TSE：8438

AMIA CO., LTD.

Standalone Financial Statements for the Years Ended December 31, 2023 and 2022 and Independent Auditors' Report

Address: No. 19 Dagong Road, Dayuan District, Taoyuan City
Tel: 03-3860601

INDEPENDENT AUDITORS' REPORT

The Board of Directors and Shareholders
AMIA CO., LTD.

Opinion

We have audited the accompanying financial statements of AMIA CO., LTD., which comprise the parent company only balance sheets as of December 31, 2023 and 2022, and the parent company only statements of comprehensive income, changes in equity and cash flows for the years then ended, and notes to the parent company only financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying parent company only financial statements present fairly, in all material respects, the financial position of AMIA CO., LTD. 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 AMIA CO., LTD. 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 parent company only financial statements for the year ended December 31, 2023. These matters were addressed in the context of our audit of the parent company only financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

The descriptions of the key audit matters of the parent company only financial statements for the year ended December 31, 2023 are as follows:

<u>Revenue Recognition</u>

AMIA CO., LTD. and its subsidiaries mainly sell PCB chemical products and green products COPPER-SULPHATE. And sales revenue is a key indicator for management to evaluate business performance. We analyze the financial information of each customer and select customers that meet certain criteria. The risk of sales revenue for customers meeting certain criteria is higher than that of ordinary customers. The veracity of sales revenue recognition is considered a critical review.

We performed the following audit procedures in respect of the above key audit matter:

1. We understood the key internal controls related to sales revenue recognition and tested the operating effectiveness of these controls

2. We perform a sample of revenues that meet specific criteria and confirm their amounts to verify the relevant certificates to assess the validity of revenue recognition.

3. Obtain the details of sales returns after a specific customer period, check the relevant vouchers for sales returns and review the returns .The rationality of the cause.

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

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

In preparing the parent company only financial statements, management is responsible for assessing the AMIA CO., LTD.'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 AMIA CO., LTD. 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 AMIA CO., LTD.'s financial reporting process.

Auditors' Responsibilities for the Audit of the Parent Company Only Financial Statements

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

As part of an audit in accordance with the Standards on Auditing of the Republic of China, we exercise professional judgment and 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 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 parent company only 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 Tseng, Chien-Ming and Wang, Pan-Fa.

Deloitte & Touche
Taipei, Taiwan
Republic of China

February 27, 2024

Notice to Readers

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.

AMIA CO., LTD.
BALANCE SHEETS
DECEMBER 31, 2023 AND 2022
(In Thousands of New Taiwan Dollars)

Code	ASSETS	2023 Amount	%	2022 Amount	%
	CURRENT ASSETS				
1100	Cash and cash equivalents (Notes 4 and 6)	$114,736	5	82,574	3
1136	Current financial assets at amortized cost (Notes 4 and 8)	22,198	1	19,204	1
1150	Notes receivable, net (Notes 4 and 9)	23,860	1	24,093	1
1170	Accounts receivable, net (Notes 4 and 9)	208,863	8	211,410	8
1180	Accounts receivable due from related parties, net (Notes 4 、9 and 29)	4,450	0	6,481	0
1200	Other receivables (Notes 9 and 29)	287	0	193	0
130X	Current inventories (Notes 4 and 10)	110,813	4	157,256	6
1479	Other current assets, others (Note 15)	34,390	1	31,084	1
11XX	Total current assets	519,597	20	532,295	20
	NON-CURRENT ASSETS				
1517	Non-current financial assets at fair value through other comprehensive income (Notes 4 and 7)	2,640	0	2,640	0
1535	Non-current financial assets at amortized cost (Notes 4 and 8)	1,776	0	1,751	0
1550	Investments accounted for using equity method (Notes 4 and 11)	756,071	29	826,158	30
1600	Property, plant and equipment (Notes 4 and 12)	1,246,326	48	1,269,716	47
1755	Right-of-use assets (Notes 4 and 13)	9,399	0	26,923	1
1840	Deferred tax assets (Notes 4 and 24)	21,304	1	17,858	1
1915	Prepayments for business facilities (Note 31)	57,001	2	34,058	1
1920	Guarantee deposits paid	6,924	0	7,094	0
15XX	Total non-current assets	2,101,441	80	2,186,198	80
1XXX	TOTAL ASSETS	$2,621,038	100	2,718,493	100
Code	LIABILITIES AND EQUITY				
	CURRENT LIABILITIES				
2100	Current borrowings (Note 4 and 16)	$244,000	9	$170,000	6
2110	Short-term notes and bills payable (Note 16)	10,000	0	0	0
2130	Current contract liabilities(Note 22)	421	0	807	0
2150	Notes payable (Note 17)	595	0	805	0
2170	Accounts payable (Note 17)	98,156	4	115,113	4
2219	Other payables (Note 18 and 29)	118,405	5	114,026	4
2230	Current tax liabilities (Note 24)	10,949	1	21,693	1
2280	Current lease liabilities(Notes 4 and 13)	7,082	0	18,847	1
2320	Long-term liabilities, current portion(Note 4 and 16)	330	0	16,680	1
2399	Other current liabilities, others (Note 18)	1,158	0	1,281	0
21XX	TOTAL CURRENT LIABILITIES	491,096	19	459,252	17
	NON-CURRENT LIABILITIES				
2540	Non-current portion of non-current borrowings(Note 4 and 16)	384,480	15	516,320	19
2550	Non-current provisions (Notes 4 and 19)	7,221	0	5,133	0
2570	Deferred tax liabilities (Notes 4 and 24)	3,246	0	2,863	0
2580	Non-current lease liabilities (Notes 4 and 13)	279	0	7,287	0
2640	Net defined benefit liability, non-current (Notes 4 and 20)	21,784	1	25,255	1
2645	Guarantee deposits received	10	0	10	0
25XX	TOTAL NON-CURRENT LIABILITIES	417,020	16	556,868	20
2XXX	TOTAL LIABILITIES	908,116	35	1,016,120	37
	EQUITY (Note 21 and 26)				
3110	Ordinary share	699,430	27	705,180	26
3200	Capital surplus	620,816	24	625,932	23
	Retained earnings				
3310	Legal reserve	101,385	4	90,724	3
3320	Special reserve	32,976	1	41,398	2
3350	Unappropriated retained earnings	301,903	11	283,790	10
3300	Total retained earnings	436,264	16	415,912	15
3490	Other equity	(43,588)	(2)	(32,976)	(1)
3500	Treasury shares		0	(11,675)	0
3XXX	TOTAL EQUITY	1,712,922	65	1,702,373	63
	TOTAL LIABILITIES AND EQUITY	$2,621,038	100	2,718,493	100

The accompanying notes form part of this individual financial report.

AMIA 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	%
4000	Net sales revenue (Notes 4、22 and 29)	$1,699,902	100	$1,963,026	100
5000	Operating costs (Notes 4、10 and 29)	1,415,869	83	1,671,657	85
5900	Gross profit from operations	284,033	17	291,369	15
5910	Unrealized profit (loss) from sales	(1,550)	0	(2,630)	0
5920	Realized profit (loss) on from sales	2,630	0	1,100	0
5950	Gross profit (loss) from operations	285,113	17	289,839	15
	Operating expenses (Notes 23 and 29)				
6100	Selling expenses	83,572	5	85,909	4
6200	Administrative expenses	85,561	5	90,621	5
6300	Research and development expenses	5,721	1	4,052	0
6450	Impairment loss (impairment gain and reversal of impairment loss) determined in accordance with IFRS9	62	0	0	0
6000	Total operating expenses	174,916	11	180,582	9
6900	Net operating income	110,197	6	109,257	6
	Non-operating income and expenses (Note 24)				
7100	Interest income (Notes 23)	1,222	0	507	0
7010	Other income (Notes 23 and 29)	3,973	0	7,614	0
7020	Other gains and losses (Notes 23)	1,665	0	30,026	2
7050	Finance costs (Notes 23)	(13,363)	(1)	(11,785)	(1)
7070	Share of profit (loss) of associates and joint ventures accounted for using equity method	6,658	1	(4,672)	0
7000	Total non-operating income and expenses	155	0	21,690	1
7900	Profit from continuing operations before tax	110,352	6	130,947	7
7950	Tax expense (Notes 4 and 24)	(21,060)	(1)	(31,155)	(2)
8200	Profit	89,292	5	99,792	5

Code		2023 Amount	%	2022 Amount	%
	Other comprehensive income				
8310	Components of other comprehensive income that will not be reclassified to profit or loss				
8311	Gains (losses) on re-measurements of defined benefit plans (Note 20)	1,812	0	7,651	0
8360	Components of other comprehensive income that will be reclassified to profit or loss				
8361	Exchange differences on translation	(13,266)	0	10,528	1
8399	Income tax related to components of other comprehensive income that will be reclassified to profit or loss (Notes 25)	2,654	0	(2,106)	0
		(10,612)	0	8,422	1
8300	Total other comprehensive income	(8,800)	0	16,073	1
8500	Total comprehensive income	$80,492	5	$115,865	6
	Earnings per share (Note 25)				
9710	Basic earnings per share	$1.28		$1.46	
9810	Diluted earnings per share	$1.27		$1.45	

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

AMIA CO., LTD.
STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022
(In Thousands of New Taiwan Dollars)

		Ordinary share			Retained earnings			Other equity interest		
Code		Shares (In Thousands)	Amount	Capital Surplus	Legal Reserve	Special Reserve	Unappropriated retained earnings	Exchange differences on translation of foreign financial statements	Treasury shares	Total equity
A1	BALANCE AT January 1, 2022	62,899	628,990	346,491	68,604	37,426	343,155	(41,398)	(17,134)	1,366,134
	Appropriation of 2021 earnings									0
B1	Legal reserve appropriated				22,120		(22,120)			0
B3	Special reserve appropriated					3,972	(3,972)			0
B5	Cash dividends of ordinary share						(139,886)			(139,886)
E1	Issue of shares	7,864	78,640	279,900						358,540
M7	Changes in ownership interests in subsidiaries						(12)			(12)
N1	Share-based payments			1,732						1,732
L3	Retirement of treasury share	(245)	(2,450)	(2,191)			(818)		5,459	0
D1	Net profit in 2022						99,792			99,792
D3	Other comprehensive income (loss) in 2022, net of income tax						7,651	8,422		16,073
D5	Total comprehensive income (loss) in 2022	0	0	0	0	0	107,443	8,422		115,865
Z1	BALANCE AT DECEMBER 31, 2022	70,518	$705,180	$625,932	$90,724	$41,398	$283,790	($32,976)	($11,675)	$1,702,373
	Appropriation of 2022 earnings									0
B1	Legal reserve appropriated				10,661		(10,661)			0
B17	Special surplus reserve reversal					(8,422)	8,422			0
B5	Cash dividends of ordinary share						(69,943)			(69,943)
L3	Retirement of treasury share	(575)	(5,750)	(5,116)			(809)		11,675	0
D1	Net profit in 2023						89,292			89,292
D3	Other comprehensive income (loss) in 2023, net of income tax						1,812	(10,612)		(8,800)
D5	Total comprehensive income (loss) in 2023	0	0	0	0	0	91,104	(10,612)		80,492
Z1	BALANCE AT DECEMBER 31, 2023	69,943	$699,430	$620,816	$101,385	$32,976	$301,903	($43,588)	$0	$1,712,922

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

AMIA 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	Profit before tax	$110,352	$130,947
A20010	Adjustments to reconcile profit (loss)		
A20100	Depreciation expense	59,264	68,140
A20300	Expected credit loss (gain) / Provision (reversal of provision) for bad debt expense	(62)	0
A20900	Interest expense	13,363	11,785
A21200	Interest income	(1,222)	(507)
A21300	Dividend income	(514)	(489)
A21900	Share-based payments	0	1,732
A22400	Share of loss (profit) of associates and joint ventures accounted for using equity method	(6,658)	4,672
A22500	Loss (gain) on disposal of property, plant and equipment	(100)	(285)
A23800	Reversal of impairment loss on non-financial assets	(1,770)	(4,160)
A23900	Unrealized profit (loss) from sales	1,550	2,630
A24000	Realized loss (profit) on from sales	(2,630)	(1,100)
A29900	Other adjustments to reconcile profit	0	(481)
A30000	Changes in operating assets and liabilities		
A31130	Decrease (increase) in notes receivable	233	13,841
A31150	Decrease (increase) in accounts receivable	4,640	38,130
A31200	Decrease (increase) in inventories	48,213	(40,971)
A31240	Adjustments for decrease (increase) in other current assets	(1,206)	4,225
A32125	Increase (decrease) in contract liabilities	(386)	325
A32130	Increase (decrease) in notes payable	(210)	116
A32150	Increase (decrease) in accounts payable	(16,957)	(33,722)
A32180	Increase (decrease) in other payable	4,410	(33,850)
A32230	Adjustments for increase (decrease) in other current liabilities	(123)	73
A32240	Increase (decrease) in net defined benefit liability	(2,100)	(2,037)
A33000	Cash inflow (outflow) generated from operations	208,087	159,014
A33100	Interest received	1,128	486
A33300	Interest paid	(13,306)	(11,232)
A33500	Income taxes refund (paid)	(32,213)	(759)
AAAA	Net cash flows from (used in) operating	163,696	147,509

Code		2023	2022
	activities		
	Cash flows from (used in) investing activities		
B00040	Acquisition of financial assets at amortized cost	(23,973)	(20,955)
B00050	Proceeds from disposal of financial assets at amortized cost	20,954	33,072
B02700	Acquisition of property, plant and equipment	(15,251)	(628,631)
B02800	Proceeds from disposal of property, plant and equipment	100	285
B03800	Decrease in refundable deposits	170	2,288
B07100	Increase in prepayments for business facilities	(26,142)	(17,988)
B07600	Dividends received	65,514	7,908
BBBB	Net cash flows from (used in) investing activities	21,372	(624,021)
	Cash flows from (used in) financing activities		
C00100	Increase in short-term loans	1,248,000	1,173,500
C00200	Decrease in short-term loans	(1,164,000)	(1,409,000)
C01600	Proceeds from long-term debt	1,000	737,000
C01700	Repayments of long-term debt	(149,190)	(240,285)
C03100	Decrease in guarantee deposits received	0	(10)
C04020	Decrease in lease payable	(18,773)	(19,401)
C04500	Cash dividends paid	(69,943)	(139,886)
C04700	Proceeds from issuing shares	0	358,540
CCCC	Net cash flows from (used in) financing activities	(152,906)	460,458
EEEE	Net increase (decrease) in cash and cash equivalents	32,162	(16,054)
E00100	Cash and cash equivalents at beginning of period	82,574	98,628
E00200	Cash and cash equivalents at end of period	$114,736	$82,574

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

AMIA CO., LTD.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

1. GENERAL INFORMATION

AMIA CO., LTD. (hereinafter referred to as "the Company") was established on October 23, 1989 in accordance with the provisions of the Company Law and related laws and regulations. The business is mainly processing, manufacturing, trading and recycling of various industrial chemicals.

The Company's shares have been traded on the Taiwan Stock Exchange since March 11, 2022.

The financial s tatements of the Company are presented in the Company's functional currency, the New Taiwan dollar.

2. APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved by the Company's board of directors on February 27, 2024.

3. APPLICATION OF NEW, AMENDED AND REVISED STANDARDS AND INTERPRETATIONS

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

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

(2) The IFRSs endorsed by the FSC for application starting from 2023

New IFRSs	Effective Date Announced by IASB
Amendment to IFRS 16 "Lease Liabilities in Sale and Leaseback"	January 1, 2024 (Note 2)
Amendment to IAS 1 "Classification of liabilities as current or non-current"	January 1, 2024
Amendments to IAS 1 "Non-current liabilities with contractual terms"	January 1, 2024
Amendments to IAS 7 and IFRS 7 "Supplier Financing Arrangements"	January 1, 2024 (Note 3)

Note 1: Unless otherwise stated, the above newly released/amended/revised standards or interpretations are based on the respective.

Effective for annual reporting periods beginning after the date.

Note 2: The seller and lessee should submit the sale and leaseback signed 16 days after the initial application of IFRS. Easily apply the amendments to IFRS 16 retrospectively.

Note 3: When this amendment is applied for the first time, some disclosure requirements are exempted.

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.

(3) New IFRSs in issue but not yet endorsed and issued into effect by the FSC

New IFRSs	Effective Date Announced by IASB (Note 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 17 and IFRS 9 - Comparative Information"	January 1, 2023
Amendment to IAS 21 "Lack of Convertibility"	January 1, 2025 (Note 2)

Note 1: Unless otherwise stated, the above newly released/amended/revised standards or interpretations are effective for the annual reporting period starting after the respective date.

Note 2: Applicable to annual reporting periods starting after January 1, 2025. Applicable for the first time When the amendment is first applied , the impact will be recognized in retained earnings on the first application date. When the company uses non-functional currency as the currency of expression, the impact amount will be adjusted to the exchange difference of foreign operating institutions under equity on the first application date.

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 SIGNIFICANT ACCOUNTING POLICIES

(1) Statement of compliance

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

(2) Basis of preparation

The financial statements have been prepared on the historical cost basis except for financial instruments which are measured at fair value, and net defined benefit assets which 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 the Company prepares individual financial reports, it adopts the equity method for investment subsidiaries and affiliated companies. In order to make the current year profit and loss, other comprehensive profit and loss and equity in this individual financial report the same as the current year profit and loss, other comprehensive profit and loss and equity attributable to the Company's owners in the Company's consolidated financial report, certain accounting treatment differences between the individual basis and the consolidated basis are adjusted "Investments using the equity method", "Profit and loss shares of subsidiaries and affiliated companies using the equity method" and related equity items.

(3) 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 and cash equivalents unless the asset is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period.

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 classified as non-current.

(4) Foreign currencies

In preparing the Company's 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 monetary items arising from settlement or translation are recognized in profit or loss in the period in which they arise.

Non-monetary items denominated in foreign currencies that are measured at fair value are retranslated at the rates prevailing at the date when the fair value is determined. Exchange differences arising from the retranslation of non-monetary items are included in profit or loss for the period except for exchange differences arising from the retranslation of non-monetary items in respect of which gains and losses are recognized directly in other comprehensive income; in which cases, the exchange differences are also recognized directly in other comprehensive income.

Non-monetary item denominated in a foreign currency and measured at historical cost is stated at the reporting currency as originally translated from the foreign currency.

For the purpose of presenting financial statements, the financial statements of the Company's foreign operations (including subsidiaries, associates and branches in other countries) that are prepared using functional currencies which are different from the currency of the Company are translated into the presentation currency, the New Taiwan dollar, as follows: Assets and liabilities are translated at the exchange rates prevailing at the end of the reporting period; and income and expense items are translated at the average exchange rates for the period. The resulting currency translation differences are recognized in other comprehensive income (attributed to the owners of the Company and non-controlling interests as appropriate).

On the disposal of a foreign operation (i.e., a disposal of the Company's entire interest in a foreign operation, or a disposal involving the loss of control over a subsidiary that includes a foreign operation, or a partial disposal of an interest in a joint arrangement or an associate that includes a foreign operation of which the retained interest becomes a financial asset), all of the exchange differences accumulated in equity in respect of that operation attributable to the owners of the Company are reclassified to profit or loss.

In a partial disposal of a subsidiary that does not result in the Company losing control over the subsidiary, the proportionate share of accumulated exchange differences is re-attributed to the non-controlling interests of the subsidiary and is not recognized in profit or loss. For all other partial disposals, the proportionate share of the accumulated exchange differences recognized in other comprehensive income is reclassified to profit or loss.

(5) Inventory

Inventories consist of raw materials, supplies, finished goods and work in progress and are stated at the lower of cost or net realizable value. Inventory write-downs are made by item, except where it may be appropriate to group similar or related items. The net realizable value is the estimated selling price of inventories less all estimated costs of completion and costs necessary to make the sale. Inventories are recorded at the weighted-average cost on the balance sheet date.

(6) Investments in subsidiaries

The Company uses the equity method to account for its 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 the profit or loss and other comprehensive income of the subsidiary. The Company also recognizes the changes in the Company's share of equity of subsidiaries.

Changes in the Company's ownership interest in a subsidiary that do not result in the Company losing control of the subsidiary are accounted for as equity transactions. The Company recognizes directly in equity any difference between the carrying amount of the investment and the fair value of the consideration paid or received.

When the Company's share of loss of a subsidiary exceeds its interest in that subsidiary (which includes any carrying amount of the investment accounted for using the equity method and long-term interests that, in substance, form part of the Company's net investment in the subsidiary), the Company continues recognizing its share of further loss, if any.

When the Company acquires a subsidiary that does not constitute a business, the Company appropriately allocates the cost of acquisition to the Company's share of the amounts of the identifiable assets acquired (including intangible assets) and liabilities assumed, and the transaction does not give rise to goodwill nor gains.

The Company assesses its investment for any impairment by comparing the carrying amount with the estimated recoverable amount as assessed based on the investee's financial statements as a whole. Impairment loss is recognized when the carrying amount exceeds the recoverable amount. If the recoverable amount of the investment subsequently increases, the Company recognizes a reversal of the impairment loss; the adjusted post-reversal carrying amount should not exceed the carrying amount that would have been recognized (net of amortization or depreciation) had no impairment loss been recognized in prior years. An impairment loss recognized on goodwill cannot be reversed in a subsequent period.

When the Company loses control of a subsidiary, it recognizes the investment retained in the former subsidiary at its fair value at the date when control is lost. The difference between the fair value of the retained investment plus any consideration received and the carrying amount of the previous investment at the date when control is lost is recognized as a gain or loss in profit or loss. Besides this, the Company accounts for all amounts previously recognized in other comprehensive income in relation to that subsidiary on the same basis as would be required had the Company directly disposed of the related assets or liabilities.

Profit or loss resulting from downstream transactions between subsidiaries is eliminated in full in the financial statements. Profit and loss resulting from upstream transactions and transactions between subsidiaries is recognized only to the extent of interests in the subsidiaries that are not related to the Company.

(7) Property, plant and equipment

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

Except for self-owned land, which is not depreciated, other real estate, plant and equipment are depreciated on a straight-line basis within the service life, and each major part is depreciated separately.

The Company reviews the estimated service life, salvage value and depreciation method at least at the end of each year. And postpone the impact of changes in applicable accounting estimates.

The difference between the net disposal price while de-recognition of property, plant and equipment and the carrying amount of the asset is recognized in profit or loss.

(8) Investment properties

Investment properties are properties held to earn rental and/or for capital appreciation. Investment properties include right-of-use assets and properties under construction that meet the definition of investment properties. Investment properties also include land held for a currently undetermined future use.

Investment properties are initially measured at cost, including transaction costs. Subsequent to initial recognition, investment properties are measured at cost less accumulated depreciation and accumulated impairment loss.

Depreciation is recognized using the straight-line method.

On DE recognition of an investment property, the difference between the net disposal proceeds and the carrying amount of the asset is included in profit or loss.

(9) Impairment of property, plant and equipment, right-of-use asset

The Company assesses at each balance sheet date whether there is any indication that property, plant and equipment, investment property and right-of-use assets may have been impaired. If any indication of impairment exists, the asset's recoverable amount is estimated. 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. Shared assets are allocated to the smallest group of cash-generating units on a reasonable and consistent basis.

The recoverable amount is the higher of fair value less costs of disposal and value in use. If the recoverable amount of an individual asset or cash-generating unit is lower than it carrying amount, the carrying amount of the asset or cash-generating unit is reduced to its recoverable amount, and the impairment loss is recognized in profit or loss.

The inventory, real estate, plant and equipment and intangible assets recognized in the customer contract are firstly recognized as impairment in accordance with the provisions on inventory impairment and the above-mentioned regulations, and then the book value of the contract cost related assets exceeds the expected consideration that can be received for the provision of related goods or services. The amount after deducting the directly related costs is recognized as an impairment loss, and the carrying amount of the asset related to the contract cost is included in the cash-generating unit to which the cash-generating unit belongs for impairment assessment of the cash-generating unit.

When the impairment loss is subsequently reversed, the carrying amount of the asset or cash-generating unit is increased to the revised recoverable amount, but the increased carrying amount shall not exceed that of the asset or cash-generating unit if no impairment was recognized in the previous year The carrying amount (less amortization or depreciation) determined at the time of the loss. The reversal of the impairment loss is recognized in profit or loss.

(10) Financial instruments

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

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

1. Financial assets

All regular way purchases or sales of financial assets are recognized and derecognized on a trade date basis.

(1) Measurement categories

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

A. Financial assets at amortized cost

Financial assets that meet the following conditions are subsequently measured at amortized cost:

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

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

Subsequent to initial recognition, financial assets at amortized cost, including cash and cash equivalents, trade receivable and Guarantee deposits paid at amortized cost, are measured at amortized cost, which equals the gross carrying amount determined using the effective interest method less any impairment loss. Exchange differences are recognized in profit or loss.

Interest income is calculated by applying the effective interest rate to the gross carrying amount of such a financial asset, except for:

a. For credit-impaired financial assets purchased or created, interest income is calculated by multiplying the credit-adjusted effective interest rate by the amortized cost of the financial asset.

b. For financial assets that are not credit-impaired purchased or created, but subsequently become credit-impaired, interest income shall be calculated by multiplying the effective interest rate by the amortized cost of the financial asset from the reporting period following the credit-impairment.

Credit-impaired financial assets refer to the fact that the issuer or debtor has experienced major financial difficulties, defaulted, the debtor is likely to file for bankruptcy or other financial reorganization, or the active market for financial assets has disappeared due to financial difficulties.

Equivalent cash includes highly liquid time deposits within 3 months from the date of acquisition, which can be converted into a fixed amount of cash at any time and have little risk of value change, and are used to meet short-term cash commitments.

B. Investments in equity instruments measured at fair value through other comprehensive income

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 if 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 recognized in other comprehensive income and accumulated in other equity. The cumulative gain or loss will not be reclassified to profit or loss on disposal of the equity investments; instead, it will be transferred to retained earnings.

Dividends on these investments in equity instruments are recognized in profit or loss when the Company’s right to receive the dividends is established, unless the dividends 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 amortized cost (including trade receivable).

The Company always recognizes lifetime expected credit losses (ECLs) for trade receivables. For all other financial instruments, the Company recognizes lifetime ECLs when there has been a significant increase in credit risk since initial recognition. If, on the other hand, the credit risk on a financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month ECLs.

Expected credit losses reflect the weighted average of credit losses with the respective risks of default occurring as the weights. Lifetime ECLs represent the expected credit losses that will result from all possible default events over the expected life of a financial instrument. In contrast, 12-month ECLs represent the portion of lifetime ECLs that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

For internal credit risk management purposes, the Company considers the following situations as indication that a financial asset is in default (without taking into account any collateral held by the Company):

A. Internal or external information shows that the debtor is unlikely to pay its creditors.

B. Financial asset is more than 365 days past due unless the Company has reasonable and corroborative information to support a more lagged default criterion.

Impairment losses on all financial assets reduce their carrying amounts through the allowance account, except that allowance losses on debt instrument investments at fair value through other comprehensive income are recognized in other comprehensive income without reducing their carrying amounts.

(3) DE recognition of financial assets

The Company delists financial assets only when the contractual rights to the cash flows from the financial assets lapse, or when the financial assets have been transferred and almost all the risks and rewards of ownership of the assets have been transferred to other enterprises.

When a financial asset is measured at amortized cost as a whole, the difference between it carrying amount and the consideration received is recognized in profit or loss.

When an equity instrument investment measured at fair value through other comprehensive income is delisted as a whole, the accumulated gain or loss is transferred directly to retained earnings and is not reclassified as profit or loss.

2. Equity instruments

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments issued by the Company are recognized at the proceeds received, net of direct issue costs.

3. Financial liabilities

(1) Subsequent measurement

Financial liabilities are measured at amortized cost using the effective interest method.

(2) Delisting of financial liabilities

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

(11) Provisions

The amount recognized as a liability reserve is the best estimate of the expenditure required to settle the obligation on the balance sheet date, taking into account the risks and uncertainties of the obligation. The liability provision is measured at the discounted value of the estimated cash flows of the settlement obligation.

When part or all of the expenditure required to settle a liability provision is expected to be recovered from another party.The refund will be recognized when it is almost certain that the refund will be received and the amount can be measured reliably listed as assets.

<u>Decommissioning and reinstatement obligations</u>

According to the lease contract, the company shall restore the leased factory to the leased location on the end of the lease.The original state of time. The company will perform its restoration obligations under the lease contract in the future.The present value of the best estimate of the economic benefit outflow is recognized as liability provision.

(12) Revenue recognition

The Company identifies contracts with customers, allocates the transaction price to the performance obligations and recognizes revenue when performance obligations are satisfied.

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

When the control of the goods is transferred to the customer (for export sales when the sales conditions specified in the contract are fulfilled; for domestic sales, when the goods are delivered), the customer has the right to determine the price and use of the goods and bears the primary responsibility for reselling the goods, and bear the risk of obsolete goods, the Company recognizes revenue and accounts receivable at this point in time. Advance receipts from sales are recognized as contract liabilities.

(13) Leases

At the inception of a contract, the Company assesses whether the contract is, or contains, a lease.

1. The Company as lessor

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

Lease payments (less any lease incentives payable) from operating leases are recognized as income on a straight-line basis over the terms of the relevant leases. Initial direct costs incurred in obtaining operating leases are added to the carrying amounts of the underlying assets and recognized as expenses on a straight-line basis over the lease terms.

2. The Company as lessee

The Company recognizes right-of-use assets and lease liabilities for all leases at the commencement date of a lease, except for short-term leases and low-value asset leases accounted for by applying a recognition exemption where lease payments are recognized as expenses on a straight-line basis over the lease terms.

Right-of-use assets are initially measured at cost, which comprises the initial measurement of lease liabilities adjusted for lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs needed to restore the underlying assets, and less any lease incentives received. Right-of-use assets are subsequently measured at cost less accumulated depreciation and impairment losses and adjusted for any re-measurement of the lease liabilities. Right-of-use assets are presented on a separate line in the balance sheets.

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

Lease liabilities are initially measured at the present value of the lease payments (including fixed payments). The lease payments are discounted using the interest rate implicit in a lease, if that rate can be readily determined. If that rate cannot be readily determined, the lessee's incremental borrowing rate will be used.

Subsequently, the lease liability is measured on an amortized cost basis using the effective interest method, and the interest expense is amortized over the lease term. If changes in the lease period lead to changes in future lease payments, the Company will re-measure the lease liability and adjust the right-of-use asset accordingly. However, if the book value of the right-of-use asset has been reduced to zero, the remaining re-measured amount will be recognized in profit or loss. The lease liability is presented separately on the individual balance sheet.

(14) Borrowing costs

Borrowing costs directly attributable to an acquisition, construction or production of qualifying assets are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

Other than those stated above, all other borrowing costs are recognized in profit or loss in the period in which they are incurred.

(15) Employee benefits

1. Short-term employee benefits

Liabilities related to short-term employee benefits are measured at undiscounted amounts expected to be paid in exchange for employee services.

2. Retirement benefits

The retirement benefits of the defined contribution retirement plan are recognized as expenses during the service period of the employees.

The defined benefit cost (including service cost, net interest and re-measurement amount) of the defined benefit retirement plan is actuarially calculated using the projected unit benefit method. Service costs (including current service costs) and net interest on net defined benefit liabilities (assets) are recognized as employee benefit expenses when incurred. The re-measurement amount (including changes in actuarial profit and loss and return on project assets after deducting interest) is recognized in other comprehensive profit or loss and included in retained earnings when it occurs, and will not be reclassified to profit or loss in subsequent periods.

The net defined benefit liability (asset) is the shortfall (residual) of contributions from defined benefit retirement plans. Net defined benefit assets cannot exceed the present value of refunding contributions from the plan or reducing future contributions.

(16) Share-based payment arrangements

The equity-delivered share-based payment given to employees by the Company is based on the fair value of the equity instrument on the date of grant and the best estimated quantity expected to be acquired, and the expense is recognized on a straight-line basis during the vesting period, and the capital reserve - share Basic benefits. If it is immediately vested on the grant date, it shall be fully recognized as an expense on the grant date. The Company handles cash capital increase to retain employee subscriptions, and the date of notification to employees is the date of grant.

The Company revises the estimated number of expected vested equity instruments on each balance sheet date. If there is a revision to the original estimated quantity, the affected number is recognized as profit or loss, so that the accumulated expenses reflect the revised estimate, and the capital reserve-share-based payment is adjusted accordingly.

(17) Taxation

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

1. Current tax

The Company determines the current income (loss) in accordance with the laws and regulations formulated by the

Republic of China, and calculates the payable (recoverable) income tax accordingly.

According to the Income Tax Law in the ROC, an additional tax on unappropriated earnings is provided for in the year the shareholders approve to retain 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 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 and loss deduction 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 and interests are recognized only 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 such temporary differences 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 profits will be available to allow all or part of the assets to be recovered. A previously unrecognized deferred tax asset is also reviewed at the end of each reporting period and recognized 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 period in which the liabilities are settled or the assets are 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 taxes

Current and deferred taxes 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 taxes are also recognized in other comprehensive income or directly in equity, respectively.

5. CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Company's accounting policies, management is required to make judgments, estimations, and assumptions on 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 may differ from these estimates.

The Company will take the possible impact of inflation and market interest rate fluctuations into the consideration of cash flow estimation, growth rate, discount rate, profitability and other related major accounting estimates. The management will continue to review the estimates and basic assumptions. If the estimated If the revision affects only the current period, it is recognized in the period of revision. If revisions to accounting estimates affect both current and future periods, they are recognized in the revision's current and future periods.

6. CASH AND CASH EQUIVALENTS

	December 31, 2023	December 31, 2022
Cash on hand and working capital	$ 675	$ 553
Bank Check and Demand Deposit	114,061	82,021
	$ 114,736	$ 82,574

Bank deposits on the balance sheet date are as follows:

	December 31, 2023	December 31, 2022
Bank savings	0.55%～1.45%	0.43%～1.05%

7. FINANCIAL INSTRUMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS (FVTPL)

Equity instrument investment

	December 31,2023	December 31,2022
No flow move		
foreign investment		
Unlisted (counter) stocks	$ 2,640	$ 2,640

The Company invests according to medium and long-term strategic goals, and expects to make profits through long-term investment. The Company's management believes that if the short-term fair value fluctuations of these investments are included in profit or loss, it is inconsistent with the aforementioned long-term investment plan, so it chooses to designate these investments to be measured at fair value through other comprehensive income.

8. FINANCIAL ASSETS AT AMORTIZED COSTS

	December 31, 2023	December 31,2022
Flow		
Pledge Certificate of Deposit (1)	$ 22,198	$ 19,204
Prepare compensate household (2)	-	-
	$ 22,198	$ 19,204
No flow move		
Pledge Certificate of Deposit (1)	$ 1,776	$ 1,751
Prepare compensate household (2)	-	-
	$ 1,776	$ 1,751

(1) As of December 31, 2023 and 2022, the interest rate ranges for pledged certificates of deposit are 1.57% and 0.48% to 1.44 % per annum respectively.

(2) For information on the pledge of financial assets measured at cost after amortization, please refer to Note 30.

9. Notes receivable, accounts receivable and other receivables

	December 31, 2023	December 31, 2022
Bill receivable		
Measured at amortized cost		
Total book amount	$23,860	$24,093
Less: Allowance for losses	0	0
	$23,860	$24,093
Accounts receivable		
Measured at amortized cost		
Total book amount	$208,864	$211,411
Less: Allowance for losses	(1)	(1)
	$208,863	$211,410
Accounts receivable - related		
Measured at amortized cost		
Total book amount	$4,450	$6,481
Less: Allowance for losses	0	0
	$4,450	$6,481
Other receivables		
Income receivable	$193	$99
Other receivables - other	94	94
Less: Allowance for losses	0	0
	$287	$193

<u>Collection</u>		
Measured at amortized cost		
Total book amount	$62	$0
Less: Allowance for losses	(62)	0
	$0	$0

(1) Accounts receivable

The average credit period of company for commodity sales within 30 to 60 days. The policy adopted by the Company is to only conduct transactions with objects whose ratings are equivalent to and above the investment grade (included), and to obtain sufficient guarantees under necessary circumstances to reduce the risk of financial losses due to default. Credit rating information is the Company's rating of major customers using other publicly available financial information and historical transaction records. The Company continuously monitors the credit rating of the credit risk and the counterparty, and distributes the total transaction amount to different customers with qualified credit ratings, and manages the credit risk through the credit limit of the counterparty reviewed and approved by the management every year.

In order to mitigate credit risk, the management of the Company assigns a dedicated team to be responsible for the determination of credit line, credit approval and other monitoring procedures to ensure that appropriate actions have been taken for the recovery of overdue receivables. In addition, the Company will review the recoverable amount of the receivables one by one on the balance sheet date to ensure that the unrecoverable receivables have been appropriately derogated. Accordingly, the Company's management believes that the Company's credit risk has been significantly reduced.

The Company recognizes the provision loss of accounts receivable according to the expected credit loss during the existence period. The expected credit loss during the duration is calculated using the provision matrix, which considers the customer's past default record, current financial situation, and industrial economic situation, as well as GDP forecast and industry outlook. As the Company's historical credit loss experience shows that there is no significant difference in the loss patterns of different customer groups, the provision matrix does not further distinguish customer groups, and only sets the expected credit loss rate based on the aging days of notes receivable and accounts receivable .

If there is evidence that the counterparty is facing serious financial difficulties and the company cannot reasonably expect the recoverable amount, for example, the counterparty is in liquidation or the debt has been overdue for more than 365 days, the Company will directly reclassify the collection and continue to pursue activities. The recovered amount is written off against the relevant collection.

The Company measures the allowance loss of notes receivable and accounts receivable according to the reserve matrix as follows:

Bill receivable

December 31, 2023

	1～120 days	121～180 days	181 days	Total
Expected credit loss rate	0%	0%	-	
Total book amount	$ 23,622	$ 238	$ -	$ 23,860
Expected credit losses during the lifetime)	-	-	-	-
Amortized cost	$ 23,622	$ 238	$ -	$ 23,860

December 31, 2022

	1～120 days	121～180 days	181 days	Total
Expected credit loss rate	0%	0%	-	
Total book amount	$ 23,821	$ 272	$ -	$ 24,093
Expected credit losses during the lifetime)	-	-	-	-
Amortized cost	$ 23,821	$ 272	$ -	$ 24,093

Accounts receivable

December 31, 2023

	1～120 days	121～180 days	181 days	Total
Expected credit loss rate	0%	0%	0%	
Total book amount	$ 206,113	$ 7,118	$ 83	$ 213,314
Expected credit losses during the lifetime)	-	-	(1)	(1)
Amortized cost	$ 206,113	$ 7,118	$ 82	$213,313

December 31, 2022

	1～120 days	121～180 days	181 days	Total
Expected credit loss rate	0%	0%	0%	
Total book amount	$ 209,490	$ 7,920	$ 482	$ 217,892
Expected credit losses during the lifetime)	-	-	(1)	(1)
Amortized cost	$ 209,490	$ 7,920	$ 481	$ 217,891

Changes in the allowance for losses on accounts receivable are as follows:

	2023	2022
Initial balance	$ 1	$ 1
Plus: provision for impairment loss in the current year	62	-
Minus:reclassified and transferred out	(62)	(-)
Year-end balance	$ 1	$ 1

(2) Notes receivable

There is no change in the provision for losses on notes receivable for 2023 and 2022.

(3) Other receivables

The allowance for other receivables in 2023 and 2022 has not changed.

(4) Collection of payments

Information on changes in allowance for bad debts for collections is as follows:

	2023	2022
Beginning balance	$ -	$ -
Plus: This year's reclassification is transferred to	62	-
Year-end balance	$ 62	$ -

10. INVENTORIES

	December 31,2023	December 31,2022
Commodity	$ 552	$ 605
Finished goods	66,150	89,870
Half become Taste	3,594	13,676
Raw materials	40,517	53,105
	$ 110,813	$ 157,256

The nature of cost of goods sold is as follows:

	2023	2022
Cost of inventories sold	$ 1,417,639	$ 1,675,817
Inventory depreciation and sluggish recovery benefits	(1,770)	(4,160)
	$ 1,415,869	$ 1,671,657

The increase in the net realizable value of inventories was due to the sale and reuse of slow-moving inventories.

11. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

Investment subsidiary

	December 31,2023	December 31,2023
Unlisted (cabinet) company		
AMIA (HUIYANG) CO., LTD.	$ 11,209	$ 13,330
YIO-YEN ENTERPRISE CO., LTD.	618,726	683,804
PERSEE CHEMICAL CO., LTD.	83,337	85,909
BARKO INDUSTRIES CO., LTD.	8,492	8,574
HOYA MAX INTERNATIONAL CO., LTD.	34,307	34,541
	$ 756,071	$ 826,158

	Ownership Interest and Voting Percentage	
Subsidiary name	December 31,2023	December 31,2022
AMIA (HUIYANG) CO., LTD.	100%	100%
YIO-YEN ENTERPRISE CO., LTD.	100%	100%
PERSEE CHEMICAL CO., LTD.	100%	100%
BARKO INDUSTRIES CO., LTD.	100%	100%
HOYA MAX INTERNATIONAL CO., LTD	100%	100%

On June 10, 2022, the board of directors of YIO-YEN Company decided to convert the surplus into capital increase, and the additional cost of issuing new shares was NT$12 thousand, which was used as a deduction of retained earnings. For the above case of capital increase from surplus, the capital increase base date was June 16, 2022, and the change registration was completed on July 29, 2022.

Please refer to Note 34 for the Company details of investments indirectly held by the Company.

In 2023 and 2022, the profit and loss and other comprehensive profit and loss shares of subsidiaries using the equity method were recognized based on the financial reports of the subsidiaries audited by accountants for the same period.

12. PROPERTY, PLANT AND EQUIPMENT

	Own land	Building	Mechanical equipment	Transportation equipment	Other devices	Total
Cost						
January 1, 2023 Balance	$ 1,139,624	$ 219,490	$ 298,678	$ 82,023	$ 166,206	$ 1,906,021
Increase	-	-	5,634	3,960	5,657	15,251
Punishment	-	-	-	(1,877)	-	(1,877)
Rearrange	-	-	-	-	1,099	1,099
December 31, 2023 Balance	$ 1,139,624	$ 219,490	$ 304,312	$ 84,106	$ 172,962	$ 1,920,494
Accumulated depreciation						
January 1, 2023 Balance	$ -	$ 164,903	$ 247,919	$ 65,840	$ 157,643	$ 636,305
Punishment	-	-	-	(1,877)	-	(1,877)
Depreciation expense	-	7,123	17,951	7,590	7,076	39,740
December 31, 2023 Balance	$ -	$ 172,026	$ 265,870	$ 71,553	$ 164,719	$ 674,168
December 31, 2023 Net	$ 1,139,624	$ 47,464	$ 38,442	$ 12,553	$ 8,243	$ 1,246,326
Cost						
January 1, 2022 Balance	$ 510,763	$ 200,402	$ 287,101	$ 80,694	$ 163,372	$ 1,242,332
Increase	605,800	4,000	12,608	2,484	3,739	628,631
Punishment	-	-	(2,437)	(1,155)	(905)	(4,497)
From investment real estate	23,061	15,088	-	-	-	38,149
Rearrange	-	-	1,406	-	-	1,406
December 31, 2022 Balance	$ 1,139,624	$ 219,490	$ 298,678	$ 82,023	$ 166,206	$ 1,906,021
Accumulated depreciation						
January 1, 2022 Balance	$ -	$ 145,583	$ 230,679	$ 58,339	$ 147,640	$ 582,241
Punishment	-	-	(2,437)	(1,155)	(905)	(4,497)
From investment real estate	-	12,179	-	-	-	12,179
Depreciation expense	-	7,141	19,677	8,656	10,908	46,382
December 31, 2022 Balance	$ -	$ 164,903	$ 247,919	$ 65,840	$ 157,643	$ 636,305
December 31, 2022 Net	$ 1,139,624	$ 54,587	$ 50,759	$ 16,183	$ 8,563	$ 1,269,716

Depreciation expense is provided on a straight-line basis over the following useful years:

Establish build thing	5 to 26 years
Mechanical equipment	2 to 11 years
Transportation equipment	3 to 6 years
Other devices	3 to 10 years

Real estate, plant and equipment set as loan guarantee, please refer to Note 30.

13. LEASE ARRANGEMENTS

(1) Right-of-use assets

	December 31, 2023	December 31, 2022
Carrying amount of right-of-use asset		
establish build thing	$ 8,235	$ 24,937
Transportation Equipment	1,164	1,986
	$ 9,399	$ 26,923

	2023	2022
Addition of right-of-use assets	$ 2,000	$ 2,466
Depreciation expense on right-of-use assets		
establish build thing	$ 18,702	$ 21,227
Transportation Equipment	822	531
	$ 19,524	$ 21,758

(2) Lease liabilities

	December 31, 2023	December 31, 2022
Carrying amount of the lease liability		
Flow	$ 7,082	$ 18,847
No flow move	$ 279	$ 7,287

The discount rate range for the lease liability is as follows:

	December 31, 2023	December 31, 2022
Establish build thing	1.94%	1.94%
Transportation equipment	1.40%	1.40%

(3) Important leasing activities and terms

The Company leases certain transportation equipment for operational use, and the lease period within 2 to 3 years. Upon the expiry of the lease period, these lease agreements have no clauses for renewal or right to purchase.

The Company also leases certain buildings for factory use, and the lease period is 2 to 3 years. When the lease period ends, the Company has no preferential right to purchase the leased building, and it is agreed that the Company shall not sublease or transfer all or part of the leased object without the consent of the lessor.

When the Company leases machinery and equipment, the lease starts when the equipment is installed and accepted by both parties. The lease period of the contract is 1 year, and the monthly rental fee is NT$500 thousand. After the lease expires, the merged company can choose to purchase the equipment and can fully discount the rental fee paid during the lease period to the purchase amount. The Company terminated the original lease with the manufacturer in January 2023, and signed a separate equipment purchase contract.

(4) Other leasing information

	2023	2022
Short-term rental fee	$ 2,390	$ 2,340
Low-value asset rental expenses	$ 842	$ 394
Total cash (outflows) from leases	($ 22,298)	($ 22,735)

The Company chooses to apply the recognition exemption to the building buildings that meet short-term leases, and does not recognize the relevant right-of-use assets and lease liabilities for these leases.

14. Investment real estate

	Completed investment real estate
Cost	
January 1, 2022 Balance	$ 38,149
Was transferred to the balance of real estate,plant and equipment	(38,149)
December 31, 2022 Balance	$ -
accumulated depreciation	
January 1, 2022 Balance	($ 12,179)
Depreciation expense	12,179
December 31, 2022 Balance	$ -
December 31, 2022 Net	$ -

Investment real estate is depreciated on a straight-line basis over the following useful years:

Host establish thing	22 years
Main building improvements	11 to 22 years

The Company's investment real estate is located at No. 11, Lane 208, XIANGXI Road, HUKOU Village, HUKOU, Hsinchu County. The comparable transaction market in this area is infrequent and reliable alternative fair value estimates cannot be obtained, so it is impossible to reliably determine the fair value.

All investment properties of the Company are self-owned.

15. Other assets

	December 31, 2023	December 31, 2022
Flow		
Other assets		
Tax refund receivable	$ 7,094	$ 8,015
Prepaid fee	17,453	11,468
Advance payment	9,554	11,484
Input tax	1	1
Other	288	116
	$ 34,390	$ 31,084

16. BORROWINGS

(1) Short-term loans

	December 31, 2023	December 31, 2022
Guaranteed loans (Note 31)		
Bank loan	$ 134,000	$ 130,000
unsecured borrowing		
line of credit borrowing	110,000	40,000
	$ 244,000	$ 170,000

The interest rates of bank revolving loans were 1.80% to 1.90% and 1.65% to 1.87% on December 31, 2023 and 2022, respectively.

(2) Short-term notes payable

	December 31, 2023	December 31, 2022
Commercial paper payable	$ 10,000	$ 0

The outstanding short-term notes payable are as follows:

December 31, 2023

Guarantee / acceptance agency	Face value	Discount amount	Carrying amount	Interest rate range	Collateral name	Collateral Carrying amount
Commercial paper payable						
Mega Coupons	$ 10,000	$ -	$ 10,000	1.61%	none	$ -

The Company's commercial notes payable are short-term bills payable with no interest paid. Since the impact of discounting is not significant, it is measured by the original face value.

(3) Long-term loans

	December 31, 2023	December 31, 2022
Guaranteed loans (Note 30)		
Bank loan	$ 384,000	$ 533,000
unsecured borrowing		
line of credit borrowing	810	-
Minus: listed as part due within 1 year	(330)	(16,680)
Long term loan	$ 384,480	$ 516,320

The guaranteed loan is guaranteed by the Company's certificate of deposit, self-owned land and buildings (see Note 30). As of December 31, 2023 and December 31, 2022, the effective annual interest rates ranged from 1.90% to 2.15%, respectively.

The Company's loans include:

	Expiry Date	Major Terms	Effective Interest Rate	December 31, 2023	December 31, 2022
Floating rate borrowing	5/25/2026	First Commercial Bank			
		It is a loan to raise funds needed for medium-term operating turnover, with a loan amount of NT$1,000 thousand and an interest rate of 2.15%. The loan period is from May 25, 2023 to May 25, 2026. Starting from the loan date, each month is regarded as one period, which is divided into 36 periods, and the monthly principal and interest are evenly amortized.	2.15%	$810	$0
	2/11/2029	Mega Commercial Bank			
		It is a loan to raise funds needed for medium-term operating turnover, with a loan amount of NT$400,000 thousand and an interest rate of 2.15%. During the loan period from February 11, 2022 to February 11, 2029, the interest will be deducted every month. From February 11, 2023, every six months will be amortized in 12 installments. The company has repaid in advance, and there is no loan due within one year.	2.15%	$0	$51,000
	2/11/2029	Mega Commercial Bank			
		It is a loan to raise funds needed for medium-term operating turnover, with a loan amount of NT$400,000 thousand and an interest rate of 2.15%. During the loan period from February 10 , 2022 to February 11 , 2029, the interest will be deducted every month. From February 11, 2023, every six months will be amortized in 12 installments. The company has repaid in advance, and there is no loan due within one year.	2.15%	$0	$88,000
	3/3/2042	First Commercial Bank			
		It is a loan to raise funds needed for medium-term operating turnover, with a loan amount of NT$394,000 thousand and an interest rate of 1.90%. During the loan period from March 3, 2022 to March 3, 2042, the interest will be deducted every month. Starting from the loan date, each month is regarded as one period, which is divided into 240 periods in total. The first 3 years are the grace period, and the monthly principal and interest are evenly amortized from April 3, 2025.	1.90%	$384,000	$394,000

Expiry Date	Major Terms	Effective Interest Rate	December 31, 2023	December 31, 2022
			$384,810	$533,000
	Less：portion due within 1 year		($330)	($16,680)
	Long term loan		$384,480	$516,320

17. Notes payable and accounts payable

	December 31, 2023	December 31, 2022
Notes payable		
Occurred due to business - non-related person	$ 595	$ 805
Accounts payable		
Occurred due to business - non-related person	$ 98,156	$ 115,113

The average credit period for the purchase of some commodities is 1 to 3 months, and no interest is added to accounts payable. The Company has a financial risk management policy to ensure that all payables are repaid within the pre-agreed credit period.

18. Other Liabilities

	December 31, 2023	December 31, 2022
Flow		
Other payables		
Payable salary and bonus	$ 26,332	$ 27,045
Leave payable	5,640	5,364
Employee bonuses payable	7,020	8,560
Directors' remuneration payable	2,340	2,850
Interest payable	692	723
Payable for equipment	7,079	8,758
Other payable expenses	69,302	60,726
	$ 118,405	$ 114,026

	December 31, 2023	December 31, 2022
Flow		
Other liabilities		
Temporarily receive payment	$ -	$ 85
Generation receive payment	1,158	1,196
	$ 1,158	$ 1,281

19. PROVISIONS

	December 31, 2023	December 31, 2022
No flow move		
Decommissioning costs	$ 7,221	$ 5,133

The decommissioning cost liability provision is the decommissioning liability provision arising from the dismantling, removal of related equipment and restoration of its location. The amount is measured by the estimated discounted value of the cash flow of the expected settlement obligation, and is properly evaluated at the end of the reporting period and Adjustment.

20. RETIREMENT BENEFIT PLANS

(1) Determining the appropriation plan

To the Company is a defined contribution retirement plan managed by the government, and 6% of the employee's monthly salary is allocated to the individual account of the Labor Insurance Bureau.

(2) Defined benefit plan

The pension system operated by the Company in accordance with China's "Labor Standards Law" is a defined benefit retirement plan managed by the government. The payment of employee pensions is calculated based on the years of service and the average salary of the six months before the approved retirement date. The Company allocates pensions based on 2% of the total monthly salary of employees, and submits it to the Labor Retirement Reserve Supervision Committee to deposit it in the special account of the Bank of Taiwan in the name of the committee. Before the end of the year, if the estimated balance in the special account is not enough to pay within the next year for workers who are expected to meet the retirement conditions, the difference will be allocated in one lump sum before the end of March of the following year. The special account is entrusted to the Labor Fund Utilization Bureau of the Ministry of Labor to manage, and the Company has no right to influence the investment management strategy.

The amounts of defined benefit plans included in individual balance sheets are as follows:

	December 31, 2023	December 31, 2022
Determining the Present Value of Benefit Obligations	$ 46,864	$ 49,336
Fair value of project assets	(25,080)	(24,081)
Net defined benefit liability	$ 21,784	$ 25,255

Changes in net defined benefit liabilities are as follows:

	Determining the Present Value of Benefit Obligations	Fair value of project assets	Net defined benefit liability
January 1, 2023	$ 49,336	($ 24,081)	$ 25,255
Service cost			
Current service cost	29	-	29
Interest expense (income)	555	(284)	271
Recognized in profit or loss	584	(284)	300
Premeasurement number			
Return on project assets (except the amount included in net interest)	-	(258)	(258)
Actuarial benefits			
- Experience Adjustment	(1,113)	-	(1,113)
Recognized in other comprehensive income	(1,113)	(258)	(1,371)
Employer appropriation	-	(2,400)	(2,400)
Welfare payment	(1,943)	1,943	-
December 31, 2023	$ 46,864	($ 25,080)	$ 21,784
January 1, 2022	$ 58,649	($ 24,665)	$ 33,984
Service cost			
Current service cost	199	-	199
Interest expense (income)	293	(129)	164
Recognized in profit or loss	492	(129)	363
Re-measurement number			
Return on project assets (except the amount included in net interest)	-	(1,864)	(1,864)
Actuarial benefits			
- Changes in financial assumptions	(2,661)	-	(2,661)
- Experience adjustment	(2,167)	-	(2,167)
Recognized in other comprehensive income	(4,828)	(1,864)	(6,692)
Employer appropriation	-	(2,400)	(2,400)
Welfare payment	(4,977)	4,977	-
December 31, 2022	$ 49,336	($ 24,081)	$ 25,255

The amount of defined benefit plans recognized in profit or loss is summarized by function as follows:

	2023	2022
Operating cost	$ 22	$ 130
promotional expenses	10	106
Management costs	268	127
	$ 300	$ 363

In 2023 and 2022, the Company recognized NT$1,371 thousand and NT$6,692 thousand actuarial gains and losses in other comprehensive gains and losses respectively. As of December 31, 2023 and 2022, the accumulative amounts of actuarial gains and losses recognized in other comprehensive gains and losses were NT$997 thousand and NT$(815) thousand respectively, including the actuarial gains and losses recognized by the Company using the equity method other comprehensive gains and losses were NT$441 thousand and NT$959 thousand, respectively.

The Company is exposed to the following risks due to the pension system of the "Labor Standards Act":

1. Investment risk: The Labor Fund Utilization Bureau of the Ministry of Labor invests labor pension funds in domestic (foreign) equity securities, debt securities, and bank deposits through self-use and entrusted operation methods, but the Company's planned assets may be allocated The amount is calculated based on the local bank's 2-year fixed deposit interest rate.
2. Interest rate risk: The decline in the interest rate of government bonds will increase the present value of defined benefit obligations, but the debt investment return on project assets will also increase accordingly, and the impact of the two on net defined benefit liabilities will have a partial offset effect.
3. Salary risk: The calculation of the present value of the determined benefit obligation refers to the future salary of the plan members. An increase in plan member salaries will therefore increase the present value of the defined benefit obligation.

The present value of the Company's defined benefit obligations is calculated by a qualified actuary, and the major assumptions on the measurement date are as follows:

	December 31, 2023	December 31, 2022
Fold now Rate	1.125%	1.125%
Salary Expected Increase Rate	2.000%	2.000%

If there are reasonably possible changes in major actuarial assumptions, and all other assumptions remain unchanged, the amount that will increase (decrease) the present value of the defined benefit obligation is as follows:

	December 31, 2023	December 31, 2022
Fold now Rate		
0.25% increase	($ 643)	($ 720)
0.25% reduction	$ 660	$ 740

Salary Expected Increase Rate		
0.25% increase	$ 645	$ 723
0.25% reduction	($ 632)	($ 707)

Since the actuarial assumptions may be related to each other, the possibility of only a single assumption changing is unlikely, so the above sensitivity analysis may not be able to reflect the actual changes in the present value of the defined benefit obligations.

	December 31, 2023	December 31, 2022
Expected amount allocated within 1 year	$ 2,400	$ 2,400
Determining the average benefit obligation due period	5.6 years	5.9years

21. EQUITY

(1) Common stock capital

	December 31, 2023	December 31, 2022
Rated number of shares (thousand shares)	100,000	100,000
Rated share capital	$ 1,000,000	$ 1,000,000
Number of issued and fully paid shares (thousand shares)	69,943	70,518
Issued share capital	$ 699,430	$ 705,180

The issued ordinary shares have a par value of NT$10 each, and each share has one voting right and the right to receive dividends.

Among the rated share capital, 3,000 thousand shares are reserved for the issuance of warrant certificates, special shares with warrants, or corporate bonds with warrants for the exercise of stock options.

The Company's board of director’s resolution on December 30, 2021 approved a cash capital increase to issue 7,864 thousand new shares, with a face value of NT$10 per share, and retained 10% of the number of issued shares in accordance with the Company law, totaling 787 thousand shares for employees to subscribe. The subscription price per share is NT$40, and the remaining 7,077 thousand shares are used for public underwriting before the listing of the stock, and are handled by bidding auction (80%) and public subscription (20%) at the same time. The average transaction price of bidding auction is NT$47.77 per share, in addition, on February 24, 2022, the public subscription underwriting price was set at NT$40 per share, and the total issuance amount was 358,540 thousand. The above-mentioned cash capital increase case has been declared effective by the Taiwan Stock Exchange on January 11, 2022 with Taiwan Zheng Shang Yi Zi No. 1111800181, and March 9 of the same year was used as the capital increase base date, and the modification registration was carried out on May 2, 2022. Finish.

On May 24, 2022, the Company passed the resolution of the board of directors to cancel 245 thousand shares, and then completed the change registration on June 15, 2022.

The company passed the resolution of the board of directors on April 26, 2023 to cancel 575,000 treasury shares. Subsequently, the change registration was completed on August 1, 2023.

(2) Capital reserves

	December 31, 2023	December 31, 2022
Can be used to make up losses, distribute cash or make capital contributions (1)		
stock issue premium	$ 620,561	$ 625,677
Gain on disposal of assets	255	255
	$ 620,816	$ 625,932

(1) This kind of capital reserve can be used to make up for losses, and can also be used to distribute cash or allocate capital when the Company has no losses. However, capitalization is limited to a certain percentage of paid-in capital every year.

(3) Retained earnings and dividend policy

According to the surplus distribution policy of the Company's articles of association, if there is a surplus in the annual final accounts, taxes should be paid first to make up for previous losses, and 10% should be set aside as the statutory surplus reserve, and the special surplus reserve should be withdrawn and reversed in accordance with laws and regulations. After accumulating, if there is any surplus, the remaining surplus plus the accumulated undistributed surplus of the previous year shall be regarded as distributable surplus. The board of directors shall prepare a surplus distribution proposal and submit it to the shareholders' meeting for a resolution on the distribution of shareholder dividends. For the employee and director remuneration distribution policy stipulated in the Company's articles of association, please refer to Note 23 (7) Employee remuneration and director remuneration.

The Company is in the period of business growth, and the policy of dividend distribution depends on factors such as the Company's current and future investment environment, capital demand, securities market, domestic and foreign competition conditions, and capital budget, and takes into account shareholders' interests, balanced dividends, and the Company's financial planning, etc. , each year according to the law, the board of directors prepares a distribution plan and submits it to the shareholders' meeting. Distribution of shareholder dividends, of which cash dividends shall not be less than 20% of the total dividends, and the rest shall be distributed as stock dividends.

The statutory surplus reserve shall be appropriated until its balance reaches the total paid-in share capital of the Company. The statutory surplus reserve can be used to make up for losses. When the Company has no losses, the part of the statutory surplus reserve exceeding 25% of the total paid-in amount can be distributed in cash in addition to being allocated to share capital.

The Company held regular shareholders' meetings on May 24, 2023 and May 24, 2022, and passed resolutions on the distribution of surplus for 2022 and 2021 as follows:

	2022	2021
Statutory surplus reserve	$ 10.661	$ 22,120
special surplus reserve	($ 8,422)	$ 3,972
cash dividend	$ 69,943	$ 139,886
Cash dividend per share (NT dollars)	$ 1	$ 2

On February 27, 2024, the Company's board of directors proposed the 2023 year surplus distribution plan as follows:

	Surplus Distribution Proposal
Statutory surplus reserve	$ 9,030
special surplus reserve	($ 10,612)
cash dividend	$ 62,949
Cash dividend per share (NT dollars)	$ 0.9

The 2023 surplus distribution proposal is yet to be resolved at the general meeting of shareholders expected to be held on May 24, 2024.

(4) Treasury stocks

Reason for withdrawal	Transfer of shares to employees (thousand shares)
January 1, 2023 Number of shares	575
Decrease this year	(575)
December 31, 2023 Number of shares	0
December 31, 2022Number of shares	820
Decrease this year	(245)
December 31, 2022 Number of shares	575

The treasury stocks held by the Company shall not be pledged in accordance with the provisions of the Company law, nor shall they be entitled to the distribution of dividends and voting rights.

22. REVENUE

	2023	2022
Client contract revenue		
Merchandise sales revenue	$1,699,902	$ 1,963,026

Contract balance

	December 31, 2023	December 31, 2022	January 1,2022
Accounts receivable (Note 9)	$ 213,313	$ 217,891	$ 256,021
Contract liabilities			
Merchandising	$ 421	$ 807	$ 482

Changes in contract liabilities are primarily attributable to differences in the timing of satisfaction of performance obligations and the timing of payment by customers.

23. Net profit before tax

(1) Interest income

	2023	2022
Bank savings	$ 1,208	$ 472
Other	14	35
	$ 1,222	$ 507

(2) Other income

	2023	2022
Dividend income	$ -	$ 14
Dividend income	514	489
Other	3,459	7,111
	$ 3,973	$ 7,614

(3) Other gains and (losses) net

	2023	2022
Disposal of property, plant and equipment interests	$ 100	$ 285
Net foreign currency exchange (loss)	1,747	29,262
Lease modification benefit	-	481
Other	(182)	(2)
	$ 1,665	$ 30,026

(4) Financial costs

	2023	2022
Bank loan interest	($ 12,982)	($ 11,099)
Interest on the lease liability	(293)	(600)
Interest on liability provision	(88)	(86)
	($ 13,363)	($ 11,785)

There was no interest capitalization in 2023 and 2022.

(5) Depreciation

	2023	2022
Summary of depreciation expense by function		
Operating cost	$ 48,992	$ 57,134
Operating expenses	10,272	11,006
	$ 59,264	$ 68,140

(6) Employee welfare expenses

	2023	2022
Short-term employee benefits		
Confirm allocation plan	$ 6,026	$ 6,332
Defined benefit plans (Note 20)	300	363
	6,326	6,695
Share based payment	-	1,732
Other employee benefits	190,161	188,563
Total employee benefit expenses	$ 196,487	$ 196,990

	2023	2022
Summary by function		
Operating cost	$ 91,742	$ 95,088
Operating expenses	104,745	101,902
	$ 196,487	$ 196,990

(7) Employee remuneration and director remuneration

According to the provisions of the Articles of Association, the Company allocates 1% to 8% and no more than 5% of the pre-tax benefits before deducting the distribution of employee and director remuneration in the current year, respectively, for employee remuneration and director remuneration.

On February 27, 2024 and February 22, 2023, the resolutions of the board of directors on employee remuneration and director remuneration in 2023 and 2022 are as follows:

Estimated ratio

	2023	2022
Employee compensation	5.86%	6.01%
Director remuneration	1.95%	2.00%

The amount

	2023	2022
	Cash	Cash
Employee compensation	$ 7,020	$ 8,560
Director remuneration	$ 2,340	$ 2,850

If the amount of the annual individual financial report has changed after the release date, it will be treated as a change in accounting estimate, and it will be adjusted and recorded in the next year.

There is no difference between the actual distribution amount of employee remuneration and director's remuneration in 2022 and 2021 and the recognized amount in the individual financial reports of 2022 and 2021.

For information on employee remuneration and director remuneration resolved by the Company's board of directors, please visit the "Public Information Observatory" of the Taiwan Stock Exchange.

(8) Foreign currency exchange gains (losses)

	2023	2022
Total foreign currency exchange benefit	$ 15,746	$ 37,956
Total foreign currency exchange (loss)	(13,999)	(8,694)
Net (loss) loss	$ 1,747	$ 29,262

24. INCOME TAX

(1) Income tax expense recognized in profit or loss

The main components of income tax expenses are as follows:

	2023	2022
Current income tax		
Producer of the year	$ 20,964	$ 20,846
Undistributed surplus tax	500	1,611
Prior Year Adjustments	5	-
	21,469	22,457
Deferred income tax		
Producer of the year	(409)	7,447
Prior year adjustment	-	1,251
	(409)	8,698
Income tax expense recognized in profit or loss	$ 21,060	$ 31,155

The adjustment of accounting income and income tax expense is as follows:

	2023	2022
Net profit before tax	$110,352	$ 130,947
Income tax expense calculated at the statutory tax rate on net profit before tax	$ 22,070	$ 26,189
Non-deductible expense losses	34	1
Domestic subsidiaries' investment gains and losses	(1,549)	2,099
Undistributed Earnings Levy	500	1,611
Unrecognized loss write-off	-	4
Adjustment of the current income tax expense of the previous year in the current year	5	-
Adjustment of the deferred income tax expense in the previous year in the current year	-	1,251
Income tax expense recognized in profit or loss	$ 21,060	$ 31,155

(2) Income tax recognized in other comprehensive profit or loss

	2023	2022
Deferred income tax		
Generated in the current year - Conversion of foreign operating institutions	$ 2,654	($ 2,106)

(3) Current income tax assets and liabilities

	December 31, 2023	December 31, 2022
Current income tax liabilities		
Income tax payable	$ 10,949	$ 21,693

(4) Deferred income tax assets and liabilities

Changes in deferred tax assets and liabilities are as follows:

2023

	initial balance	recognized in profit or loss	recognized in other comprehensive profit and loss	Year-end balance
Deferred tax assets				
Temporary difference				
Overseas Investment	3,672	217	-	3,889
Unrealized inventory depreciation losses	3,760	(353)	-	3,407
Unrealized exchange gains and losses	-	794	-	794
Unrealized benefits from transactions with subsidiaries	526	(216)	-	310
Exchange balance of foreign operating institutions	8,244	-	2,654	10,898
Provision for Decommissioning Liabilities	583	350	-	933
Leave payable	1,073	-	-	1,073
	$ 17,858	$ 792	$ 2,654	$ 21,304
Deferred tax liabilities				
Temporary difference				
Unrealized exchange gains and losses	($ 37)	$ 37	$ -	$ -
Defined benefit retirement plan	(2,826)	(420)	-	(3,246)
	($ 2,863)	($ 383)	$ -	($ 3,246)

2022

	Initial balance	Recognized in profit or loss	Recognized in other Comprehensive profit and loss	Year-end balance
Deferred tax assets				
Temporary difference				
Overseas investment	$ 4,836	($ 1,164)	$ -	$ 3,672
Unrealized loss on inventory decline	4,593	(833)	-	3,760
Unrealized benefits from transactions with subsidiaries	220	306	-	526
Exchange difference of foreign operating institutions	10,350	-	(2,106)	8,244
Provision for Decommissioning Liabilities	-	583	-	583
Leave payable	909	164	-	1,073
	20,908	(944)	(2,106)	17,858
Loss deduction	7,355	(7,355)	-	-
	$ 28,263	($ 8,299)	($ 2,106)	$ 17,858

Deferred tax liabilities	Initial balance	Recognized in profit or loss	Recognized in other Comprehensive profit and loss	Year-end balance
Temporary difference				
Unrealized exchange gains and losses	($ 45)	$ 8	$ -	($ 37)
Defined benefit retirement plan	(2,419)	(407)	-	(2,826)
	($ 2,464)	($ 399)	$ -	($ 2,863)

(5) Income tax verification situation

In addition to 2022, the Company's profit-seeking enterprise income tax declaration, the declaration cases up to 2021 ago have been approved by the tax collection agency.

25. EARNINGS PER SHARE

Unit: dollars per share

	2023	2022
Total Basic Earnings Per Share	$ 1.28	$ 1.46
Total diluted earnings per share	$ 1.27	$ 1.45

Earnings and weighted average number of ordinary shares used to calculate earnings per share are as follows:

Net profit for the year

	2023	2022
Net income used to calculate basic earnings per share	$ 89,292	$ 99,792
Net income used to calculate diluted earnings per share	$ 89,292	$ 99,792

Number of shares

unit: thousand shares

	December 31, 2023	December 31, 2022
Weighted average number of common shares used to calculate basic earnings per share	69,943	68,496
Effect of Dilutive Potential Ordinary Shares		
employee bonus	319	492
Weighted average number of common shares used to calculate diluted earnings per share	70,262	68,988

If the Company can choose to distribute employee dividends or employee remuneration in stock or cash, when calculating diluted earnings per share, it is assumed that employee remuneration will be issued in the form of stock, and the weighted average number of outstanding shares will be included when the potential ordinary shares have a dilutive effect, to calculate diluted earnings per share. When calculating the diluted earnings per share before deciding on the number of shares issued for employee compensation in the next year, the dilutive effect of these potential ordinary shares will also continue to be considered.

26. SHARE-BASED PAYMENT ARRANGEMENTS

Cash Capital Increase Retention Employee Subscription

The Company board of directors resolved on December 30, 2021 to issue 7,864 thousand new shares in cash before the initial OTC listing. This cash capital increase project was approved and declared by the Taiwan Stock Exchange on January 11, 2022, and was resolved by the board of directors, with March 9, 2022 as the capital increase base date.

The reserved part of the new shares issued by the above-mentioned cash capital increase is used as subscription by the Company's employees, and February 24, 2022 is the day of giving.

The relevant information of employee stock options is as follows:

	2022	
employee stock options	Unit (thousand)	Weighted average Execution price (NT dollars)
Circulation at the beginning of the period	-	$ -
Give this period	787	40
Exercise this period	(787)	
Out of circulation at the end of the period	-	
Executable at the end of the period	-	
of employee stock options granted in the current period (NT dollars)	$ 2.2	

For employee stock options executed in 2022, the weighted average exercise price on the execution date is NT$40.

The employee stock options granted by the Company use the Black-Scholes evaluation model, and the input values used in the evaluation model are as follows:

Grant day share price	NT$41.96 dollars
Execution price	NT$40.00 dollars
Expected volatility _	33.42%
Expected duration	NT$0.033 dollars
Risk free rate	0.35%

The stock price on the date of giving is evaluated using the market method and estimated based on the stock price-to-book value ratio, average price-to-earnings ratio, and stock price adjustment of listed companies in comparable domestic industries.

The expected volatility is based on the average value of the annualized standard deviation calculated from the daily stock price returns of similar companies in the same industry in the past year.

The remuneration cost recognized in 2022 was NT$1,732 thousand.

27. CAPITAL MANAGEMENT

The Company conducts capital management to ensure that each company in the group can continue to operate, by optimizing the balance of debt and equity, so as to maximize shareholder returns.

The Company's capital structure is composed of the Company's net debt (i.e. borrowings minus cash and cash equivalents) and equity attributable to the Company's owners (i.e. share capital, capital reserves, retained earnings and other equity items)

The Company is not subject to other external capital requirements.

The main management of the Company re-examines the capital structure of the group every year, and the content of the review includes consideration of the cost of various types of capital and related risks. Based on the recommendations of the main management, the Company will balance its overall capital structure by paying dividends, issuing new shares, buying back shares, and issuing new debts or repaying old debts.

28. FINANCIAL INSTRUMENTS

(1) Fair value information - financial instruments not measured at fair value

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

(2) Fair value information - 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 fair value through other comprehensive income				
Foreign unlisted (counter) stocks	$ -	$ -	$ 2,640	$ 2,640

December 31, 2022

	Level 1	Level 2	Level 3	total
Financial assets at fair value through other comprehensive income				
Foreign unlisted (counter) stocks	$ -	$ -	$ 2,640	$ 2,640

2. Evaluation techniques and input values for Level 3 fair value measurement

The fair values of financial assets and financial liabilities that have standard terms and conditions and are traded in active markets are determined by reference to quoted market prices. If there is no market price for reference, it shall be estimated by evaluation method. The estimates and assumptions used by the Company in the evaluation methods are consistent with the information used by market participants as estimates and assumptions when pricing financial products.

Stocks without public quotes

These standalone financial statements include unquoted shares measured at fair value. The fair value is based on the market-based valuation method - the price-to-earnings ratio method and the stock price-to-book value ratio method, to evaluate a reasonable fair value.

(3) Types of financial instruments

	December 31, 2023	December 31, 2022
Monetary assets		
Financial assets measured at amortized cost (Note 1)	$ 383,094	$ 352,800
Financial assets at fair value through other comprehensive income		
Equity instrument investment	2,640	2,640
Financial liabilities		
Measured by amortized cost (Note 2)	855,975	932,954

Note 1: The balance includes cash and cash equivalents, financial assets measured at amortized cost, notes receivable, accounts receivable, other receivables and deposits and other financial assets measured at amortized cost.

Note 2: The balance includes short-term loans, short-term bills payable, and notes payable, accounts payable, other payables, long-term loans due within one year, long-term loans and deposits, and other financial liabilities measured at amortized cost.

(4) Purpose and policy of financial risk management

The Company's main financial instruments include equity instrument investment, accounts receivable, accounts payable and borrowings. The financial management department of the Company provides services for various business units, coordinates and coordinates operations in domestic and international financial markets, and monitors and manages financial risks related to the Company's operations by analyzing internal risk reports based on risk levels and breadth. These risks include market risk (including exchange rate risk, interest rate risk and other price risks), credit risk and liquidity risk.

1. Market risk

The main financial risks borne by the Company's operating activities are foreign currency exchange rate risk (see (1) below and interest rate risk (see (2) below). The Company engages in various derivative financial instruments to manage the risks it assumes foreign currency exchange rate and interest rate risk.

(1) Exchange rate risk

The Company is engaged in foreign currency-denominated sales and purchase transactions, which exposes the Company to risk of exchange rate fluctuations. The management of the Company's exchange rate exposure is to use short-term borrowings to avoid exchange rate risks.

For the carrying amount of monetary assets and monetary liabilities denominated in non-functional currency on the balance sheet date, please refer to Note 33.

Sensitivity Analysis

The Company is mainly affected by fluctuations in the exchange rate of the US dollars.

The following table details the sensitivity analysis of the Company when the exchange rate of New Taiwan dollars (functional currency) to each relevant foreign currency increases and decreases by 1%. 1% is the sensitivity rate used when reporting the exchange rate risk to key management within the group, and it also represents the management's assessment of the range of reasonably possible changes that in foreign currency exchange rates. Sensitivity analysis only includes monetary items in foreign currencies in circulation, and the conversion at the end of the period is adjusted by 1% of the exchange rate change. The positive numbers in the table below represent the amount that will increase the pre-tax net profit when the NT dollar depreciates by 1% relative to the relevant currencies; when the NT dollar appreciates by 1% relative to the relevant foreign currencies, the impact on the pre-tax net profit will be Negative numbers of the same amount.

	Impact of USD	
	2023	2022
Profit and loss	$ 1,911 (i)	$ 1,588 (i)

(i) It is mainly derived from the receivables and payables denominated in US dollars that are still in circulation at the balance sheet date and have not been hedged for cash flow.

(2) Interest rate risk

Because individuals within the Company borrow funds at both fixed and floating rates, interest rate exposure risks arise. The Company manages interest rate risk by maintaining an appropriate mix of fixed and floating interest rates.

The carrying amounts of the financial assets and financial liabilities of the Company subject to interest rate exposure on the balance sheet date are as follows:

	December 31, 2023	December 31, 2022
Fair value interest rate risk		
-monetary assets	$ 23,974	$ 20,955
- Financial liabilities	17,361	26,134
Cash flow interest rate risk		
-monetary assets	120,985	89,115
- Financial liabilities	628,810	703,000

Sensitivity Analysis

The sensitivity analysis below is based on the interest rate exposure of derivative and non-derivative instruments at the balance sheet date. For floating rate assets and liabilities, the analysis method assumes that the amount of assets and liabilities outstanding on the balance sheet date is outstanding during the reporting period. The rate of change used by the

Company when reporting interest rates internally to key management is 0.25% for an increase or decrease in interest rates, which also represents management's assessment of the range of reasonably possible changes in interest rates .

If the interest rate increases/ decreases by 0.25%, and all other variables remain unchanged, the Company's pre-tax profit and loss in 2023 and 2022 will decrease/increase by NT$1,270 thousand and NT$1,535 thousand respectively, mainly due to the Company's variable interest rate loans.

2. Credit risk

Credit risk refers to the risk that the counterparty defaults in contractual obligations and causes financial losses to the Group. As of the balance sheet date, the Company's largest credit risk exposure that may cause financial losses due to the counterparty's failure to perform its obligations and the Company's provision of financial guarantees mainly comes from:

(1) The carrying amount of financial assets recognized in the individual balance sheet.

(2) The amount of contingent liabilities arising from the Company's provision of financial guarantees.

The policy adopted by the Company is to only conduct transactions with reputable objects, and to obtain sufficient guarantees under necessary circumstances to mitigate the risk of financial losses due to default. The Company only conducts transactions with companies whose ratings are equivalent to or above investment grade. Such information is provided by an independent rating agency; if such information is not available, the Company will use other publicly available financial information and mutual transaction records to rate major customers.

The Company's credit risk is mainly concentrated in the Company's top five customers. As of December 31, 2023 and 2022, the ratios of total accounts receivable from the aforementioned customers were 56% and 56% respectively.

3. Other price risks

The Company has equity price risk due to investment in equity securities.

Sensitivity Analysis

The following sensitivity analysis is carried out based on the equity price exposure on the balance sheet date.

If the equity price increases/decreases by 5%, other comprehensive profit and loss before tax in 2023 and 2022 will both increase/decrease by NT$132 thousand due to the increase/decrease in the fair value of financial assets measured at fair value through other comprehensive profit and loss.

The Company’s sensitivity to equity securities investment has not changed significantly compared to the previous year.

4. Liquidity risk

The Company manages and maintains sufficient cash and equivalent cash to support the group's operations and mitigate the impact of cash flow fluctuations. The management of the Company supervises the use of bank financing lines and ensures compliance with the terms of the loan contract.

Bank borrowings are an important source of liquidity for the Company. As of December 31, 2023 and 2022, please refer to the description of the following (2) financing line for the unused financing line of the Company.

(1) Liquidity and interest rate risk table for non-derivative financial liabilities

The remaining contractual maturity analysis of non-derivative financial liabilities is prepared based on the earliest date on which the Company may be required to repay, based on the undiscounted cash flows (including principal and estimated interest) of financial liabilities, therefore, the Company may be required to repay immediately For bank loans, the series is within the earliest period in the table below, regardless of the probability of the bank's immediate execution of the right; the maturity analysis of other non-derivative financial liabilities is prepared based on the agreed repayment date.

December 31, 2023

	Pay on demand or Less than 1 month	1 to 3 months	3 months to 1 year	1 to 5 years	Over 5 years	Total
Non-derivative financial liabilities						
Notes payable	$ 36	$ 437	$ 122	$ -	$ -	$ 595
Accounts payable	75,353	15,810	6,993	-	-	98,156
Other payables	94,581	21,314	1,950	560	-	118,405
Lease liability	1,620	3,240	2,180	280	-	7,320
Loan	70,027	174,055	10,248	74,344	310,136	638,810
	$ 241,617	$ 214,856	$ 21,493	$ 75,184	$ 310,136	$ 863,286

December 31, 2022

	Pay on demand or Less than 1 month	1 to 3 months	3 months to 1 year	1 to 5 years	Over 5 years	Total
Non-derivative financial liabilities						
Notes payable	$ 281	$ 524	$ -	$ -	$ -	$ 805
Accounts payable	87,688	18,766	8,659	-	-	115,113
Other payables	93,913	14,848	4,644	621	-	114,026
Lease liability	1,545	3,090	14,505	7,320	-	26,460
Loan	40,000	88,340	58,340	123,956	392,364	703,000
	$ 223,427	$ 125,568	$ 86,148	$ 131,897	$ 392,364	$ 959,404

(2) Financing amount

	December 31, 2023	December 31, 2022
Unsecured Bank Borrowing Facility (reviewed annually)		
- Amount used	$ 121,000	$ 40,000
- Unused amount	260,000	510,000
	$ 381,000	$ 550,000
Guaranteed bank loan line (extendable upon mutual agreement)		
- Amount used	$ 528,000	$ 842,000
- Unused amount	454,500	458,500
	$ 982,500	$ 1,300,500

29. TRANSACTIONS WITH RELATED PARTIES

Except as disclosed in other notes, the transactions between the Company and related parties are as follows.

(1) The name of the related party and its relationship

Related person name	Relationship with the Company
PERSEE CHEMICAL CO., LTD. (hereinafter referred to as PERSEE Company)	Son male manage
GOLD PARTNER ENTERPRISES (KUNSHAN) CO.,LTD. (hereinafter referred to as GOLD (KUNSHAN) Company)	Son male manage
BARKO INDUSTRIES CO., LTD. (hereinafter referred to as BARKO Company)	Son male manage
CHEN,YEN-HUNG	Substantial related person

(2) Operating income

Account items	Relationship category	2023	2022
Sales revenue	GOLD (KUNSHAN) Company	$ 9,153	$ 25,046

The Company's sales price to related parties is comparable to that of general customers.

(3) Receivables from related parties (excluding loans to related parties)

Account items	Related person name	December 31, 2023	December 31, 2022
Accounts receivable - related parties	GOLD (KUNSHAN) Company	$ 4,450	$ 6,481
Other receivables	PERSEE Company	$ 94	$ 94

There is no guarantee for the outstanding receivables from related parties. The accounts receivable from related parties in 2023 and 2022 did not include bad debt expenses.

(4) Amount payable to related parties (excluding loans from related parties)

Account items	Related person name	December 31, 2023	December 31, 2022
Other payables	BARKO Company	$ 63	$ 63
	PERSEE Company	154	604
	GOLD (KUNSHAN) Company	589	48
		$ 806	$ 715

The outstanding balance of payables to related parties has not been guaranteed.

(5) Lease agreement

Related person name	Subject matter	Rent payment method	2023	2022
BARKO Company	rental vehicle	Pay NT$30 thousand per month.	$ 360	$ 360
CHEN,YEN-HUNG	2nd Floor, No. 185, Zhongxiao West Road, Fuchangli, Luzhu District, Taoyuan City	Pay NT$3 thousand per monthy, already expired in January 2023.	$ 3	$ 36

(6) Transactions with other related parties

The Company provided some management services for PERSEE Company, and the management service income recognized and received in 2023 and 2022 was both NT$540 thousand.

(7) Others

Manufacturing costs

Account items	Related person name	2023	2022
Cost of goods sold	PERSEE Company	$ 1,304	$ 3,590
	GOLD (KUNSHAN) Company	1,170	1,826
		$ 2,474	$ 5,416
Operating expenses	GOLD (KUNSHAN) Company	$ 126	$ -

(8) Remuneration of main management

	2023	2022
Short-term employee benefits	$ 16,179	$ 16,135
Post-employment benefits	526	498
	$ 16,705	$ 16,633

Directors and other key management personnel are determined by the remuneration committee in accordance with individual performance and market trends.

30. ASSETS PLEDGED AS COLLATERAL OR FOR SECURITY

The following assets have been provided as collateral for financing loans and guarantee deposits for the purchase of raw materials:

	December 31, 2023	December 31, 2022
Pledged certificates of deposit (financial assets measured at amortized cost - current)	$ 22,198	$ 19,204
Pledged certificates of deposit (financial assets measured at amortized cost - non-current)	1,776	1,751
Own land	1,048,132	1,129,047
Housing and construction - net	35,368	40,216
	$ 1,107,474	$ 1,190,218

31. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNIZED COMMITMENTS

In addition to those mentioned in other notes, the Company's major commitments and contingencies on the balance sheet date are as follows:

(1) The Company entrusts the bank to endorse and guarantee NT$700 thousand for the import and export business and the purchase from the manufacturer.

(2) The amount of deposit guarantee bill issued by the Company to the manufacturer for the purchase of raw materials is NT$7,105 thousand.

(3) The deposit and outbound securities issued by the Company to the bank for borrowing amounted to NT$1,230,770 thousand and US$4,000 thousand dollars.

(4) The Company made a contract with the manufacturer to purchase machinery and equipment. The total contract price was NT$62,810 thousand. As of December 31, 2023, NT$57,001 thousand had been paid (account prepaid equipment), and NT$5,809 thousand had not yet been paid.

32. Other matters：None.

33. SIGNIFICANT ASSETS AND LIABILITIES DENOMINATED IN FOREIGN CURRENCIES

The following information is summarized and expressed in terms of foreign currencies other than the Company's functional currency, and the disclosed exchange rates refer to the exchange rates converted from these foreign currencies to the functional currency. Assets and liabilities denominated in foreign currencies with significant impact are as follows:

December 31, 2023

	Foreign currency	Exchange rate	Carrying amount
Foreign currency assets			
Monetary item			
US dollar	$ 6,423	30.705 (USD: TWD)	$ 197,218
Non-monetary items			
Equity method subsidiary			
US dollar	2,010	30.705(USD: TWD)	$ 45,516
Financial assets measured at cost			
Ringgit	238	6.411 (MYR: TWD)	$ 2,640
Foreign currency liabilities			
Monetary item			
US dollar	199	30.705 (USD: TWD)	$ 6,120

December 31, 2022

	Foreign currency	Exchange rate	Carrying amount
Foreign currency assets			
Monetary item			
US dollar	$ 5,288	30.71 (USD: TWD)	$ 162,389
Non-monetary items			
Equity method subsidiary			
Dollar	2,010	30.71 (USD: TWD)	$ 47,871
Financial assets measured at cost			
Ringgit	238	6.70 MYR: NTD)	$ 2,640
Foreign currency liabilities			
Monetary item			
US dollar	116	30.71 (USD: TWD)	$ 3,573

Foreign currency exchange gains and losses with significant impact (unrealized) are as follows:

	December 31, 2023		December 31, 2022	
Foreign currency	Exchange rate	Net exchange gain or loss	Exchange rate	Net exchange gain or loss
US dollar	30.705 (USD: TWD)	($ 3,969)	30.71 (USD: TWD)	$ 289

34. SEPARATELY DISCLOSED ITEMS

(1) Major transactions and (2) Relevant information on reinvested businesses:

Serial number	Project	Illustrate
1	Financing provided.	none
2	Endorsement/guarantee provided.	none
3	Marketable securities held (excluding investment in subsidiaries, associates and jointly controlled entities).	Schedule 1
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 at costs of at least NT$300 million or 20% of the paid-in capital.	none
6	Disposal of individual real estate 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 amounting to at least NT$100 million or 20% of the paid-in capital.	none
8	Receivables from related parties amounting to at least NT$100 million or 20% of the paid-in capital.	none
9	Trading in derivative instruments.	none
10	Information on investees	Schedule 2

(3) Mainland investment information:

Serial number	Project	Illustrate
1	The name of the investee company in mainland China, main business items, paid-in capital, investment method, capital remittance, shareholding ratio, current profit and loss and recognized investment profit and loss, investment book amount at the end of the period, repatriated investment profit and loss, and Mainland investment limit.	Schedule 3
2	The following major transactions, prices, payment terms, and unrealized gains and losses with mainland investee companies directly or indirectly via third regions:	
	(1) The purchase amount and percentage and the ending balance and percentage of related payables.	none
	(2) The amount and percentage of sales and the closing balance and percentage of related receivables.	Schedule 4
	(3) The amount of the property transaction and the resulting profit or loss.	none
	(4) Ending balance of bill endorsement guarantee or provision of collateral and its purpose.	none
	(5) The maximum balance of financing, the balance at the end of the period, the interest rate range and the total amount of interest for the current period.	none
	(6) Other transactions that have a significant impact on the current profit or loss or financial status, such as the provision or receipt of labor services, etc.	none

(4) Major shareholder information: Please refer to Attachment 6 for the name, shareholding amount and proportion of the shareholder with a shareholding ratio of 5% or more. (Schedule 5)

AMIA CO., LTD.
MARKETABLE SECURITIES HELD
DECEMBER 31, 2023

Schedule 1

(Amounts in Thousands of New Taiwan Dollars or in Thousands of Foreign Currencies)

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	December 31, 2023				Note
				Number of Shares	Carrying Amount	Percentage of Ownership (%)	Fair Value	
AMIA CO., LTD.	Unlisted (cabinet) company							
	MERIDIAN WORLD SDN. BHD.	None	Non-current financial assets at fair value through other comprehensive income	238,400	$ 2,640	12.8	$ 2,640	
PERSEE CHEMICAL CO., LTD.	Fund income certificate							
	First Gold Global Sustainable Impact Investment Multi-Asset Fund	None	Current financial assets at fair value through profit or loss	100,000	$ 997	-	$ 997	

Note 1: Securities mentioned in this table refer to stocks, bonds, beneficiary certificates and securities arising from the above items within the scope of IFRS 9 "Financial Instruments".

Note 2: The listed securities do not provide guarantees, pledged loans or other restricted matters in accordance with the agreement.

Note 3: For information about investing in subsidiaries, affiliated companies and joint venture interests, please refer to Schedule 2 and Schedule 3.

AMIA CO., LTD.
AMIA CO., LTD.
INFORMATION ON INVESTEES
January 1, 2023 to December 31, 2023

Schedule 2

(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Investor Company	Investee Company	Location	Main Businesses and Products	Original Investment Amount		As of December 31, 2023			Net Income (Loss) of the Investee	Share of Profit (Loss)	Note
				December 31, 2023	December 31, 2022	Number of Shares	%	Carrying Amount t			
AMIA CO., LTD.	YIO-YEN ENTERPRISE CO., LTD.	No. 19, Lane 195, Yongfeng Road, Tucheng District, New Taipei City	Operating holding business	$ 491,508	$ 516,647	55,570,000	100	$ 618,726	$ 10,842	$ 10,842	Son male manage
	PERSEE CHEMICAL CO., LTD.	No. 19, Lane 195, Yongfeng Road, Tucheng District, New Taipei City	Processing, manufacturing, trading and recycling of various industrial chemicals	109,643	109,643	7,860,000	100	83,337	(3,013)	(3,013)	Son male manage
	BARKO INDUSTRIES CO., LTD.	2nd Floor, No. 185, Zhongxiao West Road, Fuchangli, Luzhu District, Taoyuan City	Waste recycling, etc.	12,737	12,737	1,500,000	100	8,492	(82)	(82)	Son male manage
	HOYA MAX INTERNATION AL CO., LTD.	Le Sanalel Complex, Ground Floor, Vaea Street, Saleufi, PO Box 1868, Apia, Samoa.	Operating holding business	27,936	27,936	-	100	34,307	817	817	Son male manage
HOYA MAX INTERNATION AL CO., LTD.	ALLWIN STAR INTERNATION AL CO., LTD.	Le Sanalel Complex, Ground Floor, Vaea Street, Saleufi, PO Box 1868, Apia, Samoa.	Operating holding business	24,871 (USD810)	24,871 (USD810)	-	100	34,304	817	817	Son male manage

Note: Please refer to Schedule 3 for relevant information of the invested companies in mainland China.

AMIA CO., LTD.
INFORMATION ON INVESTMENT IN MAINLAND CHINA
January 1, 2023 to December 31, 2023

Schedule 3

(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

1. The name of the mainland invested company, main business items, paid-in capital, investment method, capital remittance, shareholding ratio, investment profit and loss, investment book value and repatriation investment profit and loss:

Investee Company	Main Businesses and Products	Paid-in Capital	Method of Investment (Note 1)	Accumulated Outflow of Investment from Taiwan as of January 1, 2023	Remittance of Funds		Accumulated Outflow of Investment from Taiwan as of December 31, 2023	Net Income (Losses) 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
					Outflow	Inflow						
AMIA (HUIYANG) CO., LTD.	Processing, manufacturing, trading and recycling of various industrial chemicals	$ 36,846 (USD 1,200)	(1)	$ 36,846 (USD 1,200)	$ -	$	$ 36,846 (USD 1,200)	($ 1,906) (RMB -433)	100%	($ 1,906) (RMB -433) (B)	$ 11,209 (RMB 2,591)	$ -
GOLD PARTNER ENTERPRISES (KUNSHAN) CO.,LTD.	Processing, manufacturing, trading and recycling of various industrial chemicals	104,397 (USD 3,400)	(3)	104,397 (USD 3,400) (Where USD2,200,000 is transferred from surplus to capital increase)	-		104,397 (USD 3,400) (Where USD2,200 thousand is transferred from surplus to capital increase)	18,210 (RMB 4,161)	100%	18,210 (RMB 4,161) (B)	603,892 (RMB 139,564)	186,061 (RMB 43,000)
SUZHOU ZHONGHUAN YOUYUAN CHEMICAL CO., LTD.	Recycle and utilize wire plate etching solution and industrial waste liquid containing non-ferrous metals to produce copper sulfate and copper salt series products; sell self-produced products and provide related technical services	42,373 (USD 1,380)	(3)	14,831 (USD 483)	-		14,831 (USD 483)	-	- (Note 4)	-	-	6,018 (USD 196)
Ever-Precise recycle company	Recycling and sales of waste paper, cardboard, plastic products, and scrap metal; sales of special pharmaceutical materials for environmental pollution treatment; leasing of self-owned equipment	64,481 (USD 2,100)	(2)	19,344 (USD 630)	-		19,344 (USD 630)	5,982 (RMB 1,359)	(Note 5)	1,795 (RMB 408) (B)	-	7,269 (RMB 1,680)

2. Investment limit in mainland China:

Accumulated Outward Remittance for Investments in Mainland China as of December 31, 2023	Investment Amount Authorized by the Investment Commission, MOEA	Upper Limit on the Amount of Investments Stipulated by the Investment Commission, MOEA
NTD 175,418 (USD 5,713 thousand) (Exchange rate: 30.705)	NTD 175,418 (USD 5,713 thousand) (Exchange rate: 30.705)	NTD 1,027,753 (USD 33,472 thousand) (Exchange rate: 30.705)

Note 1: Investment methods are divided into the following three types:
(1) Go directly to the mainland for investment.
(2) Reinvest in mainland China through a company in a third area (please specify the investment company in the third area).
A. ALLWIN STAR INTERNATIONAL CO., LTD.
(3) Other ways.

Note 2: In the current period recognized investment profit and loss column:
(1) If it is under preparation and there is no investment profit or loss, it should be indicated.
(2) The recognition basis of investment profit and loss is divided into the following three types, which should be specified.
A. Financial statements audited and certified by an international accounting firm that has a cooperative relationship with an accounting firm in the Republic of China.
B. Financial statements audited by certified accountants of the parent company in Taiwan.
C. Other. (The financial statements of the above-mentioned invested companies have not been checked by certified accountants of the parent company in Taiwan)

Note 3: The relevant amounts in this table are listed in New Taiwan Dollars, and those involving foreign currencies are converted into New Taiwan Dollars at the spot exchange rate on the financial reporting date. (The USD spot exchange rate on December 31, 2023 is 30.705; the RMB spot exchange rate is 4.327)

Note 4: On December 31, 2015, the original 35% equity was disposed of.

Note 5: The entire 30% equity interest previously held was disposed of in July 2023.

AMIA CO., LTD.
SIGNIFICANT TRANSACTIONS WITH INVESTEE COMPANIES IN MAINLAND CHINA, EITHER DIRECTLY OR INDIRECTLY THROUGH A THIRD PARTY, AND THEIR PRICES, PAYMENT TERMS, AND UNREALIZED GAINS OR LOSSES third region
January 1, 2023 to December 31, 2023

Schedule 4

(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Investee Company	Transaction Type	Purchase/Sale		Price	Transaction Details		Notes/Accounts Receivable (Payable)		Unrealized (Gain) Loss	Note
		Amount	%		Payment Terms	Comparison with Normal Transactions	Ending Balance	%		
GOLD PARTNER ENTERPRISES (KUNSHAN) CO.,LTD.	sales	$ 9,153	0%	Same as regular customers	Same as regular customers	Same as regular customers	$ 4,450	2%	($ 1,550)	

AMIA CO., LTD.
INFORMATION OF MAJOR SHAREHOLDERS
DECEMBER 31, 2023

Schedule 5

Name of Major Shareholder	Shares	
	Number of Shares	Percentage of Ownership (%)
CHEN,YEN-HENG	14,767,000	21.11 %
CHEN,GUO-TANG	6,015,000	8.59 %
CDIB Capital Group	6,000,000	8.57 %
CHEN,KUO-CHIN	6,000,000	8.57 %
CHEN,GUO-FA	5,000,000	7.14 %
CHEN,CHIU-HUNG	5,000,000	7.14 %
CHEN,GUO-SHAN	4,193,000	5.99 %
CHEN,MIN-HSIUNG	4,001,000	5.72 %

Note 1: The main shareholder information in this table is calculated by CHEP based on the last business day at the end of the quarter, and the shareholders hold more than 5% of the common shares and special shares of the Company that have completed delivery without physical registration (including treasury shares) material. The share capital recorded in the Company's individual financial report and the actual number of shares delivered without physical registration may be different or different due to the different basis of preparation and calculation.

Note 2: If the above-mentioned information is that the shareholder transfers the holdings to the trust, it is disclosed by the trustor's individual trust account opened by the trustee. As for insider equity declarations for shareholders who hold more than 10% of the shares in accordance with the Securities and Exchange Act, their shareholding includes their own shares plus the shares they have delivered to the trust and have the right to use the trust property, etc. For information on insider equity declarations, please refer to public information Observatory.