AMPOC FAR-EAST CO., LTD.

PARENT COMPANY ONLY FINANCIAL STATEMENTS AND INDEPENDENT AUDITORS' REPORT

DECEMBER 31, 2023 AND 2022

For the convenience of readers and for information purpose only, the auditors' report and the accompanying financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. In the event of any discrepancy between the English version and the original Chinese version or any differences in the interpretation of the two versions, the Chinese-language auditors' report and financial statements shall prevail.

AMPOC FAR-EAST CO., LTD.

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

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INDEPENDENT AUDITORS' REPORT TRANSLATED FROM CHINESE

PWCR 23000399

To the Board of Directors and Shareholders of Ampoc Far-East Co., Ltd.

Opinion

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

In our opinion, the accompanying parent company only financial statements present fairly, in all material respects, the parent company only financial position of the Company as at December 31, 2023 and 2022, and its parent company only financial performance and its parent company only cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

Basis for opinion

We conducted our audits in accordance with the Regulations Governing Financial Statement Audit and Attestation Engagements of Certified Public Accountants and Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the *Auditors' responsibilities for the audit of the parent company only financial statements* section of our report. We are independent of the Company in accordance with the Norm of Professional Ethics for Certified Public Accountant of the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Company's 2023 parent company only financial statements. These matters were addressed in the context of our audit of the parent company only financial statements as a whole and, in forming our opinion thereon, we do not provide a separate opinion on these matters.

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

Cut-off of machinery and equipment sales revenue

<u>Description</u>

Please refer to Note 4(26) for accounting policy on revenue recognition. The Company derives revenue from the manufacture and sales of machinery and equipment as well as the agency and sales of electronic and chemical related products. The machinery and equipment sales revenue amounted to NT$2,152,072 thousand, constituting 67% of the total operating revenue for the year then ended December 31, 2023. The machinery and equipment sales revenue is recognised when the customer accepts the goods, the significant risks and rewards of ownership have been transferred to the customer, the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold, and the customer has accepted the goods based on the sales contract or according to the transaction conditions and there is objective evidence showing that all acceptance provisions have been satisfied.

Given that the process of revenue recognition from machinery and equipment sales contains many manual procedures, which would potentially result in improper timing of revenue recognition from machinery and equipment sales and the transaction amounts are significant to the parent company only financial statements, we identified the cut-off of machinery and equipment sales revenue as a key audit matter.

How our audit addressed the matter

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

1. Assessed and obtained an understanding on the internal control procedures of revenue recognition from machinery and equipment sales and ascertained the related internal controls were performed effectively.
2. Tested the accuracy and completeness of machinery and equipment revenue statement, including sampling and reviewing the transaction conditions and agreements of sales contracts and the reasonableness of date of acceptance confirmation from customer to ascertain the appropriateness of the timing of revenue recognition from machinery and equipment sales.
3. Performed cut-off tests for transactions from machinery and equipment sales during a certain period before and after balance sheet date and sampled whether the records of movements in inventory and cost of goods sold have been accounted for in the appropriate period.
4. Observed physical inventory count for the inventories of the machinery and equipment, checked the records of inventories, investigated the reason for the difference between the observation and accounting records and processed the records appropriately.

Evaluation of allowance for inventory valuation loss

Description

Please refer to Notes 4(13), 5(2) and 6(6) for accounting policy on inventory evaluation, critical accounting estimates and assumptions of inventory evaluation and details of allowance for inventory valuation loss, respectively. The Company’s inventories and allowance for inventory valuation loss amounted to NT$1,052,994 thousand and NT$31,266 thousand as at December 31, 2023, respectively.

The Company is primarily engaged in the agency and sales of various production and testing mechanical equipment as well as electronic and speciality chemicals. Due to the diversification of such products and the competitive nature of the market, there is a higher risk of incurring inventory valuation loss or obsolescence. The Company's inventories are stated at the lower of cost and net realisable value. The obsolete or destroyed inventories are assessed individually. The evaluation of allowance for inventory valuation loss, including the determination of net realisable value and identification of obsolete inventories, involves management's subjective judgment and contains a high degree of estimation uncertainty. Considering that the allowance for valuation loss is significant to the parent company only financial statements, we identified the evaluation of allowance for inventory valuation loss as a key audit matter.

How our audit addressed the matter

We performed the following audit procedures in order to assess the adequacy of the measurement of net realisable value and provision on allowance for inventory valuation loss:

1. Assessed the reasonableness of policies and procedures related to the provision of allowance for inventory valuation loss based on our understanding on the Company's operations and the industrial characteristics.
2. Verified the accuracy of the inventory aging report and net realisable value report that the Company used in evaluation to ascertain the logic and information of the reports are consistent with its policies.
3. Reviewed the appropriateness of the estimation basis adopted by the Company for the evaluation of net realisable value, verified the accuracy of the sales and purchases prices for products and recalculated and assessed the reasonableness of the allowance for inventory valuation loss.

Impairment assessment of accounts receivable

Description

Please refer to Notes 4(9), 4(10), 5(2) and 6(5) for accounting policy on accounts receivable, accounting policy on impairment of financial assets, impairment assessment of accounts receivable and details of accounts receivable, respectively.

The Company reviewed the adequacy of the provision on loss allowance periodically based on the internal impairment assessment policy of the Company. The impairment assessment is based on the historical credit loss of accounts receivable, forecastability and objective evidence of impairment. The accounts receivable and allowance for doubtful accounts amounted to NT$736,622 thousand and NT$33,775 thousand, respectively. The management must apply judgements and estimates to determine the recoverability of accounts receivable and determine the amount of impairment loss. Due to the high degree of estimation uncertainty and considering that the amount is significant to the parent company only financial statements, we identified the impairment of accounts receivable as a key audit matter.

How our audit addressed the matter

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

1. Assessed the reasonableness of policies and procedures on impairment assessment determined by the management based on our understanding on the industrial characteristics and ascertained whether the policies on impairment assessment of accounts receivable have been consistently applied in all the periods.
2. Reviewed the accounts receivable ageing reports prepared by the management and checked the logic of preparing the reports and the classification of the ageing reports to ascertain the ageing reports are consistent with its policies.

3. Reviewed loss allowance for accounts receivable recognised by the customer based on lifetime expected credit losses and ascertained that the past default experience of the customer, current parent company only financial position and forecastability are considered to assess the reasonableness of the expected credit loss rate of accounts receivable.
4. Reviewed the subsequent collection of significant accounts receivable.
5. Discussed the recoverability of overdue accounts with the management for the accounts receivable overdue for a long time, obtained additional supporting documents and assessed the adequacy of allowance for doubtful accounts at the end of the year.

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

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

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

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

Auditors' responsibilities for the audit of the parent company only financial statements

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

As part of an audit in accordance with the Standards on Auditing of the Republic of China, we exercise professional judgment and professional skepticism throughout the audit. We also:

1. Identify and assess the risks of material misstatement of the parent company only financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

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

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

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

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

Lin, Se-Kai	Chih, Ping-Chiun

For and on behalf of PricewaterhouseCoopers, Taiwan

March 13, 2024

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

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

AMPOC FAR-EAST CO., LTD.
PARENT COMPANY ONLY BALANCE SHEETS
DECEMBER 31, 2023 AND 2022
(Expressed in thousands of New Taiwan dollars)

	Assets	Notes	December 31, 2023			December 31, 2022		
				AMOUNT	%		AMOUNT	%
	Current assets							
1100	Cash and cash equivalents	6(1)	$	702,440	14	$	791,778	17
1110	Financial assets at fair value through profit or loss - current	6(2)		919,250	19		785,974	17
1136	Current financial assets at amortised cost	6(4) and 8		218,700	4		97,670	2
1150	Notes receivable, net	6(5)		641	-		1,255	-
1170	Accounts receivable, net	6(5)		579,586	12		732,730	16
1180	Accounts receivable - related parties	6(5) and 7		123,261	3		161,099	4
1200	Other receivables	7		621	-		375	-
130X	Inventories	6(6)		1,021,728	21		1,161,509	26
1470	Other current assets			11,758	-		17,574	-
11XX	**Current Assets**			3,577,985	73		3,749,964	82
	Non-current assets							
1510	Financial assets at fair value through profit or loss - non-current	6(2)		2,660	-		2,660	-
1517	Financial assets at fair value through other comprehensive income - non-current	6(3)		105,421	2		100,822	2
1550	Investments accounted for using equity method	6(7)		232,853	5		179,656	4
1600	Property, plant and equipment	6(8) and 8		950,703	19		483,499	11
1755	Right-of-use assets	6(9)		1,681	-		451	-
1780	Intangible assets			548	-		901	-
1840	Deferred income tax assets	6(24)		34,455	1		34,028	1
1900	Other non-current assets			7,779	-		7,676	-
15XX	**Non-current assets**			1,336,100	27		809,693	18
1XXX	**Total assets**		$	4,914,085	100	$	4,559,657	100

(Continued)

AMPOC FAR-EAST CO., LTD.
PARENT COMPANY ONLY BALANCE SHEETS
DECEMBER 31, 2023 AND 2022
(Expressed in thousands of New Taiwan dollars)

	Liabilities and Equity	Notes	December 31, 2023 AMOUNT	%	December 31, 2022 AMOUNT	%
	Current liabilities					
2130	Current contract liabilities	6(17) and 7	$ 800,080	16	$ 784,546	17
2150	Notes payable		2,050	-	2,268	-
2170	Accounts payable		475,042	10	595,235	13
2180	Accounts payable to related parties	7	3,476	-	3,936	-
2200	Other payables	6(10)	201,890	4	178,067	4
2230	Current income tax liabilities	6(24)	91,444	2	105,772	2
2250	Provisions for liabilities - current	6(11)	25,612	-	24,669	1
2280	Current lease liabilities		1,216	-	451	-
2320	Long-term liabilities, current portion	6(12)	39,864	1	-	-
2399	Other current liabilities, others		3,616	-	2,110	-
21XX	**Current Liabilities**		1,644,290	33	1,697,054	37
	Non-current liabilities					
2540	Long-term borrowings	6(12)	150,136	3	-	-
2570	Deferred income tax liabilities	6(24)	46,338	1	38,415	1
2580	Non-current lease liabilities		770	-	-	-
2600	Other non-current liabilities	6(13)	71,997	2	59,222	1
25XX	**Non-current liabilities**		269,241	6	97,637	2
2XXX	**Total Liabilities**		1,913,531	39	1,794,691	39
	Share capital	6(14)				
3110	Share capital - common stock		1,144,373	23	1,144,373	25
	Capital surplus	6(15)				
3200	Capital surplus		322,023	7	322,023	7
	Retained earnings	6(16)				
3310	Legal reserve		590,564	12	528,620	12
3350	Unappropriated retained earnings		865,003	17	705,068	16
	Other equity interest	6(3)(7)				
3400	Other equity interest		78,591	2	64,882	1
3XXX	**Total equity**		3,000,554	61	2,764,966	61
	Significant contingent liabilities and unrecorded contract commitments	9				
3X2X	**Total liabilities and equity**		$ 4,914,085	100	$ 4,559,657	100

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

AMPOC FAR-EAST CO., LTD.
PARENT COMPANY ONLY STATEMENTS OF COMPREHENSIVE INCOME
YEARS ENDED DECEMBER 31, 2023 AND 2022
(Expressed in thousands of New Taiwan dollars, except earnings per share amounts)

			Year ended December 31			
			2023		2022	
	Items	Notes	AMOUNT	%	AMOUNT	%
4000	Sales revenue	6(17) and 7	$ 3,229,509	100	$ 3,372,629	100
5000	Operating costs	6(6)(22)(23) and 7	(2,098,178)	(65)	(2,323,850)	(69)
5900	Net operating margin		1,131,331	35	1,048,779	31
5910	Unrealized loss from sales		(3,108)	-	(6,031)	-
5920	Realized profit on from sales		6,031	-	3,314	-
5950	Net operating margin		1,134,254	35	1,046,062	31
	Operating expenses	6(22)(23)				
6100	Selling expenses		(200,466)	(6)	(194,927)	(6)
6200	General and administrative expenses		(115,717)	(4)	(110,512)	(3)
6300	Research and development expenses		(34,623)	(1)	(30,950)	(1)
6450	Impairment loss determined in accordance with IFRS 9	6(5)(22) and 12(2)	(11,953)	-	(4,852)	-
6000	Total operating expenses		(362,759)	(11)	(341,241)	(10)
6900	Operating profit		771,495	24	704,821	21
	Non-operating income and expenses					
7100	Interest income	6(4)(18)	7,483	-	2,042	-
7010	Other income	6(19)	8,846	-	8,081	-
7020	Other gains and losses	6(2)(20)	22,051	1	(9,692)	-
7050	Finance costs	6(21)	(62)	-	(36)	-
7070	Share of profit of associates and joint ventures accounted for using equity method	6(7)	52,922	2	44,636	1
7000	Total non-operating income and expenses		91,240	3	45,031	1
7900	**Profit before income tax**		862,735	27	749,852	22
7950	Income tax expense	6(24)	(172,425)	(6)	(157,452)	(4)
8000	**Profit for the year from continuing operations**		690,310	21	592,400	18
	Other comprehensive income					
	Components of other comprehensive income that will not be reclassified to profit or loss					
8311	Other comprehensive (loss) income, before tax, actuarial gains on defined benefit plans	6(13)	(13,352)	-	33,796	1
8316	Unrealised gains from investments in equity instruments measured at fair value through other comprehensive income	6(3)	15,827	-	13,885	-
8349	Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	6(24)	2,671	-	(6,759)	-
8310	Components of other comprehensive income that will not be reclassified to profit or loss		5,146	-	40,922	1
	Components of other comprehensive income that will be reclassified to profit or loss					
8361	Exchange differences on translation	6(7)	(2,648)	-	8,199	-
8399	Income tax related to components of other comprehensive income that will be reclassified to profit or loss	6(24)	530	-	(1,640)	-
8360	Components of other comprehensive (loss) income that will be reclassified to profit or loss		(2,118)	-	6,559	-
8300	**Total other comprehensive income for the year**		$ 3,028	-	$ 47,481	1
8500	**Total comprehensive income for the year**		$ 693,338	21	$ 639,881	19
	Basic earnings per share	6(25)				
9750	Total basic earnings per share		$	6.03	$	5.18
9850	Total diluted earnings per share		$	5.98	$	5.12

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

AMPOC FAR-EAST CO., LTD.
PARENT COMPANY ONLY STATEMENTS OF CHANGES IN EQUITY
YEARS ENDED DECEMBER 31, 2023 AND 2022
(Expressed in thousands of New Taiwan dollars)

			Capital surplus		Retained earnings		Other equity interest		
	Notes	Share capital - common stock	Additional paid-in capital	Treasury stock transactions	Legal reserve	Unappropriated retained earnings	Exchange differences on translation of foreign financial statements	Unrealised gains (losses) from financial assets measured at fair value through other comprehensive income	Total equity
Year 2022									
Balance at January 1, 2022		$ 1,144,373	$ 282,398	$ 39,625	$ 493,286	$ 435,668	($ 4,346)	$ 48,784	$ 2,439,788
Profit for the year		-	-	-	-	592,400	-	-	592,400
Other comprehensive income	6(3)(7)(13)(24)	-	-	-	-	27,037	6,559	13,885	47,481
Total comprehensive income		-	-	-	-	619,437	6,559	13,885	639,881
Appropriation and distribution of 2021 retained earnings:	6(16)								
Legal reserve		-	-	-	35,334	(35,334)	-	-	-
Cash dividends to shareholders		-	-	-	-	(314,703)	-	-	(314,703)
Balance at December 31, 2022		$ 1,144,373	$ 282,398	$ 39,625	$ 528,620	$ 705,068	$ 2,213	$ 62,669	$ 2,764,966
Year 2023									
Balance at January 1, 2023		$ 1,144,373	$ 282,398	$ 39,625	$ 528,620	$ 705,068	$ 2,213	$ 62,669	$ 2,764,966
Profit for the year		-	-	-	-	690,310	-	-	690,310
Other comprehensive income (loss)	6(3)(7)(13)(24)	-	-	-	-	(10,681)	(2,118)	15,827	3,028
Total comprehensive income (loss)		-	-	-	-	679,629	(2,118)	15,827	693,338
Appropriation and distribution of 2022 retained earnings:	6(16)								
Legal reserve		-	-	-	61,944	(61,944)	-	-	-
Cash dividends to shareholders		-	-	-	-	(457,750)	-	-	(457,750)
Balance at December 31, 2023		$ 1,144,373	$ 282,398	$ 39,625	$ 590,564	$ 865,003	$ 95	$ 78,496	$ 3,000,554

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

AMPOC FAR-EAST CO., LTD.
PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2023 AND 2022
(Expressed in thousands of New Taiwan dollars)

	Notes	Year ended December 31 2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax		$ 862,735	$ 749,852
Adjustments			
Adjustments to reconcile profit (loss)			
Depreciation expense	6(8)(9)(22)	13,260	11,967
Amortisation expense	6(22)	5,862	5,292
Expected credit loss	6(5)(22) and 12(2)	11,953	4,852
Net (profit) loss on financial assets at fair value through profit or loss	6(2)(20)	(10,277)	49,006
Interest income	6(18)	(7,483)	(2,042)
Dividend income	6(19)	(8,162)	(7,359)
Interest expense	6(21)	62	36
Loss on disposals of property, plant and equipment	6(8)(20)	416	99
Gain on investments accounted for using the equity method	6(7)	(52,922)	(44,636)
Unrealized foreign exchange loss (gain)		13,305	(38,421)
Unrealised (profit) loss from sales	6(7)	(2,923)	2,717
Changes in operating assets and liabilities			
Changes in operating assets			
Financial assets at fair value through profit or loss		(123,000)	(314,787)
Notes receivable		614	(387)
Accounts receivable		141,191	(124,335)
Accounts receivable due from related parties, net		37,838	(6,694)
Other receivables		81	(69)
Inventories		139,781	23,868
Other current assets		3,896	(8,428)
Changes in operating liabilities			
Current contract liabilities		15,534	293,799
Notes payable		(218)	10
Accounts payable		(120,193)	74,042
Accounts payable to related parties		(460)	569
Other payables		23,822	27,490
Provisions for liabilities - current		943	1,527
Other current liabilities, others		1,506	(632)
Other non-current liabilities		(576)	(660)
Cash inflow generated from operations		946,585	696,676
Interest received		7,156	1,919
Dividends received		8,162	7,359
Interest paid		(62)	(36)
Income tax paid		(176,056)	(73,160)
Net cash flows from operating activities		785,785	632,758

(Continued)

AMPOC FAR-EAST CO., LTD.
PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2023 AND 2022
(Expressed in thousands of New Taiwan dollars)

	Notes	Year ended December 31 2023	2022
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisition of financial assets at amortised cost		($ 121,030)	($ 42,100)
Proceeds from capital reduction of financial assets at fair value through other comprehensive income	12(3)	11,228	3,000
Acquisition of property, plant and equipment	6(8)	(471,858)	(4,005)
Proceeds from disposal of property, plant and equipment	6(8)	181	76
Acquisition of intangible assets		(3,875)	(901)
Decrease (increase) in refundable deposits		25	(480)
Increase in prepayments for business facilities		(1,766)	(1,141)
Increase in other non-current assets		(3,502)	(4,220)
Net cash flows used in investing activities		(590,597)	(49,771)
CASH FLOWS FROM FINANCING ACTIVITIES			
Payments of lease liabilities	6(9)	(3,471)	(2,786)
Proceeds from long-term borrowings	6(12)	190,000	-
Cash dividends paid	6(16)	(457,750)	(314,703)
Net cash flows used in financing activities		(271,221)	(317,489)
Effect of exchange rate changes on cash and cash equivalents		(13,305)	38,421
Net (decrease) increase in cash and cash equivalents		(89,338)	303,919
Cash and cash equivalents at beginning of year		791,778	487,859
Cash and cash equivalents at end of year		$ 702,440	$ 791,778

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

AMPOC FAR-EAST CO., LTD.
NOTES TO THE PARENT COMPANY ONLY FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2023 AND 2022
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

1. History and Organisation
   (1) Ampoc Far-East Co., Ltd. (the "Company") was incorporated in November 1980 and merged with Taipei Chemical Machinery Co., Ltd. on December 30, 1999. The Company was the surviving company and Taipei Chemical Machinery Co., Ltd. was the dissolved company. In addition, the Company merged with the wholly-owned subsidiary, Yangxin Investment Co., Ltd., on December 18, 2006. The Company was the surviving company and Yangxin Investment Co., Ltd. was the dissolved company.
   (2) After the merger, the Company is primarily engaged in the agency and sales of various production and testing mechanical equipment as well as electronic and speciality chemicals which shall be provided for the use of domestic and foreign electronic industries such as PCB, IC and LCD and undertaking the design, manufacture and sales of the production mechanical equipment for PCB and LCD originally from Taipei Chemical Machinery Co., Ltd..
   (3) The Company's shares have been listed on the Taiwan Stock Exchange starting from January 23, 2002.
2. The Date of Authorisation for Issuance of the Financial Statements and Procedures for Authorisation
   These parent company only financial statements were authorised for issuance by the Board of Directors on March 13, 2024.
3. Application of New Standards, Amendments and Interpretations
   (1) Effect of the adoption of new issuances of or amendments to International Financial Reporting Standards ("IFRS®") Accounting Standards that came into effect as endorsed by the Financial Supervisory Commission ("FSC")
   New standards, interpretations and amendments endorsed by the FSC and became effective from 2023 are as follows:

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

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

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

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

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

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

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

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

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

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

4. Summary of Material Accounting Policies

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

(1) Compliance statement

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

(2) Basis of preparation

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

(a) Financial assets and financial liabilities at fair value through profit or loss.

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

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

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

(3) Foreign currency translation

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

A. Foreign currency transactions and balances

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

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

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

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

B. Translation of foreign operations

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

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

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

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

(4) Classification of current and non-current items

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

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

(b) Assets held mainly for trading purposes;

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

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

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

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

(b) Liabilities arising mainly from trading activities;

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

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

(5) Cash equivalents

Cash equivalents refer to short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Time deposits that meet the definition above and are held for the purpose of meeting short-term cash commitments in operations (including time deposits with contract period less than three months) are classified as cash equivalents.

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

A. Financial assets at fair value through profit or loss are financial assets that are not measured at amortised cost or fair value through other comprehensive income. Financial assets at amortised cost or fair value through other comprehensive income are designated as at fair value through profit or loss at initial recognition when they eliminate or significantly reduce a measurement or recognition inconsistency.

B. On a regular way purchase or sale basis, financial assets at fair value through profit or loss are recognised and derecognised using trade date accounting.

C. At initial recognition, the Company measures the financial assets at fair value and recognises the transaction costs in profit or loss. The Company subsequently measures the financial assets at fair value, and recognises the gain or loss in profit or loss.

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

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

(a) The objective of the Company's business model is achieved both by collecting contractual cash flows and selling financial assets; and

(b) The assets' contractual cash flows represent solely payments of principal and interest.

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

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

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

(8) Financial assets at amortised cost

A. Financial assets at amortised cost are those that meet all of the following criteria:

(a) The objective of the Company's business model is achieved by collecting contractual cash flows.

(b) The assets' contractual cash flows represent solely payments of principal and interest.

B. On a regular way purchase or sale basis, financial assets at amortised cost are recognised and derecognised using trade date accounting.

C. The Company's time deposits which do not fall under cash equivalents are those with a short maturity period and are measured at initial investment amount as the effect of discounting is immaterial.

(9) Accounts and notes receivable

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

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

(10) Impairment of financial assets

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

(11) Derecognition of financial assets

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

A. The contractual rights to receive the cash flows from the financial asset expire.

B. The contractual rights to receive cash flows of the financial asset have been transferred and the Company has transferred substantially all risks and rewards of ownership of the financial asset.

C. The contractual rights to receive cash flows of the financial asset have been transferred; however, the Company has not retained control of the financial asset.

(12) Leasing arrangements (lessor) - operating leases

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

(13) Inventories

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

(14) Investments accounted for using the equity method - subsidiaries

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

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

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

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

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

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

(15) <u>Property, plant and equipment</u>

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

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

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

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

The estimated useful lives of property, plant and equipment are as follows:

Buildings and structures	10 ~ 55 years
Machinery and equipment	20 ~ 25 years
Other equipment	5 ~ 20 years

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

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

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

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

(b) Variable lease payments that depend on an index or a rate;

(c) Amounts expected to be payable by the lessee under residual value guarantees;

(d) The exercise price of a purchase option, if the lessee is reasonably certain to exercise that option; and

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

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

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

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

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

(c) Any initial direct costs incurred by the lessee; and

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

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

(17) Intangible assets

Intangible assets, mainly computer software and network construction expense, are stated at cost and amortised on a straight-line basis over their estimated useful lives of 2 ~ 3 years.

(18) Impairment of non-financial assets

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

(19) Borrowings

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

B. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a pre-payment for liquidity services and amortised over the period of the facility to which it relates.

(20) Notes and accounts payable

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

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

(21) Provisions

Provisions refer to warranties and are recognised when the Company has a present legal or constructive obligation as a result of past events, and it is probable that an outflow of economic resources will be required to settle the obligation and the amount of the obligation can be reliably estimated. However, short-term provisions without bearing interest are subsequently measured at initial invoice amount as the effect of discounting is immaterial.

(22) Employee benefits

A. Short-term employee benefits

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

B. Pensions

(a) Defined contribution plans

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

(b) Defined benefit plans

i. Net obligation under a defined benefit plan is defined as the present value of an amount of pension benefits that employees will receive on retirement for their services with the Company in current period or prior periods. The liability recognised in the balance sheet in respect of defined benefit pension plans is the present value of the defined benefit obligation at the balance sheet date less the fair value of plan assets. The net defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The rate used to discount is determined by using interest rates of government bonds of a currency and term consistent with the currency and term of the employment benefit obligations.

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

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

Employees' compensation and directors' and supervisors' remuneration are recognised as expense and liability, provided that such recognition is required under legal or constructive obligation and those amounts can be reliably estimated. Any difference between the accrued amounts and the subsequently actual distributed amounts resolved by the Board of Directors is accounted for as changes in estimates. If employee compensation is paid by shares, the Company calculates the number of shares based on the closing price at the previous day of the board meeting resolution.

(23) Income tax

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

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

C. Deferred tax is recognised, using the balance sheet liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the balance sheet. Deferred tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

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

E. Current income tax assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. Deferred tax assets and liabilities are offset on the balance sheet when the entity has the legally enforceable right to offset current tax assets against current tax liabilities and they are levied by the same taxation authority on either the same entity or different entities that intend to settle on a net basis or realise the asset and settle the liability simultaneously.

F. A deferred tax asset shall be recognised for the carryforward of unused tax credits resulting from research and development expenditures to the extent that it is possible that future taxable profit will be available against which the unused tax credits can be utilised.

(24) Share capital

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

(25) Dividends

Cash dividends are recorded as liabilities in the Company's financial statements in the period in which they are resolved by the Company's Board of Directors and reported to the shareholders. Stock dividends are recorded as stock dividends to be distributed in the Company's financial statements in the period in which they are resolved by the Company's shareholders and are reclassified to ordinary shares on the effective date of new shares issuance.

(26) Revenue recognition

A. Sales revenue

(a) The Company manufactures mechanical equipment and agents and sells related products of electronic and speciality chemicals. Sales are recognised when control of the products has transferred, being when the products are delivered to the customer, the customer has full discretion over the channel and price to sell the products, and there is no unfulfilled obligation that could affect the wholesaler's acceptance of the products. Delivery occurs when the products have been shipped to the specific location, the risks of obsolescence and loss have been transferred to the customer, and either the customer has accepted the products in accordance with the sales contract, or the Company has objective evidence that all criteria for acceptance have been satisfied.

(b) The Company's obligation to provide a repair for faulty products under the standard warranty terms is recognised as a provision.

(c) A receivable is recognised when the goods are delivered as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

B. Repairs and maintenance revenue

The Company provides related services for the repairs and maintenance of electronic product. Revenue from providing repairs and maintenance is recognised in the accounting period in which the services are rendered.

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

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

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

None.

(2) Critical accounting estimates and assumptions

A. Evaluation of inventories

As inventories are stated at the lower of cost and net realisable value, the Company must determine the net realisable value of inventories on balance sheet date using judgements and estimates. Due to the rapid technology innovation, the Company evaluates the amounts of normal inventory consumption, obsolete inventories or inventories without market selling value on balance sheet date, and writes down the cost of inventories to the net realisable value. Such an evaluation of inventories is principally based on the demand for the products within the specified period in the future. Therefore, there might be material changes to the evaluation. As of December 31, 2023, the carrying amount of inventories was $1,021,728.

B. Impairment assessment of accounts receivable

Impairment assessment of accounts receivable is based on IFRS 9 through the application of the simplified approach to estimate the expected credit loss. The management uses ageing of receivables as of the balance sheet date and the payment history, financial and economic condition of customer and many other factors that would affect the payment ability of customer as well as the forecastability to assess the default possibility of accounts receivable.

As of December 31, 2023, the Company's accounts receivable and allowance for bad debts amounted to $736,622 and $33,775, respectively.

6. Details of Significant Accounts

(1) Cash and cash equivalents

	December 31, 2023	December 31, 2022
Cash on hand and revolving funds	$ 2,921	$ 2,010
Checking accounts and demand deposits	420,640	350,899
Time deposits	195,000	-
Cash equivalents - bonds sold under repurchase agreement	83,879	438,869
	$ 702,440	$ 791,778

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

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

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

Items	December 31, 2023	December 31, 2022
Current items:		
Financial assets mandatorily measured at fair value through profit or loss		
Beneficiary certificates	$ 902,422	$ 776,696
Valuation adjustment	16,828	9,278
	$ 919,250	$ 785,974
Non-current items:		
Unlisted stocks	64,960	105,832
Valuation adjustment	(62,300)	(103,172)
	$ 2,660	$ 2,660

A. In August 2022, the Company cooperated with Somnics, Inc. to convert the ordinary shares of Somnics, Inc. at a price of USD $0.0173 per share into 5,168,005 ordinary shares of Somnics Cayman Inc.

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

	Year ended December 31	
	2023	2022
Financial assets mandatorily measured at fair value through profit or loss		
Equity instruments	$ -	($ 53,245)
Beneficiary certificates	10,277	4,239
	$ 10,277	($ 49,006)

C. The Company has fully recognised loss on valuation adjustment after assessing the possible value of the unlisted stocks held.

D. The Company has no financial assets at fair value through profit or loss pledged to others.

E. Information relating to price risk and fair value is provided in Notes 12(2) and (3).

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

Items	December 31, 2023	December 31, 2022
Non-current items:		
Equity instruments		
Unlisted stocks	$ 26,926	$ 38,154
Valuation adjustment	78,495	62,668
	$ 105,421	$ 100,822

A. The Company has elected to classify unlisted stocks that are considered to be strategic investments as financial assets at fair value through other comprehensive income. The fair value of such investments amounted to $105,421 and $100,822 as at December 31, 2023 and 2022, respectively.

B. The Company recognised $15,827 and $13,885 in other comprehensive income for fair value change for the years ended December 31, 2023 and 2022, respectively.

C. As at December 31, 2023 and 2022, without taking into account any collateral held or other credit enhancements, the maximum exposure to credit risk in respect of the amount that best represents the financial assets at fair value through other comprehensive income held by the Company was $105,421 and $100,822, respectively.

D. The Company has no financial assets at fair value through other comprehensive income pledged to others.

E. Information relating to fair value is provided in Note 12(3).

(4) Financial assets at amortised cost

Items	December 31, 2023	December 31, 2022
Current items:		
Time deposits with maturity over three months	$ 218,700	$ 97,670

A. Amounts recognised in profit or loss in relation to financial assets at amortised cost are listed below:

	Year ended December 31	
	2023	2022
Interest income	$ 2,779	$ 637

B. Details of the Company's financial assets at amortised cost pledged to others as collateral are provided in Note 8.

C. Information relating to credit risk of financial assets at amortised cost is provided in Note 12(2). The counterparties of the Company's investments in certificates of deposit are financial institutions with high credit quality, so the Company expects that the probability of counterparty default is remote.

(5) Notes and accounts receivable

	December 31, 2023		December 31, 2022	
	Non-related parties	Related parties	Non-related parties	Related parties
Notes receivable	$ 641	$ -	$ 1,255	$ -
Accounts receivable	$ 613,361	$ 123,261	$ 754,552	$ 161,099
Less: Allowance for uncollectible accounts	(33,775)	-	(21,822)	-
	$ 579,586	$ 123,261	$ 732,730	$ 161,099

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

	December 31, 2023		December 31, 2022	
	Accounts receivable	Notes receivable	Accounts receivable	Notes receivable
Not past due	$ 608,820	$ 641	$ 750,859	$ 1,255
Up to 90 days	27,145	-	64,798	-
91 to 180 days	34,311	-	34,337	-
181 to 365 days	38,638	-	47,919	-
Over 365 days	27,708	-	17,738	-
	$ 736,622	$ 641	$ 915,651	$ 1,255

The above ageing analysis was based on past due date.

B. As of December 31, 2023 and 2022, accounts receivable and notes receivable were all from contracts with customers. And as of January 1, 2022, the balance of receivables from contracts with customers amounted to $768,520.

C. As at December 31, 2023 and 2022, without taking into account any collateral held or other credit enhancements, the maximum exposure to credit risk in respect of the amount that best represents the Company’s notes receivable was $641 and $1,255 and accounts receivable (including related parties) was $702,847 and $893,829, respectively.

D. The Company did not hold any collateral.

E. Information relating to credit risk is provided in Note 12(2).

(6) Inventories

	December 31, 2023		
	Cost	Allowance for valuation loss	Book value
Merchandise inventory	$ 101,226	$ (392)	$ 100,834
Raw materials	150,664	(19,690)	130,974
Work in progress	54,662	(575)	54,087
Finished goods	30,072	(10,609)	19,463
Outsourced finished goods	716,360	-	716,360
Inventory in transit	10	-	10
	$ 1,052,994	(31,266)	$ 1,021,728

	December 31, 2022		
	Cost	Allowance for valuation loss	Book value
Merchandise inventory	$ 151,548	$ (676)	$ 150,872
Raw materials	149,286	(21,207)	128,079
Work in progress	80,612	(547)	80,065
Finished goods	55,415	(6,658)	48,757
Outsourced finished goods	753,736	-	753,736
	$ 1,190,597	$ (29,088)	$ 1,161,509

The cost of inventories recognised as expense for the year:

	Year ended December 31	
	2023	2022
Cost of goods sold	$ 2,062,781	$ 2,291,937
Loss on inventory obsolescence and market price decline (Gain from price recovery)	2,178	(3,627)
Maintenance costs	33,220	35,540
Loss on physical inventory	(1)	-
	$ 2,098,178	$ 2,323,850

The Company reversed a previous inventory write-down because the inventories were partially sold and disposed by the Company during the year ended December 31, 2022.

(7) Investments accounted for using the equity method

	December 31, 2023	December 31, 2022
Subsidiaries:		
Ampoc Tech Limited	$ 232,853	$ 179,656

	2023	2022
At January 1	$ 179,656	$ 129,538
Share of profit or loss of investments accounted for using the equity method	52,922	44,636
Unrealised loss (profit) from sales	2,923	(2,717)
Exchange differences on translation	(2,648)	8,199
At December 31	$ 232,853	$ 179,656

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

(8) Property, plant and equipment

	2023					
	Land	Buildings and structures	Machinery and equipment	Construction in progress	Others	Total
At January 1						
Cost	$ 358,223	$ 176,834	$ 17,323	$ -	$ 41,801	$ 594,181
Accumulated depreciation	-	(90,992)	(2,515)	-	(17,175)	(110,682)
	$ 358,223	$ 85,842	$ 14,808	$ -	$ 24,626	$ 483,499
Opening net book amount as at January 1	$ 358,223	$ 85,842	$ 14,808	$ -	$ 24,626	$ 483,499
Additions	350,474	6,667	2,270	109,589	2,858	471,858
Reclassifications	-	2,857	900	-	1,669	5,426
Disposals	-	-	-	-	(597)	(597)
Depreciation charge	-	(4,884)	(772)	-	(3,827)	(9,483)
Closing net book amount as at December 31	$ 708,697	$ 90,482	$ 17,206	$ 109,589	$ 24,729	$ 950,703
At December 31						
Cost	$ 708,697	$ 184,034	$ 20,493	$ 109,589	$ 44,440	$ 1,067,253
Accumulated depreciation	-	(93,552)	(3,287)	-	(19,711)	(116,550)
	$ 708,697	$ 90,482	$ 17,206	$ 109,589	$ 24,729	$ 950,703

	2022				
	Land	Buildings and structures	Machinery and equipment	Others	Total
At January 1					
Cost	$ 358,223	$ 176,834	$ 17,214	$ 38,943	$ 591,214
Accumulated depreciation	-	(86,103)	(1,825)	(14,512)	(102,440)
	$ 358,223	$ 90,731	$ 15,389	$ 24,431	$ 488,774
Opening net book amount as at January 1	$ 358,223	$ 90,731	$ 15,389	$ 24,431	$ 488,774
Additions	-	-	134	3,871	4,005
Reclassifications	-	-	-	76	76
Disposals	-	-	(19)	(156)	(175)
Depreciation charge	-	(4,889)	(696)	(3,596)	(9,181)
Closing net book amount as at December 31	$ 358,223	$ 85,842	$ 14,808	$ 24,626	$ 483,499
At December 31					
Cost	$ 358,223	$ 176,834	$ 17,323	$ 41,801	$ 594,181
Accumulated depreciation	-	(90,992)	(2,515)	(17,175)	(110,682)
	$ 358,223	$ 85,842	$ 14,808	$ 24,626	$ 483,499

A. The aforementioned property, plant and equipment were all for its own use.

B. Amount of borrowing costs capitalised as part of property, plant and equipment and the range of the interest rates for such capitalisation are as follows:

	Year ended December 31, 2023		Year ended December 31, 2022	
Amount capitalised	$	130	$	-
Range of the interest rates for capitalisation		1.90%		

C. The significant components of buildings and structures include main plants and decor improvements, which are depreciated over 55 and 20 years, respectively.

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

(9) Leasing arrangements－lessee

A. The Company leases various assets including buildings (including land) and transportation equipment (business vehicles). Rental contracts are typically made for periods of 1 to 5 years. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose covenants, but leased assets may not be used as security for borrowing purposes.

B. Short-term leases with a lease term of 12 months or less comprise warehouses, transportation equipment and photocopiers.

C. The carrying amount of right-of-use assets and the depreciation charge are as follows:

	December 31, 2023		December 31, 2022	
	Carrying amount		Carrying amount	
Buildings (including land)	$	166	$	451
Transportation equipment (Business vehicles)		1,515		-
	$	1,681	$	451

	Year ended December 31			
	2023		2022	
	Depreciation charge		Depreciation charge	
Buildings (including land)	$	3,020	$	2,762
Transportation equipment (Business vehicles)		757		24
	$	3,777	$	2,786

D. For the years ended December 31, 2023 and 2022, the additions to right-of-use assets were $5,007 and $0, respectively.

E. The information on profit and loss accounts relating to lease contracts is as follows:

	Year ended December 31			
	2023		2022	
Items affecting profit or loss				
Interest expense on lease liabilities	$	59	$	21
Expense on short-term lease contracts		5,358		6,121

F. For the years ended December 31, 2023 and 2022, the Company's total cash outflow for leases were $8,888 and $8,928, respectively.

(10) Other payables

	December 31, 2023	December 31, 2022
Employees' compensation and directors' and supervisors' remuneration payable	$ 73,461	$ 63,498
Annual bonus payable	51,947	47,219
Wages and salaries payable	31,069	32,482
Others	45,413	34,868
	$ 201,890	$ 178,067

(11) Provisions

Warranty:	Year ended December 31	
	2023	2022
At January 1	$ 24,669	$ 23,142
Additional provisions	25,638	21,576
Used during the year	(24,695)	(20,049)
At December 31	$ 25,612	$ 24,669

The Company provides warranties on mechanical equipment sold. Provision for warranty is estimated based on historical warranty data of mechanical equipment products. The Company expects that the liability will be used in the following year, so it is shown as current liabilities.

(12) Long-term borrowings

Type of borrowings	Borrowing period and repayment term	Interest rate range	Collateral	December 31, 2023
Long-term bank borrowings				
Secured borrowings	Borrowing period is from December 19, 2023 to December 19, 2028; monthly amortized payment on principal and interest.	1.90%	Property, plant and equipment	$ 190,000
Less: Current portion				(39,864)
				$ 150,136

(13) Pensions

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

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

	December 31, 2023	December 31, 2022
Present value of defined benefit obligations	($ 171,781)	($ 164,627)
Fair value of plan assets	99,946	105,417
Net defined benefit liability (shown as "Other non-current liabilities")	($ 71,835)	($ 59,210)

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

	Present value of defined benefit obligations	Fair value of plan assets	Net defined benefit liability
2023			
At January 1	($ 164,627)	$ 105,417	($ 59,210)
Current service cost	(531)	-	(531)
Interest (expense) income	(2,012)	1,285	(727)
Past service cost	150	-	150
Settlement profit or loss	2,431	-	2,431
	(164,589)	106,702	(57,887)
Remeasurements:			
Return on plan assets (excluding amounts included in interest income or expense)	-	1,020	1,020
Change in demographic assumptions	(1)	-	(1)
Change in financial assumptions	(650)	-	(650)
Experience adjustments	(13,721)	-	(13,721)
	(14,372)	1,020	(13,352)
Pension fund contribution	-	1,806	1,806
Paid pension	7,151	(7,151)	-
Settlement or curtailment of payments	29	(2,431)	(2,402)
At December 31	($ 171,781)	$ 99,946	($ 71,835)

	Present value of defined benefit obligations	Fair value of plan assets	Net defined benefit liability
2022			
At January 1	($ 203,269)	$ 109,602	($ 93,667)
Current service cost	(613)	-	(613)
Interest (expense) income	(1,392)	744	(648)
	(205,274)	110,346	(94,928)
Remeasurements:			
Return on plan assets (excluding amounts included in interest income or expense)	-	9,192	9,192
Change in demographic assumptions	(3)	-	(3)
Change in financial assumptions	7,446	-	7,446
Experience adjustments	17,161	-	17,161
	24,604	9,192	33,796
Pension fund contribution	-	1,900	1,900
Paid pension	16,043	(16,021)	22
At December 31	($ 164,627)	$ 105,417	($ 59,210)

(d) The Bank of Taiwan was commissioned to manage the Fund of the Company's defined benefit pension plan in accordance with the Fund's annual investment and utilisation plan and the "Regulations for Revenues, Expenditures, Safeguard and Utilisation of the Labor Retirement Fund" (Article 6: The scope of utilisation for the Fund includes deposit in domestic or foreign financial institutions, investment in domestic or foreign listed, over-the-counter, or private placement equity securities, investment in domestic or foreign real estate securitisation products, etc.). With regard to the utilisation of the Fund, its minimum earnings in the annual distributions on the final financial statements shall be no less than the earnings attainable from the amounts accrued from two-year time deposits with the interest rates offered by local banks. If the earnings is less than aforementioned rates, government shall make payment for the deficit after being authorised by the Regulator.

The Company has no right to participate in managing and operating that fund and hence the Company is unable to disclose the classification of plan assets fair value in accordance with IAS 19 paragraph 142. The composition of fair value of plan assets as of December 31, 2023 and 2022 is given in the Annual Labor Retirement Fund Utilisation Report announced by the government.

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

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

Assumptions regarding future mortality experience are set based on actuarial advice in accordance with published statistics and experience in each territory.

Because the main actuarial assumption changed, the present value of defined benefit obligation is affected. The analysis was as follows:

	Discount rate		Future salary increases	
	Increase 0.25%	Decrease 0.25%	Increase 0.25%	Decrease 0.25%
December 31, 2023				
Effect on present value of defined benefit obligation	($ 3,139)	$ 3,235	$ 3,201	($ 3,122)
December 31, 2022				
Effect on present value of defined benefit obligation	($ 3,218)	$ 3,321	$ 3,288	($ 3,203)

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

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

(f) Expected contributions to the defined benefit pension plans of the Company for the year ending December 31, 2024 amount to $2,020.

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

Within 1 year	$ 13,574
2~3 years	17,312
4~5 years	41,732
Over 5 years	113,482
	$ 186,100

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

(b) The pension costs under defined contribution pension plans of the Company for the years ended December 31, 2023 and 2022, were $9,563 and $9,505, respectively.

(14) Share capital

As of December 31, 2023, the Company's authorised capital was $1,788,000, consisting of 178,800 thousand shares of ordinary stock, and the paid-in capital was $1,144,373 with a par value of $10 (in dollars) per share. All proceeds from shares issued have been collected.

(15) Capital surplus

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

(16) Retained earnings / Events after the balance sheet date

A. The Company has amended the Company's Articles of Incorporation as resolved by the shareholders on June 11, 2019. Under the Company's amended Articles of Incorporation, if the Company has any profit for the current year, shall be used to pay income tax and offset prior years' operating losses. The remaining amount, if any, then 10% shall be set aside as legal reserve. When necessary, the special reserve shall be set aside or reversed in accordance with related laws or the regulations of the regulatory authority, after that, adding the accumulated undistributed surplus of the previous year is the accumulated undistributed earnings. The aforesaid distributable earnings shall be proposed by the Board of Directors and resolved by the shareholders.

The additions after the amendment of the Company's Articles of Incorporation are as follow: the Board of Directors may, upon resolution adopted by a majority vote at a meeting of the Board of Directors attended by two-thirds of the total number of directors, distribute dividends and bonus, capital surplus or legal reserve, in whole or in part, in the form of cash, which shall also be reported at the shareholders' meeting. The above distribution is not subject to approval by the shareholders.

B. To meet the needs of business expansion and industrial growth, the Company can distribute stock dividends for reserving sufficient capital based on the Company's overall capital budget, and remaining dividends can be distributed in the form of cash. 10% of the total dividend distribution to shareholders. However, cash dividends shall not be less than 10% of the total dividends distributed to shareholders for the year unless the cash dividend per share is less than 5 dimes, it may be paid in the form of stock dividend instead.

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

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

E. Distributions of dividends to the shareholders from the appropriation of earnings for the years ended December 31, 2022 and 2021approved by the shareholders on June 14, 2023 and June 16, 2022, respectively, are as follows:

	Year ended December 31			
	2022		2021	
	Amount	Dividends per share (in dollars)	Amount	Dividends per share (in dollars)
Legal reserve	$ 61,944		$ 35,334	
Cash dividends	457,750	$ 4.00	314,703	$ 2.75

The mentioned above distribution of earnings for the years 2022 and 2021 was in agreement with those amounts proposed by the Board of Directors on March 22, 2023 and March 24, 2022. On March 13, 2024, the Board of Directors resolved to distribute cash dividends from the 2023 earnings is the amount of $572,187 at $5 (in dollars) per share. As of March 13, 2024, the aforementioned appropriations of 2023 earnings had not yet been reported to the shareholders' meeting.

(17) Operating revenue

	Year ended December 31	
	2023	2022
Revenue from contracts with customers	$ 3,229,509	$ 3,372,629

A. Disaggregation of revenue from contracts with customers

The Company derives revenue from the transfer of goods and services over time and at a point in time in the following major product lines:

Year ended December 31, 2023	Mechanical equipment	Expendable Merchandise	Maintenance	Total
Revenue from contracts with customers	$ 2,152,072	$ 1,007,501	$ 69,936	$ 3,229,509

Year ended December 31, 2022	Mechanical equipment	Expendable Merchandise	Maintenance	Total
Revenue from contracts with customers	$ 2,166,936	$ 1,126,613	$ 79,080	$ 3,372,629

B. Contract assets and liabilities

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

	December 31, 2023	December 31, 2022	January 1, 2023
Contract liabilities:			
Contract liabilities-advance sales receipts	$ 800,080	$ 784,546	$ 490,747

(a) Significant changes in contract assets and liabilities

None.

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

	Year ended December 31	
	2023	2022
Revenue recognised that was included in the contract liability balance at the beginning of the year	$ 727,625	$ 484,519

(18) Interest income

	Year ended December 31	
	2023	2022
Interest income from bank deposits	$ 4,704	$ 1,405
Other interest income	2,779	637
	$ 7,483	$ 2,042

(19) Other income

	Year ended December 31	
	2023	2022
Rent income	$ 157	$ 157
Dividend income	8,162	7,359
Other income, others	527	565
	$ 8,846	$ 8,081

(20) Other gains and losses

	Year ended December 31	
	2023	2022
Net currency exchange gains	$ 12,170	$ 39,413
Losses on financial assets at fair value through profit or loss	10,277	(49,006)
Losses on disposals of property, plant and equipment	(416)	(99)
Other income, others	20	-
	$ 22,051	($ 9,692)

(21) Finance costs

	Year ended December 31	
	2023	2022
Interest expense:		
Bank borrowings	$ 3	$ 15
Leases	59	21
	$ 62	$ 36

(22) Expenses by nature

	Year ended December 31	
	2023	2022
Change in inventories of merchandise, finished goods and work in progress	$ 138,981	$ 43,500
Net purchase for the year	696,818	889,197
Raw materials and supplies used	905,875	1,048,224
Employee benefit expense	386,106	371,632
Outsourcing processing fee	137,892	126,520
Depreciation charges on property, plant and equipment and right-of-use assets	13,260	11,967
Amortisation charge	5,862	5,292
Expected credit impairment loss	11,953	4,852
Other expenses	164,190	163,907
Operating costs and operating expenses	$ 2,460,937	$ 2,665,091

(23) Employee benefit expense

	Year ended December 31	
	2023	2022
Wages and salaries	$ 317,874	$ 309,215
Labour and health insurance fees	23,297	22,222
Pension costs	10,821	10,766
Directors' remuneration	22,894	18,437
Other personnel expenses	11,220	10,992
	$ 386,106	$ 371,632

A. In accordance with the Articles of Incorporation of the Company, a ratio of distributable profit of the current year, after covering accumulated losses, shall be distributed as employees' compensation and directors' and supervisors' remuneration. The ratio shall be 5%~8% for employees' compensation and shall not be higher than 3% for directors' and supervisors' remuneration.

B. For the years ended December 31, 2023 and 2022, employees' compensation was accrued at $55,096 and $47,623, respectively; while directors' and supervisors' remuneration was accrued at $18,365 and $15,875, respectively. The aforementioned amounts were recognised in salary expenses. The employees' compensation and directors' remuneration were estimated and accrued based on the percentage of distributable profit of current year as of the end of the reporting period as prescribed by the Company's Articles of Incorporation.

The amount of employees' compensation and directors' and supervisors' remuneration of 2022 as resolved by the Board of Directors was $47,623 and $13,000, respectively. The amount of the employees' compensation and directors' and supervisors' remuneration recognised in the 2023 financial report was $47,623 and $15,875, respectively. The difference of $2,875 had been adjusted to loss in 2023.

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

(24) Income tax

A. Income tax expense

(a) Components of income tax expense:

	Year ended December 31	
	2023	2022
Current tax:		
Current tax on profits for the year	$ 155,422	$ 141,330
Tax on undistributed surplus earnings	4,987	165
Prior year income tax under (over) estimation	1,319	(1,298)
Total current tax	161,728	140,197
Deferred tax:		
Origination and reversal of temporary differences	10,697	17,255
Total deferred tax	10,697	17,255
Income tax expense	$ 172,425	$ 157,452

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

	Year ended December 31	
	2023	2022
Remeasurement of defined benefit obligations	($ 2,671)	$ 6,759
Currency translation differences	(530)	1,640
	($ 3,201)	$ 8,399

B. Reconciliation between income tax expense and accounting profit

	Year ended December 31	
	2023	2022
Tax calculated based on profit before tax and statutory tax rate	$ 172,547	$ 149,971
Expenses disallowed by tax regulation	83	9,774
Tax exempt income by tax regulation	(6,511)	(1,160)
Tax on undistributed earnings	4,987	165
Prior year income tax under (over) estimation	1,319	(1,298)
Income tax expense	$ 172,425	$ 157,452

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

	2023			
	January 1	Recognised in profit or loss	Recognised in other comprehensive income	December 31
Temporary differences:				
—Deferred tax assets:				
Allowance for bad debts	$ 8,857	($ 2,732)	$ -	$ 6,125
Unrealised loss on valuation loss and slow-moving inventories	5,818	435	-	6,253
Provision for after sale services	4,934	188	-	5,122
Pensions	11,842	(116)	2,671	14,397
Unrealised gross profit	1,206	(584)	-	622
Currency translation differences	(554)	-	530	(24)
Others	1,925	35	-	1,960
	$ 34,028	($ 2,774)	$ 3,201	$ 34,455
—Deferred tax liabilities:				
Provision for land increment tax	($ 4,727)	$ -	$ -	($ 4,727)
Unrealised exchange gain	(4,624)	2,661	-	(1,963)
Gain on investments accounted for under equity method	(29,064)	(10,584)	-	(39,648)
	($ 38,415)	($ 7,923)	$ -	($ 46,338)
	($ 4,387)	($ 10,697)	$ 3,201	($ 11,883)

	2022			
	January 1	Recognised in profit or loss	Recognised in other comprehensive income	December 31
Temporary differences:				
—Deferred tax assets:				
Unrealised exchange loss	$ 3,061	($ 3,061)	$ -	$ -
Allowance for bad debts	9,565	(708)	-	8,857
Unrealised loss on valuation loss and slow-moving inventories	6,543	(725)	-	5,818
Provision for after sale services	4,628	306	-	4,934
Pensions	18,733	(132)	(6,759)	11,842
Unrealised gross profit	663	543	-	1,206
Currency translation differences	1,086	-	(1,640)	(554)
Others	1,853	72	-	1,925
	$ 46,132	($ 3,705)	($ 8,399)	$ 34,028
—Deferred tax liabilities:				
Provision for land increment tax	($ 4,727)	$ -	$ -	($ 4,727)
Unrealised exchange gain	-	(4,624)	-	(4,624)
Gain on investments accounted for under equity method	(20,138)	(8,926)	-	(29,064)
	($ 24,865)	($ 13,550)	$ -	($ 38,415)
	$ 21,267	($ 17,255)	($ 8,399)	($ 4,387)

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

	December 31, 2023	December 31, 2022
Deductible temporary differences	$ 117,180	$ 117,180

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

(25) Earnings per share

	Year ended December 31, 2023		
	Amount after tax	Ordinary shares outstanding (shares in thousands)	Earnings per share (in dollars)
Basic earnings per share			
Profit attributable to ordinary shareholders	$ 690,310	114,437	$ 6.03
Diluted earnings per share			
Profit attributable to ordinary shareholders	690,310	114,437	
Assumed conversion of all dilutive potential ordinary shares			
Employees' compensation	-	927	
Profit attributable to ordinary shareholders plus assumed conversion of all dilutive potential ordinary shares	$ 690,310	115,364	$ 5.98

	Year ended December 31, 2022		
	Amount after tax	Ordinary shares outstanding (shares in thousands)	Earnings per share (in dollars)
Basic earnings per share			
Profit attributable to ordinary shareholders	$ 592,400	114,437	$ 5.18
Diluted earnings per share			
Profit attributable to ordinary shareholders	592,400	114,437	
Assumed conversion of all dilutive potential ordinary shares			
Employees' compensation	-	1,262	
Profit attributable to ordinary shareholders plus assumed conversion of all dilutive potential ordinary shares	$ 592,400	115,699	$ 5.12

(26) Supplemental cash flow information

Investing activities with no cash flow effects:

	Year ended December 31	
	2023	2022
Prepayments for business facilities transferred into property, plant and equipment	$ 5,426	$ 76

7. Related Party Transactions

(1) Names of related parties and relationship

Names of related parties	Relationship with the Company
Ampoc Tech Limited (ATL)	Subsidiary
Ampoc Trading (Shanghai) Co., Ltd. (ASC)	Sub-subsidiary

(2) Significant related party transactions

A. Operating revenue

	Year ended December 31	
	2023	2022
Sales of goods:		
ATL	$ 298,591	$ 265,933
ASC	181,246	160,360
	$ 479,837	$ 426,293

For the above-mentioned products sold to ATL which belong to mechanical equipment, their various product specifications are due to different customer needs, so their sales prices cannot be compared with general customers; the prices of other sales items are calculated based on market prices and are the same as general customers. The collection period of the payment for the goods, the mechanical equipment sold to ATL is collected according to the contract, and the remaining payment is collected as 2 to 5 months after monthly billings.

B. Service expenditures

	Year ended December 31	
	2023	2022
ASC	$ 103,208	$ 96,395

The above-mentioned service expenditures was paid to ASC because ASC assists the Company to provide machinery and equipment maintenance services to Chinese customers, which was shown as ‘Manufacturing overhead-outsourcing processing fee’. The payment amount is calculated by ASC’s monthly manufacturing overhead and the actual payment on behalf of others for materials and is based on the contract-plus ratio, and the payment would be made in the following month.

C. Receivables from related parties

	December 31, 2023	December 31, 2022
Accounts receivable:		
ATL	$ 71,243	$ 105,840
ASC	52,018	55,259
	123,261	161,099
Allowances for uncollectible accounts	-	-
	$ 123,261	$ 161,099
Other receivables:		
ATL	$ 6	$ 6

The receivables from related parties arise mainly from sale of goods. For information of the receivables, please refer to A.

D. Payables to related parties

	December 31, 2023	December 31, 2022
Accounts payable:		
ASC	$ 3,476	$ 3,936

E. Contract liabilities

	December 31, 2023	December 31, 2022
ATL	$ 262,599	$ 130,294

It is the advance sales receipts from the sales of machinery and equipment between the parent and subsidiary companies, which are transferred to revenue when the machine installation is confirmed.

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

	Year ended December 31	
	2023	2022
ATL	$ 115,440	$ 43,926

(3) Key management compensation

	Year ended December 31	
	2023	2022
Short-term employee benefits	$ 38,965	$ 31,474
Other long-term benefits	524	509
	$ 39,489	$ 31,983

8. Pledged Assets

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

	Book value		
Pledged asset	December 31, 2023	December 31, 2022	Purpose
Property, plant and equipment			
Land (including revaluation increment)	$ 708,697	$ 358,223	Issuance of letter of credit and credit line for long-term and short-term borrowings
- Buildings and structures	90,482	85,842	〃
-Construction in progress	109,589	-	〃
	$ 908,768	$ 444,065	

9. Significant Contingent Liabilities and Unrecognised Contract Commitments

(1) Contingencies

None.

(2) Commitments

None.

10. Significant Disaster Loss

None.

11. Significant Events after the Balance Sheet Date

Please refer to Note 6(16).

12. Others

(1) Capital management

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

(2) Financial instruments

A. Financial instruments by category

	December 31, 2023	December 31, 2022
Financial assets		
Financial assets at fair value through profit or loss		
Financial assets mandatorily measured at fair value through profit or loss	$ 921,910	$ 788,634
Financial assets at fair value through other comprehensive income		
Designation of equity instrument	105,421	100,822
Financial assets at amortised cost		
Cash and cash equivalents	702,440	791,778
Financial assets at amortised cost	218,700	97,670
Notes receivable	641	1,255
Accounts receivable (including related parties)	702,847	893,829
Other receivables (including related parties)	621	375
Guarantee deposits paid	1,042	1,067
	$ 2,653,622	$ 2,675,430
Financial liabilities		
Financial liabilities at amortised cost		
Notes payable	$ 2,050	$ 2,268
Accounts payable (including related parties)	478,518	599,171
Other accounts payable (including related parties)	201,890	178,067
Long-term borrowings (including current portion)	190,000	-
Other financial liabilities	13	13
	$ 872,471	$ 779,519
Lease liability	$ 1,986	$ 451

B. Financial risk management policies

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

(b) Risk management is carried out by the relevant department of the Company under policies approved by the Board of Directors. Company treasury identifies, evaluates and hedges financial risks in close co-operation with the Company's operating units. The Board provides written principles for overall risk management, as well as written policies covering specific areas and matters, such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments, and investment of excess liquidity.

C. Significant financial risks and degrees of financial risks

(a) Market risk

Foreign exchange risk

i. The Company's businesses involve some non-functional currency operations. The information on assets and liabilities denominated in foreign currencies whose values would be materially affected by the exchange rate fluctuations is as follows:

	December 31, 2023		
	Foreign currency amount (in thousands)	Exchange rate	Book value (NTD)
(Foreign currency: functional currency)			
Financial assets			
Monetary items			
USD:NTD	$ 16,365	$ 30.71	$ 502,487
JPY:NTD	1,146,126	0.2172	248,939
Non-monetary items			
USD:NTD	$ 35	$ 29.60	$ 1,036
Long-term equity investments accounted for using the equity method			
HKD:NTD	$ 59,265	$ 3.9290	$ 232,853
Financial liabilities			
Monetary items			
USD:NTD	$ 402	$ 30.71	$ 12,343
JPY:NTD	230,397	0.2172	50,042

	December 31, 2022		
	Foreign currency amount (in thousands)	Exchange rate	Book value (NTD)
(Foreign currency: functional currency)			
Financial assets			
Monetary items			
USD:NTD	$ 21,015	$ 30.71	$ 645,371
JPY:NTD	1,070,187	0.2324	248,711
Non-monetary items			
USD:NTD	$ 35	$ 29.60	$ 1,036
Long-term equity investments accounted for using the equity method			
HKD:NTD	$ 45,621	$ 3.9380	$ 179,656
Financial liabilities			
Monetary items			
USD:NTD	$ 374	$ 30.71	$ 11,486
JPY:NTD	345,258	0.2324	80,238

ii. The total exchange gain, including realised and unrealised, arising from significant foreign exchange variation on the monetary items held by the Company for the years ended December 31, 2023 and 2022, amounted to $12,170 and $39,413, respectively.

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

	Year ended December 31, 2023		
	Sensitivity analysis		
	Degree of variation	Effect on profit or loss before tax	Effect on other comprehensive income
(Foreign currency: functional currency)			
Financial assets			
Monetary items			
USD:NTD	1%	$ 5,025	$ -
JPY:NTD	1%	2,489	-
Financial liabilities			
Monetary items			
USD:NTD	1%	$ 123	$ -
JPY:NTD	1%	500	-

	Year ended December 31, 2022				
	Sensitivity analysis				
	Degree of variation	Effect on profit or loss before tax		Effect on other comprehensive income	
(Foreign currency: functional currency)					
Financial assets					
Monetary items					
USD:NTD	1%	$	6,454	$	-
JPY:NTD	1%		2,487		-
Financial liabilities					
Monetary items					
USD:NTD	1%	$	115	$	-
JPY:NTD	1%		802		-

Price risk

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

The Company's investments in financial securities comprise listed stocks, emerging stocks and open-end funds issued by the domestic and foreign companies. The prices of financial securities would change due to the change of the future value of investee companies. If the prices of these financial securities had increased/decreased by 1% with all other variables held constant, the profit for the years ended December 31, 2023 and 2022 would have increased/decreased by $9,219 and $7,886, respectively, as a result of gains/losses on financial securities classified as at fair value through profit or loss.

Cash flow and fair value interest rate risk

None.

(b) Credit risk

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

ii. The Company manages their credit risk taking into consideration the entire company's concern. For banks and financial institutions, only independently rated parties with a rating above investment grade are accepted. According to the Company's credit policy, each local unit in the Company is responsible for managing and analysing the credit risk for each of their new clients before standard payment and delivery terms and conditions are offered. Internal risk control assesses the credit quality of the customers, taking into account their financial position, past experience and other factors. Individual risk limits are set based on internal or external ratings in accordance with limits set by the Board of Directors. The utilisation of credit limits is regularly monitored.

iii. According to the Company's management on credit risk, the default occurs when the contract payments are past due over 365 days.

iv. The Company assesses whether there has been a significant increase in credit risk on that instrument since initial recognition is that when the contract payments were past due over 180 days based on the terms, there has been a significant increase in credit risk on that instrument since initial recognition.

v. The following indicators are used to determine whether the credit impairment of debt instruments has occurred:

(i) It becomes probable that the issuer will enter bankruptcy or other financial reorganisation due to their financial difficulties;

(ii) The disappearance of an active market for that financial asset because of financial difficulties;

(iii) Default or delinquency in interest or principal repayments;

(iv) Adverse changes in national or regional economic conditions that are expected to cause a default.

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

vii. The Company wrote-off the financial assets, which cannot be reasonably expected to be recovered, after initiating recourse procedures. However, the Company will continue executing the recourse procedures to secure their rights. On December 31, 2023 and 2022, the Company's written-off financial assets that are still under recourse procedures amounted to $0.

viii.

ix. The Company used the forecastability to adjust historical and timely information to assess the default possibility of accounts and notes receivable (including related parties). On December 31, 2023 and 2022, the loss rate methodology is as follows:

	Not past due	Up to 90 days	91~ 180 days	181~ 365 days	Over 365 days	Total
December 31, 2023						
Expected loss rate	0%	1.00%~3.00%	3.01%~5.00%	5.01%~15.00	50.00%~100%	
Total book value	$ 609,461	$ 27,145	$ 34,311	$ 38,638	$ 27,708	$ 737,263
Loss allowance	$ -	$ 734	$ 1,715	$ 4,862	$ 26,464	$ 33,775

	Not past due	Up to 90 days	91~ 180 days	181~ 365 days	Over 365 days	Total
December 31, 2022						
Expected loss rate	0%	1.00%~3.00%	3.01%~5.00%	5.01%~15.00	50.00%~100%	
Total book value	$ 752,114	$ 64,798	$ 34,337	$ 47,919	$ 17,738	$ 916,906
Loss allowance	$ -	$ 1,104	$ 1,593	$ 4,931	$ 14,194	$ 21,822

x. Movements in relation to the Company applying the modified approach to provide loss allowance for accounts receivable and notes receivable are as follows:

	2023 Accounts and notes receivable
At January 1	$ 21,822
Provision for impairment loss	28,863
Reversal of impairment loss	(16,910)
At December 31	$ 33,775

	2022 Accounts and notes receivable
At January 1	$ 16,970
Provision for impairment loss	23,176
Reversal of impairment loss	(18,324)
At December 31	$ 21,822

(c) Liquidity risk

i. Cash flow forecasting is performed by the Company treasury. Company treasury monitors rolling forecasts of the Company's liquidity requirements to ensure it has sufficient cash to meet operational needs.

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

<u>Non-derivative financial liabilities:</u> December 31, 2023	Less than 1 year	Between 1 and 5 years	Over 5 years
Notes payable	$ 2,050	$ -	$ -
Accounts payable (including related parties)	478,518	-	-
Other payables (including related parties)	201,890	-	-
Lease liability	1,238	778	-
Long-term borrowings (including current portion)	39,864	150,136	-
Other financial liabilities	-	13	-

<u>Non-derivative financial liabilities:</u> December 31, 2022	Less than 1 year	Between 1 and 5 years	Over 5 years
Notes payable	$ 2,268	$ -	$ -
Accounts payable (including related parties)	599,171	-	-
Other payables (including related parties)	178,067	-	-
Lease liability	452	-	-
Other financial liabilities	-	13	-

iii. The Company does not expect the timing of occurrence of the cash flows estimated through the maturity date analysis will be significantly earlier, nor expect the actual cash flow amount will be significantly different.

(3) <u>Fair value information</u>

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

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date. A market is regarded as active where a market in which transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis. The fair value of the Company’s investment in listed stocks and beneficiary certificates with active market transactions is included in Level 1.

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

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

B. The carrying amounts of financial instruments that are not measured at fair value including cash and cash equivalents, notes receivable, accounts receivable (including related parties), other receivables (including related parties), time deposits with maturity over three months, notes payable, accounts payable (including related parties) and other payables (including related parties) are approximate to their fair values.

C. The related information of financial and non-financial instruments measured at fair value by level on the basis of the nature, characteristics and risks of the assets and liabilities at December 31, 2023 and 2022 are as follows:

December 31, 2023	Level 1	Level 2	Level 3	Total
Assets				
Recurring fair value measurements				
Financial assets at fair value through profit or loss				
- Equity securities	$ 919,250	$ -	$ 2,660	$ 921,910
Financial assets at fair value through other comprehensive income				
- Equity securities	-	-	105,421	105,421
	$ 919,250	$ -	$ 108,081	$ 1,027,331

December 31, 2023	Level 1	Level 2	Level 3	Total
Assets				
Recurring fair value measurements				
Financial assets at fair value through profit or loss				
- Equity securities	$ 785,974	$ -	$ 2,660	$ 788,634
Financial assets at fair value through other comprehensive income				
- Equity securities	-	-	100,822	100,822
	$ 785,974	$ -	$ 103,482	$ 889,456

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

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

	Listed shares	Emerging stocks	Open-end fund
Market quoted price	Closing price	Last transaction price	Net asset value

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

F. Movements on transfer into or out from Level 3 for the years ended December 31, 2023 and 2022 are as follows:

	2023	2022
	Equity instruments	Equity instruments
At January 1	$ 103,482	$ 89,938
Gains and losses recognised in profit or loss recorded as non-operating income and expenses	-	(53,568)
Transfers into level 3	-	56,227
Proceeds from capital reduction	(11,228)	(3,000)
Gains recognised in other comprehensive income	15,827	13,885
At December 31	$ 108,081	$ 103,482

G. Somnics, Inc. was delisted since January 26, 2022, therefore, the Company transferred the fair value from Level 1 to Level 3 at the end of the month when the event occurred.

H. In August 2022, the Company cooperated with Somnics, Inc. to convert the ordinary shares of Somnics, Inc. at a price of USD $0.0173 per share into 5,168,005 ordinary shares of Somnics Cayman Inc.

I. Financial segment is in charge of valuation procedures for fair value measurements being categorised within Level 3, which is to verify independent fair value of financial instruments. Such assessment is to ensure the valuation results are reasonable by applying independent information to make results close to current market conditions, confirming the resource of information is independent, reliable and in line with other resources and represented as the exercisable price, and frequently calibrating valuation model, performing back-testing, updating inputs used to the valuation model and making any other necessary adjustments to the fair value.

J. The following is the qualitative information of significant unobservable inputs and sensitivity analysis of changes in significant unobservable inputs to valuation model used in Level 3 fair value measurement:

	Fair value at December 31, 2023	Valuation technique	Significant unobservable input	Range (weighted average)	Relationship of inputs to fair value
Non-derivative equity instrument:					
Unlisted stocks or emerging stocks	$ 108,081	Market comparable companies	Discount for lack of marketability	21.5%	The higher the discount for lack of marketability, the lower the fair value.
		Income approach	Weighted average cost of capital rate	12.14%	The higher the weighted average cost of capital, the lower the fair value.
		Asset approach	N/A	-	N/A

	Fair value at December 31, 2022	Valuation technique	Significant unobservable input	Range (weighted average)	Relationship of inputs to fair value
Non-derivative equity instrument:					
Unlisted stocks or emerging stocks	$ 103,482	Market comparable companies	Discount for lack of marketability	21.5%	The higher the discount for lack of marketability, the lower the fair value.
		Income approach	Weighted average cost of capital rate	10.06%	The higher the weighted average cost of capital, the lower the fair value.
		Asset approach	N/A	-	N/A

13. Supplementary Disclosures

(1) Significant transactions information

A. Loans to others: None.

B. Provision of endorsements and guarantees to others: None.

C. Holding of marketable securities at the end of the period (not including subsidiaries, associates and joint ventures): Please refer to table 1.

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

E. Acquisition of real estate reaching $300 million or 20% of paid-in capital or more: Please refer to table 2.

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

G. Purchases or sales of goods from or to related parties reaching $100 million or 20% of paid-in capital or more: Please refer to table 3.

H. Receivables from related parties reaching $100 million or 20% of paid-in capital or more:None.

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

J. Significant inter-company transactions during the reporting periods(Individual transactions not exceeding $10,000 are not disclosed; Additionally, the corresponding related parties transactions are not disclosed separately.): Please refer to table 4.

(2) Information on investees

Names, locations and other information of investee companies (not including investees in Mainland China)：Please refer to table 5.

(3) Information on investments in Mainland China

A. Basic information: Please refer to table 6.

B. Significant transactions, either directly or indirectly through a third area, with investee companies in the Mainland Area: Please refer to table 7.

(4) Major shareholders information

Major shareholders information: Please refer to table 8.

14. Operating Segment Information

N/A.

Ampoc Far-East Co., Ltd.

Holding of marketable securities at the end of the period (not including subsidiaries, associates and joint ventures)

Year ended December 31, 2023

Table 1

Expressed in thousands of NTD

(Except as otherwise indicated)

				As of December 31, 2023				
Securities held by	Marketable securities (Note 1)	Relationship with the securities issuer (Note 2)	General ledger account	Number of shares (in thousands)	Book value (Note 3)	Ownership (%)	Fair value	Footnote (Note 4)
Ampoc Far-East Co., Ltd.	Stocks-QUALIBOND TECHNOLOGY CORP.	N/A	Financial assets at fair value through other comprehensive income - non-current	2,380	$ 71,710	17.00%	$ 71,710	
Ampoc Far-East Co., Ltd.	Stocks-MILAGEN INC.	N/A	Financial assets at fair value through other comprehensive income - non-current	109	1,036	0.50%	1,036	
Ampoc Far-East Co., Ltd.	CBID Capital Healthcare Ventures Co., Ltd.	N/A	Financial assets at fair value through other comprehensive income - non-current	677	32,675	1.71%	32,675	
Ampoc Far-East Co., Ltd.	Stocks-CERMA PRECISION, INC.	N/A	Financial assets at fair value through profit or loss - non-current	28	-	0.78%	-	
Ampoc Far-East Co., Ltd.	Stocks-FORMOSA GOLF AND COUNTRY CLUB CORP.	N/A	Financial assets at fair value through profit or loss - non-current	3	-	0.01%	-	
Ampoc Far-East Co., Ltd.	Stocks-Somnics Cayman Inc.	N/A	Financial assets at fair value through profit or loss - non-current	5,168	2,660	17.03%	2,660	Note5
Ampoc Far-East Co., Ltd.	Capital RMB Money Market Fund	N/A	Financial assets at fair value through profit or loss-current	1,459	15,412	-	15,412	
Ampoc Far-East Co., Ltd.	Capital Money Market Fund	N/A	Financial assets at fair value through profit or loss-current	1,939	32,161	-	32,161	
Ampoc Far-East Co., Ltd.	TCB The RSIT Enhanced Money Market Fund	N/A	Financial assets at fair value through profit or loss-current	5,499	67,411	-	67,411	
Ampoc Far-East Co., Ltd.	Franklin Templeton Sinoam Money Market Fund	N/A	Financial assets at fair value through profit or loss-current	7,675	81,554	-	81,554	
Ampoc Far-East Co., Ltd.	FSITC Taiwan Money Market Fund	N/A	Financial assets at fair value through profit or loss-current	4,882	76,840	-	76,840	

Securities held by	Marketable securities (Note 1)	Relationship with the securities issuer (Note 2)	General ledger account	As of December 31, 2023 Number of shares (in thousands)	Book value (Note 3)	Ownership (%)	Fair value	Footnote (Note 4)
Ampoc Far-East Co., Ltd.	FSITC Money Market Fund	N/A	Financial assets at fair value through profit or loss-current	334	$ 61,103	-	$ 61,103	
Ampoc Far-East Co., Ltd.	PGIM Money Market Fund	N/A	Financial assets at fair value through profit or loss-current	4,386	71,313	-	71,313	
Ampoc Far-East Co., Ltd.	Allianz Global Investors Taiwan Money Market Fund	N/A	Financial assets at fair value through profit or loss-current	2,808	36,194	-	36,194	
Ampoc Far-East Co., Ltd.	Nomura Taiwan Money Market Fund	N/A	Financial assets at fair value through profit or loss-current	379	6,347	-	6,347	
Ampoc Far-East Co., Ltd.	CTBC Hua Win Money Market Fund	N/A	Financial assets at fair value through profit or loss-current	6,751	76,387	-	76,387	
Ampoc Far-East Co., Ltd.	Cathay Taiwan Money Market Fund	N/A	Financial assets at fair value through profit or loss-current	6,355	81,109	-	81,109	
Ampoc Far-East Co., Ltd.	Union Money Market Fund	N/A	Financial assets at fair value through profit or loss-current	1,235	16,764	-	16,764	
Ampoc Far-East Co., Ltd.	UPAMC James Bond Money Market Fund	N/A	Financial assets at fair value through profit or loss-current	4,725	81,012	-	81,012	
Ampoc Far-East Co., Ltd.	Fubon Chi-Hsiang Money Market Fund	N/A	Financial assets at fair value through profit or loss-current	950	15,295	-	15,295	
Ampoc Far-East Co., Ltd.	Fubon China Money Market Fund	N/A	Financial assets at fair value through profit or loss-current	1,936	21,846	-	21,846	
Ampoc Far-East Co., Ltd.	Yuanta/P-shares Taiwan Dividend Plus ETF	N/A	Financial assets at fair value through profit or loss-current	20	748	-	748	
Ampoc Far-East Co., Ltd.	JKO Pion Money Market Fund	N/A	Financial assets at fair value through profit or loss-current	6,820	80,807	-	80,807	
Ampoc Far-East Co., Ltd.	SinoPac TWD Money Market Fund	N/A	Financial assets at fair value through profit or loss-current	4,306	61,579	-	61,579	
Ampoc Far-East Co., Ltd.	KGI Victory Money Market Fund	N/A	Financial assets at fair value through profit or loss-current	1,261	15,001	-	15,001	

Securities held by	Marketable securities (Note 1)	Relationship with the securities issuer (Note 2)	General ledger account	As of December 31, 2023				Footnote (Note 4)
				Number of shares (in thousands)	Book value (Note 3)	Ownership (%)	Fair value	
Ampoc Far-East Co., Ltd.	Fubon Global Investment-grade Bond Fund A	N/A	Financial assets at fair value through profit or loss-current	997	$ 10,276	-	10,276	
Ampoc Far-East Co., Ltd.	Fubon US Treasury Inflation-Linked Bond Index Fund A	N/A	Financial assets at fair value through profit or loss-current	981	10,091	-	10,091	

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

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

Note 3: Fill in the amount after adjusted at fair value and deducted by accumulated impairment for the marketable securities measured at fair value; fill in the acquisition cost or amortised cost deducted by accumulated impairment for the marketable securities not measured at fair value.

Note 4: The number of shares of securities and their amounts pledged as security or pledged for loans and their restrictions on use under some agreements should be stated in the footnote if the securities presented herein have such conditions.

Note 5: In August 2022, the Company cooperated with Somnics, Inc. to convert the ordinary shares of Somnics, Inc. at a price of USD $0.0173 per share into 5,168,005 ordinary shares of Somnics Cayman Inc.

Ampoc Far-East Co., Ltd.

Acquisition of real estate reaching NT$300 million or 20% of paid-in capital or more

Year ended December 31, 2023

Table 2

Expressed in thousands of NTD

(Except as otherwise indicated)

							If the counterparty is a related party, information as to the last transaction of the real estate is disclosed below:						
Real estate acquired by	Real estate acquired	Date of the event	Transaction amount	Status of payment	Counterparty	Relationship with the counterparty	Original owner who sold the real estate to the counterparty	Relationship between the original owner and the acquirer	Date of the original transaction	Amount	Basis or reference used in setting the price	Reason for acquisition of real estate and status of the real estate	Other commitments
Ampoc Far-East Co., Ltd.	Land and Construction in progress	October 20,2023	$ 458,880	Paid in full	Note	N/A	N/A	N/A	N/A	N/A	Based on the price appraised by the professional report	Operational needs and future development	N/A

Note: The transaction is based on the relevant transaction information and signed contract of the acquisition of real estate resolution approved by the board of directors. The counterparty is a natural person and not a related party of the company.

Ampoc Far-East Co., Ltd.

Purchases or sales of goods from or to related parties reaching NT$100 million or 20% of paid-in capital or more

Year ended December 31, 2023

Table 3

Expressed in thousands of NTD

(Except as otherwise indicated)

			Transaction				Differences in transaction terms compared to third party transactions		Notes/accounts receivable (payable)		
Purchaser/seller	Counterparty	Relationship with the counterparty	Purchases (sales)	Amount	Percentage of total purchases (sales)	Credit term	Unit price	Credit term	Balance	Percentage of total notes/accounts receivable (payable)	Footnote
Ampoc Far-East Co., Ltd.	ATL	Subsidiary	Sales	($ 298,591)	(9.25%)	Based on sales contracts	Based on the general sales and purchase price and conditions	The transaction terms are approximately the same as those with third parties	$ 71,243	10.13%	
Ampoc Far-East Co., Ltd.	ASC	Subsidiary	Sales	(181,246)	(5.61%)	Based on sales contracts	Based on the general sales and purchase price and conditions	The transaction terms are approximately the same as those with third parties	52,018	7.39%	

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

Ampoc Far-East Co., Ltd.

Significant inter-company transactions during the reporting periods

Year ended December 31, 2023

Table 4

Expressed in thousands of NTD

(Except as otherwise indicated)

Number (Note1)	Company name	Counterparty	Relationship (Note 2)	Transaction			
				General ledger account	Amount	Transaction terms	Percentage of consolidated total operating revenues or total assets (Note 3)
0	Ampoc Far-East Co., Ltd.	ATL	1	Operating revenue	$ 298,591	240 days after monthly billings	8.90%
0	Ampoc Far-East Co., Ltd.	ATL	1	Accounts receivable	71,243	240 days after monthly billings	1.43%
0	Ampoc Far-East Co., Ltd.	ASC	1	Operating revenue	181,246	150 days after monthly billings	5.40%
0	Ampoc Far-East Co., Ltd.	ASC	1	Accounts receivable	52,018	150 days after monthly billings	1.04%
0	Ampoc Far-East Co., Ltd.	ASC	1	Service expenditure	103,208	60 days after monthly billings	3.08%

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

(1)Parent company is ‘0’.

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

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

(1)Parent company to subsidiary.

(2)Subsidiary to parent company.

(3)Subsidiary to subsidiary.

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

Note 4: The Company may decide to disclose or not to disclose transaction details in this table based on the Materiality Principle.

Ampoc Far-East Co., Ltd.

Information on investees (excluding information on investments in Mainland china)

Year ended December 31, 2023

Table 5

Expressed in thousands of NTD

(Except as otherwise indicated)

Investor	Investee (Notes 1 and 2)	Location	Main business activities	Initial investment amount: Balance as at December 31, 2023	Initial investment amount: Balance as at December 31, 2022	Shares held as at December 31, 2023: Number of shares	Shares held as at December 31, 2023: Ownership (%)	Shares held as at December 31, 2023: Book value	Net profit (loss) of the investee for the year ended December 31, 2023 (Note 2(2))	Investment income(loss) recognised by the Company for the year ended December 31, 2023 (Note 2(3))	Footnote
Ampoc Far-East Co., Ltd.	ATL	Hong Kong	Trade of machinery equipment and parts	$ 37,601	$ 37,601	9,500	100%	$ 232,853	$ 52,922	$ 52,922	Note 3

Note 1: If a public company is equipped with an overseas holding company and takes consolidated financial report as the main financial report according to the local law rules, it can only disclose the information of the overseas holding company about the disclosure of related overseas investee information.

Note 2: If situation does not belong to Note 1, fill in the columns according to the following regulations:

(1) The columns of 'Investee', 'Location', 'Main business activities', Initial investment amount' and 'Shares held as at December 31, 2023' should fill orderly in the Company's (public company's) information on investees and every directly or indirectly controlled investee's investment information, and note the relationship between the Company (public company) and its investee each (ex. direct subsidiary or indirect subsidiary) in the 'footnote' column.

(2) The 'Net profit (loss) of the investee for the year ended December 31, 2023' column should fill in amount of net profit (loss) of the investee for this period.

(3) The 'Investment income (loss) recognised by the Company for the year ended December 31, 2023' column should fill in the Company (public company) recognised investment income (loss) of its direct subsidiary and recognised investment income (loss) of its investee accounted for under the equity method for this period. When filling in recognised investment income (loss) of its direct subsidiary, the Company (public company) should confirm that direct subsidiary's net profit (loss) for this period has included its investment income (loss) which shall be recognised by regulations.

Note 3: The capital was actually invested on March 6, 2019 (HKD $9,500,000)

Ampoc Far-East Co., Ltd.

Information on investments in Mainland China

Year ended December 31, 2023

Expressed in thousands of NTD

(Except as otherwise indicated)

Table 6

Investee in Mainland China	Main business activities	Paid-in capital	Investment method (Note 1)	Accumulated amount of remittance from Taiwan to Mainland China as of January 1, 2023	Amount remitted back to Taiwan for the year ended December 31, 2023		Accumulated amount of remittance from Taiwan to Mainland China as of December 31, 2023	Net income of investee as of December 31, 2023	Ownership held by the Company (direct or indirect)	Investment income (loss) recognised by the Company for the year ended December 31, 2023 (Note 3)	Book value of investments in Mainland China 2022	Accumulated amount of investment income remitted back to Taiwan as of December 31, 2023	Footnote
					Remitted to Mainland China	Remitted back to Taiwan							
ASC	Trade of parts and specialty chemicals	$ 7,382	2	$ 33,692	$ -	$ -	$ 33,692	$ 31,077	100%	$ 31,077	$ 119,605	$ -	Note 2

Company name	Accumulated amount of	Investment amount approved	Ceiling on investments in
ASC	$ 33,692	$ 39,580	$ 1,800,332

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

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

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

(3) Others

Note 2: It referred to reinvest in Mainland China companies by cash through a Hong Kong subsidiary, ATL (HKD$8,643,000).

Note 3: Investment income (loss) recognised by the Company for the year ended December 31, 2023 was based on the financial statements of the investee that were reviewed by parent company's independent accountants.

Ampoc Far-East Co., Ltd.

Significant transactions conducted with investees in Mainland China directly or indirectly through other companies in the third areas

Year ended December 31, 2023

Table 7

Expressed in thousands of NTD

(Except as otherwise indicated)

	Sale (purchase)		Property transaction		Accounts receivable (payable)		Provision of endorsements/guarantees or collaterals		Financing				
Investee in Mainland China	Amount	%	Amount	%	Balance at December 31, 2023	%	Balance at December 31, 2023	Purpose	Maximum balance during the year ended December 31, 2023	Balance at December 31, 2023	Interest rate	Interest during the year ended December 31, 2023	Others (Note1)
ASC	$ 181,246	5.40%	$ -	-	$ 52,018	1.04%	$ -	-	$ -	$ -	-	$ -	($ 103,208)

Note 1: It referred to the service expenditure granted to Mainland China investees for machinery installations.

Note 2: Only material transactions with an amount greater than $10,000 are disclosed.

Ampoc Far-East Co., Ltd.

Major shareholders information

December 31, 2023

Table 8

	Shares (unit: share)	
Name of major shareholders	Number of shares held	Ownership (%)
Su, Sheng Yih	11,325,114	9.89%

AMPOC FAR-EAST CO., LTD.
STATEMENT OF CASH AND CASH EQUIVALENTS
DECEMBER 31, 2023
(Expressed in thousands of New Taiwan dollars)

Statement 1

Item	Description	Amount	Note
Cash on hand and revolving funds		$ 2,921	
Demand deposits			
- NTD deposits		145,670	
- Foreign currency deposits	USD 2,962		
	Conversion rate 30.705	90,796	
	JPY 396,255		
	Conversion rate 0.2172	85,274	
Checking accounts		98,900	
Time Deposits		195,000	
Cash equivalents - bonds sold under repurchase agreement		83,879	
		$ 702,440	

AMPOC FAR-EAST CO., LTD.
STATEMENT OF FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CURRENT)
DECEMBER 31, 2023
(Expressed in thousands of New Taiwan dollars)

Statement 2

Name of Financial Instrument	Shares (Units/shares in thousands)	Face Value (in dollars)	Total Amount	Interest Rate	Cost	Fair Value: Unit Price (in dollars)	Fair Value: Total Amount	Note
Beneficiary certificates								
Capital RMB Money Market Fund	1,459	-	-	-	$ 15,000	$ 10.5643	$ 15,412	
Capital Money Market Fund	1,939	-	-	-	31,638	16.5869	32,161	
The RSIT Enhanced Money Market Fund	5,499	-	-	-	65,400	12.2596	67,411	
Franklin Templeton Sinoam Money Market Fund	7,675	-	-	-	80,120	10.6260	81,554	
FSITC Taiwan Money Market	4,882	-	-	-	75,099	15.7385	76,840	
FSITC Money Market	334	-	-	-	60,093	183.1680	61,103	
Prudential Financial Money Market Fund	4,386	-	-	-	70,000	16.2587	71,313	
Allianz Global Investors Taiwan Money Market Fund	2,808	-	-	-	35,000	12.8889	36,194	
Nomura Taiwan Money Market Fund	379	-	-	-	6,247	16.7443	6,347	
CTBC Hwa-win Money Market Fund	6,751	-	-	-	75,000	11.3152	76,387	
Cathay Taiwan Money Market Fund	6,355	-	-	-	80,000	12.7628	81,109	
Union Money Market Fund	1,235	-	-	-	16,506	13.5750	16,764	
UPAMC James Bond Money Market Fund	4,725	-	-	-	80,000	17.1463	81,012	
Fubon Chi-Hsiang Money Market Fund	950	-	-	-	15,000	16.1034	15,295	
Fubon China Money Market Fund	1,936	-	-	-	20,000	11.2837	21,846	
Yuanta/P-shares Taiwan Dividend Plus ETF	20	-	-	-	620	37.4000	748	
JKO Pion Money Market Fund	6,820	-	-	-	80,000	11.8480	80,807	
SinoPac TWD Money Market Fund	4,306	-	-	-	61,405	14.3010	61,579	
KGI Victory Money Market Fund	1,261	-	-	-	15,000	11.8972	15,001	
Fubon US Treasury Inflation-Linked Bond Index Fund A	981	-	-	-	10,000	10.2915	10,091	
Fubon Global Investment-grade Bond Fund A	997	-	-	-	10,294	10.3065	10,276	
					902,422		$ 919,250	
Add: Valuation adjustment					16,828			
					$ 919,250			

AMPOC FAR-EAST CO., LTD.
STATEMENT OF CHANGES IN FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS - NON-CURRENT
DECEMBER 31, 2023
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

Statement 3

Name of Financial Instrument	Beginning Balance		Addition		Decrease		Ending Balance		Collateral	Note
	Shares	Fair Value	Shares	Amount	Shares	Amount	Shares	Fair value		
Unlisted ordinary shares										
TAIWAN LEADER ADVANCED TECHNOLOGY CORPORATION	3,416	40,872	-	-	3,416	40,872	-	-	None	
FORMOSA GOLF AND COUNTRY CLUB CORP.	3	-	-	-	-	-	3	-	None	
CERMA PRECISION, INC.	28	62,300	-	-	-	-	28	62,300	None	
Somnics Cayman Inc.	5,168	2,660	-	-	-	-	5,168	2,660	None	
		105,832		-		40,872		64,960		
Accumulated impairment		(103,172)		-		(40,872)		(62,300)		
		$ 2,660		$ -		$ -		$ 2,660		

Note: In August 2022, the Company cooperated with Somnics, Inc. to convert the ordinary shares of Somnics, Inc. at a price of USD $0.0173 per share into 5,168,005 ordinary shares of Somnics Cayman Inc.

AMPOC FAR-EAST CO., LTD.
STATEMENT OF CHANGES IN FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME - NON-CURRENT
DECEMBER 31, 2023
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

Statement 4

Name of Financial Instrument	Beginning Balance		Addition		Decrease		Ending Balance		Accumulated Impairment	Collateral	Note
	Shares	Fair Value	Shares	Amount	Shares	Amount	Shares	Fair Value			
Unlisted ordinary shares											
QUALIBOND TECHNOLOGY CO., LTD.	2,380	$ 19,118	-	$ -	-	$ -	2,380	$ 19,118	Not applicable	None	
CBID Capital Healthcare Ventures Co., Ltd.	1,800	18,000	-	-	1,123	11,228	677	6,772	Not applicable	None	
MILAGEN INC.	109	1,036	-	-	-	-	109	1,036	Not applicable	None	
		38,154		-		11,228		26,926			
Valuation adjustment		62,668		15,827		-		78,495			
		$ 100,822		$ 15,827		$ 11,228		$ 105,421			

AMPOC FAR-EAST CO., LTD.
STATEMENT OF ACCOUNTS RECEIVABLE
DECEMBER 31, 2023
(Expressed in thousands of New Taiwan dollars)

Statement 5

Client Name	Amount	Note
Related parties		
Ampoc Tech Limited(ATL)	$ 71,243	
Ampoc Trading(Shanghai) Co., Ltd.(ASC)	52,018	
	123,261	
Less: Allowance for uncollectible accounts	-	
	$ 123,261	
Non-related parties		
Company A	$ 61,298	
Company B	68,253	
Company C	41,278	
Company E	40,831	
Others	401,701	Balance of each client has not exceeded 5% of total account balance
	613,361	
Less: Allowance for uncollectible accounts	(33,775)	
	$ 579,586	

AMPOC FAR-EAST CO., LTD.
STATEMENT OF INVENTORIES
DECEMBER 31, 2023
(Expressed in thousands of New Taiwan dollars)

Statement 6

Item	Amount: Cost	Amount: Net Realisable Value	Note
Merchandises	$ 101,226	$ 118,370	Note
Raw materials	150,664	149,563	〃
Work in progress	54,662	151,118	〃
Finished goods (including outsourced finished goods)	746,432	1,318,221	〃
Inventory in transit	10	10	
	1,052,994	$ 1,737,282	
	(31,266)		
	$ 1,021,728		

Note: Net realisable value was calculated based on the estimated selling price multiplied by the net realisable rate and less the estimated costs of completion.

AMPOC FAR-EAST CO., LTD.
STATEMENT OF CHANGES IN PROPERTY, PLANT AND EQUIPMENT
YEAR ENDED DECEMBER 31, 2023
(Expressed in thousands of New Taiwan dollars)

Statement 7

Item	Beginning Balance	Addition	Reclassification	Decrease	Ending Balance	Collateral
Cost						
Land	$ 348,041	$ 350,474	$ -	$ -	$ 698,515	Fully provided as collateral for letters of credit and short-term and long-term borrowings
Buildings and structures	176,834	6,667	2,857	(2,324)	184,034	Fully provided as collateral for letters of credit and short-term and long-term borrowings
Machinery and equipment	17,323	2,270	900	-	20,493	
Transportation equipment	16,305	-	1,391	(948)	16,748	
Office equipment	1,422	-	-	-	1,422	
Other equipment	24,074	2,858	278	(940)	26,270	
Construction in progress	-	109,589	-	-	109,589	Fully provided as collateral for letters of credit and short-term and long-term borrowings
	583,999	471,858	5,426	(4,212)	1,057,071	
Revaluation surplus						
Land	10,182	-	-	-	10,182	
	$ 594,181	$ 471,858	$ 5,426	($ 4,212)	$ 1,067,253	

AMPOC FAR-EAST CO., LTD.
STATEMENT OF CHANGES IN ACCUMULATED DEPRECIATION OF PROPERTY, PLANT AND EQUIPMENT
YEAR ENDED DECEMBER 31, 2023
(Expressed in thousands of New Taiwan dollars)

Statement 8

Item	Beginning Balance	Addition	Reclassification	Decrease	Ending Balance	Note
Buildings and structures	$ 90,992	$ 4,884	$ -	$ (2,324)	$ 93,552	
Machinery and equipment	2,515	772	-	-	3,287	
Transportation equipment	5,182	1,182	-	(351)	6,013	
Office equipment	761	220	-	-	981	
Other equipment	11,232	2,425	-	(940)	12,717	
	$ 110,682	$ 9,483	$ -	($ 3,615)	$ 116,550	

AMPOC FAR-EAST CO., LTD.
STATEMENT OF ACCOUNTS PAYABLE
DECEMBER 31, 2023
(Expressed in thousands of New Taiwan dollars)

Statement 9

Supplier Name	Amount	Note
Related parties		
Ampoc Trading (Shanghai) Co., Ltd.(ASC)	$ 3,476	
Non-related parties		
Company A	$ 47,588	
Company B	31,617	
Company C	19,858	
Company D	28,485	
Others	347,494	Balance of each client has not exceeded 5% of total account balance
	$ 475,042	

AMPOC FAR-EAST CO., LTD.
STATEMENT OF OPERATING REVENUE
YEAR ENDED DECEMBER 31, 2023
(Expressed in thousands of New Taiwan dollars)

Statement 10

Item	Volume	Amount	Note
Sales revenue			
Mechanical equipment	126 sets	$ 2,152,072	
Consumable material		1,008,048	
		3,160,120	
Less: Sales returns		(427)	
Sales discounts and allowances		(120)	
		3,159,573	
Repairs and maintenance revenue		69,936	
Operating revenue, net		$ 3,229,509	

AMPOC FAR-EAST CO., LTD.
STATEMENT OF OPERATING COSTS
YEAR ENDED DECEMBER 31, 2023
(Expressed in thousands of New Taiwan dollars)

Statement 11

Item	Amount	Note
Beginning raw materials	$ 149,286	
Add: Raw materials purchased. net	906,902	
Less: Ending raw materials	(150,664)	
Transferred to expenses	(82,079)	
Transferred to maintenance costs	(17,372)	
Transferred to merchandises for sale	(27,341)	
Raw materials used, net	778,732	
Direct labor	86,112	
Manufacturing expense	351,049	
Less: Transferred to maintenance costs	(8,779)	
Manufacturing cost	1,207,114	
Add: Beginning work in progress	80,612	
Less: Ending work in progress	(54,662)	
Cost of finished goods	1,233,064	
Add: Beginning finished goods	809,151	
Less: Ending finished goods	(746,432)	
Cost of goods manufactured and sold	1,295,783	
Beginning inventories	151,548	
Add: Net purchase for the year	696,818	
Transferred from raw materials	27,341	
Less: Ending inventories	(101,236)	
Transferred to operating expenses	(404)	
Transferred to maintenance costs	(7,069)	
Cost of goods purchased and sold	766,998	
Cost of goods sold	2,062,781	
Reversal of allowance for obsolete and slow-moving inventories and loss on decline in market value	2,178	
Maintenance costs	33,220	
Loss on physical inventory	(1)	
Operating costs	$ 2,098,178	

AMPOC FAR-EAST CO., LTD.
STATEMENT OF MANUFACTURING EXPENSE
YEAR ENDED DECEMBER 31, 2023
(Expressed in thousands of New Taiwan dollars)

Statement 12

Item	Description	Amount	Note
Outsourced processing fees		$ 137,892	
Wages and salaries		83,749	
Indirect materials		44,980	
After-sales service fees		25,638	
Others		58,790	
		$ 351,049	

AMPOC FAR-EAST CO., LTD.
STATEMENT OF OPERATING EXPENSES
YEAR ENDED DECEMBER 31, 2023
(Expressed in thousands of New Taiwan dollars)

Statement 13

Item	Description	Amount	Note
Selling expenses			
Wages and salaries		$ 85,326	
Freight		35,966	
Export expense		24,843	
Others		54,331	
		200,466	
Administrative expenses			
Wages and salaries		76,730	
Service fees		15,489	
Miscellaneous expenses		10,208	
Others		13,290	
		115,717	
Research and development expenses			
Wages and salaries		16,706	
Material expense		13,327	
Others		4,590	
		34,623	
		$ 350,806	

AMPOC FAR-EAST CO., LTD.
SUMMARY STATEMENT OF CURRENT PERIOD EMPLOYEE BENEFITS, DEPRECIATION AND AMORTISATION EXPENSES BY FUNCTION
YEAR ENDED DECEMBER 31, 2023
(Expressed in thousands of New Taiwan dollars)

Statement 14

	Year ended December 31					
	2023			2022		
	Classified as Operating Costs	Classified as Operating Expenses	Total	Classified as Operating Costs	Classified as Operating Expenses	Total
Employee benefit expense (Note)						
Wages and salaries	$ 167,259	$ 150,615	$ 317,874	$ 164,932	$ 144,283	$ 309,215
Labour and health insurance fees	12,916	10,381	23,297	12,106	10,116	22,222
Directors' remuneration	-	22,894	22,894	-	18,437	18,437
Pension costs	5,568	5,253	10,821	5,554	5,212	10,766
Other personnel expenses	7,288	3,932	11,220	7,089	3,903	10,992
	$ 193,031	$ 193,075	$ 386,106	$ 189,681	$ 181,951	$ 371,632
Depreciation expense	$ 5,465	$ 7,795	$ 13,260	$ 5,294	$ 6,673	$ 11,967
Amortisation expense	$ 4,384	$ 1,478	$ 5,862	$ 4,039	$ 1,253	$ 5,292

Note:

1. For the years ended December 31, 2023 and 2022, the Company had an average of 288 and 276 employees which included 6 and 5 non-employee directors.
2. A company whose stock is listed for trading on the stock exchange or over-the-counter securities exchange shall additionally disclose the following information:

(1) Average employee benefit expense in current year was $1,288 ((Total employee benefit expense in current year-Total directors' compensation in current year) / (Number of employees in current year-Number of non-employee directors in current year)).

Average employee benefit expense in previous year was $1,303 ((Total employee benefit expense in previous year-Total directors' compensation in previous year) / (Number of employees in previous year-Number of non-employee directors in previous year)).

(2) Average employee salaries in current year were $1,127 (Total employee salaries in current year / (Number of employees in current year-Number of non-employee directors in current year)).

Average employee salaries in previous year were $1,141 (Total employee salaries in previous year / (Number of employees in previous year-Number of non-employee directors in previous year)).

(3) Adjustments of average employee salaries:(1%) ((Average employee salaries in current year-Average employee salaries in previous year) / Average employee salaries in previous year).

(4) Supervisors' remuneration in current year was $0. Supervisors' remuneration in previous year was $2,115.

(5) The Company's salary and compensation policy (including directors, supervisors, managers and employees) is as follows:

The Company had set up management regulations of salary and compensation. The salary and compensation of managers and employees include monthly salary, holiday bonus, performance bonus and compensation regulated under the Company's Articles of Incorporation.

Directors' and supervisors' remuneration include fixed remuneration and compensation regulated under the Company's Articles of Incorporation.