Stock Code:3419

WHA YU INDUSTRIAL CO., LTD.

Parent Company Only Financial Statements for the Years Ended December 31, 2023 and 2022 and Independent Auditors' Report.

(English Translation of a Report and Financial Statements Originally Issued in Chinese)

Notice to Reader

For the convenience of readers, this report has been translated into English from the original Chinese version, prepared and used in the Republic of China. The English version has not been audited or reviewed by independent auditors. If there are any discrepancies between the English version and the original Chinese version, or any difference in the interpretation of the two versions, the Chinese-language report shall prevail.

The Board of Directors and Shareholders
WHA YU INDUSTRIAL CO., LTD.

Opinion

We have audited the accompanying financial statements of WHA YU INDUSTRIAL CO., LTD. (the "Company") which comprise the balance sheets as of December 31, 2023 and 2022, and the statements of comprehensive income, changes in equity and cash flows for the years then ended, and the notes to the financial statements, including a summary of significant accounting policies (collectively referred to as the "financial statements").

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

Basis for Opinion

We conducted our audits in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and the Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the 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 financial statements for the year ended December 31, 2023. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matters for the Company’s financial statements for the year ended December 31, 2023 are stated as follows: ：

Revenue recognition

The company's primary sources of revenue are wireless radio communication devices, electronic signal connection devices, electronic products and trade. The net operating revenue for the 2023 fiscal year was NT$1,401,492 thousand. The auditor has identified the sales revenue growth against market trends for the current fiscal year as a key audit matter, given the risk of authenticity associated with the company's sales of products and transactions. For further information regarding the revenue recognition policy, please refer to Note 4(14) of the financial statements.

Our auditing procedures included the following:

1. Understanding the Company's internal control system and operating procedures relating to the sales transaction cycle in order to assess the effectiveness of internal control operations.
2. Selecting samples of sales proceeds for audit, reviewing documents such as purchase orders, bills of lading or customs declarations confirmed by the counterparties to confirm the authenticity of the sales proceeds, and also reviewing whether there are any anomalies in the sales counterparty's subsequent receipts and returns of goods.

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

Management is responsible for the preparation and fair presentation of the 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 financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the 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 Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 financial statements.

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

1. Identify and assess the risks of material misstatement of the 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 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 financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.

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

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

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

The engagement partners on the audits resulting in this independent auditors' report are Tsai, Mei-Chen and Lin, Hsin-Tung.

Deloitte & Touche
Taipei, Taiwan
Republic of China
March 26, 2024

<u>Notice to Readers</u>

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

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

WHA YU INDUSTRIAL CO., LTD.

BALANCE SHEETS

DECEMBER 31, 2023 AND 2022

(In Thousands of New Taiwan Dollars)

Code	Assets	December 31,2023 Amount	%	December 31,2022 Amount	%
	Current assets				
1100	Cash（Notes 4 and 6）	$ 217,485	11	$ 192,312	8
1150	Notes receivable（Notes 4、8 and 20）	785	-	986	-
1170	Trade receivables from unrelated parties（Notes 4、5、8 and 20）	337,167	17	678,077	28
1180	Trade receivables from related parties（Notes 4、20 and 29）	5,565	-	10,938	1
1200	Other receivables（Notes 4 and 8）	1,327	-	6,660	-
1210	Other receivables from related parties（Notes 4 and 29）	30	-	-	-
130X	Inventories（Notes 4、5 and 9）	114,445	6	137,390	6
1460	Non-current assets held for sale（Notes 4 and 10）	-	-	169,642	7
1470	Other current assets（Note 15）	5,851	-	6,939	-
11XX	Total current assets	682,655	34	1,202,944	50
	Non-current assets				
1517	Financial assets at fair value through other comprehensive income - Non-current（Notes 4、7 and 28）	35,101	2	34,537	2
1550	Investments accounted for using the equity method（Notes 4 and 11）	608,185	31	486,701	20
1600	Property, plant, and equipment（Notes 4、12 and 30）	652,572	33	662,657	28
1780	Intangible assets（Notes 4 and 14）	4,737	-	8,195	-
1920	Refundable deposits	151	-	99	-
1990	Other no-current assets（Note 15）	1,387	-	-	-
15XX	Total non-current assets	1,302,133	66	1,192,189	50
1XXX	Total assets	$ 1,984,788	100	$ 2,395,133	100

Code	Liabilities and Equity	December 31,2023 Amount	%	December 31,2022 Amount	%
	Current Liabilities				
2100	Short-term borrowings（Notes 16 and 29）	$ 99,521	5	$ 101,384	4
2150	Notes payable to unrelated parties	-	-	1,103	-
2170	Trade payables to unrelated parties	73,466	4	35,644	2
2180	Trade payables to related parties（Note 29）	88,923	5	304,123	13
2320	Long-term borrowings - current portion（Notes 16、28 and 30）	68,983	3	57,981	2
2399	Accrued expenses and other current liabilities（Notes 17、20 and 29）	75,475	4	82,176	3
21XX	Total current liabilities	406,368	21	582,411	24
	Non-current liabilities				
2540	Long-term borrowings（Notes 16、28 and 30）	250,058	13	316,374	13
2630	Deferred revenue - non-current（Note 24）	5,409	-	7,311	-
2640	Net defined benefit liabilities - non-current（Notes 4 and 18）	9,459	-	8,735	1
2645	Guarantee deposits	378	-	503	-
25XX	Total non-current liabilities	265,304	13	332,923	14
2XXX	Total liabilities	671,672	34	915,334	38
	Equity（Notes 4 and 19）				
3110	Share capital	1,204,804	61	1,204,804	50
3200	Capital surplus	201,451	10	201,451	9
	Retained earnings				
3310	Legal reserve	3,398	-	-	-
3320	Special reserve	104,610	6	104,610	4
3350	(Accumulated deficit)Unappropriated earnings	(114,581)	(6)	33,976	2
3300	Total retained earnings	(6,573)	-	138,586	6
	Other equity				
3410	Exchange differences arising on translation of foreign operations.	(93,307)	(5)	(75,106)	(3)
3420	Unrealized gain on investments in equity instruments at fair value through other comprehensive Income.	6,741	-	6,177	-
3470	Equity related to non-current assets or disposal groups classified as held for sale.	-	-	3,887	-
3400	Total other equity	(86,566)	(5)	(65,042)	(3)
3XXX	Total equity	1,313,116	66	1,479,799	62
	Total liabilities and equity	$ 1,984,788	100	$ 2,395,133	100

The accompanying notes are an integral part of the consolidated financial statements.
(Please refer to the Auditor's Report issued by Deloitte & Touche on March 26, 2024)

Chairman: Tsou Mi-Fu　　Managerial officers: Peng, Chao-Chung　　Principal Accounting Officer: Tsao, Fu-Yi

WHA YU INDUSTRIAL CO., LTD.

STATEMENTS OF COMPREHENSIVE INCOME

FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022

(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

		2023		2022	
Code		Amount	%	Amount	%
4100	OPERATING REVENUE（Notes 4、20 and 29）	$ 1,154,491	100	$ 1,712,143	100
5110	OPERATING COSTS（Notes 9、21 and 29）	1,039,562	90	1,448,103	85
5900	GROSS PROFIT	114,929	10	264,040	15
5920	REALIZED GAIN ON TRANSACTIONS WITH SUBSIDIARIES（Note 4）	6	-	1,222	-
5950	REALIZED GROSS PROFIT	114,935	10	265,262	15
	OPERATING EXPENSES（Notes 21 and 29）				
6100	Selling and marketing	77,877	7	82,726	5
6200	General and administrative	87,711	7	73,344	4
6300	Research and development	97,845	8	89,263	5
6450	Expected credit loss(gain)	9,488	1	(576)	-
6000	Total operating expenses	272,921	23	244,757	14
6510	Other Operating Expenses（Note 21）	121	-	(6)	-
6900	Profit(Loss) From Operations	(157,865)	(13)	20,499	1
	NON-OPERATING INCOME AND EXPENSES				
7100	Interest income（Note 21）	4,664	1	561	-
7010	Other income（Notes 4、21、24、29 and 31）	14,566	1	73,342	4
7020	Other gains and losses（Note 21）	(91)	-	(61,115)	(3)
7050	Finance costs(Notes 4、21 and 29）	(9,010)	(1)	(7,035)	-
7070	Share of profit of subsidiaries and associates（Note 4）	27,671	2	1,989	-
7000	Total non-operating income	37,800	3	7,742	1

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Code		2023 Amount	2023 %	2022 Amount	2022 %
7900	PROFIT BEFORE INCOME TAX	($ 120,065)	(10)	$ 28,241	2
7950	INCOME TAX BENEFIT(Notes 4 and 22)	-	-	(5,187)	-
8200	NET PROFIT/(LOSS) FOR THE YEAR	(120,065)	(10)	33,428	2
	OTHER COMPREHENSIVE INCOME (LOSS)(Notes 4、18 and 19)				
8310	Items that will not be reclassified subsequently to profit or loss:				
8311	Remeasurement of defined benefit plans	(998)	-	548	-
8316	Unrealized (loss) gain on investments in equity instruments at fair value through other comprehensive income	564	-	213	-
8360	Items that may be reclassified subsequently to profit or loss:				
8361	Exchange differences on translation of the financial statements of foreign operations	(18,201)	(2)	19,835	1
8365	Equity related to non-current assets or disposal groups classified as held for sale	(3,887)	-	3,887	-
8380	Share of other comprehensive income of associates accounted for using the equity method	-	-	5,624	1
8300	Other comprehensive income (loss) for the year, net of income tax	(22,522)	(2)	30,107	2
8500	TOTAL COMPREHENSIVE INCOME FOR THE YEAR	($ 142,587)	(12)	$ 63,535	4
	EARNINGS PER SHARE（Note 23）				
9710	Basic	($ 1.00)		$ 0.28	
9810	Diluted	($ 1.00)		$ 0.28	

The accompanying notes are an integral part of the consolidated financial statements.
(Please refer to the Auditor's Report issued by Deloitte & Touche on March 26, 2024)

Chairman:	Managerial officers:	Principal Accounting Officer:
Tsou Mi-Fu	Peng, Chao-Chung	Tsao, Fu-Yi

WHA YU INDUSTRIAL CO., LTD.

STATEMENTS OF CHANGES IN EQUITY

FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022

(In Thousands of New Taiwan Dollars)

Code		Share Capital: Shares (in Thousands)	Share Capital: Amount	Capital Surplus	Retained Earnings: Legal Reserve	Retained Earnings: Special Reserve	Retained Earnings: Unappropriated earnings (Accumulated Deficit)	Other Equity: Exchange Differences on Translation of the Financial Statements of Foreign Operations	Other Equity: Unrealized Gain on Financial Assets at Fair Value Through Other Comprehensive	Other Equity: Equity related to non-current assets or disposal groups classified as held for sale	Total Equity
A1	BALANCE AT JANUARY 1, 2022	120,481	$ 1,204,804	$ 222,863	$ 13,055	$ 104,610	($ 34,467)	($ 100,565)	$ 5,964	$ -	$ 1,416,264
	Appropriation of 2021 earnings										
B13	Legal reserve used to offset accumulated deficits	-	-	-	(13,055)	-	13,055	-	-	-	-
C11	Capital surplus used to offset accumulated deficits	-	-	(21,412)	-	-	21,412	-	-	-	-
D1	Net profit for the year ended December 31, 2022	-	-	-	-	-	33,428	-	-	-	33,428
D3	Other comprehensive income for the year ended December 31, 2022, net of income tax	-	-	-	-	-	548	25,459	213	3,887	30,107
D5	Total comprehensive income for the year ended December 31, 2022	-	-	-	-	-	33,976	25,459	213	3,887	63,535
Z1	BALANCE AT DECEMBER 31, 2022	120,481	1,204,804	201,451	-	104,610	33,976	(75,106)	6,177	3,887	1,479,799
	Appropriation of 2022 earnings										
B1	Legal reserve	-	-	-	3,398	-	(3,398)	-	-	-	-
B5	Cash dividends distributed by the Company	-	-	-	-	-	(24,096)	-	-	-	(24,096)
D1	Net loss for the year ended December 31,2023	-	-	-	-	-	(120,065)	-	-	-	(120,065)
D3	Other comprehensive income (loss) for the year ended December 31, 2023, net of income tax	-	-	-	-	-	(998)	(18,201)	564	(3,887)	(22,522)
D5	Total comprehensive income (loss) for the year ended December 31, 2023	-	-	-	-	-	(121,063)	(18,201)	564	(3,887)	(142,587)
Z1	BALANCE AT DECEMBER 31, 2023	120,481	$ 1,204,804	$ 201,451	$ 3,398	$ 104,610	($ 114,581)	($ 93,307)	$ 6,741	$ -	$ 1,313,116

The accompanying notes are an integral part of the consolidated financial statements.
(Please refer to the Auditor's Report issued by Deloitte & Touche on March 26, 2024)

Chairman: Tsou Mi-Fu　　Managerial officers: Peng, Chao-Chung　　Principal Accounting Officer: Tsao, Fu-Yi

WHA YU INDUSTRIAL CO., LTD.

STATEMENTS OF CASH FLOWS

FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022

(In Thousands of New Taiwan Dollars)

Code		2023	2022
	CASH FLOWS FROM OPERATING ACTIVITIES		
A10000	Income (Loss)before income tax	($ 120,065)	$ 28,241
A20010	Adjustments for:		
A20100	Depreciation expense	38,376	33,960
A20200	Amortization expense	5,168	4,082
A20300	Expected credit loss (Gain)	9,488	(576)
A20900	Finance costs	9,010	7,035
A21200	Interest income	(4,664)	(561)
A22400	Share of profit of subsidiaries and associates	(27,671)	(1,989)
A22500	(Gain) loss on disposal of property, plant and equipment, net	(121)	6
A22700	Gains on disposals of investments	(3,887)	-
A23700	Net loss on disposal of financial assets	15,414	102,219
A23800	Write-downs of inventories	8,327	6,100
A24000	Unrealized (realized) gain on the transactions with subsidiaries	(6)	(1,222)
A24100	Net loss on foreign currency exchange	5,771	3,658
A30000	Changes in operating assets and liabilities		
A31130	Notes receivable	201	605
A31150	Trade receivables (including related parties)	324,556	(295,098)
A31190	Other receivables(including related parties)	5,263	(5,796)
A31200	Inventories	14,618	(8,030)
A31240	Other current assets	1,088	7,638
A32130	Notes payable	(1,103)	1,103
A32150	Trade payables(including related parties)	(173,111)	97,206
A32230	Other payables and other current liabilities	(3,748)	28,365
A32240	Net defined benefit liabilities	(274)	(464)
A32250	Deferred revenue	(1,902)	(1,864)
A33000	Cash generated from operations	100,728	4,618
A33300	Interest paid	(8,796)	(7,000)
A33500	Income tax paid	-	5,187
AAAA	Net cash generated from operating activities	91,932	2,805

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Code		2023	2022
	CASH FLOWS FROM INVESTING ACTIVITIES		
B01900	Proceeds from disposal of investments accounted for associates	$ 169,642	$ -
B00030	Capital reduction of financial assets at fair value through other comprehensive income and loss	-	1,240
B02200	Acquisition of subsidiary	(127,422)	(40,470)
B02300	Net cash inflow on disposal of subsidiary	-	1,379
B02400	Refund of capital reduction of subsidiaries using the equity method	-	3,839
B02700	Acquisition of property, plant and equipment	(37,069)	(45,948)
B02800	Proceeds from disposal of property, plant and equipment	7,030	-
B03800	Increase in refundable deposits	(52)	-
B04500	Acquisition of intangible assets	(1,710)	(7,426)
B07500	Interest received	4,664	561
BBBB	Net cash generated (used in) from investing activities	15,083	(86,825)
	CASH FLOWS FROM FINANCING ACTIVITIES		
C00100	Proceeds from short-term borrowings	552	20,710
C01600	Proceeds from long-term borrowings	-	17,442
C01700	Repayments of long-term borrowings	(57,981)	(11,111)
C03000	Increase (Decrease) in guarantee deposits	(125)	503
C04500	Dividends paid to owners of the Company	(24,096)	-
CCCC	Net cash (used in) generated from financing activities	(81,650)	27,544
DDDD	Effect of exchange rate changes on the balance of cash held in foreign currencies	(192)	463
EEEE	NET INCREASE IN CASH AND CASH EQUIVALENTS	25,173	(56,013)
E00100	CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	192,312	248,325
E00200	CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	$ 217,485	$ 192,312

The accompanying notes are an integral part of the consolidated financial statements.
(Please refer to the Auditor's Report issued by Deloitte & Touche on March 26, 2024)

Chairman: Tsou Mi-Fu

Managerial officers: Peng, Chao-Chung

Principal Accounting Officer: Tsao, Fu-Yi

Wha Yu Industrial Co.,Ltd.

NOTES TO PARENT COMPANY ONLY FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022

(Amounts in Thousands of New Taiwan Dollars, Unless Specified Otherwise)

1、GENERAL

Wha Yu Industrial Co.,Ltd. (the" Company") was incorporated in Hsinchu city, Taiwan in November 1970 and commenced operations that month. The Company is engaged in the production of industrial plastic products, electrical wires and cables, wholesale and retail of electronic materials and international trading.

In May 2006, the Company's shares were listed and traded on the Taipei Exchange (OTC). In January 2008, they were transferred to the Taiwan Stock Exchange (TWSE).

The functional currency of the Company is the New Taiwan dollar.

2、THE AUTHORIZATION OF FINANCIAL STATEMENTS

On March 15, 2024, the Board of Directors approved the financial statements of the parent company.

3、APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS

(A) Initial application of the amendments to the International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) (collectively, "IFRS Accounting Standards") endorsed and issued into effect by the Financial Supervisory Commission (FSC).

The initial application of the IFRS Accounting Standards endorsed and issued into effect by the FSC did not have material impact on the Company's accounting policies.

(B) The IFRS Accounting Standards endorsed by the FSC for application starting from 2024.

New,Amended and Revised Standards and Interpretations	Effective Date Announced by IASB(Remark 1)
Amendments to IFRS 16「Leases Liability in a Sale and Leaseback」	January 1,2024(Remark 2)
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 FIRS 7「Supplier Finance Arrangements」	January 1,2024(Remark 3)

Remark 1:Unless stated otherwise,the above IFRS Accounting Standards will be effective for annual reporting periods beginning on or after their respective effective dates.

Remark 2:A seller-lessee shall apply the Amendments to IFRS 16 retrospectively to sale and leaseback transactions entered into after the date of initial application of IFRS16.

Remark 3:The amendments provide some transition relief regarding disclosure requirements.

As of the date the financial statements were authorized for issue,the Company has assessed that the application of other standards and interpretations will not have a material impact on the Company's financial position and financial performance.

(C)The IFRS Accounting Standards issued by IASB,but not yet endorsed and issued into effect by the FSC.

New,Amended and Revised Standards and Interpretations	Effective Date Issued by IASB (Remark 1)
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 IASB
IFRS 17「Insurance Contracts」	January 1,2023
Amendments to IFRS 17	January 1,2023
Amendments to IFRS 17「Initial Application of IFRS 9 及 IFRS 17－Comparative Information」	January 1,2023
Amendments to IAS 21「Lack of Exchangeability」	January 1,2025(Remark 2)

Remark 1:Unless stated otherwise,the above IFRS Accounting Standards are effective for annual reporting periods beginning on or after their respective effective dates.

Remark 2:An entity shall apply theose amendments for annual reporting periods beginning on or after January 1,2025.Upon initial application of the amendments,the entity recognizes any effect as an adjustment to the opening balance of retained earnings. When the entity uses a presentation currency other than its functional currency,it shall,at the date of initial application,recognize any effect as an adjustment to the cumulative amount of translation differences in equity.

As of the date the financial statements were authorized for issue,the Company is continuously assessing the possible impact of the application of other standards and interpretations on the Company's financial position and financial performance and will disclose the relevant impact when the assessment is completed.

4、SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION

(A) Statement of Compliance

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

(B) Basis of Preparation

The accompanying parent company only financial statements have been prepared on the historical cost basis except for financial instruments that are measured at fair values and net defined benefit liabilities that are measured at the present value of the defined benefit obligation less the fair value of plan assets.

The fair value measurements,which are grouped into Levels 1 to 3 based on the degree to which the fair value measurement inputs are observable and based on the significance of the inputs to the fair value measurement in its entirety,are described as follows:

1)Level 1 inputs are quoted prices (unadjusted)in active markets for identical assets or liabilities;

2)Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for an asset or liability,either directly(i.e.,as prices)or indirectly (i.e.,derived from prices);and

3)Level 3 inputs are unobservable inputs for an asset or liability.

When preparing the parent company only financial statements, the Company used the equity method to account for its investments in subsidiaries and associates. In order for the amounts of the net profit for the year, other comprehensive income for the year and total equity in the parent company only financial statements to be the same with the amounts attributable to the owners of the Company in its financial statements, adjustments arising from the differences in accounting treatments between the parent company only basis and the consolidated basis were made to investments accounted for using the equity method, the share of profit or loss of subsidiaries and associates, the share of other comprehensive income of subsidiaries and the related equity items, as appropriate, in these parent company only financial statements.

(C) Classification of Current and Non-Current Assets and Liabilities Current Assets include:

1) Assets held primarily for the purpose of trading；
2) Assets expected to be realized within 12 months after the reporting period; and
3) Cash

Current Liabilities include：

1) Liabilities held primarily for the purpose of trading；
2) Liabilities due to be settled within 12 months after the reporting period; and
3) Liabilities for which the Company does not have an unconditional right to defer settlement for at least 12 months after the reporting period.。

Assets and liabilities that are not classified as current are referred to as non-current assets and liabilities.

(D) Business Combinations

Acquisitions of businesses are accounted for using the acquisition method. Acquisition-related costs are generally recognized in profit or loss as they are incurred.

Goodwill is measured as the excess of the sum of the consideration transferred and the fair value of the acquirer's previously held equity interests in the acquiree over the net of the acquisition-date amounts of the identifiable assets acquired and liabilities assumed.

(E) Foreign Currencies

In preparing the parent company only financial statements, transactions in currencies other than the Company's functional currency (foreign currencies) are recognized at the rates of exchange prevailing at the dates of the transactions

At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Exchange differences on the translation of monetary items are recognised in profit and loss in the period when the difference arises.

Non-monetary items denominated in foreign currencies and measured at fair value are retranslated at the rate prevailing at the date when the fair value was determined. Exchange differences arising on the retranslation of non-monetary items are recognised in the income statement, except for exchange differences arising on the retranslation of non-monetary items for which gains and losses are recognised directly in other comprehensive income, in which case the exchange differences are also recognised directly in other comprehensive income.

Non-monetary items denominated in foreign currencies and carried at historical cost are translated at the exchange rates prevailing at the dates of the transactions and are not retranslated.

For the purpose of presenting in dividual financial statements, the assets and liabilities of foreign operations (including subsidiaries and affiliates that operate in countries or with currencies different from those of the Company) are translated into New Taiwan Dollars at the exchange rates prevailing at each balance sheet date.

Income and expense items are translated at the average exchange rates for the period, and the resulting exchange differences are included in other comprehensive income.

If the Company disposes of its entire interest in a foreign operation, all cumulative translation differences relating to that foreign operation are reclassified to the income statement.

(F) Inventories

Inventories consist of raw materials, work-in-progress, finished goods and merchandise. Inventories are stated at the lower of cost and net realisable value. Comparisons between cost and net realisable value are made on an item-by-item basis, except when comparing similar types of inventories. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs to make the sale. The cost of inventories is determined using the weighted average method.

(G) Investment in subsidiaries

Investments accounted for using the equity method include investments in subsidiaries.

A subsidiary is an entity that is controlled by the Company.

Under the equity method, an investment in a subsidiary is initially recognized at cost and adjusted thereafter to recognize the Company’s share of profit or loss and other comprehensive income of the subsidiary as well as the distribution received. The Company also recognized its share in the changes in the equity of subsidiaries.

When the Company's share of losses in a subsidiary equals or exceeds its equity in the subsidiary (including the carrying amount of the subsidiary under the equity method and other long-term interests that are, in substance, components of the Company's net investment in the subsidiary), the Company continues to recognize losses based on its proportionate share of ownership.

The excess of the cost of acquisition over the Company's share of the net fair value of the identifiable assets and liabilities of the subsidiaries constituting the business as of the date of acquisition is recorded as goodwill, which is included in the carrying amount of the investment and is not amortized; the excess of the Company's share of the net fair value of the identifiable assets and liabilities of the subsidiaries constituting the business as of the date of acquisition over the cost of acquisition is recorded as current income.

The Company assesses impairment losses by comparing the recoverable amount of a cash-generating unit with the carrying amount of the cash-generating unit as a whole for financial reporting purposes. If the recoverable amount of an asset increases in a subsequent period, a reversal of the impairment loss is recognized as a gain. However, the carrying amount of an asset after the reversal of an impairment loss should not exceed the carrying amount that would have been determined, net of amortization, had no impairment loss been recognized for the asset.

Upon loss of control over a subsidiary, the Company measures its remaining investment in the former subsidiary at its fair value at the date of loss of control. The difference between the fair value of the remaining investment and any disposal price and the carrying amount of the investment at the date of loss of control is recognized in profit or loss for the current period. In addition, all amounts recognized in other comprehensive income related to this subsidiary are accounted for on the same basis as if the Company had directly disposed of the related assets or liabilities.

Unrealized gains or losses on upstream transactions with subsidiaries are eliminated in the consolidated financial statements. Gains or losses resulting from counter-current and

side-current transactions with subsidiaries are recognized in the individual financial statements only to the extent that they are not related to the Company's interest in the subsidiaries.

(H) Investment in associates

Affiliated companies are companies over which the Company has significant influence but which are not subsidiaries.

The equity method is used to account for the Company's investments in affiliated entities.

Under the equity method, an investment in an affiliated company is initially recognized at cost, and its carrying amount increases or decreases with the Company's equity in the earnings of the affiliated company, other comprehensive income or loss, and profit distribution. In addition, changes in equity in an affiliated company are recognized in proportion to the Company's ownership percentage.

The excess of the cost of acquisition over the Company's share of the net fair value of the identifiable assets and liabilities of the related party at the date of acquisition is recognized as goodwill, which is included in the carrying amount of the investment and is not amortized; the excess of the Company's share of the net fair value of the identifiable assets and liabilities of the related party over the cost of acquisition at the date of acquisition is recognized in profit or loss for the current period.

If the Company does not subscribe for new shares of an affiliated company in proportion to its ownership percentage, resulting in a change in ownership percentage and, as a result, an increase or decrease in the net value of the investment, the increase or decrease is adjusted to capital surplus - changes in net value of equity in the affiliated company recognized under the equity method and investments accounted for under the equity method. However, if the ownership interest in an affiliated company is reduced because the company does not subscribe for or acquire shares in proportion to its percentage of ownership, the amount recognized in other comprehensive income or loss relating to the affiliated company is reclassified in proportion to the reduction, and the accounting treatment is based on the same basis as that for direct disposal of related assets or liabilities by an affiliated company; the previous adjustment should be debited to capital surplus, and the balance of the capital surplus from equity-method investments is not sufficient to cover the difference. If the above adjustments are debited to capital surplus and the balance of capital surplus from investments accounted for using the equity method is not sufficient, the difference is debited to retained earnings.

Recognition of further losses ceases when the Company's share of losses in the related party equals or exceeds its interest in the related party, which includes the carrying amount of the investment in the related party under the equity method and other long-term interests that are, in substance, components of the Company's net investment in the related party. The Company recognizes additional losses and liabilities only to the extent that legal or constructive obligations have been incurred or payments have been made on behalf of the related party.

In evaluating an impairment loss, the Company tests an investment's overall carrying amount (including goodwill) for impairment as if it were a single asset by comparing the

recoverable amount to the carrying amount, and the impairment loss recognized is not allocated to any of the assets, including goodwill, that form an integral part of the investment's carrying amount. Any reversal of the impairment loss is recognized to the

extent of the subsequent increase in the recoverable amount of the investment.

The Company ceased to use the equity method from the date its investment ceased to be an affiliated company. The Company's retained interest in the former affiliated company is measured at fair value, and the difference between the fair value and the

disposal price and the carrying amount of the investment at the date the equity method was discontinued is recognized in profit or loss for the period. In addition, all amounts recognized in other comprehensive income related to an affiliated company are accounted for on the same basis as if the affiliated company had directly disposed of the related assets or liabilities. If an investment in an affiliated entity becomes a joint venture or an investment in a joint venture becomes an investment in an affiliated entity, the Company continues to adopt the equity method of accounting without remeasuring the retained interest.

Gains or losses resulting from reverse, downstream and side-stream transactions between the Company and its affiliates are recognized in the individual financial statements only to the extent that they are not related to the Company's interest in the affiliate.

(I) Property, Plant and Equipment

Property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment.

Except for owned land, which is not depreciated, property, plant and equipment are depreciated separately on a straight-line basis over their useful lives for each significant portion. The Company reviews the estimated useful lives, salvage values and depreciation methods at least at each year-end and defers the effect of changes in applicable accounting estimates.

On derecognition of an item of property, plant and equipment, the difference between the sales proceeds and the carrying amount of the asset and is recognized in profit or loss.

(J) Intangible Assets

1) Intangible assets acquired separately

Intangible assets with finite useful lives that are acquired separately are initially measured at cost and subsequently measured at cost less accumulated amortization and accumulated impairment loss.Amortization is recognized on a straight-line basis. The estimated useful lives,residual values,and amortization methods are reviewed at the end of each reporting period, with the effect of any changes in the estimates accounted for on a prospective basis.

2) Derecognition of intangible assets

On derecognition of an intangible asset, the difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss.

(K) Impairment of property, plant and equipment, right-of-use asset and intangible assets (excluding goodwill)

At the end of each reporting period, the Company reviews the carrying amounts of its property, plant and equipment, right of use assets and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated to determine the amount of the impairment loss. If it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

The recoverable amount is the higher of an asset's or cash-generating unit's fair value less costs to sell and its value in use. If the recoverable amount of an asset or cash-generating unit is estimated to be less than its carrying amount, the carrying amount of the asset or cash-generating unit is reduced to its recoverable amount and the resulting impairment loss is recognised in profit or loss.

If an impairment loss is subsequently reversed, the carrying amount of the asset or cash-generating unit is increased to the revised estimate of its recoverable amount, but only up to the carrying amount that would have been determined(net of amortization or depreciation) if no impairment loss had been recognised for the asset or cash-generating unit in prior years. The reversal of an impairment loss is recognised in profit or loss.

(L) Non-Current Assets

The carrying amount of a non-current asset is classified as held for sale when it is expected that the asset will be recovered principally through a sale transaction rather than through continuing use. Non-current assets that qualify for this classification must be available for immediate sale in their present condition and their sale must be highly probable. A sale is classified as highly probable when management at the appropriate level has committed to a plan to sell the asset and the sale transaction is expected to be completed within one year from the date of classification.

When an entity disposes of all or part of an investment in a an associate, only the portion of the investment that meets the criteria to be that meets the criteria to be classified as held for sale is reclassified to held for sale and the equity method is discontinued for that portion. for that part. Any investment that is not classified as held for sale continues to be accounted for using the equity method. When the significant influence over the investment after the disposal, any equity disposed of, any equity interest not classified as available for sale is accounted for is accounted for in accordance with the accounting policy for financial instruments at the date of disposal of the classified as available to sell.

(M) Financial Instruments

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

When financial assets and financial liabilities are recognised initially, if a financial asset or a financial liability is not measured at fair value through profit or loss, it is measured at fair value plus transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability. Transaction costs that are directly attributable to the acquisition or issuance of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

1) Financial assets

It would appear that the customary practice is to recognise and derecognise transactions in financial assets on a trade date basis.

(1) Measurement categories

Financial assets are classified into the following categories:Financial assets at FVTPL, financial assets at amortized cost and investments in equity instruments at FVTOCI.

A. Financial assets at amortised cost

Financial assets that meet the following conditions will be subsequently measured at amortised cost：

a. The financial assets are held within a business model whose objective is to hold financial assets to collect contractual cash flows; and

b. The contractual terms of the financial assets give rise on specific date to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets carried at amortised cost, including cash, notes receivable and trade receivables (including related parties) and other receivables (including related parties), are measured at amortised cost, which equals the gross carrying amount determined using the effective interest method less any impairment loss. Exchange differences are recognised in profit or loss.

Interest income is calculated by multiplying the effective interest rate by the gross carrying amount of financial assets, with the following two exceptions：

a. Credit-impaired financial assets purchased or originated for which interest income is calculated by multiplying the credit-adjusted effective interest rate by the amortised cost of the financial asset; and

b. Financial assets that are not credit impaired at purchase or origination but subsequently become credit impaired, for which interest income is calculated by multiplying the effective interest rate by the amortised cost of the financial assets in the subsequent period.

B. Investments in equity instruments at FVTOCI

On initial recognition, the Company may make an irrevocable election to designate investments in equity instruments as at FVTOCI. Designation as at FVTOCI is not permitted fi the equity investment is held for trading or if it is contingent consideration recognized by an acquirer in a business combination.

Investments in equity instruments at FVTOCI are subsequently measured at fair value with gains and losses arising from changes in fair value recogized in other comprehensive income and accumulated in other equity. When the investment is disposed of, the accumulated gain or loss is transferred directly to retained earnings and is not reclassified to profit or loss.

Dividends on these investments in equity instruments at FVTOCI are recognized in profit or loss when the Company's right to receive the dividends is established, unless the Company's rights clearly represent a recovery of part of the cost of the investment.

(2) Impairment of financial assets

The Company recognizes a loss allowance for expected credit losses on financial assets at amortised cost (including trade receivables).

The loss allowance for accounts receivable is measured at an amount equal to lifetime expected credit losses. For financial assets at amortized cost, when the credit risk on the financial instrument has not increased significantly since initial recognition, a loss allowance is recognized at an amount equal to expected credit loss resulting from possible default events of a financial instrument within 12 months after the reporting date. If, on the other hand, there has been a significant increase in credit risk since initial recognition, a loss allowance is recognized at an amount equal to expected credit loss resulting from all possible default events over the expected life of a financial instrument.

The Company recognizes an impairment loss in profit or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account.

(3) Derecognition of financial assets

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

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

2. Equity Instruments

The equity instruments issued by the Company are classified as equity based on the substance of the contractual agreements and the definition of equity instruments.

Equity instruments issued by the Company are recognized at the acquisition price less direct issue costs.

The carrying amount of equity instruments repurchased from the Company is based on the weighted average of the number of shares of the Company's stock. Transactions involving the purchase, sale, issuance or cancellation of the Company's equity instruments are not recognised in profit or loss.

3. Financial liabilities

(1) Subsequent measurement

All financial liabilities are measured at amortised cost using the effective interest method.

(2) Deductions from financial liabilities

The difference between the carrying amount of a financial liability is derecognised, and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised as profit or loss.

(N) Revenue Recognition

Upon the recognition of performance obligations under customer contracts, the Company allocates the transaction price to each performance obligation and recognises revenue when each performance obligation is satisfied.

For contracts with an interval of one year or less between the date of transfer of goods or services and the date of receipt of consideration, the significant financial components are not subject to price adjustment.

<u>Revenue from the sale of goods</u>

Proceeds from the sale of wireless communication equipment, electronic and optical communication components, electronic signal connectors and electronic products. Revenue from the sale of goods is recognised when the customer has the right to determine the price and use of the goods, has the primary responsibility for reselling the goods and bears the risk of obsolescence of the goods.

The Company does not recognise revenue on materials supplied to subcontractors. This is because there is no transfer of control.

When the other party is involved in the supply of goods to customers, we act as principal if our company has control over the goods before they are transferred to the customer; otherwise we act as agent. The principal recognises revenue for the full amount of economic benefits associated with the transaction, while the agent recognises revenue only for the net amount of economic benefits received.

(O) Leases

At the inception of a contract, the Company assesses whether the contract is (or contains) a lease at the inception date.

1) The Company as lessor

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

When the Company subleases a right of use, the sublease is classified by reference to the right of use arising from the head lease, not by reference to the underlying asset. However, if the head lease is a short-term lease for which the Company, as lessee, has taken advantage of the recognition exemption, the sublease is classified as an operating lease.

Lease payments from operating leases are recognized as income on a straight-line basis over the term of the relevant leases.

2) The Company as lessee

The Company recognises right-of-use assets and lease liabilities for all leases at the commencement date of a lease, with the exception of short-term leases and low-value asset leases, which are accounted for by applying a recognition exemption. In such instances, lease payments are recognised as an expense over the lease term on a straight-line basis.

Right-of-use assets are initially measured at cost, which includes the original measurement of the lease liability, lease payments made prior to the commencement date of the lease, less lease incentives received, original direct costs, and the estimated cost to reinstate the underlying asset. Subsequent measurement occurs at cost less accumulated depreciation and accumulated impairment losses, adjusted for the remeasurement of the lease liability. The right-of-use assets are presented separately on the individual balance sheets.

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

Lease liabilities are generally initially measured at the present value of the lease payments, which depend on an index or a rate. In most cases, the lease payments are discounted using the interest rate implicit in a lease. However, in instances where that rate cannot be readily determined, the lessee's incremental borrowing rate may also be considered.

Subsequently, lease liabilities are measured at amortised cost using the effective interest method, with interest expense recognised over the lease terms. In the event of a change in a lease term resulting from a change in an index or a rate used to determine those payments, the Company remeasures the lease liabilities with a corresponding adjustment to the right-of-use assets. Nevertheless, in the event that the carrying amount of the right-of-use assets is reduced to zero, any remaining amount of the remeasurement is recognised in profit or loss. Lease liabilities are presented on a separate line in the balance sheets.

(P) Borrowing costs

All other borrowing costs are recognized in profit or loss in the period in which they are incurred.

(Q) Government Grants

Government grants are recognised only when there is reasonable assurance that the Company will comply with the conditions attached to them and that the grants will be received.

Government grants related to revenue are recognised in on a systematic basis over the periods in which they are intended to income over the periods in which the costs they are intended to compensate are by the company. Government grants that are conditional on the the purchase, construction or otherwise assets are recognised as deferred income and and released to income on a systematic basis over the useful life of the related assets. over the useful lives of the related assets.

Government grants are recognised in the income statement in the period in which they are received if they are intended to compensate for expenses or losses already incurred or are intended to are intended to provide immediate financial assistance to the the company and there are no future related costs.

The difference between the amount of the loan received and the fair value of the loan based on the prevailing market rate of interest is recognised as a government grant for below-market rate government loans.

(R) Employee Benefits

1) Short-term employee benefits

Liabilities recognized in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for service rendered by employees.

2) Retirement benefits

For defined contribution retirement benefit plans, payments to the benefit plan are recognized as an expense when the employees have rendered service entitling them to the contribution.

Defined benefit costs (including service cost, net interest and remeasurement) under the defined benefit retirement benefit plans are determined using the Projected Unit Credit Method. Service cost (including current service cost), and net interest on the net defined benefit liability (asset) are recognized as employee benefits expense in the period they occur. Remeasurement, comprising actuarial gains and losses and the return on plan assets (excluding interest), is recognized in other comprehensive income in the period in which they occur. Remeasurement recognized in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to profit or loss.

Net defined benefit liability represents the actual deficit in the Company’s defined benefit plan.Any surplus resulting from this calculation is limited to the present value of any refunds from the plans or reductions in future contributions to the plans.

3) Other long-term employee benefits

Other long-term employee benefits are accounted for in the same way as defined benefit plans, except that the related remeasurements are recognised in the income statement. or loss.

4) Separation Benefits

The Company recognises a liability for postemployment liability for post-employment benefits at the earlier of the date when it is no longer able to the offer of postemployment benefits or when it recognises the related restructuring costs. the related restructuring costs.

(S) Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

1) Current tax

Income tax payable (recoverable) is based on taxable profit (loss) for the year determined according to the applicable tax laws of each tax jurisdiction.

The Income Tax Act of the Republic of China provides for an additional tax on retained earnings in the year in which the shareholders have approved the retention of earnings.

Adjustments of prior years' tax liabilities are added to or deducted from the current year's tax provision.

2) Deferred tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the parent company only financial statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences, net operating loss carryforwards and tax credits for research and development expenses to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized.

Deferred tax liabilities are recognized for taxable temporary differences associated with investments in subsidiaries and associates, except where the Company is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments are only recognized to the extent that it is probable that there will be sufficient taxable profits against which to utilize the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be recovered. A previously unrecognised deferred tax asset is also reviewed at each reporting period and recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the year in which the liability is settled or the asset is realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

3) Current and deferred tax for the year

Current and deferred tax are recognized in profit or loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity, respectively.

5、MATERIAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION AND UNCERTAINTY

The application of the Company's accounting policies requires management to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered relevant. Actual results could differ from these estimates.

In developing critical accounting estimates, the Company considers the potential effects of inflation and market interest rate fluctuations on its critical accounting estimates relating to cash flow projections, growth cash flow projections, growth rates, discount rates, profitability, etc. The estimates and underlying assumptions are reviewed on a regular basis. The estimates and underlying assumptions are reviewed on an ongoing basis. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimate is revised if the revision affects only that year, or in the year of the revision and subsequent years if the revision affects both the current and subsequent years.

Key Sources of Estimation Uncertainty

(A)Estimated impairment of financial assets

The provision for impairment of trade receivables is based on the Company's assumptions about the probability of default and the loss rate. The Company considers historical experience, current market conditions and forward looking information in making assumptions and selecting inputs for impairment assessments. If actual future cash flows are less than the Company's expectations, a significant impairment loss may be incurred.

(B) Impairment of inventories

The net realisable value of inventories is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale. The estimates are based on current market conditions and historical sales experience for similar products, and changes in market conditions could materially affect the results of these estimates.

6、CASH

	December31,2023	December31,2022
Cash on hand	$ 88	$ 73
Checking accounts and demand deposits	217,397	192,239
	$217,485	$192,312

The market rate intervals of cash in bank at the end of the reporting period were as follows:

	December31,2023	December31,2022
Bank balance	0.001%~1.450%	0.001%~1.050%

7、FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	December31,2023	December31,2022
Non-current		
Domestic Investments		
Unlisted stocks		
Common Stock of Ubiik Inc.	$ 35,101	$ 34,537

The Company invests in the ordinary shares of Ubiik Inc. for medium to long-term strategic purposes and expects to earn a return on its long-term investments. The Company's management believes that including short-term fluctuations in the fair value of these investments in profit or loss would be inconsistent with the long-term investment planning described above and has elected to designate these investments as at fair value through other comprehensive income.

8、TRADE RECEIVABLES AND OTHER RECEIVABLES

	December31,2023	December31,2022
Notes receivable		
At amortized cost		
Gross carrying amount	$ 785	$ 986
Notes receivable-operating	$ 785	$ 986
Trade receivables		
At amortized cost		
Gross carrying amount	$346,798	$678,220
Less：Loss allowance	(9,631)	(143)
	$337,167	$678,077
Other receivables		
Others	$ 1,327	$ 6,660

The average credit period for sales of goods is 90 days, and some customers have credit periods of 30 to 180 days from the end of the month. No interest is charged on trade receivables.

The Company's policy is to obtain adequate collateral, where appropriate, to mitigate the risk of financial loss from default. The Company uses other publicly available financial information and its own historical transaction records to evaluate its major customers.

The Company measures the allowance for trade receivables at an amount equal to the lifetime ECL. Expected credit losses on trade receivables are estimated using a provision matrix approach, taking into account the customer's past default history, the customer's current financial condition and the economic condition of the industry in which the customer operates. The allowance for credit losses is established based on the expected loss rate for each group, which is categorised into risk groups based on industry characteristics.

The Company writes off a trade receivable when there is evidence that the debtor is in serious financial difficulty and there is no realistic prospect of recovery, for example when the debtor has gone into liquidation. For trade receivables that have been written off, the Group continues to pursue collection of the amounts due. Where recoveries are made, they are recognised in the income statement.

The following table details the loss allowance of trade receivables based on the Company's provision matrix:

December31,2023

	Not Past Due	1 to 60 Days Past Due	61 to 120 Days Past Due	121 to 180 Days Past Due	Over 180 Days Past Due	Total
Gross carrying amount	$ 308,856	$ 25,329	$ 2,657	$ 2,629	$ 7,327	$ 346,798
Loss allowance (Lifetime ECLs)	(470)	(985)	(848)	(1)	(7,327)	(9,631)
Amortized cost	$ 308,386	$ 24,344	$ 1,809	$ 2,628	$ -	$ 337,167

December31,2022

	Not Past Due	1 to 60 Days Past Due	61 to 120 Days Past Due	121 to 180 Days Past Due	Over 180 Days Past Due	Total
Gross carrying amount	$ 629,417	$ 37,900	$ 7,596	$ 3,307	$ -	$ 678,220
Loss allowance (Lifetime ECLs)	(6)	(5)	(60)	(72)	-	(143)
Amortized cost	$ 629,411	$ 37,895	$ 7,536	$ 3,235	$ -	$ 678,077

The movements of the loss allowance of trade receivables were as follows：

	Years Ended December 31	
	2023	2022
Balance , beginning of year	$ 143	$ 719
Add：Provision	9,488	-
Less：Reversal	-	(576)
Balance , end of year	$ 9,631	$ 143

9、INVENTORIES

	December31,2023	December31,2022
Merchandise	$ 16,711	$ 45,920
Finished goods	64,927	53,963
Work in process	15,386	5,920
Raw materials and Supplies	17,421	31,587
	$114,445	$137,390

The components of operating costs relating to inventories are as follows:

	Years Ended December 31	
	2023	2022
Operating Costs	$ 1,039,562	$ 1,448,103
Write-downs of inventories	$ 8,327	$ 6,100

10、NON-CURRENT ASSETS HELD FOR SALE

	December31,2022
Investments in associates held for sale	$169,642
Investments directly associated with non-current assets held for sale	$ 3,887

The Company's Board of Directors approved the sale of its entire 21.87% interest in PBT on 14 December 2022 and the sale was completed on 19 May 2023.

11、INVESTMENTS ACCOUNTED FOR USING EQUITY METHOD

Investments in subsidiaries

	December31,2023	December31,2022
HUA HONG INTERNATIONAL LTD.(HUA HONG)	$482,491	$449,209
HANG JIAN TECHNOLOGY CO., LTD.（HANG JIAN）	16,373	37,492
Wha Yu USA Inc.	9,433	-
Wha Yu Vietnam Limited Liability Company	99,888	-
	$608,185	$486,701

	Percentage of Ownership	
Subsidiaries	December31,2023	December31,2022
HUA HONG	100.00%	100.00%
HANG JIAN	50.12%	50.12%
Wha Yu USA Inc.	100.00%	-
Wha Yu Vietnam Limited Liability Company	100.00%	-

For the Company's acquisition of HANG JIAN and the disposal of CLICK, please refer to notes 28 and 29 to the consolidated financial statements of the Company for the year ended 2023.

Please refer to Note 33 for details of the Company's indirectly held subsidiaries.

12、PROPERTY, PLANT AND EQUIPMENT

Assets used by the Company

	Land	Buildings	Machinery and Equipment	R&D Equipment	Office Equipments	Transportation Equipment	Leasehold Improvements	Other Equipment	Construction in Progress	Total
Cost										
Balance at January 1, 2023	$185,606	$509,041	$ 78,188	$113,568	$ 27,642	$ 1,942	$ 267	$ 22,486	$ 938	$939,678
Additions	-	4,394	4,749	22,565	3,139	-	-	353	-	35,200
Disposals	-	(102)	(10,051)	(418)	(318)	-	-	-	-	(10,889)
Balance at December 31, 2023	$185,606	$513,333	$ 72,886	$135,715	$ 30,463	$ 1,942	$ 267	$ 22,839	$ 938	$963,989
Accumulated depreciation and impairment										
Balance at January 1, 2023	$ -	$112,010	$ 36,646	$ 96,663	$ 22,221	$ 1,942	$ 205	$ 7,334	$ -	$277,021
Additions	-	17,965	9,233	5,738	2,607	-	53	2,780	-	38,376
Disposals	-	(102)	(3,142)	(418)	(318)	-	-	-	-	(3,980)
Balance at December 31, 2023	$ -	$129,873	$ 42,737	$101,983	$ 24,510	$ 1,942	$ 258	$ 10,114	$ -	$311,417
Carrying amounts at December 31, 2023	$185,606	$383,460	$ 30,149	$ 33,732	$ 5,953	$ -	$ 9	$ 12,725	$ 938	$652,572
Cost										
Balance at January 1, 2022	$185,606	$499,404	$ 73,253	$ 95,524	$ 26,568	$ 1,942	$ 267	$ 9,419	$ -	$891,983
Additions	-	9,637	5,626	18,044	2,857	-	-	1,936	12,097	50,197
Disposals	-	-	(1,610)	-	(1,783)	-	-	(2)	-	(3,395)
Reclassify	-	-	919	-	-	-	-	11,133	(11,159)	893
Balance at December 31, 2022	$185,606	$509,041	$ 78,188	$113,568	$ 27,642	$ 1,942	$ 267	$ 22,486	$ 938	$939,678
Accumulated depreciation and impairment										
Balance at January 1, 2022	$ -	$ 95,551	$ 28,440	$ 92,837	$ 22,275	$ 1,804	$ 151	$ 5,392	$ -	$246,450
Additions	-	16,459	9,816	3,826	1,723	138	54	1,944	-	33,960
Disposals	-	-	(1,610)	-	(1,777)	-	-	(2)	-	(3,389)
Balance at December 31, 2022	$ -	$112,010	$ 36,646	$ 96,663	$ 22,221	$ 1,942	$ 205	$ 7,334	$ -	$277,021
Carrying amounts at December 31, 2022	$185,606	$397,031	$ 41,542	$ 16,905	$ 5,421	$ -	$ 62	$ 15,152	$ 938	$662,657

In 2023 and 2022 no impairment loss was recognised or reversed.

The above items of property,plant and equipment used by the Company are depreciated on a straight-line basis over the estimated useful lives ,as follows:

Buildings	50 years
Electrical System	10 years
Machinery and equipment	3-10 years
R&D equipment	2-10 years
Office equipments	2-5 years
Transportation equipment	5 years
Leasehold improvements	3 years
Other equipment	2-6 years

Plesae refer to Note 30 for the amount of fixed assets pledged to secure loans.

13、LEASE ARRANGEMENTS

Other lease information

	Years Ended December 31	
	2023	2022
Expenses relating to short-term leases	$ 225	$ 382
Expenses relating to low-value assets	$ 183	$ 214
Excluding variable lease payments from measuring lease liabilities	$ 29	$ 12
Total cash outflow for leases	($ 437)	($ 608)

14、INTANGIBLE ASSETS

	Computer Software	Others	Total
Cost			
Balance at January 1, 2023	$ 48,477	$ 2,708	$ 51,185
Additions	1,710	-	1,710
Balance at December 31, 2023	$ 50,187	$ 2,708	$ 52,895
Accumulated amortization and impairment			
Balance at January 1, 2023	$ 40,830	$ 2,160	$ 42,990
Additions	4,927	241	5,168
Balance at December 31, 2023	$ 45,757	$ 2,401	$ 48,158
Carrying amounts at December 31, 2023	$ 4,430	$ 307	$ 4,737
Cost			
Balance at January 1, 2022	$ 41,051	$ 2,708	$ 43,759
Additions	7,426	-	7,426
Balance at December 31, 2022	$ 48,477	$ 2,708	$ 51,185
Accumulated amortization and impairment			
Balance at January 1, 2022	$ 37,090	$ 1,818	$ 38,908
Additions	3,740	342	4,082
Balance at December 31, 2022	$ 40,830	$ 2,160	$ 42,990
Carrying amounts at December 31, 2022	$ 7,647	$ 548	$ 8,195

The above items of intangible assets are amortised on a straight-line basis over their estimated useful lives, as follows:

Computer Software	1-3 years
Others	5-10 years

15、OTHER LIABILITIES

	December 31,2023	December 31,2022
Current		
Prepaid sales tax	$ 2,327	$ 259
Temporary payments	1,748	666
Other prepaid expenses	766	1,011
Prepayment for purchases	-	3,897
Others	1,010	1,106
	$ 5,851	$ 6,939
Non-current		
Prepayment for equipment	$ 1,387	$ -

16、BORROWINGS

(A)Short-term borrowings

	December 31,2023	December 31,2022
Unsecured borrowings		
Related parties (Remark)(Note2)	$ 99,521	$101,384

Remark:Loans from related parties are loans from related parties of the Company. Interest expense for the years ended 31 December 2023 and 2022 was calculated by multiplying the outstanding loan balance by an annual interest rate of 2.50%.

(B)Long-term borrowings

	December 31,2023	December 31,2022
Secured and Unsecured (Note 30)		
Bank Borrowing (Remark 1)	$ 96,330	$112,385
Government Professional Bank Borrowing (Remark 2&3)	224,500	266,427
Less:Discounts on government grants	(1,789)	(4,457)
Less:Long-term borrowings-current portion	(68,983)	(57,981)
Long-term borrowings	$250,058	$316,374

Remark 1:The long-term borrowings have a grace period of three years from the date of first drawdown in December 2019 for the first instalment of principal, with equal monthly instalments thereafter until December 2029. Interest rates range from 1.5759% to 2.019% and 0.930% to 1.8592% per annum for 2023 and 2022 respectively.

Remark 2:The bank borrowings are government borrowings with preferential interest rates under the 'Action Plan for Welcoming Overseas Taiwanese Businesses to Return to Invest in Taiwan'. It is our understanding that these will mature in stages before February 2030. We would like to bring your attention to the fact that the annual interest rates are 1.46% to 1.90% minus the government subsidy rate of 0.97% to 1.14% and 1.62% minus the government subsidy rate of 1.13% for bank loans and 0.49% to 0.89% and 0.49% for bank loans and government subsidy rate of 1.13% for bank loans as of 31 December 2023 and 2022, respectively.

Remark 3: Includes secured and unsecured borrowings.

17、OTHER LIABILITIES

	December 31,2023	December 31,2022
Current		
Other payables		
Payable for bonuses	$ 17,292	$ 16,441
Payable for salaries	16,392	13,494
Payable for leave benefits	3,949	4,050
Payable for service	1,497	1,862
Payable for Directors and Employee	-	4,220
Others	32,576	39,515
	71,706	79,582
Others		
Contract Liabilities	3,254	1,959
Others	515	635
	3,769	2,594
Total	$ 75,475	$ 82,176

18、RETIREMENT BENEFIT PLANS

(A) Defined contribution plans

The Company's pension plan, which falls under the Labor Pension Act (the "Act"), is a defined contribution plan that is administered by the government. The Company contributes 6% of the employees' monthly wages to their individual accounts at the Bureau of Labor Insurance.

(B) Defined benefit plans

The Company has defined benefit plans under the R.O.C. Labor Standards Law that provide benefits based on an employee's length of service and average monthly salary for the six-month period prior to retirement. The Company contributes an amount equal to 2% of salaries paid each month to their respective pension funds (the Funds), which are administered by the Labor Pension Fund Supervisory Committee (the Committee) and deposited in the Committee's name in the Bank of Taiwan. Before the end of each year, the Company assesses the balance in the Funds. If the amount of the balance in the Funds is inadequate to pay retirement benefits for employees who conform to retirement requirements in the next year, the Company is required to fund the difference in one appropriation that should be made before the end of March of the next year. The Funds are operated and managed by the government's designated authorities; as such, the Company does not have any right to intervene in the investments of the Funds.

The amounts included in the balance sheets in respect of the Company's defined benefit plans were as follows:

	December 31,2023	December 31,2022
Present value of defined benefit obligation	$ 15,144	$ 13,920
Fair value of plan assets	(5,685)	(5,185)
Net defined benefit liability	$ 9,459	$ 8,735

Movements in net defined benefit liabilities were as follows:

	Present Value of the Defined Benefit Obligation	Fair Value of the Plan Assets	Net Defined Benefit Liabilities
Balance at January 1,2022	$ 14,164	($ 4,417)	$ 9,747
Net interest expense(income)	73	(31)	42
Recognized in profit or loss	73	(31)	42
Remeasurement			
Return on plan assets(excluding amounts included in net interest)	-	(231)	(231)
Actuarial gain arising from changes in financial assumptions	(1,035)	-	(1,035)
Actuarial loss arising from experience adjustments	718	-	718
Recognized in other comprehensive loss(income)	(317)	(231)	(548)

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	Present Value of the Defined Benefit Obligation	Fair Value of the Plan Assets	Net Defined Benefit Liabilities
Contributions from the employer	$ -	($ 506)	($ 506)
Balance at December 31,2022	13,920	(5,185)	8,735
Net interest expense(income)	189	(74)	115
Recognized in profit or loss	189	(74)	115
Remeasurement			
Return on plan assets(excluding amounts included in net interest)	-	(37)	(37)
Actuarial gain arising from changes in financial assumptions	1,098	-	1,098
Actuarial loss arising from experience adjustments	(63)	-	(63)
Recognized in other comprehensive loss(income)	1,035	(37)	998
Contributions from the employer	-	(389)	(389)
Balance at December 31,2023	$ 15,144	($ 5,685)	$ 9,459

Through the defined benefit plans under the R.O.C. Labor Standards Law, the Company is exposed to the following risks:

1)Investment risk: The pension funds are invested in equity and debt securities, bank deposits, etc. The investment is conducted at the discretion of the government's designated authorities or under the mandated management. However, under the R.O.C. Labor Standards Law, the rate of return on assets shall not be less than the average interest rate on a two-year time deposit published by the local banks and the government is responsible for any shortfall in the event that the rate of return is less than the required rate of return.

2)Interest risk: A decrease in the government bond interest rate will increase the present value of the defined benefit obligation; however, this will be partially offset by an increase in the return on the debt investments of the plan assets.

3)Salary risk: The present value of the defined benefit obligation is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the present value of the defined benefit obligation.

The actuarial valuations of the present value of the defined benefit obligation were carried out by qualified actuaries. The significant assumptions used for the purposes of the actuarial valuations were as follows:

	December 31,2023	December 31,2022
Discount rates	1.25%	1.36%
Expected rates of salary increase	3.00%	2.50%

It is to be hoped that, if possible, reasonable changes in each of the significant actuarial assumptions occur and all other assumptions remain constant, the present value of the defined benefit obligation will increase (decrease) as follows:

	December 31,2023	December 31,2022
Discount rates		
0.25% increase	($ 405)	($ 391)
0.25% decrease	$ 421	$ 406
Expected rates of salary increase		
0.25% increase	$ 406	$ 394
0.25% decrease	($ 393)	($ 382)

The sensitivity analysis presented above may not be representative of the actual change in the present value of the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

	December 31,2023	December 31,2022
Expected contributions to the plans for the next year	$ 45	$ 519
Average duration of the defined benefit obligation	11.12 years	11.68 years

19、EQUITY

(A) Capital stock

	December 31,2023	December 31,2022
Authorized shares (in thousands)	200,000	200,000
Authorized capital	$ 2,000,000	$ 2,000,000
Issued and fully paid shares (in thousands)	120,481	120,481
Issued capital	$ 1,204,804	$ 1,204,804

The par value of issued common shares is NT$10 per share. A holder of common shares has one vote for each common share and is entitled to receive dividends.

The authorized shares include 2,000 thousand shares allocated for the exercise of employee stock options.

(B) Capital surplus

	December 31,2023	December 31,2022
May be used to offset a deficit, distributed as cash dividends, or transferred to share capital (Remark 1)		
Additional paid-in capital	$115,958	$115,958
From convertible bonds	77,396	77,396
Treasury share transactions	7,672	7,672
May not be used for any purpose		
Additional paid-in gain on disposal of assets	425	425
	$201,451	$201,451

Remark 1:Such capital surplus may be used to offset a deficit; in addition,when the Company has no deficit, such capital surplus may be distributed as cash dividends or transferred to share capital(limited to a certain percentage of the Company's capital surplus and to once a year.)

(C) Retained earnings and dividends policy

Under the dividends policy as set forth in the Articles, where the Company generates a profit at the end of each fiscal year, it shall first allocate funds for tax provisions to cover any deficits, and then set aside 10% as the legal reserve, However, if the legal reserve has already reached the Company's paid-in capital, no further allocation shall be made. If there is any remaining surplus after the special reserve is set aside or reversed in accordance with the law or the regulations of the competent authority, the Board of Directors shall prepare a proposal for the appropriation of the surplus and submit it to the shareholders' meeting for resolution, taking into account the accumulated undistributed surplus from previous years. Refer to note 21-8 for the Company's policy on the distribution of remuneration to employees and directors as set out in the Company's Articles of Association.

The Company's Articles of Association state that the dividend policy shall be consistent with the Company's present and future development plans, capital requirements and long-term financial planning, as well as the Company's business objectives of sustainable operations, the pursuit of the long-term interests of shareholders and stable operating performance, and that the Company shall distribute to shareholders part or all of its distributable profits, including cash dividends of not less than 10% of the distributable dividends for the year.

An appropriation of earnings to a legal reserve shall be made until the legal reserve equals the Company’s paid-in capital. The legal reserve may be used to offset deficit. If the Company has no deficit and the legal reserve has exceeded 25% of the Company’s paid-in capital, the excess may be transferred to capital or distributed in cash.

As of December 31, 2022, the Company's deficit was to be covered. On June 27, 2022, the stockholders' meeting resolved not to distribute earnings for fiscal year 2021 and to use legal reserve to cover the deficit of $13,055 thousand and capital surplus to cover the deficit of $21,412 thousand.

The appropriation of profit for the year ended 31 December 2023, as resolved by the shareholders at the Annual General Meeting on 19 June 2023, was as follows:

	Years Ended December 31 2022
Legal reserve	$ 3,398
Cash dividends	$ 24,096
Cash dividend per share ($)	$ 0.2

As at 31 December 2023, the company had a loss to be covered. On 15 March 2024, the Board of Directors proposed not to distribute profits and to use the legal reserve to cover a loss of $3,398 thousand, and capital surplus to cover the loss of $111,182 thousand.

The appropriation of the loss for the year 2023 is subject to the approval of the Annual General Meeting of Shareholders, which is expected to be held on 26 June 2024.

(D) Special reserves

	Years Ended December 31	
	2023	2022
Beginning and end of year balances	$104,610	$104,610

As the increase in retained earnings resulting from the first-time adoption of IFRS was not sufficient to provide for, a special reserve has been created only for the increase in retained earnings of $104,610 thousand resulting from the transition to IFRS. The special reserve for exchange differences arising on the translation of the financial statements of foreign operating companies (including subsidiaries) is released in proportion to the Company's share of the difference and is released in full when the Company loses its significant influence. When profit is distributed, a special reserve is created for the difference between the net decrease in other equity at the end of the period and the amount of the special reserve created for the first time under IFRS. If the balance of other equity is subsequently reversed, the reversed portion may be distributed as an appropriation of retained earnings.

(E) Other equity items

1) Exchange differences on the translation of the financial statements of foreign operations

Exchange differences arising on the translation of the net assets of foreign operations from their functional currency to the presentation currency, the New Taiwan dollar, are recognised in other comprehensive income as cumulative translation differences on the financial statements of foreign operations. Exchange differences previously arising on the translation of the financial statements of foreign operations are reclassified to profit or loss on disposal of the foreign operations.

2) Unrealized valuation gain (loss) on financial assets at FVTOCI

	Years Ended December 31	
	2023	2022
Balance at January 1	$ 6,177	$ 5,964
Recognized for the year		
Unrealized gain		
-equity insrruments	564	213
Balance at December 31	$ 6,741	$ 6,177

20、NET REVENUE

	Years Ended December 31	
	2023	2022
Disaggregation of revenue from contracts with customers		
Revenue from the sale of goods	$ 1,154,491	$ 1,712,143

(A)Contact balances

	December 31,2023	December 31,2022	December 31,2021
Notes and Trade receivables (Include related parties) (Note8)	$ 343,517	$ 690,001	$ 402,355
Contact liabilities(Note17)			
Sale of goods	$ 3,254	$ 1,959	$ 1,583

(B)Disaggregation of revenue

Product	Years Ended December 31 2023	2022
Wireless radio communication devices	$ 884,439	$ 1,329,940
Electronic and optical communication components	205,502	268,483
Electronic signal connection devices	58,944	105,333
Electronic products	5,606	8,387
	$ 1,154,491	$ 1,712,143

Geography	Years Ended December 31 2023	2022
Asia	$ 1,074,567	$ 1,642,485
America	76,815	66,544
Europe	3,109	3,102
Other	-	12
	$ 1,154,491	$ 1,712,143

21、NET CONTINUING OPERATING PROFIT

(A)Other Gains And Losses, Net

	Years Ended December 31 2023	2022
Gain (Loss) from disposal of property, plant and equipment.	$ 121	($ 6)

(B)Interest Income

	Years Ended December 31 2023	2022
Bank deposits	$ 4,664	$ 561

(C)Other Income

	Years Ended December 31 2023	2022
Rental Income	$ 3,401	$ 3,179
Deferred Income from Government Grants	1,902	1,864
Compensation Income (Note 31)	600	52,077
Income from Government Grants	45	104
Others	8,618	16,118
	$ 14,566	$ 73,342

(D)Other Gains and Losses

	Years Ended December 31	
	2023	2022
Foreign exchange gain,Net	$ 14,222	$ 41,374
Gain on disposal of investments	3,887	-
Impairment loss of Non-Financial assets	(15,414)	(102,219)
Others	(2,786)	(270)
	($ 91)	($ 61,115)

(E)Finance costs

	Years Ended December 31	
	2023	2022
Interest on Bank Loans	$ 9,010	$ 7,035

(F)Depreciation and amortisation

	Years Ended December 31	
	2023	2022
Property, plant and equipment	$ 38,376	$ 33,960
Intangible Assets	5,168	4,082
Total	$ 43,544	$ 38,042
An analysis of depreciation by function		
Operating costs	$ 21,473	$ 20,293
Operating expenses	16,903	13,667
	$ 38,376	$ 33,960
An analysis of amortisation by function		
Operating costs	$ 916	$ 640
Selling and marketing expenses	372	292
General and administrative expenses	1,081	1,315
Research and development expenses	2,799	1,835
	$ 5,168	$ 4,082

(G) Employee benefits expense

	Years Ended December 31	
	2023	2022
Short-term benefits	$242,199	$229,651
Post-employment benefits (Note18)		
Defined contribution plan	10,721	9,800
Defined benefit plans	115	42
	10,836	9,842
Other employee benefits	6,404	6,218
Total	$259,439	$245,711
An analysis of employee benefits expense by function		
Operating costs	$ 73,483	$ 68,938
Operating expenses	185,956	176,773
	$259,439	$245,711

(H) Compensation of employees and remuneration of directors

In accordance with the Company's Articles of Association, between 10% and 20% of the Company's profit before tax, before deduction of employee and director emoluments, is appropriated to employees and no more than 3% of the Company's director emoluments for the current year.

The net loss before tax for the year 2023 has not been the subject of an estimate for employee remuneration and directors' remuneration.

The estimated employee and director remuneration for the 2022 financial year was approved by the Board of Directors on 27 March 2023 as follows:

Accrual rate

	Years Ended December 31 2022
Compensation of employees	10%
Remuneration of directors	3%

Amount	Years Ended December 31 2022
	Cash
Compensation of employees	$ 3,246
Remuneration of directors	$ 974

If there is a change in the amounts after the financial statements are authorised for issue, the differences are recorded as changes in accounting estimates and adjusted in the following year.

There is no difference between the actual amount of employee and director remuneration paid and the amounts recognised in the financial statements for the years ended 31 December 2022 and 2021.

In the 2021 financial year, the net loss before tax was not estimated and therefore the employee and director remuneration was not estimated.

For information on the remuneration of employees and directors as determined by the Board of Directors, please refer to the Market Observation Post System website of the Taiwan Stock Exchange.

(I) Exchange of foreign currencies

	Years Ended December 31	
	2023	2022
Foreign Exchange Gain	$ 37,179	$ 60,955
Foreign Exchange Loss	(22,957)	(19,581)
Net Gains	$ 14,222	$ 41,374

22、INCOME TAX

(A) Income tax expense recognized in profit or loss

Income tax expense consisted of the following:

	Years Ended December 31	
	2023	2022
Current income tax expense		
Current tax expense recognized in the current year	$ -	$ -
Income tax adjustments on prior years	-	(5,187)
In respect of the current year	$ -	($ 5,187)

A reconciliation of income before income tax and income tax expense recognized in profit or loss was as follows:

	Years Ended December 31	
	2023	2022
Income before tax	($120,065)	$ 28,241
Income tax expense at the statutory rate	($ 24,013)	$ 5,648
Deductible benefit for tax purposes	(5,534)	(398)
Deductible expenses for tax purposes	(20,444)	-
Non-deductible expenses for tax purposes	(59)	-
Taxable income for tax purposes	110	144
Income tax credits	43,571	(19,770)
Temporary difference	6,369	14,376
Adjustments for prior year's tax	-	(5,187)
Income tax expense recognized in profit or loss	$ -	($ 5,187)

(B)Income tax examination

The tax authorities have examined income tax returns of the Company through 2021.

23、EARNINGS PER SHARE

Unit :NT$ Per Share

	Years Ended December 31	
	2023	2022
Basic and Diluted EPS	($ 1.00)	$ 0.28

The profit and weighted average number of ordinary shares in issue used in the calculation of earnings per share are as follows:

Net Profit for the Year

	Years Ended December 31	
	2023	2022
Earnings used in the computation of basic and diluted earnings per share	($120,065)	$ 33,428

The weighted average number of ordinary shares in issue was as follows (in thousands):

	Years Ended December 31	
	2023	2022
Weighted average number of ordinary shares used in the computation of basic earnings per share	120,481	120,481
Effect of potentially dilutive ordinary shares:		
Compensation of employees	-	176
Weighted average number of ordinary shares used in the computation of diluted earnings per share	120,481	120,657

The company will make a loss for the year. The inclusion of the effect of employee share options would have an anti-dilutive effect and has therefore been excluded from the calculation of diluted earnings per share.

The company may settle employee share awards in cash or shares and therefore the company assumes that all awards will be settled in shares and the resulting potential shares are included in the weighted average number of shares outstanding used in the calculation of diluted earnings per share as the effect is dilutive. The dilutive effect of the potential shares is included in the calculation of diluted earnings per share until the number of shares to be issued to employees is determined in the following year.

24、GOVERNMENT GRANTS

As of 31 December 2023, the Company has received a preferential government loan of NT$226,289 thousand from the "Action Plan for Welcoming Overseas Taiwanese Businesses to Return to Invest in Taiwan" for capital expenditure and operating turnover. The loan will be repaid in full in instalments over a period of five to ten years. At the time of borrowing, the market interest rate was 1.23% and 0.97% respectively. Based on this, the fair value of the loan is estimated to be NT$224,500 thousand. The difference between the amount obtained and the fair value of the loan is NT$1,789 thousand, which is regarded as a government low-interest loan and recognized as deferred income.

25、INVESTMENT OF SUBSIDIARY

	Principal Activity	Date of Acquisition	Voting Equity Interests Acquired(%)	Transferred Consideration
HANG JIAN TECHNOLOGY CO., LTD.(HANG JIAN)	The application-related business for unmanned aerial vehicles was integrated.	April ,2022	50.12	$ 40,470

In order to expand the Company's diversified business and combine the development of unmanned carrier and antenna products, the Company participated in the capital increase of HANG JIAN with cash in March 2022 and completed the relevant business registration procedures in April. For a description of the acquisition of HANG JIAN,, please refer to note 28 to the Company's 2023 Consolidated Financial Statements.

26、DISPOSAL OF SUBSIDIARY

The sale of the entire 76.77% stake in CLICK and the loss of control of CLICK occurred in June 2022. For a description of the disposal of CLICK, please refer to note 29 to the Company's 2023 Consolidated Financial Statements.

27、CAPITAL MANAGEMENT

The company manages its capital to ensure that it is able to maximise returns to shareholders by optimising its debt and equity balances on a going concern basis. There have been no significant changes to the Company's overall strategy.

The Company's capital structure consists of the Company's equity (i.e. share capital, share premium, retained earnings and other equity items).

The Company is not subject to any other external capital requirements.

28、FINANCIAL INSTRUMENTS

(A) Fair value of financial instruments not measured at fair value

Management believes that the carrying amounts of financial assets and financial liabilities that are not measured at fair value approximate their fair values.

(B) Fair value of financial instruments measured at fair value on a recurring basis

1) Fair value hierarchy

December 31, 2023

	Level 1	Level 2	Level 3	Total
Financial assets at FVTOCI				
Investments in equity instruments				
—Unlisted shares	$ -	$ -	$ 35,101	$ 35,101

December 31, 2022

	Level 1	Level 2	Level 3	Total
Financial assets at FVTOCI				
Investments in equity instruments				
—Unlisted shares	$ -	$ -	$ 34,537	$ 34,537

There were no transfers between Levels 1 and 2 in the current and prior years.

2) Reconciliation of Level 3 fair value measurements of financial instruments

For the year ended December 31,2023

Financial Assets	Financial Assets at FVTOCI Equity Instruments
Balance at January 1,2023	$ 34,537
Recognized in other comprehensive income	564
Balance at December 31,2023	$ 35,101

For the year ended December 31,2022

Financial Assets	Financial Assets at FVTOCI Equity Instruments
Balance at January 1,2022	$ 35,564
Recognized in other comprehensive income	213
Capital reduction and return of shares	(1,240)
Balance at December 31,2022	$ 34,537

3) Valuation techniques and inputs applied for Level 3 fair value measurement

Taiwan's unquoted equity investments are valued using the income approach. The income approach is based on the expected future earnings of the underlying assets discounted at the cash flow rate using an annual discount rate, and the cash flow rate is projected over five years using a flat growth rate to calculate the present value of the expected earnings to be generated by the investment.

(C) Categories of financial instruments

	December 31,2023	December 31,2022
Financial assets		
Amortized cost(Remark 1)	$562,510	$889,072
Financial assets at FVTOCI		
Equity instruments	35,101	34,537
Financial liabilities		
Amortized cost(Remark 2)	615,401	862,710

Remark 1: The balances include financial assets at amortized cost, which comprise cash, notes and trade receivables (including related parties), other receivables (including related parties) and refundable deposits. Those reclassified to held-for-sale disposal groups are also included.

Remark 2: The balances include financial liabilities at amortized cost, which comprise Short-term borrowings,long-term borrowings-current portion, other payables, long-term borrowings ,notes and trade payable(including related parties) and guarantee deposits. Those reclassified to held-for-sale disposal groups are also included.

(D) Financial risk management objectives and policies

The Company's principal financial instruments include equity, cash, notes and accounts receivable, bank borrowings and notes and accounts payable. The company's financial management department supports each business unit in monitoring and managing the financial risks associated with the company's operations through internal risk reports that analyse risks according to their degree and breadth. These risks include market risk (including foreign exchange and interest rate risk), credit risk and liquidity risk.

The Company uses derivative financial instruments to hedge its exposures and to mitigate the effects of these exposures. The use of derivative financial instruments is governed by policies approved by the Board of Directors, which cover foreign exchange risk, interest rate risk, credit risk, the use of derivative and non-derivative financial instruments and written policies for the investment of excess liquidity. Compliance with these policies and the level of risk are monitored on an ongoing basis by the internal auditors. The Company has not traded financial instruments (including derivative financial instruments) for speculative purposes.

The Financial Management Department reports quarterly to the Company's Board of Directors, an independent body responsible for monitoring risk and implementing risk mitigation strategies.

1) Market risk

The Company’s activities exposed it primarily to the financial risks of changes in foreign currency exchange rates (see (1) below) , interest rates (see (2) below) and other prices. (see (3) below)

There has been no change to the Company’s exposure to market risks or the manner in which these risks are managed and measured.

(1) Foreign currency risk

The Company is exposed to foreign exchange risk from sales and purchases denominated in foreign currencies.

The Company balances net assets and liabilities in foreign currencies using economic hedges to avoid fluctuations in future cash flows due to changes in exchange rates.

The carrying amounts of monetary assets and liabilities denominated in non-functional currencies at the balance sheet date are disclosed in Note 32.

Sensitivity analysis

The Company is primarily affected by fluctuations in the exchange rates of the USD and the RMB.

The following table details the Company's sensitivity to a 1% increases and decrease in the New Taiwan dollar (i.e., the functional currency) against the relevant foreign currencies. The sensitivity analysis takes into account monetary items in foreign currencies in circulation and adjusts the period-end translation for a 1% change in exchange rates. The following table shows the changes in profit before tax that would occur if the functional currency were to weaken by 1% against the respective currencies. The sensitivity analysis includes cash, trade and other receivables, short-term borrowings, trade payables and other payables.

	USD Impact		RMB Impact	
	For the Year Ended December 31		For the Year Ended December 31	
	2023	2022	2023	2022
Profit or loss	$ 3,261(i)	$ 6,677(i)	($ 1,579) (ii)	($ 3,556) (ii)

(i) This arises mainly from the Company outstanding USD-denominated receivables, payables and borrowings at the balance sheet date, which are not hedged against cash flows.

(ii) Mainly due to the Company's RMB-denominated receivables and payables outstanding at the balance sheet date which are not hedged against cash flows.

(2) Interest rate risk

Interest rate risk arises when the Company borrows funds at both fixed and floating rates. The Company manages its interest rate risk by maintaining an appropriate mix of fixed and floating rates.

The carrying amounts of the Company's financial assets and financial liabilities with exposure to interest rates at the end of the reporting periods were as follows:

	December 31 2023	December 31 2022
Fair value interest rate risk		
Financial assets	$ 99,521	$101,384
Cash flow interest rate risk		
Financial assets	217,397	192,239
Financial liabilities	319,041	374,355

Sensitivity analysis

The following sensitivity analyses are based on the interest rate risk of non-derivative instruments at the balance sheet date. For floating rate assets and liabilities, the analysis assumes that the amounts of assets and liabilities outstanding at the balance sheet date were outstanding during the period.

If interest rates had increased or decreased by 1%, the Company's pre-tax net (loss) income would have decreased by NT$1,016 thousand and NT$1,821 thousand for the years ended 31 December 2023 and 2022, respectively, primarily due to the Company's exposure to interest rate risk on its variable rate net assets and liabilities, with all other variables held constant.

(3) Other price risk

The Company's equity instruments are exposed to price risk primarily from investments in financial assets at fair value through other comprehensive income.

Sensitivity analysis

The following sensitivity analysis is based on the equity price risk at the balance sheet date.

If equity prices had been 0.1% higher/lower, the post-tax other comprehensive income for the years ended 31 December 2023 and 2022 would have increased/ decreased by NT$351 thousand and NT$345 thousand, respectively, as a result of the changes in fair value of financial assets at FVTOCI.

2) Credit risk

Credit risk is the risk of financial loss resulting from the failure of counterparties to meet their contractual obligations. At the balance sheet date, the Company's maximum exposure to credit risk (not taking into account collateral or other credit enhancement instruments and not taking into account the maximum amount of irrevocable commitments), which could result in financial loss due to the failure of counterparties to meet their contractual obligations, and the Company's provision of financial guarantees, was mainly attributable to the following:

(1) The carrying amount of financial assets recognised in each balance sheet.

(2) The amount of contingent liabilities arising from financial guarantees issued by the Company.

The Company uses other publicly available financial information and mutual transaction records to evaluate major customers. The Company monitors credit risk and counterparty creditworthiness on an ongoing basis and spreads total transaction amounts across creditworthy customers and controls credit risk through counterparty credit limits which are reviewed and approved by management on an annual basis.

3) Liquidity risk

The Company manages liquidity risk by monitoring and maintaining a level of cash and cash equivalents deemed adequate to finance the Company’s operations and mitigate the effects of fluctuations in cash flows. In addition, management monitors the utilization of bank borrowings and ensures compliance with loan covenants.

The Company relies on bank borrowings as a significant source of liquidity.

As at 31 December 2023 and 2022, the Company's unused short-term bank facilities amounted to NT$685,288 thousand and NT$720,325 thousand, respectively.

The table below summarizes the maturity profile of the Company's financial liabilities based on contractual undiscounted payments, including principal and interest.

December 31, 2023

	On Demand or Less than 1 Month	1 ~3 Months	3 Months to 1 Year	More Than 1 Years	Total
Non-derivative financial liabilities					
Short-term borrowings	$ -	$ -	$ 99,521	$ -	$ 99,521
Long-term borrowings - current portion	5,749	17,246	45,988	250,058	319,041
Trade payables to unrelated parties	35,775	33,141	4,430	120	73,466
Trade payables to related parties	-	50,161	38,762	-	88,923
Accrued expenses and other current liabilities	34,072	-	-	-	34,072
	$ 75,596	$ 100,548	$ 188,701	$ 250,178	$ 615,023

Further information on the maturity analysis of the above financial liabilities was as follows:

	Less Than 1 Year	1-5 Years	More Than 5 Years	Total
Variable interest rate liabilities	$ 68,983	$ 203,219	$ 46,839	$ 319,041
Fixed interest rate liabilities	99,521	-	-	99,521
	$ 168,504	$ 203,219	$ 46,839	$ 418,562

December 31, 2022

	On Demand or Less than 1 Month	1 ~3 Months	3 Months to 1 Year	More Than 1 Years	Total
Non-derivative financial liabilities					
Short-term borrowings	$ -	$ -	$ 101,384	$ -	$ 101,384
Long-term borrowings - current portion	2,449	10,634	44,898	316,374	374,355
Trade payables to unrelated parties	13,758	21,100	666	120	35,644
Trade payables to related parties	96,312	119,969	87,842	-	304,123
Notes payable to unrelated parties	-	1,103	-	-	1,103
Accrued expenses and other current liabilities	45,598	-	-	-	45,598
	$ 158,117	$ 152,806	$ 234,790	$ 316,494	$ 862,207

Further information on the maturity analysis of the above financial liabilities was as follows:

	Less Than 1 Year	1-5 Years	More Than 5 Years	Total
Variable interest rate liabilities	$ 57,981	$ 227,094	$ 89,280	$ 374,355
Fixed interest rate liabilities	101,384	-	-	101,384
	$ 159,365	$ 227,094	$ 89,280	$ 475,739

29、RELATED PARTY TRANSACTIONS

The significant transactions between the Company and its related parties, other than those disclosed in other notes, are summarized as follows:

(A) Related party name and categories

Related Party Name	Related Party Categories
HUA HONG	Subsidiaries
CLICK DIGITAL TECHNOLOGY CO., LTD.(CLICK)	Subsidiaries(Non-related party since May,2022)
DONGGUAN AEON TECH CO., LTD.（DONGGUAN AEON）	Indirect Subsidiaries
HANG JIAN	Subsidiaries(Related party as of April 2022)
LIN CHI SHENG	Key management personnel (Non-related party since June 10,2022)

(B) Net revenue

Item	Related Party Name	Years Ended December 31	
		2023	2022
Net revenue from sale of goods	DONGGUAN AEON	$ 33,680	$ 72,738

(C) Purchases

Related Party Name	Years Ended December 31	
	2023	2022
DONGGUAN AEON	$600,893	$980,937

The price of the Company's sales to related parties is based on the agreed terms and there is therefore no appropriate comparison transaction. Payment terms are in line with those applied to regular suppliers and customers.

(D) Receivables from related parties（Excludes loans to related parties.）

Item	Related Party Name	December 31, 2023	December 31, 2022
Trade receivables from related parties	DONGGUAN AEON	$ 5,565	$ 10,938
Other receivables from related parties	DONGGUAN AEON	$ 30	$ -

Outstanding amounts due from related parties are not secured by collateral. No allowance for doubtful accounts was made for amounts due from related parties in 2023 and 2022.

(E) Payables to related parties（Excludes loans to related parties.）

Item	Related Party Name	December 31, 2023	December 31, 2022
Trade payables to related parties	DONGGUAN AEON	$ 88,923	$ 304,123
Other payables and other current liabilities	HUA HONG	$ 3,824	$ 3,824
	DONGGUAN AEON	46	26
		$ 3,870	$ 3,850

The balance of related party payables is unsecured.

(F) Borrowings from related parties

Related Party Name	December 31, 2023	December 31, 2022
HUA HONG	$ 99,521	$101,384

Interest expenses

Related Party Name	December 31, 2023	December 31, 2022
HUA HONG	$ 1,596	$ 1,620

The interest rates on loans from related parties are comparable to market rates. Loans to subsidiaries are unsecured borrowings.

(G) Endorsement and Guarantee provided

Please refer to Attachment 33 for the Status of Endorsement and Guarantee.

(H) Others

	General and administrative	
	Years Ended December 31	
	2023	2022
Key management personnel	$ -	$ 29

	Rental Income	
	Years Ended December 31	
	2023	2022
Subsidiaries	$ 969	$ 736

（Continued on the next page）

(Continued from the previous page)

	Other Income	
	Years Ended December 31	
	2023	2022
LIN CHI SHENG	$ -	$ 52,077

Leases between related parties, including determining and collecting rental payments, are consistent with standard leases.

Please refer to Attachment 31 for the other income from related parties.

(I) Remuneration of key management personnel

	Years Ended December 31	
	2023	2022
Short-term employee benefits	$ 25,480	$ 27,411
Post-employment benefits	758	987
Other benefits	1,110	766
	$ 27,348	$ 29,164

The compensation to directors and other key management personnel were determined by the Compensation Committee of the Company in accordance with the individual performance and market trends.

30、ASSETS PLEDGED AS COLLATERAL OR FOR SECURITY

The following assets were provided as collateral for bank borrowings, tariff guarantee for imported raw material:

	December31,2023	December31,2022
Buildings	$383,460	$397,031
Freehold Land	185,606	185,606
	$569,066	$582,637

31、SIGNIFICANT CONTINGENT ITEMS

The Company's directors, Mr LIN,CHI-SHENG (who has resigned from the Board with effect from 10 June 2022), Mr CHANG,HUNG-YI and Mr PENG,CHAO-CHANG, have been indicted by the Hsinchu District Prosecutor's Office in Taiwan for allegedly violating the Securities and Exchange Act. The Company has filed a criminal and ancillary civil lawsuit with the Hsinchu District Court in Taiwan against the above named defendants for alleged violation of the Securities and Exchange Act and has requested the above named defendants to compensate the Company for losses of US$3,686 thousand and NT$6,934 thousand, which has been referred to the civil court for adjudication. Compensation income of NT$600 thousand and NT$52,077 thousand was recognised in fiscal years 2023 and 2022, respectively.

32、SIGNIFICANT ASSETS AND LIABILITIES DENOMINATED IN FOREIGN CURRENCIES

The following information was summarized according to the foreign currencies other than the functional currency of the Company. The exchange rates disclosed were used to translate the foreign currencies into the functional currency. The significant financial assets and liabilities denominated in foreign currencies were as follows:

December 31, 2023	Foreign Currencies	Exchange Rate	Carrying Amount
Financial assets			
Monetary items			
USD	$ 12,109	30.7050	$ 371,807
RMB	7,890	4.3270	34,140
JPY	15,720	0.2172	3,414
HKD	269	3.9290	1,057
			$ 410,418
Non-Monetary items			
Investments accounted for using the equity method			
RMB	111,507	4.3270	$ 482,491
VND	79,910,400	0.00125	99,888
USD	307	30.7050	9,433
			$ 591,812
Financial liabilities			
Monetary items			
RMB	44,372	4.3270	$ 191,998
USD	1,487	30.7050	45,658
JPY	17,291	0.2172	3,756
			$ 241,412

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December 31, 2022	Foreign Currencies	Exchange Rate	Carrying Amount
Financial assets			
Monetary items			
USD	$ 22,325	30.7100	$ 685,601
RMB	12,384	4.4080	54,589
JPY	25,455	0.2324	5,916
HKD	267	3.9380	1,051
			$ 747,157
Non-Monetary items			
Investments accounted for using the equity method			
RMB	101,907	4.4080	$ 449,209
Financial liabilities			
Monetary items			
RMB	93,062	4.4080	$ 410,217
USD	584	30.7100	17,935
JPY	25,398	0.2324	5,902
			$ 434,054

The significant realized and unrealized foreign exchange gains(losses) were as follows:

	For the Year Ended December 31			
	2023		2022	
Foreign Currency	Exchange Rate	Net Foreign Exchange Gain (Loss)	Exchange Rate	Net Foreign Exchange Gain (Loss)
USD	30.705 (USD:NTD)	($ 10,253)	30.7100 (USD:NTD)	($ 5,714)
RMB	4.327 (RMB:NTD)	4,426	4.4080 (RMB:NTD)	1,843
HKD	3.929 (HKD:NTD)	37	3.9380 (HKD:NTD)	39
JPY	0.2172 (JPY:NTD)	19	0.2324 (JPY:NTD)	174
		($ 5,771)		($ 3,658)

33、ADDITIONAL DISCLOSURES

(A) Following are the additional disclosures required by the Securities and Futures Bureau for the Company:

1) Lending Funds to Other Parties: See Table 1 attached.
2) Endorsement/guarantee provided: See Table 2 attached.
3) Marketable securities held (excluding investments in subsidiaries and associates) : See Table 3 attached.

4) Marketable securities acquired and disposed of at costs or prices of at least NT$300 million or 20% of the paid-in capital: None.

5) Acquisition of individual real estate properties at costs of at least NT$300 million or 20% of the paid-in capital: None.

6) Disposal of individual real estate properties at prices of at least NT$300 million or 20% of the paid-in capital: None.

7) Total purchases from or sales to related parties of at least NT$100 million or 20% of the paid-in capital: See Table 4 attached.

8) Receivables from related parties amounting to at least NT$100 million or 20% of the paid-in capital: None.

9) Information about the derivative financial instruments transaction: None.

(B) Names, locations, and related information of investees over which the Company exercises significant influence (excluding information on investment in mainland China)： See Table 5 attached.

(C) Information on investment in mainland China

1) The name of the investee in mainland China, the main businesses and products, its issued capital, method of investment, information on inflow or outflow of capital, percentage of ownership, income (losses) of the investee, share of profits/losses of investee, ending balance, amount received as dividends from the investee, and the limitation on investee: See Table 6 attached.

2) Significant direct or indirect transactions with the investee, its prices and terms of payment, unrealized gain or loss, and other related information which is helpful to understand the impact of investment in mainland China on financial reports: See Note 29.

(D) Information of major shareholder: List of all shareholders with ownership of 5 percent or greater showing the names and the number of shares and percentage of ownership held by each shareholder: None.

WHA YU INDUSTRIAL CO., LTD.

LENDING FUNDS TO OTHER PARTIES

FOR THE YEAR ENDED DECEMBER 31, 2023

(Amounts in Thousands of New Taiwan Dollars, Unless Specified Otherwise)

No.	Financing Company	Counterparty	Financial Statement Account	Related Party	Maximum Balance for the Period	Ending Balance	Amount Actually Drawn	Interest Rate	Nature for Financing	Transaction Amounts	Reason for Financing	Allowance for Bad Debt	Collateral		Financing Limits for Each Borrowing Company (Note 3)	Financing Company's Total Financing Amount Limits (Note 3)	Note
													Item	Value			
1	Hua Hong International Co., Ltd.	WHA YU	Other receivables	Yes	$ 99,521	$ 99,521	$ 99,521	2.5%	Short-term financing funds	$ -	Operating capital	$ -	—	$ -	$ 289,031	$ 289,031	—

Note 1：The lending of funds by the Company to an individual entity shall not exceed 10% of the Company's net value; the lending of funds by an overseas subsidiary to an individual entity shall not exceed 15% of the net value of the subsidiary.

Note 2：The total amount of funds lent by the Company shall not exceed 40% of its net value; and the total amount of funds lent by an overseas subsidiary shall not exceed 40% of the net value of the subsidiary

Note 3：There is no restriction on short-term financing between affiliates in which the Company directly or indirectly holds 100% of the voting shares, provided that the total loan amount and the individual loan amount do not exceed 60% of the net value of such affiliates.

WHA YU INDUSTRIAL CO., LTD.

ENDORSEMENTS/GUARANTEES PROVIDED

FOR THE YEAR ENDED DECEMBER 31, 2023

(Amounts in Thousands of New Taiwan Dollars, Unless Specified Otherwise)

No.	Endorser/ Guarantor	Endorsee/Guarantee		Limits on Endorsement/ Guarantee Given on Behalf of Each Party	Maximum Amount Endorsed/ Guaranteed During the Period	Outstanding Endorsement/ Guarantee at the End of the Period	Actual Borrowing Amount	Amount Endorsed/ Guaranteed by Collaterals	Ratio of Accumulated Endorsement/ Guarantee to Net Equity in Latest Financial Statements	Aggregate Endorsement/ Guarantee Limit (Note 3)	Guarantee Provided by Parent Company	Guarantee Provided by A Subsidiary	Guarantee Provided to Subsidiaries in Mainland China
		Name of Company	Relationship										
0	WHA YU	DONGGUAN AEON Tech Co., Ltd.	Subsidiary with 100% indirect shareholding	$ 656,558 (Note 2)	$ 61,410 (US$ 2,000 thousand)	$ 61,410 (US$ 2,000 thousand)	$ -	$ -	4.68%	$ 656,558	Yes	No	Yes
		DONGGUAN AEON Tech Co., Ltd.	Subsidiary with 100% indirect shareholding	656,558 (Note 2)	92,115 (US$ 3,000 thousand)	92,115 (US$ 3,000 thousand)	61,410	-	7.01%	656,558	Yes	No	Yes

Note 1：The Company's limit on endorsements and guarantees provided for a single entity shall not exceed 20% of the current net value.

Note2：The Company's 100%-owned subsidiaries are not subject to the aforementioned limit on endorsements and guarantees for single entity. 。

Note3：The total amount of the Company's external endorsements and guarantees shall not exceed 50% of the net value of the current period.

Note4：The relevant figures in this table that are denominated in foreign currencies are translated into New Taiwan dollars using the exchange rates prevailing on the date of the financial statements.

TABLE 3

WHA YU INDUSTRIAL CO., LTD.

MARKETABLE SECURITIES HELD

December 31, 2023

(Amounts in Thousands of New Taiwan Dollars, Unless Specified Otherwise)

Marketable Securities Type	Marketable Securities Name	Relationship with the Company	Financial Statement Account	December 31, 2023				Note
				Shares	Carrying Value	Percentage of Ownership (%)	Fair Value	
Non-publicly traded equity investments-Stocks	Ubiik Inc. Common Stock	—	Financial assets at fair value through other comprehensive income - Non-current	672,000	$ 35,101	3.00	$ 35,101	—

WHA YU INDUSTRIAL CO., LTD.

TOTAL PURCHASES FROM OR SALES TO RELATED PARTIES OF AT LEAST NT$100 MILLION OR 20% OF THE PAID-IN CAPITAL
FOR THE YEAR ENDED DECEMBER 31, 2023

(Amounts in Thousands of New Taiwan Dollars, Unless Specified Otherwise)

Company Name	Related Party	Nature of Relationships	Transaction Details				Abnormal Transaction		Notes/Accounts Payable or Receivable		Note
			Purchases/ Sales	Amount	% to Total	Payment Terms	Unit Price	Payment Terms	Ending Balance	% to Total	
WHA YU	DONGGUAN AEON	Subsidiary	Purchases	$600,893	65	Net 90 days from the end of the month of when invoice is issued	Note	-	($ 88,923)	55	—

WHA YU INDUSTRIAL CO., LTD.

INFORMATION ON INVESTEES (EXCLUDING INFORMATION ON INVESTMENT IN MAINLAND CHINA)
FOR THE YEAR ENDED DECEMBER 31, 2023
(Amounts in Thousands of New Taiwan Dollars, Unless Specified Otherwise)

Investor Company	Investee Company	Location	Main Businesses and Products	Original Investment Amount		Balance as of December 31, 2023			Net Income (Losses) of the Investee(Note 2)	Profits/Losses of Investee (Note 2)	Note
				December 31, 2023	December 31, 2022	Shares (In Thousands)	Percentage of Ownership	Carrying Value(Note 2)			
WHA YU INDUSTRIAL CO., LTD.	HUA HONG INTERNATIONAL LTD.	Republic of Mauritius	Investment activities	$ 230,226 (US$ 7,498 Thousand)	$ 230,264 (US$ 7,498 Thousand)	7,498,093	100	$ 482,491	$ 41,296	$ 41,296	Subsidiary
	HANG JIAN TECHNOLOGY CO., LTD.	Hsin-Chu, Taiwan	The application-related business for unmanned aerial vehicles was integrated.	40,470	40,470	2,130,000	50.12	16,373	(11,385)	(5,705)	Subsidiary
	Wha Yu USA Inc.	U.S.A.	Consultancy and customer service activities for the local markets of the Internet communication products.	15,353 (US$ 500 Thousand)	-	500,000	100	9,433	(6,107)	(6,107)	Subsidiary
	Wha Yu Vietnam Limited Liability Company	Vietnam	The company is engaged in the manufacture and sale of equipment for the communication systems of the broadband access network.	107,468 (US$ 3,500 Thousand)	-	-	100	99,888	(1,813)	(1,813)	Subsidiary
	PRO BRAND TECHNOLOGY, INC.(PBT)	Cayman Islands	The company deals in a variety of downconverters, multiplexers, and electronic components.	-	276,200	- (Note 3)	- (Note 3)	- (Note 3)	-	-	Associate

Note 1: Amounts in this table denominated in foreign currencies have been translated into New Taiwan Dollars at the exchange rates prevailing at the balance sheet date.

Note 2:Based on audited financial statements.

Note 3: Successful completion of the sale of the stake in PBT on 19 May 2023.

WHA YU INDUSTRIAL CO., LTD.

INFORMATION ON INVESTMENT IN MAINLAND CHINA
FOR YEAR ENDED DECEMBER 31, 2023

(Amounts in Thousands of New Taiwan Dollars, Unless Specified Otherwise)

Investee Company	Main Businesses and Products	Total Amount of Paid-in Capital	Method of Investment	Accumulated Outflow Remittance for Investment from Taiwan as of January 1, 2023	Amount of Investments Remitted or Repatriated for the Period		Accumulated Outflow Remittance for Investment from Taiwan as of December 31, 2023	Net Income (Loss) of the Investee	% Ownership of Direct or Indirect Investment	Investment Gain (Loss) (Note 2)	Carrying Amount as of December 31,2023	Accumulated Repatriation of Investment Income as of December 31,2023	Note
					Remitted	Repatriated							
DONGGUAN AEON Tech Co., Ltd.	Production and sales of broadband access network communication system equipment (wireless fixed access network communication equipment), new instrumentation elements (instrumentation connectors)	RMB78,767 thousand (US$ 11,100 thousand)) Note 3	(Note 1)	US$ 5,600 thousand	$ -	$ -	US$ 5,600 thousand	RMB 220 thousand	100%	RMB 220 thousand	RMB85,061 thousand	$ -	—
AEON TECHNOLOGY (SHANG HAI) CO., LTD.	Wholesales of communication parts,electronic parts, cables, optical fibers and antennas; import and export of self-developed products; provision of supporting and consulting services; development of antennas	RMB42,364 thousand (US$5,970 thousand) Note 4	(Note 1)	US$ 1,250 thousand	-	-	US$ 1,250 thousand	RMB2,314 thousand	100%	RMB2,314 thousand	RMB18,229 thousand	-	—

Accumulated Investment in Mainland China as of December 31, 2023	Amount of Investments Authorized by Investment Commission, M.O.E.A.	Upper Limit on the Amount of Investments Stipulated by the Investment Commission, M.O.E.A.
US$13,662 thousand ($419,492)	US$21,762 thousand ($668,202)	$787,870

Note 1：The Company has invested in Mauritius Hua Hong International Co., Ltd. and then invested in mainland companies through this company, which has been approved by the Investment Review Committee of the Ministry of Economic Affairs.

Note 2：The calculation is based on the financial statements audited by the CPAs for the same period.

Note 3：The reinvestment was made based on the accumulated amount of US$ 5,600 thousand transferred from Taiwan and the earnings of US$ 5,500 thousand owned by Hua Hong International Co., Ltd.

Note 4：The reinvestment was made based on the accumulated amount of US$ 1,250 thousand transferred from Taiwan, and the earnings of US$ 2,600 thousand owned by Gaosheng International Co., Ltd.. Then Dongguan Tailin Co., Ltd. used its own earnings to increase the capital of Shanghai Puxiang Techology Co., Ltd. by RMB 13,500 thousand.

Note 5：The relevant figures in this table that are denominated in foreign currencies are translated into New Taiwan dollars using the exchange rates prevailing on the date of the financial statements.

THE CONTENTS OF STATEMENTS OF MAJOR ACCOUNTING ITEMS

WHA YU INDUSTRIAL CO., LTD.

STATEMENT OF CASH AND CASH EQUIVALENTS

DECEMBER 31, 2023

(Amounts in Thousands of New Taiwan Dollars, Unless Specified Otherwise)

Item	Description	Amount
Cash on head		$ 88
Demand deposits		
Checking accounts and demand deposits		110,705
Foreign currency deposits	Including US$2,400 thousand（@30.7050）、RMB$6,597 thousand（@4.3270）、HK$268 thousand（@3.9290）andJPY$15,720 thousand（@0.2172）。	106,692
Total		$217,485

WHA YU INDUSTRIAL CO., LTD.

STATEMENT OF ACCOUNTS RECEIVABLE, NET

DECEMBER 31, 2023

(In Thousands of New Taiwan Dollars)

Client Name	金額
Client A	$ 53,594
Client B	49,181
Client C	44,730
Client D	23,950
Client E	16,905
Others(Note)	158,438
Subtotal	346,798
Less: Allowance for doubtful accounts	(9,631)
Total	$337,167

Note:The amount of individual client included in others does not exceed 5% of the account balance.

WHA YU INDUSTRIAL CO., LTD.

STATEMENT OF INVENTORIES

DECEMBER 31, 2023

(In Thousands of New Taiwan Dollars)

Item	Amount	
	Cost	Net Realizable Value
Finished goods	$ 64,927	$ 71,220
Merchandise	16,711	17,898
Raw materials and Supplies	17,421	17,199
Work in process	15,386	32,387
Total	$114,445	$138,704

Note: Total insured value for inventories, property, plant and equipment is 602,364 thousand.

WHA YU INDUSTRIAL CO., LTD.

STATEMENT OF FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED DECEMBER 31, 2023

(In Thousands of New Taiwan Dollars)

Investees	Balance, January 1, 2023		Additions in Investment		Decrease in Investment		Unrealized Gain on Financial Assets at Fair Value Through Other Comprehensive	Balance, December 31, 2023			Note
	Shares (In Thousands)	Amount	Shares (In Thousands)	Amount	Shares (In Thousands)	Amount		Shares (In Thousands))	Shareholding (%)	Amount	
Financial assets at fair value through other comprehensive income											
Non-publicly traded equity investments											
Ubiik Inc.	480	$ 34,537	192	$ -	-	$ -	$ 564	672	3.00	$ 35,101	—

Note: Additions to investments are dividends on shares received during the current financial year.

WHA YU INDUSTRIAL CO., LTD.

STATEMENT OF CHANGES IN INVESTMENTS ACCOUNTED FOR USING EQUITY METHOD

FOR THE YEAR ENDED DECEMBER 31, 2023

(In Thousands of New Taiwan Dollars)

Investees	Balance, January 1, 2023		Additions in Investment		Decrease in Investment		Shares of the Other Comprehensive Income(Loss) of Subsidiaries Accounted fore Using the Equity Method	(Unrealized) Realized Gain	Exchange Differences	Balance, December 31, 2023			Net Assets Value
	Shares (In Thousands)	Amount	Shares (In Thousands)	Amount	Shares (In Thousands)	Amount				Shares (In Thousands)	Shareholding (%)	Amount	
HUA HONG INTERNATIONAL LTD.	7,498	$ 449,209	-	$ -	-	$ -	$ 41,296	$ 6	($ 8,020)	7,498	100	$ 482,491	$ 481,718
Pro Brand Technology	17,623	-	-	-	(17,623)	-	-	-	-	-	-	-	-
HANG JIAN TECHNOLOGY CO., LTD.	2,130	37,492	-	-	-	(15,414)	(5,705)	-	-	2,130	50.12	16,373	16,373
Wha Yu USA Inc.	-	-	500	15,343	-	-	(6,107)	-	197	500	100	9,433	9,433
Wha Yu Vietnam Limited Liability Company	-	-	-	112,079	-	-	(1,813)	-	(10,378)	-	100	99,888	99,888
		$ 486,701		$ 127,422		($ 15,414)	$ 27,671	$ 6	($ 18,201)			$ 608,185	$ 607,412

WHA YU INDUSTRIAL CO., LTD.

STATEMENT OF SHORT-TERM BORROWINGS

DECEMBER 31, 2023

(In Thousands of New Taiwan Dollars)

Type of Loans	Borrowing Amount	Term	Interest rate(%)	Collateral or Guarantee
Operating capital	$ 99,521	2023.05.15~2024.05.14	2.50	Nil

WHA YU INDUSTRIAL CO., LTD.

STATEMENT OF LONG-TERM BORROWINGS

DECEMBER 31, 2023

(In Thousands of New Taiwan Dollars)

Creditor	Term and repayment method	Annual rate(%)	Due within one year	Due after one year	Total	Collateral or Guarantee
Taipei Fubon Commercial Bank Co., Ltd.	2019.12.26~2029.12.26，From January 2023, average monthly amortisation of principal and interest	2.0080	$ 13,866	$ 69,329	$ 83,195	Note 30
Taipei Fubon Commercial Bank Co., Ltd.	2020.02.15~2030.02.15，From March 2023, average monthly amortisation of principal and interest	0.6289	2,293	11,843	14,136	Note 30
Taipei Fubon Commercial Bank Co., Ltd.	2020.02.15~2025.02.15，From March 2022, average monthly amortisation of principal and interest	0.8932	13,333	2,222	15,555	—
Taipei Fubon Commercial Bank Co., Ltd.	2020.04.15~2030.02.15，From March 2023, average monthly amortisation of principal and interest	0.6289	2,866	14,806	17,672	Note 30
Taipei Fubon Commercial Bank Co., Ltd.	2020.04.15~2030.02.15，From March 2023, average monthly amortisation of principal and interest	0.6289	2,292	11,844	14,136	Note 30
Taipei Fubon Commercial Bank Co., Ltd.	2020.06.15~2030.02.15，From March 2023, average monthly amortisation of principal and interest	0.6289	2,292	11,844	14,136	Note 30
Taipei Fubon Commercial Bank Co., Ltd.	2020.06.17~2027.06.17，From July 2023, average monthly amortisation of principal and interest	0.8932	392	979	1,371	—
Taipei Fubon Commercial Bank Co., Ltd.	2020.07.10~2029.12.26，From January 2023, average monthly amortisation of principal and interest	2.0080	2,189	10,947	13,136	Note 30
Taipei Fubon Commercial Bank Co., Ltd.	2020.07.15~2030.02.15，From March 2023, average monthly amortisation of principal and interest	0.6289	2,292	11,844	14,136	Note 30
Taipei Fubon Commercial Bank Co., Ltd.	2020.08.14~2030.02.15，From March 2023, average monthly amortisation of principal and interest	0.6289	2,292	11,844	14,136	Note 30
Taipei Fubon Commercial Bank Co., Ltd.	2020.08.14~2027.06.17，From July 2023, average monthly amortisation of principal and interest	0.8932	84	210	294	—
Taipei Fubon Commercial Bank Co., Ltd.	2020.09.15~2030.02.15，From March 2023, average monthly amortisation of principal and interest	0.6289	2,292	11,844	14,136	Note 30
Taipei Fubon Commercial Bank Co., Ltd.	2020.10.15~2030.02.15，From March 2023, average monthly amortisation of principal and interest	0.6289	2,006	10,364	12,370	Note 30
Taipei Fubon Commercial Bank Co., Ltd.	2020.11.13~2030.02.15，From March 2023, average monthly amortisation of principal and interest	0.6289	2,866	14,806	17,672	Note 30
Taipei Fubon Commercial Bank Co., Ltd.	2021.01.15~2027.06.17，From July 2023, average monthly amortisation of principal and interest	0.8932	149	372	521	—
Taipei Fubon Commercial Bank Co., Ltd.	2021.01.15~2027.06.17，From July 2023, average monthly amortisation of principal and interest	0.8932	21	51	72	—
Taipei Fubon Commercial Bank Co., Ltd.	2021.02.17~2030.02.15，From March 2023, average monthly amortisation of principal and interest	0.6289	1,433	7,403	8,836	Note 30
Taipei Fubon Commercial Bank Co., Ltd.	2021.02.17~2027.06.17，From July 2023, average monthly amortisation of principal and interest	0.8932	109	273	382	—
Taipei Fubon Commercial Bank Co., Ltd.	2021.05.14~2030.02.15，From March 2023, average monthly amortisation of principal and interest	0.6289	2,866	14,806	17,672	Note 30
Taipei Fubon Commercial Bank Co., Ltd.	2021.06.15~2027.06.17，From July 2023, average monthly amortisation of principal and interest	0.8932	289	723	1,012	—
Taipei Fubon Commercial Bank Co., Ltd.	2021.06.15~2027.06.17，From July 2023, average monthly amortisation of principal and interest	0.8932	84	209	293	—
Taipei Fubon Commercial Bank Co., Ltd.	2021.07.15~2027.06.17，From July 2023, average monthly amortisation of principal and interest	0.8932	226	564	790	—
Taipei Fubon Commercial Bank Co., Ltd.	2021.09.15~2030.02.15，From March 2023, average monthly amortisation of principal and interest	0.6289	596	3,079	3,675	Note 30
Taipei Fubon Commercial Bank Co., Ltd.	2021.10.15~2027.06.17，From July 2023, average monthly amortisation of principal and interest	0.8932	68	170	238	—
Taipei Fubon Commercial Bank Co., Ltd.	2021.10.15~2027.06.17，From July 2023, average monthly amortisation of principal and interest	0.8932	168	420	588	—
Taipei Fubon Commercial Bank Co., Ltd.	2021.10.15~2027.06.17，From July 2023, average monthly amortisation of principal and interest	0.8932	210	525	735	—
Taipei Fubon Commercial Bank Co., Ltd.	2021.10.15~2027.06.17，From July 2023, average monthly amortisation of principal and interest	0.8932	1,875	4,688	6,563	—
Taipei Fubon Commercial Bank Co., Ltd.	2021.10.15~2027.06.17，From July 2023, average monthly amortisation of principal and interest	0.8932	273	683	956	—
Taipei Fubon Commercial Bank Co., Ltd.	2021.10.15~2027.06.17，From July 2023, average monthly amortisation of principal and interest	0.8932	32	79	111	—
Taipei Fubon Commercial Bank Co., Ltd.	2021.10.15~2027.06.17，From July 2023, average monthly amortisation of principal and interest	0.8932	84	210	294	—
Taipei Fubon Commercial Bank Co., Ltd.	2021.10.15~2027.06.17，From July 2023, average monthly amortisation of principal and interest	0.8932	131	328	459	—
Taipei Fubon Commercial Bank Co., Ltd.	2021.11.15~2027.06.17，From July 2023, average monthly amortisation of principal and interest	0.8932	966	2,415	3,381	—
Taipei Fubon Commercial Bank Co., Ltd.	2021.11.15~2027.06.17，From July 2023, average monthly amortisation of principal and interest	0.8932	336	840	1,176	—
Taipei Fubon Commercial Bank Co., Ltd.	2021.11.15~2027.06.17，From July 2023, average monthly amortisation of principal and interest	0.8932	365	912	1,277	—

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Creditor	Term and repayment method	Annual rate(%)	Due within one year	Due after one year	Total	Collateral or Guarantee
Taipei Fubon Commercial Bank Co., Ltd.	2021.11.15~2027.06.17，From July 2023, average monthly amortisation of principal and interest	0.8932	$ 179	$ 447	$ 626	—
Taipei Fubon Commercial Bank Co., Ltd.	2021.11.15~2027.06.17，From July 2023, average monthly amortisation of principal and interest	0.8932	52	129	181	—
Taipei Fubon Commercial Bank Co., Ltd.	2021.11.15~2027.06.17，From July 2023, average monthly amortisation of principal and interest	0.8932	127	318	445	—
Taipei Fubon Commercial Bank Co., Ltd.	2021.11.15~2027.06.17，From July 2023, average monthly amortisation of principal and interest	0.8932	25	63	88	—
Taipei Fubon Commercial Bank Co., Ltd.	2021.12.15~2027.06.17，From July 2023, average monthly amortisation of principal and interest	0.8932	597	1,493	2,090	—
Taipei Fubon Commercial Bank Co., Ltd.	2021.12.15~2027.06.17，From July 2023, average monthly amortisation of principal and interest	0.8932	1,785	4,463	6,248	—
Taipei Fubon Commercial Bank Co., Ltd.	2021.12.15~2027.06.17，From July 2023, average monthly amortisation of principal and interest	0.8932	222	555	777	—
Taipei Fubon Commercial Bank Co., Ltd.	2022.01.17~2027.06.17，From July 2023, average monthly amortisation of principal and interest	0.8932	113	284	397	—
Taipei Fubon Commercial Bank Co., Ltd.	2022.02.15~2027.06.17，From July 2023, average monthly amortisation of principal and interest	0.8932	71	179	250	—
Taipei Fubon Commercial Bank Co., Ltd.	2022.02.15~2027.06.17，From July 2023, average monthly amortisation of principal and interest	0.8932	172	431	603	—
Taipei Fubon Commercial Bank Co., Ltd.	2022.03.15~2027.06.17，From July 2023, average monthly amortisation of principal and interest	0.8932	368	919	1,287	—
Taipei Fubon Commercial Bank Co., Ltd.	2022.03.15~2027.06.17，From July 2023, average monthly amortisation of principal and interest	0.8932	253	633	886	—
Taipei Fubon Commercial Bank Co., Ltd.	2022.07.15~2027.06.17，From July 2023, average monthly amortisation of principal and interest	0.8932	2,963	7,407	10,370	—
Taipei Fubon Commercial Bank Co., Ltd.	2022.08.15~2027.06.17，From July 2023, average monthly amortisation of principal and interest	0.8932	420	1,050	1,470	—
			$ 68,983	251,847	320,830	
Deferred revenue				(1,789)	(1,789)	
				$ 250,058	$ 319,041	

STATEMENT 8

WHA YU INDUSTRIAL CO., LTD.

STATEMENT OF TRADE PAYABLES

DECEMBER 31, 2023

(In Thousands of New Taiwan Dollars)

Vendor Name	Amount
Vendor A	$ 15,260
Vendor B	7,850
Vendor C	5,272
Vendor D	4,530
Vendor E	3,740
Others (Note)	36,814
Total	$ 73,466

Note:The amount of individual vendor in others does not exceed 5% of the account balance.

WHA YU INDUSTRIAL CO., LTD.

STATEMENT OF NET REVENUE

FOR THE YEAR ENDED DECEMBER 31, 2023

(In Thousands of New Taiwan Dollars)

Item	Quantity (Thousand)	Amount
Wireless radio communication devices	44,659	$ 894,813
Electronic and optical communication components	52,097	206,111
Electronic signal connection devices	797	59,169
Electronic products	22	5,606
Subtotal		1,165,699
Sales return and allowance		(11,208)
Net revenue		$ 1,154,491

WHA YU INDUSTRIAL CO., LTD.

STATEMENT OF COST OF REVENUE

FOR THE YEAR ENDED DECEMBER 31, 2023

(In Thousands of New Taiwan Dollars)

Item	Amount
Raw materials	
Balance, beginning of year	$ 31,587
Raw material purchased	207,824
Raw materials, end of year	(17,421)
Transferred to expenses	(1,597)
Raw materials cost of sales	(42,638)
Transfer from Work in progress	12,219
Others	10
Raw materials used	189,984
Direct labor	22,085
Manufacturing expenses	48,462
Manufacturing cost	260,531
Work in process, beginning of year	5,920
Work in process purchased	6,778
Work in process, end of year	(15,386)
Cost of selling Work in process	(646)
Transferred to expenses	(2,308)
Transfer from Finished goods	40,798
Transferred to raw materials	(12,219)
Others	10
Cost of finished goods	283,478
Finished goods, beginning of year	53,963
Finished goods purchased	567,163
Finished goods, end of year	(64,927)
Transferred to expenses	(1,031)
Transferred to Work in process	(40,798)
Others	1,219
Cost of selling raw materials	42,638
Cost of selling Work in process	646
Cost of production and marketing	842,351
Merchandise, beginning of year	45,920
Merchandise purchased	121,496
Merchandise, end of year	(16,711)
Transfer from expenses	46,506
Total	$ 1,039,562

WHA YU INDUSTRIAL CO., LTD.

STATEMENT OF OPERATING EXPENSES

FOR THE YEAR ENDED DECEMBER 31, 2023

(In Thousands of New Taiwan Dollars)

Item	Selling and Marketing Expenses	General and Administrative Expenses	Research and Development Expenses
Salary and bonus	$ 47,644	$ 51,259	$ 60,946
Depreciation expense	3,083	5,459	8,361
Employee Insurance	4,354	3,812	5,319
Professional service fees	545	9,576	476
Others (Note)	22,251	17,605	22,743
Total	$ 77,877	$ 87,711	$ 97,845

Note:The amount of each item in others does not exceed 5% of the account balance.

WHA YU INDUSTRIAL CO., LTD.

STATEMENT OF LABOR,DEPRECIATION AND AMORTIZIATION BY FUNCTION

FOR THE YEARS ENDED DECEMBER 31,2023AND2022

(In Thousands of New Taiwan Dollars)

	For the Year Ended December 31					
	2023			2022		
	Classified as Operating Costs	Classified as Operating Expenses	Total	Classified as Operating Costs	Classified as Operating Expenses	Total
Labor cost						
Salary and bonus	$ 61,647	$159,849	$221,496	$ 57,221	$153,823	$211,044
Labor and health insurance	6,119	13,485	19,604	5,793	12,056	17,849
Pension	3,007	7,829	10,836	2,859	6,983	9,842
Remuneration of directors	-	1,100	1,100	-	758	758
Others	2,710	3,693	6,403	3,065	3,153	6,218
Total	$ 73,483	$185,956	$259,439	$ 68,938	$176,773	$245,711
Depreciation	$ 21,473	$ 16,903	$ 38,376	$ 20,293	$ 13,667	$ 33,960
Amortization	$ 916	$ 4,252	$ 5,168	$ 640	$ 3,442	$ 4,082

Note 1:For the year of 2023 and 2022, the Company had average 228 and 223 employees per month, respectively, which included 8 and 6 non-employee directors in 2023 and2022.

Note 2:(1) Average labor cost for the years ended December 31, 2023 and 2022 were NT$1,174 thousand and 1,129 thousand, respectively.

(2) Average salary and bonus for the years ended December 31, 2023 and 2022 were NT$1,007 thousand and 973 thousand, respectively.

(3) The average salary and bonus decreased by 3.49% year over year.

(4) On 19 June 2020, the Company established an Audit Committee.

(5) The Company's compensation policies:(Includes directors, managers and employees)

The Company's remuneration is governed by the Company's Articles of Incorporation, the Compensation Committee's Performance Evaluation and Salary Management Regulations.

Article 20 of the Company's Articles of Incorporation states, "If the Company makes a profit in a year, 10% to 20% of the profit shall be set aside as compensation for employees, and not more than 3% shall be set aside as compensation for directors. The employees' remuneration may be in the form of stock or cash. However, if the Company has accumulated losses, the Company shall reserve an amount to cover such losses in advance, and then provide employees' and directors' remuneration in accordance with the aforesaid ratio.

The Company's performance evaluation and salary should make reference to the industry's normal level of payment, and consider the reasonableness of the connection with individual performance, the Company's operating results and future risks.