Stock Code: 2491

Fortune Oriental Company Limited
and Subsidiaries
Consolidated Financial Statements for the Years
Ended December 31,2023 and 2022
and Independent Auditors' Report

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Representation Letter

The entities that are required to be included in the combined financial statements of Fortune Oriental Company Limited as of and for the year ended December 31, 2023, under the Criteria Governing the Preparation of Affiliation Reports, Consolidated Business Reports and Consolidated Financial Statements of Affiliated Enterprises are the same as those included in the consolidated financial statements prepared in conformity with the International Financial Reporting Standard 10, “Consolidated Financial Statements.” In addition, the information required to be disclosed in the combined financial statements is included in the consolidated financial statements. Consequently, Fortune Oriental Company Limited and Subsidiaries do not prepare a separate set of combined financial statements.

Very truly yours,

Fortune Oriental Company Limited

By

Chairman : Chen, Bi hua

March 8, 2024

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Independent Auditors' Report

The Board of Directors and Shareholders

Fortune Oriental Company Limited

Opinions

We have audited the accompanying consolidated financial statements of Fortune Oriental Company Limited (the"Company") and its subsidiaries (collectively, the"Group"), which comprise the consolidated balance sheets as of December 31, 2023 and 2022, and the consolidated statements of comprehensive income, changes in equity and cash flows for the years then ended, and the notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as of December 31, 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 (IFRS), International Accounting Standards (IAS), IFRIC Interpretations, and SIC Interpretations endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

Basis for Opinion

We conducted our audits in accordance with the Regulations Governing Financial Statement Audit and Attestation Engagements by Certified Public Accountants and the 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 of the Republic of China and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the year ended December 31, 2023. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter for the Group's consolidated financial statements for the year ended December 31, 2023 is stated as follows:

Litigation and contingent liabilities

Refer to Notes 23 and 34 to the consolidated financial statements.

For major pending legal cases, does the Group's estimate sufficient litigation or settlement losses. Will affect the completeness of the Group's consolidated financial statements to recognize related losses and liabilities, it also has an impact on the Group's financial performance and condition. Therefore, the audit of litigation and contingent liabilities is identified as a key audit matter.

In response to the above-mentioned litigation and contingent liabilities, our major audit procedures executed are as follows:

1. Evaluate the rationality of the Group's estimated litigation or settlement loss liability provisions.
2. Review the board meeting minutes, major news announcements, and news reports during and after the audit period to search for any unaccounted for legal disputes, lawsuits, or settlement losses of the Group.
3. Evaluate the claimed amounts in relevant lawsuit, and whether sufficient losses and liability provisions are accounted for.
4. Obtain the lawyer's reply letter and opinion on the litigation case, and inquire about the Group's point of view to verify the development status of the litigation case, the completeness of the loss and provision of liabilities.

5.Evaluate whether the Group's liability provision and the disclosure about the litigation are appropriate.

Inventory-evaluation of the land held for construction

The inventory-land held for construction and its superstructure at the end of 2023 accounted for 22% of the total consolidated assets, mainly for the market land, and the current planning combines the ownership of other real estate in the same area, jointly participate in the urban renewal business plan: transform the functional buildings into a market, a residence, or a combination of the two to increase the development value of real estate. Before the decision of the urban planning committee of the competent authority, the Group has uncertainty about the development value of the land held for construction, which affects the the Group's performance. Also see Note 13 to the consolidated financial statements, so the evaluation of the land held for construction is identified as a key audit matter.

In response to the above-mentioned evaluation of the land held for construction, our major audit procedures executed are as follows:

1.Review the documents or reports on the implementation of the construction site urban renewal plan, and pay attention to the changes in the implementation progress, whether it is in line with the urban renewal project and content.

2.Review the board meeting minutes of the urban renewal plan for the construction site, and examine whether the item approved by the board affects the development value of the construction site; and evaluate whether the impact of the directors' opinions holding other opinions affects the financial performance of the management authority.

3.Examine and review the asset appraisal report of external experts on the consolidated balance sheet date to evaluate whether there is a risk of impairment loss on the land held for construction.

4.Examine whether the note to the consolidated financial statements disclosure of the Group’s inventory- evaluation of the land held for construction is appropriate.

Other Matter

We have also audited the parent company only financial statements of Fortune Oriental Company Limited as of and for the years ended December 31, 2023 and 2022 on which we have issued an unmodified opinion.

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

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

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

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

Auditors’ Responsibilities for the Audit of the Consolidated Financial Statements

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

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

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

2.Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

3.Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

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

5.Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

6.Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group's audit. We remain solely responsible for our audit opinion.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the year ended December 31, 2023 and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partners on the audit resulting in this independent auditors' report are Huang, Shih Chia and Lee, Hui Chin.

Huang, Shih Chia   Lee Hui chin

G & F Certified Public Accountants
Taipei, Taiwan, Republic of China
March 8,2024

<u>*Notice to Readers*</u>

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

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

Fortune Oriental Company Limited and Subsidiaries

Consolidated Balance Sheets

December 31, 2023 and 2022

Unit: NT$ thousands

Code	Asset Item	Notes	December 31, 2023 Amount	%	December 31, 2022 Amount	%
	Current assets					
1100	Cash and cash equivalents	6	$ 72,818	5	$ 114,318	8
1110	Financial assets at fair value through profit or loss-current	7	690,753	48	719,878	52
1136	Financial assets at amortized cost-current	9	30,000	2	-	-
1150	Notes receivable, net	10	11,713	1	13,293	1
1170	Accounts receivable, net	10	36,088	2	30,925	2
1180	Accounts receivable due from related parties, net	32	157	-	-	-
1200	Other receivables	11	19	-	-	-
1220	Current income tax assets	27	5	-	-	-
130X	Inventories	12	44,599	3	48,996	4
1323	Land held for construction	13	327,407	22	322,781	24
1410	Prepayments		24,896	2	4,445	-
1470	Other current assets	14、33	9,686	1	1,148	-
11XX	Total current assets		1,248,141	86	1,255,784	91
	Non-current assets					
1510	Financial assets at fair value through profit or loss-non -current	7	16,500	1	-	-
1517	Financial assets at fair value through other comprehensive income-non-current	8、33	29,680	2	45,660	3
1600	Property, plant, and equipment	15	61,146	4	27,065	2
1755	Right-of-use assets	17	50,349	3	26,191	2
1760	Investment property, net	18	7,570	1	8,211	1
1780	Intangible assets	19	9,905	1	7,567	1
1915	Prepayments for equipment		16,595	1	-	-
1920	Refundable deposits	16	9,669	1	7,054	-
1960	Prepayments for investment	20	-	-	-	-
15XX	Total non-current assets		201,414	14	121,748	9
1XXX	Total assets		$ 1,449,555	100	$ 1,377,532	100

Code	Liabilities and equity Item	Notes	December 31, 2023 Amount	%	December 31, 2022 Amount	%
	Current liabilities					
2130	Contract liabilities		$ 8,541	1	$ 5,052	-
2150	Notes payable		2,664	-	2,336	-
2162	Other notes payable to related parties	32	-	-	3,522	-
2170	Accounts payable		26,449	2	22,988	2
2200	Other payables	21	84,465	6	79,622	6
2220	Other payables to related parties	21, 32	6	-	6	-
2280	Lease liabilities	17	19,797	1	13,713	1
2399	Other current liabilities - other		3,727	-	3,761	-
21XX	Total current liabilities		145,649	10	131,000	9
	Non-current liabilities					
2570	Deferred income tax liabilities	27	7	-	5	-
2580	Lease liabilities	17	31,378	2	13,096	1
2645	Guarantee deposits		672	-	172	-
2670	Other non-current liabilities	23	8,233	1	8,233	1
25XX	Total non-current liabilities		40,290	3	21,506	2
2XXX	Total liabilities		185,939	13	152,506	11
	Equity attributable to shareholders of the parent	24				
3110	Capital stock		820,080	57	820,080	60
3200	Capital surplus		82,271	5	78,025	6
3300	Retained earnings					
3310	Legal reserve		33,281	2	33,281	2
3320	Special reserve		5	-	5	-
3350	Accumulated deficit		(109,999)	(7)	(147,248)	(11)
3400	Other equity		2,038	-	8,476	1
31XX	Total equity attributable to shareholders of the parent		827,676	57	792,619	58
36XX	Non-controlling interests	24	435,940	30	432,407	31
3XXX	Total equity		1,263,616	87	1,225,026	89
	Total liabilities and equity		$ 1,449,555	100	$ 1,377,532	100

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

(Please refer to independent auditors’ report of G & F Certified Public Accountants on March 8, 2024)

Chairman : Chen, Bi hua　　Manager : Luo ,Guang wei　　Head of Accounting : Lin, Zhi chong

Fortune Oriental Company Limited and Subsidiaries
Consolidated Statements of Comprehensive Income
For the Years Ended December 31, 2023 and 2022
Unit: NT$ thousands,except for earnings per share

Code	Item	Notes	2023 Amount	2023 %	2022 Amount	2022 %
4000	Operating revenue, net	25	$ 192,545	100	$ (241,425)	(100)
5000	Operating costs	12,29	141,235	(73)	(142,381)	(59)
5900	Gross operating profit (losses)		51,310	27	(383,806)	(159)
6000	Operating expenses	29				
6100	Selling and marketing expenses		(40,939)	(21)	(41,727)	(17)
6200	Administrative expenses		(77,613)	(40)	(67,646)	(28)
6300	Research and development expenses		(67,415)	(35)	(39,598)	(16)
6450	Expected credit loss	10	(1,055)	(1)	(1,123)	(1)
	Total operating expenses		(187,022)	(97)	(150,094)	(62)
6900	Operating losses		(135,712)	(70)	(533,900)	(221)
7000	Non-operating income and expenses	26				
7010	Other income		96,104	49	30,099	12
7020	Other gains and losses		102,067	53	(115,713)	(48)
7050	Finance costs		(2,396)	(1)	(25,327)	(10)
	Total non-operating income and expenses		195,775	101	(110,941)	(46)
7900	Net income (loss) before tax		60,063	31	(644,841)	(267)
7950	Income tax expenses	27	(3)	-	(2)	-
8200	Net income (loss)		60,060	31	(644,843)	(267)
	Other comprehensive (loss)income					
8310	Items that will not be reclassified to profit or loss					
8316	Unrealized (losses)gains on investments in equity instruments at fair value through other comprehensive income	24	(6,438)	(3)	6,034	3
8300	Other comprehensive (loss)income for the year, net of income tax		(6,438)	(3)	6,034	3
8500	Total comprehensive income(loss) for the year		$ 53,622	28	$ (638,809)	(264)
8600	Net income (loss) attributable to					
8610	Shareholders of the parent	28	$ 37,249		$ (385,361)	
8620	Non-controlling interests	24	22,811		(259,482)	
			$ 60,060		$ (644,843)	
8700	Comprehensive income(loss) attributable to					
8710	Shareholders of the parent		$ 30,811		$ (379,327)	
8720	Non-controlling interests	24	22,811		(259,482)	
			$ 53,622		$ (638,809)	
	Earnings per share (NT$ in dollars)	28				
9750	Basic earnings(losses) per share		$ 0.45		$ (4.70)	
9850	Diluted earnings(losses) per share		$ 0.45		$ (4.70)	

The accompanying notes are an integral part of the consolidated financial statements
(Please refer to independent auditors' report of G & F Certified Public Accountants on March 8, 2024)

Chairman: Chen, Bi hua   Manager: Luo ,Guang wei   Head of Accounting: Lin, Zhi chong

Fortune Oriental Company Limited and Subsidiaries

Consolidated Statements of Changes in Equity

For the Years Ended December 31, 2023 and 2022

Unit: NT$ thousands

Item	Equity attributable to shareholders of the parent							Non-controlling interests	Total equity
	Capital stock	Capital surplus	Retained earnings			Other equity	Total equity attributable to shareholders of the parent		
			Legal reserve	Special reserve	unappropriated earnings (Accumulated deficit)	Unrealized (losses)gains on financial assets at fair value through other comprehensive income			
Balance as of January 1, 2022	$ 820,080	$ 61,996	$ 28,103	$ 5	$ 256,311	$ (2,378)	$ 1,164,117	$ 922,753	$ 2,086,870
Appropriations of earnings									
Legal reserve	-	-	5,178	-	(5,178)	-	-	-	-
Cash dividends to shareholders	-	-	-	-	(8,200)	-	(8,200)	-	(8,200)
Total	-	-	5,178	-	(13,378)	-	(8,200)	-	(8,200)
Net loss	-	-	-	-	(385,361)	-	(385,361)	(259,482)	(644,843)
Other comprehensive income	-	-	-	-	(4,820)	10,854	6,034	-	6,034
Total comprehensive income	-	-	-	-	(390,181)	10,854	(379,327)	(259,482)	(638,809)
From share of changes in equities of subsidiaries	-	16,029	-	-	-	-	16,029	-	16,029
Adjustments in non-controlling interests	-	-	-	-	-	-	-	(230,864)	(230,864)
Balance as of December 31, 2022	$ 820,080	$ 78,025	$ 33,281	$ 5	$ (147,248)	$ 8,476	$ 792,619	$ 432,407	$ 1,225,026
Balance as of January 1, 2023	$ 820,080	$ 78,025	$ 33,281	$ 5	$ (147,248)	$ 8,476	$ 792,619	$ 432,407	$ 1,225,026
Net income	-	-	-	-	37,249	-	37,249	22,811	60,060
Other comprehensive loss	-	-	-	-	-	(6,438)	(6,438)	-	(6,438)
Total comprehensive income	-	-	-	-	37,249	(6,438)	30,811	22,811	53,622
From share of changes in equities of subsidiaries	-	4,246	-	-	-	-	4,246	-	4,246
Adjustments in non-controlling interests	-	-	-	-	-	-	-	(19,278)	(19,278)
Balance as of December 31, 2023	$ 820,080	$ 82,271	$ 33,281	$ 5	$ (109,999)	$ 2,038	$ 827,676	$ 435,940	$ 1,263,616

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

(Please refer to independent auditors’ report of G & F Certified Public Accountants on March 8, 2024)

Chairman: Chen, Bi hua Manager: Luo ,Guang wei Head of Accounting: Lin, Zhi chong

Fortune Oriental Company Limited and Subsidiaries

Consolidated Statements of Cash Flows

For the Years Ended December 31, 2023 and 2022

Unit: NT$ thousands

Item	2023 Amount	2022 Amount
Cash flows from operating activities		
Income(loss) before tax	$ 60,063	$ (644,841)
Adjustments for		
Adjustments to reconcile income(loss)		
Depreciation expenses	26,473	19,779
Amortization expenses	3,050	2,025
Expected credit loss	1,055	1,123
Valuation (gains)losses on financial assets at fair value through profit or loss	(281,952)	415,809
Losses on disposal of financial assets at fair value through profit or loss, net	179,688	247,781
Interest expenses	2,396	25,327
Interest income	(772)	(1,202)
Dividend income	(85,222)	(119,895)
Losses (gains) on disposal of property, plants, and equipment	95	(286)
Losses on foreign exchange, net	241	55
Changes in operating assets and liabilities		
Acquisition of financial assets at fair value through profit or loss	-	(710,381)
Acquisition of financial assets at fair value through other comprehensive income	-	(25,000)
Disposal of financial assets at fair value through profit or loss	-	901,467
Disposal of financial assets at fair value through other comprehensive income-current	-	28,371
Notes receivable	1,580	(1,382)
Accounts receivable	(6,450)	2,980
Accounts receivable from related parties	(157)	(42)
Other receivables	(19)	120,724
Inventories (including land held for construction)	(229)	(19,372)
Prepayments	(20,451)	(954)
Other current assets	(8,538)	(221)
Contract liabilities	3,489	594
Notes payable	338	(1,280)
Other notes payable to related parties	(3,543)	418
Accounts payable	3,477	804
Other pyables	2,436	(173,118)
Other payables to related parties	-	42
Other current liabilities	(29)	(18)
Cash (outflow)inflow from operations	(122,981)	69,307

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Fortune Oriental Company Limited and Subsidiaries
Consolidated Statements of Cash Flows(continued)
For the Years Ended December 31, 2023 and 2022

Unit: NT$ thousands

Item	2023 Amount	2022 Amount
Interest received	772	1,202
Dividends received	85,222	119,895
Interest paid	(2,396)	(25,327)
Income tax paid	(5)	(4,026)
Net cash (outflow)inflow from operating activities	(39,388)	161,051
Cash flows from investing activities		
Acquisitions of		
Refund from capital reduction related to financial assets at fair value through profit or loss	-	16,227
Financial assets at fair value through profit or loss	(546,312)	-
Financial assets at fair value through other comprehensive income-non -current	(2,000)	-
Financial assets at amortized cost-current	(30,000)	-
Investment property	-	(8,642)
Property, plant and equipment	(37,919)	(12,360)
Intangible assets	(6,164)	(5,225)
Proceeds from disposal of		
Financial assets at fair value through profit or loss	668,703	12,774
Property, plant and equipment	50	286
Increase in prepayments for equipment	(16,595)	-
Refundable deposits (paid)refunded	(2,615)	50,181
Net cash inflow from investing activities	27,148	53,241
Cash flows from financing activities		
Borrowings of short-term loan	-	3,000
Repayments of short-term loan	-	(3,000)
Repayments of lease principal	(18,746)	(14,363)
Cash dividends paid	-	(8,200)
Guarantee deposits received (refunded)	500	(148)
Acquisition of treasury stock	(10,989)	(218,790)
Net cash outflow from financing activities	(29,235)	(241,501)
Effect of exchange rate changes on cash and cash equivalents	(25)	(18)
Net decrease in cash and cash equivalents	(41,500)	(27,227)
Cash and cash equivalents at beginning of period	114,318	141,545
Cash and cash equivalents at end of period	$ 72,818	$ 114,318

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

(Please refer to independent auditors' report of G & F Certified Public Accountants on March 8, 2024)

Chairman: Chen, Bi hua Manager:Luo ,Guang wei Head of Accounting: Lin, Zhi chong

Fortune Oriental Company Limited and Subsidiaries

Notes to Consolidated Financial Statements

For the Years Ended December 31, 2023 and 2022

(Unit: NT$ thousands, unless specified otherwise)

1. General

Fortune Oriental Company Limited(hereinafter referred to as the "Company", and its subsidiaries are collectively referred to as the "Group") was incorporated on April 14, 1995. The main business is the agency of electronic components related products, the import and export trade of multimedia information products etc. Subsidiary (VAST POWER CORPORATION) increased financial investment transactions in its business activities in 2020. Afterwards, on December 23, 2022, the board of directors approved operational adjustments from 2023, it will focus on the R&D, design, manufacture and sales of electric vehicle power systems. While financial investment transactions will be adjusted and reduced in scale since 2023 and listed as non-operating items.

Shares of the Company were listed for trading on Taipei Exchange from February 21, 2000; the Company later received approval to list for trading on Taiwan Stock Exchange Corporation from September 19, 2001 onwards.

2. The Authorization of Financial Statements

The accompanying consolidated financial statements were approved and authorized for issue by the Board of Directors on March 8, 2024.

3. Application of New and Revised International Financial Reporting Standards

(1) Initial application of the amendments to the International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC) and SIC announcements (SIC) (collectively, referred to as "IFRSs" below) endorsed and issued into effect by the Financial Supervisory Commission (FSC)

The initial application of the amendments to the IFRSs endorsed and issued into effect by the FSC did not have a significant effect on the accounting policies of the

Group.

(2) The IFRSs issued by International Accounting Standards Board (IASB) and endorsed by the FSC with effective date starting 2024

Application of New/Amended/Revised Standards and Interpretations	Effective Date Issued by IASB (Note1)
Amendments to IFRS 16 regarding "Lease liabilities arising from sale and leaseback transactions"	January 1, 2024(Note2)
Amendments to IAS 1 regarding "Classification of liabilities as current or non- current"	January 1, 2024
Amendments to IAS 1 regarding "Non-current liabilities with covenants"	January 1, 2024
Amendments to IAS 7 and IFRS 7 regarding "Supplier finance arrangements"	January 1, 2024(Note3)

Note 1: Unless stated otherwise, the above New IFRSs are effective for annual reporting periods beginning on or after their respective effective dates.

Note 2: A seller-lessee shall apply the amendments to IFRS 16 retrospectively to sale and leaseback transactions entered into after the date of initial application of IFRS 16.

Note 3: Initial application of some disclosure requirements is exempted.

As of the date of issuance of the parent company only financial statements, the Group assesses that amendments to other standards and interpretations will not have a significant impact on the financial position and performance.

(3) The IFRSs issued by IASB but not yet endorsed and issued into effect by the FSC

Application of New/Amended/Revised Standards and Interpretations	Effective Date Issued by IASB (Note 1)
Amendments to IFRS 10 and IAS 28 regarding "Sale or contribution of assets between an investor and its associate or joint venture"	Undetermined
IFRS 17 "Insurance contracts"	January 1, 2023
Amendments to IFRS 17	January 1, 2023
Amendments to IFRS 17 regarding "Initial application of IFRS 17 and IFRS 9- compare Information"	January 1, 2023
Amendments to IAS 21 regarding "Lack of Exchangeability"	January 1, 2025 (Note 2)

Note 1: Unless stated otherwise, the above New IFRSs are effective for annual reporting

periods beginning on or after their respective effective dates.

Note 2: Applicable to annual reporting periods starting after January 1, 2025. Initial application date of the impact amount will be recognized in retained earnings. When financial statements are expressed in non-functional currency, the impact amount will be adjusted to the exchange difference of foreign operating institutions under equity on the initial application date.

As of the date of issuance of the consolidated financial statements, the Group continues to evaluate the impact of amendments to other standards and interpretations on its financial position and performance. The related impact will be disclosed when the Group completes its evaluation.

4. Summary of Material Accounting Policy Information

(1) Statement of compliance

The accompanying consolidated financial statements have been prepared in conformity with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the IFRSs endorsed by the FSC with the effective dates (collectively, "Taiwan-IFRSs").

(2) Basis of preparation

a. Basis for measurement

The consolidated financial statements have been prepared based on historical cost basis, except for financial instruments that are measured at fair value.

b. Functional currency and presentation currency

Every entity within the Group has designated its functional currency as the main currency used in the economic environment where operations take place. NT$ is the functional currency of the Group.

(3) Basis of consolidation

a. Basis of preparation for consolidated financial statements

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company (its subsidiaries).

The consolidated statement of comprehensive income already accounts for operating profit/losses of subsidiaries acquired or disposed of during the current period since the acquisition date or up until the disposal date. Total comprehensive income generated by subsidiaries is divided into amounts that are attributable to shareholders of the parent and to non-controlling interests, even if this results in the non-controlling interests having a deficit balance.

Changes in the Group's ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognized directly in equity and attributed to shareholders of the parent.

Inter-company transactions, balances, and unrealized gains or losses on transactions between companies within the Group are eliminated. Accounting policies of subsidiaries are adjusted, when necessary, to remain consistent with those of the Company.

b. The subsidiaries in the consolidated financial stateme

The detail information of the subsidiaries at the end of reporting period was as follows

Investor	Subsidiary	Nature of business	Ownership percentage	
			December 31, 2023	December 31, 2022
The Company	Huaxun Venture Capital Co., Ltd.	General investment	99.97%	99.97%
The Company	VAST POWER CORPORATION	Electric vehicle power system development, real estate leasing	61.43%	60.41%
The Company	INNOTEK PHOTOELECTRIC TECHNOLOGY CORP.	Lighting equipment	27.81%	27.81%
Huaxun Venture Capital Co., Ltd.	INNOTEK PHOTOELECTRIC TECHNOLOGY CORP.	Lighting equipment	16.85%	16.85%
VAST POWER CORPORATION	INNOTEK PHOTOELECTRIC TECHNOLOGY CORP.	Lighting equipment	36.52%	36.52%
VAST POWER CORPORATION	Dajixiang International Construction Co., Ltd.	Real estate development	100%	100%

Note 1

The main business activities of subsidiary (VAST POWER CORPORATION) in 2022 were general investment and real estate leasing. On December 23, 2022, the board of directors approved operational adjustments. Since 2023, it has been engaged in real estate leasing and the research and development and design of electric vehicle power systems, manufacturing and sales are the main business activities, while financial investment transactions have been adjusted and reduced in scale since 2023 as non-operating items.

Note 2

Subsidiary-VAST POWER CORPORATION (Original company name: INFOMEDIA INC.), the company name was changed with the approval of the Ministry of Economic Affairs in July 2023.

c. Subsidiaries not listed in the consolidated financial statements: N/A.

d. Subsidiaries with significant non-controlling interests that are material to the Group

The total amount of non-controlling interests of the Group as of December 31, 2023 and 2022 was NT$ 435,940 and NT$ 432,407, respectively. The following was information on non-controlling interests and subsidiary that were material to the Group:

		Non-controlling interests December 31, 2023		Non-controlling interests December 31, 2022	
Subsidiary	Main Business Location	Amount	Ownership Percentage	Amount	Ownership Percentage
VAST POWER CORPORATION	Taiwan	$ 424,128	38.57%	$ 418,896	39.59%

Aggregate financial information of subsidiary

Balance Sheets

	VAST POWER CORPORATION	
	December 31, 2023	December 31, 2022
Current Assets	$ 625,000	$ 632,655
Non-current Assets	587,855	502,398
Current Liabilities	(83,642)	(70,052)
Non-current Liabilities	(29,582)	(6,916)
Total Net Assets	$ 1,099,631	$ 1,058,085

Statements of Comprehensive Income

	VAST POWER CORPORATION	
	December 31, 2023	December 31, 2022
Operating revenue, net	$ 2,619	$ (437,785)
Net income(loss) before tax	63,016	(526,328)
Income tax expenses	(1)	-
Net income(loss) from continuing operations	63,015	(526,328)
Other comprehensive (loss)income	(10,480)	9,989
Total comprehensive income(loss) for the year	$ 52,535	$ (516,339)
Total comprehensive income(loss) attributable to non-controlling interests	$ 20,263	$ (204,419)
Dividends paid to non-controlling interests	$ -	$ -

Statements of Cash Flows

	VAST POWER CORPORATION	
	December 31, 2023	December 31, 2022
Net cash (outflow)inflow from operating activities	$ (33,294)	$ 170,809
Net cash inflow (outflow) from investing activities	56,324	(11,558)
Net cash outflow from financing activities	(23,217)	(227,610)
Effect of exchange rate changes on cash and cash equivalents	5	3
Decrease in cash and cash equivalents	(182)	(68,356)
Cash and cash equivalents at beginning of period	20,747	89,103
Cash and cash equivalents at end of period	$ 20,565	$ 20,747

(4) Foreign currencies

Foreign currency transactions are converted into the functional currency using exchange rate as at the trade day. Foreign currency-denominated assets and liabilities at the end of the period are converted into the functional currency using exchange rate applicable on that day. Exchange differences arising from settlement or translation of monetary accounts are recognized in profit or loss in the period occurred.

Foreign currency-denominated non-monetary items measured at fair value are converted using exchange rates as at the date of fair value. However, items that have fair value changes recognized in other comprehensive income shall also have exchange differences recognized in other comprehensive income.

Foreign currency-denominated non-monetary items measured at historical cost are converted using exchange rate as of the date of initial transaction. No further conversion is made.

(5) Classification of current and non-current assets and liabilities

Assets that meet one of the following criteria are classified as current assets:

a. Assets held primarily for the purpose of trading.

b. Assets that are expected to be realized within 12 months from the balance sheet date.

c. Cash or cash equivalents, excluding assets restricted from being exchanged or used to settle a liability for at least 12 months after the balance sheet date.

The Group classifies assets not meeting the aforesaid criteria into non-current assets.

Liabilities that meet one of the following criteria are classified as current liabilities:

a. Liabilities incurred primarily for the purpose of trading.

b. Liabilities that are expected to be settled within 12 months after the balance sheet date.

c. Liabilities with a repayment deadline that cannot be unconditionally deferred for at least 12 months after the balance sheet date.

The Group classifies liabilities not meeting the aforesaid criteria into non-current liabilities.

(6) Financial instruments

Financial assets and liabilities shall be recognized when the Group becomes a party to the contractual provisions of the instruments.

Financial assets and liabilities are initially recognized at fair values. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in profit or loss.

a. Financial assets

The classification of financial assets depends on the nature and purpose of the financial assets and is determined at the time of initial recognition. Regular way purchases or sales of financial assets are recognized and derecognized on a trade date or settlement date basis for which financial assets were classified in the same way, respectively. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

(a) Category of financial assets and measurement

Financial assets are classified into: financial assets at fair value through profit or loss, investments in debt instruments and equity instruments at fair value through other comprehensive income, and financial assets at amortized cost.

Financial assets at fair value through profit or loss

For certain financial assets which include debt instruments that do not meet the criteria of amortized cost or fair value through other comprehensive income, it is mandatorily required to measure them at fair value through profit or loss. Any gain or loss arising from remeasurement is recognized in profit or loss. The net gain or loss recognized in profit or loss incorporates any interest earned on the financial asset.

Investments in debt instruments at fair value through other comprehensive income

Debt instruments with contractual terms specifying that cash flows are solely payments of principal and interest on the principal amount outstanding, together with objective of collecting contractual cash flows and selling the financial assets, are measured at fair value through other comprehensive income.

Interest income calculated using the effective interest method, foreign exchange gains and losses and impairment gains or losses on investments in debt instruments at fair value through other comprehensive income are recognized in profit or loss. Other changes in the carrying amount of these debt instruments are recognized in other comprehensive income and will be reclassified to profit or loss when these debt instruments are disposed.

Investments in equity instruments at fair value through other comprehensive income

On initial recognition, the Group may irrevocably designate investments in equity investments that is not held for trading and not a consideration for business acquisition as at fair value through other comprehensive income.

Investments in equity instruments at fair value through other comprehensive incom are subsequently measured at fair value with gains and losses arising from changes in fair value recognized in other comprehensive income and accumulated in other equity.

Dividends on these investments in equity instruments at fair value through other comprehensive incom are recognized in profit or loss when the Group's right to receive the dividends is established, unless the Group's rights clearly represent a recovery of part of the cost of the investment.

Financial assets at amortized cost

Cash and cash equivalents, debt instrument investments, notes and accounts receivable (including related parties) , other receivables and refundable deposits are measured at amortized cost.

Cash equivalents include time deposits with less than 3 months until maturity that are highly liquid, readily convertible into defined amounts of cash, and less prone to the risk of fair value changes. Cash equivalents are held for the purpose of meeting short-term cash commitments. Time deposits that do not meet the above definitions are presented as other financial assets - current or non-current.

Debt instruments with contractual terms specifying that cash flows are solely payments of principal and interest on the principal amount outstanding, together with objective of holding financial assets in order to collect contractual cash flows, are measured at amortized cost.

Subsequent to initial recognition, financial assets are measured at amortized cost, which equals to carrying amount determined by the effective interest method less any impairment loss.

(b) Impairment on financial assets

At the end of the period, a loss allowance for expected credit loss is recognized for financial assets at amortized cost (including accounts receivable) and for investments in debt instruments that are measured at fair value through other comprehensive income.

All receivables have loss provisions recognized based on expected credit losses over their duration. For other financial assets, the Consolidated Entity first evaluates whether there is significant increase in credit risk since initial recognition. If there is no significant increase in credit risk, loss provisions are recognized based on 12-month expected credit loss; if there is significant increase in credit risk, loss provisions are recognized based on expected credit loss over the remaining duration.

Expected credit losses are determined as average credit loss weighed against the risk of default. 12-month expected credit losses represent the amount of credit losses that the financial instrument is likely to incur due to default event in the next 12 months, whereas expected credit losses for the remaining duration represent the amount of credit losses that the financial instrument is likely to incur due to all possible default events for the remaining duration.

For the purpose of internal credit risk management, a financial asset is deemed to have defaulted in any of the following circumstances, without considering the presence of collaterals:

- There is internal or external information to indicate that the debtor is unable to settle outstanding debts.
- Debts are not settled past the credit term.

The Group recognizes an impairment loss in profit or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account, except for investments in debt instruments that are measured at fair value through other comprehensive income, for which the loss allowance is recognized in other comprehensive income and does not reduce the carrying amount of the financial assets.

(c) Derecognition of financial assets

The Group derecognizes a financial asset only when the contractual rights to the cash flows from the financial asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the financial asset to another entity.

On derecognition of a financial asset at amortized cost in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognized in profit or loss. On derecognition of an investment in a debt instrument at fair value through other comprehensive income, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognized in other comprehensive income is recognized in profit or loss. However, on derecognition of an investment in an equity instrument at fair value through other comprehensive income, the cumulative gain or loss that had been recognized in other comprehensive income is transferred directly to retained earnings, without recycling through profit or loss.

b. Financial liabilities

(a) Recognition and measurement

Except for financial liabilities at fair value through profit or loss, which are measured at fair value, all other financial liabilities are measured at amortized cost using the effective interest method (including notes and accounts payable, other payables, and guarantee deposits).

(b) Derecognition of financial liabilities

When a financial liability is derecognition, the difference between carrying value and the consideration paid (including any non-cash assets transferred or any additional liabilities borne) is recognized through profit or loss.

(7) Inventories

Inventories are stated at the lower of cost or net realizable value; the lower of cost or net realizable value is compared item-by-item, except items within the same category. Net realizable value refers to the estimated selling price less all estimated costs required for completion and all associated marketing expenses under normal circumstances. Inventories are calculated using the weighted average method.

(8) Property, plants and equipment

Property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment. Costs include any incremental costs that are directly attributable to the construction, acquisition of the item of property, plant and equipment or borrowing costs eligible for capitalization.

For any property, plant, or equipment that comprises several different components, each major component is treated as a separate property, plant, or equipment if it makes up a material part relative to total cost and if use of different depreciation rate or method is deemed more appropriate.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the assets. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in profit or loss.

Subsequent costs are included in the asset's carrying amount or recognized 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 part replaced shall be derecognized. All other amount of repairs and maintenance are recognized as profit or loss during the financial period in which they are incurred.

Except for land which is not depreciated, other property, plant, and equipment are subsequently measured using the cost model and are depreciated using the straight-line method to allocate their cost over their estimated useful lives. If the components of property, plant and equipment are significant, they shall be separately depreciated. Please see Note 15 for the useful years of property, plant, and equipment.

Depreciation, useful years, and residual value are reviewed at the end of the period. Any changes will be treated as changes in accounting estimates.

(9) Leases

For a contract that contains a lease component and non-lease component, the Company may elect to account for the lease and non-lease components as a single lease component.

a. The Group as lessor

A lease arrangement is classified as a finance lease if the terms involve a transfer all risks and returns associated with ownership of the underlying assets to the lessee. All other lease arrangements are classified as operating lease.

When the Group subleases the right-of-use assets, the Group classifies the sublease based on the right-of-use assets (instead of the underlying assets).

Lease payments of a finance lease comprise fixed payments, variable lease payments. Net investments of a lease are calculated as the sum of present value of lease payments receivable, and is presented on balance sheets as finance lease receivables. Finance income is allocated into the lease period that reflects a constant return rate of the Group's net lease investments.

Proceeds received from operating leases are recognized as income on a straight-line basis over the lease tenor.

b. The Group as lessee

The Group recognizes right-of-use assets and lease liabilities from the lease start date for each lease arrangement, except for exempted low-value and short-term leases where expenses are recognized on a straight-line basis over the lease tenor.

Right-of-use assets are measured at cost. The cost of right-of-use assets comprises the initial measurement of lease liabilities adjusted for lease payments and initial direct costs made at or before the commencement date, plus an estimate of costs needed to restore the underlying assets. Subsequent measurement is calculated as cost less accumulated depreciation and accumulated impairment loss and adjusted for changes in lease liabilities as a result of lease term modifications or other related factors. Right-of-use assets are presented separately in the consolidated balance sheets.

Right-of-use assets are depreciated using the straight-line method from the commencement dates to the earlier of the end of the useful lives of the right-of-use assets or the end of the lease terms.

Lease liabilities are measured at the present value of the lease payments. Lease payments comprise fixed payments, variable lease payments which depend on an index or a rate and the exercise price of a purchase option if the Group is reasonably certain to exercise that option. The lease payments are discounted using the lessee's incremental borrowing rates.

Subsequently, lease liabilities are measured at amortized cost using the effective interest method, with interest expense recognized over the lease terms. When there is a change in a lease term, a change in future lease payments resulting from a change in an index or a rate used to determine those payments, or a change in the assessment of an option to purchase an underlying asset, the Company remeasures the lease liabilities with a corresponding adjustment to the right-of-use assets. If, however, the carrying value of right-of-use asset has already been reduced to zero, any subsequent remeasurements are recognized through profit or loss. Lease liabilities are presented on a separate line in the consolidated balance sheets.

Variable lease payments that do not depend on an index or a rate are recognized as expenses in the periods in which they are incurred.

(10) Intangible assets

a.Other intangible assets

Other separately acquired intangible assets with finite useful lives are measured at cost less accumulated amortization and accumulated impairment losses. Intangible assets acquired through business combination are measured at fair value as at the acquisition date, and presented separately from goodwill.

b. Amortization and derecognition

Except for goodwill and intangible assets with undefined useful life, intangible assets are amortized using the straight-line method over the useful life from the time they reach the usable state. Amortizations are recognized in profit or loss.

The method and period of amortization are reviewed at the end of the period. Any changes will be treated as changes in accounting estimates.

Difference between the net disposal proceed and carrying value of intangible assets derecognized is recognized in current profit or loss.

(11) Liability provisions

A provision is recognized if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and an outflow of economic benefits is possibly required to settle the obligation.

Provisions are recognized to account for the risk and uncertainty of the Group's obligations. It represents the best estimate of the cash outflows needed to settle obligations at the end of the period. Where liabilities reserve is estimated based on cash outflows at the time of settlement, the carrying value is calculated as the present value of future cash outflows.

(12) Impairment of non-financial assets

<u>Other tangible and intangible assets and additional cost for contract establishment</u>

The Group examines the carrying values of these assets for signs of impairment at the end of the period. If signs of impairment are discovered, the Group then estimates each asset's recoverable amount to determine the amount of impairment to be recognized. If the recoverable amount can not be estimated for a particular asset, the Group will estimate recoverable amount for the entire cash-generating unit. Recoverable amount is the higher between fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate.

If recoverable amount of an asset or cash-generating unit falls below the carrying value, the carrying value of that particular asset or cash-generating unit is reduced to the recoverable amount with impairment losses recognized through profit or loss. When impairment losses are reversed on a later date, the carrying value of corresponding assets or cash-generating units is adjusted upwards to the estimated recoverable amount. However, the increased carrying value shall not exceed the carrying value of the asset or cash-generating unit before impairment losses were recognized. Reversals of impairment loss are recognized through profit or loss in the period occurred.

(13) Revenue recognition

The Group first identifies performance obligations in a contract it signs with customer, then allocates the transaction sum to various obligations, and recognizes revenue when each obligation is fulfilled.

a.Revenue from sale of merchandise

The Group sells electronic components, multimedia information products, lighting equipment and lighting products, and recognizes revenues and accounts receivable at the time products are shipped to customer's designated location, as the customer then becomes entitled to set price and make use of such product while at the same time bears the main responsibility to resell and assumes obsolescence risks.

b. Rental income

Income is recognized on a monthly basis over the lease tenor using the straight-line method.

(14) Employee benefits

Liabilities associated with short-term employee benefits are measured at non-discounted amount of cash that the Group expects to pay in exchange for employees' service.

Contributions to the defined contribution plan are recognized as expenses over the duration of employees' service.

(15) Income tax

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

a. Current income tax

Current income tax includes amounts that are calculated based on the current year's taxable income (or loss), plus any adjustment to income tax payable in previous years.

Income tax on unappropriated earnings is expensed in the year the shareholders approved the appropriation of earnings which is the year subsequent to the year the earnings are generated.

b. Deferred income tax

Deferred income taxes are measured and recognized based on temporary differences between the carrying value and tax base of an asset or liability at the end of the period. Deferred income tax assets are recognized under the condition that the Group is very likely to generate taxable income in the future to offset deductible temporary differences.

Taxable temporary differences arising from subsidiaries investments are recognized as deferred income tax liabilities, except in cases where the Group is able to control the timing of which temporary differences are reversed, and that such temporary differences are highly likely to be kept from reversing in the foreseeable future. Deductible temporary differences relating to these investments are recognized as deferred income tax assets only to the extent that sufficient taxable income can be earned to realize the temporary differences, and that reversal is expected in the foreseeable future.

Deferred income tax is calculated using the tax rate that is expected to be effective at the time deferred income tax asset or liability is expected to be realized or repaid. In this financial report, the statutory tax rate or substantively enacted tax rate at the end of the period was used for calculation. Deferred income tax liabilities and assets represent tax impacts of the method by which the Group expects to recover or settle the carrying value of its assets and liabilities at the end of the period.

Unused tax losses and tax credits can be carried forward, added to deductible temporary differences, and recognized as deferred income tax assets to the extent that is likely to be offset against taxable income earned in the future. Deferred income tax assets are evaluated at the end of the period. Income tax benefits that are not very likely to be realized will be reduced down to the realizable amount.

5. Critical Accounting Judgments, Assumptions, and Key Sources of Estimation Uncertainty

The management is required to make judgments, estimates, and assumptions when preparing the consolidated financial statements. These judgments, estimates, and assumptions may affect the types of accounting policies adopted and amounts of assets, liabilities, income, and expenses reported. The actual outcome may differ from initial estimates.

The management constantly reviews its estimates and assumptions. Impacts from changes in accounting estimates are recognized in the year the changes take place and in future years when impacts materialize.

Significant accounting judgments

(1) Lease tenor

When determining the tenor of leased asset, the Group takes into account the economic incentives to be generated and all facts and circumstances relating to the exercise (or non-excise) of options, including all expected changes of fact and circumstances from the lease start date until the option exercise date. The main factors taken into consideration include: terms and conditions of the option contract, major lease improvements during the contract tenor, and significance of the underlying asset to lessee's operations. Lease tenor is re-evaluated for any material occurrence or material change of circumstance that is within the control of the Group.

Uncertainty of estimates and assumptions

(1) Inventories

Due to the fact that inventories are measured at the lower of cost and net realizable value, the Group assesses inventories at the end of the period for any decrease in sales value caused by normal wear, obsolescence, or absence of market demand, and reduces inventory cost to net realizable value accordingly. Inventory valuation is conducted by estimating product demand within a specific period of time in the future, which may vary significantly due to rapid industry development. For details on inventory valuation, please refer to Note 12.

(2) Liability provisions - lawsuit reserve

The Group evaluates occurrence and cost of lawsuits regularly based on historical experience. Lawsuit reserves are recognized when a lawsuit is very likely to give rise to current obligations and that the amount can be reasonably estimated. Please refer to Note 23.

(3) Estimated impairment on receivables

The Group estimates impairment loss of receivables by measuring expected credit losses over the remaining duration. Credit loss is determined as the present value of differences between contractual cash flow (carrying value) and expected cash flow collection (after evaluating forward-looking information), but considering that the effect of discounting is insignificant for short-term receivables, credit loss is not measured using present value of differences. Significant impairment losses may arise if actual cash flow falls below expectation in the future.

(4) Impairment assessment on tangible assets and intangible assets (except goodwill)

When assessing asset impairment, the Group relies on the use of subjective judgment and determines independent cash flow and future income or expenses or losses for specific asset groups after taking into consideration the method in which assets are used and industry characteristics. Any change of economic circumstances and any change in estimate caused by the Group's strategies may result in significant impairment in the future.

6. Cash and Cash Equivalents

	December 31, 2023	December 31, 2022
Cash on hand	$ 299	$ 279
Deposits in banks	72,519	114,039
Total	$ 72,818	$ 114,318

7. Financial Assets at Fair Value Through Profit or Loss

	December 31, 2023	December 31, 2022
Financial assets-current		
Financial assets mandatorily at fair value through profit or loss		
TWSE/TPEX listed stocks	$ 667,960	$ 691,684
Beneficiary certificates	22,793	28,194
subtotal	690,753	719,878
Financial assets-non-current		
Financial assets mandatorily at fair value through profit or loss		
Private Equity Fund	16,500	-
Total	$ 707,253	$ 719,878

As of December 31, 2023 and 2022, none of the financial assets at fair value through profit or loss is pledged as collateral.

8. Financial Assets at Fair Value Through Other Comprehensive Income

	December 31, 2023	December 31, 2022
Equity instruments- non-current		
Private placement of TPEX listed stocks	$ 27,680	$ 38,160
Private Equity Fund	-	7,500
Non-listed stocks		
AETAS	-	-
INTEGRATED	-	-
BROADRIVER	-	-
Zhi Cheng Retro-style EV-mobility Design Co., Ltd.	2,000	-
Total	$ 29,680	$ 45,660

(1) The Group invests in the above instruments by adopting a medium-long term strategy, and expects to profit over the long term. Management of the Group is of the opinion that recognizing short-term fair value changes through profit or loss on such investments does not conform with the long-term investment plans described above, and therefore has chosen to account for such investments at fair value through other comprehensive income.

(2) AETAS, INTEGRATED and BROADRIVER, three equity-accounted investments held by the Group, suffered losses that significantly reduced fair value below initial cost of investment, for this reason, the Group had recognized losses on adjustment to valuation for the entirety of the three investees.

(3) As of December 31, 2023 and 2022, none of the above assets is pledged as collateral.

9. Financial Assets at Amortized Cost

	December 31, 2023	December 31, 2022
Time deposits maturing after 3 months	$ 30,000	$ -

Details of profit or loss items recognized on financial assets measured at amortized cost:

	2023	2022
Interest income	$ 235	$ -

10. Notes and Accounts Receivable, Net

	December 31, 2023	December 31, 2022
Notes receivable - non-related parties	$ 11,713	$ 13,293
Accounts receivable - non-related parties	461,725	455,507
Less: Loss allowance	(425,637)	(424,582)
Net amount	36,088	30,925
Total	$ 47,801	$ 44,218

The average credit term granted on the sale of merchandise is 60-120 days. No interest is calculated on accounts receivable. The Group rates its main customers based on publicly available financial information and transaction history. The Group persistently monitors credit exposure and counterparties' credit ratings, and controls counterparty exposure through credit limits that are reviewed and approved by the management.

The Group adopts the simplified approach of IFRS 9 and recognizes loss allowance on accounts receivable based on expected credit losses over the duration (after excluding special cases where 100% of losses have been provided). Expected credit losses for the duration of account are calculated using a provision matrix, which takes into consideration a customer's default history and current financial position, the current state of industry and economy, GDP forecast, and industry outlook. Since previous credit loss records showed no significant difference in loss pattern across customer groups, the provision matrix did not distinguish between customer groups, but merely used different expected credit loss rates for the number days of the accounts receivable.

If there is evidence to suggest that the counterparty is undergoing severe financial crisis and the recoverable amount can not be reasonably estimated, the Group will directly offset loss allowance against accounts receivable. In which case, the Group will continue collection efforts on the receivables, and any amounts recovered will be recognized through profit or loss.

The amount of loss allowance calculated based on the provision matrix is presented below:

(1) December 31, 2023

	Not past due	Past due 1-60 days	Past due 61-90 days	Past due 91-365 days	Past due over 365 days	Total
Total carrying value	$ 33,453	$ 3,436	$ 539	$ 705	$ 423,592	$ 461,725
Loss allowance	(697)	(762)	(272)	(314)	(423,592)	(425,637)
Amortized cost	$ 32,756	$ 2,674	$ 267	$ 391	$ -	$ 36,088

(2) December 31, 2022

	Not past due	Overdue 1-60 Days	Past due 61-90 days	Past due 91-365 days	Past due over 365 days	Total
Total carrying value	$ 29,480	$ 1,132	$ 552	$ 2,128	$ 422,215	$ 455,507
Loss allowance	(1,098)	(148)	(116)	(1,005)	(422,215)	(424,582)
Amortized cost	$ 28,382	$ 984	$ 436	$ 1,123	$ -	$ 30,925

Changes in loss allowance on accounts receivable are shown below:

	2023	2022
Balance, beginning of year	$ 424,582	$ 423,459
Loss allowance	1,055	1,123
Balance, end of year	$ 425,637	$ 424,582

11. Other Receivables

	December 31, 2023	December 31, 2022
Tax refund receivable	$ 19	$ -
Others	16,132	16,132
Less: Loss allowance	(16,132)	(16,132)
Total	$ 19	$ -

12. Inventories

	December 31, 2023		
	Cost	Allowance for valuation loss	Carrying value
Merchandise	$ 88,516	$ (80,275)	$ 8,241
Raw materials	6,567	(3,909)	2,658
Supplies	349	(337)	12
Finished goods	48,904	(15,216)	33,688
Total	$ 144,336	$ (99,737)	$ 44,599

	December 31, 2022		
	Cost	Allowance for valuation loss	Carrying value
Merchandise	$ 89,594	$ (79,734)	$ 9,860
Raw materials	7,859	(5,123)	2,736
Supplies	340	(248)	92
Finished goods	52,324	(16,016)	36,308
Total	$ 150,117	$ (101,121)	$ 48,996

The Group's inventory cost recognized as an expense for the current period :

	2023	2022
Cost of inventories sold	$ 144,217	$ 151,853
Valuation gains on price recovery	(6,010)	(13,591)
Others	3,028	4,119
Operating costs	$ 141,235	$ 142,381

The inventories of the Group are measured by the lower of cost and net present value. In 2023 and 2022, the inventory valuation gains on price recovery recognized were NT$ 6,010 and NT$ 13,591 respectively.

As of December 31, 2023 and 2022, none of the above inventories is pledged as collateral.

13. Land held for construction

Item	December 31, 2023	December 31, 2022
Land held for Construction	$ 414,950	$ 414,950
Construction-in-progress	1,590	1,590
Total	416,540	416,540
Less: Allowance for valuation loss	(89,133)	(93,759)
Net amount	$ 327,407	$ 322,781

(1) The Group's inventory of land held for construction, buildings and structures comprise: 10 lots of individually owned land including Lot No. 695, Huiguo Section, Xindian; joint construction land Lot No. 696 (Please refer to Note 16 for details), and 5 individually

owned buildings and structures including Building No. 1762.

(2) Land held for construction by sub-subsidiary-Dajixiang International Construction Co., Ltd. showed a recovery of market value as of December 31, 2023 and 2022, as indicated by real estate appraisal report; NT$ 4,626 and NT$ 17,132 of gains from reversal of inventory valuation loss were recognized for the respective periods.

(3) As of December 31, 2023 and 2022, none of the above land held for Construction is mortgaged as collateral.

14. Other Current Assets

Nature	December 31, 2023	December 31, 2022
Other financial assets	$ 9,361	$ -
Others	325	1,148
Total	$ 9,686	$ 1,148

Please refer to Note 33 for details on other financial assets pledged as collateral.

15. Property, Plant and Equipment

	January 1, 2023	Additions	Reclassification	Disposal and Scrapping	December 31, 2023
Cost of quipment					
Machinery	$ 10,921	$ 13,977	$ 46	$ -	$ 24,944
Mold	600	59	(29)	-	630
Transportation	120	-	-	-	120
Office	9,534	2,314	30	(125)	11,753
Others	17,961	24,722	(172)	(70)	42,441
Total	$ 39,136	$ 41,072	$(125)	$ (195)	$ 79,888
Accumulated depreciation					
Machinery	$ 4,536	$ 1,174	$ 2	$ -	$ 5,712
Mold	33	106	(2)	-	137
Transportation	-	30	-	-	30
Office	2,027	1,731	11	(31)	3,738
Others	4,883	3,840	(172)	(18)	8,533
Total	$ 11,479	$ 6,881	$(161)	$ (49)	$ 18,150

	January 1, 2023	Additions	Reclassification	Disposal and Scrapping	December 31, 2023
Cumulative impairment					
Machinery	$ 592	$ -	$ -	$ 592	$ 592

	January 1, 2022	Additions	Reclassification	Disposal and Scrapping	December 31, 2022
Cost of quipment					
Machinery	$ 10,680	$ 4,173	$ -	$ (3,932)	$ 10,921
Mold	-	600	-	-	600
Transportation	1,500	120	-	(1,500)	120
Office	4,589	4,945	-	-	9,534
Others	15,645	2,316	-	-	17,961
Total	$ 32,414	$ 12,154	$ -	$ (5,432)	$ 39,136
Accumulated depreciation					
Machinery	$ 6,957	$ 477	$ -	$ (2,898)	$ 4,536
Mold	-	33	-	-	33
Transportation	1,500	-	-	(1,500)	-
Office	749	1,278	-	-	2,027
Others	1,909	2,974	-	-	4,883
Total	$ 11,115	$ 4,762	$ -	$ (4,398)	$ 11,479
Cumulative impairment					
Machinery	$ 1,626	$ -	$ -	$ (1,034)	$ 592

Net carrying value	December 31, 2023	December 31, 2022
Machinery equipment	$ 18,640	$ 5,793
Mold equipment	493	567
Transportation equipment	90	120
Office equipment	8,015	7,507
Other equipment	33,908	13,078
Total	$ 61,146	$ 27,065

(1) Property, plant and equipment of the Group are depreciated on a straight-line basis over the number of useful years shown below:

Machinery equipment	3-10 years
Mold equipment	5 Years

Transportation equipment	3 years
Office Equipment	3-5 Years
Other Equipment	2-5 Years

(2) Non-cash investment in property, plant and equipment:

Item	December 31, 2023	December 31, 2022
Additional property, plant and equipment	$ 41,072	$ 12,154
Net change of other payables	(3,153)	206
Amount of cash paid for acquisition of property, plant and equipment	$ 37,919	$ 12,360

(3) The Group did not capitalize interest in 2023 and 2022.

(4) As of December 31, 2023 and 2022, none of the above assets is pledged as collateral.

16. Refundable Deposits

Item	December 31, 2023	December 31, 2022
Contract deposits for urban renewal of Huiguo market	$ -	$ -
Deposits for office and plant	3,466	2,306
Deposit for the Group vehicle	5,036	3,476
Others	1,167	1,272
Total	$ 9,669	$ 7,054

On January 24, 2011, sub-subsidiary - Dajixiang International Construction Co., Ltd. (referred to as Dajixiang below) signed a joint construction contract with Mr. Sheng, Pei-Ran, owner of land Lot No. 696, Huiguo Section, Xindian District, New Taipei City, to co-construct a new building using the urban renewal approach. The land owner will own 55% of the new building while Dajixiang owns the remaining 45%, and for which Dajixiang had paid a joint construction deposit of NT$ 52,050.

On September 28, 2018, land owner Mr. Sheng, Pei-Ran transfered all rights under the join construction contract to King King Energy Service Co., Ltd. (referred to as King King below), which superseded in the possession of the joint construction deposits and all rights of the joint construction contract. Due to inability to proceed with the joint construction project, Dajixiang and King King agreed to terminate the joint construction contract on June 14, 2022, and as a result, the land for joint construction registered under Dajixiang was transferred back to King King, and all taxes that arose as a result were borne by King King.

On July 7, 2022, a consensus was reached in accordance with Paragraph 2, Article 4 of the "Condominium Administration Act" to retain ownership over 1/100 of the jointly developed land and swapped out 1/200,000 of the land Lot No. 724, 743, 744 and 745 and 1/4 of building No. 2612. Ownership transferred for the above real estate transactions were completed on July 11, 2022, and King King refunded NT$ 52,050 of the joint construction deposits on July 12, 2022.

Dajixiang previously signed refundable deposits as part of its agreement with owners of Huiguo market to execute the urban renewal project, but after overall operational adjustment, Dajixiang does not expect to recover refundable deposits, and a loss of NT$ 7,935 had been wrote down in full.

17. Lease Agreements

(1) Right-of-use assets

	December 31, 2023	December 31, 2022
Carrying value of right-of-use assets		
Plants	$ 44,767	$ 21,068
Transportation equipments	5,582	5,123
Total	$ 50,349	$ 26,191

	2023	
Additional right-of-use assets		
Plants	$ 39,271	$ 15,194
Transportation equipments	4,097	3,907
Total	$ 43,368	$ 19,101

	2023	2022
Depreciation on right-of-use assets		
Plants	$ 15,313	$ 12,093
Transportation equipments	3,638	2,492
Total	$ 18,951	$ 14,585

(2) Lease Liabilities

	December 31, 2023	December 31, 2022
Carrying value of Lease liabilities		
Current	$ 19,797	$ 13,713
Non-current	31,378	13,096
Total	$ 51,175	$ 26,809

Discount month-rate range for lease liabilities:

	December 31, 2023	December 31, 2022
Plants	0.208%~0.292%	0.208%~0.292%
Transportation equipments	0.244%~0.292%	0.244%~0.292%

(3) The Group rents plants and transportation equipments for production and official affairs; the lease tenor ranges from one year to five years. The Group is not entitled to right of first offer over any leased plants or transportation equipments upon termination of lease tenor.

(4) Other lease information

Item	2023	2022
Lease expense for short-term and low-value leases	$ 5,272	$ 1,699
Total cash (outflow) from leases	$ 26,777	$ 31,358

18. Investment Property

	December 31, 2023	December 31, 2022
Investment property	$ 7,570	$ 8,211

(1)The fair value of the investment property of the Group on December 31, 2023 was evaluated by the management of the Group with reference to market evidence of similar real estate prices and information such as the current value of the announcement. The estimated fair value was NT$ 8,844.

(2) As of December 31, 2023 and 2022, none of the above assets is mortgaged as collateral.

19. Intangible Assets

	Computer software	Other intangible assets	Total
Cost			
Balance as of January 1, 2023	$ 11,163	$ 155	$ 11,318
Addition	5,572	-	5,572
Reclassification	(195)	-	(195)
Balance as of December 31, 2023	$ 16,540	$ 155	$ 16,695
Accumulated amortization			
Balance as of January 1, 2023	$ 3,698	$ 53	$ 3,751
Amortization expenses	3,011	39	3,050
Reclassification	(11)	-	(11)
Balance as of December 31, 2023	$ 6,698	$ 92	$ 6,790
Net amount	$ 9,842	$ 63	$ 9,905

	Computer software	Other intangible assets	Total
Cost			
Balance as of January 1, 2022	$ 8,958	$ 95	$ 9,053
Addition	2,205	60	2,265
Balance as of December 31, 2022	$ 11,163	$ 155	$ 11,318
Accumulated amortization			
Balance as of January 1, 2022	$ 1,694	$ 32	$ 1,726
Amortization expenses	2,004	21	2,025
Balance as of December 31, 2022	$ 3,698	$ 53	$ 3,751
Net amount	$ 7,465	$ 102	$ 7,567

(1) Amortization expenses are accounted on a straight-line basis over useful years shown as follows:

Computer software	1-5 Years
Other intangible assets	3-5 years

(2) Non-cash investment in intangible assets:

Item	December 31, 2023	December 31, 2022
Additional intangible assets	$ 5,572	$ 2,265
Net change of other payables	592	2,960
Amount of cash paid for acquisition of intangible assets	$ 6,164	$ 5,225

(3) As of December 31, 2023 and 2022, none of the above assets is pledged as collateral.

20. Prepayments for Investment

Item	December 31, 2023	December 31, 2022
Gold Target Fund	$ -	$ -

On June 30, 2004, the Group prepaid US$ 77,750 thousand (equivalent to NT$ 2,624,833) of investment in exchange for 7,775 shares of Gold Target Fund. Price per share of the fund was US$ 10 thousand, and the investment represented a 15% ownership interest. Gold Target Fund had aimed to raise US$ 500,000 thousand of capital in this offering. This fund investment was entered into by former chairman - Mr. Lu, Hsueh-Ren under the authorization of the Company's board of directors. According to the indictment drafted by prosecutor of Banqiao District Court Prosecutors Office on December 20, 2004, the investment arrangement had been the former chairman's fraudulent attempt to conceal the use of capital and to obtain proof of capital. No court judgment had been yet determined as of the publication date of consolidated financial statements, but the Group recognized impairment losses for the entire sum out of conservatism.

21. Other Payables

	December 31, 2023	December 31, 2022
Other payables - related parties	$ 6	$ 6
Other payables - non-related parties		
Accruals for technical cooperation	59,611	59,611
Salary payables	6,383	5,848
Others	18,471	14,163
Subtotal	84,465	79,622
Total	$ 84,471	$ 79,628

22. Retirement Benefit Plans

The retirement policy that the Group has established in accordance with the "Labor Pension Act" introduces a defined contribution plan. According to the "Labor Pension Act", the Group is required to make monthly pension fund contributions at an amount no less than 6% of employee's monthly salary. The Group has established a set of employee retirement policy according to the "Labor Pension Act", and makes monthly contributions to employees' pension fund accounts held with the Bureau of Insurance at 6% of salary.

Pension expenses recognized for the defined contribution plan totaled NT$ 4,430 in 2023 and NT$ 3,621 in 2022.

23. Other Non-Current Liabilities

	December 31, 2023	December 31, 2022
Estimated litigation settlement losses	$ 8,233	$ 8,233

In 2002 and 2003, the Company engaged Gemini Limited (an overseas underwriter) for the issuance of European convertible bonds (ECB). The underwriting income that Gemini Limited had earned on this transaction was subject to profit-seeking enterprises income tax of NT$ 7,286 under the Taiwan tax laws, and a lawsuit was raised to have the Company pay this sum according to contract terms. On August 17, 2011, Taiwan High Court issued a judgment that required the Company to pay Gemini Limited NT$ 6,933 plus NT$ 1,300 of interests accrued at the statutory rate for a total of NT$ 8,233, which were presented under the accounts "Other non-operating expenses– other" and "Other non-current liabilities - other." The Company raised an appeal to Supreme Court on September 13, 2011, but was rejected on June 5, 2013.

24. Equity

(1) Capital stock

	December 31, 2023	December 31, 2022
Authorized Capital	$ 10,000,000	$ 10,000,000
Issued capital	$ 820,080	$ 820,080

Changes in the number of issued common shares:

	Shares (thousands)	Shares capital
Balance as of December 31, 2023	82,008	$ 820,080
Balance as of December 31, 2022	82,008	$ 820,080

(2) Capital surplus

Item	December 31, 2023	December 31, 2022
Additional paid-in capital	$ 4,650	$ 4,650
Discount on issued capital	(4,650)	(4,650)
Difference between the equity price of subsidiary actually acquired or disposed of and the caryying value	61,996	61,996
Changes in ownership equity of subsidiary canceled and reclaimed shares	20,275	16,029
Total	$ 82,271	$ 78,025

According to the Company's Articles of Incorporation, additional paid-in capital (including common shares issued in excess of par value, corporate bond conversion premium, difference between the equity price of subsidiary actually acquired or disposed of and the caryying value, and treasury share transactions) may be distributed in cash or capitalized into capital stock when the Company is free of cumulative losses. However, capitalization of this surplus is capped at a certain percentage of the Company's issued capital each year. Furthermore, changes of equity interest in subsidiaries, changes of equity interest in equity-accounted affiliated enterprises, and shareholders' uncollected and expired dividends can be taken to offset losses but not for any other purpose.

(3) Retained earnings and dividend policy

According to the Company's Articles of Incorporation, if there are earnings in the annual final accounts, the Company shall pay taxe first and compensate the accumulated losses; appropriate 10% of the balance for legal reserve, but this does not apply when the legal reserve has reached the amount of the Company's total capital. Subsequently, the Company shall make an appropriation for or reverse the special reserve in accordance with the law. Then, if there are still earnings, together with the undistributed earnings accumulated from the beginning of the same period, the board of directors shall put forth an earnings distribution proposal for the resolution by the shareholders' meeting before distribution. Please refer to Note 29(2) - Employee benefit and profit-sharing policy for rules concerning employee and director remuneration stated in the Company's Articles of Incorporation.

The Company’s dividend policy has been established to accommodate current and future development plans after taking into consideration the investment environment, capital requirement, domestic/foreign competition, and shareholders’ interests. No less than 5% of distributable earnings shall be paid as dividend each year, but the Company may decide to withhold earnings if the amount of cumulative distributable earnings is less than the issued capital. Dividends can be paid in cash or in shares, with cash dividends amounting to no less than 10% of total dividends.

The above earnings appropriation proposals shall be raised for resolution and acknowledgment during the annual general meeting held in the following year.

According to The Company Act, companies are required to make legal reserve at 10% of after-tax profit until the balance of legal reserve equals paid-up capital. The Company may distribute legal reserve in cash or in shares in the absence of cumulative losses, subject to resolution in a shareholders meeting; however, only the amount of legal reserve that exceeds 25% of paid-up capital is distributable.

Earnings appropriation proposals for 2022and 2021were passed during the annual shareholders meeting held on June 28, 2023 and June 17, 2022, respectively. Details of the earnings appropriation proposals were as follows:

	Earnings appropriation	
	2022	2021
Legal reserve	$ -	$ 5,178

From the distributable earnings concluded for 2021, the Company distributed NT$ 8,200 to shareholders, which represented cash dividends of NT$ 0.1(in dollars).

(4) Other equity

Item	2023	2022
January 1	$ 8,476	$ (2,378)
Losses on disposal of debt instruments measured at fair value through other comprehensive income were transferred to retained earnings	-	4,820
Unrealized (losses)gains on valuation of financial assets at fair value through other comprehensive income	(6,438)	6,034
December 31	$ 2,038	$ 8,476

Other equity, as mentioned above, include changes in other equity of subsidiaries that the Group had recognized proportionally based on ownership percentage.

(5) Non-controlling interests

Item	2023	2022
January 1	$ 432,407	$ 922,753
Attributable to non-controlling interests		
Adjustments	(19,278)	(230,864)
Net income(loss)	22,811	(259,482)
December 31	$ 435,940	$ 432,407

25. Operating Revenue, Net

	2023	2022
Revenue from sale of merchandise	$ 201,389	$ 220,607
Rental income	1,097	1,562
Other operating revenue	-	94,491
Losses from trading of financial assets	(89)	(546,793)
Less: Sales return and discount	(9,852)	(11,292)
Operating revenue, net	$ 192,545	$ (241,425)

26. Non-Operating Income and Expenses

(1) Other Income

	2023	2022
Interest income	$ 772	$ 244
Dividend income	85,222	25,912
Other income - others	10,110	3,943
Total	$ 96,104	$ 30,099

(2) Other gains and losses

	2023	2022
Losses on disposal of financial assets	$ (179,712)	$ (96,092)
Net (losses)gains on currency exchange	(157)	852
Lease modification benefit	4	-
(Losses)gains on disposal of property, plant and equipment	(14)	286
Other non-operating expenses– other	(119)	(54)
Valuation gains(losses) on financial assets at fair value through profit or loss	282,065	(20,705)
Total	$ 102,067	$ (115,713)

(3) Finance costs

	2023	2022
Interest expenses		
Bank borrowings	$ -	$ 7
Statutory interest	2,090	24,500
Lease liabilities	306	820
Total	$ 2,396	$ 25,327

27. Income Tax Expenses

(1) Income tax recognized in profit or loss

	2023	2022
Current income tax expenses	$ -	$ -
Deferred income tax expenses		
Occurrence and reversal of temporary differences	3	2
Income tax expenses	$ 3	$ 2

Reconciliation of income tax expenses and profit or loss before tax:

Item	2023	2022
Net income(loss) before tax	$ 60,063	$ (644,841)
Income tax expense at statutory rate	$ 12,013	$ (128,968)
Tax effect of adjusting items	(12,276)	128,266
Occurrence and reversal of temporary differences	(2,561)	1,465
Losses carried forward	-	(761)
Losses deferred amount	2,826	-
The subsidiary's income does not reach the tax threshold	1	-
Income tax expenses recognized in profit or loss	$ 3	$ 2

(2) Income tax expenses recognized in other comprehensive income

The Group recognized NT$ 0 of income tax expenses in other comprehensive income in 2023 and 2022.

(3) Deferred income tax liabilities

Below were changes in deferred income tax liabilities:

2023

	January 1	Recognized in profit or loss	December 31
Deferred income tax liabilities			
Temporary differences			
Unrealized gains on exchange	$ 5	$ 2	$ 7

2022

	January 1	Recognized in profit or loss	December 31
Deferred income tax liabilities			
Temporary differences			
Unrealized gains on exchange	$ 3	$ 2	$ 5

(4) Summary of unused losses carried forward:

Year occurred	Amount of loss	Final year deductible
2014	$ 502,332	2024
2015	118,053	2025

Year occurred	Amount of loss	Final year deductible
2016	35,917	2026
2017	59,923	2027
2018	21,353	2028
2019	36,855	2029
2020	4,444	2030
2021	10,159	2031
2022	13,511	2032
2023	12,596	2033
Total	$ 815,143	

(5) Items not recognized as deferred income tax assets

As of December 31, 2023 and 2022, the aggregate deductible temporary differences for which no deferred income tax assets have been recognized amounted to NT$ 2,472,058 and NT$ 2,532,702, respectively. The Group has no significant taxable income in the future.

(6) Income tax declarations

Income tax declarations were approved by the Tax Bureau for the Group as at December 31, 2023:

The Company	Approved until 2021
Subsidiary - Huaxun Venture Capital Co., Ltd.	Approved until 2021
Subsidiary –VAST POWER CORPORATION	Approved until 2021
Sub-subsidiary - Dajixiang International Construction Co., Ltd.	Approved until 2021
Subsidiary - INNOTEK PHOTOELECTRIC TECHNOLOGY CORP.	Approved until 2021

28. Earnings Per Share

	2023		
	Net income	Number of Shares (Denominator) (thousand shares)	Earnings per share (in dollars)
Basic and diluted earnings per share			
Net income available to common shareholders of the parent	$ 37,249	82,008	$ 0.45

	2022		
	Net loss	Number of Shares (Denominator) (thousand shares)	Losses per share (in dollars)
Basic and diluted losses per share			
Net loss available to common shareholders of the parent	$ (385,361)	82,008	$ (4.70)

29. Employee benefit, depreciation and amortization expenses

(1) Depreciation and amortization expenses

	2023	2022
Property, plant, and equipment	$ 6,881	$ 4,762
Intangible assets	3,050	2,025
Right-of-use assets	18,951	14,585
Investment property	641	432
Total	$ 29,523	$ 21,804
Summary of depreciation and amortization expenses by function		
Operating costs	$ 2,536	$ 3,622
Operating expenses	26,987	18,182
Total	$ 29,523	$ 21,804

(2) Employee benefit expenses

	2023	2022
Post-employment benefits (Note 22)		
Defined contribution plan	$ 4,430	$ 3,621
Other employee benefits	96,026	79,241
Total employee benefit expenses	$ 100,456	$ 82,862
Summary of other employee benefit expenses by function		
Operating costs	$ 3,080	$ 4,032
Operating expenses	97,376	78,830
Total	$ 100,456	$ 82,862

a. The Company employed a total of 22 employees in 2023 and 20 employees in 2022; the number of directors without concurrent role as employee was 6 in both years.

b. Information on employees’ and directors’ remuneration

The amount of profit after accumulated losses compensated but before tax and employee or director remuneration is subject to the following distributions at the percentages stated in the Articles of Incorporation:

	2023	2022
Remuneration:		
Employee	No lower than 1%	No lower than 1%
Directors	No higher than 3%	No higher than 3%

There were accumulated losses at the end of 2023 and 2022, so employees’ and directors’ remuneration were not estimated.

If the amount changes after annual parent company only financial statements are approved and announced to the public, the difference will be treated as a change of accounting estimate and recognized as a gain or loss in the following year.

Please visit “Market Observation Post System” for more information regarding employee/director remuneration resolved during the Company’s board of director meetings for 2023 and 2022.

30. Capital Management

The Group exercises capital management to ensure business continuity and to maintain capital structure at the optimal level that maximizes shareholders’ value. The Group has maintained the same strategy from the previous year; its capital structure comprises equity attributable to owners of parent company (including capital stock, capital surplus, retained earnings, and other equity). The Group conducts regular reviews to determine whether the Group’s capital structure is appropriate; these reviews address the costs and risks associated with various types of capital. As per suggestion of the management, the Group currently adopts a centralized capital allocation approach for enhanced capital management.

31. Financial Instruments

(1) Fair value information

a. Financial assets and liabilities not measured at fair value

In the management’s opinion, all financial assets and liabilities that are not measured at fair value have been presented on the consolidated balance sheets at carrying values that resemble their fair values. Liquid financial instruments (including cash and cash equivalents, receivables, and payables) mature within one year and therefor have carrying values that closely resemble their fair values. Non-liquid financial instruments (including refundable and guarantee deposits) have carrying values that closely resemble their fair values due to the insignificant effect of discounting, or because that the floating rate is reflective of the market condition and credit rating of the Group.

b. Fair value measurement for balance sheet

According to IAS, the Group may classify financial instruments by the types of input used for fair value measurement into the following three categories:

Level 1: Financial instruments that are openly quoted in an active market, and have fair values measured using market value as of the consolidated balance sheets date.

Level 2: Financial instruments that do not have level 1 class, and have fair values measured using data that is directly observable (price) or indirectly observable (inferred from price).

Level 3: Financial instruments that do not belong to either of the above two, and have fair values measured using non-observable market data. The chart below explains how fair value of financial instrument is measured after initial recognition; the measurement method is distinguished between levels 1-3 class based on availability of observable data.

c. Valuation techniques and assumptions used in the measurement of fair value of financial assets and financial liabilities are determined in the following manner:

(a) Financial assets and financial liabilities that involve standardized terms and conditions and are traded in open markets shall have fair values determined using market quotation. If no indicative market value is available, fair value shall be estimated using the valuation approach. Estimates and assumptions used in the Group's valuation approach are consistent with the estimates and assumptions adopted by other market participants when pricing the underlying financial instruments.

(b) Derivative instruments that are openly quoted in an active market shall have fair value determined at the openly quoted price. If no market price is available for reference, non-option derivatives shall have fair value determined based on discounted cash flows using yield curve that matches the duration of the derivative, whereas option derivatives shall have fair value determined using an option pricing model. Estimates and assumptions used in the Group's valuation approach are consistent with the estimates and assumptions adopted by other market participants when pricing the underlying financial instruments.

(c) Where valuation involves the use of level 3 class fair value, the Group assigns its Finance Department to validate fair value of each financial instrument using independently sourced data so that the outcome of valuation is closely relevant to market conditions. The Finance Department ensures that data is sourced from independent and reliable sources, and is consistent compared to other sources of data while being representative of the true price. All valuation models are calibrated, back-tested and updated regularly; adjustments are made to the required inputs, data, and fair value as deemed necessary to ensure that the outcome of valuation is reasonable.

	December 31, 2023			
	Level 1	Level 2	Level 3	Total
Financial assets at fair value through profit or loss (current and non-current)	$ 690,753	$ -	$ 16,500	$ 707,253
Financial assets at fair value through other comprehensive income-non-current	27,680	-	2,000	29,680
Financial assets amortized at cost (current and non-current)	39,361	-	130,464	169,825
Total	$ 757,794	$ -	$ 148,964	$ 906,758
Financial liabilities amortized at cost (current and non-current)	$ -	$ -	$ 114,256	$ 114,256

	December 31, 2022			
	Level 1	Level 2	Level 3	Total
Financial assets at fair value through profit or loss-current	$ 719,878	$ -	$ -	$ 719,878
Financial assets at fair value through other comprehensive income-non-current	38,160	-	7,500	45,660
Financial assets amortized at cost (current and non-current)	-	-	165,590	165,590
Total	$ 758,038	$ -	$ 173,090	$ 931,128
Financial liabilities amortized at cost (current and non-current)	$ -	$ -	$ 108,646	$ 108,646

There was no transfer between Level 1 and Level 2 fair value measurements in 2023 and 2022.

(2)Categories of financial instrument

	December 31, 2023	December 31, 2022
Financial assets		
Financial assets at fair value through profit or loss (current and non-current)	$ 707,253	$ 719,878
Financial assets at fair value through other comprehensive income (current and non-current)	29,680	45,660
Financial assets amortized at cost (current and non-current) (Note 1)	169,825	165,590
Total	$ 906,758	$ 931,128
Financial liabilities		
Financial liabilities amortized at cost (current and non-current) (Note 2)	$ 114,256	$ 108,646

Note 1: Includes cash and cash equivalents, receivables (including related parties), other financial assets, and refundable deposits.

Note2: Includes payables (including related parties) and guarantee deposits.

(3)Purpose and policy of financial risk management

The Group places particular emphasis on the control of financial risks, and conducts timely and effective tracking and management of market risk, credit risk, and liquidity risk to ensure that the Group has access to adequate and low-cost working capital and is able to minimize the adverse impacts that market uncertainty has on the Group.

All of the Group's main financial activities are reviewed by the board of directors according to internal policies and control systems. The Finance Department observes areas of responsibility and financial risk management procedures when executing financial plans, whereas internal auditor reviews internal compliance with rules and exposure limits on a regular basis. Furthermore, the Group does not engage in any speculative trading of financial instruments (including financial derivatives).

a. Market risk

(a) Exchange rate risk

Some of the Group's business activities involve the use of non-functional currencies, NT$ is the functional currency for most transactions. The Group expects no major exchange rate risk, given the insignificance of exchange rate impact.

Please refer to Note 36 for carrying value of monetary assets and liabilities that were denominated in currencies other than the functional currency as at the consolidated balance sheet date.

Sensitivity analysis

The Group is mostly susceptible to changes in the US$ exchange rate; the effects are explained below.

The following table is a sensitivity analysis showing the effect when NT$(the functional currency) weakens against US$ by 5% The sensitivity analysis indicates the amount of increase in profit before tax. If NT$ was to strengthens against US$ by 5%, the effect on profit before tax would be a negative figure of the same amount. The sensitivity analysis covers cash and cash equivalents, accounts receivable and accounts payable.

	Effects of exchange rate variation (US$)	
	2023	2022
Gain/Loss	$ 430	$ 108

(b) Interest Rate Risk

Interest rate risk refers to risk of fair value change and cash flow change to a financial instrument following a change of market interest rate.

The carrying value of financial assets and liabilities susceptible to interest rate risks as at the consolidated balance sheet date is presented below:

	December 31, 2023	December 31, 2022
Risk of cash flow changes due to interest rate		
Financial assets	$ 111,576	$ 113,777

Sensitivity analysis

Sensitivity analysis on interest rate risk is conducted by calculating cash flow changes using floating interest rate as at the end of the period, while assuming a 10-basis point increase in a given year. The effect on profit and loss is explained below:

	Effect of interest rate variation	
	2023	2022
Gain/Loss	$ 112	$ 114

b. Credit risk

Credit risk refers to the risk of financial loss the Group may incur due to its customers being unable to fulfill contractual obligations. Credit risk mainly arises from customers' accounts receivable. The Group transacts with reputable counterparties and monitors credit exposures as well as counterparties' credit rating persistently. There was no significant concentration of transactions in any single customer or transaction counterparty.

c. Liquidity Risk

The Group maintains adequate position of cash and cash equivalents to mitigate effects of cash flow variation. The management constantly monitors use of bank limits and makes sure that borrowing terms are duly complied.

The table below is a maturity analysis of long-term financial liabilities including estimated interest, but excludes financial liabilities that have carrying values closely resembling contractual cash flows:

	December 31, 2023			
	Contractual cash flow	Within 1 year	1-5 years	Over 5 years
Lease liabilities	$ 58,646	$ 22,944	$ 35,702	$ -

	December 31, 2022			
	Contractual cash flow	Within 1 year	1-5 years	Over 5 years
Lease liabilities	$ 40,509	$ 18,727	$ 21,782	$ -

32. Related Party Transactions

(1) Parent company and ultimate controller

The Company is the ultimate controller of the Group.

(2) Name of related parties and relationship

Name of related parties	Relationship with the Company
Chairman and director	Key management
Huiyuan Construction Ltd.	Other related party
Sun Deco Investment Ltd.	Other related party
Chiron Property Co., Ltd.	Other related party
New Taipei City Urban Renewal Research and Development Education Foundation	Other related party

(3) Significant transactions with related parties

a. Sales

	2023	2022
Other related party	$ 150	$ -

b. Rental expenses

	2023	2022
Other related party	$ 146	$ 146

The Group rents office from other related party; the terms of lease are entirely negotiated between the two parties, whereas rents are paid monthly according to the terms of the lease contracts. Rental expenses are presented as operating expense.

c. Other operating expenses

	2023	2022
Other related party	$ 126	$ -

d. Accounts receivable

	December 31, 2023	December 31, 2022
Other related party	$ 157	$ -

f. Other equipement

	December 31, 2023	December 31, 2022
Other related party	$ -	$ 3,905

g. Payables

Presentation account	Related party category	December 31, 2023	December 31, 2022
Other notes payable	Key management	$ -	$ 3,522
Other payables	Other related party	6	6
Total		$ 6	$ 3,528

h. Endorsement/guarantee: Please refer to table 1 for details on related party endorsement and guarantee.

(4) Remuneration of key management personnel

Sum of remuneration to directors and other members of key management:

	2023	2022
Short-term employee benefits	$ 8,490	$ 6,127

33. Pledged (Mortgaged) Assets

The details of the assets pledged(mortgaged) by the Group as collateral are as follows:

Item	December 31, 2023	December 31, 2022
Other financial assets - restricted deposits in banks	$ 9,361	$ -
Financial assets at fair value through other comprehensive income-non-current	27,680	-
Total	$ 37,041	$ -

34. Significant Contingent Liabilities and Unrecognized Contract Commitments

(1)Regarding the violation of the Securities Exchange Law by the former person in charge of the Company, Mr. Hsieh, Han-Chin, etc., the Supreme Court's 2021 Taishang No. 5982 judgment was confirmed on the case, which aims to reveal the Supreme Court's decision to uphold the original judgment: " Mr. Hsieh, Han-Chin was a director duty of care as a good manager should not have followed the sales structure arranged by Mr. Luo, Fu-Chu for disposing of the factory in this case. As a result, the Company could only collect NT$ 480,000 for the transaction price, instead of the NT$ 550,000 that should be paid for the actual sale to Hengtong Company. So that Mr. Luo, Fu-Chu obtained the NT$ 70,000 that should have belonged to the Company. It was fully recognized that the price difference of NT$ 70,000 obtained by Mr. Luo, Fu-Chu has indeed caused significant damage to the

Company, and it was an unprofitable and unconventional transaction." The Company had filed a lawsuit for civil damages against the above-mentioned parties involved in the above-mentioned damages on March 2, in 2023, requesting to pay the Company NT$ 70,000 and related statutory interest jointly and severally, so as to protect the rights and interests of the Company and shareholders.

Regarding the above transaction, the Company received a notice from the civil court of the Taipei District Court in Taiwan in early April 2012, and the Investors Protection Center filed a lawsuit against the former person in charge of the Company, the Company, the directors and the supervisors to compensate investors for damages. The requested amount was NT$ 83,304 and the interest calculated at 5% per annum until the date of repayment. In this case, the Company had signed a settlement agreement with the Investors Protection Center on February 14, 2014 to reach a settlement, and the Investors Protection Center had withdrawn the lawsuit with the Taipei District Court in Taiwan on March 21, 2014. The Company had completed the settlement agreement.

The case was rejected by the Taiwan Taipei District Court on April 12, 2016, and the application for false execution was rejected. The Investors Protection Center appealed to the Taiwan High Court on May 3, 2016, and the appeal amount was reduced to NT$ 72,031, the Taiwan High Court ruled on May 31, 2017 to reject the appeal, and the Investors Protection Center appealed to the Supreme Court on June 23, 2017, and the Supreme Court pronounced on January 31, 2019: the original judgment was abolished , sent back to the Taiwan High Court; on December 7, 2021, the Taiwan High Court still rejected the appeal of the Investors Protection Center, and the Investors Protection Center appealed to the Supreme Court, and the Supreme Court on March 9, 2023 "2022, Taishang No. 1045" ruled to reject the appeal of the Investors Protection Center, and the case was finalized.

(2)On January 10, 2007, the Company received correspondence from KOREA EXCHANG BANK, a lender for New Star Digital, which was an investee of Global Solutions Holdings Ltd., with the intention to claim against the Company's US$ 10,000 thousand guarantee to New Star Digital. The Company had not received legal documents pertaining to this claim as of December 31, 2023, and was therefore temporarily free of responsibilities to pay.

(3)As of December 31, 2023 and 2022, the Company had offered NT$ 759,554 and NT$ 785,734 of financial guarantee, respectively, to external parties. Refer to Table 1 for details.

(4)As of December 31, 2022 and 2021, the Group had contracted NT$131,467 and NT$ 133,417 of construction work, of which NT$ 129,030 and NT$ 130,024 had been delivered, and for which NT$ 6,676 and NT$ 6,634 of guaranteed notes had been issued, respectively.

(5)As of December 31, 2023, subsidiary- VAST POWER CORPORATION had a pending lawsuit concerning buyout of minority shares. Due to disagreements over the calculation of fair share price, the minority shareholders filed a request to have the fair price determined by court. For this reason, the court's ruling may affect the equity of VAST POWER CORPORATION On August 12, 2020, Taiwan Taoyuan District Court ruled to set the buyback price of VAST POWER CORPORATION's shares at NT$ 1.54(in dollars) per share for the particular shareholders. The shareholders filed an appeal out of disagreement with the purchase price set by court, and Taiwan Taoyuan District Court later issued civil judgments on November 8, 2021, March 24 and April 7, 2022 that instructed subsidiary-VAST POWER CORPORATION to purchase shares from the appellants at NT$ 6.44(in dollars) per share. Subsidiary- VAST POWER CORPORATION protested again, and the case was decided by the Taiwan High Court on March 28, June 20 and December 30, 2022. The purchase price was NT$ 6.44(in dollars) per share, and successively according to the ruling of the court and the relevant provisions of the Company Law, the acquisition of shares was completed.

(6)As of December 31, 2023, sub-subsidiary-Dajixiang International Construction Co., Ltd. had a pending lawsuit involving a request for return of land from plaintiff-Mr. Hsiao, Chin-I legal representative for Hui Guo Enterprise Limited. Taiwan Taipei District Court previously rejected the plaintiff's claim and request for provisional execution on October 22, 2020, which the plaintiff followed up with a separate lawsuit in 2021 and was once again rejected on March 18, 2021. Plaintiff Mr. Hsiao, Chin-I raised another appeal to Taiwan High Court, which rejected the plaintiff's civil claims. In addition, the plaintiff sued on January 13, 2023, requesting the return of the land ownership of the Huiguo Market in the Huiguo section of Xindian. The whole case was dismissed by the Taiwan High Court No. 901 in 2023.

(7) As of December 31, 2023, sub-subsidiary -Dajixiang was sued by the plaintiff -Mr. Hsiao, Chin-I on January 13, 2023 to request the New Taipei City Government to abandon the urban renewal case of Huiguo Market. The whole case is currently under trial by the Taiwan High Administrative Court. No. 183.

(8)As of December 31, 2023 and 2022, the Group had issued NT$ 0 and NT$ 10,000 of guaranteed notes to support bank borrowings, respectively.

(9)As of December 31, 2023 and 2022, the Group had issued NT$ 3,885 and NT$ 7,156 of promissory notes for leases, respectively.

35. Material Events After the Balance Sheet Date: N/A.

36. Material Foreign Currency Asset and Liability Information

(1) The following is a summarized presentation of foreign currencies other than the functional currency used by various segments within the Group. The exchange rates disclosed are the rates at which the respective foreign currency is converted into the functional currency. Below is a list of foreign currency-denominated assets and liabilities that have material impact:

December 31, 2023	Foreign currency	Exchange rate	Carrying value
Foreign currency-denominated assets			
Monetary item			
USD	$ 295	30.71	$ 9,058
Foreign currency-denominated liabilities			
Monetary item			
USD	$ 219	30.71	$ 6,724

December 31, 2022	Foreign currency	Exchange rate	Carrying value
Foreign currency-denominated assets			
Monetary item			
USD	$ 184	30.71	$ 5,651
Foreign currency-denominated liabilities			
Monetary item			
USD	$ 114	30.71	$ 3,501

(2) The Group reported net (losses)gains on exchange totaling NT$ (157) in 2023 and NT$ 852 in 2022.

37. Others

The Group incurred no major donation in 2023 and 2022.

38. Supplementary Disclosures

(1) Information on significant transactions:

a. Loans to others: N/A.

b. Endorsements/guarantees provided to others. (Table 1)

c. Marketable securities held at the end of the period. (Table 2)

d. Marketable securities acquired or sold amounting to at least NT$ 300 million or 20% of the paid-in capital: N/A.

e. Acquisition of real estate amounting to at least NT$ 300 million or 20% of the paid-in capital: N/A.

f. Disposal of real estate amounting to at least NT$ 300 Million or 20% of the paid-in capital: N/A.

g. Total purchases from or sales to related parties amounting to at least NT$ 100 million or 20% of the paid-in capital: N/A.

h. Receivables from related parties amounting to at Least NT$ 100 million or 20% of the paid-in capital: N/A.

i. Trading in derivative instruments: N/A.

j. Business relations and important transactions between parent company and subsidiaries and among subsidiaries and amounts. (Table 3)

k. If the issuer has issued shares without par value or at par values other than NT$ 10(in dollars) per share, the 20% requirement on paid-in capital shall be calculated instead at 10% of equity attributable to parent company shareholders, as shown on the balance sheets: N/A.

(2) Information on investees. (Table 4)

(3) Information on investments in mainland China: N/A.

(4) Information on major shareholders: names of shareholders with more than 5% ownership interest, the number and percentage of shares held. (Table 5)

39. Segment Information

This information is provided to the decision maker for resource allocation and performance evaluation purposes, and is distinguished by the type of product or service delivered. Below are the reportable segments identified by the Group:

Electronics and multimedia segment: mainly involved in system design, and the research and development of processing equipment, electronic components, and plastic products.

Electric Vehicle Department: The main business is the research, development, design, manufacturing and sales of electric vehicle power systems.

Optoelectronics segment: mainly involved in the wholesale of lighting equipment, wholesale of electronic materials, and manufacturing of electronic components.

Other segments: represents the aggregate of operating segments that do not meet the quantitative criteria.

(1) Measurement of segment information:

Key decision makers of the Grup evaluate performance of each operating segment based on income before tax, which is calculated in a manner that is consistent with the income before tax presented in the consolidated financial statements.

(2) Information on asset, liability and profit or loss of segments:

	2023					
Segment	Electronics multimedia	Electric Vehicle	Optoelectronics	Others	Adjustment, write-offs	Total
Revenue:						
External revenue	$ 22,690	$ 333	$ 168,582	$ 940	$ -	$ 192,545
Internal segment revenue	-	2,286	467	(1,553)	(1,200)	-
Total revenue	$ 22,690	$ 2,619	$ 169,049	$(613)	$(1,200)	$ 192,545
Segment loss	$(26,285)	$(101,140)	$(9,212)	$(794)	$ 1,719	$(135,712)
Other income	19,976	75,404	464	495	(235)	96,104
Other gain/loss	9,580	91,097	(97)	1,487	-	102,067
Finance costs	(60)	(2,089)	(364)	-	117	(2,396)
Gains(losses) using the equity method	34,036	(256)	-	-	(33,780)	-
Pretax profit /loss	$ 37,247	$ 63,016	$(9,209)	$ 1,188	$(32,179)	$(60,063)

Segment	Electronics multimedia	Investment	Optoelectronics	Others	Adjustment, write-offs	Total
	2022					
Revenue:						
External revenue	$ 21,690	$ (452,002)	$ 187,359	$ 1,528	$ -	$ (241,425)
Internal segment revenue	72	11,336	334	-	(11,742)	-
Total revenue	$ 21,762	$ (440,666)	$ 187,693	$ 1,528	$ (11,742)	$ (241,425)
Segment loss/profit	$ (17,330)	$ (507,678)	$ (16,852)	$ 15,546	$ (7,586)	$ (533,900)
Other income	26,112	2,800	371	1,412	(596)	30,099
Other loss/gain	(116,131)	369	(23)	72	-	(115,713)
Finance costs	(33)	(24,882)	(590)	-	178	(25,327)
Losses using the equity method	(277,977)	-	-	-	277,977	-
Pretax loss/profit	$ (385,359)	$ (529,391)	$ (17,094)	$ 17,030	$ 269,973	$ (644,841)

Assets and liabilities of operating segments as at December 31, 2023 and 2022:

Operating segment assets

Segment	Electronics multimedia	Electric Vehicle / Investment	Optoelectronics	Others	Adjustment, write-offs	Total
December 31, 2023	$ 851,233	$ 1,212,856	$ 116,160	$ 393,606	$ (1,124,300)	$ 1,449,555
December 31, 2022	$ 822,632	$ 1,149,118	$ 126,748	$ 378,144	$ (1,099,110)	$ 1,377,532

Operating segment liabilities

Segment	Electronics multimedia	Electric Vehicle / Investment	Optoelectronics	Others	Adjustment, write-offs	Total
December 31, 2023	$ 23,557	$ 113,225	$ 52,755	$ 665	$ (4,263)	$ 185,939
December 31, 2022	$ 30,013	$ 77,014	$ 54,129	$ 409	$ (9,059)	$ 152,506

Table 1

Endorsements/guarantees provided to others:

Unit: NT$ thousands

No. (Note 1)	Endorser /guarantor	Party being endorsed/guaranteed		Limit on endorsements/ guarantees provided for a single party (Note 3)	Maximum outstanding endorsement/ guarantee amount as of December 31, 2022 (Note 4)	Outstanding endorsement/ guarantee amount at December 31, 2022 (Note 5)	Actual amount drawn down	Amount of endorsements/ guarantees secured with collateral	Ratio of accumulated endorsements/ guarantees amount to net asset value of the Endoreser/guarantor company	Ceiling on tatal amount of endorsements/ guarantees provided (Note 3)	Provision of Endorsements/ guarantees by parent company to subsidiary	Provision of Endorsements/ guarantees by subsidiary to parent company	Provision of Endorsements/ guarantees to the party in Mainland China
		Company name	Relationship (Note 2)										
0	The Company	New Star Digital Inc.	1	7,449,084 (Note 8)	795,947	759,554	759,554	-	91.77%	12,415,140 (Note 8)	No	No	No

Note 1: The serial number column is explained below:
(1) The Company is ' 0 '.
(2) The subsidiaries are numbered in order 1 starting from ' 1 '.

Note 2: Relationship between the endorser/guarantor and the party being endoresd/guaranteed is classified into the following 7 catagories; fill in the number of category each case belongs to:
(1) Having business relationship.
(2) The endorser/guarantor parent company owns directly and indirectly more than 50% voting shares of the endorsed/guaranteed subsidiary.
(3) The endorsed/guaranteed company owns directly and indirectly more than 50% voting shares of the endorser/guarantor parent company.
(4) The endorser/guarantor parent company owns directly and indirectly more than 90% voting shares of the endorsed/guaranteed company.
(5) Mutual guarantee of the trade made by the endorsed / guaranteed company or joint contractor as required under the construction contract.
(6) Due to joint venture, all shareholders provide endorsements / guarantees to the endorsed / guaranteed company in proportion to its ownership.
(7) Joint guarantee of the performance guarantee for pre-sold home sales contract as required under the Consumer Protection Act.

Note 3: Specify the Company's single-party and overall endorsement/guarantee limits as mentioned in the external party endorsement/guarantee procedures. Explain in the remarks field how the single-party and overall endorsement/guarantee limits are calculated.

Note 4: Represents the highest balance of endorsements/guarantees made to external parties during the year.

Note 5: Represents board-approved amount. If the Chairman has been authorized by the board of directors to make decisions according to Subparagraph 8, Article 12 of Regulations Governing Loaning of Funds and Making of Endorsements/Guarantees by Public Companies, the column shall represent Chairman-approved amount.

Note 6: Represents the actual amount utilized by the guaranteed/endorsed within the endorsement/guarantee limit.

Note 7: Specify "Y" only for: endorsement/guarantee from a TWSE/TPEX listed parent to a subsidiary, endorsement/guarantee from a subsidiary to a TWSE/TPEX listed parent, or endorsement/guarantee to the Mainland area.

Note 8: The Company established its own set of "Endorsement and Guarantee Policy" with board of directors' approval on April 25, 2013, which was later approved through shareholders' resolution during the meeting held on June 11, 2013. According to the policy, the sum of endorsements/guarantees to external parties shall not exceed 1,500% of the Company's net assets, as shown in the latest financial statements, whereas endorsements/guarantees to any single external party is capped at 900% of the Company's net assets, as shown in the latest financial statements.

Note 9: The Company had granted NT$ 759,554 of endorsements/guarantees to external parties as of December 31, 2023.

Table 2

Marketable securities held at the end of the period:

Unit: NT $ thousands/shares

Securities held by	Marketable securities (Note 1)	Relationship with the securities issuer (Note 2)	General ledger account	Ending balance				Remarks (Note 4)
				No. of shares	Carrying value (Note 3)	Ownership (%)	Fair value	
The Company	Shares of AU Optronics Co., Ltd.	None	Financial assets at fair value through profit or loss-current	500,000	9,075	0.01%	9,075	
The Company	Shares of QUANTA COMPUTER INC.	None	Financial assets at fair value through profit or loss-current	386,000	86,657	0.01%	86,657	
Huaxun Venture Capital Co., Ltd	Shares of Aetas Technology Incorporated	None	Financial assets at fair value through other comprehensive income-noncurrent	468,750	-	1.23%	- (Note 5)	
Huaxun Venture Capital Co., Ltd	Shares of Integrated Memory Incorporated	None	Financial assets at fair value through other comprehensive income-noncurrent	100,000	-	1.15%	- (Note 5)	
Huaxun Venture Capital Co., Ltd	Shares of BroadRiver Commuatuons Inc.	None	Financial assets at fair value through other comprehensive income-noncurrent	142,045	-	1.4%	- (Note 5)	
Huaxun Venture Capital Co., Ltd	Shares of EVA Airways Corporation	None	Financial assets at fair value through profit or loss-current	25,000	786	0.00%	786	
VAST POWER CORPORATION	Shares of United Microelectronics Corporation	None	Financial assets at fair value through profit or loss-current	4,011,000	210,979	0.03%	210,979	
VAST POWER CORPORATION	Shares of Yageo Corporation	None	Financial assets at fair value through profit or loss-current	190,000	113,430	0.04%	113,430	
VAST POWER CORPORATION	Shares of Pan-International Industrial Corp.	None	Financial assets at fair value through profit or loss-current	650,000	23,042	0.13%	23,042	
VAST POWER CORPORATION	Shares of AU Optronics Co., Ltd.	None	Financial assets at fair value through profit or loss-current	500,000	9,075	0.01%	9,075	

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Securities held by	Marketable securities(Note 1)	Relationship with the securities issuer (Note 2)	General ledger account	Ending balance				Remarks (Note 4)
				No. of shares	Carrying value (Note 3)	Ownership (%)	Fair value	
VAST POWER CORPORATION	Shares of SUNONWEALTH ELECTRIC MACHINE INDUSTRY CO., LT	None	Financial assets at fair value through profit or loss-current	600,000	64,500	0.22%	64,500	
VAST POWER CORPORATION	Shares of QUANTA COMPUTER INC.	None	Financial assets at fair value through profit or loss-current	670,000	150,415	0.02%	150,415	
VAST POWER CORPORATION	Shares of Pharma Essentia Corp.	None	Financial assets at fair value through other comprehensive income-noncurrent	100,000	27,680	0.03%	27,680 (註 6)	pledged to bank
VAST POWER CORPORATION	Xin-Chuan-Gan Capital Limited Partnership Private Equity Fund	None	Financial assets at fair value through profit or loss -noncurrent	-	16,500	-	16,500	
VAST POWER CORPORATION	Shares of Zhi Cheng Retro-style EV-mobility Design Co., Ltd.	None	Financial assets at fair value through other comprehensive income-noncurrent	200,000	2,000	6.67%	2,000	
Dajixiang International Construction Co., Ltd	KGI Real Assets Multi-asset Fund -TWD B	None	Financial assets at fair value through profit or loss-current	100,000	996	-	996	
Dajixiang International Construction Co., Ltd	Cathay US Corporate 10+ Years Banking ETF	None	Financial assets at fair value through profit or loss-current	100,000	1,667	-	1,667	
Dajixiang International Construction Co., Ltd	Fuh Hwa Guardian Fund	None	Financial assets at fair value through profit or loss-current	1,005,197	20,130	-	20,130	

Note 1: Securities mentioned in this table shall refer to shares, bonds, beneficiary certificates, and any securities derived from the above, as specified in IAS 39 “Financial Instruments.”

Note 2: Not required if the securities issuer is a non-related party.

Note 3: For items that are measured at fair value, the amount of fair value after adjustment and net of cumulative impairment is shown in the carrying value column; for items that are not measured at fair value, the amount of original acquisition cost or cost after amortization net of cumulative impairment is shown in the carrying value column.

Note 4: All securities that have been placed as collateral, borrowed against, or are subject to restrictions under agreed terms shall have details such as the quantity pledged, the amount charged, and restrictions explained in the remarks column.

Note 5: Financial statements are no longer available.

Note 6: VAST POWER CORPORATION acquired 100,000 shares of privately placed common shares of Pharma Essentia Corp. in May 2022. Except for the transfer in accordance with Article 43-8 of the Securities Exchange Law, this shareholding cannot be freely transferred within 3 years of acquisition, and its rights and obligations. The same as the publicly issued common stock, at the end of the period, the valuation adjustment is calculated based on the closing price on December 31, 2023 after deducting the liquidity discount.

Table 3

Business relations and important transactions between parent company and subsidiaries and among subsidiaries and amounts:

Unit: NT$ thousands

No. (Note 1)	Name of transacting party	Transaction counterparty	Relationship with transacting party (Note 2)	Transaction details			
				General ledger account	Amount	Transaction terms	Proportion to total consolidated revenue or assets (Note 3)
0	The Company	VAST POWER CORPORATION	1	Postage and cable charges	75	Note 5	0.039
0	The Company	VAST POWER CORPORATION	1	Other payables	13	Note 5	0.001
0	The Company	INNOTEK PHOTOELECTRIC TECHNOLOGY CORP.	1	Other notes payable	225	Note 5	0.016
1	VAST POWER CORPORATION	INNOTEK PHOTOELECTRIC TECHNOLOGY CORP.	3	Guarantee deposits	300	Note 5	0.021
1	VAST POWER CORPORATION	INNOTEK PHOTOELECTRIC TECHNOLOGY CORP.	3	Operating revenues - rental revenues	2,286	Note 5	1.187
1	VAST POWER CORPORATION	INNOTEK PHOTOELECTRIC TECHNOLOGY CORP.	3	Other income	159	Note 5	0.083
1	VAST POWER CORPORATION	INNOTEK PHOTOELECTRIC TECHNOLOGY CORP.	3	Other operating expenses	326	Note 5	0.169
1	VAST POWER CORPORATION	INNOTEK PHOTOELECTRIC TECHNOLOGY CORP.	3	Accounts receivable	400	Note 5	0.028
1	VAST POWER CORPORATION	INNOTEK PHOTOELECTRIC TECHNOLOGY CORP.	3	Other receivables	119	Note 5	0.008
1	VAST POWER CORPORATION	INNOTEK PHOTOELECTRIC TECHNOLOGY CORP.	3	Other payables	6	Note 5	-
1	VAST POWER CORPORATION	INNOTEK PHOTOELECTRIC TECHNOLOGY CORP.	3	Other notes payable	207	Note 5	0.014

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No. (Note 1)	Name of transacting party	Transaction counterparty	Relationship with transacting party (Note 2)	Transaction details			
				General ledger account	Amount	Transaction terms	Proportion to total consolidated revenue or assets (Note 3)
2	INNOTEK PHOTOELECTRIC TECHNOLOGY CORP.	VAST POWER CORPORATION	3	Lease liabilities	2,993	Note 5	0.244
3	Dajixiang International Construction Co., Ltd.	INNOTEK PHOTOELECTRIC TECHNOLOGY CORP.	3	Other operating expenses	42	Note 5	0.022
3	Dajixiang International Construction Co., Ltd.	INNOTEK PHOTOELECTRIC TECHNOLOGY CORP.	3	Sundry purchases	99	Note 5	0.051

Note 1: Business dealings between the parent company and subsidiaries are indicated in the serial number column. The numbering rule is explained below:

1. 0 for parent company. 2. Each subsidiary is numbered in sequential order starting from 1.

Note 2: Related party transactions are distinguished into one of three categories, as shown below:

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

Note 3: Calculation for transaction sum as a percentage of total revenues or assets is explained as follows: for consolidated balance sheet items, percentage of end of period balance is calculated relative to tota consolidatedl assets; for profit and loss items, percentage of cumulative amount is calculated relative to total consolidated revenues.

Note 4: Key transactions presented in this table are determined by the Company based on principles of materiality.

Note 5: The terms of trade between parent and subsidiaries are not significantly different from ordinary sales. For other transactions without comparable reference, the terms of which are negotiated between the parties involved.

Table 4

Information on investees:

Unit: NT$ thousands/thousand shares

Investor	Name of Investee	Location	Principal business	Initial investment amoun		Shares held as at December 31, 2023			Ownership (%) multiplied with investee’s net assets as at December 31, 2023	Net (loss) income of investee in 2023	Investment (loss)income recognized by the Company in 2023	Remarks
				Balance as at December 31, 2023	Balance as at December 31, 2022	No. of shares	Ownership (%)	Carrying Value				
The Company	Huaxun Venture Capital Co., Ltd.	Taiwan	General investment	159,952	159,952	15,995	99.97%	12,095	12,095	(1,920)	(1,920)	Subsidary
The Company	VAST POWER CORPORATION	Taiwan	Electric vehicle power system development, real estate leasing	1,305,458	1,305,458	90,644	61.43%	675,513	675,513	63,015	38,507	Subsidary
The Company	INNOTEK PHOTOELECTRIC TECHNOLOGY CORP.	Taiwan	Lighting equipment	49,500	49,500	4,950	27.81%	17,719	17,719	(9,213)	(2,551)	Subsidary
VAST POWER CORPORATION	Dajixiang International Construction Co., Ltd.	Taiwan	Real estate devlopment	334,061	334,061	50,350	100%	380,843	380,843	3,109	3,109	Sub-subsidiary
VAST POWER CORPORATION	INNOTEK PHOTOELECTRIC TECHNOLOGY CORP.	Taiwan	Lighting equipment	65,000	65,000	6,500	36.52%	23,153	23,153	(9,213)	(3,365)	Subsidary
Huaxun Venture Capital Co., Ltd.	INNOTEK PHOTOELECTRIC TECHNOLOGY CORP.	Taiwan	Lighting equipment	30,000	30,000	3,000	16.85%	10,686	10,686	(9,213)	(1,553)	Subsidary

Note 1: If the public company has set up a foreign holding entity and prepared consolidated financial statements on the holding entity according to local regulations, information on foreign investees can be disclosed to the level of the foreign holding entity and no further breakdown is needed.

Note 2: Companies that do not meet the condition described in Note 1 shall complete the form according to the following rules:

(1)For columns including “Name of investee,” “Location,” “Principal business,” “Initial investment amoun,” and “Shares held as at December 31, 2022,” list down investees that are held by the Company (public company) first, followed by those held by directly controlled investees and indirectly controlled investees. Specify in the remarks column the relationship between each investee and the Company (public company) (such as a subsidiary or sub-subsidiary).

(2)” Specify the amount of profit or loss made by each investee in the current period.

(3) ” Specify only the amount of profit or loss that the Company (public company) has recognized from directly held subsidiaries and equity-accounted investees. No disclosure is needed on indirectly held investees. When disclosing “current gains/losses recognized on directly held subsidiaries,” make sure that the gains/losses already include investment gains/losses that they are required to recognize on their investments.

Table 5

Information on major shareholders

Name of Major Shareholder	Number of shares held (thousands)	Ownership percentage (%)
GUANG-SHEN Investment Co., Ltd.	15,410	18.79
Li,Guo-Long	14,634	17.84
Chen, Bi -hua	6,071	7.40
Luo,Guang -Wei	5,890	7.18
Bank SinoPac is entrusted to keep the investment account of SinoPac Securities (Asia) Co., Ltd., a client of SinoPac (Asia) Nominees Co., Ltd.	4,237	5.16

Explanation: If information of this table is obtained from Taiwan Depository & Clearing Corporation, the following explanations can be added to the footnote section of this table:

(1) Information on major shareholders, as presented in this table, was taken from records of Taiwan Depository & Clearing Corporation as at the final business day of each quarter, and included parties holding book-entry common and preferred shares (including treasury stock) for an aggregate ownership of 5% and above. Share capital reported in the Company's financial statements may differ from the number of shares delivered via book entry due to different basis of preparation/calculation.

(2) Shareholders who placed shares under trust are disclosed in trustors' sub-accounts held with various trustees. Shareholders with more than 10% ownership interest are subject to insider equity reporting, according to the Securities and Exchange Act. Insider equity includes shares held in own name and any shares placed under trust that the insider has control over. Please access Market Observation Post System for reports on insider equity.