

Gordon Auto Body Parts Co., LTD.
2023 Annual Shareholders' Meeting Minutes

Time: 9:00 a.m. on Wednesday, June 14, 2023

Place: No 48, Nieh Hsi Road, Lu Chu Dist. Taoyuan City, Taiwan

Convening method: Physical shareholders' meeting

Attendants: All shareholders and their proxy holders, representing 98,379,312 shares (including 24,035,701 shares voted via electronic transmission), or 59.51 % of the total 165,310,397 outstanding shares. The aggregate shareholding of the shareholders present in person or by proxy constituted a quorum. The chairman called the meeting to order.

Chairperson: Mao-Yuan Li, Chairman

Minute Recorder: Ting-Shang Li

Members Present: Jian-Chun Fang (Director)

De-Cai Zheng (Independent Director / Audit Committee Convener)

Da-Wei Wang (Independent Director)

Qing-En Peng (Independent Director)

Hou-De Chen (Independent Director)

(Six directors including directors and independent directors attended 2023 annual shareholders' meeting, more than half of the nine directors.)

Xian-Xiu Zheng, CPA, Baker Tilly Clock & Co.

Management Presentation (Company Reports)

(I) 、 2022 business reports (please refer to Attachment)

(II) 、 Audit committee's review report on the 2022 financial statement (please refer to Attachment)

(III)、 Report on 2022 distribution of the remuneration for employees、 directors and supervisors

The Company's 2022 Annual Employee Compensation Report and Remuneration Report for Directors and Supervisors. In accordance with Article 32 of the company's articles of association, and approved by the board of directors on March 10, 2023, according to the company's 2022 profits, 3% of the employee's remuneration was allocated, NT\$13,197,705, and the remuneration of directors and supervisors 2 %, NT\$8,798,470 and totaling NT\$21,996,175, all issued in cash.

(IV)、 Report on 2022 distribution of the cash dividend from profits.

1. In accordance with the provisions of Article 32-1 of the "Articles of Association" of the company.
2. Cash dividends of NT\$165,310,397 will be allocated from the distributable earnings in 2022, and NT\$1 per share will be allocated. The calculation is up to NT\$1, and rounds below NT\$1 belongs to other income of company.
3. After this profit distribution proposal was approved by the board of directors on March 10, 2023, the chairman has been authorized to set April 20, 2011 as the ex-dividend base date, and to distribute cash dividends on May 12, 2023.

Proposals

Proposal 1: (Proposed by the Board of Directors)

Subject: Adoption of the 2022 business report and financial statements.

Explanation: The company's 2022 individual financial statements and consolidated financial statements (please refer to Attachment 1) have been audited by Zeng Guofu and Lai Jiayu of Baker Tilly Clock & Co, and plan to issue an audit report, which will be approved by the board of directors along with the business report. After the approval, it will be sent to the audit committee for review, and it will be submitted to the regular meeting of shareholders for approval.

Resolution:

1. Voting Result: 98,379,312 shares were represented at the time of voting.

Voting Results	% of the total representation at the time of voting
Votes in favor: 93,172,430 votes (including 18,828,819 shares voted via electronic transmission)	94.70%
Votes against: 51,954 votes (including 51,954 shares voted via electronic transmission)	0.05%
Votes invalid: 0 votes (including 0 share voted via electronic transmission)	0.00%
Votes abstained: 5,154,928 votes (including 5,154,928 shares voted via electronic transmission)	5.23%

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

Proposal II: (Proposed by the Board of Directors)

Subject: Adoption of the proposal for distribution on 2022 profits

Explanation: 2022 annual profit distribution table (below) will be submitted to the supervisor for review and completion, and will be submitted to the regular meeting of shareholders for approval.

**Gordon Auto Body Parts Co., LTD.
PROFIT DISTRIBUTION TABLE**

Year 2022

(Unit: NTD \$)

Item	Amount		Note
	Subtotal	Total	
Beginning retained earnings		\$ 303,903,953	
Add: net profit after tax	\$ 336,445,166		
2022 other comprehensive profit and loss (determined Actuarial gains and losses from benefit plans)	<u>(155,207)</u>		
terms other than the current after-tax net profit plus the current after-tax net profit are included in the current year's undistributed surplus		336,289,959	
Less: 10% legal reserve		<u>(33,628,996)</u>	
Distributable net profit		606,564,916	
Distributable items			
Dividend to shareholders-cash(NT\$ 1 per share)		<u>(165,310,397)</u>	
Ending retained earnings		<u>\$ 441,254,519</u>	

Chairman: Maoyuan Li

Manager: Maoyuan Li

Accounting Supervisor: Jianrong Chen

Resolution:

1. Voting Result: 98,379,312 shares were represented at the time of voting.

Voting Results	% of the total representation at the time of voting
Votes in favor: 93,171,889 votes (including 18,828,278 shares voted via electronic transmission)	94.70%
Votes against: 54,957 votes (including 54,957 shares voted via electronic transmission)	0.05%
Votes invalid: 0 votes (including 0 share voted via electronic transmission)	0.00%
Votes abstained: 5,152,466 votes (including 5,152,466 shares voted via electronic transmission)	5.23%

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

Questions and Motions: None

Adjournment

There were no questions from shareholders at the annual shareholders' meeting.

Attachment

(I) 、 2022 business reports

A 、 Sales

The company's consolidated operating income in 2022 was NT\$2,439,452 thousand, an increase of 24.24% from NT\$1,963,425 thousand in 2021, of which auto parts revenue accounted for 98.58% of the consolidated revenue, and processing revenue accounted for 1.42% of the consolidated revenue.

The consolidated auto parts sales revenue in 2022 was NT\$2,404,724 thousand, an increase of 25.45%, compared to NT\$1,916,875 thousand in 2021. The growth mainly reflects the growth in demand for automotive after-sales maintenance (AM) parts and container shipping after the unblocking of the global epidemic. The increase in momentum and the appreciation of the US dollar exchange rate have led to a substantial increase in revenue.

B 、 Production

(A) 、 Production volume

In 2022, the company's output was 1,888,694 pieces, with an output value of NT\$1,582,524 thousand, an increase of 8.23%, and 13.93% compared with the output of 1,745,109 pieces, with an output value of NT\$1,389,045 thousand in 2021. The growth mainly reflects the after-sales of automobiles after the unblocking of the global epidemic. Growth in demand for maintenance (AM) parts, increased momentum in container shipping and rising raw material prices.

(B) 、 Research and development

The company developed 20 sets of molds in 2022 and completed the initial mass production, which not only continued to meet the market's demand for one-time diversified purchases, but also continued to improve the bargaining power for the company's product portfolio.

C 、 Factors affecting the overall economic environment

The economic environment in 2022 was affected by the economic warming after the unblocking of the global epidemic, which presented favorable factors for the recovery and growth of the auto industry. However, the momentum of recovery was still affected by unfavorable factors such as interest rate hikes in major global economies and continued regional conflicts. 2023 is expected to be a more cautiously optimistic year than 2022, although the global economy will still face uncertain factors such as interest rate hikes in major economies, the new crown pneumonia epidemic, supply chain supply, and geopolitical conflicts, the cumulative terminal demand and economic recovery are expected to continue, and the number of cars in the past few years has remained stable. To maintain a high level, the average vehicle age in the automotive aftermarket maintenance market will further increase, which will drive the demand for automotive aftermarket maintenance (AM) parts, and the utilization rate of automotive aftermarket maintenance (AM) parts will increase in the future. Regardless of the degree of economic impact, Gordon will continue to uphold the consistent concept of "quality, technology, innovation and customer service" and continue to provide customers with the best services and products. We believe that under the wise leadership of the management team, we can continue the past Innovative performance drives new growth and expands market share in the after-sales maintenance service market.

Chairman: Maoyuan Lee

General Manager: Maoyuan Lee

Accounting Supervisor: Jianrong Chen

(II) 、 Audit committee’s review report on the 2022 financial statement

**Gordon Auto Body Parts Co., LTD.
Audit committee’s review report**

The board of directors submitted the company's 2022 annual individual financial statements and consolidated financial statements, which have been audited by Kuo-Fu, Tseng and Chia-Yu, Lai of Baker Tilly Clock & Co, and plan to issue an audit report, together with the business report and the profit distribution proposal, approved by the audit committee After the inspection is completed, it is considered that there is no discrepancy. In accordance with the provisions of Article 14-4 of the Securities and Exchange Act and Article 219 of the Company Act, a report is hereby made.

To

Gordon Auto Body Parts Co., LTD. 2023 Annual General Meeting of Shareholders

Gordon Auto Body Parts Co., LTD

Audit Committee

Convener: Independent Director DECAI ZHENG

March 10, 2023

Attachment I

INDEPENDENT AUDITORS' REPORT

NO.14681110EA

To GORDON AUTO BODY PARTS CO., LTD.

Opinion

We have audited the accompanying parent company only financial statements of Gordon Auto Body Parts Co., Ltd. (the "Company"), which comprise the parent company only balance sheets as of December 31, 2022 and 2021, and the parent company only statements of comprehensive income, changes in equity and cash flows for the years ended December 31, 2022 and 2021, and the notes to the parent company only financial statements, including a summary of significant accounting policies.

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

Basis for Opinion

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

Key Audit Matters

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

The descriptions of the key audit matters of the parent company only financial statements for the year ended December 31, 2022 are as follows:

1. Measurement of impairment losses on inventory

Refer to Note 4(5) to the alone financial statements for the accounting policies for inventories; refer to Note 5(1) to the alone financial statements for the accounting estimates and uncertainties in assumptions regarding the valuation of inventories; refer to Note 6(6) to the alone financial statements for a description of inventories.

Description of key audit matters

The Company's main business is manufacturing and selling auto parts, doors, fenders and molds for collision repair. The products are mainly sold to the repair market for vehicles in the existing market. In the collision repair market, product market life and sales cycle are based on the vehicle models sold. Therefore, the Company adjusts the production quantity of each product each year based on the market circulation status of each vehicle model.

The Company's production process involves cutting, pressing, sheet metal and baking paint (baking rust-proof paint). Under normal circumstances, such components are less susceptible to deterioration and damage. In the financial statements, inventories are measured at a lower cost or net realizable value. Although the sales prices are adjusted based on the cost of raw materials, the quoted price in U.S. dollars is susceptible to exchange rate fluctuations and competition, which may result in the risk that the carrying value of inventories may exceed the net realizable value, since the amount of inventories is significant and there are many items. Therefore, the Company's measurement of impairment losses on inventory is one of the most important matters to be audited.

Audit procedures in response

We perform the audit procedures regard to the above key audit matters included:

- Obtain an analysis of the year ending inventory's lost and the lower of net realizable value, and check the total number of each inventory item in the general ledger and the sub-ledger.
- Compare the policies on the allowance to reduce inventory to market value in the current financial reporting period with those in the, and assess whether the policies are reasonable.
- Sampling the estimated sale prices of finished goods and products are based on the last sale price before and after the reporting date of the financial statements, and evaluate the basis for calculating the selling expense ratio to confirm the reasonableness of the net realizable value.
- Evaluate whether the analysis of the year ending inventory and net realizable value provided by management has been compared on an item-by-item basis and calculated.

- Evaluate whether management has adequately disclosed the allowance to reduce inventory to market value.
2. The assessment of financial assets at fair value through other comprehensive income.

For the accounting policies of financial assets at fair value through other comprehensive income, refer to Note 4(9) of the parent company only financial statements; for a description of financial assets at fair value through other comprehensive income, refer to Note 6(3) of the parent company only financial statements.

Description of key audit matters

Financial assets at fair value through other comprehensive income are measured at fair value. The financial assets at fair value through other comprehensive income held by the Company are unlisted companies, whose fair value is not available in an active market, so they are valued with the market-based approach. The market-based approach requires a more subjective valuation technique, which significantly affects the fair value measurement results and affects the fair value recognition of financial assets at fair value through other comprehensive income. Therefore, the Company fair value assessment of financial assets at fair value through other comprehensive income is one of the most significant key audit matters.

Audit procedures in response

Our audit procedures regarding to the above key audit matters include:

- Obtain the opinion from external experts and inquire about their professional qualifications, experience and reputation to ensure the credibility of their skills and capabilities.
- Check the objectivity of the external experts to confirm whether their opinions can be reasonably adopted.
- Evaluate whether the values of the amount and ratio of the comparable subject matter used in the external expert opinion are unreasonable in relation to the information about the comparable company obtained from the Market Observation Post System.
- Check the parameters of the evaluation model and the settings of the calculation formula for inconsistencies or errors.

3. Measurement of impairment of property, plant and equipment

Refer to Note 4(8) of the parent company only financial statements for the accounting policy for impairment of tangible and intangible assets (exclude goodwill);

refer to Note 5(2) of the parent company only financial statements for the accounting estimates and uncertainties of the assumptions used in assessing the impairment of tangible assets; refer to Note 6(8) of the parent company only financial statements for the description of property, plant and equipment.

Description of the key audit matters

The Company needs to continuously develop tooling in order to produce products for various vehicles in the market. Depreciation has been provided over the useful life of tooling in line with the average age of vehicles. However, due to competition and market conditions, the Company conducts an annual assessment of property, plant and equipment for impairment. The Company is a single cash-generating unit. Therefore, the company discounts the estimated future cash flows using an appropriate discount rate to measure the cash-generating unit's recoverable amount as a basis for assessing whether the property, plant and equipment is impaired.

The Company uses estimated future cash flows as a measure of recoverable amounts of property, plant and equipment. The estimation relates to the Company's forecasts for the next five years, and the assumptions used in preparing the forecasts are prone to subjective judgments and are highly uncertain, resulting in a significant effect on the recoverable amount, which in turn affects whether the property, plant and equipment are impaired. Therefore, the measurement of the impairment of property, plant and equipment of the Company is one of the most significant audit matters.

Audit procedures in response

Our audit procedures regarding to the above key audit matters included:

- Obtain documents related to the Company's self-assessment of asset impairment and review whether there is any indication of impairment.
- Examine the expected future cash flows and estimate whether the average net cash inflows for the current year are materially different from the estimated annual net cash inflows adopted by the Company, based on its actual net earnings before interest, taxes, depreciation, and amortization (EBITDA) for the last five years.
- Review the projected growth rates to see if they are unreasonable compared to historical results, economic and industry forecasts.
- Review the discount rate used whether there is unreasonable when compared to the cash-generating unit's cost of capital assumptions.
- Check the parameters of the evaluation model and the settings of the calculation formula for inconsistencies or errors.

Responsibilities of Management and Those Charged with Governance for the

Parent Company Only Financial Statements

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

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

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

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

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

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

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

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

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

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

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

From the matters communicated with those charged with governance, we determine the most significant audit matters of the parent company only financial statements for the years ended December 31, 2022. We describe these matters in our auditors' report unless the law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would

reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partners on the audit resulting in this independent auditors' report are Kuo-Fu, Tseng and Chia-Yu, Lai.

Baker Tilly Clock & Co

March 10, 2023

Notice to Readers

The accompanying parent company only financial statements are intended only to present the parent company only financial position, financial performance and cash flow in accordance with accounting principles and practices generally accepted in the Republic of China and not those of any other jurisdictions. The standards, procedures and practices to audit (or review) such parent company only financial statements are those generally applied in the Republic of China. For the convenience of readers, the independent auditors' report and the accompanying financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. If there is any conflict between the English version and the original Chinese version or any difference in the interpretation of the two versions, the Chinese-language independent auditors' report and parent company only financial statements shall prevail.

GORDON AUTO BODY PARTS CO., LTD.
PARENT COMPANY ONLY BALANCE SHEETS
DECEMBER 31, 2022 AND 2021

(In Thousands of New Taiwan Dollars)

Code	Assets	Note	December 31, 2022		December 31, 2021	
			Amount	%	Amount	%
11xx	Current assets					
1100	Cash and cash equivalents	4.6(1)	\$ 699,595	13	\$ 600,028	11
1110	Financial assets at fair value through profit or loss - current	4.6(2)	4,871	—	4,396	—
1150	Notes receivables	4.6(5)	25,616	1	33,103	1
1170	Accounts receivables	4.6(5)	407,089	7	359,632	7
1200	Other receivables		10,856	—	11,806	—
130x	Inventories, net	4.5.6(6)	784,551	14	743,517	14
1410	Prepayments	6(10)	87,990	2	97,691	2
11xx	Total current assets		2,020,568	37	1,850,173	35
15xx	Non-current assets					
1517	Financial assets at fair value through other comprehensive income – non-current	4.6(3)	118,825	2	126,894	2
1535	Financial assets at amortized cost - non-current	4.6(4).8	2,300	—	2,300	—
1550	Investments accounted for using the equity method	4.6(7)	119	—	216	—
1600	Property, plant and equipment	4.5.6(8).8	3,149,208	58	3,280,430	61
1755	Right-of-use assets	4.5.6(9)	5,083	—	7,854	—
1840	Deferred tax assets	4.5.6.(24)	7,396	—	13,177	—
1915	Prepayment for equipment	4.6(10)	127,828	3	121,627	2
1920	Guarantee deposits paid		526	—	526	—
15xx	Total non-current assets		3,411,285	63	3,553,024	65
	Total assets		\$ 5,431,853	100	\$ 5,403,197	100

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

(Continued)

GORDON AUTO BODY PARTS CO., LTD.
PARENT COMPANY ONLY BALANCE SHEETS
DECEMBER 31, 2022 AND 2021

(In Thousands of New Taiwan Dollars)

Code	LIABILITIES AND EQUITY	Note	December 31, 2022		December 31, 2021	
			Amount	%	Amount	%
21xx	Current Liabilities					
2102	Short-term borrowings	6(11)	\$ 497,000	9	\$ 362,108	7
2110	Short-term notes and bills payables	6(12)	39,982	1	169,917	3
2150	Notes payables	6(13)	1,578	—	6,231	—
2170	Accounts payables	6(13)	263,995	5	281,935	5
2200	Other payables		79,951	1	52,514	1
2213	Payables on equipment		79,655	1	53,336	1
2230	Current tax liabilities	4.6(24)	75,782	1	19,013	—
2280	Lease liabilities - current	4.6(9)	3,318	—	3,809	—
2300	Other current liabilities		26,232	1	9,562	—
2322	Current portion of long-term borrowings	6(14)	145,857	3	186,197	4
21xx	Total current liabilities		1,213,350	22	1,144,622	21
25xx	Non-Current liabilities					
2540	Long-term borrowings	6(14)	1,594,956	29	1,907,865	35
2560	Current tax liabilities - non-current	4.6(24)	—	—	3,804	—
2571	Deferred tax liabilities — land value increment tax	4	74,336	1	74,336	1
2572	Deferred tax liabilities — income tax	4.6(24)	3,786	—	1,139	—
2580	Lease liabilities - non-current	4.6(9)	1,845	—	4,155	—
2640	Net defined benefit liabilities - non current	4.6(15)	17,539	1	19,862	1
25xx	Total non-current liabilities		1,692,462	31	2,011,161	37
2xxx	Total liabilities		2,905,812	53	3,155,783	58
31xx	Equity attributable to owners of the parent	6(16)				
3100	Capital					
3110	Common stock		1,653,104	31	1,653,104	31
3200	Capital surplus		850	—	850	—
3300	Retained earnings					
3310	Legal reserve		80,137	1	73,760	1
3320	Special reserve		98,923	2	98,923	2
3350	Unappropriated earnings		640,194	12	359,875	7
3400	Other equity	6(16)	52,833	1	60,902	1
3xxx	Total equity		2,526,041	47	2,247,414	42
	Total liabilities and equity		\$ 5,431,853	100	\$ 5,403,197	100

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

GORDON AUTO BODY PARTS CO., LTD.
PARENT COMPANY ONLY STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021

(In Thousands of New Taiwan Dollars, except for earnings per share)

Code	Item	Note	2022		2021	
			Amount	%	Amount	%
4000	Operating revenues	4.6(18)	\$ 2,439,452	100	\$ 1,963,425	100
5000	Operating costs		(1,883,014)	(77)	(1,641,907)	(84)
5900	Gross profit		556,438	23	321,518	16
6000	Operating expenses					
6100	Selling and marketing expenses		(174,262)	(7)	(162,242)	(8)
6200	General and administrative expenses		(93,844)	(4)	(72,382)	(4)
6300	Research and development expenses		(4,539)	—	(4,159)	—
6450	Expected credit(losses)profits	6(5).6(23)	(621)	—	1,108	—
6000	Total operating expenses		(273,266)	(11)	(237,675)	(12)
6900	Net operating income		283,172	12	83,843	4
7000	Non-operating income and expenses					
7100	Interest income	6(19)	12,810	—	1,101	—
7010	Other income	4.6(20)	14,672	1	12,886	1
7020	Other gains and losses	6(21)	138,624	6	1,824	—
7050	Finance costs	6(22)	(31,254)	(2)	(22,949)	(1)
7070	Share of loss of subsidiaries	6(7)	(97)	—	(106)	—
7000	Total non-operating income and expenses		134,755	5	(7,244)	—
7900	Profit from continuing operations before income tax		417,927	17	76,599	4
7950	Income tax expenses	4.6(24)	(81,482)	(3)	(14,516)	(1)
8200	Net income		336,445	14	62,083	3
8300	Other comprehensive income (loss)					
8310	Items that will not be reclassified subsequently to profit or loss					
8311	Remeasurements of defined benefit plans	6(15)	(194)	—	2,111	—
8316	Unrealized gain(loss) on investments in equity instruments at fair value through other comprehensive income	6(16)	(8,069)	—	13,580	1
8349	Income tax relating to items that will not be reclassified subsequently to profit or (loss)	6(24)	39	—	(422)	—
8300	Other comprehensive income		(8,224)	—	15,269	1
8500	Total comprehensive income		\$ 328,221	14	\$ 77,352	4
	Earnings per share	6(17)				
9750	Basic		\$	2.04	\$	0.38
9850	Diluted		\$	2.03	\$	0.38

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

GORDON AUTO BODY PARTS CO., LTD.
PARENT COMPANY ONLY STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021

(In Thousands of New Taiwan Dollars)

		Share capital		Retained earnings			Other equity	Total equity
		Common shares	Capital surplus	Legal reserve	Special reserve	Unappropriated earnings	Unrealized gain/(loss) on investments in equity instruments at fair value through other comprehensive income	
A1	Balance at January 1, 2021	\$ 1,653,104	\$ —	\$ 70,355	\$ 98,923	\$ 334,223	\$ 47,322	\$ 2,203,927
B1	Legal reserve	—	—	3,405	—	(3,405)	—	—
B5	Cash dividends distributed by the Company	—	—	—	—	(34,715)	—	(34,715)
C17	Other changes in capital surplus	—	850	—	—	—	—	850
D1	Net income in 2021	—	—	—	—	62,083	—	62,083
D3	Other comprehensive income in 2021	—	—	—	—	1,689	13,580	15,269
D5	Comprehensive income in 2021	—	—	—	—	63,772	13,580	77,352
Z1	Balance at December 31, 2021	1,653,104	850	73,760	98,923	359,875	60,902	2,247,414
B1	Legal reserve	—	—	6,377	—	(6,377)	—	—
B5	Cash dividends distributed by the Company	—	—	—	—	(49,594)	—	(49,594)
D1	Net income in 2022	—	—	—	—	336,445	—	336,445
D3	Other comprehensive income in 2022	—	—	—	—	(155)	(8,069)	(8,224)
D5	Comprehensive income in 2022	—	—	—	—	336,290	(8,069)	328,221
Z1	Balance at December 31, 2022	\$ 1,653,104	\$ 850	\$ 80,137	\$ 98,923	\$ 640,194	\$ 52,833	\$ 2,526,041

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

GORDON AUTO BODY PARTS CO., LTD.
PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021

(In Thousands of New Taiwan Dollars)

Code	Description	2022	2021
AAAA	Cash flows from (used in) operating activities		
A10000	Profit from continuing operations before income tax	\$ 417,927	\$ 76,599
A20010	Adjustments:		
A20100	Depreciation expense	362,562	357,194
A20300	Expected credit loss(gain)	621	(1,108)
A20400	Net loss(profit) on financial assets at fair value through profit or loss	511	(268)
A20900	Interest expense	31,254	22,949
A21200	Interest income	(12,810)	(1,101)
A21300	Dividend income	(9,311)	(7,914)
A22400	Share of loss of subsidiaries, associates, and joint ventures	97	106
A22500	Gain on disposal of property, plant and equipment	(17,303)	(23,852)
A23100	Loss on disposal of investment	1	5
A30000	Changes in operating assets and liabilities		
A31115	Increase in financial assets mandatorily classified as at fair value through profit or loss	(987)	(5)
A31130	Notes receivables	7,487	(15,277)
A31150	Accounts receivables	(48,078)	(66,485)
A31180	Other receivables	3,220	(3,026)
A31200	Inventories	(41,034)	(187,238)
A31230	Prepayments	9,701	(6,029)
A31240	Other current assets	—	2
A32130	Notes payables	(4,653)	(18,581)
A32150	Accounts payables	(17,940)	24,632
A32180	Other payables	27,001	2,689
A32230	Other current liabilities	16,670	(1,485)
A32240	Net defined benefit liabilities	(2,517)	(3,701)
A33000	Cash inflow generated from operations	722,419	148,106
A33100	Interest received	10,540	1,175
A33300	Interest paid	(30,740)	(22,369)
A33500	Income taxes paid	(20,050)	(10,887)
AAAA	Net cash flows from operating activities	682,169	116,025
BBBB	Cash flows from (used in) investing activities:		
B02700	Acquisition of property, plant and equipment	(233,987)	(318,145)
B02800	Proceeds from disposal of property, plant and equipment	24,001	27,197
B03700	Guarantee deposits received	—	428
B07200	Decrease in prepayment of equipments	20,118	28,763
B07600	Dividends received	9,311	7,914
BBBB	Net cash flows used in investing activities	(180,557)	(253,843)
CCCC	Cash flows from (used in) financing activities:		
C00200	Increase(decrease) in short-term borrowings	134,892	(287,948)
C00500	Increase in short-term bills payables	—	29,957
C00600	Decrease in short-term bills payables	(129,935)	—
C01600	Increase in long-term borrowings	—	588,583
C01700	Decrease in long-term borrowings	(353,249)	—
C04020	Payment of lease liabilities	(4,159)	(4,082)
C04500	Cash dividends	(49,594)	(34,715)
C09900	The statute barred dividends for the shareholders	—	850
CCCC	Net cash flows from (used in) financing activities	(402,045)	292,645
EEEE	Net increase in cash and cash equivalents	99,567	154,827
E00100	Cash and cash equivalents at beginning of year	600,028	445,201
E00200	Cash and cash equivalents at end of year	\$ 699,595	\$ 600,028

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

INDEPENDENT AUDITORS' REPORT

NO.14681110ECA

To GORDON AUTO BODY PARTS CO., LTD.

Opinion

We have audited the accompanying consolidated financial statements of Gordon Auto Body Parts Co., Ltd. (the "Company") and subsidiaries (the "Group"), which comprise the consolidated balance sheets as of December 31, 2022 and 2021, and the consolidated statements of comprehensive income, changes in equity and cash flows for the years ended December 31, 2022 and 2021, and the notes to the consolidated financial statements, including a summary of significant accounting policies.

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

Basis for Opinion

We conducted our audits in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and auditing standards generally accepted in the Republic of China. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Certified Public Accountant code of Professional Ethics in Republic of China ("the Code"), and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

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

The descriptions of the key audit matters of the Group consolidated financial statements for the year ended December 31, 2022 are stated as follows:

1. Measurement of impairment losses on inventory

Refer to Note 4(6) to the consolidated financial statements for the accounting policies for inventories; refer to Note 5(1) to the consolidated financial statements for the accounting estimates and uncertainties in assumptions regarding the valuation of inventories; refer to Note 6(6) to the consolidated financial statements for a description of inventories.

Description of key audit matters

The Group's main business is manufacturing and selling auto parts, doors, fenders and molds for collision repair. The products are mainly sold to the repair market for vehicles in the existing market. In the collision repair market, product market life and sales cycle are based on the vehicle models sold. Therefore, the Group adjusts the production quantity of each product in each year based on the market circulation status of each vehicle model

The Group's production process involves cutting, pressing, sheet metal and baking paint (baking rust-proof paint). Under normal circumstances, such components are less susceptible to deterioration and damage. In the financial statements, inventories are measured at a lower cost or net realizable value. Although the sales prices are adjusted based on the cost of raw materials, the quoted price in U.S. dollars is susceptible to exchange rate fluctuations and competition, which may result in the risk that the carrying value of inventories may exceed the net realizable value, since the amount of inventories is significant and there are many items. Therefore, the Group's measurement of impairment losses on inventory is one of the most significant matters to be audited.

Audit procedures in response

We perform the audit procedures regard to the above key audit matters included:

- Obtain an analysis of the year ending inventory's lost and the lower of net realizable value, and check the total number of each inventory item in the general ledger and the sub-ledger.
- Compare the policies on the allowance to reduce inventory to market value in the current financial reporting period with those in the previous, and assess whether the policies are reasonable.
- Sampling the estimated sale prices of finished goods and products are based on the last sale price before and after the reporting date of the financial statements, and

evaluate the basis for calculating the selling expense ratio to confirm the reasonableness of the net realizable value.

- Evaluate whether the analysis of the year ending inventory and net realizable value provided by management has been compared on an item-by-item basis and calculated.
 - Evaluate whether management has adequately disclosed the allowance to reduce inventory to market value.
2. The assessment of financial assets at fair value through other comprehensive income.

For the accounting policies of financial assets at fair value through other comprehensive income, refer to Note 4(9) of the consolidated financial statements; for a description of financial assets at fair value through other comprehensive income, refer to Note 6(3) of the consolidated financial statements.

Description of key audit matters

Financial assets at fair value through other comprehensive income are measured at fair value. The financial assets at fair value through other comprehensive income held by the Group are unlisted companies, whose fair value is not available in an active market, therefore, are valued with the market-based approach. The market-based approach requires a more subjective valuation technique, which significantly affects the fair value measurement results and affects the fair value recognition of financial assets at fair value through other comprehensive income. Therefore, the Group's fair value assessment of financial assets at fair value through other comprehensive income is one of the most significant key audit matters.

Audit procedures in response

Our audit procedures regarding to the above key audit matters included:

- Obtain the opinion from external experts and inquire about their professional qualifications, experience and reputation to ensure the credibility of their skills and capabilities.
- Check the objectivity of the external experts to confirm whether their opinions can be reasonably adopted.
- Evaluate whether the values of the amount and ratio of the comparable subject matter used in the external expert opinion are unreasonable in relation to the information about the comparable company obtained from the Market Observation Post System.

- Check the parameters of the evaluation model and the settings of the calculation formula for inconsistencies or errors.

3. Measurement of impairment of property, plant and equipment

Refer to Note 4(7) of the consolidated financial statements for the accounting policy for impairment of tangible and intangible assets (exclude goodwill); refer to Note 5(2) of the consolidated financial statements for the accounting estimates and uncertainties of the assumptions used in assessing the impairment of tangible assets; refer to Note 6(7) of the consolidated financial statements for the description of property, plant and equipment.

Description of key audit matters

The Group needs to continuously develop tooling in order to produce products for various vehicles in the market. Depreciation has been provided over the useful life of tooling in line with the average age of vehicles. However, due to competition and market conditions, the Group conducts an annual assessment of property, plant and equipment for impairment. The Company is a single cash-generating unit. Therefore, the Company discounts the estimated future cash flows using an appropriate discount rate to measure the cash-generating unit's recoverable amount as a basis for assessing whether the property, plant and equipment is impaired.

The Group uses estimated future cash flows as a measure of recoverable amounts of property, plant and equipment. The estimation relates to the Group forecasts for the next five years, and the assumptions used in preparing the forecasts are prone to subjective judgments and are highly uncertain, resulting in a significant effect on the recoverable amount, which in turn affects whether the property, plant and equipment are impaired. Therefore, the measurement of the impairment of property, plant and equipment of the Group is one of the most significant audit matters.

Audit procedures in response

Our audit procedures regarding to the above key audit matters included:

- Obtain documents related to the Group's self-assessment of asset impairment and review whether there is any indication of impairment.
- Examine the expected future cash flows and estimate whether the average net cash inflows for the current year are materially different from the estimated annual net cash inflows adopted by the Group based on its actual net earnings before interest, taxes, depreciation, and amortization (EBITDA) for the last five years.

- Review the projected growth rates whether there are unreasonable when compared to historical results, economic and industry forecasts.
- Review the discount rate used whether there is unreasonable when compared to the cash-generating unit's cost of capital assumptions.
- Check the parameters of the evaluation model and the settings of the calculation formula whether there are existing inconsistencies or errors.

Other Matters

The Company has additionally prepared its parent-company financial statements as of and for the years ended December 31, 2022 and 2021, on which we have audited and issued an unmodified opinion, respectively.

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

Management has the responsibility for the preparation and represents fairly of the consolidated financial statements in accordance with the International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China, and for such internal control as management determines necessary to enable the preparation of the consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

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

could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

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

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

We communicate with those charged with governance regarding, among other

matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards. From the matters communicated with those charged with governance, we determine the most significant audit matters of the consolidated financial statements for the year ended December 31, 2022 and are therefore the key audit matters. We describe these matters in our auditors' report unless the law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partners on the audit resulting in this independent auditors' report are Kuo-Fu, Tseng and Chia-Yu, Lai.

Baker Tilly Clock & Co

March 10, 2023

Notice to Readers

The accompanying consolidated financial statements are intended only to present the consolidated financial position, financial performance and cash flow in accordance with accounting principles and practices generally accepted in the Republic of China and not those of any other jurisdictions. The standards, procedures and practices to audit (or review) such consolidated financial statements are those generally applied in the Republic of China. For the convenience of readers, the independent auditors' report and the accompanying consolidated financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. If there is any conflict between the English version and the original Chinese version or any difference in the interpretation of the two versions, the Chinese-language independent auditors' report and consolidated financial statements shall prevail.

GORDON AUTO BODY PARTS CO., LTD. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 2022 AND 2021

(In Thousands of New Taiwan Dollars)

Code	Assets	Note	December 31, 2022		December 31, 2021	
			Amount	%	Amount	%
11xx	Current assets					
1100	Cash and cash equivalents	4.6(1)	\$ 699,763	13	\$ 600,303	11
1110	Financial assets at fair value through profit or loss	4.6(2)	4,871	—	4,396	—
1150	Notes receivables	4.6(5)	25,616	1	33,103	1
1170	Accounts receivables	4.6(5)	407,089	7	359,632	7
1200	Other receivables		10,856	—	11,806	—
130x	Inventories, net	4.5.6(6)	784,551	14	743,517	14
1410	Prepayments	6(9)	87,991	2	97,692	2
11xx	Total current assets		2,020,737	37	1,850,449	35
15xx	Non-current assets					
1517	Financial assets at fair value through other comprehensive income	4.6(3)	118,825	2	126,894	2
1535	Financial assets at amortized cost	4.6(4) 、 8	2,300	—	2,300	—
1600	Property, plant and equipment	4.5.6 (7) 、 8	3,149,208	58	3,280,430	61
1755	Right-of-use assets	4.5.6(8)	5,083	—	7,854	—
1840	Deferred tax assets	4.6(23)	7,396	—	13,177	—
1915	Prepayment for equipment	4.6(9)	127,828	3	121,627	2
1920	Guarantee deposits paid		526	—	526	—
15xx	Total non-current assets		3,411,166	63	3,552,808	65
	Total assets		\$ 5,431,903	100	\$ 5,403,257	100

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

(Continued)

GORDON AUTO BODY PARTS CO., LTD. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 2022 AND 2021

(In Thousands of New Taiwan Dollars)

Code	LIABILITIES AND EQUITY	Note	December 31, 2022		December 31, 2021	
			Amount	%	Amount	%
21xx	Current Liabilities					
2102	Short-term borrowings	12	\$ 497,000	9	\$ 362,108	7
2110	Short-term notes and bills payables	6(11)	39,982	1	169,917	3
2150	Notes payables	6(12)	1,578	—	6,231	—
2170	Accounts payables	6(12)	263,995	5	281,935	5
2200	Other payables		80,001	1	52,574	1
2213	Payables on equipment		79,655	1	53,336	1
2230	Current tax liabilities	4.6(23)	75,782	1	19,013	—
2280	Lease liabilities - current	4.6(8)	3,318	—	3,809	—
2300	Other current liabilities		26,232	1	9,562	—
2322	Current portion of long-term borrowings	6(13)	145,857	3	186,197	4
21xx	Total current liabilities		1,213,400	22	1,144,682	21
25xx	Non-Current liabilities					
2540	Long-term borrowings	6(13)	1,594,956	29	1,907,865	35
2560	Current tax liabilities-non- current	4.6(23)	—	—	3,804	—
2571	Deferred tax liabilities — land value increment tax	4	74,336	1	74,336	1
2572	Deferred tax liabilities — income tax	4.6(23)	3,786	—	1,139	—
2572	Lease liabilities - non-current	4.6(8)	1,845	—	4,155	—
2640	Net defined benefit liabilities-on current	4.6 (14)	17,539	1	19,862	1
25xx	Total non-current liabilities		1,692,462	31	2,011,161	37
2xxx	Total liabilities		2,905,862	53	3,155,843	58
31xx	Equity attributable to shareholders of the parent	6(15)				
3100	Capital					
3110	Common stock		1,653,104	31	1,653,104	31
3200	Capital surplus		850	—	850	—
3300	Retained earnings					
3310	Legal reserve		80,137	1	73,760	1
3320	Special reserve		98,923	2	98,923	2
3350	Unappropriated earnings		640,194	12	359,875	7
3400	Other equity	6(15)	52,833	1	60,902	1
31xx	Total equity attributable to shareholders of the parent		2,526,041	47	2,247,414	42
36xx	Non-controlling interests		—	—	—	—
3xxx	Total equity		2,526,041	47	2,247,414	42
	Total liabilities and equity		\$ 5,431,903	100	\$ 5,403,257	100

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

GORDON AUTO BODY PARTS CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021

(In Thousands of New Taiwan Dollars, except for earnings per share)

Code	Item	Note	2022		2021	
			Amount	%	Amount	%
4000	Operating revenues	4.6(17)	\$ 2,439,452	100	\$ 1,963,425	100
5000	Operating costs		(1,883,014)	(77)	(1,641,907)	(84)
5900	Gross profit		556,438	23	321,518	16
6000	Operating expenses					
6100	Selling and marketing expenses		(174,262)	(7)	(162,242)	(8)
6200	General and administrative expenses		(93,941)	(4)	(72,488)	(4)
6300	Research and development expenses		(4,539)	—	(4,159)	—
6450	Expected credit (losses)profits	6(5) 、 6(22)	(621)	—	1,108	—
6000	Total operating expenses		(273,363)	(11)	(237,781)	(12)
6900	Net operating income		283,075	12	83,737	4
7000	Non-operating income and expenses					
7100	Interest income	6(18)	12,810	—	1,101	—
7010	Other income	4.6 (19)	14,672	1	12,886	1
7020	Other gains and losses	6(20)	138,624	6	1,824	—
7050	Finance costs	6(21)	(31,254)	(2)	(22,949)	(1)
7000	Total non-operating income and expenses		134,852	5	(7,138)	—
7900	Profit from continuing operations before income tax		417,927	17	76,599	4
7950	Income tax expenses	4.6(23)	(81,482)	(3)	(14,516)	(1)
8200	Net income		336,445	14	62,083	3
8300	Other comprehensive (loss) income					
8310	Items that will not be reclassified subsequently to profit or loss					
8311	Remeasurement of defined benefit plans	6(14)	(194)	—	2,111	—
8316	Unrealized (loss)gain on investments in equity instruments at fair value through other comprehensive income	6(15)	(8,069)	—	13,580	1
8349	Income tax relating to items that will not be reclassified subsequently	6(23)	39	—	(422)	—
8300	Other comprehensive (loss) income		(8,224)	—	15,269	1
8500	Total comprehensive income		\$ 328,221	14	\$ 77,352	4
8600	Net profit attributable to:					
8610	Shareholders of the parent		\$ 336,445		\$ 62,083	
8620	Non-controlling interests		—		—	
			\$ 336,445		\$ 62,083	
8700	Total comprehensive income attributable to:					
8710	Shareholders of the parent		\$ 328,221		\$ 77,352	
8720	Non-controlling interests		—		—	
			\$ 328,221		\$ 77,352	
	Earnings per share	6(16)				
9750	Basic		\$ 2.04		\$ 0.38	
9850	Diluted		\$ 2.03		\$ 0.38	

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

GORDON AUTO BODY PARTS CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021

(In Thousands of New Taiwan Dollars)

Item	Equity attributable to shareholders of the parent company							Total	Total equity
	Share capital		Retained earnings			Other equity			
	Common shares	Capital surplus	Legal reserve	Special reserve	Unappropriated earnings	Unrealized gain/(loss) on investments in equity instruments at fair value through other comprehensive income			
A1	Balance at January 1, 2021	\$ 1,653,104	\$ —	\$ 70,355	\$ 98,923	\$ 334,223	\$ 47,322	\$ 2,203,927	\$ 2,203,927
B1	Legal reserve	—	—	3,405	—	(3,405)	—	—	—
B5	Cash dividends distributed by the Company	—	—	—	—	(34,715)	—	(34,715)	(34,715)
C17	Other changes in capital surplus	—	850	—	—	—	—	850	850
D1	Net income in 2021	—	—	—	—	62,083	—	62,083	62,083
D3	Other comprehensive income in 2021	—	—	—	—	1,689	13,580	15,269	15,269
D5	Comprehensive income in 2021	—	—	—	—	63,772	13,580	77,352	77,352
Z1	Balance at December 31, 2021	1,653,104	850	73,760	98,923	359,875	60,902	2,247,414	2,247,414
B1	Legal reserve	—	—	6,377	—	(6,377)	—	—	—
B5	Cash dividends distributed by the Company	—	—	—	—	(49,594)	—	(49,594)	(49,594)
D1	Net income in 2022	—	—	—	—	336,445	—	336,445	336,445
D3	Other comprehensive income in 2022	—	—	—	—	(155)	(8,069)	(8,224)	(8,224)
D5	Comprehensive income in 2022	—	—	—	—	336,290	(8,069)	328,221	328,221
Z1	Balance at December 31, 2022	\$ 1,653,104	\$ 850	\$ 80,137	\$ 98,923	\$ 640,194	\$ 52,833	\$ 2,526,041	\$ 2,526,041

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

GORDON AUTO BODY PARTS CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021

(In Thousands of New Taiwan Dollars)

Code	Description	2022	2021
AAAA	Cash flows from (used in) operating activities		
A10000	Profit from continuing operations before income tax	\$ 417,927	\$ 76,599
A20010	Adjustments:		
A20100	Depreciation expense	362,562	357,194
A20300	Expected credit losses(gains)	621	(1,108)
A20400	Net loss(profit) on financial assets at fair value through profit or loss	511	(268)
A20900	Interest expense	31,254	22,949
A21200	Interest income	(12,810)	(1,101)
A21300	Dividend income	(9,311)	(7,914)
A22500	Gain on disposal of property, plant and equipment	(17,303)	(23,852)
A23100	Loss on disposal of investment	1	5
A30000	Changes in operating assets and liabilities		
A31110	(Increase) in financial assets mandatorily classified as at fair value through profit or loss	(987)	(5)
A31130	Notes receivables	7,487	(15,277)
A31150	Accounts receivables	(48,078)	(66,485)
A31180	Other receivables	3,220	(3,026)
A31200	Inventories	(41,034)	(187,238)
A31230	Prepayments	9,701	(6,029)
A31240	Other current assets	—	2
A32130	Notes payables	(4,653)	(18,581)
A32150	Accounts payables	(17,940)	24,632
A32180	Other payables	26,991	2,689
A32230	Other current liabilities	16,670	(1,485)
A32240	Net defined benefit liabilities	(2,517)	(3,701)
A33000	Cash inflow generated from operations	722,312	148,000
A33100	Interest received	10,540	1,175
A33300	Interest paid	(30,740)	(22,369)
A33500	Income taxes paid	(20,050)	(10,887)
AAAA	Net cash flows from operating activities	682,062	115,919
BBBB	Cash flows from (used in) investing activities:		
B02700	Acquisition of property, plant and equipment	(233,987)	(318,145)
B02800	Proceeds from disposal of property, plant and equipment	24,001	27,197
B03700	Guarantee deposits received	—	428
B07200	Decrease in prepayment of equipments	20,118	28,763
B07600	Dividends received	9,311	7,914
BBBB	Net cash flows used in investing activities	(180,557)	(253,843)
CCCC	Cash flows from (used in) financing activities:		
C00200	Increase(decrease) in short-term borrowings	134,892	(287,948)
C00500	Increase in short-term bills payables	—	29,957
C00600	Decrease in short-term bills payables	(129,935)	—
C01600	Increase in long-term borrowings	—	588,583
C01700	Decrease in long-term borrowings	(353,249)	—
C04020	Payment of lease liabilities	(4,159)	(4,082)
C04500	Cash dividends	(49,594)	(34,715)
C09900	The statute barred dividends for the shareholders	—	850
CCCC	Net cash flows from (used in) financing activities	(402,045)	292,645
EEEE	Net increase in cash and cash equivalents	99,460	154,721
E00100	Cash and cash equivalents at beginning of year	600,303	445,582
E00200	Cash and cash equivalents at end of year	\$ 699,763	\$ 600,303

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