributed were calculated based on the closing price of the Company' s ordinary shares, one day prior to Board of Directors meeting. Management is expecting that the differences, if any, between the actual distributed amounts and estimated amounts will be treated as changes in accounting estimates and charged to profit or loss.

(Continued)

For the years ended December 31, 2023 and 2022, appropriated employees' compensation by $28,094 thousand and $19,953 thousand, respectively, and appropriated remuneration of directors by $25,084 thousand and $17,815 thousand, respectively. There were no significant difference between employees' compensation and remuneration of directors approved by the Board of Directors meeting and the estimated amount.

Information on the employees' compensation and remuneration of directors approved by the Board of Directors meeting is available on the Market Observation Post System website of the Taiwan Stock Exchange.

(x) Non-operating income and expenses

(i) Interest income

The information on interest income is listed as follows:

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2024	2023	2024	2023
Interest income from bank deposits	$ 21,043	10,976	77,001	44,096
Interest income from financial guarantee contracts	2,769	2,489	8,277	9,624
Total Interest income	**$ 23,812**	**13,465**	**85,278**	**53,720**

(ii) Other income

The information on other income is listed as follows:

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2024	2023	2024	2023
Rental revenue	$ 4,231	5,154	14,989	16,639
Dividend income	-	1,162	30,773	15,689
Others	22,450	21,269	69,520	105,835
Total other income	**$ 26,681**	**27,585**	**115,282**	**138,163**

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(iii) Other gains and losses

The information on other gains and losses is listed as follows:

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2024	**2023**	**2024**	**2023**
Loss on disposal of property, plant and equipment	$ (209)	(628)	(929)	(3,826)
Lease modification gains	2	21	12	25
Foreign exchange gains	1,404	19,393	34,809	40,031
(Losses) gains on financial assets at FVTPL	(44)	165	(85)	8,253
Other losses	(14)	(93)	(11,328)	(453)
Net amount of other gains and losses	**$ 1,139**	**18,858**	**22,479**	**44,030**

(iv) Finance costs

The information on interest expense is listed as follows:

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2024	**2023**	**2024**	**2023**
Borrowing interest expense	$ 141,072	146,185	427,448	425,671
Lease liability interest expense	4,599	5,007	14,232	15,468
Capitalized interest expense	(47,402)	(47,565)	(150,766)	(115,757)
Bonds interest expense	(4,498)	(7,560)	(18,280)	(22,944)
Amortized long term borrowings costs	534	366	1,280	873
Net amount of finance costs	**$ 94,305**	**96,433**	**273,914**	**303,311**

(y) Financial instruments

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

(Continued)

(i) Credit risk

1) Credit risk exposure

The carrying amount of financial assets and contract assets represent the maximum amount exposed to credit risk.

2) Concentration of credit risk

Since the Group had a large number of unrelated customers, the concentration of the credit risk is limited.

3) Credit risks of receivables and debt securities

For the information regarding credit risk exposure of notes and accounts receivables, please refer to Note 6(c). Other financial assets at amortized cost include other receivables and time deposits.

All of these financial assets mentioned above are considered to be low risk, therefore, the impairment provision recognized during the period was limited to 12 months expected losses. For the allowance of impairment on financial assets for the nine months ended September 30, 2024 and 2023, please refer to Note 6(c).

(ii) Liquidity risk

The following table shows the contractual maturities of financial liabilities, including estimated interest payments, but not the impact of netting agreements.

	Contractual Cash Flow	Within 6 Months	6-12 Months	1-2 Years	2-5 Years	Over 5 Years
September 30, 2024						
Non-derivative financial liabilities						
Bank borrowings	$ 23,409,485	6,899,649	2,124,836	6,392,073	7,992,927	-
Bonds payable	644,100	644,100	-	-	-	-
Lease liabilities	1,533,516	112,376	110,047	209,962	419,464	681,667
Notes and accounts payables (including related parties)	3,322,932	3,322,932	-	-	-	-
Other payables (including related parties)	1,728,797	1,728,797	-	-	-	-
	$ 30,638,830	**12,707,854**	**2,234,883**	**6,602,035**	**8,412,391**	**681,667**
December 31, 2023						
Non-derivative financial liabilities						
Bank borrowings	$ 22,856,372	6,406,821	2,828,247	4,770,175	8,851,129	-
Bonds payable	1,417,400	-	-	1,417,400	-	-
Lease liabilities	1,683,711	111,377	109,740	213,022	555,334	694,238
Notes and accounts payables (including related parties)	4,113,217	4,113,217	-	-	-	-
Other payables (including related parties)	1,724,968	1,724,968	-	-	-	-
	$ 31,795,668	**12,356,383**	**2,937,987**	**6,400,597**	**9,406,463**	**694,238**

(Continued)

	Contractual Cash Flow	Within 6 Months	6-12 Months	1-2 Years	2-5 Years	Over 5 Years
September 30, 2023						
Non-derivative financial liabilities						
Bank borrowings	$ 22,741,338	6,064,804	5,466,437	5,064,969	4,177,797	1,967,331
Bonds payable	1,455,800	-	-	1,455,800	-	-
Lease liabilities	1,721,388	107,071	107,143	207,072	601,674	698,428
Notes and accounts payables (including related parties)	3,294,767	3,294,767	-	-	-	-
Other payables (including related parties)	1,536,029	1,536,029	-	-	-	-
	$ 30,749,322	**11,002,671**	**5,573,580**	**6,727,841**	**4,779,471**	**2,665,759**

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

(iii) Currency risk

Information on the significant exposure to foreign currency risk of the Group is as follows:

	September 30, 2024			December 31, 2023			September 30, 2023		
	Foreign Currency	Exchange Rate	NTD	Foreign Currency	Exchange Rate	NTD	Foreign Currency	Exchange Rate	NTD
Financial assets									
Monetary items									
USD:NTD	$ 3,370	31.65	106,653	6,992	30.71	214,733	6,548	32.27	211,302
USD:CNY	57,282	7.00	1,812,965	28,207	7.09	866,229	35,343	7.30	1,140,504
USD:JPY	1,386	142.38	43,854	1,245	141.39	38,227	1,079	149.26	34,814
EUR:NTD	521	35.38	18,447	520	33.98	17,665	2,164	33.91	73,377
EUR:CNY	5,125	7.83	181,328	2,085	7.85	70,855	2,577	7.67	87,390
JPY:NTD	66,232	0.22	14,723	141,726	0.22	30,783	113,718	0.22	24,586
JPY:CNY	29,761	0.05	6,616	1,149,283	0.05	249,624	38,423	0.05	8,307
HKD:USD	17	0.13	68	16	0.13	64	6,831	0.13	28,145
HKD:NTD	58	4.08	238	9,056	3.93	35,590	53	4.12	219
Financial liabilities									
Monetary items									
USD:CNY	39,440	7.00	1,248,287	29,919	7.09	918,800	36,883	7.30	1,190,207
EUR:CNY	1,242	7.83	43,956	1,258	7.85	42,738	1,995	7.67	67,665
HKD:USD	-	-	-	-	-	-	167,584	0.13	690,447
JPY:CNY	6,156	0.05	1,368	1,874,821	0.05	407,211	7,142	0.05	1,544

1) Sensitivity analysis

The Group's exposure to foreign currency risk arises from the translation of the foreign currency exchange gains and losses on cash and cash equivalents, accounts receivable, other receivables, borrowings, accounts payable and other payables that are denominated in foreign currency. A 1% of appreciation or depreciation of each major foreign currency against the Group's functional currency as of September 30, 2024 and 2023 would have increased (decreased) the after-tax net income for the three months and nine months ended September 30, 2024 and 2023 by $2,480 thousand, $(2,384) thousand, $5,348 thousand and $(2,047) thousand, respectively. The analysis assumes that all other variables remain constant and was performed on the same basis for both periods.

(Continued)

As the Group deals in diverse foreign currencies, gains or losses on foreign exchange were summarized as a single amount. For the three months and nine months ended September 30, 2024 and 2023, the foreign exchange gains, including both realized and unrealized, amounted to $1,404 thousand, $19,393 thousand, $34,809 thousand and $40,031 thousand, respectively.

(iv) Interest rate risk

The interest risk exposure from financial assets and liabilities has been disclosed in the note of liquidity risk management.

The following sensitivity analysis is based on the risk exposure to interest rates on the derivative and non-derivative financial instruments at the reporting date. For variable rate instruments, the sensitivity analysis assumes the variable rate liabilities are outstanding for the whole year at the reporting date.

If the interest rate increases or decreases by 1% the Group's net income will increase /decrease by $28,598 thousand, $26,194 thousand, $80,893 thousand and $95,970 thousand for the three months and nine months ended September 30, 2024 and 2023, respectively, assuming all other variable factors remain constant. This is mainly due to the Group' s variable rate bank borrowings.

(v) Other market price risk

If the equity price changes, the impact of equity price change to other comprehensive income will be as follows, assuming the analysis were based on the same basis, and other variables considered in the analysis remain the same:

	For the Nine Months Ended September 30			
	2024		2023	
	Other Comprehensive Income (net of tax)	Net Income (Loss) (net of tax)	Other Comprehensive Income (net of tax)	Net Income (Loss) (net of tax)
Increase 10%	$ 21,632	7	19,615	-
Decrease 10%	$ (21,632)	(7)	(19,615)	-

(vi) Fair value of financial instruments

1) Fair value hierarchy

The Group measured its financial assets and liabilities at FVTPL, and financial assets at FVOCI 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 are as follows; however, except as described in the following paragraphs, for financial instruments not measured at fair value whose carrying amount is reasonably close to the fair value, and lease liabilities, disclosure of fair value information is not required:

	September 30, 2024				
		Fair Value			
	Book Value	Level 1	Level 2	Level 3	Total
Current financial assets at FVTPL	$ 71	-	-	71	71
Non-current financial assets at FVOCI	$ 216,316	-	-	247,910	247,910
Financial assets measured at amortized cost	$ 13,863,614	-	-	-	-
Financial liabilities measured at amortized cost	$ 29,443,906	-	-	-	-

	December 31, 2023				
		Fair Value			
	Book Value	Level 1	Level 2	Level 3	Total
Non-current financial assets at FVOCI	$ 192,751	-	-	204,091	204,091
Non-current financial assets at FVTPL	$ 156	-	-	156	156
Financial assets measured at amortized cost	$ 12,651,422	-	-	-	-
Financial liabilities measured at amortized cost	$ 30,690,216	-	-	-	-

	September 30, 2023				
		Fair Value			
	Book Value	Level 1	Level 2	Level 3	Total
Non-current financial assets at FVOCI	$ 196,151	-	-	196,151	196,151
Financial assets measured at amortized cost	$ 12,102,724	-	-	-	-
Financial assets measured at amortized cost	$ 29,831,306	-	-	-	-

(Continued)

2) Valuation techniques for financial instruments measured at fair value

Financial instruments traded in active markets are based on quoted market prices. Market prices quoted from main exchanges and over-the-counter are the basis of fair value of equity instruments and credit instrument traded in active markets.

If the quoted price of a financial instrument can be obtained in time and often from exchanges, brokers, underwriters, industrial union, pricing institute, or authorities and such price can reflect those actual trading and frequently happen in the market, then the financial instrument is considered to have a quoted price in an active market. If a financial instrument does not accord with the definition aforementioned, then it is considered to be without a quoted price in an active market. In general, market with low trading volume or high bid-ask spreads is an indication of non-active market.

If the financial instruments held by the Group have active market, the measurements of fair value are categorized as follows:

- The listed redeemable bonds, listed stocks, drafts and bonds are recognized as financial assets and liabilities traded in active markets by the standards and nature. The fair value is measured at the market quoted price.

Measurements of fair value of financial instruments without an active market are based on valuation technique or quoted price from a competitor. Fair value, measured by using valuation technique that can be extrapolated from either similar financial instruments or discounted cash flow method or other valuation techniques, including models, is calculated based on available market data at the reporting date.

If the financial instruments held by the Group have no active market, the measurements of fair value are categorized as follows:

- Equity instruments without quoted price: The fair value is measured at discounted cash flow model. The assumption is discounted investees' expected future cash flows by using the discounting rate which reflects the time value of money and the return of the investment.

3) Transfers between Level 1 and Level 2

There were no transfers in either direction for the nine months ended September 30, 2024 and 2023.

CHINA METAL PRODUCTS CO., LTD. AND SUBSIDIARIES
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4) Reconciliation of Level 3 instruments

	Non-current Financial Assets at FVOCI
	Equity Instrument without Quoted Price
Balance on January 1, 2024	$ 192,751
Purchase	32,438
Total gains or losses Recognized as other comprehensive income	(8,873)
Balance on September 30, 2024	**$ 216,316**
Balance on January 1, 2023	$ 179,363
Purchase	20,000
Total gains or losses Recognized as other comprehensive income	(3,112)
Capital reduction	(100)
Balance on September 30, 2023	**$ 196,151**

The total gains or losses is listed under "unrealized gains (losses) on financial assets at FVOCI". The information regarding assets held as of September 30, 2024 and 2023 is as follows:

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2024	2023	2024	2023
Total gains or losses Recognized as other comprehensive income (which is listed under "unrealized losses on financial assets of FVOCI")	**$ -**	-	**(8,873)**	**(3,112)**

5) Quantified information on significant unobservable inputs (Level 3) used in fair value measurement

The Group's major financial instruments that use Level 3 inputs to measure fair value is "financial assets measured at FVOCI – equity investments".

Most of the Group's financial assets in Level 3 have only one significant unobservable input, while its equity investments without an active market have more than one significant unobservable inputs. The significant unobservable inputs of equity investments without an active market are individually independent, and there is no correlation between them.

(Continued)

CHINA METAL PRODUCTS CO., LTD. AND SUBSIDIARIES
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Quantified information regarding significant unobservable inputs are as follows:

Item	Valuation Technique	Significant Unobservable Inputs	Inter-relationship between Significant Unobservable Inputs and Fair Value Measurement
Financial assets at FVOCI equity investments without active market	Dividend discount model	· Average expected future dividend income of 5 years (As of September 30, 2024, December 31, 2023 and September 30, 2023, were $1,425~18,916 thousand, $251~18,916 thousand and $251~18,916 thousand, respectively.)	· The estimated fair value would increase, if the 5- year average expected future dividend income is increased.
		· Weighted average capital cost (As of September 30, 2024, December 31, 2023 and September 30, 2023 were 3.78%, 2.73% and 3.33%, respectively.)	· The estimated fair value would decrease, if the weighted average capital cost is increased.
		· Discounting rate without market liquidity (As of September 30, 2024, December 31, 2023 and September 30, 2023, were both 15%)	· The estimated fair value would decrease, if the discounting rate without market liquidity is increased.
	Net asset value method	· Net asset value	· The estimated fair value would increase, if the net asset value is increased.

6) Fair value measurements in Level 3-sensitivity analysis of reasonably possible alternative assumptions

The Group' s measurement on the fair value of financial instruments is deemed reasonable despite different valuation models or assumptions may lead to different results. For fair value measurements in Level 3, changing one or more of the assumptions would have the following effects on profit or loss and other comprehensive income:

	Inputs (Note)	Fluctuation in Inputs	Other Comprehensive Income	
			Favorable	Unfavorable
September 30, 2024				
Financial assets at FVOCI				
Equity investments without an active market	3.78 %	1%	5,032	(4,778)

(Continued)

	Inputs (Note)	Fluctuation in Inputs	Other Comprehensive Income	
			Favorable	Unfavorable
December 31, 2023				
Financial assets at FVOCI				
Equity investments without an active market	2.73 %	1%	5,335	(5,062)
September 30, 2023				
Financial assets at FVOCI				
Equity investments without an active market	3.33 %	1%	5,404	(5,128)

Note: Inputs are the weighted average capital cost.

The favorable and unfavorable effects represent the changes in fair value, and fair value is based on a variety of unobservable inputs calculated using a valuation technique. The analysis above only reflects the effects of changes in a single input, and it does not include the interrelationships with another input.

(z) Financial risk management

There were no significant changes in the Group' s financial risk management and policies as disclosed in Note 6(aa) of the consolidated financial statements for the year ended December 31, 2023.

(aa) Capital management

Management believes that the objectives, policies and processes of capital management of the Group has been applied consistently with those described in the consolidated financial statements for the year ended December 31, 2023. Also, management believes that there were no significant changes in the Group' s capital management information as disclosed for the year ended December 31, 2023. Please refer to Note 6 (ab) of the consolidated financial statements for the year ended December 31, 2023 for further details.

(ab) Investing and financing activities not affecting the current cash flow

The Group's investing and financing activities which did not affect the current cash flow in the years ended September 30, 2024 and 2023, were as follows:

Reconciliation of assets arising from investing activities were as follows:

			Non-cash changes	
	January 1, 2024	Cash flows	Reclassification	September 30, 2024
Other non-current assets	$ 3,212,749	296,859	(129,980)	3,379,628

			Non-cash changes	
	January 1, 2023	Cash flows	Reclassification	September 30, 2023
Other non-current assets	$ 2,811,563	410,360	(65,775)	3,156,148

(Continued)

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(7) Related-party transactions:

(a) The ultimate parent company

The company is both the parent company and the ultimate controlling party of the Group.

(b) Names and relationship with related parties

The followings are entities that have had transactions with related parties during the periods covered in the consolidated financial statements.

Name of Related Party	Relationship with the Group
The Splendor Hospitality International Co., Ltd. (The Splendor Hospitality)	Joint ventures
CMAAN Health Co., Ltd. (CMAAN Health)	Joint ventures
Hua-Pu Development Co., Ltd. (Hua-Pu Development)	Joint ventures
Amida Trustlink Assets Management Co., Ltd. (Amida Trustlink Assets)	Associates
Keng-Hsin Urban Renewal Co., Ltd. (Keng-Hsin Urban Renewal)	Associate of subsidiaries
Beyond Fitness Co., Ltd. (Beyond Fitness)	Associate of subsidiaries
Fuzhou Aprec Mechanical and Electrical Co., Ltd. (Fuzhou Aprec)	Subsidiaries of subsidiaries' associates
Advancision Corporation (Advancision)	Subsidiaries of subsidiaries' associates
Chain-Yuan Investment Co., Ltd. (Chain-Yuan Investment)	Other related parties
San Lien Technology Corp. (San Lien Technology)	Other related parties
CMP PUJEN Foundation for Arts and Culture (Foundation)	Other related parties
Hao Bao Investment Co., Ltd. (Hao Bao Investment)	Other related parties
Rui Hua Investment Co., Ltd. (Rui Hua Investment)	Other related parties
LEESCO Development Co. Ltd. (LEESCO Development)	Other related parties
Gee Lien Resource Development Corp. (Gee Lien Resource)	Other related parties
Yi-Shi Investment Corporation (Yi-Shi Investment)	Other related parties
Kemitek Industrial Corp. (Kemitek Industrial)	Other related parties
HUA YUN Floral Art Co., Ltd. (HUA YUN Floral Art)	Other related parties
Mr. Ming Shiann, Ho	Other related parties
Mr. Dai Jun, Lin	Other related parties
Ms. Pei Ling, Ho	Other related parties
Mr. Chih Ning, Ho	Other related parties
Mr. Ting Fung, Lin	Key Management

(Continued)

CHINA METAL PRODUCTS CO., LTD. AND SUBSIDIARIES
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(c) Significant transactions with related parties

(i) Sales to related parties

1) The amounts of significant sales transactions and outstanding balance between the Group and related parties are as follows:

	Sales				Notes and Accounts Receivables		
	For the Three Months Ended September 30		For the Nine Months Ended September 30				
	2024	2023	2024	2023	September 30, 2024	December 31, 2023	September 30, 2023
Associates	$ 2,710	1,071	7,589	4,261	1,269	5,831	5,918
Joint ventures	144	71	932	185	-	-	30
Other related parties	119	173	371	529	138	162	23
	$ 2,973	**1,315**	**8,892**	**4,975**	**1,407**	**5,993**	**5,971**

The sales between the Group and related parties approximated the market price.

2) The amounts of significant real estate sales transactions and outstanding balance between the Group and related parties are as follows:

	Revenue recognized				Advance real estate receipts		
	For the Three Months Ended September 30		For the Nine Months Ended September 30				
	2024	2023	2024	2023	September 30, 2024	December 31, 2023	September 30, 2023
Other related parties	**$ -**	**96,272**	**43,665**	**96,272**	**36,271**	**57,422**	**72,201**

As of September 30, 2024, December 31, 2023 and September 30, 2023, the total contract price of real estate in contract with related parties mentioned above is $145,030 thousand (tax included), $302,920 thousand (tax included) and $302,920 thousand (tax included), repectively. The terms and pricing of sales transactions with related parties were not significantly different from those with the third parties.

(ii) Purchases from related parties

The amounts of significant purchases transactions and outstanding balances between the Group and related parties are as follows:

	Purchases				Notes and Accounts Payable		
	For the Three Months Ended September 30		For the Nine Months Ended September 30				
	2024	2023	2024	2023	September 30, 2024	December 31, 2023	September 30, 2023
Associates	$ 23,059	36,308	65,666	96,851	22,599	25,353	38,652
Joint ventures	3,340	5	3,355	2,398	2	4	1
Other related parties	19	1,485	964	4,236	819	730	3,620
	$ 26,418	**37,798**	**69,985**	**103,485**	**23,420**	**26,087**	**42,273**

(Continued)

The purchases mentioned above could not compare to the market because the Group did not purchase the same items from non-related parties. The payment terms with related parties are not significantly different from those with third parties.

(iii) Leases

1) Rental expenses

The information on office leased by the Group is as follows:

	Rental Expenses			
	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2024	2023	2024	2023
Other related parties	$ 608	608	1,824	1,824

	Guarantee Deposit Paid (Recognized under other non-current financial assets)		
	September 30, 2024	December 31, 2023	September 30, 2023
Other related parties	$ 443	443	443

2) Rental revenues

The information on office leased to related parties is as follows:

	Rental Revenues			
	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2024	2023	2024	2023
Associates	$ 66	66	197	197
Other related parties	15	15	45	45
	$ 81	81	242	242

	Guarantee Deposit Received (Recognized under other non-current liabilities)		
	September 30, 2024	December 31, 2023	September 30, 2023
Associates	$ 300	300	300
Other related parties	2	-	-
	$ 302	300	300

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(iv) Providing services to related party

The information on providing management consulting and application services to related parties is as follows:

	Service Revenues			
	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2024	2023	2024	2023
Joint ventures	$ 1,343	2,075	4,290	4,224

(v) Non-performing receivables

	Total Claims		
	September 30, 2024	December 31, 2023	September 30, 2023
Joint ventures:			
The Splendor Hospitality	$ 796,845	796,845	796,845

	Costs of Claims		
	September 30, 2024	December 31, 2023	September 30, 2023
Joint ventures:			
The Splendor Hospitality	$ 575,000	575,000	575,000

The claims mentioned above was recognized in other non-current financial assets, please refer to Note 6(j).

(vi) Guarantees and endorsements

The information on guarantees and endorsements of financing quotas and actual usage is as follows:

	Borrowing Limits		
	September 30, 2024	December 31, 2023	September 30, 2023
Joint ventures:			
The Splendor Hospitality	$ 1,750,000	1,800,000	3,400,000
Others	20,000	10,000	32,500
	$ 1,770,000	1,810,000	3,432,500

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	Actual Usage Amount		
	September 30, 2024	December 31, 2023	September 30, 2023
Joint ventures:			
The Splendor Hospitality	$ 1,455,000	1,450,000	1,450,000
Others	10,000	10,000	10,443
	$ 1,465,000	**1,460,000**	**1,460,443**

(vii) Guarantee for bank borrowings

The Group didn't pay any guarantee fee to related parties as a guarantor.

(viii) Construction

1) The information on acquisitions of assets (including capitalized costs from development projects, which was recognized under other non-current assets) is as follows:

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2024	2023	2024	2023
Other related parties	**$ 745**	**1,182**	**745**	**1,334**

2) The information on construction in retention for Taichung development projects to be paid by the Group is as follows:

	September 30, 2024	December 31, 2023	September 30, 2023
Other related parties	**$ 360**	**360**	**360**

(ix) Other transactions

1) The information on donation to related parties is as follows:

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2024	2023	2024	2023
Other related parties:				
Foundation	**$ 15,000**	**-**	**15,000**	**4,225**

2) The information on other services or transactions provided by related parties is as follows:

	Other Expenses			
	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2024	2023	2024	2023
Associates	$ 2	1	4	3
Joint ventures	32	26	72	26
Other related parties	-	-	-	115
	$ 34	**27**	**76**	**144**

(Continued)

CHINA METAL PRODUCTS CO., LTD. AND SUBSIDIARIES
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3) The amounts on revenues from providing guarantees and endorsements to related parties is as follows:

	Interest Revenues			
	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2024	2023	2024	2023
Joint ventures:				
The Splendor Hospitality	$ 2,751	2,455	8,222	9,506
Others	18	34	55	118
	$ 2,769	**2,489**	**8,277**	**9,624**

4) Other receivables and advance payments from related parties

	Other Receivables (including advance payments)		
	September 30, 2024	December 31, 2023	September 30, 2023
Associates:			
Keng-Hsin Urban Renewal	$ 29	125	77
Others	23	23	23
Joint ventures	2	191	189
Other related parties-LEESCO Development	4,163	4,163	-
Other related parties	49	1	2
	$ 4,266	**4,503**	**291**

5) Other payables and advance receipts from related parties

	Other Payables (including advance receipts)		
	September 30, 2024	December 31, 2023	September 30, 2023
Joint ventures	$ 71	268	28
Other related parties	1,195	350	1,406
Key management	24	217	-
	$ 1,290	**835**	**1,434**

6) Unearned receipts

	Unearned receipts		
	September 30, 2024	December 31, 2023	September 30, 2023
Other related parties	**$ 7**	**-**	**-**

(Continued)

CHINA METAL PRODUCTS CO., LTD. AND SUBSIDIARIES
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(d) Key management transactions

The compensation of key management is as follows:

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2024	2023	2024	2023
Short-term employee benefits	$ 43,938	41,054	169,556	113,319
Post-employment benefits	1,767	417	3,421	1,467
	$ 45,705	**41,471**	**172,977**	**114,786**

(8) Assets pledged as security

The information on pledged assets' carrying value is as follows:

Pledged Assets	Object	September 30, 2024	December 31, 2023	September 30, 2023
Land (including other non-current assets)	The credit limits of long-term and short-term bank borrowings	$ 1,423,032	1,424,715	1,424,715
Buildings	〃	263,016	274,267	267,606
Investment properties	〃	590,367	591,041	591,266
Inventories—Land held for development	〃	3,390,330	3,390,210	5,384,525
Inventories—Construction in progress	〃	9,277,411	8,196,880	10,052,463
Inventories—Buildings and land held for sale	The credit limits of short-term borrowings	2,026,806	6,193,133	7,820
Other current financial assets	Bank acceptance bills	6,044	30,323	28,845
〃	Trusts	1,614,749	1,054,545	881,480
〃	Reserve accounts	1,356	59	6,156
		$ 18,593,111	**21,155,173**	**18,644,876**

(9) Commitments and contingencies

(a) The Group's unrecognized contractual commitments are as follows:

(i) The unused standby letters of credit for purchasing machinery and equipment and raw material are as follows:

	September 30, 2024	December 31, 2023	September 30, 2023
Unused standby letters of credit	**$ 1,675**	**54**	**-**

(Continued)

(ii) The unrecognized contractual commitment from contracts of buildings for future operational use, selling and purchasing of equipment, decorating constructions, and engineering constructions entered into by the Group is as follows:

	September 30, 2024	December 31, 2023	September 30, 2023
Total contract price	$ 11,803,170	11,701,079	15,492,021
Total amounts paid under contracts (Note)	$ 8,451,717	7,054,531	10,290,631

Note: Recognized in "prepayments for equipment and construction in progress", "other non-current assets", "inventory- construction in progress" and "administrative expenses".

(iii) The Group's total selling price for presale construction projects is as follows:

	September 30, 2024	December 31, 2023	September 30, 2023
Total contract price	$ 14,714,865	15,431,149	14,907,963
Total amounts received under contracts (recognized under current contract liabilities)	$ 3,406,006	4,949,634	4,801,175

(iv) The Group's purchase contracts of building capacity is as follows:

	September 30, 2024	December 31, 2023	September 30, 2023
Total contract price	$ 168,748	168,748	168,748
Total amounts paid under contracts (recognized under prepayments)	$ 84,374	84,374	84,374

(v) The Group's security deposits paid to landlords for joint construction projects is as follows:

	September 30, 2024	December 31, 2023	September 30, 2023
Security deposits of joint construction projects (recognized under other current and non-current financial assets)	$ 430,995	418,080	399,878

(vi) The Group's security deposits for renting real estates is as follows:

	September 30, 2024	December 31, 2023	September 30, 2023
Security deposits (recognized under other current and non-current financial assets)	$ 107,250	106,190	101,540

(Continued)

(vii) The Group's unrecognized contractual commitments for purchasing land is as follows:

	September 30, 2024	December 31, 2023	September 30, 2023
Total contract price	$ 67,080	67,080	67,080
Total amounts paid under contracts (recognized under inventories－prepayments for land)	$ 60,070	60,070	60,070

(viii) 1) The Group and The Presbyterian Church in Taiwan entered into an real estate leasing contract, with the contract term of 40 years, commencing the day after the signing date, September 30, 2016. For the development of the leasing real estates, the Group agreed to pay development royalty amounting to $126,000 thousand. As of September 30, 2024 and 2023, the accumulated royalty payments amounted to $126,000 thousand, respectively, which was recognized under right-of-use assets.

2) The Group leased a parcel of land to construct several buildings for its shopping malls and hotels. The Group agreed that the ownership of the buildings would still be under the title deed of the Presbyterian Church in Taiwan even after the completion of the construction. Upon maturity of the lease period, the Group shall dismantle the buildings and related facilities, and return the land to the Presbyterian Church in Taiwan.

3) The security deposits paid by the Group for land development and leased land and buildings for operating use amounted to $106,080 thousand, $106,110 thousand and $101,460 thousand, as of September 30, 2024, December 31, 2023 and September 30, 2023, respectively.

(ix) The Group entered into various services agreement with InterContinental Hotels Group for its hotel operation, including planning, constructing and building, as well as during the pre-opening phase, and the period from the pre-opening phase to the opening day and fifteen years afterwards. According to the contract, the fees shall either be paid based on the services rendered, or be calculated in accordance with certain ratio of the gross revenue for the fiscal year or each accounting period.

(b) Contingencies

(i) Please refer to Note 7 for the Group's guarantees and endorsements for related parties' loans as of September 30, 2024 and 2023.

(ii) Contingencies for the Company and its subsidiary, Sunflower Investment, regarding the stages of Daguangsan tax petition for real estate transaction and non-performing receivables is as follows:

Litigant	Issue	Current Status
The Company	Filing a petition for the administrative penalty of the value-added tax in the Daguangsan real estate transaction which was approved by National Taxation Bureau of Taipei	National Taxation Bureau of Taipei has approved the additional value-added tax and the regarding penalty amounting to $38,497 thousand, which the Company had paid $25,665 thousand in 2012. The Company was dissatisfied with the verdict from the original authority, which has filed the administrative petition. According to the ruling of the Taipei High Administrative Court, the lawsuit has now been suspended.
Sunflower Investment	Since 2011, Sunflower Investment had received several administrative penalties approved by National Tax Bureau of Taipei which arose from the withholding tax, value-added tax, enterprise income tax and undistributed earning tax of the Daguangsan non-performing receivables. Sunflower Investment has sought administrative remedy for the aforementioned verdict.	National Tax Bureau of Taipei reduced the approved value-added tax and the regarding penalties to the total amount of $564,452 thousand on June 6, 2014, which arose from Daguangsan non-performing receivables. The aforementioned amount had been paid in the amount of $46,174 thousand. Sunflower Investment was dissatisfied with the verdicts and filed the petitions of the review, appeal and administrative litigation, which are being processed by the authority. The administrative litigation was filed against Taipei High Administrative Court on December 24, 2013. In accordance with the Administrative Regulation Article 177, Section 1 and 2, Taipei High Administrative Court suspended the proceeding of the lawsuit on July 25, 2016. Considering the risk of losing the lawsuit in the future, Sunflower Investment assessed the aforementioned possible losses based on the conservative principle and estimate the contingent liabilities. For details of regarding contingencies, please refer to Note 6(p).

(10) Losses due to major disasters: None.

(11) Subsequent events: None.

(12) Other:

(a) The Securities and Futures Investors Protection Center (SFIPC) filed a criminal incidental civil action to the Supreme Court on behalf of the Company against the former chairman of the Company, Mr. Ming Shiann, Ho, wherein the appeal was handed back over to the High Court for reconsideration on August 22, 2019. Thereafter, the Tainan Branch of Taiwan High Court suspended the proceedings on May 30, 2024, until the criminal appeal of violation of the Securities and Exchange Law No. 21 has come into conclusion in 2024.

(b) The SFIPC filed a lawsuit against the Company, its directors and supervisors, and certain employees of the Group. On January 17, 2024, Taiwan High Court dismissed the appreal filed by the SFIPC for the third time. On February 17, 2024, the SFIPC filed an appeal to the Supreme Court against the aforementioned conviction, which is in trial in the Taiwan High Court.

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(c) Employee benefits, depreciation, and amortization are summarized as follows:

By function / By item	For the Three Months Ended September 30					
	2024			2023		
	Operating Costs	Operating Expenses	Total	Operating Costs	Operating Expenses	Total
Employee benefits						
Salary	161,758	190,828	352,586	174,518	210,377	384,895
Labor and health insurance	15,457	18,457	33,914	15,009	14,376	29,385
Pension	13,140	10,901	24,041	11,764	9,316	21,080
Others	20,538	11,978	32,516	20,212	14,467	34,679
Depreciation	179,809	81,678	261,487	187,993	79,585	267,578
Amortization	213	1,838	2,051	354	776	1,130

By function / By item	For the Nine Months Ended September 30					
	2024			2023		
	Operating Costs	Operating Expenses	Total	Operating Costs	Operating Expenses	Total
Employee benefits						
Salary	495,917	643,847	1,139,764	506,444	571,084	1,077,528
Labor and health insurance	47,296	49,136	96,432	45,457	40,398	85,855
Pension	38,678	31,386	70,064	36,052	30,009	66,061
Others	58,263	41,873	100,136	55,395	39,754	95,149
Depreciation	526,839	243,090	769,929	559,453	235,795	795,248
Amortization	900	4,528	5,428	1,063	2,442	3,505

(Continued)

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(13) Other disclosures:

(a) Information on significant transactions:

The following is the information on significant transactions for the nine months ended September 30, 2024, required by the "Regulations Governing the Preparation of Financial Reports by Securities Issuers" for the Group:

(i) Loans to other parties:

(In Thousands of NTD)

No.	Lender	Borrower	Financial Statement Account	Related Parties	Highest Balance During the Period	Ending Balance (Note 1)	Actual Borrowing Amount	Interest Rate	Nature for Financing (Note 2)	Transaction Amount for Business	Reasons for Short-term Financing	Allowance for Doubtful Accounts	Collateral		Financing Limit for Each Borrower (Note 3)	Aggregate Financing Limit (Note 4)
													Item	Value		
0	The Company	Taichung CMP Hospitality	Accounts receivable due from related parties	Yes	2,520,000	1,260,000	298,000	2.63%	2	-	Operation requirements	-	None	-	4,572,620	6,096,826
1	Tianjin CMT	CMH	Accounts receivable due from related parties	Yes	304,500	-	-	0.75%	2	-	Operation requirements	-	None	-	142,626	190,168
2	Suzhou CMS	CMH	Accounts receivable due from related parties	Yes	705,250	700,600	700,600	0.75%	2	-	Operation requirements	-	None	-	1,485,272	1,980,363
3	CMAI	Pilot	Accounts receivable due from related parties	Yes	36,124	34,815	34,815	4.57%	2	-	Operation requirements	-	Land, buildings and improvement	69,366	54,706	72,941
4	CMW(C.I.)	CMI	Accounts receivable due from related parties	Yes	455,000	452,000	443,428	5.00%	2	-	Operation requirements	-	None	-	1,847,772	2,463,696
5	CMW (Tianjin)	CMH	Accounts receivable due from related parties	Yes	587,600	587,600	587,600	0.75%	2	-	Operation requirements	-	None	-	1,859,553	2,479,404

Note 1: Balance of loan as of the reporting date was within the credit limits approved by the Board of Directors.

Note 2: 1. For business transactions.

2. For the necessity of short-term financing.

Note 3: The lender's total amount available for lending shall not exceed 30% of its net worth.

Note 4: The lender's total amount available for lending shall not exceed 40% of its net worth.

Note 5: Intra-group transactions have been eliminated in the consolidated financial statements.

(Continued)

CHINA METAL PRODUCTS CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(ii) Guarantees and endorsements for other parties:

(In Thousands of NTD)

No.	Name of Guarantor/ Endorse	Counter-party of Guarantee and Endorsement: Name	Counter-party of Guarantee and Endorsement: Relationship with the Company (Note 1)	Limitation on Amount of Guarantees and Endorsements for a Specific Enterprise (Note 4)	Highest Balance for Guarantees and Endorsements During the Period	Ending Balance (Note 2)	Actual Borrowing Amount	Property Pledged for Guarantees and Endorsements	Ratio of Accumulated Amounts of Guarantees and Endorsements to Net Worth of the Latest Financial Statements	Maximum Amount for Guarantees and Endorsements (Note 5)	Parent Company Endorsements/ Guarantees to Third Parties on Behalf of Subsidiary (Note 3)	Subsidiary Endorsements/ Guarantees to Third Parties on Behalf of Parent Company (Note 3)	Endorsements/ Guarantees to Third Parties on Behalf of Companies in Mainland China (Note 3)
0	The Company	Sunflower Investment	1	6,096,826	320,000	160,000	82,000	-	1.05 %	7,621,033	Y	N	N
0	The Company	The Hotel National	1	6,096,826	50,000	50,000	-	-	0.33 %	7,621,033	Y	N	N
0	The Company	Shangrila Tourism	1	6,096,826	1,298,000	674,000	441,500	-	4.42 %	7,621,033	Y	N	N
0	The Company	The Splendor Hospitality	2	6,096,826	1,900,000	1,750,000	1,455,000	-	11.48 %	7,621,033	N	N	N
0	The Company	CMAAN Health	2	6,096,826	20,000	20,000	10,000	-	0.13 %	7,621,033	N	N	N
0	The Company	Taichung CMP Hospitality	1	6,096,826	1,310,000	1,310,000	-	-	8.59 %	7,621,033	Y	N	N
5	CMW (Tianjin)	CMH	4	2,479,404	136,500	135,600	23,504	-	2.19 %	3,099,256	N	N	Y

Note 1: 1.The Company held directly or indirectly more than 50% of the shares with voting rights.

2.Due to the joint investment relationship, all of the shareholders of the Group endorse the company in accordance with their investment ratio.

3.The company held directly or indirectly more than 50% of the shares with voting rights.

4.The company held directly or indirectly more than 90% of the shares with voting rights.

Note 2: Balance of guarantees and endorsements as of the reporting date was within the credit limit approved by the Board of Directors.

Note 3: The following three situations are filled in Y: the endorsement of the subsidiary by the Company; the endorsement of the Company by the subsidiary and the endorsement to the company located in Mainland China.

Note 4: The guarantor's total amount available for guarantee and endorsement shall not exceed the percentage mentioned below of its net worth: The Company 40% and CMW (Tianjin) 40%.

Note 5: The guarantor's total amount available for guarantee and endorsement shall not exceed the percentage mentioned below of its net worth: The Company 50% and CMW (Tianjin) 50%.

(iii) Securities held as of September 30, 2024 (excluding investment in subsidiaries, associates and joint ventures):

(In Thousands of NTD)

Name of Holder	Category and Name of Security	Relationship with Issued Company	Account	Ending Balance: Shares/Units	Ending Balance: Carrying Value	Ending Balance: Percentage of Ownership (%)	Ending Balance: Fair Value	Note
The Company	MEITA Industrial Co., Ltd.	The Company is the legal person	Non-current financial assets at FVOCI	1,351,164	85,381	3.12 %	85,381	
The Company	GUANGYUAN Investment Co., Ltd.	-	Non-current financial assets at FVOCI	3,750,000	35,584	3.91 %	35,584	
The Company	DEVELOPMENT Venture Capital Co., Ltd.	-	Non-current financial assets at FVOCI	3,260,000	12,913	4.00 %	12,913	
The Company	Pacific Electric Wire & Cable Co., Ltd.	-	Current financial assets at FVTPL	81,666	-	0.01 %	-	
Sunflower Investment	Fantasystory Inc.	-	Non-current financial assets at FVOCI	653,530	-	19.80 %	-	
Sunflower Investment	il. COM, INC.	-	Non-current financial assets at FVOCI	100,000	-	0.52 %	-	
Sunflower Investment	Asia World Engineering & Construction Co., Ltd.	-	Non-current financial assets at FVOCI	6,429,563	53,212	6.43 %	84,806	
Sunflower Investment	Masada Technology Limited Co., Ltd.	-	Non-current financial assets at FVOCI	2,922,600	29,226	2.60 %	29,226	
The Hotel National	Century National Technology Co., Ltd.	-	Non-current financial assets at FVOCI	35,600	-	2.34 %	-	
Atrans Precision	Acore Material Technology Co., Ltd.	-	Non-current financial assets at FVOCI	42,466	-	2.12 %	-	

(Continued)

CHINA METAL PRODUCTS CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(iv) Individual securities acquired or disposed of with accumulated amount exceeding NT$100 million or 20% of the share capital: None.

(v) Information on the acquisition of real estate exceeding NT$300 million or 20% of the share capital: None.

(vi) Information on the disposal of real estate exceeding of NT$300 million or 20% of the share capital: None.

(vii) Information regarding related-party transactions for purchases and sales exceeding NT$100 million or 20% of the share capital:

(In Thousands of NTD)

Name of Company	Related Party	Nature of Relationship	Transaction Details				Transactions with Terms Different from Others		Notes/Accounts Receivable (Payable)		Note
			Purchase/Sale	Amount	Percentage of Total Purchases/Sales	Payment Terms	Unit Price	Payment Terms	Ending Balance	Percentage of Total Notes/Accounts Receivable (Payable)	
Suzhou CMS	CMI	Subsidiaries	Sale	513,985	32.08 %	180 days	-	-	1,860,005	77.05%	
CMW (Tianjin)	CMW (C.I.)	Subsidiaries	Sale	1,113,896	39.54 %	180 days	-	-	2,130,052	68.49%	
Suzhou CMB	CMI	Subsidiaries	Sale	166,720	13.34 %	180 days	-	-	208,138	26.55%	

Note : Intra-group transactions have been eliminated in the consolidated financial statements.

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

(In Thousands of NTD/In CNY)

Name of Company	Counter-party	Nature of Relationship	Ending Balance	Turnover Rate	Overdue		Amounts Received in Subsequent Period	Allowance for Bad Debts
					Amount	Action Taken		
CMW (Tianjin)	CMW (C.I.)	Subsidiaries	Accounts receivable due from related parties 2,130,052	0.79	-	-	CNY 29,161,335	-
Tianjin CMT	CMI	Subsidiaries	Accounts receivable due from related parties 298,100	-	-	-	-	-
Suzhou CMB	CMI	Subsidiaries	Accounts receivable due from related parties 208,138	1.10	-	-	CNY 4,224,544	-
Suzhou CMS	CMI	Subsidiaries	Accounts receivable due from related parties 1,860,005	0.38	-	-	CNY 71,023,506	-
CMW (Tianjin)	CMH	Affiliates	Accounts receivable due from related parties, other 587,600	Note 2	-	-	-	-
Suzhou CMS	CMH	Affiliates	Accounts receivable due from related parties, other 700,600	Note 2	-	-	-	-
CMW (C.I.)	CMI	Subsidiaries	Accounts receivable due from related parties, other 443,483	Note 2	-	-	-	-
China Metal Products	Taichung CMP Hospitality	Parent company	Accounts receivable due from related parties, other 299,169	Note 2	-	-	-	-
Tianjin CMT	CMH	Subsidiaries	Accounts receivable due from related parties, other 222,500	Note 2	-	-	-	-
CMP(H.K.)	CMW (Tianjin)	Parent company	Accounts receivable due from related parties, other 285,061	-	-	-	-	-

Note1: Intra-group transactions have been eliminated in the consolidated financial statements.

Note2: Balance of loans to other parties.

(ix) Trading in derivative instruments: None.

(x) Business relationships and significant intercompany transactions:

(In Thousands of NTD)

No. (Note 1)	Name of Company	Name of Counter-party	Nature of Relationship (Note 2)	Intercompany Transactions (Note 3)			
				Account	Amount	Trading Terms	Percentage of the Total Consolidated Revenue or Total Assets (Note 4)
0	China Metal Products	CMJ	1	Operating revenue	17,681	90 days	0.12%
0	China Metal Products	Atrans Precision	1	Operating revenue	14,239	60~90 days	0.10%
1	CMW (Tianjin)	CMW (C.I.)	2	Operating revenue	1,113,896	180 days	7.44%
3	Suzhou CMS	CMI	2	Operating revenue	513,985	180 days	3.43%
3	Suzhou CMS	Suzhou CMB	3	Operating revenue	21,803	90 days	0.15%
3	Suzhou CMS	CMP (H.K)	2	Operating revenue	66,136	180 days	0.44%
4	Suzhou CMB	CMI	2	Operating revenue	166,720	180 days	1.11%
4	Suzhou CMB	CMB(H.K.)	2	Operating revenue	75,250	180 days	0.50%
4	Suzhou CMB	Suzhou CMS	3	Operating revenue	29,082	90 days	0.19%
5	National Management	China Metal Products	2	Operating revenue	63,227	OA25 days	0.42%

(Continued)

CHINA METAL PRODUCTS CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

No. (Note 1)	Name of Company	Name of Counter-party	Nature of Relationship (Note 2)	Intercompany Transactions (Note 3)			
				Account	Amount	Trading Terms	Percentage of the Total Consolidated Revenue or Total Assets (Note 4)
9	CMH	CMW (Tianjin)	3	Operating revenue	86,278	90 days	0.58%
9	CMH	Suzhou CMS	3	Operating revenue	28,766	90 days	0.19%
9	CMH	Suzhou CMB	3	Operating revenue	16,639	90 days	0.11%
10	CMAI(N.A.)	CMAI	2	Operating revenue	24,272	180 days	0.16%
1	CMW (Tianjin)	CMW(C.I.)	2	Accounts receivable due from related parties	2,130,052	180 days	4.00%
2	Tianjin CMT	CMI	2	Accounts receivable due from related parties	298,100	180 days	0.56%
9	CMH	Suzhou CMS	3	Accounts receivable due from related parties	10,628	90 days	0.02%
3	Suzhou CMS	CMI	2	Accounts receivable due from related parties	1,860,005	180 days	3.49%
3	Suzhou CMS	CMP (H.K.)	2	Accounts receivable due from related parties	37,036	180 days	0.07%
4	Suzhou CMB	CMB (H.K.)	2	Accounts receivable due from related parties	86,334	180 days	0.16%
4	Suzhou CMB	CMI	2	Accounts receivable due from related parties	208,138	180 days	0.39%
10	CMAI(N.A.)	CMAI	2	Accounts receivable due from related parties	13,367	180 days	0.03%
2	Tianjin CMT	CMH	3	Other receivables due from related parties	222,500	-	0.42%
3	Suzhou CMS	CMH	3	Other receivables due from related parties	700,600	-	1.32%
1	CMW (Tianjin)	CMH	3	Other receivables due from related parties	587,600	-	1.10%
6	CMI	CMH	1	Other receivables due from related parties	26,108	-	0.05%
7	CMW(C.I.)	CMI	2	Other receivables due from related parties	443,483	-	0.83%
7	CMW(C.I.)	CMW (Tianjin)	1	Other receivables due from related parties	48,064	-	0.09%
11	CMAI	Pilot	1	Other receivables due from related parties	34,815	-	0.07%
12	The Hotel National	PUJEN Land Development	3	Other receivables due from related parties	50,077	-	0.09%
11	CMAI	CMAI (N.A.)	1	Other receivables due from related parties	17,186	-	0.03%
10	CMAI (N.A)	CMAI	2	Other receivables due from related parties	11,645	-	0.02%
13	CMP(H.K.)	Tianjin CMT	1	Other receivables due from related parties	285,061	-	0.54%
14	PUJEN Land Development	China Metal Products	2	Other receivables due from related parties	13,753	-	0.03%
0	China Metal Products	Taichung CMP Hospitality	1	Other receivables due from related parties	299,169	-	0.56%
8	CMB(H.K.)	Suzhou CMB	1	Other long-term receivables due from related parties	27,556	-	0.05%

Note 1: For the inter-company business relationship and transaction condition in the “Number” column, the labeling method is as follows:

1. Parent company - 0.
2. Subsidiaries – In sequence from 1.

Note 2: Relationship is classified into three types:

1. Parent company to subsidiary.
2. Subsidiary to parent company.
3. Subsidiary to subsidiary.

Note 3: The Group only disclosed the information on sales and accounts receivable with subsidiary and did not give unnecessary details of opposite purchases and accounts payables in this part.

Note 4: The transaction amount is divided by the consolidated operating revenue or the consolidated total assets.

Note 5: Intra-group transactions have been eliminated in the consolidated financial statements.

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CHINA METAL PRODUCTS CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(b) Information on investees:

The following is the information on investees for the nine months ended September 30, 2024 (excluding information on investees in Mainland China):

(In Thousands of NTD/In USD, CNY, THB, and JPY)

Name of Investor	Name of Investee	Location	Main Businesses	Original Investment Amount		Balance as of September 30, 2024			Net Income (Losses) of Investee	Share of Profits/Losses of Investee	Note
				September 30, 2024	December 31, 2023	Shares	Percentage of Ownership	Carrying Value			
The Company	UEA	British Virgin Islands	Investing in CMI	865,286	865,286	667,820	100.00 %	8,196,811	279,571	279,571	Subsidiaries
The Company	Sunflower Investment	Taiwan	Investing	99,096	99,096	67,013,057	99.01 %	1,027,138	118,227	117,057	Subsidiaries
The Company	Atrans Precision	Taiwan	Vehicle parts processing	247,218	247,218	25,782,134	72.24 %	414,267	24	588	Subsidiaries
The Company	CMJ	Japan	Cast iron product retailing	4,887	4,887	500	83.33 %	130,340	9,356	7,796	Subsidiaries
The Company	CMAI	Hong Kong	Vehicle parts retailing	24,036	24,036	1,000,000	100.00 %	210,261	28,243	28,243	Subsidiaries
The Company	PUJEN Land Development	Taiwan	Residents, commercial buildings and factories leasing and developing	2,003,067	2,003,067	158,877,643	56.65 %	4,632,730	736,990	450,782	Subsidiaries
The Company	Amida Trustlink Assets	Taiwan	Real estate developing, leasing and financial claims acquiring from financial institutions	44,576	44,576	16,763,726	35.21 %	(21,760)	(409)	-	Investees accounted for using equity method
The Company	The Hotel National	Taiwan	International tourist hotel services	1,515,952	1,515,952	5,000,000	100.00 %	2,286,044	815,658	814,222	Subsidiaries
The Company	National Management	Taiwan	Management and consulting services	10,000	10,000	1,000,000	100.00 %	26,618	9,898	9,898	Subsidiaries
The Company	The Splendor Hospitality	Taiwan	International tourist hotel services	1,125,000	1,125,000	32,500,000	50.00 %	270,811	(49,326)	(32,885)	Joint ventures accounted for using equity method
The Company	Shangrila Tourism	Taiwan	Amusement park and hotel services	564,303	564,303	22,664,800	100.00 %	352,170	(18,805)	(17,690)	Subsidiaries
The Company	CMAAN Health	Taiwan	Management and consulting services	50,000	50,000	5,000,000	50.00 %	46,908	1,149	519	Joint ventures accounted for using equity method
The Company	Taichung CMP Hospitality	Taiwan	International tourist hotel services	1,198,800	938,800	119,880,000	100.00 %	1,045,169	(140,179)	(119,062)	Subsidiaries
The Company	Calligraphy Greenway Plaza Co., Ltd	Taiwan	Management and consulting services	59,000	59,000	5,900,000	100.00 %	66,725	6,221	6,221	Subsidiaries
The Company	Great Naturalistic Block	Taiwan	Management and consulting, department store retailing services	30,000	20,000	3,000,000	100.00 %	21,344	(4,999)	(4,999)	Subsidiaries
The Company	CMP Intelligence Technology	Taiwan	Intelligence manufacturing services	7,000	-	700,000	70.00 %	6,979	(30)	(21)	Subsidiaries
Sunflower Investment	PUJEN Land Development	Taiwan	Residents, commercial buildings and factories leasing and developing	288,437	288,437	42,568,300	15.18 %	1,206,560	736,990	Exempt from disclosure	Subsidiaries of the Company
Sunflower Investment	Astrans Precision	Taiwan	Vehicle parts processing	77,836	77,836	4,737,380	13.27 %	75,360	24	Exempt from disclosure	Subsidiaries of the Company
Sunflower Investment	Amida Trustlink Assets	Taiwan	Real estate developing, leasing and financial claims acquiring from financial institutions	-	-	5,951,619	12.50 %	(7,726)	(409)	Exempt from disclosure	Investee accounted for using equity method
Sunflower investment	ADVANCISION (CAYMAN)	Cayman Islands	Investing and cast iron product retailing	23,457	23,457	1,871,288	4.46 %	11,478	3,314	Exempt from disclosure	Investee accounted for using equity method
UEA	CMI	Cayman Islands	Investing in CMI (BVI) and cast iron product retailing	USD 136,536,250	USD 136,536,250	823,281,475	83.27 %	USD 258,296,480	USD 10,488,450	Exempt from disclosure	Subsidiaries of UEA
CMI	CMI (BVI)	British Virgin Islands	Investing in CMP (H.K.)	USD 280,426	USD 280,426	161	100.00 %	CNY 1,265,820,520	CNY 43,577,360	Exempt from disclosure	Subsidiaries of CMI
CMI	CMW (C.I.)	Cayman Islands	Investing in CMW (Tianjin) and CMH	USD 75,156,500	USD 75,156,500	50,000,000	100.00 %	CNY 1,415,913,627	CNY 36,401,060	Exempt from disclosure	Subsidiaries of CMI
CMI	CMB (H.K.)	Hong Kong	Investing in Suzhou CMB	USD 92,970,000	USD 92,970,000	151,120,350	100.00 %	CNY 597,264,506	CNY 6,463,203	Exempt from disclosure	Subsidiaries of CMI
CMI(BVI)	CMP (H.K.)	Hong Kong	Investing in Tianjin CMT and Suzhou CMS	USD 21,000,000	USD 21,000,000	21,000,000	100.00 %	CNY 1,267,065,934	CNY 43,577,360	Exempt from disclosure	Subsidiaries of CMI(BVI)
CMAI	CMAI Holding	USA	Investing	USD 8,364,644	USD 8,328,644	10,000	100.00 %	USD 2,371,696	USD (447,412)	Exempt from disclosure	Subsidiaries of CMAI
CMAI Holding	Pilot	USA	Assets leasing	USD 8,328,644	USD 8,328,644	-	100.00 %	USD 2,358,753	USD (424,355)	Exempt from disclosure	Subsidiaries of CMAI Holding
CMAI Holding	CMAI-MEX	Mexico	Investing	USD 35,640	-	35,640	100.00 %	USD 12,813	USD (22,827)	Exempt from disclosure	Subsidiaries of CMAI Holding
CMAI Holding and CMAI-MEX	MEXICO CMI-CMAI	Mexico	Vehicle parts retailing	USD 36,000	-	36,000	100.00 %	USD 12,943	USD (23,057)	Exempt from disclosure	Subsidiaries of CMAI Holding and CMAI-MEX
Pilot	CMAI N.A.	USA	Vehicle parts retailing	USD 7,792,972	USD 7,792,972	10,000	100.00 %	USD 1,159,540	USD (471,686)	Exempt from disclosure	Subsidiaries of Pilot
Atrans Precision	FAR HSING (SAMOA)	SAMOA	Investing	USD 1,272,055	USD 1,272,055	1,272,055	100.00 %	33,991	693	Exempt from disclosure	Subsidiaries of Atrans Precision
FAR HSING (SAMOA)	ADVANCISION (CAYMAN) Industries Co., Ltd	Cayman Islands	Investing and cast iron product retailing	USD 4,052,188	USD 4,052,188	9,068,414	21.59 %	USD 1,061,121	USD 103,452	Exempt from disclosure	Investees of FAR HSING (SAMOA) accounted for using equity method
CMJ	SIAM SST	Thailand	Cast iron product retailing	THB 3,000,000	THB -	29,998	99.99 %	JPY 13,317,139	JPY -	Exempt from disclosure	Subsidiaries of CMJ

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CHINA METAL PRODUCTS CO., LTD. AND SUBSIDIARIES
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Name of Investor	Name of Investee	Location	Main Businesses	Original Investment Amount		Balance as of September 30, 2024			Net Income (Losses) of Investee	Share of Profits/Losses of Investee	Note
				September 30, 2024	December 31, 2023	Shares	Percentage of Ownership	Carrying Value			
PUJEN Land Development	Keng-Hsin Urban Renewal	Taiwan	Residents, commercial buildings and factories leasing and developing	300,800	234,496	37,851,339	29.12 %	377,751	(17,044)	Exempt from disclosure	Investees of PUJEN Land Development accounted for using equity method
PUJEN Land Development	CHINGGENG Land Development	Taiwan	Residents, commercial buildings and factories leasing and developing	1,500	1,500	150,000	50.00 %	5,314	(61)	Exempt from disclosure	Subsidiaries of PUJEN Land Development
PUJEN Land Development	PUJEN CHENGMEI Land Development	Taiwan	Residents, commercial buildings and factories leasing and developing	199,500	199,500	19,950,000	70.00 %	173,738	(149)	Exempt from disclosure	Subsidiaries of PUJEN Land Development
PUJEN Land Development	PUZHI Construction	Taiwan	Residents, commercial buildings and factories leasing and developing	134,800	34,800	122,500	100.00 %	116,555	(14,246)	Exempt from disclosure	Subsidiaries of PUJEN Land Development
PUJEN Land Development	Hua-Pu Development	Taiwan	Residents, commercial buildings and factories leasing and developing	5,000	5,000	500,000	50.00 %	5,244	214	Exempt from disclosure	Joint ventures of PUJEN Land Development accounted for using equity method
PUJEN Land Development	Beyond Fitness	Taiwan	Sport training and other consulting service	4,050	4,050	494,333	36.82 %	3,186	(1,109)	Exempt from disclosure	Investees of PUJEN Land Development accounted for using equity method

(c) Information on investment in Mainland China:

(i) The names of investees in Mainland China, the main businesses and products, and other information:

(In Thousands of NTD, CNY, USD and JPY)

Name of Investee	Main Businesses	Total Amount of Paid-in Capital	Method of Investment (Note 1)	Accumulated Outflow of Investment from Taiwan as of January 1, 2024	Investment Flows		Accumulated Outflow of Investment from Taiwan as of September 30, 2024	Net Income (Losses) of the Investee	Percentage of Ownership	Investment Income (Losses) (Notes 3)	Book Value (Note 3)	Accumulated Remittance of Earnings in Current Period (Note 5)	Note
					Outflow	Inflow							
Tianjin CMT	Cast iron products, machine parts and vehicle parts designing, developing, manufacturing and selling	316,500 (USD10,000) (Note 6)	2	388,238	-	-	388,238	(1,468) (CNY(331))	83.27%	(1,222) (CNY(275))	475,421 (CNY105,182)	82,542	Note 2
Suzhou CMS	Cast iron products, machine parts and vehicle parts designing, developing, manufacturing and selling	759,600 (USD24,000)	2	423,406	-	-	423,406	184,223 (CNY41,492)	83.27%	153,319 (CNY34,531)	4,951,300 (CNY1,095,420)	14,601	Note 2
Suzhou CMB	Cast iron product designing, manufacturing and retailing	2,595,300 (USD82,000)	2	-	-	-	-	48,191 (CNY10,854)	83.27%	40,128 (CNY9,038)	2,724,860 (CNY602,845)	-	Note 2
CMW (Tianjin)	Vehicle parts, E&M as-casting and finished product developing, manufacturing and selling	1,012,800 (USD32,000)	2	-	-	-	-	185,567 (CNY41,794)	83.27%	163,301 (CNY36,779)	6,184,534 (CNY1,368,260)	-	Note 2
CMH	Vehicle parts, farm wagon parts, industrial wagon parts household appliances parts and E&M as-casting and molds developing, manufacturing, selling and after sales services	1,012,800 (USD32,000)	2	-	-	-	-	(106,554) (CNY(23,999))	83.27%	(88,727) (CNY(19,984))	589,251 (CNY130,365)	-	Note 2
Qingdao Sourcing Specialists	Cast iron product retailing	3,165 (USD100)	2	-	-	-	-	908 (JPY4,281)	83.33%	757 (JPY3,567)	44,449 (JPY199,950)	-	-

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CHINA METAL PRODUCTS CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(ii) Limitation on investment in Mainland China:

(In Thousands of NTD and USD)

Accumulated Investment in Mainland China as of September 30, 2024	Investment Amount Authorized by the Investment Commission, MOEA (Note 7)	Upper Limit on Investment (Note 4)
811,644	6,602,854 (USD 208,621)	-

Note 1: Method of investment is classified into three types:

1. Directly invested in Mainland China.

2. Indirectly invested in Mainland China through the third region.

3. Other methods.

Note 2: The recognition basis of the investment income and losses is the financial report reviewed by an international accounting firm which is in partnership with the accounting firm in the R.O.C.

Note 3: The amount stated is the investment income and losses and the book value of the investment at the end of the period which is recognized by the subsidiaries established through the investment in the third region.

Note 4: The Company complies with the amended Permit 9704604680 ‘Investment or technical cooperation review principal in China’, which obtained the certified documents of the operational scope of the headquarters from the Industrial Development Bureau, Ministry of Economic Affairs, with the valid period from March 3, 2023 to March 1, 2026. The restriction on the cumulative investment amount or proportion in China is not applicable.

Note 5: As of September 30, 2024, the company had obtained a surplus of $3,256,084 thousand (USD108,140 thousand) from the investment companies set up in the third region. The surplus was remitted to the companies by the subsidiaries which was invested indirectly in China and then was remitted to Taiwan. It was impossible to distinguish the remittance from the company in China.

Note 6: The share capital was reduced by USD$20,000 thousand in 2024.

Note 7: The amount in the table is translated by the spot rate on the financial reporting date.

Note 8: The aforementioned investments have been eliminated in the consolidated financial statements.

(iii) Significant transactions: None.

(d) Major shareholders:

Shareholding **Shareholder’s Name**	**Shares**	**Percentage**
Chain-Yuan Investment Co., Ltd.	59,156,965	14.64 %
Mr. Ming Shiann, Ho	26,312,540	6.51 %

Note: (1) The information of major shareholders presented in this table is provided by the Taiwan Depository & Clearing Corporation based on the number of ordinary shares and preference shares held by shareholders with ownership of 5% or greater, that have been issued without physical registration (including treasury shares) by the Company as of the last business day for the current quarter. The share capital in the consolidated financial statements may differ from the actual number of shares that have been issued without physical registration because of different preparation basis.

(2) If shares are entrusted, the above information regarding such shares will be revealed by such trustors of individual trust account. The shareholders holding more than 10% of the total shares of the Company should declare insider’s equity according to Securities and Exchange Act. The numbers of the shares declared by the insider include the shares of the trust assets which the insider has discretion over use. For details of the insider’s equity announcement, please refer to the Market Observation Post System website of the Taiwan Stock Exchange.

(Continued)

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(14) Segment information:

The Group's operating segment information and reconciliation are as follows:

		Metal Manufacturing Segment	Real Estate Development Segment	Lifestyle Innovation Segment	Reconciliation and Elimination	Total
For the Three Months Ended September 30, 2024						
Revenue from external customers	$	2,442,060	810,547	163,100	-	3,415,707
Intersegment revenues		756,592	851	24,120	(781,563)	-
Total revenue	**$**	**3,198,652**	**811,398**	**187,220**	**(781,563)**	**3,415,707**
Reportable segment profit or loss	**$**	**62,894**	**108,235**	**(57,280)**	**(42,870)**	**70,979**
For the Three Months Ended September 30, 2023						
Revenue from external customers	$	2,974,888	2,311,246	163,013	-	5,449,147
Intersegment revenues		754,163	850	24,911	(779,924)	-
Total revenue	**$**	**3,729,051**	**2,312,096**	**187,924**	**(779,924)**	**5,449,147**
Reportable segment profit or loss	**$**	**(11,393)**	**619,550**	**(548)**	**(1,105)**	**606,504**
For the Nine Months Ended September 30, 2024						
Revenue from external customers	$	7,350,134	7,128,963	495,439	-	14,974,536
Intersegment revenues		2,242,886	2,551	71,676	(2,317,113)	-
Total revenue	**$**	**9,593,020**	**7,131,514**	**567,115**	**(2,317,113)**	**14,974,536**
Reportable segment profit or loss	**$**	**300,748**	**1,758,240**	**(94,395)**	**(73,450)**	**1,891,143**
For the Nine Months Ended September 30, 2023						
Revenue from external customers	$	8,311,980	4,193,783	476,096	-	12,981,859
Intersegment revenues		2,103,646	2,550	71,340	(2,177,536)	-
Total revenue	**$**	**10,415,626**	**4,196,333**	**547,436**	**(2,177,536)**	**12,981,859**
Reportable segment profit or loss	**$**	**256,738**	**1,098,286**	**9,521**	**(247,793)**	**1,116,752**

Note 1: The amount of assets and liabilities of the Group's reportable segments was not provided to the management. It is not required for disclosure.