



AmTRAN Technology Co., Ltd.

2024

Annual Report

This Annual Report is available at
MOPS: <http://mops.twse.com.tw>
Company website <http://www.amtran.com.tw>

Published on April 14, 2024

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Chapter 1 Letter to Shareholders

Dear Shareholders,

The consolidated revenue of AmTRAN Technology for 2023 was NT\$16.584 billion, with a gross profit margin of approximately 9.59%, and an operating loss of about NT\$18,206 thousand. The non-operating income amounted to NT\$587 million, resulting in a net profit before tax of NT\$569 million for the period, reversing the loss to profit. After tax, the net profit amounted to NT\$457 million, with an earnings per share of NT\$0.58.

AmTRAN shipped 3.86 million TV sets and displays in 2023, a 7.22% increase compared to 2022. And due to the weakness in the PC industry, shipments of computer peripherals such as mice and webcams decreased to 2.3 million units.

In terms of investment strategy, over the past two years, there have been valuation losses due to fluctuations in the stock price of VIZIO Holding Corp (hereinafter referred to as "VIZIO"). For stable profitability, and to prevent severe impacts from share price fluctuation on the Company's operating performances, the Company has been selling off VIZIO's shares in the recent 2 years, selling approximately 10 million shares. Currently, we still hold approximately 4.4 million shares of VIZIO stock, representing a stake of approximately 2.23%.

In order to further enhance shareholder returns and optimize financial structure, AmTRAN plans to decrease its paid-in capital through refunding of shares, thereby adjusting its capital structure. This initiative will help minimize idle capital and enhance shareholder returns, better equipping us to navigate changes in the market environment.

In terms of product trends, televisions and gaming monitors remain the core products, accounting for 70% to 80% of shipments. Other products mainly consist of computer peripherals and video conferencing-related systems. After the production capacity of the second phase plant in Vietnam became available, it not only brings in new orders but increase additional value for the Company through the vertical integration of metal compartments, plastic compartments, and surface-mount technology. The Company continues to seek greater economic benefits to further improve its operating performances. Considering Vietnam's free trade agreements (FTAs) with major global economic and trade partners such as the United States, the European Union, and ASEAN, which provide tariff advantages, AmTRAN plans to commence the third phase of production in the latter half of 2024. This move is expected to further enhance economic efficiency and maintain a stable upward growth trend.

Looking ahead to 2024, the arrival of major sporting events such as the Paris Olympics, the European Cup, and the Copa América is expected to boost the demand for TV upgrades, leading to anticipated growth in related sectors. Shipments of computer peripherals such as mice and webcams are also expected to increase. Overall, the year is forecasted to be one of steady growth.

The Company's management team and all colleagues will not only strive to make the business income grow, but also continue to make stable profits to repay the long-term support and love of shareholders.

Chairman Alpha Wu

President: Sam Wu

Accounting Manager: Scottie Chiu

I. Business Performance in 2023

(I) Results of Operation

AmTRAN Technology's Consolidated operating revenue in 2023 was NT \$16.584 billion, with net profit before tax of NT \$569 million, net profit after tax of NT \$457 million, and earnings per share of NT \$0.58.

(II) Revenue Forecast and Realization

The Company has not published financial forecast for 2023, so it is not applicable.

(III) Analysis of Consolidated Financial Income and Expenditure and Profitability

Analysis Item \ Year		2023	2022
Expenses	Sales Revenue	16,583,775	16,355,412
	Gross Profit	1,590,475	1,489,465
	Operating Income	-18,206	-202,533
Profitability	Return on assets (%)	2.33	-11.94
	Return on equity (%)	3.37	-18.26
	Ratio of income before tax to paid-in capital (%)	7.69	-43.10
	Net profit rate (%)	2.76	-17.03
	Earnings per share (NT\$)	0.58	-3.45

(IV) Research development overview

In order to improve the convenience of consumers and the cost-effective of products and make the product line cover from low-level to high-level products, the Company is committed to the establishment and improvement of key technologies and integration capabilities, and has made breakthrough development in the design of institutions, backlight, power, hardware and software, leading the market by a large margin.

In terms of mechanism and backlight design, the Company has made corresponding design according to product specifications and different panel specifications of multiple manufacturers, so as to avoid panel manufacturers' exclusive control of supply and solve the imbalance between supply and demand of main raw material manufacturers. At the same time, the Company also meets the screen requirements of high brightness and high chromaticity in the design of backlight optical materials. In terms of power supply design, according to the requirements of national energy laws and regulations, we adopt a high efficiency and cost-effective architecture, and consider the configuration of cooling power supply, so as to achieve high-quality green energy product design. In terms of hardware and software design, we provide high-quality operating environment interface and high-quality and cost-effective products according to various technical specifications, SOC functions and software architecture. The Company's R & D technology focus and trend will

make appropriate adjustments with reference to market demand and supply and demand of spare parts.

II. Business plan for 2024

(I) Management Principles

1. Given the recent turmoil in global politics and economics, with changes in the COVID-19 situation, trade tensions between China and the US, and the Russia-Ukraine conflict, the global economy is uncertain. This has led to a situation where economic growth faces challenges like "shrinking demand, supply disruptions, and weakening confidence." Hence, it's crucial to plan production and sales cautiously.
2. The arrival of major sporting events such as the Paris Olympics, the European Cup, and the Copa America is expected to boost the demand for television upgrades, indicating promising prospects in related markets. Compared to last year, this year is expected to be a year of stable growth, with anticipated increases in shipments of computer peripherals such as televisions, monitors, mice, Webcams, and other related products.
3. Actively develop new products, increase the diversity of product functions, and continuously improve the layout of high-end and high price products.
4. Develop new brand customers all over the world and strive to expand new markets.
5. After the capacity of the second factory in Vietnam is in place, apart from receiving new orders, there is also an increase in economic efficiency due to vertical integration initiatives being undertaken.
6. Although the frequency of business trips decreased during the epidemic period, the average number of days of business trips increased. It is planned to further strengthen the technical content and professional skills training of employees in various regions for subsequent support.

(II) Expected business profile

Looking ahead to 2024, with the decrease in inventory impact and the stabilization of panel prices since the beginning of this year, it is anticipated that shipments will gradually return to normal. The arrival of major sporting events such as the Paris Olympics, the European Cup, and the Copa America is expected to boost the demand for television upgrades. After the production capacity of the second phase plant in Vietnam became available, it not only brings in new orders but increase additional value for the Company through the vertical integration of metal compartments, plastic compartments, and surface-mount technology. The Company continues to seek greater economic benefits to further improve its operating

performances. Further improvement in economic benefits is expected, and operations are expected to continue growing positively.

III. Future development strategies of the Company

In the future, the product strategy will develop towards multi product lines, adjust product mix, turn to high-level and high unit price product customers, and make efforts to develop new markets while deeply developing the main markets in China, Taiwan and the United States.

In response to global warming, businesses and investors today are focusing on energy conservation, carbon reduction, and environmental sustainability. The Company also publishes regular sustainability reports, which disclose ESG (Environmental, Social, and Governance) sustainable development information, including the environment, society, and corporate governance. This is done to meet the expectations of stakeholders from all sectors.

IV. Effect of external competition, the legal environment, and the overall business environment

Given the recent turmoil in global politics and economics, with trade tensions between China and the US, and the Russia-Ukraine conflict, the global economy is uncertain. This has led to a situation where economic growth faces challenges like "shrinking demand, supply disruptions, and weakening confidence." But in 2024, the arrival of major sporting events such as the Paris Olympics, the European Cup, and the Copa America is expected to boost the demand for television upgrades.

In response to external market pressures, new regulations issued by securities regulatory authorities, international environmental legislation, and the dynamic nature of the global business environment, the Company is undertaking strategic initiatives. These include adherence to newly mandated reporting standards by securities regulatory bodies and ensuring compliance of our products with international environmental laws. Furthermore, we are intensifying efforts to integrate our supply chain, enhance our in-house production capabilities, optimize manufacturing processes, expand our production capacity to drive down costs, and proactively manage raw material procurement in line with customer order requirements. These measures are aimed at bolstering the overall competitiveness of the Company.

Chapter 2 Company Profile

I. Date of Incorporation: August 11, 1994

II. Company History

Date	Importance
1994	– AMTRAN Technology R&D Department was established in Tangcheng Science Park, Sangchong City, Taipei County, engaged in the research and development of high-level displays, and the company was formally established with a paid-up capital of NT\$20,000,000.
1996	– Yangmei Plant was established.
1997	– The Yangmei Plant has passed the bonded qualification examination and officially become a bonded factory under the supervision of Taipei customs. – Passed the DNV quality certification company international standard quality assurance system (ISO 9002). – ASEV DISPLAY LABS, a subsidiary company, was established in the United States to serve as a customer maintenance center for the United States.
1998	– Purchased the land and plant of Yangmei Plant. – Passed the DNV quality certification company international standard quality assurance system (ISO 14001).
1999	– Listed on the stock market.
2000	– Purchased Hukou Plant land plant for production and use.
2001	– Listed on the OTC market.
2004	– 50 inch plasma display with high brightness and resolution has been successfully developed. – Completed the world's first 23 inch LED backlight module TV. – Vizio brand TV began to sell in Taiwan and became the top three TV brands in the United States.
2007	– Common Wealth Magazine ranked 43rd in Taiwan's top 1000 manufacturing industry, Business Next magazine ranked 46th in Taiwan's top 100 technology companies, and Business Week Magazine ranked 212th in Mainland, Taiwan and Hong Kong's top 1000 listed companies.
2008	– Suzhou Raken Technology Ltd. is jointly established with LG DISPLAY. – In the first and second quarter of 2009, VIZIO TV became the No. 1 brand in North America by sales. – In the third quarter of 2009, the company took the lead in launching 55 inch LED TV in North America and Taiwan.
2009	– Suzhou Raken Module Factory officially started mass production, with an annual production capacity of 3 million modules. – 1st Prize, Taiwan Home Appliance Industry, Common Wealth Magazine – Ranked 93th in the 2010 Top 100 Tech Companies in Taiwan by the Business Next Magazine.
2010	– Ranked 19th in the 2010 Top 100 Tech Companies in Taiwan by the Business Next Magazine.

Date	Importance
2011	- Expanded cooperation with LGD, South Korean panel manufacturer. - Signed strategic alliance memorandum with Japanese JVC. - LED industry - Expand OEM customers. - Ranked 89th among the Top 100 Tech Companies in Taiwan, as well as 93th among the Top 100 Tech Companies in Asia by the Business Next Magazine. - 3D TV 32 "-55" full size import passive 3D LCD TV. - The 47 "&55" intelligent Internet LCD TV has been created, which has Google TV platform, covering Android system, Chrome browser, search, Google map and other applications. Intel processor is built in hardware, which provides strong support for searching network and TV content. Users can easily surf the Internet and download various applications while watching TV. - The latest SRS Studio Sound HD is introduced to deliver immersive surround sound experience, which can automatically detect and smooth sudden volume fluctuation, eliminate sudden volume change and enhance the clarity of dialogue. - Developed Ultra-thin bezel and bezel-less TV and display, which enhance the design texture and add aesthetic feeling to Home Decoration. - Developed affordable LED TV, which makes consumers easily enjoy the LED TV with high quality and low cost, high quality and high environmental protection. - Extended the application technology and experience of TV sound effect for many years to the field of sound, and created Sound Bar and subwoofer with high sound quality and high efficiency.
2012	- Developed AOW (audio over Wi-Fi) and VOW (video over Wi-Fi) wireless synchronous transmission technology, which can transmit audio and video to TV, cellular phone, Tablet and other devices through wireless transmission. Users can send the web page, audio and video they are watching back to the TV for the whole family to watch through mobile phones or tablets, making instant sharing no longer a dream. - Developed 2D / 3D conversion technology, which can convert general 2D TV images into 3D in real time, with built-in special 3D effect formula, so that users can convert 2D programs into high-quality 3D content at any time.
2013	- Launched LCD TV with AmTRAN's own brand, committed to diversified market and diversified product strategy, and launched audio products. - Successfully developed a 65 "display equipped with image photoelectric multi touch technology.
2014	- Brain wave detection wearable device: The u-wake wearable fatigue detector can actively detect the brain waves of users, and connect with smart phones through Bluetooth to remind driving safety and avoid accidents caused by fatigue driving.
2015	- Selected as "Taiwan HC 100 Index constituent stock" to strengthen the development of the Chinese mainland market and cooperate with major brand customers in the mainland.
2016	- Selected as a constituent stock of the Taiwan HC 100 Index for three consecutive years. - Suzhou Raken Technology Ltd. completed the demersion and became a 100% owned subsidiary of AMTRAN since July 1. - Ranked among the top 50 enterprises in average employee welfare expenses in 2016, and was selected by China Credit Inquiry Agency as the "Top 5000 Large Enterprises in Taiwan" in 2017.
2017	- Invested in Swedish 3D projection company Real Fiction to develop 3D projection products.

-
- Invested in Groove X and cooperated in the development of robots. LOVOT is the first product developed in cooperation and is expected to be mass produced and shipped in 2019.
 - TV and display:
 - Developed high-quality UHD (4K2K) DLED TV with Dolby Vision HDR technology and curved and ultra-thin ELED TV products.
 - The company extended the three in one design with cost advantage from small size to large size, and cooperated with the factory to produce automatic design, new LED backlight module and evolution BMS design, so as to realize the seamless connection between design and manufacturing, and further reduce the cost of the whole machine.
 - LED backlight with different technologies and newly designed LED optical lens with various optical films were used in the Company's TV products, enhancing the overall color saturation, color details and level performance of the TV set, as well as the brightness and uniformity of the TV screen.
 - Local dimming and LED Over Drive technology with Dolby Vision HDR decoding were adopted to provide high dynamic range imaging contrast of highlighted dark images, enhancing the details of dark images and allowing users to enjoy the best quality images.
 - Imported the latest TV chips, integrated UHD signal transmission, audio-visual decoding and Dolby Vision technologies to greatly improve the image quality and imported larger sizes to meet the market and consumer needs.
 - Selected glass light guide plate design, developed 4.9mm ultra-thin bezel-less side-lighted backlight module, thus providing a new generation of ultra-thin and structure strengthening TV series products.
 - Launched 65 "curved surface TV products, providing users with the best viewing angle of right angle and close to right angle between the eye line of sight and the whole picture.
 - Developed the latest version of Google Cast TV, introduced a new smart Internet TV platform, combined with mobile devices to provide a new online video streaming experience.
 - Imported the latest WiFi standard, 802.11ac, 2x2, MIMO, to improve the wireless networking performance of smart TV. At the same time, it has imported Bluetooth BLE technology to make it easy for users to complete the pairing between handheld wireless devices and TV.
 - Developed the thin bass horn to enhance the user's audio-visual experience.
 - In terms of industrial design and innovation, the Company has introduced metal materials and process applications, and combined with different base designs (such as suspension, arc, hollowing out, etc.) to enhance the design texture, making the TV and display the best decorative arts and crafts in the living room.
 - Large 4K2K conference interactive screen:
 - Successfully developed 55 "and 70" 4K2K displays for conference rooms with large-scale capacitive multi touch, array microphone and photography technology.
 - Audio products:
 - Launched a portable networking (Google C4A) products, while in high-end products developed with Dolby panoramic sound (ATMOS) Sound bar products.
 - In Smart Audio, the company imported Google C4A, Amazon Alexa and iFlytek technologies and applied them to Sound Bar, Portable Speaker and ATMOS products to provide a brand new online music streaming experience with mobile device operation, providing users with more convenient music enjoyment, creating

	the Sound Bar with high sound quality, high efficiency and can be operated through mobile devices to play music streaming services from the Internet. ● Developed TV and Sound Bar composite products combining Dolby ATMOS three-dimensional surround sound technology to provide home theater users with more convenient three-dimensional surround sound field and visual experience. ● Expanded the application of WiFi wireless function and developed the Multi-Room function, so that users can hear the same music stream service synchronously in different rooms at home, and enjoy music continuously in all corners. At the same time, the company has also introduced the Bluetooth BLE technology, so that users can easily complete the pairing function of handheld wireless devices and Audio products. ● Adopted all metal mesh design, and introduced new metal stamping, CNC and laser etching technology to provide customers with high-quality appearance and low-cost audio products.
	- VR and MR products: ● Invested in the research and development of VR technology, successfully developed VR helmet and integrated system products, providing users with visual, auditory, tactile and other sensory simulation, so that users can observe things in three-dimensional space in a timely and unrestricted manner. ● Invested in the development of virtual reality apps, and has successively completed the development of four apps, including 2D-3D movies, 360 degree landscape, YouTube VR movie playing and VR photo browsing. ● Developed a large-scale mixed reality system (MR) to match with the display device to image the projected image in front of the user, so as to achieve the effect of mixed reality and provide a new choice for commercial and entertainment applications. - Selected as the "Taiwan HC 100 Index constituent stock". - TV and display: ● Developed display products with Dolby Vision HDR technology, quantum dot, ultra narrow bezel of high-quality UHD (4k2k) DLED TV and curved surface, and FreeSync to support dynamic rearrangement rate. - Audio products: ● Committed to thin and bass enhanced sound bar, and develop intelligent speaker products with sound identification function combined with AI technology. - Robot products: ● The R & D of companion robot integrated artificial intelligence (AI), remote monitoring, image and voice recognition and servo control technology to provide a good helper for children's accompany and learning, and joined Internet (IOT) technology for centralized management and remote control of machines and devices. - TV and display ● Developed a high-quality UHD (4K2K) DLED TV with high dynamic contrast HDR, Quantum Dot and ultra narrow bezel; At the same time, the Company also developed game specific display products with curved surface, FreeSync and G-sync.
2018	
2019	● In terms of software, electrical, mechanism and optical design, we cooperated with factory production automation to achieve seamless connection between design and manufacturing to further reduce the cost of the whole machine and on this basis, we also invested in LCM development and production to expand the range of product lines. ● Adopted LED backlight with different technologies, newly designed LED optical lens and various optical films to improve the color saturation, color details and level

- performance of TV sets, and introduced Quantum Dot technology with competitive price into high-end TV sets, which greatly increased the TV gamut to NTSC 105%.
- Adopted Local Dimming and LED Over Drive technology, combined with Dolby Vision HDR decoding, to provide high dynamic range imaging highlight and dark image contrast, and enhance the detail display of dark images, so as to bring the best quality images to users.
 - Through the introduction of the latest TV chip, integration of UHD signal transmission (video and audio streaming, HDMI2.1 and HDCP2.2), video and audio decoding, Dolby Vision and other technologies to greatly improve the picture quality and import larger size to meet the needs of the market and consumers.
 - In order to comply with the market trend, the company has launched a curved game specific display, which adopts a high-level display control chip, and imported FreeSync and G-sync game specific display products that support dynamic rearrangement rate and extremely low delay characteristics, so as to provide users with the best viewing angle and smooth game experience.
 - In terms of smart networking, the company has developed the latest version of Google Cast TV, and imported a new intelligent Internet TV platform, which is operated with mobile devices, providing users with a new online video and audio streaming experience.
 - In terms of wireless networking, the company has introduced WiFi standard, 802.11ac, 2x2 and MIMO to improve the wireless networking performance of smart TV. At the same time, it has also introduced Bluetooth BLE technology to make it easy for users to complete the pairing between handheld wireless devices and TV.
 - Developed a cost-effective thin bass enhancement speaker, with a new generation of DTS sound quality enhancement program, to enhance the user's audio-visual experience.
 - In terms of industrial design and innovation, the Company has introduced metal materials and process applications, and combined with different base designs (such as suspension, arc, hollowing out, etc.) to enhance the design texture, making the TV and the best decorative arts and crafts in the living room.
 - In terms of game specific displays, we have designed a variety of situational lights in the back panel and base to increase the presence of game users and the fashion of products.
- Video conferencing products:
- Based on the technology of display, smart speaker and sound bar, the Company has developed a separate video conference system combining touch control panel and speaker with microphone array.
- This separate conference system can make customers more economical and fast upgrade the existing voice conference room to video conference space, under the condition that most of the existing conference rooms have display screen.
 - The cloud conference system built on Google Android platform enables users to easily connect with remote conference participants, share files synchronously, and achieve efficient communication.
 - The high-performance Microphone Array for conference room can detect the sound and compare it with DSP to restore the original sound and eliminate the background noise.
 - The design of all metal iron net and the introduction of new metal stamping, CNC and laser etching technology can provide customers with high quality appearance and low cost video conference products.
- Robot products:

Date	Importance
2020	● The R & D and production of companion robot integrate artificial intelligence (AI), remote monitoring, image and speech recognition and servo control technology. ● The companion robot also joined the Internet (IoT) technology, through which machines and devices can be centrally managed and remotely controlled. - Computer peripheral interface device: ● In order to expand its product range, the Company has also invested in the development and production of webcam and mouse products. - Invested in Real Fiction, a 3D projection company in Sweden, and cooperatively developed hologram 3D stereo projection. - Selected as a constituent stock of the Taiwan HC 100 Index for six consecutive years. - Set up a new plant in Haiphong, Vietnam. - TV and display: Game specific display, the Company has developed 1500R curved surface display, high dynamic contrast HDR400, ultra wide gamut quantum dot display and support dynamic rearrangement rate which certified by QHD-165Hz & UHD-144Hz FreeSync and G-Sync. ● By adopting the variable refresh rate (VRR) technology, coupled with the FreeSync and G-Sync certified QHD-165Hz and UHD-144Hz, the Company provides low latency display products for the game players. ● In order to comply with the market trend, the Company launched QHD-165Hz game display with curved surface 1500R. ● In terms of smart networking, developed the latest versions of Amazon Fire TV and Xiaomi smart networking TV platforms, and combined them with mobile devices to provide a new online video streaming experience. ● In terms of wireless, the Company has added wireless Bluetooth and infrared remote control functions to enhance the user's convenient operating environment and experience. - Video conferencing products: The Company has developed split-type video conferencing system (consisting of small touch control panel with microphone array and camera speaker) and 65" integrated conferencing system (integrating 65" touch screen, microphone array, camera and voice system). ● The separated conference system can let customers upgrade the existing voice conference room to video conference space more economically and quickly. The integrated conference system products can also provide better video conference quality and more concise installation environment. - Computer peripheral interface device: ● In terms of assembly production, we have introduced fully automated testing and calibration to improve quality, production capacity and reduce production costs. - TV and display ● The HDR products with higher number of local dimming zones and higher dynamic contrast were developed. At the same time, the Company also invested in the development of mini-LED products to achieve the ultimate image quality performance.
2021	● Through the use of local dimming and led over drive technology, combined with HDR decoding, it provides high dynamic range imaging contrast between bright and dark images, and enhances the detail display of dark images, providing users with the best quality images.

- Having the display screen's variable refresh rate (VRR) upgraded to 240Hz, the FreeSync and G-Sync certified gaming display products with low latency features were provided to game players.
- Through the introduction of the latest TV chip, integration of UHD signal transmission (video and audio streaming, HDMI2.1 and HDCP2.2), video and audio decoding, Dolby Vision and other technologies to greatly improve the picture quality and import larger size to meet the needs of the market and consumers.
- The ultra-narrow bezel and bezel-less high-definition UHD (4K2K) DLED TVs were developed by incorporating industrial design and innovative ideas, as well as introducing metal materials and process applications.
- Develop more competitive Quantum Dot films to enhance the color gamut of displays and increase the popularity of high-end TVs.
- Curved displays were developed and mass produced, allowing the visual coverage of the screen and the display and operation of the game to become more smooth, and thus improving the satisfaction of game users.
- In terms of game displays, OLED (UHD-120Hz) display products were also developed, with the appearance design thereof moving towards lighter, thinner and narrow bezel design.
- In terms of smart networking, the Company has been developing the latest versions of Amazon Fire TV and Xiaomi smart networking TV platforms, operated with mobile devices to provide users with a brand new online audio and video streaming experience.
- In terms of wireless, we have introduced WiFi standard 802.11ac, 2x2, MIMO to improve the wireless networking performance of smart TV, and introduced wireless Bluetooth and infrared remote control functions to improve the user's convenient operating environment and experience.
- In terms of sound, we have developed a low profile bass enhancement speaker with high cost performance, which is combined with the new generation of DTS sound quality enhancement program to enhance the user's audio-visual experience.
- Video conferencing products:
 - In addition to the development of touch panel, audio, microphone array, camera and other technologies, the Company has also invested in the development of the core Android control module of the conferencing system to master the core technology and improve the profitability.
 - At the same time, the Company also invested in the installation and testing of the conferencing system in the video IQ and sound AQ environments, so that the product can smoothly pass the Teams and Zoom verifications during development to speed up the mass production schedule of the product.
 - Video conferencing related algorithms were developed and tuned to speed up the development and certification process.
- Robot Products:
 - Strengthen the technology research related to robot products, research and development in artificial intelligence (AI), IoT, remote monitoring, image and voice recognition and servo technology.
 - Invest in location, tracking, and follow research to expand the robot product line into different devices and products.
- Computer peripheral interface device:
 - In terms of computer peripheral products, we have also invested in the development and production of webcam and mouse products.
 - In terms of assembly production, we have introduced fully automated testing and calibration to improve quality, production capacity and reduce production costs.

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- TV and display:
- The HDR products with higher number of local dimming zones and higher dynamic contrast were developed. At the same time, the Company also invested in the development of mini-LED products to achieve the ultimate image quality performance.
 - Through the use of local dimming and led over drive technology, combined with HDR decoding, it provides high dynamic range imaging contrast between bright and dark images, and enhances the detail display of dark images, providing users with the best quality images.
 - Having the display screen's variable refresh rate (VRR) upgraded to 240Hz, the FreeSync and G-Sync certified gaming display products with low latency features were provided to game players.
 - Through the introduction of the latest TV chip, integration of UHD signal transmission (video and audio streaming, HDMI2.1 and HDCP2.2), video and audio decoding, Dolby Vision and other technologies to greatly improve the picture quality and import larger size to meet the needs of the market and consumers.
 - The ultra-narrow bezel and bezel-less high-definition UHD (4K2K) DLED TVs were developed by incorporating industrial design and innovative ideas, as well as introducing metal materials and process applications.
 - Develop more competitive Quantum Dot films with low concentration to enhance the color gamut of displays and increase the popularity of high-end TVs.
 - Curved displays were developed and mass produced, allowing the visual coverage of the screen and the display and operation of the game to become more smooth, and thus improving the satisfaction of game users.
- 2022
- In terms of game displays, flat panel OLED (UHD-120Hz) display products were also developed, with the appearance design thereof moving towards lighter, thinner and narrow bezel design.
 - In terms of smart networking, the Company has been developing the latest versions of Amazon Fire TV, LG WebOS and Xiaomi smart networking TV platforms, operated with mobile devices to provide users with a brand new online audio and video streaming experience.
 - In terms of wireless, we have introduced WiFi standard 802.11ac, 2x2, MIMO to improve the wireless networking performance of smart TV, and introduced wireless Bluetooth and infrared remote control functions to improve the user's convenient operating environment and experience.
 - In terms of sound, we have developed a low profile bass enhancement speaker with high cost performance, which is combined with the new generation of DTS sound quality enhancement program to enhance the user's audio-visual experience.
- Video conferencing products:
- In addition to the development of touch panel, audio, microphone array, camera and other technologies, the Company has also invested in the development of the core Android control module of the conferencing system to master the core technology and improve the profitability.
 - At the same time, the Company also invested in the installation and testing of the conferencing system in the video IQ, screen PQ and sound AQ environments, so that the product can smoothly pass the Teams and Room verifications during development to speed up the mass production schedule of the product.
 - Video conferencing related algorithms were developed and tuned to speed up the development and certification process.

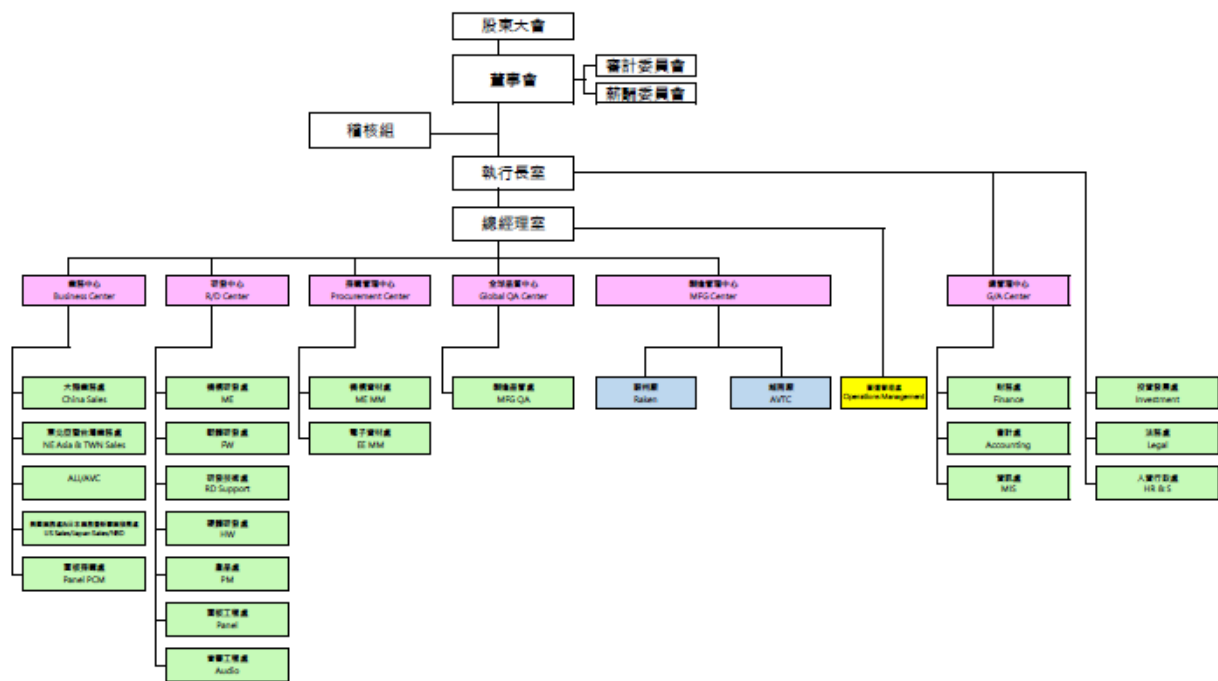
Date	Importance
2023	● Wireless Wi-Fi 6 technology was adopted in video conferences to control speakers and integrated video conferencing products, enhancing the video and audio quality and smoothness. - Robot Products: ● Strengthen the technology research related to robot products, research and development in artificial intelligence (AI),IoT, remote monitoring, image and voice recognition and servo technology. ● Invest in location, tracking, and follow research to expand the robot product line into different devices and products. - Computer peripheral interface device: ● In terms of computer peripheral products, we have also invested in the development and production of webcam and mouse products. ● In terms of assembly production, we have introduced fully automated testing and calibration to improve quality, production capacity and reduce production costs. - TV and display: ● More display products with a higher dynamic contrast ratio (HDR-1000) in different sizes and a high variable refresh rate (VRR 240Hz), as well as mini-LED products with an high number of local dimming zones, have been developed to achieve the ultimate picture performance. ● Research on Quantum Dot thin films of various inches with low concentration is in development to improve the efficiency of light to achieve energy saving and carbon reduction and to reduce cost. ● Much efforts are being invested in developing curved surface OLED displays in different sizes to achieve better video quality and visual coverage of the screen and allow the display and operation of the game to become more smooth, thus improving the satisfaction of game users. ● Developing high-efficiency LEDs to achieve reduction and energy savings in display backlighting, in line with the trend of energy conservation and carbon reduction for environmental protection. ● Develop high-power density power boards to achieve efficient, compact, and lightweight designs in order to meet carbon reduction and energy-saving goals. ● In the term of smart connectivity, expanding the development of XUMO TV platform products. ● Optimize packaging design to enhance freight efficiency and minimize carbon emissions. ● Developing new models using PCR (Post-Consumer Recycled) plastics to reduce plastic pollution and carbon emissions. ● Introducing recycled material in model planning. ● Environmental packaging design: Reducing EPS with air column bag (PE+PA) and packaging PE bag with 50% recycled material ratio. ● Utilization of powder coating minimizes the need for waste disposal and helps mitigate environmental pollution. ● Design specifications comply with the Minimum Energy Performance Standards (MEPS) requirements for televisions and display products in various countries. - Video conferencing products: ● The development of a 360-degree panoramic video conferencing system combining multi-lens video stitching technology with video conferencing sound tracking and image positioning allows to provide a better conferencing experience for remote conference participants.

Date	Importance
2024 to now	● More efforts are being invested in developing next-generation Android control modules to master the core technology and provide higher software and hardware specifications to further satisfy market demand and improve the profitability. ● Prepare to develop next-generation wireless Wi-Fi 7 transmission technology to provide better video conference transmission quality. ● The integrated development of Large size multi-touch screen and touch interface and master the key technology. ● Developing an initialization and automatic shutdown assistance system for video conferencing, aiming at energy efficiency while ensuring convenience for meeting participants in control. ● In software development, researching a remote video conferencing system with augmented reality modes while simultaneously developing applications for visual focus and gesture commands on the video conference screen imagery. - Computer peripheral interface device: ● Research on robotic arm combined with automated production is in development to improve production performance and quality and reduce production costs. - TV and display: ● Develop high-end display products with higher variable refresh rates (VRR) of 280Hz. ● Develop high-end QD OLED Curve 1800R display products with WQHD (21:9) resolution. ● Develop various sizes of XUMO TV products. ● The circuit motherboard design considers in-house vertical integration to reduce product packaging and carbon footprint. ● Designing metal and plastic components with consideration for in-house vertical integration production. ● Developing a wider range of high-wattage, inch-specific high-power density power supply boards to achieve designs that are highly efficient, compact, and lightweight. - Video conferencing products: ● Develop a new generation Android control module and integrate it with the high-speed and low-latency capabilities of Wi-Fi 7 to greatly enhance the performance and functionality of video conferencing systems. ● Develop a larger wall-mounted and screen-based height adjustment mechanism to enhance the convenience of conference participants' operation. ● Develop video conferencing products with antimicrobial properties to minimize the risk of infection among users in shared spaces. ● Develop a camera device with a mask-type feature to enhance user privacy protection. - The development of multi-camera screen stitching and focusing mode technology enhances the display quality of the conference system in terms of software development.

Chapter 3 Corporate Governance Report

I. Organizational System

(I) Organizational Chart



(II) Businesses operated by all major departments

Names of Departments	Job responsibilities
CEO	Supervise and manage the Company's operations and policies.
President	Formulate the Company's operational objectives and policies, and supervise the implementation of various business operations of the Company.
Auditing Section	Perform internal audit planning and make recommendations for system improvement.
R&D Center	Responsible for the research, development and design of various new products.
Business center	New customer development and product channel marketing.
Manufacturing Management Center	Plan and manage the production, personnel and other business and to be responsible for the integration, planning and implementation of the Company's information system, set up the strategic procurement and project management. Quality management dept.- formulate and implement product quality control strategies, and provide after-sales customer service.
Global Quality Center	Develop and implement product quality control strategies, and provide after - sale customer service.
Purchasing Management Center	Integrate production material purchasing and cost control in the Company and the factory.
General Management Centre	Finance Dept. - fund raising, financial planning and management and overall planning and management of stock affairs; prepare, establish and record accounting and tax related activities. Information Office - responsible for cyber security management and system building and maintenance.
Operating Management Business Dept	Assisting in the improvement of organization and operation, enhancing the efficiency and effectiveness of management, and accelerating cross-department communication and cooperation
Investment and Development Dept.	Responsible for the development and evaluation of new business groups and new investment opportunities of the Group.
Legal Dept.	Responsible for contract and general legal affairs, corporate and investment legal affairs, intellectual property right legal affairs and mainland China legal affairs.
Human Resources Administration Office	Plan and establish the company's personnel system, performance evaluation system and administrative operations.

II. Directors, President, Vice Presidents, Assistant Vice Presidents, and Supervisors of Divisions and Branches

(I) Information about directors

Professional title	Nationality / Place of Registration	Name	Gender Age	Date Elected (Assumed)	Term	Date First Elected	Shareholding When Elected				Current Shareholding			Spouse & Minor Shareholding		Shareholding by Nominees	
							Number of Shares	Shareholding Ratio	Shareholding Ratio	Shareholding Ratio	Number of Shares	Shareholding Ratio	Shareholding Ratio	Number of Shares	Shareholding Ratio	Number of Shares	Shareholding Ratio
Chairman and CEO	R.O.C.	Alpha Wu	Male 61-70	2021/07/29	Three years	1997/12/19	35,356,280	4.37			33,199,331	4.49		1,292,077	0.17	0	0.00
Director	R.O.C.	Yowshuan Investments Inc.	-	2021/07/29	Three years	2021/07/29	20,544,693	2.54			19,220,093	2.60		-	-	-	-
	R.O.C.	Representative: Tina Wu	Female 61-70	2021/07/29	-	1997/12/19	-	-			1,668,100	0.23		947,672	0.13	0	0.00
Director	R.O.C.	Hsuan Fa Co., Ltd.	-	2021/07/29	Three years	2021/07/29	3,745,000	0.46			3,503,543	0.47		-	-	-	-
	R.O.C.	Representative: Sam Wu	Male 31-40	2021/07/29	-	2018/06/12	-	-			400,241	0.05		84,196	0.01	0	0.00
Director	R.O.C.	Rick Inc.	-	2021/07/29	Three years	2021/07/29	7,000,000	0.86			6,548,680	0.88		-	-	-	-
	R.O.C.	Representative: Rick Wu	Male 31-40	2021/07/29	-	2018/06/12	-	-			311,504	0.04		0	0	0	0.00
Director	R.O.C.	David Chou	Male 61-70	2021/07/29	Three years	2012/06/18	0	0			0	0		0	0	0	0.00
	R.O.C.	Jin Chuen Investment Co., Ltd.	-	2021/07/29	Three years	1997/12/19	15,000,000	1.85			14,032,889	1.90		-	-	-	-
Director	R.O.C.	Representative: Maggy Wu	Female 61-70	2021/07/29	-	2020/12/15	-	-			0	0		0	0	0	0.00
	R.O.C.	Hua Jung Components Co., Ltd.	-	2021/07/29	Three years	2012/06/18	18,000,000	2.22			16,839,467	2.28		-	-	-	-
Independent Director	R.O.C.	Representative: Hsu, Jhih-Chang	Male 51-60	2021/07/29	-	2021/07/29	-	-			0	0		0	0	0	0.00
	R.O.C.	Chou, Dah-Jen	Male 61-70	2021/07/29	Three years	2015/06/17	0	0.00			0	0.00		0	0	0	0.00

Number of shares: shares; shareholding ratio: %; April 14, 2024

Professional title	Nationality / Place of Registration	Name	Gender Age	Date Elected (Assumed)	Term	Date First Elected	Shareholding When Elected		Current Shareholding		Spouse & Minor Shareholding			Shareholding by Nominees	
							Number of Shares	Shareholding Ratio	Number of Shares	Shareholding Ratio	Number of Shares	Shareholding Ratio	Number of Shares	Shareholding Ratio	Shareholding by Nominees
Independent Director	R.O.C.	Wei, Hong-Jheng	Male 51-60	2021/07/29	Three years	2015/06/17	0	0.00	0	0.00	0	0	0	0.00	
Independent Director	R.O.C.	Chow, Cheng-Hu	Male 41-50	2021/07/29	Three years	2021/07/29	0	0.00	0	0.00	0	0	0	0.00	
Independent Director	R.O.C.	Liao, Wan-Jiun (Note 2)	Female 51-60	2021/07/29	Three years	2021/07/29	0	0.00	0	0.00	0	0	0	0.00	
Independent Director	R.O.C.	Chang-Ying Hsu (Note 3)	Female 41-50	2023/06/15		2023/06/15	0	0.00	0	0.00	0	0	0	0.00	

Professional title	Name	Major Experience and Education	Other Position Concurrently Held at the Company and Other Companies	Other executives, directors or supervisors who are related by spouse or within the second degree of kinship			Note
				Professional title	Name	Relationship	
Chairman & CEO	Alpha Wu	Electrical Engineering, National Taiwan University President, Mei Ke Technology Co., Ltd.	The Company's CEO Chairman, Zwei-Mau Investment Co., Ltd Chairman of ABOUND PORFITS LIMITED Chairman, RICK TECHNOLOGY INC. Chairman, Amtran Electronic Co., Ltd. Legal Person Director Representative, SPYGLASS TESLA, LLC Chairman, BMA VENTURE CAPITAL INVESTMENT CORPORATION Chairman of Suzhou Raken Technology Ltd. Chairman, Hua Jung Components Co., Ltd. Legal Person Director Representative, Rick Service Inc. Director, Yowshuan Investments Inc. Chairman, Jin Chuen Investment Co., Ltd. Director, Hengxu Investment Corp. Representative, Chin Heng Investment Co., Ltd.	Legal Person Director Representative	Maggy Wu	Brother and sister	Note 1
				Legal Person Director Representative	Tina Wu	Brother and sister	
				Legal Person Director Representative & President	Sam Wu	Father and son	
				Legal Person Director Representative	Rick Wu	Father and son	

Professional title	Name	Major Experience and Education	Other Position Concurrently Held at the Company and Other Companies	Other executives, directors or supervisors who are related by spouse or within the second degree of kinship			Note
				Professional title	Name	Relationship	
			Representative, Zwei-Mau Capital Co., Ltd Representative, Chin Hsuan Investment Co., Ltd. Director, Hsuan Fa Co., Ltd.				
Director	Yowshuan Investments Inc.	-	None	None	None	None	
	Representative: Tina Wu	Tamkang University HR Manager, Mei Ke Technology Co., Ltd.	Manager of the Company Legal person supervisor representative, Zwei-Mau Investment Co., Ltd Supervisor, Hengxu Investment Corp.	Legal Person Director Representative Chairman	Maggy Wu Alpha Wu	Sisters Brother and sister	
Director	Hsuan Fa Co., Ltd.	-	None	None	None	None	
	Representative: Sam Wu	Master in Chemical Engineering, National Taiwan University President, AMTRAN TECHNOLOGY CO., LTD.	President of the Company Legal Person Director Representative, Zwei-Mau Investment Co., Ltd Legal Person Director Representative, Suzhou Raken Technology Ltd. Legal Person Director Representative, Amtran Electronic Co., Ltd. Legal Person Director Representative, AMTRAN LOGISTICS INC. Legal Person Director Representative, AMTRAN VIDEO CORPORATION President of AMTRAN VIETNAM TECHNOLOGY COMPANY LIMITED President of AMTRAN VIETNAM RADING COMPANY LIMITED Chairman, Hsuan Fa Co., Ltd. Director, Yowshuan Investments Inc.	Chairman & CEO Legal Person Director Representative	Alpha Wu Rick Wu	Father and son Brothers	Note 1
Director	Rick Inc.	-	Legal Person Director, Jin Chuen Investment Co., Ltd. Legal Person Director, RICK TECHNOLOGY INC.	None	None	None	

Professional title	Name	Major Experience and Education	Other Position Concurrently Held at the Company and Other Companies	Other executives, directors or supervisors who are related by spouse or within the second degree of kinship			Note
				Professional title	Name	Relationship	
	Representative: Rick Wu	EMBA, National Taiwan University & In-progress EMBA Executive MBA program, Fudan University	Legal Person Director Representative, RICK TECHNOLOGY INC. President, RICK TECHNOLOGY INC. Chairman, Rick Service Inc. Supervisor, Yowshuan Investments Inc. Legal Person Director Representative, Jin Chuen Investment Co., Ltd. Representative, RICK INC. Director, Hsuan Fa Co., Ltd.	Chairman & CEO Legal Person Director Representative & President	Alpha Wu Sam Wu	Father and son Brothers	
Director	David Chou	Master degree in business administration, National Taiwan University of Science and Technology	Chairman, Crystal Technology Venture Capital Investment Corp. Chairman, Chih Hsin Investment Corp. Legal Person Director Representative, H&P VENTURE CAPITAL INVESTMENT CORPORATION Director, BMA VENTURE CAPITAL INVESTMENT CORPORATION Independent director, AZUREWAVE TECHNOLOGIES, INC. Director, BMB Venture Capital Investment Corporation Chairman, RFIC Technology Corporation Legal Person Director Representative, InnoFund III Ltd. Director, DIGITAL-CAN TECH. CO., LTD.	None	None	None	
Director	Jin Chuen Investment Co., Ltd.	-	None	None	None	None	
	Representative: Maggie Wu	Department of Information Management, Fu Jen Catholic University Assistant Vice President, Corporate Services Department, HP Taiwan Information Technology Ltd.	Assistant vice president, DXC Technology Company Director, Hengxu Investment Corp. Supervisor, Jin Chuen Investment Co., Ltd.	Chairman & CEO Legal Person Director Representative	Alpha Wu Tina Wu	Brother and sister Sisters	

Professional title	Name	Major Experience and Education	Other Position Concurrently Held at the Company and Other Companies	Other executives, directors or supervisors who are related by spouse or within the second degree of kinship			Note
				Professional title	Name	Relationship	
Director	Hua Jung Components Co., Ltd.	-	Legal Person Supervisor, EVERSUN ELECTRONIC CO.,LTD. Legal Person Supervisor, Hongxuan Venture Capital Co., Ltd. Legal Person Director & Supervisor, PICONETS INC.	None	None	None	
			Chairman, PICONETS INC. Chairman, PS Device & Material Inc.	None	None	None	
Independent Director	Chou, Dah-Jen	Ph.D. in Engineering, University of Tokyo, Japan Vice President, Japan Branch, MStar Semiconductor Inc. Master of Laws from School of Law, Harvard University Bachelor of Law, Soochow University, Taiwan CEO, Direct Investment Business Group, China Development Industrial Bank Senior Vice President, China Development Finance Holdings Corporation President, Pacific Venture Partners Supervisor, L&K ENGINEERING CO., LTD. Supervisor, Auretek Corporation	Chairman of TPiDA Director of Taiwan Intelligent HealthCare Association. Chairman, CTC CAPITAL, INC. Legal Person Director Representative, JAGUAR TECHNOLOGY INC. Legal Person Director Representative, Mecotechnology Co., Ltd. Legal Person Director Representative, TelePlus Healthtech, Inc. Legal Person Director Representative, nLighten Technologies Inc. Independent Director, China Chemical & Pharmaceutical Co., Ltd. Independent Director, Auretek Corp.	None	None	None	
		Master degree in strategic management and business policy, National Chiao Tung University Legal Person Director Representative, Sino-American Silicon Products Inc. Legal Person Director Representative, Intumit, Inc. Independent Director, Superior Plating Technology CO., LTD	CDIB Capital Growth Partner L.P. Vice President Legal Person Director Representative, APEX MEDICAL CORP	None	None	None	
Independent Director	Wei, Hong-Jheng						

Professional title	Name	Major Experience and Education	Other Position Concurrently Held at the Company and Other Companies	Other executives, directors or supervisors who are related by spouse or within the second degree of kinship			Note
				Professional title	Name	Relationship	
Independent Director	Chow, Cheng-Hu	Ph.D. in Public Administration, LaVern University, USA Master of Science in International Administration, LaVern University, USA B.S. in Electrical and Computer Engineering, Berkeley University, California, USA Full-time Associate Professor, Department of Public Policy and Management, Shih Hsin University Associate Dean, School of Lifelong Education, Shih Hsin University Chief Executive Officer, Multimedia Center, Shih Hsin University Chief Executive Officer, Overseas Teaching Center, Shih Hsin University Exchange Teacher, Communication University of China, Beijing Executive Director, WebNet Cultural Technology Inc. Executive Director, China Metropolitan Venture Capital Inc. President, Super Mushroom Productions Limited President, WAYI Joint Software Development Co., Ltd., Beijing President, Wanyiwuan.com (Beijing, China) Independent Director, Federal Corp.	Chairman, Shih Hsin University Chairman of the Chinese Association for History of Journalism and Communication Supervisor of the Straits Exchange Foundation Legal Person Director Representative, TWINHEAD INTERNATIONAL CORP. Director of the 21st Century Foundation	None	None	None	
Independent Director	Liao, Wan-Jiun	PhD, Electrical Engineering, University of Southern California (USC), CA, USA Department Chair of Electrical Engineering, EECS College, National Taiwan University Director of Internet of Things (IoT) Research Center, EECS College, National Taiwan University	Distinguished Professor, Department of Electrical Engineering and Graduate Institute of Communication Engineering, National Taiwan University (NTU), Taipei, Taiwan Adjunct Researcher Fellow, Research Center for Information Technology Innovation, American Sinica, Taiwan	None	None	None	Note 2

Professional title	Name	Major Experience and Education	Other Position Concurrently Held at the Company and Other Companies	Other executives, directors or supervisors who are related by spouse or within the second degree of kinship			Note
				Professional title	Name	Relationship	
		Vice President of Academic Affairs (Provost), National Taiwan University, Taiwan Director General, Department of Engineering and Technologies, Ministry of Science and Technology, Taiwan Director of the Board, Institute for Information Industry, Taiwan					
Independent Director	Chang-Ying Hsu	Master, Department of Cultural and Creative Industries Management, National Taipei University of Education Secretary-General of the Go-South Urological Research and Education Foundation	Secretary-General of the Go-South Urological Research and Education Foundation	None	None	None	Note 3

Note:1 Where the Chairman of the Board of Directors and the President or person of an equivalent post (the highest level manager) of the Company are the same person, spouses, or relatives within the first degree of kinship, an explanation shall be given of the reason for, reasonableness, necessity thereof, and the measures adopted in response thereto.

The Chairman of the Company and the CEO (the top manager) are the same person. The reason is that the Company's organizational structure is relatively simple, and the Chairman of the Company is very familiar with the industry to which the Company belongs. In order to create the maximum value of the enterprise and give back to the stock management goals, it is still necessary for the Chairman and the CEO (the top manager) to be the same person.

Countermeasures: To cooperate with the competent authority in the promotion and implementation of corporate governance policies, the Company has set up an Audit Committee. In addition, the Company has prepared and announced a sustainability report to appropriately disclose the Company's implementation of corporate social responsibility.

Note:2 Concurrently held the position as the vice president of National Taiwan University. According to the Principles for Handling Part-Time Employment of Full-Time Teachers in Public Schools at All Levels and the Government Servant Service Law that shall not concurrently employed by a for-profit organization, thus resigned in January 10, 2023.

Note:3 Newly appointed from a re-election held on 15 June 2023.

1. Major corporate shareholders

April 14, 2024

Name of Institutional Shareholder	Major Shareholders among Institutional Shareholders
Hua Jung Components Co., Ltd.	AMTRAN TECHNOLOGY CO., LTD. (31.60%), Chen, Shu-Fen (1.16%), Yueh-Chen Wu (0.83%), Li Wei Investment Co., Ltd. (0.82%), I Li Investment Co., Ltd. (0.77%), Alpha Wu (0.70%), Lai, Chang-Cheng (0.64), Tang, Xiu-Long (0.58%), Barclays Capital SBL/PB investment account under the custody of Citi Bank (0.58) and Shu-Chuan Liu (0.54%)
Jin Chuen Investment Co., Ltd.	RICK INC. (50.86%), Chun-Chi Wu (11.93%), Li-Pin Wu (7.22%), Maggy Wu (3.89%), Wu, Feng-En (3.33%), Wu, Hsiang-Ni (3.33%), Chin Hsuan Investment Co., Ltd. (3.18%), Wu, Li-Hua (3.08%), Chi Ta Investment Co., Ltd. (2.50%) and Zheng, Guo-Long (2.02%)

2. Major shareholders of major corporate shareholder in the above table

April 14, 2024

Name of Legal Persons	Major Shareholders among Legal Persons
AmTRAN Technology Co., Ltd.	Alpha Wu (4.49%), Yowshiuian Investments Inc. (2.60%), Hua Jung Components Co., Ltd. (2.28%), Jin Chuen Investment Co., Ltd. (1.90%), Hengxu Investment Corp. (1.45%), Jinheng Investment Co., Ltd. (1.39%), Vanguard Emerging Market Stock Index Fund Investment Account (1.32%), JPMorgan Managed Advanced Stars advanced aggregate International Equity Index(1.21%), RICK INC.(0.89%) and Chase escrow JP Morgan investment account (0.73%)
I Li Investment Co., Ltd.	Chen, Shu-Fen (42.20%), Chen, Pin-Hung (23.80), Chen, Ssu-Jung(6%), Li Wei Investment Co., Ltd. (26%), Li, His-Tsung (2%)
Li Wei Investment Co., Ltd.	Chen, Shu-Fen (39.52%), Chen, Pin-Hung (33.32%), Chen, Ssu-Jung (27.16%)
Rick Inc.	Rick Wu (100%)
Chin Hsuan Investment Co., Ltd.	Alpha Wu (33.38%), Lin, Shou-Chen (33.34%), Rick Wu (16.64%), Sam Wu (16.64%)
Chi Ta Investment Co., Ltd.	Wu, Chi-Ta (48%), Weng, Hsueh-Yueh (52%)

3. Professional Qualifications of Directors and Supervisors and Independence of Independent Directors

April 14, 2024

Name	Professional Qualifications and Work Experience	Independence Criteria	Number of Independent Directors for Other Public Companies Concurrently
Alpha Wu	Possessing the necessary working experience for business and corporate operations, and having not been subject to any of the categories stated in Article 30 of the Company Act.	1. Not serving as a director, supervisor or employee of a company with a specific relationship with the Company (complying with the provisions of Article 3, Paragraph 1, Sub-paragraphs 5 to 8 of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies.) 2. Not receiving the amount of compensation arising from providing business, legal, financial, accounting and other services to the Company or any of its affiliates in the last two years.	None
Yowshuan Investments Inc. Representative: Tina Wu	Possessing the necessary working experience for business and corporate operations, and having not been subject to any of the categories stated in Article 30 of the Company Act.	1. Whether the person, the person's spouse and relative within the second degree of kinship serving as a Director, Supervisor or an employee of the Company or any of its affiliates. 2. None of the person, the person's spouse and relatives within the second degree of kinship (or under others' names) holding the number and proportion of shares in the Company. 3. Not serving as a director, supervisor or employee of a company with a specific relationship with the Company (complying with the provisions of Article 3, Paragraph 1, Sub-paragraphs 5 to 8 of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies.) 4. Not receiving the amount of compensation arising from providing business, legal, financial, accounting and other services to the Company or any of its affiliates in the last two years.	None
Hsuan Fa Co., Ltd. Representative: Sam Wu	Possessing the necessary working experience for business and corporate operations, and having not been subject to any of the categories stated in Article 30 of the Company Act.	1. Whether the person, the person's spouse and relative within the second degree of kinship serving as a Director, Supervisor or an employee of the Company or any of its affiliates. 2. None of the person, the person's spouse and relatives within the second degree of kinship (or under others' names) holding the number and proportion of shares in the Company. 3. Not serving as a director, supervisor or employee of a company with a specific relationship with the Company (complying with the provisions of Article 3, Paragraph 1, Sub-paragraphs 5 to 8 of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies.)	None

Qualifications Name	Professional Qualifications and Work Experience	Independence Criteria	Number of Independent Directors for Other Public Companies Concurrently
		4. Not receiving the amount of compensation arising from providing business, legal, financial, accounting and other services to the Company or any of its affiliates in the last two years.	
Rick Inc. Representative: Rick Wu	Possessing the necessary working experience for business and corporate operations, and having not been subject to any of the categories stated in Article 30 of the Company Act.	1. Whether the person, the person's spouse and relative within the second degree of kinship serving as a Director, Supervisor or an employee of the Company or any of its affiliates. 2. None of the person, the person's spouse and relatives within the second degree of kinship (or under others' names) holding the number and proportion of shares in the Company. 3. Not serving as a director, supervisor or employee of a company with a specific relationship with the Company (complying with the provisions of Article 3, Paragraph 1, Sub-paragraphs 5 to 8 of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies.)	None
David Chou	Possessing the necessary working experience for business, legal affairs, finance and corporate operations, and having not been subject to any of the categories stated in Article 30 of the Company Act.	1. Whether the person, the person's spouse and relative within the second degree of kinship serving as a Director, Supervisor or an employee of the Company or any of its affiliates. 2. None of the person, the person's spouse and relatives within the second degree of kinship (or under others' names) holding the number and proportion of shares in the Company. 3. Not serving as a director, supervisor or employee of a company with a specific relationship with the Company (complying with the provisions of Article 3, Paragraph 1, Sub-paragraphs 5 to 8 of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies.) 4. Not receiving the amount of compensation arising from providing business, legal, financial, accounting and other services to the Company or any of its affiliates in the last two years.	1
Jin Chuen Investment Co., Ltd. Representative: Maggy Wu	Possessing the necessary working experience for business and corporate operations, and having not been subject to any of the categories stated in Article 30 of the Company Act.	1. Whether the person, the person's spouse and relative within the second degree of kinship serving as a Director, Supervisor or an employee of the Company or any of its affiliates. 2. None of the person, the person's spouse and relatives within the second degree of kinship (or under others' names) holding the number and proportion of shares in the Company. 3. Not serving as a director, supervisor or employee of a company with a specific relationship with the Company (complying with the provisions of Article 3, Paragraph 1, Sub-paragraphs 5 to 8 of the	None

Qualifications Name	Professional Qualifications and Work Experience	Independence Criteria	Number of Independent Directors for Other Public Companies Concurrently
		Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies.) 4. Not receiving the amount of compensation arising from providing business, legal, financial, accounting and other services to the Company or any of its affiliates in the last two years.	
Hua Jung Components Co., Ltd. Representative: Hsu, Jhih-Chang	Possessing the necessary working experience for business and corporate operations, and having not been subject to any of the categories stated in Article 30 of the Company Act.	1. Whether the person, the person's spouse and relative within the second degree of kinship serving as a Director, Supervisor or an employee of the Company or any of its affiliates. 2. None of the person, the person's spouse and relatives within the second degree of kinship (or under others' names) holding the number and proportion of shares in the Company. 3. Not serving as a director, supervisor or employee of a company with a specific relationship with the Company (complying with the provisions of Article 3, Paragraph 1, Sub-paragraphs 5 to 8 of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies.)	None
Chou, Dah-Jen	Possessing the necessary working experience for business, legal affairs, finance and corporate operations, being certified as a lawyer or accountant by the national examination and having not been subject to any of the categories stated in Article 30 of the Company Act.	1. None of the person, the person's spouse and relative within the second degree of kinship serving as a Director, Supervisor or an employee of the Company or any of its affiliates. 2. None of the person, the person's spouse and relatives within the second degree of kinship (or under others' names) holding the number and proportion of shares in the Company. 3. Not serving as a Director, Supervisor or employee of a company with a specific relationship with the Company (in accordance with the provisions of Article 3, Paragraph 1, Sub-paragraphs 5 to 8 of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies.) 4. Not receiving the amount of compensation arising from providing business, legal, financial, accounting and other services to the Company or any of its affiliates in the last two years.	2
Wei, Hong-Jheng	Possessing the necessary working experience for business, legal affairs, finance and corporate operations, and having not been subject to any of the categories stated in Article 30 of the Company Act.	1. None of the person, the person's spouse and relative within the second degree of kinship serving as a Director, Supervisor or an employee of the Company or any of its affiliates. 2. None of the person, the person's spouse and relatives within the second degree of kinship (or under others' names) holding the number and proportion of shares in the Company.	None

Qualifications Name	Professional Qualifications and Work Experience	Independence Criteria	Number of Independent Directors for Other Public Companies Concurrently
		3. Not serving as a Director, Supervisor or employee of a company with a specific relationship with the Company (in accordance with the provisions of Article 3, Paragraph 1, Sub-paragraphs 5 to 8 of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies.) 4. Not receiving the amount of compensation arising from providing business, legal, financial, accounting and other services to the Company or any of its affiliates in the last two years.	
Chow, Cheng-Hu	Possessing the necessary working experience for business, legal affairs, finance and corporate operations, and having not been subject to any of the categories stated in Article 30 of the Company Act.	1. None of the person, the person's spouse and relative within the second degree of kinship serving as a Director, Supervisor or an employee of the Company or any of its affiliates. 2. None of the person, the person's spouse and relatives within the second degree of kinship (or under others' names) holding the number and proportion of shares in the Company. 3. Not serving as a Director, Supervisor or employee of a company with a specific relationship with the Company (in accordance with the provisions of Article 3, Paragraph 1, Sub-paragraphs 5 to 8 of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies.) 4. Not receiving the amount of compensation arising from providing business, legal, financial, accounting and other services to the Company or any of its affiliates in the last two years.	None
Liao, Wan-Jiun (Note 3)	Possessing the necessary working experience for business and corporate operations, being a lecturer or above in a public or private college or university in relevant departments required for corporate operations and having not been subject to any of the categories stated in Article 30 of the Company Act.	1. None of the person, the person's spouse and relative within the second degree of kinship serving as a Director, Supervisor or an employee of the Company or any of its affiliates. 2. None of the person, the person's spouse and relatives within the second degree of kinship (or under others' names) holding the number and proportion of shares in the Company. 3. Not serving as a Director, Supervisor or employee of a company with a specific relationship with the Company (in accordance with the provisions of Article 3, Paragraph 1, Sub-paragraphs 5 to 8 of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies.) 4. Not receiving the amount of compensation arising from providing business, legal, financial, accounting and other services to the Company or any of its affiliates in the last two years.	None

Qualifications Name	Professional Qualifications and Work Experience	Independence Criteria	Number of Independent Directors for Other Public Companies Concurrently
Chang-Ying Hsu (Note 4)	Possessing the necessary working experience for business, legal affairs, finance and corporate operations, and having not been subject to any of the categories stated in Article 30 of the Company Act.	1. None of the person, the person's spouse and relative within the second degree of kinship serving as a Director, Supervisor or an employee of the Company or any of its affiliates. 2. None of the person, the person's spouse and relatives within the second degree of kinship (or under others' names) holding the number and proportion of shares in the Company. 3. Not serving as a Director, Supervisor or employee of a company with a specific relationship with the Company (in accordance with the provisions of Article 3, Paragraph 1, Sub-paragraphs 5 to 8 of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies.) 4. Not receiving the amount of compensation arising from providing business, legal, financial, accounting and other services to the Company or any of its affiliates in the last two years.	None

Note 1: Professional Qualifications and Work Experience: Please describe the professional qualifications and work experience of individual Directors and Supervisors. Where there are Directors or Supervisors being audit committee members and having accounting or financial expertise, please specify their accounting or financial background and work experience, and also indicate whether they are not subject to any of the categories stated in Article 30 of the Company Act.

Note 2: Independent Directors' independence criteria of shall be described, which include but are not limited to: Whether the person, the person's spouse and relative within the second degree of kinship serves as a Director, Supervisor or an employee of the Company or any of its affiliates; whether the person, the person's spouse and relatives within the second degree of kinship (or under others' names) holds the number and proportion of shares in the Company; whether the person did not serve as a director, supervisor or employee of a company with a specific relationship with the Company (complying with the provisions of Article 3, Paragraph 1, Sub-paragraphs 5 to 8 of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies); and whether the person received the amount of compensation arising from providing business, legal, financial, accounting and other services to the Company or any of its affiliates in the last two years.

Note 3: Concurrently held the position as the vice president of National Taiwan University. According to the Principles for Handling Part-Time Employment of Full-Time Teachers in Public Schools at All Levels and the Government Servant Service Law that shall not concurrently employed by a for-profit organization, thus resigned in January 10, 2023.

Note 4: Newly appointed from a re-election held on 15 June 2023.

4. Diversity and Independence of the Board of Directors:

(1) Diversity of the Board of Directors:

Besides specifying in the Company's "Articles of Association" that the Company adopts a candidate nomination system for the election of Directors (including Independent Directors), the Company also specifies in its "Code of Practice on Corporate Governance" that the Company shall consider the Directors' (including Independent Directors) professional background as well as Directors' diversity when electing Directors (including Independent Directors).

The Company takes into account the overall allocation of the Board of directors for selection of directors, diversifying Board composition and developing guidelines on diversity based on the operations, nature of business activities and development needs of the Company, including but not limited to the following two aspects:

- 1) Essential Conditions & Values: Gender, age, nationality and culture and the like.
- 2) Professional knowledge and skills: A professional background (e.g., law, accounting, industry, finance, marketing, technology), professional skills, and industry experience.

All members of the Board shall generally possess the knowledge, skills, and experience necessary to perform their duties. Their overall abilities shall be as follows:

- 1) Ability to make operational judgments.
- 2) Ability to perform accounting and financial analysis.
- 3) Ability to conduct management administration.
- 4) Ability to conduct crisis management.
- 5) Knowledge of the industry.
- 6) An international market perspective.
- 7) Ability to lead.
- 8) Ability to make policy decisions.

The Company has a total of 11 Directors (including 4 Independent Directors), of which 2 Directors are women, with a female ratio of about 18%. The members are specialized in electrical engineering, chemistry, law, finance and corporate management, and have industry-university, academic or the knowledge, skills and quality to perform their duties, and give professional advice from different angles, which is of great help to the improvement of the Company's operating

performance and management efficiency. The diversity of the members of the Board and the Core Competence Table of the Company are listed below:

Name \ Item	Nationality	Gender	Serve concurrently as employees of the Company	Business management	Leadership and Decision-Making	Industrial Knowledge	Finance and Accounting	Law
Alpha Wu	R.O.C.	Male	V	V	V	V	V	V
Yowshiu Investments Inc.	R.O.C.	-	-	-	-	-	-	-
Representative: Tina Wu	R.O.C.	Female	V	V	V	V	V	V
Hsuan Fa Co., Ltd.	R.O.C.	-	-	-	-	-	-	-
Representative: Sam Wu	R.O.C.	Male	V	V	V	V	V	V
Rick Inc.	R.O.C.	-	-	-	-	-	-	-
Representative: Rick Wu	R.O.C.	Male		V	V	V	V	V
Jin Chuen Investment Co., Ltd.	R.O.C.	-	-	-	-	-	-	-
Representative: Maggy Wu	R.O.C.	Female	-	V	V	V	V	V
Hua Jung Components Co., Ltd.	R.O.C.	-	-	-	-	-	-	-
Representative: Hsu, Jhih-Chang	R.O.C.	Male	-	V	V	V	V	V
David Chou	R.O.C.	Male	-	V	V	V	V	V
Chou, Dah-Jen	R.O.C.	Male	-	V	V	V	V	V
Wei, Hong-Jheng	R.O.C.	Male	-	V	V	V	V	V
Chow, Cheng-Hu	R.O.C.	Male	-	V	V	V	V	V
Liao, Wan-Jiun (Note 1)	R.O.C.	Female	-	V	V	V	-	V
Chang-Ying Hsu (Note 2)	R.O.C.	Female	-	V	V	V	-	V

Note 1: Concurrently held the position as the vice president of National Taiwan University. According to the Principles for Handling Part-Time Employment of Full-Time Teachers in Public Schools at All Levels and the Government Servant Service Law that shall not concurrently employed by a for-profit organization, thus resigned in January 10, 2023.

Note 2: Newly appointed from a re-election held on 15 June 2023.

(2) Independence of the Board of Directors

The Company has obtained a written statement from each Independent Director to confirm the independence of himself/herself and its immediate family members against the Company. None of The Company's Independent Directors, namely Wei, Hong-Jheng, Chow, Cheng-Hu, Chou, Dah-Jen and Miss Chang-Ying Hsu, hold any shares in the Company.

The Company has always believed that the independence of Directors must be judged on the merits, which is clearly stated in the Company's "Diversity Policies of the Board of Directors." The Board of Directors is committed to continuously evaluating the independence of Directors, which will consider all relevant factors, including whether the relevant directors can continue to raise constructive

questions for the management and other directors, whether the views expressed are independent of the management or other directors, and whether the words and deeds inside and outside the Board of Directors are appropriate. As the conduct of the Company's Independent Directors, where appropriate, is consistent with expectations and demonstrates the above attributes, Upon considering all the circumstances set out in this section, the Company concludes that all the Independent Directors are the persons independent of the Company.

5. Performance Evaluation of Board and its Connection with Compensation

Pursuant to Article 18 of the Articles of Association of the Company, if the Company makes a profit in a year, the Board of Directors shall decide to allocate no more than 3% as directors' compensation, and the distribution plan of directors' compensation shall be reported to the shareholders' meeting. However, if the Company still has accumulated losses, it shall reserve the makeup amount in advance, and then allocate directors' compensation as per the proportion mentioned in the preceding paragraph. The procedures for determining compensation are based on the results of performance evaluation of directors. In addition to taking into consideration the Company's operational performance, future development trends of the industry, reasonable compensation shall also be allocated in reference to the director's performance evaluation results and contributions to the Company's performance. The relevant performance assessment and the reasonableness of compensation allocated shall be reviewed by the Compensation Committee and the Board of Directors, and looked over in due course depending on the actual operating conditions and the relevant laws and regulations.

6. Succession planning and operation of Board members and key management

(1) Succession planning and operation of Board members

The Company adopts a candidate nomination system for the election of directors, and the shareholders' meeting shall select and appoint the directors from the list of director candidates. Unless otherwise provided by statute or otherwise provided by the Articles of Association, the selection and appointment of directors shall be governed by the Company's "Method for Election of Directors" and shall be subject to the Company's "code of practice on corporate governance" and the competence of the Board as a whole, and with reference to the performance evaluation results of the Board of directors to allocate overall Board members.

At present, there are a total of 11 Board members (including independent directors). The Board members are specialized in electrical engineering, chemistry, law, finance and corporate management, and possess the knowledge, skills and quality necessary for industry and academia or performing duties, who are arranged at least 6 hours of in-service training each year to enrich new knowledge, meet the needs of the industry and increase professional advantages. To reinforce the effectiveness of the Board of Directors in exercising its functions, the Company will keep pace with the times, plan annual refresher courses with reference to changes in internal and external environmental conditions and development needs at any time, upgrade the professional knowledge of directors, and records related to in-service training are available at the Open Information Observatory.

With regard to succession planning of the Board of directors, there are many senior management professionals in the Group at present, so the Company has an abundant talent pool to fill the vacancies of the future directors. As for independent directors, they are required to have working experience in commerce, legal affairs, finance, accounting or Company business by law, and the supply of these professionals in China needs no worry about shortage. Therefore, the succession planning of independent directors is still planned by the Company from academia and industry.

(2) Senior Management Succession Planning and Operation

Talent is an important asset of the Company. Apart from attaching importance to and actively cultivating talents with both soft and hard strengths, the Company is also committed to planning a more perfect successor system. Aiming to lay the foundation for the sustainable development of the Company and improve the successor mechanism of the senior management of the Company, when planning the successor candidates, besides considering whether they have excellent professional and management abilities, their values must also be consistent with the company's philosophy, and they must have personality traits such as honesty, practicality, innovation and entrepreneurial spirit. Training for management successors includes not only internal training related to management skills but also the experience of job rotation to cultivate comprehensively the decision-making ability of senior managers.

The Company plans and examines the promotion decisions, rotation arrangements and career development of key management levels, and continuously cultivates the decision-making ability of senior managers, including

leadership courses and continuous education arrangements for related professional abilities, so that their leadership and professional abilities can go hand in hand and they can grasp the pulse of trends and technology; encourages supervisors to improve their self-ability, and besides training courses, arranges their participation in the formulation of the Company's operational policies and promotion of important projects and tasks depending on the level of supervisors and the degree of ability development, and improves their team leadership, strategic planning and other related abilities through the expansion of management scope and experience and rotation in different professional fields.

(II) Data on the President, Vice Presidents, Associate Managers, and Supervisors of the Company's departments and branches

Number of shares; shares; shareholding ratio: %; April 14, 2024

Professional title	Nationality	Name	Gender	Date Elected (Assumed)	Shareholding		Spouse & Minor Shareholding		Shareholding by Nominees		Major Experience (Education)	Other Position Concurrently Held at Other Companies	Managerial Officer who Are Spouses or within the Second Degree of Kinship			Note
					Number of Shares	Shareholding Ratio	Number of Shares	Shareholding Ratio	Number of Shares	Shareholding Ratio			Professional title	Name	Relationship	
CEO	R.O.C.	Alpha Wu	Male	1995/07/01	34,937,658	4.38	1,361,736	0.17	0	0.00	Electrical Engineering, National Taiwan University President, Mei Ke Technology Co., Ltd.	Chairman, Zwei-Mau Investment Co., Ltd. Chairman of ABOUND PROFITS LIMITED Chairman, RICK TECHNOLOGY INC. Chairman, Amtran Electronic Co., Ltd. Legal Person Director Representative, SPYGLASS TESLA, LLC Chairman, BMA VENTURE CAPITAL INVESTMENT CORPORATION Chairman of Suzhou Raken Technology Ltd. Chairman, Hua Jung Components Co., Ltd. Legal Person Director Representative, Rick Service Inc. Director, Yowshuihan Investments Inc. Chairman, Jin Chuen Investment Co., Ltd. Director, Hengxu Investment Corp. Representative, Chin Heng Investment Co., Ltd. Chairman, Zwei-Mau Capital Co., Ltd. Representative, Chin Hsuan Investment Co., Ltd. Director, Hsuan Fa Co., Ltd.	President	Sam Wu	Father and son	Note 1
President	R.O.C.	Sam Wu	Male	2017/07/01	421,819	0.05	88,736	0.01	0	0.00	Master in Chemical Engineering, National Taiwan University	Legal Person Director Representative, Zwei-Mau Investment Co., Ltd. Legal Person Director Representative, Suzhou Raken Technology Ltd. Legal Person Director Representative, Amtran Electronic Co., Ltd. AMTRAN LOGISTICS INC. Legal Person Director Representative Legal Person Director Representative, AMTRAN VIDEO CORPORATION President of AMTRAN VIETNAM TECHNOLOGY COMPANY LIMITED President of AMTRAN VIETNAM RADING COMPANY LIMITED Chairman, Hsuan Fa Co., Ltd. Director, Yowshuihan Investments Inc.	CEO	Alpha Wu	Father and son	Note 1
General Management Centre Senior Deputy President Accounting Supervisor	R.O.C.	Scottie Chiu	Male	2003/06/10	30,522	0.00	16,377	0.00	0	0.00	Finance Institute, Tankang University Assistant Deputy Chief of Finance, Evergreen Marine Corporation (Taiwan) Ltd. Assistant Finance Manager, Hsu Li Electronics Co., Ltd.	Legal Person Director Representative, Zwei-Mau Investment Co., Ltd. Supervisor, RICK TECHNOLOGY INC. Legal Person Director Representative and President, Suzhou Raken Technology Ltd.	None	None	None	-

Professional title	Nationality	Name	Gender	Date Elected (Assumed)	Shareholding		Spouse & Minor Shareholding		Shareholding by Nominees		Major Experience (Education)	Other Position Concurrently Held at Other Companies	Managerial Officer who Are Spouses or within the Second Degree of Kinship			Note
					Number of Shares	Shareholding Ratio	Number of Shares	Shareholding Ratio	Number of Shares	Shareholding Ratio			Professional title	Name	Relationship	
Corporate Governance Director												Legal Person Director Representative, BMA VENTURE CAPITAL INVESTMENT CORPORATION Legal Person Director Representative, AMTRAN LOGISTICS INC. Legal Person Director Representative, AMTRAN VIDEO CORPORATION Legal Person Director Representative, ASEV DISPLAY LABS Legal Person Director Representative and President, Amtran Electronic Co., Ltd. Legal Person Director Representative, PICONETS INC.				
R&D Center Senior Deputy President	R.O.C.	Jjou Chen	Male	2008/06/01	7,533	0.00	0	0.00	0	0.00	Department of Electrical Engineering, National Cheng Kung University	None	None	None	None	-
Purchasing Management Center Vice President	R.O.C.	Ming Lee	Male	2015/09/01	0	0.00	0	0.00	0	0.00	University of Dallas (MBA)	None	None	None	None	-
Manufacturing Management Center Vice President	R.O.C.	Hsieh, Chih-Hung	Male	2022/07/20	967	0.00	0	0.00	0	0.00	Department of Mechanical Engineering, Lunghwa University of Science and Technology	President of Suzhou Raken Technology Ltd.	None	None	None	-

Note 1: Where the Chairman of the Board of Directors and the President or person of an equivalent post (the highest level manager) of the Company are the same person, spouses, or relatives within the first degree of kinship, an explanation shall be given of the reason for, reasonableness, necessity thereof, and the measures adopted in response thereto.

The Chairman of the Company and the CEO (the top manager) are the same person. The reason is that the Company's organizational structure is relatively simple, and the Chairman of the Company is very familiar with the industry to which the Company belongs. In order to create the maximum value of the enterprise and give back to the shareholders under the management's goals, it is still necessary for the Chairman and the CEO (the top manager) to be the same person.

Countermeasures:

To cooperate with the competent authority in the promotion and implementation of corporate governance policies, the Company has set up an Audit Committee. In addition, the Company has prepared and announced a sustainability report to appropriately disclose the Company's implementation of corporate social responsibility.

(III) Compensation paid to Directors (including Independent Directors), President and Vice President of the last years

1. Compensation of Directors (Including Independent Directors)

December 31, 2023; Unit: NT\$ thousands																								
Professional title	Name	Compensation of Directors						Relevant Compensation Received by Directors who Are Also Employees						Ratio of the total amount of items A, B, C, D, E, F and G after-tax profit (%) (Note 4)				Ratio of the total amount of items A, B, C, D, E, F and G after-tax profit (%) (Note 4)				Compensation received from re-investment businesses other than subsidiaries or the Parent Company		
		Compensation (A) (Note 1)		Severance Pay and Pension (B)		Compensation of Directors (C) (Note 2)		Business Execution Expenses (D) (Note 3)		Salary, bonus, and extraordinary charge (E) (Note 5)		Severance Pay and Pension (F)		Compensation of employees (G) (Note 6)		The Company		The Company		The Company				
		The Company	All Companies in Financial Statements	The Company	All Companies in Financial Statements	The Company	All Companies in Financial Statements	The Company	All Companies in Financial Statements	The Company	All Companies in Financial Statements	The Company	All Companies in Financial Statements	Cash amount	Stock amount	Cash amount	Stock amount	Cash amount	Stock amount	Cash amount	Stock amount			
Chairman	Alpha Wu	15,000	15,000	0	0	2,700	2,700	180	180	17,880 (4.00)	17,880 (4.00)	9,100	9,100	0	0	7,200	0	34,180 (7.66)	34,180 (7.66)	0	0	8,224	-	
Legal Person Director	Yowshuan Investments Inc.	5,000	5,000	0	0	900	900	0	0	5,900 (1.32)	5,900 (1.32)	0	0	0	0	0	0	5,900 (1.32)	5,900 (1.32)	0	0	-	-	
Representative	Yowshuan Investments Inc. Representative: Tina Wu	0	0	0	0	0	0	180	180	180 (0.04)	180 (0.04)	1,300	1,300	0	0	247	0	1,727 (0.39)	1,727 (0.39)	0	0	-	-	
Legal Person Director	Hsuan Fa Co., Ltd.	7,000	7,000	0	0	1,350	1,350	0	0	8,350 (1.87)	8,350 (1.87)	0	0	0	0	0	0	8,350 (1.87)	8,350 (1.87)	0	0	-	-	
Representative	Hsuan Fa Co., Ltd. Representative: Sam Wu	0	0	0	0	0	0	180	180	180 (0.04)	180 (0.04)	8,222	8,222	0	0	6,400	0	14,802 (3.32)	14,802 (3.32)	0	0	-	-	
Legal Person Director	Rick Inc.	5,000	5,000	0	0	900	900	0	0	5,900 (1.32)	5,900 (1.32)	0	0	0	0	0	0	5,900 (1.32)	5,900 (1.32)	0	0	-	-	
Representative	Rick Inc. Representative: Rick Wu	0	0	0	0	0	0	180	180	180 (0.04)	180 (0.04)	0	0	0	0	0	0	180 (0.04)	180 (0.04)	0	0	-	-	
Director	David Chou	1,000	1,000	0	0	270	270	180	180	1,450 (0.32)	1,450 (0.32)	0	0	0	0	0	0	1,450 (0.32)	1,450 (0.32)	0	0	-	-	
Legal Person Director	Jin Chuen Investment Co., Ltd.	5,000	5,000	0	0	900	900	0	0	5,900 (1.32)	5,900 (1.32)	0	0	0	0	0	0	5,900 (1.32)	5,900 (1.32)	0	0	-	-	
Representative	Jin Chuen Investment Co., Ltd. Representative: Maggy Wu	0	0	0	0	0	0	180	180	180 (0.04)	180 (0.04)	0	0	0	0	0	0	180 (0.04)	180 (0.04)	0	0	-	-	
Legal Person Director	Hua Jung Components Co., Ltd.	5,000	5,000	0	0	900	900	0	0	5,900 (1.32)	5,900 (1.32)	0	0	0	0	0	0	5,900 (1.32)	5,900 (1.32)	0	0	-	-	
Representative	Hua Jung Components Co., Ltd. Representative: Hsu, Jhih-Chang	0	0	0	0	0	0	180	180	180 (0.04)	180 (0.04)	0	0	0	0	0	0	180 (0.04)	180 (0.04)	0	0	-	-	
	Subtotal	43,000	43,000	0	0	7,920	7,920	1,260	1,260	52,180 (11.70)	52,180 (11.70)	18,622	18,622	0	0	13,847	0	84,649 (18.97)	84,649 (18.97)	0	0	8,224	-	
Independent Director	Chou, Dah-len	1,000	1,000	0	0	270	270	180	180	1,450 (0.32)	1,450 (0.32)	0	0	0	0	0	0	1,450 (0.32)	1,450 (0.32)	0	0	-	-	
Independent Director	Wei, Hong-Jheng	1,000	1,000	0	0	270	270	180	180	1,450 (0.32)	1,450 (0.32)	0	0	0	0	0	0	1,450 (0.32)	1,450 (0.32)	0	0	-	-	
Independent Director	Chang-Ying Hsu (Note 1)	0	0	0	0	270	270	160	160	430 (0.10)	430 (0.10)	0	0	0	0	0	0	430 (0.10)	430 (0.10)	0	0	-	-	
Independent Director	Chow, Cheng-Hu	1,000	1,000	0	0	270	270	180	180	1,450 (0.32)	1,450 (0.32)	0	0	0	0	0	0	1,450 (0.32)	1,450 (0.32)	0	0	-	-	

Professional title	Name	Compensation of Directors						Relevant Compensation Received by Directors who Are Also Employees				Ratio of the total amount of items A, B, C, D, E, F and G after-tax profit and G after-tax profit (%) (Note 4)		Compensation received from re-investment businesses other than subsidiaries or the Parent Company					
		Compensation (A) (Note 1)		Severance Pay and Pension (B)		Compensation of Directors (C) (Note 2)		Business Execution Expenses (D) (Note 3)		Salary, bonus, and extraordinary charge (E) (Note 5)		Severance Pay and Pension (F)			Compensation of employees (G) (Note 6)				
		All Companies in Financial Statements	The Company	All Companies in Financial Statements	The Company	All Companies in Financial Statements	The Company	All Companies in Financial Statements	The Company	All Companies in Financial Statements	The Company	All Companies in Financial Statements	The Company		All Companies in Financial Statements	Cash amount	Stock amount		
	Subtotal	3,000	3,000	0	0	1,080	1,080	700	700	4,780 (1.71)	4,780 (1.71)	0	0	0	0	0	0	4,780 (1.71)	4,780
	Total	46,000	46,000	0	0	9,000	9,000	1,960	1,960	56,960 (12.77)	56,960 (12.77)	18,622	18,622	13,847	0	13,847	0	89,429 (20.04)	8,224

Compensation scale table

Scale of Compensation Paid to Directors	Name of Director			Total amount of the first seven compensation items (A+B+C+D+E+F+G)	
	Total amount of the first four compensation items(A+B+C+D)		The Company		All Companies in Financial Statements
	The Company		All Companies in Financial Statements		The Company
< NT\$ 1,000,000	Tina Wu, Sam Wu, Rick Wu, Maggy Wu, Maggy Wu, Hsu, Jhih-Chang, Liao, Wan-Jiun (Note 8), Chang-Ying Hsu (Note 9)		Tina Wu, Sam Wu, Rick Wu, Maggy Wu, Maggy Wu, Hsu, Jhih-Chang, Liao, Wan-Jiun (Note 8), Chang-Ying Hsu (Note 9)		Rick Wu, Maggy Wu, Hsu, Jhih-Chang, Liao, Wan-Jiun (Note 8), Chang-Ying Hsu (Note 9)
NT\$ 1,000,000 (included) ~ NT\$ 2,000,000 (excluded)	David Chou, Chou, Dah-Jen, Wei, Hong-Jheng, Liao, and Chow, Cheng-Hu		David Chou, Chou, Dah-Jen, Wei, Hong-Jheng, Liao, and Chow, Cheng-Hu		Tina Wu, David Chou, Chou, Dah-Jen, Wei, Hong-Jheng, Liao, and Chow, Cheng-Hu
NT\$ 2,000,000 (included) ~ NT\$ 3,500,000 (excluded)					
NT\$ 3,500,000 (included) ~ NT\$ 5,000,000 (excluded)					
NT\$ 5,000,000 (included) ~ NT\$ 10,000,000 (excluded)	Yowshuan Investments Inc., Hsuan Fa Co., Ltd., Rick INC., Jin Chuen Investment Co., Ltd. and Hua Jung Components Co., Ltd.		Yowshuan Investments Inc., Hsuan Fa Co., Ltd., Rick INC., Jin Chuen Investment Co., Ltd. and Hua Jung Components Co., Ltd.		Yowshuan Investments Inc., Hsuan Fa Co., Ltd., Rick INC., Jin Chuen Investment Co., Ltd. and Hua Jung Components Co., Ltd.
NT\$ 10,000,000 (included) ~ NT\$ 15,000,000 (excluded)					
NT\$ 15,000,000 (included) ~ NT\$ 30,000,000 (excluded)	Alpha Wu		Alpha Wu		Sam Wu
NT\$ 30,000,000 (included) ~ NT\$ 50,000,000 (excluded)					Alpha Wu
NT\$ 50,000,000 (included) ~ NT\$ 100,000,000 (excluded)					
NT\$ 100,000,000 or above					
Total	17		17		17

Note 1: It is Directors' Compensation in 2023 (including director's salary, position allowance, severance pay, various bonuses, incentive payments, etc.)

Note 2: The total amount of Directors' remuneration for the year of 2023 was approved by the Board of Directors of the Company on March 13, 2024 is NT\$ 9,000,000. The individual amounts of Directors' remuneration are p

- Note 3: roposed based on the previous years' allocation ratio and are not the actually allocated amount. The actual amount allocated is subject to the detailed proposals by the Remuneration Committee for discussion and resolution by the Board.
- Note 4: Directors' related business execution expenses (including transportation allowance, special allowances, subsidies, and provision of in kind such as dormitory and car, etc.) for 2023.
- Note 5: After-tax net profit refers to the after-tax net profit identified in the parent company only financial statements for 2023.
- Note 6: The figures are the amount received by the directors who are also the Company's employees, including salaries, position allowances, severance pay, bonuses, incentive payment, transportation allowance, special allowances, subsidies, in kind payments such as dormitory and company cars and the like for 2023.
- Note 7: On March 13, 2024, the Board of Directors of the Company approved the allocation of NT\$21,000 thousand in the total amount of employee compensation for 2023. If the Directors who are also the Company's employees receiving employee compensation, the individual amount of employee compensation is proposed according to the allocation ratio of previous years, which is not the actual allocation amount. The actual allocation amount is to be submitted by the compensation committee to the Board of Directors for discussion and resolution.
- Note 8: The compensation contents disclosed in this table are different from the concept of income specified in the Income Tax Act, thus the purpose of this table is for information disclosure only, rather than taxation purpose.

Note 9: Concurrently held the position as the vice president of National Taiwan University. According to the Principles for Handling Part-Time Employment of Full-Time Teachers in Public Schools at All Levels and the Government Servant Service Law that shall not concurrently employed by a for-profit organization, thus resigned in January 10, 2023.

Note 10: Newly appointed from a re-election held on 15 June 2023.

2. Compensation of the President and Vice President

December 31, 2023; Unit: NT\$ thousand

Professional title	Name	Salary (A) (Note 1)		Severance Pay and Pension (B)		Bonus and special allowances (C) (Note 2)		Amount of employee remuneration (D) (Note 3)				Total amount of A, B, C and D items to after-tax net income ratio (%) (Note 4)		Compensation received from re-investment businesses other than subsidiaries or the Parent Company
		The Company	All Companies in Financial Statements	The Company	All Companies in Financial Statements	The Company	All Companies in Financial Statements	The Company		All Companies in Financial Statements		The Company	All Companies in Financial Statements	
CEO	Alpha Wu													
President	Sam Wu													
General Management Centre														
Senior Deputy President	Scottie Chiu													
Accounting Supervisor														
Corporate Governance Director														
R&D Center		27,568	27,568	0	0	2,511	2,511	19,950	0	19,950	0	50,028 (11.21)	50,028 (11.21)	8,224
Senior Deputy President	Jjou Chen													
Purchasing Management Center	Ming Lee													
Vice President														
Manufacturing Management Center	Hsieh, Chih-Hung													
Vice President														

Compensation scale table

Compensation Scale Paid to the Presidents and Vice Presidents of the Company	Names of Presidents and Vice Presidents	
	The Company	All Companies in Financial Statements
< NT\$ 1,000,000	-	-
NT\$ 1,000,000 (included) ~ NT\$ 2,000,000 (excluded)	-	-
NT\$ 2,000,000 (included) ~ NT\$ 3,500,000 (excluded)	Ming Lee	Ming Lee
NT\$ 3,500,000 (included) ~ NT\$ 5,000,000 (excluded)	Hsieh, Chih-Hung	Hsieh, Chih-Hung
NT\$ 5,000,000 (included) ~ NT\$ 10,000,000 (excluded)	Scottie Chiu , Jjou Chen	Scottie Chiu , Jjou Chen
NT\$ 10,000,000 (included) ~ NT\$ 15,000,000 (excluded)	Sam Wu	Sam Wu
NT\$ 15,000,000 (included) ~ NT\$ 30,000,000 (excluded)	Alpha Wu	Alpha Wu
NT\$ 30,000,000(included) ~ NT\$ 50,000,000 (excluded)	-	-
NT\$ 50,000,000(included) ~ NT\$ 100,000,000 (excluded)	-	-
NT\$ 100,000,000 or above	-	-
Total	6	6

Note 1: The salary, duty allowance and severance paid to the Presidents and Vice Presidents in 2023.

Note 2: The bonus, reward, transportation allowance, special allowance, various subsidies, and provision of in kinds such as dormitory and car, as well as other compensations, received by the Presidents and Vice Presidents in 2023.

Note 3: On March 13, 2024, the Board of Directors of the Company approved the allocation of NT\$21,000 thousand in the total amount of employee compensation for 2023. If the Directors who are also the Company's employees receiving employee compensation, the individual amount of employee compensation is proposed according to the allocation ratio of previous years, which is not the actual allocation amount. The actual allocation amount is to be submitted by the compensation committee to the Board of Directors for discussion and resolution.

Note 4: After-tax net profit refers to the after-tax net profit identified in the parent company only financial statements for 2023.

Note 5: The compensation contents disclosed in this table are different from the concept of income specified in the Income Tax Act, thus the purpose of this table is for information disclosure only, rather than taxation purpose.

3. Compensation of the top 5 executives with the highest compensation

December 31, 2023; Unit: NT\$ thousand

Professional title	Name	Salary (A) (Note 2)		Severance Pay and Pension (B)		Bonus and special allowances (C) (Note 3)		Amount of employee remuneration (D) (Note 4)				Total amount of A, B, C and D to after-tax net income ratio (%) (Note 5)		Compensation received from re-investment businesses other than subsidiaries or the Parent Company
		The Company	All Companies in Financial Statements	The Company	All Companies in Financial Statements	The Company	All Companies in Financial Statements	The Company		All Companies in Financial Statements				
								Cash amount	Stock amount	Cash amount	Stock amount			
CEO	Alpha Wu	8,400	8,400	0	0	700	700	7,200	0	7,200	0	16,300 (3.66)	16,300 (3.66)	8,224
President	Sam Wu	7,416	7,416	0	0	806	806	6,400	0	6,400	0	14,622 (3.27)	14,622 (3.27)	None
General Management Centre														
Senior Deputy President	Scottie Chiu	3,200	3,200	0	0	266	266	2,000	0	2,000	0	5,466 (1.22)	5,466 (1.22)	None
Accounting Supervisor														
Corporate Governance Director														
R&D Center	Jjou Chen	4,196	4,196	0	0	350	350	1,900	0	1,900	0	6,445 (1.44)	6,445 (1.44)	None
Senior Deputy President														
Purchasing Management Center	Ming Lee	2,045	2,045	0	0	189	189	1,100	0	1,100	0	3,334 (0.75)	3,334 (0.75)	None
Vice President														
Manufacturing Management Center	Hsieh, Chih-Hung	2,311	2,311	0	0	200	200	1,350	0	1,350	0	3,861 (0.87)	3,861 (0.87)	None
Vice President														

Note 1: The "top five executives with the highest compensation" refer to the Company's managers; and the criteria for the identification of managers shall be subject to the scope of application of the term "manager" as stipulated in the former letter order, Tai Cai Zheng San Zi No. 0920001301 issued by Securities and Futures Commission, Ministry of Finance dated March 27, 2003. As for the principle of determining the "top five highest compensation amounts," it is based on the aggregate amount of the salary, severance pay and pension, bonus and special allowances received by managers of the Company from the consolidated financial statements, as well as the total amount of employee compensation (that is, the total of A + B + C + D); after sorted by amount, and the top five compensation amounts are determined.

Note 2: The salary, position allowance and severance paid to the top five executives with the highest compensation in 2023.

Note 3: The bonus, reward, transportation allowance, special allowance, various subsidies, and provision of in kind such as dormitory and car, as well as other compensations, received by the top five executives with the highest compensation in 2023.

Note 4: On March 13, 2024, the Board of Directors of the Company approved the allocation of NT\$21,000 thousand in the total amount of employee compensation for 2023. If the Directors who are also the Company's employees receiving employee compensation, the individual amount of employee compensation is proposed according to the allocation ratio of previous years, which is not the actual allocation amount. The actual allocation amount is to be submitted by the compensation committee to the Board of Directors for discussion and resolution.

Note 5: After-tax net profit refers to the after-tax net profit identified in the parent company only financial statements for 2023.

Note 6: The compensation contents disclosed in this table are different from the concept of income specified in the Income Tax Act, thus the purpose of this table is for information disclosure only, rather than taxation purpose.

4. Names of managers allocated with employee compensation and allocation status:

December 31, 2023; Unit: NT\$ thousand

Professional title	Name	Stock amount	Cash amount	Total	Ratio of Total Amount to After-tax Net Income (%)
CEO	Alpha Wu	0	19,950	19,950	4.47
President	Sam Wu				
General Management Centre Senior Deputy President Accounting Supervisor Corporate Governance Director	Scottie Chiu				
R&D Center Senior Deputy President	Jjou Chen				
Purchasing Management Center Vice President	Ming Lee				
Manufacturing Management Center Vice President	Hsieh, Chih-Hung				

Note 1: On March 13, 2024, the Board of Directors of the Company approved the allocation of NT\$21,000 thousand in the total amount of employee compensation for 2023. If the Directors who are also the Company's employees receiving employee compensation, the individual amount of employee compensation is proposed according to the allocation ratio of previous years, which is not the actual allocation amount. The actual allocation amount is to be submitted by the compensation committee to the Board of Directors for discussion and resolution.

(IV) The ratios of total compensation paid to the Directors, Presidents and Vice Presidents of the Company in the most recent two years of the Company and all companies in the consolidated financial statements to the after-tax profit in the parent company only financial statements have been analyzed and compared to explain the relevance between the policies, standards and combinations of compensation, the procedures for determining compensation and business performance and future risks: Analysis of the total compensation rate paid by the Company and all companies in consolidated financial statements to the directors, general managers and deputy general managers of the company to the after-tax net profit the most recent two years:

1. The ratios of total compensation paid to the Directors, Presidents and Vice Presidents of the Company in the most recent two years of the Company and all companies in the consolidated financial statements to the after-tax profit in the parent company only financial statements have been analyzed and compared to explain the relevance between the policies, standards and combinations of compensation, the procedures for

determining compensation and business performance and future risks: Analysis of the total compensation rate paid by the Company and all companies in consolidated financial reports to the directors, general managers and deputy general managers of the company to the after-tax net profit the most recent two years:

Compensation	Ratio of compensation to net profit after tax of the parent company only financial statements (%)			
	2023		2022	
	The Company	All companies in the consolidated financial statements	The Company	All companies in the consolidated financial statements
Compensation of Directors	20.04	20.04	-0.87	-0.87
Compensation of the Presidents and Vice Presidents	11.21	11.21	-1.37	-1.37

2. The policies, standards and package of compensation payment and the procedure for determination of compensation

The policies and standards for Directors' compensation shall be subject to the Articles of Association of the Company; the compensation of the Presidents and Vice Presidents shall be paid in accordance with the Company's compensation-related measures. The principle for determining the compensation system is mainly based on sharing of the operating results of the Company based on the operating performance and contribution, and the compensation policies are formulated out of competitive, incentive and reasonable considerations by referring to the standards of trade payment, so as to bring the annual salary level of the Company as a whole into line with the trade average level.

The compensation for managerial officers of the Company is mainly divided into salary, bonus and employee compensation, salary and bonus, which are reviewed by the Compensation Committee and decided by the Board of Directors. Employee compensation is based on the Company's operating conditions and appropriated in accordance with the ratios specified in the Company's Articles of Association, which is subject to the resolution of the Board of Directors before being reported to the shareholders' meeting.

3. Relevance to business performance and future risks

The reasonableness of the compensation paid to the Directors, Supervisors, President, and Vice President shall be reviewed on a regular basis. In addition to considering their contributions to the Company's operational performance, the Company will also consider the degrees of risk they pose to the Company and adjust their compensation accordingly. The Company has purchased directors' and key staff' liability insurance to reduce the Company's liability for damages arising out of legal liability.

III. Operation of Corporate Governance

(I) Operation of Board of Directors

1. A total of 6 meetings of the Board of Directors were held in 2023. The attendance of the Directors is as follows:

Professional title	Name	Attendance in Person	Attendance by Proxy	Attendance Rate (%)	Note
Chairman	Alpha Wu	6	0	100%	
Director	Yowshiuan Investments Inc. Representative: Tina Wu	6	0	100%	
Director	Hsuan Fa Co., Ltd. Representative: Sam Wu	6	0	100%	
Director	Rick Inc. Representative: Rick Wu	6	0	100%	
Director	David Chou	4	2	66.67%	
Director	Jin Chuen Investment Co., Ltd., represented by Maggy Wu	6	0	100%	
Director	Hua Jung Components Co., Ltd. Representative: Hsu, Jhih-Chang	6	0	100%	
Independent Director	Chou, Dah-Jen	6	0	100%	
Independent Director	Wei, Hong-Jheng	6	0	100%	
Independent Director	Chow, Cheng-Hu	6	0	100%	
Independent Director	Chang-Ying Hsu	4	0	100%	Note 1

Note 1: Newly appointed from a re-election held on 15 June 2023.

2. Other matters to be recorded:

With regard to the operation of the Board of Directors, if any of the following circumstances occurs, the dates, terms of the meetings, contents of motions, all independent directors' opinions and the Company's handling of such opinions shall be specified:

(1) Matters referred to in Article 14.3 of the Securities and Exchange Act.

Date of the meeting	Major resolution matters	All Independent Directors' Opinions	The Company's handling of such opinions of independent directors
2023/03/13 The 7th session of the 10th	(1) The Company's proposal of treasury stock buy-back. (2) The Company's 2022 Business Report and parent company only and consolidated financial statements. (3) The Company's 2022 profit or loss appropriation proposal. (4) Proposal of the Company's cash capital reduction and refund. (5) Proposal of subsequently confirming the Company's Endorsement Guarantee for the Company's subsidiary, AMTRAN VIETNAM TECHNOLOGY COMPANY LIMITED. (6) Proposal of the Company's increasing cash capital for the subsidiary, AMTRAN VIETNAM TECHNOLOGY COMPANY LIMITED. (7) The Company's 2022 self- assessment report on the internal control system and the statement on internal control system. (8) Proposal of Company's evaluating the independence and competency of the CPAs. (9) Proposal of the Company's applying for bank financing line. (10) Proposal of applying to the Union Bank of Switzerland (UBS AG) for a pre-settlement risk limit to conduct derivatives trading. (11) Proposal of setting up the sustainable committee and signing the Organizational Rules of Sustainable Committee. (12) Proposal of appointing the members of the Sustainable Committee. (13) Amending certain provisions of the Company's "Management Operation Procedures for Preventing Insider Trading." (14) Proposal of the by-election of an independent director. (15) Proposal of nomination and resolution of the list of candidates for a by-election for an Independent Director of the 10th Board of Directors. (16) Proposal of convening the 2023 annual shareholders' meeting.	Approved by the unanimous decision of the directors (including independent directors) present.	Without Objections or Reservations by Independent Directors.
2023/05/10 The 8th session of the 10th	(1) Approved the proposal of the Company's consolidated financial statements for the first quarter of 2023.	Approved by the unanimous decision of the	Without Objections or Reservations

Date of the meeting	Major resolution matters	All Independent Directors' Opinions	The Company's handling of such opinions of independent directors
	(2) Approval of the proposal of the Company's applying for bank financing line. (3) Approved the Proposal of amendment to the Company's Risk management policies and procedures	directors (including independent directors) present.	by Independent Directors.
2023/06/15 The 9th session of the 10th	(1) The proposal for the distribution of director's remuneration and director's attendance fees for the 2023 year of the Company has been approved. (2) Approval of the 2023 managers' compensation proposal. (3) Approval of the proposal of the Company's applying for bank financing line.	Approved by the unanimous decision of the directors (including independent directors) present.	Without Objections or Reservations by Independent Directors.
2023/08/04 The 10th session of the 10th	(1) Approved the proposal of the Company's consolidated financial statements for the second quarter of 2023. (2) Approval of the Company's profit appropriation proposal for the first half of 2023. (3) Approval of the proposal of the reduction of capital by canceling treasury stocks and setting the base date for the capital reduction. (4) Approval of the proposal of the establishment of the "Procedure for Repurchasing Treasury Stocks" for the Company. (5) Approval of the proposal of granting the loan of the Company's fund to the Company's subsidiary, AMTRAN VIETNAM TECHNOLOGY COMPANY LIMITED (6) Ratification of the subsequent confirmation of the Company's Endorsement Guarantee for the Company's subsidiary, AMTRAN VIETNAM TECHNOLOGY COMPANY LIMITED. (7) Approval of the proposal of the authorization for the purchase of land in Vietnam by the Group. (8) Approval of the proposal of the Company's applying for bank financing line.	Approved by the unanimous decision of the directors (including independent directors) present.	Without Objections or Reservations by Independent Directors.
2023/11/10 The 11st session of the 10th	(1) Approval of the proposal of the internal adjustment and change of CPAs at PwC Taiwan. (2) Approval of the proposal of the Company's consolidated financial statements for the third quarter of 2023. (3) Approved the Proposal of the Company's 2024 audit plan.	Approved by the unanimous decision of the directors (including independent directors) present.	Without Objections or Reservations by Independent Directors.

Date of the meeting	Major resolution matters	All Independent Directors' Opinions	The Company's handling of such opinions of independent directors
	(4) Approval of the proposed acquisition of land use rights in Vietnam by the subsidiary AMTRAN VIETNAM TECHNOLOGY COMPANY LIMITED. (5) Approval of the proposal of the Company's applying for bank financing line. (6) Approval of the proposal of the appointment of members to the Sustainability Committee of the Company.		
2023/12/28 The 12nd session of the 10th	(1) Approval of the proposal of Company's donation of NT\$2,000,000 to the "Credit Suisse Children's Medical Foundation."	Approved by the unanimous decision of the directors (including independent directors) present.	Without Objections or Reservations by Independent Directors.
2024/03/13 The 13rd session of the 10th	(1) The Company's 2023 Business Report and parent company only and consolidated financial statements. (2) Approval of the proposal of the Company's 2023 total compensation amount for employees and Directors. (3) Proposal of the Company's cash capital reduction and refund. (4) Profit Appropriation Statement for 2023. (5) The Company's 2023 self-assessment report on the internal control system and the statement on internal control system. (6) Proposal of Company's evaluating the independence and competency of the CPAs. (7) Proposal of subsequently confirming the Company's Endorsement Guarantee for the Company's subsidiary, AMTRAN VIETNAM TECHNOLOGY COMPANY LIMITED. (8) Partial amendments to the Articles of Incorporation. (9) Proposal of the Company's applying for bank financing line. (10) Proposal of the Company's comprehensive election of directors. (11) Proposal of nomination and election of the list of candidates for the Directors (including Independent Directors) of the 11th Board of Directors. (12) Proposal of lifting the non-competition restrictions on new Directors and their representatives. (13) Proposal of convening the 2024 annual shareholders' meeting.		

(2) Any recorded or written resolutions made by the Board of Directors to which Independent Directors have objections or reservations in addition to the above: the Company has implemented in accordance with Article 14-33 of the Securities Exchange Act, and there is no the such circumstances as opposition or reservation by Independent Directors.

3. For the implementation of directors' avoidance of interested proposals, the names of the directors, contents of proposals, reasons for avoidance, and participation in voting shall be specified:

Date of Board Meeting	Name of Director	Proposal content	Reasons for avoiding due to interests	Participants Competition
2023/03/13 The 7th session of the 10th	Alpha Wu Wei, Hong-Jheng Chou, Dah-Jen Chow, Cheng-Hu	Proposal of appointing the members of the Sustainable Committee.	Interested shareholder	Recused himself and did not participate in discussion and voting.
2023/06/15 The 9th session of the 10th	All Directors	The proposal for the distribution of director's remuneration and director's attendance fees for the 2023 year of the Company has been approved.	Interested shareholder	Recused himself and did not participate in discussion and voting.
2023/06/15 The 9th session of the 10th	Alpha Wu Hsuan Fa Co., Ltd. Representative: Sam Wu	Approval of the 2023 managers' compensation proposal.	Interested shareholder	Recused himself and did not participate in discussion and voting.

4. Information of self-evaluation (or peer evaluation) of the Board of Directors, such as evaluation cycle, period, scope, method and contents:

(1) Assessment of the performance and execution status of the board of directors, individual board members, audit committee, and compensation committee operations:

The Company's "Board Performance Evaluation Measures" was passed by the 8th Session of the 8th Board of Directors on March 18, 2016. In order to implement corporate governance, strengthen the performance evaluation function of the Board, expand the use of evaluation results, and enhance the effectiveness of the Board's operations, the Company conducts evaluations of the overall Board of directors, individual directors, and the operation of audit committee and compensation committee, and directors' self evaluation of their own participation in the form of internal questionnaires. The deliberation unit of the Board of directors collects the information related to the activities of the

Board of directors and functional committees, distributes performance self-assessment questionnaire to individual directors after the end of the year to fill in, and submits them to the Board of directors after the data are collected and summarized uniformly.

Evaluation Cycle	Evaluation Period	Evaluation Scope	Evaluation Method	Evaluation Content
The evaluation is carried out from the end of each year to the end of the first quarter of the following year.	01/01/2023 - 12/31/2023	Operational evaluation of the overall Board of Directors, individual Board Members, Audit Committee, and Compensation Committee.	Evaluation methods include the internal evaluation of the overall Board of directors, self-evaluation of individual directors, and performance evaluation of the audit committee and compensation committee.	The (2) implementation of the performance evaluation of the Board of directors and each functional committee and the evaluation results are detailed below.

- (2) implementation of the performance evaluation of the Board of directors and each functional committee and the evaluation results

To implement corporate governance and enhance the functions of the Board of Directors, the Company's Board formulated the "Board Performance Evaluation Method". The Board of Directors should perform an internal board performance evaluation at least once a year. The internal evaluation period is from the end of each year to the end of the first quarter of the following year, and the current year's performance evaluation is conducted as per the evaluation procedures and evaluation guidelines under Articles 6 and 8. The performance evaluation of the Board of directors of the Company may, as necessary, entrust an external professional independent organization or an external team of experts and scholars to perform the evaluation.

1) Evaluation Aspects:

Evaluation of performance for the Board of Directors includes participation in the operation of the Company, the quality of the Board of Directors' decision making, composition and structure of the Board of Directors, election and continuing education of the directors, and internal control.

Evaluation of performance for the Board members (self or peers) includes alignment of the goals and missions of the Company, awareness of the duties of a director, participation in the operation of the Company, management of internal relationship and communication, the director's professionalism and continuing education, and internal control.

Evaluation of performance for functional committees includes participation in the operation of the Company, awareness of the duties of the functional committee, the quality of decisions made by the functional committee, makeup of the functional committee and election of its members, and internal control.

2) Grading:

The grading of the performance evaluation guidance for the Board of directors is defined as follows:

Measurement indicators	Number 1	Number 2	Number 3	Number 4	Number 5
Evaluation standard	Strongly disagree	Disagree	General	Agree	Strongly agree

The five grades of evaluation results determined based on the "average score" of all measurement indicators are as follows:

Average score	1	1~2	2~3	3~4	4~5
Evaluation results	Bad	Pending improvement	General	Good	Superior

3) Evaluation Results:

- a. The overall internal evaluation of the Board of Directors and the self-evaluation of individual directors: The average score of performance evaluation of the Board of Directors in 2023 was 4.88 points, and the average score of performance evaluation of individual directors was 4.96 points, all of which were excellent.
- b. The self-evaluation of the members of the Audit Committee: The average score of performance evaluation of individual members of the Audit Committee in 2023 was 5 points, and the evaluation result was excellent.
- c. The self-evaluation of the members of the Compensation Committee. The average score of performance evaluation of individual members of the Compensation Committee in 2023 was 5 points, and the evaluation result was excellent.

The performance evaluation results have been reported to the 13rd session of the 10th Board of Directors on March 13, 2024. The evaluation result of the overall operation of the board of Directors and all functional committees is good, which is compliance with corporate governance requirements, effectively enhances the function of the board of Directors, and safeguards shareholders' rights and interests.

5. Information of Sustainability Committee, such as evaluation cycle, period, scope, method and contents:

(1) Scope and Method of Evaluation

The Company conducted an assessment of the operations of the Sustainable Committee, which took place from January 1 to December 31, 2023. The assessment was carried out using an internal questionnaire to gather information on the committee's activities. At the end of the year, the questionnaire was distributed to all committee members, who completed a self-evaluation form. The data was then collected and submitted to the Board of Directors. The results of the performance evaluation will be used as a basis for selecting or nominating committee members.

(2) Evaluation Content

Evaluation of performance for sustainable committees of the Company includes participation in the operation of the Company, awareness of the duties of the functional committee, the quality of decisions made by the functional committee, makeup of the sustainable committee and election of its members, and internal control.

(3) Grading

The grading and definitions of performance indicators for assessing the operation of the Sustainability Committee are as follows:

Measurement indicators	Number 1	Number 2	Number 3	Number 4	Number 5
Grading	Very poor; No	Poor; Yes	Medium; -	Superior; -	Excellent; -

The three grades of evaluation results determined based on the "average score" of all measurement indicators are as follows:

Average score	1	2	Above 2
Evaluation results	Pending improvement	General	Superior

(4) Evaluation results

The self-evaluation of the members of the Sustainable Committee: The average score of performance evaluation of individual members of the Sustainable Committee in 2023 was 2.23 points, and the evaluation result was excellent.

The performance evaluation results have been reported to the 13rd session of the 10th Board of Directors on March 13, 2024. The evaluation of the Company's Sustainability Committee indicates that it is functioning effectively and adhering to the standards of corporate sustainability governance. The committee's responsibilities and decision-making quality are both deemed satisfactory.

6. The external evaluation of the performance of the board of Directors.

To improve the operational effectiveness of the board of Directors, at least one evaluation shall be conducted by external independent professional institutions or

external experts and academics every three years, according to the Measures to Evaluate the Performance of the Board of Directors.

On November 11, 2022, the Company commissioned the "Taiwan Investor Relations Association" to evaluate the effectiveness of the Board of Directors during the period from 2021/11/1–2022/10/31. The institution has designed an evaluation questionnaire for the overall operation of the Board of Directors by referring to Article 37 of the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and Article 3 of the Reference Example in the Measures to Evaluate the Performance of the Board of Directors and being guided by Corporate Governance 3.0 - Sustainable Development Roadmap". The questionnaire includes five parts: 1. The composition of the board of directors. 2. The quality of its decision-making. 3. The efficiency of its operations. 4. Internal control and risk management. 5. The level of board involvement in corporate social responsibility. These were evaluated by delegating three experts to assess the effectiveness of the board through questionnaires and on-site interviews. The institution and executive experts have no business with the company and are independent of it. They submitted an evaluation report on December 5, 2022. The institution's overall evaluation and suggestions and the Company's improvement actions were as follows:

- (1) Establish a functional committee, the Sustainable Development Committee.
- (2) The sustainable report has been verified by a third party.
- (3) Published the English version of the sustainable report.
- (4) No more than two directors are couples or relatives within the second degree of kinship.
- (5) A stipulation that directors shall not transact stocks in the close period before the publish of financial statements were added to the amendment of corporate governance best-practice principles.
- (6) The self-settlement financial information of the year shall be declared after being approved by the Board of Directors within 75 days after the end of the fiscal year.
- (7) Assessing the independence and competence of CPAs by referring to the Audit Quality Indicators (AQI).

The company reported the evaluation results to the 7th session of the 10th Board of Directors on March 13, 2023, and will further improve the Board of Directors' functionality by referring to the evaluation results.

7. The objectives in 2022 and the most recent year to strengthen the functionality of the Board and implementation evaluation:

The Company has assisted the Board of Directors in performing supervisory responsibilities by establishing the Compensation Committee and Audit Committee.

In addition, the Board of Directors resolved to set up the Sustainable Development Committee on March 13, 2023, and planned to introduce external consultants, which will be a necessary part of the audit process or for consultancy.

(II) Operational Status of the Audit Committee

1. A total of 5(A) meetings of the Audit Committee were held in 2023. The attendance of independent directors was as follows:

Professional title	Name	Attendance in Person (B)	Attendance by Proxy	Attendance Rate (%) (B/A)(Note 1 and Note 2)	Note
Independent Director	Chou, Dah-Jen	6	0	100%	
Independent Director	Wei, Hong-Jheng	6	0	100%	
Independent Director	Chow, Cheng-Hu	5	1	83%	
Independent Director	Chang-Ying Hsu	4	0	100%	Note 3

Note 1: Where an Independent Director leaves office before the end of the fiscal year, the date of his/her resignation shall be indicated in the remarks column, and his/her actual attendance rate (%) shall be calculated based on the number of meetings of the audit committee and his/her actual attendance during his/her tenure.

Note 2: Where there is a re-election of Independent Directors before the end of the fiscal year, both the new and old Independent Directors shall be entered in this form, with indications of the Independent Directors being the old, new or re-elected, as well as the date of re-election. An Independent Director's actual attendance rate (%) shall be calculated based on the number of meetings of the audit committee and his/her actual attendance during his/her tenure.

Note 3: Newly appointed from a re-election held on 15 June 2023.

2. Other matters to be recorded:

- (1) With regard to the implementation of the Audit Committee, if any of the following circumstances occurs, the dates, terms of the meetings, contents of proposals, Independent Directors' objections, reservations or material suggestions, all Audit Committee resolutions, and the Company's handling of such opinions of the Audit Committee shall be specified

1) Matters listed in Article 14.5 of the Securities and Exchange Act

Date of the meeting	Major resolution matters	Audit Committee Resolution	The Company's handling of such opinions of the Audit Committee
2023/03/08 The 7th session of the 3rd Audit Committee	(1) Approved of the Company's proposal of treasury stock buy-back. (2) Approved the proposal of the Company's 111 Business Report and Individual and consolidated financial statements. (3) Approved of the Company's 2022 profit or loss appropriation proposal. (4) Approved of the proposal of the Company's cash capital reduction and refund. (5) Approval of the proposal of subsequently confirming the Company's Endorsement Guarantee for the Company's subsidiary, AMTRAN VIETNAM TECHNOLOGY COMPANY LIMITED. (6) Approved the proposal of Company's increasing cash capital for the proposed Investment Subsidiary, AMTRAN VIETNAM TECHNOLOGY COMPANY LIMITED. (7) Approved of the Company's 2022 self- assessment report on the internal control system and the statement on internal control system. (8) Approval of the Proposal of Company's evaluating the independence and competency of the CPAs. (9) Approved of the proposal of a pre-approved CPA firm and its associates' provision of non-audit services for the Company and its subsidiaries. (10) Approval of the proposal of the Company's applying for bank financing line. (11) Approved of the proposal of applying to the Union Bank of Switzerland (UBS AG) for a pre-settlement risk limit to conduct derivatives trading. (12) Approved of Amending certain provisions of the Company's "Management Operation Procedures for Preventing Insider Trading." (13) Approved of the proposal of the by-election of an independent director.	Approved by the unanimous decision of the committee members present	No dissenting or qualified opinion from members
2023/05/05 The 8th session of the 3rd Audit Committee	(1) Approved the proposal of the Company's consolidated financial statements for the first quarter of 2023. (2) Approved the Proposal of amendment to the Company's Risk management policies and procedures	Approved by the unanimous decision of the committee members present	No dissenting or qualified opinion from members

Date of the meeting	Major resolution matters	Audit Committee Resolution	The Company's handling of such opinions of the Audit Committee
2023/08/03 The 9th session of the 3rd Audit Committee	(1) Approved the proposal of the Company's consolidated financial statements for the second quarter of 2023. (2) Approval of the Company's profit appropriation proposal for the first half of 2023. (3) Approval of the proposal of the reduction of capital by canceling treasury stocks and setting the base date for the capital reduction. (4) Approval of the proposal of the establishment of the "Procedure for Repurchasing Treasury Stocks" for the Company. (5) Approval of the proposal of granting the loan of the Company's fund to the Company's subsidiary, AMTRAN VIETNAM TECHNOLOGY COMPANY LIMITED (6) Ratification of the subsequent confirmation of the Company's Endorsement Guarantee for the Company's subsidiary, AMTRAN VIETNAM TECHNOLOGY COMPANY LIMITED. (7) Approval of the proposal of the authorization for the purchase of land in Vietnam by the Group.	Approved by the unanimous decision of the committee members present	No dissenting or qualified opinion from members
2023/08/04 The 2nd special session of the 3rd Audit Committee	(1) Approval of the proposal of the authorization for the purchase of land in Vietnam by the Group.	Approved by the unanimous decision of the committee members present	No dissenting or qualified opinion from members
2023/11/09 The 10th session of the 3rd Audit Committee	(1) Approval of the proposal of the internal adjustment and change of CPAs at PwC. (2) Approved the proposal of the Company's consolidated financial statements for the third quarter of 2023. (3) Approved the Proposal of the Company's 2024 audit plan. (4) Approval of the proposed acquisition of land use rights in Vietnam by the subsidiary AMTRAN VIETNAM TECHNOLOGY COMPANY LIMITED.	Approved by the unanimous decision of the committee members present	No dissenting or qualified opinion from members
2023/12/28 The 11st session of the 3rd Audit Committee	(1) Proposal of Company's donation of NT\$2,000,000 to the "Credit Suisse Children's Medical Foundation."	Approved by the unanimous decision of the committee members present	No dissenting or qualified opinion from members

Date of the meeting	Major resolution matters	Audit Committee Resolution	The Company's handling of such opinions of the Audit Committee
2024/03/12 The 12nd session of the 3rd Audit Committee	(1) The Company's 2023 Business Report and parent company only and consolidated financial statements. (2) Proposal of the Company's cash capital reduction and refund. (3) Profit Appropriation Statement for 2023. (4) The Company's 2023 self-assessment report on the internal control system and the statement on internal control system. (5) Proposal of Company's evaluating the independence and competency of the CPAs. (6) Proposal of subsequently confirming the Company's Endorsement Guarantee for the Company's subsidiary, AMTRAN VIETNAM TECHNOLOGY COMPANY LIMITED. (7) Proposal of lifting the non-competition restrictions on new Directors and their representatives.	Approved by the unanimous decision of the committee members present	No dissenting or qualified opinion from members

- 2) In addition to the above-mentioned, any other proposals which failed to obtain the approval of the Audit Committee, but were approved by over two thirds of all Directors: There is no such circumstance as the Company abides by the provision of Article 14-5 of the Securities Exchange Act.
3. Regarding recusals of Independent Directors from voting due to conflicts of interests, the names of the Independent Directors, contents of motions, reasons for recusal, and results of voting shall be specified: None.
4. Independent Directors' communication with the internal auditor supervisor and CPAs (including communication over the Company's financial and business status and the methods and results, etc.):
 - (1) Summary of communication between independent directors and internal Chief Auditors
 - 1) The internal audit unit submits an audit report for the previous month by the end of each month and submit the implementation of the Company's annual audit plan to Independent Directors for reference.
 - 2) The auditing progress is reported at the Audit Committee and the Board of Directors at least once each quarter.
 - 3) Communication between the internal audit unit and Independent Directors shall be performed directly by phone or email.

The key points of communication between the Independent Directors and the internal auditors and the implementation results handled are as follows:

Date	Key points of communication	Implementation results handled
2023/03/08 The 7th session of the 3rd Audit Committee	(1) Implementation report of the 2022 Q4 audit (2) Opinion mailbox handling.	Submitted to the Board of Directors after deliberation and approval
2023/05/05 The 8th session of the 3rd Audit Committee	(1) Implementation report of the 2023 Q1 audit (2) Opinion mailbox handling.	Submitted to the Board of Directors after deliberation and approval
2023/08/03 The 9th session of the 3rd Audit Committee	(1) Implementation report of the 2023 Q2 audit (2) Opinion mailbox handling.	Submitted to the Board of Directors after deliberation and approval
2023/11/09 The 10th session of the 3rd Audit Committee	(1) Implementation report of the 2023 Q3 audit (2) Submitted the 2023 audit plan (3) Opinion mailbox handling.	Submitted to the Board of Directors after deliberation and approval
2024/03/12 The 11st session of the 3rd Audit Committee	(1) Implementation report of the 2023 audit (2) Opinion mailbox handling.	Submitted to the Board of Directors after deliberation and approval

(2) Summary of communication between Independent Directors and CPAs:

- 1) The Independent Directors and the CPAs would communicate and discuss with each other quarterly on the independence and related responsibilities of the CPAs in the examination of financial statements, planning related matters, major findings, report content and the review results of interim consolidated financial statements.
- 2) The Audit Committee would complete the review report by referring to the financial statements audited by the CPAs and their audit opinion reports.

Results of the past communication between Independent Directors and accountants:

Date	Key points of communication	Implementation results handled
2023/03/08 The 7th session of the 3rd Audit Committee	(1) The CPAs explained the 2022 financial and profit/loss status, and discussed on the application of some accounting principles. (2) The CPAs discussed and communicated the questions raised by meeting participants. (3) Review of the experience, performance, and independence of certified accountant.	Submitted to the Board of Directors after deliberation and approval
2023/05/05 The 8th session of the	(1) The CPAs explained the 2023 Q1 financial and profit/loss status, and discussed on the application of some accounting principles.	Submitted to the Board of Directors after

Date	Key points of communication	Implementation results handled
3rd Audit Committee	(2) The CPAs discussed and communicated the questions raised by meeting participants.	deliberation and approval
2023/08/03 The 9th session of the 3rd Audit Committee	(1) The CPAs explained the financial and profit/loss status of the second quarter of 2023, and discussed on the application of some accounting principles. (2) The CPAs discussed and communicated the questions raised by meeting participants.	Submitted to the Board of Directors after deliberation and approval
2023/11/09 The 10th session of the 3rd Audit Committee	(1) The CPAs explained the 2023 Q3 financial and profit/loss status, and discussed on the application of some accounting principles. (2) The CPAs discussed and communicated the questions raised by meeting participants.	Submitted to the Board of Directors after deliberation and approval
2024/03/12 The 11st session of the 3rd Audit Committee	(1) The CPAs explained the 2023 financial and profit/loss status, and discussed on the application of some accounting principles. (2) The CPAs discussed and communicated the questions raised by meeting participants.	Submitted to the Board of Directors after deliberation and approval

5. Annual work focus and operation of the Audit Committee:

(1) Annual work focus of the Audit Committee

The Audit Committee of the Company is composed of independent directors and meets at least once a quarter and can convene meetings at any time as necessary to oversee the proper presentation of the Company's financial reports, the selection and independence and performance of certified public accountants, the effective implementation of the Company's internal control, the Company's compliance with relevant laws and regulations, and the management and control of the Company's existing or potential risks. The Audit Committee and the Board of Directors:

- 1) Adoption or amendment of the internal control system pursuant to Article 14-1 of the Securities and Exchange Act.
- 2) Assessment of the effectiveness of the internal control system.
- 3) Adoption or amendment, pursuant to Article 36-1 of the Securities and Exchange Act, to the handling procedures for financial or operational actions of material significance, such as acquisition or disposal of assets, derivatives trading, extension of monetary loans to others, and endorsements or guarantees for others.
- 4) Matters bearing on the personal interest of a director.
- 5) A material asset or derivatives transaction.
- 6) A material monetary loan, endorsement, or provision of guarantee.
- 7) The offering, issuance, or private placement of any equity-type securities.
- 8) The hiring, discharge, or compensation of an attesting CPA.

- 9) The appointment or discharge of a financial, accounting, or internal audit officer.
 - 10) Annual and semi-annual financial reports.
 - 11) Other significant matters set forth by the Company or the competent authority.
- (2) Operation of the Audit committee

The Audit Committee of the Company meets and discusses regularly on a quarterly basis, and invites accountants, internal audit, legal affairs, financial accounting and other departments to report to the members of the Audit Committee to discuss the latest audit findings of the financial statements, internal audit findings, and report major lawsuits, financial business profiles and other information. In addition, in order to enable the members of the Audit Committee to better understand the relevant laws and regulations and the actual operation of the Company, the Company also arranges occasional meetings for other special reports to enable the members of the Audit Committee to assist investors to ensure the credibility of the Company in corporate governance and information transparency, and protect shareholders' rights and interests. Please refer to the aforementioned [Matters listed in Article 14-5 of the Securities and Exchange Act] for the operation of the Audit Committee in 2023.

(III) Operational Status of the Sustainable Committee

1. Information of Sustainable Committee Members

Title	Name	Major Experience (Education)
Convener/Chairman	Alpha Wu	Electrical Engineering, National Taiwan University President, Mei Ke Technology Co., Ltd.
Committee Member/Independent Director	Wei, Hong-Jheng	Master degree in strategic management and business policy, National Chiao Tung University Legal Person Director Representative, Sino-American Silicon Products Inc. Legal Person Director Representative, Intumit, Inc. Independent Director, Superior Plating Technology CO., LTD
Committee Member/Independent Director	Chou, Dah-Jen	Master of Laws from School of Law, Harvard University Bachelor of Law, Soochow University, Taiwan CEO, Direct Investment Business Group, China Development Industrial Bank Senior Vice President, China Development Finance Holdings Corporation President, Pacific Venture Partners Supervisor, L&K ENGINEERING CO., LTD. Supervisor, Aurotek Corporation

Title	Name	Major Experience (Education)
Committee Member/Independent Director	Chow, Cheng-Hu	Ph.D. in Public Administration, LaVern University, USA Master of Science in International Administration, LaVern University, USA B.S. in Electrical and Computer Engineering, Berkeley University, California, USA Full-time Associate Professor, Department of Public Policy and Management, Shih Hsin University Associate Dean, School of Lifelong Education, Shih Hsin University Chief Executive Officer, Multimedia Center, Shih Hsin University Chief Executive Officer, Overseas Teaching Center, Shih Hsin University Exchange Teacher, Communication University of China, Beijing Executive Director, WebNet Cultural Technology Inc. Executive Director, China Metropolitan Venture Capital Inc. President, Super Mushroom Productions Limited President, WAYI Joint Software Development Co., Ltd., Beijing President, Wanyiw.com (Beijing, China) Independent Director, Federal Corp.
Committee Member/Independent Director	Chang-Ying Hsu	Master, Department of Cultural and Creative Industries Management, National Taipei University of Education.
Committee Member/ Legal Counsel	Chih-Hung Shih	IMBA, National Chengchi University Master, School of Laws, Soochow University Bachelor of Law, Soochow University, Taiwan National Taipei University of Business and TAISE - Sustainability Manager Director of Legal Affairs of Lite-On Technology Corporation Director of Legal Affairs of Coretronic Corporation

2. Operational Status of the Sustainable Committee

- (1) The sustainability committee of the Company consists of six members (Note 1 and 2).
- (2) Current committee's tenure: March 13, 2023 to July 28, 2024. The Sustainable Committee held 3 meetings in 2023, with the following membership and attendance:

Professional title	Name	Attendance in Person	Attendance by Proxy	Attendance Rate (%)	Note
Convener/Chairman	Alpha Wu	3	0	100%	
Committee Member/Independent Director	Wei, Hong-Jheng	3	0	100%	-
Committee Member/Independent Director	Chou, Dah-Jen	3	0	100%	

Professional title	Name	Attendance in Person	Attendance by Proxy	Attendance Rate (%)	Note
Committee Member/ Independent Director	Chow, Cheng-Hu	3	0	100%	
Committee Member/ Independent Director	Chang-Ying Hsu	-	-	-	Ms. Chang-Ying Hsu has not attended any meetings since her appointment on November 9, 2023. As a result, there is no data available regarding her attendance rate for this year.
Committee Member/ Legal Counsel	Chih-Hung Shih	3	0	100%	

Note 1: The appointment of Ms. Chang-Ying Hsu and Mr. Chin-Tsung Chan, as members of the Sustainability Committee was approved during the meeting on November 9, 2023.

Note 2: On December 6, 2023, Mr. Chin-Tsung Chan resigned from his position on the Sustainability Committee for personal reasons.

Other matters to be recorded:

- I. If the Board of Directors refuses to adopt or amends a recommendation of the Sustainable Committee, the date of the meeting, session, content of the motion, resolution by the Board of Directors, and the company's response to the Sustainable Committee's opinion: None.
- II. If there are resolutions of the Sustainable Committee to which members object or express reservations, and for which there is a record or declaration in writing, the date of the meeting, session, content of the motion, all members' opinions and the response to members' opinion shall be specified: None

III. Discussion topics and resolution results of the Sustainability Committee:

Date of the meeting	Subject of discussion	Resolution results
2023/05/04 The 1st session of the 1st Sustainable Committee	I. Appointment of convener II. Report on the implementation of the greenhouse gas inventory for the first quarter of this Year	1. All committee members in attendance agreed to appoint Chairman Alpha Wu and submit the board resolution. 2. All committee members in attendance approved the execution report of the greenhouse gas inventory for the first quarter and submitted it to the board of directors for resolution.
2023/08/03 The 2nd session of the 1st Sustainable Committee	I. Report on the implementation of the greenhouse gas inventory for the second quarter of this Year II. Report on the completion of compiling the annual sustainability report for the previous year.	Both cases were passed unanimously by all attending committee members and submitted for approval by the board of directors.
2023/11/09 The 3rd session of the 1st Sustainable Committee	I. Report on the implementation of the greenhouse gas inventory for the third quarter of this	Three cases were passed unanimously by all attending committee members and submitted for approval by the board of directors.

	Year II. Progress report on project implementation for the current Year III. Proposed to appoint Ms. Chang-Ying Hsu and Mr. Chin-Tsung Chan as members of the Sustainability Committee.	

Note: During the third quarter of the current year, Suzhou Raken Technology Ltd. and AMTRAN VIETNAM TECHNOLOGY COMPANY LIMITED have obtained external third-party certification for their greenhouse gas inventory.

IV. Responsibilities of the Sustainability Committee:

In order to implement the Company's business blueprint and effectively promote and strengthen the Company's sustainable management and corporate social responsibility functions, a Sustainability Committee has been established. This committee serves as the decision-making and supervisory body for sustainability-related work. The committee diligently fulfills its responsibilities with great care and presents the proposed resolutions to the board for discussion. The responsibilities of the Sustainability Committee are as follows:

1. Drafting the Company's Sustainable Development Policy.
2. The Company's sustainable development encompasses the identification and management of risks, sustainable governance, ethical operations, and the establishment of goals, strategies, and implementation plans for environmental and social aspects.
3. The Company regularly reviews, tracks, and revises the implementation and effectiveness of sustainable development, and provides regular reports to the board of directors.
4. Pay attention to the concerns and supervisory communication plans of various stakeholders, including shareholders, customers, suppliers, employees, government, non-profit organizations, communities, and the media.

(IV) Operation of the Company's corporate governance and Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies and Reasons Thereof

Evaluation Items	Operation Status		Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies and Reasons Thereof
	Yes	No	
I. Did the Company establish and disclose its corporate governance best-practice principles based on the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies?	Yes		No Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies
II. Shareholding structure & shareholders' rights (I) Does the company establish and implement internal operating procedures to deal with shareholders' suggestions, doubts, disputes, and litigations? (II) Did the Company possess a list of its major shareholders with controlling power as well as the ultimate owners of those major shareholders? (III) Did the Company establish and execute a risk management and firewall system within its affiliates? (IV) Did the Company establish internal rules against insiders using undisclosed information to trade in securities?	Yes Yes Yes Yes		No Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies

Evaluation Items	Operation Status			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies and Reasons Thereof
	Yes	No	Summary Description	
			insiders of the Company from using undisclosed information in the market to buy and sell securities.	
III. Composition and responsibilities of the Board of Directors (I) Has the Board of Directors established and implemented diversity policies for its composition?	Yes		(I) This Company has formulated the Code of Practice on Corporate Governance to stipulated that the composition of the Board of Directors must consider the diversity as well as principles of diversity that including basic criteria, professional knowledge, and skills which correspond to the operations, business, and development required by this Corporation. When setting the composition of the Board, the Company has considered the diversity of Board members from various aspects, including but not limited to the gender, age, cultural and educational background, professional experience, skills and knowledge. The appointment of Directors is based on the principle of meritocracy and the diversity of Board members is taken into account objectively when considering candidates. The tenure of the 10th Directors of the Company is from July 29, 2021 to July 28 2034. The Company has a total of 11 Directors, all of whom are elected by shareholders. The Board members are diversified, with rich experience and expertise in business management, leadership decision-making, industry knowledge, financial accounting and law, and different professional backgrounds and work fields so as to effectively assume their responsibilities, including establishing a	No Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies

Evaluation Items	Operation Status		Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and Reasons Thereof
	Yes	No	
			good board governance system, supervising, appointing and guiding the management of the Company, strengthening the management function, and being responsible for the overall operating conditions related to the economic, social and environmental aspects of the Company, and committed to maximizing the interests of stakeholders. In addition, the Company also focuses on gender equality in the composition of the Board of Directors. There are 11 directors, three of which are female directors, with a ratio of 27%. In addition to the compensation committee and audit committee established in accordance with the law, the Company will set up other functional committees according to regulatory requirements and operational needs in the future. For the policy and implementation of the diversity of board members, please refer to “Chapter 3, Section II, Subsection (I), Paragraph 4, Diversity and Independence of Board Members” of this annual report.
(II) In addition to the Compensation Committee and Audit Committee, has the Company voluntarily established other functional committees?	Yes	(II) In addition to the compensation committee and audit committee established in accordance with the law, the Company set up the sustainable committee under the Board of Directors on March 13, 2023.	No Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies
(III) Has the Company established the measures to evaluate the performance of the Board of Directors, and does the Company implement	Yes	(III) The Company has established a performance evaluation method for the Board. The Board and all functional committees shall conduct an internal	

Evaluation Items	Operation Status		Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies and Reasons Thereof
	Yes	No	
performance evaluation annually? Does it report the performance evaluation results to the Board of Directors and use them as a reference for individual Director's compensation and nomination of term renewal?			performance evaluation for the Board at least once a year starting at the end of the year, and ending before the end of the first quarter of the next year. The Company conducts the operation evaluation of the overall Board, individual Board Directors, the Audit Committee and the Compensation Committee, and the self-evaluation of Directors' participation in the Board, using an internal questionnaire. The deliberation unit of the Board collects relevant information on the activities of the Board and the functional committees, distributes the information to individual Directors after the end of the year to complete the performance self-assessment questionnaire, and submits the information to the Board after the consolidated collection. The results of the above performance evaluation will be used as a reference in the selection or nomination of Directors and the performance assessment results of individual Directors will be used as a reference in determining their individual compensation and nomination of succession. The Company completed the overall internal evaluation of the Board of Directors for 2023 in March 2024. 1. The overall internal evaluation of the Board of Directors and the self-evaluation of individual directors: The average score of performance evaluation of the Board of Directors in 2023 was 4.88 points, and the average score of performance

Evaluation Items	Operation Status		Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies and Reasons Thereof
	Yes	No	
		evaluation of individual directors was 4.96 points, all of which were excellent. 2. The self-evaluation of the members of the Audit Committee: The average score of performance evaluation of individual members of the Audit Committee in 2023 was 5 points, and the evaluation result was excellent. 3. The self-evaluation of the members of the Compensation Committee: The average score of performance evaluation of individual members of the Compensation Committee in 2023 was 5 points, and the evaluation result was excellent. 4. The self-evaluation of the members of the Sustainable Committee: The average score of performance evaluation of individual members of the Sustainable Committee in 2023 was 2.23 points, and the evaluation result was excellent. The performance evaluation results have been reported to the 13rd session of the 10th Board of Directors on March 13, 2024. The evaluation result of the overall operation of the board of Directors and all functional committees is good, which is compliance with corporate governance requirements, effectively enhances the function of the board of Directors, and safeguards shareholders' rights and interests.	
(IV) Does the Company regularly assess on the independence of CPAs?	Yes	(IV) The Accounting Department of the Company evaluates the independence of CPAs on its own once a year. The	No Deviations from the Corporate Governance

Evaluation Items	Operation Status		Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies and Reasons Thereof
	Yes	No	
			Best-Practice Principles for TWSE/TPEx Listed Companies
		latest evaluation results were submitted to the Audit Committee for review on March 12, 2024, and then were approved by the Board of Directors on March 13, 2024. The Company's Accounting Department evaluated the CPAs Wu, Han-Qi and Wu, Jen-Chen from PwC Taiwan, and concluded that they both meet the Company's evaluation standards of independence (Note 1), so they are qualified to serve as the Company's CPAs. Moreover, PwC Taiwan has also issued a statement of independence.	
IV. Did the Listed and OTC Company have corporate governance with competent and appropriate number of staff, and appoint corporate governance director to be responsible for corporate governance-related affairs (including but not limited to providing directors and supervisors with required information for business execution, assisting directors and supervisors in following laws and regulations, handling matters in relation to the Board meetings and shareholders' meetings and preparing minutes at the Board meetings and shareholders' meetings according to law)?	Yes	On Dec. 14, 2020 the Company's Board of Directors resolved to appoint Senior Vice President Scottie Chiu of the General Management Center as the corporate governance supervisor, the highest head responsible for corporate governance-related affairs. Senior Vice President Scottie Chiu has more than three years of experience as a head of finance or corporate governance-related affairs in a public company to safeguard shareholders' rights and strengthen the functions of the Board of Directors. Scope of Authority I. Handling matters related to board meetings and shareholders' meetings according to laws II. Producing minutes of board meetings and shareholders' meetings III. Assisting in onboarding and continuous development of Directors and Supervisors IV. Furnishing Directors and Supervisors with the information that they require to perform their job duties	No Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies

Evaluation Items	Operation Status		Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and Reasons Thereof
	Yes	No	
		V. Assisting Directors and Supervisors in complying with laws and regulations VI. Other matters stipulated in the Articles of Association or contracts. Annual implementation highlights I. Handling matters related to board meetings and shareholders' meetings according to laws (I) Having drafted the agenda for the Board meetings and its functional committee meetings and notified Directors and members 7 days prior to meetings, provided information on the meetings, and reminded of refusal when the proposal constitutes a conflict of interests in advance. (II) Having assisted the Board in planning and drawing up the date of the shareholders' meetings, handled the pre-registration of the dates of shareholders' meetings in accordance with the law, prepared the notice of meeting, the Proceedings Handbook, the annual report, minutes and issued announcement and other matters. (III) Having assisted the Board meetings and shareholders meetings in procedures and proposal compliance matters. II. Having prepared minutes at the Board meetings and shareholders' meetings according to law. Complete the provision of minutes of proceedings within 20 days after the Board meetings, functional committee meetings and shareholder meetings.	No Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies No Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies

Evaluation Items	Operation Status			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and Reasons Thereof
	Summary Description			
	Yes	No		
			III. Assisting in onboarding and continuing education of Directors and Supervisors. Having assisted Independent Directors and general Directors in performing their duties, provided necessary resources and arranged Directors' continuing education, with all Directors having completed the 6-hour continuing education course (Note 2) in 2023 in compliance with the "Directions for the Implementation of Continuing Education for Directors and Supervisors of TWSE Listed and TPEX Listed Companies." IV. Having provided information required for the Directors and Supervisors to perform their job duties. (I) Having provided appropriate and timely information and assisted in handling Directors' requests so as to assist them in performing their job duties in a timely and effective manner. (II) Having convened meetings for communication among the CPAs, Independent Directors, and audit and financial supervisors from time to time. V. Having assisted Directors and Supervisors in complying with laws and regulations. (I) Having provided relevant information to Directors for reference from time to time on a daily basis. (II) Having reminded relevant personnel to recuse himself if the relevant proposal involves recusal of interest.	

Evaluation Items	Operation Status		Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies and Reasons Thereof
	Yes	No	
			(III) Having assisted the Compensation Committee in evaluating the Board of Directors once a year based on the annual evaluation indicators and reported the evaluation results to the Board. (IV) Having provided the latest amended laws and regulations related to corporate governance and regulations required by the competent authorities to the Board members. VI. Other Matters (I) Having been responsible for reviewing the release of material information of important resolutions of the Board of Directors and ensuring the legality and correctness of material information content, so as to protect the equality of trading information for investors. Having purchased liability insurance for Directors and key employees. (II) Having confirmed that the Company carries out relevant business in accordance with the Articles of Association and relevant laws and regulations. (III) Having convened the legal person explanation meetings irregularly. (IV) Having supervised and refined the implementation of corporate governance, regularly reviewed and promoted relevant issues to improve the compliance rate of the evaluation indicators defined in the "Corporate Governance Evaluation System."

Evaluation Items	Operation Status			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies and Reasons Thereof
	Yes	No	Summary Description	
			Please refer to Note 3 for the 2023 training of the Company's Corporate Governance Director.	
V. Does the Company establish communication channels and a dedicated section on the Company website for stakeholders (including but not limited to shareholders, employees, customers, and suppliers) to respond to material corporate social responsibility issues in a proper manner?	Yes		The Company has the spokesperson and Speaker's mailbox to establish communication channels with interested parties.	No Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies
VI. Does the Company appoint a professional shareholder service agency to deal with the affairs of Shareholders' Meeting?	Yes		The Company has appointed KGI Securities to process affairs related to shareholders meetings.	No Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies
VII. Information disclosure (I) Did the company have a website to disclose the financial operations and corporate governance status? (II) Has the Company established any other information disclosure channels (e.g. maintaining a website in English, designating people to handle information collection and disclosure, appointing spokespersons, webcasting investors' conference, etc.)?	Yes Yes		(I) The Company has established a website at amtran.com.tw; regularly updated the information, and announced the disclosure at the public information observatory within the prescribed time limit. (II) The Company has designated personnel to collect and disclose the Company's information and set up a spokesperson system. Investors can contact and communicate with each other by telephone or E-mail if necessary, and can also inquire about the Company's relevant financial and business information through the public information observatory.	No Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies

Evaluation Items	Operation Status		Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies and Reasons Thereof
	Yes	No	
(III) Does the Company announce and declare the annual financial report within two months after the end of the fiscal year? Does it announce and declare the first, second and third quarter financial reports and operating conditions of each month as soon as possible before the prescribed period?	Yes	(III) Having many subsidiaries, the Company was unable to announce and file its annual financial reports within two months after the end of the fiscal year. The Company announced its 2023 annual financial reports on March 31, 2024 and completed the announcement and filing of the financial reports for the first, second and third quarters and the monthly operating conditions before the prescribed deadline.	
VIII. Is there any other important information to facilitate a better understanding of the Company's corporate governance practices (including but not limited to employee rights, employee wellness, investor relations, supplier relations, stakeholder rights, Directors' and Supervisors' training records, implementation of risk management policies and risk evaluation measures, implementation of customer policies, and participation in liability insurance by Directors and Supervisors)?	Yes	(I) Employee Rights and Interests and Employee Care: Please refer to "Chapter 5, Section V Labor-management Relations" of this annual report. (II) Investor Relations: The Company has set up the spokesperson and spokesman's mailbox for handling shareholder suggestions. (III) Supplier Relations: In accordance with the internal control system of procurement and payment, a comparative negotiation process has been implemented, the winning bidder has delivered the goods under the contract, and the Company has paid under the contract, with good interaction. (IV) Rights of Stakeholders: Stakeholders have the right to communicate with or suggest to the Company to retain their legal rights. (V) Directors' Further Education: All the Company's Directors possess professional background in the relevant industries and practical experience in business management. The Company also provides them with	No Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies

Evaluation Items	Operation Status		Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies and Reasons Thereof
	Summary Description		
	Yes	No	
IX. Please describe improvements made in the most recent fiscal year in response to the results of corporate governance evaluation conducted by the Corporate Governance Center of the Taiwan Stock Exchange Corporation, and propose priority strengthening issues and measures for items yet to be improved. The Company has made improvements to where are unsatisfactory in the results of the corporate governance evaluation released in the latest year.			

Note 1: Evaluation of CPAs' Independence

Evaluation Items		Evaluation results	Do the accountant comply with independence?
1.	Not an employee of the Company or any of its affiliates.	Compliance	Yes
2.	Not an director of the Company or any of its affiliates.	Compliance	Yes
3.	Not a natural-person shareholder who holds shares, together with those held by the person's spouse, minor children, or held by the person under others' names, in an aggregate amount of 1% or more of the total number of outstanding shares of the Company, or ranking in the top 10 in holdings.	Compliance	Yes
4.	Not a spouse, relative within the second degree of kinship, or lineal relative within the third degree of kinship, of any of the persons in the preceding three subparagraphs.	Compliance	Yes
5.	Not a director, supervisor, or employee of a corporate shareholder that directly holds 5% or more of the total number of issued shares of the company or of a corporate shareholder that ranks among the top five in shareholdings.	Compliance	Yes
6.	Not a director, supervisor, officer, or shareholder holding 5% or more of the shares of a specified company or institution that has a financial or business relationship with the Company.	Compliance	Yes
7.	Not a spouse or a relative within the second degree of kinship to any other directors.	Compliance	Yes
8.	Not under any of the circumstances stated in Article 30 of the Company Act.	Compliance	Yes
9.	Not a governmental or judicial person or a representative thereof as defined in Article 27 of the Company Act.	Compliance	Yes
10.	Not a director, supervisor or manager of the Company or being a position that has a significant influence on the auditing case in the last two years.	Compliance	Yes
11.	Have they obtained the "Verification of Statement of Independence of the Accountant" issued by the appointed accountant and the audit team?	Compliance	Yes

Note 2: Continuing education of the Company's Directors (including Independent Directors) in 2023:

Professional title	Name	Date of continuing education	Training Institution	Course Name	Total training hours (hours)	Total training hours (hours)
Chairman	Alpha Wu	2023/08/04	Corporate legal person: Taiwan Corporate Governance Association	Analysis of Domestic and International Mergers and Acquisitions	3	6
		2023/11/10	Corporate legal person: Taiwan Investor Relations Association	Business Cycle and Industry Investment	3	
Legal Person Director Representative	Tina Wu	2023/08/04	Corporate legal person: Taiwan Corporate Governance Association	Analysis of Domestic and International Mergers and Acquisitions	3	6
		2023/11/10	Corporate legal person: Taiwan Investor Relations Association	Business Cycle and Industry Investment	3	
Legal Person Director Representative	Sam Wu	2023/08/04	Corporate legal person: Taiwan Corporate Governance Association	Analysis of Domestic and International Mergers and Acquisitions	3	6
		2023/11/10	Corporate legal person: Taiwan Investor Relations Association	Business Cycle and Industry Investment	3	
Legal Person Director Representative	Hsu, Jhih-Chang	2023/08/04	Corporate legal person: Taiwan Corporate Governance Association	Analysis of Domestic and International Mergers and Acquisitions	3	6
		2023/11/10	Corporate legal person: Taiwan Investor Relations Association	Business Cycle and Industry Investment	3	
Legal Person Director Representative	Rick Wu	2023/08/04	Corporate legal person: Taiwan Corporate Governance Association	Analysis of Domestic and International Mergers and Acquisitions	3	6
		2023/11/10	Corporate legal person: Taiwan Investor Relations Association	Business Cycle and Industry Investment	3	
Legal Person Director Representative	Maggy Wu	2023/08/04	Corporate legal person: Taiwan Corporate Governance Association	Analysis of Domestic and International Mergers and Acquisitions	3	6
		2023/11/10	Corporate legal person: Taiwan Investor Relations Association	Business Cycle and Industry Investment	3	
Director	David Chou	2023/08/04	Corporate legal person: Taiwan Corporate Governance Association	Analysis of Domestic and International Mergers and Acquisitions	3	6
		2023/11/10	Corporate legal person: Taiwan Investor Relations Association	Business Cycle and Industry Investment	3	
Independent Director	Wei, Hong-Jheng	2023/08/04	Corporate legal person: Taiwan Corporate Governance Association	Analysis of Domestic and International Mergers and Acquisitions	3	6
		2023/11/10	Corporate legal person: Taiwan Investor Relations Association	Business Cycle and Industry Investment	3	
Independent Director	Chow, Cheng-Hui	2023/08/04	Corporate legal person: Taiwan Corporate Governance Association	Analysis of Domestic and International Mergers and Acquisitions	3	6
		2023/11/10	Corporate legal person: Taiwan Investor Relations Association	Business Cycle and Industry Investment	3	

Professional title	Name	Date of continuing education	Training Institution	Course Name	Total training hours (hours)	Total training hours (hours)
Independent Director	Chang-Ying Hsu	2023/07/13	Consortium legal person Securities and Futures Market Development Foundation of the Republic of China	Seminar - Talent Development and Business Sustainability	3	12
		2023/07/13	Consortium legal person Securities and Futures Market Development Foundation of the Republic of China	Seminar - Challenges and Opportunities in the Path to Sustainable Development and Introduction to Greenhouse Gas Inventory	3	
		2023/08/04	Corporate legal person: Taiwan Investor Relations Association	Analysis of Domestic and International Mergers and Acquisitions	3	
		2023/11/10	Corporate legal person: Taiwan Investor Relations Association	Business Cycle and Industry Investment	3	
Independent Director	Chou, Dah-Jen	2023/08/04	Corporate legal person: Taiwan Investor Relations Association	Analysis of Domestic and International Mergers and Acquisitions	3	14
		2023/09/04	Financial Supervisory Commission	The 14th Taipei Forum	6	
		2023/09/27	Corporate legal person: Taiwan Investor Relations Association	Empowering the Board of Directors as the Key Force in Leading Sustainable Governance - First Half	3	
		2023/09/27	Corporate legal person: Taiwan Investor Relations Association	Empowering the Board of Directors as the Key Force in Leading Sustainable Governance - Second Half	2	

Note 3: The Director of Corporate Governance of the Company's continuing education status in 2023: The Company's corporate governance director has completed 12-hour continuing education in accordance with Directions for the Implementation of Continuing Education for Directors and Supervisors of TWSE Listed and TPEX Listed Companies.

Professional title	Name	Period of continuing education	Training institution	Course Name	Total training hours (hours)
Corporate Governance Director	Scottie Chiu	2023/08/04	Corporate legal person: Taiwan Investor Relations Association	Analysis of Domestic and International Mergers and Acquisitions	3.0
		2023/09/27	Corporate legal person: Taiwan Investor Relations Association	Empowering the Board of Directors as the Key Force in Leading Sustainable Governance - First Half	3.0
		2023/09/27	Corporate legal person: Taiwan Investor Relations Association	Empowering the Board of Directors as the Key Force in Leading Sustainable Governance - Second Half	2.0
		2023/11/10	Corporate legal person: Taiwan Investor Relations Association	Business Cycle and Industry Investment	3.0
		2023/12/06	Corporate Operations and Sustainable Development Association	Discussion of Taiwanese Firms' M&A strategy from the perspective of global political and economic situation	3.0

(V) Composition, Responsibilities and Operation of the Compensation Committee

1. Information of Compensation Committee Members

Title	Qualifications	Professional Qualifications and Work Experience	Independence Criteria	Number of Other Public Companies in Which the Individual is Concurrently Serving as a Compensation Committee Member
	Name			
Convener/ Independent Director	Wei, Hong-Jheng	Possessing the necessary working experience for business, legal affairs, finance and corporate operations, being certified as a lawyer or accountant by the national examination and having not been subject to any of the categories stated in Article 30 of the Company Act.	1. None of the person, the person's spouse and relative within the second degree of kinship serving as a Director, Supervisor or an employee of the Company or any of its affiliates. 2. None of the person, the person's spouse and relatives within the second degree of kinship (or under others' names) holding the number and proportion of shares in the Company. 3. Not serving as a Director, Supervisor or employee of a company with a specific relationship with the Company (in accordance with the provisions of Article 3, Paragraph 1, Sub-paragraphs 5 to 8 of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies.) 4. Not receiving the amount of compensation arising from providing business, legal, financial, accounting and other services to the Company or any of its affiliates in the last two years.	0
Committee Members/	Chou, Dah-Jen	Possessing the necessary working	1. None of the person, the person's spouse and relative within the second degree of	1

Title	Qualifications	Professional Qualifications and Work Experience	Independence Criteria	Number of Other Public Companies in Which the Individual is Concurrently Serving as a Compensation Committee Member
	Name			
Independent Director		experience for business, legal affairs, finance and corporate operations, being certified as a lawyer or accountant by the national examination and having not been subject to any of the categories stated in Article 30 of the Company Act.	kinship serving as a Director, Supervisor or an employee of the Company or any of its affiliates. 2. None of the person, the person's spouse and relatives within the second degree of kinship (or under others' names) holding the number and proportion of shares in the Company. 3. Not serving as a Director, Supervisor or employee of a company with a specific relationship with the Company (in accordance with the provisions of Article 3, Paragraph 1, Sub-paragraphs 5 to 8 of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies.) 4. Not receiving the amount of compensation arising from providing business, legal, financial, accounting and other services to the Company or any of its affiliates in the last two years.	
Committee Members/ Independent Director	Chow, Cheng-Hu	Possessing the necessary working experience for business, legal affairs, finance and corporate operations, being certified as a	1. None of the person, the person's spouse and relative within the second degree of kinship serving as a Director, Supervisor or an employee of the Company or any of its affiliates. 2. None of the person, the person's spouse and relatives	0

Title	Qualifications	Professional Qualifications and Work Experience	Independence Criteria	Number of Other Public Companies in Which the Individual is Concurrently Serving as a Compensation Committee Member
	Name			
		lawyer or accountant by the national examination and having not been subject to any of the categories stated in Article 30 of the Company Act.	within the second degree of kinship (or under others' names) holding the number and proportion of shares in the Company. 3. Not serving as a Director, Supervisor or employee of a company with a specific relationship with the Company (in accordance with the provisions of Article 3, Paragraph 1, Sub-paragraphs 5 to 8 of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies.) 4. Not receiving the amount of compensation arising from providing business, legal, financial, accounting and other services to the Company or any of its affiliates in the last two years.	

2. Operational Status of the Compensation Committee

- (1) There are three members in the Compensation Committee of the Company.
- (2) Current committee's tenure: July 29, 2021 to July 28, 2024. The Compensation Committee held 2 meetings in 2023, with the following membership and attendance:

Professional title	Name	Attendance in Person	Attendance by Proxy	Attendance Rate (%)	Note
Convener/ Independent Director	Wei, Hong-Jheng	2	0	100%	-
Committee Member/ Independent Director	Chou, Dah-Jen	2	0	100%	
Committee Member/ Independent Director	Chow, Cheng-Hu	2	0	100%	
Other matters to be recorded:					
I. If the Board of Directors refuses to adopt or amends a recommendation of the Remuneration Committee, the date of the meeting, session, content of the motion, resolution by the Board of Directors, and the company's response to the Remuneration Committee's opinion (e.g., if the remuneration passed by the Board of Directors exceeds the recommendation of the Remuneration Committee, the circumstances and cause for the difference shall be specified) shall be specified: None					
II. If there are resolutions of the Remuneration Committee to which members object or express reservations, and for which there is a record or declaration in writing, the date of the meeting, session, content of the motion, all members' opinions and the response to members' opinion shall be specified: None					
III. Discussions and results of resolutions of the Compensation Committee and the Company's handling of opinions of the committee members:					
Date of the meeting	Subject of discussion	Resolution results		The Company's handling of the Compensation Committee's opinion	
2023/3/13 The 5th session of the 6th Compensation Committee	Proposal of the Company's 2022 total compensation amount for employees and Directors.	1. All members present at the meeting passed the proposal without objection and submitted it to the Board of Directors for resolution. 2. The proposal was submitted to the Board of Directors and was approved by the consent of all the Directors present.		N/A	
2023/6/15 The 6th session of the 6th Compensation Committee	I. Proposal for the distribution of director's remuneration and director's attendance fees for	1. All members present at the meeting passed the proposal without objection and submitted it to the Board of Directors for resolution.		N/A	

	the 2023 year of the Company. II. Proposal of the 2023 managers' compensation proposal.	2. The proposal was submitted to the Board of Directors and was approved by the consent of all the Directors present.	
IV. Responsibilities of the Compensation Committee: In order to improve the corporate governance and the functions of the Board, to assist the Board in assessing and approving the compensation levels of Directors and managers, to combine the compensation with the performance of individuals and the Company's operations, to achieve the reasonableness of the compensation and to attract outstanding talents to remain in office, the Company established a Compensation Committee, whose members shall faithfully perform their duties with the attention of good managers, and sent the proposed proposals to the Board for discussion. Authority of the Compensation Committee: 1. Establishing and regularly reviewing the directors and managers' performance evaluation, the compensation policies, systems, standards, and structure. 2. Regularly evaluating and determining the directors and managers' compensation level. 3. The aforesaid "Compensation" includes cash compensation, subscription right, profit sharing and stock ownership, retirement benefits or severance pay, allowances and other substantive incentive measures.			

(VI) Implementation Status of Sustainable Development and Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and Reasons Thereof

Promotional Item	Implementation Status		Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and Reasons Thereof
	Yes	No	
I. Does the Company establish a governance structure to promote sustainable development, and set up a full-time (part-time) unit to promote sustainable development, which is handled by the senior management authorized by the Board of Directors? And how does the supervision of the Board of Directors go?	Yes		No Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies
		The Company has established a Sustainability Committee under the Board of Directors to promote sustainable development. The committee is responsible for formulating the Company's sustainable development policies and developing risk identification and management, sustainable governance, integrity in business, and environmental and social objectives, strategies, and implementation plans. In addition, the committee oversees the implementation of the Company's sustainable development initiatives. To promote sustainable development, the Company has set up a sustainable development implementation committee, which is composed of six teams. The chairman of the committee is also the chairman of the Company, and its vice chairman is the president of the Company. Each team is convened by the director of each center. A sustainability promotion office is established under the committee to explain the policies and positions externally, define the objectives and directions internally, integrate resources, review the action plans, monitor the promotion results, establish communication mechanisms for various stakeholders, and report the implementation results to the Board of Directors annually.	
II. Did the Company evaluate ESG risks associated with its operations based on the principle of materiality, and establish related risk management policies or strategies?	Yes		No Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed

Promotional Item	Implementation Status		Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and Reasons Thereof
	Yes	No	
		management includes environmental, social, and corporate governance issues related to the Company’s operations. Its content includes, but is not limited to, risks such as market risk, strategic and operation risk, financial risk, climate change and environmental risk, occupational security risk, information risk, and legal compliance risk that may cause material loss to the Company. The Company defines various actual and potential risks according to its overall operating policies and material principals, communicates with relevant stakeholders to make decisions and build mechanisms for risk management in terms of risk identification at an early stage, analysis, measurement, supervision, response and report, and improvement measures, and continues to adjust and improve the necessary management procedures in response to changes in the internal and external environment.	Companies
III. Environmental issues			
(I) Has the Company established proper environmental management systems based on the characteristics of the industries?	Yes	(I) In response to international trends and industry regulations, the Company has gradually implemented suitable environmental management standards. Both our factories in Suzhou and Vietnam have obtained ISO 14001:2015 certification for their environmental management systems, demonstrating our commitment to environmental protection.	No Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies
(II) Is the Company committed to utilizing energy more efficiently and using renewable materials which have low impact on the environment?	Yes	(II) The Company has introduced ISO 14001 environmental management system and ISO 50001 energy management system and implemented different energy saving proposals to improve energy use efficiency. In addition, the Company has constantly	No Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies

Promotional Item	Implementation Status		Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and Reasons Thereof
	Yes	No	
			adjusted its energy structure and supported renewable energy development. Suzhou plant has built a solar power system to reduce the usage of purchased power and has done research and evaluation of the objectives of solar power volume to make a plan to continuously improve the usage of renewable energy. Meanwhile, the ISO 14001 also identifies energy consumption as an important environmental consideration and therefore sets annual energy conservation and emission reduction targets. In addition, the Company places great emphasis on selecting materials that are low in toxicity, recyclable, and reduce material consumption. For instance, we have implemented the use of PCR recycled plastic for our plastic components. In our production process, we have adopted water-based paint and powder coating to minimize air pollution and wastewater caused by conventional paint solvents, while achieving a recyclability rate of 98%. Moreover, we have incorporated packaging materials made from recycled pulp for our product packaging. Additionally, our products are designed with interlocking joints to minimize the need for screws, facilitating easier disassembly and recycling. It is expected to achieve the effect of green production by reducing the use of resources. EU products comply with the EU Waste Electrical and Electronic Equipment Directive (WEEE) and meet the criteria of 80% recovery, 70% reuse and 70% recycling of consumer products. Plastic with a

Promotional Item	Implementation Status		Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and Reasons Thereof
	Yes	No	
(III) Does the Company evaluate current and future climate change potential risks and opportunities and take measures related to climate related topics?			
	Yes	weight greater than 25g is marked with the recycling mark and its material. It also assists customers in preparing the product disassembly report, which is beneficial to the recycling operation during the product waste phase. As the product design follows the principles of using low-toxicity materials and easy disassembly design, the recycling can improve the resource utilization rate, reduce energy consumption, and has long-term harmlessness, so as to achieve the reuse and sustainable development of resources. (III) The Company's sustainable development implementation committee is responsible for identifying and managing the risks and opportunities of climate change. It has completely concluded, evaluated, and defined all the issues related to the risks and opportunities of climate change, differentiated transition risk and real entity risk, and identified specific short, medium, and long term impacts on the Company's operation through the matrix of risk and opportunity of climate change, according to different time scopes, the possibility of issues' happening, and their impact on business operation. By doing this, it makes future strategies and regularly reports the climate change risk Amtran Technology Co., Ltd., is facing and response measures to the Board of Directors which can completely supervise climate risk issues to decide relevant management policies and review their implementation.	No Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies

Promotional Item	Implementation Status		Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and Reasons Thereof																													
	Yes	No																														
(IV) Does the Company inspect its greenhouse gas (GHG) emissions, water consumption and total weight of wastes in the past two years? Does the Company formulate policies on energy conservation and carbon reduction, GHG reduction, water reduction or waste management?	Yes	(IV) The Company conducts statistics on its greenhouse gas (GHG) emissions, water consumption and total weight of wastes every year and formulates policies on energy conservation and carbon reduction, GHG reduction, water reduction or waste management. The descriptions are as follows: 1. Greenhouse gas emissions: In order to master and reduce the possible impacts of climate related risks, the greenhouse gas emissions of category I and category II of the Company in 2020 and 2022 are as follows: <table><tr><td></td><td>Unit</td><td>2021</td><td>2022</td></tr><tr><td>Category I, II: Total emission</td><td>tonCO₂e</td><td>21,923.2</td><td>20,424.3</td></tr><tr><td>Category I, II: Emission intensity</td><td>tonCO₂e/NT\$ millions</td><td>0.99</td><td>1.25</td></tr></table> Targets of greenhouse gas emissions reduction <table><tr><td></td><td>Target Period (Based on the year 2020)</td><td>Targets of greenhouse gas emissions reduction</td></tr><tr><td rowspan="3">Suzhou plant</td><td>Short-term target (2025)</td><td>15%</td></tr><tr><td>Medium-term objective (2030)</td><td>30%</td></tr><tr><td>Long-term goal (2050)</td><td>50%</td></tr><tr><td rowspan="3">Vietnam Plant</td><td>Short-term target (2025)</td><td>15%</td></tr><tr><td>Medium-term objective (2030)</td><td>30%</td></tr><tr><td>Long-term goal (2050)</td><td>50%</td></tr></table> 2. Water consumption of all AMTRAN is as follows:		Unit	2021	2022	Category I, II: Total emission	tonCO ₂ e	21,923.2	20,424.3	Category I, II: Emission intensity	tonCO ₂ e/NT\$ millions	0.99	1.25		Target Period (Based on the year 2020)	Targets of greenhouse gas emissions reduction	Suzhou plant	Short-term target (2025)	15%	Medium-term objective (2030)	30%	Long-term goal (2050)	50%	Vietnam Plant	Short-term target (2025)	15%	Medium-term objective (2030)	30%	Long-term goal (2050)	50%	No Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies
		Unit	2021	2022																												
	Category I, II: Total emission	tonCO ₂ e	21,923.2	20,424.3																												
	Category I, II: Emission intensity	tonCO ₂ e/NT\$ millions	0.99	1.25																												
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Promotional Item	Implementation Status		Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and Reasons Thereof																								
	Yes	No																									
	Summary Description																										
		<table><tr><td>Factory area</td><td>Unit</td><td>2021</td><td>2022</td></tr><tr><td>Headquarters/ Suzhou / Vietnam</td><td>One million liters</td><td>135,535</td><td>94,655</td></tr></table> Target of water consumption reduction: <table><tr><td rowspan="4">Suzhou plant</td><td>Target Period (Based on the year 2020)</td><td>Targets of greenhouse gas emissions reduction</td></tr><tr><td>Short-term target (2025)</td><td>3%</td></tr><tr><td>Medium-term objective (2030)</td><td>5%</td></tr><tr><td>Long-term goal (2050)</td><td>10%</td></tr></table> <table><tr><td rowspan="3">Vietnam Plant</td><td>Short-term target (2025)</td><td>3%</td></tr><tr><td>Medium-term objective (2030)</td><td>5%</td></tr><tr><td>Long-term goal (2050)</td><td>8%</td></tr></table>	Factory area	Unit	2021	2022	Headquarters/ Suzhou / Vietnam	One million liters	135,535	94,655	Suzhou plant	Target Period (Based on the year 2020)	Targets of greenhouse gas emissions reduction	Short-term target (2025)	3%	Medium-term objective (2030)	5%	Long-term goal (2050)	10%	Vietnam Plant	Short-term target (2025)	3%	Medium-term objective (2030)	5%	Long-term goal (2050)	8%	
Factory area	Unit	2021	2022																								
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	Medium-term objective (2030)	5%																									
	Long-term goal (2050)	8%																									
		3. Waste management: AMTRAN has paid attention to the reduction of production waste from the time of research and development and design, tried to reuse relevant packaging materials, and regularly advocated the common sense of effective waste resource recovery and reuse in order to increase staff's awareness of resource recovery. Among them, the enterprise waste is entrusted to a qualified removal and disposal agency of the Environmental Protection Department, and a contract for the removal and disposal of enterprise waste is signed and																									

Promotional Item	Implementation Status		Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and Reasons Thereof																										
	Yes	No																											
			Summary Description transported to a qualified disposal agency for disposal. Please refer to the following table for details of the waste volume by disposal method: <table><tr><td>Total waste amount</td><td>Unit</td><td>2021</td><td>2022</td></tr><tr><td>Total</td><td>Tons</td><td>4,181.32</td><td>3,684.35</td></tr></table> Target of waste volume reduction <table><tr><td rowspan="4">Suzhou plant</td><td>Target Period (Based on the year 2020)</td><td>Targets of greenhouse gas emissions reduction</td></tr><tr><td>Short-term target (2025)</td><td>3%</td></tr><tr><td>Medium-term objective (2030)</td><td>5%</td></tr><tr><td>Long-term goal (2050)</td><td>10%</td></tr></table> <table><tr><td rowspan="4">Vietnam Plant</td><td>Target Period (Based on the year 2020)</td><td>Targets of greenhouse gas emissions reduction</td></tr><tr><td>Short-term target (2025)</td><td>2%</td></tr><tr><td>Medium-term objective (2030)</td><td>4%</td></tr><tr><td>Long-term goal (2050)</td><td>8%</td></tr></table>	Total waste amount	Unit	2021	2022	Total	Tons	4,181.32	3,684.35	Suzhou plant	Target Period (Based on the year 2020)	Targets of greenhouse gas emissions reduction	Short-term target (2025)	3%	Medium-term objective (2030)	5%	Long-term goal (2050)	10%	Vietnam Plant	Target Period (Based on the year 2020)	Targets of greenhouse gas emissions reduction	Short-term target (2025)	2%	Medium-term objective (2030)	4%	Long-term goal (2050)	8%
	Total waste amount	Unit	2021	2022																									
	Total	Tons	4,181.32	3,684.35																									
	Suzhou plant	Target Period (Based on the year 2020)	Targets of greenhouse gas emissions reduction																										
Short-term target (2025)		3%																											
Medium-term objective (2030)		5%																											
Long-term goal (2050)		10%																											
Vietnam Plant	Target Period (Based on the year 2020)	Targets of greenhouse gas emissions reduction																											
	Short-term target (2025)	2%																											
	Medium-term objective (2030)	4%																											
	Long-term goal (2050)	8%																											
IV. Social issues	Yes	(I) The Company has formulated a management ethics policy which consolidates the regulatory and human rights standards to be followed in management. The Suzhou plant and Vietnam plant conduct annual audits of Responsible Business Alliance (RBA) labor rights to ensure compliance with labor rights.	No Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies																										

Promotional Item	Implementation Status		Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and Reasons Thereof
	Yes	No	
(II) Has the Company formulated and implemented reasonable employee welfare measures (including compensation, annual leave and other benefits) and appropriately reflected the business performances or achievements in the employee compensation?	Yes	(II) The Articles of Association of the Company stipulate that if the Company has a profit for the year, it shall allocate not less than 3% as employee compensation, which shall be distributed by the resolution of the Board of Directors in the form of shares or cash, and the objects of distribution shall include the employees of the controlling company or the subordinate company meeting certain conditions. For employee welfare measures, please refer to "Chapter 5, Section V Labor-management Relations" of this annual report.	No Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies
(III) Does the Company provide a healthy and safe working environment and organize training on health and safety for its employees on a regular basis?	Yes	(III) The Company has a labor safety and health policy, regularly organizes staff health examination, legally sets up medical and occupational safety and hygiene personnel, regularly inspects first aid and medical equipment, conducts fire training, staff physical examination and other related work to maintain staff safety. Please refer to "Chapter 5, Section V Labor-management Relations" of this annual report.	No Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies
(IV) Does the Company provide its employees with effective career ability development and training plans?	Yes	(IV) The Company has established a comprehensive welfare system and regularly organizes general education courses and professional education and training activities to enhance staff's career development. Please refer to "Chapter 5, Section V Labor-management Relations" of this annual report.	No Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies
(V) Do the Company's products and services comply with related regulations and international rules for customers' health and	Yes	(V) The Company's production of products and services are implemented in compliance with regulations and international standards; In addition, the Company has a	No Deviations from the Sustainable Development Best Practice Principles

Promotional Item	Implementation Status			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and Reasons Thereof
	Yes	No	Summary Description	
safety, privacy, marketing, and marks? Does the Company set up related policies and compliant procedures to protect consumers' rights and interest? (VI) Did the Company formulate supplier management policies that require suppliers to follow relevant regulations on issues such as environmental protection, occupational safety and health, or labor rights? How is the implementation?			dedicated customer service line and dedicated staff responsible for handling customer-related issues to protect the rights and interests of consumers.	for TWSE/TPEX Listed Companies
	Yes		(VI) When establishing a new supplier, the Company first pays attention to whether the new supplier has any past environmental and social impact records. The evaluation of suppliers has dedicated procurement personnel to conduct audit according to the specifications to ensure that the supplier has no bad records. In addition, suppliers are required to jointly meet green environmental protection requirements according to the Company's policies, and to be committed to complying with the environmental protection specifications for products, so as to enhance CSR.	No Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies
V. Did the Company refer to international standards or guidelines for the preparation of reports such as ESG reports to disclose non-financial information? Has the aforementioned report obtained the assurance or guarantee opinion of the third party verification unit?	Yes		The Company's 2022 Sustainability Report has been prepared in compliance with the Global Reporting Initiative (GRI) Guidelines (2021 edition), as well as the "Taiwan Stock Exchange Corporation Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies" and the regulations or guidelines of regulatory authorities and relevant units. The report is made available through the Company's website, annual report, public information observation station, media, and other appropriate channels. The aforementioned report has been entrusted to Ernst & Young in accordance with the ISAE	No Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies

Promotional Item	Implementation Status		Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and Reasons Thereof
	Yes	No	
			Summary Description
			3000: "Assurance Engagements other than Audits or Reviews of Historical Financial Information" for limited assurance.
VI. Where the Company has established its own corporate sustainable development best practice principles based on the "Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies," please describe the implementation and any deviations from such principles: The Company has formulated the Guidelines for Corporate Social Responsibility, which was submitted to and passed by the Board of Directors on Oct. 30, 2014. In accordance with its practice of corporate citizenship responsibility, the Company demonstrates its commitment to employees, shareholders and consumers, making information transparent, and responding to environmental protection, which conforms to the Code of Practice for Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies, and there is no deviation.			
VII. Other important information to facilitate a better understanding of sustainable development practices: 1. The Company has been listed among the top 100 listed companies in carbon competitiveness by Business Weekly for two consecutive years, in 2022 and 2023. In 2023, the Company was awarded the "1.5°C Temperature Control Target" by the World Sustainability Association. In 2023, the Company's Suzhou plant was recognized with the Double Carbon Benchmark Award by the Suzhou High-Tech Zone. 2. The Company attaches great importance to the Company's social responsibilities, including employees, shareholders and stakeholders. In addition, the Company and LiHsin jointly set up the Credit Suisse Children's Medical Foundation, with the aim of providing medical assistance and medical consultation, providing medical equipment for the poor sick children, encouraging and assisting in collecting the data needed for medical research, and doing its part for the society. In 2023, the Company donated NT\$2 million to the Raising Children Medical Foundation. The donation was made to support the provision of medical assistance to children, the establishment of child-friendly medical spaces, and the offering of child-friendly medical services.			

(VII) Implementation of ethical corporate management and deviation from the "Ethical Corporate Management Best Practice Principles for TWSE & TPEx Listed Companies" and reasons thereof.

Evaluation Items	Operation Status		Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies and Reasons Thereof
	Yes	No	
I. Establishment of ethical corporate management policies and programs			
(I) Has the Company formulated policies and practices for ethical corporate management passed by the BOD and clearly state them in external files? Did the BOD and senior management make commitments to actively implement those business policies?	Yes	(I) The Company has formulated a "Code of Good Faith Operation" and "Code of Ethical Conduct" which has been passed in the Board of Directors and disclosed on the Company's website and the Market Observation Post System. Integrity is our core value and fundamental to the operation of our business, and this standard applies to all directors (including independent directors, the same below), managers and employees of the Company or those with substantial control. The contents stipulate that the Board and the management shall negotiate reasonable contract contents in good faith and actively implement the honest operation policies and plans.	No deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies
(II) Did the Company establish an evaluation mechanism for the risk of unethical conduct that regularly analyzes and evaluates business activities with higher risks of unethical conduct in the business scope? Does the Company formulate a plan to prevent unethical conducts, which at least covers the precautionary measures prescribed in Article 7	Yes	(II) The Company has formulated a code of ethical management practice which expressly prohibits all business activities that have a high risk of dishonest conduct within the scope of business, such as the provision of illegal political donations, improper charitable donations or sponsorships, unreasonable gifts, entertainment or other improper benefits, etc. in accordance with paragraph 2 of Article 7 of the "Code	

Evaluation Items	Operation Status		Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and Reasons Thereof
	Yes	No	
Paragraph 2 of the Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies?		of Ethical Conduct for Listed and OTC Companies" and it is also stipulated that company directors, managers, employees, and substantial controllers must comply with relevant laws and internal operating procedures when conducting business operations. Meanwhile, the Company has also formulated the Code of Ethics and Conduct to set conduct and ethics standards for the Company's directors, managers and staff. The Company has signed contracts with customers and suppliers externally that specify the obligations and penalties to prevent the possible risk of dishonest behavior in all respects. In addition to conducting education and training for potential high-risk department/personnel (such as procurement, business and finance), compiling relevant implementation manuals for publicity/standardization, the Company also reduced risks through internal audit or regular work rotation.	
(III) Did the Company specify and implement its operating procedures, conduct guidelines, disciplinary and complaint systems for non-compliance within the integrity prevention plan, and regularly reviewed and revised the pre-disclosure plan?	Yes	(III) The Company has formulated a "Code of Ethical corporate management practice" and a "Code of Ethics and Conduct". The contents of the preceding paragraph set out a plan for preventing dishonest conduct, and each plan shall specify the operating procedures, conduct guidelines, disciplinary and complaint systems for non-compliance, and implement them; The latter sets out the relevant code of conduct and management provisions, the principles and standards for prohibited	

Evaluation Items	Operation Status		Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and Reasons Thereof
	Yes	No	
			acts, including avoidance of conflicts of interest, gifts and business entertainment, political donations and charitable donations, and the principles for testing whether ethical acts are violated, as well as the reporting pipeline and operating procedures.
II. Fulfillment of ethical corporate management			
(I) Did the Company evaluate business partners' ethical records and include ethics-related clauses in the business contracts signed with the counterparties?	Yes	(I)	Before conducting business transactions, the Company conducts credit investigation on the business transaction objects, excluding the objects with records of dishonest behaviors, and specifying the terms of honest behaviors in the business contracts. When engaging in business activities, employees are required to explain the Company's ethical management regulations to the transaction objects. They must also expressly refuse to provide, promise, request, or accept, directly or indirectly, any illegitimate interests in any form or name. Where the Company discovers unethical conduct, it shall immediately suspend transactions and blacklist the entity. The aforementioned provisions agreed upon in the commercial contract include: Clear and reasonable payment terms, procedures for handling unethical conduct, and procedures for handling of violation of the ban on commission, kickback, or other interests.
(II) Has the Company established an exclusively (or concurrently) dedicated unit under the BOD to implement ethical corporate	Yes	(II)	In order to accomplish the objective of sustainable development, the Company has formed the Sustainable Development Executive Committee. The Chairman
			No deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies

Evaluation Items	Operation Status		Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and Reasons Thereof
	Yes	No	
management, and report to the BOD on a regular basis (at least once per year) on ethnic operation policies as well as precautionary measures against unethical conduct and their implementation information?			serves as the Chair, while the Vice Chair position is held by the President. The committee comprises the leaders of different departments and the head of the Human Resources and Administration Department. Together, they collaborate to advance ethical business practices. The Chair and Vice Chair jointly lead the affairs, articulate policies and positions externally, define goals and directions internally, integrate resources, review action plans, supervise implementation effectiveness, and establish communication mechanisms for various stakeholders. Additionally, the Sustainable Development Office under the Executive Committee reports the implementation results to the Board of Directors annually, and as of now, no significant violations have been discovered.
(III) Does the Company establish policies to prevent conflicts of interest and provide appropriate communication channels, and implement such policy properly?	Yes		(III) The Company clearly states the conflict of interest policies and conflicting situations/standards in the "Code of Good Faith Operation" and "Code of Ethics and Conduct" and requires relevant personnel to avoid them. In addition, when the Company is aware of or facing similar situations, the Company shall actively and fully report the situation to its immediate supervisor, the highest head of human resources unit or the Board of Directors. The directors of the Company shall be highly disciplined, refraining themselves from discussing and

Evaluation Items	Operation Status		Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and Reasons Thereof
	Yes	No	
(IV) For purpose of implementing relevant policies on ethical conduct, has the Company established effective accounting and internal control systems and assign an internal audit unit to develop relevant auditing plans according to the assessment results of unethical conduct risks? Does the Company inspect the implementation of such auditing plans or assign CPAs to implement the auditing?	Yes		voting, and shall not improperly support each other if they have an interest in the motion of the Board of directors, which may harm the interests of the company. Employees can report matters related to conflicts of interests to their direct department supervisors or chairman office supervisor. (IV) The Company has established effective accounting and internal control systems. Besides, the Company constantly reviews and revises these systems according to regulatory changes and actual needs. These systems are regularly examined by internal auditors in order to ensure the continuous effectiveness of system design and implementation, thereby realizing corporate governance and risk control, and eventually implementing ethical corporate management. The Company always advocates the importance of integrity behavior to its employees. During the daily audit, the internal audit unit will also include the occurrence of internal dishonesty behavior as a part of the audit focus. In case of any dishonesty behavior, the internal audit unit will warn the employees based on the seriousness of the occurrence and the significance of the impact or punish them according to the "Staff Reward and Punishment Measures".
(V) Did the Company regularly hold internal and external educational trainings on ethical management?	Yes		(V) The Company has drawn up a code of ethical conduct and has signed a "Code of Ethics for Employees" for each new employee internally to confirm that the

Evaluation Items	Operation Status		Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and Reasons Thereof
	Yes	No	
			employees understand and conduct their business in good faith and advocate for its implementation at meetings from time to time. It publicizes the relevant operating regulations at the annual conference of high-performing manufacturers before and after the signing of contracts and requires manufacturers to sign the “Commitment of Corporate Social Responsibility and Ethics” and “the Anti-bribery, Corruption, and Fraud Statement”.
III. Operation of the whistle-blowing system (I) Did the Company establish both a reward/whistle-blowing system and convenient whistle-blowing channels? Are appropriate personnel assigned to the accused party?	Yes	(I) The Company has built diversified and convenient reporting channels, such as reporting e-mails, telephones, and mail boxes, to receive reports from internal and external persons in any form. If an employee discovers any violation of the relevant regulations on honest operation, he/she may report to the head of the department directly under him/her or the head of the chairman's office, and then the administrative unit will accept and review the case. The case will be reported to individual directors if it is related to directors or high-level management. If the case is verified, he/she will be punished in accordance with the Company's personnel regulations. The reporters will be granted no more than 10% of the total unjust proceeds. The above procedures will be recorded in written documents for 5 years. Meanwhile, if the reported matters are verified, the Company will review the relevant internal control production procedure,	No deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies

Evaluation Items	Operation Status		Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and Reasons Thereof
	Yes	No	
(II) Did the Company establish the standard operating procedures for investigating reported misconduct, follow-up measures to be taken after the investigation, and related confidentiality mechanisms?	Yes	propose improvement measures, and report to the Board of Directors. (II) The Company does not specify a specific investigation procedure. The administrative unit accepts and reviews any cases in which an employee is discovered and reported to have engaged in dishonest behavior. When the Company discovers or receives a report regarding an employee's involvement in unethical conduct, the Company will immediately request the employee to stop the relevant conduct if it is confirmed that the employee has violated the relevant laws and regulations or the Company's ethical corporate management policies and regulations, and will appropriately deal with the case. If necessary, the Company seek compensation for damages through legal proceedings to maintain the reputation and interests of the Company. (III) The Company currently adopts an anonymous reporting method to ensure the rights and interests of the informant. It fulfills the responsibility of confidentiality and protection of the informant who will not be improperly handled due to the reporting.	
(III) Did the Company provide protection for whistle-blowers against receiving improper treatment?	Yes		
IV. Strengthening Information Disclosure Did the Company disclose the ethical corporate management policies and the results of its implementation on the company website and MOPS?	Yes	The Company discloses implementations and practices of the Code of Good Faith Operation on a timely basis through its website, annual reports, MOPS, media, ESG report.	No deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies

Evaluation Items	Operation Status		Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and Reasons Thereof
	Yes	No	
V. If the Company has established the ethical corporate management policies based on the Ethical Corporate Management Best-Practice Principles for TWSE/TPEX Listed Companies, please describe any discrepancy between the policies and their implementation. The Company has established rules for shareholder meetings, internal control systems for board meeting procedures, and operational procedures for preventing insider trading, among other relevant regulatory guidelines. The execution of these operational systems complies with the requirements of the respective guidelines. The Company has formulated a "Code of Good Faith Operation" and required each subsidiary to make reference to it in order to fully implement the Code.			
VI. Other important information to facilitate better understanding of the Company's ethical corporate management (such as the circumstance where the company reviews and amends its code of good faith operation): 1. The Company abides by the Company Act, the Securities and Exchange Act, the Business Entity Accounting Act, the relevant rules and regulations for companies listed on TWSE/TPEX or other relevant laws and regulations on business conduct and keeps them as the basis for the implementation of integrity management. 2. The Company's "Rules for Procedure for Board of Directors Meetings" has stipulated a system of Director conflict of interest avoidance, which requires that when a Director attending or present at a Board meeting, or the juristic person represented thereby, has a stake in a matter under discussion in the meeting, the Director shall state the important aspects of the stake in the meeting and, where there is a likelihood that the interests of the Company would be prejudiced, may not participate in the discussion or vote on that proposal, shall recuse himself or herself from any discussion and voting, and may not exercise voting rights as proxy on behalf of another Director. 3. The Company has established the "Management Operation Procedures for Preventing Insider Trading" to stipulate that the Directors, managers and employees shall not disclose the internal material information to other parties. It is not allowed to inquire or collect information from persons who are aware of material information within the Company that is not related to personal duties. It is also not allowed to disclose to other people that private information acquired due to the business execution, in which the Company does not disclose the information.			

(VIII) Please disclose access to the Company's Corporate Governance Best Practice Principles and related rules and regulations, if any:

This Corporation has stipulated standards that include best practice principles for corporate governance, ethical corporate management principles, and code of ethical conduct. These standards have been implemented and promoted during corporate governance and published upon the MOPS and this Corporation's official website.

(IX) Other Information to facilitate a Better Understanding of the Company's Corporate Governance Status

1. The Company has revised the "Internal Handling Procedures for Material Information," which were initially established by the 7th session of the 4th Board of Directors on August 14, 2012. The second revision was conducted on November 8, 2022, incorporating provisions for dedicated units, assessment procedures, and record keeping. The revised procedures were subsequently announced on the company's internal website.
2. The Company has established the "Code of Ethics" and the "Code of Business Conduct" as the ethical code for employees, regulating the ethical behavior of all colleagues. These codes have been publicly disclosed and can be accessed through the Investor Relations section of the Company's website (URL: www.amtran.com.tw).
3. The Company has established the "Insider Trading Prevention Management Operation Procedure" and conducted the second revision on November 22, 2023, adding a provision that prohibits stock trading during the closed period. This provision was announced on the Company's internal website.
4. Regularly distribute the procedural information mentioned above to company directors and colleagues. Additionally, include any relevant precautions in the meeting invitation, such as regulations regarding closed periods. Simultaneously, update the new employee commitment document to ensure that all company personnel, including directors and colleagues, comprehend and adhere to the applicable ethical business standards.
5. The Company's newly elected Directors will be given a handbook prepared by the Company when taking office. The handbook contains various laws and regulations (including the procedures for prevention of insider trading as mentioned in the preceding paragraph) and the relevant precautionary matters with which newly elected Directors shall comply.

(X) Status of Internal Control System

1. Statement on Internal Control System: Please see next page for details.
2. Where a CPA has been engaged to carry out an audit on the internal control system, the CPA audit report shall be disclosed: None.

AmTRAN Technology Co., Ltd.
Statement on Internal Control System

Date: March 13, 2024

The Company hereby makes the following statement according to its self-evaluation results of the internal control system for the year of 2023:

- I. The Company acknowledges that it is the responsibility of the Board of Directors and managerial officers to establish, implement, and maintain the established internal control system. Its purpose is to reasonably ensure that operational effectiveness and efficiency (including income, performance, and asset safety) and reporting are reliable, timely, and transparent, as well as to ensure compliance with relevant regulations and laws.
- II. An internal control system has inherent limitations. No matter how perfectly designed, an effective internal control system can provide only reasonable assurance of accomplishing its 3 stated objectives above. Moreover, the effectiveness of an internal control system may be subject to changes due to extenuating circumstances beyond control.
- III. Nevertheless, the internal control system contains self-monitoring mechanisms, and the Company takes immediate remedial actions in response to any identified deficiencies. The Company evaluates the design and operating effectiveness of the internal control system based on the criteria provided in the "Regulations Governing the Establishment of Internal Control Systems by Public Companies" (herein below, the "Regulations"). The criteria adopted by the Regulations identify 5 components of internal control based on the process of management control: 1. control environment; 2. risk assessment; 3. control activities; 4. information and communication; and 5. monitoring operations. Each key component includes several items. Please refer to the Regulations for the aforementioned items.
- IV. The Company has evaluated the design and operating effectiveness of the internal control system according to the Regulations.
- V. In accordance with the aforementioned evaluation, the Company has found that the design and implementation of the internal control system (including the assessment and management of subsidiaries), as of December 31, 2023, including the efficacy of understanding operations, the efficiency of achievement of objectives, reliability in reporting, timeliness, and compliance with the relevant guidelines and laws, are effective and can reasonably provide assurance of the aforesaid goals.
- VI. This statement is an integral part of Aurora's annual report and prospectus and will be made public. Any falsehood, concealment, or other illegality in the content made public will entail legal liability under Articles 20, 32, 171, and 174 of the Securities and Exchange Act.
- VII. This statement has been unanimously approved by the Board of Directors on March 13, 2024, and among 11 directors present at the meeting, no director objects, all agreeing to the contents of this statement and hereby makes the declaration.

AmTRAN Technology Co., Ltd.

Chairman: Alpha Wu (Signature)

President: Sam Wu (Signature)

(XI) Sanctions imposed on the Company or its personnel in accordance with the laws, or disciplinary actions taken by the Company against its personnel for any violation of internal control rules within the current fiscal year and as at the date of the Annual Report, as well as details of the sanctions, major deficiencies and subsequent improvements: None

(XII) Major Resolutions of Shareholders' Meeting and Board Meetings within the current fiscal year and as at the date of the Annual Report

Type of Meeting	Date of the meeting	Major resolution matters
Shareholders' Meetings	2023/06/12	(1) Ratification of the proposal of the Company's 2022 business report and financial reports. Implementation Status: Having implemented in accordance with the results of the resolution, and recorded the relevant contents in the minutes of the shareholders' meeting. (2) Recognition of the Company's 2023 profit or loss appropriation proposal. Implementation Status: Having implemented in accordance with the results of the resolution, and recorded the relevant contents in the minutes of the shareholders' meeting. (3) Approved of the proposal of the Company's cash capital reduction and refund. Implementation Status: Having implemented in accordance with the results of the resolution, and recorded the relevant contents in the minutes of the shareholders' meeting. The registration was granted by the Ministry of Economic Affairs on August 28, 2023. (4) Proposal of the by-election of an independent director. Implementation Status: Having implemented in accordance with the results of the resolution, and recorded the relevant contents in the minutes of the shareholders' meeting. The registration was granted by the Ministry of Economic Affairs on July 4, 2023.

Type of Meeting	Date of the meeting	Major resolution matters
Board of Directors	2023/03/13	(1) The Company's proposal of treasury stock buy-back. (2) The Company's 2022 Business Report and parent company only and consolidated financial statements. (3) The Company's 2022 profit or loss appropriation proposal. (4) Proposal of the Company's cash capital reduction and refund. (5) Proposal of subsequently confirming the Company's Endorsement Guarantee for the Company's subsidiary, AMTRAN VIETNAM TECHNOLOGY COMPANY LIMITED. (6) Proposal of the Company's increasing cash capital for the subsidiary, AMTRAN VIETNAM TECHNOLOGY

Type of Meeting	Date of the meeting	Major resolution matters
		COMPANY LIMITED. (7) The Company's 2022 self-assessment report on the internal control system and the statement on internal control system. (8) Proposal of Company's evaluating the independence and competency of the CPAs. (9) Proposal of the Company's applying for bank financing line. (10) Proposal of applying to the Union Bank of Switzerland (UBS AG) for a pre-settlement risk limit to conduct derivatives trading. (11) Proposal of setting up the sustainable committee and signing the Organizational Rules of Sustainable Committee. (12) Proposal of appointing the members of the Sustainable Committee. (13) Amending certain provisions of the Company's "Management Operation Procedures for Preventing Insider Trading." (14) Proposal of the by-election of an independent director. (15) Proposal of nomination and resolution of the list of candidates for a by-election for an Independent Director of the 10th Board of Directors. (16) Proposal of convening the 2023 annual shareholders' meeting.
	2023/05/10	(1) Approved the proposal of the Company's consolidated financial statements for the first quarter of 2023. (2) Approval of the proposal of the Company's applying for bank financing line. (3) Approved the Proposal of amendment to the Company's Risk management policies and procedures
	2023/06/15	(1) The proposal for the distribution of director's remuneration and director's attendance fees for the 2023 year of the Company has been approved. (2) Approval of the 2023 managers' compensation proposal. (3) Approval of the proposal of the Company's applying for bank financing line.
	2023/08/04	(1) Approved the proposal of the Company's consolidated financial statements for the second quarter of 2023. (2) Approval of the Company's profit appropriation proposal for the first half of 2023. (3) Approval of the proposal of the reduction of capital by canceling treasury stocks and setting the base date for the capital reduction. (4) Approval of the proposal of the establishment of the "Procedure for Repurchasing Treasury Stocks" for the Company. (5) Approval of the proposal of granting the loan of the Company's fund to the Company's subsidiary, AMTRAN VIETNAM TECHNOLOGY COMPANY LIMITED

Type of Meeting	Date of the meeting	Major resolution matters
		(6) Ratification of the subsequent confirmation of the Company's Endorsement Guarantee for the Company's subsidiary, AMTRAN VIETNAM TECHNOLOGY COMPANY LIMITED. (7) Approval of the proposal of the authorization for the purchase of land in Vietnam by the Group. (8) Approval of the proposal of the Company's applying for bank financing line.
	2023/11/10	(1) Approval of the proposal of the internal adjustment and change of CPAs at PwC Taiwan. (2) Approval of the proposal of the Company's consolidated financial statements for the third quarter of 2023. (3) Approved the Proposal of the Company's 2024 audit plan. (4) Approval of the proposed acquisition of land use rights in Vietnam by the subsidiary AMTRAN VIETNAM TECHNOLOGY COMPANY LIMITED. (5) Approval of the proposal of the Company's applying for bank financing line. (6) Approval of the proposal of the appointment of members to the Sustainability Committee of the Company.
	2023/12/28	(1) Approval of the proposal of Company's donation of NT\$2,000,000 to the "Credit Suisse Children's Medical Foundation."

(XIII) Recorded or written statements made by any director or supervisor which specified dissent to important resolutions passed by the board of directors during the most recent year and up to the date of publication of this annual report: None

(XIV) In the most recent year and As of the publication date of this Annual Report, Summary of Resignation or Dismissal of the Company's Key Individuals, Including the Chairman, CEO, and Heads of Accounting, Finance, Internal Audit and R&D: None.

IV. Information on CPA's Fees

(I) Range of CPA Professional Fees

Unit: NT\$ thousand

Name of CPA Firm	Name of CPA	Audit Period	Audit Fees	Non-audit Fees	Total	Note
PwC Taiwan	Hsu Sheng-Chung	2023/01/01 -	6,467	5,925	12,392	Company Registration: NT\$102 thousand Others: NT\$ 5,823 thousand
	Wu, Hanqi	2023/06/30				
	Wu, Hanqi	2023/07/01 -				
	Wu, Jen-Chen	2023/12/31				

Note 1: The change in CPAs is to accommodate the internal rotation needs of the accounting firm.

(II) When the company changes its accounting firm and the audit fees paid for the fiscal year in which such change took place are lower than those for the previous fiscal year, the amounts of the audit fees before and after the change and the reasons shall be disclosed:
None

(III) Disclosure of the amount, percentage and reasons of decrease where the audit fees are lower than the previous fiscal year by 10% or more: No such circumstance.

V. Information About Replacement of CPA:

(I) Information regarding the former CPAs:

Date of replacement	The resolution was approved by the Board of Directors on November 10, 2023.		
Reasons for replacement and explanation	In accordance with the internal job rotation at the accounting firm, starting from the third quarter of 2023, Mr. Sheng-Chung Hsu and Mr. Wu Han-Qi have been replaced by Mr. Wu Han-Chi and Mr. Wu, Jen-Chen as accountants.		
Describe whether the Company terminated or the CPAs terminated or did not accept the engagement	Parties		CPAs
	Others		The Company
	Terminated the engagement	N/A	N/A
	No longer accepted (discontinued) the engagement	N/A	N/A
If the CPAs issued an audit report expressing any opinion other than an unqualified opinion during the 2 most recent years, specify the opinion and the reasons	None		
Disagreement with the Company	Yes		Accounting principles or practices
			Disclosure of financial reports
			Audit scope or steps
			Others
	None	✓	
	Explanation: No		
Other Disclosures (to be disclosed in accordance with Article 10, Paragraph 6, Items 4 to 7 of this standard)	None		

(II) Information Regarding the Successor CPAs

Name of accounting firm	PwC Taiwan
Name of CPA	Wu, Jen-Chen
Date of engagement	Approved by the Board of Directors on November 10, 2023.
Subjects discussed and results of any consultation with the CPAs prior to the engagement, regarding the accounting treatment of or application of accounting principles to any specified transaction, or the type of audit opinion that might be issued on the company's financial report	None
Successor CPAs' written opinion regarding the matters of disagreement between the Company and the former CPAs	None

(III) The former CPAs did not provide any response regarding the matters to be recorded in the annual report of a publicly traded company, as specified in Article 10, Section 6, Subsections 1 and 2, Paragraph 3 of the Guidelines for the Disclosure of Annual Reports.

VI. The Company's Chairman, Presidents, or Accounting Officers hold any positions in the Company's independent auditing firm or its affiliates within the most recent year: None

VII. Any transfer of equity interests and pledge of or change in equity interests by a director, supervisor, managerial officer, or shareholder with a stake of more than 10 percent in the most recent year and up to the date of publication of the annual report.

(I) Change in shareholdings and in shares pledged by directors, managerial officers and shareholders holding more than 10% share in the Company:

Professional title	Name	2023		As of April 14, 2024	
		Holding Increase (Decrease) (Note 3)	Pledged Holding Increase (Decrease)	Holding Increase (Decrease)	Pledged Holding Increase (Decrease)
Chairman & CEO	Alpha Wu	(1,738,327)	0	0	0
Director	Yowshiuang Investments Inc.	(1,036,187)	0	0	0
	Representative: Tina Wu	(89,930)	0	0	0

Professional title	Name	2023		As of April 14, 2024	
		Holding Increase (Decrease) (Note 3)	Pledged Holding Increase (Decrease)	Holding Increase (Decrease)	Pledged Holding Increase (Decrease)
Director	Hsuan Fa Investment Co., Ltd.	(188,882)	0	0	0
	Representative: Sam Wu	(21,578)	0	0	0
Director	Rick Inc.	(353,051)	0	0	0
	Representative: Rick Wu	(16,794)	0	0	0
Director	David Chou	0	0	0	0
Director	Jin Chuen Investment Co., Ltd.	(756,536)	0	0	0
	Representative: Maggy Wu	0	0	0	0
Director	Hua Jung Components Co., Ltd.	(907,844)	0	0	0
	Representative: Hsu, Jhih-Chang	0	0	0	0
Independent Director	Chow, Cheng-Hu	0	0	0	0
Independent Director	Wei, Hong-Jheng	0	0	0	0
Independent Director	Liao, Wan-Jiun (Note 1)	0	0	0	0
Independent Director	Chang-Ying Hsu (Note 2)	0	0		
President	Sam Wu	(21,578)	0	0	0
General Management Centre Senior Deputy President Accounting Supervisor Corporate Governance Director	Scottie Chiu	(1,562)	0	0	0
R&D Center Senior Deputy President	Jjou Chen	(386)	0	0	0
Purchasing Management Center Vice President	Ming Lee	0	0	0	0

Professional title	Name	2023		As of April 14, 2024	
		Holding Increase (Decrease) (Note 3)	Pledged Holding Increase (Decrease)	Holding Increase (Decrease)	Pledged Holding Increase (Decrease)
Manufacturing Management Center Vice President	Hsieh, Chih-Hung	53	0	0	0

Note 1: Concurrently held the position as the vice president of National Taiwan University. According to the Principles for Handling Part-Time Employment of Full-Time Teachers in Public Schools at All Levels and the Government Servant Service Law that shall not concurrently employed by a for-profit organization, thus resigned in January 10, 2023.

Note 2: Newly appointed from a re-election held on 15 June 2023.

Note 3: The decrease in the number of shares held in 2023 was a result of implementing cash reduction and returning shareholder funds. To adjust the capital structure and enhance the return on equity for shareholders, the Company's 2023 annual general meeting passed a resolution to implement cash reduction and return shareholder funds. The cash reduction amount was NT\$399,000,000, resulting in the cancellation of 39,900,000 shares. The application for effectiveness was filed with the Taiwan Stock Exchange on July 28, 2023, under letter Tai-Zheng-Shang-Yi-Zi No. 1121803600. The change was also approved and registered by the Ministry of Economic Affairs of Taiwan on August 28, 2023, under letter Jing-Shou-Shang-Zi No. 11230165490.

(II) Equity transferred to a related party by directors, managers, and shareholders whose shareholding ratio exceeds 10%: None

(III) Equity pledged to a related party by directors, managers, and shareholders whose shareholding ratio exceeds 10%: None

VIII. Relationship information, if among the Company's ten largest shareholders any one is a related party, spouse or a relative within the second degree of kinship of another

Number of shares: shares; shareholding ratio: %; April 14, 2024

NAME	CURRENT SHAREHOLDING		SPOUSE & MINOR SHAREHOLDING		SHAREHOLDING BY NOMINEES		AMONG TEN LARGEST SHAREHOLDERS, NAME AND RELATIONSHIP WITH ANY ONE WHO IS A RELATED PARTY, SPOUSE OR A RELATIVE WITHIN THE SECOND DEGREE OF KINSHIP		NOTE
	Number of Shares	Shareholding ratio%	Number of Shares	Shareholding ratio%	Number of Shares	Shareholding ratio%	Designation (or name)	Relationship	
Alpha Wu	33,199,331	4.49	1,292,077	0.17	0	0	Yowshuiuan Investments Inc. Hua Jung Components Co., Ltd. Jin Chuen Investment Co., Ltd. Hengxu Investment Corp. Chin Heng Investment Co., Ltd.	Director Chairman Chairman Director Director & Representative	None
Yowshuiuan Investments Inc.	19,220,093	2.60	0	0.00	0	0	Yowshuiuan Investments Inc. Representative: Lin, Shou-Chen Rick Inc. Representative: Rick Wu	Spouse Father and son	None
Representative: Lin, Shou-Chen	1,292,077	0.17	33,199,331	4.49	0	0	Alpha Wu Rick Inc. Representative: Rick Wu	Director Supervisor	None
Hua Jung Components Co., Ltd.	16,839,467	2.28	0	0.00	0	0	Alpha Wu Rick Inc. Representative: Rick Wu	Spouse Mother and son	None
Representative: AMTRAN TECHNOLOGY CO., LTD.	0	0.00	0	0.00	0	0	Alpha Wu Hengxu Investment Corp. Representative: Liu Shujuan	Chairman Director	None
Jin Chuen Investment Co., Ltd.	14,032,889	1.90	0	0.00	0	0	Alpha Wu Rick Inc. Rick Inc. Representative: Rick Wu	Chairman Legal Person Director Legal Person Director Representative	None

NAME	CURRENT SHAREHOLDING		SPOUSE & MINOR SHAREHOLDING		SHAREHOLDING BY NOMINEES		AMONG TEN LARGEST SHAREHOLDERS, NAME AND RELATIONSHIP WITH ANY ONE WHO IS A RELATED PARTY, SPOUSE OR A RELATIVE WITHIN THE SECOND DEGREE OF KINSHIP		NOTE
	Number of Shares	Shareholding ratio%	Number of Shares	Shareholding ratio%	Number of Shares	Shareholding ratio%	Designation (or name)	Relationship	
Representative: Alpha Wu	33,199,331	4.49	1,292,077	0.17	0	0	Yowshuiuan Investments Inc. Hengxu Investment Corp. Hua Jung Components Co., Ltd. Chin Heng Investment Co., Ltd. Yowshuiuan Investments Inc. Representative: Lin, Shou-Chen Rick Inc. Representative: Rick Wu	Director Director Chairman Director & Representative Spouse Father and son	None
Hengxu Investment Corp. Representative: Liu Shujuan	10,758,548 2,082,517	1.45 0.28	0 0	0 0	0 0	0	Alpha Wu Hua Jung Components Co., Ltd.	Director Director	None None
Chin Heng Investment Co., Ltd.	10,290,784	1.39	0	0	0	0	Alpha Wu	Director	None
Representative: Alpha Wu	33,199,331	4.49	1,292,077	0.17	0	0	Yowshuiuan Investments Inc. Hengxu Investment Corp. Hua Jung Components Co., Ltd. Jin Chuen Investment Co., Ltd. Yowshuiuan Investments Inc. Representative: Lin, Shou-Chen Rick Inc. Representative: Rick Wu	Director Director Chairman Chairman Spouse Father and son	None
Vanguard Emerging Markets Stock Index Fund Investment Account	9,760,156	1.32	0	0	0	0	None	None	None
JPMorgan Managed Advanced Stars advanced aggregate International Equity Index	8,935,692	1.21	0	0	0	0	None	None	None
Rick Inc.	6,548,680	0.89	0	0	0	0	Jin Chuen Investment Co., Ltd.	Legal Person Director	None
Representative: Rick Wu	311,504	0.04	0	0	0	0	Yowshuiuan Investments Inc. Jin Chuen Investment Co., Ltd.	Supervisor Legal Person Director Representative	None None

NAME	CURRENT SHAREHOLDING		SPOUSE & MINOR SHAREHOLDING		SHAREHOLDING BY NOMINEES		AMONG TEN LARGEST SHAREHOLDERS, NAME AND RELATIONSHIP WITH ANY ONE WHO IS A RELATED PARTY, SPOUSE OR A RELATIVE WITHIN THE SECOND DEGREE OF KINSHIP		NOTE
	Number of Shares	Shareholding ratio%	Number of Shares	Shareholding ratio%	Number of Shares	Shareholding ratio%	Designation (or name)	Relationship	
Chase escrow JP Morgan investment account	5,432,733	0.73	0	0	0	0	None	None	None

IX. Share Ownership in Affiliated Companies A summary of share ownership by the Company and its directors, supervisors, managers, as well as entities controlled directly and indirectly by the Company is as follows:

Unit: thousand shares; %; December 31, 2023

Reinvestment business	Investment by the Company		Investment by Directors/ Managerial Officers and Companies Directly or Indirectly Controlled by Aurora		Consolidated investment	
	Number of shares	Shareholding ratio	Number of Shares	Shareholding ratio	Number of shares	Shareholding ratio
ABOUND PROFITS LIMITED	24,800	100.00	0	0.00	24,800	100.00
Zwei-Mau Investment Co., Ltd	29,998	100.00	0	0.00	19,998	100.00
Amtran Electronic Co., Ltd.	0	0.00	1,076,544 thousand (Note 2)	100.00	1,076,544 thousand (Note 2)	100.00
Rick Technology Inc.	16,400	82.00	3,600	18.00	20,000	100.00
ASEV DISPLAY LABS	2,000	100.00	0	0.00	2,000	100.00
AMTRAN LOGISTICS , INC.	1,000	100.00	0	0.00	1,000	100.00
BMA VENTURE CAPITAL INVESTMENT CORPORATION	6,967	24.14	0	0.00	6,967	24.14
SPYGLASS TESLA , LLC	1,750	43.75	0	0.00	1,750	43.75
Suzhou Raken Technology Ltd.	US \$34,501 thousand (Note 2)	37.95	US\$56,414 thousand (Note 2)	62.05	US\$90,915 thousand (Note 2)	100.00
AMTRAN VIETNAM TECHNOLOGY COMPANY LIMITED	US\$78,300 thousand (Note 2)	100.00	0	100.00	US\$78,300 thousand (Note 2)	100.00
AMTRAN VIETNAM TRADING COMPANY LIMITED	US\$1,000 thousand (Note 2)	100.00	0	100.00	US\$1,000 thousand (Note 2)	100.00

H&P Venture Capital Investment Corporation (Note 4)	-	-	-	-	-	-	-
AMTRAN VIDEO CORPORATION	1,000	100.00	0	0.00	1,000	100.00	100.00
Zwei-mau Capital Co., Ltd	0	0	600	100.00	600	100.00	100.00
Hua Jung Components Co., Ltd.	54,576	31.60	0	0.00	54,576	31.6	31.6
Rick Service Inc.	0	0.00	3,000	100.00	3,000	100.00	100.00
HEROIC FAITH MEDICAL SCIENCE CO., LTD	3,333 (Note 3)	18.73	0	0	3,333 (Note 3)	18.73	18.73
CDIB-Mac Limited Partnership	0	0	2,900 (Note 2)	1.00	2,900 (Note 2)	1.00	1.00

Note 1: Investment using the equity method by CMP.

Note 2: Paid-in capital.

Note 3: The Company holds 3,333,000 shares of Heroic Faith Medical Science Co., Ltd. Special Shares.

Note 4: The dissolution and liquidation were completed on September 11, 2023.

Chapter 4 Fundraising situation

I. Capital and Shares

(I) Historical Information of Capitalization

Month Year	Par Value (NT\$)	Authorized Capital		Paid-in Capital		Note		
		Number of Shares (thousand shares)	AMOUNT (NT\$ thousand)	Number of Shares (thousand shares)	AMOUNT (NT\$ thousand)	Source of Capital (NT\$ thousand)	Capital Increase by Assets Other than Cash	Approval date and document number of capital increase
2013.07	10	1,200,000	12,000,000	833,257	8,332,570	Employee Stock Options 1,380	None	July 16, 2013 JSS No. 10201143290
2013.10	10	1,200,000	12,000,000	833,677	8,336,770	Employee Stock Options 420	None	October 18, 2013 JSS No. 10201212850
2014.01	10	1,200,000	12,000,000	834,362	8,343,620	Employee Stock Options 685	None	January 17, 2014 JSS No. 10301010460
2018.12	10	1,200,000	12,000,000	809,362	8,093,620	Treasury stock cancellation of 25,000 shares	None	December 6, 2018 JSS No. 10701150270
2021.9	10	1,200,000	12,000,000	760,000	7,600,000	493,620 in repayment of capital due to cash capital reduction	None	September 29, 2021 JSS No. 11001181340
2022.9	10	1,200,000	12,000,000	798,000	7,980,000	Distributing the Company's surplus profit NT\$380,000 in the form of new shares	None	September 29, 2021 JSS No. 11001181340
2023.8	10	1,200,000	12,000,000	740,100	7,401,000	Treasury stock cancellation of 18,000 shares 39,900 in repayment of capital due to cash capital reduction	None	August 28, 2023 JSS No. 11230165490

(II) Types of shares issued

Unit: thousand shares/NT\$ thousand

Share Type	Authorized Capital			Note
	Outstanding shares	Unissued Shares	Total	
Common stock	740,100	459,900	1,200,000	The rated capital of the Company is NT\$ 12 billion yuan and another NT\$ 400 million yuan is reserved for issuing employee warrants.

II. Shareholder structure

April 14, 2024

Shareholder structure Number of shares	Government Agencies	Financial Institutions	Other Institutional Shareholders	Foreign Institutions and Natural Persons	Individual Shareholders	Total
Number of persons	6	10	220	178	94,263	94,677
Shares Held	3,023,101	146,559	89,627,080	95,272,435	552,030,825	740,100,000
Shareholding ratio%	0.41%	0.02%	12.11%	12.87%	74.59%	100.00%

III. Diversification of Equity

April 14, 2024

Range of Shares	Number of Shareholders	Shares Held	Shareholding ratio
1-999	41,415	13,202,801	1.78%
1,000-5,000	34,454	84,977,367	11.48%
5,001-10,000	9,309	71,998,304	9.73%
10,001-15,000	3,055	37,837,318	5.11%
15,001-20,000	2,035	37,147,093	5.02%
20,001-30,000	1,627	41,047,206	5.55%
30,001-40,000	774	27,469,162	3.71%
40,001-50,000	567	25,900,148	3.50%
50,001-100,000	847	59,321,248	8.02%
100,001-200,000	345	48,060,061	6.49%
200,001-400,000	131	35,511,407	4.80%
400,001-600,000	34	16,524,100	2.23%
600,001-800,000	26	17,241,903	2.33%
800,001-1,000,000	12	11,224,642	1.52%
Over 1,000,001	46	212,637,240	28.73%
Total	94,677	740,100,000	100.00%

IV. List of Major Shareholders

April 14, 2024

Name of Major Shareholders	Shares	Shares Held	Shareholding ratio%
Alpha Wu		33,199,331	4.49%
Yowshiuan Investments Inc.		19,220,093	2.60%
Hua Jung Components Co., Ltd.		16,839,467	2.28%
Jin Chuen Investment Co., Ltd.		14,032,889	1.90%
Hengxu Investment Corp.		10,758,548	1.45%
Chin Heng Investment Co., Ltd.		10,290,784	1.39%
Vanguard Emerging Markets Stock Index Fund Investment Account		9,760,156	1.32%
JPMorgan Managed Advanced Stars advanced aggregate International Equity Index		8,935,692	1.21%
Rick Inc.		6,548,680	0.89%
Chase escrow JP Morgan investment account		5,432,733	0.73%

V. Market Price, net worth, surplus, dividends per share for the most recent two years and related information

Item		Year	2022	2023	As of March 31, 2024
Market Price Per Share	Highest		17.70	15.60	17.40
	Lowest		8.90	9.76	12.8
	Average		12.66	12.07	14.93
Net Worth per Share	Before distribution		16.86	17.99	(Note 1)
	After distribution		16.86	17.45	
Earnings per Share	Weighted Average Shares		798,000	770,109	
	Earnings per Share		-3.45	0.58	
Dividends Per Share	Cash dividends	Dividends from Surplus (NT\$)	0	0.54208890	
		Dividends from Capital Surplus (NT\$)	0	0	
	Stock grants	Stock dividends appropriated from earnings	0	0	
		Stock dividends appropriated from capital surplus	0	0	
	Accumulated unpaid dividends		0	0	
Return on Investment	Price/Earnings Ratio		-	20.81	
	Price/Dividend Ratio		-	22.27	
	Cash Dividends Yield %		0	4.49	

Note:1 No relevant financial information shall be disclosed.

VI. Dividend Policy and Implementation

(I) Dividend policy

Article 18 of the company's Articles of Association:

If the Corporation records a profit, no less than 3% of the said profit shall be set aside for employee rewards. The Board of Directors shall determine whether to issue rewards in the form of stocks or cash. Recipients of the said rewards shall include employees at the Corporation who satisfy specific criteria. The Corporation permits the Board of Directors to set aside no more than 3% of the aforementioned profit as directors' rewards. The distribution of employee remuneration and director remuneration shall be reported to the shareholders' meeting.

If the Company still records accumulated losses, the Company shall reserve a portion of its profit to make up for losses before allocating employee remuneration and director remuneration based on the percentages indicated in the preceding paragraph.

Article 18-1 of the Company's Articles of Association:

If the Company posts a profit as indicated in its final annual accounts for each half of the fiscal year, the Company shall first pay taxes in accordance with the law and make up for accumulated losses before setting aside 10% of the remaining earnings as legal reserve; however, no more earnings shall be set aside as legal reserve if the legal reserve amounts to the Company's total paid-up capital, and the remaining earnings shall be set aside as or reversed to special reserve in accordance with the law. If there are still earnings left thereafter, the remaining earnings, or together with the accumulated undistributed earnings from the previous half of the fiscal year, shall be distributed as shareholder dividends according to the distribution plan proposed by the Board of Directors. In the event that shareholder dividends are to be distributed in the form of new shares, such distribution shall be carried out by a resolution adopted at the shareholders' meeting. In the event that shareholder dividends are to be distributed in the form of cash, such distribution shall be carried out by a resolution adopted by the Board of Directors.

Any after-tax net income shall first be used to offset the accumulated losses, if there's any, and then to appropriate 10% of the earnings as legal reserve until its amount reaches the actual paid-in capital. The remaining earnings, together with accumulated retained earnings, can be distributed as shareholders' dividends according to the Board of Directors' proposal and after the approval from the shareholders' meeting.

In the event that the Company distributes dividends and bonuses or legal reserve either fully or partially in the form of cash, the Board of Directors shall be authorized to determine such

distribution by a resolution adopted by a majority vote at a meeting attended by more than two-thirds of the directors and report such distribution to the shareholders' meeting.

Shareholder dividends shall be no less than 10% of the earnings available for distribution for the current year. Shareholder dividends may be distributed in the form of cash or shares, of which cash dividends shall be no less than 20% of the total dividends. However, in case of a major capital expenditure plan in the future, shareholder dividends may be fully distributed by means of stock dividends upon approval at an annual shareholders' meeting. The Company is a high-tech industry. In order to cope with the growth characteristics and overall environment of the technology industry, the dividend policy of the Company adopts the principle of balance, and the dividend distribution level is determined by considering factors such as profitability, financial structure and future development of the Company. Dividends are paid out of distributable surplus and may be distributed in accordance with the Company's overall capital budget plan to retain the necessary funds.

(II) Distribution of dividends proposed in the shareholders' meeting:

Considering the future business development needs, the Company proposes to allocate a cash dividend of NT\$401,200,000 from the distributable earnings for 2023 for distribution to shareholders. The cash dividend per share is NT\$0.54208890 (Calculation of Outstanding Shares Based on March 13, 2024). The calculation is based on the number of shares recorded in the shareholder register as of the ex-dividend date, rounded down to the nearest whole unit. Any fractional amounts less than one NT dollar will be aggregated and treated as other income for the Company. The Chairman is authorized to set the ex-dividend date, payment date, and other related matters.

VII. Effect on the Operating Performance and Earnings per Share of Distribution of Stock Dividends Proposed or Adopted in the Most Recent Shareholders' Meeting: N/A

VIII. Compensation to Employees and Directors:

- (I) The number and scope of employee and Directors' compensation recorded in Company's Articles of Association: Please refer to "Chapter 4, Section VI, Subsection (I) Dividend policy" of this annual report.
- (II) The basis for estimating the amount of employee and director compensations, for calculating the number of shares to be distributed as employee compensation, and the accounting treatment of the discrepancy, if any, between the actual distributed amount and the estimated figure, for the current period:

1. The basis for estimating the amounts of staff remuneration and directors' remuneration for the current period is as follows: Please refer to “Chapter 4, Section VI, Subsection (I) Dividend Policy” of this annual report.
2. The basis for calculating the number of shares to be distributed to employees as the bonus for the current period: None
3. The accounting treatment of the discrepancy, if any, between the actual distributed amount and the estimated figure, for the current period: It is considered as a change in accounting estimates and is included in profit or loss in the actual year for distribution.

(III) Information on any approval by the Board of distribution of compensation:

1. IF the amount of employee compensation distributed in cash or stocks and compensation for directors and supervisors differs from the recognized expenses, the discrepancy, its cause and the status of treatment shall be disclosed:

The Company's annual earnings distribution for 2023 was approved by the Board of Directors on March 13, 2024. The Company's distribution of compensation to employees in cash for 2022 totaled NT\$210,000,000, accounting for 3.80% of the profit in the final accounts of 2023; the distribution of the compensation to Directors reached NT\$9,000,000 accounting for 1.63% of the profit in the final accounts of 2023. The proposed cash compensations of NT\$210,000,000 for employees and NT\$9,000,000 for Directors for 2023 are estimated as per what is described in Chapter 4, Section VI, Subsection (I) Dividend Policy respectively, and are consistent with the estimated amount in the 2023 accounts.

2. The amount of any employee compensation distributed in stocks, and the size of that amount as a percentage of the sum of the after-tax net income stated in the parent company only financial statements or parent company only financial statements for the current period and total employee compensation:

The Company's dividends for 2023 were all distributed to employees in cash and not in form of stock.

(IV) The actual allocation of employee bonus and compensation to directors in the previous year (including the number, amount and stock price of allocated shares), the deviation between the actual allocation and the estimated figures, if any, and cause and treatment thereof:

1. No distribution in compensation to employees and Directors because of the loss in 2022.
2. There is no discrepancy between the actual and recognized amounts of the above-mentioned cash compensations to employees and Directors.

IX. Buyback of Common Shares:

As of the date of share transfer suspension: 2024/4/14

Number of repurchases	12
Date of board resolution	2023/3/13
Purpose	Protect the Company's credit and shareholders' equity
Proposed repurchase limit	NT\$600,000 thousand
Proposed repurchase period	2023/03/14~2023/05/12
Proposed repurchase share category	Ordinary shares
Proposed repurchase amount	40,000 thousand shares
Proposed repurchase price range	NT\$8-15 per share
Number of repurchased shares	18,000,000
Number of repurchased shares as a percentage of proposed repurchase amount (%)	100.00%
Category of shares repurchased	18,000,000
Monetary amount of repurchased shares	211,845,541
Average repurchase price	11.77
Accumulated number of shares repurchased	18,000,000
Reason for uncompleted implementation when the buyback period is due	Reason for the incompleteness this time: To maintain overall shareholder equity and balance market mechanisms, we adopted a staggered buyback strategy within a certain price range in response to changes in stock prices. Therefore, the repurchase was not completed entirely.
Number of shares canceled and transferred (Note)	18,000,000
Number of shares not yet canceled or transferred (Note)	0

Note: The cancellation of shares was completed on August 28, 2023.

X. Issuance of Corporate Bonds: None

XI. Issuance of Preferred Shares: None

XII. Issuance of Global Depository Receipts (GDRs): None

XIII. Employee Stock Options

- (I) The outstanding employee share subscription warrants shall disclose the handling up to the date of publication of the annual report and the impact on shareholders' equity. Those private employee share subscription warrants shall be highlighted: None
- (II) Names and conditions of managerial officers and employees who have received substantial amount of employee share options as of the date of publication of this Annual Report: None

XIV.Employee Restricted Stock

- (I) For all new RSA for which the vesting conditions have not yet been met for the full number of shares, the annual report shall disclose the status up to the date of publication of the annual report and the effect on shareholders' equity: None.
- (II) Names and acquisition status of managers who have acquired new RSA and of employees who rank among the top ten in the number of new RSA acquired, cumulative to the date of publication of the annual report: None.

XV. Status of New Shares Issuance in Connection with Mergers and Acquisitions

- (I) New shares through merger and transfer from other companies in most recent year and up to the publication date of the Annual Report: None.
- (II) New shares approved by the resolution of the Board or through merger and transfer from other companies in most recent year and up to the publication date of the Annual Report: None.

XVI.Status of Financing Plans and Implementation: None.

Chapter 5 Operation overview

I. Business Content

(I) Business scope

1. The main contents of the Company's business
 - (1) CC01030 Electric Appliance and Audiovisual Electric Products Manufacturing
 - (2) CC01070 Telecommunication Equipment and Apparatus Manufacturing
 - (3) CC01110 Computers and Peripheral Equipment Manufacturing
 - (4) CC01101 Restrained Telecom Radio Frequency Equipment and Materials Manufacturing
 - (5) CE01030 Photographic and Optical Equipment Manufacturing
 - (6) CP01010 Hand Tools Manufacturing.
 - (7) CQ01010 Mold Manufacturing Industry.
 - (8) F113050 Wholesale of Computing and Business Machinery Equipment.
 - (9) F118010 Information Software Wholesale.
 - (10) F213030 Retail Sale of Computing and Business Machinery Equipment.
 - (11) F213060 Telecom Equipment Retail sale.
 - (12) F218010 Information Software Retail sale.
 - (13) I501010 Product Designing.
 - (14) F113020 Electrical Appliance Wholesale.
 - (15) F213010 Electrical Retail sale.
 - (16) F401010 International Trade.
 - (17) F119010 Electronic Materials Wholesale.
 - (18) F219010 Electronic Materials Retail sale.
 - (19) F401021 Restrained telecom radio frequency equipment and materials import.
 - (20) ZZ99999 All business not prohibited or restricted by law, except for those subject to special approval
2. Business proportion of the Company's current main products (2023)

Type of Product	Operating income (NT\$ thousand)	Proportion (%)
Digital TV	7,391,370	44.58%
Monitors	5,464,149	32.94%
Computer peripherals	2,447,044	14.76%
Video conferencing equipments	752,147	4.53%
Others	529,065	3.19%
Total	16,583,775	100.00%

3. The Company's current products (services) projects and new products (services) planned to be developed:

(1) Current products

A. TV

- (a) 24"~ 75" DLED and ELED connected and non-connected products
- (b) Video resolution from low-end HD to high-end 4K (120Hz video update rate)
- (c) Traditional LCD screen ~ high-end quantum dot screen
- (d) AI TV (integrated microphone array and camera)
- (e) Networking platform products: WebOS TV, XUMO TV and Xiaomi networking TV

B. Gaming Monitor

- (a) 24"~ 49" plane and curved surface 1500R products
- (b) High dynamic contrast to support HDR400-HDR1000
- (c) Variable video update rate: Support as high as QHD-240Hz, FHD-165Hz and UHD-144Hz
- (d) Ultra wide gamut quantum dot display
- (e) 49" plane OLED Display

C. Video Conferencing

- (a) Development kit of video conferencing system and control modules of video conferencing products for Android platform
- (b) Separate products: small touch screen controller + video conference speaker (including microphone array and camera)
- (c) 50" ~ 65" integrated conference system: Integrated touch screen, microphone array, camera and voice system

D. Audio

- (a) Smart Speakers: Combining near end and cloud speech recognition

E. Computer peripheral

- (a) Wired and wireless mice
- (b) Web Cameras

F. Robots

- (a) Companion robots

(2) New Products in Development

A. TV

- (a) Develop more Low Density Quantum Dot QLED Connected TV for Energy Saving and Carbon Reduction in different sizes.

- (b) Development of large-size Universal WebOS TV, Fire TV and XUMO.
 - (c) Ultra number of local dimming zones and low-cost Mini LED products (using mini LED with ultra number of local dimming zones as backlight)
- B. Gaming Monitor
 - (a) 27" ~ 43" 1000R curved surface display
 - (b) High dynamic contrast HDR1000 products
 - (c) Ultra number of local dimming zones and low-cost Mini LED products (using mini LED with ultra number of local dimming zones as backlight)
 - (d) 34" ~ 49" high-quality curved surface OLED display
 - (e) Support development of computing platform with higher variable refresh rate (VRR)
- C. Video Conferencing
 - (a) New generation development kit of video conferencing system and control modules of video conference
 - (b) New generation separate video control speaker(adopt higher video resolution and refresh rate camera system)
 - (c) 43" ~ 65"integrated conferencing system
 - (d) 360-degree panoramic video conferencing system
 - (e) Development of large size touch screen
 - (f) High cost-effective video modules R&D
 - (g) Large screen height adjustment and rotation system
- D. Others
 - (a) Development of automobile display
 - (b) Automobile camera system R&D

(II) Industry Overview

1. Industry Status and Development

In 2021, the growth of IT panels was driven by the trend of working from home caused by the COVID-19 pandemic. This growth was fueled by consumer, gaming, and business demands, as well as the replacement cycle of PCs. Due to the increased demand and rising prices, high-end televisions have experienced significant growth in both shipments and sales revenue. However, starting in 2022, there has been a gradual decline in product prices and demand, which has had an impact on the market performance in 2022 and 2023.

According to a survey conducted by TrendForce, although the Consumer Price Index (CPI) in Europe and America experienced a decline in 2023, the prevailing high interest rate environment has had a dampening effect on both corporate and consumer spending. Furthermore, the Chinese real estate market bubble has also contributed to a decrease in the demand for televisions. In addition, the substantial rise in panel prices in 2023 has caused brands to scale back their large-scale promotional activities. According to data from Sigmaintell, the global shipment volume and sales revenue of high-end televisions declined in 2023. The global television shipment scale was approximately 214 million units, which represents a 3% decrease compared to 2022. It is estimated that global shipments will reach approximately 215 million units in 2024, with an annual growth rate of only about 0.6%. However, the shipment volume of OLED TVs and Mini LED backlight TVs in 2023 is approximately 5.3 million units and 3.2 million units, respectively. It is estimated that the shipment volume is expected to further increase in 2024, with an annual growth rate of about 20% to 40%.

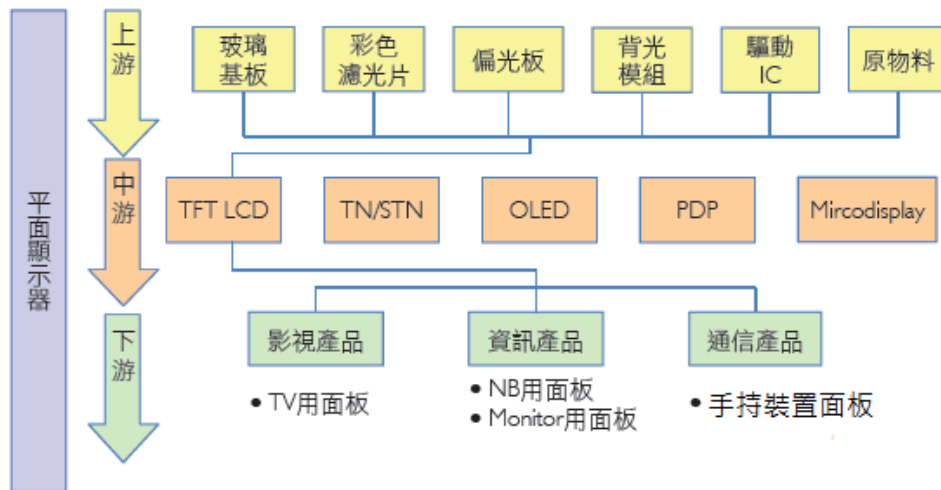
Looking ahead to the global television market in 2024, it is anticipated that the world economy will undergo a moderate recovery, accompanied by a further easing of inflation and a return of consumer purchasing power. Furthermore, the hosting of major sporting events like the Paris Olympics is expected to contribute to a slight increase in television demand. Panel manufacturers are also actively developing new technologies to increase their added value. These new technologies primarily focus on high-frequency gaming, Mini LED backlighting, and OLED/QD OLED.

Industry insiders analyze that in recent years, both panel manufacturers and end consumers have been increasingly favoring larger sizes in terms of demand. According to Sigmaintell, the global shipment of televisions with a screen size of 75 inches or larger is projected to reach 5.4 million units in 2023, which represents a growth of 65.9% compared to 2022. It is expected to further increase to 7.2 million units in 2024, with a growth rate of 32.9% compared to 2023.

According to market research firm DSCC, the shipment volume of high-end televisions, including OLED TVs, Mini LED TVs, QLED TVs, 8K LCD TVs, and Micro LED TVs, is projected to continue growing from 2024 onwards.

2. Relationship Amongst Upstream, Midstream, and Downstream of the Flat Panel Display Industry

Upstream	Materials and key components
Midstream	Flat Panel Display
Downstream	Application market electronic system products



Source: ITRI 2014 / 05

3. Product development trend and competition situation

(1) TV

The development trend of the future TV market may include the following:

A. Popularization of smart TV:

Smart TVs will be the main trend in the future TV market. They can connect to the Internet, smart household products, and other equipment and provide better video and audio experiences and richer content.

B. Popularization of 8K TV:

8K TV, which has higher resolution and a more real visual effect, will be mainstream in the future high-end market.

C. Increase of cross-platform streaming media services:

With the increase in streaming media services and competition among multiple platforms, consumers will have more options to watch their favorite shows and movies. It may further promote the popularization of smart TV.

D. The development of AI and voice assistant technology:

AI and voice assistant technology will be the main features of smart TV in the future. Consumers can control TVs through voice and quickly find the shows and content they want to watch.

E. The development of a labor-saving large-screen height adjustment and rotation system enhances user convenience in control.

In terms of competition, traditional TV manufacturers will face more and more competition from Internet companies and new brands. For example, giant Internet companies such as Apple, Amazon, and Google are all introducing their own smart TV products and streaming media services. Meanwhile, Chinese brands market share is growing fast. They may attract consumers with lower prices and more functions. Therefore, TV manufacturers need to constantly

innovate and improve product performance to meet consumers' demand for better video and audio experiences.

(2) Monitor

In recent years, with the continuous progress of technology and people's demand for better quality of life, the display market has seen a fast growth trend, and one of the most important products is the display. The following are the current trends and competition in the display market:

A. High resolution displays:

With people's requests for better image quality, high resolution displays receive more and more welcome, especially the 4K and 8K displays. The main competitors in the market are the large manufacturers such as Samsung, LG, Huawei, and Dell.

B. Curved surface display:

A curved surface display is a recent emerging product that can provide broader vision and enable users to watch the screen more comfortably. Samsung and LG are the two main competitors in this market.

C. Flexible display:

Flexible display is another emerging product which can fold a big display into a small device for easy portability. Samsung and Huawei are the main competitors in flexible display market.

D. Brightness and contrast of display:

The brightness and contrast of the display is also a concern in the market currently. Consumers hope that they can see the content of the screen in different environments, and most display manufacturers are thus committed to improving the brightness and contrast of their products.

Generally speaking, the display market is highly competitive and most manufacturers are constantly striving to improve the quality and technology of their products to meet the ever-changing market demands.

(III) Technology and R & D overview

1. Technical Level of Business:

In order to improve the convenience of use and the cost-performance ratio of products, as well as make the product line cover from low-level to high-level products, the Company is committed to establishing and improving key technologies and integration capabilities. The Company has made breakthrough development in the

design of institutions, backlight, touch screen, power, hardware and software, leading the market by a large margin.

In terms of mechanism and backlight design, the Company has made corresponding design according to product specifications and different panel specifications of multiple manufacturers, so as to avoid panel manufacturers' exclusive control of supply and solve the imbalance between supply and demand of main raw material manufacturers. At the same time, the Company also meets the screen requirements of high brightness, uniformity and high chromaticity in the design of backlight optical materials, and is developing low-density quantum dot QLED products to meet the environmental trend of energy saving and carbon reduction.

With the development of large size video conferencing screen, the Company has actively invested in multi-touch screen R&D and adopted touch protocols and interfaces compatible with software operating systems to enhance compatibility. Meanwhile, as video conferencing products request higher cameras resolution and video refresh rate, the Company has invested in the research of video quality and the development of video modules.

In terms of power supply design, a high-efficiency and cost-effective framework is adopted according to the energy laws and regulations of each country, and the power supply configuration for heat dissipation is investigated. In the design of miniaturized power boards, the third generation semiconductor technology, gallium nitride (GAN) and silicon carbide (SIC) are used to achieve the environmental trend of energy conservation and carbon reduction.

In terms of hardware and software design, we provide high-quality operating environment interface and high-quality and cost-effective products according to various technical specifications, SOC functions and software architecture.

2. Research and development

The company's R & D technology focus and trend will make appropriate adjustments with reference to market demand and supply and demand of spare parts. Future technology development will focus on the following major products:

(1) Dedicated game monitor

- A. Research and develop higher dynamic contrast HDR, multi zone dynamic backlight, ultra-high chroma and variable video update rate VRR and low latency high-level game display products to further improve product performance.
- B. Various types of flat and curved display panels, direct or side light backlight, traditional LCD or OLED panel applications and research and development.

- C. The development and mass production of light thin and narrow bezel and portable game special display are studied and designed to reduce the development cost and shorten the development time.
- D. Develop multiple suppliers to supply materials based on production cost and elasticity of supply and demand of raw material sources to make prices more competitive.
- E. Avoid relying on centralized suppliers to supply materials, and provide important materials in scattered areas.
- F. In addition to the existing main types of mass production, niche products with larger sizes will be developed in the professional field, and trial production with higher sizes will be carried out, which will diversify the products to meet the needs of customers.

(2) TV

- A. The development of bezel-less products and industrial design are greatly innovated to create a beautiful TV appearance, and the design and mold commonality are studied to reduce the development cost and shorten the development time.
- B. Mini LED products (using mini LED with ultra number of local dimming zones as backlight) and high-end quantum dot screens are continuously researched to grasp the market trend.
- C. To meet the environmental protection trend of energy saving and carbon reduction, the Company is developing low density quantum dot QLED optical package to achieve high quality and environmental friendly products.
- D. The development of AI TV (integrated microphone array and camera) and the research of related algorithms to improve the user experience and purchase desire.
- E. The research and development of higher resolution 8K TV takes the lead with key chips, data transmission technology and market fluctuation.

(3) Video Conference

- A. The Company has invested in the development of the core Android control module of the conferencing system to master the key technology and enhance the application design capability of the high-end chip, and at the same time, the Company is also engaged in the manufacturing of the conferencing system finished products and the supply and sale of key components.

- B. Continue to invest in the development of new generation and different sizes of separate and integrated conference system, reduce the development cost and shorten the development time by sharing components and molds.
- C. Research on IQ and AQ related algorithms such as microphone array, speaker and camera, so as to improve the use quality of conference space and shorten the certification time of cloud application software such as Teams or Room, so as to speed up the launch of products.
- D. Research on the integration of large size screen and multi-touch system for conferencing system to enhance the stability of the system.

3. The latest annual investment in R&D

As the Company is to produce high-end high value-added products as the development direction, in order to improve product competitiveness, the R & D department continues to invest a lot of manpower and material resources to absorb the latest production technology and maintain market competitive advantage. The Company invests a large amount of funds in R & D every year to absorb the latest production technology and maintain the market competitive advantage. It is estimated that the R & D investment in 2024 will be about 3% of the operating revenue.

Unit: NT\$ thousand

R&D situation	2023	2022
R&D Expense	541,269	471,716
Proportion of operating revenue	3.26	2.88

4. Technologies or products successfully developed in recent years and up to the publication date of the annual report

As a professional monitor, flat screen TV and video conferencing system manufacturer, our company attaches great importance to research and development work. The company's achievements this year are as follows:

Year	Technology and Products Successfully Developed
2021	-TV and display: ● The HDR products with higher number of local dimming zones and higher dynamic contrast were developed. At the same time, the Company also invested in the development of mini-LED products to achieve the ultimate image quality performance. ● Through the use of local dimming and led over drive technology, combined with HDR decoding, it provides high dynamic range imaging contrast between bright and dark images, and enhances the detail display of dark images, providing users with the best quality images. ● Having the display screen's variable refresh rate (VRR) upgraded to 240Hz, the FreeSync and G-Sync certified gaming display products with low latency features were provided to game players. ● Through the introduction of the latest TV chip, integration of UHD signal transmission (video and audio streaming, HDMI2.1 and HDCP2.2), video and

Year	Technology and Products Successfully Developed
	audio decoding, Dolby Vision and other technologies to greatly improve the picture quality and import larger size to meet the needs of the market and consumers. ●The ultra-narrow bezel and bezel-less high-definition UHD (4K2K) DLED TVs were developed by incorporating industrial design and innovative ideas, as well as introducing metal materials and process applications. ●Develop more competitive Quantum Dot films to enhance the color gamut of displays and increase the popularity of high-end TVs. ●Curved displays were developed and mass produced, allowing the visual coverage of the screen and the display and operation of the game to become more smooth, and thus improving the satisfaction of game users. ●In terms of game displays, OLED (UHD-120Hz) display products were also developed, with the appearance design thereof moving towards lighter, thinner and narrow bezel design. ●In terms of smart networking, the Company has been developing the latest versions of Amazon Fire TV and Xiaomi smart networking TV platforms, operated with mobile devices to provide users with a brand new online audio and video streaming experience. ●In terms of wireless, we have introduced WiFi standard 802.11ac, 2x2, MIMO to improve the wireless networking performance of smart TV, and introduced wireless Bluetooth and infrared remote control functions to improve the user's convenient operating environment and experience. ●In terms of sound, we have developed a low profile bass enhancement speaker with high cost performance, which is combined with the new generation of DTS sound quality enhancement program to enhance the user's audio-visual experience. - Video conferencing products: ●In addition to the development of touch panel, audio, microphone array, camera and other technologies, the Company has also invested in the development of the core Android control module of the conferencing system to master the core technology and improve the profitability. ●At the same time, the Company also invested in the installation and testing of the conferencing system in the video IQ and sound AQ environments, so that the product can smoothly pass the Teams and Room verifications during development to speed up the mass production schedule of the product. ● Video conferencing related algorithms were developed and tuned to speed up the development and certification process. - Robot Products: ●Strengthen the technology research related to robot products, research and development in artificial intelligence (AI),IoT, remote monitoring, image and voice recognition and servo technology. ●Invest in location, tracking, and follow research to expand the robot product line into different devices and products. - Computer peripheral interface device: ● In terms of computer peripheral products, we have also invested in the development and production of webcam and mouse products. ●In terms of assembly production, we have introduced fully automated testing and calibration to improve quality, production capacity and reduce production costs.
2022	- TV and display: ● The HDR products with higher number of local dimming zones and higher dynamic contrast were developed. At the same time, the Company also invested in

Year	Technology and Products Successfully Developed
	the development of mini-LED products to achieve the ultimate image quality performance. ●Through the use of local dimming and led over drive technology, combined with HDR decoding, it provides high dynamic range imaging contrast between bright and dark images, and enhances the detail display of dark images, providing users with the best quality images. ●Having the display screen's variable refresh rate (VRR) upgraded to 240Hz, the FreeSync and G-Sync certified gaming display products with low latency features were provided to game players. ●Through the introduction of the latest TV chip, integration of UHD signal transmission (video and audio streaming, HDMI2.1 and HDCP2.2), video and audio decoding, Dolby Vision and other technologies to greatly improve the picture quality and import larger size to meet the needs of the market and consumers. ●The ultra-narrow bezel and bezel-less high-definition UHD (4K2K) DLED TVs were developed by incorporating industrial design and innovative ideas, as well as introducing metal materials and process applications. ●Develop more competitive Quantum Dot films with low concentration to enhance the color gamut of displays and increase the popularity of high-end TVs. ●Curved displays were developed and mass produced, allowing the visual coverage of the screen and the display and operation of the game to become more smooth, and thus improving the satisfaction of game users. ●In terms of game displays, flat panel OLED (UHD-120Hz) display products were also developed, with the appearance design thereof moving towards lighter, thinner and narrow bezel design. ●In terms of smart networking, the Company has been developing the latest versions of Amazon Fire TV, LG WebOS and Xiaomi smart networking TV platforms, operated with mobile devices to provide users with a brand new online audio and video streaming experience. ●In terms of wireless, we have introduced WiFi standard 802.11ac, 2x2, MIMO to improve the wireless networking performance of smart TV, and introduced wireless Bluetooth and infrared remote control functions to improve the user's convenient operating environment and experience. ●In terms of sound, we have developed a low profile bass enhancement speaker with high cost performance, which is combined with the new generation of DTS sound quality enhancement program to enhance the user's audio-visual experience. - Video conferencing products: ●In addition to the development of touch panel, audio, microphone array, camera and other technologies, the Company has also invested in the development of the core Android control module of the conferencing system to master the core technology and improve the profitability. ●At the same time, the Company also invested in the installation and testing of the conferencing system in the video IQ, screen PQ and sound AQ environments, so that the product can smoothly pass the Teams and Room verifications during development to speed up the mass production schedule of the product. ● Video conferencing related algorithms were developed and tuned to speed up the development and certification process. ● Wireless Wi-Fi 6 technology was adopted in video conferences to control speakers and integrated video conferencing products, enhancing the video and audio quality and smoothness. - Robot Products:

Year	Technology and Products Successfully Developed
	● Strengthen the technology research related to robot products, research and development in artificial intelligence (AI), IoT, remote monitoring, image and voice recognition and servo technology. ● Invest in location, tracking, and follow research to expand the robot product line into different devices and products. - Computer peripheral interface device: ● In terms of computer peripheral products, we have also invested in the development and production of webcam and mouse products. ● In terms of assembly production, we have introduced fully automated testing and calibration to improve quality, production capacity and reduce production costs.
2023	- TV and display: ● More display products with a higher dynamic contrast ratio (HDR-1000) in different sizes and a high variable refresh rate (VRR 240Hz), as well as mini-LED products with an high number of local dimming zones, have been developed to achieve the ultimate picture performance. ● Research on Quantum Dot thin films of various inches with low concentration is in development to improve the efficiency of light to achieve energy saving and carbon reduction and to reduce cost. ● Much efforts are being invested in developing curved surface OLED displays in different sizes to achieve better video quality and visual coverage of the screen and allow the display and operation of the game to become more smooth, thus improving the satisfaction of game users. ● Developing high-efficiency LEDs to achieve reduction and energy savings in display backlighting, in line with the trend of energy conservation and carbon reduction for environmental protection. ● Develop high-power density power boards to achieve efficient, compact, and lightweight designs in order to meet carbon reduction and energy-saving goals. ● In the term of smart connectivity, expanding the development of XUMO TV platform products. ● Optimize packaging design to enhance freight efficiency and minimize carbon emissions. ● Developing new models using PCR (Post-Consumer Recycled) plastics to reduce plastic pollution and carbon emissions. ● Introducing recycled material in model planning. ● Environmental packaging design: Reducing EPS with air column bag (PE+PA) and packaging PE bag with 50% recycled material ratio. ● Utilization of powder coating minimizes the need for waste disposal and helps mitigate environmental pollution. ● Design specifications comply with the Minimum Energy Performance Standards (MEPS) requirements for televisions and display products in various countries. - Video conferencing products: ● The development of a 360-degree panoramic video conferencing system combining multi-lens video stitching technology with video conferencing sound tracking and image positioning allows to provide a better conferencing experience for remote conference participants. ● More efforts are being invested in developing next-generation Android control modules to master the core technology and provide higher software and hardware specifications to further satisfy market demand and improve the profitability.

Year	Technology and Products Successfully Developed
	● Prepare to develop next-generation wireless Wi-Fi 7 transmission technology to provide better video conference transmission quality. ● The integrated development of Large size multi-touch screen and touch interface and master the key technology. ● Developing an initialization and automatic shutdown assistance system for video conferencing, aiming at energy efficiency while ensuring convenience for meeting participants in control. ● In software development, researching a remote video conferencing system with augmented reality modes while simultaneously developing applications for visual focus and gesture commands on the video conference screen imagery. - Computer peripheral interface device: ● Research on robotic arm combined with automated production is in development to improve production performance and quality and reduce production costs.
From the beginning of 2024 to date	- TV and display: ● Develop high-end display products with higher variable refresh rates (VRR) of 280Hz. ● Develop high-end QD OLED Curve 1800R display products with WQHD (21:9) resolution. ● Develop various sizes of XUMO TV products. ● The circuit motherboard design considers in-house vertical integration to reduce product packaging and carbon footprint. ● Designing metal and plastic components with consideration for in-house vertical integration production. ● Developing a wider range of high-wattage, inch-specific high-power density power supply boards to achieve designs that are highly efficient, compact, and lightweight. - Video conferencing products: ● Develop a new generation Android control module and integrate it with the high-speed and low-latency capabilities of Wi-Fi 7 to greatly enhance the performance and functionality of video conferencing systems. ● Develop a larger wall-mounted and screen-based height adjustment mechanism to enhance the convenience of conference participants' operation. ● Develop video conferencing products with antimicrobial properties to minimize the risk of infection among users in shared spaces. ● Develop a camera device with a mask-type feature to enhance user privacy protection. - The development of multi-camera screen stitching and focusing mode technology enhances the display quality of the conference system in terms of software development.

(IV) Short and long term business development plan

1. Short term business development plan

(1) Dedicated game monitor

- A. The development of high level, large size, high resolution, high color, high color accuracy, high dynamic contrast, high variable refresh rate and high curved surface display.

- B. The development of curved surface OLED display, Mini LED with high number local dimming zone and portable products.
- C. In the design of miniaturized and high efficient power boards, the third generation semiconductor technology, gallium nitride (GAN) and silicon carbide (SIC) are used to achieve the environmental trend of energy conservation and carbon reduction.

(2) TV

- A. The development of AI TV and mini-LED backlight TV products with high number local dimming zone, high brightness, high resolution, high video refresh rate and high dynamic range imaging, combined with home appliances and digital communication.
- B. Bezel-less products and innovative appearance design.
- C. Development of television with new-generation Wi-Fi wireless transmission technology and networking platform.
- D. Integrating high sound quality and stereo surround sound field with Internet streaming TV to construct a home theater and multimedia center.

(3) Video Conference

- A. The core control module of the next generation video conferencing system is developed to provide hardware and software support services for camera systems and screens with higher resolution and video refresh rates, and to upgrade wireless communication technology to Wi-Fi 7 for smoother video and audio transmission.
- B. Development of new generation and different sizes of detached and integrated conference system.
- C. The development of the integration of large-size screens and touch boards and the design of touch interfaces and protocols compatible with software operating systems.
- D. The video modules with high resolution and video refresh rate R&D and build a more optimized environment for IQ tuning technology development and test.
- E. Develop a larger wall-mounted and screen-based height adjustment and rotating screen mechanism to enhance the convenience of conference participants' operation.
- F. Various application apps have been developed for software development, considering the convenience of conference system operation and technical integration with Room or Teams.

2. Long-Term Business Development Plans

Reducing product cost, maintaining high quality, improving R & D capability, performing vertical integration and selecting low labor cost regions for production to create market niche with customers, and provide high-quality and low-cost products. Develop new high value-added products and key peripheral components, and master the market pulse to create profits with new technologies and R&D capabilities.

II. Market and Production and Marketing Situation

(I) Market Analysis

1. Sales (supply) region of main products (services)

The company's main customers are well-known foreign manufacturers. The products are mainly exported to America and Asia.

Unit: NT\$ thousand

Year Region		2023		2022	
		AMOUNT	Proportion (%)	AMOUNT	Proportion (%)
Domestic Sales		3,013,756	18.17	2,888,923	17.66
Foreign Sales	Asia	5,535,850	33.38	6,794,609	41.54
	America	3,629,387	21.89	2,827,501	17.30
	Europe	3,379,273	20.38	3,095,087	18.92
	Others	1,025,509	6.18	749,292	4.58
Total		16,583,775	100.00	16,355,412	100.00

2. Market Share

The main product of our company is flat screen TV, and its global market share in the last two years is as follows:

Unit: thousand sets

Year Product		Annual Shipments in 2023			Annual Shipments in 2022		
		AMTRAN Group	Global manufacturers	Share rate (%)	AMTRAN Group	Global manufacturers	Share rate (%)
Flat screen TV		3,860	215,000	1.80	3,600	221,000	1.63

3. Supply and Demand in the Market and Possible Future Growth

(1) TV

A. 4K UHD and 8K

As a result of the outbreak of COVID-19, people have increased their time at home, and the demand for home economy has increased, which has led to the increase in the demand for large-size 4K TV above 60 inches. In addition,

Netflix and other online video and audio streaming services providers have launched a variety of 4K content, which has greatly helped the sales of 4K TV.

The outside views on the 8K TV market are quite polarized. Some believe that the 8K TV market still needs time to brew, but some analysts say that the decline in 8K TV shipments is only an early phenomenon in the market, and 8K TVs will still rise to the mainstream afterwards.

In fact, although the image quality of 8K TV is better than that of 4K TV, the existing 8K video and audio resources are not many. Not only does general wireless TV not provide 8K content, but the highest image quality of famous OTT platforms such as Netflix and Apple TV only supports 4K. Therefore, some people believe that the lack of 8K TV video and audio resources has affected the shipments of 8K TV.

OTT industry stakeholders have also pointed out that OTT platforms often obtain video content through acquisition of video broadcasting rights rather than self-produced content. However, as neither much 8K content exists on the market right now, nor many customers have 8K TVs, those OTT platforms right now do not pay special consideration to offer 8K videos.

In addition, the high price of 8K TVs is one of the factors that make it difficult for consumers to start to buy. The European Union began to restrict the energy efficiency of TV products more strictly in 2021, but exempted high-end TVs above 4K resolution or with Micro boards. However, the European Union tightened energy efficiency regulations for televisions with the update of the Energy Labeling Directive in March 2023. The exemption for TVs with resolutions above 4K was revoked, potentially restricting the sale of 8K televisions in the European market.

Currently, the market share of 8K televisions in the overall television market is significantly low, and the growth trend has been interrupted in the past. As a result, many experts believe that the market for 8K televisions is not yet mature. According to market research firm Omdia, the global shipment of 8K televisions was 366,000 units in 2021. The shipment increased to 387,000 units in 2022 but then declined to 214,000 units in 2023.

B. OLED and QLED

As a result of the COVID-19 epidemic, people are spending more time in their rooms, and it is more common for them to work from home or engage in distance learning, resulting in increased demand for a second TV, gaming

TV and high performance monitor. Consumers are looking for small, high-end TVs that deliver vibrant, high-definition pictures. Among them, Mini LED and OLED TVs have a significant presence in the high-end market.

In the sluggish television market, market research agencies estimate that the shipment volume of OLED televisions will decrease by 19% in 2023 compared to 2022. Analysts predict that the global OLED TV market will experience a rebound in 2024, with shipments projected to reach 6.3 million units.

Omdia has highlighted that the OLED TV market is primarily controlled by Samsung Display (SDC) and LG Display (LGD). Currently, display manufacturers have ample OLED production capacity to meet market demand. As a result, LGD has concluded that there is no requirement for further investment in production facilities. Conversely, SDC will assess investment strategies in response to fluctuations in the OLED market.

In addition, it is worth noting that mainland China is actively entering the market for 100-inch large-area LCD televisions, which could potentially pose a threat to the OLED television market. According to Omdia, the price of an Open Cell for a 100-inch LCD TV is nearly equivalent to the price of an Open Cell for a 65-inch OLED TV. This could potentially pose a threat to OLED panel prices in the future.

Currently, OLED TVs are primarily available in three sizes: 55 inches, 65 inches, and 77 inches, which account for a total of 80% of the market. With the display manufacturers' continuous accumulation of OLED production experience and the television market's trend towards large screens, the demand for oversized televisions is steadily increasing. Despite the economic downturn causing consumer stagnation, the demand for high-end televisions has remained relatively stable.

In addition to the 77-inch OLED TV, the market share of OLED TVs with a size of 80 inches or larger has also increased. Based on shipment volume, the market share of OLED TVs with a screen size of 80 inches or larger in 2022 is 1.5%. In 2023, there was a slight increase to 1.8%. Some analysts believe that Samsung will take the lead in implementing a comprehensive OLED TV strategy, with a particular focus on high-end televisions ranging from 83 inches to 77 inches. This strategic move aims to enhance Samsung's position in the high-end TV market.

C. Mini LED & Micro LED

According to the TrendForce report "Analysis of the 2024 Mini LED Backlight Display Trend," the estimated shipment volume of applications using Mini LED backlight technology is projected to decline to 13.34 million units in 2023 due to weak consumer electronics demand. However, it is anticipated to rebound in 2024, with an estimated shipment volume of 13.79 million units. With the increasing affordability of Mini LED terminal products, the shipment volume is expected to continue to grow.

TrendForce believes that the television market has experienced a significant rise in LCD panel prices this year, while the depreciation cost of OLED products remains high. However, the price of Mini LED backlight components continues to decrease. Currently, the cost of Mini LED backlight technology for television panels, except for the smaller-scale and still-developing glass substrate Mini LED backlight technology, is lower than that of White OLED and QD OLED. TrendForce believes that Mini LED backlight technology is still the most effective and optimal solution for enhancing contrast.

According to Digitimes, the global television market is expected to experience weak demand in 2023. However, the shipment volume of Mini LED televisions is projected to reach 4.25 million units in 2023, representing a year-on-year growth of 24.7%. Despite the challenging overall environment, the Mini LED TV market is projected to experience steady growth in 2023, which is quite remarkable. According to Runto's estimation, this trend will lead to an increase in the shipment of Mini LED TVs in 2024, driven by their cost-effectiveness. In fact, there is a possibility that Mini LED TVs may even surpass OLED TVs in terms of shipment growth for the first time.

(2) Monitor

According to TrendForce's survey, despite the supply chain conditions in being unable to ship due to waiting for out-of-stock panels and components and the receding effect of the Stay-at-Home Economy, affecting the shipment of gaming LCD monitors (defined as refresh rate of 100Hz or more) in 2021, most brands adopted the strategy of aggressive price cuts to boost sales of gaming products in the fourth quarter, and still succeeded in increasing the shipment of gaming LCD monitors to 22.8 million units, with an annual growth rate of 24%.

In 2022, the growth momentum is expected to slow down for several reasons. Apart from the high shipment base period and the ongoing conflict between Russia and Ukraine, which continues to impact the demand in the European market and consequently affects the shipment performance of esports-related products, there are other factors at play. The conflict has triggered a surge in prices of crude oil, metals, and major agricultural commodities, exacerbating the already heightened inflationary pressures. Consequently, the shipment volume of esports LCD monitors faced a decline for the first time since 2016, reaching only 19.8 million units, marking a 13% year-on-year decrease. TrendForce estimates that the esports monitor market will experience a recovery and growth in 2023, with a projected shipment volume of around 20.8 million units, indicating a 5% annual increase.

TrendForce has identified three main factors driving growth. Firstly, some brands are replacing their original 75Hz gaming products with 100Hz models. Secondly, the Hangzhou Asian Games, scheduled for the third quarter of 2023, will include esports events as one of the competition categories, leading to an increased demand for gaming products. Lastly, as pandemic restrictions in China are being lifted, the demand for internet cafes is gradually recovering.

According to TrendForce, in 2022, the market share of VA LCD products is the highest at 51%, followed by IPS LCD products with a market share of 43.4%. TN LCD products only account for about 5% of the market share. It is worth noting that OLED gaming products have emerged in 2022, capturing a market share of 0.6%. As OLED products continue to diversify, their market share is expected to rise to 1.6% in 2023. According to TrendForce research, driven by the gradual enlargement of OLED product sizes and the proactive expansion efforts by multiple brands, the shipment volume of OLED monitors is estimated to reach 508,000 units in 2023. In 2023, the majority of OLED monitors are still expected to be 34 inches in size, accounting for a projected market share of 37%. Looking ahead to 2024, TrendForce predicts that the market share of 27-inch monitors will continue to grow and become the dominant size in the OLED product market.

IDC Research Manager Jay Chou stated, "Following a decline in 2022, the shipment of gaming monitors has experienced a notable recovery." The gaming monitor, priced at around \$300, is a crucial and affordable component of the PC gaming experience. The continuously decreasing prices and ongoing innovations have resulted in the widespread adoption of specifications such as refresh rates

that exceed 165Hz, response times of 1 millisecond or less, and higher resolutions (1440P or higher). Given these improvements, it is anticipated that gaming monitors will continue to surpass the growth of gaming PCs. Therefore, IDC predicts that the esports market will continue to grow beyond 2024.

4. Competitive Niche, Advantages and Adverse Factors for Development Prospects and Strategic Countermeasures

(1) Competitive Niches

A. Leading product R & D capability in the same industry

Since its establishment, the Company has been adhering to the marketing strategy of high-end products. Besides leading the industry, the company insists on positioning its products in high value-added and high-resolution displays. The Company's leading R & D and promotion in the industry has made our products in a leading position in the market, and the products we have researched and developed have been affirmed by many parties. Since 1996, we have won the awards of PC Magazine, Compatible PC Magazine, PC World, Computer shopper and other well-known computer magazines. Up to now, our company has won more than 70 awards in various computer related magazines all over the world; In December 1999, our LCD and CRT displays also won the Taiwan Quality Award. In addition, the technology developed by our company is leading the industry, and we collect royalty for the industry through authorized technology. This shows that our company's R & D capability has long been recognized.

B. Stable supply of products

LCD display is a new product in the current display market, so the stability of LCD panel supply and the real-time control of ASIC design information are particularly important. The Company actively cooperates with LCD panel manufacturers and clients to obtain better purchase price and stable raw material supply. In addition, the Company has also strengthened communication and cooperation with IC design companies, and started to research and develop control substrate circuits at the same time of IC design, so as to shorten the time of developing new products and make our products more competitive.

C. Full understanding of industry information and sound marketing channels

Since its establishment, the Company has been a professional manufacturer of displays with the research, production and sales of displays as the main business items. The management team of our company has been engaged in

the display industry for many years, and has a full understanding of the industry, so that our Company has a more professional view on the current situation and future development direction of the industry. In addition, the Company also takes the opportunity to actively participate in world information exhibitions to keep abreast of market trends, expand new sales targets and increase market competitiveness. Moreover, the Company have maintained good strategic alliance relations with major customers and manufacturers in Europe, the United States, Japan and so on. The source of orders is stable, and the shipment volume has grown significantly with the popularity of high-end and large-size displays.

D. Quality requirements

The Company has always attached great importance to product quality, the production of monitors need to pass the test before shipment, quality control is strict. In addition, in terms of operation and management policies, the Company has passed ISO-9002 and 14001 certification in 1997 and 1998 respectively, which shows that its product quality has been deeply recognized by the industry.

(2) Advantages

A. The electronic information industry system in Taiwan is complete, the integration of upstream and downstream industries is improved, and the industrial risk is low. And the degree of integration of the display industry with its upstream component industry and downstream PC industry is increasing. According to statistics, the market share of displays, personal computers, motherboards, image scanners, mouse and keyboards ranks first in the world. With the help of a number of information products in Taiwan, it is conducive to the development of the display industry.

B. New product design ability and excellent R & D team

Since its establishment, the Company has been continuously committed to product innovation and quality improvement, and constantly moving towards high-resolution, small volume, light weight, large size and low-cost product design, so as to explore the application fields of different products; The new products developed by our company have also been affirmed by many parties. Since 1996, our company has won many awards from foreign well-known computer magazines, such as "Compatible PC Magazine", "PCWorld" and "PC Magazine". So far, we have won more than 70 awards from all kinds of computer related magazines in the world; In December

1999, our LCD and CRT displays were also awarded the Taiwan Quality Award. In addition, the technology developed by our company is ahead of the industry, and we collect royalty for the industry through authorized technology, which shows that our R & D capability has long been recognized.

- C. Full understanding of industry information and sound marketing channels
Since its establishment, the Company has been focusing on the research, production and sales of displays. The management team of our company has been engaged in the display industry for many years, and has a full understanding of the industry, so that our Company has a more professional view on the current situation and future development direction of the industry. In addition, the Company also takes the opportunity to actively participate in world information exhibitions to keep abreast of market trends, expand new sales targets and increase market competitiveness. Moreover, the Company have maintained good strategic alliance relations with major customers and manufacturers in Europe, the United States, Japan and so on. The source of orders is stable, and the shipment volume has grown significantly with the popularity of high-end and large-size displays.
- D. Quality requirements
According to the analysis of Display Search, the rapid rise of VIZIO lies in Amtran's technology and OEM strength, which enables VIZIO to quickly launch new products. In addition, because there is no conflict and contradiction between channels in its delivery system, VIZIO has a price advantage, which is an important reason for the rapid growth of its delivery volume.
- E. The Company has always attached great importance to product quality, the production of monitors need to pass the test before shipment, quality control is strict. In terms of operation and management policies, the Company has passed ISO-9002 and 14001 certifications in 1997 and 1998 respectively, and the product quality has been recognized by the industry.

(3) Disadvantages

- A. The fierce price competition among the global computer system manufacturers has impacted the price and gross profit of display products. In addition to the over expansion of production capacity of the display industry in the past few years and the rise of low-cost computers in recent years, the price competition among the international computer system

manufacturers has become increasingly fierce, resulting in the price and gross profit of the display becoming lower and lower.

Response:

In addition to developing high value-added products, such as adding the medium and large size displays and developing products combining TV with home video system, the Company also actively develops ODM customers of TFT-LCD displays to enhance the market share of related products.

- B. Due to the high level of production technology and the slow development of manufacturers, the demand of LCD display market is expanding rapidly, resulting in the situation that the supply of panels is in short supply. The rapid expansion of market demand and imbalance of market supply and demand easily lead to price fluctuation and insufficient supply, which makes the company's shipment and production cost vulnerable to the supply of such important components.

Response:

Develop different specifications and characteristics of panel from multiple manufacturers to meet the needs of customers, avoid exclusive control of supply source by a single manufacturer and joint market share of customers, and require panel manufacturers to cooperate with supply.

- C. As important components and products are priced in foreign currency, the potential risk of exchange rate changes is large, which has a direct impact on the Company's operation and profitability.

Response:

- Actively collect relevant information on exchange rate changes and pay attention to their trend changes at any time.
- Relevant responsible personnel of business and purchasing departments should refer to the trend of exchange rate at any time when quoting, and try to price in US dollars to ensure the exchange rate of single currency.
- Increase the asset position of strong currency (accounts receivable, bank deposits) and increase the liability position of weak currency (accounts payable, bank loans).
- Keep the operation of foreign exchange hedging strategy at any time.

(II) Supply of Main Materials

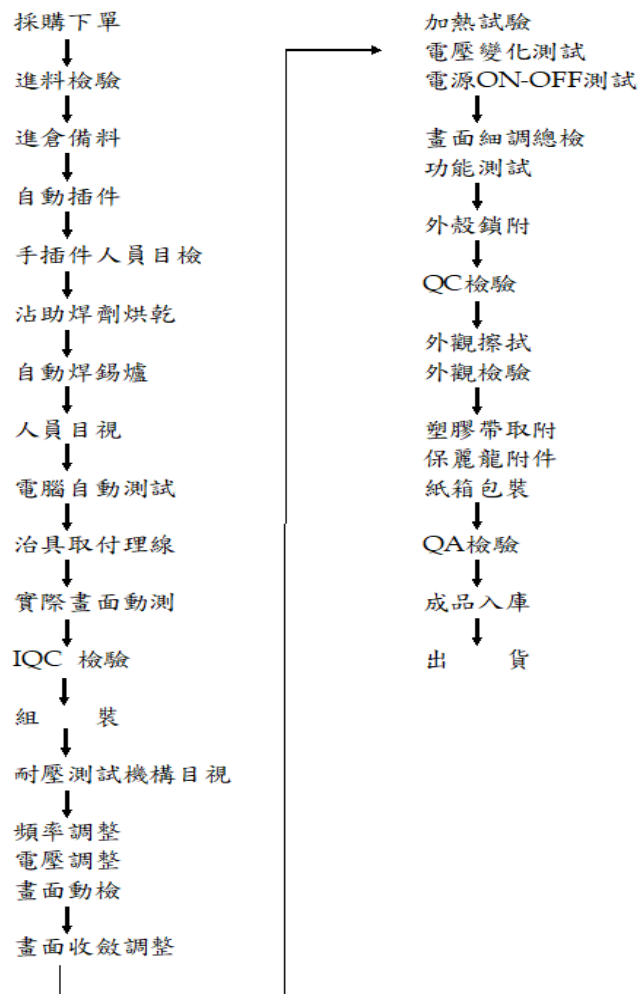
The main raw materials of our products are panels, which are supplied by well-known manufacturers at home and abroad. The raw materials supplied by various manufacturers are not only of high quality, but also of reasonable price. In order to maintain a stable delivery date, the company and manufacturers have established a good and stable supply-demand relationship, and cooperated with the establishment and introduction of the company's enterprise resource planning system. Through the procurement, warehousing, material management, production management and quality control system, the company provides the best decision-making analysis tool for senior executives, effectively controls the material management and manufacturing schedule, and does a good job in stock management, so as to achieve the overall management performance.

(III) Key Functions and Manufacturing Process of Main Products

1. Key Functions of Main Products

Product	Applications
TV	Home audio visual equipment
Dedicated game monitor	A. Personal computer, multimedia, workstation text and graphics display B. Low latency gaming monitor
Video Conference	Company, home or personal remote conference applications
Computer peripheral	Mouse and webcam for personal computer
Robot	Home companionship and safety monitoring

2. Manufacturing Process of Main Products



(IV) Names of customers who have accounted for more than 10% of the total amount of goods purchased (sold) in any one of the most recent two years, and the amount and proportion of goods purchased (sold), together with the reasons for the change:

1. List of Major Suppliers in the Most Recent 2 Years

Unit: NT\$ thousand

Item	2023				2022			
	Name	AMOUNT	Percent	Relationship with the Issuer	Name	AMOUNT	Percent	Relationship with the Issuer
1	-	-	-	-	-	-	-	-
	Others	13,892,642	100%	None	Others	12,784,514	100%	None
	Net purchase	13,892,642	100%	-	Net purchase	12,784,514	100%	-

Note: Since the Company and the customers have signed a confidentiality agreement, the names of the parties shall be denoted by code names.

Reason for the change:

In the past two fiscal years, the Company has not had any major suppliers that accounted for more than ten percent of the total procurement amount.

2. List of Major Clients in the Most Recent 2 Years:

Unit: NT\$ thousand

Item	2023				2022			
	Name	AMOUNT	Proportion of net sales for the full year (%)	Relationship with the Issuer	Name	AMOUNT	Proportion of net sales for the full year (%)	Relationship with the Issuer
1	Company S	2,764,660	17%	None	Company S	2,401,574	15%	None
2	Company M	2,248,966	14%	None	Company M	3,631,274	22%	None
3	Company L	2,212,978	13%	None	Company L	1,540,898	9%	None
4	Company B	3,455,666	21%	None	Company B	2,449,931	15%	None
	Others	5,901,505	35%	-	Others	6,331,735	39%	-
	Net sales	16,583,775	100%	-	Net sales	16,355,412	100%	-

Note: Since the Company and the customers have signed a confidentiality agreement, the names of the parties shall be denoted by code names.

Reason for the change:

Due to the change of market demand, the product mix and the proportion of customers changed slightly compared with the previous year.

(V) Table of Production for the Two Most Recent Years:

Unit: NT\$ thousand

Main Products	Year Production Volume and Value	2023			2022		
		Production Capacity	Production Volume	Production Value	Production Capacity	Production Volume	Production Value
Digital TV		-	2,633,102	7,081,765	-	2,799,100	7,781,143
Monitors		-	1,246,442	5,563,634	-	744,972	4,558,962
Computer peripherals		-	23,455,473	2,952,244	-	24,712,984	1,839,378
Audio		-	16,113	214,733	-	32,468	429,583
Others		-	60,869,724	4,205,447	-	33,642,909	3,489,592
Total		-	88,220,854	20,017,823	-	61,932,433	18,098,658

(VI) Table of Sales for the Two Most Recent Years

Unit: NT\$ thousand

Main Products	Year Production Volume and Value	2023				2022			
		Domestic Sales		Foreign Sales		Domestic Sales		Foreign Sales	
		Volume	Value	Volume	Value	Volume	Value	Volume	Value
Digital TV		0	0	2,655,272	7,399,666	4	8	2,837,756	8,188,096
Monitors		51,318	299,060	1,157,688	5,165,107	52,385	333,071	736,725	4,541,242
Computer peripherals		0	0	23,087,457	2,447,043	0	0	24,924,490	1,565,336
Audio		0	0	18,220	305,437	272	544	30,695	488,387
Others		7,761	29,867	46,762	926,145	821	849	91,476	1,237,879
Total		59,079	328,927	26,965,399	16,243,398	53,482	334,472	28,621,142	16,020,940

III. Employee information for the most recent two years and up to Annual Report Printing Date

Year		2022	2023	As of March 31, 2024
Number of Employees	Employees	919	1,095	1,239
	Operator	2,162	3,345	3,910
	Total	3,081	4,440	5,149
Average Age		32.07	30.61	30.06
Average Service Year		2.71	2.37	1.92
Academic distribution ratio	PhD	0	0	0
	Master's	3.47	2.84	2.45
	Bachelor's	27.00	19.98	16.72
	High school	41.74	32.03	35.97
	Below high school	27.78	45.16	44.86

IV. Environmental Protection Expenditure

Any losses suffered by the Company in the most recent fiscal year and up to the annual report publication date due to environmental pollution incidents (including any compensation paid and any violations of environmental protection laws or regulations found in environmental inspection, specifying the disposition dates, disposition reference numbers, the articles of law violated, and the content of the dispositions), and disclosing an estimate of possible expenses that could be incurred currently and in the future and measures being or to be taken. If a reasonable estimate cannot be made, an explanation of the facts of why it cannot be made shall be provided. The Company, in accordance with legal regulations, has designated personnel responsible for environmental protection work, resulting in good environmental maintenance. Therefore, there have been no pollution disputes or losses or compensations due to environmental pollution in the past two fiscal years. It is also anticipated that there will be no significant environmental capital expenditures in the future.

V. Labor-management Relations

(I) Employee welfare and benefit measures such as the implementation of continuing education, training, retirement plans, dispute resolutions, employee rights, and maintenance of welfare measures

1. Employee Benefits

(1) Company Benefits

A. Flexible working hours

- B. Year end party
- C. Health Examination
- D. Employee bonus
- E. 3 Holiday and Year-end bonus
- F. Incentives for food and accommodations
- G. Labor insurance, health insurance, group insurance, overseas travel insurance
- H. In-service continuing education
- I. Employee birthday parties

(2) Employee Benefits

- A. Employee marriage, funeral and disaster benefits
- B. Community activities
- C. Birthday gift
- D. Childbirth
- E. Hospitalization relief fund
- F. Festival gift
- G. Children's Scholarships
- H. Other employee benefits

2. Education and Training

In order to supply the Company's human resources timely and appropriately, make the most effective planning, improve the quality of the company's employees and enrich their knowledge and skills, AmTRAN is committed to improving the management system, providing complete training of language ability and professional ability with appropriate functional training plan, and promoting the international leading stage with the goal of all-round international talents. In addition, we also actively improves the welfare system and strengthens the organizational ability, so that every employee can grow together with the company. The training materials are as follows:

(1) Average training hours per person in 2023: 3.42 hours

(2) 2023 training courses:

Internal / external training	Course type	Total number of classes (class)	Total class hours (hour)	Training expenses (NT\$)
Internal training	Management	0	0	0
	Professional	24	91.5	0
	General Skills	58	170	0
External training	Management	0	0	0
	Professional	1	6	1,500
	General Skills	0	0	0

3. Protective measures for work environment and employees' personal safety

- Safety and health management

- (1) The labor safety and health organization has been set up with one labor safety manager, one labor safety and health administrator and one class A business supervisor to carry out labor safety and health related business.
- (2) The codes of labor safety and health practices have been established and manuals have been published to inform workers of the rules to be followed.
- (3) The waste disposal plan has been established, and the monthly output of waste has been reported on the Internet, and the waste has been cleared and transported at least once a quarter.
- (4) Conduct emergency training regularly every six months, such as fire education training, etc.
- (5) Conduct environmental work inspection every six months, such as CO2, etc.
- (6) Conduct automatic inspection once a month, inspection items include equipment, motor vehicles, etc.

- Personal protection measures

- (1) Arranging health examination for employees every three years at the cost of NT\$3,000-10,000/person.
- (2) Check medical equipment and supplies at least once a quarter.
- (3) Promote health management once a month and provide health information.

4. Retirement system

In accordance with the provisions of the Labor Standards Law, the company has formulated a defined pension plan, which is applicable to the years of service of all regular employees before the implementation of the Labor Pension Act on July 1, 2005. The standard is as follows:

- (1) Two bases are given for each full year of service rendered.
- (2) Employees who have provided services for more than 15 years are given one base points for every full year of service.
- (3) The total number of base units shall be limited to 45.
- (4) The length of service is calculated as half year when it is less than six months and as one year when it is more than six months.
- (5) The monthly average salary of an employee authorized for retirement shall be adopted as the standards for calculating employee pension base unit.

After the implementation of the Labor Pension Act, the following service seniority of employees who continue to apply the labor standard law shall be implemented in accordance with the standard of payment of pension regulations.

5. Others

- (1) The company has always attached great importance to the benefits of employees and the communication with employees. In the future, it will continue to strengthen the communication and coordination between employers and employees, and promote a more harmonious relationship between employers and employees, so as to eliminate the possibility of labor disputes.
- (2) Whether there is a code of conduct or ethics for employees: The Company has established the“Code of Ethical Conduct”to regulate the ethical behavior of all employees. Please refer to the Company's website: www.amtran.com.tw.

(II) Loss sustained as a result of labor disputes in the most recent fiscal year(including the violation of Labor Standards Law in the labor inspection results, the date of punishment, punishment number, violation of laws and regulations, content of violation of laws and regulations, and content of punishment shall be listed), and the estimated amount and measures that may occur at present and in the future shall be disclosed. If it is impossible to reasonably estimate, the fact that it is impossible to reasonably estimate shall be stated:

VI. Major Agreements

TYPE OF CONTRACT	PARTIES	CONTRACT DURATION	CONTRACT CONTENT	RESTRICTIONS
Technology	A U.S. Company A1	2017.02.01~Present	Final Product Agreement (For Smooth Streaming)	None
Technology	A U.S. Company A2	2017.04.01~ Present	Technology License Agreement (For PlayReady)	None
Supply and marketing	A U.S. Company A3	2019.10.02~Present	Product Development and Manufacturing Agreement	None
Technology	A U.S. Company A4	2021.06.28~ Present	Technology License Agreement	None
Supply and marketing	A U.S. Company A5	2023.03.08~Present	Design, Manufacturing And Services DMAS Agreement	None
Supply and marketing	A U.S. Company A6	2023.08.02~Present	General Terms	None
Supply and marketing	A European Company B1	2018.11.26~Present	Manufacturing and Sales Agreement	None
Supply and marketing	A Taiwan Company C1	2018.12.14~Present	OEM	None
Supply and marketing	A Taiwan Company C2	2019.01.15~Present	Purchase contract	None
Leasing	A Taiwan Company C3	2022.10.21~2027.09.30	Lease Contract	None

TYPE OF CONTRACT	PARTIES	CONTRACT DURATION	CONTRACT CONTENT	RESTRICTIONS
Leasing	A Taiwan Company C4	2021.02.15~2026.02.14	Lease Contract	None
Supply and marketing	A Taiwan Company C5	2023.10.01~2026.09.30	Microsoft EA Large Account Procurement Contract	None
Supply and marketing	A Japanese Company D1	2018.07.04~Present	Manufacturing Service Agreement	None
Supply and marketing	A Norwegian Company, E1	2019.10.09~Present	Purchase and Sales Agreement	None
Supply and marketing	A South Korean Company F1	2020.01.01~Present	Purchase and Sale Agreement	None
Supply and marketing	A Hong Kong-based Company G1	2023.12.01~2026.11.30	Purchase contract	None
Supply and marketing	A Hong Kong-based Company G2	2023.06.01~2026.05.31	Manufacturing and Supply Agreement	None
RK Leasing	A Chinese Company H1	2023.10.31~2028.10.30	Lease Contract	None
RK supply and marketing	A Chinese Company H2	2022.03.18~ Present	Products processing contract	None
AVTC VNTC Rick Supply and marketing	A Vietnam Company I1	2022.11.01~Present	Purchase and Sales Agreement	None
AVTC project	A Vietnam Company I2	2024.2.1	Engineering construction contract	None
Rick supply and marketing	A Singaporean Company J1	2024.1.1~2028.12.31	Product sales contract	None
Rick supply and marketing	A Hong Kong-based Company G3	2023.06.01~2026.05.31	Manufacturing and Supply Agreement	None

Note: Since the Company and its subsidiaries have entered into confidentiality agreements with the customer, the names of the parties shall be denoted by code names.

Chapter 6 Financial Overview

I. Concise balance sheet and consolidated income statement for the last five years

(I) Consolidated financial statements

1. Condensed Balance Sheets

Unit: NT\$ thousand

Year		Most Recent 5-Year Financial Information				
		2019	2020	2021	2022	2023
Current assets		12,326,836	14,279,792	21,977,140	15,561,757	15,823,034
Property, plant and equipment, net		2,740,726	2,801,582	2,658,798	2,447,820	2,357,731
Intangible assets, net		35,455	34,933	40,506	37,249	29,812
Other Assets		2,118,435	1,991,884	2,067,859	1,726,108	2,142,556
Total Assets		17,221,452	19,108,191	26,744,303	19,772,934	20,353,133
Current liabilities	Before distribution	4,651,744	5,961,534	8,165,883	5,513,090	6,444,112
	After distribution	4,651,744	6,067,934	8,735,883	5,513,090	Note 2
Non-current liabilities		538,994	610,041	1,694,171	640,682	432,973
Total Liabilities	Before distribution	5,190,738	6,571,575	9,860,054	6,153,772	6,877,085
	After distribution	5,190,738	6,677,975	10,430,054	6,153,772	Note 2
Equity attributable to owners of parent		11,818,657	12,342,801	16,695,416	13,453,286	13,315,547
Share capital		8,093,620	8,093,620	7,600,000	7,980,000	7,401,000
Capital surplus		2,293,633	2,293,633	2,293,509	2,293,509	2,261,663
Retained earnings	Before distribution	1,689,756	2,233,635	7,144,390	3,434,467	3,880,196
	After distribution	1,689,756	2,127,235	6,194,390	3,434,467	Note 2
Other equity interest		(258,352)	(278,087)	(342,483)	(254,690)	(227,312)
Treasury Stock		0	0	0	0	0
Non-controlling interest		212,057	193,815	188,833	165,876	160,501
Total Equity	Before distribution	12,030,714	12,536,616	16,884,249	13,619,162	13,476,048
	After distribution	12,030,714	12,430,216	15,934,249	13,619,162	Note 2

Note 1: The financial data of 2019-2023 are audited and certified by CPAs.

Note 2: It has not been decided by the shareholders' meeting.

2. Condensed Statements of Comprehensive Income

In Thousands of New Taiwan Dollars, Except Earnings Per Share

Item \ Year	Most Recent 5-Year Financial Information				
	2019	2020	2021	2022	2023
Sales Revenue	15,220,325	16,747,887	22,231,918	16,355,412	16,583,775
Gross Profit	2,104,147	1,337,717	1,820,227	1,489,465	1,590,475
Operating Income	(108,822)	(556,972)	(329,158)	(202,533)	(18,206)
Non-operating income and expenses	172,588	1,297,706	6,640,215	(3,236,503)	587,383
Profit (loss) before income tax	63,766	740,734	6,311,057	(3,439,036)	569,177
Income from Continuing Operations	16,737	569,570	5,022,379	(2,785,438)	456,943
Loss from Discontinued Operations	0	0	0	0	0
Profit (loss) for the year	16,737	569,570	5,022,379	(2,785,438)	456,943
Other comprehensive loss and profit for the year (after Tax)	(162,985)	(34,715)	(67,026)	92,962	26,791
Total comprehensive loss and profit of the year	(146,248)	534,855	4,955,353	(2,692,476)	483,734
Net Income Attributable to Shareholders of the Parent	4,690	553,163	5,016,637	(2,753,662)	446,155
Net Income Attributable to Non-controlling Interests	12,047	16,407	5,742	(31,776)	10,788
Comprehensive Income Attributable to Owners of the Parent	(155,467)	524,144	4,952,759	(2,672,130)	473,107
Total comprehensive loss and profit attributable to non controlling interest	9,219	10,711	2,594	(20,346)	10,627
Earnings per Share	0.01	0.68	6.29	(3.45)	0.58

Note 1: The financial data of 2019-2023 are audited and certified by CPAs.

(II) Parent company only financial statements

1. Condensed Balance Sheets

Unit: NT\$ thousand

Item \ Year		Most Recent 5-Year Financial Information				
		2019	2020	2021	2022	2023
Current assets		6,882,649	10,396,584	17,690,962	11,081,979	12,116,010
Property, plant and equipment, net		401,157	387,381	477,725	468,391	342,340
Intangible assets, net		6,455	9,786	18,710	15,031	11,217
Other Assets		6,511,864	6,815,547	6,956,219	6,729,078	7,860,575
Total Assets		13,802,125	17,609,298	25,143,616	18,294,479	20,330,142
Current liabilities	Before distribution	1,650,821	4,826,198	6,845,923	4,271,974	6,647,541
	After distribution	1,650,821	4,932,598	7,415,923	4,271,974	Note 2
Non-current liabilities		332,647	440,299	1,602,277	569,219	367,054
Total Liabilities	Before distribution	1,983,468	5,266,497	8,448,200	4,841,193	7,014,595
	After distribution	1,983,468	5,372,897	9,018,200	4,841,193	Note 2
Equity attributable to owners of parent		11,818,657	12,342,801	16,695,416	13,453,286	13,315,547
Share capital		8,093,620	8,093,620	7,600,000	7,980,000	7,401,000
Capital surplus		2,293,633	2,293,633	2,293,509	2,293,509	2,261,663
Retained earnings	Before distribution	1,689,756	2,233,635	7,144,390	3,434,467	3,880,196
	After distribution	1,689,756	2,127,235	6,194,390	3,434,467	Note 2
Other equity interest		(258,352)	(278,087)	(342,483)	(254,690)	(227,312)
Treasury Stock		0	0	0	0	0
Total Equity	Before distribution	11,818,657	12,342,801	16,695,416	13,453,286	13,315,547
	After distribution	11,818,657	12,332,161	15,745,416	13,453,286	Note 2

Note:1 The financial data of 2019-2023 are audited and certified by CPAs.

Note:2 It has not been decided by the shareholders' meeting.

2. Condensed Statements of Comprehensive Income

In Thousands of New Taiwan Dollars, Except Earnings Per Share

Item \ Year	Most Recent 5-Year Financial Information				
	2019	2020	2021	2022	2023
Sales Revenue	8,562,469	11,519,807	15,579,167	11,682,495	12,994,525
Gross Profit	1,213,113	689,774	840,784	945,525	895,406
Operating Income	109,693	(264,719)	(378,534)	40,461	(39,277)
Non-operating income and expenses	(112,163)	983,132	6,650,359	(3,462,783)	561,656
Profit before income tax	(2,470)	718,413	6,271,825	(3,422,322)	522,379
Income from Continuing Operations	4,690	553,163	5,016,637	(2,753,662)	446,155
Loss from Discontinued Operations	0	0	0	0	0
Profit for the year	4,690	553,163	5,016,637	(2,753,662)	446,155
Other comprehensive loss and profit for the year (after Tax)	(160,157)	(29,019)	(63,878)	81,532	26,952
Total comprehensive loss and profit of the year	(155,467)	524,144	4,952,759	(2,672,130)	473,107
Earnings per Share	0.01	0.68	6.29	(3.45)	0.58

Note 1: The financial data of 2019-2023 are audited and certified by CPAs.

II. Name of CPAs and Audit Opinions for the Last Five Years

Year	Name of CPA Firm	Name of CPA	Opinion
2019	PwC Taiwan	Hsu Yung-Chien, Hsu, Sheng-Chung,	Unqualified opinion
2020	PwC Taiwan	Hsu Yung-Chien, Hsu, Sheng-Chung,	Unqualified opinion
2021	PwC Taiwan	Wu, Han-Qi Hsu, Sheng-Chung	Unqualified opinion
2022	PwC Taiwan	Hsu, Sheng-Chung, Wu, Han-Qi	Unqualified opinion
2023	PwC Taiwan	Wu, Han-Qi, Wu, Jen-Chen	Unqualified opinion

III. Most Recent 5-Year Financial Analysis

(I) Financial Analysis

1. Financial Analysis - Consolidated

Analysis items (Note 2)		Year	Most Recent 5-Year Financial Analysis				
			2019	2020	2021	2022	2023
Financial structure %	Debt ratio		30.14	34.39	36.87	31.12	33.79
	Ratio of long-term capital to property, plant, and equipment		340.40	402.43	595.78	491.92	472.65
Debt service ability %	Current ratio		264.99	239.53	269.13	282.27	245.54
	Quick ratio		216.69	192.38	230.58	241.68	207.09
	Interest coverage ratio		7.97	64.19	629.59	-330.28	44.28
Operating ability	Accounts receivable turnover rate (times)		4.70	5.16	4.83	3.99	5.21
	Average days for cash receipts		77.66	70.74	75.57	91.47	70.05
	Inventory turnover rate (times)		7.44	6.36	7.07	5.57	6.34
	Accounts payable turnover rate (times)		3.27	4.09	4.35	3.30	3.73
	Average days for sale of goods		49.06	57.39	51.63	65.52	57.57
	Property, plant, and equipment turnover rate (times)		4.12	5.13	7.13	5.64	5.64
	Total assets turnover rate (times)		0.88	0.88	0.83	0.83	0.81
Profitability	Return on assets (%)		0.13	3.19	21.94	-11.94	2.33
	Return on equity (%)		0.14	4.64	34.14	-18.26	3.37
	Ratio of income before tax to paid-in capital (%)		0.79	9.15	83.04	-43.10	7.69
	Net profit rate (%)		0.11	3.40	22.59	-17.03	2.76
	Earnings per share (NT\$)		0.01	0.68	6.30	-3.45	0.58
Cash Flows	Cash flow ratio (%)		-22.04	-6.55	10.85	73.98	22.95
	Cash flow adequacy ratio (%)		29.07	11.37	22.72	169.54	180.59
	Cash reinvestment ratio (%)		-7.36	-2.75	3.69	20.03	8.49
Leverage	Operating leverage		1.00	-1.2	-3.5	-5.1	-63.6
	Financial leverage		0.92	0.98	0.97	0.95	0.58

Explain changes in financial ratios over the past two fiscal years. (Not required if the difference does not exceed 20%.)

1. Increase in interest coverage ratio: Mainly due to the increase of net profit before tax of the parent company of the period.
2. Increase in accounts payable turnover rate: Mainly due to the decrease in days sales outstanding as a result of change in sales counterparty.
3. Decrease in average days for cash receipts: Mainly due to the decrease in days sales outstanding as a result of change in sales counterparty.
4. Increase in return on assets and return on equity: Mainly due to the increase in net profit after tax of the period.
5. Increase in ratio of net profit before tax to paid in capital, net profit ratio and earnings per share: Mainly due to the increase in net profit after tax of the period.
6. Decrease in cash flow ratio and cash reinvestment ratio: Mainly due to the decrease in net cash inflow from operating activities.
7. This operating leverage ratio is negative, which is not significant for analysis.
8. Decrease in financial leverage: Primarily due to higher gross profit in the current period and decreased operating expenses compared to the previous period, resulting in increased operating profit and a decrease in financial leverage.

Note 1: The financial data of 2019-2023 are audited and certified by CPAs.

Note 2: Please refer to note 2 for the calculation formula of financial analysis.

2. Financial analysis of the parent company only financial statements

Analysis items (Note 2)		Year	Most Recent 5-Year Financial Analysis				
			2019	2020	2021	2022	2023
Financial structure %	Debt ratio		14.37	29.91	33.60	26.46	34.50
	Ratio of long-term capital to property, plant, and equipment		1,383.48	1,499.23	3,830	2,994	3,997
Debt service ability %	Current ratio		416.92	215.42	258.42	259.41	182.26
	Quick ratio		387.32	212.65	254.84	255.93	178.77
	Interest coverage ratio		-16.03	180.98	1,101.01	513.12	75.47
Operating ability	Accounts receivable turnover (times)		6.96	6.64	4.86	4.04	5.52
	Average days for cash receipts		52.44	54.97	74.95	90.35	66.12
	Inventory turnover rate (times)		14.46	8.53	136.70	81.60	95.88
	Accounts payable turnover (times)		10.66	6.94	5.26	4.30	4.46
	Average days for sale of goods		25.24	8.53	2.67	4.47	3.81
	Property, plant, and equipment turnover rate (times)		9.75	13.51	32.61	24.94	37.96
	Total assets turnover rate (times)		0.62	0.65	0.62	0.64	0.64
Profitability	Return on assets (%)		0.03	3.54	23.49	-12.65	2.34
	Return on equity (%)		0.04	4.58	34.55	-18.27	3.33
	Ratio of income before tax to paid-in capital (%)		-0.03	8.88	82.52	-42.89	7.06
	Net profit rate (%)		0.05	4.80	32.20	-23.57	3.43
	Earnings per share (NT\$)		0.01	0.68	6.29	-3.45	0.58
Cash Flows	Cash flow ratio (%)		13.16	-12.37	12.39	66.18	25.99
	Cash flow adequacy ratio (%)		91.69	60.42	45.89	386.03	546.54
	Cash reinvestment ratio (%)		1.74	-2.69	2.33	10.11	6.50
Leverage	Operating leverage		7.37	-1.60	-1.50	18.00	-17.70
	Financial leverage		1.00	0.99	0.99	1.20	0.85

Explain changes in financial ratios over the past two fiscal years. (Not required if the difference does not exceed 20%.)

1. Decrease in debt ratio: Mainly due to the decrease in liabilities of the period.
2. Decrease in ratio of long-term capital to property, plant, and equipment: Mainly due to the decrease in fixed assets of the period.
3. Decrease in current ratio and quick ratio: Mainly due to the increase in current liabilities of the period.
4. Increase in interest coverage ratio: Mainly due to the increase of net profit before tax of the period.
5. Increase in accounts payable turnover rate: Mainly due to the decrease in days sales outstanding as a result of change in sales counterparty.
6. Decrease in average days for cash receipts: Mainly due to the decrease in days sales outstanding as a result of change in sales counterparty.
7. Increase in property, plant and equipment turnover rate and total assets turnover rate: Mainly due to the increase in net sales of the parent company of the period.
8. Increase in return on assets and return on equity: Mainly due to the increase in net profit after tax of the period.
9. Increase in ratio of net profit before tax to paid in capital, net profit ratio and earnings per share: Mainly due to the increase in net profit after tax of the period.
10. Decrease in cash flow ratio and cash reinvestment ratio: Mainly due to the decrease in net cash inflow from operating activities.
11. Increase in cash flow adequacy ratio: Mainly due to the increase in net cash inflow from operating activities of five years.
12. This operating leverage ratio is negative, which is not significant for analysis.
13. Decrease in financial leverage: Mainly due to the increase in Financial costs, resulting in decrease in financial leverage.

Note 1: The financial data of 2019-2023 are audited and certified by CPAs.

Note 2: The calculation formula of financial analysis is as follows:

1. Financial structure
 - (1) Debt ratio = Total liabilities/Total assets.
 - (2) Long-term funds to property, plant and equipment = (Stockholders' equity + Noncurrent Liabilities) / Net Property, Plant and Equipment
2. Solvency
 - (1) Current ratio = Current assets/Current liabilities.
 - (2) Quick ratio = (Current assets - Inventories - Prepaid expenses)/Current liabilities.
 - (3) Interest coverage ratio = Income before tax and interest expenses/Interest expenses.
3. Operating ability
 - (1) Accounts receivable (including accounts receivable and notes receivable generated from operations) turnover rate = Net sales/Average balance of accounts receivable (including accounts receivable and notes receivable generated from operations) for each period.
 - (2) Average days for cash receipts = 365/Accounts receivable turnover rate.
 - (3) Inventory turnover rate = Cost of goods sold/Average inventories.
 - (4) Accounts payable (including accounts payable and notes payable generated from operations) turnover rate = Cost of goods sold/Average balance of accounts payable (including accounts payable and notes payable generated from operations) for each period.
 - (5) Average days for sale of goods = 365/Inventory turnover rate.
 - (6) Property, plant, and equipment turnover rate = Net sales/Average net property, plant, and equipment.
 - (7) Total assets turnover rate = Net sales/Average total assets.
4. Profitability
 - (1) Return on assets = [Income after tax + Interest expenses x (1 - tax rate)]/Average total assets.
 - (2) Return on equity = Income after tax/Average total equity.
 - (3) Net profit margin = Income after tax/Net sales.
 - (4) Earnings per share = (Income attributable to owners of the parent - preferred stock dividends)/Weighted average number of shares issued. (Note 3)
5. Cash Flows
 - (1) Cash flow ratio = Net cash flows generated from operating activities/Current liabilities.
 - (2) Cash flow adequacy ratio = Five-year sum of net cash flows generated from operating activities/Five-year (sum of capital expenditure, inventory additions and cash dividends).
 - (3) Cash reinvestment ratio = (Net cash flows from operating - cash dividends)/(Gross amount of property, plant, and equipment + Long term investment + Other non-current assets + Working capital). (Note 4)
6. Leverage
 - (1) Operating leverage = (Net operating revenue - Variable operating costs & expenses)/Operating income (Note 5).
 - (2) Financial leverage = Operating income/(Operating income - Interest expenses).

Note 3: Special attention shall be paid to the following matters when using the calculation formula of earning per share above:

1. Shares outstanding is based on weighted average shares, and not based on year end shares outstanding.
2. Cash offerings or treasury stock transactions are considered in calculating weighted average shares.
3. Where there is a capital increase out of earnings or capital reserves, the percentage of capital increase shall be adjusted retroactively in the calculation of earnings per share for prior years and semiannual periods, without regard to the issuance period of such capital increase.
4. If preferred shares are cumulative non-convertible preferred shares, dividends shall be subtracted (regardless of whether they are paid out in dividends), from after tax net profit. If preferred shares are non-cumulative, in the event of net profits, preferred shares shall be subtracted after tax, but no adjustments needed if there are losses.

Note 4: Special attention should be paid to the following when measuring cash flow analysis:

1. Cash flows from operating activities refers to operating cash flows.
2. Capital expenditures are from the annual cash flow statements on capital expenditure outflows.
3. Inventory increases are from period end balance greater than period beginning balance, if inventories are less, then zero is applied.
4. Cash dividends includes common stock and preferred shares dividends.
5. Property, plant, and machinery balance is after subtracting accumulative depreciation.

Note 5: The issuer shall classify the operating costs and operating expenses as fixed or variable as per their nature. If it involves estimation or subjective judgment, they are classified based on rationality and consistency.

Note 6: Where Corporation shares have no par value or where the par value per share is not NT\$ 10, any calculations that involve paid-in capital and its ratio shall be replaced with the equity ratio belonging to the owner of the parent Corporation of the asset balance sheet.

IV. Audit Committee's Report for the Most Recent Year's Financial Statement

AmTRAN Technology Co., Ltd.

Audit Committee Review Report

The Board of Directors has prepared the Company's business report, financial statements, and profit distribution statement for 2023, of which the 2023 financial statements have been audited by CPAs Han-Chi Wu and Jen-Chen Wu from PwC Taiwan. An audit report has also been issued by the CPAs. The abovementioned business report for 2023, financial statements, and profit distribution statement have been reviewed by the Audit Committee, which found no irregularities therein. Therefore, this report is hereby submitted in accordance with Article 14-4 of the Securities and Exchange Act and Article 219 of the Company Act.

Sincerely,

2024 shareholders' meeting of AmTRAN Technology Co., Ltd.

AmTRAN Technology Co., Ltd.

Convener of Audit Committee: Wei, Hong-Jheng

Date: March 12, 2024

V. Consolidated financial statements for the Most Recent Fiscal Year

INDEPENDENT AUDITORS' REPORT TRANSLATED FROM CHINESE

To the Board of Directors and Stockholders of Amtran Technology Co., Ltd.

Opinion

We have audited the accompanying consolidated balance sheets of Amtran Technology Co., Ltd. and its subsidiaries (the “Group”) as at December 31, 2023 and 2022, and the related consolidated statements of comprehensive income, of changes in equity and of cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of material accounting policies.

In our opinion, based on our audits and the reports of other auditors (please refer to the Other matter section), the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at December 31, 2023 and 2022, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations that came into effect as endorsed by the Financial Supervisory Commission.

Basis for opinion

We conducted our audits in accordance with the Regulations Governing Financial Statement Audit and Attestation Engagements of 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 consolidated financial statements section of our report. We are independent of the Group in accordance with the Norm of Professional Ethics for Certified Public Accountant in the

Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. Based on our audits and the reports of other independent auditors, 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 Group's 2023 consolidated financial statements. These matters were addressed in the context of our audit of the consolidated financial statements as a whole and, in forming our opinion thereon, we do not provide a separate opinion on these matters.

Key audit matters for the Group's 2023 consolidated financial statements are stated as follows:

Allowance for inventory valuation losses

Description

Refer to Note 4(14) for accounting policies on inventory valuation, Note 5(2) for the uncertainty of accounting estimates and assumptions applied on inventory valuation, and Note 6(5) for details of inventory. As at December 31, 2023, the balances of inventory and allowance for inventory valuation losses were NT\$2,454,464 thousand and NT\$128,358 thousand, respectively.

The Group is primarily engaged in manufacturing and sales of 3C electronic products. Due to rapid technology innovations, short lifespan of electronic products and fluctuations in market prices, there is a higher risk of inventory losses due from market value decline. The Group recognises inventories at the lower of cost and net realisable value, and identifies the net realisable value of separately identified inventories using the item by item approach in determining the lower of cost and net realisable value and corroborating against supporting documents those inventory items separately identified as obsolete and damaged in recognising valuation losses.

As the net realisable value used in the valuation of obsolete and damaged inventories

usually involves subjective judgement and high degree of uncertainty, and the amount of inventories and allowance for inventory valuation losses are material to the financial statements, we considered the allowance for inventory valuation losses a key audit matter.

How our audit addressed the matter

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

- A. Assessed the reasonableness and consistent application of provision policies and procedures on allowance for inventory valuation losses based on the understanding of the Group's business and industrial nature;
- B. Obtained valuation statement of net realisable value of inventory, understood the calculation logic, verified relevant accounting records and selected samples from the data sources of net realisable value; and
- C. Obtained the details of obsolete and damaged inventories which were separately identified by management, examined relevant documents, verified accounting records in comparing the allowance for inventory valuation losses of prior period, and assessed the reasonableness of allowance for inventory valuation losses.

Other matter – Reference to the audits of other auditors

As described in Note 6(7), we did not audit the financial statements of certain investments accounted for under the equity method which were audited by other auditors. Therefore, our opinion expressed herein, insofar as it relates to the amounts and information disclosed in Note 13 included in respect of these associates, is based solely on the reports of the other auditors. The balance of these investments accounted for under the equity method amounted to NT\$438,880 thousand and NT\$403,798 thousand, both constituting 2% of the consolidated total assets, as at December 31, 2023 and 2022, respectively, and the comprehensive (loss) income recognised from associates and joint ventures accounted for under the equity method amounted to NT\$35,082 thousand and (NT\$15,697) thousand, constituting 7.25% and 0.6% of the consolidated total comprehensive income for the years then ended, respectively.

Other matter – Parent company only financial statements

We have audited and expressed an unmodified opinion with other matter paragraph on the parent company only financial statements of Amtran Technology Co., Ltd. as at and for the years ended December 31, 2023 and 2022.

Responsibilities of management and those charged with governance for the consolidated financial statements

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

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

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

Auditors' responsibilities for the audit of the consolidated financial statements

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

- A. Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- B. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- C. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- D. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty

exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements 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.

For and on Behalf of PricewaterhouseCoopers, Taiwan
March 13, 2024

The accompanying consolidated 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 consolidated 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.

As the financial statements are the responsibility of the management, PricewaterhouseCoopers cannot accept any liability for the use of, or reliance on, the English translation or for any errors or misunderstandings that may derive from the translation.

AMTRAN TECHNOLOGY CO., LTD. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 2023 AND 2022
(Expressed in thousands of New Taiwan dollars)

Assets		Notes	December 31, 2023		December 31, 2022			
			AMOUNT	%	AMOUNT	%		
Current assets								
1100	Cash and cash equivalents	6(1)	\$	3,789,402	19	\$	6,278,248	32
1110	Financial assets at fair value through profit or loss - current	6(2)		2,299,371	11		3,465,903	18
1120	Current financial assets at fair value through other comprehensive income	6(3)		184,435	1		1,866	-
1136	Current financial assets at amortised cost	6(1)		3,403,150	17		807,197	4
1170	Accounts receivable, net	6(4)		3,434,040	17		2,646,508	13
1180	Accounts receivable - related parties	7		156,008	1		114,744	1
1200	Other receivables			42,063	-		9,424	-
1220	Current tax assets			36,599	-		-	-
130X	Inventory	6(5)		2,326,106	11		2,044,870	10
1410	Prepayments	6(6)		150,049	1		192,997	1
1470	Other current assets	8		1,811	-		-	-
11XX	Total current assets			15,823,034	78		15,561,757	79
Non-current assets								
1550	Investments accounted for under equity method	6(7)		614,322	3		530,644	3
1600	Property, plant and equipment	6(8) and 8		2,357,731	11		2,447,820	12
1755	Right-of-use assets	6(9)		369,302	2		401,700	2
1760	Investment property - net	6(10)		585,073	3		451,018	2
1780	Intangible assets	6(11)		29,812	-		37,249	-
1840	Deferred income tax assets	6(26)		199,558	1		195,395	1
1900	Other non-current assets	6(1) and 8		374,301	2		147,351	1
15XX	Total non-current assets			4,530,099	22		4,211,177	21
1XXX	Total assets		\$	20,353,133	100	\$	19,772,934	100

(Continued)

AMTRAN TECHNOLOGY CO., LTD. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 2023 AND 2022
(Expressed in thousands of New Taiwan dollars)

Liabilities and Equity			Notes	December 31, 2023		December 31, 2022				
				AMOUNT	%	AMOUNT	%			
Current liabilities										
2100	Short-term borrowings	6(12)	\$	425,000	2	\$	430,000	2		
2130	Current contract liabilities	6(20)		54,031	-		46,096	-		
2170	Accounts payable	7		4,299,733	21		3,741,870	19		
2200	Other payables	6(13)		1,025,516	5		936,104	5		
2230	Current income tax liabilities			171,568	1		51,046	-		
2250	Provisions for liabilities - current	6(15)		98,186	1		146,999	1		
2280	Current lease liabilities			15,491	-		40,913	-		
2300	Other current liabilities			354,587	2		120,062	1		
21XX	Total current liabilities			6,444,112	32		5,513,090	28		
Non-current liabilities										
2570	Deferred income tax liabilities	6(26)		339,343	2		532,460	3		
2580	Non-current lease liabilities			6,177	-		14,805	-		
2600	Other non-current liabilities	6(14)		87,453	-		93,417	-		
25XX	Total non-current liabilities			432,973	2		640,682	3		
2XXX	Total liabilities			6,877,085	34		6,153,772	31		
Equity attributable to owners of parent										
	Share capital	6(16)								
3110	Common stock			7,401,000	36		7,980,000	40		
	Capital surplus	6(17)								
3200	Capital surplus			2,261,663	11		2,293,509	11		
	Retained earnings	6(18)								
3310	Legal reserve			2,078,338	10		2,078,338	11		
3320	Special reserve			254,690	1		342,484	2		
3350	Unappropriated retained earnings			1,547,168	8		1,013,645	5		
	Other equity interest	6(19)								
3400	Other equity interest		(	227,312)	(	1)	(	254,690)	(	1)
31XX	Equity attributable to owners of the parent			13,315,547	65		13,453,286	68		
36XX	Non-controlling interest	6(19)		160,501	1		165,876	1		
3XXX	Total equity			13,476,048	66		13,619,162	69		
	Commitments and Contingent Liabilities	9								
	Subsequent Events	11								
3X2X	Total liabilities and equity		\$	20,353,133	100	\$	19,772,934	100		

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

AMTRAN TECHNOLOGY CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
YEARS ENDED DECEMBER 31, 2023 AND 2022
(Expressed in thousands of New Taiwan dollars, except for earnings (loss) per share amount)

Items		Notes	Year ended December 31			
			2023		2022	
			AMOUNT	%	AMOUNT	%
4000	Sales revenue	6(20) and 7	\$ 16,583,775	100	\$ 16,355,412	100
5000	Operating costs	6(5)(25) and 7	(14,993,300)	(90)	(14,865,947)	(91)
5900	Net operating margin		1,590,475	10	1,489,465	9
	Operating expenses	6(25) and 7				
6100	Selling expenses		(433,067)	(3)	(459,167)	(3)
6200	General and administrative expenses		(634,345)	(4)	(761,115)	(4)
6300	Research and development expenses		(541,269)	(3)	(471,716)	(3)
6000	Total operating expenses		(1,608,681)	(10)	(1,691,998)	(10)
6900	Operating loss		(18,206)	-	(202,533)	(1)
	Non-operating income and expenses					
7100	Interest income	6(21)	198,860	1	46,049	-
7010	Other income	6(22)	269,035	2	237,295	2
7020	Other gains and losses	6(23)	114,431	1	(3,526,997)	(22)
7050	Finance costs	6(24)	(13,152)	-	(10,381)	-
7060	Share of profit of associates and joint ventures accounted for under equity method	6(7)	18,209	-	17,531	-
7000	Total non-operating income and expenses		587,383	4	(3,236,503)	(20)
7900	Profit (loss) before income tax		569,177	4	(3,439,036)	(21)
7950	Income tax (expense) benefit	6(26)	(112,234)	(1)	653,598	4
8200	Profit (loss) for the year		\$ 456,943	3	(\$ 2,785,438)	(17)

(Continued)

AMTRAN TECHNOLOGY CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
YEARS ENDED DECEMBER 31, 2023 AND 2022
(Expressed in thousands of New Taiwan dollars, except for earnings (loss) per share amount)

Items	Notes	Year ended December 31			
		2023		2022	
		AMOUNT	%	AMOUNT	%
Other comprehensive income					
Components of other comprehensive income that will not be reclassified to profit or loss					
8311 Actuarial losses on defined benefit plans	6(14)	(\$ 532)	-	(\$ 4,647)	-
8320 Share of other comprehensive income (loss) of associates and joint ventures accounted for using equity method	6(19)	14,434	-	(38,744)	-
8349 Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	6(26)	106	-	929	-
8310 Other comprehensive income (loss) that will not be reclassified to profit or loss		14,008	-	(42,462)	-
Components of other comprehensive income that will be reclassified to profit or loss					
8361 Financial statements translation differences of foreign operations	6(19)	20,531	-	135,665	1
8367 Unrealised gains (losses) from investments in debt instruments measured at fair value through other comprehensive income	6(19)	(3,943)	-	-	-
8370 Share of other comprehensive loss of associates and joint ventures accounted for using equity method	6(19)	(3,805)	-	(241)	-
8360 Other comprehensive income that will be reclassified to profit or loss		12,783	-	135,424	1
8300 Total comprehensive income for the year		\$ 26,791	-	\$ 92,962	1
8500 Total comprehensive income (loss) for the year		\$ 483,734	3	(\$ 2,692,476)	(16)
Profit (loss) attributable to:					
8610 Owners of the parent		\$ 446,155	3	(\$ 2,753,662)	(17)
8620 Non-controlling interest		10,788	-	(31,776)	-
		\$ 456,943	3	(\$ 2,785,438)	(17)
Comprehensive income (loss) attributable to:					
8710 Owners of the parent		\$ 473,107	3	(\$ 2,672,130)	(16)
8720 Non-controlling interest		10,627	-	(20,346)	-
		\$ 483,734	3	(\$ 2,692,476)	(16)
Earnings (loss) per share (in dollars)					
9750 Basic earnings (loss) per share	6(27)	\$ 0.58		(\$ 3.45)	
9850 Diluted earnings (loss) per share	6(27)	\$ 0.58		(\$ 3.45)	

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

AMTRAN TECHNOLOGY CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
YEARS ENDED DECEMBER 31, 2023 AND 2022
(Expressed in thousands of New Taiwan dollars)

	Equity attributable to owners of the parent								Non-controlling interest	Total equity	
	Notes	Share capital - common stock	Total capital surplus, additional paid-in capital	Retained Earnings				Other Equity Interest			
				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			
Year ended December 31, 2022											
Balance at January 1, 2022		\$ 7,600,000	\$ 2,293,509	\$ 1,576,622	\$ 278,089	\$ 5,289,679	(\$ 324,294)	(\$ 18,189)	\$ 16,695,416	\$ 188,833	\$ 16,884,249
Loss for the year ended December 31, 2022		-	-	-	-	(2,753,662)	-	-	(2,753,662)	(31,776)	(2,785,438)
Other comprehensive income (loss) for the year ended December 31, 2022	6(19)	-	-	-	-	(3,718)	123,994	(38,744)	81,532	11,430	92,962
Total comprehensive income (loss) for the year ended December 31, 2022		-	-	-	-	(2,757,380)	123,994	(38,744)	(2,672,130)	(20,346)	(2,692,476)
Appropriations of 2021 net income											
Legal reserve		-	-	501,716	-	(501,716)	-	-	-	-	-
Special reserve		-	-	-	64,395	(64,395)	-	-	-	-	-
Cash dividends		-	-	-	-	(570,000)	-	-	(570,000)	-	(570,000)
Share dividends		380,000	-	-	-	(380,000)	-	-	-	-	-
Changes in investments accounted for using equity method		-	-	-	-	(2,543)	-	2,543	-	-	-
Adjustment in non-controlling interest		-	-	-	-	-	-	-	-	(2,611)	(2,611)
Balance at December 31, 2022		\$ 7,980,000	\$ 2,293,509	\$ 2,078,338	\$ 342,484	\$ 1,013,645	(\$ 200,300)	(\$ 54,390)	\$ 13,453,286	\$ 165,876	\$ 13,619,162
Year ended December 31, 2023											
Balance at January 1, 2023		\$ 7,980,000	\$ 2,293,509	\$ 2,078,338	\$ 342,484	\$ 1,013,645	(\$ 200,300)	(\$ 54,390)	\$ 13,453,286	\$ 165,876	\$ 13,619,162
Profit for the year ended December 31, 2023		-	-	-	-	446,155	-	-	446,155	10,788	456,943
Other comprehensive income (loss) for the year ended December 31, 2023	6(19)	-	-	-	-	(426)	16,887	10,491	26,952	(161)	26,791
Total comprehensive income (loss) for the year ended December 31, 2023		-	-	-	-	445,729	16,887	10,491	473,107	10,627	483,734
Reversal of special reserve		-	-	-	(87,794)	87,794	-	-	-	-	-
Capital reduction	6(16)	(399,000)	-	-	-	-	-	-	(399,000)	-	(399,000)
Adjustment in non-controlling interest		-	-	-	-	-	-	-	-	(13,051)	(13,051)
Disposal of subsidiaries		-	-	-	-	-	-	-	-	(2,951)	(2,951)
Repurchase and retire treasury shares	6(16)(17)	(180,000)	(31,846)	-	-	-	-	-	(211,846)	-	(211,846)
Balance at December 31, 2023		\$ 7,401,000	\$ 2,261,663	\$ 2,078,338	\$ 254,690	\$ 1,547,168	(\$ 183,413)	(\$ 43,899)	\$ 13,315,547	\$ 160,501	\$ 13,476,048

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

AMTRAN TECHNOLOGY CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2023 AND 2022
(Expressed in thousands of New Taiwan dollars)

		Year ended December 31	
	Notes	2023	2022
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>			
Profit (loss) before tax		\$ 569,177	(\$ 3,439,036)
Adjustments			
Adjustments to reconcile profit (loss)			
Depreciation (including investment property)	6(25)	348,851	358,431
Depreciation on right-of-use assets	6(25)	48,895	42,858
Amortisation	6(25)	21,844	23,081
Net (gain) loss on financial assets and liabilities at fair value through profit or loss	6(2)(23)	(162,355)	3,824,883
Share of profit of associates and joint ventures accounted for using equity method	6(7)	(18,209)	(17,531)
Loss on disposal of property, plant and equipment	6(23)	(2,576)	(4,010)
Losses on impairment	6(7)	41,140	-
Interest expense	6(24)	13,152	10,381
Interest income	6(21)	(198,860)	(46,049)
Dividend income	6(22)	(40,089)	(23,230)
Changes in operating assets and liabilities			
Changes in operating assets			
Financial assets mandatorily measured at fair value through profit or loss		1,328,786	1,701,214
Current financial assets at fair value through other comprehensive income		(186,546)	-
Accounts receivable		(787,513)	2,620,662
Accounts receivable-related parties		(41,264)	25,844
Other receivables		(7,458)	106,880
Inventories		(281,236)	871,809
Prepayments		(26,061)	38,868
Changes in operating liabilities			
Contract liabilities		7,935	45,662
Accounts payable		557,757	(1,534,501)
Accounts payable-related parties		106	(19)
Other payables		124,282	(467,870)
Receipts in advance		125,073	(5,189)
Other current liabilities		109,452	(51,420)
Provisions for liabilities		(48,813)	10,772
Accrued pension liabilities		(623)	(9,135)
Cash inflow generated from operations		1,494,847	4,083,355
Interest received		174,123	37,918
Income tax received		10,992	-
Dividends received		40,089	31,416
Interest paid		(13,241)	(10,354)
Income tax paid		(227,646)	(83,362)
Net cash flows from operating activities		1,479,164	4,058,973

(Continued)

AMTRAN TECHNOLOGY CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2023 AND 2022
(Expressed in thousands of New Taiwan dollars)

		Year ended December 31	
	Notes	2023	2022
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>			
Acquisition of property, plant and equipment (including investment property)	6(28)	(\$ 590,980)	(\$ 63,005)
Proceeds from disposal of property, plant and equipment		7,464	4,018
(Increase) decrease in refundable deposits		(4,706)	(1,239)
Acquisition of intangible assets	6(11)	(14,408)	(19,494)
Proceeds from capital reduction of investees accounted for using equity method	6(7)	4,877	7,570
Acquisition of investments accounted for using equity method	6(7)	(100,858)	(18,525)
Acquisition of financial assets at amortised cost		(3,428,181)	(852,826)
Principal repayment of financial assets at maturity measured at amortized cost		809,296	150,423
Prepayments for investments		6,468	-
Increase in other non-current assets		32,466	-
Net cash flows used in investing activities		(3,278,562)	(793,078)
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>			
Decrease in short-term borrowings	6(29)	(5,000)	(673,960)
Payment of long-term borrowings	6(29)	-	(27,308)
(Decrease) Increase in refundable deposits	6(29)	(5,715)	13,898
Acquisition of treasury shares	6(16)	(211,846)	-
Payments of lease liabilities	6(29)	(43,074)	(34,592)
Cash dividends paid		-	(570,000)
Capital reduction	6(16)	(399,000)	-
Cash dividends paid to non-controlling interest		-	(2,611)
Decrease in non-controlling interests		(16,002)	-
Net cash flows used in financing activities		(680,637)	(1,294,573)
Cumulative translation adjustments		(8,811)	87,031
Net (decrease) increase in cash and cash equivalents		(2,488,846)	2,058,353
Cash and cash equivalents at beginning of year	6(1)	6,278,248	4,219,895
Cash and cash equivalents at end of year	6(1)	\$ 3,789,402	\$ 6,278,248

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

AMTRAN TECHNOLOGY CO., LTD. AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022

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

1. HISTORY AND ORGANISATION

Amtran Technology Co., Ltd. (the “Company”) was incorporated in August 1994 and started its operations in January 1995. The Company and its subsidiaries (collectively referred herein as the “Group”) are primarily engaged in the design, manufacture and sales of monitors, digital TV, computers and computer peripherals. As of December 31, 2023, the Group had 3,627 employees.

2. THE DATE OF AUTHORISATION FOR ISSUANCE OF THE CONSOLIDATED FINANCIAL STATEMENTS AND PROCEDURES FOR AUTHORISATION

These consolidated financial statements were authorised for issuance by the Board of Directors on March 13, 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 the 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 Group’s financial condition and financial performance based on the Group’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 Group

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 Group's financial condition and financial performance based on the Group'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 Group's financial condition and financial performance based on the Group's assessment.

4. SUMMARY OF MATERIAL ACCOUNTING POLICIES

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

(1) Compliance statement

The consolidated financial statements of the Group have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, International Financial Reporting Standards, International Accounting Standards, IFRIC® Interpretations, and SIC® Interpretations that came into effect as endorsed by the FSC (collectively referred herein as the "IFRSs").

(2) Basis of preparation

A. Except for the following items, the consolidated financial statements have been prepared under

the historical cost convention:

- (a) Financial assets and financial liabilities (including derivative instruments) at fair value through profit or loss.
 - (b) Financial assets measured at fair value through other comprehensive income.
 - (c) 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 IFRSs requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Group's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 5.

(3) Basis of consolidation

A. Basis for preparation of consolidated financial statements:

- (a) All subsidiaries are included in the Group's consolidated financial statements. Subsidiaries are all entities (including structured entities) controlled by the Group. The Group controls an entity when the Group 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. Consolidation of subsidiaries begins from the date the Group obtains control of the subsidiaries and ceases when the Group loses control of the subsidiaries.
- (b) Inter-company transactions, balances and unrealised gains or losses on transactions between companies within the Group are eliminated. Accounting policies of subsidiaries have been adjusted where necessary to ensure consistency with the policies adopted by the Group.
- (c) Profit or loss and each component of other comprehensive income are attributed to the owners of the parent and to the non-controlling interests. Total comprehensive income is attributed to the owners of the parent and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.
- (d) When the Group loses control of a subsidiary, the Group 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 Group 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.

B. Subsidiaries included in the consolidated financial statements:

Name of Investor	Name of Subsidiary	Main Business Activities	Ownership (%)		Description
			December 31,		
			2023	2022	
Amtran Technology Co., Ltd.	Asev Display Labs	Sales of computer software and hardware, and provision of maintenance services	100.00	100.00	
"	REI MAU ENTERPRISE CO LTD	General investments	100.00	100.00	
"	RICK TECHNOLOGY INC.	General trading	82.00	82.00	
"	Amtran Logistics, Inc.	Sales of LCD TV and aftersale service	100.00	100.00	
"	Spyglass Tesla, LLC.	General investments	43.75	43.75	Note 1
"	Abound Profits Limited	General investments	100.00	100.00	
"	H&P Venture Capital Investment Co., Ltd.	Venture capital	0.00	38.71	Note 1 Note 3
"	Amtran Vietnam Trading Company Limited(VNTC)	General trading	100.00	100.00	Note 2
"	Amtran Video Corporation	Sales of LCD TV and aftersale service	100.00	100.00	
"	Suzhou Raken Technology Ltd. (Raken)	Design, manufacture of LCD monitors, provision of maintenance services	37.95	37.95	
"	Amtran Vietnam Technology Company Limited (AVTC)	Manufacturing and sales of LCDs	100.00	100.00	
ABOUND PROFITS LIMITED	Amtran Electronic Co., Ltd.	Design, manufacture of LCD monitors, provision of maintenance services	100.00	100.00	
REI MAU	REI MAU Capital Inc.	Venture capital	100.00	100.00	Note 2
RICK TECHNOLOGY INC.	Rick Service Inc.	Logistics services	100.00	100.00	
Amtran Electronic Co., Ltd.	Suzhou Raken Technology Ltd. (Raken)	Design, manufacture of LCD monitors, provision of maintenance services	62.05	62.05	

Note 1: The Company has control over SPYGLASS and H&P Venture Capital Investment Co., Ltd. and were included in the consolidated financial statements.

Note 2: The company was invested and established in the third quarter of 2022, and be included in the consolidated financial report preparation entity from the date of establishment.

Note 3: It was dissolved and liquidated on September 11, 2023.

C. Subsidiaries not included in the consolidated financial statements: None.

D. Adjustments for subsidiaries with different balance sheet dates: None.

E. Significant restrictions: None.

F. Subsidiaries that have non-controlling interests that are material to the Group:

As of December 31, 2023 and 2022, the non-controlling interest amounted to \$160,501 and \$165,876, respectively. The information on non-controlling interest and respective subsidiaries is as follows:

Name of subsidiary	Principal place of business	Ownership (%)		Ownership (%)		Description
		Amount	(%)	Amount	(%)	
SPYGLASS	USA	\$ 111,114	56.25%	\$ 99,841	56.25	
H&P VENTURE CAPITAL INVESTMENT CORPORATION	TAIWAN	-	0	20,941	61.29	

Summarised financial information of the subsidiaries:

Balance sheets

	SPYGLASS	
	December 31, 2023	December 31, 2022
Current assets	\$ 43,150	\$ 19,414
Non-current assets	156,275	159,970
Non-current liabilities	(1,890)	(1,889)
Total net assets	\$ 197,535	\$ 177,495

	H&P VENTURE CAPITAL INVESTMENT CO., LTD.	
	December 31, 2023	December 31, 2022
Current assets	\$ -	\$ 34,266
Current liabilities	-	(100)
Total net assets	\$ -	\$ 34,166

Statements of comprehensive income

	SPYGLASS	
	Years ended December 31,	
	2023	2022
Revenue	\$ -	\$ -
Profit (loss) before income tax	20,328	(38,683)
Tax expense	-	-
Profit (loss) for the year (Total comprehensive income (loss) for the year)	<u>\$ 20,328</u>	<u>(\$ 38,683)</u>
Comprehensive income (loss) attributable to non-controlling interest	<u>\$ 11,435</u>	<u>(\$ 21,759)</u>
Dividends paid to non-controlling interest	<u>\$ -</u>	<u>\$ 2,611</u>

	H&P VENTURE CAPITAL INVESTMENT CO., LTD.	
	Years ended December 31,	
	2023	2022
Revenue	\$ -	\$ -
Loss before income tax	(8,059)	(16,984)
Tax expense	-	-
Loss for the year	(8,059)	(16,984)
Other comprehensive income (loss), net of tax	-	-
Total comprehensive loss for the year	<u>(\$ 8,059)</u>	<u>(\$ 16,984)</u>
Comprehensive loss attributable to non-controlling interest	<u>(\$ 4,939)</u>	<u>(\$ 10,410)</u>
Dividends paid to non-controlling interest	<u>\$ -</u>	<u>\$ -</u>

Statements of cash flows

		SPYGLASS	
		Years ended December 31,	
		2023	2022
Net cash provided by operating activities	\$	26,698	\$ 21,825
Net cash used in investing activities		-	-
Net cash used in financing activities		- (	27,888)
Effect of exchange rates on cash and cash equivalents	(	341)	2,732
Increase (decrease) in cash and cash equivalents		26,357	(3,331)
Cash and cash equivalents, beginning of year		16,594	19,925
Cash and cash equivalents, end of year	\$	42,951	\$ 16,594

		H&P VENTURE CAPITAL INVESTMENT CO., LTD.	
		Years ended December 31,	
		2023	2022
Net cash provided by (used in) operating activities	\$	22,908	(\$ 689)
Net cash provided by investing activities		-	-
Net cash used in financing activities	(	21,294)	-
Increase (decrease) in cash and cash equivalents		1,614	(689)
Cash and cash equivalents, beginning of year		5,817	6,506
Cash and cash equivalents, end of year	\$	7,431	\$ 5,817

(4) Foreign currency translation

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The consolidated financial statements are presented in New Taiwan Dollars, which is the Company's functional and the Group's presentation 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 or losses.

B. Translation of foreign operations

- (a) The operating results and financial position of all the group entities, associates and joint arrangements that have a functional currency different from the presentation currency are translated into the presentation currency as follows:
 - i. Assets and liabilities for each balance sheet presented are translated at the closing exchange rate at the date of that balance sheet;
 - ii. Income and expenses for each statement of comprehensive income are translated at average exchange rates of that period; and
 - iii. All resulting exchange differences are recognised in other comprehensive income.
- (b) When the foreign operation partially disposed of or sold is an associate, exchange differences that were recorded in other comprehensive income are proportionately reclassified to profit or loss as part of the gain or loss on sale.
- (c) When the foreign operation partially disposed of or sold is a subsidiary, cumulative exchange differences that were recorded in other comprehensive income are proportionately transferred to the non-controlling interest in this foreign operation.

(5) 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 pay off 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 paid off within the normal operating cycle;
- (b) Liabilities arising mainly from trading activities;
- (c) Liabilities that are to be paid off 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.

(6) Cash equivalents

Cash equivalents refer to short-term highly liquid investments that are readily convertible to known amount of cash and subject to an insignificant risk of changes in value. Time deposits that meet the definition above and are held for the purpose of meeting short-term cash commitment in operations are classified as cash equivalents.

(7) Financial assets at fair value through profit or loss

- A. Financial assets at fair value through profit or loss are financial assets that are not measured at amortised cost or fair value through other comprehensive income.
- B. On a regular way purchase or sale basis, financial assets at fair value through profit or loss are recognised and derecognised using trade date accounting.
- C. At initial recognition, the Group measures the financial assets at fair value and recognises the transaction costs in profit or loss. The Group subsequently measures the financial assets at fair value, and recognises the gain or loss in profit or loss.
- D. The Group recognises the dividend income when the right to receive payment is established, future economic benefits associated with the dividend will flow to the Group and the amount of the dividend can be measured reliably.

(8) 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 Group has made an irrevocable election at initial recognition to recognise changes in fair value in other comprehensive income which meet all of the following criteria:
 - (a) The objective of the Group's business model is achieved both by collecting contractual cash flows and selling financial assets; and
 - (b) The assets' contractual cash flows represent solely payments of principal and interest.
- B. On a regular way purchase or sale basis, financial assets at fair value through other comprehensive income are recognised and derecognised using trade date accounting.
- C. At initial recognition, the Group measures the financial assets at fair value plus transaction costs. The Group subsequently measures the financial assets at fair value:

- (a) The changes in fair value of equity investments that were recognised 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 recognised as revenue when the right to receive payment is established, future economic benefits associated with the dividend will flow to the Group and the amount of the dividend can be measured reliably.
- (b) Except for the recognition of impairment loss, interest income and gain or loss on foreign exchange which are recognised in profit or loss, the changes in fair value of debt instruments are taken through other comprehensive income. When the financial asset is derecognised, the cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss.

(9) Financial assets at amortised cost

- A. Financial assets at amortised cost are those that meet all of the following criteria:
 - (a) The objective of the Group's business model is achieved by collecting contractual cash flows.
 - (b) The assets' contractual cash flows represent solely payments of principal and interest.
- B. The Group's time deposits which do not fall under cash equivalents are those with a short maturity period and are measured at initial investment amount as the effect of discounting is immaterial.

(10) Accounts and notes receivable

- A. Accounts and notes receivable entitle the Group a legal right to receive consideration in exchange for transferred goods or rendered services.
- B. The short-term accounts and notes receivable without bearing interest are subsequently measured at initial invoice amount as the effect of discounting is immaterial.

(11) Impairment of financial assets

For financial assets at amortised cost including accounts receivable that have a significant financing component, at each reporting date, the Group 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 Group recognises the impairment provision for lifetime ECLs.

(12) Derecognition of financial assets

The Group derecognises a financial asset when one of the following conditions is met:

- A. The contractual rights to receive cash flows from the financial asset expire.
- B. The contractual rights to receive cash flows from the financial asset have been transferred and the Group has transferred substantially all risks and rewards of ownership of the financial asset.
- C. The contractual rights to receive cash flows from the financial asset have been transferred and the Group has not retained control of the financial asset.

(13) 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.

(14) 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 process comprises raw materials, direct labor, 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 cost of completion and applicable variable selling expenses.

(15) Investments accounted for using equity method / associates

- A. Associates are all entities over which the Group 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.
- B. The Group'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 Group's share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured receivables, the Group does not recognise further losses, unless it has incurred legal or constructive obligations or made payments on behalf of the associate.
- C. 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 Group's ownership percentage of the associate, the Group recognises the Group's share of change in equity of the associate in 'capital surplus' in proportion to its ownership.
- D. Unrealised gains on transactions between the Group and its associates are eliminated to the extent of the Group'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 Group.
- E. In the case that an associate issues new shares and the Group does not subscribe or acquire new shares proportionately, which results in a change in the Group's ownership percentage of the associate but maintains significant influence on the associate, then 'capital surplus' and 'investments accounted for under the equity method' shall be adjusted for the increase or decrease of its share of equity interest. If the above condition causes a decrease in the Group's ownership percentage of the associate, in addition to the above adjustment, the amounts previously recognised in other comprehensive income in relation to the associate are reclassified

to profit or loss proportionately on the same basis as would be required if the relevant assets or liabilities were disposed of.

- F. When the Group 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.

(16) 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 Group 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 balance sheet date. 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	3 ~ 50 years
Machinery and equipment	3 ~ 10 years
Transportation equipment	3 ~ 6 years
Furniture and fixtures	3 ~ 10 years
Other equipment	1 ~ 5 years

(17) 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 Group. 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;
- (b) Variable lease payments that depend on an index or a rate;
- (c) Amounts expected to be payable by the lessee under residual value guarantees;
- (d) The exercise price of a purchase option, if the lessee is reasonably certain to exercise that option; and
- (e) Payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option.

The Group 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;
- (c) Any initial direct costs incurred by the lessee; and
- (d) An estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease.

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.

(18) Investment property

An investment property is stated initially at its cost and measured subsequently using the cost model. Except for land, investment property is depreciated on a straight-line basis over its estimated useful life of 15 ~ 50 years.

(19) Intangible assets

A. Trademarks and patents

Trademarks and patents are stated at historical cost and amortised on a straight-line basis over their estimated useful life of 10 years.

B. Computer software

Computer software is stated at cost and amortised on a straight-line basis over its estimated useful life of 3 to 8 years.

C. Other intangible assets, mainly industrial network project, are stated at cost and amortised on a straight-line basis over its estimated useful life of 3 years.

(20) Impairment of non-financial assets

The Group 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.

(21) 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.

(22) 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.

(23) Derecognition of financial liabilities

Financial liability is derecognised when the obligation under the liability specified in the contract is discharged or cancelled or expires.

(24) Offsetting financial instruments

Financial assets and liabilities are offset and reported in the net amount in the balance sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

(25) Non-hedging and embedded derivatives

- A. Non-hedging derivatives are initially recognised at fair value on the date a derivative contract is entered into and recorded as financial assets or financial liabilities at fair value through profit or loss. They are subsequently remeasured at fair value and the gains or losses are recognised in profit or loss.
- B. Under the financial assets, the hybrid contracts embedded with derivatives are initially recognised as financial assets at fair value through profit or loss, financial assets at fair value through other comprehensive income and financial assets at amortised cost based on the contract terms.

C. Under the non-financial assets, whether the hybrid contracts embedded with derivatives are accounted for separately at initial recognition is based on whether the economic characteristics and risks of an embedded derivative are closely related in the host contract. When they are closely related, the entire hybrid instrument is accounted for by its nature in accordance with the applicable standard. When they are not closely related, the derivative is accounted for differently from the host contract as derivative while the host contract is accounted for by its nature in accordance with the applicable standard. Alternatively, the entire hybrid instrument is designated as financial liabilities at fair value through profit or loss upon initial recognition.

(26) Provisions

Provisions (warranties) are recognised when the Group has a present legal or constructive obligation as a result of past events, and it is probable that an outflow of economic resources will be required to settle the obligation and the amount of the obligation can be reliably estimated. Provisions are measured at the present value of the expenditures expected to be required to settle the obligation on the balance sheet date, which is discounted using a pre-tax discount rate that reflects the current market assessments of the time value of money and the risks specific to the obligation. When discounting is used, the increase in the provision due to passage of time is recognised as interest expense. Provisions are not recognised for future operating losses.

(27) 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 Group 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. Every year, the actuary calculated defined benefit obligation by using projected unit credit method, and the discount rate was based on the market yield rate of government bond on the balance sheet date.
- 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.

iii. Past service costs are recognised immediately in profit or loss.

C. Termination benefits

Termination benefits are employee benefits provided in exchange for the termination of employment as a result from either the Group's decision to terminate an employee's employment before the normal retirement date, or an employee's decision to accept an offer of redundancy benefits in exchange for the termination of employment. The Group recognises expense as it can no longer withdraw an offer of termination benefits or it recognises relating restructuring costs, whichever is earlier. Benefits that are expected to be due more than 12 months after balance sheet date shall be discounted to their present value.

D. 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.

(28) 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 charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the Company and its subsidiaries operate and generate 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 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, except where the timing of the reversal of the temporary difference is controlled by the Group 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 or substantially 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.
- E. Current income tax assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. Deferred tax assets and liabilities are offset on the balance sheet when the entity has the legally enforceable right to offset current tax assets against current tax liabilities and they are levied by the same taxation authority on either the same entity or different entities that intend to settle on a net basis or realise the asset and settle the liability simultaneously.
- F. A deferred tax asset shall be recognised for the carryforward of unused tax credits resulting from acquisitions of equipment or technology, research and development expenditures and equity investments to the extent that it is possible that future taxable profit will be available against which the unused tax credits can be utilised.

(29) Share capital

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 effect, is included in equity attributable to the Company's equity holders.

(30) Dividends

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

(31) Revenue recognition

Sales of goods:

- A. The Group manufactures and sells monitor, digital television, computer, peripheral equipment of computer and other related products. Sales are recognised when control of the products has transferred, being when the products are delivered to the wholesaler, the wholesaler has full discretion over the channel and price to sell the products, and there is no unfulfilled obligation that could affect the wholesaler'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 wholesaler, and either the wholesaler has accepted the products in accordance with the sales contract, or the Group has objective evidence that all criteria for acceptance have been satisfied.

- B. Sales revenue was based on the contract price net of estimated business tax, sales return, volume discounts and allowance. The furniture is often sold with volume discounts based on aggregate sales over a period. Accumulated experience is used to estimate and provide for the volume discounts and sales discounts and allowances, using the expected value method, and revenue is only recognised to the extent that it is highly probable that a significant reversal will not occur. The estimation is subject to an assessment at each reporting date. A refund liability is recognised for expected volume discounts and sales discounts and allowances payable to customers in relation to sales made until the end of the reporting period.
- C. A receivable is recognised when the goods are delivered as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

(32) Government grants

Government grants are recognised at their fair value only when there is reasonable assurance that the Group will comply with any conditions attached to the grants and the grants will be received. Government grants are recognised in profit or loss on a systematic basis over the periods in which the Group recognises expenses for the related costs for which the grants are intended to compensate.

(33) Operating segments

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The Group's chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors that makes strategic decisions.

5. CRITICAL ACCOUNTING JUDGEMENTS, ESTIMATES AND KEY SOURCES OF ASSUMPTION UNCERTAINTY

The preparation of these consolidated financial statements requires management to make critical judgements in applying the Group'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 Group's accounting policies

There have been no critical judgements in applying the Group's accounting policies that have a significant impact on the amount recognized.

(2) Critical accounting estimates and assumptions

A. Revenue recognition

The Group estimates sales discounts and returns provisions based on historical results and other known factors. Provisions for such liabilities are recognised as a deduction item to sales revenues when the sales are recognised. The Group reassesses the reasonableness of estimates of discounts and returns periodically.

As of December 31, 2023, the provision for sales discounts and returns recognised by the Group was \$219,908.

B. Evaluation of inventories

As inventories are stated at the lower of cost and net realisable value, the Group must determine the net realisable value of inventories on balance sheet date using judgements and estimates. Due to the rapid technology innovation, the Group 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, information on the carrying amount of inventories as of December 31, 2023 is provided in Note 6(5).

C. Financial assets—fair value measurement of unlisted stocks without active market

The fair value of unlisted stocks (including beneficiary certificate) held by the Group that are not traded in an active market is determined considering those companies' recent fund raising activities and technical development status, fair value assessment of other companies of the same type, market conditions and other economic indicators existing at balance sheet date. Any changes in these judgements and estimates will impact the fair value measurement of these unlisted stocks. Refer to Note 12(2) for the financial instruments fair value information.

As of December 31, 2023, the carrying amount of unlisted stocks without active market was \$475,503.

6. DETAILS OF SIGNIFICANT ACCOUNTS

(1) Cash and cash equivalents

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Cash on hand	\$ 2,180	\$ 2,109
Checking account and demand deposits	3,091,680	3,750,900
Time deposits	695,542	2,525,239
	<u>\$ 3,789,402</u>	<u>\$ 6,278,248</u>

A. The Group associates 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 interest rate range as of December 31, 2023 and 2022 was 1.16%~5.61% and 0.85%~5.05%, respectively.

C. For the year ended December 31, 2023, the checking account deposit for provisional attachment of civil action amounted to \$6,981 (listed as “non-current assets”), and the bank's acceptance bill amounted to \$1,811 (listed as “current assets”).

D. The time deposits whose maturities exceed 3 months amounted to \$3,403,150 and \$807,197 as of December 31, 2023 and 2022, respectively and were listed as “Current financial assets at amortised cost”. The interest rate range as of December 31, 2023 and 2022 was 1.16%~6.00% and 0.91%~4.63% respectively. Interest income recognised in relation to Current financial assets at amortised cost” amounted \$138,272 and \$2,431, respectively.

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

Items	December 31, 2023	December 31, 2022
Current items:		
Financial assets mandatorily measured at fair value through profit or loss		
Equity securities	\$ 1,880,836	\$ 2,823,761
Debt securities	20,000	20,000
Beneficiary certificates	161,238	336,666
Derivative instruments	59,810	169,235
Hybrid instruments	177,487	116,241
	<u>\$ 2,299,371</u>	<u>\$ 3,465,903</u>

A. Amounts recognised in profit or loss in relation to financial assets at fair value through profit or loss are listed below:

	Years ended December 31,	
	2023	2022
Financial assets mandatorily measured at fair value through profit or loss		
Equity securities	\$ 35,798	(\$ 4,130,007)
Debt securities	600	600
Beneficiary certificates	(87,959)	43,684
Derivative instruments	184,215	247,069
Hybrid instruments	29,701	13,771
	<u>\$ 162,355</u>	<u>(\$ 3,824,883)</u>

B. Financial assets designated as at fair value through profit or loss upon initial recognition are hybrid instruments.

C. For the year ended December 31, 2023, the Group disposed shares of VIZIO HOLDING CORP. for a consideration of \$1,023,037, resulting to a loss on valuation of financial assets at fair value through profit or loss amounting to \$65,628.

In addition, the fair value of shares of VIZIO HOLDING CORP. held by the Group, after taking into consideration the quoted market prices, amounted to \$1,183,802 as of December 31, 2023. Unrealised gain on valuation of financial assets at fair value through profit or loss amounted to \$44,585 for the year ended December 31, 2023.

- D. For the year ended December 31, 2022, the Group disposed shares of VIZIO HOLDING CORP. for a consideration of \$1,358,161, resulting to a loss on valuation of financial assets at fair value through profit or loss amounting to \$949,754.

In addition, the fair value of shares of VIZIO HOLDING CORP. held by the Group, after taking into consideration the quoted market prices, amounted to \$2,227,882 as of December 31, 2022. Unrealised loss on valuation of financial assets at fair value through profit or loss amounted to \$3,037,538 for the year ended December 31, 2022.

- E. The Group entered into contracts relating to derivative financial assets which were not accounted for under hedge accounting. The information is listed below:

Derivative financial instruments	December 31, 2023			December 31, 2022	
	Contract Amount (Notional Principal)	Contract Period		Contract Amount (Notional Principal)	Contract Period
Current items:					
Exchange rate swap contracts	USD (Sell) 275 million	2023.11.30~2024.01.31		USD (Buy) 315 million	2022.12.05~2023.02.03
Exchange rate swap contracts	USD (Buy) 10 million	2023.10.02~2024.04.16		USD (Sell) 15 million	2022.09.14~2023.04.07
Forward foreign exchange	USD (Sell) 90 million	2023.10.06~2024.03.22			
Forward foreign exchange	USD (Buy) 360 million	2023.07.03~2024.06.28		USD (Buy) 380 million	2022.07.01~2023.06.30

(a) Exchange rate swap contracts

The Group entered into exchange rate swap contracts with financial institutions to swap floating interest rate for fixed interest rate, to earn the exchange rate spread, and to hedge cash flow risk of the floating-rate liability positions. However, these exchange rate swap contracts are not accounted for under hedge accounting.

(b) Forward foreign exchange contracts

The Group entered into forward foreign exchange contracts to sell NTD and buy USD to earn the exchange rate spread, and to hedge exchange rate risk of import and export proceeds. However, these forward foreign exchange contracts are not accounted for under hedge accounting.

- F. As of December 31, 2023 and 2022, the Group has no financial assets at fair value through profit or loss pledged to others.
- G. Information relating to credit risk of financial assets at fair value through profit or loss is provided in Note 12(2).

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

<u>Items</u>	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Current items:		
Equity securities		
Unlisted stocks	\$ 12,981	\$ 13,221
Valuation adjustment	(11,149)	(11,355)
	<u>1,832</u>	<u>1,866</u>
Debt securities		
Ordinary corporate bonds	186,546	-
Valuation adjustment	(3,943)	-
	<u>182,603</u>	<u>-</u>
Total	<u>\$ 184,435</u>	<u>\$ 1,866</u>

- A. The Group has elected to classify debt investments that are considered to be strategic investments as financial assets at fair value through other comprehensive income. The fair value of such investments amounted to \$184,435 at December 31, 2023.
- B. As of December 31, 2023 and 2022, the Group has no financial assets at fair value through other comprehensive income pledged to others as collateral.
- C. For the years ended December 31, 2023 and 2022, fair value change recognised in other comprehensive loss in relation to the financial assets at fair value through other comprehensive income amounted to (\$3,943) and \$0, respectively.
- D. Information relating to credit risk of financial assets at fair value through other comprehensive income is provided in Note 12(2).

(4) Accounts receivable

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Accounts receivable	\$ 3,444,003	\$ 2,656,488
Less: Loss allowance	(9,963)	(9,980)
	<u>\$ 3,434,040</u>	<u>\$ 2,646,508</u>

- A. The Group did not hold any collateral for accounts receivable.
- B. As of December 31, 2023 and 2022, accounts receivable was all from contracts with customers. As of January 1, 2022, the balance of receivables from contracts with customers amounted to \$5,277,150.
- C. Information on accounts receivable relating to credit risk is provided in Note 12(2).

(5) Inventories

December 31, 2023		
Cost	Allowance for valuation loss	Book value
Raw materials	\$ 1,590,083 (\$ 101,157)	\$ 1,488,926
Work in process	144,081 (5,433)	138,648
Finished goods	720,300 (21,768)	698,532
<u>\$ 2,454,464</u>	<u>(\$ 128,358)</u>	<u>\$ 2,326,106</u>
December 31, 2022		
Cost	Allowance for valuation loss	Book value
Raw materials	\$ 1,607,085 (\$ 186,456)	\$ 1,420,629
Work in process	117,582 (8,012)	109,570
Finished goods	552,889 (38,218)	514,671
<u>\$ 2,277,556</u>	<u>(\$ 232,686)</u>	<u>\$ 2,044,870</u>

Expenses and losses incurred on inventories for the year:

Years ended December 31,		
	2023	2022
Cost of inventories sold	\$ 14,939,775	\$ 14,681,251
(Gain from price recovery) loss on inventory price decline	(104,328)	91,417
Loss on scrapping inventory	22,539	16,259
Other operating costs (Note 1)	135,314	77,020
	<u>\$ 14,993,300</u>	<u>\$ 14,865,947</u>

Note 1: Mainly represents adjustment of the difference between maintenance costs, royalty expenses and overhead.

Note 2: The Group reversed a previous inventory write-down because the related inventory items were scrapped or sold in 2023.

(6) Prepayments

	December 31, 2023	December 31, 2022
Prepayments to suppliers	\$ 86,044	\$ 45,404
Net input VAT	38,568	96,350
Prepaid electricity fee	3,886	5,405
Prepaid income tax	4,365	14,929
Other prepaid expenses	17,186	30,909
	<u>\$ 150,049</u>	<u>\$ 192,997</u>

(7) Investments accounted for using equity method

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Associates:		
Hua Jung Co., Ltd. (Hua Jung)	\$ 438,880	\$ 403,798
BMA Ventures Capital Investment Corporation	52,172	55,065
Heroic Faith Medical Science Co., Ltd. (Heroic Faith)	13,122	54,262
CDIB-Mac Limited Partnership	<u>110,148</u>	<u>17,519</u>
	<u>\$ 614,322</u>	<u>\$ 530,644</u>

A. Associates

(a) The basic information of the associate that is material to the Group is as follows:

Company name	Principal place of business	Shareholding ratio		Nature of relationship	Method of measurement
		December 31, 2023	2022		
Hua Jung	Taiwan	31.60%	31.60%	Investee accounted for using equity method	Equity method

(b) The summarised financial information of the associate that is material to the Group is as follows:

Balance sheet

	Hua Jung	
	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Current assets	\$ 1,558,316	\$ 1,807,451
Non-current assets	710,526	601,029
Current liabilities	(358,505)	(689,920)
Non-current liabilities	(74,787)	(10,531)
Total net assets	<u>\$ 1,835,550</u>	<u>\$ 1,708,029</u>
Share in associate's net assets	\$ 573,665	\$ 538,583
Accumulated impairment	(134,785)	(134,785)
Carrying amount of the associate	<u>\$ 438,880</u>	<u>\$ 403,798</u>

Statement of comprehensive income

	Hua Jung	
	Years ended December 31,	
	2023	2022
Revenue	\$ 1,017,793	\$ 1,059,379
Profit for the year from continuing operations	\$ 81,016	\$ 74,960
Other comprehensive income (loss), net of tax	47,565	(123,374)
Total comprehensive income (loss)	\$ 128,581	(\$ 48,414)

- (c) The Group's material associate, Hua Jung Corporation, has quoted market prices. As of December 31, 2023 and 2022, the fair value was \$865,025 and \$551,215, respectively.
- (d) The information of the abovementioned associates disclosed by the Group is based on the audit reports of other auditors.
- (e) The carrying amount of the Group's interests in all individually immaterial associates and the Group's share of the operating results are summarised below:
- As of December 31, 2023 and 2022, the carrying amount of the Group's individually immaterial associates amounted to \$175,442 and \$126,846, respectively.

	Years ended December 31,	
	2023	2022
Loss for the year from continuing operations		
(Total comprehensive loss)	(\$ 6,245)	(\$ 5,757)

- B. For the years ended December 31, 2023 and 2022, the share of loss of associates and joint ventures accounted for using the equity method was \$18,209 and \$17,531, respectively.
- C. In 2022, the Board of Directors of the Group resolved to invest in CDIB-Mac Limited Partner shop amounting to \$18,525, and increase the amount \$ 100,858 in 2023. The investment accounted for using equity method is primarily engaged in general investment business.
- D. For the years ended December 31, 2023, impairment losses recognised to Heroic Faith amounted to \$41,140 as a result of recoverable amount is lower than the investment cost. The prepaid investment amounted to \$6,648 as of December 31, 2023 since the capital increase process has not yet been completed was listed as "non-current assets".
- E. The Company's investee accounted for using equity method, BMA Ventures Capital Investment Corporation, reduced its capital in 2023 and 2022, and the Company received \$4,877 and \$7,570 as return of capital, respectively.

- F. The Group is the single largest shareholder of Hua Jung Co., Ltd. with a 31.60% equity interest. The Group has no ability to acquire over 50% of the seats in the Board of Directors of Hua Jung Co., Ltd. and does not assign personnel to sit on the company's key management, which indicates that the Group has no current ability to direct the relevant activities of Hua Jung Co., Ltd. In addition, as the Group and Hua Jung belong to different industries, there were no significant transactions between the two companies. Thus, the Group has no control, but only has significant influence, over the investee.
- G. The Company's investee accounted for using equity method, Hua Jung, distributed cash dividends amounting to \$0 and \$8,186 in 2023 and 2022, respectively.

(8) Property, plant and equipment

	Land	Buildings and structures	Machinery	Transportation equipment	Office equipment	Other equipment	Unfinished construction	Total
<u>At January 1, 2023</u>								
Cost	\$ 627,963	\$ 3,138,878	\$ 871,002	\$ 102,972	\$ 387,824	\$ 1,045,373	\$ 10,572	\$ 6,184,584
Accumulated depreciation	-	(1,727,973)	(582,501)	(96,332)	(341,767)	(988,191)	-	(3,736,764)
	<u>\$ 627,963</u>	<u>\$ 1,410,905</u>	<u>\$ 288,501</u>	<u>\$ 6,640</u>	<u>\$ 46,057</u>	<u>\$ 57,182</u>	<u>\$ 10,572</u>	<u>\$ 2,447,820</u>
<u>2023</u>								
Opening net book amount	\$ 627,963	\$ 1,410,905	\$ 288,501	\$ 6,640	\$ 46,057	\$ 57,182	\$ 10,572	\$ 2,447,820
Additions	-	23,278	139,977	10,478	23,315	133,946	17,985	348,979
Net disposal	-	(2,241)	(2,174)	-	(17)	(456)	-	(4,888)
Reclassification	(111,385)	(31,236)	-	-	-	-	-	(142,621)
Depreciation charge	-	(141,690)	(85,465)	(5,761)	(19,379)	(85,741)	-	(338,036)
Net exchange differences	-	31,794	11,556	57	1,216	1,854	-	46,477
Closing net book amount	<u>\$ 516,578</u>	<u>\$ 1,290,810</u>	<u>\$ 352,395</u>	<u>\$ 11,414</u>	<u>\$ 51,192</u>	<u>\$ 106,785</u>	<u>\$ 28,557</u>	<u>\$ 2,357,731</u>
<u>At December 31, 2023</u>								
Cost	\$ 516,578	\$ 3,067,636	\$ 1,012,990	\$ 111,384	\$ 399,794	\$ 1,160,174	\$ 28,557	\$ 6,297,113
Accumulated depreciation	-	(1,776,826)	(660,595)	(99,970)	(348,602)	(1,053,389)	-	(3,939,382)
	<u>\$ 516,578</u>	<u>\$ 1,290,810</u>	<u>\$ 352,395</u>	<u>\$ 11,414</u>	<u>\$ 51,192</u>	<u>\$ 106,785</u>	<u>\$ 28,557</u>	<u>\$ 2,357,731</u>

	Land	Buildings and structures	Machinery	Transportation equipment	Office equipment	Other equipment	Unfinished construction	Total
<u>At January 1, 2022</u>								
Cost	\$ 609,996	\$ 3,056,474	\$ 821,112	\$ 97,525	\$ 377,530	\$ 1,029,327	\$ 8,240	\$ 6,000,204
Accumulated depreciation	-	(1,492,440)	(486,170)	(88,998)	(323,134)	(950,664)	-	(3,341,406)
	<u>\$ 609,996</u>	<u>\$ 1,564,034</u>	<u>\$ 334,942</u>	<u>\$ 8,527</u>	<u>\$ 54,396</u>	<u>\$ 78,663</u>	<u>\$ 8,240</u>	<u>\$ 2,658,798</u>
<u>2022</u>								
Opening net book amount	\$ 609,996	\$ 1,564,034	\$ 334,942	\$ 8,527	\$ 54,396	\$ 78,663	\$ 8,240	\$ 2,658,798
Additions	-	10,275	41,074	5,431	11,608	10,507	2,332	81,227
Net disposal	-	-	-	-	-	(8)	-	(8)
Depreciation charge	-	(199,765)	(89,803)	(7,348)	(20,199)	(32,635)	-	(349,750)
Net exchange differences	17,967	36,361	2,288	30	252	655	-	57,553
Closing net book amount	<u>\$ 627,963</u>	<u>\$ 1,410,905</u>	<u>\$ 288,501</u>	<u>\$ 6,640</u>	<u>\$ 46,057</u>	<u>\$ 57,182</u>	<u>\$ 10,572</u>	<u>\$ 2,447,820</u>
<u>At December 31, 2022</u>								
Cost	\$ 627,963	\$ 3,138,878	\$ 871,002	\$ 102,972	\$ 387,824	\$ 1,045,373	\$ 10,572	\$ 6,184,584
Accumulated depreciation	-	(1,727,973)	(582,501)	(96,332)	(341,767)	(988,191)	-	(3,736,764)
	<u>\$ 627,963</u>	<u>\$ 1,410,905</u>	<u>\$ 288,501</u>	<u>\$ 6,640</u>	<u>\$ 46,057</u>	<u>\$ 57,182</u>	<u>\$ 10,572</u>	<u>\$ 2,447,820</u>

Note 1: The Group's buildings include building, parking space, air conditioner and decorations which are depreciated over 50 years, 35 years, and 15 years, respectively.

Note 2: Information about the property, plant and equipment that were pledged to others as collateral is provided in Note 8.

Note 3: Please refer to Section 6(10) for an explanation of the reclassification of the property, plant and equipment.

(9) Leasing arrangements-lessee

- A. The Group leases various assets including land use right, buildings and business vehicles. Rental contracts are typically made for periods of 1 to 50 years. 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 parking spaces and warehouses.
- C. The carrying amount of right-of-use assets and the depreciation charge are as follows:

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
	<u>Carrying amount</u>	<u>Carrying amount</u>
Land	\$ 347,650	\$ 350,483
Buildings	14,438	49,919
Transportation equipment (business vehicles)	7,214	1,298
	<u>\$ 369,302</u>	<u>\$ 401,700</u>

	<u>Years ended December 31,</u>	
	<u>2023</u>	<u>2022</u>
	<u>Depreciation charge</u>	<u>Depreciation charge</u>
Land	\$ 10,383	\$ 10,019
Buildings	36,318	31,824
Transportation equipment (business vehicles)	2,194	1,015
	<u>\$ 48,895</u>	<u>\$ 42,858</u>

- D. For the years ended December 31, 2023 and 2022, the additions to right-of-use assets were \$8,111 and \$36,830, respectively.
- E. The information on income and expense accounts relating to lease contracts is as follows:

	<u>Years ended December 31,</u>	
	<u>2023</u>	<u>2022</u>
<u>Items affecting profit or loss</u>	<u>Depreciation charge</u>	<u>Depreciation charge</u>
Interest expense on lease liabilities	\$ 1,373	\$ 2,719
Expense on short-term lease contracts	8,728	11,737

- F. For the years ended December 31, 2023 and 2022, the Group's total cash outflow for leases were \$53,175 and \$49,048, respectively.

(10) Investment property

	Land	Buildings and structures	Total
<u>At January 1, 2023</u>			
Cost	\$ 328,134	\$ 277,381	\$ 605,515
Accumulated depreciation	-	(154,497)	(154,497)
	<u>\$ 328,134</u>	<u>\$ 122,884</u>	<u>\$ 451,018</u>
<u>2023</u>			
Opening net book amount	\$ 328,134	\$ 122,884	\$ 451,018
Additions	-	2,249	2,249
Transfers	111,385	31,236	142,621
Depreciation charge	-	(10,815)	(10,815)
Closing net book amount	<u>\$ 439,519</u>	<u>\$ 145,554</u>	<u>\$ 585,073</u>
<u>At December 31, 2023</u>			
Cost	\$ 439,519	\$ 310,866	\$ 750,385
Accumulated depreciation	-	(165,312)	(165,312)
	<u>\$ 439,519</u>	<u>\$ 145,554</u>	<u>\$ 585,073</u>
	Land	Buildings and structures	Total
<u>At January 1, 2022</u>			
Cost	\$ 328,134	\$ 277,219	\$ 605,353
Accumulated depreciation	-	(145,816)	(145,816)
	<u>\$ 328,134</u>	<u>\$ 131,403</u>	<u>\$ 459,537</u>
<u>2022</u>			
Opening net book amount	\$ 328,134	\$ 131,403	\$ 459,537
Additions	-	162	162
Depreciation charge	-	(8,681)	(8,681)
Closing net book amount	<u>\$ 328,134</u>	<u>\$ 122,884</u>	<u>\$ 451,018</u>
<u>At December 31, 2022</u>			
Cost	\$ 328,134	\$ 277,381	\$ 605,515
Accumulated depreciation	-	(154,497)	(154,497)
	<u>\$ 328,134</u>	<u>\$ 122,884</u>	<u>\$ 451,018</u>

- A. Rental income from the lease of the investment property and direct operating expenses arising from the investment property are shown below:

	Years ended December 31,	
	2023	2022
Rental revenue from investment property	\$ 90,907	\$ 47,441
Direct operating expenses arising from the investment property that generated rental income during the year	\$ 14,886	\$ 11,802

- B. For the year ended December 31, 2023, the Group reclassify property, plant and equipment, to investment property with an amount of \$142,621 since the increase of portion to earn rentals.
- C. The fair values of the investment property held by the Group as at December 31, 2023 and 2022 were \$1,941,842 and \$1,823,029, respectively. The fair value on December 31, 2023 and 2022 was valued by independent appraisers. Valuation of land was made using the comparative approach while the valuation of building was made using the weighted average of cost approach and income approach and were classified as level 3.

(11) Intangible assets

	Trademarks	Software	Others	Total
<u>At January 1, 2023</u>				
Cost	\$ 846	\$ 149,179	\$ 575	\$ 150,600
Accumulated amortisation	(834)	(112,095)	(422)	(113,351)
	<u>\$ 12</u>	<u>\$ 37,084</u>	<u>\$ 153</u>	<u>\$ 37,249</u>
<u>2023</u>				
Opening net book amount	\$ 12	\$ 37,084	\$ 153	\$ 37,249
Additions	-	14,408	-	14,408
Amortisation charge	(12)	(21,731)	(101)	(21,844)
Net exchange differences	-	(1)	-	(1)
Closing net book amount	<u>\$ -</u>	<u>\$ 29,760</u>	<u>\$ 52</u>	<u>\$ 29,812</u>
<u>At December 31, 2023</u>				
Cost	\$ 846	\$ 162,514	\$ 575	\$ 163,935
Accumulated amortisation	(846)	(132,754)	(523)	(134,123)
	<u>\$ -</u>	<u>\$ 29,760</u>	<u>\$ 52</u>	<u>\$ 29,812</u>

	<u>Trademarks</u>	<u>Software</u>	<u>Others</u>	<u>Total</u>
<u>At January 1, 2022</u>				
Cost	\$ 846	\$ 116,526	\$ 4,562	\$ 121,934
Accumulated amortisation	(761)	(76,358)	(4,309)	(81,428)
	<u>\$ 85</u>	<u>\$ 40,168</u>	<u>\$ 253</u>	<u>\$ 40,506</u>
<u>2022</u>				
Opening net book amount	\$ 85	\$ 40,168	\$ 253	\$ 40,506
Disposals	-	19,494	-	19,494
Amortisation charge	(73)	(22,900)	(108)	(23,081)
Net exchange differences	-	322	8	330
Closing net book amount	<u>\$ 12</u>	<u>\$ 37,084</u>	<u>\$ 153</u>	<u>\$ 37,249</u>
<u>At December 31, 2022</u>				
Cost	\$ 846	\$ 149,179	\$ 575	\$ 150,600
Accumulated amortisation	(834)	(112,095)	(422)	(113,351)
	<u>\$ 12</u>	<u>\$ 37,084</u>	<u>\$ 153</u>	<u>\$ 37,249</u>

Details of amortisation on intangible assets are as follows:

	<u>Years ended December 31,</u>	
	<u>2023</u>	<u>2022</u>
Selling expenses	\$ 20	\$ 19
Administrative expenses	15,865	17,287
Research and development expenses	5,959	5,775
	<u>\$ 21,844</u>	<u>\$ 23,081</u>

(12) Short-term borrowings

<u>Type of Borrowings</u>	<u>December 31, 2023</u>	<u>Interest rate range</u>	<u>Collateral</u>
Bank borrowings			
Unsecured borrowings	\$ 400,000	1.64%~1.67%	None
Secured borrowings	25,000	1.65%~1.69%	Note
	<u>\$ 425,000</u>		
<u>Type of Borrowings</u>	<u>December 31, 2022</u>	<u>Interest rate range</u>	<u>Collateral</u>
Bank borrowings			
Unsecured borrowings	\$ 400,000	1.19%~1.67%	None
Secured borrowings	30,000	1.43%	Note
	<u>\$ 430,000</u>		

Note: Please refer to Section 8 for an explanation

Interest expense recognised in profit or loss amounted to \$11,218 and \$7,464 for the years ended December 31, 2023 and 2022, respectively.

(13) Other accounts payable

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Accrued payroll and bonus	\$ 286,868	\$ 296,013
Accrued royalty payable	210,039	136,423
Consumption goods expense payable	69,423	30,020
Accrued taxes	42,642	76,315
Accrued labor costs	24,678	33,987
Payable for equipment	43,123	19,887
Others	348,743	343,459
	<u>\$ 1,025,516</u>	<u>\$ 936,104</u>

(14) 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 1 month 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 Bank of Taiwan, the trustee, under the name of the independent retirement fund committee. Also, 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:

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Present value of defined benefit obligations	\$ 80,865	\$ 81,786
Fair value of plan assets	(21,620)	(22,449)
Net defined benefit liability		
(Shown as other current liabilities)	<u>\$ 59,245</u>	<u>\$ 59,337</u>

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

	Present value of defined benefit obligations	Fair value of plan assets	Net defined benefit liability
Year ended December 31, 2023			
Balance at January 1	\$ 81,786	(\$ 22,449)	\$ 59,337
Current service cost	449	-	449
Interest expense (income)	1,001	(267)	734
	<u>83,236</u>	<u>(22,716)</u>	<u>60,520</u>
Remeasurements:			
Return on plan assets (excluding amounts included in interest income or expense)	-	(179)	(179)
Change in financial assumptions	291	-	291
Experience adjustments	<u>420</u>	<u>-</u>	<u>420</u>
	<u>711</u>	<u>(179)</u>	<u>532</u>
Pension fund contribution	-	(1,807)	(1,807)
Pay pension	(3,082)	<u>3,082</u>	<u>-</u>
Balance at December 31	<u>\$ 80,865</u>	<u>(\$ 21,620)</u>	<u>\$ 59,245</u>
	Present value of defined benefit obligations	Fair value of plan assets	Net defined benefit liability
Year ended December 31, 2022			
Balance at January 1	\$ 74,942	(\$ 11,117)	\$ 63,825
Current service cost	614	-	614
Interest expense (income)	<u>446</u>	<u>(41)</u>	<u>405</u>
	<u>76,002</u>	<u>(11,158)</u>	<u>64,844</u>
Remeasurements:			
Return on plan assets (excluding amounts included in interest income or expense)	-	(1,137)	(1,137)
Change in financial assumptions	(3,483)	-	(3,483)
Experience adjustments	<u>9,267</u>	<u>-</u>	<u>9,267</u>
	<u>5,784</u>	<u>(1,137)</u>	<u>4,647</u>
Pension fund contribution	-	(10,154)	(10,154)
Balance at December 31	<u>\$ 81,786</u>	<u>(\$ 22,449)</u>	<u>\$ 59,337</u>

- (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 securitization 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 approval 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 asset 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:

	2023	2022
Discount rate	1.20%	1.25%
Future salary increases	2.00%	2.00%

Assumptions regarding future mortality experience are set based on the 5th Taiwan Standard Ordinary Experience Mortality Table for the years ended December 31, 2023 and 2022.

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	(\$ 1,431)	\$ 1,474	\$ 1,459	(\$ 1,423)
December 31, 2022				
Effect on present value of defined benefit obligation	(\$ 1,506)	\$ 1,553	\$ 1,538	(\$ 1,499)

The sensitivity analysis above was 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 plan of the Company for the year ending December 31, 2024 are \$1,234.

(g) As of December 31, 2023, the weighted average duration of that retirement plan is 7 years.

B. (a) 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 contributes monthly an amount based on not less than 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.

(b) REI MAU does not need to accrue pension costs as it does not have any employee.

(c) SPYGLASS and ABOUND did not establish their pension plans and the local regulations do not require any pension plan.

(d) ASEV, ALI and AVC appropriate certain percentage of employees’ pension to their designated accounts with financial institutions in accordance with employees’ pension plan.

(e) Raken and Amtran Electronic appropriate certain percentage of local employees’ salaries as pension fund in compliance with the regulations on elderly insurance system of People’s Republic of China (PRC.). The appropriation percentage is 16%. The pension fund is managed and organised by the government. The Group shall appropriate monthly and has no further obligation.

(f) AVTC and VNTC appropriate a certain percentage of local employees’ salaries as pension fund in compliance with the regulations on elderly insurance system of the Socialist Republic of Vietnam. The percentage of salaries appropriated as pension fund is 14% for Vietnamese employees and 17.5% for foreign employees. The pension fund is managed and organised by the government. The Group shall appropriate monthly and has no further obligation.

(g) The pension costs under the defined contribution pension plans of the Group for the years ended December 31, 2023 and 2022 were \$89,140 and \$81,278, respectively.

(15) Provisions

	Years ended December 31,	
	2023	2022
At January 1	\$ 146,999	\$ 136,227
Additional provisions	39,529	112,986
Used during the year	(88,342)	(102,214)
At December 31	\$ 98,186	\$ 146,999
Analysis of total provisions:		
	December 31, 2023	December 31, 2022
Current	\$ 98,186	\$ 146,999

The Group provides warranties on monitors and digital TV products sold. Provision for warranty is estimated based on historical warranty data of monitors and digital TV products. It is expected that provision for warranty will be used during the year.

(16) Share capital

- A. As of December 31, 2023, the Company's authorised capital was \$12,000,000, consisting of 1.2 billion shares of ordinary stock (including 40 million shares reserved for employee stock options), and the paid-in capital was \$7,401,000 with a par value of \$10 (in dollars) per share. All proceeds from shares issued have been collected.
- B. The Company increased its capital by capitalising unappropriated earnings amounting to \$380,000 as resolved by the shareholders at their meeting on June 14, 2022. On September 21, 2022, the change of registration was completed.
- C. To maintain the Company's credit rating and the shareholders' equity, on March 13, 2023, the Board of Directors of the Company resolved to repurchase the Company's outstanding ordinary in amount of \$211,846. On August 4, 2023, the Board of Directors proposed for the retirement of 18,000 thousand treasury shares, effective on August 8, 2023, and the Company's paid-in capital would be \$7,800,000. The registration of the retirement of treasury shares was completed on August 28, 2023.
- D. On March 13, 2023, the Board of directors proposed for a capital reduction amounting to \$399,000 by retiring 39,900 thousand shares with an equivalent of \$0.51 (in dollars) per share, and the capital reduction was approved by the shareholders at their meeting on June 15, 2023. After the reduction, the Company's paid-in capital would be \$7,401,000, consisting of 740,100 thousand shares of ordinary stock with a par value of \$10 (in dollars) per share. The capital reduction was approved by the Securities and Futures Bureau, Financial Supervisory Commission on July 28, 2023, effective on August 9, 2023. The registration of the capital reduction was completed on October 17, 2023, and the amount has been paid.

(17) Capital surplus

Pursuant to the R.O.C. Company Law, 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 Law 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.

2023					
	Share premium	Treasury share transactions	Changes in ownership interests in subsidiaries and associates	Stock option	Total
At January 1	\$ 1,672,150	\$ 605,091	\$ 11,550	\$ 4,718	\$ 2,293,509
Disposal of treasury shares	(\$ 37,717)	\$ 5,871	\$ -	\$ -	(\$ 31,846)
At December 31	<u>\$ 1,634,433</u>	<u>\$ 610,962</u>	<u>\$ 11,550</u>	<u>\$ 4,718</u>	<u>\$ 2,261,663</u>
2022					
	Share premium	Treasury share transactions	Changes in ownership interests in subsidiaries and associates	Stock option	Total
At January 1 (At December 31)	<u>\$ 1,672,150</u>	<u>\$ 605,091</u>	<u>\$ 11,550</u>	<u>\$ 4,718</u>	<u>\$ 2,293,509</u>

(18) Retained earnings

- A. Where the Company accrues profit in the half year, it should first be reserved to pay tax and offset against accumulated deficit, and appropriate 10% of which as legal reserve unless legal reserve amounts to the total authorised capital. In addition, special reserve that has been appropriated or reversed in accordance with related regulations along with the unappropriated retained earnings of the first half of the year can be proposed by Board of Directors for earnings appropriation of dividends. The proposal of appropriation should be approved by the shareholders if dividends would be distributed by issuing new shares; it should be resolved by the Board of Directors if dividends would be distributed in the form of cash. The dividends must not be less than 20% of distributable retained earnings of current year. The dividend can be appropriated in cash or shares and cash dividends must not be less than 20% of total dividends.
- B. To accompany the growth and overall environment of the high-tech sector, the Company's dividend policy is based on the earnings, financial structure and the future development. In addition, the dividend is distributed according to the appropriation of the earnings. Stock dividend shall be based on the proportion to the reserves.
- C. 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.

- D. 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.
- E. On June 15, 2023, the shareholders at their meeting resolved not to distribute the unappropriated retained earnings of 2022.
- F. The appropriations of earnings for 2022 and 2021 were resolved by the shareholders on June 15, 2023 and June 14, 2022, respectively. Details are summarised below:

	Year ended December 31		Year ended December 31	
	2022		2021	
	Amount	Dividends per share (in dollars)	Amount	Dividends per share (in dollars)
Legal reserve appropriated	\$ -		\$ 501,716	
Special reserve appropriated	(\$ 87,794)		\$ 64,395	
Distribution of cash dividends	\$ -	\$ -	\$ 570,000	\$ 0.75
Distribution of stock dividends	\$ -	\$ -	\$ 380,000	\$ 0.50

The aforementioned resolutions are identical to the resolutions passed during the Board of Directors' meeting held on March 13, 2023 and March 18, 2022. The information on distribution of earnings will be posted on the "Market Observation Post System" of the TSEC.

- G. On March 13, 2024, the Board of Directors of the Company resolved not to distribute the unappropriated retained earnings of 2023.

	Year ended December 31	
	2023	
	Amount	Dividends per share (in dollars)
Legal reserve appropriated	\$ 44,573	
Special reserve appropriated	(\$ 27,377)	
Distribution of cash dividends	\$ 401,200	\$ 0.54

- H. Refer to Note 6 (25) for details on employees' remuneration and directors' remuneration.

(19) Other equity and non-controlling interest items

	2023		
	Other equity		
	Currency translation	Gain or loss on unrealised valuation	Non-controlling interest items
At January 1	(\$ 200,300)	(\$ 54,390)	\$ 165,876
Unrealised gains from financial assets measured at fair value through other comprehensive income:			
Revaluation-associates	-	(3,943)	-
Revaluation transferred to retained earnings-gross	-	14,434	-
Currency translation differences:			
-Group	20,692	-	-
-Associates	(3,805)	-	-
-Non-controlling interest	-	-	(161)
Decrease in non-controlling interest (Note)	-	-	(16,002)
Net profit attributable to non-controlling interest	-	-	10,788
At December 31	(\$ 183,413)	(\$ 43,899)	\$ 160,501

	2022		
	Other equity		
	Currency translation	Gain or loss on unrealised valuation	Non-controlling interest items
At January 1	(\$ 324,294)	(\$ 18,189)	\$ 188,833
Unrealised gains from financial assets measured at fair value through other comprehensive income:			
Revaluation-associates	-	(38,744)	-
Revaluation transferred to retained earnings-gross	-	2,543	-
Currency translation differences:			
-Group	124,235	-	-
-Associates	(241)	-	-
-Non-controlling interest	-	-	11,430
Decrease in non-controlling interest (Note)	-	-	(2,611)
Net profit attributable to non-controlling interest	-	-	(31,776)
At December 31	(\$ 200,300)	(\$ 54,390)	\$ 165,876

Note: The consolidated entity decreased the capital, distributed cash dividends, dissolved and liquidated resulting to a decrease in non-controlling interest.

(20) Operating revenue

	Years ended December 31,	
	2023	2022
Revenue from contracts with customers	\$ 16,583,775	\$ 16,355,412

A. Disaggregation of revenue from contracts with customers

The Group derives revenue from the transfer of goods and services at a point in time in the following major product lines: digital television, display, stereo system and peripheral equipment.

Years ended December 31,

<u>2023</u>	<u>Taiwan</u>	<u>USA</u>	<u>China</u>	<u>Others</u>	<u>Total</u>
Digital television	\$ 5,304,428	\$ 35,092	\$ 1,986,581	\$ 65,269	\$ 7,391,370
Monitors	4,272,949	98,945	1,041,157	51,098	5,464,149
Computer peripheral products	2,067,633	-	145,345	234,066	2,447,044
Stereo system	630,703	121,444	-	-	752,147
Others	389,573	49,394	74,876	15,222	529,065
Total	<u>\$ 12,665,286</u>	<u>\$ 304,875</u>	<u>\$ 3,247,959</u>	<u>\$ 365,655</u>	<u>\$ 16,583,775</u>

Years ended December 31,

<u>2022</u>	<u>Taiwan</u>	<u>USA</u>	<u>China</u>	<u>Others</u>	<u>Total</u>
Digital television	\$ 4,249,929	\$ 171,684	\$ 3,754,566	\$ 11,925	\$ 8,188,104
Monitors	4,098,489	76,010	699,814	-	4,874,313
Computer peripheral products	1,287,565	-	253,333	24,438	1,565,336
Stereo system	956,900	-	-	-	956,900
Others	570,298	18,751	178,795	2,915	770,759
Total	<u>\$ 11,163,181</u>	<u>\$ 266,445</u>	<u>\$ 4,886,508</u>	<u>\$ 39,278</u>	<u>\$ 16,355,412</u>

B. Contract liabilities

(a) The Group has recognised the following revenue-related contract liabilities:

	<u>December 31, 2023</u>	<u>December 31, 2022</u>	<u>January 1, 2022</u>
Contract liabilities:			
Contract liabilities-advance sales receipts	\$ <u>54,031</u>	\$ <u>46,096</u>	\$ <u>433</u>

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

	<u>Years ended December 31,</u>	
	<u>2023</u>	<u>2022</u>
Revenue recognised that was included in the contract liability balance at the beginning of the year		
Contract liabilities-advance sales receipts	\$ <u>46,096</u>	\$ <u>433</u>

(21) Interest income

	Years ended December 31,	
	2023	2022
Interest income from bank deposits	\$ 198,860	\$ 46,049

(22) Other income

	Years ended December 31,	
	2023	2022
Rental revenue	\$ 173,537	\$ 156,520
Government grants revenue	-	22,696
Dividend income	40,089	23,230
Other income, others	55,409	34,849
	<u>\$ 269,035</u>	<u>\$ 237,295</u>

(23) Other gains and losses

	Years ended December 31,	
	2023	2022
Gain on disposal of property, plant and equipment	\$ 2,576	\$ 4,010
Net currency exchange gain	33,614	311,245
Net gain (loss) on financial assets at fair value through profit or loss	162,355	(3,824,883)
Loss on disposal of investment	(41,140)	-
Other losses	(42,974)	(17,369)
	<u>\$ 114,431</u>	<u>(\$ 3,526,997)</u>

(24) Finance costs

	Years ended December 31,	
	2023	2022
Interest expense:		
Bank borrowings	\$ 11,218	\$ 7,515
Others	1,934	2,866
	<u>\$ 13,152</u>	<u>\$ 10,381</u>

(25) Expenses by nature

	Years ended December 31,	
	2023	2022
Employee benefit expense		
Wages and salaries	\$ 1,278,378	\$ 1,191,255
Labor and health insurance fees	81,479	96,862
Pension costs	90,323	82,297
Directors' remunerations	44,960	30,540
Other personnel expenses	142,640	130,828
	<u>\$ 1,637,780</u>	<u>\$ 1,531,782</u>
Depreciation and amortisation		
Depreciation charges on property, plant and equipment (including investment property)	\$ 348,851	\$ 358,431
Amortisation charges on right-of-use assets	48,895	42,858
Amortisation charges on intangible assets	21,844	23,081
	<u>\$ 419,590</u>	<u>\$ 424,370</u>

- A. According to the Articles of Incorporation of the Company, a ratio of profit of the current year distributable, after covering accumulated losses, shall be distributed as employees' compensation and directors' and supervisors' remuneration. The ratio shall not be lower than 3% and shall not be higher than 3% for directors' and supervisors' remuneration.
- B. For the year ended December 31, 2023, employees' compensation was \$21,000 and directors' and supervisors' remuneration was \$9,000. The aforementioned amounts were recognised in salary expenses. No employees' compensation and directors' and supervisors' remuneration were recognised due to the loss incurred for the year ended December 31, 2022.
- C. In accordance with the Articles of Incorporation, employees' compensation and directors' and supervisors' remuneration are accrued based on a certain percentage of estimated profit for the current year. For the years, ended December 31, 2023, employees' compensation was accrued based on 4% of distribution profit for the year, and directors' and supervisors' remuneration were accrued based on 2% of distribution profit for the year.

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

(26) Income tax

A. Income tax expense

(a) Components of income tax expense:

	Years ended December 31,	
	2023	2022
Current tax:		
Current tax on profits for the year	\$ 190,450	\$ 58,476
Tax on undistributed surplus earnings	37	27,888
Prior year income tax under estimation	118,921	11,141
Total current tax	309,408	97,505
Deferred tax:		
Origination and reversal of temporary differences	(198,846)	(749,657)
Exchange rate effects	1,672	(1,446)
Total deferred tax	(197,174)	(751,103)
Income tax expense	\$ 112,234	(\$ 653,598)

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

	Years ended December 31,	
	2023	2022
Remeasurement of defined benefit obligations	(\$ 106)	(\$ 929)

B. Reconciliation between income tax expense and accounting profit

	Years ended December 31,	
	2023	2022
Tax calculated based on profit before tax and statutory tax rate	\$ 137,962	(\$ 652,037)
Effect from items adjusted in accordance with tax regulation	991	(84)
Change in assessment of realisation of deferred tax assets	(61,122)	(30,214)
Tax losses unrecognised as deferred tax assets	(11,157)	-
Prior year income tax under estimation	118,921	11,141
Effect from investment tax credits	(74,936)	(8,846)
Effect of exchange rate	1,672	(1,446)
Others	(97)	27,888
Tax expense	\$ 112,234	(\$ 653,598)

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

2023					
	January 1	Recognised in other		Translation differences	December 31
		Recognised in profit or loss	comprehensive income		
— Deferred tax assets					
Temporary differences:					
Allowance for inventory price decline	\$ 55,025	(\$ 24,482)	\$ -	(\$ 600)	\$ 29,943
Provision for after sale service	20,893	(3,047)	-	-	17,846
Unrealised sales discount	36,541	19,683	-	-	56,224
Unrealised royalty expense	27,285	14,723	-	-	42,008
Unrealised loss on inter-affiliate accounts	22,303	(1,189)	-	(383)	20,731
Others	33,317	(9,117)	106	(547)	23,759
Loss carryforward	<u>31</u>	<u>9,016</u>	<u>-</u>	<u>-</u>	<u>9,047</u>
	<u>195,395</u>	<u>5,587</u>	<u>106</u>	<u>(1,530)</u>	<u>199,558</u>
— Deferred tax liabilities:					
Temporary differences:					
Unrealised gain on valuation of financial assets	(446,058)	213,130	-	-	(232,928)
Unrealised gain on long-term investments	-	(25,404)	-	-	(25,404)
Others	(86,402)	5,391	-	-	(81,011)
	<u>(532,460)</u>	<u>193,117</u>	<u>-</u>	<u>-</u>	<u>(339,343)</u>
	<u>(\$ 337,065)</u>	<u>\$ 198,704</u>	<u>\$ 106</u>	<u>(\$ 1,530)</u>	<u>(\$ 139,785)</u>

2022					
Recognised in other					
	January 1	Recognised in comprehensive profit or loss	income	Translation differences	December 31
— Deferred tax assets					
Temporary differences:					
Allowance for inventory price decline	\$ 7,259	\$ 47,934	\$ -	(\$ 168)	\$ 55,025
Provision for after sale service	21,104	(211)	-	-	20,893
Unrealised sales discount	46,917	(10,376)	-	-	36,541
Unrealised royalty expense	35,844	(8,559)	-	-	27,285
Unrealised loss on inter-affiliate accounts	23,151	(1,193)	-	345	22,303
Loss carryforward	304,900	(304,869)	-	-	31
Others	51,208	(20,175)	929	1,355	33,317
	<u>490,383</u>	<u>(297,449)</u>	<u>929</u>	<u>1,532</u>	<u>195,395</u>
— Deferred tax liabilities:					
Temporary differences:					
Unrealised gain on valuation of financial assets	(1,503,216)	1,057,158	-	-	(446,058)
Others	(76,264)	(10,052)	-	(86)	(86,402)
	<u>(1,579,480)</u>	<u>1,047,106</u>	<u>-</u>	<u>(86)</u>	<u>(532,460)</u>
	<u>(\$ 1,089,097)</u>	<u>\$ 749,657</u>	<u>\$ 929</u>	<u>\$ 1,446</u>	<u>(\$ 337,065)</u>

D. Expiration dates of unused tax losses and amounts of unrecognised deferred tax assets are as follows:

December 31, 2023				
Year incurred	Amount filed/assessed	Unused amount	Deferred tax assets	Expiry year
2020	\$ 421,128	\$ 269,356	\$ 269,356	2030
2021	135,107	120,285	120,285	2031
	<u>\$ 556,235</u>	<u>\$ 389,641</u>	<u>\$ 389,641</u>	

- E. The Company has not recognised taxable temporary differences associated with investment in subsidiaries as deferred tax liabilities. As of December 31, 2023 and 2022, temporary differences that were not recognised as deferred tax liabilities amounted to \$1,407,922 and \$1,407,230, respectively.
- F. The income tax returns of RICK TECHNOLOGY INC. through 2020 and Amtran Technology Co., Ltd., REI MAU ENTERPRISE CO LTD, Ltd., Rick Service Inc., and H&P Venture Capital Investment Co., Ltd. in the Group through 2021 have been assessed and approved by the Tax Authority.

(27) Earnings (loss) per share

	December 31, 2023		
	Amount after tax	Weighted average number of ordinary shares outstanding (shares in thousands)	Earnings per share (in dollars)
<u>Basic earnings per share</u>			
Profit attributable to ordinary shareholders of the parent	<u>\$ 446,155</u>	<u>770,109</u>	<u>\$ 0.58</u>
<u>Diluted earnings per share</u>			
Profit attributable to ordinary shareholders of the parent	\$ 446,155	770,109	
Assumed conversion of all dilutive potential ordinary shares			
Employees' compensation	<u>-</u>	<u>1,615</u>	
Profit attributable to ordinary shareholders of the parent plus assumed conversion of all dilutive potential ordinary shares	<u>\$ 446,155</u>	<u>771,724</u>	<u>\$ 0.58</u>

	December 31, 2022		
	Amount after tax	Weighted average number of ordinary shares outstanding (shares in thousands)	Loss per share (in dollars)
<u>Basic loss per share</u>			
Loss attributable to ordinary shareholders of the parent	<u>(\$ 2,753,662)</u>	<u>798,000</u>	<u>(\$ 3.45)</u>

- A. The Company increased its capital by capitalising unappropriated earnings amounting to \$380,000 as resolved by the shareholders at their meeting on June 14, 2022. On September 21, 2022, the change of registration was completed. Therefore, the weighted average number of outstanding shares in 2021 after the retrospective adjustment was 798,000 thousand shares.
- B. The Group's employee compensation for the year ended December 31, 2022 has an anti-dilutive effect, so it was not included in diluted earnings per share.

(28) Supplemental cash flow information

Investing activities with partial cash payments

	Years ended December 31,	
	2023	2022
Purchase of property, plant and equipment	\$ 351,228	\$ 81,389
Less: Opening balance of prepayments for equipment	(49,863)	(48,449)
Add: Ending balance of prepayments for equipment and land	312,851	49,863
Add: Opening balance of payable on equipment	19,887	89
Less: Ending balance of payable on equipment	(43,123)	(19,887)
Cash paid during the year	<u>\$ 590,980</u>	<u>\$ 63,005</u>

(29) Changes in liabilities from financing activities

	Short-term borrowings	Long-term borrowings (including current portion)	Lease liabilities (including current portion)	Guarantee deposits received	Liabilities from financing activities-gross
At January 1, 2023	\$ 430,000	\$ -	\$ 55,718	\$ 34,080	\$ 519,798
Changes in cash flow from financing activities	(5,000)	-	(43,074)	(5,715)	(53,789)
Increase in lease liabilities	-	-	8,111	-	8,111
Impact of changes in foreign exchange rate	-	-	913	(158)	755
At December 31, 2023	<u>\$ 425,000</u>	<u>\$ -</u>	<u>\$ 21,668</u>	<u>\$ 28,207</u>	<u>\$ 474,875</u>

	Short-term borrowings	Long-term borrowings (including current portion)	Lease liabilities (including current portion)	Guarantee deposits received	Liabilities from financing activities-gross
At January 1, 2022	\$ 1,103,960	\$ 26,856	\$ 54,308	\$ 19,871	\$ 1,204,995
Changes in cash flow from financing activities	(673,960)	(27,308)	(34,592)	13,898	(721,962)
Increase in lease liabilities	-	-	36,830	-	36,830
Impact of changes in foreign exchange rate	-	452	4,290	311	5,053
Impact of changes in other	-	-	(5,118)	-	(5,118)
At December 31, 2022	<u>\$ 430,000</u>	<u>\$ -</u>	<u>\$ 55,718</u>	<u>\$ 34,080</u>	<u>\$ 519,798</u>

7. RELATED PARTY TRANSACTIONS

(1) Names of related parties and relationship

<u>Names of related parties</u>	<u>Relationship with the Group</u>
RARA INC. (RARA)	Other related party
Kuangtung Hua Jung Corporation (Hua Jung)	Associate
Heroic Faith Medical Science Co., Ltd. (Heroic Faith)	"

(2) Significant transactions and balances with related parties

A. Operating revenue:

	<u>Years ended December 31,</u>	
	<u>2023</u>	<u>2022</u>
Sales of goods:		
Other related parties:		
— RARA	\$ 354,496	\$ 391,465
Associates:		
— Hua Jung	5	-
	<u>\$ 354,501</u>	<u>\$ 391,465</u>

The sales prices are based on contractual terms. No similar transaction can be compared with. The credit terms are 60~90 days after monthly billings for the related parties. For third parties, credit terms are 30~90 days after monthly billings.

B. Purchases of goods:

	<u>Years ended December 31,</u>	
	<u>2023</u>	<u>2022</u>
Purchases of goods:		
Associates	\$ 113	\$ 60

The purchase prices are based on contractual terms, and payments are made by wire transfer. The payment terms are 55~120 days after monthly billings for the related parties and 30~120 days after monthly billings for third parties.

C. Receivables from related parties:

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Other related parties:		
RARA	\$ 156,008	\$ 114,744

As of December 31, 2023 and 2022, the receivables from related parties were not past due and the counterparties have optimal credit quality.

D. Payables to related parties:

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Accounts payable:		
Associates	<u>\$ 106</u>	<u>\$ -</u>

E. Property transaction:

	<u>2023</u>	<u>2022</u>
Other related party		
-RARA	<u>\$ -</u>	<u>\$ 857</u>

F. Operating expense:

	<u>2023</u>	<u>2022</u>
Other expenses:		
Other related party		
-RARA	<u>\$ 3,875</u>	<u>\$ 2,520</u>

(3) Key management compensation

	<u>Years ended December 31,</u>	
	<u>2023</u>	<u>2022</u>
Short-term employee benefits	\$ 62,731	\$ 81,247
Post-employment benefits	<u>4,038</u>	<u>3,916</u>
	<u>\$ 66,769</u>	<u>\$ 85,163</u>

8. PLEDGED ASSETS

The Group's assets pledged as collateral are as follows:

<u>Pledged asset</u>	<u>Book value</u>		<u>Purpose</u>
	<u>December 31, 2023</u>	<u>December 31, 2022</u>	
Land	\$ 114,416	\$ 114,416	Long-term guarantee for borrowings
Building and structures	33,273	34,447	"
Bank deposits (shown as other non-current assets)	6,981	43,208	Deposit for provisional attachment of civil action
Bank deposits (shown as other current assets)	<u>1,811</u>	<u>-</u>	Bank's acceptance bill
	<u>\$ 156,481</u>	<u>\$ 192,071</u>	

Note: Please refer to Section 9(1) for an explanation of the deposit for provisional attachment of civil action.

9. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNISED CONTRACT

COMMITMENTS

(a) Contingencies

The suppliers, Suzhou Hanraysun Optoelectronics Technology Co., Ltd. and Xujing (Shanghai) Trading Co., Ltd., of the Group's subsidiary, Suzhou Raken Technology Ltd. ('Suzhou Raken'), filed a civil lawsuit against Suzhou Raken with the Suzhou People's Court in July 2019 and June 2023. Suzhou Hanraysun Optoelectronics Technology Co., Ltd. and Xujing (Shanghai) Trading Co., Ltd. claimed that Suzhou Raken shall pay the disputed amount under the purchase contract from 2020 to 2021 approximately amounting to \$48,882. Suzhou Raken has appointed a lawyer to handle the lawsuit. As of December 31, 2023, Suzhou People's Court issued an order for a provisional attachment on Suzhou Raken's demand deposits amounting to \$6,981 (shown as other non-current assets) according to the abovementioned disputed amount.

(b) Commitments

As of December 31, 2023 and 2022, the Group had capital expenditures contracted for at the balance sheet date but not yet incurred for property, plant and equipment in the amount of \$415,242 and \$70,714, respectively.

10. SIGNIFICANT DISASTER LOSS

None.

11. SIGNIFICANT EVENTS AFTER THE BALANCE SHEET DATE

- (1) Refer to Note 6(18) for the appropriation of 2023 earnings proposed by the Board of Directors on March 13, 2024.
- (2) On March 13, 2024, the Board of Directors of the Company resolved to reduce its capital and refund cash to shareholders in order to adjust the capital structure and increase return on shareholders' equity. The amount of cash capital reduction was \$601,000, constituting 60,100 thousand shares, and the number of ordinary shares after capital reduction was 680,000 thousand shares.
- (3) The Company CEO and President were indicted by the Taiwan Taipei District Prosecutors Office for suspected violation of the Securities and Exchange Act. The case has been assigned to the Company's legal counsels. As of March 31, 2024, the case does not have an impact on the Company's finance and business operations.

12. OTHERS

(1) Capital management

The Company plans the needs for future operating capital, research and development expenses and dividend distribution based on the Group's current operating characteristics and future development, taking into account changes in the external environment so as to safeguard the Company's ability to continue as a going concern, provide returns for shareholders and maintain an optimal capital structure to enhance shareholders' value in the long-term. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, issue new shares, return cash to shareholders or repurchase its own share.

(2) Financial instruments

A. Financial instruments by category

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
<u>Financial assets</u>		
Financial assets mandatorily measured at fair value through profit or loss	<u>\$ 2,299,371</u>	<u>\$ 3,465,903</u>
Financial assets at fair value through other comprehensive income		
Designation of equity instruments	<u>\$ 184,435</u>	<u>\$ 1,866</u>
Financial assets at amortised cost	<u>\$ 10,851,728</u>	<u>\$ 9,878,480</u>
	<u>December 31, 2023</u>	<u>December 31, 2022</u>
<u>Financial liabilities</u>		
Financial liabilities at amortised cost	<u>\$ 5,778,456</u>	<u>\$ 5,142,054</u>
Lease liabilities (including current and non-current)	<u>\$ 21,668</u>	<u>\$ 55,718</u>

Note: Financial assets at amortised cost included cash, accounts receivable, other receivables and guarantee deposits paid. Financial liabilities at amortised cost included short-term borrowings, accounts payable, other payables and guarantee deposits received.

B. Financial risk management policies

The Group adopts an overall risk management and control system to identify and evaluate risk. The Group has a Chief Financial Officer (CFO) to manage all the risk management policies and risk controls. The main duty of the CFO is to oversee implementation of the Group's risk control strategies as follows:

- (a) The Group uses derivative financial instruments to hedge the price, interest rate and exchange rate fluctuations, etc. of the Company's assets and liabilities, when these affect profit or loss.
- (b) The Group uses derivative financial instruments to hedge the exchange rate fluctuation arising from the foreign currency price of export or import transactions.

- (c) Depending on the risk of the variation of derivative financial instruments, to set up stop-loss point to limit possible losses.
- (d) To transact with international financial institutions with good credit standing.
- (e) To maintain working capital sufficient to support the cash flows resulting from the above contracts and reduce funding risk.

The Group believes that the above financial risk control strategies can effectively lower each kind of risks that the Group encounters.

C. Significant financial risks and degrees of financial risks

(a) Market risk

Foreign exchange risk

- i. The Group 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. Exchange rate risk arises from future commercial transactions and recognised assets and liabilities.
- ii. Management has set up a policy to require group companies to manage their foreign exchange risk against their functional currency. The companies are required to hedge their entire foreign exchange risk exposure with the Group treasury. Exchange rate risk is measured through a forecast of highly probable USD and RMB expenditures. Forward foreign exchange contracts are adopted to minimise the volatility of the exchange rate affecting cost of forecast inventory purchases.
- iii. The Group's businesses involve some non-functional currency operations (the Company's and certain subsidiaries' functional currency: NTD; other subsidiaries' functional currency: 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 amount (In thousands)	Exchange rate	Book value (NTD)
(Foreign currency: functional currency)			
<u>Financial assets</u>			
<u>Monetary items</u>			
USD:NTD	\$ 258,266	30.71	\$ 7,931,349
USD:RMB	74,129	7.0973	2,276,503
USD:VND	88,717	24,090	2,724,499
<u>Non-monetary items</u>			
USD:NTD	162,808	30.71	4,999,837
RMB:NTD	252,724	4.327	1,093,535
<u>Financial liabilities</u>			
<u>Monetary items</u>			
USD:NTD	186,027	30.71	5,712,889
USD:RMB	13,722	7.0973	421,403
USD:VND	96,727	24,090	2,970,487
December 31, 2022			
	Foreign currency amount (In thousands)	Exchange rate	Book value (NTD)
(Foreign currency: functional currency)			
<u>Financial assets</u>			
<u>Monetary items</u>			
USD:NTD	\$ 160,570	30.71	\$ 4,931,105
USD:RMB	58,814	6.9669	1,806,184
USD:VND	42,950	25,592	1,318,994
<u>Non-monetary items</u>			
USD:NTD	136,134	30.71	4,180,686
RMB:NTD	247,298	4.408	1,090,091
<u>Financial liabilities</u>			
<u>Monetary items</u>			
USD:NTD	113,599	30.71	3,488,625
USD:RMB	10,876	6.9669	334,003
USD:VND	56,649	25,592	1,739,690

- iv. The total exchange (loss) gain, including realised and unrealised, arising from significant foreign exchange variation on the monetary items held by the Group for the years ended December 31, 2023 and 2022 amounted to \$33,614 and \$311,245, respectively.
- v. Analysis of foreign currency market risk arising from significant foreign exchange variation:

Year ended December 31, 2023			
Sensitivity Analysis			
	Degree of variation	Effect on profit or loss	Effect on other comprehensive income
(Foreign currency: functional currency)			
<u>Financial assets</u>			
<u>Monetary items</u>			
USD:NTD	1%	\$ 79,313	\$ -
USD:RMB	1%	22,765	-
USD:VND	1%	27,245	-
<u>Non-monetary items</u>			
USD:NTD	1%	-	49,998
RMB:NTD	1%	-	10,935
<u>Financial liabilities</u>			
<u>Monetary items</u>			
USD:NTD	1%	57,129	-
USD:RMB	1%	4,214	-
USD:VND	1%	29,705	-

December 31, 2022			
Sensitivity Analysis			
	Degree of variation	Effect on profit or loss	Effect on other comprehensive income
(Foreign currency: functional currency)			
<u>Financial assets</u>			
<u>Monetary items</u>			
USD:NTD	1%	\$ 49,311	\$ -
USD:RMB	1%	18,062	-
USD:VND	1%	13,190	-
<u>Non-monetary items</u>			
USD:NTD	1%	-	41,807
RMB:NTD	1%	-	10,901
<u>Financial liabilities</u>			
<u>Monetary items</u>			
USD:NTD	1%	34,886	-
USD:RMB	1%	3,340	-
USD:VND	1%	17,397	-

Price risk

- i. The Group's equity securities, which are exposed to price risk, are the held financial assets at fair value through profit or loss and financial assets at fair value through other comprehensive income. To manage its price risk arising from investments in equity securities, the Group diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the Group.
- ii. The Group's investments in equity securities comprise shares and open-end funds issued by the domestic/overseas companies. The prices of equity securities would change due to the change of the future value of investee companies. If the prices of these equity securities had increased/decreased by 1% or floating discount rate changes by 1% with all other variables held constant, post-tax profit for the years ended December 31, 2023 and 2022 would have increased/decreased by \$17,756 and \$26,213, respectively, as a result of gains/losses on equity securities classified as at fair value through profit or loss. Other components of equity would have increased/decreased by \$18 and \$19, respectively, as a result of other comprehensive income classified as equity investment at fair value through other comprehensive income.

Cash flow and fair value interest rate risk

- i. The Group's main interest rate risk arises from long-term borrowings with variable rates, which expose the Group to cash flow interest rate risk. As of December 31, 2023 and 2022, the Group's borrowings at variable rate were mainly denominated in US dollars and NT dollars.
- ii. At December 31, 2023 and 2022, if interest rates on borrowings had been 0.1% higher/lower with all other variables held constant, post-tax profit for the years ended December 31, 2023 and 2022 would have been \$340 and \$344 lower/higher, respectively, mainly as a result of changes in interest expense on floating rate borrowings.

(b) Credit risk

- i. Credit risk refers to the risk of financial loss to the Group 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. Credit risk refers to the risk of financial loss to the Group 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 financial instruments stated at amortised cost. The main factor is that counterparties could not repay in full the accounts receivable based on the agreed terms.

- ii. The Group manages its credit risk taking into consideration the entire group's concern. For banks and financial institutions, only independently rated parties with a minimum rating of 'A' are accepted. According to the Group's credit policy, each local entity in the Group 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.
- iii. The Group adopts the assumption under IFRS 9, that is, the default occurs when the contract payments are past due over 90 days.
- iv. The ageing analysis of accounts receivable and notes receivable that were past due but not impaired is as follows:

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Not past due	\$ 3,335,109	\$ 2,608,796
Up to 30 days	263,690	157,221
31 to 90 days	179	4,905
Over 91 days	1,033	310
	<u>\$ 3,600,011</u>	<u>\$ 2,771,232</u>

- v. The Group classifies customer's accounts receivable in accordance with the credit quality rating and used the forecastability of Business Indicators Database and Basel Committee on Banking Supervision to adjust historical and timely information to assess the default possibility of accounts receivable. According to the abovementioned consideration and information, the loss rate methodology as of December 31, 2023 and 2022 is as follows:

	<u>Group A</u>	<u>Group B</u>	<u>Group C</u>	<u>Total</u>
<u>December 31, 2023</u>				
Expected loss rate	0.05%	0.05%	0.7%~2.03%	
Total book value	\$ 156,008	\$ 3,381,266	\$ 62,737	\$ 3,600,011
Loss allowance	\$ 78	\$ 9,675	\$ 210	\$ 9,963
	<u>Group A</u>	<u>Group B</u>	<u>Group C</u>	<u>Total</u>
<u>December 31, 2022</u>				
Expected loss rate	0.05%	0.05%	0.07%~4.79%	
Total book value	\$ 114,744	\$ 2,480,761	\$ 175,727	\$ 2,771,232
Loss allowance	\$ 57	\$ 1,240	\$ 8,683	\$ 9,980

Group A: Related parties.

Group B: Customers with an excellent credit rating grade.

Group C: Other customers.

vi. Movements in relation to the Group applying the simplified approach to provide loss allowance for accounts receivable are as follows:

	2023
	<u>Accounts receivable</u>
At January 1	\$ 9,980
Provision for expected credit impairment loss	-
Effect of exchange rate changes	(17)
At December 31	<u>\$ 9,963</u>
	2022
	<u>Accounts receivable</u>
At January 1	\$ 9,966
Provision for expected credit impairment loss	-
Effect of exchange rate changes	14
At December 31	<u>\$ 9,980</u>

(c) Liquidity risk

- i. Cash flow forecasting is performed in the operating entities of the Group and aggregated by Group treasury. Group treasury monitors rolling forecasts of the Group's liquidity requirements to ensure it has sufficient cash to meet operational needs.
- ii. Surplus cash held by the operating entities over and above balance required for working capital management are transferred to the Group treasury. Group treasury invests surplus cash in interest bearing current accounts, time deposits and marketable customers, choosing instruments with appropriate maturities or sufficient liquidity to provide sufficient headroom as determined by the abovementioned forecasts.
- iii. The table below analyses the Group's non-derivative financial liabilities and net-settled or gross-settled 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 and to the expected maturity date for derivative financial liabilities. The amounts disclosed in the table are the contractual undiscounted cash flows.

Non-derivative financial liabilities:

<u>December 31, 2023</u>	<u>Less than 1 year</u>	<u>Over 1 year</u>
Accounts payable (including related parties)	\$ 4,299,733	\$ -
Short-term borrowings	425,000	-
Other payables	1,025,516	-
Lease liabilities	15,491	6,177
Refund liabilities	219,908	-

Non-derivative financial liabilities:

<u>December 31, 2022</u>	<u>Less than 1 year</u>	<u>Over 1 year</u>
Accounts payable (including related parties)	\$ 3,741,870	\$ -
Short-term borrowings	430,000	-
Other payables	936,104	-
Lease liabilities	40,913	14,805
Refund liabilities	109,995	-

(4) 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. The fair value of the Group's investment in listed stocks, beneficiary certificates and etc. is included in Level 1.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. The fair value of the Group's investment in convertible bonds and most derivative instruments is included in Level 2.

Level 3: Unobservable inputs for the asset or liability. The fair value of the Group's investment in equity investment without active market is included in Level 3.

B. Financial instruments not measured at fair value

The carrying amounts of cash and cash equivalents, notes receivable, accounts receivable (including related parties), other receivables, notes payable, accounts payable and other payables (including related parties) are approximate to their fair values.

C. The related information on financial and non-financial instruments measured at fair value by level on the basis of the nature, characteristics and risks of the assets and liabilities is as follows:

(a) The related information on the nature of the assets and liabilities is as follows:

<u>December 31, 2023</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Assets				
<u>Recurring fair value measurements</u>				
Financial assets at fair value through profit or loss				
Equity securities	\$ 1,536,070	\$ 32,333	\$ 312,433	\$ 1,880,836
Debt securities	20,000	-	-	20,000
Beneficiary certificates	-	-	161,238	161,238
Derivative instruments	-	59,810	-	59,810
Hybrid instruments	177,487	-	-	177,487
Financial assets at fair value through other comprehensive income				
Equity securities	-	-	1,832	1,832
Debt securities	182,603	-	-	182,603
	<u>\$ 1,916,160</u>	<u>\$ 92,143</u>	<u>\$ 475,503</u>	<u>\$ 2,483,806</u>
 <u>December 31, 2022</u>	 <u>Level 1</u>	 <u>Level 2</u>	 <u>Level 3</u>	 <u>Total</u>
Assets				
<u>Recurring fair value measurements</u>				
Financial assets at fair value through profit or loss				
Equity securities	\$ 2,486,792	\$ 42,902	\$ 294,067	\$ 2,823,761
Debt securities	20,000	-	-	20,000
Beneficiary certificates	-	-	336,666	336,666
Derivative instruments	-	169,235	-	169,235
Hybrid instruments	116,241	-	-	116,241
Financial assets at fair value through other comprehensive income equity securities				
Equity securities	-	-	1,866	1,866
	<u>\$ 2,623,033</u>	<u>\$ 212,137</u>	<u>\$ 632,599</u>	<u>\$ 3,467,769</u>

(b) The methods and assumptions the Group used to measure fair value are as follows:

- i. The instruments the Group used market quoted prices as their fair values (that is, Level 1) are listed below by characteristics:

	<u>Listed shares</u>	<u>Open-end fund</u>	<u>Convertible bond</u>
Market quoted price	Closing price	Net asset value	Closing

- ii. Except for financial instruments with active markets, the fair value of other financial instruments is measured by using valuation techniques. The fair value of financial instruments measured by using valuation techniques can be referred to current fair value of instruments with similar terms and characteristics in substance, other valuation methods, including calculated by applying model using market information available at the consolidated balance sheet date.
 - iii. When assessing non-standard and low-complexity financial instruments, for example, foreign exchange swap contracts, the Group adopts valuation technique that is widely used by market participants. The inputs used in the valuation method to measure these financial instruments are normally observable in the market.
 - iv. The valuation of derivative financial instruments is based on valuation model widely accepted by market participants, such as present value techniques and option pricing models. Forward exchange contracts are usually valued based on the current forward exchange rate.
 - v. The Group takes into account adjustments for credit risks to measure the fair value of financial and non-financial instruments to reflect credit risk of the counterparty and the Group's credit quality.
- D. For the years ended December 31, 2023 and 2022, there was no transfer between Level 1 and Level 2.
- E. The following chart is the movement of Level 3 for the years ended December 31, 2023 and 2022:

	2023		
	Equity securities	Foreign venture capital	Total
At January 1	\$ 295,933	\$ 336,666	\$ 632,599
Gains recognised in profit or loss	(1,320)	(89,821)	(91,141)
Acquired during the year	58,888	-	58,888
Disposed of during the year	(39,101)	(85,607)	(124,708)
Effect of exchange rate	(135)	-	(135)
At December 31	<u>\$ 314,265</u>	<u>\$ 161,238</u>	<u>\$ 475,503</u>

	2022		
	Equity securities	Foreign venture capital	Total
At January 1	\$ 353,059	\$ 291,225	\$ 644,284
Gains recognised in profit or loss	(77,997)	45,441	(32,556)
Disposed of during the year	(750)	-	(750)
Acquired during the year	20,775	-	20,775
Effect of exchange rate	846	-	846
At December 31	<u>\$ 295,933</u>	<u>\$ 336,666</u>	<u>\$ 632,599</u>

- F. In the valuation process of categorising the fair value into Level 3, the Group's investment segment or the appointed third party conducts independent verification for the fair value of financial instruments by matching the valuation result with market status through independent resource, verifying its independence, reliability, consistency with other resource and representation of viable price. Besides, the segment regularly calibrates the valuation model, conducts retrospective tests, updates the values of input, data, and makes any other necessary adjustment to the fair value to ensure the valuation result is reasonable.
- G. The details about quantified information in relation to significant unobservable inputs for measuring the fair value of Level 3 and sensitivity analysis of significant unobservable inputs is listed below and Note 12(3)8.

	Fair value at December 31, 2023	Valuation technique	Significant unobservable inputs	Range (weighted average)	Relationship of inputs to fair value
Non-derivative equity instruments					
Unlisted shares	\$ 191,932	Market comparable companies	Operating income multiple price to book ratio multiple and price to earnings ratio multiple	0.75~2.00(1.14)	The higher the multiple, the higher the fair value
Unlisted shares (including venture capital shares and funds)	283,571	Net asset value	Not applicable	Not applicable	The higher the net asset value, the higher the fair value
	Fair value at December 31, 2022	Valuation technique	Significant unobservable inputs	Range (weighted average)	Relationship of inputs to fair value
Non-derivative equity instruments					
Unlisted shares	\$ 236,495	Market comparable companies	Operating income multiple price to book ratio multiple and price to earnings ratio multiple	0.71~1.46(0.87)	The higher the multiple, the higher the fair value
Unlisted shares (including venture capital shares and funds)	396,104	Net asset value	Not applicable	Not applicable	The higher the net asset value, the higher the fair value

H. The Group has carefully assessed the valuation models and assumptions used to measure fair value. However, use of different valuation models or assumptions may result in different measurement. The following is the effect on profit or loss or on other comprehensive income from financial assets and liabilities categorised within Level 3 if the inputs used to valuation models have changed:

			December 31, 2023			
			Recognised in profit or loss		Recognised in other comprehensive income	
	<u>Input</u>	<u>Change</u>	<u>Favourable change</u>	<u>Unfavourable change</u>	<u>Favourable change</u>	<u>Unfavourable change</u>
Financial assets						
Equity instrument	Price to book ratio multiple	± 1%	\$ 1,919	\$ 1,919	\$ -	\$ -
Equity instrument	Not applicable value	± 1%	2,818	2,818	18	18
			<u>\$ 4,737</u>	<u>\$ 4,737</u>	<u>\$ 18</u>	<u>\$ 18</u>
			December 31, 2022			
			Recognised in profit or loss		Recognised in other comprehensive income	
	<u>Input</u>	<u>Change</u>	<u>Favourable change</u>	<u>Unfavourable change</u>	<u>Favourable change</u>	<u>Unfavourable change</u>
Financial assets						
Equity instrument	Price to book ratio multiple	± 1%	\$ 2,365	\$ 2,365	\$ -	\$ -
Equity instrument	Not applicable value	± 1%	3,942	3,942	19	19
			<u>\$ 6,307</u>	<u>\$ 6,307</u>	<u>\$ 19</u>	<u>\$ 19</u>

13. SUPPLEMENTARY DISCLOSURES

(1) Significant transactions information

Information on significant transactions as of and for the year ended December 31, 2023 in conformity with the “Rules Governing the Preparation of Financial Statements by Securities Issuers” are as follows. In addition, inter-company transactions between companies were eliminated. The following disclosures are for reference only:

A. Loans to others: Refer to table 1.

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

- C. Holding of marketable securities at the end of the period (not including subsidiaries, associates and joint ventures): 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: Refer to table 4.
- 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: Refer to table 5.
- H. Receivables from related parties reaching \$100 million or 20% of paid-in capital or more: Refer to table 6.
- I. Trading in derivative instruments undertaken during the reporting periods: Refer to Notes 6(2) and 12(3).
- J. Significant intragroup transactions during the reporting periods: Refer to table 7.

(2) Information on investees

Names, locations and other information of investee companies (not including investees in Mainland China): Refer to table 8.

(3) Information on investments in Mainland China

A. Basic information: Refer to table 9.

B. Significant transactions, either directly or indirectly through a third area, with investee companies in the Mainland Area: Refer to table 5, 6 and 7.

(4) Major shareholders information

Major shareholders information: The Company has no shareholders holding more than 5% of issued shares.

14. SEGMENT INFORMATION

(1) General information

The Group prepares segment information based on the geographical area for the management review. At present, the Company's primary sales locations are Taiwan, America and China. Due to the fact that the sales channel, nature of products and other influential elements are heavily affected by geographical factors, the operating management implemented different financial management and performance method for the three areas. Therefore, the reportable segments are Taiwan, America and China.

(2) Operating segments evaluation

The Company evaluates operating segments' performance based on operating revenue and net income before income tax. All operating segments implemented the Group accounting policies which are detailed in Note 4 of the consolidated financial statements. The transactions between segments are conducted based on fair trading principle. The external revenue submitted to key operation decision makers is consistent with the revenue in the statement of comprehensive income. The reconciliation information about comprehensive income before tax of reportable segments after adjustment in current period is described in Note 14(3).

(3) Information on segment profit and loss

The segment information provided to the chief operating decision-maker for the reportable segment is as follows:

	Year ended December 31, 2023					
	Taiwan	Americas	China	Others	Eliminated by consolidation	Consolidated
Income from arm's length parties	\$ 12,665,286	\$ 304,875	\$ 3,247,959	\$ 365,655	\$ -	\$ 16,583,775
Interdepartmental transaction	953,838	-	4,257,408	9,322,154	(14,533,400)	-
Segment income (loss), before tax	\$ 13,619,124	\$ 304,875	\$ 7,505,367	\$ 9,687,809	\$ 14,533,400	16,583,775
Segment income (loss), net of tax	\$ 545,049	\$ 4,262	\$ 136,194	\$ 175,692	\$ 283,496	\$ 569,177
Segment income (loss), including:	\$ 462,937	\$ 6,047	\$ 108,808	\$ 174,741	\$ 283,496	\$ 456,943
Depreciation and amortisation	\$ 58,238	\$ 27,328	\$ 141,818	\$ 197,314	\$ 5,108	\$ 419,590
Interest income	104,872	22,591	70,261	1,136	-	198,860
Interest expense	(7,147)	(735)	(4,817)	(483)	30	(13,152)
Income tax expenses	(82,112)	(1,785)	(27,386)	(951)	-	(112,234)
Share of (loss)/profit of associates accounted for using equity method	264,164	-	48,000	-	(293,955)	18,209
Segment assets	\$ 21,218,028	\$ 879,589	\$ 6,652,378	\$ 5,926,100	\$ 14,322,962	\$ 20,353,133
Segment liabilities	\$ 7,312,475	\$ 102,851	\$ 1,997,666	\$ 3,378,067	\$ 5,913,974	\$ 6,877,085

Year ended December 31, 2022

	Taiwan	Americas	China	Others	Eliminated by consolidation	Consolidated
Income from arm's length parties	\$ 11,163,181	\$ 266,445	\$ 4,886,508	\$ 39,278	\$ -	\$ 16,355,412
Interdepartmental transaction	944,117	49,565	5,172,451	6,113,121	(12,279,254)	-
Segment income (loss), before tax	\$ 12,107,298	\$ 316,010	\$ 10,058,959	\$ 6,152,399	\$ 12,279,254	\$ 16,355,412
Segment income (loss), net of tax	(\$ 3,440,895)	(\$ 38,869)	(\$ 67,068)	\$ 72,349	\$ 35,447	(\$ 3,439,036)
Segment income (loss), including:	(\$ 2,786,256)	(\$ 63,269)	(\$ 75,486)	\$ 72,349	\$ 67,224	(\$ 2,785,438)
Depreciation and amortisation	\$ 53,357	\$ 85,012	\$ 169,433	\$ 116,568	\$ -	\$ 424,370
Interest income	25,318	1,687	19,010	34	-	46,049
Interest expense	(6,983)	(1,984)	(704)	(730)	20	(10,381)
Income tax expenses	664,657	(2,640)	(8,419)	-	-	653,598
Share of (loss)/profit of associates accounted for using equity method	8,231	-	(17,082)	-	26,382	17,531
Segment assets	\$ 19,020,857	\$ 871,367	\$ 7,174,766	\$ 3,433,105	(\$ 10,727,161)	\$ 19,772,934
Segment liabilities	\$ 5,069,684	\$ 88,668	\$ 2,544,719	\$ 1,747,018	(\$ 3,296,317)	\$ 6,153,772

(4) Reconciliation for segment income (loss)

- A. Sales between segments are carried out at arm's length. The revenue from external customers reported to the chief operating decision-maker is measured in a manner consistent with that in the statement of comprehensive income.
- B. The adjusted consolidated total profit and reconciliation for post-tax profit (loss) of reportable segment for the current period are provided in Note 14(3).

(5) Information on products and services

Revenue from external customers is mainly from sales of digital television, monitor and stereo system. Details of revenue are as follows:

	Years ended December 31,	
	2023	2022
Digital televisions	\$ 7,391,370	\$ 8,188,104
Monitors	5,464,149	4,874,313
Computer peripheral products	2,447,044	1,565,336
Stereo systems	752,147	956,900
Others	529,065	770,759
	<u>\$ 16,583,775</u>	<u>\$ 16,355,412</u>

(6) Geographical information

Geographical information for the years ended December 31, 2023 and 2022 is as follows:

	Years ended December 31,			
	2023		2022	
	Revenue	Non-current assets	Revenue	Non-current assets
Asia	\$ 5,535,850	\$ 2,011,682	\$ 6,794,609	\$ 1,984,210
America	3,629,387	216,726	2,827,501	243,845
Taiwan	3,013,756	1,113,510	2,888,923	1,109,732
Europe	3,379,273	-	3,095,087	-
Others	1,025,509	-	749,292	-
	<u>\$ 16,583,775</u>	<u>\$ 3,341,918</u>	<u>\$ 16,355,412</u>	<u>\$ 3,337,787</u>

(7) Major customer information

Major customer information of the Group for the years ended December 31, 2023 and 2022 is as follows:

	Years ended December 31			
	2023		2022	
	Revenue	Segment	Revenue	Segment
Customer S	\$ 2,764,660	Taiwan and China	\$ 2,401,574	Taiwan and China
Customer M	2,248,966	China	3,631,274	China
Customer L	2,212,978	Taiwan	1,540,898	Taiwan
Customer B	3,455,666	Taiwan	2,449,931	Taiwan
	<u>\$ 10,682,270</u>		<u>\$ 10,023,677</u>	

AMTRAN TECHNOLOGY CO., LTD.AND ITS SUBSIDIARIES

Loans to others

Year ended December 31, 2023

Table 1

Expressed in thousands of NTTD (Except as otherwise indicated)																												
		Maximum outstanding balance during the year ended December 31, 2023			Balance at December 31, 2023		Actual amount drawn down		Interest rate		Nature of loan (Note 2)		Amount of transactions with the borrower		Reason for short-term financing		Allowance for doubtful accounts		Collateral Item		Value		Limit on loans granted to a single party (Note 3)		Ceiling on total loans granted (Note 3)		Footnote	
No.	(Note 1)	Creditor	Borrower	General ledger account	Is a related party	December 31, 2023	December 31, 2023	December 31, 2023	Actual amount drawn down	Based on the agreement	2	(Note 2)	Amount of transactions with the borrower	Reason for short-term financing	Allowance for doubtful accounts	Collateral Item	Value	Limit on loans granted to a single party (Note 3)	Ceiling on total loans granted (Note 3)	Footnote								
0		Amtran Technology Co., Ltd.	AMTRAN VIETNAM TECHNOLOGY COMPANY LIMITED	Other receivables- related parties	Y	\$ 324,250	\$ 307,050	\$ -	-				\$ -	-	\$ -	None	\$ -	\$ 2,663,109	\$ 5,326,219									

Expressed in thousands of NTD
(Except as otherwise indicated)

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: The column of 'Nature of loan' shall fill in 'Business transaction or 'Short-term financing:

(1) The Business association is '1'.

(2) The Short-term financing are numbered in order starting from '2'

Note 3: Ceiling on total loans granted shall not exceed 40% of the Company's net asset value. Limit on loans granted to a single party shall not exceed 10% of the Company's net asset value, except for the subsidiaries, which have 90% voting shares held by the Company, shall not exceed 20% of the Company's net asset value.

AMTRAN TECHNOLOGY CO., LTD. AND ITS SUBSIDIARIES
Provision of endorsements and guarantees to others
Year ended December 31, 2023

Table 2

Expressed in thousands of NTD
(Except as otherwise indicated)

Number (Note 1)	Endorser/ guarantor	Party being endorsed/guaranteed		Limit on endorsements/ guarantees provided for a single party (Notes 3 and 8)	Maximum outstanding endorsement/ guarantee amount as of December 31, 2023 (Note 4)	Outstanding endorsement/ guarantee amount at December 31, 2023 (Note 5)	Amount of endorsements/ guarantees secured with collateral (Note 6)	Ratio of accumulated endorsement/ guarantee amount to net asset value of the endorser/ guarantor company	Ceiling on total amount of guarantees provided (Notes 3 and 8)	Provision of endorsements/ guarantees by parent company to subsidiary (Note 7)	Provision of endorsements/ guarantees by subsidiary to parent company (Note 7)	Provision of endorsements/ guarantees to the party in Mainland China (Note 7)	Footnote
		Relationship with the endorser/ guarantor	Company name										
0	Amtran Technology Co., Ltd.	2	AMTRAN VIETNAM TECHNOLOGY COMPANY LIMITED	\$ 2,663,109	\$ 1,676,400	\$ 982,560	\$ -	7.38	\$ 6,657,773	Y	N	N	
0	Amtran Technology Co., Ltd.	2	RICK TECHNOLOGY INC.	2,663,109	1,676,400	399,165	-	3.00	\$ 6,657,773	Y	N	N	

Note 1: The numbers filled in for the endorsements/guarantees 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: Relationship between the endorser/guarantor and the party being endorsed/guaranteed is classified into the following six categories; fill in the number of category each case belongs to:

(1) Having business relationship.

(2) The endorser/guarantor parent company owns directly more than 50% voting shares of the endorsed/guaranteed subsidiary.

(3) The endorser/guarantor parent company and its subsidiaries jointly own more than 50% voting shares of the endorsed/guaranteed company.

(4) The endorsed/guaranteed parent company directly or indirectly owns more than 50% voting shares of the endorser/guarantor subsidiary.

(5) Mutual guarantee of the trade as required by the construction contract.

(6) Due to joint venture, each shareholder provides endorsements/guarantees to the endorsed/guaranteed company in proportion to its ownership.

Note 3: Fill in limit on endorsements/guarantees provided for a single party and ceiling on total amount of endorsements/guarantees provided as prescribed in the endorser/guarantor company's "Procedures for Provision of Endorsements and Guarantees", and state each individual party to which the endorsements/guarantees have been provided and the calculation for ceiling on total amount of endorsements/guarantees provided in the footnote.

Note 4: Fill in the year-to-date maximum outstanding balance of endorsements/guarantees provided as of the reporting period.

Note 5: Once endorsement/guarantee contracts or promissory notes are signed/issued by the endorser/guarantor company to the banks, the endorser/guarantor company bears endorsement/guarantee liabilities. And all other events involve endorsements and guarantees should be included in the balance of outstanding endorsements and guarantees.

Note 6: Fill in the actual amount of endorsements/guarantees used by the endorsed/guaranteed company.

Note 7: Fill in 'Y' for those cases of provision of endorsements/guarantees by listed parent company to subsidiary and provision by subsidiary to listed parent company, and provision to the party in Mainland China.

Note 8: Ceiling on total amount of endorsements/guarantees provided shall not exceed 50% of the Company's latest net assets; limit on endorsement/guarantee to a single party shall not exceed 10% of the Company's net assets, except for the subsidiaries, which have 90% voting shares held by the Company directly, shall not exceed 20% of the Company's net asset value as prescribed in the Company's "Procedures for Provision of Loans". The net assets were based on the latest audited financial statements of the Company.

AMTRAN TECHNOLOGY CO., LTD. AND ITS SUBSIDIARIES

Holding of marketable securities at the end of the period (not including subsidiaries, associates and joint ventures)

Year ended December 31, 2023

Table 3

Expressed in thousands of NTD
(Except as otherwise indicated)

Securities held by Amtran Technology Co., Ltd.	Marketable securities (Note 1)	Relationship with the securities issuer (Note 2)	General ledger account	As of December 31, 2023			Footnote (Note 4)
				Number of shares (in thousands)	Book value (Note 3)	Ownership (%)	Fair value
Amtran Technology Co., Ltd.	Domestic and foreign listed stocks						
	VIZIO Holding Corp.		Current financial assets at fair value through profit or loss	5,006	\$ 1,183,802	2.54%	\$ 1,183,802
	CTBC Financial Holding Co., Ltd. Preferred Shares B	-	"	1,098	65,220	0.22%	65,220
	Fubon Financial Holding Co., Ltd. Preferred Shares A	-	"	392	23,951	0.02%	23,951
	Cathay Financial Holding Co., Ltd. Preferred Stock A	-	"	270	16,092	0.02%	16,092
	Foxtron Vehicle Technologies Co., Ltd.			1,200	53,520	0.07%	53,520
	Realfiction Holding AB	-	"	1,863	100,974	9.43%	100,974
	Xiaomi Corporation	-	"	170	10,420	0.00%	10,420
	DOG-Proshares Short Dow30	-	"	2	2,016	0.04%	2,016
	Telefonaktiebolaget LM Ericsson B ADR (ERIC)	-	"	8	1,548	0.00%	1,548
					1,457,543		1,457,543
Amtran Technology Co., Ltd.	Domestic and foreign unlisted stocks						
	Ordinary shares of Neweb Technologies Co., Ltd.	-	Current financial assets at fair value through profit or loss	716	17,956	0.95%	17,956
	Jason's Entertainment Co., Ltd.	-	"	610	11,365	3.82%	11,365
	V5 TECHNOLOGIES CO., LTD.	-	"	7,209	72,088	3.60%	72,088
	I-Serve Holdings Limited	-	"	1,000	-	1.87%	-
	Sustainable Development Co., Ltd.	-	"	566	7,724	1.44%	7,724
	OWLINK TECHNOLOGY, INC	-	"	Note 5	134,786	0.08	134,786
	FUGOO CORP.	-	"	Note 6	-	20.00%	-
	Ordinary shares of Yu-Chi Venture Capital Investment Corporation	-	"	281	4,488	3.75%	4,488
	17LIFE INC.	-	"	750	-	4.17%	-
	Fuyo Venture Capital Limited Partnership	-	"	-	30,000	5.77%	30,000
	RFIC TECHNOLOGY CORPORATION	-	"	1,000	3,922	3.50%	3,922
					282,329		282,329

As of December 31, 2023

Securities held by	Marketable securities (Note 1)	Relationship with the securities issuer (Note 2)	General ledger account	Number of shares (in thousands)	Book value (Note 3)	Ownership (%)	Fair value	Footnote (Note 4)
Amtran Technology Co., Ltd.	Domestic bonds - Bank Cathay 1st perpetual cumulative subordinated corporate bond issue in 2019 MS Medium Term Notes 1.164% JP Notional Notes 5.546% HSBC Notional Notes 5.887%	- - - -	Current financial assets at fair value through profit or loss Current financial assets at fair value through other comprehensive income " "	- - - -	\$ 20,000 59,055 61,242 62,306 202,603	- - - -	\$ 20,000 59,055 61,242 62,306 202,603	
Amtran Technology Co., Ltd.	Foreign Venture Fund Yuanta Daily Taiwan 50 Bear -1X ETF CHERUBIC VENTURES FUND II L.P CHERUBIC VENTURES FUND IV, L.P	- - - -	Current financial assets at fair value through profit or loss " "	170 - - -	\$ 762 129,119 32,119 162,000	 - - -	\$ 762 129,119 32,119 162,000	
Amtran Technology Co., Ltd.	Foreign stock linked fund Worst of KI RCN UBSL 10.82% Worst of KI RCN UBSL 15.69% Worst of KI RCN UBSL 15.56% KI RCN UBS London 16.23%	- - - -	" " " "	- - - -	15,533 31,156 15,389 31,720 93,798 2,198,273	- - - - - -	15,533 31,156 15,389 31,720 93,798 2,198,273	

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 deducted by accumulated impairment for the marketable securities measured at fair value; fill in the acquisition cost or amortised cost deducted by accumulated impairment for the marketable securities not measured at fair value.

Note 4: The number of shares of securities and their amounts pledged as security or pledged for loans and their restrictions on use under some agreements should be stated in the footnote if the securities presented herein have such conditions.

Note 5: As of December 31, 2023, the Company held 1,200 thousand Series A Stock preference shares, 2,100 thousand Series B Stock shares and 1,200 thousand Seed Preferred Stock shares of OwlLink Technology, Inc., presenting 8.47% of shareholding ratio.

Note 6: As of December 31, 2023, the Company held 200 thousand preference shares of Fugoo Corp., presenting 20.00% of total preference shares.

Securities held by	Marketable securities (Note 1)	Relationship with the securities issuer (Note 2)	General ledger account	As of December 31, 2023				Footnote (Note 4)
				Number of shares (in thousands)	Book value (Note 3)	Ownership (%)	Fair value	
REI MAU ENTERPRISE CO LTD	Domestic listed stocks							
	Fubon Financial Holding Co., Ltd. Preferred Shares A	-	Current financial assets at fair value through profit or loss	698	\$ 42,648	0.04%	\$ 42,648	
	Cathay Financial Holding Co., Ltd. Preferred Stock A	-	"	602	35,879	0.04%	35,879	
					78,527		78,527	
REI MAU ENTERPRISE CO LTD	Domestic and foreign unlisted stocks							
	Silicon Tech., Inc.	-	"	1,604	20,968	6.82%	20,968	
	Hua-ke material technology Inc.	-	"	234	8	1.11%	8	
	NEW SMART TECHNOLOGY CO., LTD.	-	"	195	5,759	0.89%	5,759	
	Golden Sapphire International Co., Ltd.	-	"	28	1,000	17.92%	1,000	
					27,735		27,735	
					\$ 106,262		\$ 106,262	

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 deducted by accumulated impairment for the marketable securities measured at fair value; fill in the acquisition cost or amortised cost deducted by accumulated impairment for the marketable securities not measured at fair value.

Note 4: The number of shares of securities and their amounts pledged as security or pledged for loans and their restrictions on use under some agreements should be stated in the footnote if the securities presented herein have such conditions.

Securities held by	Marketable securities (Note 1)	Relationship with the securities issuer (Note 2)	General ledger account	As of December 31, 2023			Footnote (Note 4)
				Number of shares (in thousands)	Book value (Note 3)	Fair value	
RICK TECHNOLOGY INC.	Foreign stock linked fund						
	FIXKI	-	Current financial assets at fair value through profit or loss	-	\$ 9,346	\$ 9,346	
	FCN-086-D	-	"	-	\$ 9,212	\$ 9,212	
	FCN-582-C	-	"	-	\$ 9,219	\$ 9,219	
	FCN-962-C	-	"	-	\$ 9,324	\$ 9,324	
	FCN-256-D	-	"	-	\$ 15,423	\$ 15,423	
	FCN-512-D	-	"	-	\$ 9,204	\$ 9,204	
	FCN-532-D	-	"	-	\$ 12,129	\$ 12,129	
	FCN-536-D	-	"	-	\$ 9,070	\$ 9,070	
					<u>\$ 82,927</u>	<u>\$ 82,927</u>	

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 deducted by accumulated impairment for the marketable securities measured at fair value; fill in the acquisition cost or amortised cost deducted by accumulated impairment for the marketable securities not measured at fair value.

Note 4: The number of shares of securities and their amounts pledged as security or pledged for loans and their restrictions on use under some agreements should be stated in the footnote if the securities presented herein have such conditions.

Securities held by	Marketable securities (Note 1)	Relationship with the securities issuer (Note 2)	General ledger account	As of December 31, 2023			Footnote (Note 4)
				Number of shares (in thousands)	Book value (Note 3)	Ownership (%)	
ABOOND PROFITS LIMITED	Domestic and foreign unlisted stocks OWLINK TECHNOLOGY, INC	-	Current financial assets at fair value through profit or loss	Note 5	\$ 34,702	1.88%	\$ 34,702

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 deducted by accumulated impairment for the marketable securities measured at fair value; fill in the acquisition cost or amortised cost deducted by accumulated impairment for the marketable securities not measured at fair value.

Note 4: The number of shares of securities and their amounts pledged as security or pledged for loans and their restrictions on use under some agreements should be stated in the footnote if the securities presented herein have such conditions.

Note 5: As of December 31, 2023, the Company held 1,000 thousand Seris B Stock shares of Omlink Technology, Inc., presenting 1.88% of shareholding ratio.

Securities held by	Marketable securities (Note 1)	Relationship with the securities issuer (Note 2)	General ledger account	As of December 31, 2023				Footnote (Note 4)
				Number of shares (in thousands)	Book value (Note 3)	Ownership (%)	Fair value	
Amtran Electronic Co., Ltd.	Domestic and foreign unlisted stocks Beijing Hypersing Technologies, Inc		Current financial assets at fair value through other comprehensive income	-	\$ 1,832	15.00%	\$ 1,832	

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 deducted by accumulated impairment for the marketable securities measured at fair value; fill in the acquisition cost or amortised cost deducted by accumulated impairment for the marketable securities not measured at fair value.

Note 4: The number of shares of securities and their amounts pledged as security or pledged for loans and their restrictions on use under some agreements should be stated in the footnote if the securities presented herein have such conditions.

AMTRAN TECHNOLOGY CO., LTD. AND ITS SUBSIDIARIES

Acquisition or sale of the same security with the accumulated cost exceeding \$300 million or 20% of the Company's paid-in capital

Year ended December 31, 2023

Table 4

Expressed in thousands of NTTD (Except as otherwise indicated)															
Investor	Marketable securities	General ledger account	Counterparty (Note 1)	Relationship with the investor	Balance as at January 1, 2023		Addition (Note 2)		Disposal			Balance as at December 31, 2023			
					Number of shares	Amount	Number of shares	Amount	Number of shares	Selling price	Book value	Gain (loss) on disposal	Number of shares	Amount	Note
Amtran Technology Co., Ltd.	VIZIO Holding Corp.	Current financial assets at fair value through profit or loss	-	None	9,790	\$ 2,227,882	-	-	4,784	\$ 1,023,037	\$ 1,088,665	\$ 65,628	5,006	\$ 1,183,802	-

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

Note 2: Fill in the columns the counterparty and relationship if securities are accounted for under the equity method; otherwise leave the columns blank.

Note 3: Aggregate purchases and sales amounts should be calculated separately at their market values to verify whether they individually reach NT\$300 million or 20% of paid-in capital or more.

Note 4: Paid-in capital referred to herein is the paid-in capital of parent company. In the case that shares were issued with no par value or a par value other than NT\$10 per share, the 20% of paid-in capital shall be replaced by 10% of equity attributable to owners of the parent in the calculation.

AMTRAN TECHNOLOGY CO., LTD.AND ITS SUBSIDIARIES

Purchases or sales of goods from or to related parties reaching \$100 million or 20% of paid-in capital or more
Year ended December 31, 2023

Table 5

Expressed in thousands of NT\$
(Except as otherwise indicated)

Transaction					Differences in transaction terms compared to third party transactions (Note 1)					Notes/accounts receivable (payable)		Percentage of total notes/accounts receivable (payable)		Footnote (Note 2)
Purchaser/seller	Counterparty	Relationship with the counterparty	Purchases (sales)	Amount	Percentage of total purchases (sales)	Credit term	Unit price	Credit term	Balance					
AMTRAN VIETNAM TECHNOLOGY COMPANY LIMITED.	Amtran Technology Co., Ltd.	Ultimate parent company	(Sales)	\$ 9,025,914	94%	75 days after monthly billings	Sales price under mutual agreement	30~90 days after monthly billing for regular clients	\$ 2,370,176				90%	
Suzhou Raken Technology Ltd.	Antran Technology Co., Ltd.	Ultimate parent company	(Sales)	\$ 4,056,160	55%	75 days after monthly billings	Sales price under mutual agreement	30~90 days after monthly billing for regular clients	\$ 1,175,689				68%	
RICK TECHNOLOGY INC.	RARA INC.	Other related party	(Sales)	\$ 336,190	57%	90 days after monthly billings	Sales price under mutual agreement	30~90 days after monthly billing for regular clients	\$ 151,364				70%	
Amtran Technology Co., Ltd.	RICK TECHNOLOGY INC.	The Company's subsidiary	(Sales)	\$ 299,060	2%	90 days after monthly billings	Sales price under mutual agreement	30~90 days after monthly billing for regular clients	\$ 135,197				5%	
Amtran Technology Co., Ltd.	AMTRAN VIDEO CORPORATION	The Company's subsidiary	(Sales)	\$ 252,060	2%	60 days after monthly billings	Sales price under mutual agreement	30~90 days after monthly billing for regular clients	\$ 83,790				3%	
AMTRAN VIETNAM TECHNOLOGY COMPANY LIMITED.	RICK TECHNOLOGY INC.	Fellow subsidiary	(Sales)	\$ 239,803	3%	90 days after monthly billings	Sales price under mutual agreement	30~90 days after monthly billing for regular clients	\$ 97,582				4%	
Amtran Technology Co., Ltd.	Suzhou Raken Technology Ltd.	The Company's subsidiary	(Sales)	\$ 147,329	1%	60 days after monthly billings	Sales price under mutual agreement	30~90 days after monthly billing for regular clients	\$ -				0%	
RICK TECHNOLOGY INC.	AMTRAN VIETNAM TECHNOLOGY COMPANY LIMITED.	Fellow subsidiary	(Sales)	\$ 112,988	19%	45 days after monthly billings	Sales price under mutual agreement	30~90 days after monthly billing for regular clients	\$ 18,893				9%	

Note 1: If terms of related party transactions are different from third-party transactions, explain the differences and reasons in the 'Unit price' and 'Credit term' columns.

Note 2: In case related-party transaction terms involve advance receipts (prepayments) transactions, explain in the footnote the reasons, contractual provisions, related amounts, and differences in types of transactions compared to third-party transactions.

Note 3: Paid-in capital referred to herein is the paid-in capital of parent company. In the case that shares were issued with no par value or a par value other than NT\$10 per share, the 20% of paid-in capital shall be replaced by 10% of equity attributable to owners of the parent in the calculation.

Note 4: The transactions between the Company and subsidiaries are disclosed from the aspect of asset and revenue and the corresponding transactions are not disclosed.

AMTRAN TECHNOLOGY CO., LTD. AND ITS SUBSIDIARIES

Receivables from related parties reaching \$100 million or 20% of paid-in capital or more

Year ended December 31, 2023

Table 6

Expressed in thousands of NT\$
(Except as otherwise indicated)

Creditor	Counterparty	Relationship with the counterparty	Balance as at December 31, 2023 (Note 1)	Overdue receivables		Amount collected subsequent to the balance sheet date	Allowance for doubtful accounts
				Turnover rate	Amount		
AMTRAN VIETNAM TECHNOLOGY COMPANY LIMITED.	Antran Technology Co., Ltd.	Ultimate parent company	\$ 2,370,176	5.48	\$ -	\$ 1,980,795	\$ -
Suzhou Raken Technology Ltd.	Antran Technology Co., Ltd.	Ultimate parent company	1,175,689	3.92	-	527,839	-
Antran Technology Co., Ltd.	RICK TECHNOLOGY INC.	The Company's subsidiary	135,197	2.29	-	97,533	-
RICK TECHNOLOGY INC.	RARA INC.	Other related party	151,364	2.54	-	108,793	-

Note 1: Fill in separately the balances of accounts receivable-related parties, notes receivable-related parties, other receivables-related parties...etc.

Note 2: Paid-in capital referred to herein is the paid-in capital of parent company. In the case that shares were issued with no par value or a par value other than NT\$10 per share, the 20 % of paid-in capital shall be replaced by 10% of equity attributable to owners of the parent in the calculation.

AMTRAN TECHNOLOGY CO., LTD.AND ITS SUBSIDIARIES

Significant inter-company transactions during the reporting period

Year ended December 31, 2023

Table 7

Expressed in thousands of NTD
(Except as otherwise indicated)

		Transaction (Note 5)				Relationship (Note 2)	General ledger account	Amount	Transaction terms	Percentage of consolidated total operating revenues or total assets (Note 3)
Number (Note 1)	Company name	Counterparty								
1	Suzhou Raken Technology Ltd.	Amtran Technology Co., Ltd.				Subsidiary to parent company	Sales	\$ 4,056,160	75 days after monthly billings	24%
1	Suzhou Raken Technology Ltd.	Amtran Technology Co., Ltd.				Subsidiary to parent company	Accounts receivable	1,175,689	75 days after monthly billings	6%
2	AMTRAN VIETNAM TECHNOLOGY COMPANY LIMITED.	Amtran Technology Co., Ltd.				Subsidiary to parent company	Sales	9,025,914	75 days after monthly billings	54%
2	AMTRAN VIETNAM TECHNOLOGY COMPANY LIMITED.	Amtran Technology Co., Ltd.				Subsidiary to parent company	Accounts receivable	2,370,176	75 days after monthly billings	12%

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:

(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: The Company may decide to disclose or not to disclose transaction details in this table based on the materiality principle.

Note 5: The individual transaction below NT\$0.5 billion is not disclosed. Transactions are disclosed from the assets and revenue's side and are not disclosed from the opposite side.

AMTRAN TECHNOLOGY CO., LTD.AND ITS SUBSIDIARIES

Information on investees

Year ended December 31, 2023

Table 8

Expressed in thousands of NTD
(Except as otherwise indicated)

Investor	Investee (Notes 1 and 2)	Location	Main business activities	Initial investment amount		Shares held as at December 31, 2022			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
				Balance at December 31, 2023	Balance at December 31, 2022	Number of shares	Ownership (%)	Book value	2023	(Note 2(2))	31, 2023	(Note 2(3))	
				\$	\$			\$	\$	\$	\$	\$	
Amtran Technology Co., Ltd.	ABOUND PROFITS LIMITED	British Virgin Islands	General investment business	847,755	847,755	24,800,000	100.00%	1,773,069	45,977	45,977	45,977		
Amtran Technology Co., Ltd.	REI MAU ENTERPRISE CO LTD	Taiwan	General investment business	299,980	199,980	29,998,000	100.00%	307,828	994	994	994		
Amtran Technology Co., Ltd.	ASEV DISPLAY LABS	U.S.A	Sales of computer software and hardware, after-sales services	67,189	67,189	2,000,000	100.00%	106,092	(30,125)	(30,125)	(30,125)		
Amtran Technology Co., Ltd.	RICK TECHNOLOGY INC.	Taiwan	Merchandising Business	88,573	88,573	16,400,000	82.00%	224,991	23,847	23,847	19,555		
Amtran Technology Co., Ltd.	AMTRAN LOGISTICS, INC.	U.S.A	Sales of LCD TVs and logistic services	32,814	32,814	1,000,000	100.00%	438,434	(3,112)	(3,112)	(3,112)		
Amtran Technology Co., Ltd.	AMTRAN VIDEO CORPORATION	U.S.A	Sales of LCD TVs and logistic services	28,560	28,560	1,000,000	100.00%	34,676	6,862	6,862	6,862		
Amtran Technology Co., Ltd.	SPYGLASS TESLA, LLC.	U.S.A	General investment business	57,437	57,437	1,750,000	43.75%	86,421	20,328	20,328	8,893		
Amtran Technology Co., Ltd.	AMTRAN VIETNAM TECHNOLOGY COMPANY LIMITED	Vietnam	Manufacturing and sales of LCDs	2,387,954	1,771,980	-	100.00%	2,514,974	171,295	171,295	171,295		
Amtran Technology Co., Ltd.	AMTRAN VIETNAM TRADING COMPANY LIMITED	Vietnam	Merchandising Business	30,074	30,074	-	100.00%	33,059	3,446	3,446	3,446		
Amtran Technology Co., Ltd.	H&P VENTURE CAPITAL INVESTMENT CORPORATION	Taiwan	Venture capital business	-	16,486	-	0.00%	-	(8,059)	(8,059)	(3,119)		
Amtran Technology Co., Ltd.	HEROIC FAITH MEDICAL SCIENCE CO., LTD	Cayman Islands	General investment business	54,262	54,262	3,333,333	18.73%	13,122	(46,528)	(46,528)	-		Note 3
Amtran Technology Co., Ltd.	HUA JUNG COMPONENTS CO., LTD.	Taiwan	Manufacture of electronic components	497,099	497,099	54,575,709	31.60%	438,880	78,932	78,932	24,453		

Investor	Investee (Notes 1 and 2)	Location	Main business activities	Initial investment amount		Shares held as at December 31, 2022		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
				Balance as at December 31, 2023	Balance as at December 31, 2022	Number of shares	Ownership (%)	Book value	2023 (Note 2(2))	
Amtran Technology Co., Ltd.	BMA VENTURE CAPITAL INVESTMENT CORPORATION	Taiwan	Venture capital business	\$ 64,795	\$ 69,671	6,479,470	24.14%	\$ 52,172	\$ 8,221	\$ 1,984
REI MAU ENTERPRISE CO LTD	REI MAU Capital Inc.	Taiwan	Venture capital business	6,000	6,000	600,000	100.00%	7,807	1,446	1,446
REI MAU ENTERPRISE CO LTD	CDIB-Mac Limited Partnership	Taiwan	Venture capital business	116,483	18,075	-	40.17%	107,473	(19,990)	(8,028)
REI MAU Capital Inc.	CDIB-Mac Limited Partnership	Taiwan	Venture capital business	2,900	450	-	1.00%	2,675	(19,990)	(200)
RICK TECHNOLOGY INC.	Rick Service Inc.	Taiwan	Logistic services	15,074	15,074	3,000,000	100.00%	36,439	2,699	2,699

Note 1: If a public company is equipped with an overseas holding company and takes consolidated financial report as the main financial report according to the local law rules, it can only disclose the information of the overseas holding company about the disclosure of related overseas investee information.

Note 2: If situation does not belong to Note 1, fill in the columns according to the following regulations:

- (1) The columns of 'Investee', 'Location', 'Main business activities', 'Initial investment amount' and 'Shares held as at December 31, 2022' should fill orderly in the Company's (public company's) information on investees and every directly or indirectly controlled investee's investment information, and note the relationship between the Company (public company) and its investee each (ex. direct subsidiary or indirect subsidiary) in the 'footnote' column..
- (2) The 'Net profit (loss) of the investee for the year ended December 31, 2022' column should fill in amount of net profit (loss) of the investee for this period.
- (3) The 'Investment income (loss) recognised by the Company for the year ended December 31, 2022' column should fill in the Company (public company) recognised investment income (loss) of its direct subsidiary and recognised investment income (loss) of its investee accounted for under the equity method for this period. When filling in recognised investment income (loss) of its direct subsidiary, the Company (public company) should confirm that direct subsidiary's net profit (loss) for this period has included its investment income (loss) which shall be recognised by regulations.

Note 3: The Company held 3,333 thousand preference shares of Heroic Faith Medical Science Co., Ltd.

AMTRAN TECHNOLOGY CO., LTD.AND ITS SUBSIDIARIES

Information on investments in Mainland China

Year ended December 31, 2023

Table 9

Expressed in thousands of'NTD
(Except as otherwise indicated)

Investee in Mainland China	Main business activities	Paid-in capital	Investment method	Amount remitted from Taiwan to Mainland China/Amount remitted back to Taiwan for the year ended December 31, 2023							Footnote		
				Accumulated amount of remittance from Taiwan to Mainland China as of January 1, 2023	China/Amount remitted back to Taiwan for the year ended December 31, 2023	Accumulated amount of remittance from Taiwan to Mainland China as of December 31, 2023	Net income of investee for the year ended 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	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	
				\$	\$	\$	\$		\$	\$			
Antran Electronic Co., Ltd.	R&D, manufacturing and repair service of LCDs	1,160,838	1	\$ 608,058	\$ -	\$ -	\$ 608,058	\$ 59,658	100.00	\$ 59,658	\$ 1,665,672	\$ 1,171,421	
Suzhou Raken Technology Ltd.	R&D, manufacturing and repair service of LCDs	2,791,987	1	-	-	-	-	62,832	62.05	38,988	1,588,656	595,508	
Suzhou Raken Technology Ltd.	R&D, manufacturing and repair service of LCDs	2,791,987	3	1,059,523	-	-	1,059,523	62,832	37.95	23,844	1,093,535	534,305	
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	2023	2023	Affairs (MOEA)							
Antran Technology Co., Ltd.	\$	1,667,581	\$	2,690,227	\$	7,989,328							

Note 1: (1) The investee companies was invested through a company founded in the third territory, of which Antran Electronic(Suzhou) Co., Ltd. and Suzhou Raken Technology Ltd. were invested by Abound Profits Limited and Antran Electronic (Suzhou) Co., Ltd., respectively.

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

(3) Others (directly invested in the company in Mainland China)

Note 2: The recognition in relation to Antran Electronic (Suzhou) Co., Ltd. and Suzhou Raken Technology Ltd. was based on the Taiwanese parent company's financial statements which were audited by independent auditors.

Note 3: USD : NTD=1:30.71

VI. Parent company only financial statements of the company audited and certified by CPAs for the most recent fiscal year.

INDEPENDENT AUDITORS' REPORT TRANSLATED FROM CHINESE

To the Board of Directors and Stockholders of Amtran Technology Co., Ltd.

Opinion

We have audited the accompanying parent company only balance sheets of Amtran Technology Co., Ltd. (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, based on our audits and the report of other auditors (please refer to the Other matter section), the accompanying parent company only financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2023 and 2022, and its financial performance and its cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

Basis for opinion

We conducted our audits in accordance with the Regulations Governing Financial Statement Audit and Attestation Engagements of 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. Based on our audits and the report of other independent auditors,

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:

Allowance for inventory valuation losses

Description

Refer to Note 4(12) for accounting policies on inventory valuation, Note 5(2) for the uncertainty of accounting estimates and assumptions applied on inventory valuation, and Note 6(5) for details of inventory. As at December 31, 2023, the balances of inventory and allowance for inventory valuation losses were NT\$151,096 thousand and NT\$6,688 thousand, respectively.

The Company is primarily engaged in manufacturing and sales of 3C electronic products. Due to rapid technology innovations, short lifespan of electronic products and fluctuations in market prices, there is a higher risk of inventory losses due from market value decline. The Company recognises inventories at the lower of cost and net realisable value, and identifies the net realisable value of separately identified inventories using the item by item approach in determining the lower of cost and net realisable value and corroborating against supporting documents those inventory items separately identified as obsolete and damaged in recognising valuation losses.

As the net realisable value used in the valuation of obsolete and damaged inventories usually involves subjective judgement and high degree of uncertainty, and the amounts of inventories and allowance for inventory valuation losses are material to the financial statements, we considered the allowance for inventory valuation losses as a key audit matter.

How our audit addressed the matter

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

- A. Assessed the reasonableness and consistent application of provision policies and procedures on allowance for inventory valuation losses based on the understanding of the Company's business and industrial nature;
- B. Obtained valuation statement of net realisable value of inventory, understood the calculation logic, verified relevant accounting records and selected samples from the data sources of net realisable value; and
- C. Obtained the details of obsolete and damaged inventories which were separately identified by management, examined relevant documents, verified accounting records in comparing the allowance for inventory valuation losses of prior period, and assessed the reasonableness of allowance for inventory valuation losses.

Other matter – Reference to the audits of other auditors

As described in Note 6(7), we did not audit the financial statements of certain investments accounted for under the equity method which were audited by other auditors. Therefore, our opinion expressed herein, insofar as it relates to the amounts and information disclosed in Note 13 included in respect of this associate, is based solely on the report of the other auditors. The balance of this investment accounted for under the equity method amounted to NT\$438,880 thousand and NT\$403,798 thousand as at December 31, 2023 and 2022, respectively, and the comprehensive income (loss) recognised from associates and joint ventures accounted for under the equity method amounted to NT\$35,082 thousand and (NT\$15,697) thousand for the years then ended, respectively.

Responsibilities of management and those charged with governance for the 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 audit committee, are responsible for overseeing the Company's financial reporting process.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the 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:

- A. 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.
- B. 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.
- C. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- D. 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.

- E. 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.
- F. 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 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.

For and on Behalf of PricewaterhouseCoopers, Taiwan
March 13, 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.

As the financial statements are the responsibility of the management, PricewaterhouseCoopers cannot accept any liability for the use of, or reliance on, the English translation or for any errors or misunderstandings that may derive from the translation.

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

Assets		Notes	December 31, 2023		December 31, 2022			
			AMOUNT	%	AMOUNT	%		
Current assets								
1100	Cash and cash equivalents	6(1)	\$	2,995,800	15	\$	3,791,936	21
1110	Financial assets at fair value through profit or loss - current	6(2)		2,075,480	10		3,270,532	18
1120	Current financial assets at fair value through other comprehensive income	6(3)		182,603	1		-	-
1136	Current financial assets at amortised cost	6(1)		1,744,140	9		607,100	3
1170	Accounts receivable, net	6(4)		2,671,882	13		1,629,455	9
1180	Accounts receivable - related parties	7		218,987	1		166,693	1
1200	Other receivables			23,634	-		4,242	-
1210	Other receivables due from related parties	7		1,971,295	10		1,463,365	8
130X	Inventory	6(5)		144,408	1		87,607	1
1410	Prepayments	6(6)		87,781	-		61,049	-
11XX	Total current assets			12,116,010	60		11,081,979	61
Non-current assets								
1550	Investments accounted for using equity method	6(7)		7,117,253	35		6,155,136	34
1600	Property, plant and equipment	6(8)		342,340	2		468,391	3
1755	Right-of-use assets	6(9)		15,969	-		19,307	-
1760	Investment property - net	6(10)		585,073	3		451,018	2
1780	Intangible assets	6(11)		11,217	-		15,031	-
1840	Deferred income tax assets	6(24)		127,681	-		97,711	-
1900	Other non-current assets	7		14,599	-		5,906	-
15XX	Total non-current assets			8,214,132	40		7,212,500	39
1XXX	Total assets		\$	20,330,142	100	\$	18,294,479	100

(Continued)

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

Liabilities and Equity		Notes	December 31, 2023		December 31, 2022	
			AMOUNT	%	AMOUNT	%
Current liabilities						
2100	Short-term borrowings	6(12)	\$ 400,000	2	\$ 400,000	2
2130	Current contract liabilities	6(20)	54,030	-	42,588	-
2170	Accounts payable		1,095	-	10,084	-
2180	Accounts payable - related parties	7	3,547,217	17	1,872,784	10
2200	Other payables	6(13) and 7	2,008,890	10	1,674,658	9
2230	Current income tax liabilities		168,610	1	45,677	-
2250	Provisions for liabilities - current	6(15)	84,912	-	100,145	1
2280	Current lease liabilities		11,311	-	12,197	-
2300	Other current liabilities		371,476	2	113,841	1
21XX	Total current liabilities		6,647,541	32	4,271,974	23
Non-current liabilities						
2570	Deferred income tax liabilities	6(24)	286,781	2	479,898	3
2580	Non-current lease liabilities		4,350	-	7,137	-
2600	Other non-current liabilities	6(14)	75,923	-	82,184	-
25XX	Total non-current liabilities		367,054	2	569,219	3
2XXX	Total liabilities		7,014,595	34	4,841,193	26
Equity						
	Share capital	6(16)				
3110	Common stock		7,401,000	37	7,980,000	44
	Capital surplus	6(17)				
3200	Capital surplus		2,261,663	11	2,293,509	12
	Retained earnings	6(18)				
3310	Legal reserve		2,078,338	10	2,078,338	11
3320	Special reserve		254,690	1	342,484	2
3350	Unappropriated retained earnings		1,547,168	8	1,013,645	6
	Other equity interest	6(19)				
3400	Other equity interest		(227,312)	(1)	(254,690)	(1)
3XXX	Total equity		13,315,547	66	13,453,286	74
	Commitments and Contingent Liabilities	9				
	Subsequent Events	11				
3X2X	Total liabilities and equity		\$ 20,330,142	100	\$ 18,294,479	100

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

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

				Year ended December 31			
			2023		2022		
Items	Notes	AMOUNT	%	AMOUNT	%		
4000	Sales revenue	6(20) and 7	\$ 12,994,525	100	\$ 11,682,495	100	
5000	Operating costs	6(5) and 7	(12,099,119)	(93)	(10,736,970)	(92)	
5900	Net operating margin		895,406	7	945,525	8	
	Operating expenses	6(23)					
6100	Selling expenses		(198,920)	(1)	(218,132)	(2)	
6200	General and administrative expenses		(227,216)	(2)	(230,256)	(2)	
6300	Research and development expenses		(508,547)	(4)	(456,676)	(4)	
6000	Total operating expenses		(934,683)	(7)	(905,064)	(8)	
6900	Operating (loss) profit		(39,277)	-	40,461	-	
	Non-operating income and expenses						
7100	Interest income		101,305	1	24,257	-	
7010	Other income	6(21)	128,813	1	73,361	1	
7020	Other gains and losses	6(22)	67,606	-	(3,562,620)	(31)	
7050	Finance costs		(7,015)	-	(6,657)	-	
7070	Share of profit of associates and joint ventures accounted for using equity method, net	6(7)	270,947	2	8,876	-	
7000	Total non-operating income and expenses		561,656	4	(3,462,783)	(30)	
7900	Profit (loss) before income tax		522,379	4	(3,422,322)	(30)	
7950	Income tax (expense) benefit	6(24)	(76,224)	-	668,660	6	
8200	Profit (loss) for the year		\$ 446,155	4	(\$ 2,753,662)	(24)	
	Other comprehensive income						
	Components of other comprehensive income that will not be reclassified to profit or loss						
8311	Actuarial losses on defined benefit plan	6(14)	(\$ 532)	-	(\$ 4,647)	-	
8330	Share of other comprehensive income (loss) of associates and joint ventures accounted for using equity method, components of other comprehensive income that will not be reclassified to profit or loss	6(19)	14,434	-	(38,744)	-	
8349	Income tax related to components of other comprehensive (loss) income that will not be reclassified to profit or loss		106	-	929	-	
8310	Other comprehensive income (loss) that will not be reclassified to profit or loss		14,008	-	(42,462)	-	
	Components of other comprehensive income that will be reclassified to profit or loss						
8361	Exchange differences on translation	6(19)	20,692	-	124,235	1	
8367	Unrealised losses from investments in debt instruments measured at fair value through other comprehensive income	6(19)	(3,943)	-	-	-	
8380	Share of other comprehensive loss of associates and joint ventures accounted for using equity method, components of other comprehensive income that will be reclassified to profit or loss	6(19)	(3,805)	-	(241)	-	
8360	Other comprehensive income that will be reclassified to profit or loss		12,944	-	123,994	1	
8300	Other comprehensive income for the year		\$ 26,952	-	\$ 81,532	1	
8500	Total comprehensive income (loss) for the year		\$ 473,107	4	(\$ 2,672,130)	(23)	
	Earnings (loss) per share (in dollars)						
9750	Basic earnings (loss) per share	6(25)	\$ 0.58		(\$ 3.45)		
9850	Diluted earnings (loss) per share	6(25)	\$ 0.58		(\$ 3.45)		

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

AMTRAN TECHNOLOGY CO., LTD.
PARENT COMPANY ONLY STATEMENTS OF CHANGES IN EQUITY
YEARS ENDED DECEMBER 31, 2023 AND 2022
(Expressed in thousands of New Taiwan dollars)

	Notes	Retained Earnings				Other Equity Interest			
		Share capital- common stock	Total capital surplus, additional paid-in capital	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	Total equity
<u>Year ended December 31, 2022</u>									
Balance at January 1, 2022		\$ 7,600,000	\$ 2,293,509	\$ 1,576,622	\$ 278,089	\$ 5,289,679	\$ 324,294	\$ 18,189	\$ 16,695,416
Loss for the year ended December 31, 2022		-	-	-	-	(2,753,662)	-	-	(2,753,662)
Other comprehensive income (loss) for the year ended December 31, 2022	6(19)	-	-	-	-	(3,718)	123,994	(38,744)	81,532
Total comprehensive income (loss) for the year ended December 31, 2022		-	-	-	-	(2,757,380)	123,994	(38,744)	(2,672,130)
Appropriations of 2021 net income									
Legal reserve		-	-	501,716	-	(501,716)	-	-	-
Special reserve		-	-	-	64,395	(64,395)	-	-	-
Cash dividends		-	-	-	-	(570,000)	-	-	(570,000)
Share dividends		380,000	-	-	-	(380,000)	-	-	-
Changes in investments recognised using the equity method		-	-	-	-	(2,543)	-	2,543	-
Balance at December 31, 2022		\$ 7,980,000	\$ 2,293,509	\$ 2,078,338	\$ 342,484	\$ 1,013,645	\$ 200,300	\$ 54,390	\$ 13,453,286
<u>Year ended December 31, 2023</u>									
Balance at January 1, 2023		\$ 7,980,000	\$ 2,293,509	\$ 2,078,338	\$ 342,484	\$ 1,013,645	\$ 200,300	\$ 54,390	\$ 13,453,286
Profit for the year ended December 31, 2023		-	-	-	-	446,155	-	-	446,155
Other comprehensive income (loss) for the year ended December 31, 2023	6(19)	-	-	-	-	(426)	16,887	10,491	26,952
Total comprehensive income (loss) for the year ended December 31, 2023		-	-	-	-	445,729	16,887	10,491	473,107
Reversal of special reserve		-	-	-	(87,794)	87,794	-	-	-
Capital reduction	6(16)	(399,000)	-	-	-	-	-	-	(399,000)
Purchase of treasury shares and retirement	6(16)(17)	(180,000)	(31,846)	-	-	-	-	-	(211,846)
Balance at December 31, 2023		\$ 7,401,000	\$ 2,261,663	\$ 2,078,338	\$ 254,690	\$ 1,547,168	\$ 183,413	\$ 43,899	\$ 13,315,547

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

AMTRAN TECHNOLOGY CO., LTD.
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
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>			
Profit (loss) before tax		\$ 522,379	(\$ 3,422,322)
Adjustments			
Adjustments to reconcile profit (loss)			
Depreciation (including investment property and right-of-use assets)	6(23)	35,569	34,215
Amortisation	6(23)	17,923	18,633
Net (gain) loss on financial assets at fair value through profit or loss	6(2)(22)	(139,704)	3,807,009
Share of profit of subsidiaries, associates and joint ventures accounted for using equity method	6(7)	(270,947)	(8,876)
Interest expense		7,015	6,657
Impairment loss		41,140	-
Interest income		(101,305)	(24,257)
Dividend income		(33,724)	(18,080)
Changes in operating assets and liabilities			
Changes in operating assets			
Financial assets mandatorily measured at fair value through profit or loss		1,334,757	1,653,174
Current financial assets at fair value through other comprehensive income		(186,546)	-
Accounts receivable		(1,042,427)	2,130,928
Accounts receivable-related parties		(52,294)	40,357
Other receivables		(213)	2,820
Other receivables-related parties		(507,931)	697,924
Inventory		(56,801)	41,559
Prepayments		(26,732)	54,575
Changes in operating liabilities			
Contract liabilities		11,442	42,588
Accounts payable		(8,989)	6,231
Accounts payable-related parties		1,674,433	(1,229,547)
Other payables		334,309	(974,044)
Other current liabilities		257,635	(59,262)
Provisions for liabilities - current		(15,233)	(1,054)
Accrued pension liabilities		(623)	(9,135)
Cash inflow generated from operations		1,793,133	2,790,093
Interest paid		(7,103)	(6,630)
Dividends received		33,724	38,296
Interest received		83,990	20,883
Income tax paid		(176,272)	(15,283)
Net cash flows from operating activities		<u>1,727,472</u>	<u>2,827,359</u>

(Continued)

AMTRAN TECHNOLOGY CO., LTD.
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
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>			
Proceeds from capital reduction of investees accounted for using equity method	6(7)	\$ 13,120	\$ 7,570
Acquisition of property, plant and equipment (including investment property)	6(8)(10)	(31,105)	(7,392)
Acquisition of investments accounted for using equity method		(715,973)	(30,074)
Acquisition of financial assets at amortised cost		(1,744,140)	(607,100)
Proceeds from repayments of financial assets at amortised cost		607,100	-
Acquisition of intangible assets	6(11)	(14,109)	(14,954)
Increase in other non-current assets		(791)	-
Prepayments for investments		(6,468)	-
Increase in refundable deposits		(1,434)	(764)
Net cash flows used in investing activities		(1,893,800)	(652,714)
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>			
Decrease in short-term borrowings		-	(400,000)
Payments of lease liabilities		(12,792)	(8,953)
(Decrease) increase in refundable deposit		(6,170)	13,197
Cash reduction	6(16)	(399,000)	-
Purchase of treasury shares	6(16)	(211,846)	-
Cash dividends paid	6(18)	-	(570,000)
Net cash flows used in financing activities		(629,808)	(965,756)
Net (decrease) increase in cash and cash equivalents		(796,136)	1,208,889
Cash and cash equivalents at beginning of year	6(1)	3,791,936	2,583,047
Cash and cash equivalents at end of year	6(1)	<u>\$ 2,995,800</u>	<u>\$ 3,791,936</u>

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

AMTRAN TECHNOLOGY CO., LTD.
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

Amtran Technology Co., Ltd. (the “Company”) was incorporated on August 11, 1994 and started its operations in January 1995. The Company is primarily engaged in the design, manufacture and sales of monitors, digital TV, computers and computer peripherals. As of December 31, 2023 and 2022, the Company had 437 and 385 employees, respectively.

2. THE DATE OF AUTHORISATION FOR ISSUANCE OF THE PARENT COMPANY ONLY FINANCIAL STATEMENTS AND PROCEDURES FOR AUTHORISATION

These parent company only financial statements were authorised for issuance by the Board of Directors on March 13, 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 the FSC and became effective from 2023 are as follows:

<u>New Standards, Interpretations and Amendments</u>	<u>Effective date by International Accounting Standards Board</u>
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 the 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 and financial liabilities (including derivative instruments) at fair value through profit or loss.
- (b) Financial assets measured at fair value through other comprehensive income.

- (c) 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 that came into effect 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 judgment in the process of applying the Company’s accounting policies. The areas involving a higher degree of judgment 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 parent company only 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 and presentation 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. 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 income within other gains or losses.

B. Translation of foreign operations

- (a) The operating results and financial position of all the Company entities, associates and jointly controlled entities that have a functional currency different from the presentation currency are translated into the presentation currency as follows:
 - i. Assets and liabilities for each balance sheet presented are translated at the closing exchange rate at the date of that balance sheet;

- ii. Income and expenses for each statement of comprehensive income are translated at average exchange rates of that period; and
- iii. All resulting exchange differences are recognised in other comprehensive income.
- (b) When the foreign operation partially disposed of or sold is an associate, exchange differences that were recorded in other comprehensive income are proportionately reclassified to profit or loss as part of the gain or loss on sale.
- (c) When the foreign operation partially disposed of or sold is a subsidiary, cumulative exchange differences that were recorded in other comprehensive income are proportionately transferred to the non-controlling interest in this foreign operation.

(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 pay off 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 paid off within the normal operating cycle;
 - (b) Liabilities arising mainly from trading activities;
 - (c) Liabilities that are to be paid off 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 amount of cash and subject to an insignificant risk of changes in value. Time deposits that meet the definition above and are held for the purpose of meeting short-term cash commitment in operations are classified as cash equivalents.

(6) Financial assets at fair value through profit or loss

- A. Financial assets at fair value through profit or loss are financial assets that are not measured at amortised cost or fair value through other comprehensive income.
- B. On a regular way purchase or sale basis, financial assets at fair value through profit or loss are recognised and derecognised using trade date accounting.

- C. At initial recognition, the Company measures the financial assets at fair value and recognises the transaction costs in profit or loss. The Company subsequently measures the financial assets at fair value, and recognises the gain or loss in profit or loss.
- D. The Company recognises the dividend income 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) 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 Group has made an irrevocable election at initial recognition to recognise changes in fair value in other comprehensive income which meet all of the following criteria:
 - (1) The objective of the Group's business model is achieved both by collecting contractual cash flows and selling financial assets; and
 - (2) The assets' contractual cash flows represent solely payments of principal and interest.
- B. On a regular way purchase or sale basis, financial assets at fair value through other comprehensive income are recognised and derecognised using trade 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:
 - (1) The changes in fair value of equity investments that were recognised 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 recognised 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.
 - (2) Except for the recognition of impairment loss, interest income and gain or loss on foreign exchange which are recognised in profit or loss, the changes in fair value of debt instruments are taken through other comprehensive income. When the financial asset is derecognised, the cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss.

(8) Accounts and notes receivable

- A. Accounts and notes receivable entitle the Company a legal right to receive consideration in exchange for transferred goods or rendered services.
- B. The short-term accounts and notes receivable without bearing interest are subsequently measured at initial invoice amount as the effect of discounting is immaterial.

(9) Impairment of financial assets

For financial assets at amortised cost including accounts receivable that have a significant financing component, 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.

(10) Derecognition of financial assets

The Company derecognises a financial asset when one of the following conditions is met:

- A. The contractual rights to receive cash flows from the financial asset expire.
- B. The contractual rights to receive cash flows from the financial asset have been transferred and the Company has transferred substantially all risks and rewards of ownership of the financial asset.
- C. The contractual rights to receive cash flows from the financial asset have been transferred and the Company has not retained control of the financial asset.

(11) 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.

(12) 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 process comprises raw materials, direct labor, 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 cost of completion and applicable variable selling expenses.

(13) Investments accounted for using 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 are consistent 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 recognise loss continuously in proportion to its ownership.
- D. 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 per cent 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.

- E. 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.
- F. 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 change in ownership interest in the associate in 'capital surplus' in proportion to its ownership.
- G. 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.
- H. 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.
- I. When the Company disposes its investment in an associate and loses significant influence over this associate, the amounts previously recognised as capital surplus in relation to the associate are transferred to profit or loss.
- J. In accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, the profit or loss and other comprehensive income or loss presented on the parent company only financial statements are consistent with those presented in the consolidated financial statements. In addition, owner's equity presented in the parent company only financial statements is consistent with equity attributable to owners of parent presented in the consolidated financial statements.

(14) 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 balance sheet date. 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	3 ~ 50 years
Transportation equipment	5 years
Furniture and fixtures	3 ~ 5 years
Other equipment	3 years

(15) 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;
 - (b) Variable lease payments that depend on an index or a rate;
 - (c) Amounts expected to be payable by the lessee under residual value guarantees;
 - (d) The exercise price of a purchase option, if the lessee is reasonably certain to exercise that option; and
 - (e) 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;
- (c) Any initial direct costs incurred by the lessee; and
- (d) An estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease.

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.

(16) Investment property

An investment property is stated initially at its cost and measured subsequently using the cost model. Except for land, investment property is depreciated on a straight-line basis over its estimated useful life of 15 ~ 50 years.

(17) Intangible assets

A. Trademarks and patents

Trademarks and patents are stated at historical cost and amortised on a straight-line basis over their estimated useful life of 10 years.

B. Computer software

Computer software is stated at cost and amortised on a straight-line basis over its estimated useful life of 1 ~ 3 years.

C. Other intangible assets, mainly industrial network project, are stated at cost and amortised on a straight-line basis over its estimated useful life of 3 years.

(18) 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.

(19) 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.

(20) 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.

(21) Derecognition of financial liabilities

Financial liability is derecognised when the obligation under the liability specified in the contract is discharged or cancelled or expires.

(22) Offsetting financial instruments

Financial assets and liabilities are offset and reported in the net amount in the balance sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

(23) Non-hedging and embedded derivatives

- A. Non-hedging derivatives are initially recognised at fair value on the date a derivative contract is entered into and recorded as financial assets or financial liabilities at fair value through profit or loss. They are subsequently remeasured at fair value and the gains or losses are recognised in profit or loss.
- B. Under the financial assets, the hybrid contracts embedded with derivatives are initially recognised as financial assets at fair value through profit or loss, financial assets at fair value through other comprehensive income and financial assets at amortised cost based on the contract terms.
- C. Under the non-financial assets, whether the hybrid contracts embedded with derivatives are accounted for separately at initial recognition is based on whether the economic characteristics and risks of an embedded derivative are closely related in the host contract. When they are closely related, the entire hybrid instrument is accounted for by its nature in accordance with the applicable standard. When they are not closely related, the derivative is accounted for differently from the host contract as derivative while the host contract is accounted for by its nature in accordance with the applicable standard. Alternatively, the entire hybrid instrument is designated as financial liabilities at fair value through profit or loss upon initial recognition.

(24) Provisions

Provisions (warranties) are recognised when the Company has a present legal or constructive obligation as a result of past events, and it is probable that an outflow of economic resources will be required to settle the obligation and the amount of the obligation can be reliably estimated. Provisions are measured at the present value of the expenditures expected to be required to settle the obligation on the balance sheet date, which is discounted using a pre-tax discount rate that reflects the current market assessments of the time value of money and the risks specific to the obligation. When discounting is used, the increase in the provision due to passage of time is recognised as interest expense. Provisions are not recognised for future operating losses.

(25) 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 plan

For defined contribution plan, 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 plan

- 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 the defined benefit pension plan is the present value of the defined benefit obligation at the balance sheet date less the fair value of plan assets. Every year, the actuary calculated defined benefit obligation by using projected unit credit method, and the discount rate was based on the market yield rate of government bond on the balance sheet date.
- ii. Actuarial gains (losses) arising on the defined benefit plan are recognised in other comprehensive income in the period in which they arise and are recorded as retained earnings.
- iii. Past service costs are recognised immediately in profit or loss.

C. Termination benefits

Termination benefits are employee benefits provided in exchange for the termination of employment as a result from either the Company's decision to terminate an employee's employment before the normal retirement date, or an employee's decision to accept an offer of redundancy benefits in exchange for the termination of employment. The Company recognises the expense when it can no longer withdraw an offer of termination benefits or it recognises related restructuring costs, whichever is earlier. Benefits that are expected to be due more than 12 months after balance sheet date shall be discounted to their present value.

D. 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.

(26) 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 charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the Company and its subsidiaries operate and generate 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 parent company only balance sheet. However, the deferred tax is not accounted for if it arises from initial recognition 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, 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 or substantially 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.
- E. Current income tax assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. Deferred tax assets and liabilities are offset on the balance sheet when the entity has the legally enforceable right to offset current tax assets against current tax liabilities and they are levied by the same taxation authority on either the same entity or different entities that intend to settle on a net basis or realise the asset and settle the liability simultaneously.
- F. A deferred tax asset shall be recognised for the carryforward of unused tax credits resulting from acquisitions of equipment or technology, research and development expenditures and equity investments to the extent that it is possible that future taxable profit will be available against which the unused tax credits can be utilised.

(27) Share capital

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 effect, is included in equity attributable to the Company's equity holders.

(28) Dividends

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

(29) Revenue recognition

Sales of goods:

- A. The Company manufactures and sells monitor, digital television, computer, peripheral equipment of computer and other related products. Sales are recognised when control of the products has transferred, being when the products are delivered to the wholesaler, the wholesaler has full discretion over the channel and price to sell the products, and there is no unfulfilled obligation that could affect the wholesaler'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 wholesaler, and either the wholesaler has accepted the products in accordance with the sales contract, or the Company has objective evidence that all criteria for acceptance have been satisfied.
- B. Sales revenue was based on the contract price net of estimated business tax, sales return, volume discounts and allowance. The furniture is often sold with volume discounts based on aggregate sales over a period. Accumulated experience is used to estimate and provide for the volume discounts and sales discounts and allowances, using the expected value method, and revenue is only recognised to the extent that it is highly probable that a significant reversal will not occur. The estimation is subject to an assessment at each reporting date. A refund liability is recognised for expected volume discounts and sales discounts and allowances payable to customers in relation to sales made until the end of the reporting period.
- C. A receivable is recognised when the goods are delivered as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

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

There have been no critical judgements in applying the Group's accounting policies that have a significant impact on the amount recognised.

(2) Critical accounting estimates and assumptions

A. Revenue recognition

The Company estimates sales discounts and returns provisions based on historical results and other known factors. Provisions for such liabilities are recognised as a deduction item to sales revenues when the sales are recognised. The Company reassesses the reasonableness of estimates of discounts and returns periodically. As of December 31, 2023, the provision for sales discounts and returns recognised by the Company was \$219,908.

B. 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. Please refer to Note 6(5) for the financial instruments fair value information.

C. Valuation of financial assets—fair value measurement of unlisted stocks without active market

The fair value of unlisted stocks held by the Company that are not traded in an active market is determined considering those companies' recent fund raising activities and technical development status, fair value assessment of other companies of the same type, market conditions and other economic indicators existing at balance sheet date. Any changes in these judgements and estimates will impact the fair value measurement of these unlisted stocks. Please refer to Note 12(3) for the financial instruments fair value information.

As of December 31, 2023, the carrying amount of unlisted stocks without active market was \$432,202.

6. DETAILS OF SIGNIFICANT ACCOUNTS

(1) Cash and cash equivalents

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Cash on hand	\$ 998	\$ 1,346
Checking account deposits	30	30
Demand deposits	2,694,772	2,783,075
Time deposits	300,000	1,007,485
	<u>\$ 2,995,800</u>	<u>\$ 3,791,936</u>

- A. The Company associates 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. The time deposits whose maturities exceed 3 months amounted to \$1,744,140 and \$607,100 as of December 31, 2023 and 2022, respectively and were listed as “Current financial assets at amortised cost”. The interest rate ranges are 1.34%~6.00% and 1.03~4.63%, respectively, and the interest income amounted to \$45,694 and \$1,709 for the years ended December 31, 2023 and 2022, respectively.
- C. For time deposits as of December 31, 2023 and 2022, the interest rate ranges were 1.20%~1.40% and 1.30~3.86%, respectively.

(2) Current financial assets / liabilities at fair value through profit or loss

<u>Items</u>	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Financial assets mandatorily measured at fair value through profit or loss		
Equity securities	\$ 1,739,872	\$ 2,648,828
Debt securities	20,000	20,000
Beneficiary certificates	161,238	336,666
Derivative instruments	59,810	169,235
Hybrid instruments	94,560	95,803
	<u>\$ 2,075,480</u>	<u>\$ 3,270,532</u>

- A. Amounts recognised in profit or loss in relation to financial assets at fair value through profit or loss are listed below:

	Years ended December 31,	
	2023	2022
Financial assets and liabilities mandatorily measured at fair value through profit or loss		
Equity securities	\$ 16,683	(\$ 4,123,112)
Debt securities	600	600
Beneficiary certificates	(87,959)	43,684
Derivative instruments	184,215	247,069
Hybrid instruments	26,165	24,750
	<u>\$ 139,704</u>	<u>(\$ 3,807,009)</u>

B. Financial assets designated as at fair value through profit or loss upon initial recognition are hybrid instruments.

C. For the year ended December 31, 2023, the Group disposed shares of VIZIO HOLDING CORP. of \$1,023,037, resulting to a loss on disposal of financial assets at fair value through profit or loss amounting to \$65,628.

In addition, the fair value of shares of VIZIO HOLDING CORP. held by the Group, after taking into consideration the quoted market prices, amounted to \$1,183,802 as of December 31, 2023. Unrealised gain on valuation of financial assets at fair value through profit or loss amounted to \$44,585 for the year ended December 31, 2023.

D. For the year ended December 31, 2022, the Group disposed shares of VIZIO HOLDING CORP. of \$1,358,161, resulting to a loss on disposal of financial assets at fair value through profit or loss amounting to \$949,754.

In addition, the fair value of shares of VIZIO HOLDING CORP. held by the Group, after taking into consideration the quoted market prices, amounted to \$2,227,882 as of December 31, 2022. Unrealised loss on valuation of financial assets at fair value through profit or loss amounted to \$3,037,538 for the year ended December 31, 2022.

E. The Company entered into contracts relating to derivative financial assets which were not accounted for under hedge accounting. The information is listed below:

Derivative financial instruments	December 31, 2023		December 31, 2022	
	Contract Amount (Notional Principal)	Contract Period	Contract Amount (Notional Principal)	Contract Period
Current items:				
Exchange rate	USD (Sell) 275 million	2023.11.30~2024.01.31	USD (Sell) 315 million	2022.12.05~2023.02.03
swap contracts	USD (Buy) 10million	2023.10.02~2024.04.16	USD (Buy) 15 million	2022.09.14~2023.04.07
Forward foreign	USD (Sell) 90 million	2023.10.06~2024.03.22	USD (Buy) 380 million	2022.07.01~2023.06.30
exchange	USD (Buy) 360 million	2023.07.03~2024.06.28		

(a) Exchange rate swap contracts

The Company entered into exchange rate swap contracts with financial institutions to swap floating interest rate for fixed interest rate, to earn the exchange rate spread, and to hedge cash

flow risk of the floating-rate liability positions. However, these exchange rate swap contracts are not accounted for under hedge accounting.

(b) Forward foreign exchange contracts

The Company entered into forward foreign exchange contracts to sell NTD and buy USD to earn the exchange rate spread, and to hedge exchange rate risk of import and export proceeds. However, these forward foreign exchange contracts are not accounted for under hedge accounting.

F. As of December 31, 2023 and 2022, the Company has no financial assets at fair value through profit or loss pledged to others.

G. Information relating to credit risk of financial assets at fair value through profit or loss is provided in Note 12(3).

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

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Ordinary corporate bonds	\$ 186,546	\$ -
Valuation adjustment	(3,943)	-
	<u>\$ 182,603</u>	<u>\$ -</u>

A. The Company has elected to classify debt investments that are considered to be strategic investments as financial assets at fair value through other comprehensive income. The fair value of such investments amounted to \$182,603 as at December 31, 2023.

B. The Company has no financial assets at fair value through other comprehensive income pledged to others as collateral.

C. For the years ended December 31, 2023 and 2022, fair value change recognised in other comprehensive loss in relation to the financial assets at fair value through other comprehensive income amounted to \$3,943 and \$0, respectively.

D. Information relating to credit risk of financial assets at fair value through other comprehensive income is provided in Note 12(2).

(4) Accounts receivable

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Accounts receivable	\$ 2,680,861	\$ 1,638,434
Less: Loss allowance	(8,979)	(8,979)
	<u>\$ 2,671,882</u>	<u>\$ 1,629,455</u>

A. As of December 31, 2023 and 2022, accounts receivable were all from contracts with customers. As of January 1, 2022, the balance of receivables from contracts with customers amounted to \$3,769,362.

B. The Company did not hold any collateral for accounts receivable.

C. Information on accounts receivable relating to credit risk is provided in Note 12(2).

(5) Inventories

December 31, 2023		
Cost	Allowance for valuation loss	Book value
Raw materials	\$ 20,390 (\$ 1,667)	\$ 18,723
Work in progress	1,977 (1,972)	5
Finished goods	128,729 (3,049)	125,680
<u>\$ 151,096</u>	<u>(\$ 6,688)</u>	<u>\$ 144,408</u>
December 31, 2022		
Cost	Allowance for valuation loss	Book value
Raw materials	\$ 7,498 (\$ 1,667)	\$ 5,831
Work in progress	1,993 (1,972)	21
Finished goods	91,804 (10,049)	81,755
<u>\$ 101,295</u>	<u>(\$ 13,688)</u>	<u>\$ 87,607</u>

Expenses and losses incurred on inventories for the year:

Years ended December 31,		
	2023	2022
Cost of inventories sold	\$ 11,959,159	\$ 10,622,237
Gain on inventory valuation	(7,000)	(19,000)
Other operating costs (Note 1)	146,960	133,733
	<u>\$ 12,099,119</u>	<u>\$ 10,736,970</u>

Note 1: Mainly represents maintenance costs and royalty expenses.

Note 2: The increase in net realisable value was caused by the Company's recognition of impairment loss on inventories when the related inventory items were scrapped or sold in 2023 and 2022.

(6) Prepayments

	December 31, 2023	December 31, 2022
Prepayments to suppliers	\$ 51,922	\$ 22,333
Net input VAT	29,460	29,649
Other prepaid expenses	6,399	9,067
	<u>\$ 87,781</u>	<u>\$ 61,049</u>

(7) Investments accounted for using equity method

A. Details are as follows:

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Subsidiaries:		
ABOUND PROFITS LIMITED (ABOUND)	\$ 1,773,069	\$ 1,757,477
REI MAU ENTERPRISE CO LTD (REI MAU)	307,828	206,834
ASEV DISPLAY LABS	106,092	135,792
RICK TECHNOLOGY INC.	224,991	205,436
AMTRAN LOGISTICS, INC.	438,434	441,502
AMTRAN VIDEO CORPORATION	34,676	27,911
SPYGLASS TESLA, LLC. (SPYGLASS)	86,421	77,654
AMTRAN VIETNAM TECHNOLOGY LIMITED	2,514,974	1,658,112
H&P Venture Capital Investment Co., Ltd.	-	13,226
Suzhou Raken Technology Ltd. (Raken)	1,093,535	1,090,091
AMTRAN VIETNAM TRADING COMPANY LIMITED	33,059	27,976
Associates:		
Hua Jung Co., Ltd. (Hua Jung)	438,880	403,798
BMA Ventures Capital Investment Corporation	52,172	55,065
Heroic Faith Medical Science Co., Ltd. (Heroic Faith)	13,122	54,262
	<u>\$ 7,117,253</u>	<u>\$ 6,155,136</u>

- (a) In March 2023, the Board of Directors of the Company resolved to invest in AMTRAN VIETNAM TRADING COMPANY LIMITED, amounting to US\$19,500 thousand (equivalent to \$615,973). In April 2022, the Board of Directors of the Company resolved to invest in REI MAU in September 2023 amounting to \$100,000.
- (b) In April 2022, the Board of Directors of the Company resolved to invest in AMTRAN VIETNAM TRADING COMPANY LIMITED. in August 2022 amounting to US\$1,000 thousand (equivalent to \$30,074).
- (c) The Company's subsidiaries, SPYGLASS and REI MAU, distributed cash dividends amounting to \$0 and \$0 for the year ended December 31, 2023, respectively and \$2,030 and \$10,000 for the year ended December 31, 2022, respectively.
- (d) The Company's investee accounted for using equity method, Hua Jung, distributed cash dividends amounting to \$0 and \$8,186 for the years ended December 31, 2023 and 2022, respectively.
- (e) The Company's investee accounted for using equity method, BMA Ventures Capital Investment Corporation, reduced its capital in 2023 and 2022, and the Company received \$4,877 and \$7,570 as return of capital, respectively.
- (f) For the year ended December 31, 2023, impairment losses recognised on the investment Heroic Faith amounted to \$41,140 as the recoverable amount is lower than the investment cost. The prepaid investment amounted to \$6,648 as of December 31, 2023. Since the capital

increase process has not yet been completed, this was shown as “non-current assets” in the balance sheet.

- (g) The Company's investee accounted for using equity method, H&P, reduced its capital in 2023 and the Company received \$8,243 as return of capital. H&P was dissolved and liquidated on September 11, 2023.

- B. For the years ended December 31, 2023 and 2022, the share of profit or loss of subsidiaries and associates accounted for using the equity method are as follows:

	Years ended December 31,	
	2023	2022
Subsidiaries:		
ABOUND PROFITS LIMITED (ABOUND)	\$ 45,977	(\$ 33,350)
REI MAU ENTERPRISE CO LTD (REI MAU)	994	(8,116)
ASEV DISPLAY LABS	(30,125)	15,716
RICK TECHNOLOGY INC.	19,555	1,769
AMTRAN LOGISTICS, INC.	(3,112)	(17,089)
AMTRAN VIDEO CORPORATION	6,862	(1,453)
SPYGLASS TESLA, LLC. (SPYGLASS)	8,893	(16,924)
AMTRAN VIETNAM TECHNOLOGY LIMITED	171,295	72,274
H&P Venture Capital Investment Co., Ltd.	(3,119)	(6,574)
Suzhou Raken Technology Ltd. (Raken)	23,844	(15,989)
AMTRAN VIETNAM TRADING COMPANY LIMITED	3,446	75
Associates:		
Hua Jung Co., Ltd. (Hua Jung)	24,453	23,288
BMA Ventures Capital Investment Corporation	1,984	(4,751)
	<u>\$ 270,947</u>	<u>\$ 8,876</u>

- C. Refer to Note 4(3) in the 2023 consolidated financial statements for the information regarding the Company's subsidiaries.

- D. Associates

- (a) The basic information of the associate that is material to the Company is as follows:

Company name	Principal place of business	Shareholding ratio		Nature of relationship	Method of measurement
		December 31,			
		2023	2022		
Hua Jung	Taiwan	31.60%	31.60%	Investee accounted for using equity method	Equity method

- (b) The summarised financial information of the associate that is material to the Company is as follows:

Balance sheet

	Hua Jung	
	December 31, 2023	December 31, 2022
Current assets	\$ 1,558,316	\$ 1,807,451
Non-current assets	710,526	601,029
Current liabilities	(358,505)	(689,920)
Non-current liabilities	(74,787)	(10,531)
Total net assets	<u>\$ 1,835,550</u>	<u>\$ 1,708,029</u>

	Hua Jung	
	December 31, 2023	December 31, 2022
Share in associate's net assets	\$ 573,665	\$ 538,583
Accumulated impairment	(134,785)	(134,785)
Carrying amount of the associate	<u>\$ 438,880</u>	<u>\$ 403,798</u>

Statement of comprehensive income

	Hua Jung	
	Years ended December 31,	
	2023	2022
Revenue	<u>\$ 1,017,793</u>	<u>\$ 1,059,379</u>
Profit for the year from continuing operations	\$ 81,016	\$ 74,960
Other comprehensive income (loss), net of tax	<u>47,565</u>	<u>(123,374)</u>
Total comprehensive income (loss)	<u>\$ 128,581</u>	<u>(\$ 48,414)</u>

- (c) The Company's material associate, Hua Jung Corporation, has quoted market prices. As of December 31, 2023 and 2022, the fair value was \$865,025 and \$551,215, respectively.
- (d) The information of the above mentioned associates disclosed by the Company is based on the audit reports of other auditors.
- E. For the years ended December 31, 2023 and 2022, the share of loss of associates accounted for using the equity method was \$26,437 and \$18,537, respectively.
- F. The Company is the single largest shareholder of Hua Jung Co., Ltd. with a 31.60% equity interest. The Company has no ability to acquire over 50% of the seats in the Board of Directors of Hua Jung Co., Ltd. and does not assign personnel to sit on the company's key management, which indicates that the Company has no current ability to direct the relevant activities of Hua Jung Co., Ltd. In addition, the Company and Hua Jung belong to different industries, thus there were no significant transactions between the two companies. In conclusion, the Company has no control, but only has significant influence, over the investee.
- G. For the years ended December 31, 2023 and 2022, the investees which are at least 50% owned by the Company and controlled by the Company were all included in the consolidated financial statements.

(8) Property, plant and equipment

	Land	Buildings and structures	Transportation equipment	Office equipment	Other equipment	Construction work in progress	Total
<u>At January 1, 2023</u>							
Cost	\$ 331,445	\$ 265,122	\$ 19,548	\$ 88,358	\$ 8,535	\$ 10,572	\$ 723,580
Accumulated depreciation	-	(159,075)	(17,342)	(72,199)	(6,573)	-	(255,189)
	<u>\$ 331,445</u>	<u>\$ 106,047</u>	<u>\$ 2,206</u>	<u>\$ 16,159</u>	<u>\$ 1,962</u>	<u>\$ 10,572</u>	<u>\$ 468,391</u>
<u>2023</u>							
Opening net book amount	\$ 331,445	\$ 106,047	\$ 2,206	\$ 16,159	\$ 1,962	\$ 10,572	\$ 468,391
Additions	-	-	938	7,112	2,821	17,985	28,856
Reclassification	(111,385)	(31,236)	-	-	-	-	(142,621)
Depreciation charge	-	(3,085)	(1,209)	(7,121)	(871)	-	(12,286)
Closing net book amount	<u>\$ 220,060</u>	<u>\$ 71,726</u>	<u>\$ 1,935</u>	<u>\$ 16,150</u>	<u>\$ 3,912</u>	<u>\$ 28,557</u>	<u>\$ 342,340</u>
<u>At December 31, 2023</u>							
Cost	\$ 220,060	\$ 162,170	\$ 19,251	\$ 95,324	\$ 11,356	\$ 28,557	\$ 536,718
Accumulated depreciation	-	(90,444)	(17,316)	(79,174)	(7,444)	-	(194,378)
	<u>\$ 220,060</u>	<u>\$ 71,726</u>	<u>\$ 1,935</u>	<u>\$ 16,150</u>	<u>\$ 3,912</u>	<u>\$ 28,557</u>	<u>\$ 342,340</u>

	Land	Buildings and structures	Mold equipment	Transportation equipment	Office equipment	Other equipment	Construction work in progress	Total
<u>At January 1, 2022</u>								
Cost	\$ 331,445	\$ 264,771	\$ 1,150	\$ 19,549	\$ 91,474	\$ 7,760	\$ 8,240	\$ 724,389
Accumulated depreciation	-	(153,315)	(1,150)	(15,740)	(70,666)	(5,793)	-	(246,664)
	<u>\$ 331,445</u>	<u>\$ 111,456</u>	<u>\$ -</u>	<u>\$ 3,809</u>	<u>\$ 20,808</u>	<u>\$ 1,967</u>	<u>\$ 8,240</u>	<u>\$ 477,725</u>
<u>2022</u>								
Opening net book amount	\$ 331,445	\$ 111,456	\$ -	\$ 3,809	\$ 20,808	\$ 1,967	\$ 8,240	\$ 477,725
Additions	-	171	-	-	3,772	955	2,332	7,230
Reclassification	-	113	-	-	-	(113)	-	-
Depreciation charge	-	(5,693)	-	(1,603)	(8,421)	(847)	-	(16,564)
Closing net book amount	<u>\$ 331,445</u>	<u>\$ 106,047</u>	<u>\$ -</u>	<u>\$ 2,206</u>	<u>\$ 16,159</u>	<u>\$ 1,962</u>	<u>\$ 10,572</u>	<u>\$ 468,391</u>
<u>At December 31, 2022</u>								
Cost	\$ 331,445	\$ 265,122	\$ -	\$ 19,548	\$ 88,358	\$ 8,535	\$ 10,572	\$ 723,580
Accumulated depreciation	-	(159,075)	-	(17,342)	(72,199)	(6,573)	-	(255,189)
	<u>\$ 331,445</u>	<u>\$ 106,047</u>	<u>\$ -</u>	<u>\$ 2,206</u>	<u>\$ 16,159</u>	<u>\$ 1,962</u>	<u>\$ 10,572</u>	<u>\$ 468,391</u>

Note 1: The Company's buildings and structures include building, parking space, air conditioner and decorations which are depreciated over 50 years, 35 years, and 15 years, respectively.

Note 2: Please refer to Section 6(10) for an explanation on the reclassification of the property, plant and equipment.

(9) Leasing arrangements-lessee

- A. The Company leases various assets including buildings. Rental contracts are typically made for 2 years. 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 parking spaces and warehouses.
- C. The carrying amount of right-of-use assets and the depreciation charge are as follows:

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
	<u>Carrying amount</u>	<u>Carrying amount</u>
Buildings	\$ 11,706	\$ 18,010
Transportation equipment	4,263	1,297
	<u>\$ 15,969</u>	<u>\$ 19,307</u>

	<u>2023</u>	<u>2022</u>
	<u>Depreciation charge</u>	<u>Depreciation charge</u>
Buildings	\$ 10,750	\$ 7,955
Transportation equipment	1,718	1,015
	<u>\$ 12,468</u>	<u>\$ 8,970</u>

- D. The information on income and expense accounts relating to lease contracts is as follows:

	<u>Years ended December 31,</u>	
	<u>2023</u>	<u>2022</u>
<u>Items affecting profit or loss</u>		
Interest expense on lease liabilities	\$ 165	\$ 77
Expense on short-term lease contracts	639	1,832

- E. For the years ended December 31, 2023 and 2022, the additions to right-of-use assets were \$9,783 and \$19,818, respectively.
- F. For the years ended December 31, 2023 and 2022, the Company's total cash outflow for leases were \$13,596 and \$10,862, respectively.

(10) Investment property

	Land	Buildings and structures	Total
<u>At January 1, 2023</u>			
Cost	\$ 328,134	\$ 277,381	\$ 605,515
Accumulated depreciation	-	(154,497)	(154,497)
	<u>\$ 328,134</u>	<u>\$ 122,884</u>	<u>\$ 451,018</u>
<u>2023</u>			
Opening net book amount	\$ 328,134	\$ 122,884	\$ 451,018
Additions	-	2,249	2,249
Transfers	111,385	31,236	142,621
Depreciation charge	-	(10,815)	(10,815)
Closing net book amount	<u>\$ 439,519</u>	<u>\$ 145,554</u>	<u>\$ 585,073</u>
<u>At December 31, 2023</u>			
Cost	\$ 439,519	\$ 310,866	\$ 750,385
Accumulated depreciation	-	(165,312)	(165,312)
	<u>\$ 439,519</u>	<u>\$ 145,554</u>	<u>\$ 585,073</u>
	Land	Buildings and structures	Total
<u>At January 1, 2022</u>			
Cost	\$ 328,134	\$ 277,219	\$ 605,353
Accumulated depreciation	-	(145,816)	(145,816)
	<u>\$ 328,134</u>	<u>\$ 131,403</u>	<u>\$ 459,537</u>
<u>2022</u>			
Opening net book amount	\$ 328,134	\$ 131,403	\$ 459,537
Additions	-	162	162
Depreciation charge	-	(8,681)	(8,681)
Closing net book amount	<u>\$ 328,134</u>	<u>\$ 122,884</u>	<u>\$ 451,018</u>
<u>At December 31, 2022</u>			
Cost	\$ 328,134	\$ 277,381	\$ 605,515
Accumulated depreciation	-	(154,497)	(154,497)
	<u>\$ 328,134</u>	<u>\$ 122,884</u>	<u>\$ 451,018</u>

A. Rental income from the lease of the investment property and direct operating expenses arising from the investment property are shown below:

	Years ended December 31,	
	2023	2022
Rental revenue from investment property	<u>\$ 90,907</u>	<u>\$ 47,441</u>
Direct operating expenses arising from the investment property that generated rental income during the year	<u>\$ 14,886</u>	<u>\$ 11,802</u>

- B. For the year ended December 31, 2023, the Company reclassified property, plant and equipment to investment property in the amount of \$142,621 representing the increase in the portion for rental.
- C. The fair values of the investment property held by the Company as at December 31, 2023 and 2022 were \$1,941,842 and \$1,823,029, respectively. The fair value on December 31, 2023 and 2022 was valued by independent appraisers. Valuation of land was made using the comparative approach while the valuation of building was made using the weighted average of cost approach and income approach and were classified as level 3.

(11) Intangible assets

	<u>Trademarks</u>	<u>Software</u>	<u>Others</u>	<u>Total</u>
<u>At January 1, 2023</u>				
Cost	\$ 846	\$ 44,012	\$ 267	\$ 45,125
Accumulated amortisation	(837)	(29,073)	(184)	(30,094)
	<u>\$ 9</u>	<u>\$ 14,939</u>	<u>\$ 83</u>	<u>\$ 15,031</u>
<u>2023</u>				
Opening net book amount	\$ 9	\$ 14,939	\$ 83	\$ 15,031
Additions - acquired separately	-	14,109	-	14,109
Amortisation charge	(9)	(17,831)	(83)	(17,923)
Closing net book amount	<u>\$ -</u>	<u>\$ 11,217</u>	<u>\$ -</u>	<u>\$ 11,217</u>
<u>At December 31, 2023</u>				
Cost	\$ 846	\$ 58,121	\$ 267	\$ 59,234
Accumulated amortisation	(846)	(46,904)	(267)	(48,017)
	<u>\$ -</u>	<u>\$ 11,217</u>	<u>\$ -</u>	<u>\$ 11,217</u>
	<u>Trademarks</u>	<u>Software</u>	<u>Others</u>	<u>Total</u>
<u>At January 1, 2022</u>				
Cost	\$ 846	\$ 43,323	\$ 267	\$ 44,436
Accumulated amortisation	(764)	(24,866)	(96)	(25,726)
	<u>\$ 82</u>	<u>\$ 18,457</u>	<u>\$ 171</u>	<u>\$ 18,710</u>
<u>2022</u>				
Opening net book amount	\$ 82	\$ 18,457	\$ 171	\$ 18,710
Additions - acquired separately	-	14,954	-	14,954
Amortisation charge	(73)	(18,472)	(88)	(18,633)
Closing net book amount	<u>\$ 9</u>	<u>\$ 14,939</u>	<u>\$ 83</u>	<u>\$ 15,031</u>
<u>At December 31, 2022</u>				
Cost	\$ 846	\$ 44,012	\$ 267	\$ 45,125
Accumulated amortisation	(837)	(29,073)	(184)	(30,094)
	<u>\$ 9</u>	<u>\$ 14,939</u>	<u>\$ 83</u>	<u>\$ 15,031</u>

Details of amortisation on intangible assets are as follows:

	Years ended December 31,	
	2023	2022
Administrative expenses	\$ 11,964	\$ 12,860
Research and development expenses	5,959	5,773
	<u>\$ 17,923</u>	<u>\$ 18,633</u>

(12) Short-term borrowings

Type of Borrowings	December 31, 2023	Interest rate range	Collateral
Bank borrowings			
Unsecured borrowings	<u>\$ 400,000</u>	1.64%~1.67%	None
Type of Borrowings	December 31, 2022	Interest rate range	Collateral
Bank borrowings			
Unsecured borrowings	<u>\$ 400,000</u>	1.19%~1.67%	None

Interest expense recognised in profit or loss amounted to \$6,578 and \$6,478 for the years ended December 31, 2023 and 2022, respectively.

(13) Other accounts payable

	December 31, 2023	December 31, 2022
Accrued payables for raw materials purchased on behalf of others	\$ 1,410,162	\$ 1,132,217
Accrued royalty payable	206,579	133,565
Accrued payroll and bonus	174,870	211,407
Accrued labor costs	2,175	31,760
Others	215,104	165,709
	<u>\$ 2,008,890</u>	<u>\$ 1,674,658</u>

(14) 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 1 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 Bank of Taiwan, the trustee, under the name of the independent retirement fund committee. Also, 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:

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Present value of defined benefit obligations	\$ 80,865	\$ 81,786
Fair value of plan assets	(21,620)	(22,449)
Net defined benefit liability (Shown as other current liabilities)	<u>\$ 59,245</u>	<u>\$ 59,337</u>

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

	<u>Present value of defined benefit obligations</u>	<u>Fair value of plan assets</u>	<u>Net defined benefit liability</u>
Year ended December 31, 2023			
Balance at January 1	\$ 81,786	(\$ 22,449)	\$ 59,337
Current service cost	449	-	449
Interest expense (income)	<u>1,001</u>	<u>(267)</u>	<u>734</u>
	<u>83,236</u>	<u>(22,716)</u>	<u>60,520</u>
Remeasurements:			
Return on plan assets (excluding amounts included in interest income or expense)	-	(179)	(179)
Change in financial assumptions	291	-	291
Experience adjustments	<u>420</u>	<u>-</u>	<u>420</u>
	<u>711</u>	<u>(179)</u>	<u>532</u>
Pension fund contribution	<u>-</u>	<u>(1,807)</u>	<u>(1,807)</u>
Paid pension	<u>(3,082)</u>	<u>3,082</u>	<u>-</u>
Balance at December 31	<u>\$ 80,865</u>	<u>(\$ 21,620)</u>	<u>\$ 59,245</u>

	Present value of defined benefit obligations	Fair value of plan assets	Net defined benefit liability
Year ended December 31, 2022			
Balance at January 1	\$ 74,942	(\$ 11,117)	\$ 63,825
Current service cost	614	-	614
Interest expense (income)	446	(41)	405
	<u>76,002</u>	<u>(11,158)</u>	<u>64,844</u>
Remeasurements:			
Return on plan assets (excluding amounts included in interest income or expense)	-	(1,137)	(1,137)
Change in demographic assumptions	(3,483)	-	(3,483)
Experience adjustments	<u>9,267</u>	<u>-</u>	<u>9,267</u>
	<u>5,784</u>	<u>(1,137)</u>	<u>4,647</u>
Pension fund contribution	-	(10,154)	(10,154)
Paid pension	-	-	-
Balance at December 31	<u>\$ 81,786</u>	<u>(\$ 22,449)</u>	<u>\$ 59,337</u>

(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 securitization 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 approval 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 asset 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:

	2023	2022
Discount rate	<u>1.20%</u>	<u>1.25%</u>
Future salary increases	<u>2.00%</u>	<u>2.00%</u>

Assumptions regarding future mortality experience are set based on the 5th Taiwan Standard Ordinary Experience Mortality Table for the years ended December 31, 2023 and 2022.

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	(\$ 1,431)	\$ 1,474	\$ 1,459	(\$ 1,423)
December 31, 2022				
Effect on present value of defined benefit obligation	(\$ 1,506)	\$ 1,553	\$ 1,538	(\$ 1,499)

The sensitivity analysis above was 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 plan of the Company for the year ending December 31, 2024 are \$1,234.

(g) As of December 31, 2023, the weighted average duration of that retirement plan is 7 years.

B. 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 contributes monthly an amount based on not less than 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.

The pension costs under the defined contribution pension plan of the Company for the years ended December 31, 2023 and 2022 were \$22,962 and \$21,291, respectively.

(15) Provisions

	Years ended December 31,	
	2023	2022
At January 1	\$ 100,145	\$ 101,199
Additional provisions	36,684	100,233
Used during the year	(51,917)	(101,287)
At December 31	\$ 84,912	\$ 100,145

Analysis of total provisions:

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Current	\$ 84,912	\$ 100,145

The Company provides warranties on monitors and digital TV products sold. Provision for warranty is estimated based on historical warranty data of monitors and digital TV products. It is expected that provision for warranty will be used during the period.

(16) Share capital

- (a) As of December 31, 2023, the Company's authorised capital was \$12,000,000, consisting of 1.2 billion shares of ordinary stock (including 40 million shares reserved for employee stock options), and the paid-in capital was \$7,401,000 with a par value of \$10 (in dollars) per share. All proceeds from shares issued have been collected.
- (b) The Company increased its capital by capitalising unappropriated earnings amounting to \$380,000 as resolved by the shareholders at their meeting on June 14, 2022. On September 21, 2022, the change of registration was completed.
- (c) To maintain the Company's credit rating and the shareholders' equity, on March 13, 2023, the Board of Directors of the Company resolved to repurchase the Company's outstanding ordinary shares in the amount of \$211,846. On August 4, 2023, the Board of directors proposed for the retirement of 18,000 thousand treasury shares, effective on August 8, 2023, and the Company's paid-in capital would be \$7,800,000. The registration of the retirement of treasury shares was completed on August 28, 2023.
- (d) On March 13, 2023, the Board of directors proposed for a capital reduction amounting to \$399,000 by retiring 39,900 thousand shares with an equivalent of \$0.51 (in dollars) per share, and the capital reduction was approved by the shareholders at their meeting on June 15, 2023. After the reduction, the Company's paid-in capital would be \$7,401,000, consisting of 740,100 thousand shares of ordinary stock with a par value of \$10 (in dollars) per share. The capital reduction was approved by the Securities and Futures Bureau, Financial Supervisory Commission on July 28, 2023, effective on August 9, 2023. The registration of the capital reduction was completed on October 17, 2023, and the amount had been paid.

(17) Capital surplus

Pursuant to the R.O.C. Company Law, 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 Law 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.

2023					
Changes in ownership interests					
	Share premium	Treasury share transactions	in subsidiaries and associates	Stock option	Total
At January 1	\$ 1,672,150	\$ 605,091	\$ 11,550	\$ 4,718	\$ 2,293,509
Retirement of treasury shares	(37,717)	5,871	-	-	(31,846)
At December 31	<u>\$ 1,634,433</u>	<u>\$ 610,962</u>	<u>\$ 11,550</u>	<u>\$ 4,718</u>	<u>\$ 2,261,663</u>
2022					
Changes in ownership interests					
	Share premium	Treasury share transactions	in subsidiaries and associates	Stock option	Total
At January 1					
(Same as December 31)	<u>\$ 1,672,150</u>	<u>\$ 605,091</u>	<u>\$ 11,550</u>	<u>\$ 4,718</u>	<u>\$ 2,293,509</u>

(18) Retained earnings

- A. Where the Company accrues profit in the half year, it should first be reserved to pay tax and offset against accumulated deficit, and appropriate 10% of which as legal reserve unless legal reserve amounts to the total authorised capital. In addition, special reserve that has been appropriated or reversed in accordance with related regulations along with the unappropriated retained earnings of the first half of the year can be proposed by the Board of Directors for earnings appropriation of dividends. The proposal for appropriation should be approved by the shareholders if dividends would be distributed by issuing new shares; it should be resolved by the Board of Directors if dividends would be distributed in the form of cash. The dividends must not be less than 20% of distributable retained earnings of current year. The dividend can be appropriated in cash or shares and cash dividends must not be less than 20% of total dividends.
- B. To accompany the growth and overall environment of the high-tech sector, the Company's dividend policy is based on the earnings, financial structure and the future development. In addition, the dividend is distributed according to the appropriation of the earnings. Stock dividend shall be based on the proportion to the reserves.
- C. 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.
- D. 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.

E. On June 15, 2023, the Board of Directors of the Company resolved not to distribute the unappropriated retained earnings of 2022.

F. The appropriations of earnings for 2022 had been resolved by the shareholders on June 15, 2023. Details are summarised below. The remaining unappropriated earnings were all retained and not distributed:

	Year ended December 31, 2022		Year ended December 31, 2021	
	Amount	Dividends per share (in dollars)	Amount	Dividends per share (in dollars)
Legal reserve appropriated	\$ -		\$ 501,716	
Special reserve appropriated	(\$ 87,794)		\$ 64,395	
Distribution of cash dividends	\$ -	\$ -	\$ 570,000	\$ 0.75
Distribution of stock dividends	\$ -	\$ -	\$ 380,000	\$ 0.50

The aforementioned resolutions are identical to the resolutions passed during the Board of Directors' meeting held on March 13, 2023 and March 18, 2022 and will be posted in the "Market Observation Post System" at the website of the Taiwan Stock Exchange.

G. The appropriations of earnings for 2023 had been resolved by the shareholders on March 13, 2024. Details are summarised below. The remaining unappropriated earnings were all retained and not distributed:

	Year ended December 31, 2023	
	Amount	Dividends per share (in dollars)
Legal reserve appropriated	\$ 44,573	
Special reserve appropriated	(\$ 27,377)	
Distribution of cash dividends	\$ 401,200	\$ 0.54

H. Refer to Note 6 (23) for details on employees' compensation and directors' remuneration.

(19) Other equity items

	2023	
	Currency translation	Gain or loss on unrealised valuation
At January 1	(\$ 200,300)	(\$ 54,390)
Unrealised gains from financial assets measured at fair value through other comprehensive income:		
Revaluation - associates	- (	3,943)
Revaluation transferred to retained earnings - associates	-	14,434
Currency translation differences:		
- Group	20,692	-
- Associates	(3,805)	-
At December 31	(\$ 183,413)	(\$ 43,899)

	2022	
	Currency translation	Gain or loss on unrealised valuation
At January 1	(\$ 324,294)	(\$ 18,189)
Unrealised gains from financial assets measured at fair value through other comprehensive income:		
Revaluation - associates	- (	38,744)
Revaluation transferred to retained earnings - associates	-	2,543
Currency translation differences:		
- Group	124,235	-
- Associates	(241)	-
At December 31	(\$ 200,300)	(\$ 54,390)

(20) Operating revenue

	Years ended December 31,	
	2023	2022
Revenue from contracts with customers	\$ 12,994,525	\$ 11,682,495

A. Disaggregation of revenue from contracts with customers

The Company derives revenue from the transfer of goods and services at a point in time in the following major product lines: digital television, display, video conferencing equipment and peripheral equipment.

B. Contract liabilities

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

	December 31, 2023	December 31, 2022	January 1, 2022
Contract liabilities:			
Contract liabilities-advance sales receipts	\$ 54,030	\$ 42,588	\$ -

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

	Years ended December 31,	
	2023	2022
Revenue recognised that was included in the contract liability balance at the beginning of the year		
Contract liabilities-advance sales receipts	\$ 42,588	\$ -

(21) Other income

	Years ended December 31,	
	2023	2022
Rental revenue	\$ 91,269	\$ 47,810
Dividend income	33,724	18,080
Other revenue	3,820	7,471
	\$ 128,813	\$ 73,361

(22) Other gains and losses

	Years ended December 31,	
	2023	2022
Net gain (loss) on financial assets at fair value through profit or loss	\$ 139,704	(\$ 3,807,009)
Net currency exchange gain	2,187	255,843
Impairment losses	(41,140)	-
Other losses	(33,145)	(11,454)
	<u>\$ 67,606</u>	<u>(\$ 3,562,620)</u>

(23) Expenses by nature

	Years ended December 31,	
	2023	2022
Employee benefit expense		
Wages and salaries	\$ 498,759	\$ 512,431
Labor and health insurance fees	41,635	40,397
Pension costs	24,145	22,310
Directors' remunerations	44,960	30,540
Other personnel expenses	18,617	17,432
	<u>\$ 628,116</u>	<u>\$ 623,110</u>
Depreciation and amortisation		
Depreciation charges on property, plant and equipment (including investment property)	\$ 23,101	\$ 25,245
Amortisation charges on right-of-use assets	12,468	8,970
Amortisation charges on intangible assets	17,923	18,633
	<u>\$ 53,492</u>	<u>\$ 52,848</u>

- A. According to the Articles of Incorporation of the Company, a ratio of profit of the current year distributable, after covering accumulated losses, shall be distributed as employees' compensation and directors' and supervisors' remuneration. The ratio shall not be lower than 3% for employees' compensation and shall not be higher than 3% for directors' and supervisors' remuneration.
- B. For the year ended December 31, 2023, employees' compensation was \$21,000, and directors' and supervisors' remuneration was \$9,000. The aforementioned amounts were recognised in salary expenses. No employees' compensation and directors' and supervisors' remuneration were recognised due to the loss incurred for the year ended December 31, 2022.
- C. In accordance with the Articles of Incorporation, employees' compensation and directors' and supervisors' remuneration are accrued based on a certain percentage of estimated profits for the current year. For the year ended December 31, 2023, the percentage for employees' compensation

was 4% and for directors' and supervisors' remuneration was 2%. Information about employees' compensation and directors' and supervisors' remuneration of the Company as resolved by the Board of Directors will be posted in the "Market Observation Post System" at the website of the Taiwan Stock Exchange.

(24) Income tax

A. Income tax expense (benefit)

(a) Components of income tax expense (benefit):

	Years ended December 31,	
	2023	2022
Current tax:		
Current tax on profits for the year	\$ 180,023	\$ 26,049
Tax on undistributed surplus earnings	-	27,107
Prior year income tax under (over) estimation	119,182	(1,733)
Total current tax	299,205	51,423
Deferred tax:		
Origination and reversal of temporary differences	(222,981)	(720,083)
Total deferred tax	(222,981)	(720,083)
Income tax expense (benefit)	<u>\$ 76,224</u>	<u>(\$ 668,660)</u>

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

	Years ended December 31,	
	2023	2022
Remeasurement of defined benefit obligations	<u>(\$ 106)</u>	<u>(\$ 929)</u>

B. Reconciliation between income tax expense (benefit) and accounting profit

	Years ended December 31,	
	2023	2022
Tax calculated based on profit before tax and statutory tax rate	\$ 104,476	(\$ 684,464)
Effect from items adjusted in accordance with tax regulation	937	(84)
Change in assessment of realisation of deferred tax assets	(62,277)	(640)
Deferred tax assets	(11,157)	-
Effect from investment tax credits	(74,937)	(8,846)
Tax on undistributed surplus earnings	-	27,107
Prior year income tax under (over) estimation	119,182	(1,733)
Tax expense (benefit)	<u>\$ 76,224</u>	<u>(\$ 668,660)</u>

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 inventory price decline	\$ 2,738	(\$ 1,400)	\$ -	\$ 1,338
Provision for after sale service	20,029	(3,047)	-	16,982
Unrealised sales discount	36,541	19,683	-	56,224
Unrealised royalty expense	26,713	14,603	-	41,316
Others	<u>11,690</u>	<u>25</u>	<u>106</u>	<u>11,821</u>
	<u>97,711</u>	<u>29,864</u>	<u>106</u>	<u>127,681</u>
— Deferred tax liabilities:				
Temporary differences:				
Unrealised gain on valuation of financial assets	(446,058)	213,131	-	(232,927)
Unrealised foreign exchange gain	(33,840)	5,390	-	(28,450)
Unrealised gain on long-term investments	<u>-</u>	<u>(25,404)</u>	<u>-</u>	<u>(25,404)</u>
	<u>(479,898)</u>	<u>193,117</u>	<u>-</u>	<u>(286,781)</u>
	<u>(\$ 382,187)</u>	<u>\$ 222,981</u>	<u>\$ 106</u>	<u>(\$ 159,100)</u>

	2022			
	January 1	Recognised in profit or loss	Recognised in other comprehensive income	December 31
— Deferred tax assets				
Temporary differences:				
Allowance for inventory price decline	\$ 6,538	(\$ 3,800)	\$ -	\$ 2,738
Provision for after sale service	20,240	(211)	-	20,029
Unrealised sales discount	46,917	(10,376)	-	36,541
Unrealised royalty expense	35,325	(8,612)	-	26,713
Loss carryforward	304,900	(304,900)	-	-
Others	10,438	323	929	11,690
	<u>424,358</u>	<u>(327,576)</u>	<u>929</u>	<u>97,711</u>
— Deferred tax liabilities:				
Temporary differences:				
Unrealised gain on valuation of financial assets	(1,503,222)	1,057,164	-	(446,058)
Unrealised foreign exchange gain	(24,335)	(9,505)	-	(33,840)
	<u>(1,527,557)</u>	<u>1,047,659</u>	<u>-</u>	<u>(479,898)</u>
	<u>(\$ 1,103,199)</u>	<u>\$ 720,083</u>	<u>\$ 929</u>	<u>(\$ 382,187)</u>

D. Expiration dates of unused tax losses and amounts of unrecognised deferred tax assets are as follows:

December 31, 2023				
Year incurred	Amount filed/assessed	Unused amount	Deferred tax assets	Expiry year
2020	421,128	269,356	269,356	2030
2021	135,107	120,285	120,285	2031
	<u>\$ 556,235</u>	<u>\$ 389,641</u>	<u>\$ 389,641</u>	

E. The Company has not recognised taxable temporary differences associated with investment in subsidiaries as deferred tax liabilities. As of December 31, 2023 and 2022, temporary differences that were not recognised as deferred tax liabilities amounted to \$1,407,922 and \$1,407,230, respectively.

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

(25) Earnings (loss) per share

	Year ended December 31, 2023		
	Amount after tax	Weighted average number of ordinary shares outstanding (shares in thousands)	Earnings per share (in dollars)
<u>Basic and Diluted earnings per share</u>			
Profit attributable to ordinary shareholders of the Company	\$ 446,155	770,109	\$ 0.58
<u>Diluted earnings per share</u>			
Profit attributable to ordinary shareholders of the Company	\$ 446,155	770,109	
Assumed conversion of all dilutive potential ordinary shares			
Employees' compensation	-	1,615	
Profit attributable to ordinary shareholders of the Company plus assumed conversion of all dilutive potential ordinary shares	\$ 446,155	771,724	\$ 0.58
<u>Year ended December 31, 2022</u>			
	Amount after tax	Weighted average number of ordinary shares outstanding (shares in thousands)	Loss per share (in dollars)
<u>Basic and Diluted loss per share</u>			
Loss attributable to ordinary shareholders of the Company	(\$ 2,753,662)	798,000	(\$ 3.45)

- A. The Company increased its capital by capitalising unappropriated earnings amounting to \$380,000 as resolved by the shareholders at their meeting on June 14, 2022. On September 21, 2022, the change for registration was completed. Therefore, the weighted average number of outstanding shares in 2021 after the retrospective adjustment was 798,000 thousand shares.
- B. The Company's employees' compensation for the year ended December 31, 2022 has an anti-dilutive effect, so it was not included in diluted loss per share.

7. RELATED PARTY TRANSACTIONS

(1) Names of related parties and relationship

<u>Names of related parties</u>	<u>Relationship with the Group</u>
AMTRAN LOGISTICS, INC (ALI)	Subsidiary
AMTRAN VIDEO CORPORATION (AVC)	"
RICK TECHNOLOGY INC.	"
Rick Service Inc.	"
REI MAU ENTERPRISE CO LTD(REI MAU)	"
Suzhou Raken Technology Ltd. (Raken)	"
AMTRAN VIETNAM TECHNOLOGY CO., LTD. (AVTC)	"
Amtran Electronic Co., Ltd.	"

(2) Significant transactions and balances with related parties

A. Operating revenue:

	<u>Years ended December 31,</u>	
	<u>2023</u>	<u>2022</u>
Sales of goods:		
Subsidiaries:	<u>\$ 699,777</u>	<u>\$ 822,759</u>

The sales prices are based on contractual terms. No similar transaction can be compared with. The credit terms are 60~90 days after monthly billings for the related parties. For third parties, credit terms are 30~90 days after monthly billings.

B. Purchases of goods:

	<u>Years ended December 31,</u>	
	<u>2023</u>	<u>2022</u>
Purchases of goods:		
Subsidiaries:		
- Raken	\$ 4,015,703	\$ 4,981,539
- AVTC	<u>9,054,339</u>	<u>6,510,957</u>
	<u>\$ 13,070,042</u>	<u>\$ 11,492,496</u>

The purchase prices are based on contractual terms, and payments are made by wire transfer. The payment terms are 75 days after monthly billings for the related parties and 30~120 days after monthly billings for third parties.

C. Receivables from related parties:

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Accounts receivable:		
Subsidiaries:		
- RICK	135,197	126,456
- AVC	83,790	40,237
	<u>\$ 218,987</u>	<u>\$ 166,693</u>
Other receivables:		
- Raken	\$ 219,993	\$ 247,062
- AVTC	1,751,135	1,215,823
- Other subsidiaries	167	480
	<u>\$ 1,971,295</u>	<u>\$ 1,463,365</u>

As of December 31, 2023 and 2022, the receivables from related parties were not impaired and the counterparties have optimal credit quality. Other receivables were receivables arising from raw materials purchased on behalf of the above related parties.

D. Guarantee deposits paid (shown as other non-current assets):

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Subsidiaries:		
- RICK	\$ 899	\$ 899

E. Payables to related parties:

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Accounts payable:		
Subsidiaries:		
- AVTC	\$ 2,368,553	\$ 975,541
- Raken	1,178,416	897,243
- Other subsidiaries	248	-
	<u>\$ 3,547,217</u>	<u>\$ 1,872,784</u>
Other payables:		
- Raken	\$ 27,005	\$ -
- ALI	4,402	4,402
- Other subsidiaries	2,816	2,104
	<u>\$ 34,223</u>	<u>\$ 6,506</u>

As of December 31, 2023 and 2022, other payables arose mainly from collections on behalf of related parties.

F. Technical service revenue:

	Years ended December 31,	
	2023	2022
Subsidiaries:		
- AVTC	\$ 86,710	\$ 56,861
- Raken	33,007	31,730
	<u>\$ 119,717</u>	<u>\$ 88,591</u>

Technical service revenue arose from the research and development, maintenance and technical services rendered to the above related parties.

G. Acquisition of financial assets:

In August 2023, the Company increased its investment in the subsidiary, AVTC, in the amount of USD 19,500 thousand (equivalent to \$615,973). In September 2023, the Company invested \$100,000 in REI MAU. Refer to Note 6(7) for details.

(3) Key management compensation

	Years ended December 31,	
	2023	2022
Salaries and other short-term employee benefits	\$ 56,060	\$ 74,484
Post-employment benefits	3,853	3,742
	<u>\$ 59,913</u>	<u>\$ 78,226</u>

8. PLEDGED ASSETS

None.

9. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNISED CONTRACT COMMITMENTS

As of December 31, 2023, the Group had capital expenditures contracted for at the balance sheet date but not yet incurred for property, plant and equipment in the amount of \$183,220.

10. SIGNIFICANT DISASTER LOSS

None.

11. SIGNIFICANT EVENTS AFTER THE BALANCE SHEET DATE

- (1) Refer to Note 6(18) for the appropriation of 2023 earnings proposed by the Board of Directors on March 13, 2024.
- (2) On March 13, 2024, the Board of Directors of the Company resolved to reduce its capital and refund cash to shareholders in order to adjust the capital structure and increase return on shareholders' equity. The amount of cash capital reduction was \$601,000, constituting 60,100 thousand shares, and the number of ordinary shares after capital reduction was 680,000 thousand shares.
- (3) The Company CEO and President were indicted by the Taiwan Taipei District Prosecutors Office for suspected violation of the Securities and Exchange Act. The case has been assigned to the Company's legal counsels. As of March 31, 2024, the case does not have impact on the Company's finance and business operations.

12. OTHERS

(1) Capital management

The Company plans the needs for future operating capital, research and development expenses and dividend distribution based on the Company's current operating characteristics and future development, taking into account changes in the external environment so as to safeguard the Company's ability to continue as a going concern, provide returns for shareholders and maintain an optimal capital structure to enhance shareholders' value in the long-term. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, issue new shares, return cash to shareholders or repurchase its own shares.

(2) Financial instruments

A. Financial instruments by category

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
<u>Financial assets</u>		
Financial assets at fair value through profit or loss		
Financial assets mandatorily measured at fair value through profit or loss	<u>\$ 2,075,480</u>	<u>\$ 3,270,532</u>
Financial assets at fair value through other comprehensive income	<u>\$ 182,603</u>	<u>\$ -</u>
Financial assets at amortised cost	<u>\$ 9,630,931</u>	<u>\$ 7,666,550</u>
	<u>December 31, 2023</u>	<u>December 31, 2022</u>
<u>Financial liabilities</u>		
Financial liabilities at amortised cost	<u>\$ 5,973,879</u>	<u>\$ 3,980,373</u>
Lease liabilities	<u>\$ 15,661</u>	<u>\$ 19,334</u>

Note: Financial assets at amortised cost included cash and cash equivalents, accounts receivable (including related parties), other receivables (including related parties) and guarantee deposits paid. Financial liabilities at amortised cost included accounts payable (including related parties), other payables, guarantee deposits received and lease liabilities.

B. Financial risk management policies

The Company adopts an overall risk management and control system to identify and evaluate risk.

The Company has a Chief Financial Officer (CFO) to manage all the risk management policies and risk controls. The main duty of the CFO is to oversee implementation of the Company's risk control strategies as follows:

- The Company uses derivative financial instruments to hedge the price, interest rate and exchange rate fluctuations, etc. of the Company's assets and liabilities, when these affect profit or loss.
- The Company uses derivative financial instruments to hedge the exchange rate fluctuation arising from the foreign currency price of export or import transactions.

- (c) Depending on the risk of the variation of derivative financial instruments, to set up stop-loss point to limit possible losses.
- (d) To transact with international financial institutions with good credit standing.
- (e) To maintain working capital sufficient to support the cash flows resulting from the above contracts and reduce funding risk.

The Company believes that the above financial risk control strategies can effectively lower each kind of risks that the Company encounters.

C. Significant financial risks and degrees of financial risks

(a) Market risk

Foreign exchange risk

- i. The Company operates internationally and is exposed to exchange rate risk arising from the transactions of the Company used in various functional currency, primarily with respect to the USD. Exchange rate risk arises from future commercial transactions and recognised assets and liabilities.
- ii. Management has set up a policy to require the Company to manage its foreign exchange risk against its functional currency. The Company is required to hedge the entire foreign exchange risk exposure with the Company treasury. Exchange rate risk is measured through a forecast of highly probable USD and RMB expenditures. Forward foreign exchange contracts are adopted to minimise the volatility of the exchange rate affecting cost of forecast inventory purchases.
- iii. The Company's businesses involve some non-functional currency operations (the Company's functional currency: NTD. 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 amount (In thousands)		Exchange rate	Book value (NTD)
(Foreign currency: functional currency)					
<u>Financial assets</u>					
<u>Monetary items</u>					
USD:NTD	\$	254,795	\$	30.71	\$ 7,824,754
<u>Non-monetary items</u>					
USD:NTD		162,808		30.71	\$ 4,999,847
RMB:NTD		252,724		4.327	\$ 1,093,535
<u>Financial liabilities</u>					
<u>Monetary items</u>					
USD:NTD		182,849		30.71	\$ 5,615,293

December 31, 2022			
	Foreign currency amount (In thousands)	Exchange rate	Book value (NTD)
(Foreign currency: functional currency)			
<u>Financial assets</u>			
<u>Monetary items</u>			
USD:NTD	\$ 158,705	\$ 30.71	\$ 4,873,831
<u>Non-monetary items</u>			
USD:NTD	136,134	30.71	4,180,686
RMB:NTD	247,298	4.408	1,090,091
<u>Financial liabilities</u>			
<u>Monetary items</u>			
USD:NTD	113,599	30.71	3,488,625

- iv. The total exchange (loss) gain, including realised and unrealised, arising from significant foreign exchange variation on the monetary items held by the Company for the years ended December 31, 2023 and 2022 amounted to \$2,187 and \$255,843, respectively.
- v. Analysis of foreign currency market risk arising from significant foreign exchange variation:

Year ended December 31, 2023			
Sensitivity Analysis			
	Degree of variation	Effect on profit or loss	Effect on other comprehensive income
(Foreign currency: functional currency)			
<u>Financial assets</u>			
<u>Monetary items</u>			
USD:NTD	1%	\$ 78,248	\$ -
<u>Non-monetary items</u>			
USD:NTD	1%	-	49,998
RMB:NTD	1%	-	10,935
<u>Financial liabilities</u>			
<u>Monetary items</u>			
USD:NTD	1%	56,153	-

Year ended December 31, 2022			
Sensitivity Analysis			
	Degree of variation	Effect on profit or loss	Effect on other comprehensive income
(Foreign currency: functional currency)			
<u>Financial assets</u>			
<u>Monetary items</u>			
USD:NTD	1%	\$ 48,738	\$ -
<u>Non-monetary items</u>			
USD:NTD	1%	-	41,807
RMB:NTD	1%	-	10,901
<u>Financial liabilities</u>			
<u>Monetary items</u>			
USD:NTD	1%	34,886	-

Price risk

- i. The Company's equity securities, which are exposed to price risk, are the held financial assets at fair value through profit or loss and 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.
 - ii. The Company's investments in equity securities comprise shares and open-end funds issued by the domestic/overseas companies. The prices of equity securities would change due to the change of the future value of investee companies. If the prices of these equity securities had increased/decreased by 1% or floating discount rate changes by 1% with all other variables held constant, post-tax profit for the years ended December 31, 2023 and 2022 would have increased/decreased by \$15,965 and \$24,650, respectively, as a result of gains/losses on equity securities classified as at fair value through profit or loss.
- (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.
 - ii. The Company manages its credit risk taking into consideration the entire Company's concern. For banks and financial institutions, only independently rated parties with a minimum rating of 'A' are accepted. 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 are offered. Internal risk control assesses the credit quality of the customers, taking into account their financial position, past experience and other factors.

- iii. The ageing analysis of accounts receivable (including related parties) that were past due but not impaired is as follows:

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Not past due	\$ 2,665,267	\$ 1,681,865
Up to 30 days	220,596	106,022
31 to 90 days	13,936	17,240
Over 90 days	49	-
	<u>\$ 2,899,848</u>	<u>\$ 1,805,127</u>

- iv. The Company classifies customer's accounts receivable in accordance with credit rating of customer. The Company applies the simplified approach using a provision matrix to estimate the expected credit loss. 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 is as follows:

	<u>Group A</u>	<u>Group B</u>	<u>Group C</u>	<u>Total</u>
<u>December 31, 2023</u>				
Expected loss rate	0.05%	0.05%	2.03%	
Total book value	\$ 218,987	\$ 2,670,836	\$ 10,025	\$ 2,899,848
Loss allowance	\$ 109	\$ 8,666	\$ 204	\$ 8,979
	<u>Group A</u>	<u>Group B</u>	<u>Group C</u>	<u>Total</u>
<u>December 31, 2022</u>				
Expected loss rate	0.05%	0.05%	0.07%~4.79%	
Total book value	\$ 166,693	\$ 1,494,381	\$ 144,053	\$ 1,805,127
Loss allowance	\$ 83	\$ 748	\$ 8,148	\$ 8,979

Company A: Related parties.

Company B: Customers with an excellent credit rating grade.

Company C: Other customers.

- v. Movements in relation to the Company applying the simplified approach to provide loss allowance for accounts receivable are as follows:

	2023
	Accounts receivable
At January 1	\$ 8,979
Provision for expected credit impairment loss	-
At December 31	<u>\$ 8,979</u>
	2022
	Accounts receivable
At January 1	\$ 8,979
Provision for expected credit impairment loss	-
At December 31	<u>\$ 8,979</u>

(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.
- ii. Surplus cash held by the operating entities over and above balance required for working capital management are transferred to the Company treasury. Company treasury invests surplus cash in interest bearing current accounts, time deposits and marketable customers, choosing instruments with appropriate maturities or sufficient liquidity to provide sufficient headroom as determined by the abovementioned forecasts.
- iii. The table below analyses the Company's non-derivative financial liabilities and net-settled or gross-settled 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 and to the expected maturity date for derivative financial liabilities. The amounts disclosed in the table are the contractual undiscounted cash flows.

Non-derivative financial liabilities:

<u>December 31, 2023</u>	<u>Less than 1 year</u>	<u>Over 1 year</u>
Accounts payable (including related parties)	\$ 3,548,312	\$ -
Short-term borrowings	400,000	-
Other payables	2,008,890	-
Lease liabilities	11,311	4,350
Refund liabilities	219,908	-

Non-derivative financial liabilities:

<u>December 31, 2022</u>	<u>Less than 1 year</u>	<u>Over 1 year</u>
Accounts payable (including related parties)	\$ 1,882,868	\$ -
Short-term borrowings	400,000	-
Other payables	1,674,658	-
Lease liabilities	12,197	7,137
Refund liabilities	109,995	-

(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. The fair value of the Company's investment in listed stocks, beneficiary certificates and etc. is included in Level 1.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. The fair value of the Company's investment in convertible bonds and most derivative instruments is included in Level 2.

Level 3: Unobservable inputs for the asset or liability. The fair value of the Company's investment in equity investment without active market is included in Level 3.

B. Financial instruments not measured at fair value

The carrying amounts of cash and cash equivalents, notes receivable, accounts receivable (including related parties), other receivables, notes payable, accounts payable and other payables (including related parties) are approximate to their fair values.

C. The related information on financial and non-financial instruments measured at fair value by level on the basis of the nature, characteristics and risks of the assets and liabilities is as follows:

(a) The related information on the nature of the assets and liabilities is as follows:

<u>December 31, 2023</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Assets				
<u>Recurring fair value measurements</u>				
Financial assets at fair value through profit or loss				
Equity securities	\$ 1,457,543	\$ 11,365	\$ 270,964	\$ 1,739,872
Debt securities	20,000	-	-	20,000
Beneficiary certificates	-	-	161,238	161,238
Derivative instruments	-	59,810	-	59,810
Hybrid instruments	94,560	-	-	94,560
Financial assets at fair value through other comprehensive income				
Debt securities	182,603	-	-	182,603
	<u>\$ 1,754,706</u>	<u>\$ 71,175</u>	<u>\$ 432,202</u>	<u>\$ 2,258,083</u>
<u>December 31, 2022</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Assets				
<u>Recurring fair value measurements</u>				
Financial assets at fair value through profit or loss				
Equity securities	\$ 2,388,894	\$ 28,723	\$ 231,211	\$ 2,648,828
Debt securities	20,000	-	-	20,000
Beneficiary certificates	-	-	336,666	336,666
Derivative instruments	-	169,235	-	169,235
Hybrid instruments	95,803	-	-	95,803
	<u>\$ 2,504,697</u>	<u>\$ 197,958</u>	<u>\$ 567,877</u>	<u>\$ 3,270,532</u>

(b) The methods and assumptions the Company used to measure fair value are as follows:

- i. The instruments the Company used market quoted prices as their fair values (that is, Level 1) are listed below by characteristics:

	<u>Listed shares</u>	<u>Open-end fund</u>	<u>Convertible bond</u>
Market quoted price	Closing price	Net asset value	Closing

- ii. Except for financial instruments with active markets, the fair value of other financial instruments is measured by using valuation techniques. The fair value of financial instruments measured by using valuation techniques can be referred to current fair value of instruments with similar terms and characteristics in substance, other valuation methods, including calculated by applying model using market information available at the parent company only balance sheet date.
- iii. When assessing non-standard and low-complexity financial instruments, for example, foreign exchange swap contracts, the Company adopts valuation technique that is widely

used by market participants. The inputs used in the valuation method to measure these financial instruments are normally observable in the market.

- iv. The valuation of derivative financial instruments is based on valuation model widely accepted by market participants, such as present value techniques and option pricing models. Forward exchange contracts are usually valued based on the current forward exchange rate.
- v. The Company takes into account adjustments for credit risks to measure the fair value of financial and non-financial instruments to reflect credit risk of the counterparty and the Company's credit quality.

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

E. The following chart is the movement of Level 3 for the years ended December 31, 2023 and 2022:

	2023		
	Equity securities	Foreign venture capital	Total
At January 1	\$ 231,211	\$ 336,666	\$ 567,877
Gains (losses) recognised in profit or loss	(6,835)	(89,821)	(96,656)
Acquired during the year	58,888	-	58,888
Disposed of during the year	(12,300)	(85,607)	(97,907)
At December 31	<u>\$ 270,964</u>	<u>\$ 161,238</u>	<u>\$ 432,202</u>

	2022		
	Equity securities	Foreign venture capital	Total
At January 1	\$ 300,167	\$ 291,225	\$ 591,392
Gains (losses) recognised in profit or loss	(88,523)	45,441	(43,082)
Acquired during the year	20,317	-	20,317
Disposed of during the year	(750)	-	(750)
At December 31	<u>\$ 231,211</u>	<u>\$ 336,666</u>	<u>\$ 567,877</u>

- F. In the valuation process of categorising the fair value into Level 3, the Company's investment segment or the appointed third party conducts independent verification for the fair value of financial instruments by matching the valuation result with market status through independent resource, verifying its independence, reliability, consistency with other resource and representation of viable price. Besides, the segment regularly calibrates the valuation model, conducts retrospective tests, updates the values of input, data, and makes any other necessary adjustment to the fair value to ensure the valuation result is reasonable.

G. The details about quantified information in relation to significant unobservable inputs for measuring the fair value of Level 3 and sensitivity analysis of significant unobservable inputs is listed below and Note 12(3)8.

	Fair value at December 31, 2023	Valuation technique	Significant unobservable inputs	Range (weighted average)	Relationship of inputs to fair value
Non-derivative equity instrument					
Unlisted shares	\$ 157,230	Market comparable companies	Price to book ratio multiple, price-to- sales ratio and operating income multiple	0.75~2.00 (1.14)	The higher the multiple, the higher the fair value
Unlisted shares (including venture capital shares and fund investment)	274,972	Net asset value	Not applicable	Not applicable	Not applicable
	Fair value at December 31, 2022	Valuation technique	Significant unobservable inputs	Range (weighted average)	Relationship of inputs to fair value
Non-derivative equity instrument					
Unlisted shares	\$ 208,856	Market comparable companies	Price to book ratio multiple, price-to- sales ratio and operating income multiple	0.71~1.46 (0.87)	The higher the multiple, the higher the fair value
Unlisted shares (including venture capital shares and fund investment)	359,021	Net asset value	Not applicable	Not applicable	Not applicable

H. The Company has carefully assessed the valuation models and assumptions used to measure fair value. However, use of different valuation models or assumptions may result in different measurement. The following is the effect on profit or loss or on other comprehensive income from financial assets and liabilities categorised within Level 3 if the inputs used to valuation models have changed:

			December 31, 2023			
			Recognised in profit or loss		Recognised in other comprehensive income	
	Input	Change	Favourable change	Unfavourable change	Favourable change	Unfavourable change
Financial assets						
Equity instrument	Price to book ratio multiple	± 1%	\$ 1,572	\$ 1,572	\$ -	\$ -
	Operating income multiple					
Equity instrument	Not applicable	± 1%	2,750	2,750	-	-
			<u>\$ 4,322</u>	<u>\$ 4,322</u>	<u>\$ -</u>	<u>\$ -</u>
			December 31, 2022			
			Recognised in profit or loss		Recognised in other comprehensive income	
	Input	Change	Favourable change	Unfavourable change	Favourable change	Unfavourable change
Financial assets						
Equity instrument	Price to book ratio multiple	± 1%	\$ 2,089	\$ 2,089	\$ -	\$ -
	Operating income multiple					
Equity instrument	Not applicable	± 1%	3,590	3,590	-	-
			<u>\$ 5,679</u>	<u>\$ 5,679</u>	<u>\$ -</u>	<u>\$ -</u>

13. SUPPLEMENTARY DISCLOSURES

(1) Significant transactions information

Information on significant transactions as of and for the year ended December 31, 2023 in conformity with the Rules Governing the Preparation of Financial Statements by Securities Issuers are as follows. In addition, inter-company transactions between companies were eliminated. The following disclosures are for reference only:

- A. Loans to others: Refer to table 1.
- B. Provision of endorsements and guarantees to others: Refer to table 2.
- C. Holding of marketable securities at the end of the period (not including subsidiaries, associates and joint ventures): 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: Refer to table 4.

- 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: Refer to table 5.
- H. Receivables from related parties reaching \$100 million or 20% of paid-in capital or more: Refer to table 6.
- I. Trading in derivative instruments undertaken during the reporting periods: Refer to Notes 6(2) and 12(3).
- J. Significant intraCompany transactions during the reporting periods: Refer to table 7.

(2) Information on investees

Names, locations and other information of investee companies (not including investees in Mainland China): Refer to table 8.

(3) Information on investments in Mainland China

A. Basic information: Refer to table 9.

B. Significant transactions, either directly or indirectly through a third area, with investee companies in the Mainland Area: Refer to table 5, 6, 7 and note 13.

(4) Major shareholders information

Major shareholders information: The Company has no shareholders holding more than 5% of shares.

14. SEGMENT INFORMATION

Not applicable.

AMTRAN TECHNOLOGY CO., LTD.
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		\$ 998
Checking accounts		30
Demand deposits - NTD deposits		650,547
- Foreign currency deposits		
- JPY deposits	JPY 35,628 thousand, exchange rate 0.22	7,738
- USD deposits	USD 66,307 thousand, exchange rate 30.71	2,036,288
- EUR deposits	EUR 1 thousand, exchange rate 33.98	31
- HKD deposits	HKD 43 thousand, exchange rate 3.93	167
- RMB deposits	RMB 0.18 thousand, exchange rate 4.327	1
Time deposit - NTD deposits		300,000
		<u>\$ 2,995,800</u>

AMTRAN TECHNOLOGY CO., LTD.

Loans to others

Year ended December 31, 2023

Table 1

No.		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	Interest rate	Nature of loan (Note 2)	Amount of transactions with the borrower	Reason for short-term financing	Allowance for doubtful accounts	Collateral Item	Value	Limit on loans granted to a single party (Note 3)	Ceiling on total loans granted (Note 3)	Footnote
(Note 1)																			Expressed in thousands of NTD (Except as otherwise indicated)
0		Amtran Technology Co., Ltd.		AMTRAN VIETNAM TECHNOLOGY COMPANY LIMITED	Other receivables –related parties	Y	\$ 324,250	\$ 307,050	\$ -	Based on the agreement	2	\$ -	For acquisitions of equipment and operational needs	\$ -	None	\$ -	\$ 2,663,109	\$ 5,326,219	

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: The column of 'Nature of loan' shall fill in 'Business transaction or 'Short-term financing':

(1) The Business association is '1'.

(2) The Short-term financing are numbered in order starting from '2'.

Note 3: Ceiling on total loans granted shall not exceed 40% of the Company's net asset value. Limit on loans granted to a single party shall not exceed 10% of the Company's net asset value, except for the subsidiaries, which have 90% voting shares held by the Company, shall not exceed 20% of the Company's net asset value.

AMTRAN TECHNOLOGY CO., LTD.

Provision of endorsements and guarantees to others

Year ended December 31, 2023

Table 2

Party being endorsed/guaranteed		Relationship with the endorser/guarantor (Note 2)	Limit on endorsements/guarantees provided for a single party (Notes 3 and 8)	Maximum outstanding endorsement/guarantee amount as of December 31, 2023 (Note 4)	Outstanding endorsement/guarantee amount at December 31, 2023 (Note 5)	Actual amount drawn down (Note 6)	Amount of endorsements/guarantees secured with collateral (Note 6)	Ratio of accumulated endorsement/guarantee amount to net asset value of the endorser/guarantor company	Ceiling on total amount of guarantees provided (Notes 3 and 8)	Provision of endorsements/guarantees by parent company to subsidiary (Note 7)	Provision of endorsements/guarantees by subsidiary to parent company (Note 7)	Provision of endorsements/guarantees to the party in Mainland China (Note 7)	Footnote
Number (Note 1)	Endorser/guarantor												
0	Amtran Technology Co., Ltd.	AMTRAN VIETNAM TECHNOLOGY COMPANY LIMITED	2	\$ 2,663,109	\$ 1,676,400	\$ 982,560	\$ -	7.38	\$ 6,657,773	Y	N	N	
0	Amtran Technology Co., Ltd.	RICK TECHNOLOGY INC.	2	2,663,109	1,676,400	399,165	-	3.00	\$ 6,657,773	Y	N	N	

Note 1: The numbers filled in for the endorsements/guarantees 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: Relationship between the endorser/guarantor and the party being endorsed/guaranteed is classified into the following six categories; fill in the number of category each case belongs to:

(1) Having business relationship.

(2) The endorser/guarantor parent company owns directly more than 50% voting shares of the endorsed/guaranteed subsidiary.

(3) The endorser/guarantor parent company and its subsidiaries jointly own more than 50% voting shares of the endorsed/guaranteed company.

(4) The endorsed/guaranteed parent company directly or indirectly owns more than 50% voting shares of the endorser/guarantor subsidiary.

(5) Mutual guarantee of the trade as required by the construction contract.

(6) Due to joint venture, each shareholder provides endorsements/guarantees to the endorsed/guaranteed company in proportion to its ownership.

Note 3: Fill in limit on endorsements/guarantees provided for a single party and ceiling on total amount of endorsements/guarantees provided as prescribed in the endorser/guarantor company's "Procedures for Provision of Endorsements and Guarantees", and state each individual party to which the endorsements/guarantees have been provided and the calculation for ceiling on total amount of endorsements/guarantees provided in the footnote.

Note 4: Fill in the year-to-date maximum outstanding balance of endorsements/guarantees provided as of the reporting period.

Note 5: Once endorsement/guarantee contracts or promissory notes are signed/issued by the endorser/guarantor company to the banks, the endorser/guarantor company bears endorsement/guarantee liabilities. And all other events involve endorsements and guarantees should be included in the balance of outstanding endorsements and guarantees.

Note 6: Fill in the actual amount of endorsements/guarantees used by the endorsed/guaranteed company.

Note 7: Fill in 'Y' for those cases of provision of endorsements/guarantees by listed parent company to subsidiary and provision by subsidiary to listed parent company, and provision to the party in Mainland China.

Note 8: Ceiling on total amount of endorsements/guarantees provided shall not exceed 50% of the Company's latest net assets; limit on endorsement/guarantee to a single party shall not exceed 10% of the Company's net assets, except for the subsidiaries, which have 90% voting shares held by the Company directly, shall not exceed 20% of the Company's net asset value as prescribed in the Company's "Procedures for Provision of Loans". The net assets were based on the latest audited financial statements of the Company.

AMTRAN TECHNOLOGY CO., LTD.

Holding of marketable securities at the end of the period (not including subsidiaries, associates and joint ventures)

Year ended December 31, 2023

Table 3

Securities held by Amtran Technology Co., Ltd.	Marketable securities (Note 1)	Relationship with the securities issuer (Note 2)	General ledger account	As of December 31, 2023			Footnote (Note 4)
				Number of shares (in thousands)	Book value (Note 3)	Ownership (%)	
Domestic and foreign listed stocks	VIZIO Holding Corp.						
	CTBC Financial Holding Co., Ltd. Preferred Shares B	-	Current financial assets at fair value through profit or loss	5,006	\$ 1,183,802	2.54%	\$ 1,183,802
	Fubon Financial Holding Co., Ltd. Preferred Shares A	-	"	1,098	65,220	0.22%	65,220
	Cathay Financial Holding Co., Ltd. Preferred Stock A	-	"	392	23,951	0.02%	23,951
	Foxtron Vehicle Technologies Co., Ltd.	-	"	270	16,092	0.02%	16,092
	Realfiction Holding AB	-	"	1,200	53,520	0.07%	53,520
	Xiaomi Corporation	-	"	1,863	100,974	9.43%	100,974
	DOG-Proshares Short Dow30	-	"	170	10,420	0.00%	10,420
	Telefonaktiebolaget LM Ericsson B ADR (ERIC)	-	"	2	2,016	0.04%	2,016
				8	1,548	0.00%	1,548
					1,457,543		1,457,543
Domestic and foreign unlisted stocks	Ordinary shares of Neweb Technologies Co., Ltd.	-	Current financial assets at fair value through profit or loss	716	17,956	0.95%	17,956
	Jason's Entertainment Co., Ltd.	-	"	610	11,365	3.82%	11,365
	V5 TECHNOLOGIES CO., LTD.	-	"	7,209	72,088	3.60%	72,088
	I-Serve Holdings Limited	-	"	1,000	-	1.87%	-
	Sustainable Development Co., Ltd.	-	"	566	7,724	1.44%	7,724
	OWLINK TECHNOLOGY, INC	-	"	Note 5	134,786	0.08	134,786
	FUGOO CORP.	-	"	Note 6	-	20.00%	-
	Ordinary shares of Yu-Chi Venture Capital Investment Corporation	-	"	281	4,488	3.75%	4,488
	17LIFE INC.	-	"	750	-	4.17%	-
	Fuyo Venture Capital Limited Partnership	-	"	-	30,000	5.77%	30,000
	RFIC TECHNOLOGY CORPORATION	-	"	1,000	3,922	3.50%	3,922
					282,329		282,329

Expressed in thousands ofNTD
(Except as otherwise indicated)

As of December 31, 2023

Securities held by	Marketable securities (Note 1)	Relationship with the securities issuer (Note 2)	General ledger account	As of December 31, 2023			Footnote (Note 4)
				Number of shares (in thousands)	Book value (Note 3)	Ownership (%)	
Antran Technology Co., Ltd.	Domestic bonds -						
	Bank Cathay 1st perpetual cumulative subordinated corporate bond issue in 2019	-	Current financial assets at fair value through profit or loss	-	\$ 20,000	-	\$ 20,000
	MS Medium Term Notes 1.164%		Current financial assets at fair value through other comprehensive income		59,055		59,055
	JP Notional Notes 5.546%	-	"	-	61,242	-	61,242
	HSBC Notional Notes 5.887%	-	"	-	62,306	-	62,306
					202,603		202,603
Antran Technology Co., Ltd.	Foreign Venture Fund						
	Yuanta Daily Taiwan 50 Bear -1X ETF	-	Current financial assets at fair value through profit or loss	170	\$ 762		\$ 762
	CHERUBIC VENTURES FUND II L.P	-	"	-	129,119	-	129,119
	CHERUBIC VENTURES FUND IV, L.P	-	"	-	32,119	-	32,119
					162,000		162,000
Antran Technology Co., Ltd.	Foreign stock linked fund						
	Worst of KI RCN UBSL 10.82%	-	"	-	15,533	-	15,533
	Worst of KI RCN UBSL 15.69%	-	"	-	31,156	-	31,156
	Worst of KI RCN UBSL 15.56%	-	"	-	15,389	-	15,389
	KI RCN UBS London 16.23%	-	"	-	31,720	-	31,720
					93,798		93,798
					2,198,273		2,198,273

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 deducted by accumulated impairment for the marketable securities measured at fair value; fill in the acquisition cost or amortised cost deducted by accumulated impairment for the marketable securities not measured at fair value.

Note 4: The number of shares of securities and their amounts pledged as security or pledged for loans and their restrictions on use under some agreements should be stated in the footnote if the securities presented herein have such conditions.

Note 5: As of December 31, 2023, the Company held 1,200 thousand Series A Stock preference shares, 2,100 thousand Series B Stock shares and 1,200 thousand Seed Preferred Stock shares of OwlLink Technology, Inc., presenting 8.47% of shareholding ratio.

Note 6: As of December 31, 2023, the Company held 200 thousand preference shares of Fugoo Corp., presenting 20.00% of total preference shares.

As of December 31, 2023

Securities held by	Marketable securities (Note 1)	Relationship with the securities issuer (Note 2)	General ledger account	As of December 31, 2023			Footnote (Note 4)
				Number of shares (in thousands)	Book value (Note 3)	Ownership (%)	
REI MAU ENTERPRISE CO LTD	Domestic listed stocks						
	Fubon Financial Holding Co., Ltd. Preferred Shares A	-	Current financial assets at fair value through profit or loss	698	\$ 42,648	0.04%	\$ 42,648
	Cathay Financial Holding Co., Ltd. Preferred Stock A	-	"	602	35,879	0.04%	35,879
					78,527		78,527
REI MAU ENTERPRISE CO LTD	Domestic and foreign unlisted stocks						
	Silicon Tech., Inc.	-	"	1,604	20,968	6.82%	20,968
	Hua-ke material technology Inc.	-	"	234	8	1.11%	8
	NEW SMART TECHNOLOGY CO., LTD.	-	"	195	5,759	0.89%	5,759
	Golden Sapphire International Co., Ltd.	-	"	28	1,000	17.92%	1,000
					27,735		27,735
					\$ 106,262		\$ 106,262

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 deducted by accumulated impairment for the marketable securities measured at fair value; fill in the acquisition cost or amortised cost deducted by accumulated impairment for the marketable securities not measured at fair value.

Note 4: The number of shares of securities and their amounts pledged as security or pledged for loans and their restrictions on use under some agreements should be stated in the footnote if the securities presented herein have such conditions.

Securities held by	Marketable securities (Note 1)	Relationship with the securities issuer (Note 2)	General ledger account	As of December 31, 2023				Footnote (Note 4)
				Number of shares (in thousands)	Book value (Note 3)	Ownership (%)	Fair value	
RICK TECHNOLOGY INC.	Foreign stock linked fund							
	FIXKI	-	Current financial assets at fair value through profit or loss	-	\$ 9,346	-	\$ 9,346	
	FCN-086-D	-	"	-	\$ 9,212	-	\$ 9,212	
	FCN-582-C	-	"	-	\$ 9,219	-	\$ 9,219	
	FCN-962-C	-	"	-	\$ 9,324	-	\$ 9,324	
	FCN-256-D	-	"	-	\$ 15,423	-	\$ 15,423	
	FCN-512-D	-	"	-	\$ 9,204	-	\$ 9,204	
	FCN-532-D	-	"	-	\$ 12,129	-	\$ 12,129	
	FCN-536-D	-	"	-	\$ 9,070	-	\$ 9,070	
					<u>\$ 82,927</u>		<u>\$ 82,927</u>	

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 deducted by accumulated impairment for the marketable securities measured at fair value; fill in the acquisition cost or amortised cost deducted by accumulated impairment for the marketable securities not measured at fair value.

Note 4: The number of shares of securities and their amounts pledged as security or pledged for loans and their restrictions on use under some agreements should be stated in the footnote if the securities presented herein have such conditions.

Securities held by	Marketable securities (Note 1)	Relationship with the securities issuer (Note 2)	General ledger account	As of December 31, 2023			Footnote (Note 4)
				Number of shares (in thousands)	Book value (Note 3)	Ownership (%)	

ABOUND PROFITS LIMITED	Domestic and foreign unlisted stocks OWLINK TECHNOLOGY, INC	-	Current financial assets at fair value through profit or loss	Note 5	\$ 34,702	1.88%	\$ 34,702

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 deducted by accumulated impairment for the marketable securities measured at fair value; fill in the acquisition cost or amortised cost deducted by accumulated impairment for the marketable securities not measured at fair value.

Note 4: The number of shares of securities and their amounts pledged as security or pledged for loans and their restrictions on use under some agreements should be stated in the footnote if the securities presented herein have such conditions.

Note 5: As of December 31, 2023, the Company held 1,000 thousand Seris B Stock shares of Omlink Technology, Inc. , presenting 1.88% of shareholding ratio.

Securities held by	Marketable securities (Note 1)	Relationship with the securities issuer (Note 2)	General ledger account	As of December 31, 2023			Footnote (Note 4)
				Number of shares (in thousands)	Book value (Note 3)	Ownership (%)	
Antran Electronic Co., Ltd.	Domestic and foreign unlisted stocks Beijing Hypersing Technologies, Inc		Current financial assets at fair value through other comprehensive income	-	\$ <u>1,832</u>	15.00%	\$ <u>1,832</u>

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 deducted by accumulated impairment for the marketable securities measured at fair value; fill in the acquisition cost or amortised cost deducted by accumulated impairment for the marketable securities not measured at fair value.

Note 4: The number of shares of securities and their amounts pledged as security or pledged for loans and their restrictions on use under some agreements should be stated in the footnote if the securities presented herein have such conditions.

AMTRAN TECHNOLOGY CO., LTD.

Acquisition or sale of the same security with the accumulated cost exceeding \$300 million or 20% of the Company's paid-in capital

Year ended December 31, 2023

Table 4

Investor	Marketable securities	General ledger account	Counterparty (Note 1)	Relationship with the investor	Balance as at January 1, 2023		Addition (Note 2)		Disposal			Balance as at December 31, 2023		Expressed in thousands of NTD (Except as otherwise indicated)
					Number of shares	Amount	Number of shares	Amount	Selling price	Book value	Gain (loss) on disposal	Number of shares	Amount	
Amtran Technology Co., Ltd.	VIZIO Holding Corp.	Current financial assets at fair value through profit or loss	-	None	9,790	\$ 2,227,882	-	-	\$ 1,023,037	\$ 1,088,665	\$ 65,628	5,006	\$ 1,183,802	-

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

Note 2: Fill in the columns the counterparty and relationship if securities are accounted for under the equity method; otherwise leave the columns blank.

Note 3: Aggregate purchases and sales amounts should be calculated separately at their market values to verify whether they individually reach NT\$300 million or 20% of paid-in capital or more.

Note 4: Paid-in capital referred to herein is the paid-in capital of parent company. In the case that shares were issued with no par value or a par value other than NT\$10 per share, the 20% of paid-in capital shall be replaced by 10% of equity attributable to owners of the parent in the calculation.

AMTRAN TECHNOLOGY CO., LTD.
Purchases or sales of goods from or to related parties reaching \$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)

Differences in transaction terms compared to third party transactions											
Transaction					(Note 1)						
Purchaser/seller	Counterparty	Relationship with the counterparty	Purchases (sales)	Percentage of total purchases (sales)			Unit price	Credit term	Balance	Percentage of total notes/accounts receivable (payable)	Footnote (Note 2)
				Amount	Credit term	Sales price under mutual agreement					
AMTRAN VIETNAM TECHNOLOGY COMPANY LIMITED.	Amtran Technology Co., Ltd.	Ultimate parent company	(Sales)	\$ 9,025,914	94%	75 days after monthly billings	Sales price under mutual agreement	30~90 days after monthly billing for regular clients	\$ 2,370,176	90%	
Suzhou Raken Technology Ltd.	Amtran Technology Co., Ltd.	Ultimate parent company	(Sales)	\$ 4,056,160	55%	75 days after monthly billings	Sales price under mutual agreement	30~90 days after monthly billing for regular clients	\$ 1,175,689	68%	
RICK TECHNOLOGY INC.	RARA INC.	Other related party	(Sales)	\$ 336,190	57%	90 days after monthly billings	Sales price under mutual agreement	30~90 days after monthly billing for regular clients	\$ 151,364	70%	
Amtran Technology Co., Ltd.	RICK TECHNOLOGY INC.	The Company's subsidiary	(Sales)	\$ 299,060	2%	90 days after monthly billings	Sales price under mutual agreement	30~90 days after monthly billing for regular clients	\$ 135,197	5%	
Amtran Technology Co., Ltd.	AMTRAN VIDEO CORPORATION	The Company's subsidiary	(Sales)	\$ 252,060	2%	60 days after monthly billings	Sales price under mutual agreement	30~90 days after monthly billing for regular clients	\$ 83,790	3%	
AMTRAN VIETNAM TECHNOLOGY COMPANY LIMITED.	RICK TECHNOLOGY INC.	Fellow subsidiary	(Sales)	\$ 239,803	3%	90 days after monthly billings	Sales price under mutual agreement	30~90 days after monthly billing for regular clients	\$ 97,582	4%	
Amtran Technology Co., Ltd.	Suzhou Raken Technology Ltd.	The Company's subsidiary	(Sales)	\$ 147,329	1%	60 days after monthly billings	Sales price under mutual agreement	30~90 days after monthly billing for regular clients	\$ -	0%	
RICK TECHNOLOGY INC.	AMTRAN VIETNAM TECHNOLOGY COMPANY LIMITED.	Fellow subsidiary	(Sales)	\$ 112,988	19%	45 days after monthly billings	Sales price under mutual agreement	30~90 days after monthly billing for regular clients	\$ 18,893	9%	

Note 1: If terms of related party transactions are different from third-party transactions, explain the differences and reasons in the 'Unit price' and 'Credit term' columns.

Note 2: In case related-party transaction terms involve advance receipts (prepayments) transactions, explain in the footnote the reasons, contractual provisions, related amounts, and differences in types of transactions compared to third-party transactions.

Note 3: Paid-in capital referred to herein is the paid-in capital of parent company. In the case that shares were issued with no par value or a par value other than NT\$10 per share, the 20% of paid-in capital shall be replaced by 10% of equity attributable to owners of the parent in the calculation.

Note 4: The transactions between the Company and subsidiaries are disclosed from the aspect of asset and revenue and the corresponding transactions are not disclosed.

AMTRAN TECHNOLOGY CO., LTD.

Receivables from related parties reaching \$100 million or 20% of paid-in capital or more
Year ended December 31, 2023

Table 6

Creditor	Counterparty	Relationship with the counterparty	Balance as at December 31, 2023 (Note 1)	Overdue receivables		Amount collected subsequent to the balance sheet date	Allowance for doubtful accounts
				Turnover rate	Amount		
AMTRAN VIETNAM TECHNOLOGY COMPANY LIMITED.	Amtran Technology Co., Ltd.	Ultimate parent company	\$ 2,370,176	5.48	\$ -	\$ 1,980,795	\$ -
Suzhou Raken Technology Ltd.	Amtran Technology Co., Ltd.	Ultimate parent company	1,175,689	3.92	-	527,839	-
Amtran Technology Co., Ltd.	RICK TECHNOLOGY INC.	The Company's subsidiary	135,197	2.29	-	97,533	-
RICK TECHNOLOGY INC.	RARA INC.	Other related party	151,364	2.54	-	108,793	-

Expressed in thousands of NT\$
(Except as otherwise indicated)

Note 1: Fill in separately the balances of accounts receivable-related parties, notes receivable-related parties, other receivables-related parties...etc.

Note 2: Paid-in capital referred to herein is the paid-in capital of parent company. In the case that shares were issued with no par value or a par value other than NT\$10 per share, the 20 % of paid-in capital shall be replaced by 10% of equity attributable to owners of the parent in the calculation.

AMTRAN TECHNOLOGY CO., LTD.

Significant inter-company transactions during the reporting period

Year ended December 31, 2023

Table 7

Expressed in thousands of NT\$
(Except as otherwise indicated)

		Transaction (Note 5)					Percentage of consolidated total operating revenues or total assets (Note 3)
Number (Note 1)	Company name	Counterparty	Relationship (Note 2)	General ledger account	Amount	Transaction terms	
1	Suzhou Raken Technology Ltd.	Amtran Technology Co., Ltd.	Subsidiary to parent company	Sales	\$ 4,056,160	75 days after monthly billings	24%
1	Suzhou Raken Technology Ltd.	Amtran Technology Co., Ltd.	Subsidiary to parent company	Accounts receivable	1,175,689	75 days after monthly billings	6%
2	AMTRAN VIETNAM TECHNOLOGY COMPANY LIMITED.	Amtran Technology Co., Ltd.	Subsidiary to parent company	Sales	9,025,914	75 days after monthly billings	54%
2	AMTRAN VIETNAM TECHNOLOGY COMPANY LIMITED.	Amtran Technology Co., Ltd.	Subsidiary to parent company	Accounts receivable	2,370,176	75 days after monthly billings	12%

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:

(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: The Company may decide to disclose or not to disclose transaction details in this table based on the materiality principle.

Note 5: The individual transaction below NT\$0.5 billion is not disclosed. Transactions are disclosed from the assets and revenue's side and are not disclosed from the opposite side.

AMTRAN TECHNOLOGY CO., LTD.

Information on investees

Year ended December 31, 2023

Table 8

Expressed in thousands of NTD
(Except as otherwise indicated)

Investor	Investee (Notes 1 and 2)	Location	Main business activities	Initial investment amount		Shares held as at December 31, 2022			Net profit (loss) of the investee for the year ended December 31, year ended December 2023 (Note 2(2))	Investment income (loss) recognised by the Company for the year ended December 31, year ended December 2023 (Note 2(3))	Footnote
				Balance as at December 31, 2023	Balance as at December 31, 2022	Number of shares	Ownership (%)	Book value			
				\$	\$			\$	\$		
Amtran Technology Co., Ltd.	ABOUND PROFITS LIMITED	British Virgin Islands	General investment business	847,755	847,755	24,800,000	100.00%	1,773,069	45,977	45,977	
Amtran Technology Co., Ltd.	REI MAU ENTERPRISE CO LTD	Taiwan	General investment business	299,980	199,980	29,998,000	100.00%	307,828	994	994	
Amtran Technology Co., Ltd.	ASEV DISPLAY LABS	U.S.A	Sales of computer software and hardware, after-sales services	67,189	67,189	2,000,000	100.00%	106,092	(30,125)	(30,125)	
Amtran Technology Co., Ltd.	RICK TECHNOLOGY INC.	Taiwan	Merchandising Business	88,573	88,573	16,400,000	82.00%	224,991	23,847	19,555	
Amtran Technology Co., Ltd.	AMTRAN LOGISTICS, INC.	U.S.A	Sales of LCD TVs and logistic services	32,814	32,814	1,000,000	100.00%	438,434	(3,112)	(3,112)	
Amtran Technology Co., Ltd.	AMTRAN VIDEO CORPORATION	U.S.A	Sales of LCD TVs and logistic services	28,560	28,560	1,000,000	100.00%	34,676	6,862	6,862	
Amtran Technology Co., Ltd.	SPYGLASS TESLA, LLC.	U.S.A	General investment business	57,437	57,437	1,750,000	43.75%	86,421	20,328	8,893	
Amtran Technology Co., Ltd.	AMTRAN VIETNAM TECHNOLOGY COMPANY LIMITED	Vietnam	Manufacturing and sales of LCDs	2,387,954	1,771,980	-	100.00%	2,514,974	171,295	171,295	
Amtran Technology Co., Ltd.	AMTRAN VIETNAM TRADING COMPANY LIMITED	Vietnam	Merchandising Business	30,074	30,074	-	100.00%	33,059	3,446	3,446	
Amtran Technology Co., Ltd.	H&P VENTURE CAPITAL INVESTMENT CORPORATION	Taiwan	Venture capital business	-	16,486	-	0.00%	-	(8,059)	(3,119)	
Amtran Technology Co., Ltd.	HEROIC FAITH MEDICAL SCIENCE CO., LTD	Cayman Islands	General investment business	54,262	54,262	3,333,333	18.73%	13,122	(46,528)	-	Note 3
Amtran Technology Co., Ltd.	HUA JUNG COMPONENTS CO., LTD.	Taiwan	Manufacture of electronic components	497,099	497,099	54,575,709	31.60%	438,880	78,932	24,453	

Investor	Investee (Notes 1 and 2)	Location	Main business activities	Initial investment amount		Shares held as at December 31, 2022		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
				Balance as at December 31, 2023	Balance as at December 31, 2022	Number of shares	Ownership (%)	Book value	(Note 2(2))	Footnote
Amtran Technology Co., Ltd.	BMA VENTURE CAPITAL INVESTMENT CORPORATION	Taiwan	Venture capital business	\$ 64,795	\$ 69,671	6,479,470	24.14%	\$ 52,172	\$ 8,221	1,984
REI MAU ENTERPRISE CO LTD	REI MAU Capital Inc.	Taiwan	Venture capital business	6,000	6,000	600,000	100.00%	7,807	1,446	1,446
REI MAU ENTERPRISE CO LTD	CDIB-Mac Limited Partnership	Taiwan	Venture capital business	116,483	18,075	-	40.17%	107,473	(19,990)	(8,028)
REI MAU Capital Inc.	CDIB-Mac Limited Partnership	Taiwan	Venture capital business	2,900	450	-	1.00%	2,675	(19,990)	(200)
RICK TECHNOLOGY INC.	Rick Service Inc.	Taiwan	Logistic services	15,074	15,074	3,000,000	100.00%	36,439	2,699	2,699

Note 1: If a public company is equipped with an overseas holding company and takes consolidated financial report as the main financial report according to the local law rules, it can only disclose the information of the overseas holding company about the disclosure of related overseas investee information.

Note 2: If situation does not belong to Note 1, fill in the columns according to the following regulations:

- (1) The columns of 'Investee', 'Location', 'Main business activities', 'Initial investment amount' and 'Shares held as at December 31, 2022' should fill orderly in the Company's (public company's) information on investees and every directly or indirectly controlled investee's investment information, and note the relationship between the Company (public company) and its investee each (ex. direct subsidiary or indirect subsidiary) in the 'footnote' column.
- (2) The 'Net profit (loss) of the investee for the year ended December 31, 2022' column should fill in amount of net profit (loss) of the investee for this period.
- (3) The 'Investment income (loss) recognised by the Company for the year ended December 31, 2022' column should fill in the Company (public company) recognised investment income (loss) of its direct subsidiary and recognised investment income (loss) of its investee accounted for under the equity method for this period. When filling in recognised investment income (loss) of its direct subsidiary, the Company (public company) should confirm that direct subsidiary's net profit (loss) for this period has included its investment income (loss) which shall be recognised by regulations.

Note 3: The Company held 3,333 thousand preference shares of Heroic Faith Medical Science Co., Ltd.

AMTRAN TECHNOLOGY CO., LTD.
Information on investments in Mainland China
Year ended December 31, 2023

Table 9

Expressed in thousands of NTD
(Except as otherwise indicated)

Investee in Mainland China	Main business activities	Paid-in capital	Investment method	Amount remitted from Taiwan to Mainland China/Amount remitted back to Taiwan for the year ended December 31, 2023								Footnote	
				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 for the year ended 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	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
Antran Electronic Co., Ltd.	R&D, manufacturing and repair service of LCDs	\$ 1,160,838	1	\$ 608,058	\$ -	\$ -	\$ 608,058	\$ 59,658	100.00	\$ 59,658	\$ 1,665,672	\$ 1,171,421	
Suzhou Raken Technology Ltd.	R&D, manufacturing and repair service of LCDs	2,791,987	1	-	-	-	-	62,832	62.05	38,988	1,588,656	595,508	
Suzhou Raken Technology Ltd.	R&D, manufacturing and repair service of LCDs	2,791,987	3	1,059,523	-	-	1,059,523	62,832	37.95	23,844	1,093,535	534,305	
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										
Antran Technology Co., Ltd.	\$ 1,667,581	\$ 2,690,227	\$ 7,989,328										

Note 1: (1) The investee companies was invested through a company founded in the third territory, of which Antran Electronic(Suzhou) Co., Ltd. and Suzhou Raken Technology Ltd. were invested by Abound Profits Limited and Antran Electronic (Suzhou) Co., Ltd., respectively.

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

(3) Others (directly invested in the company in Mainland China)

Note 2: The recognition in relation to Antran Electronic (Suzhou) Co., Ltd. and Suzhou Raken Technology Ltd. was based on the Taiwanese parent company's financial statements which were audited by independent auditors.

Note 3: USD : NTD=1:30.71

AMTRAN TECHNOLOGY CO., LTD.
CURRENT FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS
FOR THE YEAR ENDED DECEMBER 31, 2023
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

Statement 2

Name of Financial Instrument	Description	Shares (in thousands)	Face Value	Total Amount	Interest Rate	Cost	Fair Value		Amount of Change in the Fair Value is
							Unit Price (in dollar)	Total Amount	
Financial assets held for trading:									
Domestic and foreign listed stocks -									
CTBC Financial Holding Co., Ltd. Preferred Shares		1,098	\$ -	\$ -	-	\$ 70,503	\$ 59.40	\$ 65,220	Not applicable
Fubon Financial Holding Co., Ltd. Preferred Shares		392	-	-	-	25,634	61.00	23,951	Not applicable
Cathay Financial Holding Co., Ltd. Preferred Stock		270	-	-	-	17,332	60.00	16,092	Not applicable
Foxtron Vehicle Technologies Co., Ltd.		1,200	-	-	-	61,440	45.00	53,520	Not applicable
Realfiction Holding AB		1,863	-	-	-	53,204	54.21	100,974	Not applicable
Xiaomi Corporation		170	-	-	-	11,338	61.29	10,420	Not applicable
ProShares Short Dow30		2	-	-	-	3,530	912.09	2,016	Not applicable
Telefonaktiebolaget LM Ericsson B ADR (ERIC)		8	-	-	-	1,508	193.47	1,548	Not applicable
VIZIO Holding Corp.		5,006	-	-	-	10,942	236.00	1,183,802	Not applicable
						255,431		1,457,543	

AMTRAN TECHNOLOGY CO., LTD.
CURRENT FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (Cont.)
FOR THE YEAR ENDED DECEMBER 31, 2023
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

Statement 2

Name of Financial Instrument	Description	Shares (in thousands)	Face Value	Total Amount	Interest Rate	Cost	Fair Value		Amount of Change in the Fair Value is
							Unit Price (in dollar)	Total Amount	
Domestic and foreign unlisted stocks -									
Ordinary shares of Newweb Technologies Co., Ltd.		716	\$ -	\$ -	-	\$ 29,767	25.08	\$ 17,956	Not applicable
Jason's Entertainment Co., Ltd.		610	-	-	-	29,339	18.64	11,365	Not applicable
V5 Technologies Co., Ltd.		7,209	-	-	-	72,088	10.00	72,088	Not applicable
I-Serve Holdings Limited		1,000	-	-	-	46,914	-	-	Not applicable
Sustainable Development Co., Ltd.		566	-	-	-	38,316	13.65	7,724	Not applicable
OWLINK TECHNOLOGY, INC		Not applicable	-	-	-	67,531	-	134,786	Not applicable
FUGOO CORP.		200	-	-	-	63,960	-	-	Not applicable
Ordinary shares of Yu-Chi Venture Capital Investment Corporation		281	-	-	-	2,813	15.96	4,488	Not applicable
17LIFE INC.		750	-	-	-	30,000	-	-	Not applicable
RFIC TECHNOLOGY CORPORATION		1,000	-	-	-	10,000	4.00	3,922	Not applicable
Fuyo Venture Capital Limited		Not applicable	-	-	-	30,000	-	30,000	Not applicable
						420,728		282,329	
Domestic bonds -									
Cathay Life Insurance Company, Ltd. B99602 P08		-	-	-	-	\$ 20,000	-	\$ 20,000	Not applicable
Foreign Venture Fund -									
Yuanta Daily Taiwan 50 Bear -1X ETF		170	-	-	-	990		762	Not applicable
CHERUBIC VENTURES FUND II L.P		-	-	-	-	60,035	-	129,119	Not applicable
CHERUBIC VENTURES FUND IV, L.P		-	-	-	-	30,107	-	32,119	Not applicable
						91,132		162,000	

AMTRAN TECHNOLOGY CO., LTD.
CURRENT FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (Cont.)
FOR THE YEAR ENDED DECEMBER 31, 2023
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

Statement 2

Name of Financial Instrument	Description	Shares (in thousands)	Face Value	Total Amount	Interest Rate	Cost	Fair Value		Amount of Change in the Fair Value is Attributable to Change in the Credit Risk
							Unit Price (in dollar)	Total Amount	
Foreign stock linked fund -									
Worst of KI RCN UBSL 10.82%		-	-	-	-	\$ 15,400	-	\$ 15,533	Not applicable
Worst of KI RCN UBSL 15.69%		-	-	-	-	30,730	-	31,156	Not applicable
Worst of KI RCN UBSL 15.56%		-	-	-	-	15,905	-	15,389	Not applicable
KI RCN UBSL		-	-	-	-	32,370	-	31,720	Not applicable
						94,405		93,798	
Forward exchange and foreign exchange swap		Not applicable	-	-	-	-	-	59,810	
						\$ 881,696		\$ 2,075,480	

AMTRAN TECHNOLOGY CO., LTD.
STATEMENT OF ACCOUNTS RECEIVABLE (INCLUDING RELATED PARTIES)
DECEMBER 31, 2023

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

Statement 3

<u>Client Name</u>	<u>Description</u>	<u>Amount</u>	<u>Note</u>
Customer L		\$ 1,112,847	
Customer B		702,218	
Customer N		291,742	
Customer S		210,200	
Customer G		170,335	
Others		<u>412,506</u>	None of the balances of each remaining client is greater than 5% of this account balance
		2,899,848	
Less: Allowance for bad debts		(<u>8,979</u>)	
		<u>\$ 2,890,869</u>	

AMTRAN TECHNOLOGY CO., LTD.

STATEMENT OF INVENTORIES

DECEMBER 31, 2023

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

Statement 4

Item	Description	Amount		Note
		Cost	Net Realisable Value	
Raw materials		\$ 20,390	\$ 19,004	Stated at net realisable value
Semi-finished goods		1,977	-	"
Finished goods		<u>128,729</u>	<u>130,386</u>	"
		151,096	<u>\$ 149,390</u>	
Less: Allowance for valuation loss on inventories		(<u>6,688</u>)		
		<u>\$ 144,408</u>		

AMTRAN TECHNOLOGY CO., LTD.
STATEMENT OF CHANGES IN 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

Name of investee	Beginning Balance		Addition		Investment Income (Loss)		Cumulative translation adjustment		Decrease		Ending Balance	
	Shares (in thousands)	Amount	Shares (in thousands)	Amount (Note 1)	Amount	Amount	Amount	Amount	Shares (in thousands)	Amount (Note 2)	Shares (in thousands)	Percentage of Ownership
ABOUND PROFITS LIMITED	24,800	\$ 1,757,477	-	\$ -	\$ 45,977	\$ 30,385	-	\$ -	-	24,800	100%	1,773,069
REI MAU ENTERPRISE CO LTD	19,998	206,834	10,000	100,000	994	-	-	-	-	29,998	100%	307,828
ASEV DISPLAY LABS	2,000	135,792	-	- (30,125)	425	-	-	-	-	2,000	100%	106,092
RICK TECHNOLOGY INC.	16,400	205,436	-	-	19,555	-	-	-	-	16,400	82%	224,991
AMTRAN LOGISTICS, INC.	1,000	441,502	-	- (3,112)	44	-	-	-	-	1,000	100%	438,434
AMTRAN VIDEO CORPORATION	1,000	27,911	-	-	6,862 (97)	-	-	-	-	1,000	100%	34,676
SPYGLASS TESLA, LLC.	1,750	77,654	-	-	8,893 (126)	-	-	-	-	1,750	43.75%	86,421
AMTRAN VIETNAM TECHNOLOGY LIMITED	Note 3	1,658,112	-	615,973	171,295	69,594	-	-	-	Note 3	100%	2,514,974
H&P VENTURE CAPITAL INVESTMENT CORPORATION	1,649	13,226	-	- (3,119)	-	-	-	(1,649) (10,107)	-	-	-	-

AMTRAN TECHNOLOGY CO., LTD.
STATEMENT OF CHANGES IN INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD (Cont.)
FOR THE YEAR ENDED DECEMBER 31, 2023
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

Statement 5

Name of investee	Beginning Balance		Addition		Investment Income (Loss)		Cumulative translation adjustment		Decrease		Ending Balance	
	Shares (in thousands)	Amount	Shares (in thousands)	Amount (Note 1)	Amount	Amount	Amount	Amount	Shares (in thousands)	Amount (Note 2)	Shares (in thousands)	Percentage of Ownership
Suzhou Raken Technology Ltd.	Note 3	\$ 1,090,091	-	\$ -	\$ 23,844	\$ 20,400)	-	\$ -	-	Note 3	37.95%	\$ 1,093,535
AMTRAN VIETNAM TRADING COMPANY LIMITED	Note 3	27,976	-	-	3,446	1,637	-	-	-	Note 3	100%	33,059
HUA JUNG COMPONENTS CO., LTD.	54,576	403,798	-	14,434	24,453	(3,805)	-	-	-	54,576	31.60%	438,880
HEROIC FAITH MEDICAL SCIENCE CO., LTD. (None 4)	3,333	54,262	-	-	-	-	-	(41,140)	-	3,333	18.73%	13,122
BMA VENTURE CAPITAL INVESTMENT CORPORATION	6,967	55,065	-	-	1,984	-	(488)	(4,877)	-	6,479	24.14%	52,172
		<u>\$ 6,155,136</u>		<u>\$ 730,407</u>	<u>\$ 270,947</u>	<u>\$ 16,887</u>		<u>(\$ 56,124)</u>				<u>\$ 7,117,253</u>

Note 1: Addition amount includes additional investment amount and unrealized gains on financial instruments.

Note 2: Decrease amount includes the recognition of impairment losses, capital reduction, and liquidation receivables.

Note 3: Investment amount.

Note 4: The Company held 3,333 thousand preference shares of HEROIC FAITH MEDICAL SCIENCE CO., LTD.

AMTRAN TECHNOLOGY CO., LTD.
STATEMENT OF OPERATING REVENUE
FOR THE YEAR ENDED DECEMBER 31, 2023

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

Statement 6

Item	Volume (In Thousands)	Amount	Note
Sales revenue			
Computer peripheral products	14,029 thousand sets	\$ 2,117,138	
Digital television	1,580 thousand sets	5,264,350	
Monitors	879 thousand sets	4,342,958	
Stereo system	68 thousand sets	749,533	
Others		<u>402,462</u>	
		<u>12,876,441</u>	
Less: Sales returns		(12,502)	
Sales discounts and allowances		(<u>112,176</u>)	
		(<u>124,678</u>)	
Net sales revenue		12,751,763	
Other operating revenue		<u>242,762</u>	
		<u>\$ 12,994,525</u>	

AMTRAN TECHNOLOGY CO., LTD.
STATEMENT OF OPERATING COSTS
FOR THE YEAR ENDED DECEMBER 31, 2023

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

Statement 7

	<u>Amount</u>
Beginning raw materials and supplies	\$ 7,498
Add: Raw materials and supplies purchased for the year	233,881
Less: Raw materials sold	(213,133)
Raw materials transferred to operating expenses	(4,863)
Others	(22)
Ending raw materials	<u>(20,390)</u>
Raw materials used	2,971
Beginning semi-finished goods	1,993
Add: Semi-finished goods purchased	132,270
Less: Semi-finished goods sold	(127,858)
Semi-finished goods transferred to operating expenses	(4,082)
Ending semi-finished goods	<u>(1,977)</u>
Cost of finished goods	3,317
Beginning finished goods	91,804
Add: Finished goods purchased	11,707,081
Finished goods transferred to operating expenses	(12,690)
Ending finished goods	<u>(128,729)</u>
Cost of goods manufactured and sold	11,660,783
Raw materials and semi-finished goods sold	340,991
Purchase discount	<u>(42,615)</u>
Cost of goods sold	11,959,159
Gain on valuation of inventory	(7,000)
Other operating costs	<u>146,960</u>
	<u>\$ 12,099,119</u>

Note: Transfers to operating expenses mainly refer to maintenance and repair parts for the Company's own use and for customer service.

AMTRAN TECHNOLOGY CO., LTD.
STATEMENT OF SELLING EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2023

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

Statement 8

Item	Description	Amount	Note
Wages and salaries		\$ 101,266	
Travelling expense		\$ 10,238	
Freight		12,251	
Commissions expense		32,975	
Environmental expense		20,896	
Insurance expense		12,897	
Other expenses		<u>8,397</u>	None of the balances of each remaining item is greater than 5% of this account balance
		<u>\$ 198,920</u>	

AMTRAN TECHNOLOGY CO., LTD.
STATEMENT OF ADMINISTRATIVE EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2023

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

Statement 9

Item	Description	Amount	Note
Wages and salaries		\$ 90,913	
Amortization expenses		11,964	
Other expenses		<u>124,339</u>	None of the balances of each remaining item is greater than 5% of this account balance.
		<u>\$ 227,216</u>	

AMTRAN TECHNOLOGY CO., LTD.
STATEMENT OF RESEARCH AND DEVELOPMENT EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2023
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

Statement 10

Item	Description	Amount	Note
Wages and salaries		\$ 306,580	
Travelling expense		35,853	
Contracted research and test expense		32,045	
Insurance expense		28,146	
Other expenses		<u>105,923</u>	None of the balances of each remaining item is greater than 5% of this account balance.
		<u>\$ 508,547</u>	

AMTRAN TECHNOLOGY CO., LTD.

SUMMARY STATEMENT OF CURRENT PERIOD EMPLOYEE BENEFITS, DEPRECIATION, AND AMORTIZATION EXPENSES BY FUNCTION
FOR THE YEAR ENDED DECEMBER 31, 2023

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

Statement 11

	Year ended December 31, 2023			Year ended December 31, 2022		
	Classified as Operating Costs	Classified as Operating Expenses	Total	Classified as Operating Costs	Classified as Operating Expenses	Total
Employee benefit expense						
Wages and salaries	\$ -	\$ 498,759	\$ 498,759	\$ -	\$ 512,431	\$ 512,431
Labour and health insurance fees	-	41,635	41,635	-	40,397	40,397
Pension costs	-	24,145	24,145	-	22,310	22,310
Directors' remuneration	-	44,960	44,960	-	30,540	30,540
Other employee benefit expense	-	18,617	18,617	-	17,432	17,432
	\$ -	\$ 628,116	\$ 628,116	\$ -	\$ 623,110	\$ 623,110
Depreciation (including investment property)	-	\$ 23,101	\$ 23,101	-	\$ 25,245	\$ 25,245
Depreciation on right-of-use assets	-	\$ 12,468	\$ 12,468	-	\$ 8,970	\$ 8,970
Amortisation	-	\$ 17,923	\$ 17,923	-	\$ 18,633	\$ 18,633

AMTRAN TECHNOLOGY CO., LTD.
SUMMARY STATEMENT OF CURRENT PERIOD EMPLOYEE BENEFITS, DEPRECIATION, AND AMORTIZATION EXPENSES BY FUNCTION
(Cont.)
FOR THE YEAR ENDED DECEMBER 31, 2023
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

Statement 11

Note:

1. As at December 31, 2023 and 2022, the Company had 437 and 358 employees, respectively, both including 8 non-employee directors.
 2. A company whose stock is listed for trading on the stock exchange or over-the-counter securities exchange shall additionally disclose the following information:
 - (1) Average employee benefit expense in current year was \$1,359 (in dollars). Average employee benefit expense in previous year was \$1,572 (in dollars).
 - (2) Average employees salaries in current year was \$1,163 (in dollars). Average employees salaries in previous year was \$1,359 (in dollars).
 - (3) Adjustment of average employees salaries was -14%.
 - (4) The Company's remuneration policy for directors and managers is determined and regularly reviewed by the remuneration committee. Performance appraisal and salary structure of directors and managers take the Company's operating strategy and overall operating performance into account. A reasonable remuneration is granted considering the general pay levels of the industry, contribution and achievement to their position and a proposal is submitted by the remuneration committee then implemented after being approved by the Board of Directors.
- The Company's remuneration policy for employees stipulates a pay standard by referring to the general pay levels of the industry and overall economy. Bonus is evaluated based on the Company's overall operating performance, personal performance and contribution.

VII. If the company and its affiliated enterprises have financial turnover difficulties in the most recent year and up to the printing date of the Annual Report, their impact on the financial situation of the company shall be listed:

None.

Chapter 7 Review and analysis of financial status and financial performance and risk issues

I. Financial Status

(I) Financial Analysis

1. Consolidated financial statements

Unit: NT\$ thousand

Item \ Year	2023	2022	Difference	
			AMOUNT	%
Current assets	15,823,034	15,561,757	261,277	1.68%
Property, plant and equipment, net	2,357,731	2,447,820	(90,089)	-3.68%
Intangible assets, net	29,812	37,249	(7,437)	-19.97%
Other Assets	2,142,556	1,726,108	416,448	24.13%
Total Assets	20,353,133	19,772,934	580,199	2.93%
Current liabilities	6,444,112	5,513,090	931,022	16.89%
Non-current liabilities	432,973	640,682	(207,709)	-32.42%
Total Liabilities	6,877,085	6,153,772	723,313	11.75%
Equity attributable to owners of parent	13,315,547	13,453,286	(137,739)	-1.02%
Share capital - common stock	7,401,000	7,980,000	(579,000)	-7.26%
Capital surplus	2,261,663	2,293,509	(31,846)	-1.39%
Retained earnings	3,880,196	3,434,467	445,729	12.98%
Other equity interest	(227,312)	(254,690)	27,378	10.75%
Non-controlling interest	160,501	165,876	(5,375)	-3.24%
Total shareholder equity	13,476,048	13,619,162	(143,114)	-1.05%

Analysis if variations exceed 20% and the amount reaches NT \$10 million:

1. Increase in other assets: Mainly due to the increase in other non-current assets of the period.
2. Decrease in non-current liabilities: Mainly due to the decrease in deferred income tax liabilities in the current period.

2. Parent company only financial statements

Unit: NT\$ thousand

Item \ Year	2023	2022	Difference	
			AMOUNT	%
Current assets	12,116,010	11,081,979	1,034,031	9.33%
Property, plant and equipment, net	342,340	468,391	(126,051)	-26.91%
Intangible assets, net	11,217	15,031	(3,814)	-25.37%
Other Assets	7,860,575	6,729,078	1,131,497	16.82%
Total Assets	20,330,142	18,294,479	2,035,663	11.13%
Current liabilities	6,647,541	4,271,974	2,375,567	55.61%
Non-current liabilities	367,054	569,219	(202,165)	-35.52%
Total Liabilities	7,014,595	4,841,193	2,173,402	44.89%
Equity attributable to owners of parent	13,315,547	13,453,286	(137,739)	-1.02%
Share capital - common stock	7,401,000	7,980,000	(579,000)	-7.26%
Capital surplus	2,261,663	2,293,509	(31,846)	-1.39%
Retained earnings	3,880,196	3,434,467	445,729	12.98%
Other equity interest	(227,312)	(254,690)	27,378	10.75%
Total shareholder equity	13,315,547	13,453,286	(137,739)	-1.02%

Analysis if variations exceed 20% and the amount reaches NT \$10 million:

1. Decrease in property, plant and equipment, net: Mainly due to increase in the rental scope, which led to the reclassification of property, plant and equipment, net as investment properties.
2. Decrease in intangible assets: Mainly due to amortization.
3. Increase in current liabilities: Mainly due to the increase of accounts payable to related part and other accounts payable of the period.
4. Decrease in non-current liabilities: Mainly due to the decrease in deferred income tax liabilities in the current period.
5. Decrease in total liabilities: Mainly due to the decrease in current liabilities of the period.

II. Financial Performance

(I) Comparative Analysis of Financial Performance

1. Consolidated financial statements

Unit: NT\$ thousand

Item \ Year	2023	2022	Change, by Amount	Change (%)
Sales Revenue	16,583,775	16,355,412	228,363	1.40%
Gross Profit	1,590,475	1,489,465	101,010	6.78%
Operating Income	(18,206)	(202,533)	184,327	-91.01%
Non-operating income and expenses	587,383	(3,236,503)	3,823,886	-118.15%
Profit before income tax	569,177	(3,439,036)	4,008,213	-116.55%
Income from Continuing Operations	456,943	(2,785,438)	3,242,381	-116.40%
Loss from Discontinued Operations	0	0	0	0.00%
Profit (loss) for the year	456,943	(2,785,438)	3,242,381	-116.40%
Other comprehensive income for the year (net after tax)	26,791	92,962	(66,171)	-71.18%
Total comprehensive income for the year	483,734	(2,692,476)	3,176,210	-117.97%
Net Income Attributable to Shareholders of the Parent	446,155	(2,753,662)	3,199,817	-116.20%
Net Income Attributable to Non-controlling Interests	10,788	(31,776)	42,564	-133.95%
Comprehensive Income Attributable to Owners of the Parent	473,107	(2,672,130)	3,145,237	-117.71%
Comprehensive Income Attributable to Non-controlling Interests	10,627	(20,346)	30,973	-152.23%

Analysis if variations exceed 20% and the amount reaches NT \$10 million:

1. Increase in operating income: Mainly due to the decrease in operating expenses of the period.
2. Increase in non-operating income and expenses, net income before tax, net income for the period from continuing operations and net income for the period: Mainly due to the decrease in the loss on valuation of financial asset at fair value through profit or loss in the current period.
3. Decrease in other comprehensive income(net after tax) in the current period: Mainly due to decrease in gains from exchange rate differences of the financial statements of foreign operating institutions in the current period.
4. Increase in comprehensive income, net profit attributable to the owners of the parent company and total comprehensive income attributable to the owners of the parent company for the current period: Mainly due to the increase of net profit in the current period.
5. Increase in net profit attributable to non controlling interest and comprehensive loss and profit attributable to non controlling interest: Mainly due to the net profit generated by SPYGLASS of the period.

2. Parent company only financial statements

Unit: NT\$ thousand

Item \ Year	2023	2022	Change, by Amount	Change (%)
Sales Revenue	12,994,525	11,682,495	1,312,030	11.23%
Gross Profit	895,406	945,525	(50,119)	-5.30%
Operating Income	(39,277)	40,461	(79,738)	-197.07%
Non-operating income and expenses	561,656	(3,462,783)	4,024,439	116.22%
Profit before income tax	522,379	(3,422,322)	3,944,701	115.26%
Income from Continuing Operations	446,155	(2,753,662)	3,199,817	116.20%
Loss from Discontinued Operations	0	0	0	0.00%
Profit (loss) for the year	446,155	(2,753,662)	3,199,817	116.20%
Other comprehensive income for the year (net after tax)	26,952	81,532	(54,580)	-66.94%
Total comprehensive income for the year	473,107	(2,672,130)	3,145,237	117.71%
Analysis and description will be given only if the increase/decrease in ratio reaches 20% or exceeds NT\$10 million.				
1. Decrease in operating income: Mainly due to the Increase in operating expenses of the period. 2. Increase in non-operating income and expenses, net income before tax, net income for the period from continuing operations and net income for the period: Mainly due to the decrease in the loss on valuation of financial asset at fair value through profit or loss in the current period. 3. Decrease in other comprehensive income(net after tax) in the current period: Mainly due to decrease in gains from exchange rate differences of the financial statements of foreign operating institutions in the current period. 4. Increase in total comprehensive income in the current period: Mainly due to the increase in net profit in the current period.				

(II) Projected Sales Volume and the Basis of Estimation and the Potential Impact and Remedial Plans for the Company's Future Finance and Operation:

The Company did not make any forecast in 2023. Therefore, it does not intend to disclose the possible impact of the expected sales volume on the Company's future financial business and its response plan.

III. Cash Flows

(I) Analysis and explanation of cash flow changes in recent years

Unit: NT\$ thousand

Item \ Year	December 31, 2023	December 31, 2022	Percentage of increase (decrease)%
Cash flow ratio (%)	22.95	73.98	-68.97
Cash flow adequacy ratio (%)	180.59	169.54	6.52
Cash reinvestment ratio (%)	8.49	20.03	-57.61
Decrease in cash flow ratio and cash reinvestment ratio: Mainly due to the decrease in net cash inflow from operating activities.			

(II) Remedial Plans for Liquidity Shortfalls: No such circumstance of liquidity shortfalls.

(III) Cash flow analysis for the coming year

Unit: NT\$ thousand

Unit: MY\$ thousands

Balance of cash - beginning (1)	Net cash provided by operating activities (2)	Projected annual cash inflow (outflow) (3)	Projected cash surplus (Inadequacy) (1)+(2)+(3)	Measures for managing cash deficit	
				Investment Plan	Financial Plan
3,789,402	2,098,002	(1,483,324)	4,404,080	N/A	
1. Operating activities: The company develops overseas markets and new customers, and the operating activities will generate net cash inflow.					
2. Investment activities: The Company increased capital expenditure due to the purchase of production equipment, resulting in net cash outflow.					
3. Financing activities: The Company intends to repay long and short-term borrowings and intends to distribute cash for share repurchases, resulting in a net cash outflow.					

IV. Effect on Financial Operations of Any Major Capital Expenditures during the Most Recent Fiscal Year

(I) Major Capital Expenditure Items and Source of Capital (only those with a disclosed amount of NT\$100 million or more):

The Company has no other major capital expenditures in the most recent year.

(II) Expected Benefits

1. Projected increase in production and sales volume, value, and gross margin: None.
2. Other benefits: None.

V. Reinvestment Policy for the Most Recent Fiscal Year, Main Reasons for Profits/Losses Generated Thereby, Plan for Improving Re-investment Profitability, and Investment Plans for the Coming Year

(I) Investment Policy for the Most Recent Year

The company's equity approach to reinvestment is aimed at long-term strategic goals, not only to review the investment statements, but also from the role of investor to customer and supplier partnership, in the long term, we hope to grow together with the investment targets to further expand the company's new areas.

(II) Main reasons for profit or loss of reinvestment in recent years and improvement plan

In 2023, the Company adopt the equity method to recognize the investment profit as NT\$ 270,947 thousand , which will strengthen the supervision of the management of the reinvestment company, so as to improve the operation efficiency and achieve the benefit.

(III) Investment plan for the next year

In the future, the Company will continue to make long-term strategic investment as the principle, continue to carefully evaluate the investment plan, and continue to strengthen the company's competitiveness.

VI. Risk Issues

(I) Effect upon the company's profits (losses) of interest and exchange rate fluctuations and changes in the inflation rate, and response measures to be taken in the future

1. The impact of recent annual interest rate changes on the company's profit and loss, and response measures to be taken in the future

(1) The Group's interest rate risk arises primarily from short-term borrowings issued at variable rates, which expose the Group to cash flow interest rate risk. For the years ended December 31, 2023 and 2022, the Group's borrowings issued at floating interest rates were primarily denominated in U.S. dollars.

(2) If the loan interest rate has been increased or decreased by 0.1%, while other factors have not changed, the profit after tax for 2023 and 2022 will be reduced or increased by NT\$340 and NT\$344, respectively, due to the changes in interest expenses caused by the floating interest rate borrowings.

(3) In conclusion, the change of interest rate has not brought significant impact on the company. In addition, the Company keeps close contact with the banking system and pays attention to market changes at any time in order to obtain more

favorable loan interest rate from the bank. In the future, the company will raise funds by issuing convertible bonds to reduce the interest burden of the company according to the changes of market funds, and will carefully evaluate major capital expenditures to reduce costs.

2. The impact of exchange rate changes on the company's profit and loss, and response measures to be taken in the future

- (1) The Group operates internationally and is exposed to foreign exchange risk arising from various functional currency exposures, primarily with respect to the USD and CNY. Foreign exchange risk arises from future commercial transactions, recognized assets and liabilities.

The management of the group has formulated policies to require subsidiaries of the group to manage exchange rate risk relative to their functional currencies. Companies of the Group are required to hedge their entire foreign exchange risk exposure with the Group treasury. Exchange rate risk is measured by the expected transaction of highly probable USD and RMB expenditures. Forward foreign exchange contracts are used to reduce the impact of exchange rate fluctuations on the expected purchase cost of the inventory.

- (2) The company has always been concerned about the fluctuation of exchange rate in the international market, and continues to implement the following corresponding measures:
 - A. The finance department maintains close contact with the foreign exchange departments of financial institutions to collect relevant information on exchange rate fluctuations at all times. By staying updated with international exchange rate trends and information, the company can actively respond to the negative impact of exchange rate fluctuations. The Company also monitors trends in exchange rate fluctuations as the basis for forward foreign exchange transactions and settlement.
 - B. The Finance Department periodically makes an internal assessment report on the net foreign currency assets (liabilities), and reports to the management of the Company to make decisions on hedging.
 - C. For many foreign currency positions, the company has taken the hedging measures for the sale of forward foreign exchange.
 - D. The Company opens a foreign currency deposit account and adjusts foreign currency positions held according to the actual demand for capital and exchange rate trend.

- E. The Company uses the sales income to pay for procurement expenditures in the same currency to achieve automatic hedging effects. We use foreign currency cash from the sale of products in foreign countries to pay for foreign currency payables from the purchase of raw materials. We use asset management to hedge most foreign exchange risks. Therefore, with regards to foreign currency assets (liabilities), in accordance with exchange rate fluctuations, we only need to hedge the exchange rate risk by using other tools such as increasing foreign currency financing positions or trading forward foreign exchange to avoid risks in exchange rate fluctuations in a timely manner.
 - F. Before the business unit quotes the customer, it should make take the future exchange rate trend and the influencing factors into consideration to determine an appropriate and reasonable business quotation.
- (3) Management of the Group has stipulated policies which require entities within the Group to manage the exchange risks associated with their functional currencies. The group's major purchases and sales and long-term and short-term loans are denominated in US dollars, and the fair value will change with the fluctuation of market exchange rate. The company avoids the risks of foreign currency assets and liabilities due to exchange rate changes through forward foreign exchange, exchange rate exchange and option contracts.

3. The impact of inflation on the company's profit and loss and the measures to be taken in the future

Recently, as the international oil price continues to rise, the price fluctuates greatly and shows the trend of continuing to rise, the company will pay close attention to the inflation situation, appropriately adjust the product price and material inventory, so as to reduce the impact of inflation on the company, and sign purchase contracts with major raw materials and partners.

(II) The company's policy regarding high-risk investments, highly leveraged investments, loans to other parties, endorsements, guarantees, and derivatives transactions; the main reasons for the profits/losses generated thereby; and response measures to be taken in the future

The company has not made high-risk or high leverage investment, and all investments are carried out after careful evaluation. Derivative commodity operation is for the purpose of avoiding risks. Hedging is divided into complete hedging and selective hedging. All operations have been carefully implemented in consideration of risk situation.

- 1. High risk investments: The Company has not made any high risk investments.

2. Highly leveraged investments: The Company has not made any highly leveraged investments.
3. Loaning Provided to Others:
All matters of the company's loan of funds to others shall be handled in accordance with the Company's "Procedures for loan of funds to others", and the amount shall not exceed the maximum limit; as of December 31, 2023, the balance of loans to others is about NT\$307,050 thousand.
4. Endorsement guarantee
All endorsements and guarantees of the company are handled in accordance with the Company's "Procedures for Endorsements and Guarantees" and the amount shall not exceed the maximum limit; as of December 31, 2023, the balance of endorsements and guarantees is about NT\$1,381,725 thousand
5. The policy of engaging in derivative trading, the main reasons for profit or loss and the measures to be taken in the future:
The purpose of the company's derivative commodity trading is to avoid market risks caused by exchange rate and interest rate fluctuation, and not for arbitrage and speculation. In addition to complying with the relevant laws and regulations issued by the competent authority and the International Financial Reporting Standards (IFRS), the Company also strictly abides by the "Procedures for dealing in derivatives transactions" formulated by the company. All transactions are for the purpose of hedging and are not used for speculation. Derivative commodity operation is for the purpose of avoiding risks. The adopted hedging strategy depends on the nature of the hedged assets or liability and future expectations. Hedging is divided into complete hedging and selective hedging. All operations have been carefully implemented in consideration of risk situation.

(III) Future R&D Projects and Expected R&D Expenditure

All R & D projects are carried out according to the schedule. Please refer to [V. Operation overview] of the annual report for details.

(IV) Effect on the company's financial operations of important policies adopted and changes in the legal environment at home and abroad, and measures to be taken in response

The management and operation of the Company abide by the relevant laws and regulations at home and abroad. The Company can always pay attention to the important policy and legal changes, and coordinate with the adjustment of the Company's internal system and business activities to ensure smooth operation of the Company. Therefore, the Company

can immediately grasp and effectively respond to the important policy and legal changes at home and abroad.

- (V) Effect on the company's financial operations of developments in science and technology as well as industrial change, and measures to be taken in response

The company has been working in the industry for many years, and has continuously invested a lot of resources in R & D technology. The company's management team observes the future trends of science and technology at any time, and appropriately adjusts its business strategy, so as to effectively control the impact of economic environment and industrial changes on the company's financial business.

- (VI) Effect on the company's crisis management of changes in the company's corporate image, and measures to be taken in response

The company attaches importance to corporate social responsibility and actively participates in various public welfare activities to establish a good corporate image, and has a special person responsible for the suggestions of people from all walks of life and shareholders, so as to maintain the reputation and image of the company and its subsidiaries.

- (VII) Expected benefits and possible risks associated with any merger and acquisitions, and mitigation measures being or to be taken

In the most recent year and up to the date of publication of the annual report, the Company has not carried out merger and acquisition.

- (VIII) Expected benefits and possible risks associated with any plant expansion, and mitigation measures being or to be taken

In the most recent year and up to the date of publication of the annual report, the company has no other plans to expand its plant.

- (IX) Risks associated with any consolidation of sales or purchasing operations, and mitigation measures being or to be taken

In the most recent year and up to the publication date of the annual report, the company has no centralized purchase or sales.

- (X) Effect upon and risk to the company in the event a major quantity of shares belonging to a director, supervisor, or shareholder holding greater than a 10 percent stake in the Company has been transferred or has otherwise changed hands, and mitigation measures being or to be taken:

In the most recent year and up to the date of publication of the annual report, there was no substantial transfer or replacement of the company's directors, supervisors or major shareholders holding more than 10% of the shares.

- (XI) The influence and risk of the change of management right on the company and the measures to be taken

As of the date of publication of the annual report, there was no change in the management right of the company.

- (XII) Effect of litigation or non litigation on the company

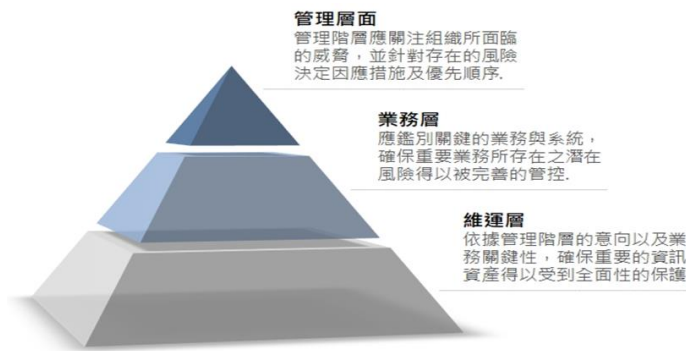
1. In case of litigation, non litigation or administrative disputes that have been decided or are still in litigation in the most recent year and up to the date of publication of the annual report, the results of which may have a significant impact on shareholders' equity or securities prices, the facts in dispute, the amount of the subject matter, the commencement date of the litigation, the main parties involved and the current handling situation shall be disclosed: None
2. Directors, supervisors, general managers, substantial responsible persons, major shareholders holding more than 10% of the shares and affiliated companies of the company, in case of major litigation, non litigation or administrative litigation that has been decided or is still in the process of being settled in the most recent year and up to the date of publication of the annual report, of which the result may have a significant impact on shareholders' equity or the price of securities, the facts in dispute, the amount of the subject matter, the starting date of the lawsuit, the main parties involved in the lawsuit and the current handling situation shall be disclosed: None

- (XIII) Other important risks, and mitigation measures being or to be taken

In order to fulfill the responsibilities of operators, promote performance, and protect the rights and interests of investors, AmTRAN has issued cyber security systematic policies to ensure cyber confidentiality, integrity, and availability in compliance with relevant regulations and laws. The application scope is set to the company's machine rooms, Cloud service maintenance operation system and related departments and maintenance management staff, in order to fully master the information operation and management process and meet the various security requirements and expectations. The company works hard to fulfill its responsibility of information security governance, control information security and enterprise risk management to protect the Company's important assets such as R & D achievements, strategies, contract documents, intellectual property and information systems, and implements cyber security policies and internal control, continue to improve

the management of cyber security and strengthen the protection capability, so as to ensure the foundation of the company's sustainable operation.

1. Cyber security governance framework



The reason why the Company uses the cyber security governance structure as the system to guide and control the organization's cyber security activities is to ensure that the cyber security objectives and strategies are consistent with the organization's operational objectives and strategies, so that the cyber security policies are consistent with the business objectives, and the cyber security governance structure is continuously fed back from top to bottom to reduce the cyber security risks.

2. Cyber security governance organization

In order to provide a constantly stable working environment for its staff, the Company in 2023 has proposed to establish a cyber security promotion organization, establishing the Information Security Department with a chief director and security employees to formulate cyber security practice procedures, irregularly advocate cyber security, and protect sensitive documents. The organization protects the confidentiality, integrity and availability of information assets through PDCA mechanism, ensures continuous improvement through daily operation and maintenance execution and supervision process, provides reevaluation and feedback for the organization, implements cyber security management execution mechanism, and communicates with the top through governance structure, respond to the requirements of organizational strategy.



3. Specific management plan

For the security of its cyber defense system, the Company has introduced a cloud-based sandbox firewall and kept relevant connection records. The information unit has conducted real-time proactive virus detection, used anti-virus software to detect outside portable storage devices, regularly scanned the vulnerabilities of networks and servers, and made improvements. All host machines and important hardware and software are assigned to a dedicated person. The Company has backups of all important systems, which can help the Company's operation recover to normal if systems go wrong or documents are damaged. The major systems have introduced an integrated framework, which greatly improves the speed of document handling and can finish system backups in seconds, improving overall defense. The backups have been put in other places. Many measures have been taken to protect documents security. In addition, for secure data transmission between the headquarters and subsidiaries, we have fully implemented the MPLS (Multiprotocol Label Switching) protocol. This not only ensures the stability of the network connection and accelerates network connectivity but also enhances network security. In the fourth quarter of the fiscal year 2023, we introduced the world's leading brand CrowdStrike MDR endpoint protection, strengthening the cybersecurity capabilities of our server clusters in three locations, enabling precise and rapid interception of malicious programs and hacker attacks hidden within the internal network. In the first quarter of the fiscal year 2024, we will implement passwordless login to enhance both employee account security and

user experience. These initiatives are designed to reduce risks and ensure uninterrupted operations.

The relevant departments and levels of the Company should set objectives and make plans for cyber security which are in consistent with or connect with cyber security policies and must (1) be measurable (2) have an effective measurement method (3) have a completion date (4) have a responsible person (responsible unit).

Information security management based on the ISO 27001:2022 standard covers 24 management issues to assist organizations in establishing the confidentiality, integrity, and availability of their information security management systems. It involves comprehensive risk assessment to identify potential issues and then implement preventive measures against known risks. Through risk management, the aim is to reduce the actual occurrence of data breaches in the future, thereby mitigating losses.

Management plan is as follows:

- (1) Cyber Security Policy
- (2) Cyber Security Organization
- (3) Human Resources Security
- (4) Assets Management
- (5) Access Control
- (6) Encryption
- (7) Real Body and Environment Security
- (8) Operation Security
- (9) Communication Security
- (10) Threat Intelligence
- (11) ICT (Information and Communication Technology) Readiness for Business Continuity
- (12) Physical Security Monitoring
- (13) Configuration Management
- (14) Information Deletion
- (15) Data Masking
- (16) Data Leakage Prevention
- (17) Surveillance Activities
- (18) Web Filtering
- (19) Secure Program Design
- (20) Access, Development and Maintain of Cyber System
- (21) Supplier relationship
- (22) Cyber Security Incidents Management

(23) Sustainable Operation Management of Relevant Cyber Security

(24) Legality

4. The cyber security management mechanism includes the following four aspects:

(1) Internal control system specification:

The Company has established a number of internal cyber security specifications and systems to regulate the cyber security behavior of the company's personnel, and regularly checks whether the relevant systems are in line with the changes of the operating environment every year, and timely adjusts them according to the needs.

(2) Cyber security promotion and implementation:

Implement ISO procedures and cyber security standards and systems established by the company, manage and monitor all security incidents and status of operating systems and network services, evaluate and import the application of cyber security technology and cyber security equipment.

(3) Risk assessment of weakness:

Regularly review the internal cyber security, analyze the internal risk level according to the asset value, weakness, threat and impact, and formulate security measures based on the risk assessment results, strengthen the project, refine and improve the overall cyber security environment.

(4) Cyber security application improvement

In order to prevent various external cyber security threats, the company adopts multi-layer network architecture design and builds various cyber security protection systems to enhance the security of the overall information environment. In addition, in order to ensure that the operation behavior of internal personnel conforms to the company's regulations, the company has designed operation procedures and imported cyber security system tools, and implemented personnel cyber security management measures.

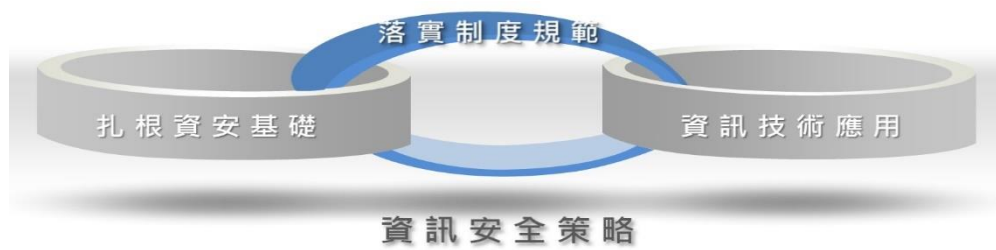


5. Cyber security strategy

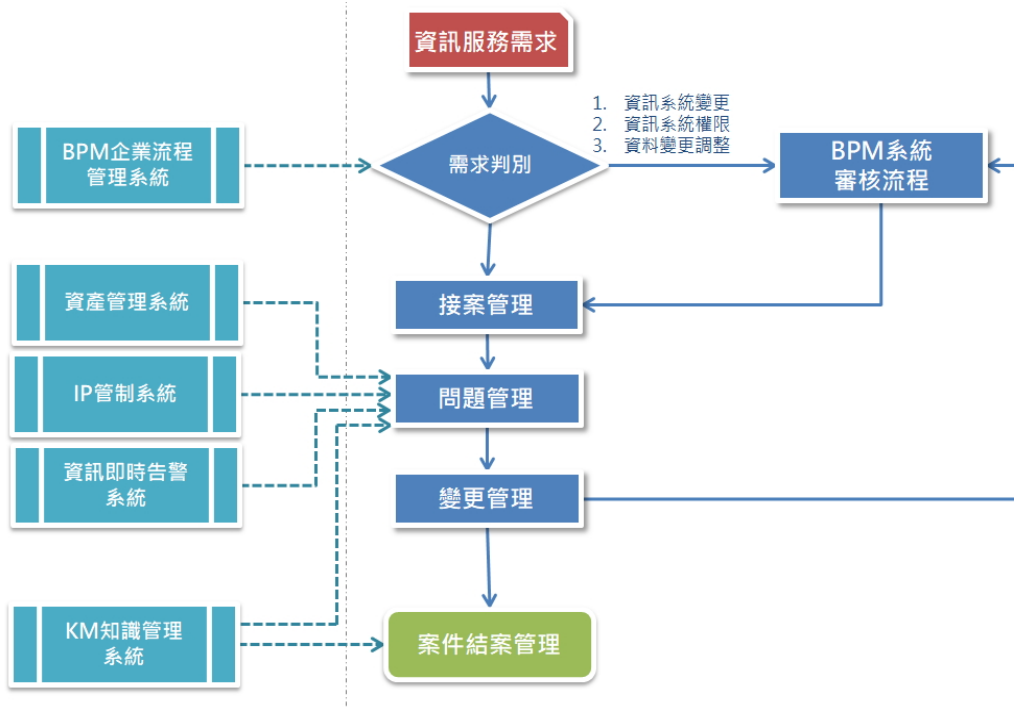
The cyber security strategy mainly focuses on three aspects: the foundation of cyber security, the implementation of rules and regulations, and the application of information technology. Through the internal cyber security management measures, the information technology cyber security risk events are actively reported, and the cyber security awareness is comprehensively enhanced from the personnel to the organization.

Cyber security strategy

Establishing the foundation of cyber security	By regularly reviewing and upgrading the network infrastructure environment, continuously repairing the potential weaknesses of the internal system, regularly exercising the disaster recovery mechanism, implementing the practical course of cyber security education and training for personnel, and comprehensively deepening the basic defense of cyber security.
Implementing system specifications	By formulating the Company's cyber security management system, regularly reviewing and verifying the performance of internal control over asset security, and implementing the operation of the cyber security control mechanism in line with international cyber security norms.
Application of cyber security technology	BY persistently importing cyber security equipment and technology applications, such as instant alarm system, endpoint protection system, vulnerability scanning, intrusion detection joint defense and other technology applications, to grasp the cyber security risk status in advance, so as to improve the cyber security defense and contingency capacity.

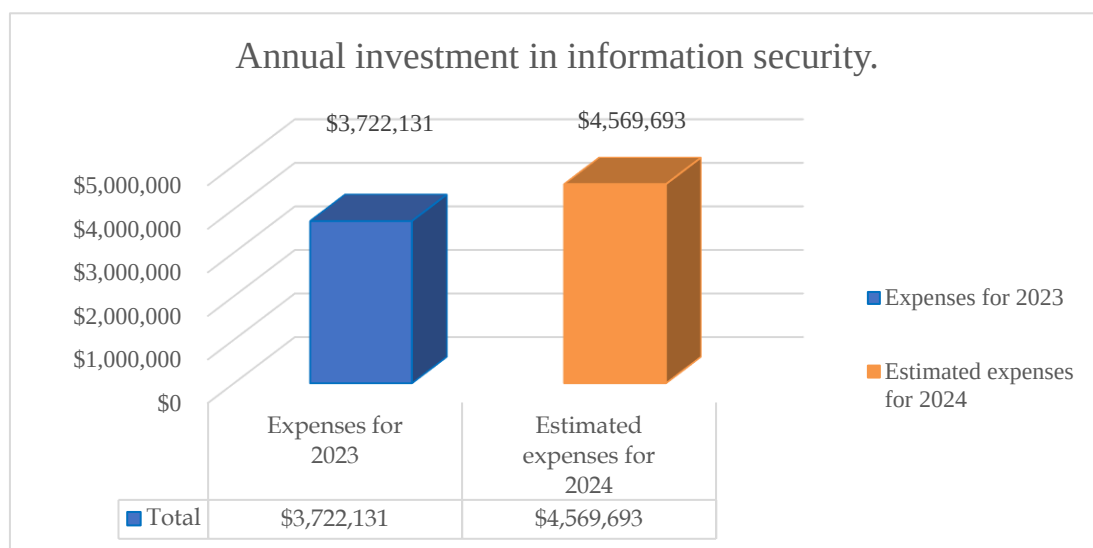


6. Handling procedure of cyber security



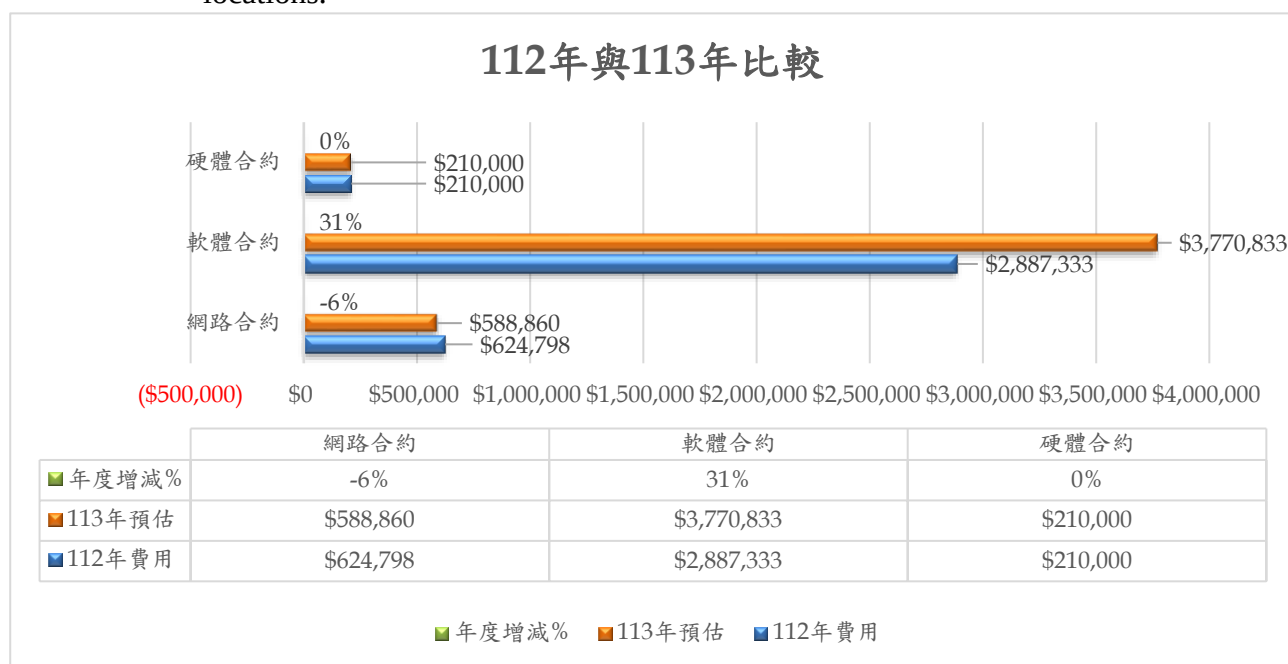
In accordance with the Company's "Cyber Management Measurement and Cases Management Procedure", in the process from the demand for information service to the case being closed, review, analysis, management, and record of every part of the overall process should be conducted, and a cyber security system is applied to assist in the effective control of the management of cyber security cases, control in advance, and reduce the occurrence of cyber security risk.

7. Cyber security investment resources description



8. Overall cyber security costs in 2022 and 2023

Mainly focusing on strengthening security measures for critical operational systems to reduce the substantial maintenance costs in subsequent years. A new addition to the software contract is CrowdStrike MDR endpoint protection, enhancing the cybersecurity defense and alert capabilities of the Company's host clusters across three locations.

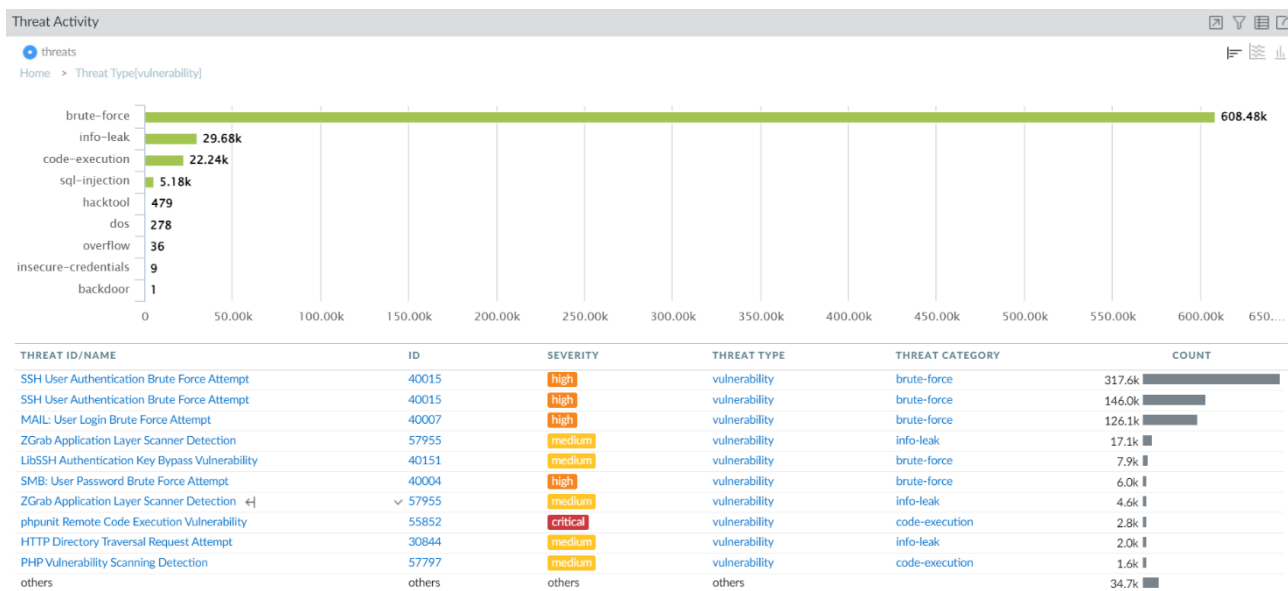


9. Cyber security incidents

No material cyber security incidents happened at the Company in 2023. The Company has effectively defended various outside attacks in terms of cyber security defense technology and recorded them as follows:

Record of Firewall Protection Against Attack Methods for 2023 (January 1, 2023, to December 31, 2023)

Source: Firewall



In 2023, there were a total of 666,389 instances of vulnerability attacks, with the majority consisting of 463,600 instances (70%) of brute force cracking. All of these attacks were successfully blocked, and no significant cybersecurity incidents occurred during this period.

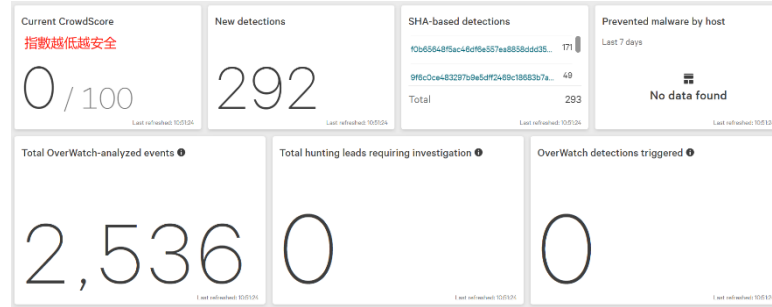
- (1) Ranking of countries from which attacks came (January 1, 2023, to December 31, 2023)



Source: Firewall

In 2023, there were a total of 666,389 attacks, with the largest number originating from China, accounting for 269,400 attacks (40% of the total). All attacks were successfully blocked, and no significant cybersecurity incidents occurred during this period.

(2) Endpoint security index for hosts (January 1, 2023, to December 31, 2023)



Source: Endpoint protection

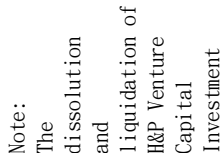
At the end of 2023, endpoint protection software was implemented, deployed across core hosts in three locations of the Company. The total number of analyzed events was 2,536, all of which were intercepted and isolated. The current threat index is 0, and no significant cybersecurity incidents occurred during this period.

VII. Other Important Matters: None.

I. Information on Affiliates

(I) Consolidated Operating Report for Affiliated Enterprises

1. STRUCTURE OF AFFILIATED ENTERPRISES



2. Basic information and general situation of affiliates

December 31, 2023
Unit: NT\$ thousand

Name of Affiliate	Date of Incorporation	Address	Paid-in Capital	Major Lines of Business or Products
AmTRAN Technology Co., Ltd.				
ABOUND PROFITS LIMITED	2001.11	Vistra Corporate Services Centre, Wickhams Cay II, Road Town, Tortola, VG1110, British Virgin Islands	847,755	General business investment
Zwei-Mau Investment Co., Ltd	1999.10	6 / F, 17th floor, 258 Liancheng Rd, Zhonghe Dist, New Taipei City	299,980	General business investment
ASEV DISPLAY LABS	1998.08	14430 MONTE VISTA AVE., CHINO, CA 91710	67,189	Computer software and hardware sales and after-sales service
Rick Technology Inc.	2006.01	17F., No. 268, Liancheng Rd., Zhonghe Dist., New Taipei City	200,000	General business
AMTRAN LOGISTICS, INC.	2007.04	14430 MONTE VISTA AVE., CHINO, CA 91710	32,814	LCD TV sales and logistics services
AMTRAN VIDEO CORPORATION	2011.06	14430 MONTE VISTA AVE., CHINO, CA 91710	28,560	LCD TV sales and logistics services
SPYGLASS TESLA, LLC.	2007.01	192-F Technology Drive, Irvine, CA 92618	131,284	General business investment
AMTRAN VIETNAM TECHNOLOGY COMPANY LIMITED	2018.11	No. 115, East-West Road, VSIP Hai Phong Township, Industrial and Service Park, Trung Ha Commune, Thuy Nguyen District, Hai Phong City, Vietnam	2,387,954	LCD production and sales
AMTRAN VIETNAM TRADING COMPANY LIMITED	2022.07	No.04, Manhattan 05 area, Vinhomes Imperia urban, No.1, Hanoi Road, Thuong Ly ward, Hong Bang District, Hai Phong City, Vietnam	30,074	General business
H&P Venture Capital Investment Corporation (The dissolution and liquidation were completed on September 11, 2023.)	2011.05	10th floor, 172 Minsheng East Road, Zhongshan District, Taipei	-	Innovation and investment business

Suzhou Raken Technology Ltd.	2008.09	No. 278, Mayun Rd, High tech Zone, Suzhou City, Jiangsu Province	2,791,987	LCD R & D design, production and maintenance services
ABOUND PROFITS LIMITED				
Amtran Electronic Co., Ltd.	2002.01	No. 278, Mayun Rd, High tech Zone, Suzhou City, Jiangsu Province	1,160,838	LCD R & D design, production and maintenance services
Zwei-Mau Investment Co., Ltd				
Zwei-Mau Capital Co., Ltd	2022.9	6 / F, 17th floor, 258 Liancheng Rd, Zhonghe Dist, New Taipei City	6,000	Innovation and investment business
Rick Technology Inc.				
Rick Service Inc.	1980.05	17F/1., No. 268, Liancheng Rd., Zhonghe Dist., New Taipei City	30,000	Logistics services
Amtran Electronic Co., Ltd.				
Suzhou Raken Technology Ltd.	2008.09	No. 278, Mayun Rd, High tech Zone, Suzhou City, Jiangsu Province	2,791,987	LCD R & D design, production and maintenance services

3. Industries covered by affiliations: Please refer to the above "Basic information and general situation of affiliates."
4. Presumptively controlled and affiliated companies in accordance with Article 369 of the Company Act: None

5. Information of directors, supervisors and general managers of affiliated enterprises:

December 31, 2023

Name of Affiliate	Professional title	Name or Representative	Shareholding	
			Number of Shares (in Thousands)	Shareholding Ratio (%)
AmTRAN Technology Co., Ltd.				
ABOUND PROFITS LIMITED	Director	Representative of AMTRAN TECHNOLOGY CO., LTD.: Alpha Wu	24,800	100.00
	Chairman	Representative of AMTRAN TECHNOLOGY CO., LTD.: Alpha Wu		
	Director	Representative of AMTRAN TECHNOLOGY CO., LTD.: Scottie Chiu		
	Director	Representative of AMTRAN TECHNOLOGY CO., LTD.: Sam Wu	29,998	100.00
Zwei-Mau Investment Co., Ltd	Director	Representative of AMTRAN TECHNOLOGY CO., LTD.: Elton Liao		
	Supervisor	Representative of AMTRAN TECHNOLOGY CO., LTD.: Tina Wu		
ASEV DISPLAY LABS	Director	Representative of AMTRAN TECHNOLOGY CO., LTD.: Alpha Wu		
	Director	Representative of AMTRAN TECHNOLOGY CO., LTD.: Sam Wu	2,000	100.00
	Director	Representative of AMTRAN TECHNOLOGY CO., LTD.: Scottie Chiu		
Rick Technology Inc.	Chairman	Representative of AMTRAN TECHNOLOGY CO., LTD.: Alpha Wu		
	Director	Representative of AMTRAN TECHNOLOGY CO., LTD.: Elton Liao	16,400	82.00
	Director	Rick Inc. Representative: Rick Wu		
	Supervisor	Scottie Chiu		

Name of Affiliate	Professional title	Name or Representative	Shareholding	
			Number of Shares (in Thousands)	Shareholding Ratio (%)
AMTRAN LOGISTICS, INC.	Director	Representative of AMTRAN TECHNOLOGY CO., LTD.: Alpha Wu	1,000	100.00
	Director	Representative of AMTRAN TECHNOLOGY CO., LTD.: Sam Wu		
	Director	Representative of AMTRAN TECHNOLOGY CO., LTD.: Scottie Chiu		
	Director	Representative of AMTRAN TECHNOLOGY CO., LTD.: Alpha Wu		
AMTRAN VIDEO CORPORATION	Director	Representative of AMTRAN TECHNOLOGY CO., LTD.: Sam Wu	1,000	100.00
	Director	Representative of AMTRAN TECHNOLOGY CO., LTD.: Scottie Chiu		
	Director	Representative of AMTRAN TECHNOLOGY CO., LTD.: Alpha Wu		
SPYGLASS TESLA, LLC.	Director	Representative of AMTRAN TECHNOLOGY CO., LTD.: Alpha Wu	1,750	43.75
AMTRAN VIETNAM TECHNOLOGY COMPANY LIMITED	President	Sam Wu	US\$78,300 thousand	100.00
AMTRAN VIETNAM TRADING COMPANY LIMITED	President	Chia-Hsun Liu	US\$1,000 thousand	100.00
H&P Venture Capital Investment Corporation Note: The dissolution and liquidation were completed on September 11, 2023.	Supervisor	Representative of Hua Jung Components Co., Ltd.: Eric Li	-	-
	Supervisor	Elton Liao		
Suzhou Raken Technology Ltd.	Chairman	Representative of AMTRAN TECHNOLOGY CO., LTD.: Alpha Wu	NT\$2,589,248 thousand	37.95
	Director	Representative of AMTRAN TECHNOLOGY CO., LTD.: Scottie Chiu		

Name of Affiliate	Professional title	Name or Representative	Shareholding	
			Number of Shares (in Thousands)	Shareholding Ratio (%)
	Director	Representative of AMTRAN TECHNOLOGY CO., LTD.: Sam Wu		
	Supervisor	Representative of AMTRAN TECHNOLOGY CO., LTD.: Erica Chang		
Zwei-Mau Investment Co., Ltd				
Zwei-Mau Capital Co., Ltd	Chairman	Representative of Zwei-mau Investment Co., Ltd. : Alpha Wu	600	100.00
Rick Technology Inc				
	Chairman	Representative of Rick Technology Inc., Ltd.: Rick Wu		
	Director	Representative of Rick Technology Inc., Ltd.: Alpha Wu		
	Director	Representative of Rick Technology Inc., Ltd.: Jian, Jun-Cheng	3,000	100.00
	Supervisor	Representative of Rick Technology Inc., Ltd.: Elton Liao		
ABOUND PROFITS LIMITED				
	Chairman	Representative of ABOUND PROFITS LIMITED : Alpha Wu		
	Director	Representative of ABOUND PROFITS LIMITED : Sam Wu		
	Director	Representative of ABOUND PROFITS LIMITED : Scottie Chiu		
	Supervisor	Representative of ABOUND PROFITS LIMITED : Erica Chang	1,076,544 thousand	100.00
	President	Scottie Chiu		
Amtran Electronic Co., Ltd.				
	Chairman	Representative of AMTRAN TECHNOLOGY CO., LTD.: Alpha Wu		
	Director	Representative of AMTRAN TECHNOLOGY CO., LTD.: Scottie Chiu		
	Director	Representative of AMTRAN TECHNOLOGY CO., LTD.: Sam Wu		
	Supervisor	Representative of AMTRAN TECHNOLOGY CO., LTD.: Erica Chang		
	President	Scottie Chiu		
Suzhou Raken Technology Ltd.			NT\$2,589,248 thousand	62.05

(II) Operating status of affiliates

December 31, 2023

In Thousands of New Taiwan Dollars, Except Earnings Per Share

Name of Affiliate	Capital	Total Assets	Total Liabilities	Net Worth	Sales Revenue	Operating Profit	Profit or loss for the period	Earnings per Share
ABOUND PROFITS LIMITED	706,304	1,775,007	1,938	1,773,069	-	(23,814)	45,977	1.85
Zwei-Mau Investment Co., Ltd	299,980	308,026	198	307,828	-	(2,019)	994	0.03
ASEV DISPLAY LABS	67,189	107,715	1,623	106,092	-	(74,895)	(30,125)	(15.06)
Rick Technology Inc.	200,000	561,809	287,435	274,374	584,932	4,842	23,847	1.19
AMTRAN LOGISTICS, INC.	32,814	444,273	5,838	438,435	70	(25,589)	(3,112)	(3.10)
AMTRAN VIDEO CORPORATION	28,560	128,177	93,501	34,676	304,805	7,964	6,862	6.90
SPYGLASS TESLA, LLC	131,284	199,424	1,889	197,535	-	-	20,328	5.08
AMTRAN VIETNAM TECHNOLOGY COMPANY LIMITED	2,387,954	5,860,649	3,345,674	2,514,975	9,568,731	149,200	171,295	N/A
Hongxuan Venture Capital Co., Ltd	-	-	-	-	-	(6,449)	(8,059)	N/A
Rick Service Inc.	30,000	42,671	6,231	36,440	39,666	3,071	2,699	0.90
Amtran Electronic Co., Ltd.	1,076,544	1,883,366	217,694	1,665,672	156,591	15,147	59,658	N/A
Suzhou Raken Technology Ltd.	2,589,248	4,859,097	1,977,453	2,881,644	7,348,776	(42,596)	62,832	N/A
Zwei-Mau Capital Co., Ltd	6,000	9,081	1,274	7,807	-	(164)	1,446	2.41
AMTRAN VIETNAM TRADING COMPANY LIMITED	30,074	52,287	19,229	33,058	119,078	2,018	3,446	N/A

(III) Consolidated financial statement of affiliates:

For 2023 (from January 1, 2023 to December 31, 2023), companies that are required to be included in the consolidated financial statements of affiliates in accordance with the “Criteria Governing Preparation of Affiliation Reports, Consolidated Business Reports and Consolidated financial statements of Affiliated Enterprises” are identical to those that must be included in the consolidated financial statements of parent and subsidiaries under Accounting Standard No. 7. Since matters that must be disclosed by consolidated financial statements of affiliates have been disclosed by consolidated financial statements of parent and subsidiaries, no consolidated financial statements of affiliates are separately prepared.

(IV) Declaration of Consolidated Financial Statements of Affiliates:

Please refer to the statement of consolidated financial statements of affiliates in the Company's 2023 consolidated financial statements.

(V) Reports on Affiliations: N/A.

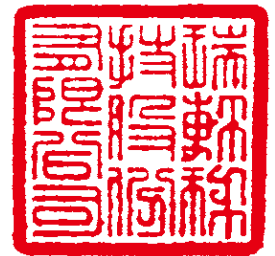
II. Private Placement of Securities during the Most Recent Fiscal Year and during the Current Fiscal Year up to the Date of Publication of the Annual Report: None.

III. Shares held or disposed of by subsidiaries in the most recent fiscal year and up to the date of publication of the annual report: None.

IV. Other Supplementary Information: None.

Chapter 9 For the most recent fiscal year and up to the date of publication of the annual report, matters that have a significant impact on shareholders' equity or securities prices in accordance with Article 36, Paragraph 3, Subparagraph 2 of the Securities and Exchange Act: None

AmTRAN Technology Co., Ltd.



Chairman Alpha Wu

