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AMIA CO., LTD. and Subsidiaries

Consolidated Financial Statements for the Six Months Ended June 30, 2023 and 2022 and Independent Auditors' Review Report

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ACCOUNTANT' VERIFICATION REPORT

AMIA CO., LTD.

Preface

The consolidated balance sheet of AMIA CO., LTD and its subsidiaries as of June 30, 2023 and 2022, the related consolidated statements of comprehensive income for the three months ended June 30, 2023 and 2022, and for the six months ended June 30, 2023 and 2022, the consolidated statements of changes in equity and cash flows for the six months then ended, and the related notes to the consolidated financial statements, including a summary of significant accounting policies (including summary of major accounting policies). It is the responsibility of management to prepare the consolidated financial statements in accordance with the standards for the preparation of financial reports of securities issuers and the International Accounting Standard No. 34 "Interim Financial Report" approved by the Financial Supervisory Commission and issued in force, and the responsibility of the accountant is to conclude the consolidated financial statements based on the results of the review.

Scope

Except as described in the basic paragraph of the reserved conclusion, the accountant performs the audit in accordance with the Auditing Standard No. 2410 "Review of Financial Statements". The procedures to be performed in reviewing consolidated financial statements include enquiries (mainly from those responsible for financial and accounting matters), analytical procedures and other review procedures. The scope of the audit work is obviously smaller than the scope of the audit work, so the accountant may not be able to detect all the material matters that can be identified by the audit work and therefore cannot express an audit opinion.

Basis for Qualifying Conclusions

As stated in Note 12 to the Consolidated Financial Statements, the total assets of some of the non-material subsidiaries included in the consolidated financial statements above for the same period have not been reviewed by accountants, as of June 30, 2023 and 2022, the combined total assets were NT$154,163 thousand and NT$162,879 thousand, representing 5.38% and 5.21%, respectively, of the consolidated total assets; the combined total liabilities were NT$11,021 thousand and NT$12,833 thousand, representing 0.91% and 0.89%, respectively, of the consolidated total liabilities; for the three months ended June 30, 2023 and 2022, the amounts of combined comprehensive income were NT$239 thousand and NT$567 thousand, representing 18.58% and 1.66% of the consolidated total comprehensive income, respectively; for the six months ended June 30, 2023 and 2022, the amounts of combined comprehensive income were NT$(151) thousand and NT$3,420 thousand, representing (0.81)% and 3.52% of the consolidated total comprehensive income; In addition, as disclosed in Note 13 to the consolidated financial statements, the total carrying amounts of investments accounted for using for the equity method were NT$29,017 thousand and NT$33,361 thousand of June 30, 2023 and 2022, respectively; the share of profit of associated accounted for using the equity method was NT$1,037 thousand and NT$1,757 thousand for the three months ended June 30, 2023 and 2022, respectively; the share of profit of associates accounted for using the equity method was NT$1,795 thousand and NT$4,930 thousand for the six months ended June 30, 2023 and 2022, respectively; based on the investee company's financial reports not reviewed by accountants during the same period.

Reserved Conclusion

According to the results of this accountant's review, except for the impact of possible adjustments to the consolidated financial statements of some non-material subsidiaries and affiliates mentioned in the basic paragraph of the reserved conclusion, it has not been found that the consolidated financial statements have not been prepared in all material respects in accordance with the standards for the preparation of financial reports of securities issuers and the International Accounting Standard 34 “Interim Financial Report” approved and issued by the Financial Supervisory Commission, It is not permissible to express the consolidated financial position of AMIA CO., LTD and its subsidiaries as of June 30, 2023 and 2022, and the consolidated financial performance from April 1 to June 30, 2023 and 2022, and the consolidated financial performance and consolidated cash flow from January 1 to June 30, 2023 and 2022.

The engagement partners on the resulting verification in this independent auditors’ report are Tseng, Chien-Ming and Wang, Pan-Fa.

Deloitte & Touche
Taipei, Taiwan
Republic of China

July 27, 2023

Notice to Readers

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

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

AMIA CO., LTD. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
(In Thousands of New Taiwan Dollars)

Code	ASSETS	June 30, 2023 (Reviewed) Amount	%	December 31, 2022 (Audited) Amount	%	June 30, 2022 (Reviewed) Amount	%
	CURRENT ASSETS						
1100	Cash and cash equivalents (Note 6)	$481,593	17	465,540	16	572,298	18
1110	Current financial assets at fair value through profit or loss (Note 7)	3,008	0	2,494	0	4,780	0
1136	Current financial assets at amortized cost (Note 9)	70,143	2	76,944	3	43,231	2
1150	Notes receivable, net (Note 10)	23,268	1	24,658	1	30,103	1
1170	Accounts receivable, net (Note 10)	367,193	13	377,578	13	510,880	17
1180	Accounts receivable due from related parties, net (Notes 10 and 31)	4,130	0	4,605	0	5,673	0
1220	Current tax assets	30	0	6,320	0	5,886	0
1200	Other receivables (Note 10)	18,126	1	14,496	0	10,373	0
130X	Current inventories (Note 11)	157,831	6	207,356	7	161,437	5
1479	Other current assets, others (Note 16)	37,135	1	35,381	1	38,634	1
11XX	Total current assets	1,162,457	41	1,215,372	41	1,383,295	44
	NON-CURRENT ASSETS						
1517	Non-current financial assets at fair value through other comprehensive income (Note 8)	2,640	0	2,640	0	2,640	0
1535	Non-current financial assets at amortized cost (Note 9)	194,441	7	200,111	7	201,488	6
1550	Investments accounted for using equity method (Note 13)	29,017	1	28,074	1	33,361	1
1600	Property, plant and equipment (Note 14)	1,366,492	47	1,389,217	48	1,402,047	45
1755	Right-of-use assets (Note 15)	27,408	1	37,628	1	47,623	2
1840	Deferred tax assets	23,133	1	19,757	1	18,695	1
1915	Prepayments for business facilities (Note 33)	54,569	2	34,224	1	30,564	1
1920	Guarantee deposits paid	6,719	0	7,248	0	6,725	0
15XX	Total non-current assets	1,704,419	59	1,718,899	59	1,743,143	56
1XXX	TOTAL ASSETS	$2,866,876	100	2,934,271	100	3,126,438	100

Code	LIABILITIES AND EQUITY	June 30, 2023 Amount	%	December 31, 2022 Amount	%	June 30, 2022 Amount	%
	CURRENT LIABILITIES						
2100	Current borrowings (Note 17)	$180,000	6	$170,000	6	162,000	5
2110	Short-term notes and bills payable (Note 17)	10,000	0	0	0	50,000	2
2130	Current contract liabilities(Note 23)	23,167	1	3,164	0	892	0
2150	Notes payable (Note 18)	743	0	805	0	796	0
2170	Accounts payable (Note 18)	220,530	8	261,800	9	308,522	10
2200	Other payables (Note 19)	221,228	8	162,648	5	290,623	9
2230	Current tax liabilities	9,784	0	25,879	1	14,928	0
2280	Current lease liabilities(Note 15)	16,278	1	18,847	1	19,905	1
2320	Long-term liabilities, current portion(Note 17)	327	0	16,680	1	7,860	0
2399	Other current liabilities, others (Note 19)	6,318	0	6,442	0	6,522	0
21XX	TOTAL CURRENT LIABILITIES	688,375	24	666,265	23	862,048	27
	NON-CURRENT LIABILITIES						
2540	Non-current portion of non-current borrowings(Note 17)	483,646	17	516,320	18	517,140	17
2570	Deferred tax liabilities	7,726	0	5,550	0	2,905	0
2580	Non-current lease liabilities(Note 15)	696	0	7,287	0	15,381	1
2550	Non-current provisions (Note 20)	5,177	0	5,133	0	5,090	0
2640	Net defined benefit liability, non-current (Note 4)	30,136	1	31,333	1	40,164	1
2645	Guarantee deposits received	10	0	10	0	10	0
25XX	TOTAL NON-CURRENT LIABILITIES	527,391	18	565,633	19	580,690	19
2XXX	TOTAL LIABILITIES	1,215,766	42	1,231,898	42	1,442,738	46
	EQUITY (Note 22)						
3110	Ordinary share	699,430	25	705,180	24	705,180	23
3200	Capital surplus	620,816	22	625,932	21	625,932	20
	Retained earnings						
3310	Legal reserve	101,385	3	90,724	3	90,724	3
3320	Special reserve	32,976	1	41,398	1	41,398	1
3350	Unappropriated retained earnings	244,840	9	283,790	10	261,219	9
3300	Total retained earnings	379,201	13	415,912	14	393,341	13
3490	Other equity	(48,337)	(2)	(32,976)	(1)	(29,078)	(1)
3500	Treasury shares	0	0	(11,675)	0	(11,675)	0
3XXX	TOTAL EQUITY	1,651,110	58	1,702,373	58	1,683,700	54
	TOTAL LIABILITIES AND EQUITY	$2,866,876	100	2,934,271	100	3,126,438	100

The accompanying notes are an integral part of the consolidated financial statements.
(With Deloitte & Touche review report dated July 27, 2023)

AMIA CO., LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(In Thousands of New Taiwan Dollars, Except Earnings per Share)
(Reviewed, Not Audited)

		For the Three Months Ended June 30				For the Six Months Ended June 30			
		2023		2022		2023		2022	
Code		Amount	%	Amount	%	Amount	%	Amount	%
	Operating revenue								
4110	Sales revenue (Notes 23 and 31)	795,909	101	1,048,608	101	1,544,574	100	2,096,510	101
4190	Sales discounts and allowances	(6,443)	(1)	(13,809)	(1)	(6,957)	0	(13,856)	(1)
4000	Net sales revenue	789,466	100	1,034,799	100	1,537,617	100	2,082,654	100
5000	Operating costs (Notes 11 and 24)	699,939	89	931,603	90	1,364,784	89	1,865,756	89
5900	Gross profit from operations	89,527	11	103,196	10	172,833	11	216,898	11
	Operating expenses (Notes 24 and 31)								
6100	Selling expenses	27,721	4	24,542	2	54,757	3	55,066	3
6200	Administrative expenses	38,489	5	35,467	4	74,745	5	80,499	4
6300	Research and development expenses	1,955	0	1,125	0	3,452	0	2,154	0
6450	Impairment loss (impairment gain and reversal of impairment loss) determined in accordance with IFRS9	(329)	0	(482)	0	130	0	323	0
6000	Total operating expenses	67,836	9	60,652	6	133,084	8	138,042	7
6900	Net operating income	21,691	2	42,544	4	39,749	3	78,856	4
	Non-operating income and expenses (Note 24)								
7100	Interest income	3,578	0	2,798	0	6,551	0	5,745	0
7010	Other income	771	0	1,336	0	1,836	0	5,650	0
7020	Other gains and losses	5,058	1	9,971	1	3,909	0	19,525	1
7050	Finance costs	(3,431)	0	(2,890)	0	(6,845)	0	(5,462)	0
7060	Share of profit (loss) of associates and joint ventures accounted for using equity method (Note 13)	1,037	0	1,757	0	1,795	0	4,930	0
7000	Total non-operating income and expenses	7,013	1	12,972	1	7,246	0	30,388	1
7900	Profit from continuing operations before tax	28,704	3	55,516	5	46,995	3	109,244	5
7950	Tax expense (Notes 4 and 25)	(9,262)	(1)	(12,617)	(1)	(12,954)	(1)	(24,384)	(1)
8200	Profit	19,442	2	42,899	4	34,041	2	84,860	4
	Other comprehensive income								
8360	Components of other comprehensive income that will be reclassified to profit or loss								
8361	Exchange differences on translation	(22,695)	(3)	(10,938)	(1)	(19,201)	(1)	15,400	1
8399	Income tax related to components of other comprehensive income that will be reclassified to profit or loss	4,539	1	2,188	0	3,840	0	(3,080)	0
8300	Total other comprehensive income	(18,156)	(2)	(8,750)	(1)	(15,361)	(1)	12,320	1
8500	Total comprehensive income	$1,286	0	$34,149	3	$18,680	1	$97,180	5
	Earnings per share (Note 26)								
9710	Basic earnings per share	$0.28		$0.61		$0.49		$1.27	
9810	Diluted earnings per share	$0.28		$0.61		$0.49		$1.26	

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

(The review report of Deloitte & Touche Taipei, Taiwan Republic of China on July 27, 2023)

AMIA CO., LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
(In Thousands of New Taiwan Dollars)
(Reviewed, Not Audited)

		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
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 for the six months ended June 30, 2022						84,860			84,860
D3	Other comprehensive income (loss) for the six months ended June 30, 2022							12,320		12,320
D5	Total comprehensive income (loss) for the six months ended June 30, 2022	0	0	0	0	0	84,860	12,320		97,180
Z1	BALANCE AT JUNE 30, 2022	70,518	$705,180	$625,932	$90,724	$41,398	$261,219	($29,078)	($11,675)	$1,683,700
A1	BALANCE AT January 1, 2023	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
B3	Special reserve appropriated					(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 for the six months ended June 30, 2023						34,041			34,041
D3	Other comprehensive income (loss) for the six months ended June 30, 2023							(15,361)		(15,361)
D5	Total comprehensive income (loss) for the six months ended June 30, 2023	0	0	0	0	0	34,041	(15,361)		18,680
Z1	BALANCE AT JUNE 30, 2023	69,943	$699,430	$620,816	$101,385	$32,976	$244,840	($48,337)	$0	$1,651,110

The accompanying notes are an integral part of the consolidated financial statements.
(The review report of Deloitte & Touche Taipei, Taiwan Republic of China on July 27, 2023)

AMIA CO., LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS

(In Thousands of New Taiwan Dollars)

Code		For the Six Months Ended June 30 2023	2022
	Cash flows from operating activities		
A10000	Profit before tax	$46,995	$109,244
A20010	Adjustments to reconcile profit (loss)		
A20100	Depreciation expense	42,604	51,131
A20300	Expected credit loss (gain) / Provision (reversal of provision) for bad debt expense	130	323
A20400	Net loss (gain) on financial assets or liabilities at fair value through profit or loss	(546)	202
A20900	Interest expense	6,845	5,462
A21200	Interest income	(6,551)	(5,745)
A21300	Dividend income	(514)	(489)
A21900	Share-based payments	0	1,732
A22300	Share of loss (profit) of associates and joint ventures accounted for using equity method	(1,795)	(4,930)
A22500	Loss (gain) on disposal of property, plant and equipment	(100)	(23)
A23700	Reversal of impairment loss on non-financial assets	(936)	(2,790)
A29900	Other adjustments to reconcile profit	0	(481)
A30000	Changes in operating assets and liabilities		
A31130	Decrease (increase) in notes receivable	1,390	8,104
A31150	Decrease (increase) in accounts receivable	10,894	(12,885)
A31200	Decrease (increase) in inventories	54,138	25,583
A31240	Adjustments for decrease (increase) in other current assets	(1,443)	(3,554)
A32125	Increase (decrease) in contract liabilities	20,003	(591)
A32130	Increase (decrease) in notes payable	(62)	107
A32150	Increase (decrease) in accounts payable	(41,270)	(101,004)
A32180	Increase (decrease) in other payable	(11,379)	(52,605)
A32230	Adjustments for increase (decrease) in other current liabilities	(124)	215
A32240	Increase (decrease) in net defined benefit liability	(1,197)	(1,180)
A33000	Cash inflow (outflow) generated from operations	117,082	15,826
A33100	Interest received	2,846	19,516
A33300	Interest paid	(6,785)	(5,064)
A33500	Income taxes refund (paid)	(20,318)	(2,254)
AAAA	Net cash flows from (used in) operating activities	92,825	28,024
	Cash flows from (used in) investing activities		
B00040	Acquisition of financial assets at amortized cost	$0	($113,090)

AMIA CO., LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS

(In Thousands of New Taiwan Dollars)

Code		For the Six Months Ended June 30 2023	2022
B00050	Proceeds from disposal of financial assets at amortized cost	12,471	160,577
B00100	Acquisition of financial assets at fair value through profit or loss	(1,000)	(8,000)
B00200	Proceeds from disposal of financial assets at fair value through profit or loss	1,032	6,099
B07600	Dividends received	514	489
B02700	Acquisition of property, plant and equipment	(11,837)	(616,352)
B02800	Proceeds from disposal of property, plant and equipment	100	73
B07100	Increase in prepayments for business facilities	(21,444)	(9,700)
B03800	Decrease in refundable deposits	529	2,813
BBBB	Net cash flows from (used in) investing activities	(19,635)	(577,091)
	Cash flows from (used in) financing activities		
C00100	Increase in short-term loans	470,000	613,500
C00200	Decrease in short-term loans	(450,000)	(807,000)
C01600	Proceeds from long-term debt	1,000	619,000
C01700	Repayments of long-term debt	(50,027)	(130,285)
C03100	Decrease in guarantee deposits received	0	(10)
C04020	Decrease in lease payable	(9,160)	(10,250)
C04600	Proceeds from issuing shares	0	358,540
CCCC	Net cash flows from (used in) financing activities	(38,187)	643,495
DDDD	Effect of exchange rate changes on cash and cash equivalents	(18,950)	11,965
EEEE	Net increase (decrease) in cash and cash equivalents	16,053	106,393
E00100	Cash and cash equivalents at beginning of period	465,540	465,905
E00200	Cash and cash equivalents at end of period	$481,593	$572,298

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

(The review report of Deloitte & Touche Taipei, Taiwan Republic of China on July 27, 2023)

AMIA CO., LTD. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED JUNE 30, 2023 AND 2022
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)
(Reviewed, Not Audited)

1. History of the Company

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

The Company's stock has been listed and traded on the Taiwan Stock Exchange since March 11, 2022.

This consolidated financial report is expressed in New Taiwan dollars, the Company's functional currency.

2. Date and procedure for approval of financial report

This consolidated financial report was approved by the board of directors on July 27, 2023.

3. Application of newly released and revised standards and interpretations

(1) Applying for the first time the International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), Interpretations (IFRIC) and Interpretations (SIC) (hereinafter referred to as "IFRSs")

The application of the revised IFRSs approved and issued by the Financial Supervisory Commission will not cause major changes in the accounting policies of the Company and entities controlled by the Company (hereinafter referred to as "merged companies").

(2) The IASB has issued but not yet approved by the Financial Supervisory Commission and issued effective IFRSs

Newly issued/amended/revised standards and interpretations	Effective date of publication by the IASB (Note 1)
Amendments to IFRS 10 and IAS 28 "Asset Sale or Contribution between Investors and Their Affiliates or Joint Ventures"	undecided
Amendments to IFRS 16 "Lease Liability in Sale and Leaseback"	January 1, 2024 (Note 2)
IFRS 17 "Contracts of Insurance"	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
Amendments 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
Amendments to IAS 12 "International Taxation Reform - Pillar 2 Rules Model"	(Note 3)

Note 1: Unless otherwise specified, the above-mentioned newly issued/amended/revised standards or interpretations are effective for the annual reporting period starting after the respective dates.

Note 2: The seller and lessee shall apply the amendments of IFRS 16 retrospectively to the sale and leaseback transactions signed after the first application of IFRS 16.

Note 3: After the publication of these amendments, the exceptions and disclosed facts that have been applied will be applied immediately, and will be applied retrospectively in accordance with the provisions of IAS 8; other disclosure requirements will be applicable for the annual reporting period starting after January 1, 2023, and the end date of the interim period These other disclosure requirements are not applicable to the former interim financial report before December 31, 2023.

As of the release date of this consolidated financial report, the consolidated company is still evaluating the impact of amendments to other standards and interpretations on its financial status and financial performance, and the relevant impact will be disclosed when the assessment is completed.

4. Summary of major accounting policies

(1) Follow the statement

Prepared in accordance with the Financial Reporting Standards for Securities Issuers and IAS 34 "Interim Financial Reporting" approved and published by the Financial Supervisory Commission. This consolidated financial report does not contain all of the IFRSs disclosures required for the full annual financial report.

(2) Compilation basis

The consolidated financial statements have been prepared on the historical cost basis, except for financial instruments measured at fair value and net defined benefit liabilities recognized at the present value of defined benefit obligations less the fair value of plan assets.

Fair value measurement is divided into levels 1 to 3 according to the degree of observability and importance of relevant input values:

1. Level 1 input value: refers to the quoted price (unadjusted) in an active market for the same asset or liability that can be obtained on the measurement date.
2. Level 2 input value: Refers to the observable input value of an asset or liability that is directly (that is, price) or indirect (that is, derived from price) in addition to quotations at level 1.
3. Level 3 input value: Refers to the unobservable input value of assets or liabilities.

(3) Consolidation Basis

This consolidated financial report includes the financial reports of the Company and entities (subsidiaries) controlled by the Company. The consolidated comprehensive income statement has included the operating profit and loss of the acquired or disposed subsidiary in the current period from the date of acquisition or to the date of disposal. The subsidiaries' financial reports have been adjusted to bring their accounting policies into line with those of the consolidated company. When preparing the consolidated financial report, all transactions, account balances, income and expenses between entities have been eliminated. The total comprehensive profit or loss of the subsidiaries is attributed to the owners of the Company and non-controlling interests, even if the non-controlling interests thus become the balance of the loss.

When the change of the ownership interest of the merged company to the subsidiary does not lead to the loss of control, it is treated as an equity transaction. The carrying amounts of the combined companies and non-controlling interests are adjusted to reflect changes in their relative interests in the subsidiaries. The difference between the adjusted amount of the non-controlling interest and the fair value of the consideration paid or received is directly recognized as equity and attributable to the owners of the Company.

For details of subsidiaries, shareholding ratios and business items, please refer to Note 12 and Schedules 2 and 3.

(4) Other significant accounting policies

In addition to the following descriptions, please refer to the summary of major accounting policies in the 2022 consolidated financial report.

1. Determining benefits Post-employment benefit

The pension cost for the interim period is based on the pension cost rate determined by actuarial calculation at the end of the previous year, calculated on the basis from the beginning of the year to the end of the current period, and for major market fluctuations in the current period, as well as major plan revisions, liquidations or other major One-time items are adjusted.

2. Income tax

Income tax expense is the sum of current income tax and deferred income tax. Income tax for interim periods is assessed on an annual basis, calculated on interim pre-tax benefits at the rate that would be applicable to the expected total annual earnings.

5. Major sources of uncertainty in major accounting judgments, estimates and assumptions

Please refer to the major sources of uncertainty in major accounting judgments, estimates and assumptions in the 2022 consolidated financial report.

6. Cash and cash equivalents

	June 30, 2023	December 31, 2022	June 30, 2022
Cash on hand and working capital	$3,980	$1,178	$1,181
Bank Check and Demand Deposit	477,613	464,362	570,209
Cash equivalent (investment with original maturity within 3 months)			
Bank fixed deposit			908
	$481,593	$465,540	$572,298

Bank deposits on the balance sheet date is as follows:

	June 30, 2023	December 31, 2022	June 30, 2022
Bank deposit	0.20% ~ 1.35%	0.25% ~ 1.05%	0.02% ~ 0.35%

7. Financial instruments measured at fair value through profit or loss

	June 30, 2023	December 31, 2022	June 30, 2022
Financial assets - current			
Mandatory fair value through profit or loss			
Non-derivative financial assets			
-Fund beneficiary certificate	$3,008	$2,494	$4,780

8. Financial assets measured at fair value through other comprehensive income

Equity instrument investment

	June 3, 2023	December 31, 2022	June 30, 2022
Non-current			
Foreign investment			
Unlisted (counter) stocks	$2,640	$2,640	$2,640

The merged company invests for medium to long-term strategic purposes and expects to make profits through long-term investments. The management of the merged company 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 they choose to designate these investments as measured at fair value through other comprehensive income.

9. Financial assets measured at cost after amortization

	June 30, 2023	December 31, 2022	June 30, 2022
Flow			
Original maturity over 3 months (1)	$45,892	$57,740	$21,205
Pledge Certificate of Deposit (2)	24,251	19,204	22,026
	$70,143	$76,944	$43,231
No flow move			
Time deposit with original maturity over 1 year (1)	$171,280	$176,320	$177,560
Pledge Certificate of Deposit (2)	23,161	23,791	23,928
	$194,441	$200,111	$201,488

(1) As of June 30, 2023, December 31, 2022, and June 30, 2022, the interest rate ranges for time deposits with an original maturity of more than 3 months are 1.44%-4.125% and 1.44%-4.125 per annum respectively and 0.815%~4.125%.
(2) As of June 30, 2023, December 31, 2022, and June 30, 2022, the interest rate ranges for pledge CDs are 1.19%~3.864%, 0.48%~3.864%, and 0.32%~3.864% per annum, respectively.
(3) For information on the pledge of financial assets measured at cost after amortization, please refer to Note 32.

10. Notes receivable, accounts receivable, other receivables and collections

	June 30, 2023	December 31, 2022	June 30, 2022
Bill receivable			
Measured at amortized cost			
Total book amount	$23,268	$24,658	$30,103
Less: Allowance for losses	0	0	0
	$23,268	$24,658	$30,103
Accounts receivable			
Measured at amortized cost			
Total book amount	$367,311	$377,800	$512,236
Less: Allowance for losses	(118)	(222)	(1,356)
	$367,193	$377,578	$510,880
Accounts receivable - related			
Measured at amortized cost			
Total book amount	$4,132	$4,607	$5,687
Less: Allowance for losses	(2)	(2)	(14)
	$4,130	$4,605	$5,673
Other receivables			
Income receivable	$13,106	$9,401	$5,124
Other receivables - other	22,028	22,339	22,551
Less: Allowance for losses	(17,008)	(17,244)	(17,302)
	$18,126	$14,496	$10,373
Collection			
Measured at amortized cost			
Total book amount	$794	$752	$850
Less: Allowance for losses	(794)	(752)	(850)
	$0	$0	$0

(1) Accounts receivable

The average credit period of the merged company for commodity sales is 30 to 60 days. The policy adopted by the merged 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 based on the ratings of major customers by the Merged Company using other publicly available financial information and historical transaction records. The merged company continuously monitors the credit ratings of credit exposure and counterparties, and distributes the total transaction amount to different customers with qualified credit ratings, and manages credit exposure through the counterparty credit limit reviewed and approved by the management every year.

In order to mitigate credit risk, the management of the merged company assigned 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 to recover overdue receivables. In addition, the merged company will review the recoverable amount of receivables one by one on the balance sheet date to ensure that unrecoverable receivables have been appropriately derogated. Accordingly, the management of the Company believes that the credit risk of the merged company has been significantly reduced.

The merged company recognizes the allowance 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 credit loss historical experience of the merged company 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 merged 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 merged company will directly reclassify the collection and continue to pursue activities. The recovered amount is written off against the relevant collection.

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

Bill receivable

June 30, 2023

	1~120 days	121~180 days	181~270 days	Total
Expected credit loss rate	0%	0%	0%	0%
Total book amount	$23,268	$0	$0	$23,268
Allowance for losses (expected credit losses during the duration)	0	0	0	0
Amortized cost	$23,268	$0	$0	$23,268

December 31, 2022

	1~120 days	121~180 days	181~270 days	Total
Expected credit loss rate	0%	0%	0%	0%
Total book amount	$24,386	$272	$0	$24,658
Allowance for losses (expected credit losses during the duration)	0	0	0	0
Amortized cost	$24,386	$272	$0	$24,658

June 30, 2022

	1~120 days	121~180 days	181~270 days	Total
Expected credit loss rate	0%	0%	0%	0%
Total book amount	$29,796	$307	$0	$30,103
Allowance for losses (expected credit losses during the duration)	0	0	0	0
Amortized cost	$29,796	$307	$0	$30,103

Accounts receivable

June 30, 2023

	1~120 days	121~180 days	181~270 days	More than 271 days	Total
Expected credit loss rate	0% ~ 0.05%	0% ~ 0.61%	0% ~ 8.46%		
Total book amount	$356,924	$14,158	$361	$0	$371,443
Allowance for losses (expected credit losses during the duration)	(44)	(45)	(31)	0	(120)
Amortized cost	$356,880	$14,113	$330	$0	$371,323

December 31, 2022

	1~120 days	121~180 days	181~270 days	More than 271 days	Total
Expected credit loss rate	0% ~ 0.04%	0% ~ 0.48%	0% ~ 5.63%	12.28%	
Total book amount	$362,754	$17,971	$1,090	$592	$382,407
Allowance for losses (expected credit losses during the duration)	(71)	(47)	(35)	(71)	(224)
Amortized cost	$362,683	$17,924	$1,055	$521	$382,183

June 30, 2022

	1~120 days	121~180 days	181~270 days	More than 271 days	Total
Expected credit loss rate	0% ~ 0.24%	0% ~ 4.20%	0% ~ 28.24%	34.36%	
Total book amount	$495,848	$20,768	$1,120	$187	$517,923
Allowance for losses (expected credit losses during the duration)	(400)	(590)	(316)	(64)	(1,370)
Amortized cost	$495,448	$20,178	$804	$123	$516,553

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

	For the Six Months Ended June 30	
	2023	2022
Opening Balance	$224	$1,209
Add: provision for impairment losses in the current period	130	323
Less: Reclassified and transferred out in the current period	(70)	(193)
Foreign currency translation difference	(164)	31
Ending balance	$120	$1,370

(2) Notes receivable

There is no change in the allowance for doubtful debts for notes receivable from January 1 to June 30, 2023 and 2022.

(3) Other receivables

Changes in allowance for bad debts of other receivables are as follows:

	For the Six Months Ended June 30	
	2023	2022
Opening Balance	$17,244	$17,124
Foreign currency translation difference	(236)	178
Ending balance	$17,008	$17,302

(4) Collection

Changes in allowance for bad debts of collections are as follows:

	For the Six Months Ended June 30	
	2023	2022
Opening Balance	$752	$641
Add: Reclassified and transferred in this period	70	193
Foreign currency translation difference	(28)	16
Ending balance	$794	$850

11. Inventory

	June 30, 2023	December 31, 2022	June 30, 2022
Merchandise	$27,085	$31,925	$14,771
Finished goods	68,764	101,102	54,822
Half finished product	17,968	13,676	18,083
Work in progress	819	837	912
Raw material	43,195	59,816	72,849
	$157,831	$207,356	$161,437

The nature of cost of goods sold is as follows:

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2023	2022	2023	2022
Cost of inventories sold	$700,540	$932,803	$1,365,720	$1,868,546
Inventory depreciation and sluggish recovery benefits	(601)	(1,200)	(936)	(2,790)
	$699,939	$931,603	$1,364,784	$1,865,756

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

12. Subsidiaries

Subsidiaries included in the consolidated financial report

The entities preparing this consolidated financial report are as follows:

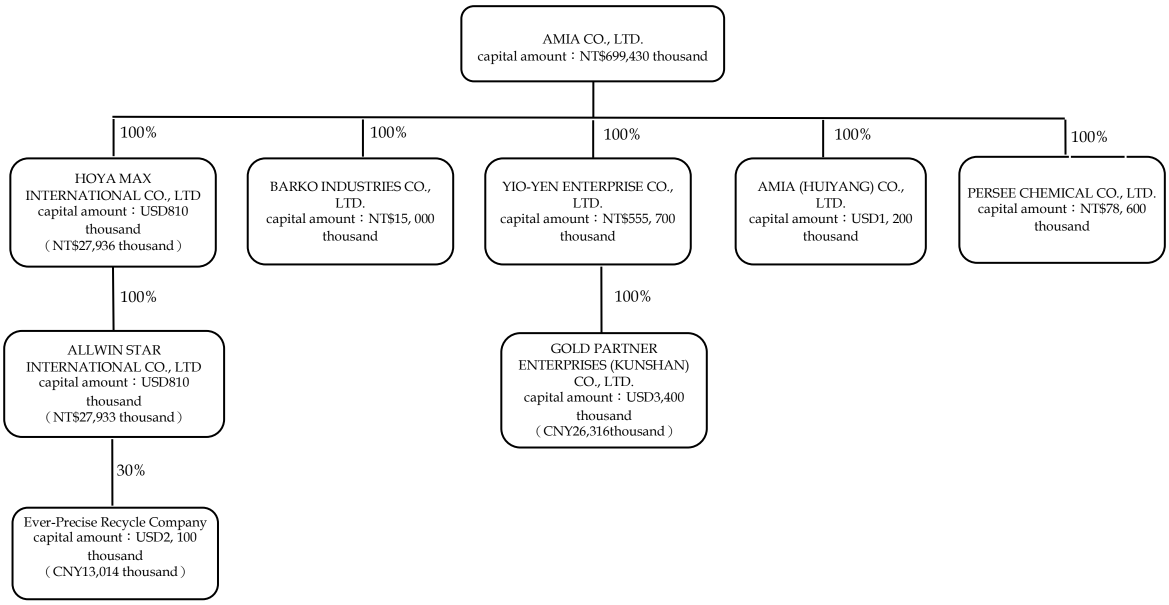
Investor	Investee	Nature of Activities	Proportion of Ownership (%) June 30, 2023	December 31, 2022	June 30, 2022	Remark
AMIA CO., LTD.	AMIA (HUIYANG) CO., LTD.	Processing, manufacturing, trading and recycling of various industrial chemicals	100%	100%	100%	1
	PERSEE CHEMICAL CO., LTD. (Hereinafter referred to as PERSEE Company)	Processing, manufacturing, trading and recycling of various industrial chemicals	100%	100%	100%	1
	YIO-YEN ENTERPRISE CO., LTD. (Hereinafter referred to as YIO-YEN Company)	Operating holding business	100%	100%	100%	-
	BARKO INDUSTRIES CO., LTD. (Hereinafter referred to as BARKO Company)	Waste recycling, etc.	100%	100%	100%	1
	HOYA MAX INTERNATIONAL CO.,LTD. (Hereinafter referred to as HOYA Company)	Operating holding business	100%	100%	100%	1
YIO-YEN ENTERPRISE CO., LTD	GOLD PARTNER ENTERPRISES (KUNSHAN) CO., LTD. (Hereinafter referred to as GOLD (KUNSHAN) Company)	Processing, manufacturing, trading and recycling of various industrial chemicals	100%	100%	100%	-

Investor	Investee	Nature of Activities	Proportion of Ownership (%)			Remark
			June 30, 2023	December 31, 2022	June 30, 2022	
HOYA MAX INTERNATIONAL CO.,LTD.	ALLWIN STAR INTERNATIONAL CO., LTD. (Hereinafter referred to as ALLWIN Company)	Operating holding business	100%	100%	100%	1

Remark 1:

It is a non-important subsidiary whose financial report has not been reviewed by an accountant.

As of June 30, 2023, the investment relationship and shareholding ratio of the Company and its subsidiaries and the invested companies that have significant influence are shown in the following chart:



13. Investments using the equity method

Invest in affiliated companies

	June 30, 2023	December 31, 2022	June 30, 2022
Individually insignificant affiliated enterprises	$29,017	$28,074	$33,361

Aggregate information of individually insignificant affiliated companies

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2023	2022	2023	2022
Merged company's share Net profit for the period	$1,037	$1,757	$1,795	$4,930

The profit and loss and other comprehensive profit and loss shares of affiliated enterprises using the equity method are recognized based on the financial reports of each affiliated enterprise that have not been reviewed by accountants for the same period.

14. Real estate, plant and equipment

	Own Land	Building	Mechanical Equipment	Transportation Equipment	Other Devices	Total
Cost						
January 1, 2023	$1,141,292	$388,701	$375,508	$103,173	$295,855	$2,304,529
Increase	0	0	0	3,960	7,877	11,837
Punishment	0	0	0	(619)	0	(619)
Rearrange	0	0	0	0	1,099	1,099
Net exchange difference	0	(4,743)	(1,736)	(529)	(3,527)	(10,535)
June 30, 2023	$1,141,292	$383,958	$373,772	$105,985	$301,304	$2,306,311
Accumulated depreciation						
January 1, 2023	$0	$275,018	$309,399	$78,135	$252,760	$915,312
Punishment	0	0	0	(619)	0	(619)
Depreciation expense	0	7,279	9,729	4,958	10,720	32,686
Net exchange difference	0	(3,159)	(1,318)	(309)	(2,774)	(7,560)
June 30, 2023	$0	$279,138	$317,810	$82,165	$260,706	$939,819
June 30, 2023 Net	$1,141,292	$104,820	$55,962	$23,820	$40,598	$1,366,492
December 31, 2022 and January 1, 2023 Net	$1,141,292	$113,683	$66,109	$25,038	$43,095	$1,389,217

	Own Land	Building	Mechanical Equipment	Transportation Equipment	Other Devices	Total
Cost						
January 1, 2022	$535,492	$382,293	$363,049	$101,369	$283,573	$1,665,776
Increase	605,800	4,000	478	4,037	2,037	616,352
Punishment	0	0	(354)	(2,631)	(373)	(3,358)
Rearrange	0	0	1,354	0	0	1,354
Net exchange difference	0	3,575	1,309	394	2,492	7,770
June 30, 2022	$1,141,292	$389,868	$365,836	$103,169	$287,729	$2,287,894

Accumulated depreciation						
January 1, 2022	$0	$258,998	$288,432	$69,836	$228,000	$845,266
Punishment	0	0	(419)	(2,581)	(308)	(3,308)
Depreciation expense	0	7,313	12,213	5,713	13,740	38,979
Net exchange difference	0	2,153	917	197	1,643	4,910
June 30, 2022	$0	$268,464	$301,143	$73,165	$243,075	$885,847
June 30, 2022 Net	$1,141,292	$121,404	$64,693	$30,004	$44,654	$1,402,047

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

Building	5 to 50 years
Mechanical Equipment	2 to 11 years
Transportation Equipment	3 to 6 years
Other Devices	3 to 10 years

Self-used real estate, plant and equipment set as loan guarantee, please refer to Note 32.

15. Lease agreement

(1) Right-of-use assets

	June 30, 2023	December 31, 2022	June 30, 2022
Carrying amount of right-of-use asset			
Land	$10,246	$10,705	$10,937
Building	15,586	24,937	34,288
Transportation Equipment	1,576	1,986	2,398
	$27,408	$37,628	$47,623

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2023	2022	2023	2022
Addition of right-of-use assets	$0	$0	$0	$2,466
Depreciation expense on right-of-use assets				
Land	$78	$79	$157	$157
Building	$4,676	$4,675	$9,351	$11,875
Transportation Equipment	205	68	410	120
	$4,959	$4,822	$9,918	$12,152

In addition to the addition and recognition of depreciation expenses listed above, the merged company's right-of-use assets have not experienced any major sublease and impairment for the six months ended June 30, 2023 and 2022.

(2) Lease liabilities

	June 30, 2023	December 31, 2022	June 30, 2022
Carrying amount of the lease liability			
Flow	$16,278	$18,847	$19,905
No flow move	$696	$7,287	$15,381

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

	June 30, 2023	December 31, 2022	June 30, 2022
Building	1.94%	1.94%	1.94%
Transportation Equipment	1.40%	1.40%	1.40%~1.94%

(3) Important leasing activities and terms

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

Right-of-use assets - land refers to the land-use rights of subsidiaries located in Mainland China. The land at the original site of the subsidiary GOLD PARTNER ENTERPRISES (KUNSHAN) CO., LTD. was acquired at an annual cost of CNY 3,554 thousand. The above-mentioned land use right has already obtained the state-owned land use right certificate of the People's Republic of China, the economic benefit period is 50 years, and the use right expires in March 2057.

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

When the merged 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.

(4) Other leasing information

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2023	2022	2023	2022
Short-term rental fee	$619	$683	$1,204	$1,312
Low-value asset rental expenses	$271	$166	$498	$216
Total cash (outflows) from leases			($11,048)	($12,133)

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

16. Other assets

	June 30, 2023	December 31, 2022	June 30, 2022
Flow			
Other assets			
Tax refund receivable	$10,390	$8,015	$10,040
Prepaid fee	20,341	14,887	14,189
Advance payment	6,082	11,796	13,764
Input tax	31	425	295
Other	291	258	346
	$37,135	$35,381	$38,634

17. Borrowing

(1) Short-term loans

	June 30, 2023	December 31, 2022	June 30, 2022
Guaranteed loans (Note 32)			
Bank loan	$130,000	$130,000	$112,000
Unsecured borrowing			
Line of credit borrowing	50,000	40,000	50,000
	$180,000	$170,000	$162,000

The interest rates of bank revolving loans are 1.82%-1.95%, 1.65%-1.87% and 1.30%-1.54% on June 30, 2023, December 31, 2022, and June 30, 2022, respectively.

(2) Short-term notes payable

	June 30, 2023	December 31, 2022	June 30, 2022
Commercial paper payable	$10,000	$0	$50,000

The outstanding short-term notes payable are as follows:

June 30, 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	1.60%	none	$ -

June 30, 2022

Guarantee / Acceptance Agency	Face value	Discount amount	Carrying amount	Interest rate range	Collateral name	Collateral carrying amount
Commercial paper payable						
Mega Coupons	$50,000	$ -	$50,000	1.10%	none	$ -

The commercial notes payable of the merged company are payable short-term bills with no interest paid. The impact is not significant, so it is measured by the original face value.

(3) Long-term loans

	June 30, 2023	December 31, 2022	June 30, 2022
Guaranteed loans (Note 32)			
Bank loan	$483,000	$533,000	$525,000
Unsecured borrowing			
Bank loan	973		
Minus: listed as part due within 1 year	(327)	(16,680)	(7,860)
Long-term loan	$483,646	$516,320	$517,140

The guaranteed loan is guaranteed by the certificate of deposit of the consolidated company, self-owned land and buildings (Note 32). As of June 30, 2023, December 31, 2022 and June 30, 2022, the effective annual interest rates are 1.90%-2.15%, 1.65%-2.025% and 1.15%-1.40%, respectively.

The consolidated company's borrowings include:

	Expiry Date	Major Terms	Effective Interest Rate	June 30, 2023	December 31, 2022	June 30, 2022
Floating rate borrowing	May 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%	$973	$0	$0
	February 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%	$32,680	$51,000	$0
	February 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 December 2, 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%	$56,320	$88,000	$131,000
	March 3, 2042	First Commercial Bank				

Expiry Date	Major Terms	Effective Interest Rate	June 30, 2023	December 31, 2022	June 30, 2022
	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%	$394,000	$394,000	$394,000
			$483,973	$533,000	$525,000
	Less: portion due within 1 year		($327)	($16,680)	($7,860)
	Long term loan		$483,646	$516,320	$517,140

Please refer to Note 32 for the collateral guarantee of the above-mentioned bank loans.

18. Notes payable and accounts payable

	June 30, 2023	December 31, 2022	June 30, 2022
Notes payable			
Occurred due to business - non-related person	$743	$805	$796
Accounts payable			
Occurred due to business - non-related person	$220,530	$261,800	$308,522

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

19. Other Liabilities

	June 30, 2023	December 31, 2022	June 30, 2022
Flow			
Other payables			
Payable salary and bonus	$25,738	$37,617	$29,847
Leave payable	6,701	6,433	6,131
Premium payable	25,696	24,309	25,294
Employee bonuses payable	11,240	8,560	6,634
Directors' remuneration payable	890	2,850	2,212
Interest payable	739	723	611
Payable for equipment	5,763	8,758	3,627
Dividends payable	69,943	0	139,886
Output tax	482	161	373
Taxes payable	3,114	249	462
Other payable expenses	70,922	72,988	75,546
	$221,228	$162,648	$290,623

	June 30, 2023	December 31, 2022	June 30, 2022
Other liabilities			
Temporary payment	$5,095	$5,179	$5,180
Collection	1,223	1,263	1,342
	$6,318	$6,442	$6,522

20. Provision for liabilities

	June 30, 2023	December 31, 2022	June 30, 2022
Non-current			
Decommissioning costs	$5,177	$5,133	$5,090

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.

21. Post-employment benefit plan

Employee benefits expense in respect of the Group's defined retirement benefit plans was NT$91 thousand and NT$111 thousand for the three months ended June 30, 2023 and 2022, respectively; and NT$182 thousand and NT$200 thousand for the six months ended June 30, 2023 and 2022, respectively. It was calculated using the prior year's actuarially determined pension cost discount rate as of December 31, 2022 and 2021.

22. Rights and interests

(1) Common stock capital

	June 30, 2023	December 31, 2022	June 30, 2022
Rated number of shares (thousand shares)	100,000	100,000	100,000
Rated share capital	$1,000,000	$1,000,000	$1,000,000
Number of issued and fully paid shares (thousand shares)	69,943	70,518	70,518
Issued share capital	$699,430	$705,180	$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 resolution of the board of directors of the Company on December 30, 2021 approved the cash capital increase to issue 7,864 thousand new shares, with a par 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 Subscription, 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 underwriting price for public subscription was set at NT$40 per share. The total issuance amount was NT$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 change registration was carried out on May 2, 2022 Finish.

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

On April 26, 2023, the company decided to cancel 575 thousand treasury shares through the resolution of the board of directors. As of June 30, 2023, the statutory registration procedure has not been completed.

(2) Capital reserves

	June 30, 2023	December 31, 2022	June 30, 2022
Can be used to make up losses, distribute cash or make capital contributions (a)			
Stock issue premium	$620,561	$625,677	$625,677
Gain on disposal of assets	255	255	255
	$620,816	$625,932	$625,932

(a) 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. Please refer to Note 24 (7) Employee Remuneration and Director Remuneration for the employee and director remuneration distribution policy stipulated in the Company's articles of association.

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	$139,886
Cash dividend per share (NT$)	$1	$2

(4) Treasury stocks

Reason for withdrawal	Transfer of shares to employees (thousand shares)
Number of shares on January 1 , 2023	575
Decrease this year	(575)
Number of shares on June 30, 2023	0
Number of shares on January 1 , 2022	820
Decrease this year	(245)
Number of shares on June 30, 2022	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.

23. Income

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2023	2022	2023	2022
Client contract revenue				
Merchandise sales revenue	$789,466	$1,034,799	$1,537,617	$2,082,654

Contract balance

	June 30, 2023	December 31, 2022	June 30, 2022	January 1, 2022
Accounts receivable (Note 10)	$371,323	$382,183	$516,553	$504,038
Contract Liabilities				
Merchandising	$23,167	$3,164	$892	$1,483

24. Net profit before tax

(1) Interest income

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2023	2022	2023	2022
Bank savings	$3,574	$2,798	$6,544	$5,745
Other	4	0	7	0
	$3,578	$2,798	$6,551	$5,745

(2) Other income

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2023	2022	2023	2022
Dividend income	$0	$0	$514	$489
Other	771	1,336	1,322	5,161
	$771	$1,336	$1,836	$5,650

(3) Other benefits and (losses)

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2023	2022	2023	2022
Financial asset (loss) loss				
Mandatory financial assets at fair value through profit or loss	$242	($278)	$546	($202)
Disposal of property, plant and equipment (loss)	100	11	100	23
Net foreign currency exchange (loss) loss	4,882	10,238	3,429	19,223
Lease modification benefit	0	0	0	481
Other	(166)	0	(166)	0
	$5,058	$9,971	$3,909	$19,525

(4) Financial costs

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2023	2022	2023	2022
Bank loan interest	($3,326)	($2,715)	($6,615)	($5,084)
Interest on the lease liability	(83)	(153)	(186)	(335)
Interest on liability provision	(22)	(22)	(44)	(43)
	($3,431)	($2,890)	($6,845)	($5,462)

For the six months ended June 30, 2023 and 2022, there was no capitalization of interest.

(5) Depreciation and amortization

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2023	2022	2023	2022
Summary of depreciation expense by function				
Operating cost	$15,203	$17,632	$30,682	$39,270
Operating expenses	6,028	6,095	11,922	11,861
	$21,231	$23,727	$42,604	$51,131

(6) Employee welfare expenses

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2023	2022	2023	2022
Post-employment benefits				
Confirm allocation plan	$1,469	$1,673	$3,074	$3,359
Defined benefit plans (Note 21)	91	111	182	200
	1,560	1,784	3,256	3,559
share based payment	0	0	0	1,732
Other employee benefits	67,340	65,857	134,571	137,758
Total employee benefit expenses	$68,900	$67,641	$137,827	$143,049
Summary by function				
Operating cost	$30,995	$32,828	$62,729	$65,106
Operating expenses	37,905	34,813	75,098	77,943
	$68,900	$67,641	$137,827	$143,049

(7) Employee remuneration and director remuneration

The Company allocates employee remuneration and director remuneration at a rate of 1% to 8% and no more than 5% of the pre-tax profit before deducting the distribution of employee and director remuneration in the current year.

The estimated staff remuneration and directors' remuneration for the six months ended June 30, 2023 and 2022, were as follows:

Estimated ratio

	For the Six Months Ended June 30	
	2023	2022
Employee compensation	5.76%	5.67%
Director remuneration	1.91%	1.89%

The amount

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2023	2022	2023	2022
Employee compensation	$1,730	$4,050	$2,680	$6,634
Director remuneration	$570	$710	$890	$2,212

If there is a change in the proposed amounts after the annual consolidated financial statements are authorized for issue, the differences are recorded as a change in accounting estimate and will be adjusted in the next year.

The appropriations of compensation of employees and remuneration of directors for 2022 and 2021, which were approved by the Company's board of directors on February 22, 2023 and March 8, 2022, respectively, are as follows:

	For the Year Ended December 31	
	2022	2021
	Cash Dividends	Cash Dividends
Employee compensation	$8,560	$16,507
Director remuneration	2,850	9,629

If there is a change in the proposed amounts after the annual consolidated financial statements are authorized for issue, the differences are recorded as a change in accounting estimate and will be adjusted in the next year.

There was no difference between the actual amounts of the compensation of employees and the remuneration of directors paid and the amounts recognized in the consolidated financial statements for the years ended December 31, 2022 and 2021.

Information on the compensation of employees and remuneration of directors resolved by the Company's board of directors is available at the Market Observation Post System website of the Taiwan Stock Exchange.

(8) Foreign currency exchange (gain) loss

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2023	2022	2023	2022
Total foreign currency exchange benefit	$6,610	$12,101	$9,771	$21,519
Total foreign currency exchange (loss)	(1,728)	(1,863)	(6,342)	(2,296)
Net (loss) loss	$4,882	$10,238	$3,429	$19,223

25. Income Tax

(1) Income tax expense recognized in profit or loss

The main components of income tax expenses are as follows:

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2023	2022	2023	2022
Current income tax				
Produced this year	$5,611	$10,502	$9,120	$13,622
Undistributed surplus tax	811	2,372	811	2,372
Prior Year Adjustments	381	(201)	381	(201)
	6,803	12,673	10,312	15,793
Deferred income tax				
Produced this year	2,459	(289)	2,642	8,358
Prior Year Adjustments	0	233	0	233
	2,459	(56)	2,642	8,591
Income tax expense recognized in profit or loss	$9,262	$12,617	$12,954	$24,384

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

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2023	2022	2023	2022
Deferred income tax				
Generated in the current year				
- Conversion of foreign operating institutions	$4,539	$2,188	$3,840	($3,080)

(3) Current income tax assets and liabilities

In addition to the 2022 year for the profit-seeking enterprise income tax declaration of the Company, YIO-YEN Company, BARKO Company and PERSEE Company, the declaration cases before 2021 have been approved by the tax collection agency.

26. Earnings per share

Unit: NT$ Per Share

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2023	2022	2023	2022
Basic Earnings Per Share	$0.28	$0.61	$0.49	$1.27
Diluted earnings per share	$0.28	$0.61	$0.49	$1.26

The earnings and weighted average number of ordinary shares outstanding used in the computation of earnings per share were as follows:

Net Profit for the Period

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2023	2022	2023	2022
Net income used to calculate basic earnings per share	$19,442	$42,899	$34,041	$84,860
Net income used to calculate diluted earnings per share	$19,442	$42,899	$34,041	$84,860

Number of shares

Unit : In Thousands of Shares

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2023	2022	2023	2022
Weighted average number of ordinary shares outstanding used in computation of basic earnings per share	69,943	69,943	69,943	67,016
Effect of potentially dilutive ordinary shares:				
Compensation of employees	102	193	205	474
Weighted average number of ordinary shares outstanding used in computation of dilutive earnings per share	70,045	70,136	70,148	67,490

If the Company settles the bonuses or remuneration paid to employees in cash or shares, the Company presumed that the entire amount of the bonuses or remuneration would be settled in shares and the resulting potential shares were included in the weighted average number of shares outstanding used in the computation of diluted earnings per share, if the effect is dilutive. The dilutive effect of the potential shares is included in the computation of diluted earnings per share until the number of shares to be distributed to employees is resolved in the following year.

27. Share-Based Payment Agreement

Cash Capital Increase Retention Employee Subscription

On December 30, 2021, the Company's board of directors resolved to issue 7,864 thousand new shares through cash capital increase before the initial stock 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:

	For the Six Months Ended June 30, 2022	
Employee stock options	Unit (thousand)	Weighted average Execution price (NT$)
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 (yuan)	$ 2.2	

For employee stock options to be 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
Execution price	NT$ 40.00
Expected volatility	33.42%
Expected duration	0.033 years
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 for the six months ended June 30, 2022, was NT$1,732 thousand.

28. Cash flow information

Cashless transaction

Except as disclosed in other notes, for the six months ended June 30, 2023 and 2022, the Merged Company conducted the following non-cash transaction financing activities:

The cash dividends distributed by the resolution of the shareholders' meeting have not yet been distributed for the six months ended June 30, 2023 and June 30, 2022. Please refer to Note 19 and Note 22.

29. Capital risk management

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

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

Merging companies are not subject to other external capital requirements.

The main management of the merged 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. The merged company will balance its overall capital structure by paying dividends, issuing new shares, repurchasing shares, issuing new debts or repaying old debts, etc., based on the recommendations of the main management.

30. Financial Instruments

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

The carrying amounts of financial assets and financial liabilities not measured at fair value approximate their fair values in the opinion of the management of the combined company.

(2) Fair value information - financial instruments measured at fair value on a recurring basis

1. Fair value hierarchy

June 30, 2023

	Level 1	Level 2	Level 3	Total
Financial assets at fair value through profit or loss				
Fund income certificate	$3,008	$0	$0	$3,008
Financial assets at fair value through other comprehensive income				
Equity instrument investment				
Foreign unlisted (counter) stocks	$0	$0	$2,640	$2,640

December 31, 2022

	Level 1	Level 2	Level 3	Total
Financial assets at fair value through profit or loss				
Fund income certificate	$2,494	$0	$0	$2,494
Financial assets at fair value through other comprehensive income				
Equity instrument investment				
Foreign unlisted (counter) stocks	$0	$0	$2,640	$2,640

June 30, 2022

	Level 1	Level 2	Level 3	Total
Financial assets at fair value through profit or loss				
Fund income certificate	$4,780	$0	$0	$4,780
Financial assets at fair value through other comprehensive income				
Equity instrument investment				
Foreign unlisted (counter) stocks	$0	$0	$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 merged company in the evaluation method are consistent with the information used by market participants as estimates and assumptions when pricing financial products.

Stocks without public quotes

These consolidated 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. The significant unobservable input values are as follows. When the liquidity discount decreases, the fair value of these investments will increase.

(3) Types of financial instruments

	June 30, 2023	December 31, 2022	June 30, 2022
Monetary assets			
Financial assets at fair value through profit or loss			
Mandatory to be measured at fair value through profit or loss	$3,008	$2,494	$4,780
Financial assets measured at amortized cost (Note 1)	1,165,613	1,171,180	1,380,771
Financial assets at fair value through other comprehensive income			
Equity instrument investment	2,640	2,640	2,640
Financial liabilities			
Measured by amortized cost (Note 2)	1,106,484	1,128,263	1,336,951

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 main financial instruments of the combined company include equity investments, accounts receivable, accounts payable and borrowings and lease liabilities. The financial management department of the merged company provides services for each business unit, coordinates operations in the domestic and international financial markets, and monitors and manages financial risks related to the operations of the merged company by analyzing the internal risk report of the risk according to the degree and breadth of the risk. 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 combined company's operating activities are the risk of foreign currency exchange rate changes (see (1) below) and the risk of interest rate changes (see (2) below).

(1) Exchange rate risk

Several subsidiaries of the Company are engaged in sales and purchase transactions denominated in foreign currencies, thus exposing the consolidated company to risk of exchange rate fluctuations. The management of exchange rate risks of the merged company 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 of the consolidated company on the balance sheet data (including monetary items denominated in non-functional currency that have been written off in the consolidated financial statements), please refer to Note 34.

Sensitivity Analysis

The Merged Company is mainly affected by fluctuations in the exchange rates of the US dollar and Renminbi.

The following table details the sensitivity analysis of the Merged Company when the exchange rate of the New Taiwan dollar (functional currency) against 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 in foreign currency in 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		Impact of CNY	
	For the Six Months Ended June 30		For the Six Months Ended June 30	
	2023	2022	2023	2022
Profit and loss	$2,092 (I.)	$2,741 (I.)	$129 (II)	$147 (II)

(I.) It is mainly derived from bank deposits, receivables and payables denominated in US dollars that are still in circulation and have not been hedged in cash flow by the merged company on the balance sheet date.

(II) It is mainly derived from CNY-denominated receivables and payables of the merged company that are still in circulation on the balance sheet date and have not been hedged against cash flow.

(2) Interest rate risk

Interest rate exposure risk arises because individuals within the merged company borrow funds at both fixed and floating rates. The Consolidated Company manages interest rate risk by maintaining an appropriate mix of fixed and floating interest rates.

The carrying amount of the financial assets and financial liabilities of the consolidated company subject to interest rate exposure on the balance sheet date is as follows:

	June 30, 2023	December 31, 2022	June 30, 2022
Fair value interest rate risk			
- Monetary assets	$264,584	$277,055	$244,719
- Financial liabilities	26,974	26,134	50,000
Cash flow interest rate risk			
- Monetary assets	484,332	471,610	577,842
- Financial liabilities	663,983	703,010	722,296

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 when reporting interest rates internally to key management within the Group is 0.25% basis point 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 net profit before tax of the Merged Company for the six months ended June 30, 2023 and 2022 would have decrease/increase by NT$203 thousand respectively And NT$136 thousand.

(3) Other price risks

The Merged 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%, the pre-tax profit or loss for the six months ended 30 June 2023 and 2022, will be increased/decreased by the increase/decrease in the fair value of the financial asset measured at fair value through profit or loss Increase/decrease NT$150 thousand and NT$239 thousand respectively. Other comprehensive income before tax for the six months ended June 30, 2023 and 2022, will increase/decrease due to increase/decrease in fair value of financial assets at fair value through other comprehensive income NT$132 thousand.

The combined company's sensitivity to investment in equity securities has not changed significantly compared to the previous year.

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 largest credit risk exposure of the merged company that may cause financial losses due to the failure of the counterparty to perform its obligations and the financial guarantee provided by the merged company mainly comes from:

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

(2) The maximum amount that may be required to be paid by the merging company to provide financial guarantee, regardless of the possibility of occurrence.

The policy adopted by the merged company is to only conduct transactions with reputable objects, and to obtain sufficient guarantees under necessary circumstances to mitigate the risk of financial loss due to default. The merged company will only trade with companies rated equivalent to and above investment grade. Such information is provided by an independent rating agency; if such information is unavailable, the merged company will use other publicly available financial information and mutual transaction records to rate major customers.

The credit risk of the merged company is mainly concentrated in the top five customers of the merged company. As of June 30, 2023, December 31, 2022, and June 30, 2022, the ratios of the total accounts receivable from the aforementioned customers are respectively 43%, 28% and 58%.

3. Liquidity risk

The combined 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 merged company supervises the use of bank financing facilities and ensures compliance with the terms of the loan contract.

Bank borrowings are an important source of liquidity for the Merged Company. As of June 30, 2023, December 31, 2022, and June 30, 2022, please refer to the description of (2) financing line below for the unused short-term bank financing line of the combined 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 undiscounted cash flows of financial liabilities (including principal and estimated interest) based on the earliest date on which the combined company may be required to repay. Therefore, the bank loans that the merged company can be required to repay immediately are serialized in 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 according to the agreed repayment date.

June 30, 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	$289	$364	$90	$0	$0	$743
Accounts payable	199,282	10,990	10,258	0	0	220,530
Other payables	200,181	11,825	8,616	606	0	221,228
Lease liability	1,620	3,240	11,480	700	0	17,040
Loan	140,027	10,054	40,246	111,385	372,261	673,973
	$545,053	$36,473	$70,690	$112,691	$372,261	$1,137,168

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	$0	$0	$0	$805
Accounts payable	234,375	18,766	8,659	0	0	261,800
Other payables	142,799	14,565	4,663	621	0	162,648
Lease liability	1,545	3,090	14,505	7,320	0	26,460
Loan	40,000	88,340	58,340	123,956	392,364	703,000
	$419,000	$125,285	$86,167	$131,897	$392,364	$1,154,713

June 30, 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	$239	$557	$0	$0	$0	$796
Accounts payable	270,122	22,758	15,642	0	0	308,522
Other payables	271,104	12,997	6,051	471	0	290,623
Lease liability	1,545	3,090	14,055	17,040	0	35,730
Loan	70,000	142,000	7,860	110,349	406,791	737,000
	$613,010	$181,402	$43,608	$127,860	$406,791	$1,372,671

(2) Financing amount

	June 30, 2023	December 31, 2022	June 30, 2022
Unsecured Bank Borrowing Facility (reviewed annually)			
- Amount used	$61,000	$40,000	$100,000
- Unused amount	459,000	510,000	209,500
	$520,000	$550,000	$309,500
Guaranteed bank loan line (extendable upon mutual agreement).			
- Amount used	$842,000	$842,000	$706,000
- Unused amount	458,500	458,500	723,500
	$1,300,500	$1,300,500	$1,429,500

31. Related party transactions

Transactions, account balances, gains and losses between the Company and its subsidiaries (related persons of the Company) are all eliminated upon consolidation, so they are not disclosed in this note. Except as disclosed in other notes, the transactions between the merged company and other related parties are as follows:

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

Related person name	Relationship with Merged Company
Ever-Precise recycle company	Affiliated enterprises
CHEN, KUO-CHIN	Substantial related person
CHEN, YAN-HONG	Substantial related person

(2) Operating income

		For the Three Months Ended June 30		For the Six Months Ended June 30	
Account items	Related person name	2023	2022	2023	2022
sales revenue	Ever-Precise recycle company	$1,847	$2,457	$4,906	$5,112

The sales price of the merged company 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	June 30, 2023	December 31, 2022	June 30, 2022
Accounts receivable - related parties	Ever-Precise recycle company	$4,130	$4,605	$5,673

There is no guarantee for the outstanding receivables from related parties. For the six months ended June 30, 2023 and 2022, the receivables from related parties were provisioned for provision loss NT$0 thousand and reversal allowance loss NT$58 thousand respectively.

(4) Lease agreement

			For the Three Months Ended June 30		For the Six Months Ended June 30	
Related person name	Subject matter	Rent payment method	2023	2022	2023	2022
CHEN, KUO-CHIN	No. 11, Lane 195, Yongfeng Road, Tucheng District, New Taipei City.	Pay NT$5 thousand per month	$15	$15	$30	$30
CHEN, YAN-HONG	2nd Floor, No. 185, Zhongxiao West Road, Fuchangli, Luzhu District, Taoyuan City.	Pay NT$6 thousand per month	$9	$18	$20	$36

(5) Remuneration of main management

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2023	2022	2023	2022
Short-term employee benefits	$2,305	$2,247	$11,047	$9,772
Post-employment benefits	131	170	262	239
	$2,436	$2,417	$11,309	$10,011

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

32. Assets pledged

The following assets have been provided as collateral for financing borrowings and purchases of raw materials:

	June 30, 2023	December 31, 2022	June 30, 2022
Pledged certificate of deposit (financial assets measured at cost after amortization - current)	$24,251	$19,204	$22,026
Pledged certificate of deposit (financial assets measured at cost after amortization - non-current)	23,161	23,791	23,928
Own land	1,048,132	1,129,047	1,129,047
Housing and construction - net	37,792	40,216	42,640
Machinery and equipment - net	11,499	12,499	13,254
Other equipment - net	13,044	12,565	14,313
	$1,157,879	$1,237,322	$1,245,208

33. Significant contingent liabilities and unrecognized contractual commitments

In addition to those mentioned in other notes, the major commitments and contingencies of the merged company on the balance sheet date are as follows:

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

(2) The consolidated company issued a deposit guarantee note to the manufacturer for the purchase of raw materials, amounting to NT$19,773 thousand.

(3) The combined company's deposit and outbound securities issued to the bank for borrowing and export bills amounted to NT$1,230,770 thousand and US$4,000 thousand.

(4) The contract between the merged company and the manufacturer promises to purchase machinery and equipment. The total contract price is NT$64,184 thousand. As of June 30, 2023, NT$54,569 thousand has been paid (account advance payment for equipment), and NT$9,615 thousand remains to be paid.

34. Information on Foreign Currency Assets and Liabilities with Significant Impact

The following information is summarized and expressed in terms of foreign currencies other than the individual functional currencies of the consolidated companies, and the disclosed exchange rates refer to the exchange rates converted from these foreign currencies to the functional currencies. The foreign currency financial assets and liabilities with significant impact are as follows:

June 30, 2023

	Foreign currency	Exchange rate		Carrying Amount
Foreign currency assets				
Monetary item				
USD	$6,790	31.140	(USD : TWD)	$211,448
USD	121	7.272	(USD : CNY)	3,761
CNY	3,013	4.282	(CNY : TWD)	12,904
				$228,113
Non-monetary items				
Affiliated enterprises and joint ventures using the equity method				
USD	630	31.140	(USD : TWD)	$29,017
Financial assets measured at cost				
MYR	238	6.384	(MYR : TWD)	$2,640
Foreign currency liabilities				
Monetary item				
USD	193	31.140	(USD : TWD)	$6,002

December 31, 2022

	Foreign currency	Exchange rate		Carrying amount
Foreign currency assets				
Monetary item				
USD	$5,383	30.710	(USD : TWD)	$165,325
USD	152	6.967	(USD : CNY)	4,667
CNY	12,365	4.408	(CNY : TWD)	54,503
				$224,495
Non-monetary items				
Affiliated enterprises and joint ventures using the equity method				
USD	630	30.710	(USD : TWD)	$28,074

	Foreign currency	Exchange rate	Carrying amount
Financial assets measured at cost			
MYR	238	6.700 (MYR ： TWD)	$2,640
Foreign currency liabilities			
Monetary item			
USD	105	30.710 (USD ： TWD)	$3,235

June 30, 2022

	Foreign currency	Exchange rate	Carrying amount
Foreign currency assets			
Monetary item			
USD	$9,193	29.720 (USD ： TWD)	$273,227
USD	126	6.710 (USD ： CNY)	3,733
CNY	3,306	4.439 (CNY ： TWD)	14,677
			$291,637
Non-monetary items			
Affiliated enterprises and joint ventures using the equity method			
USD	2,010	29.720 (USD ： TWD)	$33,361
Financial assets measured at cost			
MYR	238	6.473 (MYR ： TWD)	$2,640
Foreign currency liabilities			
Monetary item			
USD	98	29.720 (USD ： TWD)	$2,899

The realized and unrealized foreign currency exchange benefits of the merged company for the three months ended June 30, 2023 and 2022, are NT$4,882 thousand and NT$10,238 thousand, respectively, for the six months ended June 30, 2023 and 2022, are NT$3,429 thousand and NT$19,223 thousand. Due to the wide variety of foreign currency transactions and individual functional currencies of the Group, it is not possible to disclose exchange gains and losses in terms of foreign currencies with significant impact.

35. Matters disclosed in the notes

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

Serial number	Project	Illustrate
1	Funds are loaned to others.	None
2	Endorsement for others.	None
3	Securities held at the end of the period. (excluding investment subsidiaries, affiliated enterprises and joint venture interests)	Schedule 1
4	Accumulated buying or selling of the same securities amounted to NT$300 million or more than 20% of the paid-in capital.	None
5	The amount of real estate acquired is NT$300 million or more than 20% of the paid-in capital.	None
6	The amount of disposing of real estate is NT$300 million or more than 20% of the paid-in capital.	None
7	The amount of goods purchased and sold with related parties reaches NT$100 million or more than 20% of the paid-in capital.	None
8	Receivables from related parties amount to NT$100 million or more than 20% of the paid-in capital.	None
9	Engage in derivative transactions.	None
10	Others: the business relationship between the parent company and the subsidiaries, and the status and amount of important transactions.	Schedule 4
11	Invested company information	Schedule 2

(3) Mainland investment information:

Serial number	Project	Illustrate
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 amount at the end of the period, repatriated investment profit and loss, and investment quota in the mainland.	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.	None
	(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

Serial number	Project	Illustrate
	(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:

Serial number	Project	Illustrate
1	The name, shareholding amount and proportion of the shareholders whose equity ratio is more than 5%	Schedule 5

36. Department information

Department revenue and operating results

The chief operating decision maker regards the sales units of electronic circuit etching chemicals and copper compounds in each region as individual operating departments, but when preparing financial reports, the merged company considers the following factors and considers these operating departments as a single operating department:

1. These operating divisions have similar long-term sales margins;
2. The nature and process of the product are similar.

AMIA CO., LTD. and Subsidiaries
MARKETABLE SECURITIES HELD **Schedule 1**
June 30, 2023

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

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	30-Jun-23				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	12.80	$2,640	
PERSEE CHEMICAL CO., LTD.	Fund income certificate Mega Global Met averse Technology Fund	None	Current financial assets at fair value through profit or loss	200,000	$2,008	-	$2,008	
	First Gold 100 Largest U.S. Corporate Bond Fund	None	Current financial assets at fair value through profit or loss	100,000	1,000	-	1,000	
					$3,008	-	$3,008	

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. and Subsidiaries

INFORMATION ON INVESTEES

Schedule 2

For the Six Months Ended June 30, 2023

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

Investor Company	Investee Company	Location	Main Businesses and Products	Original Investment Amount		Holding at the end of the period			Net Income (Loss) of the Investee	Share of Profit (Loss)	Note
				End of current period	End of last year	Number of Shares	%	Carrying Amount			
AMIA CO., LTD.	YIO-YEN ENTERPRISE CO., LTD.	No. 19, Lane 195, Yongfeng Road, Tucheng District, New Taipei City.	Operating holding business	$516,647	$516,647	55,570,000	100	$669,003	$1,330	$1,330	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	87,062	1,154	1,154	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	8,561	(13)	(13)	Son male manage
	HOYA MAX INTERNATIONAL CO., LTD.	Le Sanalel Complex, Ground Floor, Vaea Street, Saleufi, PO Box 1868, Apia, Samoa.	Operating holding business	27,936	27,936	-	100	35,444	1,754	1,754	Son male manage
HOYA MAX INTERNATIONAL CO., LTD.	ALLWIN STAR INTERNATIONAL CO., LTD.	Le Sanalel Complex, Ground Floor, Vaea Street, Saleufi, PO Box 1868, Apia, Samoa.	Operating holding business	25,223 (USD 810)	25,223 (USD 810)	-	100	35,441	1,754	1,754	Son male manage

Note 1： Please refer to Attachment 3 for relevant information of the invested companies in mainland China.

AMIA CO., LTD. and Subsidiaries
INFORMATION ON INVESTMENT IN MAINLAND CHINA
For the Six Months Ended June 30, 2023
Schedule 3

Schedule 3

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:

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

Investee Company	Main Businesses and Products	Paid-in Capital	Method of Investment (Note 1)	The accumulative investment amount remitted from Taiwan at the beginning of the current period	Remittance or withdrawal of investment amount in the current period		At the end of the current period, the accumulated investment amount remitted from Taiwan	Net Income (Losses) of the Investee	The shareholding ratio of the company's direct or indirect investment %	Recognition of investment gains and losses in the current period (Note 2)	Book value of investment at the end of the period	Investment income repatriated to Taiwan as of the current period
					Outflow	Inflow						
AMIA (HUIYANG) CO., LTD.	Processing, manufacturing, trading and recycling of various industrial chemicals	$37,368 (USD 1,200)	(1)	$37,368 (USD 1,200)	$0	$0	$37,368 (USD 1,200)	($1,116) -(CNY 253)	100%	($1,116) -(CNY 253) (C)	$11,864 (CNY 2,771)	$0
GOLD PARTNER ENTERPRISES (KUNSHAN) CO.,LTD.	Processing, manufacturing, trading and recycling of various industrial chemicals	105,876 (USD 3,400)	(3)	105,876 (USD 3,400) (Where USD2,200 thousand is transferred from surplus to capital increase)	0	0	105,876 (USD 3,400) (Where USD2,200 thousand is transferred from surplus to capital increase)	3,313 (CNY 760)	100%	3,313 (CNY 760) (B)	613,025 (CNY 143,163)	154,152 (CNY 36,000)
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	42,973 (USD 1,380)	(3)	15,041 (USD 483)	0	0	15,041 (USD 483)	0	0 (Note 4)	0	0	6,103 (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	65,394 (USD 2,100)	(2-A)	19,618 (USD 630)	0	0	19,618 (USD 630)	5,982 (CNY 1,359)	30%	1,795 (CNY 408) (C)	29,017 (CNY 6,776)	7,194 (CNY 1,680)

2. Investment limit in mainland China:

At the end of the current period, the accumulative amount of investment remitted from Taiwan to the mainland	Investment Amount Authorized by the Investment Commission, MOEA	Upper Limit on the Amount of Investments Stipulated by the Investment Commission, MOEA
NT$177,903 (USD 5,713 thousand) (Exchange rate : 31.14)	NT$272,506 (USD 8,751 thousand) (Exchange rate: 31.14)	NT$990,666 (USD 31,813 thousand) (Exchange rate: 31.14)

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 June 30, 2023 is 31.14; the CNY spot exchange rate is 4.282)

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

AMIA CO., LTD. and Subsidiaries

Schedule 4

The business relationship between the parent company and the subsidiaries and among the subsidiaries, as well as the status and amount of important transactions

For the Six Months Ended June 30, 2023

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

Number (Note 1)	Trader name	Transaction object	Relationship with trader (Note 2)	Transaction status			
				Subject	The amount	Transaction terms (Note 4)	Of consolidated total revenue or Ratio of Total Assets (Note 3)
0	AMIA CO., LTD.	PERSEE Company	1	Other income	$270	-	-
				Manufacturing costs	872	-	-
				Other receivables	95	-	-
				Other payables	161	-	-
		BARKO Company	1	Rent expense	180	-	-
				Other payables	63	-	-
		GOLD (KUNSHAN) Company	1	Manufacturing costs	366	-	-
1	PERSEE Company	YIO-YEN Company	3	Rental income	30	-	-
				Other receivables	11	-	-
2	GOLD (KUNSHAN) Company	AMIA (HUIYANG) CO., LTD.	3	Sales	990	-	-
				Accounts receivable	350	-	-

Note 1： The business transaction information between the parent company and its subsidiaries should be indicated in the number column respectively. The method of filling in the number is as follows:

(1) Fill in 0 for the parent company.

(2) Subsidiaries are numbered sequentially starting from the Arabic numeral 1 according to the Company.

Note 2： There are the following three types of relationship with the trader, just indicate the type:

(1) Parent company to subsidiary company.

(2) Subsidiary to parent company.

(3) Subsidiary to subsidiary.

Note 3： The calculation of the ratio of the transaction amount to the consolidated total revenue or total assets, if it is an asset and liability account, is calculated by the balance at the end of the period as a share of the consolidated total assets; if it is a profit and loss account, the cumulative amount at the end of the period is calculated as a share of the consolidated total The method of receipt is calculated.

Note 4： The purchase and sale transaction prices between the parent company and the subsidiary company are equivalent to those of ordinary customers, and the payment condition is 55 to 90 days per month, which can be adjusted according to the use of funds of the affiliated company. The rest of the transactions shall be decided through negotiation between the two parties as there are no related transactions of the same type to follow.

AMIA CO., LTD.

INFORMATION OF MAJOR SHAREHOLDERS **Schedule 5**

June 30, 2023

Name of Major Shareholder	Shares	
	Number of Shares	Percentage of Ownership (%)
CHEN,YEN-HENG	14,767,000	20.94%
CHEN,GUO-TANG	6,015,000	8.52%
CDIB Capital Group	6,000,000	8.50%
CHEN,KUO-CHIN	6,000,000	8.50%
CHEN,GUO-FA	5,000,000	7.09%
CHEN,CHIU-HUNG	5,000,000	7.09%
CHEN,GUO-SHAN	4,193,000	5.94%
CHEN,MIN-HSIUNG	4,001,000	5.67%

Note 1: The main shareholder information in this table is calculated by TDCC 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.