SUNREX TECHNOLOGY CORP.

PARENT COMPANY ONLY FINANCIAL

STATEMENTS AND INDEPENDENT AUDITORS'

REPORT

DECEMBER 31, 2023 AND 2022

For the convenience of readers and for information purpose only, the 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. In the event of any discrepancy between the English version and the original Chinese version or any differences in the interpretation of the two versions, the Chinese-language auditors' report and financial statements shall prevail.

SUNREX TECHNOLOGY CORP.

DECEMBER 31, 2023 AND 2022 PARENT COMPANY ONLY FINANCIAL STATEMENTS AND INDEPENDENT AUDITORS' REPORT

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INDEPENDENT AUDITORS' REPORT

PWCR23005011

To the Board of Directors and Shareholders of Sunrex Technology Corp.

Opinion

We have audited the accompanying parent company only balance sheets of Sunrex Technology Corp. (the "Company") as at December 31, 2023 and 2022, and the related parent company only statements of comprehensive income, of changes in equity and of cash flows for the years then ended, and notes to the parent company only financial statements, including a summary of material accounting policies.

In our opinion, the accompanying parent company only financial statements present fairly, in all material respects, the parent company only financial position of the Company as at December 31, 2023 and 2022, and its parent company only financial performance and its parent company only 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 Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the *Auditors' responsibilities for the audit of the parent company only financial statements* section of our report. We are independent of the Company in accordance with the Norm of Professional Ethics for Certified Public Accountant of the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. 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 Company's 2023 parent company only financial statements. 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, we do not provide a separate opinion on these matters.

Key audit matters for the Company's 2023 parent company only financial statements are stated as follows:

Appropriateness of the timing of revenue recognition from distribution warehouse sales

Description

Refer to Note 4(24) for accounting policies on revenue recognition.

The Company mainly manufactures and sells laptop computer keyboards and related products, has marketing channels all over the world and has two primary types of sales, specifically, sales of goods directly shipped from factories and sales of goods from distribution warehouses. For sales of goods directly shipped from factories, sales to customers involve different types of transaction terms and revenue is recognised after confirming the control of the goods is transferred based on terms of each customer contract and performance obligations. Especially, whether the control of the sales revenue of goods shipped before the balance sheet date is transferred to the buyer in accordance with the terms stipulated in the contract will affect to which financial reporting period sales revenue is attributed.

For sales of goods from distribution warehouses, revenue is recognised when goods are picked up at the distribution warehouses by customers (the transfer of controls) based on movements of inventories in the distribution warehouses shown in the statements or other information provided by the warehouse custodians. The distribution warehouses are located in many areas with numerous warehouse custodians, and the frequency of information and contents of statements provided by each custodian are different. Consequently, the process of revenue recognition usually contains many manual procedures, which would potentially result in improper timing of revenue recognition or discrepancies between the physical inventory quantities in the distribution warehouses and inventory quantities recorded in the accounting records. Given that the Company has a large number of daily sales transactions from the distribution warehouses, the transaction amounts before and after the balance sheet date are significant to the financial statements and this transaction modes also exist in the subsidiaries held by the Company and recorded as investments accounted for using the equity method, we consider the appropriateness of the timing of revenue recognition from distribution warehouse sales of the Company and its subsidiaries a key audit matter.

How our audit addressed the matter

We performed the following audit procedures on the above key audit matter:

1. Obtained an understanding on the Company's sales transaction methods and the control procedures over the timing of revenue recognition for performance obligations as well as assessed and tested the effectiveness of the controls.
2. Performed cut-off tests for transactions from distribution warehouse sales during a certain period before and after balance sheet date, including checking supporting documents signed by the warehouse custodians and customers to assess the appropriateness of revenue cut-off and whether the records of movements in inventory and cost of goods sold have been accounted for in the appropriate period.
3. Sent confirmation letters or observed physical inventory count for the inventories of the distribution warehouses and checked the records of inventories. In addition, inspected the reason for the difference between the confirmation replies and accounting records and tested the reconciling items made by the Company.

Assessment of allowance for inventory valuation losses

Description

Refer to Notes 4(11), 5(2) and 6(3) for accounting policies on inventory, critical accounting estimates and assumptions of inventory evaluation and details of allowance for inventory valuation losses, respectively. The Company's inventories and allowance for inventory valuation losses amounted to NT$762,473 thousand and NT$26,320 thousand as at December 31, 2023, respectively.

The Company mainly manufactures and sells laptop computer keyboards and related products. Due to the rapid technology innovation and the short life cycle, there is a higher risk of incurring inventory valuation losses or obsolescence. The assessment of net realisable value for inventories without market selling value on balance sheet date and the adjustment of obsolete inventories aged over a certain period of time involve management's subjective judgment and contain estimation uncertainty. Given that the aforementioned circumstances also exist in the subsidiaries held by the Company and recorded as investments accounted for using the equity method, we consider the assessment of allowance for inventory valuation losses of the Company and its subsidiaries a key audit matter.

How our audit addressed the matter

We performed the following audit procedures on the above key audit matter:

1. Obtained an understanding on the operation of the Company and the consistency of related accounting policies, obtained an understanding on and assessed the internal control procedures of allowance for inventory valuation losses and tested the effectiveness of the controls.
2. Obtained an understanding on the Company's warehousing control procedures, reviewed the annual physical inventory count plan as well as participated and observed the annual physical inventory count to assess obsolete and damaged inventories.
3. Verified the appropriateness of the inventory aging reports that the Company used in valuation to ascertain the information on the reports is consistent with its policies.
4. Tested the carrying amount of the inventories at the end of the year, sampled and obtained the latest purchases and sales invoices to verify its inventories are stated at the lower of cost and net realisable value as well as recalculated and assessed the reasonableness of changes in allowance for inventory valuation losses.

Responsibilities of management and those charged with governance for the parent company only financial statements

Management is responsible for the preparation and fair presentation 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 is necessary to enable the preparation of 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 responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance, including the audit committee, are responsible for overseeing the Company's financial reporting process.

Auditors' responsibilities for the audit of the 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 Standards on Auditing of the Republic of China will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these parent company only financial statements.

As part of an audit in accordance with the Standards on Auditing of the Republic of China, we exercise professional judgment and 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 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 presentation, 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 presentation.
6. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the parent company only financial statements. We are responsible for the direction, supervision and performance of the company audit. We remain solely responsible for our audit opinion.

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

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

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

Wu, Sung-Yuan | Hsu, Chien-Yeh

For and on behalf of PricewaterhouseCoopers, Taiwan

March 12, 2024

The accompanying parent company only financial statements are not intended to present the financial position and results of operations and cash flows in accordance with accounting principles generally accepted in countries and jurisdictions other than the Republic of China. The standards, procedures and practices in the Republic of China governing the audit of such financial statements may differ from those generally accepted in countries and jurisdictions other than the Republic of China. Accordingly, the accompanying parent company only financial statements and independent auditors' report are not intended for use by those who are not informed about the accounting principles or auditing standards generally accepted in the Republic of China, and their applications in practice.

SUNREX TECHNOLOGY CORP.
PARENT COMPANY ONLY BALANCE SHEETS
DECEMBER 31, 2023 AND 2022
(Expressed in thousands of New Taiwan dollars)

	Assets	Notes	December 31, 2023 AMOUNT	%	December 31, 2022 AMOUNT	%
	Current assets					
1100	Cash and cash equivalents	6(1)	$ 1,008,130	7	$ 1,056,980	7
1170	Accounts receivable, net	6(2)	3,793,360	24	4,298,002	27
1180	Accounts receivable - related parties	7(2)	109,359	1	97,958	1
1200	Other receivables		1,237	-	1,334	-
1210	Other receivables - related parties	7(2)	997,975	6	1,666,475	10
130X	Inventories	5(2) and 6(3)	736,153	5	564,022	3
1410	Prepayments		8,503	-	6,212	-
1470	Other current assets		64	-	-	-
11XX	**Current Assets**		6,654,781	43	7,690,983	48
	Non-current assets					
1510	Non-current financial assets at fair value through profit or loss		5,355	-	-	-
1550	Investments accounted for under equity method	6(4)	8,292,866	53	7,654,919	48
1600	Property, plant and equipment	6(5)	544,856	4	546,371	4
1780	Intangible assets		4,817	-	7,072	-
1840	Deferred income tax assets	6(21)	40,150	-	20,023	-
1900	Other non-current assets		246	-	946	-
15XX	**Non-current assets**		8,888,290	57	8,229,331	52
1XXX	**Total assets**		$ 15,543,071	100	$ 15,920,314	100

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SUNREX TECHNOLOGY CORP.
PARENT COMPANY ONLY BALANCE SHEETS
DECEMBER 31, 2023 AND 2022
(Expressed in thousands of New Taiwan dollars)

	Liabilities and Equity	Notes	December 31, 2023 AMOUNT	%	December 31, 2022 AMOUNT	%
	Current liabilities					
2100	Short-term borrowings	6(8)	$ 1,323,000	9	$ 1,620,000	10
2130	Current contract liabilities	6(14)	70,548	-	71,536	1
2170	Accounts payable		7,515	-	9,073	-
2180	Accounts payable - related parties	7(2)	4,386,664	28	4,347,605	27
2200	Other payables		102,878	1	106,511	1
2220	Other payables - related parties	7(2)	1,183	-	3,621	-
2230	Current income tax liabilities	4(21)	57,991	-	136,183	1
2320	Long-term liabilities, current portion	6(9)	-	-	194,444	1
2399	Other current liabilities, others		1,264	-	1,506	-
21XX	**Current Liabilities**		5,951,043	38	6,490,479	41
	Non-current liabilities					
2540	Long-term borrowings	6(9)	-	-	305,556	2
2570	Deferred income tax liabilities	6(21)	170,339	1	95,725	1
2600	Other non-current liabilities	6(4)(10)	34,823	1	41,083	-
25XX	**Non-current liabilities**		205,162	2	442,364	3
2XXX	**Total Liabilities**		6,156,205	40	6,932,843	44
	Equity					
	Share capital	6(11)				
3110	Share capital - common stock		1,952,510	12	1,952,510	12
	Capital surplus	6(12)				
3200	Capital surplus		94,242	1	86,367	-
	Retained earnings	6(13)				
3310	Legal reserve		1,477,692	9	1,332,685	8
3320	Special reserve		913,232	6	913,232	6
3350	Unappropriated retained earnings		5,959,272	38	5,532,632	35
	Other equity interest					
3400	Other equity interest		(979,211)	(6)	(799,084)	(5)
3500	Treasury shares	6(11)	(30,871)	-	(30,871)	-
3XXX	**Total equity**		9,386,866	60	8,987,471	56
	Significant contingent liabilities and unrecognised contract commitments	9				
	Significant events after the balance sheet date	11				
3X2X	**Total liabilities and equity**		$ 15,543,071	100	$ 15,920,314	100

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

SUNREX TECHNOLOGY CORP.
PARENT COMPANY ONLY STATEMENTS OF COMPREHENSIVE INCOME
YEARS ENDED DECEMBER 31, 2023 AND 2022
(Expressed in thousands of New Taiwan dollars, except earnings per share amount)

			Year ended December 31			
			2023		2022	
	Items	Notes	AMOUNT	%	AMOUNT	%
4000	Operating revenue	6(14) and 7(2)	$ 11,392,767	100	$ 9,935,400	100
5000	Operating costs	6(3)(19)(20) and 7(2)	(10,480,152)	(92)	(8,845,019)	(89)
5950	Net operating margin		912,615	8	1,090,381	11
	Operating expenses	6(19)(20)				
6100	Selling expenses		(70,735)	(1)	(50,303)	(1)
6200	General and administrative expenses		(103,928)	(1)	(84,411)	(1)
6300	Research and development expenses		(157,111)	(1)	(143,601)	(1)
6000	Total operating expenses		(331,774)	(3)	(278,315)	(3)
6900	Operating profit		580,841	5	812,066	8
	Non-operating income and expenses					
7100	Interest income	6(15)	90,012	1	76,953	1
7010	Other income	6(16)	6,243	-	2,662	-
7020	Other gains and losses	6(17)	61,594	-	293,871	3
7050	Finance costs	6(18)	(31,434)	-	(24,916)	-
7070	Share of profit of associates and joint ventures accounted for using equity method, net	6(4)	822,283	7	563,682	6
7000	Total non-operating revenue and expenses		948,698	8	912,252	10
7900	**Profit before income tax**		1,529,539	13	1,724,318	18
7950	Income tax expense	6(21)	(275,970)	(2)	(281,207)	(3)
8200	**Profit for the year**		$ 1,253,569	11	$ 1,443,111	15
	Other comprehensive income					
	Components of other comprehensive income that will not be reclassified to profit or loss					
8311	Other comprehensive income, before tax, actuarial gains on defined benefit plans	6(10)	$ 1,822	-	$ 8,707	-
8316	Unrealised losses from investments in equity instruments measured at fair value through other comprehensive income	6(4)	-	-	(70)	-
8349	Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	6(21)	(365)	-	(1,741)	-
8310	Components of other comprehensive income that will not be reclassified to profit or loss		1,457	-	6,896	-
	Components of other comprehensive income that will be reclassified to profit or loss					
8361	Other comprehensive (loss) income, before tax, exchange differences on translation		(180,127)	(2)	36,814	-
8360	Components of other comprehensive (loss) income that will be reclassified to profit or loss		(180,127)	(2)	36,814	-
8300	**Other comprehensive (loss) income for the year**		($ 178,670)	(2)	$ 43,710	-
8500	**Total comprehensive income for the year**		$ 1,074,899	9	$ 1,486,821	15
	Basic earnings per share	6(22)				
9750	Total basic earnings per share		$	6.50	$	7.48
9850	Total diluted earnings per share		$	6.47	$	7.44

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

SUNREX TECHNOLOGY CORP.
PARENT COMPANY ONLY STATEMENTS OF CHANGES IN EQUITY
YEARS ENDED DECEMBER 31, 2023 AND 2022
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

				Retained earnings			Other equity interest			
	Notes	Share capital - common stock	Treasury stock transactions	Legal reserve	Special reserve	Unappropriated retained earnings	Financial statements translation differences of foreign operations	Unrealised gains (losses) from financial assets measured at fair value through other comprehensive income	Treasury stocks	Total equity
2022										
Balance at January 1,2022		$1,952,510	$ 79,617	$1,229,816	$ 913,232	$4,771,177	($ 829,602)	($ 6,226)	($ 30,871)	$8,079,653
Profit		-	-	-	-	1,443,111	-	-	-	1,443,111
Other comprehensive income (loss)		-	-	-	-	6,966	36,814	(70)	-	43,710
Total comprehensive income (loss)		-	-	-	-	1,450,077	36,814	(70)	-	1,486,821
Appropriation and distribution of 2021 earnings	6(13)									
Legal reserve		-	-	102,869	-	(102,869)	-	-	-	-
Cash dividends		-	-	-	-	(585,753)	-	-	-	(585,753)
Treasury shares	6(11)(12)									
Adjustments of capital surplus for company's cash dividends received by subsidiaries		-	6,750	-	-	-	-	-	-	6,750
Balance at December 31,2022		$1,952,510	$ 86,367	$1,332,685	$ 913,232	$5,532,632	($ 792,788)	($ 6,296)	($ 30,871)	$8,987,471
2023										
Balance at January 1,2023		$1,952,510	$ 86,367	$1,332,685	$ 913,232	$5,532,632	($ 792,788)	($ 6,296)	($ 30,871)	$8,987,471
Profit		-	-	-	-	1,253,569	-	-	-	1,253,569
Other comprehensive income (loss)		-	-	-	-	1,457	(180,127)	-	-	(178,670)
Total comprehensive income (loss)		-	-	-	-	1,255,026	(180,127)	-	-	1,074,899
Appropriation and distribution of 2022 earnings	6(13)									
Legal reserve		-	-	145,007	-	(145,007)	-	-	-	-
Cash dividends		-	-	-	-	(683,379)	-	-	-	(683,379)
Treasury shares	6(11)(12)									
Adjustments of capital surplus for company's cash dividends received by subsidiaries		-	7,875	-	-	-	-	-	-	7,875
Balance at December 31,2023		$1,952,510	$ 94,242	$1,477,692	$ 913,232	$5,959,272	($ 972,915)	($ 6,296)	($ 30,871)	$9,386,866

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

SUNREX TECHNOLOGY CORP.
PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2023 AND 2022
(Expressed in thousands of New Taiwan dollars)

	Notes	Year ended December 31 2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax		$ 1,529,539	$ 1,724,318
Adjustments			
Adjustments to reconcile profit (loss)			
Depreciation	6(19)	6,573	6,603
Amortisation	6(19)	4,210	2,431
Loss (gain) on disposal of property, plant and equipment	6(17)	8,237	(37,471)
Share of profit of associates and joint ventures accounted for using equity method	6(4)	(822,283)	(563,682)
Interest revenue	6(15)	(90,012)	(76,953)
Interest expense	6(18)	31,434	24,916
Gain on financial asset at fair value through profit or loss		(30)	-
Gain on disposal of investments	6(17)	(5,162)	(12,627)
Unrealised foreign exchange gain		(2,572)	(57,139)
Changes in operating assets and liabilities			
Changes in operating assets			
Financial assets at fair value through profit or loss		(213,432)	12,627
Disposal of financial assets at fair value through profit or loss		213,269	-
Accounts receivable (including related parties)		628,192	(1,634,113)
Other receivables		97	(855)
Inventories		(172,131)	(166,705)
Prepayments		(2,291)	972
Other current assests		(64)	-
Changes in operating liabilities			
Contract liabilities		(988)	55,982
Accounts payable (including related parties)		(130,898)	1,761,740
Other payables (including related parties)		(7,356)	6,824
Other current liabilities		(242)	(340)
Other non-current liabilities		(3,518)	(3,804)
Cash inflow generated from operations		970,572	1,042,724
Interest received		96,870	76,833
Dividend income		277,696	180,038
Interest paid		(30,232)	(24,207)
Income taxes paid		(282,534)	(156,789)
Net cash flows from operating activities		1,032,372	1,118,599

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SUNREX TECHNOLOGY CORP.
PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2023 AND 2022
(Expressed in thousands of New Taiwan dollars)

	Notes	Year ended December 31 2023	2022
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisition of investments accounted for under equity method	6(4)	($ 266,532)	$ -
Acquisition of property, plant and equipment	6(23)	(38,553)	(38,883)
Proceeds from disposal of property, plant and equipment		25,989	80,854
Acquisition of intangible assets		(1,955)	(1,851)
Decrease (increase) in other receivables (including related parties)		670,196	(29,187)
Decrease in refundable deposits paid		-	112
Net cash flows from investing activities		389,145	11,045
CASH FLOWS FROM FINANCING ACTIVITIES			
Decrease in short-term borrowings	6(24)	(297,000)	(92,453)
Increase in long-term borrowings	6(24)	-	300,000
Decrease in long-term borrowings	6(24)	(500,000)	(108,889)
Cash dividends paid	6(24)	(683,379)	(585,753)
Net cash flows used in financing activities		(1,480,379)	(487,095)
Effect of exchange rate changes on cash and cash equivalents		10,012	(1,097)
Net (decrease) increase in cash and cash equivalents		(48,850)	641,452
Cash and cash equivalents at beginning of year		1,056,980	415,528
Cash and cash equivalents at end of year		$ 1,008,130	$ 1,056,980

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

SUNREX TECHNOLOGY CORP.

NOTES TO THE PARENT COMPANY ONLY FINANCIAL STATEMENTS

YEARS ENDED DECEMBER 31, 2023 AND 2022

(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

1. History and Organisation

Sunrex Technology Corp. (the “Company”) was incorporated on July 22, 1991, merged Jing Mold Plastic Electronics (Shen-Zhen) Co., Ltd. with January 10, 2002 as the effective date and is primarily engaged in manufacturing and trading of laptop computer keyboards and its auxiliary equipment. The Company’s shares have been listed on the Taiwan Stock Exchange starting from January 1999.

2. The Date of Authorisation for Issuance of the Financial Statements and Procedures for Authorisation

These parent company only financial statements were authorised for issuance by the Board of Directors on March 12, 2024.

3. Application of New Standards, Amendments and Interpretations

(1) Effect of the adoption of new issuances of or amendments to International Financial Reporting Standards (“IFRS®”) Accounting Standards that came into effect as endorsed by the Financial Supervisory Commission (“FSC”)

New standards, interpretations and amendments endorsed by FSC and became effective from 2023 are as follows:

New Standards, Interpretations and Amendments	Effective date by International Accounting Standards Board
Amendments to IAS 1, ‘Disclosure of accounting policies’	January 1, 2023
Amendments to IAS 8, ‘Definition of accounting estimates’	January 1, 2023
Amendments to IAS 12, ‘Deferred tax related to assets and liabilities arising from a single transaction’	January 1, 2023
Amendments to IAS 12, ‘International tax reform - pillar two model rules’	May 23, 2023

The above standards and interpretations have no significant impact to the Company’s financial condition and financial performance based on the Company’s assessment.

(2) Effect of new issuances of or amendments to IFRS Accounting Standards as endorsed by the FSC but not yet adopted by the Company

New standards, interpretations and amendments endorsed by the FSC and will become effective from 2024 are as follows:.

New Standards, Interpretations and Amendments	Effective date by International Accounting Standards Board
Amendments to IFRS 16, 'Lease liability in a sale and leaseback'	January 1, 2024
Amendments to IAS 1, 'Classification of liabilities as current or non-current'	January 1, 2024
Amendments to IAS 1, 'Non-current liabilities with covenants'	January 1, 2024
Amendments to IAS 7 and IFRS 7, 'Supplier finance arrangements'	January 1, 2024

The above standards and interpretations have no significant impact to the Company's financial condition and financial performance based on the Company's assessment.

(3) IFRS Accounting Standards issued by IASB but not yet endorsed by the FSC

New standards, interpretations and amendments issued by IASB but not yet included in the IFRS Accounting Standards as endorsed by the FSC are as follows:

New Standards, Interpretations and Amendments	Effective date by International Accounting Standards Board
Amendments to IFRS 10 and IAS 28, 'Sale or contribution of assets between an investor and its associate or joint venture'	To be determined by International Accounting Standards Board
IFRS 17, 'Insurance contracts'	January 1, 2023
Amendments to IFRS 17, 'Insurance contracts'	January 1, 2023
Amendment to IFRS 17, 'Initial application of IFRS 17 and IFRS 9 – comparative information'	January 1, 2023
Amendments to IAS 21, 'Lack of exchangeability'	January 1, 2025

The above standards and interpretations have no significant impact to the Company's financial condition and financial performance based on the Company's assessment.

4. Summary of Material Accounting Policies

The principal accounting policies applied in the preparation of these parent company only financial statements are set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated.

(1) Compliance statement

The parent company only financial statements of the Company have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

(2) Basis of preparation

A. Except for the following items, the parent company only financial statements have been prepared under the historical cost convention:

(a) Financial assets at fair value through other comprehensive income.

(b) Defined benefit liabilities recognised based on the net amount of pension fund assets less present value of defined benefit obligation.

B. The preparation of financial statements in conformity with International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations as endorsed by the FSC (collectively referred herein as the "IFRSs") requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the parent company only financial statements are disclosed in Note 5.

(3) Foreign currency translation

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates (the "functional currency"). The parent company only financial statements are presented in New Taiwan dollars, which is the Company's functional currency.

A. Foreign currency transactions and balances

(a) Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are remeasured. Foreign exchange gains and losses resulting from the settlement of such transactions are recognised in profit or loss in the period in which they arise.

(b) Monetary assets and liabilities denominated in foreign currencies at the period end are re-translated at the exchange rates prevailing at the balance sheet date. Exchange differences arising upon re-translation at the balance sheet date are recognised in profit or loss.

(c) Non-monetary assets and liabilities denominated in foreign currencies held at fair value through profit or loss are re-translated at the exchange rates prevailing at the balance sheet date; their translation differences are recognised in profit or loss. Non-monetary assets and liabilities denominated in foreign currencies held at fair value through other comprehensive income are re-translated at the exchange rates prevailing at the balance sheet date; their translation differences are recognised in other comprehensive income. However, non-monetary assets and liabilities denominated in foreign currencies that are not measured at fair value are translated using the historical exchange rates at the dates of the initial transactions.

(d) All foreign exchange gains and losses are presented in the statement of comprehensive income within 'other gains and losses'.

B. Translation of foreign operations

The operating results and financial position of all the company entities and associates that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

(a) Assets and liabilities for each balance sheet presented are translated at the closing exchange rate at the date of that balance sheet;

(b) Income and expenses for each statement of comprehensive income are translated at average exchange rates of that period; and

(c) All resulting exchange differences are recognised in other comprehensive income.

(4) Classification of current and non-current items

A. Assets that meet one of the following criteria are classified as current assets; otherwise they are classified as non-current assets:

(a) Assets arising from operating activities that are expected to be realised, or are intended to be sold or consumed within the normal operating cycle;

(b) Assets held mainly for trading purposes;

(c) Assets that are expected to be realised within twelve months from the balance sheet date;

(d) Cash and cash equivalents, excluding restricted cash and cash equivalents and those that are to be exchanged or used to settle liabilities more than twelve months after the balance sheet date.

B. Liabilities that meet one of the following criteria are classified as current liabilities; otherwise they are classified as non-current liabilities:

(a) Liabilities that are expected to be settled within the normal operating cycle;

(b) Liabilities arising mainly from trading activities;

(c) Liabilities that are to be settled within twelve months from the balance sheet date;

(d) Liabilities for which the repayment date cannot be extended unconditionally to more than twelve months after the balance sheet date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

(5) Cash equivalents

Cash equivalents refer to short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

(6) Financial assets at fair value through other comprehensive income

A. Financial assets at fair value through other comprehensive income comprise equity securities which are not held for trading, and for which the Company has made an irrevocable election at initial recognition to recognise changes in fair value in other comprehensive income.

B. On a regular way purchase or sale basis, financial assets at fair value through other comprehensive income are recognised and derecognised using settlement date accounting.

C. At initial recognition, the Company measures the financial assets at fair value plus transaction costs. The Company subsequently measures the financial assets at fair value.

The changes in fair value of equity investments that were recognized in other comprehensive income are reclassified to retained earnings and are not reclassified to profit or loss following the derecognition of the investment. Dividends are recognized as revenue when the right to receive payment is established, future economic benefits associated with the dividend will flow to the Company and the amount of the dividend can be measured reliably.

(7) Accounts receivable

A. Accounts receivable entitle the Company a legal right to receive consideration in exchange for transferred goods or rendered services.

B. The short-term accounts receivable without bearing interest are subsequently measured at initial invoice amount as the effect of discounting is immaterial.

(8) Impairment of financial assets

For debt instruments measured at fair value through other comprehensive income and financial assets at amortised cost (including forward-looking), at each reporting date, the Company recognises the impairment provision for 12 months expected credit losses if there has not been a significant increase in credit risk since initial recognition or recognises the impairment provision for the lifetime expected credit losses (ECLs) if such credit risk has increased since initial recognition after taking into consideration all reasonable and verifiable information that includes forecasts. On the other hand, for accounts receivable or contract assets that do not contain a significant financing component, the Company recognises the impairment provision for lifetime ECLs.

(9) Derecognition of financial assets

The Company derecognises a financial asset when the contractual rights to receive the cash flows from the financial asset expire.

(10) Leasing arrangements (lessor) - operating leases

Lease income from an operating lease (net of any incentives given to the lessee) is recognised in profit or loss on a straight-line basis over the lease term.

(11) Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined using the weighted-average method. The cost of finished goods and work in progress comprises raw materials, direct labour, other direct costs and related production overheads (allocated based on normal operating capacity). It excludes borrowing costs. The item by item approach is used in applying the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

(12) Investments accounted for using the equity method / subsidiaries and associates

A. Subsidiaries are all entities (including structured entities) controlled by the Company. The Company controls an entity when the Company is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

B. Inter-company transactions, balances and unrealised gains or losses on transactions between the Company and subsidiaries are eliminated. Accounting policies of subsidiaries have been adjusted where necessary to ensure consistency with the policies adopted by the Company.

C. The Company's share of its subsidiaries' post-acquisition profits or losses is recognised in profit or loss, and its share of post-acquisition movements in other comprehensive income is recognised in other comprehensive income. When the Company's share of losses in a subsidiary equals or exceeds its interest in the subsidiary, the Company continues to recognise losses proportionate to its ownership.

D. Changes in a parent's ownership interest in a subsidiary that do not result in the parent losing control of the subsidiary (transactions with non-controlling interests) are accounted for as equity transactions, i.e. transactions with owners in their capacity as owners. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity.

E. When the Company loses control of a subsidiary, the Company remeasures any investment retained in the former subsidiary at its fair value. That fair value is regarded as the fair value on initial recognition of a financial asset or the cost on initial recognition of the associate or joint venture. Any difference between fair value and carrying amount is recognised in profit or loss. All amounts previously recognised in other comprehensive income in relation to the subsidiary are reclassified to profit or loss on the same basis as would be required if the related assets or liabilities were disposed of. That is, when the Company loses control of a subsidiary, all gains or losses previously recognised in other comprehensive income in relation to the subsidiary should be reclassified from equity to profit or loss, if such gains or losses would be reclassified to profit or loss when the related assets or liabilities are disposed of.

F. Associates are all entities over which the Company has significant influence but not control. In general, it is presumed that the investor has significant influence, if an investor holds, directly or indirectly 20 percent or more of the voting power of the investee. Investments in associates are accounted for using the equity method and are initially recognised at cost.

G. The Company's share of its associates' post-acquisition profits or losses is recognised in profit or loss, and its share of post-acquisition movements in other comprehensive income is recognised in other comprehensive income. When the Company's share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured receivables, the Company does not recognise further losses, unless it has incurred legal or constructive obligations or made payments on behalf of the associate.

H. When changes in an associate's equity do not arise from profit or loss or other comprehensive income of the associate and such changes do not affect the Company's ownership percentage of the associate, the Company recognises the Company's share of change in equity of the associate in 'capital surplus' in proportion to its ownership.

I. Unrealised gains on transactions between the Company and its associates are eliminated to the extent of the Company's interest in the associates. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of associates have been adjusted where necessary to ensure consistency with the policies adopted by the Company.

J. When the Company disposes its investment in an associate and loses significant influence over this associate, the amounts previously recognised in other comprehensive income in relation to the associate, are reclassified to profit or loss, on the same basis as would be required if the relevant assets or liabilities were disposed of. If it retains significant influence over this associate, the amounts previously recognised in other comprehensive income in relation to the associate are reclassified to profit or loss proportionately in accordance with the aforementioned approach.

K. Pursuant to the Regulations Governing the Preparation of Financial Reports by Securities Issuers, profit (loss) of the current period and other comprehensive income in the parent company only financial statements shall equal to the amount attributable to owners of the parent in the financial statements prepared with basis for consolidation. Owners' equity in the parent company only financial statements shall equal to equity attributable to owners of the parent in the financial statements prepared with basis for consolidation.

(13) Property, plant and equipment

A. Property, plant and equipment are initially recorded at cost. Borrowing costs incurred during the construction period are capitalised.

B. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to profit or loss during the financial period in which they are incurred.

C. Land is not depreciated. Other property, plant and equipment apply cost model and are depreciated using the straight-line method to allocate their cost over their estimated useful lives. Each part of an item of property, plant, and equipment with a cost that is significant in relation to the total cost of the item must be depreciated separately.

D. The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each financial year-end. If expectations for the assets' residual values and useful lives differ from previous estimates or the patterns of consumption of the assets' future economic benefits embodied in the assets have changed significantly, any change is accounted for as a change in estimate under IAS 8, 'Accounting Policies, Changes in Accounting Estimates and Errors', from the date of the change. The estimated useful lives of property, plant and equipment are as follows:

Buildings and structures	5 ~ 55 years
Machinery and equipment	5 years
Molding equipment	5 years
Other equipment	5 years

(14) Leasing arrangements (lessee) - right-of-use assets/ lease liabilities

A. Leases are recognised as a right-of-use asset and a corresponding lease liability at the date at which the leased asset is available for use by the Company. For short-term leases or leases of low-value assets, lease payments are recognised as an expense on a straight-line basis over the lease term.

B. Lease liabilities include the net present value of the remaining lease payments at the commencement date, discounted using the incremental borrowing interest rate. Lease payments are comprised of the following:

(a) Fixed payments, less any lease incentives receivable; and

(b) Payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option.

The Company subsequently measures the lease liability at amortised cost using the interest method and recognises interest expense over the lease term. The lease liability is remeasured and the amount of remeasurement is recognised as an adjustment to the right-of-use asset when there are changes in the lease term or lease payments and such changes do not arise from contract modifications.

C. At the commencement date, the right-of-use asset is stated at cost comprising the following:

(a) The amount of the initial measurement of lease liability;

(b) Any lease payments made at or before the commencement date; and

(c) Any initial direct costs incurred by the lessee.

The right-of-use asset is measured subsequently using the cost model and is depreciated from the commencement date to the earlier of the end of the asset's useful life or the end of the lease term. When the lease liability is remeasured, the amount of remeasurement is recognised as an adjustment to the right-of-use asset.

(15) Intangible assets

Computer software is stated at cost and amortised on a straight-line basis over its estimated useful life of 5 years.

(16) Impairment of non-financial assets

The Company assesses at each balance sheet date the recoverable amounts of those assets where there is an indication that they are impaired. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell or value in use. When the circumstances or reasons for recognising impairment loss for an asset in prior years no longer exist or diminish, the impairment loss is reversed. The increased carrying amount due to reversal should not be more than what the depreciated or amortised historical cost would have been if the impairment had not been recognised.

(17) Borrowings

Borrowings comprise long-term and short-term bank borrowings. Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in profit or loss over the period of the borrowings using the effective interest method.

(18) Notes and accounts payable

A. Accounts payable are liabilities for purchases of raw materials, goods or services and notes payable are those resulting from operating and non-operating activities.

B. The short-term notes and accounts payable without bearing interest are subsequently measured at initial invoice amount as the effect of discounting is immaterial.

(19) Derecognition of financial liabilities

A financial liability is derecognised when the obligation specified in the contract is either discharged or cancelled or expires.

(20) Employee benefits

A. Short-term employee benefits

Short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in respect of service rendered by employees in a period and should be recognised as expense in that period when the employees render service.

B. Pensions

(a) Defined contribution plans

For defined contribution plans, the contributions are recognised as pension expense when they are due on an accrual basis. Prepaid contributions are recognised as an asset to the extent of a cash refund or a reduction in the future payments.

(b) Defined benefit plans

i. Net obligation under a defined benefit plan is defined as the present value of an amount of pension benefits that employees will receive on retirement for their services with the Company in current period or prior periods. The liability recognised in the balance sheet in respect of defined benefit pension plans is the present value of the defined benefit obligation at the balance sheet date less the fair value of plan assets. The net defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The rate used to discount is determined by using interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related pension liability; when there is no deep market in high-quality corporate bonds, the Company uses interest rates of government bonds (at the balance sheet date) instead.

ii. Remeasurements arising on defined benefit plans are recognised in other comprehensive income in the period in which they arise and are recorded as retained earnings.

C. Employees' compensation and directors' and supervisors' remuneration

Employees' compensation and directors' and supervisors' remuneration are recognised as expense and liability, provided that such recognition is required under legal or constructive obligation and those amounts can be reliably estimated. Any difference between the resolved amounts and the subsequently actual distributed amounts is accounted for as changes in estimates.

(21) Income tax

A. The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or items recognised directly in equity, in which cases the tax is recognised in other comprehensive income or equity.

B. The current income tax expense is calculated on the basis of the tax laws enacted at the balance sheet date in the countries where the Company operates and generates taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in accordance with applicable tax regulations. It establishes provisions where appropriate based on the amounts expected to be paid to the tax authorities. An additional tax is levied on the unappropriated retained earnings and is recorded as income tax expense in the year the stockholders resolve to retain the earnings.

C. Deferred tax is recognised, using the balance sheet liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated balance sheet. However, the deferred tax is not accounted for if it arises from initial recognition of goodwill or of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences. Deferred tax is provided on temporary differences arising on investments in subsidiaries and associates, except where the timing of the reversal of the temporary difference is controlled by the Company and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax is determined using tax rates (and laws) that have been enacted by the balance sheet date and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

D. Deferred tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised. At each balance sheet date, unrecognised and recognised deferred tax assets are reassessed.

(22) Share capital

A. Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or stock options are shown in equity as a deduction, net of tax, from the proceeds.

B. Where the Company repurchases the Company's equity share capital that has been issued, the consideration paid, including any directly attributable incremental costs (net of income taxes) is deducted from equity attributable to the Company's equity holders. Where such shares are subsequently reissued, the difference between their book value and any consideration received, net of any directly attributable incremental transaction costs and the related income tax effects, is included in equity attributable to the Company's equity holders.

(23) Dividends

Dividends are recorded in the Company's financial statements in the period in which they are resolved by the Company's shareholders. Cash dividends are recorded as liabilities.

(24) Revenue recognition

The Company manufactures and sells laptop computer keyboards, their auxiliary equipment and related products. Sales are recognised when control of the products has transferred, being when the products are delivered to the customer. There is no unfulfilled obligation that could affect the customer's acceptance of the products. Delivery occurs when the products have been shipped to the specific location, the risks of obsolescence and loss have been transferred to the customer, and either the customer has accepted the products in accordance with the sales contract, or the Company has objective evidence that all criteria for acceptance have been satisfied.

5. Critical Accounting Judgements, Estimates and Key Sources of Assumption Uncertainty

The preparation of these parent company only financial statements requires management to make critical judgements in applying the Company's accounting policies and make critical assumptions and estimates concerning future events. Assumptions and estimates may differ from the actual results and are continually evaluated and adjusted based on historical experience and other factors. Such assumptions and estimates have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year; and the related information is addressed below:

(1) Critical judgements in applying the Company's accounting policies

None.

(2) Critical accounting estimates and assumptions

Evaluation of inventories

As inventories are stated at the lower of cost and net realisable value, the Company must determine the net realisable value of inventories on balance sheet date using judgements and estimates. Due to the rapid technology innovation, the Company evaluates the amounts of normal inventory consumption, obsolete inventories or inventories without market selling value on balance sheet date, and writes down the cost of inventories to the net realisable value. Such an evaluation of inventories is principally based on the demand for the products within the specified period in the future. Therefore, there might be material changes to the evaluation.

As of December 31, 2023, the carrying amount of inventories was $736,153 thousand.

6. Details of Significant Accounts

(1) Cash and cash equivalents

	December 31, 2023	December 31, 2022
Cash on hand and petty cash	$ 258	$ 262
Checking accounts	332	332
Time deposits	343,939	490,560
Demand deposits	663,601	565,826
	$ 1,008,130	$ 1,056,980

A. The Company transacts with a variety of financial institutions all with high credit quality to disperse credit risk, so it expects that the probability of counterparty default is remote.

B. The Company has no cash and cash equivalents pledged to others.

(2) Accounts receivable

	December 31, 2023	December 31, 2022
Accounts receivable	$ 3,793,360	$ 4,298,002
Less: Allowance for uncollectible accounts	-	-
	$ 3,793,360	$ 4,298,002

A. The ageing analysis of accounts receivable and notes receivable that were past due but not impaired is as follows:

	December 31, 2023	December 31, 2022
Not past due	$ 3,793,332	$ 4,229,236
Up to 90 days	28	68,766
91 to 180 days	-	-
Over 180 days	-	-
	$ 3,793,360	$ 4,298,002

The above ageing analysis was based on past due date.

B. As of December 31, 2023, December 31, 2022 and January 1, 2022, the Company had receivables due to contract with customers in the amounts are listed below:

	December 31, 2023	December 31, 2022	January 1, 2022
Receivables (including notes receivable)	$ 3,793,360	$ 4,298,002	$ 2,735,299

C. The Company did not hold any collateral.

D. As at December 31, 2023 and 2022, without taking into account any collateral held or other credit enhancements, the maximum exposure to credit risk in respect of the amount that best represents the accounts receivable held by the Company.

E. Information relating to credit risk of accounts receivable and notes receivable is provided in Note 12(2).

(3) Inventories

	December 31, 2023		
	Cost	Allowance for slow-moving and valuation loss	Book amounts
Raw materials	$ 49,033	($ 9,727)	$ 39,306
Finished goods	713,440	(16,593)	696,847
	$ 762,473	($ 26,320)	$ 736,153

	December 31, 2022		
	Cost	Allowance for slow-moving and valuation loss	Book amounts
Raw materials	$ 60,512	($ 7,086)	$ 53,426
Finished goods	541,914	(31,318)	510,596
	$ 602,426	($ 38,404)	$ 564,022

Inventory-related expenses recognised for the year:

	Year ended December 31	
	2023	2022
Cost of goods sold	$ 10,492,136	$ 8,844,896
(Gain) loss on inventories and valuation loss	(12,084)	148
Loss on disposal of slow-moving inventories	100	-
Revenue from sale of scraps	-	(25)
	$ 10,480,152	$ 8,845,019

For the year ended December 31, 2023, the Company reversed a previous inventory write-down which was accounted for as reduction of cost of goods sold due to the sale of scrap or inventories which were previously provided with allowance.

(4) Investments accounted for using the equity method

Investments accounted for using the equity method	December 31, 2023	December 31, 2022
Excellent Global International Ltd.	$ 6,798,177	$ 6,443,130
Sunrex Technology (HK) Co., Ltd.	1,173,013	1,110,058
Forward Optocs Co., LTD.	31,418	48,356
Ching Yi Investment Co., Ltd.	30,280	53,375
Sunrex Technology Singapore PTE. Ltd.	248,733	-
Sunrex Technology (Thailand)Co. Ltd.	11,245	-
	$ 8,292,866	$ 7,654,919

Credit balance of investments accounted for using the equity method	December 31, 2023	December 31, 2022
American Sunrex Corporation	$ 1,238	$ 2,158

A. Subsidiaries

Please refer to Note 4(3) in the consolidated financial statements as of and for the year ended December 31, 2023 for the information regarding the Company's subsidiaries.

B. Share of profit (loss) of subsidiaries and associates accounted for using the equity method is as follows:

	Year ended December 31	
	2023	2022
Excellent Global International Ltd.	$ 713,065	$ 496,075
Sunrex Technology (HK) Co., Ltd.	124,273	87,040
Forward Optocs Co., LTD.	(16,937)	(17,365)
Ching Yi Investment Co., Ltd.	87	(2,935)
American Sunrex Corporation	934	867
Sunrex Technology Singapore PTE. Ltd.	3,138	
Sunrex Technology (Thailand)Co. Ltd.	(2,277)	-
	$ 822,283	$ 563,682

The profit (loss) of investments recognised for the long-term equity investments accounted for using the equity method is based on the investees' audited financial statements.

C. On March 31, 2023, the Company incorporated a wholly-owned subsidiary in Singapore.

D. On August 10, 2023, the Company's Board of Directors resolved to invest and establish a Thailand subsidiary, Sunrex Technology (Thailand) Co. Ltd. The registration of incorporation had been completed on September 21, 2023. The total investment amount is THB 15,000 thousand.

(5) Property, plant and equipment

	Year ended December 31, 2023				
	Beginning balance	Additions	Decreases	Transfers	Ending balance
Cost					
Land	$ 478,814	$ -	$ -	$ -	$ 478,814
Buildings and structures	59,053	277	-	-	59,330
Machinery and equipment	20,478	3,796	(159)	-	24,115
Other equipment	36,410	3,987	-	700	41,097
Unfinished construction	37,852	30,524	(34,067)	-	34,309
	$ 632,607	$ 38,584	($ 34,226)	$ 700	$ 637,665
Accumulated depreciation					
Buildings and structures	40,126	2,046	-	-	42,172
Machinery and equipment	17,045	1,769	-	-	18,814
Other equipment	29,065	2,758	-	-	31,823
	$ 86,236	$ 6,573	$ -	$ -	$ 92,809
Book value	$ 546,371				$ 544,856

	Year ended December 31, 2022				
	Beginning balance	Additions	Decreases	Transfers	Ending balance
Cost					
Land	$ 486,291	$ -	($ 7,477)	$ -	$ 478,814
Buildings and structures	59,053	-	-	-	59,053
Machinery and equipment	20,158	840	(520)	-	20,478
Other equipment	32,634	3,776	-	-	36,410
Unfinished construction	39,859	33,379	(35,386)	-	37,852
	$ 637,995	$ 37,995	($ 43,383)	$ -	$ 632,607
Accumulated depreciation					
Buildings and structures	38,064	2,062	-	-	40,126
Machinery and equipment	15,471	1,574	-	-	17,045
Other equipment	26,098	2,967	-	-	29,065
	$ 79,633	$ 6,603	$ -	$ -	$ 86,236
Book value	$ 558,362				$ 546,371

A. Amount of borrowing costs capitalised as part of property, plant and equipment and the range of the interest rates for such capitalisation: None.

B. The company had no property, plant and equipment pledge to others as collateral.

C. The significant components of buildings and structures include buildings and the subsequent engineering works such as fire protection and power distribution, which are depreciated over 35~55 years and 5~20 years, respectively.

(6) Lease transactions－lessee

A. The Company leases various assets including buildings, power supply and voltmeter. Rental contracts are typically made for periods of 1 year. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose covenants, but leased assets may not be used as security for borrowing purposes.

B. Short-term leases with a lease term of 12 months or less comprise buildings buildings, power supply and voltmeter.

C. The information on profit and loss accounts relating to lease contracts are as follows:

	Year ended December 31	
Items affecting profit or loss	2023	2022
Expense on short-term lease contracts	$ 1,155	$ 934

D. For the years ended December 31, 2023 and 2022, the Company's total cash outflow for leases are as follows:

	Year ended December 31	
	2023	2022
The cash outflow for leases	$ 1,155	$ 934

(7) Leasing arrangements – lessor

A. The Company leases various assets including buildings. Rental contracts are typically made for periods of 1 year. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions.

B. For the years ended December 31, 2023 and 2022, the Company recognised rent income in the amounts of $1,842 thousand and $2,059 thousand, respectively, based on the operating lease agreement, which does not include variable lease payments.

C. Gain arising from operating lease agreements for the years ended December 31, 2023 and 2022 are as follows:

	Year ended December 31	
	2023	2022
Rental revenue	$ 1,842	$ 2,059

(8) Short-term borrowings

Type of borrowings	December 31, 2023	Interest rate range	Collateral
Bank borrowings			
Unsecured borrowings	$ 1,323,000	1.60%～1.71%	None

Type of borrowings	December 31, 2022	Interest rate range	Collateral
Bank borrowings			
Unsecured borrowings	$ 1,620,000	1.27%～2.03%	None

Interest expense recognised in profit or loss amounted for the years ended December 31, 2023 and 2022 are as follows:

	Year ended December 31	
	2023	2022
Interest expense	$ 31,434	$ 24,916

(9) Long-term borrowings

Type of borrowings	Borrowing period and repayment term	Interest rate range	Collateral	December 31, 2022
Long-term bank borrowings				
Unsecured borrowings	Borrowing period is from October 29, 2021 to October 29, 2024; interest is repayable monthly; principal is repayable in installments.	1.73%	None	$ 200,000
Unsecured borrowings	Borrowing period is from August 23, 2022 to August 23, 2025; interest is repayable monthly; principal is repayable in installments.	1.68%	None	200,000
Unsecured borrowings	Borrowing period is from August 23, 2022 to September 23, 2023; interest is repayable monthly; principal is repayable in maturity date.	1.68%	None	50,000
Unsecured borrowings	Borrowing period is from December 22, 2022 to January 22, 2024; interest is repayable monthly; principal is repayable in maturity date.	1.83%	None	50,000
Less: Current portion				(194,444)
				$ 305,556

December 31, 2023:None.

(10) Pensions

A. (a) The Company has a defined benefit pension plan in accordance with the Labor Standards Act, covering all regular employees' service years prior to the enforcement of the Labor Pension Act on July 1, 2005 and service years thereafter of employees who chose to continue to be subject to the pension mechanism under the Law. Under the defined benefit pension plan, two units are accrued for each year of service for the first 15 years and one unit for each additional year thereafter, subject to a maximum of 45 units. Pension benefits are based on the number of units accrued and the average monthly salaries and wages of the last 6 months prior to retirement. The Company contributes monthly an amount equal to 2% of the employees' monthly salaries and wages to the retirement fund deposited with the trust department of the Bank of Taiwan and the Mega International Commercial Bank, the trustees, under the name of the independent retirement fund committee. Additionally, starting from April 2009, the Company makes pension contribution of 6% for appointed managers. Furthermore, the Company would assess the balance in the aforementioned labor pension reserve account by the end of December 31, every year. If the account balance is insufficient to pay the pension calculated by the aforementioned method to the employees expected to qualify for retirement in the following year, the Company will make contributions for the deficit by next March.

(b) The amounts recognised in the balance sheet are as follows:

	December 31, 2023	December 31, 2022
Present value of defined benefit obligations	($ 107,748)	($ 115,049)
Fair value of plan assets	74,163	76,124
Net defined benefit liability	($ 33,585)	($ 38,925)

(c) Movements in net defined benefit liabilities are as follows:

	2023		
	Present value of defined benefit obligations	Fair value of plan assets	Net defined benefit liability
At January 1	($ 115,049)	$ 76,124	($ 38,925)
Current service cost	(142)	-	(142)
Interest (expense) income	(1,400)	936	(464)
	(116,591)	77,060	(39,531)
Remeasurements:			
Return on plan assets (excluding amounts included in interest income or expense)	-	575	575
Change in demographic assumptions	-	-	(382)
Change in financial assumptions	(382)	-	1,247
Experience adjustments	1,629	-	1,629
	1,247	575	1,822
Pension fund contribution	7,596	(3,472)	4,124
At December 31	($ 107,748)	$ 74,163	($ 33,585)

	2022		
	Present value of defined benefit obligations	Fair value of plan assets	Net defined benefit liability
At January 1	($ 119,345)	$ 67,989	($ 51,356)
Current service cost	(150)	-	(150)
Interest (expense) income	(820)	474	(346)
	(120,315)	68,463	(51,852)
Remeasurements:			
Return on plan assets (excluding amounts included in interest income or expense)	-	4,892	4,892
Change in demographic assumptions	-	-	-
Change in financial assumptions	5,008	-	5,008
Experience adjustments	(1,193)	-	(1,193)
	3,815	4,892	8,707
Pension fund contribution	1,451	2,769	4,220
At December 31	($ 115,049)	$ 76,124	($ 38,925)

(d) The Bank of Taiwan was commissioned to manage the Fund of the Company's defined benefit pension plan in accordance with the Fund's annual investment and utilisation plan and the "Regulations for Revenues, Expenditures, Safeguard and Utilisation of the Labor Retirement Fund" (Article 6: The scope of utilisation for the Fund includes deposit in domestic or foreign financial institutions, investment in domestic or foreign listed, over-the-counter, or private placement equity securities, investment in domestic or foreign real estate securitisation products, etc.). With regard to the utilisation of the Fund, its minimum earnings in the annual distributions on the final financial statements shall be no less than the earnings attainable from the amounts accrued from two-year time deposits with the interest rates offered by local banks. If the earnings is less than aforementioned rates, government shall make payment for the deficit after being authorised by the Regulator. The Company has no right to participate in managing and operating that fund and hence the Company is unable to disclose the classification of plan assets fair value in accordance with IAS 19 paragraph 142. The composition of fair value of plan assets as of December 31, 2023 and 2022 is given in the Annual Labor Retirement Fund Utilisation Report announced by the government.

(e) The principal actuarial assumptions used were as follows:

	Year ended December 31	
	2023	2022
Discount rate	1.20%	1.25%
Future salary increases	2.00%	2.00%

Assumptions regarding future mortality experience are set based on actuarial advice in accordance with published statistics and experience in each territory. Because the main actuarial assumption changed, the present value of defined benefit obligation is affected. The analysis was as follows:

	Discount rate		Future salary increases	
	Increase 0.25%	Decrease 0.25%	Increase 0.25%	Decrease 0.25%
December 31, 2023				
Effect on present value of defined benefit obligation	(\$ 1,887)	\$ 1,943	\$ 1,923	(\$ 1,877)
December 31, 2022				
Effect on present value of defined benefit obligation	(\$ 2,168)	\$ 2,235	\$ 2,213	(\$ 2,158)

The sensitivity analysis above is based on one assumption which changed while the other conditions remain unchanged. In practice, more than one assumption may change all at once. The method of analysing sensitivity and the method of calculating net pension liability in the balance sheet are the same.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the previous period.

(f) Expected contributions to the defined benefit pension plans of the Company for the year ended December 31, 2024 amount to $3,675 thousand.

(g) As of December 31, 2023, the weighted average duration of the retirement plan is 7 years. The analysis of timing of the future pension payment was as follows:

Within 1 year	\$ 9,137
1-2 year(s)	10,763
2-5 years	25,241
Over 5 years	72,078
	\$ 117,219

(h) Effective July 1, 2005, the Company has established a defined contribution pension plan (the "New Plan") under the Labor Pension Act (the "Act"), covering all regular employees with R.O.C. nationality. Under the New Plan, the Company and its domestic subsidiaries contribute monthly an amount based on 6% of the employees' monthly salaries and wages to the employees' individual pension accounts at the Bureau of Labor Insurance. The benefits accrued are paid monthly or in lump sum upon termination of employment.

	Year ended December 31	
	2023	2022
Pension costs	$ 10,203	$ 10,182

(11) Share capital

A. As of December 31, 2023, the Company's authorised capital was $4,200,000 thousand, consisting of 420,000 thousand shares of ordinary share, and the paid-in capital was $1,952,510 thousand with a par value of $10 (in dollars) per share. As of December 31, 2023, the number of outstanding shares was 193,001 thousand shares.

Movements in the number of the Company's ordinary shares (in thousands) outstanding are as follows:

	Year ended December 31	
	2023	2022
At January 1	193,001	193,001
Add: Disposal of treasury shares	-	-
At December 31	193,001	193,001

B. Treasury shares

(a) Reason for share reacquisition and movements in the number of the Company's treasury shares are as follows:

		December 31, 2023	
Name of company holding the shares	Reason for reacquisition	Number of shares	Carrying amount
Subsidiary - Ching Yi Investment Co., Ltd.	Operational and management considerations	2,250 thousand shares	$ 30,871

		December 31, 2022	
Name of company holding the shares	Reason for reacquisition	Number of shares	Carrying amount
Subsidiary - Ching Yi Investment Co., Ltd.	Operational and management considerations	2,250 thousand shares	$ 30,871

(b) Pursuant to the R.O.C. Securities and Exchange Act, the number of shares bought back as treasury share should not exceed 10% of the number of the Company's issued and outstanding shares and the amount bought back should not exceed the sum of retained earnings, paid-in capital in excess of par value and realised capital surplus.

(c) Pursuant to the R.O.C. Securities and Exchange Act, treasury shares should not be pledged as collateral and is not entitled to dividends before it is reissued.

(d) Pursuant to the R.O.C. Securities and Exchange Act, treasury shares should be reissued to the employees within five years from the reacquisition date and shares not reissued within the three-year period are to be retired. Treasury shares to enhance the Company's credit rating and the stockholders' equity should be retired within six months of acquisition.

(12) Capital surplus

Pursuant to the R.O.C. Company Act, capital surplus arising from paid-in capital in excess of par value on issuance of common stocks and donations can be used to cover accumulated deficit or to issue new stocks or cash to shareholders in proportion to their share ownership, provided that the Company has no accumulated deficit. Further, the R.O.C. Securities and Exchange Act requires that the amount of capital surplus to be capitalised mentioned above should not exceed 10% of the paid-in capital each year. Capital surplus should not be used to cover accumulated deficit unless the legal reserve is insufficient.

	December 31, 2023	December 31, 2022
Used to offset deficits, distributed as cash dividends or transferred to share capital		
Treasury shares transactions	$ 94,242	$ 86,367

(13) Retained earnings

A. The Company operates in the electronics industry. To accompany the growth and overall environment of the industry and the Company's long-term financial planning for the sustainable and stable operation, in accordance with the Company's dividend policy, the Board of Directors shall take into consideration its future operations and capital expenditure needs when proposing the appropriation of earnings. Such appropriation is subject to a resolution of the shareholders' meeting. The amount and type of dividend distribution may be flexibly adjusted by the Board of Directors depending on the subjective environment and actual operational needs. The current year's earnings, if any, shall be appropriated as follows:

(a) Provision of profit-seeking enterprise income tax.

(b) Offsetting accumulated deficits of prior years.

(c) Setting aside 10% as legal reserve.

(d) Special reserve should be provisioned from the remaining plus accumulated undistributed surplus earnings of prior year, and then the remaining is the accumulated distributable earnings. The appropriation of the aforementioned accumulated distributable earnings shall be proposed by the Board of Directors and resolved by the shareholders.

(e) The remaining amount is distributable as dividends to shareholders according to their shareholding ratios.

B. Except for covering accumulated deficit or issuing new stocks or cash to shareholders in proportion to their share ownership, the legal reserve shall not be used for any other purpose. The use of legal reserve for the issuance of stocks or cash to shareholders in proportion to their share ownership is permitted, provided that the distribution of the reserve is limited to the portion in excess of 25% of the Company's paid-in capital.

C. (a) In accordance with the regulations, the Company shall set aside special reserve from the debit balance on other equity items at the balance sheet date before distributing earnings. When debit balance on other equity items is reversed subsequently, the reversed amount could be included in the distributable earnings.

(b) The amount previously set aside by the Company as special reserve on initial application of IFRSs in accordance with Order No. Financial-Supervisory-Securities-Corporate-1010012865, dated April 6, 2012, shall be the same as the amount reclassified from accumulated translation adjustment under shareholders' equity to retained earnings for the exemptions elected by the Company. The special reserve increased as a result of retained earnings arising from the adoption of IFRS was $257,070 thousand.

D. The appropriations of 2022 and 2021 earnings had been approved by the shareholders during their meeting on June 21, 2023 and June 17, 2022, respectively. Details are summarised below:

	Year ended December 31			
	2022		2021	
	Amount	Dividends per share (in dollars)	Amount	Dividends per share (in dollars)
Legal reserve	$ 145,007		$ 102,869	
Cash dividends	683,379	$ 3.50	585,753	$ 3.00
	$ 828,386		$ 688,622	

E. The appropriation of 2023 earnings as proposed by the Board of Directors on March 12, 2024 is as follows:

	Year ended December 31, 2023	
	Amount	Dividends per share (in dollars)
Legal reserve	$ 125,503	
Special reserve	$ 65,979	
Cash dividends	585,753	$ 3.00
	$ 777,235	

As of March 12, 2024, the aforementioned appropriation of 2023 earnings has not yet been resolved at the shareholders' meeting.

(14) Operating revenue

	Year ended December 31	
	2023	2022
Revenue from contracts with customers	$ 11,392,767	$ 9,935,400

A. Disaggregation of revenue from contracts with customers

The Company derives revenue from the transfer of goods at a point in time in the following geographical regions:

	Keyboard				
Year ended December 31, 2023	Mainland China	Europe and America	Taiwan	Other areas	Total
Total segment revenue	$10,241,305	$ 737,453	$ 87,437	$326,572	$11,392,767
Timing of revenue recognition					
At a point in time	$10,241,305	$ 737,453	$ 87,437	$326,572	$11,392,767

	Keyboard				
Year ended December 31, 2022	Mainland China	Europe and America	Taiwan	Other areas	Total
Total segment revenue	$ 8,797,880	$ 975,948	$161,362	$ 210	$ 9,935,400
Timing of revenue recognition					
At a point in time	$ 8,797,880	$ 975,948	$161,362	$ 210	$ 9,935,400

B. Contract liabilities

The Company has recognised the following revenue-related contract liabilities:

	December 31, 2023	December 31, 2022	January 1, 2022
Contract liabilities	$ 70,548	$ 71,536	$ 15,554

Revenue recognised that was included in the contract liability balance at the beginning of the year

	Year ended December 31	
	2023	2022
Revenue recognised that was included in the contract liability balance at the beginning of the year	$ 71,536	$ 15,554

(15) Interest income

	Year ended December 31	
	2023	2022
Interest income from bank deposits	$ 56,451	$ 3,314
Interest income from loans to related parties	33,561	73,639
	$ 90,012	$ 76,953

(16) Other income

	Year ended December 31	
	2023	2022
Rental income	$ 1,842	$ 2,059
Dividend income	600	-
Other income, others	3,801	603
	$ 6,243	$ 2,662

(17) Other gains and losses

	Year ended December 31	
	2023	2022
Foreign exchange gains, net	$ 64,886	$ 244,019
Gains on disposals of investments	5,162	12,627
(Losses) gains on disposals of property, plant and equipment	(8,237)	37,471
Others	(217)	(246)
	$ 61,594	$ 293,871

(18) Finance costs

	Year ended December 31	
	2023	2022
Interest expense:		
Bank borrowings	$ 31,434	$ 24,916

(19) Expenses by nature

	Year ended December 31, 2023		
	Classified as operating costs	Classified as operating expenses	Total
Employee benefit expense	$ 113,895	$ 189,352	$ 303,247
Depreciation charge	1,316	5,257	6,573
Amortisation charge	-	4,210	4,210
	$ 115,211	$ 198,819	$ 314,030

	Year ended December 31, 2022		
	Classified as operating costs	Classified as operating expenses	Total
Employee benefit expense	$ 120,259	$ 190,287	$ 310,546
Depreciation charge	1,200	5,403	6,603
Amortisation charge	-	2,431	2,431
	$ 121,459	$ 198,121	$ 319,580

(20) Employee benefit expense

	Year ended December 31	
	2023	2022
Wages and salaries	$ 260,741	$ 269,826
Labour and health insurance fees	22,087	20,811
Pension costs	10,809	10,678
Directors' remuneration	1,000	1,400
Other personnel expenses	8,610	7,831
	$ 303,247	$ 310,546

A. As at December 31, 2023 and 2022, the Company had 271 and 277 employees, respectively, both including 3 non-employee directors.

B. Average employee benefit expense in current year was $1,128 thousand ((Total employee benefit expense in current year–Total directors' remuneration in current year)/(Number of employees in current year–Number of non-employee directors in current year)). Average employee benefit expense in previous year was $1,128 thousand ((Total employee benefit expense in previous year - Total directors' remuneration in previous year) / (Number of employees in previous year - Number of non-employee directors in previous year)).

C. Average employee salaries in current year was $973 thousand (Total employee salaries in current year / (Number of employees in current year–Number of non-employee directors in current year)). Average employee salaries in previous year was $985 thousand (Total employee salaries in previous year / (Number of employees in previous year - Number of non-employee directors in previous year)).

D. Adjustment of average employee salaries was decrease in 1.22% ((Average employee salaries in current year- Average employee salaries in previous year)/ Average employee salaries in previous year).

E. The company set up an audit committee after reelection of the Board of Directors at June, 2022. There is no supervisor after audit committee set-up.

F. The directors' rewards includes directors' remuneration. Directors' remuneration from earnings are appropriated in accordance with the Articles of Incorporation of the Company, which shall be reviewed by the Remuneration Committee, resolved by the Board of Directors and approved at the shareholders' meeting. Mangers' and employees' rewards include salaries, bonuses, employee compensations, certificate of employees' options, etc. Salaries are determined based on the positions and responsibilities assumed by each manager or employee by reference to the pay levels for the same position in the same industry and the individual's performance results. The managers' remuneration shall be reviewed by the Remuneration Committee and resolved by the Board of Directors.

G. In accordance with the Articles of Incorporation of the Company, a ratio of distributable profit of the current year, after covering accumulated losses, shall be distributed as employees' compensation and directors' and supervisors' remuneration. The ratio shall not be lower than 1% for employees' compensation and shall not be higher than 3% for directors' and supervisors' remuneration.

H. The estimated amount of the Company's employees' remuneration and directors' remuneration is as follows, and the above mentioned amount is included in the account of salary expenses:

	Year ended December 31	
	2023	2022
Employees' compensation	$ 29,000	$ 29,000
Directors' and supervisors' remuneration	1,000	1,800
	$ 30,000	$ 30,800

The employees' compensation and directors' and supervisors' remuneration were estimated and accrued based on:

	Year ended December 31	
	2023	2022
Employees' compensation estimated ratios	1.86%	1.65%
Directors' and supervisors' remuneration estimated ratios	0.09%	1.10%

The employees' compensation and directors' and supervisors' remuneration resolved by the Board of Directors were $29,000 thousand and $1,000 thousand, and the employees' compensation will be distributed in the form of cash.

Employees' compensation and directors' and supervisors' remuneration of 2022 as resolved by the Board of Directors were in agreement with those amounts recognised in the 2022 financial statements.

Information about employees' compensation and directors' and supervisors' remuneration of the Company as resolved at the meeting of Board of Directors will be posted in the "Market Observation Post System" at the website of the Taiwan Stock Exchange.

(21) Income tax

A. Income tax expense

(a) Components of income tax expense:

	Year ended December 31	
	2023	2022
Current tax		
Current tax on profits for the year	$ 199,787	$ 260,585
Income exempted from tax according to the Income Tax Act	(1,033)	(9,593)
Tax on undistributed earnings	31,085	17,003
Prior year income tax overestimation	(7,991)	(9,073)
Total current tax	221,848	258,922
Deferred tax:		
Origination and reversal of temporary differences	54,122	22,285
Total deferred tax	54,122	22,285
Income tax expense	$ 275,970	$ 281,207

(b) The income tax (charge)/credit relating to components of other comprehensive income is as follows:

	Year ended December 31	
	2023	2022
Remeasurements of defined benefit obligations	($ 365)	($ 1,741)

B. Reconciliation between income tax expense and accounting profit

	Year ended December 31	
	2023	2022
Tax calculated based on profit before tax and statutory tax rate	$ 305,908	$ 344,863
Effects from items disallowed by the regulation (Note)	(51,999)	(61,993)
Income exempted from tax according to the Income Tax Act	(1,033)	(9,593)
Prior year income tax overestimation	(7,991)	(9,073)
Tax on undistributed earnings	31,085	17,003
Income tax expense	$ 275,970	$ 281,207

Note: Items disallowed by the regulation primarily comprised of unrealised profit or loss of investments.

C. Amounts of deferred tax assets or liabilities as a result of temporary differences are as follows:

	2023			
	January 1	Recognised in profit or loss	Recognised in other comprehensive income	December 31
—Deferred tax assets:				
Temporary differences:				
Allowance for losses from inventory obsolescence	$ 7,681	($ 2,417)	$ -	$ 5,264
Pensions	236	(703)	(365)	(832)
Others	12,106	23,612	-	35,718
	$20,023	$ 20,492	($ 365)	$ 40,150
—Deferred tax liabilities:				
Gain on overseas long-term investment	($46,316)	($ 63,256)	$ -	($ 109,572)
Provision for land increment tax	(26,745)	-	-	(26,745)
Others	(22,664)	(11,358)	-	(34,022)
	($95,725)	($ 74,614)	$ -	($ 170,339)
		($ 54,122)	($ 365)	

	2022			
	January 1	Recognised in profit or loss	Recognised in other comprehensive income	December 31
－Deferred tax assets:				
Temporary differences:				
Allowance for losses from inventory obsolescence	$ 7,651	$ 30	$ -	$ 7,681
Pensions	2,721	(744)	(1,741)	236
Others	4,920	7,186	-	12,106
	$15,292	$ 6,472	($ 1,741)	$ 20,023
－Deferred tax liabilities:				
Gain on overseas long-term investment	($35,410)	($ 10,906)	$ -	($ 46,316)
Provision for land increment tax	(29,614)	2,869	-	(26,745)
Others	(1,944)	(20,720)	-	(22,664)
	($66,968)	($ 28,757)	$ -	($ 95,725)
		($ 22,285)	($ 1,741)	

D. The amounts of deductible temporary difference that are not recognised as deferred tax assets are as follows:

	December 31, 2023	December 31, 2022
Deductible temporary differences	$ 1, 341, 611	$ 1, 285, 140

E. The Company’s income tax returns through 2021 have been assessed and approved by the Tax Authority.

(22) Earnings per share

	Year ended December 31, 2023		
	Amount after tax	Weighted average number of ordinary shares outstanding (share in thousands)	Earnings per share (in dollars)
Basic earnings per share			
Profit attributable to ordinary shareholders of the parent	$ 1,253,569	193,001	$ 6.50
Diluted earnings per share			
Profit attributable to ordinary shareholders of the parent	$ 1,253,569	193,001	
Assumed conversion of all dilutive potential ordinary shares			
Employees' compensation	-	641	
Profit attributable to ordinary shareholders of the parent plus assumed conversion of all dilutive potential ordinary shares	$ 1,253,569	193,642	$ 6.47

	Year ended December 31, 2022		
	Amount after tax	Weighted average number of ordinary shares outstanding (share in thousands)	Earnings per share (in dollars)
Basic earnings per share			
Profit attributable to ordinary shareholders of the parent	$ 1,443,111	193,001	$ 7.48
Diluted earnings per share			
Profit attributable to ordinary shareholders of the parent	$ 1,443,111	193,001	
Assumed conversion of all dilutive potential ordinary shares			
Employees' compensation	-	917	
Profit attributable to ordinary shareholders of the parent plus assumed conversion of all dilutive potential ordinary shares	$ 1,443,111	193,918	$ 7.44

A. When calculating diluted earnings per share, the Company assumes that the employees' compensation will all be distributed in the form of shares and the resulting potential shares will be included in the weighted average number of ordinary shares outstanding if those shares have a dilutive effect.

B. The numbers of weighted-average outstanding shares for the years ended December 31, 2023 and 2022 were calculated by taking into consideration the weighted-average number of treasury shares.

(23) Supplemental cash flow information

Investing activities with partial cash payments:

	Year ended December 31	
	2023	2022
Purchase of property, plant and equipment	$ 39,284	$ 37,995
Add: Opening balance of payable on equipment	1,643	1,890
Less: Ending balance of payable on equipment	(1,674)	(1,643)
Add: Ending balance of prepayments for business facilities	-	700
Less: Opening balance of prepayments for business facilities	(700)	(59)
Cash paid during the year	$ 38,553	$ 38,883

(24) Changes in liabilities from financing activities

	Short-term borrowings	Long-term borrowings (including current portion)	Dividends payable	Liabilities from financing activities - gross
At January 1, 2023	$ 1,620,000	$ 500,000	$ -	$ 2,120,000
Changes in cash flow from financing activities	(297,000)	(500,000)	(683,379)	(1,480,379)
Changes in other non-cash items	-	-	683,379	683,379
At December 31, 2023	$ 1,323,000	$ -	$ -	$ 1,323,000

	Short-term borrowings	Long-term borrowings (including current portion)	Dividends payable	Liabilities from financing activities - gross
At January 1, 2022	$ 1,710,895	$ 308,889	$ -	$ 2,019,784
Changes in cash flow from financing activities	(92,453)	191,111	(585,753)	(487,095)
Changes in other non-cash items	1,558	-	585,753	587,311
At December 31, 2022	$ 1,620,000	$ 500,000	$ -	$ 2,120,000

7. Related Party Transactions

(1) Names of related parties and relationship

Refer to Note 13 for details of relationship between parent company and subsidiaries.

(2) Significant related party transactions

A. Operating revenue

	Year ended December 31	
	2023	2022
Subsidiaries	$ 41,277	$ 139,582

Goods are sold by the Company to related parties at general prices plus transportation costs. The collection term was 30~120 days after monthly billings, T/T. The collection term to domestic general customers was 30~120 days after monthly billings, T/T, and to overseas general customers was advance receipts or 30~120 days after monthly billings, T/T.

B. Income from technology and managerial services (shown as operating revenue)

	Year ended December 31	
	2023	2022
Subsidiaries	$ 161,003	$ 141,889

The Company provided subsidiaries with consulting services on production, marketing and management, charged managerial services fees based on the relevant expenses plus a markup, and collected in 90~120 days after monthly billings, T/T. Additionally, the Company provided consulting service on production technology of keyboard products, and charged service fees based on a certain percentage of net sales of specific types of machinery sold to entities other than related parties. Aforementioned proceeds were collected annually.

C. Purchases

	Year ended December 31	
	2023	2022
Subsidiaries		
Sunrex Technology (Jiangsu) Co., Ltd.	$ 4,812,673	$ 3,830,228
Changshu Sunrex Technology Co.,ltd.	3,520,703	3,267,187
Sunrex Technology (Chongqing) Co., Ltd.	1,461,891	757,454
Jing Mold Plastic Electronics (Shen-Zhen) Co., Ltd.	664,402	900,059
Others	72,202	108,872
Total	$ 10,531,871	$ 8,863,800

The inventories purchased by the Company from related parties were primarily finished goods and semi-finished goods of laptop keyboards. There were no comparable data of prices because the finished goods and semi-finished goods were outsourced based on machinery models. The payment term was 30-120 days after monthly billings, T/T. For domestic general suppliers, the payment term was 30-120 days after monthly billings, T/T or L/C.

D. Accounts receivable

	December 31, 2023	December 31, 2022
Subsidiaries		
Changshu Sunrex Technology Co.,ltd.	$ 52,111	$ 45,112
Sunrex Technology (Chongqing) Co., Ltd.	49,079	43,872
Jing Mold Plastic Electronics (Shen-Zhen) Co., Ltd.	3,016	8,974
Others	5,153	-
	$ 109,359	$ 97,958

E. Accounts payable

	December 31, 2023	December 31, 2022
Subsidiaries		
Sunrex Technology (Jiangsu) Co., Ltd.	$ 2,026,988	$ 2,483,780
Changshu Sunrex Technology Co.,ltd.	1,744,329	1,180,915
Sunrex Technology (Chongqing) Co., Ltd.	463,774	163,089
Jing Mold Plastic Electronics (Shen-Zhen) Co., Ltd.	123,722	484,384
Sunrex Technoloy (Jiangxi) Co., Ltd	27,851	35,437
Total	$ 4,386,664	$ 4,347,605

F. Other receivables (shown as other receivables due from related parties)

	December 31, 2023	December 31, 2022
Subsidiaries		
Sunrex Technology (Jiangsu) Co., Ltd.	$ -	$ 1,288,965
Best Elite	942,346	356,512
Others	55,629	20,998
Total	$ 997,975	$ 1,666,475

Note: (a) Other receivables due from Best Elite and Sunrex Technology (Jiangsu) Co., Ltd. were the Company loans to Best Elite and Sunrex Technology (Jiangsu) Co., Ltd.

(b) Other receivables, others, were generated from the Company leasing plants and selling equipment.

G. Other payables (shown as other receivables due from related parties)

	December 31, 2023	December 31, 2022
Subsidiaries		
Jing Mold Plastic Electronics (Shen-Zhen) Co., Ltd.	$ 1,183	$ 3,621

H. Property transactions

	Year ended December 31, 2023				
	Property transactions	Disposal proceeds	Book value	Loss on disposal	Ending receivables
Subsidiaries	Machinery and molds	$ 25,989	$ 34,226	($ 8,237)	$ 8,672

	Year ended December 31, 2022				
	Property transactions	Disposal proceeds	Book value	Loss on disposal	Ending receivables
Subsidiaries	Machinery and molds	$ 35,311	$ 35,906	($ 595)	$ 19,583

I. Endorsements and guarantees provided to related parties:

	December 31, 2023	
	Guaranteed facilities	Facilities drawn
Subsidiaries	USD 163,010 thousand	USD 23,605 thousand
	NTD 30,000 thousand	NTD 30,000 thousand

	December 31, 2022	
	Guaranteed facilities	Facilities drawn
Subsidiaries	USD 103,000 thousand	USD 53,000 thousand
	NTD 15,000 thousand	NTD 0 thousand

(3) Key management compensation

	Year ended December 31	
	2023	2022
Salaries and other short-term employee benefits	$ 18,648	$ 16,687
Post-employment benefits	602	603
	$ 19,250	$ 17,290

8. Pledged Assets

None.

9. Significant Contingent Liabilities and Unrecognised Contract Commitments

(1) Contingencies

None.

(2) Commitments

A. Capital expenditures contracted and not yet incurred

	December 31, 2023	December 31, 2022
Property, plant and equipment	$ -	$ 1,050

B. Information about related parties’ guarantees is provided in Note 13.

10. Significant Disaster Loss

None.

11. Significant Events after the Balance Sheet Date

Information about the appropriation of 2023 earnings of the Company is provided in Note 6(13)E.

12. Others

(1) Capital management

The Company's capital management is based on the scale of the industry which the Company is in, along with the industry's future growth and product development to set an appropriate market share. Furthermore, the Company determines an appropriate capital structure by planning a corresponding capital expenditure, calculating operation funds in accordance with operating plans, and considering the operating profits and cash flows that can be generated by products' competitiveness.

(2) Financial instruments

A. Financial instruments by category

	December 31, 2023	December 31, 2022
Financial assets		
Non-current financial assets at fair value through other comprehensive income	$ 5,355	$ -
Financial assets at amortised cost/Loans and receivables		
Cash and cash equivalents	1,008,130	1,056,980
Accounts receivable	3,793,360	4,298,002
Accounts receivable-related parties	109,359	97,958
Other receivables	1,237	1,334
Other receivables-related parties	997,975	1,666,475
Guarantee deposits paid	245	245
	$ 5,915,661	$ 7,120,994

	December 31, 2023	December 31, 2022
Financial liabilities		
Financial liabilities at amortised cost		
Short-term borrowings	$ 1,323,000	$ 1,620,000
Contract liabilities	70,548	71,536
Accounts payable	7,515	9,073
Accounts payable to related parties	4,386,664	4,347,605
Other payables	102,878	106,511
Other payables-related parties	1,183	3,621
Long-term borrowings (including current portion)	-	500,000
	$ 5,891,788	$ 6,658,346

B. Financial risk management policies

(a) The Company's activities expose it to a variety of financial risks: market risk (including foreign exchange risk, price rate risk and interest rate risk), credit risk and liquidity risk.

(b)For the risk management, the Company's treasury identifies, evaluates and hedges financial risks in close co-operation with the Company's operating units, such as exchange rate risk, interest rate risk and investment of current residual capital.

C. Significant financial risks and degrees of financial risks

(a) Market risk

Exchange rate risk

i. The Company operates internationally and is exposed to exchange rate risk arising from the transactions of the Company and its subsidiaries used in various functional currency, primarily with respect to the USD and RMB. Foreign exchange rate risk arises from future commercial transactions and recognised assets and liabilities.

ii. The Company's businesses involve some non-functional currency operations (the Company's functional currency: NTD; other certain subsidiaries' functional currency: USD or RMB). The information on assets and liabilities denominated in foreign currencies whose values would be materially affected by the exchange rate fluctuations is as follows:

	December 31, 2023		
(Foreign currency: functional currency)	Foreign currency amount (In thousands)	Exchange rate	Book amounts (In thousands of NTD)
Financial assets			
Monetary items			
USD:NTD	$ 189,151	30.71	$ 5,807,881
Non-monetary items			
USD:NTD	341,029	30.71	10,471,295
Financial liabilities			
Monetary items			
USD:NTD	142,776	30.71	4,383,937

(Foreign currency: functional currency)	December 31, 2022 Foreign currency amount (In thousands)	Exchange rate	Book amounts (In thousands of NTD)
Financial assets			
Monetary items			
USD:NTD	$ 229,152	30.71	$ 7,037,258
Non-monetary items			
USD:NTD	245,891	30.71	7,551,313
Financial liabilities			
Monetary items			
USD:NTD	141,788	30.71	4,354,309

iii. Total exchange gain (loss), including realised and unrealised,arising from significant foreign exchange variation on the monetary items are as follows:

	Year ended December 31 2023	2022
Foreign exchange (losses) gain, net	$ 64,886	$ 244,019

iv. Analysis of foreign currency market risk arising from significant foreign exchange variation:

(Foreign currency: functional currency)	Year ended December 31, 2023 Sensitivity analysis Degree of variation	Effect on profit or loss	Effect on other comprehensive income
Financial assets			
Monetary items			
USD:NTD	1%	$ 58,079	$ -
Non-monetary items			
USD:NTD	1%	-	104,713
Financial liabilities			
Monetary items			
USD:NTD	1%	43,839	-

(Foreign currency: functional currency)	Year ended December 31, 2022 Sensitivity analysis Degree of variation	 Effect on profit or loss	 Effect on other comprehensive income
Financial assets			
Monetary items			
USD:NTD	1%	$ 70,373	$ -
Non-monetary items			
USD:NTD	1%	-	75,513
Financial liabilities			
Monetary items			
USD:NTD	1%	43,543	-

Price risk

The Company's equity securities, which are exposed to price risk, are financial assets at fair value through other comprehensive income. To manage its price risk arising from investments in equity securities, the Company diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the Company.

Cash flow and fair value interest rate risk

i. The Company's interest rate risk arises from long-term and short-term borrowings. Borrowings issued at variable rates expose the Company to cash flow interest rate risk which is partially offset by cash and cash equivalents held at variable rates. During 2023 and 2022, the Company's borrowings at variable rate were mainly denominated in New Taiwan dollars and United States dollars.

ii. As of December 31, 2023 and 2022, if the borrowing interest rate had increased/decreased by 0.1% with all other variables held constant, pre-tax profit for the years ended December 31, 2023 and 2022 were as follows:

	Year ended December 31, 2023 Sensitivity analysis Borrowing interest rate	 Pre-tax profit
Borrowings	0.10%	$ 1,058

	Year ended December 31, 2022 Sensitivity analysis Borrowing interest rate	 Pre-tax profit
Borrowings	0.10%	$ 1,696

(b) Credit risk

i. Credit risk refers to the risk of financial loss to the Company arising from default by the clients or counterparties of financial instruments on the contract obligations. The main factor is that counterparties could not repay in full the accounts receivable based on the agreed terms, and the contract cash flows of debt instruments stated at amortised cost.

ii. The Company manages their credit risk taking into consideration the entire company's concern. According to the Company's credit policy, each local entity in the Company is responsible for managing and analysing the credit risk for each of their new clients before standard payment and delivery terms and conditions are offered. Internal risk control assesses the credit quality of the customers, taking into account their financial position, past experience and other factors. Individual risk limits are set based on internal or external ratings. The utilisation of credit limits is regularly monitored.

iii. The Company adopts following assumptions under IFRS 9 to assess whether there has been a significant increase in credit risk on that instrument since initial recognition:

If the contract payments were past due over 30 days based on the terms, there has been a significant increase in credit risk on that instrument since initial recognition.

iv. The Company adopts the default occurs when the contract payments are past due over 180 days.

v. The Company classifies customers' accounts receivable in accordance with the modified approach using a provision matrix based on the loss rate methodology to estimate the expected credit loss.

vi. The Company used the forecastability to adjust historical and timely information to assess the default possibility of accounts receivable. On December 31, 2023 and 2022, the provision matrix, loss rate methodology is as follows:

	Individual	Group			Total
		Not past due	Within 1 year	Over 1 year	
December 31,2023					
Expected loss rate	100%	0%	0%	100%	
Total book value	$ -	$ 3,793,332	$ 28	$ -	$ 3,793,360
Loss allowance	$ -	$ -	$ -	$ -	$ -

	Individual	Group			Total
		Not past due	Within 1 year	Over 1 year	
December 31,2022					
Expected loss rate	100%	0%	0%	100%	
Total book value	$ -	$ 4,229,236	$ 68,766	$ -	$ 4,298,002
Loss allowance	$ -	$ -	$ -	$ -	$ -

(c) Liquidity risk

i. Cash flow forecasting is performed in the operating entities of the Company and aggregated by Company treasury. Company treasury monitors rolling forecasts of the Company's liquidity requirements to ensure it has sufficient cash to meet operational needs while maintaining sufficient headroom on its undrawn committed borrowing facilities at all times so that the Company does not breach borrowing limits or covenants (where applicable) on any of its borrowing facilities.

ii. The Company has the following undrawn borrowing facilities:

	December 31, 2023	December 31, 2022
Floating rate		
Expiring within one year	$ 1,416,750	$ 1,021,005
Fixed rate		
Expiring within one year	1,206,400	544,059
	$ 2,623,150	$ 1,565,064

iii. The table below analyses the Company's non-derivative financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date for non-derivative financial liabilities. The amounts disclosed in the table are the contractual undiscounted cash flows.

Non-derivative financial liabilities:

December 31, 2023	Within one year	Between 1 and 2 year(s)	Over 2 years	Total
Short-term borrowings	$1,331,523	$ -	$ -	$1,331,523
Accounts payable	7,515	-	-	7,515
Accounts payable-related parties	4,386,664	-	-	4,386,664
Other payables	102,878	-	-	102,878
Other payables-related parties	1,183	-	-	1,183

Non-derivative financial liabilities:

December 31, 2022	Within one year	Between 1 and 2 year(s)	Over 2 years	Total
Short-term borrowings	$3,194,971	$ -	$ -	$3,194,971
Accounts payable	9,073	-	-	9,073
Accounts payable-related parties	4,347,605	-	-	4,347,605
Other payables	106,511	-	-	106,511
Other payables-related parties	3,621	-	-	3,621
Long-term borrowings (including current portion)	201,916	241,915	67,217	511,048

(3) Fair value information

A. The different levels that the inputs to valuation techniques are used to measure fair value of financial and non-financial instruments have been defined as follows:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date. A market is regarded as active where a market in which transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: Unobservable inputs for the asset or liability.

B. Financial instruments not measured at fair value

Except for those listed in the table below, the carrying amounts of cash and cash equivalents, notes receivable, accounts receivable, other receivables, short-term borrowings, notes payable, accounts payable and other payables are approximate to their fair values.

C. The methods and assumptions the Company used to measure fair value are as follows:

The output of valuation model is an estimated value and the valuation technique may not be able to capture all relevant factors of the Company's financial and non-financial instruments. Therefore, the estimated value of valuation model would be adequately adjusted based on extra parameters, such as model risk or liquidity risk, etc. In accordance with the Company's management policies and relevant control procedures relating to the valuation models used for fair value measurement, management believes adjustment to valuation is necessary in order to reasonably represent the fair value of financial and non-financial instruments at the consolidated balance sheet. The inputs and pricing information used during valuation are carefully assessed and adjusted based on current market conditions.

D. For the years ended December 31, 2023 and 2022, there was no transfer between Level 1 and Level 2.

13. Supplementary Disclosures

(1) Significant transactions information

A. Loans to others: Please refer to table 1.

B. Provision of endorsements and guarantees to others: Please refer to table 2.

C. Holding of marketable securities at the end of the period (not including subsidiaries, associates and joint ventures): Please refer to table 3.

D. Acquisition or sale of the same security with the accumulated cost exceeding $300 million or 20% of the Company's paid-in capital: None.

E. Acquisition of real estate reaching $300 million or 20% of paid-in capital or more: None.

F. Disposal of real estate reaching $300 million or 20% of paid-in capital or more: None.

G. Purchases or sales of goods from or to related parties reaching $100 million or 20% of paid-in capital or more: Please refer to table 4.

H. Receivables from related parties reaching $100 million or 20% of paid-in capital or more: Please refer to table 5.

I. Trading in derivative instruments undertaken during the reporting periods: None.

J. Significant inter-company transactions during the reporting periods: Please refer to table 6.

(2) Information on investees

Names, locations and other information of investee companies (not including investees in Mainland China): Please refer to table 7.

(3) Information on investments in Mainland China

A. Basic information and limit of reinvestment in Mainland China: Please refer to table 8.

B. Significant transactions, either directly or indirectly through a third area, with investee companies in the Mainland Area:

For the year ended December 31, 2023, significant transactions, either directly or indirectly through a third area, with investee companies in the Mainland Area: Please refer to tables 1, 2, 4, 5 and 6.

(4) Major shareholders information

Please refer to table 9.

14. Operating Segments Information

Not applicable.

SUNREX TECHNOLOGY CORP.

LOANS TO OTHERS

YEAR ENDED DECEMBER 31, 2023

Table 1

Expressed in thousands of NTD

(Except as otherwise indicated)

No. (Note 1)	Creditor	Borrower	General ledger account	Is a related party	Maximum outstanding balance during the year ended December 31, 2023	Balance at December 31, 2023	Actual amount drawn down (Note 4)	Interest rate	Nature of loan (Note 3)	Amount of transactions with the borrower	Reason for short-term financing	Allowance for doubtful accounts	Collateral Item	Collateral Value	Limit on loans granted to a single party (Note 2)	Ceiling on total loans granted (Note 2)	Footnote
0	Sunrex Technology Corp.	Sunrex Technology Singapore PTE. Ltd.	Other receivables	Yes	$ 16,213	$ 15,353	$ -	2.50%	(2)	$ -	Working capital	$ -	None	$ -	$ 3,754,746	$ 3,754,746	
0	Sunrex Technology Corp.	Sunrex Technology (Thailand) Co. Ltd.	Other receivables	Yes	31,255	30,705	18,942	8.00%	(2)	-	Working capital	-	None	-	3,754,746	3,754,746	
0	Sunrex Technology Corp.	BEST ELITE HOLDINGS LTD	Other receivables	Yes	1,531,495	1,504,545	930,362	2.50%	(2)	-	Working capital	-	None	-	3,754,746	3,754,746	
0	Sunrex Technology Corp.	Sunrex Technology (Jiangsu) Co., Ltd.	Other receivables	Yes	2,551,420	-	-	5.00%	(2)	-	Working capital	-	None	-	3,754,746	3,754,746	
0	Sunrex Technology Corp.	Forward Optics Co., Ltd	Other receivables	Yes	60,000	60,000	25,000	3.00%	(2)	-	Working capital	-	None	-	3,754,746	3,754,746	
1	BEST ELITE HOLDINGS LTD	Sunrex Technology (Jiangsu) Co., Ltd.	Other receivables	Yes	1,059,495	-	-	5.00%	(2)	-	Working capital	-	None	-	7,817,392	7,817,392	
2	Jing Mold Electronic Technology (Shenzhen) Co., Ltd.	Sunrex Technoloy (Jiangxi) Co., Ltd	Other receivables	Yes	511,175	263,947	233,658	5.00%	(2)	-	Working capital	-	None	-	866,877	866,877	

Note 1: The numbers filled in for the loans provided by the Company or subsidiaries are as follows:

(1) The Company is ‘0’.

(2) The subsidiaries are numbered in order starting from ‘1’.

Note 2: Ceiling on total loans granted is 40% of the creditor’s net assets and limit on loans granted between the foreign companies which are directly or indirectly wholly owned by the Company is 100% of the creditor’s net assets.

Note 3: (1) Business transaction.

(2) Short-term financing.

Note 4: Has been eliminated in the consolidated financial statements.

SUNREX TECHNOLOGY CORP.

PROVISION OF ENDORSEMENTS AND GUARANTEES TO OTHERS

YEAR ENDED DECEMBER 31, 2023

Table 2

Expressed in thousands of NTD

(Except as otherwise indicated)

		Party being endorsed/ guaranteed												
Number (Note 1)	Endorser/guarantor	Company name	Relationship with the endorser/guarantor (Note 1)	Limit on endorsements/guarantees provided for a single party (Note 3)	Maximum outstanding endorsement/ guarantee amount as of December 31, 2023	Outstanding endorsement/ guarantee amount at December 31, 2023	Actual amount drawn down	Amount of endorsements/ guarantees secured with collateral	Ratio of accumulated endorsement/ guarantee amount to net asset value of the endorser/guarantor company	Ceiling on total amount of endorsements /guarantees provided (Note 2)	Provision of endorsements/ guarantees by parent company to subsidiary	Provision of endorsements/ guarantees by subsidiary to parent company	Provision of endorsements/ guarantees to the party in Mainland China	Footnote
0	Sunrex Technology Corp.	BEST ELITE HOLDINGS LTD	Note 1	$ 4,693,433	$ 3,226,834	$ 1,842,607	$ 724,781	$ -	19.63%	$ 9,386,866	Y	N	N	
0	Sunrex Technology Corp.	Sunrex Technology (Jiangsu) Co., Ltd.	Note 1	4,693,433	942,600	706,215	-	-	7.52%	9,386,866	Y	N	Y	
0	Sunrex Technology Corp.	Sunrex Technology (Vietnam) Company Limited	Note 1	4,693,433	2,500,400	2,456,400	-	-	26.17%	9,386,866	Y	N	N	
0	Sunrex Technology Corp.	Forward Optocs Co., LTD.	Note 1	4,693,433	30,000	30,000	30,000	-	0.32%	9,386,866	Y	N	N	

Note 1: The endorser/guarantor parent company owns directly and indirectly more than 50% voting shares of the endorsed/guaranteed subsidiary.

Note 2: Ceiling on total amount of endorsements/guarantees provided by the Company is 100% of the Company’s net assets.

Note 3: Limit on endorsements/guarantees provided by the Company for a single party is 50% of the Company’s net assets.

SUNREX TECHNOLOGY CORP.

HOLDING OF MARKETABLE SECURITIES AT THE END OF THE PERIOD (NOT INCLUDING SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES)

DECEMBER 31, 2023

Table 3

Expressed in thousands of NTD

(Except as otherwise indicated)

Securities held by	Marketable securities	Relationship with the securities issuer	General ledger account	As of December 31, 2023				Footnote(Note 4)
				Number of shares	Book value(Note 3)	Ownership (%)	Fair value	
Ching Yi Investment Co., Ltd.	Sunrex Technology Corp.	The Company	Current financial assets at fair value through other comprehensive income	2,250,000	$ 133,650	1.15%	$ 133,650	Note 5
Sunrex Technology Corp.	Waltop International Corporation	None	Non-current financial assets at fair value through other comprehensive income	47,286	-	1.60%	-	Note 6
Sunrex Technology Corp.	Bin Chuan Enterprise Co., Ltd.	None	Non-current Financial Assets at Fair Value through Profit or Loss	225,000	5,355	0.19%	5,355	
Forward Optics Co., Ltd.	Bin Chuan Enterprise Co., Ltd.	None	Current Financial Assets at Fair Value through Profit or Loss	1,073,000	25,537	0.88%	25,537	

Note 1: Marketable securities in the table refer to stocks, bonds, beneficiary certificates and other related derivative securities.

Note 2: Leave the column blank if the issuer of marketable securities is non-related party.

Note 3: Fill in the amount after adjusted at fair value and

Note 4: The number of shares of securities and their amounts pledged

Note 5: Book value as of December 31, 2023 has been transferred to treasury share in the consolidated financial statements.

Note 6: Forward Optics Co., Ltd. reduced $61,260 and $49,260 of capital to offset accumulated deficits as resolved by the shareholders on April 28, 2021 and August 5, 2021, respectively and increased $71,039 of capital by debt for equity swap as by the Board of Directors on October 28, 2021. As the Company did not participate in the capital increase, the Company’s ownership decreased from 11.10% to 1.60%.Reduced $79,881 of capital to offset accumulated deficits as resolved by the shareholders on August 16, 2022, with a captial reduction ration of 64.50%.After the capital reduction, the company's ownership decreased is 1.60% on August 16, 2022. On August 16, 2022, the shareholders resolved to reduce capital to offset accumulated deficits amounting to $79,881 thousand. The capital reduction ratio was 64.50%. The effective date for the capital reduction was set on August 22, 2022. After the capital reduction, the Company’s shareholding ratio was 1.60%.

SUNREX TECHNOLOGY CORP.

PURCHASES OR SALES OF GOODS FROM OR TO RELATED PARTIES REACHING NT$100 MILLION OR 20% OF PAID-IN CAPITAL OR MORE

YEAR ENDED DECEMBER 31, 2023

Table 4

Expressed in thousands of NTD

(Except as otherwise indicated)

			Transaction				Differences in transaction terms compared to third party transactions (Note 1)		Notes/accounts receivable (payable)		
Purchaser/seller	Counterparty	Relationship with the counterparty	Purchases (sales)	Amount	Percentage of total purchases (sales)	Credit term	Unit price	Credit term	Balance	Percentage of total notes/accounts receivable (payable)	Footnote
Sunrex Technology Corp.	Sunrex Technology (Jiangsu) Co., Ltd.	Same ultimate parent	Purchases	$ 4,812,673	26.41%	120 days after monthly billings	Note 1	Collected by telegraphic transfer	Accounts payable $ 2,026,988 thousand	61.07%	Note 2
Sunrex Technology Corp.	Changshu Sunrex Technology Co., Ltd.	Same ultimate parent	Purchases	3,520,703	19.32%	120 days after monthly billings	Note 1	Collected by telegraphic transfer	Accounts payable 1,744,330 thousand	52.55%	Note 2
Sunrex Technology Corp.	Jing Mold Electronic Technology (Shenzhen) Co., Ltd.	Same ultimate parent	Purchases	664,402	3.65%	120 days after monthly billings	Note 1	Collected by telegraphic transfer	Accounts payable 123,722 thousand	3.73%	Note 2
Sunrex Technology Corp.	Sunrex Technology (Chongqing) Co., Ltd.	Same ultimate parent	Purchases	1,461,891	8.02%	120 days after monthly billings	Note 1	Collected by telegraphic transfer	Accounts payable 463,774 thousand	13.97%	Note 2
Sunrex Technology (Jiangsu) Co., Ltd.	Crown Trading International Limited	Same ultimate parent	Sales	1,231,291	5.70%	120 days after monthly billings	Note 1	Collected by telegraphic transfer	Accounts receivable 580,212 thousand	9.06%	Note 2
Sunrex Technology (Jiangsu) Co., Ltd.	Sunrex Technology Corp.	The Company	Sales	4,782,844	22.13%	120 days after monthly billings	Note 1	Collected by telegraphic transfer	Accounts receivable 2,019,548 thousand	31.54%	Note 2
Sunrex Technology (Jiangsu) Co., Ltd.	Kai Zhao (Suzhou)dian Zi You Xian Gong Si	Same ultimate parent	Purchases	187,274	1.03%	120 days after monthly billings	Note 1	Collected by telegraphic transfer	Others payables 65,172 thousand	1.96%	Note 2
Sunrex Technology (Jiangsu) Co., Ltd.	Crown Trading International Limited	Same ultimate parent	Purchases	393,681	2.16%	120 days after monthly billings	Note 1	Collected by telegraphic transfer	Accounts payable 161,109 thousand	4.85%	Note 2
Sunrex Technology (Jiangsu) Co., Ltd.	Amiable Development Incorporated	Same ultimate parent	Purchases	2,409,583	13.22%	120 days after monthly billings	Note 1	Collected by telegraphic transfer	Accounts payable 957,897 thousand	28.86%	Note 2
Changshu Sunrex Technology Co., Ltd.	Amiable Development Incorporated	Same ultimate parent	Sales	2,567,529	11.88%	120 days after monthly billings	Note 1	Collected by telegraphic transfer	Accounts receivable 1,041,632 thousand	16.27%	Note 2
Changshu Sunrex Technology Co., Ltd.	Sunrex Technology Corp.	The Company	Sales	3,494,769	16.17%	120 days after monthly billings	Note 1	Collected by telegraphic transfer	Accounts receivable 1,738,662 thousand	27.16%	Note 2
Changshu Sunrex Technology Co., Ltd.	Amiable Development Incorporated	Same ultimate parent	Purchases	728,465	4.00%	120 days after monthly billings	Note 1	Collected by telegraphic transfer	Accounts payable 380,764 thousand	11.47%	Note 2
Jing Mold Electronic Technology (Shenzhen) Co., Ltd.	Sunrex Technology Corp.	The Company	Sales	663,036	3.07%	120 days after monthly billings	Note 1	Collected by telegraphic transfer	Accounts receivable 124,462 thousand	1.94%	Note 2
Jing Mold Electronic Technology (Shenzhen) Co., Ltd.	Sunrex Technoloy (Jiangxi) Co., Ltd	Same ultimate parent	Purchases	126,165	0.69%	120 days after monthly billings	Note 1	Collected by telegraphic transfer	Accounts payable 31,403 thousand	0.95%	Note 2
Sunrex Technology (Chongqing) Co., Ltd.	Crown Trading International Limited	Same ultimate parent	Sales	124,151	0.57%	120 days after monthly billings	Note 1	Collected by telegraphic transfer	Accounts receivable 58,407 thousand	0.91%	Note 2
Sunrex Technology (Chongqing) Co., Ltd.	Sunrex Technology Corp.	The Company	Sales	1,450,929	6.71%	120 days after monthly billings	Note 1	Collected by telegraphic transfer	Accounts receivable 465,924 thousand	7.28%	Note 2
Sunrex Technology (Chongqing) Co., Ltd.	Elated Develope Limited	Same ultimate parent	Purchases	219,019	1.20%	120 days after monthly billings	Note 1	Collected by telegraphic transfer	Accounts payable 70,927 thousand	2.14%	Note 2
Sunrex Technoloy (Jiangxi) Co., Ltd	Jing Mold Electronic Technology (Shenzhen) Co., Ltd.	Same ultimate parent	Sales	125,467	0.58%	120 days after monthly billings	Note 1	Collected by telegraphic transfer	Accounts receivable 32,626 thousand	0.51%	Note 2
Sunrex Technoloy (Jiangxi) Co., Ltd	Crown Trading International Limited	Same ultimate parent	Sales	278,000	1.29%	120 days after monthly billings	Note 1	Collected by telegraphic transfer	Accounts receivable 145,347 thousand	2.27%	Note 2
Sunrex Technoloy (Jiangxi) Co., Ltd	Amiable Development Incorporated	Same ultimate parent	Sales	728,475	3.37%	120 days after monthly billings	Note 1	Collected by telegraphic transfer	Accounts receivable 380,764 thousand	5.95%	Note 2
Sunrex Technoloy (Jiangxi) Co., Ltd	Elated Develope Limited	Same ultimate parent	Sales	218,899	1.01%	120 days after monthly billings	Note 1	Collected by telegraphic transfer	Accounts receivable 70,927 thousand	1.11%	Note 2
Crown Trading International Limited	Sunrex Technology (Jiangsu) Co., Ltd.	Same ultimate parent	Sales	405,004	1.87%	120 days after monthly billings	Note 1	Collected by telegraphic transfer	Accounts receivable 169,754 thousand	2.65%	Note 2
Crown Trading International Limited	Sunrex Technology (Chongqing) Co., Ltd.	Same ultimate parent	Purchases	125,179	0.69%	120 days after monthly billings	Note 1	Collected by telegraphic transfer	Accounts payable 58,527 thousand	1.76%	Note 2
Crown Trading International Limited	Sunrex Technoloy (Jiangxi) Co., Ltd	Same ultimate parent	Purchases	279,825	1.54%	120 days after monthly billings	Note 1	Collected by telegraphic transfer	Accounts payable 145,645 thousand	4.39%	Note 2

SUNREX TECHNOLOGY CORP.

PURCHASES OR SALES OF GOODS FROM OR TO RELATED PARTIES REACHING NT$100 MILLION OR 20% OF PAID-IN CAPITAL OR MORE

YEAR ENDED DECEMBER 31, 2023

Table 4

Expressed in thousands of NTD

(Except as otherwise indicated)

			Transaction				Differences in transaction terms compared to third party transactions (Note 1)		Notes/accounts receivable (payable)			
Purchaser/seller	Counterparty	Relationship with the counterparty	Purchases (sales)	Amount	Percentage of total purchases (sales)	Credit term	Unit price	Credit term	Balance		Percentage of total notes/accounts receivable (payable)	Footnote
Crown Trading International Limited	Sunrex Technology (Jiangsu) Co., Ltd.	Same ultimate parent	Purchases	1,236,184	6.78%	120 days after monthly billings	Note 1	Collected by telegraphic transfer	Accounts payable	581,402 thousand	17.52%	Note 2
Amiable Development Incorporated	Sunrex Technology (Jiangsu) Co., Ltd.	Same ultimate parent	Sales	2,429,516	11.24%	120 days after monthly billings	Note 1	Collected by telegraphic transfer	Accounts receivable	966,523 thousand	15.10%	Note 2
Amiable Development Incorporated	Changshu Sunrex Technology Co., Ltd.	Same ultimate parent	Sales	727,874	3.37%	120 days after monthly billings	Note 1	Collected by telegraphic transfer	Accounts receivable	381,546 thousand	5.96%	Note 2
Amiable Development Incorporated	Changshu Sunrex Technology Co., Ltd.	Same ultimate parent	Purchases	2,582,841	14.18%	120 days after monthly billings	Note 1	Collected by telegraphic transfer	Accounts payable	1,043,770 thousand	31.44%	Note 2
Amiable Development Incorporated	Sunrex Technoloy (Jiangxi) Co., Ltd	Same ultimate parent	Purchases	727,874	3.99%	120 days after monthly billings	Note 1	Collected by telegraphic transfer	Accounts payable	381,546 thousand	11.49%	Note 2
Elated Develop Limited	Sunrex Technology (Chongqing) Co., Ltd.	Same ultimate parent	Sales	220,904	1.02%	120 days after monthly billings	Note 1	Collected by telegraphic transfer	Accounts receivable	71,072 thousand	1.11%	Note 2
Elated Develop Limited	Sunrex Technoloy (Jiangxi) Co., Ltd	Same ultimate parent	Purchases	220,904	1.21%	120 days after monthly billings	Note 1	Collected by telegraphic transfer	Accounts payable	71,072 thousand	2.14%	Note 2
Kai Zhao (Suzhou)dian Zi You Xian Gong Si	Sunrex Technology (Jiangsu) Co., Ltd.	Same ultimate parent	Sales	190,164	0.88%	120 days after monthly billings	Note 1	Collected by telegraphic transfer	Accounts receivable	63,007 thousand	0.98%	Note 2

Note 1: As the finished goods and semi-finished goods purchased by the Company are outsourced according to different models, there was no relevant information for comparison.

Note 2: Has been eliminated in the consolidated financial statements.

SUNREX TECHNOLOGY CORP.

RECEIVABLES FROM RELATED PARTIES REACHING NT$100 MILLION OR 20% OF PAID-IN CAPITAL OR MORE

YEAR ENDED DECEMBER 31, 2023

Table 5

Expressed in thousands of NTD

(Except as otherwise indicated)

Creditor	Counterparty	Relationship with the counterparty	Balance as at December 31, 2023		Turnover rate	Overdue receivables		Amount collected subsequent to the balance sheet date (Note 1)	Allowance for doubtful accounts
						Amount	Action taken		
Jing Mold Electronic Technology (Shenzhen) Co., Ltd.	Sunrex Technoloy (Jiangxi) Co., Ltd	Same ultimate parent	Other receivables	$ 234,805 thousand	-	$ -	$ -	$ 10,437	$ -
Crown Trading International Limited	Sunrex Technology (Jiangsu) Co., Ltd.	Same ultimate parent	Accounts receivable	169,754 thousand	2.73	-	-	43,637	-
Sunrex Technology (Jiangsu) Co., Ltd.	Crown Trading International Limited	Same ultimate parent	Accounts receivable	580,212 thousand	2.11	-	-	144,892	-
Sunrex Technoloy (Jiangxi) Co., Ltd	Crown Trading International Limited	Same ultimate parent	Accounts receivable	145,347 thousand	1.85	-	-	51,986	-
Amiable Development Incorporated	Sunrex Technology (Jiangsu) Co., Ltd.	Same ultimate parent	Accounts receivable	966,523 thousand	2.38	-	-	409,811	-
Amiable Development Incorporated	Changshu Sunrex Technology Co., Ltd.	Same ultimate parent	Accounts receivable	381,546 thousand	2.51	-	-	189,866	-
Changshu Sunrex Technology Co., Ltd.	Amiable Development Incorporated	Same ultimate parent	Accounts receivable	1,041,632 thousand	2.35	-	-	268,872	-
Sunrex Technoloy (Jiangxi) Co., Ltd	Amiable Development Incorporated	Same ultimate parent	Accounts receivable	380,764 thousand	2.52	-	-	189,866	-
Sunrex Technology (Jiangsu) Co., Ltd.	Sunrex Technology Corp.	The Company	Accounts receivable	2,019,548 thousand	2.12	-	-	438,375	-
Changshu Sunrex Technology Co., Ltd.	Sunrex Technology Corp.	The Company	Accounts receivable	1,738,662 thousand	2.40	-	-	762,943	-
Jing Mold Electronic Technology (Shenzhen) Co., Ltd.	Sunrex Technology Corp.	The Company	Accounts receivable	124,462 thousand	2.17	-	-	61,469	-
Sunrex Technology (Chongqing) Co., Ltd.	Sunrex Technology Corp.	The Company	Accounts receivable	465,924 thousand	4.59	-	-	112,319	-
Sunrex Technology Corp.	BEST ELITE HOLDINGS LTD	Same ultimate parent	Other receivables	942,346 thousand	-	-	-	375,239	-

Note 1: Subsequent collection is the amount collected as of March 1, 2024.

SUNREX TECHNOLOGY CORP.

SIGNIFICANT INTER-COMPANY TRANSACTIONS DURING THE REPORTING PERIODS

YEAR ENDED DECEMBER 31, 2023

Table 6

Expressed in thousands of NTD

(Except as otherwise indicated)

Number (Note 1)	Company name	Counterparty	Relationship (Note 2)	Transaction: General ledger account	Transaction: Amount (Note 5)	Transaction: Transaction terms	Transaction: Percentage of consolidated total operating revenues or total assets (Note 3)
0	Sunrex Technology Corp.	Sunrex Technology (Jiangsu) Co., Ltd.	1	Purchases	$ 4,812,673	The price was negotiated and the payment was 120 days after monthly billings	22.27
0	Sunrex Technology Corp.	Changshu Sunrex Technology Co., Ltd.	1	Purchases	3,520,703	The price was negotiated and the payment was 120 days after monthly billings	16.29
0	Sunrex Technology Corp.	Jing Mold Electronic Technology (Shenzhen) Co., Ltd.	1	Purchases	664,402	The price was negotiated and the payment was 120 days after monthly billings	3.07
0	Sunrex Technology Corp.	Sunrex Technology (Chongqing) Co., Ltd.	1	Purchases	1,461,891	The price was negotiated and the payment was 120 days after monthly billings	6.76
0	Sunrex Technology Corp.	Sunrex Technology (Jiangsu) Co., Ltd.	1	Accounts payable	2,026,988	The price was negotiated and the payment was 120 days after monthly billings	32.30
0	Sunrex Technology Corp.	Changshu Sunrex Technology Co., Ltd.	1	Accounts payable	1,744,329	The price was negotiated and the payment was 120 days after monthly billings	27.80
0	Sunrex Technology Corp.	Jing Mold Electronic Technology (Shenzhen) Co., Ltd.	1	Accounts payable	123,722	The price was negotiated and the payment was 120 days after monthly billings	1.97
0	Sunrex Technology Corp.	Sunrex Technology (Chongqing) Co., Ltd.	1	Accounts payable	463,774	The price was negotiated and the payment was 120 days after monthly billings	7.39
0	Sunrex Technology Corp.	BEST ELITE HOLDINGS LTD	1	Other receivables	942,346	The transaction was aroused from loans and the principal was repayable at the maturity date	15.02
1	Sunrex Technology (Jiangsu) Co., Ltd.	Crown Trading International Limited	3	Sales	1,231,291	The price was negotiated and the payment was 120 days after monthly billings	5.70
1	Sunrex Technology (Jiangsu) Co., Ltd.	Sunrex Technology Corp.	2	Sales	4,782,844	The price was negotiated and the payment was 120 days after monthly billings	22.13
1	Sunrex Technology (Jiangsu) Co., Ltd.	KAI ZHAO(SUZHOU)DIAN ZI YOU	3	Purchases	187,274	The price was negotiated and the payment was 120 days after monthly billings	0.87
1	Sunrex Technology (Jiangsu) Co., Ltd.	Crown Trading International Limited	3	Purchases	393,681	The price was negotiated and the payment was 120 days after monthly billings	1.82
1	Sunrex Technology (Jiangsu) Co., Ltd.	Amiable Development Incorporated	3	Purchases	2,409,583	The price was negotiated and the payment was 120 days after monthly billings	11.15
1	Sunrex Technology (Jiangsu) Co., Ltd.	Crown Trading International Limited	3	Accounts receivable	580,212	The price was negotiated and the payment was 120 days after monthly billings	9.25
1	Sunrex Technology (Jiangsu) Co., Ltd.	Sunrex Technology Corp.	2	Accounts receivable	2,019,548	The price was negotiated and the payment was 120 days after monthly billings	32.19
1	Sunrex Technology (Jiangsu) Co., Ltd.	Crown Trading International Limited	3	Accounts payable	161,109	The price was negotiated and the payment was 120 days after monthly billings	2.57
1	Sunrex Technology (Jiangsu) Co., Ltd.	Amiable Development Incorporated	3	Accounts payable	957,897	The price was negotiated and the payment was 120 days after monthly billings	15.27
2	Changshu Sunrex Technology Co., Ltd.	Amiable Development Incorporated	3	Sales	2,567,529	The price was negotiated and the payment was 120 days after monthly billings	11.88
2	Changshu Sunrex Technology Co., Ltd.	Sunrex Technology Corp.	2	Sales	3,494,769	The price was negotiated and the payment was 120 days after monthly billings	16.17
2	Changshu Sunrex Technology Co., Ltd.	Amiable Development Incorporated	3	Purchases	728,465	The price was negotiated and the payment was 120 days after monthly billings	3.37
2	Changshu Sunrex Technology Co., Ltd.	Amiable Development Incorporated	3	Accounts receivable	1,041,632	The price was negotiated and the payment was 120 days after monthly billings	16.60
2	Changshu Sunrex Technology Co., Ltd.	Sunrex Technology Corp.	2	Accounts receivable	1,738,662	The price was negotiated and the payment was 120 days after monthly billings	27.71

SUNREX TECHNOLOGY CORP.

SIGNIFICANT INTER-COMPANY TRANSACTIONS DURING THE REPORTING PERIODS

YEAR ENDED DECEMBER 31, 2023

Table 6

Expressed in thousands of NTD

(Except as otherwise indicated)

Number (Note 1)	Company name	Counterparty	Relationship (Note 2)	Transaction			
				General ledger account	Amount (Note 5)	Transaction terms	Percentage of consolidated total operating revenues or total assets (Note 3)
2	Changshu Sunrex Technology Co., Ltd.	Amiable Development Incorporated	3	Accounts payable	380,764	The price was negotiated and the payment was 120 days after monthly billings	6.07
3	Jing Mold Electronic Technology (Shenzhen) Co., Ltd.	Sunrex Technology Corp.	2	Sales	663,036	The price was negotiated and the payment was 120 days after monthly billings	3.07
3	Jing Mold Electronic Technology (Shenzhen) Co., Ltd.	Sunrex Technoloy (Jiangxi) Co., Ltd	3	Purchases	126,165	The price was negotiated and the payment was 120 days after monthly billings	0.58
3	Jing Mold Electronic Technology (Shenzhen) Co., Ltd.	Sunrex Technology Corp.	2	Accounts receivable	124,462	The price was negotiated and the payment was 120 days after monthly billings	1.98
3	Jing Mold Electronic Technology (Shenzhen) Co., Ltd.	Sunrex Technoloy (Jiangxi) Co., Ltd	3	Other receivable	234,805	The transaction was aroused from loans and the principal was repayable at the maturity date	3.74
4	Sunrex Technology (Chongqing) Co., Ltd.	Crown Trading International Limited	3	Sales	124,151	The price was negotiated and the payment was 120 days after monthly billings	0.57
4	Sunrex Technology (Chongqing) Co., Ltd.	Sunrex Technology Corp.	2	Sales	1,450,929	The price was negotiated and the payment was 120 days after monthly billings	6.71
4	Sunrex Technology (Chongqing) Co., Ltd.	Elated Develop Limited	3	Purchases	219,019	The price was negotiated and the payment was 120 days after monthly billings	1.01
4	Sunrex Technology (Chongqing) Co., Ltd.	Sunrex Technology Corp.	2	Accounts receivable	465,924	The price was negotiated and the payment was 120 days after monthly billings	7.43
5	Sunrex Technoloy (Jiangxi) Co., Ltd	Jing Mold Electronic Technology (Shenzhen) Co., Ltd.	3	Sales	125,467	The price was negotiated and the payment was 120 days after monthly billings	0.58
5	Sunrex Technoloy (Jiangxi) Co., Ltd	Crown Trading International Limited	3	Sales	278,000	The price was negotiated and the payment was 120 days after monthly billings	1.29
5	Sunrex Technoloy (Jiangxi) Co., Ltd	Amiable Development Incorporated	3	Sales	728,475	The transaction was aroused from loans and the principal was repayable at the maturity date	3.37
5	Sunrex Technoloy (Jiangxi) Co., Ltd	Elated Develop Limited	3	Sales	218,899	The price was negotiated and the payment was 120 days after monthly billings	1.01
5	Sunrex Technoloy (Jiangxi) Co., Ltd	Crown Trading International Limited	3	Accounts receivable	145,347	The price was negotiated and the payment was 120 days after monthly billings	2.32
5	Sunrex Technoloy (Jiangxi) Co., Ltd	Amiable Development Incorporated	3	Accounts receivable	380,764	The price was negotiated and the payment was 120 days after monthly billings	6.07
5	Sunrex Technoloy (Jiangxi) Co., Ltd	Jing Mold Electronic Technology (Shenzhen) Co., Ltd.	3	Other payables	234,802	The transaction was aroused from loans and the principal was repayable at the maturity date	3.74
6	BEST ELITE HOLDINGS LTD	Sunrex Technology Corp.	2	Other payables	943,479	The transaction was aroused from loans and the principal was repayable at the maturity date	15.04
7	Crown Trading International Limited	Sunrex Technology (Jiangsu) Co., Ltd.	3	Sales	405,004	The price was negotiated and the payment was 120 days after monthly billings	1.87
7	Crown Trading International Limited	Sunrex Technology (Chongqing) Co., Ltd.	3	Purchases	125,179	The price was negotiated and the payment was 120 days after monthly billings	0.58
7	Crown Trading International Limited	Sunrex Technoloy (Jiangxi) Co., Ltd	3	Purchases	279,825	The price was negotiated and the payment was 120 days after monthly billings	1.29
7	Crown Trading International Limited	Sunrex Technology (Jiangsu) Co., Ltd.	3	Purchases	1,236,184	The price was negotiated and the payment was 120 days after monthly billings	5.72
7	Crown Trading International Limited	Sunrex Technology (Jiangsu) Co., Ltd.	3	Accounts receivable	169,754	The price was negotiated and the payment was 120 days after monthly billings	2.71
7	Crown Trading International Limited	Sunrex Technology (Jiangsu) Co., Ltd.	3	Accounts payable	581,402	The price was negotiated and the payment was 120 days after monthly billings	9.27

SUNREX TECHNOLOGY CORP.

SIGNIFICANT INTER-COMPANY TRANSACTIONS DURING THE REPORTING PERIODS

YEAR ENDED DECEMBER 31, 2023

Table 6

Expressed in thousands of NTD

(Except as otherwise indicated)

Number (Note 1)	Company name	Counterparty	Relationship (Note 2)	Transaction: General ledger account	Transaction: Amount (Note 5)	Transaction: Transaction terms	Transaction: Percentage of consolidated total operating revenues or total assets (Note 3)
7	Crown Trading International Limited	Sunrex Technoloy (Jiangxi) Co., Ltd	3	Accounts payable	145,645	The price was negotiated and the payment was 120 days after monthly billings	2.32
8	Amiable Development Incorporated	Sunrex Technology (Jiangsu) Co., Ltd.	3	Sales	2,429,516	The price was negotiated and the payment was 120 days after monthly billings	11.24
8	Amiable Development Incorporated	Changshu Sunrex Technology Co., Ltd.	3	Sales	727,874	The price was negotiated and the payment was 120 days after monthly billings	3.37
8	Amiable Development Incorporated	Changshu Sunrex Technology Co., Ltd.	3	Purchases	2,582,841	The price was negotiated and the payment was 120 days after monthly billings	11.95
8	Amiable Development Incorporated	Sunrex Technoloy (Jiangxi) Co., Ltd	3	Purchases	727,874	The price was negotiated and the payment was 120 days after monthly billings	3.37
8	Amiable Development Incorporated	Sunrex Technology (Jiangsu) Co., Ltd.	3	Accounts receivable	966,523	The price was negotiated and the payment was 120 days after monthly billings	15.40
8	Amiable Development Incorporated	Changshu Sunrex Technology Co., Ltd.	3	Accounts receivable	381,546	The price was negotiated and the payment was 120 days after monthly billings	6.08
8	Amiable Development Incorporated	Changshu Sunrex Technology Co., Ltd.	3	Accounts payable	1,043,770	The price was negotiated and the payment was 120 days after monthly billings	16.64
8	Amiable Development Incorporated	Sunrex Technoloy (Jiangxi) Co., Ltd	3	Accounts payable	381,546	The price was negotiated and the payment was 120 days after monthly billings	6.08
9	Elated Develop Limited	Sunrex Technology (Chongqing) Co., Ltd.	3	Sales	220,904	The price was negotiated and the payment was 120 days after monthly billings	1.02
9	Elated Develop Limited	Sunrex Technoloy (Jiangxi) Co., Ltd	3	Purchases	220,904	The price was negotiated and the payment was 120 days after monthly billings	1.02
10	KAI ZHAO(SUZHOU)DIAN ZI YOU	Sunrex Technology (Jiangsu) Co., Ltd.	3	Sales	190,164	The price was negotiated and the payment was 120 days after monthly billings	0.88

Note 1: The numbers filled in for the transaction company in respect of inter-company transactions are as follows:

(1) Parent company is '0'.

(2) The subsidiaries are numbered in order starting from '1'.

Note 2: Relationship between transaction company and counterparty is classified into the following three categories; fill in the number of category each case belongs to (If transactions between parent company and subsidiaries or between subsidiaries refer to the same transaction, it is not required to disclose twice. For example, if the parent company has already disclosed its transaction with a subsidiary, then the subsidiary is not required to disclose the transaction; for transactions between two subsidiaries, if one of the subsidiaries has disclosed the transaction, then the other is not required to disclose the transaction.):

(1) Parent company to subsidiary.

(2) Subsidiary to parent company.

(3) Subsidiary to subsidiary.

Note 3: Regarding percentage of transaction amount to consolidated total operating revenues or total assets, it is computed based on period-end balance of transaction to consolidated total assets for balance sheet accounts and based on accumulated transaction amount for the period to consolidated total operating revenues for income statement accounts.

Note 4: Only the related party transactions that reach $10 million or more were disclosed.

Note 5: Has been eliminated in the consolidated financial statements.

SUNREX TECHNOLOGY CORP.

INFORMATION ON INVESTEES

YEAR ENDED DECEMBER 31, 2023

Table 7

Expressed in thousands of NTD

(Except as otherwise indicated)

				Initial investment amount		Shares held as at December 31, 2023					
Investor	Investee (Note 1)	Location	Main business activities	Balance as at December 31, 2023	Balance as at December 31, 2022	Number of shares	Ownership (%)	Book value	Net profit (loss) of the investee for the year ended December 31, 2023	Investment income (loss) recognised by the Company for the year ended December 31, 2023	Footnote
Sunrex Technology Corp.	Ching Yi Investment Co., Ltd.	Taiwan	Production and sales of various investments	$ 16,723	$ 16,723	2,900,000	100%	$ 61,151	$ 7,963	$ 87	
Sunrex Technology Corp.	American Sunrex Corporation	U.S.A	Sales of computers and their ancillary equipment	35,572	35,572	218,420	100%	(1,238)	934	934	
Sunrex Technology Corp.	Sunrex Technology (HK) Co Ltd	Hong Kong	Distribute of computers and their ancillary	252,178	252,178	8,400,000	100%	1,173,013	124,273	124,273	
Sunrex Technology Corp.	Excellent Global International Ltd.	Cayman Islands	Various investments	843,471	843,471	31,907,470	100%	6,798,177	713,065	713,065	
Sunrex Technology Corp.	Forward Optocs Co., LTD.	Taiwan	Production of plastic and rubber products	332,440	332,440	19,244,000	74.59%	31,418	(22,717)	(16,937)	
Sunrex Technology Corp.	Sunrex Technology Singapore PTE. Ltd.	Singapore	Various investments	253,273	-	-	100%	248,733	3,138	3,138	Note 4
Sunrex Technology Corp.	Sunrex Technology (Thailand) Co. Ltd.	Thailand	Production of laptop computer keyboards and related products	13,260	-	1,499,999	100.00%	11,246	(2,277)	(2,277)	Note 5
Sunrex Technology (HK) Co Ltd	Sunrex Technology (Thailand) Co. Ltd.	Thailand	Production of laptop computer keyboards and related products	-	-	1	0.00%	-	-	-	Note 5
Sunrex Technology (HK) Co Ltd	Leading Growth Industrial Co., Ltd.	Mauritius	Various investments	250,530	250,530	-	14.92%	1,167,366	837,316	-	Note 3
Excellent Global International Ltd.	Leading Growth Industrial Co., Ltd.	Mauritius	Various investments	1,428,081	1,428,081	-	85.08%	6,654,251	837,316	-	Note 3
Excellent Global International Ltd.	Golden Point Trading International Ltd.	British Virgin Islands	Import and export trades	-	-	-	100%	8,701	(2,883)	-	Note 3
Excellent Global International Ltd.	Golden Point Trading International Limited	Hong Kong	Import and export trades	-	-	-	100%	-	-	-	Note 3
Excellent Global International Ltd.	Crown Trading International Limited	Hong Kong	Import and export trades	-	-	-	100%	2,043	1,498	-	Note 3
Excellent Global International Ltd.	Amiable Development Incorporated	Samoa	Import and export trades	-	-	-	100%	13,054	(1,656)	-	Note 3
Excellent Global International Ltd.	Elated Devolop Limited	Samoa	Import and export trades	-	-	-	100%	101,781	3,792	-	Note 3
Leading Growth Industrial Co., Ltd.	Best Elite Holdings Limited	Hong Kong	Various investments	1,678,611	1,678,611	-	100%	7,817,392	837,433	-	Note 3

Note 1: Investees accounted for using the equity method by the Company.

Note 2: Investment amount as at December 31, 2023.

Note 3: The investment income (loss) was not shown as the investee was a second-tier subsidiary reinvested by the Company.

Note 4: On March 31, 2023, the Company incorporated a wholly-owned subsidiary in Singapore.

Note 5: On August 10, 2023, the Company’s Board of Directors resolved to invest and establish a Thailand subsidiary, Sunrex Technology (Thailand) Co. Ltd. The registration of incorporation had been completed on September 21, 2023. The total investment amount is THB 15,000 thousand.

SUNREX TECHNOLOGY CORP.

INFORMATION ON INVESTMENTS IN MAINLAND CHINA

YEAR ENDED DECEMBER 31, 2023

Table 8

Expressed in thousands of NTD

(Except as otherwise indicated)

					Amount remitted from Taiwan to Mainland China/Amount remitted back to Taiwan for the year ended December 31, 2023								
Investee in Mainland China	Main business activities	Paid-in capital	Investment method (Note 1)	Accumulated amount of remittance from Taiwan to Mainland China as of January 1, 2023	Remitted to Mainland China	Remitted back to Taiwan	Accumulated amount of remittance from Taiwan to Mainland China as of December 31, 2023	Net income of investee as of December 31, 2023	Ownership held by the Company (direct or indirect)	Investment income (loss) recognised by the Company for the year ended December 31, 2023 (Note 5)	Book value of investments in Mainland China as of December 31, 2023	Accumulated amount of investment income remitted back to Taiwan as of December 31, 2023	Footnote
Sunrex Technology (Jiangsu) Co., Ltd.	Production of laptop computer keyboards and related products	USD 29,510	2	$ 612,103	$ -	$ -	$ 612,103	$ 535,170	100%	$ 534,200	$ 4,871,322	$ 377,193	Notes 4 and 5
Changshu Sunrex Technology Co., Ltd.	Production of laptop computer keyboards and related products	USD 18,750	2	227,981	-	-	227,981	401,183	100%	397,179	1,772,507	201,722	Notes 4 and 5
Sunrex Technology (Chongqing) Co., Ltd.	Production of laptop computer keyboards and related products	USD 17,400	2	-	-	-	-	402,985	100%	402,937	1,832,164	1,195,595	Notes 3、4 and 5
Jing Mold Electronic Technology (Shenzhen) Co., Ltd.	Production and operation of plastic molds, computer (phone) keyboards and plastic injection molding	USD 28,680	2	343,948	-	-	343,948	(41,160)	50%	(41,142)	1,803,597	-	Note 5
Sunrex Technoloy (Jiangxi) Co., Ltd	Production and operation of plastic molds, computer (phone) keyboards and plastic injection molding	USD 16,769	3	-	-	-	-	35,450	50%	35,450	1,021,685	-	Notes 2 and 5
KAI ZHAO (SUZHOU)DIAN ZI YOU XIAN GONG SI	Production of laptop computer keyboards and related products	CNY 10,000	3	-	-	-	-	15,011	100%	15,011	83,704	-	

Company name	Accumulated amount of remittance from Taiwan to Mainland China as of December 31, 2023	Investment amount approved by the Investment Commission of the Ministry of Economic Affairs (MOEA)	Ceiling on investments in Mainland China imposed by the Investment Commission of MOEA
Sunrex Technology Corp.	$ 1,184,032	$ 1,398,439	$ 5,632,119

Note 1: Investment methods are classified into the following three categories; fill in the number of category each case belongs to:

(1) Directly invest in a company in Mainland China.

(2) Through investing in an existing company in the third area, which then invested in the investee in Mainland China.

(3) Others.

Note 2: The paid-in capital included USD 7,249 of capitalisation of earnings by Jing Mold Electronic Technology (Shenzhen) Co., Ltd. and USD 9,520 of capitalisation of loans in 2009.

Note 3: The MOEA has approved the Company to reinvest Sunrex Technology (Chongqing) Co., Ltd. with the earnings that the investees in Mainland China remitted back to existing companies in the third area in the amount of USD 17,400 on September 20, 2010, August 1, 2011 and June 25, 2013.

Note 4: Net income of investee as of December 31, 2023 included sidestream and upstream unrealised gains or losses.

Note 5: Investment income (loss) recognised by the Company for the year ended December 31, 2023 was recognised based on the audited financial statements.

SUNREX TECHNOLOGY CORP.
MAJOR SHAREHOLDERS INFORMATION
DECEMBER 31, 2023

Table 9

Name of major shareholders	Shares	
	Number of shares held	Ownership (%)
Tsai, Huo-Lu	38,476,233	19.70%
Tsai Tseng, Shu-Ping	23,221,253	11.89%

SUNREX TECHNOLOGY CORP.
CASH AND CASH EQUIVALENTS
DECEMBER 31, 2023
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

STATEMENT 1

Item	Description	Amount
Cash on hand and petty cash		$ 258
Bank deposits:		
Checking accounts		332
Time deposits	USD 11,220 thousand Exchange rate 30.66	343,939
Demand deposits		64,515
Foreign currency deposits	USD 19,532 thousand Exchange rate 30.66	598,756
	RMB 527 thousand Exchange rate 0.22	113
	JPY 5 thousand Exchange rate 3.90	19
	HKD 44 thousand Exchange rate 4.30	190
	EUR 0 thousand Exchange rate 33.78	8
		$ 1,008,130

SUNREX TECHNOLOGY CORP.
ACCOUNTS RECEIVABLE
DECEMBER 31, 2023
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

STATEMENT 2

Client Name	Description	Amount	Note
Related parties:			
Changshu Sunrex Technology Co.,ltd.		$ 52,111	
Sunrex Technology (Chongqing) Co., Ltd.		49,079	
Others		8,169	
		$ 109,359	The balance of each company has not exceeded 5% of total account balance.
Non-related parties:			
Company A		$ 828,450	
Company B		646,020	
Company C		612,244	
Company D		460,967	
Company E		301,118	
Company F		258,184	
Company G		220,482	
Others		465,895	The balance of each company has not exceeded 5% of total account balance.
		$ 3,793,360	

SUNREX TECHNOLOGY CORP.
INVENTORIES
DECEMBER 31, 2023
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

STATEMENT 3

Item	Description	Amount: Cost	Amount: Market Value	Note
Raw Materials		$ 49,033	$ 49,033	Use replacement cost as market value
Finished goods		713,440	750,913	Use net realisable value as market price
		762,473	$ 799,946	
Less: Allowance for slow-moving and valuation loss		(26,320)		
		$ 736,153		

SUNREX TECHNOLOGY CORP.
STATEMENT OF CHANGES IN NON-CURRENT FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED DECEMBER 31, 2023
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

STATEMENT 4

	Beginning Balance		Addition		Decrease		Ending Balance				
Name	Shares (in thousands)	Fair Value	Shares (in thousands)	Amount	Shares (in thousands)	Amount	Shares (in thousands)	Fair Value	Accumulated Impairment	Collateral	Note
Waltop International Corporation	47	$ -	-	$ -	-	$ -	47	$ -	($ 6,296)	None	

SUNREX TECHNOLOGY CORP.
INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD
FOR THE YEAR ENDED DECEMBER 31, 2023
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

STATEMENT 5

	Beginning Balance		Addition		Decrease		Ending Balance		Market Value or Net Assets Value					
Name	Shares (in thousands)	Amount	Shares (in thousands)	Amount	Shares (in thousands)	Amount	Shares (in thousands)	Percentage of Ownership	Amount	Unit Price	Total Amount	Valuation Basis	Collateral	Note
Investments accounted for using the equity method														
Excellent Global Interational Ltd.	31,097	$ 6,443,130	-	$ 564,885	-	($ 209,838)	31,097	100.00%	$ 6,798,177	213.06	$ 6,798,177	Equity method	None	
Sunrex Technology (HK) Co Ltd	8,400	1,110,058	-	99,753	-	(36,798)	8,400	100.00%	1,173,013	139.64	1,173,013	Equity method	None	
Forward Optocs Co., LTD.	19,244	48,356	-	-	-	(16,938)	19,244	74.59%	31,418	1.63	31,418	Equity method	None	
Ching Yi Investment Co., Ltd.	2,900	53,375	-	7,963	-	(31,058)	2,900	100.00%	30,280	10.44	30,280	Equity method	None	
Sunrex Technology Singapore PTE. Ltd.	-	-	-	253,272	-	(4,539)	-	100.00%	248,733	-	248,733	Equity method	None	
Sunrex Technology (Thailand) Co. Ltd.	-	-	1,500	13,260	-	(2,015)	1,500	100.00%	11,245	7.50	11,245	Equity method	None	
		$ 7,654,919		$ 939,133		($ 301,186)			$ 8,292,866		$ 8,292,866			
Credit balance of investments accounted for using the equity method														
American Sunrex Corporation	219	($ 2,158)	-	$ 920	-	$ -	219	0.00%	($ 1,238)	(5.65)	($ 1,238)	Equity method	None	

SUNREX TECHNOLOGY CORP.
CHANGES IN COST AND ACCUMULATED DEPRECIATION OF PROPERTY, PLANT AND EQUIPMENT
FOR THE YEAR ENDED DECEMBER 31, 2023
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

STATEMENT 6

Item	Beginning Balance	Addition	Decrease	Ending Balance

Please refer to Note 6(5) for the related information on ‘changes in cost and accumulated depreciation of property, plant and equipment’.

SUNREX TECHNOLOGY CORP.
SHORT-TERM BORROWINGS
DECEMBER 31, 2023
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

STATEMENT 7

Nature	Creditor	Ending Balance	Contract Period	Range of Interest Rate	Credit Line	Collateral
Unsecured borrowings	First Commercial Bank	$ 683,000	2023.07.31~2024.07.31	1.71%	TWD 944,000	None
Unsecured borrowings	CITI Bank	200,000	2023.10.24~2024.04.19	1.60%	TWD 645,400	None
Unsecured borrowings	HSBC Bank	80,000	2023.11.30~2024.03.29	1.65%	TWD 645,400	None
Unsecured borrowings	HSBC Bank	200,000	2023.10.06~2024.02.02	1.68%	TWD 645,400	None
Unsecured borrowings	HSBC Bank	160,000	2023.07.25~2024.01.19	1.65%	TWD 645,400	None
		$ 1,323,000				

SUNREX TECHNOLOGY CORP.
ACCOUNTS PAYABLE
DECEMBER 31, 2023
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

STATEMENT 8

Client Name	Description	Amount	Note
Related parties:			
Sunrex Technology (Jiangsu) Co., Ltd.		$ 2,026,988	
Changshu Sunrex Technology Co.,ltd.		1,744,329	
Sunrex Technology (Chongqing) Co.,		463,774	
Jing Mold Electronic Technology (Shenzhen) Co.,ltd.		123,722	
Sunrex Technoloy (Jiangxi) Co., Ltd		27,851	
		$ 4,386,664	
Non-related Parties:			
Company S		$ 1,730	
Company T		830	
Company U		809	
Company V		575	
Company W		444	
Company X		442	
Company Y		428	
Company Z		408	
Others		1,849	The balance of each supplier has not exceeded 5% of total account
		$ 7,515	

SUNREX TECHNOLOGY CORP.
OPERATING REVENUE
FOR THE YEAR ENDED DECEMBER 31, 2023
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

STATEMENT 9

Item	Volume	Amount	Note
Laptop computer keyboards	46,076 thousand pieces	$ 9,892,146	
Revenue from sales of raw materials		1,339,645	
Other operating revenue		161,003	
Total sales revenue		11,392,794	
Less: Sales returns and discounts		(27)	
Net sales revenue		$ 11,392,767	

SUNREX TECHNOLOGY CORP.
OPERATING COSTS
FOR THE YEAR ENDED DECEMBER 31, 2023
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

STATEMENT 10

Item	Amount
Beginning raw materials and supplies	$ 60,512
Add: Net raw materials purchased	1,223,186
Transfers from finished goods	531
Less: Raw materials sold	(1,225,955)
Ending raw materials and supplies	(49,033)
Transfers to various expenses	(2,722)
Raw materials used	6,519
Direct labor	16,910
Manufacturing expense	109,362
Manufacturing cost	132,791
Add: Beginning finished goods	541,914
Finished goods purchased	9,337,459
Transfers from fixed assets	3,543
Less: Ending finished goods	(713,440)
Transfers to various expenses	(35,555)
Transfers from finished goods to materials	(531)
Manufacturing and selling costs	9,266,181
Cost of raw materials sold	1,225,955
Loss on slow-moving inventories and valuation loss	100
Revenue from sale of scraps	(12,084)
Cost of goods sold	$ 10,480,152

SUNREX TECHNOLOGY CORP.
MANUFACTURING EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2023
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

STATEMENT 11

Item	Description	Amount	Note
Wages and salaries		$ 86,161	
Insurance expense		8,491	
Manufacturing overhead-out sourced		5,921	
Others		8,789	The balance of each item has not exceeded 5% of total account balance.
		$ 109,362	

SUNREX TECHNOLOGY CORP.
OPERATING EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2023
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

STATEMENT 12

Item	Selling Expenses	Administrative Expenses	Research and Development Expenses	Total	Note
Wages and salaries	$ 22,122	$ 41,165	$ 106,193	$ 169,480	
Service expense	-	12,828	19,797	32,625	
Insurance expense	1,645	4,484	7,939	14,068	
Taxes	-	6,845	-	6,845	
Others	46,968	38,606	23,182	108,756	The balance of each item has not exceeded 5% of total account balance.
	$ 70,735	$ 103,928	$ 157,111	$ 331,774	

SUNREX TECHNOLOGY CORP.
STATEMENT OF NET AMOUNT OF OTHER INCOME AND EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2023
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

STATEMENT 13

Item	Description	Amount	Note
Interest income:			
Interest income from bank deposits		$ 56,451	
Interest income from loans to related parties		33,561	
		$ 90,012	
Other income:			
Rent income		$ 1,842	
Dividend income		600	
Other income, others		3,801	
		$ 6,243	
Other gains and losses:			
Net foreign exchange gains		$ 64,886	
Gains on disposals of investments		5,163	
Gains on disposals of property, plant and equipment		(8,237)	
Others		(218)	
		$ 61,594	
Finance costs:			
Interest expense		$ 31,434	
Net other income and expenses		$ 126,415	

SUNREX TECHNOLOGY CORP.
FINANCE COSTS
FOR THE YEAR ENDED DECEMBER 31, 2023
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

STATEMENT 14

Item	Description	Amount	Note

Please refer to Note 6(18) for the related information on ‘finance costs’.

SUNREX TECHNOLOGY CORP.
SUMMARY OF CURRENT PERIOD EMPLOYEE BENEFITS, DEPRECIATION, DEPLETION AND AMORTISATION EXPENSES BY FUNCTION
FOR THE YEAR ENDED DECEMBER 31, 2023
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

STATEMENT 15

Function / Nature	Year ended December 31					
	2023			2022		
	Classified as Operating Costs	Classified as Operating Expenses	Total	Classified as Operating Costs	Classified as Operating Expenses	Total
Please refer to Notes 6(19) and 6(20) for the related information on ‘summary of current period employee benefits, depreciation, depletion and amortisation expenses by function’.						