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Cheng Uei Precision Industry Co., Ltd.

2023 Annual Report

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- The Company's website：http://www.foxlink.com

I. The Company's spokesperson and acting spokesperson

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IV. The name, address, telephone number and website of the certified public accountant for the most recent financial report

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V. The name of any exchange where the Company's securities are traded offshore, and the method by which to access information on the said overseas securities

The company has no overseas securities listed for trading as of the date of publication

VI. Address of the Company's website: www.foxlink.com

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I. Letter to Shareholders

Here, a report on the business status of the Company in 2023 is given as follows:

The Company's consolidated net operating revenues for 2023 came to NTD 90,550,764 thousand. Compared with consolidated net operating revenue of NTD 94,102,594 thousand in 2022, this marked a decrease of 3.8%. Net profit after tax in 2023 was NTD 1,457,132 thousand and after-tax earnings per share came to NTD 3.09. This represented a reduction of 4.3% from the net profit after tax of NTD 1,522,518 thousand or NTD 3.14 per share seen in 2022. Despite a slight decline in profit due to external factors last year, the Company would like to thank all employees for their hard work and contributions in the past year.

In 2023, factors such as high-interest rates, high inflation, and China's post-pandemic economic performance not being as good as expected have weakened global demand for end products, resulting in a slowdown in manufacturing activities worldwide. In addition, the expansion of the US-China chip ban, the Russo-Ukrainian war, and the Israeli–Palestinian conflict have contributed to geopolitical tensions, leading to impacts on global economic development and social stability. Looking ahead to 2024, major international forecasting agencies believe that the global economic growth in 2024 will be slightly lower than that in 2023. However, there is still an expectation for a recovery in global commodity trade. In the face of the uncertain and challenging macroeconomic environment, the Company aims to address these challenges by adapting flexibly to market changes, enhancing the competitiveness of our products and services, and strengthening risk management.

The Company's revenue and profit declined slightly in 2023 compared to the previous year. This was primarily due to the impact of inventory destocking in the gaming industry, leading to decreased demand for products such as gaming controllers, which affected the Company's revenue. In addition, the retail channels received the Ministry of Education's One-Tablet-Per-Student Initiative in 2022, so the revenue was higher. There was no such large-scale project in 2023, which also had a certain impact on revenue. However, in the field of new energy, as the construction progress continued, revenue from projects began to be recognized, contributing positively to revenue. Facing the challenges of the new fiscal year, the Company will deepen the existing product technology to enhance product competitiveness, expand other product lines, broaden the customer base, continue to invest in research and development, create products with competitive advantages, and focus on product differentiation to attract more customers.

In order for the Company to grow and thrive on a continuous and stable basis and create greater profits for shareholders, we must be prepared to face challenges and resolve problems. We have absolute confidence to move toward the set goals, create best business performance for the Company and go after maximum profits for shareholders. I hope that all shareholders can continue to provide support and encouragement to the Company. Finally, I wish all shareholders all the best and that all your hopes be fulfilled.

1. 2023 Business Results

1.1 Business Plan Implementation Results

Unit: NTD Thousand

Item	2023	2022	Growth rate
Operating revenue	90,550,764	94,102,594	(3.77%)
Operating costs	78,856,852	82,008,395	(3.84%)
Operating gross profit	11,693,912	12,094,199	(3.31%)
Operating Expenses	8,793,890	8,562,506	2.70%
Other gains and losses, net	118,111	0	-
Operating profit	3,018,133	3,531,693	(14.54%)
Non-operating income and expenses	118,168	(119,900)	198.56%
Net profit before tax	3,136,301	3,411,793	(8.07%)
Net profit for the period	2,101,822	2,094,699	0.34%
Net after-tax of other comprehensive profits and losses for the current period	(760,444)	335,687	(326.53%)
Total comprehensive income for the period	1,341,378	2,430,386	(44.81%)

1.2 Budget Implementation

The Company did not prepared 2023 financial forecasts, so this is not applicable.

1.3 Financial Income and Expenditure Status

Unit: NTD Thousand

Item	2023	2022	Amount of change
Net cash inflow (outflow) from operating activities	2,525,347	(265,341)	2,790,688
Net cash inflow (outflow) from investing activities	(3,662,487)	(8,416,504)	4,754,017
Net cash inflow (outflow) from financing activities	4,951,849	11,086,756	(6,134,907)

1.4 Profitability Analysis

Year		2023	2022
Return on assets (%)		2.55	2.68
Return on shareholders' equity (%)		5.75	6.09
Contribution to paid-in capital Percentage (%)	Operating profit	58.91	68.93
	Net profit before tax	61.22	66.59
Net profit margin (%)		2.32	2.23
Earnings per share for the period (NTD) (Note)		3.09	3.14

Note: Earnings per share is calculated based on the number of shares after retrospective adjustment.

1.5 Research and development status of the Company

The main research and development directions and strategies of the Company are:

(1) Closely integrate technology into products to generate differentiated competitive advantages.
(2) Integrate the technical fields of materials, machinery, electronics, optics, electroacoustics, etc.; e.g., through: optical inspection automation, engineering analysis capabilities, secondary processing electroplating technology, antenna design, and wire nano coating development.
(3) Build professional laboratories for high frequency technology, electroacoustic technology, surface technology, power and so on.
(4) Lead and continue to develop various halogen-free, lead-free materials and application products that meet future environmental protection requirements.
(5) Participate in the development process of customers' new products to provide them with various solutions and technical support.
(6) Strengthen the ability to integrate existing technologies and evaluate and introduce new product development technologies.
(7) Integrate the technology platform of electro-optic sound to expand products and market share.
(8) Pay attention to the development of green technology, including energy-saving and carbon emission reduction technologies, renewable energy applications, and develop corresponding products and solutions, and create contributions to a sustainable environment.
(9) Develop cloud computing and edge computing technologies and modules, and provide related cloud services and data analysis solutions.
(10) Development of artificial intelligence (AI) related applications and products.

2. Business Plan Summary for 2024

2.1 Business Strategy

2.1.1 Business Purpose:

With core capabilities in molds, forms, stamping, secondary processing, and automation, integrate materials, machinery, electronics, optics, electroacoustics, energy, assembly, and R&D technology. Establish a global marketing and supply chain management network to provide customers with high-quality products in a timely manner, oriented by consumer electronics, information, communications, and automotive market demand; and create value for customers by combining digital content, environmental protection, and energy saving. Constantly seek to surpass ourselves based on concepts of sincerity, a holistic view, and conscientiousness, using our team spirit to create an optimal business performance for the enterprise.

2.1.2 Business Philosophy:

(1) Sincerity: Simplicity and pragmatism, and being as good as one's word
Keeping promises is an important value to establish long-term cooperative relations with customers and suppliers, so as to take creation of long-term benefits for all three parties as a direction for our thinking.
(2) Holistic view:
Great things can only be achieved with tolerance, and small beginnings yield major trends
By applying technological innovation, accumulating practical experience, and constantly pursuing self-transcendence and accumulated achievements, only then can the Company become a representative of the high-tech industry.
(3) Conscientiousness: Making an all-out effort, with a unity of knowledge and action
From the capital, technology, and human resources used to coordinate our plans and from execution to assessment, there is a complete and consistent operational system that demonstrates its performance in a wide range of work functions; and the results of these

joint efforts have created the Company's core competitiveness.

2.2 Expected Sales Volume And Its Basis

The Company's products are mainly components of communications and consumer electronics. With the active expansion of customers and the development of new products this year, it is expected that the sales volume of each product will reach a trend of steady growth.

2.3 Important Production And Sales Policies

Continuously improve internal management capabilities to reduce various production costs and provide customers with the best service and technical resources, establishing a good cooperative relationship with customers to achieve a win-win goal.

3. Future Development Strategy for The Company

(1) The Company will position itself under the OEM, ODM, and JDM models as it commits to consumer electronics, computers, communications, automotive electronics, digital content, and other product markets.
(2) We will utilize the Company's core capabilities: Development will center on molds, forms, stamping, secondary processing, and automation, and thereupon integrate technical fields encompassing materials, machinery, electronics, optics, electroacoustics, energy saving, and environmental protection. In this way, we can develop differentiated competitive advantages over our competitors.
(3) We will use our customer orientation, closeness to market leaders, and joint development of new products to create value for the Company.
(4) We will deeply cultivate existing customers, expand different product lines for current customers, and provide customers with diversified products and services.
(5) From materials, parts, components to system products, we will leverage and strengthen the company's vertical integrated manufacturing advantages to reduce manufacturing costs and enhance competitiveness.
(6) We will establish development and mass production manufacturing capabilities for key components in order to obtain an irreplaceable competitive advantage.
(7) We will develop the retail channel market, be close to consumers and grasp market demand and trends, and then combine the advantages of production and sales to develop a new niche for the Company. This will also establish an irreplaceable competitive advantage.
(8) Invest in renewable energy power plants, including solar, wind, water, and gas to facilitate the development of the green energy economic circular ecological chain, and develop energy-saving services, energy storage services, electromechanical engineering, power plant maintenance and operation, and green power trading platforms to create resource efficiency and a circular economy.

4. Effects of The External Competitive Environment, Regulatory Environment, and Overall Business Environment

Due to the instantaneous changes in the external environment and industry, the competition faced by the Company is no longer limited to Taiwan, but in all parts of the world. The targets of the Company's services are world-class customers. Therefore, "value creation" and "cost optimization" are the most important issues for the Company's sustainability in order to meet the global competition environment and survival requirements. The Company must create product value, service value and differentiated value in order to develop customers and meet their diverse needs. At the same time, the Company must be able to improve production efficiency and reduce production costs in order to gain a competitive advantage, attracting new customers and expanding into new markets.

At the same time, in the retail channel market, it is necessary to be able to grasp the acceptance

and preference of consumers for all kinds of new 3C products at any time. We must understand the consumption habits and tendencies of target consumers in various regions, so as to propose different sales strategies to respond. In addition, we should offer different services and product content from competitors to strengthen our competitive advantage.

Green energy is supported by policies and regulations. In the face of a rapidly changing business environment, in addition to continuously controlling fixed costs and improving the competitiveness and timeliness of product costs, we also use the Company's relevant resources to develop forward-looking products to strengthen product differentiation and competitiveness.

Responsible person: T.C. Gou Manager: T.C. Gou Accountant in charge: Chen-Phan Pu

II. Company Profile

1. Date of Establishment: July 14, 1986

2. Company History

1986
- Cheng Uei Precision Industry Co., Ltd. established with capital of NTD 18,000 thousand and mainly focusing on the manufacturing, processing, assembly, and trading of plastic connector injection molded products and their components

1995
- Increased capital to NTD 190,000 thousand and added machinery and equipment. Established the wire assembly business division, engaged in the development of connectors for personal computers and peripherals, mobile phone connectors, and personal computer network products
- Passed ISO 9002 quality certification

1996
- In line with plant expansion plans, capital was increased to NTD 360,000 thousand for the purchase of additional land in the Tucheng Industrial Zone
- Established power supply and electronics business divisions engaged in the research and development and production of battery modules for mobile phones and notebook computers, and power management modules for large-scale uninterrupted power systems for cable TV networks
- Launched mobile phone battery module products
- Approved as a public company by the Securities and Futures Commission of the Ministry of Finance

1997
- Paid-in capital after capitalization of retained earnings was NTD 420,000 thousand
- Launched new product manufacturing and production of power management modules
- In order to strengthen the operating lineup of the Company, undertook re-election of directors and supervisors, increased the number of supervisors from one to two, and elected T.C. Gou as chairman
- To reduce costs and improve market competitiveness, invested in the establishment of subsidiary Cu International in the British Virgin Islands while also establishing a processing plant in mainland China. In the same year, invested in the establishment of subsidiary Culink in the British Virgin Islands for the establishment of overseas marketing service bases. To acquire 100% equity of Foxlink International Ltd., established sales offices in San Francisco, Los Angeles, and Chicago to develop new markets and increase market share
- Obtained patents for USB electrical connectors and electronic connectors

1998
- Paid-in capital after capitalization of retained earnings and cash capital increase was NTD 716,000 thousand
- Moved international headquarters to new factory in the Tucheng Industrial Zone. The scale of production was expanded with this land area of about 1,200 pings and plant area of about 6,600 pings.
- Launched laptop battery module products
- Via the Culink subsidiary, invested in Foxlink Singapore Pte. to establish a Singapore sales base to develop new markets and serve customers
- In order to strengthen the supervision of the Company's operations, an additional supervisor position was established
- Recognized as an Excellent Supplier by Sanyo, an important customer of the Company

	● Obtained patent for USB duplex electrical connector
1999	● Paid-in capital after capitalization of retained earnings was NTD 818,000 thousand ● In order to ensure the stability of the company's management rights, all directors and supervisors of the Company resigned, and five directors and three supervisors were elected in accordance with the Company's Articles of Incorporation. ● The Company's stock was officially listed for trading on the Taiwan Stock Exchange Co., Ltd. in September
2000	● Paid-in capital after cash capital increase and capitalization of retained earnings was NTD 1,170,000 thousand ● Invested in the establishment of Foxlink International Investment Ltd. ● Signed a Component Purchase Agreement with Microsoft Corporation of the United States to cooperate in the production of connectors and cable assemblies used in Xbox game consoles ● Obtained patent rights in the United States for "Structure of Jack for Modular Plugs" ● Obtained patent rights in the United States for "Electrical Jack Assembly for Modular Plugs"
2001	● Paid-in capital after capitalization of retained earnings was NTD 1,435,000 thousand ● Issued overseas unsecured convertible bonds, USD 50,000 thousand ● Obtained patent rights in the United States for "Flexible Board Connector with Rotatable Cover" ● The Fudong Factory in Dongguan, China was completed. The land area is 98,926 square meters, and the workshop area is 131,877 square meters, thus expanding production scale
2002	● As directors and supervisors are to be re-elected in accordance with the law upon expiration of their terms of office, five directors and three supervisors were elected including one independent director and one independent supervisor ● Paid-in capital after capitalization of retained earnings was NTD 2,005,207 thousand ● Obtained QS 9000 certification ● Invested NTD 200 million in Well Shin Technology Co., Ltd., with a shareholding ratio of 33.27%
2003	● Paid-in capital after capitalization of retained earnings was NTD 2,282,378 thousand ● Obtained the right to set up in the Dingpu High-tech Park in Tucheng, Taipei County ● Obtained patent rights in the United States for "Electrical Connector with Improved Terminals"
2004	● Invested in the establishment of Fu Uei International Investment Ltd. ● Paid-in capital after capitalization of retained earnings was NTD 2,587,616 thousand ● The first phase of the Kunshan plant in mainland China was completed ● The laboratory of the Dongguan Fudong Factory won China's National Laboratory Certification
2005	● Approved the establishment of the Hsinchu R&D Center ● Paid-in capital after capitalization of retained earnings was NTD 2,926,377 thousand ● Beijing marketing office officially opened ● Won the Excellent Service Award from Microsoft ● Issued overseas unsecured convertible bonds, USD 100,000 thousand
2006	● Passed ISO/TS16949 international certification

- Paid-in capital after capitalization of retained earnings was NTD 3,732,207 thousand
- Established Korea marketing office
- Foxlink Group's Dingpu R&D Building was officially opened
- Issued domestic unsecured convertible bonds, NTD 5,000,000 thousand

2007

- Cheng Uei's invested affiliate Well Shin Technology goes public
- Paid-in capital after capitalization of retained earnings was NTD 4,015,817 thousand
- Invested in the establishment of DU Precision Industry Co., Ltd.
- Implemented QC 080000 green product management system
- Issued 40,000 units of employee stock option certificates

2008

- Announced Lean Six Sigma to promote the results
- Gumi Office in Gumi, South Korea was formally established
- Passed QC080000 international certification
- Invested in the establishment of Gaoqiang Optoelectronics Co., Ltd.
- Paid-in capital after capitalization of retained earnings was NTD 4,374,609 thousand

2009

- Collaborated with Qualcomm to officially launch 4.5-generation Mirasol display manufacturing plant
- Invested in Studio A to obtain 51% equity, officially entering the retail channel market
- Paid-in capital after capitalization of retained earnings was NTD 4,539,655 thousand

2010

- Invested in Power Quotient International (PQI), a major memory module manufacturer, acquiring 15.29% equity in total
- The Technology Development Committee joined National Taipei University of Technology in achieving fruitful results, publishing five improved technologies to improve product competitiveness
- In the 2010 ranking of the top 100 patents in Taiwan, the Company placed third with 402 certifications
- Entered the Electronic Procurement Platform and the Target Management System of the Formosa Plastics Network, under the Formosa Plastics Group, creating a high-quality e-commerce and workflow environment to provide customers with more product advantages and services
- Paid-in capital after capitalization of retained earnings was NTD 4,635,093 thousand

2011

- Invested in Yancheng factory in Jiangsu to integrate manufacturing and marketing channel services
- Established an Access Business Group cross-channel layout
- Established Nanchang factory in Jiangxi to fully take advantage of flexible manufacturing
- Invested in Shinfox Energy Co., Ltd. to step into the field of smart energy
- Studio A set up a fourth boutique location in Hong Kong. Between April and November, established China based specialty stores located in Hefei (Jiangsu), Kunshan, Changzhou, and Huai'an (Hebei)

2012

- Invested in LED production equipment company Smart Vision Co., Ltd., acquiring a 31.25% equity stake
- Invested affiliate Glory Science Co., Ltd. listed shares on the OTC market
- Kunshan phase IV factory started construction
- Embedded modules obtained Verizon 3G network certification

2013

- Invested to establish Cheng Uei Ma On Shan Science and Technology Park, with the

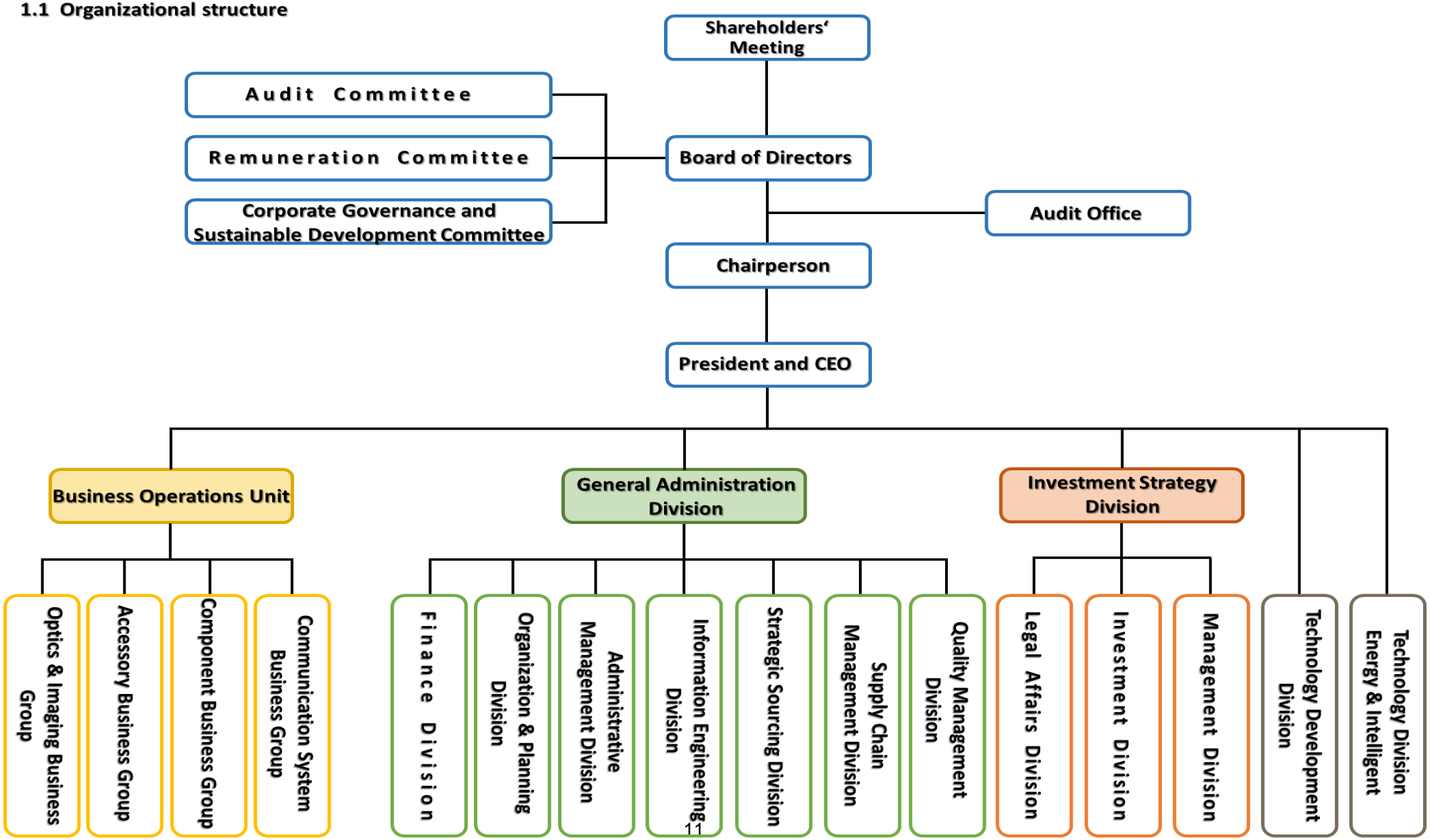
	park covering an area of 222 acres ● Acquired private equity shares of PQI Company, increasing the shareholding ratio of PQI to 42.56% ● Successfully entered the supply chain of electric vehicle components and obtained business opportunities and official shipments of wearable products ● Studio A's channel layout in the mainland expanded from the original Jiangsu Province, Anhui Province, Zhejiang Province, and Shanghai to further add new store locations in Fujian Province
2014	● Dongguan Fu-Chan Electronics completed its 3rd factory where the plant covers an area of 168 acres. ● Obtained cash capital increase shares of Glory Science and increased shareholding to 42.25% ● Signed an agreement with Tamkang University for educational-industrial cooperation plan to carry out comprehensive promotion and technology research and development cooperation both across the Taiwan Strait and internationally; aimed at developing and promoting digital writing tools completed by the digital e-pen calligraphy and painting system developed by Tamkang University as well as content and products related to dynamic handwriting. ● Completed development of 6-axis robotic arm and introduced of alternative materials for key components; carried out the construction and application promotions of the robotic arm production line
2015	● Invested in cultural and creative business by acquiring 15,000 thousand shares of cash capital increase of Central Motion Picture Corporation, with shareholding ratio at 13.6% ● Completed corporate social responsibility report of Cheng Uei Co. ● The Company's annual turnover in 2015 reached a record high of NTD 108.2 billion
2016	● Completed development of a new 6-axis 900 arm-length robotic arm, fully incorporating it into the production line ● Used Industry 4.0 concepts to improve mold production technology and increase production efficiency ● On February 6, a strong earthquake occurred in southern Taiwan and caused severe damage to the area around Tainan. Foxlink Group donated NTD 10 million to assist in post-disaster reconstruction
2017	● As directors and supervisors are to be re-elected in accordance with the law upon expiration of their terms of office, nine directors were elected including three independent directors ● Set up an Audit Committee to fill in for the authority of supervisors ● Invested in the establishment of an Indian subsidiary with an initial investment amount of Rs 160 million ● In July 2017, the Maanshan factory in mainland China was officially opened, with a plant area of 133,464 square meters
2018	● In April 2018, invested in the construction of the Xuzhou factory in Jiangsu Province. The initial investment amount was USD 8 million. ● Foxlink Group subsidiaries PQI, Foxlink Image, and Glory Science jointly established FIT Holding Co., Ltd. via conversion of shares. ● Acquired 100% equity of Hong Kong company Sinobest Brothers Ltd. and indirectly obtained 100% equity of Myanmar company Foxlink Myanmar Company Limited

2019	● First-ever issue of NT$3 billion of guaranteed general corporate bonds in 2019 ● Acquired 100% equity of Hong Kong company Journ Ta Brothers Limited and indirectly acquired 100% equity of Myanmar company Hua Tai Enterprise Company Limited
2020	● A new subsidiary was established in southern India with an initial investment of NTD 300 million ● First issue of NT$3.6 billion of guaranteed general corporate bonds in 2020 ● As directors and supervisors are to be re-elected in accordance with the law upon expiration of their terms of office, nine directors were elected with three being independent directors ● Set up in Central Taiwan Science Park and established new Central Taiwan Science Park Branch ● Subsidiary Shinfox Energy Co., Ltd. was listed on the Emerging Market board in December
2021	● Officially launched our R&D site in the Central Taiwan Science Park ● Subsidiary Shinfox Energy Co., Ltd. was officially listed on Taiwan Stock Exchange ● Appointed a corporate governance officer ● Established the Corporate Governance and Sustainable Development Committee to promote ESG and sustainable management ● Invested in the establishment of a subsidiary in Vietnam with an initial investment amount of USD 1.3 million
2022	● Invested in the establishment of Foxlink Arizona, Inc. to expand investments in the green energy industry ● Completed greenhouse gas inventory and obtained Taiwan SGS Limited (SGS) greenhouse gas verification statement. ● 2021 sustainability report completed by a third party for Type 1 moderate-level assurance per the AA1000 Assurance Standard. ● Hosted a beach clean-up activity to promote the mission goals of “Sustainable Beach Cleaning, An Earth that’s Always Green.”
2023	● The term of office of the directors and supervisors expires at the end of the term of office of the directors and supervisors shall be reelected in accordance with the law, and nine directors shall be elected, and one independent director shall be added to the current term, which shall be four independent directors. ● Invested and established Foxlink Da Nang Electronics Co., Ltd. to increase production base ● Established a greenhouse gas inventory system, and was recognized by BusinessWeek as one of the top 100 carbon-competitive companies.

III. Corporate Governance Report

1. Organization System

1.1 Organizational structure



1.2 Business operations of each department

Key departments	Business operations
Audit Division	● Operation and implementation of audits of the Company's internal control system ● Inspection and evaluation of the soundness and effectiveness of the Company's internal control system
Communication System Business Group	● R&D and manufacturing of communication and system products ● Responsible for improving and enhancing manufacturing technology and efficiency management
Optics & Imaging Business Group	● R&D and manufacturing of optoelectronic products ● Responsible for improving and enhancing manufacturing technology and efficiency management
Component Business Group	● R&D and manufacturing of component products ● Responsible for improving and enhancing manufacturing technology and efficiency management
Accessory Business Group	● R&D and manufacturing of accessory products ● Responsible for improving and enhancing manufacturing technology and efficiency management
Finance Division	● The Company's overall financial and tax planning ● Capital utilization scheduling and risk management ● Planning and drafting of the Company's financial and accounting systems and operating procedures
Organization & Planning Division	● Responsible for the Company's development plan and budget preparation ● Setting up organization, recruiting, order system, build system ● Responsible for selecting, employing, educating, and retaining human resources
Administrative Management Division	● Planning and supervision of factory construction ● Responsible for the purchase of supporting facilities for factory construction ● Organizational maintenance and planning for administration, factory affairs, environmental safety and health, etc.
Information Engineering Division	● Information system and network architecture establishment and planning
Strategic Sourcing Division	● Responsible for the formulation of strategic procurement management system ● Reduce procurement costs and control execution of major procurement cases
Supply Chain Management Division	● Plan and manage materials and finished products receiving and shipping operations of each factory ● Manage global logistics and transportation business ● Inventory management and audit ● HUB storage location layout planning and management ● Cost-effective control of logistics
Quality Management Division	● Establishment of the quality system and the promotion and audit of the quality management plan. ● Responsible for laboratory energy establishment, product quality and product safety related testing and certification management.
Legal Affairs Division	● Handling of relevant legal documents and litigation cases within the group

Key departments	Business operations
Investment Division	● Strategic planning and investment management of intra-group transfer investments
Management Division	● Performance evaluation analysis and improvement tracking of various departments and business entities of the Company
Technology Development Division	● R&D and core technology development plan introduction and resource integration for the Group. ● Intellectual property, trademark, patent application and management within the Group.
Energy & Intelligent Technology Division	● Introduction of new energy technologies ● Integration of Group automation and process optimization technology to improve production technology ● Application of advanced technology to realize intelligent production

2. Information on Directors, Supervisors, The General Manager, Deputy General Managers, Associate Managers, and Supervisors of Various Departments and Branches:

2.1 Directors and Independent Director:

Director Information (I)

April 1, 2024 Unit: Thousand shares

Job Title	Nationality	Name	Gender Age	Date elected	Tenure	Initial selection Appointment date	Time of appointment Shareholding		Current Shareholding		Spouse and minor children current shares held		Shares held in the name(s) of others		Main educational and professional background	Office(s) concurrently held in the Company and other companies	Spouse or relatives within the second degree of kinship or closer acting as other supervisors, directors, or supervisors			Remarks
							Shares	Shareholding %	Shares	Shareholding %	Shares	Shareholding %	Shares	Shareholding %			Position	Name	Relationship	
Chairperson	Republic of China .	Hsin Hung International Investment Co., Ltd.	-	2023.05.31	Three years	1997.01.17	100,535	19.62%	100,535	19.62%	0	0	0	0	None	None	None	None	None	None
	Republic of China .	T.C. Gou (Note 1)	Male 71~75	2023.05.31	Three years	1997.01.17	6,009	1.17%	6,009	1.17%	46	0.01%	0	0	University graduate, President of Hon Hai Company	President, Cheng Uei Precision Industry; Corporate Chairperson of FIT Holding, Power Quotient International, Foxlink Image, Glory Science, Studio A, Microlink Communications, DU Precision, FII, Hsin Hung Investment, Central Motion Picture, Central Motion Picture Industry Co., CMPC Cultural & Creative, Central Motion Picture Bade Co., Central Motion Picture Culture City Co., Central Motion Picture International, Deepwaters, Shinfox Energy, Shinfox Natural Gas, Shih Fong, Central Motion Picture USA Corporation. Well Benefit Limited, Pilot Time Limited	None	None	None	Note 3
Director	Republic of China .	Foxlink Taiwan Industry Co., Ltd.	-	2023.05.31	Three years	2023.05.31	916	0.18%	916	0.18%	0	0	0	0	None	None	None	None	None	None
	Republic of China .	Chen-Phan Pu (Note 1)	Male 61~70	2023.05.31	Three years	2020.12.13	32	0.01%	32	0.01%	63	0.01%	0	0	College graduate, Vice President of Cheng Uei Company	Finance and Accounting Supervisor, Cheng Uei Co.;Corporate supervisor of Microlink, Central Motion Picture, CMPC Cultural & Creative, Central Motion Picture International, Nanoshield Technology, Fu Lin, Fulian, Zheng Fa, Taifu, Kunshan Fu Shi You, Glory (Yancheng), Glory (Suzhou), Glory (Yancheng), Yancheng Yaowei Technology,	None	None	None	None

Job Title	Nationality	Name	Gender Age	Date elected	Tenure	Initial selection Appointment date	Time of appointment Shareholding		Current Shareholding		Spouse and minor children current shares held		Shares held in the name(s) of others		Main educational and professional background	Office(s) concurrently held in the Company and other companies	Spouse or relatives within the second degree of kinship or closer acting as other supervisors, directors, or supervisors			Remarks
							Shares	Shareholding %	Shares	Shareholding %	Shares	Shareholding %	Shares	Shareholding %			Position	Name	Relationship	
																Queen Mao, Fugang (Yancheng), Fuqiang (Yancheng), PQI (Yancheng), Shanghai Fugang Electronic Trading, Shanghai Benchmark Information Technology, Ashop; Chairman of Synergy Co., Ltd. corporate director of Taiwan Fulin, Xinxian Kongqi, Dongguan Fuqiang, Fugang (Kunshan); corporate director of Foxlink Myanmar, Cync Design; details of other related companies given in pages 366-373 of the annual report.				
Director	Republic of China .	Hsin Hung International Investment Co., Ltd.	-	2023.05.31	Three years	1997.01.17	100,535	19.62%	100,535	19.62%	0	0	0	0	None	None	None	None	None	None
	Republic of China .	T.C. Wang (Note 1)	Male 61~70	2023.05.31	Three years	1998.06.11	24	0	24	0	0	0	0	0	University graduate, Chairperson of Quark Opto-Electronics	Chairperson, Core Pacific Development Corporation	None	None	None	None
Director	Republic of China .	Fu Lin International Investment Co., Ltd.	-	2023.05.31	Three years	1997.01.17	3,211	0.63%	3,211	0.63%	0	0	0	0	None	None	None	None	None	None
	Republic of China .	James Lee (Note 2)	Male 61~70	2023.05.31	Three years	2002.05.30 (Note 3)	0	0	0	0	0	0	0	0	University graduate, Group General Manager of Communication System Business of Cheng Uei Company	Group General Manager of Communication System Business of Cheng Uei Company, Chairman of Wolfpack Co., Ltd.	None	None	None	None
Director	Republic of China .	Fu Lin International Investment Co., Ltd.	-	2023.05.31	Three years	1997.01.17	3,211	0.63%	3,211	0.63%	0	0	0	0	None	None	None	None	None	None
	Republic of China .	Eric Huang (Note 2)	Male 51~60	2023.05.31	Three years	2020.06.19	8	0.00%	8	0.00%	0	0	0	0	Research institute graduate, Component Business Group General Manager of Cheng Uei Company	Component Business Group General Manager, Cheng Uei Company	None	None	None	None
Independent Director	Republic of China .	Randy Lee	Male 61~70	2023.05.31	Three years	2014.06.12	0	0	0	0	0	0	0	0	Master's Degree from Missouri University, U.S.A.; Chairman of ETtoday	Vice Chairman of the Chinese Cultural University Alumni Association; director, TOPLUS Global Co., Ltd.	None	None	None	Note 4

Job Title	Nationality	Name	Gender Age	Date elected	Tenure	Initial selection Appointment date	Time of appointment Shareholding		Current Shareholding		Spouse and minor children current shares held		Shares held in the name(s) of others		Main educational and professional background	Office(s) concurrently held in the Company and other companies	Spouse or relatives within the second degree of kinship or closer acting as other supervisors, directors, or supervisors			Remarks
							Shares	Shareholding %	Shares	Shareholding %	Shares	Shareholding %	Shares	Shareholding %			Position	Name	Relationship	
Independent Director	Republic of China	Chien-Chung Fu	Male 51~60	2023.05.31	Three years	2017.06.08	0	0	0	0	0	0	0	0	Ph.D., Karlsruhe Institute of Technology, Germany Assistant Professor/Associate Professor/Professor, Institute of Nano Engineering and Microsystems, National Tsing Hua University	Professor, Department of Power Machinery, National Tsing Hua University Independent director, Saultech Technology Co., Ltd.	None	None	None	None
Independent Director	Republic of China .	Jing-Mi Tang	Male 61~70	2023.05.31	Three years	2017.06.08	0	0	0	0	9	0	0	0	Ph.D. in Aerospace Engineering from Georgia Institute of Technology, U.S.A. Associate Professor	Associate Professor, Tamkang University	None	None	None	None
Independent Director	Republic of China .	Chih-Yang Tseng	Male 41~50	2023.05.31	Three years	2023.05.31	0	0	0	0	0	0	0	0	PhD, Accounting, University of Maryland	Department of Accounting, National Taiwan University/Associate Professor	None	None	None	None

Note 1: Representative: of Hsin Hung International Investment Co., Ltd.

Note 2: Representative: of Fu Lin International Investment Co., Ltd.

Note 3: Representative: of Foxlink Taiwan Industry Co., Ltd.

Note 4: Served as a director of the Company from 2002.5.30 to 2014.6.11.

Note 5: If the Company's chairman and general manager or equivalent (top manager) are the same person, or spouse or relative within one degree of kinship to the other, the reason, rationality, necessity and relevant information of the corresponding measures should be explained. The Chairman of the Company also serves as the President, mainly to improve the efficiency of operation and management and the execution of decision-making. At present, more than half of the members of the Board of Directors are not concurrently serving as employees of the Company, so the independence of the board of directors is secure. In addition, the Chairman of the Board of Directors also closely communicates with the directors about the Company's operating status and planning guidelines to implement corporate governance. In the future, the Company plans to increase one independent directors in 2023 to enhance the functions of the Board of Directors and strengthen the supervision function.

Major Shareholders of Corporate Shareholders

Names of Corporate Shareholders	Major Shareholders of Corporate Shareholders	Percentage of Shareholding
Hsin Hung International Investment Co., Ltd.	British Virgin Islands Shangling Co., Ltd.	84.7%
Fu Lin International Investment Co., Ltd.	British Virgin Islands Shangmeijia Co., Ltd.	87.5%
Director of Foxlink Taiwan Industry Co., Ltd.	Director of Tai Fu International Investment Co., Ltd.	83.0%

Major Shareholders of Major Shareholders Who are Juridical Persons

Names of Corporations	Major Shareholders of Corporations	Percentage of Shareholding
British Virgin Islands Shangling Co., Ltd.	Well Benefit Ltd.	100%
British Virgin Islands Shangmeijia Co., Ltd.	Well Benefit Ltd.	100%
Director of Tai Fu International Investment Co., Ltd.	Remarkable First Limited	62.1%
	Hsin Hung International Investment Co., Ltd.	37.9%

Director Information (II)

(1) Disclosure of Information on The Professional Qualifications of Directors and The Independence of Independent Directors:

Terms / Name	Professional qualifications and experience	Independence criteria	Number of other public companies where he/she/it concurrently serves as an independent director
Chairperson T.C. Gou	Currently as the Chairman of the Company, FIT Holding Co., Ltd., Shinfox Energy Co., Ltd., and other publicly listed companies; has more than five years of work experience in business and finance, as well as experience needed to conduct the Company's business; has been committed to business operation in the electronic component industry for more than 30 years; possesses leadership, marketing, business management, and strategic planning abilities to lead the Company to become a pioneer in the industry and achieve sustainable development.	(1) Not a director, supervisor, or employee of another company controlled by the same person with more than half of the shares with voting rights on the Company's board of directors. (However, in the case of independent directors established and concurrently serving in the Company and its parent company, subsidiary company or subsidiary company of the same parent company in accordance with this law or local laws, this limitation shall not apply.) (2) Not a director, supervisor, manager, or shareholder holding more than 5% of a particular company or institution with financial or business dealings with the Company. (However, in the case of a particular company or organization that holds more than 20% of the Company's issued shares, but does not exceed 50%, and in the case of independent directors concurrently serving in the Company and its parent company, subsidiary company or subsidiary company of the same parent company in accordance with this law or local laws, this limitation shall not apply.) (3) Not a partner, director, supervisor, manager, or spouse thereof of a company or institution that provides commercial, legal, financial, financial, accounting services or consultation to the Company or any affiliate of the Company for amounts exceeding NT$500,000 in the past two years. However, for members of the Remuneration Committee, Public Acquisitions Review Committee, or M&A Special Committee who perform their functions and powers in accordance with the relevant laws and regulations of the Securities and Exchange Act or the Corporate Mergers & Acquisitions Act, this limitation shall not apply. (4) He/she is not the spouse or relative within the second degree of kinship of another director. (5) He/she does not fall into the circumstances in the provisions of Article 30 of the Company Act.	None

Terms / Name	Professional qualifications and experience	Independence criteria	Number of other public companies where he/she/it concurrently serves as an independent director
Director Chen-Phan Pu	As the Company's financial accounting supervisor concurrently; has more than five years of work experience in business, finance, and accounting, as well as experience needed to conduct the Company's business; specializes in corporate financial and accounting affairs; possesses professional leadership, business management, and strategic planning capabilities, and has extensive experience in business planning.	(1) No one percent or more of the total issued shares of the Company are held by him/her or his/her spouse, or minor children or on his/her behalf, or none of their shareholding percentage is among top ten shareholders. (2) Not a director, supervisor, or employee of another company controlled by the same person with more than half of the shares with voting rights on the Company's board of directors. (However, in the case of independent directors established and concurrently serving in the Company and its parent company, subsidiary company or subsidiary company of the same parent company in accordance with this law or local laws, this limitation shall not apply.) (3) Not a director, supervisor, or employee of another company or institution whose chairman, general manager, or equivalent position is the same person as that of the Company, or the spouse thereof. (However, in the case of independent directors established and concurrently serving in the Company and its parent company, subsidiary company or subsidiary company of the same parent company in accordance with this law or local laws, this limitation shall not apply.) (4) Not a director, supervisor, manager, or shareholder holding more than 5% of a particular company or institution with financial or business dealings with the Company. (However, in the case of a particular company or organization that holds more than 20% of the Company's issued shares, but does not exceed 50%, and in the case of independent directors concurrently serving in the Company and its parent company, subsidiary company or subsidiary company of the same parent company in accordance with this law or local laws, this limitation shall not apply.) (5) Not a partner, director, supervisor, manager, or spouse thereof of a company or institution that provides commercial, legal, financial, financial, accounting services or consultation to the Company or any affiliate of the Company for amounts exceeding NT$500,000 in the past two years. However, for members of the Remuneration Committee, Public Acquisitions Review Committee, or M&A Special Committee who perform their functions and powers in accordance	None

Terms / Name	Professional qualifications and experience	Independence criteria	Number of other public companies where he/she/it concurrently serves as an independent director
		with the relevant laws and regulations of the Securities and Exchange Act or the Corporate Mergers & Acquisitions Act, this limitation shall not apply. (6) He/she is not the spouse or relative within the second degree of kinship of another director. (7) He/she does not fall into the circumstances in the provisions of Article 30 of the Company Act.	
Director T.C. Wang	Currently as the Chairman of Core Pacific Development Corporation; has more than five years of work experience in business and finance as well as experience needed to conduct the Company's business; has an international perspective, strategic planning ability, and global professional market competition judgment ability, and innovative leadership.	(1) Not an employee of the Company or its affiliates. (2) Not a director or supervisor of the Company or its affiliates. (However, in the case of independent directors established and concurrently serving in the Company and its parent company, subsidiary company or subsidiary company of the same parent company in accordance with this law or local laws, this limitation shall not apply.) (3) No one percent or more of the total issued shares of the Company are held by him/her or his/her spouse, or minor children or on his/her behalf, or none of their shareholding percentage is among top ten shareholders. (4) Not a manager listed in (1) or spouse or relative within the second degree of kinship of (2) or (3) or immediate blood relation within the third degree of kinship. (5) Not a director, supervisor, or employee of another company controlled by the same person with more than half of the shares with voting rights on the Company's board of directors. (However, in the case of independent directors established and concurrently serving in the Company and its parent company, subsidiary company or subsidiary company of the same parent company in accordance with this law or local laws, this limitation shall not apply.) (6) Not a director, supervisor, or employee of another company or institution whose chairman, general manager, or equivalent position is the same person as that of the Company, or the spouse thereof. (However, in the case of independent directors established and concurrently serving in the Company and its parent company, subsidiary company or subsidiary company of the same parent company in accordance with this law or local laws, this limitation	None

Terms / Name	Professional qualifications and experience	Independence criteria	Number of other public companies where he/she/it concurrently serves as an independent director
		shall not apply.) (7) Not a director, supervisor, manager, or shareholder holding more than 5% of a particular company or institution with financial or business dealings with the Company. (However, in the case of a particular company or organization that holds more than 20% of the Company's issued shares, but does not exceed 50%, and in the case of independent directors concurrently serving in the Company and its parent company, subsidiary company or subsidiary company of the same parent company in accordance with this law or local laws, this limitation shall not apply.) (8) Not a partner, director, supervisor, manager, or spouse thereof of a company or institution that provides commercial, legal, financial, financial, accounting services or consultation to the Company or any affiliate of the Company for amounts exceeding NT$500,000 in the past two years. However, for members of the Remuneration Committee, Public Acquisitions Review Committee, or M&A Special Committee who perform their functions and powers in accordance with the relevant laws and regulations of the Securities and Exchange Act or the Corporate Mergers & Acquisitions Act, this limitation shall not apply. (9) He/she is not the spouse or relative within the second degree of kinship of another director. (10) He/she does not fall into the circumstances in the provisions of Article 30 of the Company Act.	
Director James Lee	As the General Manager of the Company's Communication Products Business Group concurrently and the President of Glory Science Co., Ltd.; has more than five years of work experience in business as well as experience needed to conduct the Company's business; has business management and strategic planning abilities; specializes in market strategy and has extensive experience in business promotion.	(1) No one percent or more of the total issued shares of the Company are held by him/her or his/her spouse, or minor children or on his/her behalf, or none of their shareholding percentage is among top ten shareholders. (2) Directors and supervisors who are indirect shareholders who hold more than 5% of the Company's total issued shares, the top five shareholders, or juristic person shareholders who appoint representatives to act as company directors or supervisors in accordance with Article 27, Paragraphs 1 or 2 of the Company Act, or an employee thereof. (However, in the case of independent directors established and concurrently serving in the Company and its parent	None

Terms / Name	Professional qualifications and experience	Independence criteria	Number of other public companies where he/she/it concurrently serves as an independent director
		company, subsidiary company or subsidiary company of the same parent company in accordance with this law or local laws, this limitation shall not apply.) (3) Not a director, supervisor, or employee of another company controlled by the same person with more than half of the shares with voting rights on the Company's board of directors. (However, in the case of independent directors established and concurrently serving in the Company and its parent company, subsidiary company or subsidiary company of the same parent company in accordance with this law or local laws, this limitation shall not apply.) (4) Not a director, supervisor, or employee of another company or institution whose chairman, general manager, or equivalent position is the same person as that of the Company, or the spouse thereof. (However, in the case of independent directors established and concurrently serving in the Company and its parent company, subsidiary company or subsidiary company of the same parent company in accordance with this law or local laws, this limitation shall not apply.) (5) Not a director, supervisor, manager, or shareholder holding more than 5% of a particular company or institution with financial or business dealings with the Company. (However, in the case of a particular company or organization that holds more than 20% of the Company's issued shares, but does not exceed 50%, and in the case of independent directors concurrently serving in the Company and its parent company, subsidiary company or subsidiary company of the same parent company in accordance with this law or local laws, this limitation shall not apply.) (6) Not a partner, director, supervisor, manager, or spouse thereof of a company or institution that provides commercial, legal, financial, financial, accounting services or consultation to the Company or any affiliate of the Company for amounts exceeding NT$500,000 in the past two years. However, for members of the Remuneration Committee, Public Acquisitions Review Committee, or M&A Special Committee who perform their functions and powers in accordance with the relevant laws and regulations of the Securities and	

Terms / Name	Professional qualifications and experience	Independence criteria	Number of other public companies where he/she/it concurrently serves as an independent director
		Exchange Act or the Corporate Mergers & Acquisitions Act, this limitation shall not apply. (7) He/she is not the spouse or relative within the second degree of kinship of another director. (8) He/she does not fall into the circumstances in the provisions of Article 30 of the Company Act.	
Director Eric Huang	As the General Manager of the Company's Component Business Group concurrently; has more than five years of work experience in business as well as experience needed to conduct the Company's business; has business management and strategic planning abilities; specializes in market strategy and has extensive experience in business promotion.	(1) No one percent or more of the total issued shares of the Company are held by him/her or his/her spouse, or minor children or on his/her behalf, or none of their shareholding percentage is among top ten shareholders. (2) Directors and supervisors who are indirect shareholders who hold more than 5% of the Company's total issued shares, the top five shareholders, or juristic person shareholders who appoint representatives to act as company directors or supervisors in accordance with Article 27, Paragraphs 1 or 2 of the Company Act, or an employee thereof. (However, in the case of independent directors established and concurrently serving in the Company and its parent company, subsidiary company or subsidiary company of the same parent company in accordance with this law or local laws, this limitation shall not apply.) (3) Not a director, supervisor, or employee of another company controlled by the same person with more than half of the shares with voting rights on the Company's board of directors. (However, in the case of independent directors established and concurrently serving in the Company and its parent company, subsidiary company or subsidiary company of the same parent company in accordance with this law or local laws, this limitation shall not apply.) (4) Not a director, supervisor, or employee of another company or institution whose chairman, general manager, or equivalent position is the same person as that of the Company, or the spouse thereof. (However, in the case of independent directors established and concurrently serving in the Company and its parent company, subsidiary company or subsidiary company of the same parent company in accordance with this law or local laws, this limitation shall not apply.)	None

Terms / Name	Professional qualifications and experience	Independence criteria	Number of other public companies where he/she/it concurrently serves as an independent director
		(5) Not a director, supervisor, manager, or shareholder holding more than 5% of a particular company or institution with financial or business dealings with the Company. (However, in the case of a particular company or organization that holds more than 20% of the Company's issued shares, but does not exceed 50%, and in the case of independent directors concurrently serving in the Company and its parent company, subsidiary company or subsidiary company of the same parent company in accordance with this law or local laws, this limitation shall not apply.) (6) Not a partner, director, supervisor, manager, or spouse thereof of a company or institution that provides commercial, legal, financial, financial, accounting services or consultation to the Company or any affiliate of the Company for amounts exceeding NT$500,000 in the past two years. However, for members of the Remuneration Committee, Public Acquisitions Review Committee, or M&A Special Committee who perform their functions and powers in accordance with the relevant laws and regulations of the Securities and Exchange Act or the Corporate Mergers & Acquisitions Act, this limitation shall not apply. (7) He/she is not the spouse or relative within the second degree of kinship of another director. (8) He/she does not fall into the circumstances in the provisions of Article 30 of the Company Act.	
Independent Director Randy Lee	As the convener of the Company's Audit Committee, Remuneration Committee, Corporate Governance and Sustainable Development Committee; used to be the Chief Operating Officer of Eastern Home Shopping & Leisure Co., Ltd., the Chairman of ETtoday, and the Vice President of the Ting Hsin International Group; has more than five years of work experience in business and finance as well as experience needed to conduct the Company's business; has an international	(1) Not an employee of the Company or its affiliates. (2) Not a director or supervisor of the Company or its affiliates. (3) No one percent or more of the total issued shares of the Company are held by him/her or his/her spouse, or minor children or on his/her behalf, or none of their shareholding percentage is among top ten shareholders. 4) Not a manager listed in (1) or spouse or relative within the second degree of kinship of (2) or (3) or immediate blood relation within the third degree of kinship. (5) Directors and supervisors who are indirect shareholders who hold more than 5% of the Company's total issued shares, the top five shareholders, or juristic person shareholders who appoint	None

Terms / Name	Professional qualifications and experience	Independence criteria	Number of other public companies where he/she/it concurrently serves as an independent director
	perspective, global professional market competition judgment ability, and innovative leadership.	representatives to act as company directors or supervisors in accordance with Article 27, Paragraphs 1 or 2 of the Company Act, or an employee thereof. (6) Not a director, supervisor, or employee of another company	

Terms / Name	Professional qualifications and experience	Independence criteria	Number of other public companies where he/she/it concurrently serves as an independent director
Independent Director Chien-Chung Fu	As a member of the Company's Audit Committee, Remuneration Committee, Corporate Governance and Sustainable Development Committee, a professor, Department of Power Machinery, National Tsing Hua University, and an independent director at Saultech Technology Co., Ltd.; has more than five years of experience in teaching relevant disciplines, including business and disciplines needed to conduct the Company's business as a professor at public and private colleges and universities; has more than five years of work experience in business as well as experience needed to conduct the Company's business; is committed to the nano-engineering research and provides professional advice on the Company's product development and sales.	controlled by the same person with more than half of the shares with voting rights on the Company's board of directors. (7) Not a director, supervisor, or employee of another company or institution whose chairman, general manager, or equivalent position is the same person as that of the Company, or the spouse thereof. (8) Not a director, supervisor, manager, or shareholder holding more than 5% of a particular company or institution with financial or business dealings with the Company. (9) Not a partner, director, supervisor, manager, or spouse thereof of a company or institution that provides commercial, legal, financial, financial, accounting services or consultation to the Company or any affiliate of the Company for amounts exceeding NT$500,000 in the past two years. (10) He/she is not the spouse or relative within the second degree of kinship of another director. (11) He/she does not fall into the circumstances in the provisions of Article 30 of the Company Act. (12) No provision to be elected by a government or juristic person or their representative under Article 27 of the Company Act.	1
Independent Director Jing-Mi Tang	As a member of the Company's Audit Committee, Remuneration Committee, Corporate Governance and Sustainable Development Committee and an associate professor, Department of Aerospace Engineering, Tamkang University; has more than five years of experience in teaching relevant disciplines, including business and disciplines needed to conduct the Company's business as a professor at public and private colleges and universities; has more than five years of work experience in business as well as experience needed to conduct the Company's business; is committed to the aerospace engineering research		None

Terms / Name	Professional qualifications and experience	Independence criteria	Number of other public companies where he/she/it concurrently serves as an independent director
	and provides professional advice on the Company's product development and sales. Associate Professor		
Independent Director Chih-Yang Tseng	Member of the Company's Audit Committee, Remuneration Committee, and Corporate Governance and Sustainable Operation Committee. She is an associate professor of the Department of Accounting, National Taiwan University. She has more than five years of work experience in commerce, finance, accounting, and company operations, specializing in Corporate governance and accounting related affairs.		None

(2) Board Diversity and Independence:

A. **Board Diversity**

- The Company's Corporate Governance Best Practice Principles stipulates that the Company shall consider the principle of diversity for the composition of the Board of Directors and formulate an appropriate diversity policy based on its operation, operating model, and development needs. The policy should include but is not limited to the following two criteria:
  (b) Basic criteria and values: gender, age, nationality, and culture.
  (c) Professional knowledge and skills: professional background (such as law, accounting, industry, finance, marketing, or technology), professional skills, and industry experience.
- The board members shall generally possess the knowledge, skills, and qualities needed to perform their duties. To achieve the ideal goals of corporate governance, the board of directors as a whole should possess the capabilities and skills below:
  (a) Business judgment
  (b) Accounting and financial analysis
  (c) Business management
  (d) Crisis management
  (e) Industry knowledge
  (f) International perspective
  (g) Leadership
  (h) Decision-making
  (i) Sustainability
- The Company's Board of Directors consists of nine directors. The specific management goals and achieving status of the board diversity policy are as follows:

  In accordance with the above principles, the 9 directors of 14th term of the Company consisted of professors in various fields, business professionals, and directors of companies in different industries. They have the professional knowledge, experience, and literacy required to perform their duties and responsibilities to deal with economic, environmental, and social issues Changes in all aspects. Based on their wealth of knowledge, personal insight and business judgment, and maintaining good communication with the management team, the directors provide guidance and suggestions to the Company, and jointly create maximum benefits for shareholders.

- **Implementation of The Board Diversity Policy:**

Name	Diversity item	Basic composition							Diversified core competencies								
		Nationality	Gender	As an employee concurrently	Age			Length of term of independent directors (3 to 9 years)	Business judgment	Accounting and financial analysis	Business management	Crisis management	Industry knowledge	International perspective	Leadership	Decision-making	Sustainability
					51–60 years old	61–70 years old	71–75 years old										
Director	T.C. Gou	Republic of China	Male	v			v		v	v	v	v	v	v	v	v	v
	Chen-Phan Pu		Male	v		v			v	v	v	v	v	v	v	v	v
	T.C. Wang		Male			v			v		v	v	v	v	v	v	v
	James Lee		Male	v		v			v		v	v	v	v	v	v	v
	Eric Huang		Male	v	v				v		v	v	v	v	v	v	v
Independent Director	Randy Lee		Male			v		Note	v	v	v	v	v	v	v	v	v
	Chien-Chung Fu		Male		v			v	v			v	v	v	v	v	v
	Jing-Mi Tang		Male			v		v	v			v	v	v	v	v	v
	Chih-Yang Tseng		Male		v			v	v	v	v		v	v	v	v	v

Note: Independent Director Chuan-Wei Lee has experience in business and company operation management, which is of obvious benefit to the Company. Although Independent Director Lee has been re-elected for three terms, the Company still needs to take advantage of his expertise to supervise and provide professional opinions to the Board of Directors.

B. Independence of the Board of Directors:

(a) The Company added one independent director during the re-election of directors in 2023, and there were a total of 4 independent directors, accounting for 44% of the total number of directors; in addition, there were 5 outside directors, accounting for more than half of the seats of the directors in compliance with the Company's diversity and independence policies and requirements. However, this is only to meet the needs of future development. The Company will continue to examine the elements that make up diversity, and will continue to strengthen the goal of diversity for the board of directors in the next election.

(b) In order to maintain the independence of the Board of Directors, the Directors are not spouses or relatives within the second degree of kinship, and are not in the circumstances described in Paragraph 3 and 4, Article 26-3 of the Securities and Exchange Act.

2.2 Information on The General Manager, Deputy General Managers, Associate Managers, and Supervisors of Various Departments and Branches:

April 1, 2024 Unit: Thousand shares

Job Title	Nationality	Name	Gender	Date assumed office	Shareholding		Spouse and minor children shares held		Shares held in the name(s) of others		Principal experience (education)	Current positions concurrently held in other companies	Spouse or relatives within the second degree of kinship or closer acting as managerial officers			Remarks
					Shares	Shareholding %	Shares	Shareholding %	Shares	Shareholding %			Position	Name	Relationship	
Chairman and President	Republic of China	T.C. Gou	Male	1996.01.01	6,009	1.17%	46	0.01%	0	0	Department of Law, National Chung Hsing University President of Hon Hai Precision Industry Co., Ltd. Chairman, Jin Yong	President, Cheng Uei Precision Industry; Corporate Chairperson of FIT Holding, Power Quotient International, Foxlink Image, Glory Science, Studio A, Microlink Communications, DU Precision, FII, Hsin Hung Investment, Central Motion Picture, Central Motion Picture Industry Co., CMPC Cultural & Creative, Central Motion Picture Bade Co., Central Motion Picture Culture City Co., Central Motion Picture International, Deepwaters, Shinfox Energy, Shinfox Natural Gas, Shih Fong, Central Motion Picture USA Corporation, Luminys Systems Corp. Well Benefit Limited, Pilot Time Limited	None	None	None	Note
Communication System Business Group General Manager	Republic of China	James Lee	Male	1986.07.14	0	0	0	0	0	0	Master's degree	Chairman of Wolfpack Co., Ltd.	None	None	None	None
Component Business Group General Manager,	Republic of China	Eric Huang	Male	2013.12.01	8	0	0	0	0	0	Master’s degree in Department of Aeronautics and Astronautics from National Cheng Kung University Research fellow, Material and Chemical Research Laboratories, ITRI	None	None	None	None	None

Job Title	Nationality	Name	Gender	Date assumed office	Shareholding		Spouse and minor children shares held		Shares held in the name(s) of others		Principal experience (education)	Current positions concurrently held in other companies	Spouse or relatives within the second degree of kinship or closer acting as managerial officers			Remarks
					Shares	Shareholding %	Shares	Shareholding %	Shares	Shareholding %			Position	Name	Relationship	
Optics & Imaging Business Group General Manager	Republic of China	Julius Chu	Male	2018.05.16	0	0	0	0	0	0	Graduated from Soochow University Vice President, Cheng Uei Precision Industry Co., Ltd.	Director of Glorytek (Yancheng), Glory Optics (Yancheng); President of Glorytek (Suzhou), Glorytek (Yancheng), Yancheng Yaowei Technology	None	None	None	None
Vice President	Republic of China	Chen-Phan Pu	Male	2002.02.08	32	0.01%	63	0.01%	0	0	Graduated from Bank Management Department, Tamsui Oxford University College Manager of Cathay United Bank Special Assistant, Directors' Office, Cheng Uei Company	Finance and Accounting Supervisor, Cheng Uei Co.;Corporate supervisor of Microlink, Central Motion Picture, CMPC Cultural & Creative, Central Motion Picture International, Nanoshield Technology, Fu Lin, Fulian, Zheng Fa, Taifu, Kunshan Fu Shi You, Glory (Yancheng), Glory (Suzhou), Glory (Yancheng), Yancheng Yaowei Technology, Queen Mao, Fugang (Yancheng), Fuqiang (Yancheng), PQI (Yancheng), Shanghai Fugang Electronic Trading, Shanghai Benchmark Information Technology, Ashop; Chairman of Synergy Co., Ltd. corporate director of Taiwan Fulin, Xinxian Kongqi, Dongguan Fuqiang, Fugang (Kunshan); corporate director of Foxlink Myanmar, Cync Design; details of other related companies given in pages 366-373 of the annual report.	None	None	None	None
Vice President	Republic of China	Malcolm Lin	Male	2006.08.01	5	0	0	0	0	0	Ph.D. of Electrical Engineering, University of Pennsylvania, USA Engineer, Electronic and Optoelectronic System Research Laboratories, ITRI	None	None	None	None	None

Job Title	Nationality	Name	Gender	Date assumed office	Shareholding		Spouse and minor children shares held		Shares held in the name(s) of others		Principal experience (education)	Current positions concurrently held in other companies	Spouse or relatives within the second degree of kinship or closer acting as managerial officers			Remarks
					Shares	Shareholding %	Shares	Shareholding %	Shares	Shareholding %			Position	Name	Relationship	
Vice President	Republic of China	Y.Y. Wu	Male	2014.12.22	290	0.06%	5	0	0	0	Graduated from Hosei University, Japan Assistant Vice President, Cheng Uei Company	None	None	None	None	None
Vice President	Republic of China	Daniel Wu	Male	2017.07.01	0	0	1	0	0	0	PhD in Information Management, National Taiwan University of Science and Technology Assistant Vice President, Cheng Uei Company	None	None	None	None	None
Vice President	Republic of China	Spencer Yeh	Male	2019.03.04	0	0	0	0	0	0	PhD, National Cheng Kung University General Manager of NexPower Technology Corp. Assistant Vice President of Wah Hong Industrial Corp.	None	None	None	None	None
Vice President	Republic of China	Luc Chu	Male	2020.08.11	0	0	0	0	0	0	Graduated from Tamkang University Assistant Vice President of Cheng Uei Precision Industry Co., Ltd.	None	None	None	None	None
Vice-President	Republic of China	PK Chou	Male	2022.04.12	5	0	10	0	0	0	Graduated from the National Taiwan University of Science and Technology Vice-President, Foxlink Image Technology	None	None	None	None	None
Vice-President	Republic of China	Gordon Lin	Male	2022.08.01	0	0	0	0	0	0	Master's degree from the Department of Automatic Control Engineering, Feng Chia University Assistant Vice-President of Cheng Uei Precision Industry Co., Ltd.	None	None	None	None	None

Job Title	Nationality	Name	Gender	Date assumed office	Shareholding		Spouse and minor children shares held		Shares held in the name(s) of others		Principal experience (education)	Current positions concurrently held in other companies	Spouse or relatives within the second degree of kinship or closer acting as managerial officers			Remarks
					Shares	Shareholding %	Shares	Shareholding %	Shares	Shareholding %			Position	Name	Relationship	
Head of Corporate Governance	Republic of China	Kufn Lin	Male	2021.03.26	582	0.11%	0	0	0	0	Department of Accounting, FJCU Special Assistant, Directors' Office, Cheng Uei Company	Special Assistant, Cheng Uei Co.; corporate director of Well Shin, Microlink, Trinity Investment, Central Motion Picture, CMPC Cultural & Creative, Central Motion Picture International, Deepwaters, Fu Lin, Taifu, Fulian, Taiwan Star Telecom, Weijie Biomedical, Changpin Wind Power Co., Ltd., Fushineng (Kunshan), Foxlink Automotive Technology, Fu Gang (Nan Chang), PQI (Yancheng), Sharetronic, Shinfox Far East, etc.; Chairperson of Central Motion Picture Management Consulting, Deepwaters Xuanxiu, Xinxian Kongqi, Zheng Fa, etc.; Deputy Chairperson of Fugang (Dongguan); supervisor of CYNC Design, Chung Chia Power Co., Ltd., Fugang (Xuzhou) details of other related companies given in pages 366-373 of the annual report	None	None	None	None

Note 1: If the general manager or equivalent (top manager) and the chairperson is the same person, or spouse or relative within one degree of kinship to the other, the reason, rationality, necessity and relevant information of the corresponding measures should be disclosed (e.g., the number of independent directors should be increased, more than half of the directors should not be concurrent employees or managers, etc.)

The Chairman of the Company also serves as the President, mainly to improve the efficiency of operation and management and the execution of decision-making. At present, more than half of the members of the Board of Directors are not concurrently serving as employees of the Company, so the independence of the board of directors is secure. In addition, the Chairman of the Board of Directors also closely communicates with the directors about the Company's operating status and planning guidelines to implement corporate governance. In the future, the Company plans to increase one independent directors in 2023 to enhance the functions of the Board of Directors and strengthen the supervision function.

Note 2: Vice President Wen-Bin Hsu resigned on September 8, 2023.

3. Remuneration Paid to Directors, Supervisors, The President, and Vice President(s) in The Most Recent Year

3.1 Remuneration Paid to Directors, Supervisors, The President, Vice President(s), etc., In 2023

3.1.1 Remuneration to Directors (Including Independent Directors)

Unit: NTD Thousand

Title	Name	Directors' Remuneration								Ratio of the total amount of A, B, C and D vs. net profit after tax		Remuneration paid to part-time employees								Ratio of the total amount of A, B, C, D, E, F and G vs. net profit after tax		Compensation from parent company and business investments other than subsidiaries
		Remuneration (A)		Pension (B)		Remuneration for Directors (C)		Expenses for Execution of Business (D)				Wages, rewards, special allowances, etc. (E)		Retirement Pension (F)		Remuneration for Employees (G)						
																The Company		All companies included in the financial statements				
		The Company	All companies included in the financial statements	The Company	All companies included in the financial statements	The Company	All companies included in the financial statements	The Company	All companies included in the financial statements	The Company	All companies included in the financial statements	The Company	All companies included in the financial statements	The Company	All companies included in the financial statements	Cash amount	Stock amount	Cash amount	Stock amount	The Company	All companies included in the financial statements	
Director	Hsin Hung International Investment Co., Ltd. Corporate representative: T.C. Gou Corporate representative: T.C. Wang	0	0	0	0	4,500	6,460	0	0	4,500 0.31%	6,460 0.44%	47,082	55,004	469	732	18,521	0	18,521	0	70,572 4.84%	80,717 5.54%	None
Director	Fu Lin International Investment Co., Ltd. Corporate representative: James Lee Corporate representative: Eric Huang																					
Director	Foxlink Taiwan Industry International Co., Ltd. Corporate representative: Chen-Phan Pu																					
Independent Director	Randy Lee Chien-Chung Fu Jing-Mi Tang Chih-Yang Tseng	0	0	0	0	3,500	3,500	0	0	3,500 0.24%	3,500 0.24%	0	0	0	0	0	0	0	0	3,500 0.24%	3,500 0.24%	None

1. The policies, systems, standards and structure of independent directors' remuneration, and, according to the responsibilities, risks, time invested and other factors, describe the relevance to the remuneration amount: The remuneration of independent directors of the company is based on the evaluation results of the Board of Directors Performance Evaluation Measures and the Remuneration Committee Charter. It considers individual responsibilities and time put in, and also refers to the individual performance achievement rate and contribution rate of independent directors to provide appropriate remuneration; and after the approval of the remuneration committee, it is submitted to the Board of Directors for approval.

2. Except as disclosed in the above table, the remuneration for the services provided for all companies in the financial report by the directors of the Company in the most recent year (such as consultants who are not employees): Nil.

Note: 1. The amount of retirement pensions for 2023 constitutes the total amount set out in accordance with the old and new pension systems.

2. Based on the proposed employee compensation amount of NTD 231,145,000 in 2023 as approved by the Board of Directors of the Company, the proposed amount is estimated

based on the actual amount allocated in the previous year.

Table of Remuneration Scales

Range of remuneration paid to each director of the Company	Director name			
	The total amount of the first four remuneration items (A+B+C+D)		The total amount of the first seven remuneration items (A+B+C+D+E+F+G)	
	The Company	All companies included in the financial statements	The Company	All companies included in the financial statements
Less than 1,000,000	**Ordinary director:** Chen-Phan Pu、James Lee、Eric Huang、 Foxlink Taiwan Industry International Co., Ltd. **Independent director：** Chih-Yang Tseng	**Ordinary director:** James Lee、Eric Huang、 Foxlink Taiwan Industry International Co., Ltd. **Independent director：** Chih-Yang Tseng	**Ordinary director:：** Foxlink Taiwan Industry International Co., Ltd. **Independent director：** Chih-Yang Tseng	**Ordinary director:** Foxlink Taiwan Industry International Co., Ltd. **Independent director：** Chih-Yang Tseng
1,000,000 (inclusive)～2,000,000 (exclusive)	Ordinary director: T.C. Gou、T.C. Wang、 Hsin Hung International Investment Co., Ltd.**Independent director：** Randy Lee、Chien-Chung Fu、Jing-Mi Tang	**Ordinary director:：** Chen-Phan Pu、T.C. Wang、 Hsin Hung International Investment Co., Ltd.**Independent director：** Randy Lee、Chien-Chung Fu、Jing-Mi Tang	**Ordinary director:：** T.C. Wang、 Hsin Hung International Investment Co., Ltd. **Independent director：** Randy Lee、Chien-Chung Fu、Jing-Mi Tang	**Ordinary director:** T.C. Wang、 Hsin Hung International Investment Co., Ltd.**Independent director：** Randy Lee、Chien-Chung Fu、Jing-Mi Tang
2,000,000 (inclusive)～3,500,000 (exclusive)	Ordinary director: Hsin Hung International Investment Co., Ltd.	Ordinary director: T.C. Gou、Hsin Hung International Investment Co., Ltd.	**Ordinary director:：** Hsin Hung International Investment Co., Ltd.	**Ordinary director:** Hsin Hung International Investment Co., Ltd.
3,500,000 (inclusive)～5,000,000 (exclusive)	0	0	0	0
5,000,000 (inclusive)～10,000,000 (exclusive)	0	0	0	0
10,000,000 (inclusive)～15,000,000 (exclusive)	0	0	**Ordinary director:：** James Lee、Chen-Phan Pu	**Ordinary director:** Chen-Phan Pu
15,000,000 (inclusive)～30,000,000 (exclusive)	0	0	**Ordinary director:：** T.C. Gou、Eric Huang	**Ordinary director:** T.C. Gou、James Lee、Eric Huang
30,000,000 (inclusive)～50,000,000 (exclusive)	0	0	0	0
50,000,000 (inclusive)～100,000,000 (exclusive)	0	0	0	0
Over NTD 100,000,000	0	0	0	0
Total	12	12	12	12

3.1.2 Remuneration Paid to President and Vice President(s)

Unit: NTD Thousand

Position	Name	Salary (A)		Pension (B)		Rewards and Special expenses etc. (C)		Employee bonuses amount (D)				Ratio of the total amount of A, B, C and D vs. net profit after tax (%)		Compensation from parent company and business investments other than subsidiaries
								The Company		All companies included in the financial statements				
		The Company	All companies included in the financial statements	The Company	All companies included in the financial statements	The Company	All companies included in the financial statements	Cash amount	Stock amount	Cash amount	Stock amount	The Company	All companies included in the financial statements	
President	T.C. Gou	32,808	42,734	1,465	1,778	59,608	64,379	31,708	0	31,708	0	125,590 8.62%	140,599 9.65%	0
Group General Manager	James Lee													
Group General Manager	Eric Huang													
Group General Manager	Julius Chu													
Vice President	Chen-Phan Pu													
Vice President	Malcolm Lin													
Vice President	Y.Y. Wu													
Vice President	Daniel Wu													
Vice President	Wanson Hsu													
Vice President	Spencer Yeh													
Vice President	Luc Chu													
Vice President	PK Chou													
Vice President	Gordon Lin													

Note: 1. The amount of retirement pensions for 2023 constitutes the total amount set out in accordance with the old and new pension systems.

2. Based on the proposed employee compensation amount of NTD231,145,000 in 2022 as approved by the Board of Directors of the Company, the proposed amount is estimated based on the actual amount allocated in the previous year.

3. Vice President Wen-Bin Hsu resigned on September 8, 2023.

- **Table of Remuneration Scales**

Range of remunerations paid to President and vice president(s)	Name of General Manager and Deputy General Manager(s)	
	The Company	All companies included in the financial statements E
Less than 1,000,000	0	0
1,000,000 (inclusive)～2,000,000 (exclusive)	Wanson Hsu	Wanson Hsu
2,000,000 (inclusive)～3,500,000 (exclusive)	0	0
3,500,000 (inclusive)～5,000,000 (exclusive)	Spencer Yeh, PK Chou	Spencer Yeh, PK Chou
5,000,000 (inclusive)～10,000,000 (exclusive)	Malcolm Lin, Y.Y. Wu, Luc Chu, Gordon Lin, Daniel Wu	Malcolm Lin, Y.Y. Wu, Luc Chu, Gordon Lin, Daniel Wu
10,000,000 (inclusive)～15,000,000 (exclusive)	James Lee ,Chen-Phan Pu,	Chen-Phan Pu
15,000,000 (inclusive)～30,000,000 (exclusive)	T.C. Gou, Julius Chu,Eric Huang	T.C. Gou ,James Lee, Julius Chu, Eric Huang
30,000,000 (inclusive)～50,000,000 (exclusive)	0	0
50,000,000 (inclusive)～100,000,000 (exclusive)	0	0
Over NTD 100,000,000	0	0
Total	11	11

Names of Managerial Officers Entitled to Employee Bonuses and Amounts Entitled

Unit: NTD thousand

Item	Position	Name	Stock bonus amount	Cash bonus amount	Total	As percentage of income after tax (%)
Manager	President	T.C. Gou	0	31,708	31,708	2.18%
	Group General Manager	James Lee				
	Group General Manager	Eric Huang				
	Group General Manager	Julius Chu				
	Vice President	Chen-Phan Pu				
	Vice President	Malcolm Lin				
	Vice President	Y.Y. Wu				
	Vice President	Daniel Wu				
	Vice President	Wanson Hsu				
	Vice President	Spencer Yeh				
	Vice President	Luc Chu				
	Vice President	PK Chou				
	Vice President	Gordon Lin				

Note: Based on the proposed employee compensation amount of NTD 231,145,000 in 2023 as approved by the Board of Directors of the Company, the details of the employee remuneration scheme have not yet been decided as of the publication date of the annual report. Therefore, the proposed amount is estimated based on the actual disbursement amount of the previous year.

3.2 Amount of compensation paid in the last two years by the Company and all companies included in the consolidated financial statements to the Company's directors, supervisors, general manager, and deputy general managers, and the respective proportion of such compensation to the income after tax in parent company only or individual financial statement, as well as the policies, standards, and packages by which it was paid, the procedures through which the compensation was determined, and its association with business performance and future risk.

3.2.1 Proportion to net profits after tax of the total of the remuneration paid to directors, general managers and deputy general managers by the Company and all companies in the consolidated financial statements in the most recent two years

Item / Position	Proportion of total remuneration to net profit after tax				Proportion of increase (decrease)	
	2023		2022			
	The Company	All companies included in the financial statements	The Company	All companies included in the financial statements	The Company	All companies included in the financial statements
Director	0.55%	0.68%	0.59%	0.75%	(0.04%)	(0.07%)
Supervisor	0%	0%	0%	0%	0%	0%
President and vice presidents	8.62%	9.65%	11.42%	12.36%	(2.80%)	(2.71%)

Note: Based on the proposed employee remuneration amount of NTD 231,145,000 in 2023 and directors' remuneration of NTD 8,000,00 as approved by the Board of Directors of the Company, the details of the employee remuneration scheme have not yet been decided as of the publication date of the annual report. Therefore, the proportion of total remuneration to net profit after tax is estimated based on the actual amount paid in 2022.

3.2.2 Correlation between the policies, standards and combinations of payment, procedures for determination of remuneration, business performance and future risks:

(1) Directors' Remuneration Policy

Remuneration to directors: According to Article 23 of the Articles of Incorporation, "The board of directors shall authorize the remuneration of all directors to determine the remuneration in accordance with the standards in the industry." and reasonable remuneration for each director based on his/her level of participation and contribution in the operation of the Company.

Remuneration to directors: According to Article 26 of the Articles of Incorporation, "If the Company has a profit in the year, it shall allocate no more than 3% as the remuneration to directors." The performance evaluation of individual directors is conducted in the first quarter after the end of the following year in accordance with the "Procedures for Performance Evaluation of Directors" of the Company. The remuneration committee evaluates the remuneration of directors every year, and the recommendation is submitted to the board of directors for approval.

(2) Managerial Officers' Remuneration Policy

Fixed salary for managers: Fixed salary is adjusted with reference to peer standards, as well as title, rank, education (expertise), professional ability, and job responsibility.

Variable salary of managers:

Remuneration to directors: According to Article 26 of the Articles of Incorporation, "If the Company has a profit in the year, it shall allocate no more than 6% as the remuneration to

directors."

Based on the "Performance Appraisal Management Procedures," our company evaluates an individual's performance achievement rate and their contribution to the company. This evaluation is also based on the annual overall operational performance of the company (such as the company's revenue growth, pre-tax and post-tax profit growth rates, etc.), and non-temporal indicators (such as leadership decision-making abilities, compliance with laws and regulations by their department, and significant deficiencies in operational risks, etc.) to calculate their performance compensation.

(3) Procedures for determining remuneration:

The remuneration to directors and managers is regularly evaluated based on the evaluation results of the Company's "Regulations Governing Performance Evaluation of the Board of Directors" and "Regulations Governing Performance Evaluation applicable to managers and employees."

The items of the directors' performance evaluation include: mastery of the Company's goals and mission, awareness of directors' duties, participation in the Company's operations, management of internal relations and communication, directors' professionalism and continuing education, and internal control

The annual performance appraisal of managers includes the performance indicators corresponding to their main duties, as well as the evaluation of management functions and core competencies. The relevant performance evaluation and the reasonableness of the remuneration are regularly evaluated and reviewed by the Remuneration Committee and the Board of Directors every year. In addition to reference to the individual's performance achievement rate and contribution to the Company, the Company's overall operating performance, future risks and development trends in the industry, and The Company reviews the remuneration system in a timely manner depending on the actual operating conditions and relevant laws and regulations. In addition, after comprehensively considering the current corporate governance trend, reasonable remuneration is paid to seek a balance between the Company's sustainable operation and risk control.

The results of the Company's 2023 performance self-assessment and managerial officers' performance assessment of the Board of Directors, members of directors, and members of various functional committees were positive. The remuneration to directors and managers has fully taken their professional capabilities and the Company's operational and financial position into account, and linking the Company's overall operating performance, individual performance target management, and evaluation results. The actual amount of remuneration to directors and managers paid in 2023 is reviewed by the remuneration committee and then submitted to the board of directors for approval.

(4) Correlation with operating performance and future risks:

The review of the payment standards and system related to the Company's remuneration policy is mainly based on the overall operation of the Company, and the performance achievement rate and contribution are reviewed to improve the overall organizational efficiency of the Board of Directors and management departments. In addition, reference is made to the remuneration standards in the industry to ensure that the remuneration of the Company's management is competitive in the industry, in order to retain outstanding management talents.

The Company's managerial officers' performance targets are combined with "risk control" to ensure that possible risks within the scope of duties are managed and prevented. The results of the appraisal and rating based on the actual performance are linked to all relevant human resources and related remuneration policies . The key decisions of the Company's management are made after a balanced consideration of various risk factors. The performance of the relevant decisions is reflected in the Company's profitability, and the management's compensation is related to the performance of risk control.

4. Corporate Governance Status

4.1 Operation of the Board of Directors

The Board of Directors met 7 times in the most recent year (A) and directors' attendance was as follows:

Position	Name	Number of times actually attending (observing) (B)	Frequency of attendance	Actual attendance (observation) rate (%) [B/A]	Remarks
Chairperson	T.C. Gou	7	0	100%	Note 1
Director	T.C. Wang	7	0	100%	Note 1
Director	James Lee (Note 2)	6	1	86%	Note 2
Director	Eric Huang (Note 2)	7	0	100%	Note 2
Director	Chen-Phan Pu (Note 3)	7	0	100%	Note 3
Director	Jui-Hsia Wan	2	1	67%	Note 4
Independent Director	Randy Lee	7	0	100%	-
Independent Director	Chien-Chung Fu	7	0	100%	-
Independent Director	Jing-Mi Tang	7	0	100%	-
Independent Director	Chih-Yang Tseng	4	0	100%	Note 5

Other matters to be recorded:

I. If any of the following occurs in the operation of the Board, specify the date, the session, the content of the motion, the opinions of the Independent Directors, and the response of the Company to the opinions of the Independent Directors:
   1. The circumstances referred to in Article 14-3 of the Securities and Exchange Act: For all the resolutions of the Board of Directors in 2022, please refer to pages XX to XX. All resolutions on the matters listed in Article 14-3 of the Securities and Exchange Act have been approved by independent directors.
   2. Further to the aforementioned matters, any adverse opinion or qualified opinion of the Independent Directors against the resolutions of the Board: None.

II. For recusal of directors from motions due to conflicts of interest, specify the names of the Directors, the content of the motions, the reasons for recusal, and the participation in voting:
   1. On September 6, 2023, the Board of Directors approved the allocation of directors' remuneration for 2022. With regard to the remuneration of directors, T.C. Gou, Chen-Phan Pu, T.C. Wang, James Lee, Eric Huang, Jui-Hsia Wan, Randy Lee, Chien-Chung Fu, and Jing-Mi Tang, were all recused from discussion and voting in accordance with the law and based on their personal interests in the matter. The remaining eight directors passed the proposal without objection.
   2. On September 6, 2023, the Board of Directors approved the allocation of managerial staff remuneration for 2022. In regard to the remuneration of directors concurrently serving as staff T.C. Gou, Chen-Phan Pu, James Lee, and Eric Huang, all recused from discussion and voting in accordance with the law and based on their personal interests in the matter. After the remaining 8 directors passed the proposal without objection, the remuneration of the other

managerial staff was approved by all the directors present without objection.

III. The Board of Directors Status of Evaluation and Implementation

Assessment cycle	Assessment period	Assessment scope	Assessment method	Assessment content
Implemented once per year	2023.1.1~ 2023.12.31	● Board of Directors performance evaluation ● Board member performance evaluation ● Functional committee performance evaluation	● Internal self-evaluation by the Board of Directors ● Board member self-evaluation ● Internal self-evaluation of functional committees (including Audit Committee, Remuneration Committee, and Corporate Governance and Sustainable Operation Committee)	**Board of Directors self-evaluation** 1. Degree of participation in company operations 2. Improving the quality of board decisions 3. Board composition and structure 4. Election and continuing education of the directors 5. Internal Control **Board member self-evaluation** 1. Master the company's goals and tasks 2. Director's responsibilities 3. Degree of participation in company operations 4. Internal relationship management and communication 5. Director's professionalism and continuing education 6. Internal Control **Functional committee self-evaluation** 1. Degree of participation in company operations 2. Recognition of functional committee responsibilities 3. Improving decision-making quality of functional committees 4. Functional committee composition and member selection 5. Internal Control

1. The performance evaluation indicators of the Board of Directors include five major aspects and a total of 41 indicators. The total average of the evaluation results is 5 points (maximum score being 5 points). This shows that the Board of Directors has the responsibility to guide and supervise the company's strategy, major business and risk management, and can establish a proper internal control system. The overall operation situation is optimal and meets the requirements of corporate governance.
2. The performance evaluation indicators for board members include six major aspects and a total of 23 indicators. The overall average of the evaluation results is 4.98 points (maximum score being 5 points). This shows that the directors have positive comments on the efficiency and effectiveness of the operation of various indicators.
3. Functional committees include the Audit Committee, the Remuneration Committee, Corporate

Governance and Sustainable Development Committee. The indicators include five major aspects. The total average of the evaluation results is 5 points (with the maximum score being 5 points). It shows that the overall operation of the functional committee is optimal and meets the requirements of corporate governance, effectively enhancing the functions of the Board of Directors.

IV. Assessment of objectives (e.g. setting up an Audit Committee, enhancing the transparency of information, etc.) and implementation status in respect of strengthening the powers of the Board of Directors for the current and immediately past years to be carried out:

1. The Company has established a Remuneration Committee, an Audit Committee and Corporate Governance and Sustainable Development Committee, respectively assisting the Board of Directors in performing their supervisory duties.
2. The Company takes the initiative to disclose important resolutions of the Board of Directors on the Company's website to enhance information transparency.
3. The Company has purchased liability insurance for directors and supervisors in accordance with the Articles of Incorporation to reduce and diversify the risk of material damage to the Company and shareholders, and regularly reviews the terms of the insurance policy to ensure that the insurance indemnity and coverage meet the needs, and reports to the Board of Directors as required.
4. Annual meeting agenda planned in advance

Note 1: Corporate representative of Hsin Hung International Investment Co., Ltd.

Note 2: Corporate representative of Fu Lin International Investment Co., Ltd.

Note 3: Corporate representative of Foxlink Taiwan Industry Co., Ltd.

Note 4: Resigned on May 31, 2023

Note 5: Assumed on May 31, 2023

4.2 Information on operation of the Audit Committee

Four meetings have been held by the Audit Committee in the most recent year. Independent directors attended as follows:

Position	Name	Actual Attendance Frequency (B)	Frequency of Attendance	Actual Attendance Rate (%) (B/A) (Note)	Remarks
Convener	Randy Lee	4	0	100%	Independent Director
Committee member	Chien-Chun Fu	4	0	100%	Independent Director
Committee member	Jing-Mi Tang	4	0	100%	Independent Director
Committee member	Chih-Yang Tseng	2	0	100%	1. Independent Directo 2. Assumed on May 31, 2023

Other matters to be recorded:

I. If the operation of the Audit Committee falls into one of the circumstances, the date, session, the content of the proposal, independent directors' objections, reservations, or major suggestions, Audit Committee' resolution results, and the Company's response to such opinions shall be stated.

1. Matters listed in Article 14-5 of the Securities and Exchange Act: After the approval of the Audit Committee, they are reported to the Board of Directors.

Date and Session/ Term	Proposal Content, Resolution Status, and Subsequent Handling
March 15, 2023 (14th meeting of the 2nd term)	I. Proposal content: 1. Reported on the implementation of the Company's internal audit operations 2. Reported accountant communication matters 3. Report the relevant information on audit quality indicators (AQI). 4. Discussed the Company's 2022 financial statements and business status. 5. Discussed the Company's 2022 profit distribution 6. Approved the replacement of CPAs and the assessment of accountant independence and competency and their remuneration. 7. Discussion Approving the Company's CPAs, their offices and affiliates to provide non-assurance services to the Company and subsidiaries. 8. Discussed the Evaluation of the Effectiveness of the Internal Control System and the Internal Control System Statement for 2022. 9. Discussion of the appointment of section manager Ming-Wei You, the Company's audit officer. 10. Discussion on the authorization of Special Assistant Mr. Lin Kun-Huang to be the approving authority for the periodic evaluation report on derivatives trading. II. Audit Committee resolution outcome: All members of the Audit Committee agreed to pass. III. The Company's handling of the Audit Committee's opinions: Submitted to the Board of Directors and approved by all directors present.

May 12, 2023 (15th meeting of the 2nd term)	I. Proposal content: 1. Report the Company's internal audit procedures. 2. Discussion of the Company's consolidated financial statements and business status for the first quarter of 2023. 3. Discussion of capital increase in CU International Ltd., a 100% owned subsidiary of the Company. 4. Discussion of the investment in the US subsidiary Foxlink Arizona Inc. II. Audit Committee resolution outcome: All members of the Audit Committee agreed to pass. III. The Company's handling of the Audit Committee's opinions: Submitted to the Board of Directors and approved by all directors present.
August 11,2023 (1st meeting of the 3rd term)	I. Proposal content: 1. Reported on the implementation of the Company's internal audit operations 2. Report the Company's engagement in derivative trade. 3. Discussion of the Company's consolidated financial statements and business status for the second quarter of 2023. 4. Discussion of the capital increase in the subsidiary and the reinvestment of Xin Sun Company, Vietnam. 5. Discussion of capital increase in subsidiary and reinvestment in Da Nang, Vietnam. 6. Discuss the proposal of making endorsements/guarantees for the sub-subsidiary (Jing-Shih Group). II. Audit Committee resolution outcome: All members of the Audit Committee agreed to pass. III. The Company's handling of the Audit Committee's opinions: Submitted to the Board of Directors and approved by all directors present.
November 10, 2023 (2nd meeting of the 3rd term)	I. Proposal content: 1. Reported on the implementation of the Company's internal audit operations 2. Report the Company's engagement in derivative trade. 3. Report the situation of exceeding loan limit of subsidiaries and the corrective action plan. 4. Discussion of the Company's 2023 third quarter consolidated financial statements and operations. 5. Discussion of capital increase in CU International Ltd., a 100% owned subsidiary of the Company. 6. Discussion of amendments to the Company's "Procedures for Loaning Funds to Others." 7. Discussion and formulation of the Company's internal audit plan in 2024. 8. Matters with regard to the review of financial statements and governance communication shall be communicated and discussed with the reviewing accountants in the form of meetings. II. Audit Committee resolution outcome: All members of the Audit Committee agreed to pass. III. The Company's handling of the Audit Committee's opinions: Submitted to the Board of Directors and approved by all directors present.

2. Further to the aforementioned matters, motions rejected by the Auditing Committee but passed by the Board at the consent of more than 2/3 of the Directors: None.

II. For recusal of independent directors from motions due to conflicts of interest, specify the names of the independent directors, the content of the motions, the reasons for recusal, and the participation in voting: None.

III. The communication between the independent directors and the audit supervisor and the CPAs (materiality, means, and result of communication on the financial position and operation of the Company should be covered).

1. The Company's internal audit supervisor regularly reports on the implementation of internal audits to the quarterly audit committee. In 2023, the internal audit supervisor reported to the independent directors on the audit committee regarding the implementation of audit operations four times. After discussion and communication in the four meetings, the independent directors all had a grasp and understanding of the audit execution results. No other objections or suggestions were raised.
2. After being reviewed or checked by a certified public accountant, the financial statements of the Company are sent to the Audit Committee for discussion. And after its approval, a report or resolution is submitted to the Board of Directors. The CPAs usually discuss and communicate with independent directors by e-mail, but arranges at least 1-2 actual attendances of the Audit Committee every year. On March 15, 2023, the Audit Committee arranged for the CPAs to attend in person, and report and communicate with independent directors on matters such as the financial statement audit plan, major financial reports, and the update of accounting and auditing laws and regulations. After discussion and communication, the independent directors had no opinion on the accountants' reports. Therefore, the independent directors of the Company have good communication with the CPAs.

IV. Annual working focus and operational status of the Audit Committee:

The Audit Committee of the Company held four meetings in 2023. All audit committee members attended each meeting, and their main working focus and authority were as follows:

1. Establishing or amending the internal control system in accordance with Article 14 of the Securities and Exchange Act.
2. Evaluation of the effectiveness of the internal control system.
3. Formulating or modifying the processing procedures for major financial business activities that acquire or dispose of assets, engage in derivative commodity transactions, lending of funds to others, endorse or provide guarantees to third parties.
4. Matters involving director self-interest.
5. Significant asset or derivative commodity transactions.
6. Significant capital loans, endorsements or guarantees.
7. Raising, issuing or private placement of equity securities.
8. Appointment, dismissal or remuneration of certified public accountants.
9. Appointment and removal of financial, accounting or internal audit supervisors.
10. Annual financial reports and quarterly financial reports.
11. Implementation of internal audit operations.
12. Other important matters specified by the Company or the competent authority.

4.3 Status of Corporate Governance, and Deviation from Corporate Governance Best-Practice Principles for TWSE/Tpex Listed Companies and Causes Thereof:

Evaluation item	Status			Difference from the Corporate Governance Best-Practice Principles for TWSE/GTSM Listed Companies, and reasons
	Yes	No	Summary description	
I. Has the Company prepared and disclosed the Corporate Governance Best Practice Principles in accordance with the Corporate Governance Best-Practice Principles for TWSE/GTSM Listed Companies?	V		The Company has formulated a code of practice for corporate governance	No difference
II. The equity structure and shareholders' equity of the Company				No difference
(I) Does the Company have internal operating procedures in place to deal with shareholder recommendations, doubts, disputes and litigation matters according to the procedures?	V		The Company has a spokesperson, acting spokesperson, and stock affairs division responsible for handling shareholder suggestions, disputes, and other issues. There are also regulations for the management of external spokesperson activities to standardize related operations.	
(II) Does the Company have a list of the major shareholders who actually control the Company, and the ultimate controllers of the major shareholders?	V		The Company keeps track of shares held by directors, supervisors, managers, and major shareholders holding more than 5% of shares, and it reports such shareholdings in a timely manner.	
(III) Has the Company established and implemented the risk management, control and prevention mechanisms for affiliated companies?	V		The Company has established transaction procedures and risk control management measures for related enterprises to control various operating procedures and various risks, and to eliminate unconventional transactions.	
(IV) Has the Company established internal regulations that prohibit insiders from using unpublished information in the market to buy and sell securities?	V		The Company has set up Procedures for Handling Material Inside Information and advocates these Procedures to insiders at least once per year.	

Evaluation item	Status			Difference from the Corporate Governance Best-Practice Principles for TWSE/GTSM Listed Companies, and reasons
	Yes	No	Summary description	
III. Composition and duties of the Board of Directors				No difference
(I) Has the Board of Directors formulated a Board diversity policy and specific management objectives and implemented them accordingly?	V		A diversity policy for the composition of the Board of Directors has been specified under Article 20 of the Company's Corporate Governance Best Practice Principles. When considering and selecting director candidates, we will consider their professional background, professional skills, and industry experience based on the diversity policy, while as per the scale of the Company's business, shareholders' shareholdings, as well as the practical needs. Please refer to pages XX to XX of the annual report for details.	
(II) Does the Company voluntarily set up other functional committees other than the Remuneration Committee and the Audit Committee according to law?	V		The Company has established a Remuneration Committee and an Audit Committee in accordance with the law and established a Corporate Governance and Sustainable Development Committee in 2022 to strengthen our management and efforts to fulfill corporate social responsibility and promote sustainable development.	
(III) Does the company formulate the board's performance assessment and evaluation method, conduct performance evaluation annually and regularly, and report the results of the performance evaluation to the board of directors, and apply it to individual directors' remuneration and nomination renewal?	V		The Company has set up its Board of Directors Performance Evaluation Measures, and the scope of evaluation includes performance evaluation of the overall Board of Directors, individual directors and functional committees. Evaluation methods include internal self-evaluation by the Board of Directors, self-evaluation by board members, appointment of external professional institutions, performance evaluation by experts or other appropriate methods. Metrics for the performance evaluation of the Board of Directors include the following five aspects	

Evaluation item	Status			Difference from the Corporate Governance Best-Practice Principles for TWSE/GTSM Listed Companies, and reasons
	Yes	No	Summary description	
			(1) Participation in the operation of the Company. (2) Improvement of the quality of the board of directors' decision making. (3) Composition and structure of the board of directors. (4) Election and continuing education of the directors. (5) Internal control.	
(IV) Has the Company assessed the independence status of the CPAs at regular intervals?	V		The Audit Committee of the Company regularly evaluates the independence and suitability of the CPAs every year, and submit the evaluation results to the Board of Directors for approval. On March 15, 2023 and March 11, 2024, the Audit Committee and the Board of Directors referred to the Audit Quality Indicators (AQIs) and the "Statement of Independent Audit" provided by the certified public accountants and approved the CPAs conformance to the Company's independence and suitability. The Company's accounting unit has also established independence assessment items with reference to the Certified Public Accountant Act and Bulletin on the Norm of Professional Ethics No. 10 for evaluation. The Company also complies with the relevant regulations and conducts the rotation of CPAs on a regular basis.	
IV. Is the TWSE / TPEx listed company equipped with qualified and appropriate number of corporate governance personnel, and appoint a corporate governance director responsible for corporate governance related matters (including but not limited to providing information needed by directors and supervisors to carry out	V		In order to implement corporate governance and urge the Board of Directors to perform its due functions to protect the rights and interests of investors, the Board of Directors passed a resolution on March 26, 2021 and appointed Kufn Lin from the Investment Strategy Division of the Company as Head of Corporate Governance. The scope of authority of the Head of Corporate Governance and focus of business implementation	No difference

Evaluation item	Status			Difference from the Corporate Governance Best-Practice Principles for TWSE/GTSM Listed Companies, and reasons
	Yes	No	Summary description	
business, assisting directors and supervisors to comply with laws and regulations, handling matters related to meetings of the Board of Directors and shareholders' meeting in accordance with the law, and producing minutes of board meetings and shareholders' meetings)?			in the current year are as follows: (1) Handling of matters relating to board of directors meetings and shareholders meetings in compliance with law. (2) Preparation of minutes of the board of directors meetings and shareholders meetings. (3) Assistance in onboarding and continuing education of the directors and supervisors. (4) Provision of information required for performance of duties by the directors and supervisors. (5) Assistance in the directors' and supervisors' compliance of law. (6) Other matters described or established in the articles of incorporation or under contract.	
V. Has the Company established channels for the communications with the stakeholders (including but not limited to the shareholders, employees, customers, and suppliers), and the section for the shareholders on the official website of the Company to respond to all concerns of the stakeholders on corporate social responsibility?	V		The Company's website has a special area for stakeholders and a dedicated person to serve as a communication channel with them; and it appropriately responds to important corporate social responsibility issues that are of concern to stakeholders.	No difference
VI. Has the Company appointed a professional share registration and investors service agent for handling matters pertaining to the Shareholders Meeting?	V		The Company has appointed a professional stock affairs agency, the Shareholders' Service Agency Department of Grand Fortune Securities Co., Ltd., to handle various stock affairs of the Company on its behalf	No difference
VII. Disclosure of Information (I) Has the Company installed a website for the disclosure of information on financial position	V		The Company has installed a website for the disclosure of various information on its financial position and operation	Except for the third item which is still under planning, there is no

Evaluation item	Status			Difference from the Corporate Governance Best-Practice Principles for TWSE/GTSM Listed Companies, and reasons
	Yes	No	Summary description	
and operation, as well as corporate governance?			as well as information on its corporate governance.	difference
(II) Has the Company adopted other means for disclosure (such as the installation of a website in the English language, appointment of designated persons for the collection and disclosure of information on the Company, the implementation of ae spokesman system, and videotaping institutional investor conferences)?	V		The Company has set up a website in both Chinese and English, and has placed relevant information on institutional investor conferences and implemented a spokesperson system. In addition, a designated person is responsible for the collection and disclosure of Company information.	
(III) Does the Company announce and declare its annual financial report within two months after the end of the fiscal year, and announce and declare the first, second, and third quarter financial reports and the monthly operating situation as early as possible within the prescribed time limit?	V		The Company completes relevant financial statements and reports on monthly operating conditions within the specified time limits	
VIII. Is there any other essential information that would help understand the pursuit of corporate governance (including but not limited to employee rights, employee care, investor relations, supplier relations, stakeholder rights, the continuing education of the directors and supervisors, the pursuit of a risk management policy and standard of risk assessment, the pursuit of a customer policy, and professional liability insurance coverage for the directors and supervisors)?	V		1. Employee rights: The Company has formulated a number of employee welfare policies and management procedures that comply with local laws and regulations on labor relations, labor conditions and social responsibility, and protect the rights and interests of employees. 2. Employee care: In order to increase employees' choices of leisure activities, the Company subsidizes employee club activities and signs contracts with a number of leisure sports centers for employees to keep fit. In addition, the Company also regularly implements employee health checkups and provides medical consultations to maintain employees' physical and mental health. Furthermore, it continues to improve the working environment of	No difference

Evaluation item	Status			Difference from the Corporate Governance Best-Practice Principles for TWSE/GTSM Listed Companies, and reasons
	Yes	No	Summary description	
			employees to meet the requirements of international standards. Therefore, all employees can achieve the work agreed with the Company according to their wishes, without any physical or psychological coercion. Furthermore, they will not be discriminated against on the basis of any race, gender, age, religion or political orientation. 3. Investor Relations: There is a stock affairs department and a spokesperson responsible for handling relevant stock affairs and shareholder suggestions and disputes. 4. Supplier relationships: The Company has signed procurement contracts with its suppliers, and signs integrity commitments and confidentiality agreements; moreover, it has always been able to maintain good relationships with them. 5. Stakeholder rights: The Company has a spokesperson, and stakeholders can communicate through the Company's website, telephone and fax. At the same time, the Company's supervisors and the personnel of the Audit Division will also directly communicate with stakeholders if deemed necessary. 6. Continuing education of directors and supervisors: The directors and supervisors of the Company have professional industry backgrounds and practical experience in operations and management. Moreover, the Company arranges for directors to participate in seminars on corporate governance topics from time to time. 7. Pursuit of a risk management policy and standard of risk	

Evaluation item	Status			Difference from the Corporate Governance Best-Practice Principles for TWSE/GTSM Listed Companies, and reasons
	Yes	No	Summary description	
			assessment: The Company focuses on its own business and cooperates with relevant laws and regulations to implement various policies for promotion, and it establishes various standard operation implementation specifications to reduce and avoid possible risks. However, please refer to pages 352 to 354 of the annual report for the implementation of the Company's risk management policies and standard of risk assessment. 8. Pursuit of a customer policy: The Company has operating bases both domestically and overseas. There is also a customer service department to provide channels for customer inquiries or services. 9. Professional liability insurance coverage for the directors: The Company has purchased liability insurance for all directors.	

IX. Corrective action taken in response to the result of the Corporate Governance Evaluation conducted by the Corporate Governance Center of Taiwan Stock Exchange Corporation, and the priority of action on issues pending for corrective action in the most recent year. (Not applicable for companies not evaluated by TSEC)

The company had established the Audit Committee in June 8, 2017, The Board of Directors, in March 2021, approved the appointment of a corporate governance officer, and we established a Corporate Governance and Sustainable Development Committee in November of the same year to strengthen our corporate governance.

The Company strengthened our disclosure of financial business and corporate governance on the Company's website and the Market Observation Post System last year, increasing the transparency of corporate information to implement the spirit of Corporate Governance Best Practice Principles. These efforts included the simultaneous uploading of English versions of shareholders' meeting-related materials and of financial statements as well as the publication of material information in English. We also formulated a code of practice for corporate governance while establishing a Corporate Governance and Sustainable Development Committee, with all directors completing training hours in accordance with specifications of the Main Points of Advanced Training Implementation for Directors and Supervisors of Listed Companies. We hold at least two institutional investor conferences every

Evaluation item	Status			Difference from the Corporate Governance Best-Practice Principles for TWSE/GTSM Listed Companies, and reasons
	Yes	No	Summary description	
ectors, and we plan to improve such that the number of corporate director seats totals no more than one-third.				

4.4 The Composition and Operation of The Remuneration Committee:

4.4.1 Information of Remuneration Committee Members

March 31, 2024

Terms / ID classification	Name	Professional Qualifications and Experience	Independence Criteria	Number Concurrently Serving As Members of The Remuneration Committees of Other Publicly Issued Companies
Independent Director (Convener)	Randy Lee	Please refer to pages XX to XX for the disclosure of independent directors' independence under Director information (II).		None
Independent Director	Chien-Chung Fu			1
Independent Director	Jing-Mi Tang			None
Independent Director	Chih-Yang Tseng			None

4.4.2 Information on the operation of the Remuneration Committee

- The Company's Remuneration Committee consists of 4 members
- The current term of members: May 31, 2023 to May 18, 2026; the Remuneration Committee met 2 times (A) in the most recent year and member qualifications and attendance are as follows:

Position	Name	Actual Number of Attendances (B)	Frequency of Attendance	Actual Attendance Rate (%) (B/A) (Note)	Remarks
Convener	Randy Lee	2	0	100%	Serving another term
Committee member	Chien-Chung Fu	2	0	100%	Serving another term
Committee member	Jing-Mi Tang	2	0	100%	Serving another term
Committee member	Chih-Yang Tseng	1	0	100%	1. Newly elected to office 2. Assumed office on May 31, 2023

Other matters to be recorded:

I. Remuneration Committee's scope of authority:

(I) Committee members should faithfully perform the following functions and powers with the attention of good managers, and be responsible to the Board of Directors as they submit their suggestions to the Board of Directors for discussion:

1. Formulate and regularly review the policies, systems, standards and structures of directors, supervisors, and managers' performance evaluation and remuneration.
2. Regularly evaluate and determine the remuneration of directors, supervisors, and managers.

(II) When the Committee performs the functions and powers of the preceding article, they should be based on the following principles:

1. The performance evaluation and remuneration of directors, supervisors, and managers should refer to the usual level of payment in the industry. Furthermore, they should consider

the reasonableness of the connection with personal performance, company operating performance and future risks.

2. Directors and managers should not be incentivized to engage in behaviors that exceed the Company's risk tolerance in pursuit of remuneration.
3. The ratio of dividends to directors and senior managers' short-term performance and the payment time of part of the variable salary shall be determined in consideration of industry characteristics and the nature of the Company's business.

(III) The salary remuneration referred to in the preceding two paragraphs includes cash remuneration, stock options, employee stock bonuses, retirement benefits or severance payments, various allowances, and other measures with substantial incentives.

II. If the Board of Directors does not adopt or amend the recommendations of the Remuneration Committee, the date and period of the Board of Directors, the content of the proposal, the resolution of the Board of Directors, and the Company's handling of the opinions of the Remuneration Committee should be stated. (If the remuneration approved by the Board of Directors exceeds the recommendation of the Remuneration Committee, the differences and reasons should be stated): None.

III. On resolutions of the Remuneration Committee, if members have objections or reservations and have records or written declarations, the date, period, proposal content, opinions of all members and the handling of the opinions of the members shall be stated: None.

IV. Reasons for discussions and resolutions of the Remuneration Committee in 2023, and the company's handling of members' opinions:

Meeting Date	Proposal	Resolution Result	Company's Handling
1st meeting of 2023, March 15, 2023	The Company's remuneration plan for directors for 2022	Approved by all members present	Proposed to the Board of Directors and approved by all directors present
	The Company's remuneration plan for employees for 2022		
2nd meeting of 2023 September 6, 2023	The Company's distribution plan for directors' remuneration for 2022	Approved by all members present	Proposed to the Board of Directors and approved by all directors present
	The Company's distribution plan for manager and employee remuneration for 2022		

4.5 Status of Promotion of Sustainable Development and Deviation from The Sustainable Development Best Practice Principles for TWSE/Tpex Listed Companies and Reasons Thereof:

Evaluation Item	Operational Status			Differences and Reasons for Differences With Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies
	Yes	No	Summary Description	
I. Has the Company established exclusively (or concurrently) dedicated units to promote sustainable development, and has the Board of Directors placed senior management personnel in charge of the promotion and monitored the promotion?	V		1. The Company established the Corporate Governance and Sustainability Committee in November 2021. 2. The committee is responsible for proposing and implementing policies or systems, such as promoting corporate governance, developing a sustainable environment, and maintaining social welfare. 3. The current term of the committee is composed of four independent directors and one director. There are a corporate governance team and a sustainability team under the jurisdiction of the committee, which shall be responsible for promoting corporate governance, humanistic care, sustainable environment, corporate value chain, and other ESG policies and goals. events. 4. Among them, the sustainable development team formulates the mid-term and long-term sustainable development plan, and submits it to the board of directors after deliberation. After the review and evaluation of the board of directors, the board will give appropriate suggestions to ensure that the sustainable development strategy is fully implemented in the daily operations of the company. 5. The Corporate Governance and Sustainability Management Committee reports the implementation results of sustainable development and future work plans to the Board of Directors every six months. The Board of Directors supervises the risks and opportunities of various	No difference

Evaluation Item	Operational Status			Differences and Reasons for Differences With Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies
	Yes	No	Summary Description	
			issues assessed and managed by the Committee, and approves the policies and goals of sustainability-related issues and urge the management team to make adjustments in line with the Company's operating conditions. 6. The Company held a meeting on February 21, 2024. The contents of the motions included issues that require attention in the development of sustainable operation in 2024, and an implementation plan for 2024 was formulated; supervise the implementation of sustainable operation matters, and evaluate the implementation. 7. The Company has a Social Responsibility Division under its Human Resources Administration Office, and there are currently 7 staff members in this division. They are responsible for formulating corporate social responsibility implementation plans, regular audits, and promoting the operation of social responsibility every year, and for preparing corporate social responsibility reports and so on.	
II. Does the Company follow the principle of materiality, conduct risk assessments on environmental, social and corporate governance issues related to company operations, and formulate relevant risk management policies or strategies?	V		1. The company has formulated a Corporate Social Responsibility Policy. At the same time as the Company is operating, it is actively implementing corporate social responsibility to comply with the international trend of balancing the development of the environment, society and corporate governance. 2. The Company has set up an Internal Audit Department to inspect and evaluate the effectiveness of the internal control system, and provide suggestions for improvement in a timely manner. It does so to ensure the continuous	No difference

Evaluation Item	Operational Status			Differences and Reasons for Differences With Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies
	Yes	No	Summary Description	
			and effective implementation of various systems, and to assist the Board of Directors and management to achieve and set goals by evaluating and improving risk management. Through the establishment and maintenance of the Company's internal audit system, the improvement plan is developed thereby.	
III. Environmental Issues (I) Has the Company established an appropriate environmental management system based on its industrial characteristics?	V		The Company has obtained ISO 14001, QC080000 and OHSAS18001 system certifications, fulfilling its commitment to environmental management policies. The ISO 14001 certificate is valid from November 11, 2022 through November 11, 2025, and the ISO50001 certificate is valid from February 6, 2023 through February 5, 2025.	No difference
(II) Has the Company committed itself to improving the utilization efficiency of various resources, and to using recycled materials with low impact on the environment?	V		The Company cooperates with suppliers such that scrap produced after production is sold to recycling companies to reduce the impact on the environment. In 2023, we will increase the percentage of recycled gold raw materials in the production process to 57%.	No difference
(III) Does the Company assess the potential risks and opportunities of climate change for the Company now and in the future, and take measures to deal with climate-related issues?	V		1. In order to better implement the corporate social responsibility of environmental protection, the Company established a green product management organization that advances management operations for the restricted substance system, thereby ensuring the effective operation of hazardous substance system management. We require attention be paid to the latest developments in international laws, regulations and standards, and timely internal conversion to ensure that customers' expectations for green product production are met. We also pay attention to each manufacturing link and process, identify risks and effectively implement management and	No difference

Evaluation Item	Operational Status			Differences and Reasons for Differences With Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies
	Yes	No	Summary Description	
			control, and comply 100% with global environmental regulations and customer standards. Furthermore, we strive to establish mutual trust and mutually beneficial supplier partnerships, comply with environmental protection standards and ethics, and grow together with suppliers. 2. The Company announced its participation in SBTi in December 2021 and commissioned PWC to assist in the formulation of science-based carbon targets. We set a carbon reduction target aligned with preventing temperatures from increasing 1.5°C by 2030, and the carbon reduction plan was officially certified by SBTi in November 2022.	
(IV) Does the company count greenhouse gas emissions, water consumption and the volume of total waste in the past two years, and formulate policies for energy saving and carbon reduction, greenhouse gas reduction, water management or other waste management?	V		1. The Company is committed to energy-saving and carbon-reducing measures. The greenhouse gas emissions of each plant are checked in accordance with the ISO14064-1 standard, and obtain third-party verification;which is based on caring for the Earth and energy saving and environmental protection. In the future, we will continue to promote energy saving and greenhouse gas reduction policies. With the goal of continuous reduction, we hope to become a low-carbon enterprise with sustainable environmental development. 2. The Company has set targets for reduction of greenhouse gases, water consumption, and other waste management. Please refer to the Company's sustainability report for details. 3. The Company announced its participation in SBTi in December 2021 and commissioned PWC to assist in the	No difference

Evaluation Item	Operational Status			Differences and Reasons for Differences With Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies
	Yes	No	Summary Description	
			formulation of science-based carbon targets. We set a carbon reduction target aligned with preventing temperatures from increasing 1.5°C by 2030, and the carbon reduction plan was officially certified by SBTi in November 2022. 4. The Company has completed the greenhouse gas inventory in April 2023 and was inspected by the external verification agency Afano International in April this year. furthermore, we received a Afano Greenhouse Gas Verification Statement in June.	
IV.Social Issues				
(I) Has the Company established related policies and procedures in accordance with applicable legal rules and the International Convention on Human Rights?	**V**		The Company complies with relevant laws and regulations such as the Labor Standards Act, and it formulates various management methods to protect the rights and interests of both employers and employees, and to institutionalize various internal operations of the company. There is also a social responsibility division to ensure that employees' basic rights and social responsibilities are followed and implemented.	No difference
(II) Has the Company formulated and implemented reasonable employee welfare measures (including salary, vacation and other benefits, etc.), and appropriately reflects business performance or results in employee compensation?	**V**		The Company's internal regulations stipulate corporate ethics, and a reasonable salary and remuneration policy, as well as a clear performance appraisal, reward and punishment system, in line with corporate social responsibility policies.	No difference

Evaluation Item	Operational Status			Differences and Reasons for Differences With Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies
	Yes	No	Summary Description	
(III) Has the Company provided a safe and healthy work environment for the employees, and related education on occupational safety and health for the employees at regular intervals?	V		1. The Company has implemented labor safety promotion and fire safety drills for employees, and regularly implements employee health examination and safety and health education and training. Enrich learning materials for all employees through online and offline courses. In 2023, the Group companies held a total of 275 training sessions, attended by a total of 65,100 people. 2. In 2023, all 8 domestic and overseas production plants have all passed the ISO45001 occupational health and safety management system certification. 3. The number of recordable occupational injuries in 2023 was 32, representing a recordable injury rate of 0.12, which was lower than the 66 persons with recordable occupational injuries in 2022 and the rate of recordable occupational injuries at 0.26. 4. There were no cases of major fires and no casualties due to fires in 2023.	No difference
(IV) Has the Company provided effective training in career planning for employees?	V		The company currently trains personnel through on-the-job training to ensure that employees perform duties in existing positions and also learn to acquire necessary skills for promotion.	No difference
(V) Regarding customer health and safety, customer privacy, marketing and labeling of products and services, does the Company comply with relevant regulations and international standards, and formulate relevant consumer protection policies and appeal procedures?	V		The Company complies with the relevant regulations and international standards for marketing and labeling of products and services. There is also a special area for stakeholders, providing a channel for customer questions, appeals or suggestions. The Company upholds the principle of good faith to protect the rights and interests of consumers.	No difference

Evaluation Item	Operational Status			Differences and Reasons for Differences With Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies
	Yes	No	Summary Description	
(VI) Has the Company formulated supplier management policies, where suppliers are required to follow relevant regulations on issues such as environmental protection, occupational safety and health or labor and their implementation?	V		In addition to committing to self-regulation with the strictest standards, the company also promotes suppliers' compliance with social responsibilities. Taking RBA, laws and regulations, and customer requirements as the standard or content, we formulate supplier social responsibility management procedures and adopt multiple channels to communicate social responsibility policies and regulations to suppliers. Furthermore, we incorporate labor, human rights, ethics, and environment as principles to conduct social responsibility compliance audits on new suppliers and major suppliers. In this way, we encourage all suppliers to meet social responsibility requirements.	No difference
V. Does the Company refer to the internationally-prepared reporting standards or guidelines, preparation of corporate social responsibility reports and other reports that disclose the company's non-financial information? Did the preliminary report obtain the confidence or assurance opinion of the third-party verification unit?	V		1. The Company compiles and issues its corporate social responsibility report in accordance with the GRI Standard of the Global Reporting Initiative (GRI). It thus discloses the Company's sustainability issues, strategies, goals and measures, and the achievement of various indicators, and so on. In addition to complying with international trends and meeting the needs of customers and investors, it also exposes non-financial information that is not presented in the annual financial report. The content includes achievements in the economic, social, environmental and other related fields. The corporate social responsibility report can be viewed on the Company's official website. 2. We completed the appointment of a third party to provide the Type 1 moderate-level assurance as per the AA1000 Assurance Standard for each sustainability report published by the Company from 2022 onwards. Sustainability reports published annually in the future	No difference

<table>
<tr><th rowspan="2">Evaluation Item</th><th colspan="3">Operational Status</th><th rowspan="2">Differences and Reasons for Differences With Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies</th></tr>
<tr><th>Yes</th><th>No</th><th>Summary Description</th></tr>
<tr><td></td><td></td><td></td><td>shall also undergo third-party certification. For details, please refer to sustainability report announcements given on the Company's website.</td><td></td></tr>
<tr><td colspan="5">VI. If the Company has formulated its own Sustainable Development Best Practice Principles in accordance with the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies, please describe the difference between its operation and the established Principles:
The Company has established its Corporate Social Responsibility Policies, and they have no major differences with the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies.</td></tr>
<tr><td colspan="5">VII. Other important information that facilitates the understanding of the efforts in promotion of sustainable development:
The Company upholds the business philosophy of sincerity, macro, and responsibility, and continues to promote corporate governance, develop a sustainable environment, and maintain social welfare. In order to fulfill due corporate social responsibility, the Company must uphold integrity as the highest principle for its business operations and employee behaviors among its various codes of conduct; in the Company's system design or business strategies, sustainability is largely considered development-related issues and policies, in order to enable the Company to achieve stable and long-term sustainable development, and achieve the goal of social co-prosperity and symbiosis with the environment.
1. Social co-prosperity category:
● Caring donations to public welfare groups and social welfare organizations: including donating winter clothes and various materials.
● Caring for the elderly in the community: Holding elderlies warmth meal event
● Blood Donation: The Bank donates blood three times a year. In 2023, a total of 1,032 bags of blood.
2. Environmental symbiosis:
On October 14, 2023, the sustainability team convened nearly 100 employees to participate in the sustainable marine culture exploration and beach cleaning activities. Through guided walking tours, we learn about local culture and provide local communities with stable exposure and sustainable job opportunities. By understanding social and cultural issues (fishery culture, community relations) in the local community, we create values for social co-prosperity, and practice cultural sustainability, responsible consumption, and a sustainable village. In addition, the tour guide gave a detailed explanation of the ecology of the marshes, and then the sustainability director led the staff to conduct beach cleaning activities to maintain the marine ecology and help the sustainable conservation of marine resources.</td></tr>
</table>

● Climate Related Information of TWSE/Tpex-Listed Companies

1. Implementation Status of Climate-Related Information

Item	Implementation Status
1. Describe the oversight and governance of climate-related risks and opportunities by the Board of Directors and management.	■ The Board of Directors appointed the Sustainable Development Committee to manage climate issues. Based on the climate-related risk topics collected, the Committee uses the Recommendations of the Task Force on Climate-related Financial Disclosures to identify, analyze and track the implementation of climate change related plans/actions. The possibility and degree of impact of climate risks, and appropriate mitigation and adjustment measures are taken. Led by the Environmental Sustainability Team of the Sustainable Development Task Force, we identify the priority of risks and opportunities according to “level of impact” and “likelihood of occurrence.” Regarding the management process of risks and opportunities prioritization, we ensure that material climate-related risks/mechanisms are all properly grasped and assessed. Identify the impacts and risks faced by the Group in response to carbon neutrality, and formulate response strategies and management systems to reduce operational risks caused by climate change. ■ The Company established a Corporate Governance and Sustainable Development Committee and elected Mr. Randy Lee as the committee convener while concurrently establishing a Corporate Governance Task Force and Sustainable Development Task Force, to be convened, respectively, by Kufn Lin and Vice-President Spencer Yeh. Among them, the Sustainable Development Task Force leads the supervision and governance of Cheng Uei's internal climate-related risks and opportunities. Task force members include the heads of the production departments and the heads of the central manufacturing site units. ■ The Committee reports implementation results, climate-related risk response strategies, and annual operating guidelines to Board of Directors every six months. At the same time, internal meetings are held regularly every month with meeting topics to include responses to major customer requirements, monitoring risk events, reviewing energy saving and emission reduction targets and annual budgets and overseeing the implementation performance of each

	department. ■ In cases involving climate and major capital investment, including energy-saving technological transformation projects, in accordance with the internal construction project contracting operation management measures, a bid review committee shall be established for a certain amount or more to review relevant materials and propose a bid award proposal. The Audit Committee composed of independent directors of the Company will then review the case and decide the bid.
2. Describe how the identified climate risks and opportunities will affect the Company's business, strategy, and finances (in the short, medium and long term).	■ The Company committed to setting science-based targets in 2021 and passed the Science Based Target Initiative (SBTi) compliance review in 2022. ■ Referring to the schedule of carbon reduction targets, we have set 2021 as the base year and the short term is defined as 1 to 3 years; the medium-term is 4 to 6 years; and the long term is more than 6 years. ■ Short-, medium- and long-term risks: 1. Short term: Increased cost of raw materials; stricter environmental and energy regulations; extreme weather such as typhoons and floods. 2. Medium term: Increased cost of renewable energy acquisition; cost of transition to a low-carbon economy. 3. Long term: fuel/energy tax or carbon tax; net-zero emission trend; long-term difficulty in obtaining renewable energy. ■ Short-, medium- and long-term opportunities: 1. Short term: the development of new products and circular economy innovation of raw materials; improving the natural disaster response and defense mechanism; and reducing the use of water resources. 2. Medium term: participation in renewable energy projects, carbon trading markets and energy-consuming equipment renovations. 3. Long term: improvement of energy resource production efficiency; investment in renewable energy; generation of opportunities for carbon assets and enhancement of our corporate reputation.
3. Describe the financial impact of extreme climate events and transformational actions.	■ The Company identifies risks and opportunities covering products and services, supply chains, adaptation and mitigation activities, R&D investment, and operations and assesses the probability and extent of events according to each risk and opportunity. ■ The Company further analyzes the operating costs and revenues, capital

	expenditures and allocations, capital acquisitions, acquisitions and asset carve-out acquisitions that will result from the event to understand the financial impact of the event on the organization and develop response strategies.
4. Describe how the identification, assessment and management processes of climate risks are integrated into the overall risk management system.	■ The Board of Directors appointed the Sustainable Development Committee to manage climate issues. Based on the climate-related risk issues collected by the committee, we have adopted the Recommendations of the Task Force on Climate-related Financial Disclosures risk framework while identifying, analyzing and tracking the implementation status of climate change-related plans/actions, and take appropriate mitigation and adaptation measures depending on the likelihood of climate risk and the level of impact. ■ Led by the Environmental Sustainability Team of the Sustainable Development Task Force, we identify the priority of risks and opportunities according to "level of impact" and "likelihood of occurrence." Regarding the management process of risks and opportunities prioritization, we ensure that material climate-related risks/mechanisms are all properly grasped and assessed.
5. If scenario analysis is used to assess resilience to climate change risks, the scenarios, parameters, assumptions, analysis factors and major financial impacts used should be explained.	■ The scenario analysis reflects the Company's establishment of 2022 as the base year, adopting an emission scenario where the absolute carbon reduction must at least meet the 1.5°C target with the Absolute Contraction Approach under IPCC AR5 (2014) serving as the baseline scenario. The main financial impact comes from the payment of carbon fees, the increase in operating costs due to the purchase of renewable energy electricity certificates and the increase in the installation and operation costs of carbon reduction equipment.
6. If there is a transition plan to address climate-related risks, describe the content of the plan and the indicators and objectives used to identify and manage physical and transition risks.	■ In 2023, the Group will continue to optimize energy management. The main production base, Huanan Plant, has passed the review of energy-saving technical renovation project. Approximately NTD 35 million has been invested in the project. It is expected to optimize the air compression system and its automatic operation control, as well as the renovation of refrigeration dryer to zero air consumption Dryer, replace LED lighting. The Huanan Plant's energy-saving renovation project is expected to be fully completed by June 2024. It is estimated that the annual power consumption can be saved by 4.376 million KWH, and the annual emission reduction is 2,496 tonCO2. ■ In 2023, the use of renewable energy will reach 54.88%. The self-built solar power generation device generated 6,992 MWh of power, and another 138,243 MWh of power was purchased in the form of PPA and green

	certificate. The Company will continue to build solar power internally to increase the generation capacity of renewable energy. At the same time, it seeks for green power with stable price and volume to obtain green certificate, in order to avoid the significant increase in costs due to renewable energy. ■ Increase the recycling rate of metallic materials and increase the percentage of recycled gold to achieve responsible sourcing. The main production plants are UL2799 certified, and the recycling and reuse ratio is increased to reduce operating costs.
7. If internal carbon pricing is used as a planning tool, the basis for setting prices should be stated.	■ Since the Company set 2022 as the base year, the operating period is still short and internal carbon pricing has not yet been introduced; it is expected to be implemented as a medium-term plan.
8. If there are climate-related targets, they should state the activities covered, the scope of greenhouse gas emissions, the planning period and the progress of achieving each year. If carbon offsets or renewable energy certificates (RECs) are used to achieve the relevant target, the source and amount of carbon reduction credits or the number of RECs should be stated.	■ Through STBi, Cheng Uei is committed to reducing absolute Scope 1 and Scope 2 emissions in the target year of 2030 by 42% compared with the base year of 2021. Scope 3 emissions from the use of goods and services purchased and sold were reduced by 25% compared to the base year of 2021. ■ Net zero emissions by 2040. ■ In 2023, the use of renewable energy will reach 54.88%. The self-built solar power generation device generated 6,992 MWh of power, and another 138,243 MWh of power was purchased in the form of PPA and green certificate.
9. Greenhouse gas inventory, assurance status, and reduction targets, strategies, and concrete action plans (please fill in 1-1 and 1-2 separately)	■ In accordance with the GHG Protocol, the Company inventories greenhouse gas emissions via direct emissions (Scope 1) and indirect emissions (Scope 2). In 2023, a total of seven manufacturing sites passed ISO 14064-1 greenhouse gas inventory verification. ■ From 2023, Scope 3 inventory will be conducted with reference to GHG Protocol Scope 3, including emissions from the purchase of goods and services and the use of products sold. For the relevant greenhouse gas inventory results, please refer to the sustainability report published on the Company's official website.

1-1 GHG Inventory and Assurance in The Last 2 Years

Basic Information of The Company	In Accordance with The Regulations of The Sustainable Development Road Map of Listed Companies, Disclosed at a Minimum
☐ Companies with capital of more than NTD 10 billion and those in the steel industry and cement industry ■ Companies with capital of more than NTD 5 billion but less than NTD 10 billion ☐ Companies with capital of less than NTD 5 billion	■ Standalone inventory of parent company ■ Standalone confirmation for parent company ☐ Inventories of subsidiaries in the consolidated financial statements ☐ Confirmation of subsidiaries in the consolidated financial statements

Year	Scope 1	Total Emissions (CO2e mt)	Intensity (tons of CO2e/NTD million)	Confirming Agency	Description of Assurance
2023	Parent Company	260.1865	0.0045	Afnor INTERNATIONAL CO., LTD.	Have not obtained a verification statement.(Note)
	Subsidiary	/	/		
	Total	260.1865	0.0045		
2022	Parent Company	180.4669	0.0029	Afnor INTERNATIONAL CO., LTD.	Among the total GHG emissions disclosed by the Company, 180.4669 metric tons CO2e (accounting for 2.19% of the total emissions) had been certified by an assurance institution using ISAE3410/ISO 14064-3. The assurance opinion is reasonable assurance.
	Subsidiary	/	/		
	Total	180.4669	0.0029		

Year	Scope 2	Total emissions (CO2e mt)	Intensity (CO2e mt/NTD million)	Confirming agency	Description of assurance
2023	Parent company	1,402.5330	0.0240	Afnor INTERNATIONAL CO., LTD.	Have not obtained a verification statement.(Note)
	Subsidiary	/	/		
	Total	1,402.5330	0.0240		
2022	Parent company	1,781.1345	0.0286	Afnor INTERNATIONAL CO., LTD.	Among the total greenhouse gas emissions disclosed by the Company, 1,781.1345 tons of CO2e (accounting for 21.64% of the total emissions) were verified by the certification bodies using ISAE3410/ISO 14064-3 standard assurance. The assurance opinion is reasonable assurance.
	Subsidiary	/	/		
	Total	1,781.1345	0.0286		
Year	**Scope 3**	**Total emissions (CO2e mt)**	**Intensity (CO2e mt/NTD million)**	**Confirming Agency**	**Description of Assurance**
2023	Parent company	7,987.7473	0.1652	Afnor INTERNATIONAL CO., LTD.	Have not obtained a verification statement.(Note)
	Subsidiary	/	/		
	Total	7,987.7473	0.1652		
2022	Parent company	6,269.9127	0.1007	Afnor INTERNATIONAL CO., LTD.	Among the total greenhouse gas emissions disclosed by the Company, 6269.9127 tons of CO2e (accounting for 76.17% of the total emissions) were verified by the certification bodies in accordance with ISAE3410/ISO 14064-3. The assurance opinion is only a limited guarantee.
	Subsidiary	/	/		
	Total	6,269.9127	0.1007		

Note: The complete greenhouse gas assurance opinion for 2023 was not obtained by the printing date of the annual report. The full assurance information will be disclosed in the company's 2023 Sustainability Report.

1-2 Greenhouse gas reduction goals, strategies and concrete action plans

Foxlink established the Corporate Governance and Sustainability Committee in 2021, which includes a subcommittee on Environmental Sustainability. This subcommittee is responsible for formulating greenhouse gas reduction targets, emission reduction strategies, and specific action plans. The progress of these plans, along with the achievements in emissions reduction, is reported to the board of directors every six months. In 2021, Foxlink committed to establishing science-based carbon reduction targets and underwent a compliance review by the Science Based Targets initiative (SBTi) in 2022. Foxlink's commitment includes an absolute reduction of 42% in Scope 1 & 2 emissions by 2030 compared to the 2021 baseline year. Additionally, in Scope 3 emissions related to purchased goods and services and emissions from product use and sales, Foxlink aims to achieve a 25% reduction by 2030 compared to the 2021 baseline year. Furthermore, in 2023, Foxlink made a commitment to achieve net zero emissions by 2040 under The Climate Pledge.

In order to fully grasp greenhouse gas data and ensure the accuracy of greenhouse gas inventory data, all major production bases underwent ISO14064 greenhouse gas verification in 2023. It is expected that greenhouse gas inventory systems and supplier greenhouse gas inventory systems will be implemented in the third quarter of 2024, enabling effective management of group greenhouse gas inventory data and collection of supplier greenhouse gas data. In 2023, Foxlink also responded to the international carbon disclosure requirements (CDP), improving the CDP rating to management level, and effectively communicating carbon reduction data to stakeholders.

In 2023, the total greenhouse gas emissions (Scope 1 + Scope 2/Market-based) amounted to 108,116 metric tons of CO2e per year, representing a decrease of 58.86% compared to the 2021 baseline year. The primary reason for this reduction is the Foxlink's ongoing investment in energy efficiency and carbon reduction initiatives such as autonomous energy conservation, self-use of solar energy, and purchasing green electricity or certificates. In 2023, Foxlink achieved a renewable energy utilization rate of 54.88%.

Our group has committed to achieving net zero emissions by 2040 and has devised a carbon reduction pathway. In 2022, renewable energy usage reached 50%, and it is projected to constitute 56.54% of total energy usage by 2030, meeting the requirements of the Science Based Targets initiative (SBTi). In 2024, the group will implement greenhouse gas inventory and supplier survey systems to scientifically compile and manage greenhouse gas data. Additionally, the solar power generation equipment installed at the Xuzhou plant will be put into operation, demonstrating the Foxlink's dedication to carbon reduction efforts.

4.6 Ethical Business Performance Conditions, As Well As Differences and Reasons for Differences with Ethical Corporate Management Best Practice Principles for TWSE / GTSM Listed Companies

Evaluation Items	Status			Deviation from Ethical Corporate Management Best-Practice Principles for TWSE/TPEx Listed Companies and Causes thereof
	Yes	No	Summary Description	
I. Formulation of ethical management policy and plans (I) Has the Company specified its policy and method for the implementation of ethical corporate management in its internal rules and regulations and external documents, and have the Board and the management of the Company promised to pursue the policy of ethical corporate management?	V		On March 11, 2011, the Board of Directors of the Company approved the formulation of Ethical Corporate Management Best Practice Principles. In addition, the Board of Directors of the Company approved the establishment of the Corporate Governance and Sustainable Development Committee on November 12, 2022 to promote and improve matters related to corporate governance and sustainable development. At the same time, through the establishment of a Corporate Governance Task Force and Sustainable Development Task Force, the implementation of ethical corporate management matters is included in the scope of the Corporate Governance Task Force. Furthermore, these matters are handed over to the stock affairs unit to be responsible for the formulation and supervision of ethical management policy and prevention plans, reporting regularly to the committee and to the Board of Directors. The Corporate Governance and Sustainable Development Committee meets at least twice a year. Each task force puts forth an annual	No difference

Evaluation Items	Status			Deviation from Ethical Corporate Management Best-Practice Principles for TWSE/TPEx Listed Companies and Causes thereof
	Yes	No	Summary Description	
			implementation plan at the beginning of the year and submits a report on the implementation results every six months. Said annual implementation plan and report on the implementation results are reviewed by the committee and reported to the Board of Directors. The Committee was convened in 2023 on February 15, 2023 and August 11, 2023. The second committee passed the annual work plan of the annual working group and the semi-annual work implementation progress review, and both of them were submitted to the Board of Directors meeting convened on the same day.	
(II) Has the Company established an assessment mechanism for the risk of dishonesty, regularly analyzing and evaluating business activities with a high risk of dishonesty in the business scope, and formulated a plan to prevent dishonesty, and cover at a minimum the preventive measures for various acts under Article 7, Paragraph 2 of "Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies?"	V		When conducting daily verifications, the internal audit unit will also include in the verification whether there is any dishonest behavior internally. When an employee demonstrates dishonest behavior, he or she shall be punished in accordance with the Employee Reward and Punishment Measures based on the circumstances and impact.	
(III) Does the Company specify the operating procedures, behavior guidelines, disciplinary penalties and grievance system in the plan to prevent dishonesty, and implement it, and regularly review and revise the pre-	V		In order to ensure the implementation of ethical management, all employees of the corporate Group have signed its Integrity Commitment Agreement. Furthermore, the occurrence of unethical business	

Evaluation Items	Status			Deviation from Ethical Corporate Management Best-Practice Principles for TWSE/TPEx Listed Companies and Causes thereof
	Yes	No	Summary Description	
disclosure plan?			activities, bribery, and kickbacks through the verification mechanisms of the internal audit unit.	
II. Implementation of Ethical Corporate Management (I) Does the Company assess a trading counterpart's ethical management record and expressly state the ethical management clause in the contract to be signed with the trading counterpart?	V		Both the Company and its suppliers sign a Supplier Integrity Commitment Agreement. When entering into the Agreement, the rights and obligations of both parties are specified in detail, and it is clearly stipulated that all suppliers should abide by it.	No difference
(II) Has the Company set up a special unit under the board of directors to promote corporate ethical management, and regularly reports (at least once a year) to the board of directors on its ethical management policies and plans to prevent dishonesty and supervision and implementation?	V		The Company's stock affairs unit is responsible for the formulation and supervision of the implementation of the corporate ethical management policy and prevention programs. It reports the implementation status to the Board of Directors at least once a year. The most recent report was to the Board of Directors on September 6, 2023. For the status of implementation of ethical management for 2023, please refer to Page XX of this annual report.	
(III) Has the Company developed a policy to prevent conflicts of interest, provided a proper presentation channel, and put such policy in place?	V		All employees of the company signed an Employee Integrity Commitment Agreement and there is a channel for appeals. For any violations or appeals, employees may report to their direct supervisors, human resources, or the audit unit.	
(IV) Has the Company established an effective accounting system for the implementation of ethical management, internal control system, and the evaluation result of the	V		The Company has established an effective accounting system and internal control system, and formulates an internal audit plan every year. The	

Evaluation Items	Status			Deviation from Ethical Corporate Management Best-Practice Principles for TWSE/TPEx Listed Companies and Causes thereof
	Yes	No	Summary Description	
risk of dishonesty by the internal audit unit, to formulate relevant audit plans, and check the compliance with the plan to prevent dishonesty, or entrusted an accountant to perform the audit?			internal audit unit performs various audit operations in accordance with the audit plan, and will arrange additional special audits when special circumstances occur.	
(V) Does the Company hold education training in ethical corporate management inside and outside the Company on a regular basis?	V		The Company has established its Ethical Corporate Management Best Practice Principles, and the Company's employees and suppliers have signed Integrity Commitment Agreements. The Company also promotes relevant norms for ethical management from time to time.	
III. Operation of the Company's reporting system (I) Has the Company put in place the specific whistle-blowing and reward system, established a convenient reporting channel, and assigned appropriate personnel to deal with whistle-blowing?	V		The Company has a complaint hotline and mailbox, and has dedicated personnel to handle related affairs as well as rules for conducting fraud inspections.	
(II) Has the Company established standard operating procedures for accepting complaints, follow-up measures to be taken after the investigation is completed, and relevant confidentiality mechanisms?	V		The Company has established a whistleblowing process, and the identity of an informant and the content of ant report will be kept confidential.	No difference
(III) Has the Company taken measures to protect whistle-blowers from retaliation due to reporting?	V		The Company has established internal and external whistleblowing procedures and fraud detection regulations; It also expressly adopts measures to protect informants from improper handling as a result of a report.	
IV. Strengthening information disclosure Has the Company, on its website and on the Market	V		The Company discloses its corporate culture and	No difference

Evaluation Items	Status			Deviation from Ethical Corporate Management Best-Practice Principles for TWSE/TPEx Listed Companies and Causes thereof
	Yes	No	Summary Description	
Observation Post System, disclosed the content and promotion effectiveness of its Ethical Corporate Management Best Practice Principles?			business policies on the Company's website, and discloses ethical management information on the Market Observation Post System.	

V. If the Company has enacted the Ethical Corporate Management Best Practice Principles in accordance with the Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies, please describe the difference between its operation and the Principles:
The Company has enacted its Ethical Corporate Management Best Practice Principles, and there are no major differences with the Ethical Corporate Management Best Practice Principles for TWSE / GTSM Listed Companies.

VI. Other information that enables a better understanding of the Company's ethical corporate management (for example, the Company's review and revision the Ethical Corporate Management Best Practice Principles, etc.):

- In adherence with the November 7, 2014 letter Taizheng Zhili Zi No. 1030022825 of the Taiwan Stock Exchange Corporation, the Company has revised relevant provisions of its Ethical Corporate Management Best Practice Principles. In addition, in order to implement its ethical management policies and prevent dishonest behavior, the Company also regularly organizes internal education and training courses on ethical management.
- The specific course topics, course hours, and number of participants are shown in the following table:
  1. From 2018 to 2022, a total of 9,381 people have participated in the ethical management related training courses, and the total training hours are 12,013.

Evaluation Items	Status			Deviation from Ethical Corporate Management Best-Practice Principles for TWSE/TPEx Listed Companies and Causes thereof
	Yes	No	Summary Description	

2. The specific course topics, course hours and the number of participants in 2023 are shown in the table below:

Course Title	Course Hours	Number of Courses
Information Security Course	0.8	16
Sustainability Course Series	0.7	6,905
Responsible Business Alliance (RBA) Code of Conduct	2	1,461
Analysis of Trade Secrets Act and practical cases along with advocacy of confidentiality obligations	1	1,999
How to apply digital tools for effective carbon footprint governance	1	53
Post-pandemic talent sustainability challenge	1	55

4.7 If the Company has established the Corporate Governance Best Practice Principles and the related regulations, it should disclose how to inquire about such principles:

The Company has defined the "Corporate Governance Best Practice Principles" and disclosed the important management policies of the Company in the corporate governance section of the Company's website under Investor Relations. For more information, visit: https://www.foxlink.com/web/

4.8 Other important information that is sufficient to improve the understanding of corporate governance operations that must be concurrently disclosed: None.

4.9 Implementation Status of Internal Control System:

(1) Internal Control System Statement:

Cheng Uei Precision Industry Co., Ltd.
Internal Control System Statement

Date: March 11, 2024

For the Company's Internal Control System of 2023, based on the results of self-assessment, the following is hereby declared:

I. The Company acknowledges and understands that the establishment, implementation and maintenance of the internal control system are the responsibility of the Board and managerial officers of the Company, and that such a system has been implemented within the Company. The purpose of the system is to reasonably ensure that the effectiveness and efficiency of operations (including profits, performance, and protecting the security of assets), reliability, timeliness, transparency, and regulatory compliance of reporting, as well as the compliance with applicable laws, regulations, and bylaws are achieved.

II. The internal control system is designed with inherent limitations. No matter how perfect the internal control system is, it can only provide a reasonable assurance to the fulfillment of the three objectives referred to above. Moreover, the effectiveness of the internal control system could be affected by the changes of environment and circumstances. However, the company's internal control system has a self-supervision mechanism. Once the missing element is recognized, the company takes corrective action.

III. The Company evaluates the design and execution of its internal control system based on the criteria specified in the "Regulations Governing Establishment of Internal Control Systems by Public Companies" (hereinafter referred to as the "Regulations") to determine whether the existing system continues to be effective. The criteria defined in "the Regulations" include five elements depending on the management control process: 1. environment control, 2. risk assessment, 3. control process, 4. information and communication, and 5. supervision. Each constituent contains several criteria. Please refer to "the Regulations" for details.

IV. The Company has adopted the said criteria to validate the effectiveness of its internal control system design and execution.

V. Based on the results of examination, the Company believes that the design and implementation of its internal control system dated December 31, 2023 (including supervising and managing its subsidiaries), consisting of the effectiveness and efficiency of business operations, the preparation of reliable, timely and transparent financial statements, and their compliance with the relevant rules and regulations, are effective, and reasonably assure the achievement of the aforementioned goals.

VI. This Statement will be a major part of the Company's annual report and prospectus, and will be made publicly available. The Company shall be held liable for misrepresentation or nondisclosure in the above content, according to Articles 20, 32, 171, and 174 of the Securities and Exchange Act.

VII. This Statement has been approved by the Company's Board of Directors at the meeting held on March 11, 2024, at which this Statement was unanimously endorsed by all 9 attending directors with 0 individuals having opposing opinions.

Cheng Uei Precision Industry Co., Ltd.

Chairman: T.C. Gou

President: T.C. Gou

(2) If it is necessary to entrust an accountant to review the internal control system, the accountant's review report shall be disclosed: None

4.10 In the most recent year and as of the date of publication of the annual report, whether the company and its internal personnel have been disciplined according to law, or whether the company has disciplined its internal personnel for violating the provisions of the Internal Control System. The content of the disciplinary measures should be listed, as well as the main deficiencies and improvements: None.

4.11 In the most recent year and as of the printing date of the annual report, important resolutions of the shareholders meeting and Board of Directors:

(1) Board resolutions in 2023 and through March 31, 2024

Date	Resolution Matters	Remarks
March 15, 2023	1. Approved the Company's 2023 business plan. 2. Approved the amount of 2022 directors' and employees' remuneration reviewed by the Remuneration Committee. 3. Approved the Company's 2022 financial statements and business status. 4. Passed a cash dividend of NTD 2.2 per share for the 2022 earnings distribution. 5. Passed the Company's 2022 Board of Directors performance evaluation. 6. Approved the amendments to the Company's Articles of Incorporation. 7. Approved the amendments to the Company's "Rules of Procedure for Board of Directors Meetings". 8. Approved the amendments to the Company's "Corporate Governance Best-Practice Principles." 9. Approved the motion for the replacement of CPAs, the evaluation on the independence and suitability of CPAs, and the remuneration for appointment. 10. Approved the "Evaluation of the Effectiveness of the Internal Control System" and "Statement of Internal Control System" for 2022. 11. Approved the appointment of section manager Ming-Wei Yu, the Company's audit officer. 12. Approved the motion for the Company to authorize Lin, Kun-Huang, to be the supervisor of the periodic evaluation report on derivative transactions. 13. Approved the motion for re-election of the Company's directors. 14. Approved the date and proposal for the 2023 annual shareholders' meeting of the Company.	
April 19, 2023	1. Report the Company's important financial and business information. 2. Approved the nomination and resolution of the nominees for directors (including independent directors). 3. Approved the removal of the non-compete restriction on the new directors and their representatives.	
May 12, 2023	1. Reported on the implementation of the Company's internal audit operations 2. Reported the tracking of the implementation of greenhouse gas inventory of the Company's consolidated subsidiaries. 3. Discussion of the Company's 2023 first quarter consolidated financial statements and operations. 4. Passed to increase capital of CU International Ltd., a 100% owned subsidiary of the Company. 5. Approved the investment in FOXLINK ARIZONA INC., the subsidiary in the	

Date	Resolution Matters	Remarks
	US. 6. Approved the application for bank financing facilities.	
August 11, 2023	1. Reported on the implementation of the Company's internal audit operations 2. Report on the acquisition of director liability insurance. 3. Report the Company's engagement in derivative trade. 4. Reported the tracking of the implementation of greenhouse gas inventory of the Company's consolidated subsidiaries. 5. Report the Company's budget targets for the second half of the year. 6. Report on the Company's corporate governance and sustainable operation in the first half of 2023. 7. Approval for the Company's consolidated financial statements and business status for the second quarter of 2023. 8. Approved the capital increase in the subsidiary and the reinvestment in Xin Sun Company, Vietnam. 9. Approved the investment in the subsidiary and the reinvestment in Da Nang, Vietnam. 10. Approved the proposal of endorsement and guarantee for the sub-subsidiary (Jing Shi Group). 11. Approved the application for bank financing facilities.	
September 6, 2023	1. Report the Company's important financial and business information. 2. The compensation distribution plan for directors for the year of 2022 was approved by the Compensation Committee of the Company. 3. Passed the distribution of remuneration to directors for 2022 reviewed and approved by the Company's Remuneration Committee.	
November 10, 2023	1. Reported on the implementation of the Company's internal audit operations. 2. Report the Company's engagement in derivative trade. 3. Report on the over-limit situation of fund loans to subsidiary companies and improvement plans. 4. Reported the tracking of the implementation of greenhouse gas inventory of the Company's consolidated subsidiaries. 5. Report on the qualification of independent directors of the company in compliance with relevant laws and regulations. 6. Report the Company's important financial and business information. 7. Approval for the Company's consolidated financial statements and business status for the third quarter of 2023. 8. Passed to increase capital of CU International Ltd., a 100% owned subsidiary of the Company. 9. Discussion on amending the company's "Procedure for Lending Funds to Others." 10. Discussion on drafting 2024 the internal audit plan for the company. 11. Approved the application for bank financing facilities.	
March 11, 20224	1. Reported the Company's 2023 performance evaluation results for the Board of Directors and functional committees. 2. Reported on the implementation of the task force in the second half of 2023 and the work plan in 2024 for the corporate governance and sustainability task force. 3. Reported the tracking of the implementation of greenhouse gas inventory	

Date	Resolution Matters	Remarks
	of the Company's consolidated subsidiaries. 4. Report of the Company's important financial and business information. 5. Approved the Company's 2024 business plan. 6. Approved the 2023 proposal for remuneration to directors and employees as reviewed by the Company's Remuneration Committee. 7. Approved the Company's 2023 financial statements and business status. 8. Passed a cash dividend of NTD 2 per share for the 2023 earnings distribution. 9. Approved the evaluation of the independence and suitability of CPAs with reference to the Audit Quality Index (AQI) and the remuneration. 10. Approved the "Evaluation of the Effectiveness of the Internal Control System" and "Statement of Internal Control System" for 2023. 11. Discussion of amendments to the Company's "Procedures for Loaning Funds to Others." 12. Approved the motion of the Company's loaning of funds to the subsidiary "Shinfox Energy Co., Ltd." 13. Approved the renewal of the Company's proposal for syndication of bank loans and application for bank financing. 14. Approved the convening of the Company's 2024 annual general meeting and its proposals.	

(2) Resolution matters and implementation status passed by all shareholders present at the General Meeting of Shareholders of May 31, 2023

Resolution matters	Implementation status
Approved 2022 business final account statement and profit distribution statement	● The relevant financial statements have been filed with the competent authority for reference, announcement and declaration in accordance with the Company Act and other relevant laws and regulations. ● The cash dividend per share was NTD 2.2 per share (in which cash dividends were distributed by resolution of the board of directors and reported to the shareholders' meeting), the ex-dividend date was set on July 26, 2023, and the cash distribution dividends was made on August 18, 2023.
Approved amendment of the Company Articles of Incorporation	Approved for registration by the Ministry of Economic Affairs on June 17, 2023.
Proposal for re-election of directors' terms	● List of elected directors: T.C. Gou, T.C. Wang, James Lee, Eric Huang, Chen-Phan Pu List of elected independent directors: Chuan-Wei Li, Chien-Chung Fu, Jing-Min Tang, Chih-Yang Tseng ● Implementation status: The election of the 14th board of directors was subject to change registration with the Business Development Administration, Ministry of Economic Affairs, and the approval letter was obtained on June 17, 2023.
Approved discharge of new directors from non-competition restrictions.	Effective upon the resolution of the general shareholders' meeting, and announcement of material information on the Market Observation Post System.

4.12 In the most recent year and up to the date of publication of the annual report, the major contents of the opposition to or qualified opinions expressed by directors or supervisors about the significant resolutions passed by the Board of Directors that have been noted in the records or declared in writing: None.

4.13 Resignation or relief from office of the Chairman, President, Chief Accountant, Chief Financial Officer, Audit Supervisor, Chief of Corporate Governance, and Chief R&D Officer of the Company in the most recent year to the day this report was printed: None

5. Information about CPA Professional Fees

5.1 Information about CPA Professional Fees

Unit: NTD Thousand

CPA matters Firm name	Accountants Name	Accountant audit period	Audit fees	Non-audit fees	Total	Remarks
Pricewaterhouse Coopers, Certified Public Accountants	Hsiao-Tzu, Chou	2023/01/01~ 2023/12/31	13,240	3,693 (Note)	16,933	-
	Yi-Chang, Liang					

Note: Other non-audit fees are mainly tax consulting fees.

5.2 If the accounting fees paid during the year when the accounting firm is replaced are less than the previous year, the amount, proportion and reasons for the reduction of audit fees should be disclosed: The Company has not changed its accounting firm.

5.3 If the audit fees are reduced by more than 10% compared with the previous year, the amount, proportion and reasons for the reduction in the audit fees shall be disclosed:
Audit fees for this year decreased by less than 10% compared with the previous year.

6. Changes in Accountant Information: None

7. The Company's chairman, general manager, or the manager responsible for financing or accounting affairs, who has worked for the accounting firm to which CPAs belong or the affiliated enterprises in the past year: None.

8. Directors, Supervisors, Managers, and Shareholders Whose Shareholding Ratio Exceeds 10% Share Transfer and Share Pledge Changes in Status:

8.1 Changes to the shares held by directors, supervisors, managers and majority shareholders:

Unit: Thousand shares

Position	Name	2022		As of March 31, 2023	
		Number of shareholding Number increased (decreased)	Number of pledged shares Number increased (decreased)	Number of shares held Number increased (decreased)	Number of pledged shares Number increased (decreased)
Director	Hsin Hung International Investment Co., Ltd.	0	0	0	0
Chairman and President	Corporate representative: T.C. Gou	0	0	0	0
Director and Vice President	Corporate representative: Chen-Phan Pu	0	0	0	0
Director	Corporate representative: T.C. Wang	0	0	0	0
Director	Fu Lin International Investment Co., Ltd.	0	0	0	0
Director and Group President	Corporate representative: James Lee	0	0	0	0
Director and Group President	Corporate representative: Eric Huang	0	0	0	0
Independent Director	Randy Lee	0	0	0	0
Independent Director	Chien-Chung Fu	0	0	0	0
Independent Director	Jing-Mi Tang	0	0	0	0
Independent Director	Chih-Yang Tseng	0	0	0	0
Group General Manager	Julius Chu	0	0	0	0
Vice President	Malcolm Lin	0	0	0	0
Vice President	Y.Y. Wu	0	0	0	0
Vice President	Daniel Wu	0	0	0	0
Vice President	Spencer Yeh	0	0	0	0
Vice President	Luc Chu	0	0	0	0
Vice President	PK Chou	0	0	0	0
Vice President	Gordon Lin	0	0	0	0
Corporate Governance Officer	Kufn Lin	0	0	0	0

Note: Vice President Wen-Bin Hsu resigned on September 8, 2023.

8.2 The counterparties of equity transfers and equity pledges are related parties: No such situation.

9. Information about The Relationships among Top Ten Shareholders, Such as Related Parties, Spouses, or Relatives within The Second-Degree of Kinship:

Name	Self Shareholding		Spouse and Minor Children Holding Shares		Total Holding of Shares in The Names of Others		Name of A Related Party, Spouse or Second-Grade Relative, and Relationships Among Top Ten Shareholders		Remarks
	Shares (thousand shares)	Shareholding Percentage of Ownership	Shares	Percentage of Ownership	Shares	Percentage of Ownership	Name or Designation	Relationship	
Hsin Hung International Investment Co., Ltd. Representative: T.C. Gou	100,535	19.62%	0	0	0	0	Central Motion Picture Corporation Foxlink Image Technology Co., Ltd.	Chairperson the same individual	—
	6,009	1.17%	46	0.01%	0	0		Chairperson of the company	—
Foxlink Image Technology Co., Ltd. Representative: T.C. Gou	49,503	9.66%	0	0	0	0	Hsin Hung International Investment Co., Ltd. Central Motion Picture Corporation	Chairperson the same individual	—
	6,009	1.17%	46	0.01%	0	0		Chairperson of the company	—
Central Motion Picture Corporation Representative: T.C. Gou	32,584	6.36%	0	0	0	0	Hsin Hung International Investment Co., Ltd. Foxlink Image Technology Co., Ltd.	Chairperson the same individual	—
	6,009	1.17%	46	0.01%	0	0		Chairperson of the company	—
Citibank as custodian of Norwegian Central Bank Investment Account	7,262	1.42%	N/A						
T.C. Gou	6,009	1.17%	46	0.01%	0	0	Hsin Hung International Investment Co., Ltd. Central Motion Picture Corporation Foxlink Image Technology Co., Ltd.	The company Chairperson	—
Chase in custody for Vanguard Total International Stock Index Fund, a series of Vanguard Star Funds	5,560	1.09%	N/A						
Chase in custody for Emerging Market Fund Investment Account of Vanguard Group Corporation	5,449	1.06%	N/A						

Name	Self Shareholding		Spouse and Minor Children Holding Shares		Total Holding of Shares in The Names of Others		Name of A Related Party, Spouse or Second-Grade Relative, and Relationships Among Top Ten Shareholders		Remarks
	Shares (thousand shares)	Shareholding Percentage of Ownership	Shares	Percentage of Ownership	Shares	Percentage of Ownership	Name or Designation	Relationship	
Standard Chartered Trustee (Hong Kong) Limited, External Manager J.P. Morgan	4,178	0.82%	N/A						
iShare Core MSCI Emerging Market ETF	4,101	0.80%	N/A						
JP Morgan Investment Fund under the Custody of JP Morgan Chase Bank	3,354	0.66%	N/A						

10. The number of shares and comprehensive shareholding ratio held in any single reinvested enterprise by the Company, its directors and supervisors, managerial officers, and any companies controlled either directly or indirectly by the Company, and consolidated calculation of comprehensive shareholding ratio:

December 31, 2023 Unit: Thousand shares

Reinvested business	The Company's investment		Directors, supervisors, managers and direct or indirect control of investment in the business		Comprehensive investment	
	Shares	Percentage of shareholding	Shares	Percentage of shareholding	Shares	Percentage of shareholding
CU INTERNATIONAL LTD.	493,550	100.00%	0	0	493,550	100.00%
CULINK INTERNATIONAL LTD.	33,528	100.00%	0	0	33,528	100.00%
Foxlink International Investment Ltd.	468,750	100.00%	0	0	468,750	100.00%
Well Shin Technology Co., Ltd.	22,282	18.84%	40	0.03%	22,322	18.87%
Fu Uei International Investment Ltd.	425,000	100.00%	0	0	425,000	100.00%
Darts Technologies Corporation	47,576	97.00%	0	0	47,576	97.00%
DU Precision Industry Co., Ltd.	60,000	100.00%	0	0	60,000	100.00%
FOXLINK TECHNOLOGY LTD.	86,700	100.00%	0	0	86,700	100.00%
Suntain Co., Ltd.	22,374	100.00%	0	0	22,374	100.00%
FOXLINK ARIZONA INC.	15,470	100.00%	0	0	15,470	100.00%
SINOBEST BROTHERS LIMITED	20,704	91.19%	2,000	8.81%	22,704	100.00%

IV. Status of Fundraising

1. Capital and Shares

1.1 Sources of Equity

1.1.1 Source of Share Capital

April 1, 2024 Units: NTD thousand, thousand shares

Year Month	Issued Price (Ntd)	Approved Share Capital		Paid-in Capital		Remarks		
		Shares	Amount	Number of Shares	Amount	Source of Share Capital	Property Other Than Cash Contributed As Equity Capital	Others
1986.07	1,000	18	18,000	18	18,000	Initial capital	None	Note 1
1995.12	10	19,000	190,000	19,000	190,000	Cash capital increase of NTD 172,000 thousand	None	Note 2
1996.10	10	36,000	360,000	36,000	360,000	Cash capital increase of NTD 170,000 thousand	None	Note 3
1997.07	10	42,100	421,000	42,100	421,000	Capitalization of retained earnings of NTD 54,000 thousand; capitalization of employee bonuses of NTD 7,000 thousand	None	Note 4
1998.07	15	100,000	1,000,000	71,600	716,000	Cash capital increase of NTD 200,000 thousand, capitalization of retained earnings of NTD 84,200 thousand; capitalization of employee bonuses of NTD 10,800 thousand	None	Note 5
1999.08	10	100,000	1,000,000	81,800	818,000	Capitalization of retained earnings of NTD 90,216 thousand; capitalization of employee bonuses of NTD 11,784 thousand	None	Note 6
2000.01	109	100,000	1,000,000	100,000	1,000,000	Cash capital increase of NTD 182,000 thousand	None	Note 7

April 1, 2024 Units: NTD thousand, thousand shares

Year Month	Issued Price (Ntd)	Approved Share Capital		Paid-in Capital		Remarks		
		Shares	Amount	Number of Shares	Amount	Source of Share Capital	Property Other Than Cash Contributed As Equity Capital	Others
2000.08	10	160,000	1,600,000	117,000	1,170,000	Capitalization of retained earnings of NTD 150,000 thousand; capitalization of employee bonuses of NTD 20,000 thousand	None	Note 8
2001.07	10	225,000	2,250,000	143,500	1,435,000	Capitalization of retained earnings of NTD 234,000 thousand; capitalization of employee bonuses of NTD 31,000 thousand	None	Note 9
2002.02	10	225,000	2,250,000	152,720	1,527,203	Exchange of warrants for common shares, NTD 92,203 thousand	None	Note 10
2002.04	10	225,000	2,250,000	169,335	1,693,355	Exchange of warrants for common shares, NTD 166,152 thousand	None	Note 11
2002.07	10	305,000	3,050,000	200,521	2,005,207	Capitalization of retained earnings of NTD 254,003 thousand; capitalization of employee bonuses of NTD 57,000 thousand, and exchange of warrants for common shares, NTD 849 thousand	None	Note 12
2003.01	10	305,000	3,050,000	201,307	2,013,071	Exchange of warrants for common shares, NTD 7,864 thousand	None	Note 13
2003.07	10	305,000	3,050,000	228,238	2,282,378	Capitalization of retained earnings of NTD 201,307	None	Note 14

Year Month	Issued Price (Ntd)	Approved Share Capital		Paid-in Capital		Remarks		
		Shares	Amount	Number of Shares	Amount	Source of Share Capital	Property Other Than Cash Contributed As Equity Capital	Others
						thousand; capitalization of employee bonuses of NTD 68,000 thousand		
2004.07	10	400,000	4,000,000	258,762	2,587,616	Capitalization of retained earnings of NTD 228,238 thousand; capitalization of employee bonuses of NTD 77,000 thousand	None	Note 15
2005.07	10	400,000	4,000,000	292,638	2,926,377	Capitalization of retained earnings of NTD 258,761 thousand; capitalization of employee bonuses of NTD 80,000 thousand	None	Note 16
2005.10	10	400,000	4,000,000	296,005	2,960,045	Conversion of overseas convertible bonds to common shares, NTD 33,668 thousand	None	Note 17
2006.01	10	400,000	4,000,000	309,181	3,091,814	Conversion of overseas convertible bonds to common shares, NTD 78,436 thousand; transfer of shares, NTD 53,333 thousand	Darts Technologies stock, 25,600 thousand shares	Note 18
2006.04	10	400,000	4,000,000	321,520	3,215,201	Conversion of overseas convertible bonds to common shares, NTD 123,387 thousand	None	Note 19
2006.07	10	400,000	4,000,000	331,566	3,315,658	Conversion of overseas convertible bonds to common shares, NTD 100,457 thousand	None	Note 20
2006.09	10	400,000	4,000,000	373,221	3,732,207	Capitalization of	None	Note 21

Year Month	Issued Price (Ntd)	Approved Share Capital		Paid-in Capital		Remarks		
		Shares	Amount	Number of Shares	Amount	Source of Share Capital	Property Other Than Cash Contributed As Equity Capital	Others
						retained earnings of NTD 322,303 thousand; capitalization of employee bonuses of NTD 73,500 thousand; and conversion of overseas convertible bonds into ordinary shares, NTD 20,746 thousand		
2007.08	10	550,000	5,500,000	401,582	4,015,817	Capitalization of retained earnings of NTD 186,610 thousand; capitalization of employee bonuses of NTD 97,000 thousand	None	Note 22
2008.09	10	550,000	5,500,000	437,461	4,374,609	Capitalization of retained earnings of NTD 200,791 thousand; capitalization of employee bonuses of NTD 158,000 thousand	None	Note 23
2009.09	10	550,000	5,500,000	453,965	4,539,655	Capitalization of retained earnings of NTD 87,492 thousand; capitalization of employee bonuses of NTD 348,217 thousand	None	Note 24
2010.04	10	550,000	5,500,000	456,689	4,566,891	Executed subscription of employee stock option certificates, NTD 27,236 thousand	None	Note 25
2010.07	10	550,000	5,500,000	456,801	4,568,007	Executed subscription of employee stock	None	Note 26

Year Month	Issued Price (Ntd)	Approved Share Capital		Paid-in Capital		Remarks		
		Shares	Amount	Number of Shares	Amount	Source of Share Capital	Property Other Than Cash Contributed As Equity Capital	Others
						option certificates, NTD 1,116 thousand		
2010.09	10	550,000	5,500,000	463,509	4,635,093	Capitalization of retained earnings of NTD 45,680 thousand; capitalization of employee bonuses of NTD 99,413 thousand	None	Note 27
2011.01	10	550,000	5,500,000	464,381	4,643,807	Executed subscription of employee stock option certificates, NTD 8,713 thousand	None	Note 28
2011.04	10	550,000	5,500,000	465,556	4,655,557	Executed subscription of employee stock option certificates, NTD 11,751 thousand	None	Note 29
2011.07	10	550,000	5,500,000	466,752	4,667,523	Executed subscription of employee stock option certificates, NTD 11,966 thousand	None	Note 30
2011.08	10	550,000	5,500,000	474,313	4,743,125	Capitalization of retained earnings of NTD 46,577 thousand; capitalization of employee bonuses of NTD 198,589 thousand	None	Note 31
2011.10	10	550,000	5,500,000	476,447	4,764,469	Executed subscription of employee stock option certificates, NTD 21,343 thousand	None	Note 32
2012.01	10	550,000	5,500,000	476,762	4,767,622	Executed subscription of employee stock option certificates,	None	Note 33

April 1, 2024 Units: NTD thousand, thousand shares

Year Month	Issued Price (Ntd)	Approved Share Capital		Paid-in Capital		Remarks		
		Shares	Amount	Number of Shares	Amount	Source of Share Capital	Property Other Than Cash Contributed As Equity Capital	Others
						NTD 3,154 thousand		
2012.04	10	550,000	5,500,000	481,367	4,813,668	Executed subscription of employee stock option certificates, NTD 46,045 thousand	None	Note 34
2012.07	10	550,000	5,500,000	481,643	4,816,426	Executed subscription of employee stock option certificates, NTD 2,758 thousand	None	Note 35
2012.08	10	550,000	5,500,000	489,404	4,894,040	Capitalization of retained earnings of NTD 48,137 thousand; capitalization of employee bonuses of NTD 173,949 thousand	None	Note 36
2012.10	10	550,000	5,500,000	492,376	4,923,762	Executed subscription of employee stock option certificates, NTD 29,722 thousand	None	Note 37
2013.01	10	550,000	5,500,000	493,683	4,936,829	Executed subscription of employee stock option certificates, NTD 13,067 thousand	None	Note 38
2013.04	10	550,000	5,500,000	494,166	4,941,659	Executed subscription of employee stock option certificates, NTD 4,830 thousand	None	Note 39
2013.07	10	550,000	5,500,000	494,444	4,944,439	Executed subscription of employee stock option certificates, NTD 2,780 thousand	None	Note 40
2013.10	10	550,000	5,500,000	495,035	4,950,347	Executed subscription of employee stock	None	Note 41

April 1, 2024 Units: NTD thousand, thousand shares

Year Month	Issued Price (Ntd)	Approved Share Capital		Paid-in Capital		Remarks		
		Shares	Amount	Number of Shares	Amount	Source of Share Capital	Property Other Than Cash Contributed As Equity Capital	Others
						option certificates, NTD 5,908 thousand		
2014.01	10	550,000	5,500,000	502,010	5,020,095	Executed subscription of employee stock option certificates, NTD 69,748 thousand	None	Note 42
2014.04	10	550,000	5,500,000	505,556	5,055,557	Executed subscription of employee stock option certificates, NTD 35,462 thousand	None	Note 43
2014.07	10	550,000	5,500,000	506,624	5,066,237	Executed subscription of employee stock option certificates, NTD 10,680 thousand	None	Note 44
2014.10	10	550,000	5,500,000	509,209	5,092,087	Executed subscription of employee stock option certificates, NTD 25,850 thousand	None	Note 45
2015.01	10	550,000	5,500,000	512,327	5,123,269	Executed subscription of employee stock option certificates, NTD 31,182 thousand	None	Note 46

Note 1: Initial capital of NTD 18,000 thousand
Note 2: Cash capital increase of NTD 172,000 thousand
Note 3: October 21, 1996 (85) Taizaizheng (1) No. 62330 letter of approval
Note 4: July 7, 1997 (86) Taizaizheng (1) No. 53139 letter of approval
Note 5: July 10, 1998 (87) Taizaizheng (1) No. 58945 letter of approval
Note 6: August 4, 1999 (88) Taizaizheng (1) No. 72110 letter of approval
Note 7: December 13, 1999 (88) Taizaizheng (1) No. 103975 letter of approval
Note 8: June 27, 2000 (89) Taizaizheng (1) No. 55031 letter of approval
Note 9: June 26, 2001 (90) Taizaizheng (1) No. 140540 letter of approval
Note 10: January 29, 2002 Jingshoushangzi No. 09101035860 letter of approval
Note 11: April 10, 2002 Jingshoushangzi No. 09101122510 letter of approval
Note 12: June 18, 2002 Taizaizheng 1 No. 0910133030 letter of approval
Note 13: January 27, 2003 Jingshoushangzi No. 09201030380 letter of approval

Note 14: June 30, 2003 Taizaizheng 1 No. 0920128786 letter of approval
Note 15: June 23, 2004 Taizaizheng 1 No. 0930127828 letter of approval
Note 16: June 30, 2005 Taizaizheng 1 No. 0940126320 letter of approval
Note 17: October 13, 2005 Jingshoushangzi No. 09401203760 letter of approval
Note 18: December 26, 2005 Jinguanzheng 1 No. 0940155501 letter of approval
Note 19: April 14, 2006 Jingshoushangzi No. 09501067660 letter of approval
Note 20: July 20, 2006 Jingshoushangzi No. 09501150100 letter of approval
Note 21: July 5, 2006 Taizaizheng 1 No. 0950128616 letter of approval
Note 22: July 2, 2007 Jinguanzheng 1 No. 0960033542 letter of approval
Note 23: July 7, 2008 Jinguanzheng 1 No. 0970033755 letter of approval
Note 24: June 25, 2009 Jinguanzheng Fazi No. 0980031734 letter of approval
Note 25: April 12, 2010 Jingshoushangzi No. 09901069630 letter of approval
Note 26: July 15, 2010 Jingshoushangzi No. 099001158420 letter of approval
Note 27: June 29, 2010 Jinguanzheng Fazi No. 0990033598 letter of approval
Note 28: January 17, 2011 Jingshoushangzi No. 10001008210 letter of approval
Note 29: April 21, 2011 Jingshoushangzi No. 10001075290 letter of approval
Note 30: July 20, 2011 Jingshoushangzi No. 10001159720 letter of approval
Note 31: August 29, 2011 Jingshoushangzi No. 10001199230 letter of approval
Note 32: October 18, 2011 Jingshoushangzi No. 10001238620 letter of approval
Note 33: January 13, 2012 Jingshoushangzi No. 10101006390 letter of approval
Note 34: April 16, 2012 Jingshoushangzi No. 10101066520 letter of approval
Note 35: July 12, 2012 Jingshoushangzi No. 10101141200 letter of approval
Note 36: August 9, 2012 Jingshoushangzi No. 10101163460 letter of approval
Note 37: October 16, 2012 Jingshoushangzi No. 10101212660 letter of approval
Note 38: January 14, 2013 Jingshoushangzi No. 10201007940 letter of approval
Note 39: April 15, 2013 Jingshoushangzi No. 10201067800 letter of approval
Note 40: July 18, 2013 Jingshoushangzi No. 10201140890 letter of approval
Note 41: October 15, 2013 Jingshoushangzi No. 10201209790 letter of approval
Note 42: January 21, 2014 Jingshoushangzi No. 10301010950 letter of approval
Note 43: April 22, 2014 Jingshoushangzi No. 10301069490 letter of approval
Note 44: July 18, 2014 Jingshoushangzi No. 10301146670 letter of approval
Note 45: October 17, 2014 Jingshoushangzi No. 10301217070 letter of approval
Note 46: January 14, 2015 Jingshoushangzi No. 10401004720 letter of approval

1.1.2 Class of Issued Shares

April 1, 2024 Unit: Shares

Shares Type	Approved Share Capital			
	Issued and Outstanding Shares (Note)	Unissued Shares	Reserved for Issuance of Employee Stock Option Certificates	Total
Common stock	512,326,940	137,673,060	50,000,000	700,000,000

Note: Listed shares

1.1.3 Information concerning the collective reporting system: Not applicable

1.2 Shareholder Sructure

April 1, 2024 Unit: Thousand shares

Shareholder Structure / Quantity	Government Agency	Financial Institution	Other Juridical Persons	Individuals	Foreign Institutions and Foreign Individuals	Total
Number of Individuals	4	14	96	56,305	265	56,684
Number of Shares Held	2,423,900	8,943,113	192,750,325	223,107,366	85,102,236	512,326,940
Percentage of Shareholding	0.47%	1.75%	37.62%	43.55%	16.61%	100.00%

1.3 Distribution of Equity

1.3.1 Distribution of common share equity

April 1, 2024

Shareholding Class	Number of Shareholders (Individuals)	Number of Shares Held (Shares)	Percentage of Shareholding
1 - 999	16,808	2,196,701	0.43%
1,000 - 5,000	31,384	63,541,551	12.40%
5,001 - 10,000	4,698	35,521,344	6.93%
10,001 - 15,000	1395	17,189,035	3.36%
15,001 - 20,000	720	13,127,018	2.56%
20,001 - 30,000	606	15,240,347	2.98%
30,001 - 40,000	280	9,974,771	1.95%
40,001 - 50,000	204	9,492,170	1.85%
50,001 - 100,000	326	23,374,950	4.56%
100,001 - 200,000	129	18,209,283	3.55%
200,001 - 400,000	57	15,363,050	3.00%
400,001 - 600,000	28	13,270,611	2.59%
600,001 - 800,000	11	7,629,840	1.49%
800,001 - 1,000,000	7	6,347,009	1.24%
1,000,001 or more	31	261,849,260	51.11%
Total	56,684	512,326,940	100.00%

1.3.2 Distribution of preferred share equity: The Company has not issued preferred shares

1.4 List of Major Shareholders

April 1, 2024 Unit: Shares

Shares / Name of major shareholders	Number of Shares Held	Percentage 0f Shareholding
Hsin Hung International Investment Co., Ltd.	100,535,228	19.62%
Foxlink Image Technology Co., Ltd.	49,503,000	9.66%
Central Motion Picture Corporation	32,584,000	6.36%
Citibank as custodian of Norwegian Central Bank Investment Account	7,262,335	1.42%
T.C Gou	6,009,184	1.17%
Chase in custody for Vanguard Total International Stock Index Fund, a series of Vanguard Star Funds	5,559,595	1.09%
Chase in custody for Emerging Market Fund Investment Account of Vanguard Group Corporation	5,448,673	1.06%
Standard Chartered Trustee (Hong Kong) Limited, External Manager J.P. Morgan	4,178,000	0.82%
iShare Core MSCI Emerging Market ETF	4,101,000	0.80%
JP Morgan Investment Fund under the Custody of JP Morgan Chase Bank	3,354,455	0.66%

1.5 Information about market price, net value, earnings, and dividends per share in the most recent two years

Item \ Year			2022	2023	2023 through March 31, 2023
Market Value Per Share (NTD)	High		42.8	51.8	48.8
	Low		31.1	36.3	42.85
	Average		35.82	41.66	44.88
Net Value Per Share (NTD)	Before Distribution		47.67	47.22	-
	After Distribution		47.67	-	-
Earnings Per Share (Note 1)	Weighted Average Number Of Shares (Thousand Shares)		512,327	512,327	-
	Earnings Per Share (NT$)	Before Retrospective	3.14	3.09	-
		After Retrospective	3.14	3.09	-
Dividend Per Share(NTD)	Cash Dividend		2.2	2.0	-
	Stock Dividends	Profit Distribution	None	None	-
		Additional Paid In Capital	None	None	-
	Accumulated Unpaid Dividends		None	None	-
Return on Investment Analysis	P/E Ratio (After Retrospective)		11.41	13.48	-
	Price To Dividend Ratio		16.28	20.83	-
	Cash Dividend Yield		6.14%	4.80%	-

Note 1: the 2022 profit distribution proposal, approved by the Board of Directors.

Note 2: As of the date of publication of the Company's annual report, the 2024 first quarter report of the Company has not been reviewed by the CPAs.

1.6 Company dividend policy and implementation status:

(1) Dividend Policy:

The Company operates in information and communication-related industries, and is in the growth stage of the Company's life cycle. Therefore, in order to match the overall environment and the characteristics of industry growth, and to achieve the Company's goal of sustainable operations and stable operating performance, the Company's dividend policy directs that not more than 90% of the company's distributable earnings will be distributed to shareholders in the form of dividends. Furthermore, and in line with the future capital expenditure budget and capital demand situation, the cash dividend portion of the Company's dividends will not be less than 20%.

(2) Proposed cash dividend distribution in this instance

The Company allocated NTD 1,024,653,880 from 2023 earnings as cash dividends, and distributed NTD 2 per share. This proposal was approved by the Board of Directors and authorized the Chairman to set separate matters such as the ex-dividend record date, distribution date, and other related matters.

1.7 The influence of stock dividends planned to the paid in the Shareholders Meeting of this year on the operation performance and earnings per share of the Company:

Unit: NTD Thousand

<table>
<tr><th colspan="3">Item / Year</th><th>2024</th></tr>
<tr><td colspan="3">Paid-in capital amount at the beginning of the period</td><td>5,123,269</td></tr>
<tr><td rowspan="3">Cash and stock dividends to be distributed in the current year (Note)</td><td colspan="2">Cash dividend per share</td><td>2 per share (NTD)</td></tr>
<tr><td colspan="2">Capitalization of retained earnings to be distributed per share</td><td>None</td></tr>
<tr><td colspan="2">Capitalization of capital reserves to be distributed per share</td><td>None</td></tr>
<tr><td rowspan="8">Change in business performance</td><td colspan="2">Operating profit</td><td rowspan="13">The Company did not prepare 2024 financial forecasts, so this is not applicable</td></tr>
<tr><td colspan="2">Increase (decrease) ratio of operating profit over the same period last year</td></tr>
<tr><td colspan="2">Net profit after tax</td></tr>
<tr><td colspan="2">Increase (decrease) ratio of net profit after tax compared with the same period last year</td></tr>
<tr><td colspan="2">Earnings per share (NTD) (Before retrospective adjustment)</td></tr>
<tr><td colspan="2">Earnings per share increase (decrease) ratio over the same period last year</td></tr>
<tr><td colspan="2">Annual average return on investment (the reciprocal of the annual average P/E ratio)</td></tr>
<tr><td rowspan="6">Proposed earnings per share and P/E ratio</td><td rowspan="2">Any capitalization of retained earnings is to be fully allocated to cash dividends</td><td>Projected earnings per share (NTD)</td></tr>
<tr><td>Proposed annual average return on investment</td></tr>
<tr><td rowspan="2">If capitalization of capital reserves has not been carried out</td><td>Projected earnings per share (NTD)</td></tr>
<tr><td>Proposed annual average return on investment</td></tr>
<tr><td rowspan="2">If the capitalization of retained earnings has not been handled and the capitalization of retained earnings has been paid by cash dividend</td><td>Projected earnings per share (NTD)</td></tr>
<tr><td>Proposed annual average return on investment</td></tr>
</table>

Note: the 2023 profit distribution proposal, approved by the Board of Directors.

1.8 Remuneration of Employees and Directors

(1) The percentage or scope of remuneration for employees, directors, and supervisors as set out in the Articles of Incorporation:

If the Company makes a profit during the year, it should allocate no less than 6% for employee remuneration and no more than 3% for directors' and supervisors' remuneration. However, when the Company has accumulated losses, the reserves for covering the losses shall be retained in advance.

Employee remuneration as per the preceding paragraph can be paid in stock or cash, and can be directed to employees of the Company and employees of affiliated companies. The remuneration of directors and supervisors can only be paid in cash.

(2) The amount of remuneration for employees, directors and supervisors estimated and presented in the current period shall be calculated based on the number of shares distributed to employees as remuneration, or actual amount paid to employees if different from the estimated amount:

If the Company makes a profit during the year (referring to profit before tax minus the profit before the distribution of employee remuneration and director and supervisor remuneration), it should allocate no less than 6% for employee remuneration and no more than 3% for directors' and supervisors' remuneration. However, when the Company has accumulated losses, the reserves for covering the losses shall be retained in advance.

The calculation basis of the number of shares to be distributed for employee stock dividends is based on the closing price on the day before the Board of Directors' resolution. However, if there is a discrepancy between the calculation basis of the number of shares and the actual distribution amount of the employee remuneration for stock distribution and the estimated amount, it will be regarded as a change in accounting estimates and listed as the actual distribution year's profit and loss.

(3) Distribution of remuneration adopted by the Board of Directors:

A. Amount of the remuneration paid to employees, directors and supervisors in cash or stock. If there is a discrepancy with the annual estimated amount of recognized expenses, the number of discrepancies, reasons and handling circumstances should be disclosed:

On March 11, 2024, the Board of Directors approved 2023 employee remuneration and directors' remuneration to be NTD 231,145,000 and NTD 8,000,000, respectively. The recognized amounts of employee remuneration and director remuneration in the 2023 financial statements are NTD 231,145,000 and NTD 8,000,000, respectively. There is no difference between the remuneration of employees and directors approved by the Board of Directors and recognized in the financial statements.

B. The amount of employee bonuses distributed by stocks and its proportion to the total net profit and total employee bonuses in the parent company only financial report for the current period:

No employee remuneration was distributed by stocks in this instance.

(4) The actual payment of remuneration to the employees and the directors and supervisors in the previous year (including the number of distributed shares, amounts, and stock price). If there is a difference with the recognized amount of remuneration for employees and directors and supervisors, the number of differences, the reasons and the handling circumstances should be stated.

The remuneration of employees and directors recognized for 2022 were as follows: the remuneration of employees was NTD 312,000,000; the remuneration of directors was NTD 10,000,000.

Furthermore, the actual amount of employee remuneration paid for the year was NTD 312,000,000; director's remuneration was NTD 10,000,000. There was no difference between the actual distribution amounts and the recognized amounts.

1.9 Repurchase of shares by the Company: None.

2. Handling of Corporate Bonds

2.1 Information on Corporate Bonds

Corporate Bond Type		First Domestic Issue of Guaranteed General Corporate Bonds In 2019	First Domestic Issue of Guaranteed General Corporate Bonds In 2020
Issuance (handling) date		June 26, 2019	July 29, 2020
Par value		NTD 1 million	NTD 1 million
Issuing price		Fully issued at par value	Fully issued at par value
Total		NTD 3 billion	NTD 3.6 billion
Interest rate		Fixed annual interest rate of 0.80%	Fixed annual interest rate of 0.65%
Term		5 year maturity Maturity date: June 26, 2024	5 year maturity Maturity date: July 29, 2025
Guarantee agency		CTBC Bank, Taiwan Cooperative Bank, Mega International Commercial Bank, Chang Hwa Bank	CTBC Bank, Taiwan Cooperative Bank, Hua Nan Bank, Agricultural Bank of Taiwan, Mega International Commercial Bank
Trustee		Bank Sinopac Company Limited	Bank Sinopac Company Limited
Underwriting agency		CTBC Bank Co., Ltd.	CTBC Bank Co., Ltd.
Certifying attorney		Attorney Yang Wen-Yuan, Baker McKenzie	Attorney Yang Wen-Yuan, Baker McKenzie
Certified public accountant		Accountant Lin Se-Kai, PricewaterhouseCoopers	Accountant Lin Se-Kai, PricewaterhouseCoopers
Method of repayment		One-time principal repayment	One-time principal repayment
Outstanding principal		NTD 3 billion	NTD 3.6 billion
Redemption or prepayment terms		None	None
Restrictive covenants		None	None
Credit rating agency name, rating date, company debt rating results		None	None
Other rights attached	Amounts of ordinary shares, overseas depositary receipts, or other securities that have been converted (exchanged or subscribed) as of the publication date of the annual report	Not applicable	Not applicable
	Issuance and conversion method (exchanged or subscribed)	Not applicable	Not applicable
Issuance and conversion, exchange or subscription methods, issuance conditions, possible dilution of equity, and impact on existing shareholders' equity		None	None
Name of the depository institution of the exchange target		Not applicable	Not applicable

2.2 Information on conversion of corporate bonds: None.

2.3 Information on corporate bond exchange: None.

2.4 General declaration and issuance of corporate bonds: None.

2.5 Information on corporate bonds with stock options: None.

3. Disposal of Preferred Shares: None.

4. Circumstances of Handling Overseas Depositary Receipts: None.

5. Handling of Employee Stock Options:

A. In respect to the Company's unexpired employee stock options, their handling status and impact on shareholders' rights and interests up to the date of publication of the annual report should be disclosed: The Company currently has no outstanding employee stock options.
B. The names, acquisitions, and subscription status of managers obtaining employee stock option certificates and the top ten employees who can subscribe for stock option certificates accumulated through the printing date of the annual report: None.
C. Handling of restricted employee shares: Up to now, no restricted employee shares have been issued.
D. The names, acquisitions, and subscription status of managers obtaining restricted employee shares and the top ten employees who can subscribe for stock option certificates accumulated through the printing date of the annual report: None.

6. M&A or Transfer of Shares of Other Companies To Issue New Shares: None.

7. Implementation Status of Fund Utilization Plan: None.

V. Overview of Operations

1. Business Content

1.1 Business Scope

1.1.1 The Company's Principal Business Activities

The Company's business scope mainly covers the manufacturing, sales, and service of various connectors, cable products, batteries, and power products in the information industry, communications industry, automation equipment industry, precision machinery industry, and consumer electronics industry.

The product range currently produced by the Company encompasses:

(1) CA02010 Manufacture of Metal Structure and Architectural Components
(2) CB01010 Mechanical and Equipment Manufacturing
(3) CB01030 Pollution Controlling Equipment Manufacturing
(4) CB01990 Other Machinery Manufacturing
(5) CC01020 Electric Wires and Cables Manufacturing
(6) CC01030 Electrical Appliances and Audiovisual Electronic Products Manufacturing
(7) CC01040 Lighting Equipment Manufacturing
(8) CC01060 Wired Communication Mechanical Equipment Manufacturing
(9) CC01070 Wireless Communication Mechanical Equipment Manufacturing
(10) CC01080 Electronics Components Manufacturing
(11) CC01090 Manufacture of Batteries and Accumulators
(12) CC01101 Restrained Telecom Radio Frequency Equipment and Materials Manufacturing
(13) CC01110 Computer and Peripheral Equipment Manufacturing
(14) CC01990 Other Electrical Engineering and Electronic Machinery Equipment Manufacturing
(15) CD01030 Motor Vehicles and Parts Manufacturing
(16) CD01040 Motorcycles and Parts Manufacturing
(17) CD01050 Bicycles and Parts Manufacturing
(18) CD01990 Other Transport Equipment and Parts Manufacturing
(19) CE01010 General Instrument Manufacturing
(20) CE01030 Optical Instruments Manufacturing
(21) CE01990 Other Optics and Precision Instrument Manufacturing
(22) CI01010 Rope, Cable and Net Manufacturing
(23) CQ01010 Mold and Die Manufacturing
(24) E601020 Electric Appliance Installation
(25) E603090 Lighting Equipment Construction
(26) E701010 Telecommunications Engineering
(27) E801010 Indoor Decoration
(28) F107990 Wholesale of Other Chemical Products
(29) F111090 Wholesale of Building Materials
(30) F113050 Wholesale of Computers and Clerical Machinery Equipment
(31) F118010 Wholesale of Computer Software
(32) F207990 Retail Sale of Other Chemical Products
(33) F211010 Retail Sale of Building Materials
(34) F213030 Retail Sale of Computers and Clerical Machinery Equipment
(35) F214030 Retail Sale of Motor Vehicle Parts and Motorcycle Parts, Accessories
(36) F214040 Retail Sale of Bicycle and Component Parts Thereof
(37) F214990 Retail Sale of Other Traffic Means of Transport and Component Parts Thereof

(38) F218010 Retail Sale of Computer Software
(39) F401021 Restrained Telecom Radio Frequency Equipment and Materials Import
(40) G801010 Warehousing and Storage
(41) I102010 Investment Consulting
(42) I301010 Software Design Services
(43) J101050 Sanitary and Pollution Controlling Services
(44) J101060 Wastewater (Sewage) Treatment
(45) ZZ99999 All business items that are not prohibited or restricted by law, except those that are subject to special approval.

1.1.2 Distribution of Business Volume

Unit: NTD Thousand

Product item	Business volume	Ratio
3C components	29,198,974	32.25%
System and peripheral products	37,683,291	41.62%
Retail sale of 3C products	12,422,435	13.72%
Energy service management	11,246,064	12.42%
Total	90,550,764	100.00%

Note: The above business volumes constitute operating revenues from the consolidated financial statements

1.1.3 Current goods (services) of the Company

The Company's main products are 3C components, system products, 3C product retail channels, and green energy related engineering services. The main products are as follows:

A. Cable connectors:
Mainly used for signal and power transmission of various 3C products. The main products include USB connection cables, DC power cables and transmission cables used in mobile phones, notebook computers, earphones and monitors.
B. Communication connectors:
Communication connectors refer to various types of connectors that do not include cables. The products are mainly used in consumer electronics such as mobile phones, notebook computers, network peripherals, earphones, and game consoles.
C. Power management modules:
Mainly used to control the uninterruptible power systems of cable TV networks; and the power supplies and converters of various 3C products.
D. System products:
Including smart pens, headsets, joysticks for game consoles and electric bicycles.
E. Retail channels: There are retail channels for 3C electronic products.
F. Energy service management
The main business is engineering, technical services, and electricity sales.
- The engineering business includes engineering services, construction of computer rooms, and construction of solar, wind and hydro power plants.
- Technical services include energy-saving services, operation of computer rooms and power plants, and design and development of solar energy, wind power and hydraulic farms.
- Electricity sales refer to the electricity revenue generated by green energy generation.

1.1.4 New products planned for development

(A) Panoramic video conference camera
(B) High End Qualcomm Wireless ANC Headset
(C) Wireless Gaming Headset
(D) Eye-tracking webcam
(E) Development of AR glasses technology
(F) 4DView stereoscopic image recording and modeling
(G) Development of AI technology for game console joystick object colors
(H) Physical movement detection for remote fitness sessions
(I) Low pollution and carbon reduction production technology
(J) Electric scooter battery modules
(K) Electric bicycle battery modules
(L) Charging pile product development
(M) Introduction of automated guided vehicles (AGVs)
(N) Black nickel plating technology

1.2 Industry Overview

1.2.1 Current status and development of the industry

The Company is mainly engaged in the manufacturing of various connectors and cables for the information, communication and consumer electronics industries, the manufacturing of 3C components such as power management modules for mobile phones and NB-use, as well as system products such as joysticks for game consoles, smart pens and Bluetooth headsets sales and service. Due to the wide variety of products, the following is an analysis of industries such as connectors, power management modules, game console joysticks, earphones, 3C product retail channels, and new energy.

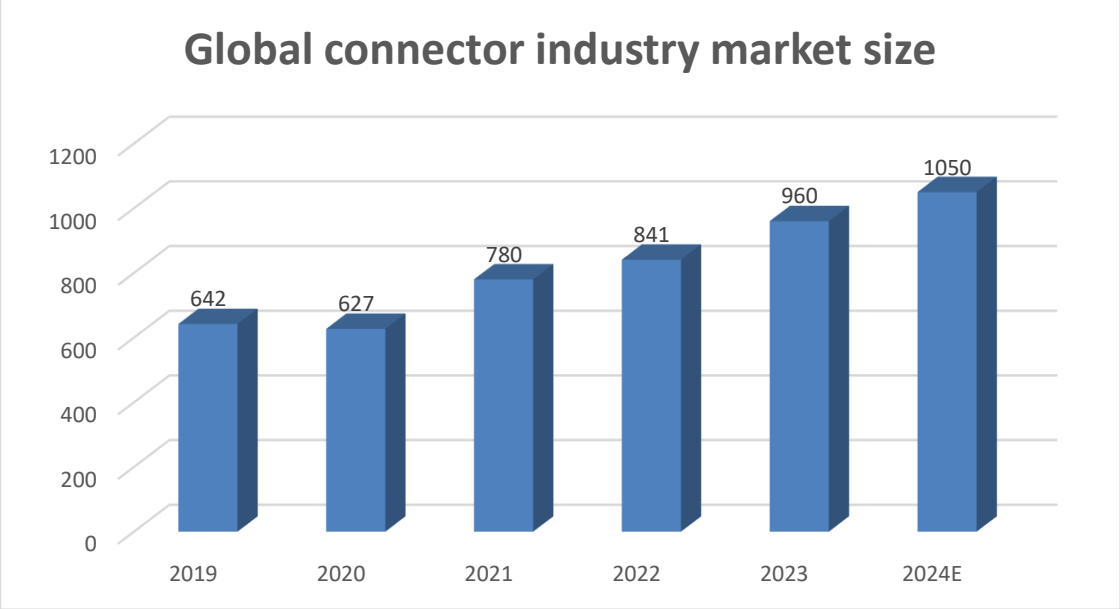
(1) Connector

Connectors are mainly used for the connection between components and are important bridges between connecting circuits and signals. Their quality affects the reliability of signal transmission, which in turn affects the quality of the entire electronic machine's operation. Therefore, to maintain the normal and stable functions of electronic products, the quality of the connector is very important. General connector products will require characteristics such as low contact impedance, high insertion and removal force resistance, high insertion and removal times, environmental resistance and high frequency stability, and so on. Fine pitch and SMT products are especially indispensable for connectors used in portable electronic products.

Connectors have a wide range of applications, and have been applied to personal computers and their peripheral products, communication products, instrumentation equipment, military, aerospace, medical equipment, automotive transportation, consumer electronics and other products. In other words, almost all products in the electrical field need to use connector products.

Given continuous economic growth and the introduction of new electronic products, statistics from Bishop & Associate indicate that the global output value of connector products will reach USD 96 billion in 2023 and attain USD 105 billion in 2024, marking growth of 9.3%.

Unit: USD billion



Source of data: Bishop & Associate

(2) Power management module

The power management module is an indispensable key component for all power electronic products. Its function is to convert the low-stability high-voltage AC power provided by the power company into the high-stability low-voltage DC power required by electronic products. It covers

a wide range of industries and diversified products, with applications including communication products, computer peripherals, consumer electronics, and so on. In terms of power management modules, products mainly include power supplies for consumer electronic products such as mobile phones and digital cameras, and UPS for servers. In recent years, digital home products have become proliferated substantially, including TVs, PCs, mobile phones, handheld devices, printers, audio-visual equipment, application devices, digital content, broadband Internet access, home networks and digital cameras, and more. Market demand for small, lightweight, and low-cost products will continue to increase, and especially portable communication products. Due to the advantages of smaller, thinner and portable electronic products, they promote market growth and form a virtuous circle. The communications market is thus expected to become the market with the greatest potential for power management modules.

(3) Smart Pen

As an accessory to tablet PCs, changes in the specifications of tablet PCs will directly affect the development trend of smart pens as accessories. Tablets have gradually evolved into a polarized product segment of high-end and affordable. High-end tablets usually have more advanced hardware specifications, higher performance and more functions to meet the needs of professional users. On the contrary, affordable tablets It provides basic functions and performance and is more suitable for daily use. The same applies to the development of Smart Pen.

In 2023, under the influence of the global macro economy and industry development cycle, the tablet market entered a period of adjustment. As the mainstream brands have cleared their inventories, the promotion of global technology development trends such as artificial intelligence, and manufacturers' new product launch plans, the tablet market in 2024 The market is expected to return to the growth trend, which will drive the growth of smart pens.

(4) Game console

The game industry can be divided into several segments, including the most classic console games, Handhelds, the most popular Mobile games, as well as Cloud games, metaverse, etc., 2020 The global outbreak of COVID-19 has forced people to avoid outdoor activities and contact. New lifestyles such as working from home and distance learning have accelerated the digital transformation and led to the rise of the "stay-at-home economy." The game industry is particularly in this trend. From 2019 to 2022, the global video game market has grown significantly. After 2022, as most countries gradually eased their lockdowns, the "stay-at-home economy" bonus came to an end. In addition, in the face of the global economic downturn and inflationary pressures, the global game industry It has ceased to grow, but with the continuous advancement of the digital trend and the innovation and development of the game industry itself, it still has huge potential.

(5) Headphones

With the continuous advancement of technology, headphone products are becoming more and more intelligent and multi-functional. The continuous application of new technologies such as true wireless earphones, smart noise reduction technology, and touch control has brought more developments to the earphone industry. Consumers' demands for high-quality sound quality and convenient functions are also increasing, which promotes the innovation and upgrading of the headphone industry. In recent years, with the popularity of online entertainment, digital media, and remote work, earphones have become an indispensable accessory in people's daily lives. The global earphone industry is in a stage of rapid development. Due to the constantly changing demand, the headphone market will continue to grow.

(6) 3C retail channels

In recent years, iPhone and Android series mobile phones have begun to fully support high-power charging, and the wireless fast charging function has become increasingly popular. In addition, tier-one mobile device brands no longer ship with chargers in response to environmental

protection requirements. This has led to increased demand for high-power charging related accessories shipment volume. In addition, the USB IF Association has launched a new generation of PD3.1, which pushes the original maximum power of 100W to 240W and provides more diverse charging applications for products. Notebooks equipped with USB C can also share high wattage with mobile phones. Therefore, the charging products launched by 3C retail channels need to have diversified output methods, fast speed, and high power.

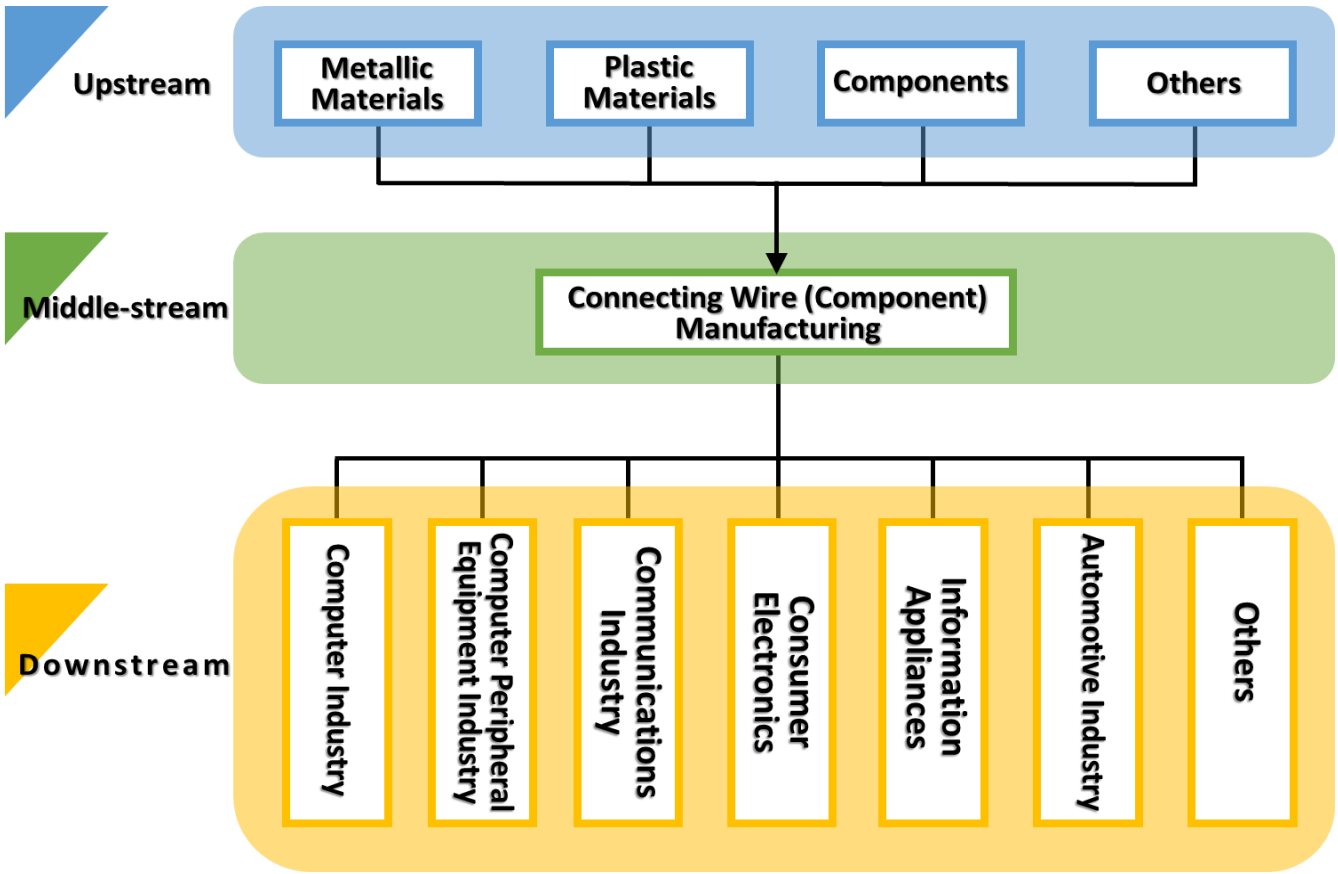
(7) New energy

In view of the fact that the world is in a critical era of energy transformation, green energy will be a new engine driving economic development in the future, in order to promote China's energy independence, emerging green energy industry, and gradually achieve the goal of non-nuclear home, the Ministry of Economic Affairs has passed the "green energy technology industry innovation plan" on October 27, 2016, one of the "5+2" innovative industries, based on domestic green demand. The introduction of domestic and foreign large-scale investment, increase quality employment and drive China's green energy technology and industry jump, with "green energy promotion", "industrial development" and "scientific and technological innovation" as the three major visions, through the comprehensive promotion of energy-saving, energy creation, energy storage and smart system integration and electricity industry reform and other policy-oriented measures, with a view to early solar photovoltaic target volume of 8.7GW by 2020, To install smart meters in 3 million low-voltage households by 2024, and to meet the target of 20% renewable energy generation by 2025, the long-term target of promoting the total amount of renewable energy is set at more than 27GW(27 million kW) by 2025. Including solar photovoltaic cumulative capacity of 20GW(expected annual power generation of 25 billion KWH), land wind 1.2GW(expected annual power generation of 2.76 billion KWH), offshore wind 5.5GW(expected annual power generation of 19.8 billion KWH), hydropower 2.15GW(expected annual power generation of 6.6 billion KWH) and biogas, the implementation of energy transformation, To gradually reduce the proportion of nuclear power generation, and achieve the vision of non-nuclear homes by 2025.

1.2.2 Relationships with upstream, middle-stream, and downstream industries:

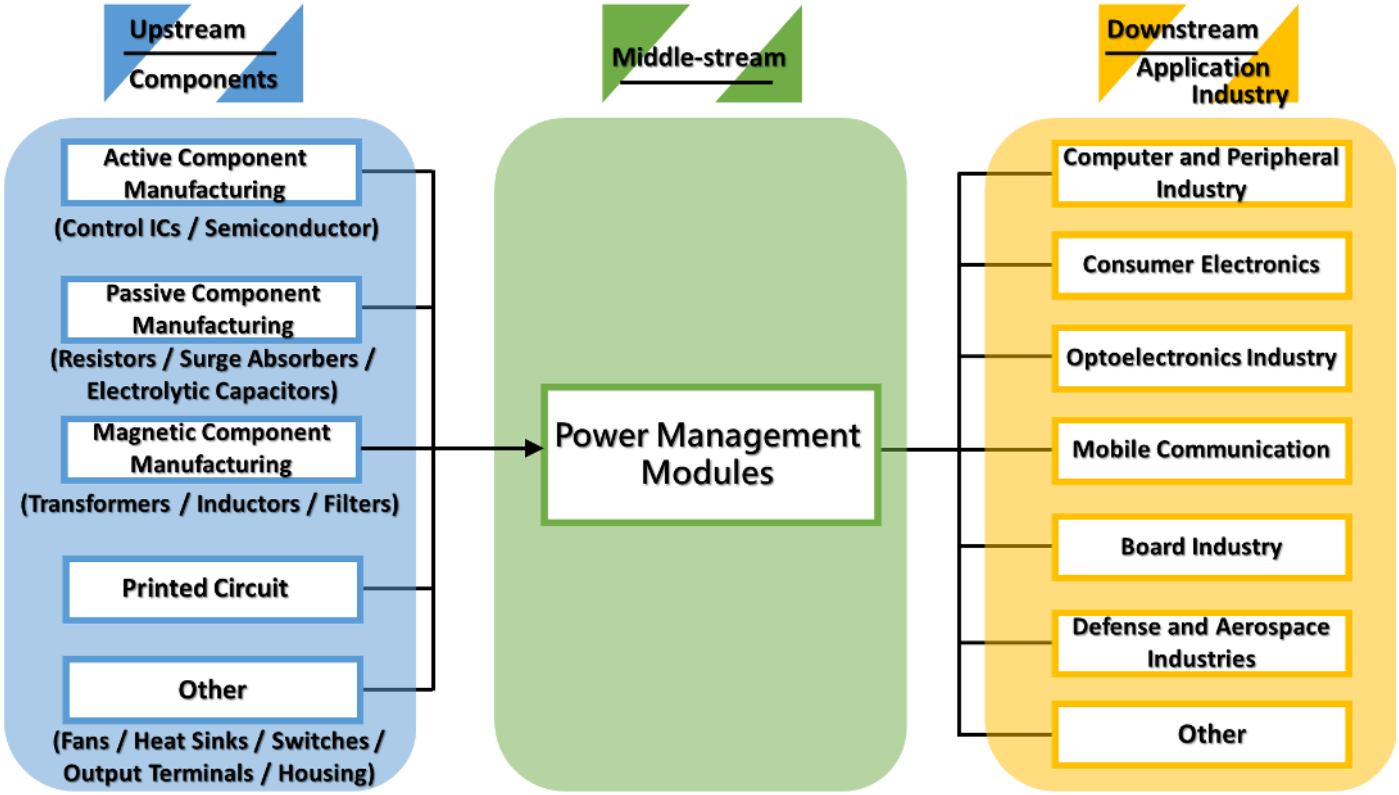
(1) Connectors

In the connector industry, the upstream materials are mainly plastic materials, copper alloy plates and electroplating materials. The industries covered include copper manufacturing, plasticization, and so on. As the domestic related manufacturer system is quite complete, there is no scarcity in its sources. Furthermore, it has wide application in downstream industries, mainly in computers and peripherals, network communication products, consumer electronics and other electrical appliances that require power and telecommunications. The industry's upstream, midstream, and downstream relevance are as follows:



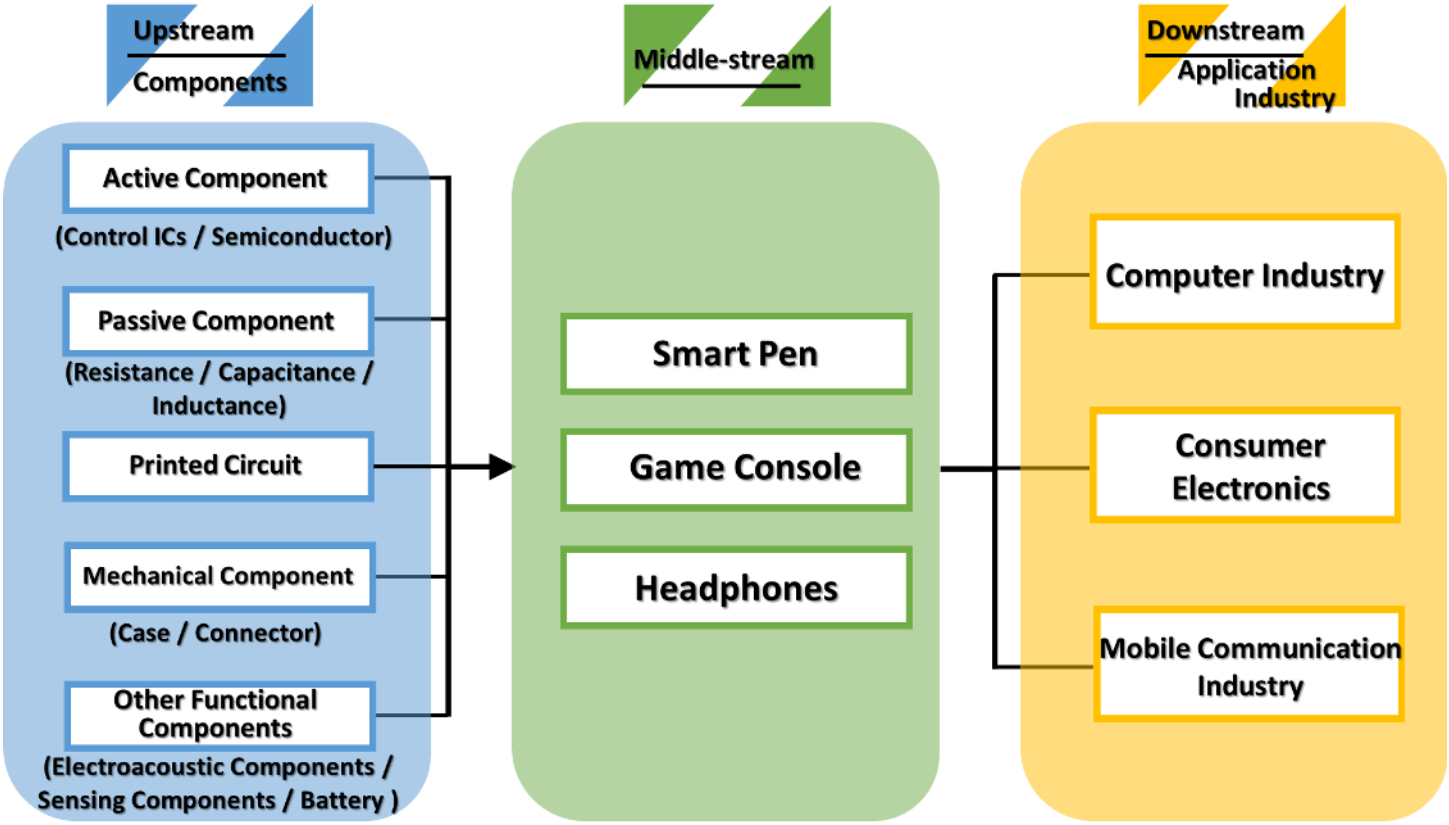
(2) Power management module

The power management module sector falls within the electronics industry, and its industrial structure is mainly based on upstream electronic components. This includes active components, passive components, magnetic components and printed circuit boards, and so on. Downstream application fields cover various electronic product application industries. The industry's upstream, midstream, and downstream relevance are as follows:



(3) Smart pen/game controller/headset

As the accessories for computers, game consoles and mobile communication consoles, the industrial structure of smart pens/game controllers/headphones involves the following key links, including upstream active components, passive components, PCB, mechanical components and functional components, etc. Assembly and manufacturing, while the downstream applications cover brands and retailers in the computer industry, consumer electronics industry, and mobile communication industry. The up-stream, mid-stream and down-stream are as follows:



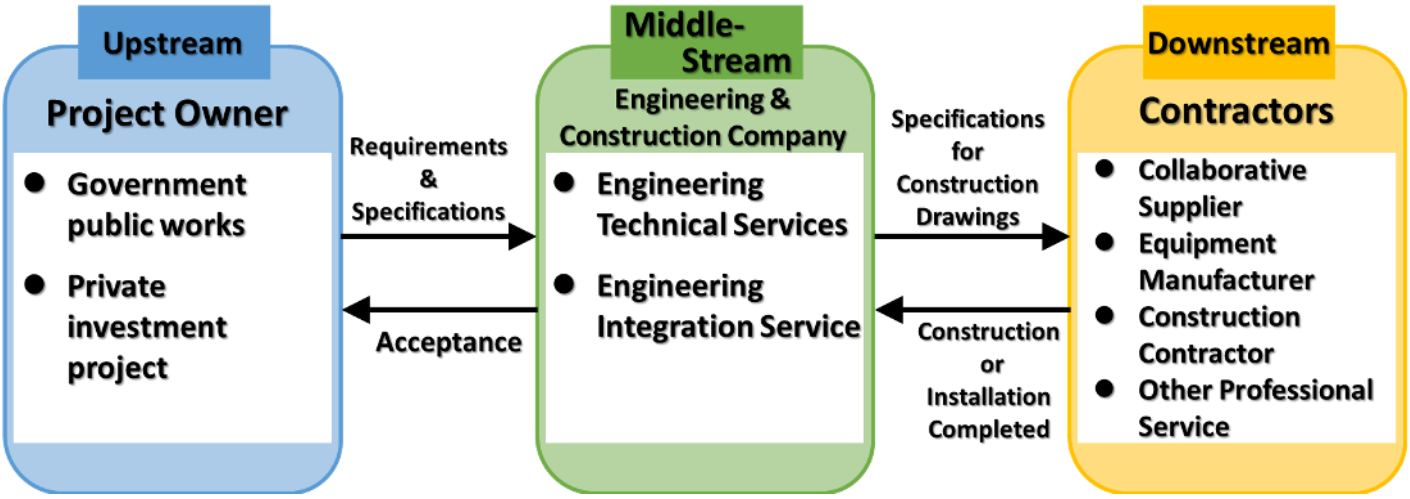
(4) Distribution channel



(5) New energy

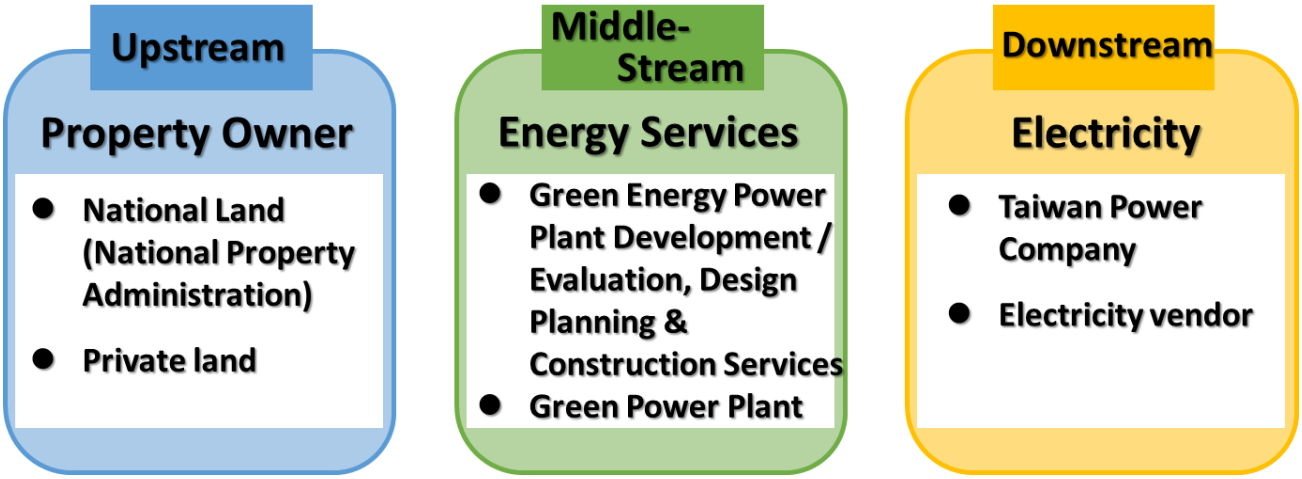
- **Engineering business**

  Shinfox mainly provides services such as feasibility analysis, planning, design, procurement services, equipment supply, construction and commissioning of customers' projects, refer to as the midstream of the industry. The upstream industry refers to the owners with construction needs, and the turnkey companies are located in the middle reaches of the industry. The downstream industry refers to the third parties. The correlation between the upstream, midstream and downstream industries is as follows:



- **Solar energy and wind power plant investment and energy service industry**

  Shinfox Energy has been entrusted by the Client to carry out feasibility study, survey, design, procurement, construction, and trial operation of energy projects. The general contracting enterprise is fully responsible for the quality, safety, construction duration, and cost of contracted projects. The property owner and the investor sell the electricity generated by renewable energy to Taiwan Power Company or the electricity retailer in accordance with the electricity sales contract. The up-stream, mid-stream and down-stream are as follows:



1.3 Product trends

As our company's various products are primarily used in mobile communications, consumer electronics, lithium battery packs, and peripheral industries, with the trend of electronic products moving towards portability and intelligence, it necessitates that products such as connectors, power management modules, smart pens, game controllers, and headphones, all adapt and undergo adjustments in line with the prevailing market product development trends.

A. Connectors

As electronic devices become lighter and thinner, connectors need to be more and more miniaturized and high-density in order to improve the integration and performance of the device. In addition, with the continuous improvement of data transmission speed and the popularization of multimedia applications, connectors need to support higher-speed data transmission and higher bandwidth requirements. Therefore, connector products will tend to support high-speed transmission standards such as USB 3.1, Thunderbolt, etc., to meet the needs of users for high-definition video, audio and data transmission.

B. Power management module

High efficiency and energy saving is an important trend in the development of power management module products. With the continuous advancement of the third generation semiconductor technology, the new generation of semiconductor components will have higher performsance and lower power consumption, thereby further improving the power management module. performance and efficiency. The application of these technologies will promote the power supply products to move towards a more efficient, intelligent and sustainable development direction.

C. The product development trends of smart pens, headsets and game controllers are as follows:

- Enhance interactivity: These products will increasingly focus on user interaction, and provide a richer and more intuitive user experience through smarter design and functions. For example, smart pens may have more sensing functions, earphones may support touch operation, and game controllers may adopt more accurate motion sensing technology.
- Enhancement of intelligent functions: Smart pens, earphones and game controllers will be smarter and equipped with more smart functions, such as voice assistant, smart noise reduction, smart gesture recognition, etc., to improve user experience and convenience.
- Compatibility improvement: These products will focus more on compatibility with different devices and platforms. For example, smart pens may support multiple operating systems, headsets may be compatible with multiple devices, and game controllers may support multiple gaming platforms.

D. 3C retail channels

- Integrity of Brand Product Line: As the development of 3C products becomes more and more mature and the technology advances with each passing day, it is necessary to develop more diversified product lines, and the completeness of the product can increase the customer's recognition of the brand.
- Social media management: In recent years, online marketing has played a very important role in the retail industry. The establishment of a brand community and the maintenance of positive interactions with fans are of great help to the management of the brand image.

E. New energy engineering business

Due to the increasingly complex engineering needs, the Company no longer participates in bidding in a single industry type of engineering contracting cases to reduce risks and increase contracting opportunities. In the future, the electromechanical industry market will use engineering consulting companies to provide all-round, comprehensive and professional engineering services in a turn-key manner, combining with relevant industries such as construction, civil engineering, and

machinery.

In addition, in recent years, the government has actively planned to expand the investment in comprehensive infrastructure. As a professional electromechanical turnkey engineering company, Shinfox has development niche and advantages for the government to expand the public construction and real system.

F. New energy power plant investment and energy service industry

In order to create a good living environment in Taiwan, the Ministry of Economic Affairs promotes green energy domestically, giving priority to renewable energy with mature technology and low power generation cost, and investing in relevant R&D for more forward-looking but not yet commercialized technologies, with rolling review In terms of renewable energy promotion goals and its percentage, Taiwan currently focuses on wind power (including onshore and offshore wind power), solar photovoltaic, biomass power, and geothermal power.

1.4 Market competition

A. Connectors

The Company's connector products are mainly used in various mobile 3C products and automotive electronic products. There is a lot of competition in the connector market, including large multinational companies and regional small companies. Strive for market share by providing better quality products, more competitive prices and better services.

B. Power management module

The company’s power management module products are mainly used in various mobile 3C products and network routers, power supplies and converters for TV set-top boxes. Product applications include mobile phones, e-books, digital cameras, routers and set-top boxes, and main competitors include Delta, Chicony, Phihong, Flextronics, Lite-On, and AcBel.

C. 3C peripheral accessories

The market for peripherals for 3C products is fiercely competitive. There are competitors for products ranging from entry-level to high-end. High-end products have more powerful performance and functions, as well as stylish appearance design and exquisite workmanship. The market for the Company's smart pen, game controller and headset products is mainly aimed at OEM orders from high-end brands. Through cooperation with high-end brands, the Company can promote exchanges of technology and innovation, which will help enhance the Company's research and development capabilities and product standards in order to meet the ever-changing market demand

Under current conditions of rapid industrial integration, the development trend of “the big getting bigger” is quite clear. The low-cost advantages enjoyed by small and medium-sized enterprises have gradually been lost. In fact, if they fail to establish their own core values, they will be eliminated by the market in the future. Therefore, under the effect of market globalization, the Company will be guided by market leaders, approach international customers, and understand their needs. Further, we should gradually shift from the past OEM model to ODM or JDM, developing new products with customers and providing them with diversified products and technical services. Only in this way can the Company justify its existence and create new opportunities for long-term development.

D. 3C retail channels

The competition in the 3C retail market is fierce. It is necessary to strengthen the integrity of the brand product line, manage social media, build a brand community and maintain positive interaction with fans, and strengthen existing members. Brand-related activities help to increase member stickiness and keep paying attention to new product launch news.

E. New energy engineering business

Shinfox has adopted a stable strategy - customer-oriented, to provide more effective and more

satisfactory services to specific customers, while achieving low cost and differentiation, and maintaining the organization's return on investment. Shinfox's expertise and track record in the integration of related electrical and mechanical engineering systems and in energy technology engineering are superior to those of its peers in terms of expanding and obtaining case opportunities.

F. New energy power plant investment and energy service industry

Positioned as an expert in power integration, Shinfox has a proven track record in heavy-duty equipment, wind-power generator sets, and substations. Furthermore, Shinfox has integrated the competing and co-operative relationships between the upstream material and equipment manufacturers and downstream contractors to reduce the overall construction cost and obtain an advantage in the return on investment space.

The Company continues to develop and invest in large-scale solar photovoltaic and wind power plants, and plans to establish a SPV (Special Purpose Vehicle) project holding site to improve operation and capital efficiency, and plans to dispose of the SPV's equity, recover funds ahead of schedule and realize profits, and use the funds to expand solar power plants or develop other new businesses to achieve the goal of continuous growth.

1.5 Technology and R&D Overview

The company’s invested research and development expenses and successfully developed technologies or products are as follows:

Unit: NTD Thousand

Differentiation	2023	2024 (through 2024.03.31)
Expenses	**2,521,545**	**601,283**
Successful Development New Products or New Technology	1. USB-C connector laser spot welding and welding monitoring technology. 2. Connector terminal U-shaped cold forging technology. 3. Centrifugal plating technology for metal loose parts. 4. Completed the development of 240W high-current charging cable. 5. USB4 Gen3 Active Cable. 6. Development of integrated technology for the ECG sensor of electric bicycle and the three-power system. 7. The AI optical system for detecting the color of game joystick objects. 8. Development of smart taillights for two-wheeled vehicles. 9. Physical movement detection for remote fitness sessions. 10. ANC headset prototype & ANC tuning technology. 11. Cooperated with the digital innovation subsidy program developed by the Digital Industry Administration, and Foxwell Power will implement the Foxwell Cloud green power sharing cloud service.	1. Establishment and application of electroplating masking & plating technology. 2. Automated busbar technology. 3. AOI white light inspection technology. 4. Vehicle-mounted Ethernet wire harness products. 5. 280W ultra-high current charging cable. 6. High Power 460W PSU. 7. Physical movement detection for remote fitness sessions. 8. IP Cam with AI function. 9. In line with Taiwan's 2050 net zero transformation goal, develop inspection software to simplify inspection procedures, integrate public clouds and existing cloud platforms, and provide inspection services through the API framework and functional modules.

1.6 Long-term and short-term business development plans

In response to future industry development trends and the overall economic environment, the Company formulates long-term and short-term plans to map out its future business direction and from there enhance its competitiveness. A summary of the company's short-term and long-term plans is given as follows:

(1) Short-term business development plan

A. Improve achievement rates, profitability, product differentiation, technical capabilities, product quality, and management capabilities.
B. Reduce costs, expenses, product delivery, inventory, product development time, and so on.
C. Take advantage of vertical integration to strengthen the integration of Group resources.
D. A series of product extensions have been made for the top-selling products, such as new Bluetooth earphones, 3-in-1 wireless charging cradle, magnetic products, etc., all of which will bring revenue growth in 2023 and will continue their success in 2024 products, continue to launch related new products, and deepen our existing customers, and diversify our products to increase revenue growth per customer.
E. In line with the government's promotion of renewable energy policies, we are continuously investing in the development and installation of clean energy sources such as solar, wind, geothermal, and hydropower. We are also consistently seeking excellent project sites, gradually accumulating engineering experience and achievements. We aim to establish or strengthen photovoltaic, wind, and hydropower teams with manufacturing and maintenance capabilities, transitioning from power generation to the liberalized electricity market. Through the sale of green energy and accompanying renewable energy certificates, we aim to increase the added value of renewable energy opportunities.

(2) Short-term business development plan

A. Continue to promote with core products and capabilities in line with support of optics, increasing market size and creating benefits of high-value output.
B. Expand market operations and develop diversified products and services.
C. Get a feel for market trends and make good use of the Group's technical resources.
D. Continuously cultivate and develop human talent.
E. The 3C products in Taiwan are over-competitive and the market is saturated. We are targeting at the growing demand for small personal appliances. We are actively expanding new product lines, increasing sales of high value-added products, and stepping into the field of small home appliances based on individual needs. In addition, there is no delay in the development of overseas markets. In the early stage, under the agent model, we will actively promote the PQI brand at exhibitions in the future, and the early stage goal is to develop markets in Central and South America and Southeast Asia.
F. In addition to the continuous investment in domestic renewable and clean energy development, active efforts have been made to integrate various renewable energy industry chains, spanning from development, construction, operation and maintenance to energy trading. On December 3, 2019, the company obtained a license to operate as an electricity retailer, enabling free trade of electricity. Furthermore, the company has entered the natural gas market and is currently the second company in Taiwan to obtain approval for natural gas importation, being the sole privately-owned natural gas importer in Taiwan. The company will continue its market development plan to replace heavy oil or coal with cleaner energy sources. To summarize, the operational strategy involves five main directions: "solar, wind, water, gas, and large platform," with a focus on cultivating expertise in various strategic areas. At the same time, it also participates in international bidding projects, evaluates the potential of overseas investment, and uses the experience of domestic power plants to deploy in Southeast Asia and lay the foundation for the Asian market. Continue to develop ESG industry business and create an ecological chain of resource circulation for the sustainable development of Taiwan.

2. Market and Production and Sales Overview

2.1 Market Analysis

2.1.1 Main product sales areas

Unit: NTD Thousand

Region	2023	
	Amount	Amount
Taiwan	22,357,958	24.69%
Mainland	22,445,300	24.79%
United States	27,771,270	30.67%
Hong Kong	2,285,456	2.52%
Korea	227,345	0.25%
Others	8,363,143	9.24%
Total	90,550,764	100.00%

Note: The above amounts constitute revenues from the consolidated financial statements

2.1.2 Market share and future market supply and demand status and growth of the market

(1) Market share

- The Company sells a wide range of 3C components and peripheral products, including connectors and cables, power management modules, smart pens, game controllers, and earphones etc.
  According to the statistics of Bishop & Associates, the global connector product output value will reach US$96 billion in 2023, and it is expected to reach US$105 billion in 2024, with a growth of 9.4%. Our company's connector products include cable connectors and communication connectors. In the global connector industry, connector products have a wide range of applications. In 2023, the total global connector industry value reached $96 billion. The sales revenue of our company's connectors and connecting wires is approximately NT$xxx billion, resulting in our company holding a market share of only about xxx1.2% in the global connector market. For other products, there is no complete and objective market share data, so they are not listed.
- The sales of 3C peripherals include physical distribution channels and trading services, and it is not easy to estimate an accurate market share. In addition, other products are diversified, so it is difficult to accurately estimate the market share.
- Currently, Shinfox's engineering business is entirely focused on domestic sales. Due to the diverse nature of system engineering services covering various fields, and the substantial differences in the specialized engineering areas of domestic mechanical and electrical engineering companies engaged in engineering services, it is not feasible to calculate market share based on revenue on the same basis.

(2) Future market supply and demand and growth

- At present, the Company's main products are 3C product parts and components and peripheral accessories, which are highly related to the prosperity of the electronic product market. In 2023, the global economy will be affected by factors such as inflation and high interest rates, resulting in weak terminal demand. Inflation will reduce the purchasing power of consumers. High interest rates will increase the borrowing cost of companies and individuals, resulting in a decrease in investment and consumption activities. Indirect impact on the Company's product shipments slowdown.

- In the future, with the promotion and upgrading of new technologies in electronic products, the demand for intelligent, high-performance and multi-functional products will increase, and the demand for related components and accessories will also increase accordingly. By continuously improving product technology and performance and adopting automated production methods, the Company meets the needs of the market and customers, and expands its market share to achieve the goal of continuous growth.
- 3C peripheral products are a product category with a rapid product life cycle, and they are also accessories for electronic products. The company's products are all available for shelf sales in mainstream sales channels, allowing users of electronic products at all levels to find the products they need in appropriate channels.
- The primary sources for solar market development are rooftop solar photovoltaic system installations on rooftops of factories (enterprises) in various industrial zones nationwide and government public tender projects. By the end of 2023, installations totaling 12,417.685 megawatts had been completed. and gradually promote the large-scale development of above-ground land including salt production.
- Shinfox will continue to develop onshore wind power plants and actively participate in the development of the third stage of offshore wind power blocks, which is expected to bring income from the construction of offshore wind power projects and long-term maintenance and operation income.
- Hydropower generation is a clean, self-produced energy source. In line with government policies and the conclusions of the National Energy Conference, promoting small-scale hydropower projects that efficiently utilize water resources and are environmentally friendly is worth actively developing and supporting.
  According to the 2008 Taiwan Small Hydraulic Power Assessment Report by the Water Resources Administration, a total of 79 sites with small hydraulic potential were assessed, of which 47 were river sites and 32 irrigation channels. The Farmland Irrigation Association has also conducted a preliminary survey on 27 sites with the potential of micro hydro power generation.
- By the end of 2023, two companies have completed the construction of natural gas stations and have begun supplying gas officially. They will continue with market development plans to seize the "clean energy" opportunities by replacing heavy oil or coal as fuel sources.

2.1.3 Advantages and disadvantages of our competitive niche, development prospects, and countermeasures

(1) Competitive Niche

- Close cooperation with international manufacturers
  The Company has been deeply involved in the field of 3C product components for many years and has rich experience in production and manufacturing. Because the product quality and technology are deeply trusted by customers, coupled with a sound financial structure, our sales targets are mostly internationally renowned first-line manufacturers. Moreover, we have been with each other for many years and we have a good understanding of cooperation and a high degree of trust. The Company thus enjoys a good reputation in the industry, and it is also an important supplier of 3C components that is indispensable for major international manufacturers. The Company has accumulated very significant product design capabilities based on its close cooperative relationship with major international manufacturers, and our new product development can quickly gain recognition from existing customers. In addition, as we have won the trust and recognition of international customers, we have thus laid out a niche for the Company’s future business expansion and this is also conducive to striving to gain the

business of potential new customers.

- Joint research and development

  In order to meet the needs of all customers, the company's OEM/ODM team uses professional R&D and manufacturing services, from components to complex assembly integration, to carry out projects, propose application solutions, or offer technical support. By using 24-hour R&D and manufacturing services to jointly develop new products with customers, and by providing customers with creativity and service support, this ensures that the product can be accurately completed in the shortest time from samples to formal production.

- Quality advantages

  In the spirit of excellence, the company is committed to pursuing the highest internationally recognized benchmarks for quality. Through an excellent quality management system, every work item is subject to strict control, evaluation, and analysis as we undertake continuous improvement to improve operational efficiency. Furthermore, we have implemented the ISO/TS 16949 quality management system to build a more complete customer oriented process as we strive to reach the ultimate goal of customer satisfaction.

- Diversified products, high added value

  The Company's product structure includes related components for information, communications, and portable electronic products. In response to the needs of the market, the Company continues to develop towards high-end, high value-added products, as a complete product portfolio will benefit the flexibility of the company's operations and increase the ability to respond to rapid product changes.

- Possessing vertically integrated manufacturing capabilities, providing customers with diversified services

  The Company has deep vertical integration capabilities in the production of 3C product components ranging from cable, product design, mold development, stamping, electroplating and molding to processing and assembly and so on. As these can be manufactured in our Company's factories, we therefore have the advantages of cost and quality. In addition, the company's product structure covers related components of communications, information, and portable electronic products. The products are diversified, which can meet the customers' demand for one-time purchases.

- Actively investing in the development of new products and technologies

  Due to ongoing changes in technology, consumer preferences, and market trends, it is essential to rapidly introduce updated and improved products. In order to align with this trend, our company initially started with the production of connectors and cable products and has since expanded to include power management modules. Looking ahead, our research and development center will focus primarily on the development of wireless communication, high-speed transmission, as well as optical, acoustic, and high-current products. Therefore, in the future the Company will take the integration of optoelectronics as its development goal as it cooperates with the development and expansion of the wireless transmission field, making full use of the advantages of the Group and establishing a diversified product portfolio.

- Shinfox New energy

  A. With a wide range of engineering services and excellent engineering performance, it is one of the few engineering service companies in Taiwan that can span into different industrial fields at the same time.
  B. The operational team responsible for energy service management has rich experience in the construction and operation of power plants. In addition to focusing on the investment, development, and operation of renewable energy power plants,

they are responsible for the overall package of power plant engineering and maintenance. This includes everything from site assessment, planning and design, document submission, installation, technician certification, project management, grid connection, to post-completion warranty, maintenance, and comprehensive management services.【One-stop integrated service】.

(2) Favorable factors for development prospects

- Product application areas such as mobile phones, game consoles and electric vehicle products are booming, driving the continuous growth of peripheral industries.
- With our product design capabilities, we can quickly develop new products to meet customer needs.
- Having won the trust and recognition of international customers, this is conducive to future business expansion and offers endless growth potential.
- Deep vertical integration extends from mold development to stamping, electroplating, forming and assembly; all these can be produced on their own with cost and quality advantages.
- Active expansion of product application areas ensures sources of growth momentum.
- Early development of process technology and material applications that meet future environmental regulations will improve competitive advantages and added value.
- Joint development of new products with major international manufacturers and accumulation of considerable technical and product design capabilities.
- The Jingshi subsidiary's Apple product channel in Hong Kong has a certain scale, which is attractive to accessories suppliers. It can accelerate the introduction of peripheral accessories, enrich the types of accessories, and form a virtuous circle of business growth in this part.
- The government promotes a "nuclear-free home" and the green energy policy will continue to expand the renewable energy target, which is helpful for the development of the subsidiary's renewable energy business. As of 2023, the estimated benefits of the energy power plant (including power generation and construction) are as follows: green energy power generation: 40,000 MWh, carbon emission reduction: 198,000 metrictons.

(3) Unfavorable factors for development prospects

- It is not easy to train and develop human resources in R&D.
- Prices of upstream materials have risen, reducing product profitability.
- Primary competitors are world-class manufacturers and competitive pressure is high.
- 3C retail channels
  A. Large fluctuations in exchange rates: The international exchange rates fluctuate greatly, which affects cost control.
  B. The entry threshold for 3C brands is too low.
- Shinfox New energy
  A. The market competition is fierce and there is pressure to reduce prices.
  B. Higher engineering, production, and manufacturing costs.
  C. It is not easy to obtain the site of a solar power plant.
  D. Huge capital expenditure.

(4) Countermeasures

- We cooperate with various universities and colleges for industry-university cooperation to cultivate and train talent in various disciplines over the long term. At the same time, we are improving employee welfare measures and strengthening professional training in order to improve manpower quality and reduce the turnover rate of personnel.
- We are taking advantage of the Group’s bulk purchase capabilities to reduce the cost of input materials and maintain product profitability.

- We are introducing new automated production equipment and testing equipment and are committed to the improvement of production technology and process quality, to improve production efficiency and quality stability and thus become more competitive than our peers.
- We are enhancing our vertically integrated manufacturing capabilities and cooperating with precision mold development and automated processing testing technology to reduce costs and enhance our competitive advantages.
- We continue to develop new products and new technologies to reduce the impact of rising material prices, enhancing product profitability.
- We are enhancing our vertically integrated manufacturing capabilities and cooperating with precision mold development and automated processing testing technology to reduce costs and enhance our competitive advantages.
- We continue to promote process and production management improvement plans, introducing advanced production management technology to reduce production costs and enhance competitiveness.
- 3C retail channels
  A. Closely observe the price fluctuations in the foreign exchange market and use various hedging methods to minimize potential risks.
  B. Considering that there are many brands in the market, the prices are uneven, and consumers are more selective. Jing-shi continues to develop new products and control costs and prices to become more competitive in the market and improve the overall product profitability.
- Shinfox New energy
  A. With years of accumulated engineering practices and experience, we have better control and bargaining power over equipment and material suppliers, and provide owners with suggestions on alternative construction methods. Through value engineering, we can effectively reduce customer costs and improve construction management capabilities and engineering service quality.
  B. The Company has the advantage in the integration of upstream, midstream and downstream. Through outsourcing to experienced manufacturers, the supply channels of raw materials are expanded and the database of raw material procurement is established.
  C. Shinfox is also one of the acquisition targets of forestry in many areas of Taiwan unfavorable for cultivation, salt flats, state-owned lands, lands yet to be released by Taiwan Sugar, and orphaned power plants abandoned by system providers that have withdrawn from the market. In addition, the Company has evaluated the bidding for the development of the third stage of offshore wind power sites.
  D. The solar farm is held by a Special Purpose Vehicle (SPV), and the plan is to sell the SPV shares after completion to recoup funds and realize profits in advance. The funds obtained will then be used to expand solar power plants or develop other new businesses, thus achieving the goal of continuous growth through a rolling investment strategy.

2.2 Important uses and production processes of main products

2.2.1 Important applications of major products

(1) The Company's main products are divided into cable connectors, board connectors, power management modules, and accessories for 3C products such as smart pens, earphones, and game controllers.

USB Type-C connectors for cable connections are primarily used in transmission cables for various consumer electronics products, including smartphones and other consumer

electronic devices. Board-to-board connectors mainly include products such as lightning connectors, USB Type-C connectors, audio jack connectors, and memory card connectors. Network connectors are used to connect network peripheral devices, while game console connectors are used on the main console and controller ends to connect to other peripherals. The main purpose of the power management module is to enable the electronic equipment to obtain a stable, safe and effective power supply, and to provide various protection functions to ensure the normal operation of the electronic equipment.

The accessories of 3C products are mainly the medium between the user and the host for inputting instructions, operating and realizing interaction. These accessories include smart pens, headphones, game controllers, etc. They are usually connected to the host of electronic devices (e.g., smart phones, tablets, game consoles, etc.), through which users can perform various operations and interactions, thus realizing a richer user experience.

(2) 3C retail channels

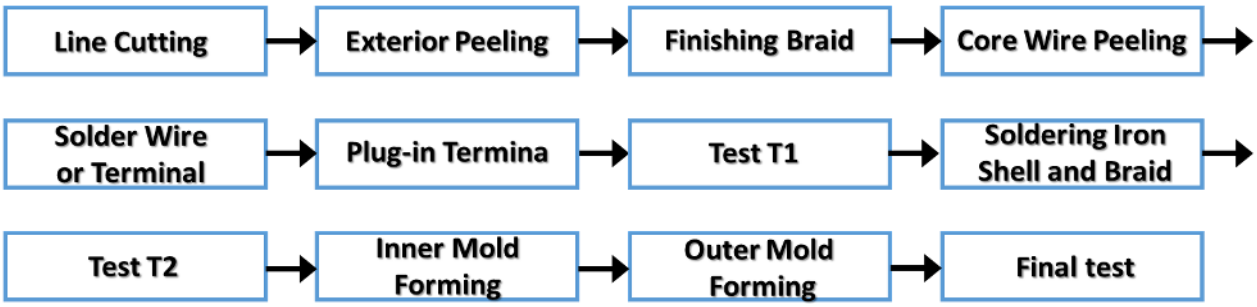
- Mobile peripherals:
  Consumer communication products and entertainment or data processing equipment used by individuals or businesses. Support the use of various consumer entertainment products, communication products, data processing equipment, and outdoor/outdoor products.
- Memory products:
  Used in personal computers, printers and other information products and as data access or transmission equipment

(3) Shinfox New energy

Major Products	Purpose
Construction revenue	We provide comprehensive engineering contracting services, including various professional technical services such as feasibility studies and planning, engineering design, equipment supply, equipment manufacturing, engineering construction, construction supervision, and testing.
Technical service revenue	We evaluate and plan the utilization of energy-efficient lighting, variable frequency technology, network monitoring, contract electricity, etc., to provide energy-saving and emission reduction technical services for large shopping malls and department stores. We offer maintenance and upkeep services for various electrical substations, transformer stations, and telecommunications equipment rooms.
Electricity sales revenue	The generated electrical energy is supplied to various electricity demands through the Taiwan Power Company (Taipower) grid, including industrial and residential electricity needs.

2.2.2 Production procedures of major products

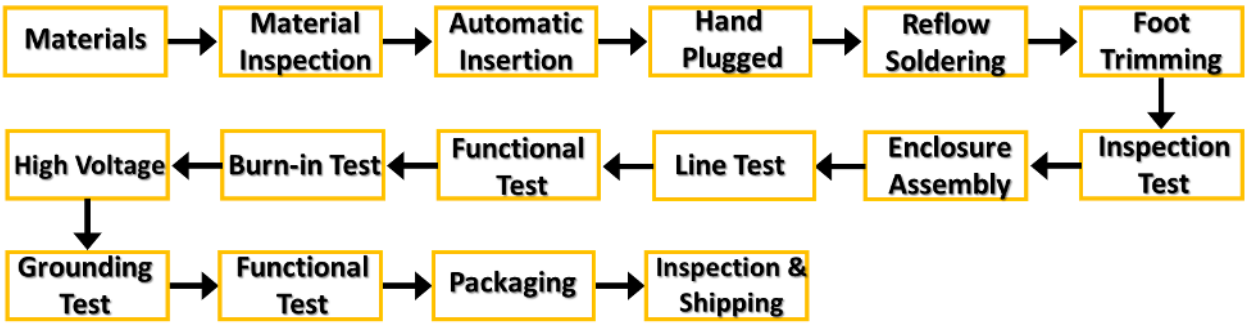
A. Cable Products



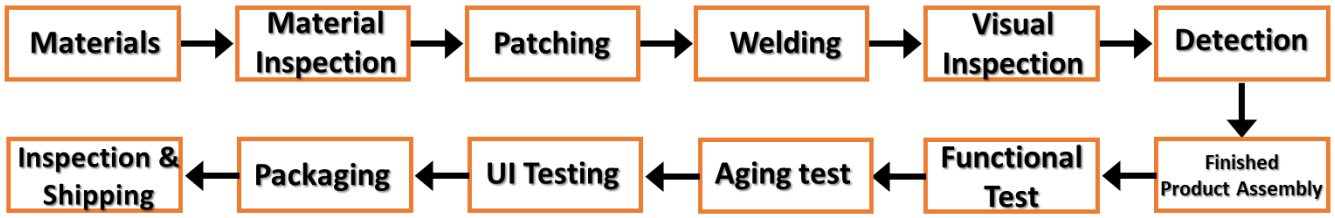
B. Connectors



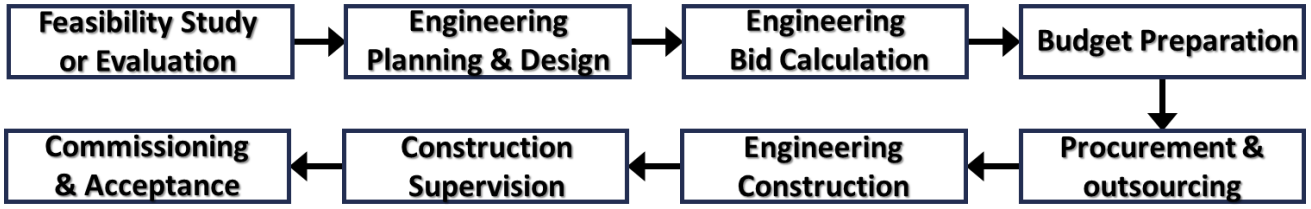
C. Power Management Module



D. Peripheral Accessories



E. Shinfox Construction Business



2.3 Supply status of main raw materials

The Company's main raw materials include copper materials, plastic materials, cables, batteries, capacitors, ICs, and PCBs. The Company has established a stable supply cooperative relationship with various suppliers. For purchases of major components, purchasing sources are dispersed as much as possible to ensure smooth purchasing.

2.4 Names of customers who accounted for more than 10% of total purchases (sales) in any of the most recent two years and their purchase (sales) amounts and proportions, and reasons for increase or decrease

2.4.1 Information on major suppliers in the last two years:

Unit: NTD Thousand

Year	2022				2023			
Item	Designation	Amount	Percentage Of Total Annual Net Purchases (%)	Relationship With Issuer	Designation	Amount	Percentage Of Total Annual Net Purchases (%)	Relationship With Issuer
1	Company A	16,749,214	26%	None	Company A	11,529,782	18%	None
2	Company C	2,392,598	4%	None	Company D	4,188,958	7%	None
Others		44,847,952	70%	-	Others	47,824,621	75%	-
Purchase of goods Net amount		63,989,764	100%	-	Purchase of goods' net amount	63,543,361	100%	-

Reasons for increase or decrease: In the 2023 fiscal year, A company's procurement amount decreased by 12% compared to the 2022 fiscal year, mainly due to the completion of the flat panel project, resulting in a decrease in purchases from A company. On the other hand, D company's procurement amount increased by 5% in the 2023 fiscal year compared to the 2022 fiscal year, primarily due to increased revenue from new energy, leading to an increase in purchases from suppliers.

2.4.2 Information on major sales customers in the last two years

Unit: NTD Thousand

Year	2022				2023			
Item	Designation	Amount	Percentage Of Total Annual Net Purchases (%)	Relationship With Issuer	Designation	Amount	Percentage of Total Annual Net Purchases (%)	Relationship With Issuer
1	Company "One"	14,422,164	15%	None	Company "Four"	18,911,892	21%	None
2	Company "Four"	12,968,277	14%	None	Company "Five"	9,908,573	11%	None
Others		66,712,153	71%	-	Others	40,257,640	68%	-
Sales Net amount		94,102,594	100%	-	Sales net amount	90,550,764	100%	-

Reasons for increase or decrease: Customer D's sales amount in the 2023 fiscal year increased by 7% compared to the 2022 fiscal year, mainly due to adjustments in the customer's product line, resulting in increased shipments of some products. Customer E, on the other hand, saw a 9% increase in sales amount in the 2023 fiscal year compared to the 2022 fiscal year due to revenue recognition starting.

2.5 Production value in the last two years

Unit: Thousand items, NTD Thousand

Year / Major Products	2022			2023		
	Production Capacity	Production Volume	Production Value	Capacity	Production Volume	Production Value
3C Electronic Products	1,546,707	1,438,438	103,121,599	1,544,130	1,250,745	87,552,150

2.6 Sales volume in the last two years

Sales volume units: Thousand items, NTD Thousand

Year / Major Products	2022				2023			
	Domestic sales		Exports		Domestic sales		Exports	
	Volume	Value	Volume	Value	Volume	Value	Volume	Value
3C electronic products	72,532	14,689,833	1,234,459	79,412,761	52,883	10,576,680	1,230,371	79,974,084

3. In the last two years and as of the printing date of the annual report, numbers of employees in terms of average length of service, average age, and distribution ratio of academic qualifications

March 31, 2024

Year		2022	2023	2024 through March 31
Number of Employees Number of Individuals	Staff	8,674	8,597	8,269
	Operational Staff	19,284	18,502	15,542
	Total	27,958	27,099	23,811
Average Age		34.65	38.53	31.86
Average Years Of Service		6.19	6.16	4.40
Education Distribution Ratio	Ph.D.	0.06%	0.05%	0.06%
	Master's Degree	1.59%	1.99%	1.99%
	College And University	17.85%	18.18%	20.06%
	High School	11.15%	11.64%	12.89%
	Below High School	69.35%	68.13%	65.00%

4. Environmental protection expenditure information

4.1 The total amount of losses and penalties due to environmental pollution in the most recent year and up to the date of the annual report, and disclose the estimated amount that may be incurred currently and in the future and corresponding measures: The Company did not and being punished.

4.2 Explanation of pollution prevention measures: Our company primarily produces electronic components such as connectors and battery modules. Our production processes do not generate significant pollution or hazardous substances into the environment. Any business waste generated during our processes is handled by qualified waste disposal companies, and we ensure compliance with regulations by completing online declarations as required by law. In terms of wastewater discharge, we have obtained an industrial park integration certificate, and our wastewater is treated collectively by the industrial park's wastewater treatment system. Therefore, our business operations do not generate any pollution issues within our scope.

5. Labor Relations

The Company has an Employee Welfare Committee to facilitate the promotion of various welfare measures. The company has always treated employees with integrity, establishing a good relationship of mutual trust and mutual dependence with employees through a welfare system that enriches and stabilizes their lives and providing a good education and training system. Although there is no industrial union organization, over the years, the employees of the company have nonetheless also been able to demonstrate team spirit, cooperate with Company decisions, cooperate seamlessly with one another, and create an atmosphere of harmony between labor and management. Following are specific measures taken by the Company to work towards harmonious labor-management relations:

5.1 Labor Retirement Reserve Supervision Committee

The Labor Retirement Reserve Supervision Committee was established in December 1989 in order to check the amount of labor retirement reserves, deposits and expenditures, payment and other matters, ensuring labor rights and interests.

5.2 Benefits provided by the Company

(1) Year-end commendation meeting to commend outstanding units and individuals.
(2) Congratulations and condolences are given out by the Company when the employee experiences marriage, childbirth, hospitalization, or a death (including the employee’s immediate family members).
(3) All employees participate in labor insurance, group insurance, and so on.
(4) There is a staff canteen providing staff lunches and evening buffets.
(5) Staff uniforms are provided.
(6) Health diagnosis subsidies are provided as well as medical consultations.
(7) Awards and scholarships are provided to employees and their children every semester.
(8) Colorful social gatherings are held.
(9) Employee birthday bonuses are given out every month.
(10) Various societies have been established, and subsidies provided for their activities.

5.3 Continuing education and training

The Company attaches great importance to the professional skills training and personal development of employees, and provides a comprehensive training system. Through the annual survey and questionnaire feedback on different training types, the Company takes into account the training needs of each department and meets the development of employees' diversified abilities. From the foundational training on the group's corporate mission and business policies during onboarding to the abundant general resources available after joining, employees can not only absorb essential group knowledge but also tailor their learning to diverse job skills and performance

enhancement courses based on their work needs and preferences.
In addition, it also integrates the development strategies of business units and provides professional skills training according to the needs of the units, so as to strengthen the professional capabilities of the Group and also make up for the skills gap in organizational development. In addition, the Company has set up a wealth of management courses for management employees, and promoted an exclusive learning system to continuously optimize the management leadership and knowledge of industry trends required by management employees.
We hope to improve the overall employee job satisfaction, help employees develop their potentials, improve themselves, and continue to grow the Company's overall capabilities. In 2023, the Group's employee education and training hours totaled 217,039 hours, with a total of 108,520 trainees and a total training expense of NTD 4.2 million.
The training activities are carried out in accordance with the annual education and training plan, and are divided into the following categories according to the level and nature of the position:

(1) Training for new recruits
Gather relevant functional units to construct a complete training content for new recruits, including the Group's business purposes and policies, organizational rules and regulations, ethical standards, occupational safety and health, quality policy, RBA code of conduct, information security and other courses to help new recruits quickly understand and integrate them into the work team as soon as possible.

(2) Management competency training
According to the annual management development needs of supervisors at all levels, combined with the exclusive learning system, the abundant management course resources are used to meet the needs of supervisors to develop the management skills and refine their management capabilities. Senior managers hold seminars on a regular basis to share internal experience, project knowledge, and industry trend analysis to enhance their leadership skills.

(3) Profession competency training
Professional development courses are organized based on the annual development needs of each function and the Company's operating strategies and goals. The course categories are extensive and include industrial safety, quality management, production management, legal compliance, technical research and development, among others. The target audience is not limited to internal business units but extends to open online learning throughout the entire group according to the nature of the course. Additionally, instructors are not limited to internal senior professional staff and managers; external expert instructors are also hired based on the requirements of the course content.

(4) Self-development training
Based on the annual employee learning orientation survey results, various job skills and knowledge enhancement courses are offered within our internal Learning Management System at the company. These courses cover a wide range of topics including health and stress management, goal setting and execution, communication, sustainability issues, digital development, and more. Employees have the flexibility to utilize online learning in their own time, enabling them to develop diverse skills, optimize work processes, and ultimately enhance overall operational efficiency.

(5) External training
The Company supports employees' on-the-job training and makes good use of external professional training institutions and resources to strengthen their professional skills, develop new skills, and improve overall business development.

5.4 Protective measures for working environment and employees’ personal safety

(1) The Group follows the ISO45001 Occupational Health and Safety Management System and local regulations to formulate occupational health and safety policies and establish a management system that is applicable to all employees and contractors. The occupational health and safety

system is closely integrated with the Company's production and manufacturing operations, and has passed It is implemented through the process of planning, training, prevention, control, performance evaluation and continuous improvement. At the same time,The group company is committed to pursuing the goal of zero harm, zero occupational diseases, and zero accidents, aiming to create the best working environment for all employees. The company upholds the occupational health and safety policy, implements relevant occupational health and safety laws and regulations to better protect the health, safety, and property rights of employees. Moreover, the company actively conducts inspections and remediation of safety hazards, maintains open channels for safety improvement proposals, encourages the participation of all employees, and proactively addresses and accepts oversight and audits from government agencies, clients, and other relevant parties.

(2) Emergency Response and Disaster Prevention
The establishment of the safety and disaster prevention center at the headquarters in Tucheng integrates real-time safety information from various factory locations to provide immediate safety and disaster prevention information. The company conducts regular industrial safety seminars and drills each year, provides training for response personnel, strengthens the group's safety and disaster prevention management system, and works to prevent operational disruptions caused by various risks.

(3) Occupational health:
The Company’s Industrial Safety Department is responsible for checking the physical and chemical hazards of each unit in accordance with the annual safety and health management plan. It completes the operating environment monitoring plan with a sampling strategy, and the monitoring results are in compliance with legal standards.

(4) Education training:
In accordance with the annual education and training plan, the total number of occupational safety and health training hours in 2023 was 39,599 hours, with a total of 29,867 trainees.

5.5 Retirement system:
The Company’s retirement system is implemented in accordance with Taiwan’s Labor Standards Act and the Labor Pension Regulations, including:

(1) Seniority under the Labor Standards Act (old system): defined benefit pension system

A. Employee retirement application:
Employees must self-retire under conditions of “having worked for more than 15 years and reached the age of 55,” “having worked for more than 25 years,” or “having worked for more than 10 years and have reached the age of 60.”

B. Employee pension payment:
The average salary of one month when the approved employee retires is used as the calculation standard for the employee pension base. Calculation of the standard of payment is based on the employee’s working experience, with two units granted for every one year of work through the first fifteen years, and one unit for one year of work for every year thereafter for a maximum of 45 units. For years of seniority less than half a year, they will be counted as one year; for years of seniority of over half a year, they will be counted as one year. However, according to Article 54 of the Labor Standards Act, employees who qualify for mandatory retirement due to the performance of their duties are subject to a 20% increase in their retirement pension according to the aforementioned regulations.

C. Supervision of employee pensions:
The Labor Retirement Reserve Supervision Committee was established in accordance with the law in December 1989 and the Committee is re-elected every four years; it reviews matters such as the amount of labor retirement reserves, deposits and expenditures, and payments to ensure labor rights and interests.

(2) Seniority under the Labor Pension Act (old system): defined contribution pension system

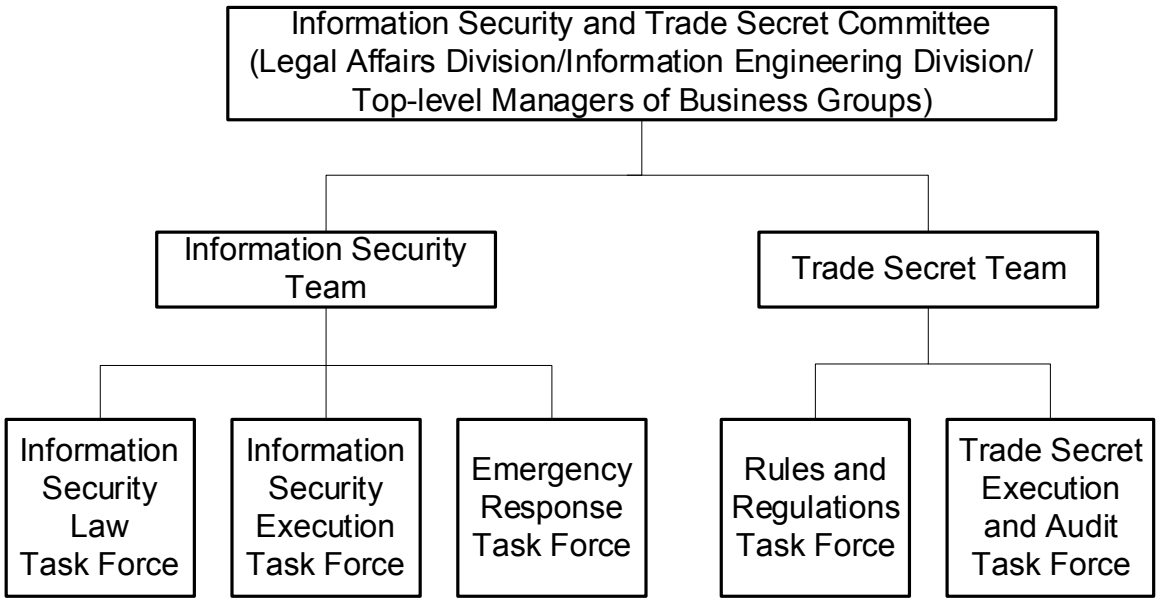
A. The Company allocates 6% to retirement pensions on a monthly basis: In accordance with the Scale Tables of Monthly Deposit for Labor Pension issued by the Bureau of Labor Insurance, appropriating 6% of an employee's wages to the employee's personal pension account every month.
B. Voluntary contribution to an employee's personal pension: Employees may also voluntarily contribute up to 6% of their monthly wages according to their own preferences.

5.6 Whether there are any labor agreements or labor disputes suffered losses in the most recent year and up to the date of publication of the annual report:
The company's most recent year and as of the publication date of the annual report, there were no major labor disputes or labor disputes.

6. Information and Communication Security Management

6.1 Specify the information security risk management framework, the information and communication security policy, the specific management plan, and the resources invested in the information security management.

(1) Information security management organizational structure



(2) Information and communication security policy,
The information and communication security policy formulated by the Company is to maintain the integrity, availability, and confidentiality of information that belongs to the companies under the group, actively avoid damage caused by human beings or natural and other external forces, and reduce the impact on the Company's operations and the losses to the Company. We enhance various information security measures and patch vulnerabilities in information facilities through regular internal information security audits, to maintain the normal operation of information systems. We also hold internal information security meetings to strengthen information security emergency response capabilities and reinforce and adjust annual information security management targets.

(3) Information and communication security management measures
Clients' requirements for information security and information security management are critical issues about which the Group has long been concerned. We implement sensitive and confidential data leakage prevention management measures launched by the Information Security and Trade Secret Review Committee to protect clients' privacy and protect sensitive and confidential data. This is our basic commitment to our clients and is also the main reason that many clients are willing to continue to establish partnerships with Cheng Uei.

We are committed to taking anti-virus, anti-leakage, and anti-hacking information management measures during the handling of all clients' sensitive and confidential data. The summary is as follows:

A. Anti-virus measures:
   Install anti-virus software on clients' computer. Raise employees' awareness of information and share information security news with them to enhance their awareness of information security. Implement information security management measures in alignment with clients' requirements for the production environment, to ensure the security of the information system in the production environment.
B. Anti-hacking measures
   Carry out vulnerability scanning and patching regularly for the Company's information operating systems to ensure that there will not be any vulnerability in the systems as a loophole for hackers to intrude.
   Establish terminal computer system access control, verify that terminal equipment can securely access the Company's network resources, and reduce information security management risks through information security system management.
C. Data leakage prevention measures:
   Adopt a data loss prevention (DLP) solution to sensitive and confidential data to ensure that correct sensitive and confidential data is accessed and stored by the correct person at the correct time in the correct place.
   Audit and control the incoming and outgoing emails to and from the group to ensure that clients' sensitive and confidential data will not be leaked.

(4) Specific action plans, resources invested, and the information security organization's performance

A. The Company's specific action plans in the past include
   - The DLP solution adopted since 2021
   - Internal sensitive and confidential data review and protection measures meeting
   - Continuous execution of email system security audits and reviews
   - Regular information system vulnerability scanning and patching
   - Completion of the annual security review of clients' data
B. Resources invested and the information security organization's performance:
   The information security organization has been responsible for reviewing and implementing Cheng Uei's information security policy. We inspect and review information security every month for the information security items required by clients. We strengthen the management and control of sensitive and confidential data and review it before transmitting it to clients. We satisfy clients' requirements for information security under a security control mechanism and thus obtain clients' recognition. In the future, Cheng Uei will not only pay attention to the security of the operation technical environment but also adopt relevant control mechanisms for the terminal equipment in the office environment, ensuring information security for employees at work. We inform employees of the information security news in the industry through announcement, to help increase their awareness of information security in the work environment. This is a major achievement of the information security organization since it began operating. Its achievements include the following:
   - Strengthened the management and control of engineering drawing files in 2021.
   - Conducted vulnerability scanning and patching for critical information systems.
   - Install terminal computer access information security software to implement identity and network resource access management, and strengthen network security. The goal is to ensure that only authorized and compliant device users can access the Internet, and to improve the security incident management and response mechanism.
   - Established an email pre-audit system to prevent leakage of sensitive and confidential data.

6.2 Please specify the losses and potential impacts caused by material information security incidents and countermeasures in the last year and up to the publication date of the annual report. If it cannot be reasonably estimated, the fact that it cannot be reasonably estimated shall be specified: None.

7. Important contracts:

Contract nature	Contractual parties	Contract start and end date	Main content	Restrictive covenants
OEM contract	Company AA	January 13, 2011 - until termination	OEM production	1. Confidentiality clause 2. Intellectual property rights guarantee clause
OEM contract	Company AB	July 3, 2011 - until termination	OEM production	1. Confidentiality clause 2. Intellectual property rights guarantee clause
OEM contract	Company AC	July 1, 2010 - until termination	OEM production	1. Confidentiality clause 2. Intellectual property rights guarantee clause
OEM contract	Company AD	March 11, 2022 onwards	OEM production	OEM production of the Company
OEM contract	Company AE	November 01, 2022 onwards	OEM production	OEM production of the Company
License agreement	HDMI Association	September 12, 2004 - until termination	Technology or software license	1. Confidentiality clause 2. Intellectual property rights guarantee clause
License agreement	USB Association	May 3, 2013 - until termination	Trademark, technology, software licensing	1. Confidentiality clause 2. Intellectual property rights guarantee clause
License agreement	Company AG	May 4, 2010 - until termination	CDMA Modem Cards and Subscriber Unit technology	1. Confidentiality clause 2. Intellectual property rights guarantee clause
Construction contract	JIANXING VIETNAM CONSTRUCTION DEVELOPMENT COMPANY LIMITED	2023/12/28	Vietnam plant construction contract	
Lease contracts	Company AF	2021/01/31~2031/01/30	Leasing of plant	None
Credit contract	Industrial and Commercial Bank of China	2020/03/01~2024/12/31	The loan amount was NTD 2.8 billion.	None
Credit contract	Bank SinoPac	2022/09/30~2025/09/30	The credit amount was NTD 2.95 billion.	1. The current ratio shall be maintained at more than 100% (inclusive). 2. The debt ratio shall be maintained below 200%.

Contract nature	Contractual parties	Contract start and end date	Main content	Restrictive covenants
				3. The interest coverage ratio should be maintained at 4 times or more. 4. Tangible net worth should be maintained at more than NTD 15 billion.
Credit contract	Taipei Fubon Bank	2023/06/05~2025/05/31	Credit amount of NTD 1.8 billion	
Credit contract	Mega International Commercial Bank	2023/08/01~2024/07/31	Credit amount of NTD 1.5 billion	
Credit contract	KGI Bank	2023/10/18~2025/10/17	Credit amount of NTD 1 billion	
Sales contract	Company CA	November 20, 2019 Automatic renewal for a period of one year	Sales contract	The Company shall bear responsibility for confidentiality
Sales contract	Company IA	January 1, 2024 ~ December 31, 2033	Electricity sales contract	The Company shall bear responsibility for confidentiality
Sales contract	Company BH	January 13, 2014 onwards	Sales contract	The Company shall bear responsibility for confidentiality
Sales contract	Company IC	March 8, 2023 ~ March 7, 2031	Liquefied natural gas sales contracts	The Company shall bear responsibility for confidentiality
Development contract	Company BC	November 22, 2010 onwards	Development contract	The Company shall bear responsibility for confidentiality of technical information
Development contract	Company BF	May 18, 2017 onwards	Development contract	The Company shall bear responsibility for confidentiality of technical information
Development contract	Jiuwei Power	From June 14, 2022 to contract	Commissioned development contract	Confidentiality clause, breach clause
Purchase contract	Company IL	From December 29, 2021 to expiration of the warranty period	Offshore wind turbine equipment procurement	Non-transferability, Confidentiality clause, breach clause
Purchase contract	Company IG	2023/08/11~2025/10/31	Power generation equipment procurement	None
License agreement	Company BA	2023/02/06~2024/03/31	License agreement	1. Confidentiality clause 2. Intellectual property rights guarantee clause
License agreement	Company BE	March 15, 2019 onwards	License agreement	1. Confidentiality clause 2. Intellectual property right guarantee clause
Service contract	Company IH	2020/08/19~2025/12/31	Engineering technical	Non-transferability, Confidentiality clause,

Contract nature	Contractual parties	Contract start and end date	Main content	Restrictive covenants
			consulting service	breach clause
Investment contract	Company ZA	September 29, 2023 onwards	Power plant investment	None
Investment contract	Company ZB	October 13, 2023 ~ December 15, 2023	Investment contract	None
OEM contract	Company BA	October 13, 2023 ~ November 30, 2024	OEM production	OEM production of the Company
OEM contract	Company BB	Termination by written notice from the other party on December 10, 2013	OEM production	OEM production of the Company
OEM contract	Company BC	November 01, 2013 onwards	OEM production	OEM production of the Company
OEM contract	Company BD	January 20, 2017 onwards	OEM production	OEM production of the Company
Construction Contracting & Procurement	Company IJ	From June 3, 2021 to the expiration of the warranty period	Engineering and equipment procurement of the second phase of the offshore wind-power generation project	Non-transferability, Confidentiality clause, breach clause
Construction contracting	Taiwan Power Company	June 15, 2020 ~ December 31, 2030	Offshore Wind Power Phase 2	Non-transferability, Confidentiality clause, breach clause
Construction contracting	Singwei Power Co., Ltd.	From December 17, 2020 to expiration of warranty period	Turnkey project of solar photovoltaic power generation system	Non-transferability, Confidentiality clause, breach clause
Construction contracting	Company IK	From December 30, 2020 to expiration of warranty period	Installation project of solar photovoltaic power generation system	Non-transferability, Confidentiality clause, breach clause
Construction contracting	Company IM	From August 18, 2021 to expiration of warranty period	Offshore Wind Power Phase 2 project contract	Non-transferability, Confidentiality clause, breach clause
Construction contracting	Shinfox Far East Company Pte Ltd.	January 13, 2023 onwards	Construction contracting	None
Construction contracting	Company IF	2023/03/15~2025/03/01	Offshore wind power engineering contract	None
Construction contracting	Changpin Wind Power	March 23, 2023 onwards	Wind turbine and booster station construction contract	None
Construction contracting	Company IE	2023/06/30~2025/12/31	Construction contracting	None
Construction contracting	Company ID	2023/08/21~2025/12/31	Wind-power equipment installation contract	None

Contract nature	Contractual parties	Contract start and end date	Main content	Restrictive covenants
Construction contracting	Company IB	2023/12/15~2024/07/31	Offshore wind power engineering contract	None
Credit contract	Taipei Fubon	2023/05/31~2024/05/31	The credit amount is US$18.25 million.	None
Credit contract	Taiwan Cooperative Bank	2023/09/27~2025/09/27	Credit amount of NTD 500 million	None
Credit contract	6 banks including Bank of Taiwan	2023/09/12~2023/09/15	First secured convertible corporate bonds in 2023 Credit amount of NTD 3 billion	1. The current ratio shall not be less than 100% (inclusive). 2. The debt ratio shall not be higher than 300% (inclusive). 3. The net tangible value shall not be less than NTD 9.5 billion (inclusive).
Credit contract	Bank SinoPac	2023/04/10~2023/04/17	Credit amount NTD 2.9 billion	With collateral (Changpin's equity pledged)
Credit contract	King's Town Bank	2023/10/03~2024/04/03	Credit amount of NTD 1.5 billion	None
Credit contract	KGI Bank	2023/12/21~2024/06/23	Credit amount of NTD 1.5 billion	None
Credit contract	Mega International Commercial Bank	2023/08/04~2024/08/04	Credit amount of NTD 800 million	None
Credit contract	Export–Import Bank of the Republic of China	2023/08/01~2024/08/01	Credit amount of NTD 800 million	None
Credit contract	CTBC	2020/12/07~2026/03/31	Credit amounted to NTD 5.4 billion	
Credit contract	O-Bank	2022/10/03~2025/10/03	Credit amount of NTD 1.75 billion	Financial ratio limit, reserve account limit
Credit contract	Chunghwa Bills Finance Corporation	2023/06/13~2024/06/13	Credit amount of NTD 600 million	None

VI. Financial Overview

1. Condensed balance sheet and consolidated income statement for the most recent five years

1.1 Balance sheet information

1.1.1 Consolidated condensed balance sheet - adopting International Financial Reporting Standards

Unit: NTD Thousand

Item \ Year		Financial data for the most recent five years (Note)				
		2019	2020	2021	2022	2023
Current Assets		37,437,621	49,290,306	50,288,129	61,093,418	67,717,157
Property, Plant and Equipment		23,397,983	20,850,423	21,024,968	20,923,246	22,705,808
Intangible Assets		2,251,948	1,653,998	1,467,557	1,749,316	1,724,432
Other Assets		10,208,852	10,467,375	10,345,617	14,532,031	13,614,161
Total Assets		73,296,404	82,262,102	83,126,271	98,298,011	105,761,558
Current Liabilities	Before Distribution	26,274,698	30,262,765	29,954,063	36,357,990	41,256,215
	After Distribution	27,555,516	31,543,583	30,722,553	37,485,109	42,280,869
Non-Current Liabilities:		18,779,187	21,915,449	20,671,320	25,681,934	27,683,351
Total Liabilities	Before Distribution	45,053,885	52,178,214	50,625,383	62,039,924	68,939,566
	After Distribution	46,334,703	53,459,032	51,393,873	63,167,043	69,904,220
Equity Attributable To Owners Of Parent		22,431,878	23,762,553	23,284,277	24,422,591	24,190,274
Share Capital		5,123,269	5,123,269	5,123,269	5,123,269	5,123,269
Additional Paid-In Capital		9,471,717	9,828,746	10,252,875	10,382,683	10,764,901
Retained Earnings	Before Distribution	10,443,493	11,118,950	10,781,850	11,552,466	11,598,307
	After Distribution	9,162,675	9,838,132	10,013,360	10,425,347	10,573,653
Other Equity Interest		(2,334,535)	(2,036,346)	(2,601,651)	(2,363,761)	(2,673,429)
Treasury Shares		(272,066)	(272,066)	(272,066)	(272,066)	(622,774)
Non-Controlling Interests		5,810,641	6,321,335	9,216,611	11,835,496	12,631,718
Equity Total	Before Distribution	28,242,519	30,083,888	32,500,888	36,258,087	36,821,992
	After Distribution	26,961,701	28,803,070	31,732,398	35,130,968	35,797,338

Note：The aforementioned financial information has been verified by an accountant for each year.

1.1.2 Parent company only condensed balance sheet - adopting International Financial Reporting Standards

Unit: NTD Thousand

Item \ Year		Financial data for the most recent five years (Note)				
		2019	2020	2021	2022	2023
Current Assets		24,257,908	25,949,569	22,269,391	23,126,519	22,987,631
Property, Plant And Equipment		1,880,955	1,857,292	1,837,627	1,829,082	1,817,826
Intangible Assets		14,522	11,771	20,234	18,747	23,333
Other Assets		31,059,180	32,569,498	34,457,640	38,166,944	39,856,698
Total Assets		57,212,565	60,388,130	58,584,892	63,141,292	64,685,488
Current Liabilities	Before Distribution	23,039,773	20,303,239	19,412,776	20,408,723	24,377,918
	After Distribution	24,320,591	21,584,057	20,181,266	21,535,842	25,402,572
Non-Current Liabilities:		11,740,914	16,322,338	15,887,839	18,309,978	16,117,296
Total Liabilities	Before Distribution	34,780,687	36,625,577	35,300,615	38,718,701	40,495,214
	After Distribution	36,061,505	37,906,395	36,069,105	39,845,820	41,519,868
Equity Attributable To Owners Of Parent		22,431,878	23,762,553	23,284,277	24,422,591	24,190,274
Share Capital		5,123,269	5,123,269	5,123,269	5,123,269	5,123,269
Additional Paid-In Capital		9,471,717	9,828,746	10,252,875	10,382,683	10,764,901
Retained Earnings	Before Distribution	10,443,493	11,118,950	10,781,850	11,552,466	11,598,307
	After Distribution	9,162,675	9,838,132	10,013,360	10,425,347	10,573,653
Other Equity Interest		(2,334,535)	(2,036,346)	(2,601,651)	(2,363,761)	(2,673,429)
Treasury Shares		(272,066)	(272,066)	(272,066)	(272,066)	(622,774)
Non-Controlling Interests		-	-	-	-	-
Total Equity	Before Distribution	22,431,878	23,762,553	23,284,277	24,422,591	24,190,274
	After Distribution	21,151,060	22,481,735	22,515,787	23,295,472	23,165,620

Note: The aforementioned financial information has been verified by an accountant for each year.

1.2 Income statement information

1.2.1 Consolidated condensed comprehensive income statement - adopting International Financial Reporting Standards

Unit: NTD Thousand

Item \ Year	Financial data for the most recent five years (Note)				
	2019	2020	2021	2022	2023
Operating revenue	97,820,336	89,552,100	86,800,735	94,102,594	90,550,764
Operating gross profit	10,217,766	9,773,427	9,575,274	12,094,199	11,693,912
Operating profit and loss	2,281,690	2,394,421	1,910,841	3,531,693	3,018,133
Non-operating income and expenses	103,124	189,414	242,626	-119,900	118,168
Net profit before tax	2,384,814	2,583,835	2,153,467	3,411,793	3,136,301
Continuing operations Net profit for the period	1,787,336	1,884,368	1,338,504	2,094,699	2,101,822
Profit or loss from discontinued operations	-	-	-	-	-
Net profit for the period	1,787,336	1,884,368	1,338,504	2,094,699	2,101,822
Other comprehensive income, net of tax, for the period (Net of tax)	(895,567)	257,947	(757,192)	335,687	(760,444)
Total comprehensive income for the period	891,769	2,142,315	581,312	2,430,386	1,341,378
Net profit attributable to owners of the parent	1,987,361	1,967,432	921,042	1,522,518	1,457,132
Net profit attributable to non-controlling interest	(200,025)	(83,064)	417,462	572,181	644,690
Total comprehensive income attributable to owners of the parent company	1,256,389	2,254,491	385,907	1,776,996	863,292
Total comprehensive profit and loss attributable to non-controlling interests	(364,620)	(112,176)	195,405	653,390	478,086

Note : The aforementioned financial information has been verified by an accountant for each year.

1.2.2 Parent company only condensed comprehensive income statement - adopting International Financial Reporting Standards

Unit: NTD Thousand

Item \ Year	Financial data for the most recent five years (Note)				
	2019	2020	2021	2022	2023
Operating revenue	73,856,717	69,135,238	58,674,859	62,769,931	60,151,768
Operating gross profit	1,811,723	3,394,211	1,946,283	1,204,430	1,353,197
Operating profit and loss	82,090	1,848,239	305,921	-519,506	(216,079)
Non-operating income and expenses	2,105,429	512,593	812,538	2,265,986	1,712,478
Net profit before tax	2,187,519	2,360,832	1,118,459	1,746,480	1,496,399
Continuing operations Net profit for the period	1,987,361	1,967,432	921,042	1,522,518	1,457,132
Profit or loss from discontinued operations	-	-	-	-	-
Net profit for the period	1,987,361	1,967,432	921,042	1,522,518	1,457,132
Other comprehensive income, net of tax, for the period (Net of tax)	(730,972)	287,059	-535,135	254,478	(593,840)
Total comprehensive income for the period	1,256,389	2,254,491	385,907	1,776,996	863,292
Net profit attributable to owners of the parent	1,987,361	1,967,432	921,042	1,522,518	863,292
Net profit attributable to non-controlling interest	-	-	-	-	-
Total comprehensive income attributable to owners of the parent company	1,256,389	2,254,491	385,907	1,776,996	863,292
Total comprehensive profit and loss attributable to non-controlling interests	-	-	-	-	-
Earnings per share	4.10	4.06	1.90	3.14	3.09

Note: The aforementioned financial information has been verified by an accountant for each year.

1.3 CPA name and audit opinion for the most recent five years

Year	Names of certified public accountants	Audit opinion	Reason for change in accountants
2019	Se-Kai, Lin / Hsiao-Tzu, Chou	Unqualified opinion	
2020	Se-Kai, Lin / Yi-Chang, Liang	Unqualified opinion	
2021	Se-Kai, Lin / Yi-Chang, Liang	Unqualified opinion	
2022	Se-Kai, Lin / Yi-Chang, Liang	Unqualified opinion	
2023	Se-Kai, Lin / Hsiao-Tzu, Chou	Unqualified opinion	Internal Management Organization Adjustment in the Office

2. Financial analysis for the last five years

2.1 Consolidated Financial Analysis-Adopting International Financial Reporting Standards

Analysis item \ Year (Note)		Five-Year Financial Analyses				
		2019	2020	2021	2022	2023
Financial structure (%)	Debt to asset ratio	61.47	63.43	60.90	63.11	65.18
	Ratio of long-term funds to property, plant, and equipment	200.96	249.39	252.90	296.03	284.09
Solvency %	Current ratio	142.49	162.87	167.88	168.03	164.14
	Quick ratio	93.22	115.15	104.81	102.36	112.12
	Interest coverage ratio	7.81	8.40	7.31	9.06	6.06
Operating ability	Accounts receivable turnover (times)	6.61	5.41	5.13	5.33	4.93
	Average cash collection days	55.22	67.47	71.15	68.48	74.04
	Inventory turnover (times)	6.85	6.25	5.15	4.74	4.74
	Payables turnover (times)	5.71	4.89	4.44	4.99	4.97
	Average sales days	53.28	58.40	70.87	77.00	77.00
	Property, plant, and equipment turnover rate (times)	4.31	4.05	4.15	4.49	4.15
	Total asset turnover (times)	1.35	1.15	1.05	1.04	0.89
Profitability	Return on assets (%)	2.86	2.78	1.95	2.68	2.55
	Return on equity (%)	6.36	6.46	4.28	6.09	5.75
	Net profit before tax to paid-in capital ratio (%)	46.55	50.43	42.03	66.59	61.22
	Net profit rate (%)	1.83	2.10	1.54	2.23	2.32
	Earnings per share (NTD)	4.10	4.06	1.90	3.14	3.09
Cash flows	Cash flow adequacy ratio (%)	21.64	18.68	(11.85)	(0.73)	6.12
	Cash flow ratio (%)	85.95	154.23	68.33	35.29	34.69
	Cash reinvestment ratio (%)	8.35	6.63	(7.04)	(1.30)	1.69
Leverage	Operational leverage	3.53	2.62	3.20	2.19	2.52
	Financial leverage	1.18	1.17	1.22	1.14	1.26

Please explain reasons for changes in financial ratios in the last two years:

1. Debt service coverage ratio decreased by 33.07% mainly due to the increase in finance costs and the decrease in operating net profit in 2023.
2. Cash flow ratio increased by 938.74% mainly due to the increase in cash inflow from operating activities in 2023.
3. Cash reinvestment ratio increased by 229.77% mainly due to the increase in cash flow from operating activities in 2023.

Note : The aforementioned financial information has been verified by an accountant for each year.

2.2 Parent Company Only Financial Analysis-Adopting International Financial Reporting Standards

Analysis item \ Year (Note)		Five-Year Financial Analyses				
		2019	2020	2021	2022	2023
Financial structure (%)	Debt to asset ratio	58.99	60.79	60.65	60.26	61.32
	Ratio of long-term funds to property, plant, and equipment	1770.59	1816.78	2158.24	2131.67	2336.29
Solvency %	Current ratio	115.79	105.29	127.81	114.72	113.32
	Quick ratio	93.11	89.73	118.24	106.99	104.05
	Interest coverage ratio	3.32	9.34	10.79	6.27	8.35
Operating ability	Accounts receivable turnover (times)	5.62	6.23	5.20	4.27	4.39
	Average cash collection days	64.95	58.59	70.19	85.48	83.14
	Inventory turnover (times)	18.43	22.05	29.92	42.30	45.09
	Payables turnover (times)	8.96	7.02	6.63	6.48	6.83
	Average sales days	19.80	16.55	12.20	8.63	8.09
	Property, plant, and equipment turnover rate (times)	35.38	38.55	36.99	31.76	34.24
	Total asset turnover (times)	1.31	1.34	1.18	0.99	1.03
Profitability	Return on assets (%)	1.49	3.97	3.67	1.83	2.81
	Return on equity (%)	2.69	8.97	8.52	3.92	6.38
	Net profit before tax to paid-in capital ratio (%)	10.78	42.70	46.08	21.83	34.09
	Net profit rate (%)	0.86	2.69	2.85	1.57	2.43
	Earnings per share (NTD)	1.20	4.10	4.06	1.90	3.14
Cash flows	Cash flow adequacy ratio (%)	5.94	11.61	14.60	-10.56	4.06
	Cash flow ratio (%)	40.17	54.40	82.66	32.87	45.51
	Cash reinvestment ratio (%)	0.15	2.92	2.31	-4.52	0.07
Leverage	Operational leverage	0.50	3.50	1.10	2.03	0.48
	Financial leverage	0.67	-0.46	1.15	3.27	0.69

Explain reasons for changes in financial ratios in the last two years:

1. Quick ratio decreased by 20.93% mainly due to the increase in current liabilities in 2023.
2. Debt service coverage ratio decreased by 31.01% mainly due to the increase in finance costs and the decrease in operating net profit, in 2023.
3. Inventory turnover (times) decreased by 41.36% mainly due to the increase in inventory as of the end of 2023.
4. Average sales days increased by 71.31% mainly due to the decrease in inventory turnover in 2023.
5. Cash flow ratio increased by 122.22% mainly due to the increase in cash inflow from operating activities in 2023.
6. Cash flow adequacy ratio increased by 41.30% mainly due to the increase in cash inflow from operating activities in 2023.
7. Cash reinvestment ratio increased by 1,841.27% mainly due to the increase in cash inflow from operating activities in 2023.
8. Operating leverage decreased by 173.48% mainly due to the decrease in operating loss in 2023.
9. Financial leverage decreased by 40.62% mainly due to the decrease in operating loss in 2023.

Note : The aforementioned financial information has been verified by an accountant for each year.

1. Financial structure
   (1) Liabilities to assets ratio = total liabilities/total assets.
   (2) The ratio of long-term funds to property, plant, and equipment = (total equity + non-current liabilities) / net property, plant, and equipment.

2. Solvency
   (1) Current ratio = current assets/current liabilities.
   (2) Quick ratio = (current assets-inventory-prepaid expenses) / current liabilities.
   (3) Interest coverage ratio = net profit before income tax and interest expense/interest expense in the current period.

3. Operating ability
   (1) Accounts receivable (including accounts receivable and notes receivable due to business) turnover rate = net sales / average receivables in each period (including accounts receivable and notes receivable due to business) balance.
   (2) Average cash collection days=365/receivable turnover rate.
   (3) Inventory turnover rate = cost of goods sold / average inventory value.
   (4) Payables (including accounts payable and bills payable due to business) turnover rate = cost of goods sold / average payables in each period (including accounts payable and bills payable due to business) balance.
   (5) Average sales days = 365 / inventory turnover rate.
   (6) Turnover rate of property, plant, and equipment = net sales/average net property, plant, and equipment.
   (7) Total asset turnover ratio = net sales/average total assets.

4. Profitability
   (1) Return on assets = (after-tax profit and loss + interest expense × (1-tax rate)]/average total assets.
   (2) Return on equity = profit and loss after tax/average total equity.
   (3) Net profit rate = after-tax profit and loss/net sales.
   (4) Earnings per share = (profit and loss attributable to owners of the parent company-preferred share dividends) / weighted average number of issued shares.

5. Cash flow
   (1) Cash flow ratio = net cash flow from operating activities/current liabilities.
   (2) Net cash flow ratio = net cash flow from operating activities in the last five years / the last five years (capital expenditure + inventory increase + cash dividend)
   (3) Cash reinvestment ratio = (net cash flow from operating activities-cash dividends) / (gross property, plant, and equipment + long-term investment + other non-current assets + working capital)

6. Leverage:
   (1) Operating leverage = (net operating income-variable operating costs and expenses) / business interests.
   (2) Financial leverage = operating profit / (business profit-interest expense)

1. Financial structure
   (1) Liabilities to assets ratio = total liabilities/total assets.
   (2) Ratio of long-term capital to fixed assets = (Net shareholders' equity + long-term liabilities) / Net fixed assets.

2. Solvency
   (1) Current ratio = current assets/current liabilities.
   (2) Quick ratio = (current assets - inventory - prepaid expense) / current liabilities.
   (3) Interest coverage ratio = net profit before income tax and interest expense/interest expense in the current period.

3. Operating ability
   (1) Accounts receivable (including accounts receivable and notes receivable due to business) turnover rate = net sales / average receivables in each period (including accounts receivable and notes receivable due to business) balance.
   (2) Average cash collection days=365/receivable turnover rate.
   (3) Inventory turnover rate = cost of goods sold / average inventory value.
   (4) Payables (including accounts payable and bills payable due to business) turnover rate = cost of goods sold / average payables in each period (including accounts payable and bills payable due to business) balance
   (5) Average sales days = 365 / inventory turnover rate.
   (6) Fixed asset turnover = Net sales / Net fixed assets.
   (7) Total assets turnover = net sales / total assets.

4. Profitability
   (1) Return on assets = (after-tax profit and loss + interest expense × (1-tax rate)]/average total assets.
   (2) Shareholders' return on equity=post-tax profit or loss/net average shareholders' equity
   (3) Net profit rate = after-tax profit and loss/net sales.
   (4) Earnings per share = (Net profit after tax - Dividends on preferred shares) / Weighted average number of shares outstanding.

5. Cash flow
   (1) Cash flow ratio = net cash flow from operating activities/current liabilities.
   (2) Net cash flow ratio = net cash flow from operating activities in the last five years / the last five years (capital expenditure + inventory increase + cash dividend)
   (3) Cash reinvestment ratio = (net cash flow from operating activities-cash dividends) / (Gross fixed assets + long-term investment + other assets + working capital)

6. Leverage
   (1) Operating leverage = (net operating income-variable operating costs and expenses) / business interests.
   (2) Financial leverage = operating profit / (business profit-interest expense)

3. The Audit Committee review report of the most recent financial report

Audit Committee's Audit Report

The Company's Board of Directors has made a 2023 annual business report, financial statements, and profit distribution proposal. Among them, PWC Taiwan has audited the financial statements and issued an audit report. The above-mentioned business report, financial statements, and profit distribution proposal have been checked by the Audit Committee, and it believes there is no discrepancy. The reports are submitted for review in accordance with Article 14-4 of Securities and Exchange Act and Article 219 of the Company Act.

Cheng Uei Precision Industry Co., Ltd.

Convener of the Audit Committee: Randy Lee

Published on March 11, 2024

4. The most recent annual financial reports

CHENG UEI PRECISION INDUSTRY CO., LTD.

Declaration of Consolidated Financial Statements of Affiliated Enterprises

For the year ended December 31,2023, pursuant to “Criteria Governing Preparation of Affiliated Reports, Consolidated Business Reports and Consolidated Financial Statements of Affiliated Enterprises”, the entity that is required to be included in the consolidated financial statements of affiliates, is the same as the entity required to be included in the consolidated financial statements of parent and subsidiary companies under International Financial Reporting Standard No. 10. Also, if relevant information that should be disclosed in the consolidated financial statements of affiliates has all been disclosed in the consolidated financial statements of parent and subsidiaries, it shall not be required to prepare separate consolidated financial statements of affiliates.

Hereby declare,

CHENG UEI PRECISION INDUSTRY CO., LTD.

March 11, 2024

INDEPENDENT AUDITORS' REPORT TRANSLATED FROM CHINESE

PWCR 23000594

To the Board of Directors and Stockholders of Cheng Uei Precision Industry Co., Ltd.

Opinion

We have audited the accompanying consolidated balance sheets of Cheng Uei Precision Industry Co., Ltd. and its subsidiaries (the "Group") as at December 31, 2023 and 2022, and the related consolidated statements of comprehensive income, of changes in equity and of cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of material accounting policies.

In our opinion, based on our audits and the reports of other auditors (please refer to the *Other matter* section), the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at December 31, 2023 and 2022, and its consolidated financial performance and its consolidated cash flows for the years then ended, in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations that came into effect as endorsed by the Financial Supervisory Commission.

Basis for opinion

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

Key audit matters

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

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

Valuation of goodwill impairment

Description

Please refer to Note 4(20) for accounting policies on impairment loss on non-financial assets, Note 5(1) for the uncertainty of accounting estimates and assumptions applied to goodwill impairment valuation, and Note 6(13) for details of goodwill impairment valuation.

As of December 31, 2023, the balance of goodwill (including indefinite useful life trademarks) derived from the acquisition of Foxlink Image Technology Co., Ltd. and DG Lifestyle Store Limited by the Company's subsidiary, FIT Holding Co., Ltd. amounted to NT$715,197 thousand and NT$418,502 thousand, respectively. The Group valued the impairment of goodwill (including indefinite useful life trademarks) through the discounted cash flow method, using the higher of value in use or fair value less costs to sell to measure the cash generating unit's recoverable amount. As the assumptions of expected future cash flows contained subjective judgement and involved a high degree of uncertainty which would cause a material impact on the valuation result, the valuation of goodwill impairment was identified as a key audit matter.

How our audit addressed the matter

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

A. Obtained an understanding and assessed the reasonableness of valuation of goodwill impairment policies and procedures, including collection of internal and external data, operating forecast and industry changes.

B. Obtained the external appraisal report on impairment valuation and performed the following

procedures:

(a) We examined the external appraiser's qualification and assessed the independence, objectiveness and competence.

(b) We assessed that the valuation method used in the appraisal report was widely used and appropriate.

(c) We assessed the reasonableness of significant assumptions (including expected growth rate and discount rate) applied in the appraisal report.

Recognition of construction revenue-assessment on the stage of completion

Description

Please refer to Note 4(31) for accounting policies on construction contracts, and Note 5(2) for the uncertainty of critical judgement, accounting estimates and assumptions applied to construction contracts. As of December 31, 2023, contract assets, contract liabilities and construction revenue of the Group amounted to $8,675,960 thousand, $43,541 thousand and $10,285,643 thousand, respectively, refer to Note 6(24) for details.

Construction revenue and costs of the Group mainly arise from undertaking construction works. If the outcome of a construction contract can be estimated reliably, profit or loss should be recognised by reference to the stage of completion of the contract activity, using the percentage-of-completion method of accounting, over the contract term. The stage of completion of a construction contract is measured by the proportion of contract costs incurred for the construction performed as of the financial reporting date to the estimated total costs for the construction contract, and revenue is recognised over time.

The aforementioned estimated total costs are assessed by the management based on the different nature of constructions and the price fluctuations in the market to estimate the costs for each construction activity such as estimated subcontract charges and material and labour expenses, and the complexity of aforementioned total cost usually involves subjective judgement and contains a high degree of uncertainty, which may affect the construction revenue recognition, thus, we consider the assessment on the stage of completion which was applied on construction revenue recognition as a key audit matter.

How our audit addressed the matter:

We performed the following audit procedures on the stage of completion as described on the above key audit matter:

A. Obtained an understanding on the nature of business and industry, and assessed the reasonableness of internal process applied to estimate total construction cost, including the basis for estimating the expected total cost for construction contracts of the same nature.

B. Assessed and tested the internal controls used by the management to recognise construction revenue based on the stage of completion, including checking the supporting documents of additional or reduced constructions and significant constructions performed in the period.

C. Sampled and tested the subcontracts that have been assigned, and assessed the basis and reasonableness of estimating costs for those that have not been assigned.

D. Performed substantive procedures relating to the construction profit or loss statement, including sampling and verifying the costs incurred in the period with the appropriate evidence, and recalculating and confirming that construction revenue calculated based on the stage of completion had been accounted for appropriately.

Assessment of allowance for inventory valuation losses

Description

Please refer to Note 4(13) for accounting policies on inventory, Note 5(3) for the uncertainty of accounting estimates and assumptions applied to inventory valuation, and Note 6(7) for details of inventory.

The Group is primarily engaged in the manufacturing and sale of electronic components and parts. As the electronic products' life cycles are relatively short and the market is highly competitive, there is a higher risk of incurring inventory valuation losses or obsolescence due to economic depression or an excess of supply over demand. The Company's inventories are measured at the lower of cost and net realisable value, and individually assessed for those inventories over a certain age in order to identify obsolete or slow-moving inventories.

The industry technology is rapidly changing, and the net realisable value involves subjective judgement resulting in an uncertainty when assessing the obsolete or slow-moving inventories. Given that the inventory and allowance for inventory valuation losses were material to the financial

statements, the assessment of allowance for inventory valuation losses was identified as a key audit matter.

How our audit addressed the matter

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

A. Assessed the reasonableness of policies and procedures on allowance for inventory valuation losses based on our understanding of the Group's operation and industry.

B. Obtained an understanding of the Group's warehousing control procedures. Reviewed annual physical inventory count plan and participated in the annual inventory count event in order to assess the effectiveness of the management of inventory.

C. Verified whether the systematic logic used in the Group's inventory aging report is appropriate and in line with its policies.

D. Inspected inventory valuation basis adequacy and verified the selected samples' information, for instance, purchase price and sale price. Also recalculated and evaluated the reasonableness of inventory allowance basis in order to verify that the inventory was measured at the lower of cost and net realisable value.

Other matter - Reference to the reports of other auditors

We did not audit the financial statements of certain subsidiaries and investments accounted for under the equity method which were audited by other auditors. Therefore, our opinion expressed herein, insofar as it relates to the amounts included in respect of these subsidiaries and the information disclosed in Note 13, is based solely on the reports of the other auditors. Total assets of these subsidiaries amounted to NT$429,970 thousand and NT$426,718 thousand, constituting 0.41% and 0.43% of the consolidated total assets as at December 31, 2023 and 2022, respectively, and operating revenue amounted to NT$2,687,168 thousand and NT$2,150,424 thousand, constituting 2.97% and 2.29% of the consolidated total operating revenue for the years then ended, respectively. The total balances of these investments accounted for under the equity method amounted to NT$33,401 thousand and NT$203,442 thousand, constituting 0.03% and 0.21% of the consolidated total assets as at December 31, 2023 and 2022, respectively, and the share of profit (loss) of associates and joint ventures accounted for under the equity method amounted to NT$48 thousand and NT$(9,441) thousand, constituting 0.00% and (0.39%) of the consolidated total comprehensive

income for the years then ended, respectively.

Other matter-Parent company only financial reports

We have audited and expressed an unqualified opinion with an *Other matters* section on the parent company only financial statements of Cheng Uei Precision Industry Co., Ltd. as at and for the years ended December 31, 2023 and 2022.

Responsibilities of management and those charged with governance for the consolidated financial statements

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

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

Those charged with governance, including supervisors, are responsible for overseeing the Group's financial reporting process.

Auditors' responsibilities for the audit of the consolidated financial statements

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

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

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

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

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

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

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

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

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies

in internal control that we identify during our audit.

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

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

Chou, Hsiao-Tzu　　Liang, Yi-Chang

For and on behalf of PricewaterhouseCoopers, Taiwan

March 11, 2024

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

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

CHENG UEI PRECISION INDUSTRY CO., LTD. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 2023 AND 2022
(Expressed in thousands of New Taiwan dollars)

	ASSETS	Notes	December 31, 2023 AMOUNT	%	December 31, 2022 AMOUNT	%
	CURRENT ASSETS					
1100	Cash and cash equivalents	6(1)	$ 14,844,796	14	$ 11,431,070	12
1110	Financial assets at fair value through profit or loss - current	6(2) and 12(3)	5,167	-	-	-
1136	Current financial assets at amortised cost	6(4) and 8	2,918,178	3	2,916,275	3
1140	Current contract assets	6(24)	8,675,960	8	2,716,125	3
1150	Notes receivable, net	6(5)	53,933	-	59,703	-
1170	Accounts receivable, net	6(5)	17,708,938	17	18,005,663	18
1180	Accounts receivable, net - related parties	7	433,879	-	414,187	-
1200	Other receivables	6(6)	446,840	-	528,811	1
1210	Other receivables - related parties	7	62,819	-	66,548	-
1220	Current income tax assets	6(32)	53,087	-	44,444	-
130X	Inventories	6(7)	14,297,590	14	17,811,199	18
1410	Prepayments	6(8)	7,164,367	7	6,067,597	6
1470	Other current assets	8	1,051,603	1	1,031,796	1
11XX	**TOTAL CURRENT ASSETS**		67,717,157	64	61,093,418	62
1517	Financial assets at fair value through other comprehensive income - non-current	6(3) and 12(3)	1,345,307	1	1,521,378	2
1535	Non-current financial assets at amortised cost	6(4) and 8	701,061	1	450,052	1
1550	Investments accounted for under the equity method	6(9)	5,509,683	5	6,160,832	6
1600	Property, plant and equipment, net	6(10) and 8	22,705,808	21	20,923,246	21
1755	Right-of-use assets	6(11), 7 and 8	3,265,176	3	2,302,273	2
1760	Investment property, net	6(12)	541,840	-	560,159	1
1780	Intangible assets	6(13)(35)	1,724,432	2	1,749,316	2
1840	Deferred income tax assets	6(32)	681,861	1	448,780	-
1915	Prepayments for business facilities	6(10)	791,122	1	2,328,066	2
1990	Other non-current assets, others	8	778,111	1	760,491	1
15XX	**TOTAL NON-CURRENT ASSETS**		38,044,401	36	37,204,593	38
1XXX	**TOTAL ASSETS**		$ 105,761,558	100	$ 98,298,011	100

(Continued)

CHENG UEI PRECISION INDUSTRY CO., LTD. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 2023 AND 2022
(Expressed in thousands of New Taiwan dollars)

	LIABILITIES AND EQUITY	Notes	December 31, 2023 AMOUNT	%	December 31, 2022 AMOUNT	%
	CURRENT LIABILITIES					
2100	Short-term borrowings	6(14)	$ 9,890,697	9	$ 9,550,241	10
2110	Short-term notes and bills payable	6(15)	4,085,520	4	1,789,159	2
2130	Current contract liabilities	6(24)	614,822	1	1,087,867	1
2150	Notes payable		32,677	-	657	-
2170	Accounts payable		15,769,631	15	15,652,500	16
2180	Accounts payable - related parties	7	144,605	-	181,124	-
2200	Other payables	6(16) and 7	5,766,392	6	6,108,349	6
2230	Current income tax liabilities	6(32)	643,888	1	552,301	1
2280	Current lease liabilities	7	405,855	-	287,333	-
2320	Long-term liabilities, current portion	6(17)(18)	3,301,902	3	689,541	1
2365	Current refund liabilities		175,062	-	139,022	-
2399	Other current liabilities, others		425,164	-	319,896	-
21XX	**TOTAL CURRENT LIABILITIES**		41,256,215	39	36,357,990	37
	NON-CURRENT LIABILITIES					
2527	Non-current contract liabilities	6(24)	167,177	-	223,986	-
2530	Corporate bonds payable	6(17)	6,442,827	6	6,582,374	7
2540	Long-term borrowings	6(18)	17,772,711	17	15,406,923	16
2570	Deferred income tax liabilities	6(32)	1,204,001	1	1,243,084	1
2580	Non-current lease liabilities	7	1,752,440	2	690,236	1
2600	Other non-current liabilities	6(9)(19)	344,195	-	1,535,331	1
25XX	**TOTAL NON-CURRENT LIABILITIES**		27,683,351	26	25,681,934	26
2XXX	**TOTAL LIABILITIES**		68,939,566	65	62,039,924	63
	EQUITY ATTRIBUTABLE TO SHAREHOLDERS OF THE PARENT					
	Capital stock	6(20)				
3110	Common stock		5,123,269	5	5,123,269	5
	Capital reserve	6(21)				
3200	Capital surplus		10,764,901	11	10,382,683	10
	Retained earnings	6(22)				
3310	Legal reserve		3,445,937	3	3,292,026	3
3320	Special reserve		2,363,760	2	2,601,650	3
3350	Unappropriated earnings		5,788,610	5	5,658,790	6
	Other equity	6(23)				
3400	Other equity interest		(2,673,429)	(2)	(2,363,761)	(2)
	Treasury shares	6(20)				
3500	Treasury shares		(622,774)	(1)	(272,066)	-
31XX	**Equity attributable to owners of the parent**		24,190,274	23	24,422,591	25
36XX	**Non-controlling interests**	6(34)	12,631,718	12	11,835,496	12
3XXX	**TOTAL EQUITY**		36,821,992	35	36,258,087	37
	Significant contingent liabilities and unrecognised contract commitments	9				
	Significant disaster loss	10				
	Significant events after the balance	11				
3X2X	**TOTAL LIABILITIES AND EQUITY**		$ 105,761,558	100	$ 98,298,011	100

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

CHENG UEI PRECISION INDUSTRY CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
YEARS ENDED DECEMBER 31, 2023 AND 2022
(Expressed in thousands of New Taiwan dollars, except earnings per share amount)

			Years ended December 31,			
			2023		2022	
	Items	Notes	AMOUNT	%	AMOUNT	%
4000	Operating revenue	6(24) and 7	$ 90,550,764	100	$ 94,102,594	100
5000	Operating costs	6(7)(30)(31) and 7	(78,856,852)	(87)	(82,008,395)	(87)
5900	Gross profit		11,693,912	13	12,094,199	13
	Operating expenses	6(30)(31)				
6100	Sales and marketing expenses		(1,997,010)	(2)	(2,212,130)	(2)
6200	General and administrative expenses		(4,332,074)	(5)	(3,917,188)	(4)
6300	Research and development expenses		(2,521,545)	(3)	(2,419,396)	(3)
6450	Expected credit gain (loss)	12(2)	56,739	-	(13,792)	-
6000	Total operating expenses		(8,793,890)	(10)	(8,562,506)	(9)
6500	Net other income (expenses)	6(25)	118,111	-	-	-
6900	Operating income		3,018,133	3	3,531,693	4
	Non-operating income and expenses					
7100	Interest income	6(26)	275,628	-	131,821	-
7010	Other income	6(27) and 7	536,871	1	424,322	1
7020	Other gains and losses	6(28)	(313,702)	-	(523,402)	(1)
7050	Finance costs	6(29)	(619,232)	(1)	(423,257)	-
7060	Share of profit of associates and joint ventures accounted for under the equity method	6(9)	238,603	-	270,616	-
7000	Total non-operating income and expenses		118,168	-	(119,900)	-
7900	**Income before income tax**		3,136,301	3	3,411,793	4
7950	Income tax expense	6(32)	(1,034,479)	(1)	(1,317,094)	(2)
8200	**Net income**		$ 2,101,822	2	$ 2,094,699	2

(Continued)

CHENG UEI PRECISION INDUSTRY CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
YEARS ENDED DECEMBER 31, 2023 AND 2022
(Expressed in thousands of New Taiwan dollars, except earnings per share amount)

	Items	Notes	Years ended December 31, 2023 AMOUNT	2023 %	2022 AMOUNT	2022 %
	Other comprehensive (loss) income, net					
	Components of other comprehensive (loss) income that will not be reclassified to profit or loss					
8311	Gains (losses) on remeasurements of defined benefit plans	6(19)	$ 18,083	-	$ 29,416	-
8316	Unrealized gain on equity instrument at fair value through other comprehensive income	6(3)	(148,776)	-	(42,267)	-
8320	Share of other comprehensive income of associates and joint ventures accounted for under the equity method, components of other comprehensive income that will not be reclassified to profit or loss		28,371	-	(66,638)	-
8349	Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	6(32)	(3,617)	-	(5,883)	-
8310	Total components of other comprehensive loss that will not be reclassified to profit or loss		(105,939)	-	(85,372)	-
	Components of other comprehensive income that will be reclassified to profit or loss					
8361	Exchange differences arising on translation of foreign operations		(816,097)	(1)	584,020	1
8370	Share of other comprehensive income of associates and joint ventures accounted for using equity method, components of other comprehensive income that will be reclassified to profit or loss		14,313	-	(54,188)	-
8399	Income tax related to components of other comprehensive income that will be reclassified to profit or loss	6(32)	147,279	-	(108,773)	-
8360	Total components of other comprehensive (loss) income that will be reclassified to profit or loss		(654,505)	(1)	421,059	1
8300	**Other comprehensive (loss) income, net**		($ 760,444)	(1)	$ 335,687	1
8500	**Total comprehensive income for the period**		$ 1,341,378	1	$ 2,430,386	3
	Net income attributable to:					
8610	Shareholders of the parent		$ 1,457,132	1	$ 1,522,518	2
8620	Non-controlling interests		644,690	1	572,181	-
	Total		$ 2,101,822	2	$ 2,094,699	2
	Total comprehensive income attributable to:					
8710	Shareholders of the parent		$ 863,292	-	$ 1,776,996	2
8720	Non-controlling interests		478,086	1	653,390	1
	Total		$ 1,341,378	1	$ 2,430,386	3
	Basic earnings per share (in dollars)					
9750	Basic earnings per share	6(33)	$	3.09	$	3.14
	Diluted earnings per share (in dollars)					
9850	Diluted earnings per share	6(33)	$	3.06	$	3.10

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

CHENG UEI PRECISION INDUSTRY CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
YEARS ENDED DECEMBER 31, 2023 AND 2022
(Expressed in thousands of New Taiwan dollars)

		Equity attributable to owners of the parent										
				Retained earnings			Other equity interest					
	Notes	Common stock	Capital reserve	Legal reserve	Special reserve	Unappropriated earnings	Exchange differences on translation of foreign financial statements	Unrealised gains (losses) from financial assets measured at fair value through other comprehensive income	Treasury shares	Total equity attributable to shareholders of the parent	Non-controlling interest	Total equity
Year ended December 31, 2022												
Balance at January 1, 2022		$ 5,123,269	$ 10,252,875	$ 3,197,654	$ 2,036,346	$ 5,547,850	($ 2,129,042)	($ 472,609)	($ 272,066)	$ 23,284,277	$ 9,216,611	$ 32,500,888
Net income for the year		-	-	-	-	1,522,518	-	-	-	1,522,518	572,181	2,094,699
Other comprehensive income (loss)	6(23)	-	-	-	-	16,588	309,872	(71,982)	-	254,478	81,209	335,687
Total comprehensive income (loss)		-	-	-	-	1,539,106	309,872	(71,982)	-	1,776,996	653,390	2,430,386
Appropriation of 2021 earnings	6(22)											
Legal reserve		-	-	94,372	-	(94,372)	-	-	-	-	-	-
Special reserve		-	-	-	565,304	(565,304)	-	-	-	-	-	-
Cash dividends		-	-	-	-	(768,490)	-	-	-	(768,490)	-	(768,490)
Difference between proceeds from acquisition or disposal of subsidiary and book value	6(21)(34)	-	110,494	-	-	-	-	-	-	110,494	(109,646)	848
Changes in net equity of associates and joint ventures accounted for using equity method		-	3,494	-	-	-	-	-	-	3,494	1,081	4,575
Changes in ownership interests in subsidiaries	6(21)	-	65	-	-	-	-	-	-	65	1,924	1,989
Cash dividends distributed to subsidiaries	6(21)	-	15,755	-	-	-	-	-	-	15,755	-	15,755
Changes in non-controlling interest		-	-	-	-	-	-	-	-	-	2,072,136	2,072,136
Balance at December 31, 2022		$ 5,123,269	$ 10,382,683	$ 3,292,026	$ 2,601,650	$ 5,658,790	($ 1,819,170)	($ 544,591)	($ 272,066)	$ 24,422,591	$ 11,835,496	$ 36,258,087
Year ended December 31, 2023												
Balance at January 1, 2023		$ 5,123,269	$ 10,382,683	$ 3,292,026	$ 2,601,650	$ 5,658,790	($ 1,819,170)	($ 544,591)	($ 272,066)	$ 24,422,591	$ 11,835,496	$ 36,258,087
Net income for the year		-	-	-	-	1,457,132	-	-	-	1,457,132	644,690	2,101,822
Other comprehensive income (loss)	6(23)	-	-	-	-	14,223	(574,754)	(33,309)	-	(593,840)	(166,604)	(760,444)
Total comprehensive income (loss)		-	-	-	-	1,471,355	(574,754)	(33,309)	-	863,292	478,086	1,341,378
Appropriation of 2022 earnings	6(22)											
Legal reserve		-	-	153,911	-	(153,911)	-	-	-	-	-	-
Special reserve		-	-	-	(237,890)	237,890	-	-	-	-	-	-
Cash dividends		-	-	-	-	(1,127,119)	-	-	-	(1,127,119)	-	(1,127,119)
Difference between proceeds from acquisition or disposal of subsidiary and book value	6(21)(34)	-	9,757	-	-	-	-	-	-	9,757	51,081	60,838
Changes in ownership interests in subsidiaries	6(21)(34)	-	83,492	-	-	-	-	-	-	83,492	316,912	400,404
Changes in net equity of associates and joint ventures accounted for using equity method	6(21)(23)	-	255,753	-	-	(72,634)	-	72,634	-	255,753	-	255,753
Disposal of investments in equity instruments designated at fair value through other comprehensive income	6(3)(23)	-	-	-	-	(225,761)	-	225,761	-	-	-	-
Cash dividends distributed to subsidiaries	6(21)	-	33,216	-	-	-	-	-	-	33,216	-	33,216
Acquisition of the parent company's share by subsidiaries recognized as treasury share	6(20)	-	-	-	-	-	-	-	(350,708)	(350,708)	(567,560)	(918,268)
Changes in non-controlling interest		-	-	-	-	-	-	-	-	-	517,703	517,703
Balance at December 31, 2023		$ 5,123,269	$ 10,764,901	$ 3,445,937	$ 2,363,760	$ 5,788,610	($ 2,393,924)	($ 279,505)	($ 622,774)	$ 24,190,274	$ 12,631,718	$ 36,821,992

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

CHENG UEI PRECISION INDUSTRY CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2023 AND 2022
(Expressed in thousands of New Taiwan dollars)

	Notes	Years ended December 31, 2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax		$ 3,136,301	$ 3,411,793
Adjustments			
Adjustments to reconcile profit (loss)			
Gain on financial assets or liabilities at fair value through profit or loss	6(2)(28)	(110)	-
Depreciation (including investment property)	6(10)(11)(12)(28)(30)	3,773,850	3,437,109
Amortisation	6(13)(30)	140,150	78,470
Disaster losses	6(28)	552,414	-
Gain recognised in bargain purchase transaction	6(27)	(707)	-
(Gain on reversal of) expected credit loss	12(2)	(56,739)	13,792
Interest expense	6(29)	619,232	423,257
Interest income	6(26)	(275,628)	(131,821)
Loss on disposal of property, plant and equipment	6(28)	239,068	58,049
Share of profit of associates accounted for using the equity method	6(9)	(238,603)	(270,616)
Gain (loss) on disposal of investments	6(25)(28)	165,119	(23,290)
Changes in operating assets and liabilities			
Changes in operating assets			
Contract assets		(5,786,802)	500,328
Notes receivable		5,770	(12,829)
Accounts receivable		404,800	(1,667,994)
Accounts receivable from related parties		(19,692)	(101,282)
Other receivables		430,026	(216,251)
Other receivables from related parties		3,729	(5,334)
Inventories		3,199,613	(2,365,637)
Prepayments		(1,038,422)	(2,655,399)
Other current assets		(17,864)	54,715
Other non-current assets		(33,580)	114,500
Changes in operating liabilities			
Contract liabilities		(649,920)	484,100
Notes payable		32,021	506
Accounts payable		117,131	(1,238,514)
Accounts payables to related parties		(387,120)	9,019
Other payables		(233,006)	1,425,580
Refund liabilities		36,040	(87,251)
Other current liabilities		105,267	(281,330)
Other non-current liabilities		(168,593)	24,175
Cash inflow (outflow) generated from operations		4,053,745	977,845
Interest received		275,628	131,821
Dividends received		104,562	78,162
Interest paid		(581,305)	(408,746)
Income tax paid		(1,327,283)	(1,044,423)
Net cash flows from (used in) operating activities		2,525,347	(265,341)

(Continued)

CHENG UEI PRECISION INDUSTRY CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2023 AND 2022
(Expressed in thousands of New Taiwan dollars)

	Notes	Years ended December 31, 2023	2022
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from disposal of financial assets at fair value through other comprehensive income		$ 180,000	$ -
Acquisition of financial assets at fair value through other comprehensive income	12(3)	-	(431,984)
Proceeds from capital reduction of financial assets at fair value through other comprehensive income	12(3)	14,755	-
Proceeds from disposal of subsidiaries (net of cash disposed)	6(36)	227,394	122,762
Net cash flow from acquisition of subsidiaries	6(34)	(381,756)	(199,214)
Acquisition of financial assets at amortised cost		(243,242)	(962,906)
Acquisition of investments accounted for using equity method		(12,417)	(120,000)
Acquisitions of property, plant and equipment	6(36)	(3,369,017)	(2,535,625)
Proceeds from disposal of property, plant and equipment		310,481	22,192
Acquisitions of intangible assets	6(13)	(45,941)	(73,760)
Proceeds from disposal of intangible assets	6(12)	578	-
Decrease (increase) in guarantee deposits paid		22,497	(1,311,150)
Increase in prepayments for investments	6(9)	-	(1,188,948)
Increase in prepayments for business facilities		(365,819)	(1,553,242)
Net cash flows used in investing activities		(3,662,487)	(8,231,875)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from short-term borrowings	6(37)	41,423,161	54,188,177
Repayments of short-term borrowings	6(37)	(41,100,964)	(48,862,784)
Increase in short-term notes and bills payable	6(37)	2,467,438	192,637
Proceeds from issuing bonds by subsidiaries		3,153,604	-
Proceeds from long-term borrowings	6(37)	20,391,792	19,607,525
Repayment of long-term borrowings	6(37)	(18,440,453)	(14,990,178)
Repayments of lease liabilities	6(37)	(548,096)	(323,786)
Cash dividends paid	6(22)	(1,127,119)	(768,490)
Repurchase of treasury shares	6(20)	(918,268)	-
Changes in non-controlling interest	6(34)	(349,246)	2,043,655
Net cash flows from financing activities		4,951,849	11,086,756
Effect of change in exchange rates		(400,983)	133,927
Net increase in cash and cash equivalents		3,413,726	2,723,467
Cash and cash equivalents at beginning of year		11,431,070	8,707,603
Cash and cash equivalents at end of year		$ 14,844,796	$ 11,431,070

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

CHENG UEI PRECISION INDUSTRY CO., LTD. AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

1. HISTORY AND ORGANIZATION

Cheng Uei Precision Industry Co., Ltd. (the "Company") was incorporated as a company limited by shares under the provisions of the Company Law of the Republic of China (R.O.C.) on July 14, 1986 and has begun operations on July 31, 1986. The Company and its subsidiaries (collectively referred herein as the "Group") are engaged in the manufacture of cable assemblies, connectors, battery packs, and power modules. Effective September 1999, the shares of the Company were listed on the Taiwan Stock Exchange.

2. THE DATE OF AUTHORISATION FOR ISSUANCE OF THE CONSOLIDATED FINANCIAL STATEMENTS AND PROCEDURES FOR AUTHORISATION

These consolidated financial statements were authorized for issuance the Board of Directors on March 11, 2024

3. APPLICATION OF NEW STANDARDS, AMENDMENTS AND INTERPRETATIONS

(1) Effect of the adoption of new issuances of or amendments to International Financial Reporting Standards ("IFRS") Accounting Standards that came into effect as endorsed by the Financial Supervisory Commission ("FSC")

New standards, interpretations and amendments endorsed by FSC effective and became effective from 2023 are as follows:

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

Except for the amendment described below whose related information is provided in Note 6(32), the above standards and interpretations have no significant impact to the Group's financial condition and financial performance based on the Group's assessment.

Amendments to IAS 12, 'International tax reform - pillar two model rules'

The amendments give companies temporary relief from accounting for deferred income taxes arising from tax law enacted or substantively enacted to implement the Pillar Two model rules published by the Organisation for Economic Co-operation and Development (OECD). An entity shall neither recognise nor disclose information about deferred tax assets and liabilities related to Pillar Two income taxes.

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

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

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

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

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

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

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

The Group continues to evaluate the impact of the above standards and interpretations on its financial condition and financial performance. The quantitative impact will be disclosed when the assessment is complete.

4. SUMMARY OF MATERIAL ACCOUNTING POLICIES

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

(1) Compliance statement

The consolidated financial statements of the Group have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations that came into effect as endorsed by the FSC (collectively

referred herein as the "IFRSs").

(2) Basis of preparation

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

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

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

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

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

(3) Basis of consolidation

A. Basis for preparation of consolidated financial statements:

(a) All subsidiaries are included in the Group's consolidated financial statements. Subsidiaries are all entities (including structured entities) controlled by the Group. The Group controls an entity when the Group is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Consolidation of subsidiaries begins from the date the Group obtains control of the subsidiaries and ceases when the Group loses control of the subsidiaries.

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

(c) Profit or loss and each component of other comprehensive income are attributed to the owners of the parent and to the non-controlling interests. Total comprehensive income is attributed to the owners of the parent and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

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

(e) When the Group loses control of a subsidiary, the Group remeasures any investment retained in the former subsidiary at its fair value. That fair value is regarded as the fair value on initial

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

B. Subsidiaries included in the consolidated financial statements:

			Ownership(%)		
Name of investor	Name of subsidiary	Main business activities	December 31, 2023	December 31, 2022	Description
The Company	CU International Ltd. (CU)	Manufacture of electronic parts and components and reinvestment business	100	100	
The Company	Culink International Ltd. (CULINK)	Reinvestment business	100	100	
The Company	Foxlink International Investment Ltd. (FII)	General investments holding	100	100	
The Company	Fu Uei International Investment Ltd. (FUII)	General investments holding	100	100	
The Company	Darts Technologies Corporation (Darts)	Manufacture and sales of wired and wireless communication devices	97	97	
The Company	DU Precision Industry Co., Ltd. (DU Precision)	Manufacture and sales of electronic parts and components	100	100	
The Company	Foxlink Technology Ltd. (FOXLINK TECH)	Reinvestment business	100	100	
The Company	Suntain Co., Ltd. (Suntain)	Electroplating processing services	100	100	
The Company	SINOBEST BROTHERS LIMITED (SINOBEST)	Reinvestment business	91.19	91.19	
The Company	FOXLINK ARIZONA INC. (FOXLINKARIZONA)	Energy service management	100	100	Note 2
CU	Fugang Electronic (Dongguan) Co., Ltd. (FGEDG)	Manufacture and sales of electronic parts and components	100	100	
CU	New Start Industries Ltd. (NEW START)	Reinvestment business	100	100	
CU	Fugang Electric (Kunshan) Co., Ltd. (FGEKS)	Manufacture and sales of electronic parts and components	100	100	
CU	Dong Guan Fu Shi Chang Co., Ltd. (FSC)	Manufacture and sales of electronic parts and components	100	100	
CU	Culink Tianjin Co., Ltd. (CTJ)	Manufacture and sales of electronic parts and components	25	25	
CU	Dongguan Fuqiang Electronics Co., Ltd. (DGFQ)	Manufacture and sales of electronic parts and components	83.17	83.17	
CU	Foxlink Energy (Tianjin) Ltd. (FETJ)	Manufacture and sales of electronic parts and components	100	100	

Name of investor	Name of subsidiary	Main business activities	Ownership(%) December 31, 2023	Ownership(%) December 31, 2022	Description
CU	Foxlink Automotive Technology (Kunshan) Co., Ltd. (KAFE)	Manufacture and sales of electronic parts and components	49.98	49.98	
CU	Solteras Limited (SOLTERAS)	General investments holding	100	100	
CU	Fushineng Electronics (Kunshan) Co., Ltd. (Fushineng Kunshan)	Manufacture and sales of electronic parts and components	100	100	
CU	Fu Shi Xiang Research & Development Center (Kunshan) Co., Ltd. (Fu Shi Xiang Kunshan)	Manufacture and sales of electronic parts and components	100	100	
CU	Fu Gang Electronic (Nan Chang) Co., Ltd. (FENC)	Manufacture and sales of electronic parts and components	72	72	
CU	Fugang Electric (YANCHENG) Co., Ltd. (FG YANCHENG)	Manufacture and sales of electronic parts and components	80	80	
CU	Fuqiang Electric (YANCHENG) Co., Ltd. (FQ YANCHENG)	Manufacture and sales of electronic parts and components	100	100	
CU	Fugang Electric (MAANSHAN) Co., Ltd. (FG MAANSHAN)	Manufacture and sales of electronic parts and components	32.86	32.86	
CU	Kunshan Fugang Investment Co., Ltd. (Kunshan Fugang Investment)	General investments holding	100	100	
CU	FOXLINK TECHNICAL INDIA PRIVATE LIMITED (FOXLINK INDIA)	Manufacture and sales of electronic parts and components	34.45	34.30	Note 6
CU	Fugang Electric (XuZhou) Co., Ltd. (FG XuZhou)	Manufacture and sales of electronic parts and components	27.94	21.62	Note 7
NEW START	Foxlink Tianjin Co., Ltd. (FTJ)	Manufacture and sales of electronic parts and components	100	100	
NEW START	Culink Tianjin Co., Ltd. (CTJ)	Manufacture and sales of electronic parts and components	75	75	
NEW START	Changzhou Xinwei Vehicle Energy Venture Capital Co., Ltd. (Xinwei)	General investments holding	50	50	
NEW START	Fugang Electric (XuZhou) Co., Ltd. (FG XuZhou)	Manufacture and sales of electronic parts and components	24.85	27.03	Note 7
FTJ	Fuzhan Electronics (Shanghai) Co., Ltd. (FESH)	Manufacture and sales of electronic parts and components	-	46.93	Note 3
FTJ	Foxlink Automotive Technology (Kunshan) Co., Ltd. (KAFE)	Manufacture and sales of electronic parts and components	50.02	50.02	
FTJ	Fu Gang Electronic (Nan Chang) Co., Ltd. (FENC)	Manufacture and sales of electronic parts and components	28	28	
FTJ	Fugang Electric (MAANSHAN) Co., Ltd. (FG MAANSHAN)	Manufacture and sales of electronic parts and components	50.71	50.71	
KAFE	Suzhou Keyu Rui Automobile Technology Co., Ltd. (Keyu Rui)	Trading and manufacturing	55.56	55.56	
KAFE	Foxlink Automotive Technology Co., Ltd. (FAT)	Manufacture and sales of electronic parts and components	100	100	

Name of investor	Name of subsidiary	Main business activities	Ownership(%) December 31, 2023	Ownership(%) December 31, 2022	Description
CULINK	Pacific Wealth Limited (PACIFIC WEALTH)	Holding company and reinvestment business	100	100	
CULINK	FOXLINK TECHNICAL INDIA PRIVATE LIMITED (FOXLINK INDIA)	Manufacture and sales of electronic parts and components	65.55	65.70	Note 6
CULINK	FOXLINK POWERBANK INTERNATIONAL TECHNOLOGY PRIVATE LIMITED (FOXLINK POWERBANK)	Manufacture and sales of electronic parts and components	0.73	0.73	
CULINK	GLORYTEK SCIENCE INDIA PRIVATE LIMITED (GLORY SCIENCE INDIA)	Manufacture and sales of the components of communication and consumer electronics	0.73	0.73	
CULINK	FUGANG ELECTRIC (XUZHOU) CO., LTD. (FG XUZHOU)	Manufacture and sales of electronic parts and components	47.21	51.35	Note 7
PACIFIC WEALTH	Foxlink International Inc. (FOXLINK)	Trading business	100	100	
Kunshan Fugang Investment	Dongguan Fuqiang Electronics Co., Ltd. (DGFQ)	Manufacture and sales of electronic parts and components	16.83	16.83	
Kunshan Fugang Investment	Fuqiang Electric (MAANSHAN) Co., Ltd. (FQ MAANSHAN)	Manufacture and sales of electronic parts and components	100	100	
Kunshan Fugang Investment	Fugang Electric (MAANSHAN) Co., Ltd. (FG MAANSHAN)	Manufacture and sales of electronic parts and components	16.43	16.43	
FII	World Circuit Technology Co., Ltd. (WCT)	Manufacture and sales of electronic parts and componerits and flexible printed circuit	69.56	69.56	
FII	FIT Holding Co., Ltd. (FIT Holding)	General investments holding	23.67	23.67	
FII	FOXLINK INDIA ELECTRIC PRIVATE LIMITED (FIE)	Manufacture and sales of electronic parts and components	13.53	13.53	Note 8
FII	FOXLINK VIETNAM CO., LTD. (FV)	Manufacture and sales of electronic parts and components	100	100	
FII	FOXLINK DA NANG ELECTORNICS CO., LTD. (DA NANG)	Manufacture and sales of electronic parts and components	100	-	Note 1
WCT	Value Success Limited (VALUE SUCCESS)	Holding company and reinvestment business	100	100	
VALUE SUCCESS	Capital Guardian Limited (CAPITAL)	Holding company and reinvestment business	100	100	
CAPITAL	World Circuit Technology (Hong Kong) Limited (WCTHK)	Holding company and reinvestment business	100	100	
WCTHK	Fuzhan Electronics (Shanghai) Co., Ltd. (FESH)	Manufacture and sales of electronic parts and components	-	53.07	Note 3
Darts	Benefit Right Ltd. (BENEFIT)	Reinvestment business	100	100	

Name of investor	Name of subsidiary	Main business activities	Ownership(%) December 31, 2023	Ownership(%) December 31, 2022	Description
BENEFIT	Power Channel Limited (POWER)	Reinvestment business	64.25	64.25	
DU Precision	CE Link International Ltd. (CELINK)	Manufacture and sales of electronic parts and components	100	100	
FOXLINK TECH	Sinobest Brothers Limited (SINOBEST)	Manufacture and sales of electronic parts and components	8.81	8.81	
SINOBEST	Foxlink Myanmar Company Limited (FOXLINK MYANMAR)	Manufacture and sales of electronic parts and components	100	100	Note 5
FUII	Studio A Inc. (Studio A)	Sales of electronic parts and components	51	51	
FUII	VA Product Inc. (VA)	Sales of electronic parts and components	100	100	
FUII	Zhi De Investment Co., Ltd. (Zhi De Investment)	General investments holding	100	100	
FUII	Shinfox Energy Co., Ltd. (Shinfox)	Mechanical installation and piping engineering	8.64	8.64	Note 9
FUII	FIT Holding Co., Ltd. (FIT Holding)	General investments holding	5.97	5.97	
FUII	FOXLINK INDIA ELECTRIC PRIVATE LIMITED (FIE)	Manufacture and sales of electronic parts and components	86.47	86.47	Note 8
Zhi De Investment	FIT Holding Co., Ltd. (FIT Holding)	General investments holding	8.55	8.55	
Studio A	Straight A Inc. (Straight A)	Sales of electronic parts and components	100	100	
Studio A	Studio A Technology Limited (Studio A Hong Kong)	Sales of electronic parts and components	51	51	
Studio A	Jing Jing Technology Co., Ltd. (Jing Jing)	Sales of electronic parts and components	100	100	
Studio A	Junezhe Co., Ltd. (Junezhe)	Dredging industry	-	-	Note 10
Studio A Hong Kong	Studio A Macau Limited (Studio A Macau)	Sales of electronic parts and components	-	-	Note 4
Studio A Hong Kong	ASHOP CO., LTD. (ASHOP)	Sales of electronic parts and components	100	100	
FGEKS	Kunshan Fugang Electric Trading Co., Ltd. (KFET)	Sales of electronic parts and components	51	51	
KFET	Shanghai Fugang Electric Trading Co., Ltd. (SFET)	Sales of electronic parts and components	100	100	
KFET	Kunshan Fu Shi You Trading Co., Ltd. (KFSY)	Sales of electronic parts and components	100	100	
KFET	Shanghai Standard Information Technology Co., Ltd. (Shanghai Standard)	Sales of electronic parts and components	100	100	
FIT Holding	Power Quotient International Co., Ltd. (PQI)	Manufacture and sales of electronic parts and components	100	100	

Name of investor	Name of subsidiary	Main business activities	Ownership(%) December 31, 2023	Ownership(%) December 31, 2022	Description
FIT Holding	Foxlink Image Technology Co., Ltd. (Foxlink Image)	Manufacture and sales of image scanners and multifunction printers	100	100	
FIT Holding	Glory Science Co., Ltd. (Glory Science)	Manufacture and sales of optical lens components and other products	100	100	
FIT Holding	Shih Fong Power Co., Ltd. (Shih Fong)	Energy service management	16.30	16.30	
PQI	Power Quotient International (H.K.) Co., Ltd. (PQI H.K.)	Sales of electronic parts and components	100	100	
PQI	PQI Japan Co., Ltd. (PQI JAPAN)	Sales of electronic parts and components	100	100	
PQI	Syscom Development Co., Ltd. (SYSCOM)	Specialized investments holding	100	100	
PQI	Apix Limited (APIX)	Specialized investments holding	100	100	
PQI	PQI Mobility Inc. (PQI MOBILITY)	Specialized investments holding	-	-	Note 11
PQI	Power Sufficient International Co., Ltd. (PSI)	Sales of medical instruments	100	100	
PQI	Shinfox Energy Co. Ltd. (Shinfox)	Energy service management	47.63	47.63	Note 9
SYSCOM	FOXLINK POWERBANK INTERNATIONAL TECHNOLOGY PRIVATE LIMITED (FOXLINK POWERBANK)	Manufacture and sales of electronic parts and components	99.27	99.27	
PQI MOBILITY	Power Quotient Technology (YANCHENG) Co., Ltd. (PQI YANCHENG)	Manufacture and sales of electronic parts and components	-	-	Note 11
APIX	Sinocity Industries Limited (Sinocity)	Sales of 3C products	100	100	Note 5
APIX	Perennial Ace Limited (Perennial)	Specialized investments holding	100	100	
Sinocity Industries	DG LIFESTYLE STORE LIMITED (DG)	Sales of 3C products	100	100	Note 5
Perennial	Studio A Technology Limited (Studio A Hong Kong)	Sales of 3C products	24.50	24.50	
Shinfox	Foxwell Energy Corporation Ltd. (Foxwell Energy)	Energy service management	100	100	
Shinfox	Shinfox Natural Gas Co., Ltd. (Shinfox Natural Gas)	Energy service management	80	80	
Shinfox	Kunshan Jiuwei Info Tech Co., Ltd. (Kunshan Jiuwei)	Supply chain finance energy service management	100	100	
Shinfox	Foxwell Power Co., Ltd. (Foxwell Power)	Energy service management	77.57	80.23	Note 12
Shinfox	Junezhe Co., Ltd. (Junezhe)	Dredging industry	-	-	Note 10

Name of investor	Name of subsidiary	Main business activities	Ownership(%) December 31, 2023	Ownership(%) December 31, 2022	Description
Shinfox	Jiuwei Power Co., Ltd. (Jiuwei Power)	Business of natural gas power generation	100	100	
Shinfox	Elegant Energy TECH Co., Ltd. (Elegant Energy)	Energy service management	100	100	Note 2
Shinfox	Yuanshan Forest Natural Resources Co., Ltd. (Yuanshan Forest)	Afforestation	100	100	Note 2
Shinfox	Diwei Power Co., Ltd (Diwei Power)	Electric Power Generation	-	100	Note 2, 13
Shinfox	Guanwei Power Co., Ltd (Guanwei Power)	Electric Power Generation	51	100	Note 2, 14
Shinfox	Jun Wei Technology Co.,Ltd (Jun Wei)	Electric Power Generation	100	-	Note 1
Shinfox	SHINFOX FAR EAST COMPANY PTE. LTD. (SFE)	Marine engineering	67	-	Note 15
Shinfox	Eastern Rainbow Green Energy Environmental Technology Co., Ltd. (Eastern Rainbow Green Energy)	Energy service management	56.63	-	Note 1
Foxwell Energy	Liangwei Power Co., Ltd (Liangwei Power)	Electric Power Generation	-	100	Note 2,13
Foxwell Energy	Xinwei Power Co., Ltd (Xinwei Power)	Electric Power Generation	100	-	Note 1
Foxwell Power	Foxwell Certification Co., Ltd. (Foxwell Certification)	Energy technical services	100	-	Note 1
Eastern Rainbow Green Energy	Eastern Rainbow Environmental Resource Co., Ltd. (Eastern Rainbow Environmental)	Energy technical services	100	-	Note 1
Eastern Rainbow Green Energy	KunShan Eastern Rainbow Environmental Equipment CO., Ltd. (KunShan Eastern Rainbow)	Energy technical services	100	-	Note 1
PQI H.K.	Power Quotient Technology (YANCHENG) Co., Ltd. (PQI YANCHENG)	Manufacture and sales of electronic parts and components	100	100	Note 11
PQI YANCHENG	PQI (Xuzhou) New Energy Co., Ltd.	Manufacture and sales of electronic parts and components	100	100	
Foxlink Image	ACCU-IMAGE TECHNOLOGY LIMITED (AITL)	Manufacture and sales of image scanners and multifunction printers	100	100	
Foxlink Image	Shih Fong Power Co., Ltd. (Shih Fong)	Energy service management	34.70	34.70	
AITL	POWER CHANNEL LIMITED (POWER)	Holding company and reinvestment business	35.75	35.75	
AITL	Dongguan Fu Wei Electronics Co., Ltd. (Dongguan Fu Wei)	Manufacture and sales of image scanners and multifunction printers	100	100	
AITL	Dong Guan Fu Zhang Precision Industry Co., Ltd. (DGFZ)	Mould development and moulding tool manufacture	100	100	
AITL	Wei Hai Fu Kang Electric Co., Ltd. (WHFK)	Manufacture and sales of parts and moulds of photocopiers and scanners	100	100	

Name of investor	Name of subsidiary	Main business activities	Ownership(%) December 31, 2023	Ownership(%) December 31, 2022	Description
AITL	Dong Guan HanYang Computer Co., Ltd. (DGHY)	Manufacture of image scanners and multifunction printers and investment of real estate	100	100	
Glory Science	GLORY TEK (BVI) CO., LTD. (GLORY TEK)	General investments holding	100	100	
GLORY TEK	GLORY OPTICS (BVI) CO., LTD. (GLORY OPTICS)	Trading business	100	100	
GLORY TEK	GLORY TEK (SAMOA) CO., LTD. (GLORY TEK (SAMOA))	General investments holding	100	100	
GLORY TEK	GLORYTEK SCIENCE INDIA PRIVATE LIMITED (GLORYTEK SCIENCE INDIA)	Manufacture and sales of the components of communication and consumer electronics	99.27	99.27	
GLORY TEK (SAMOA)	Glorytek (Suzhou) Co., Ltd. (Glorytek Suzhou)	Production and processing and sale of optical lens components and other products	100	100	
GLORY TEK (SAMOA)	Glory Optics (Yancheng) Co., Ltd. (GOYC)	Production and processing and sale of optical lens components and other products	46.82	34.88	Note 16
GLORY OPTICS	Glorytek (Yancheng) Co., Ltd. (Glorytek Yancheng)	Production and processing and sale of optical lens components and other products	100	100	
Glorytek Yancheng	Yancheng Yaowei Technology Co., Ltd. (YYWT)	Production and processing and sale of optical lens components and other products	100	100	
GLORY Suzhou	Glory Optics (Yancheng) Co., Ltd. (GOYC)	Production and processing and sale of optical lens components and other products	53.18	65.12	Note 16

Note 1: Investment or incorporation began in 2023.

Note 2: Investment or incorporation began in 2022.

Note 3: Dissolved or liquidated in 2023.

Note 4: Dissolved or liquidated in 2022.

Note 5: With balance sheet date of March 31. For the preparation of consolidated financial statements, the Company had required FOXLINK MYANMAR, and PQI had required Sinocity and DG as consolidated entities to prepare financial statements with balance sheet date on December 31 to conform to the balance sheet date of the consolidated financial statements.

Note 6: CU and CULINK has participated in Foxlink India's capital increase in March 2023. After the capital increment, Foxlink India became a wholly-owned subsidiary of CU and CULINK with 34.45% and 65.55% ownership, respectively.

Note 7: CU, NEW START and CULINK increased their capital in FG XUZHOU in 2023. After the capital increase, CU, NEW START and CULINK respectively held 27.94%, 24.85% and 47.21% equity interests, totalling 100% equity interests, in FG XUZHOU.

Note 8: FII and FUII subsequently invested in FIE in 2022. After the capital increment, FII and

FUII hold 13.53% and 86.47% ownership in FIE, respectively, at a total shareholding ratio of 100% in FIE.

Note 9: Shinfox increased its capital on May 10, 2022. FUII and PQI did not acquire shares proportionally to its interest. As a result, FUII and PQI decreased their share interest from 9.10% to 8.64% and 50.18% to 47.63%, respectively.

Note 10: The Group had disposed all of the ownersh ip in Junezhe in December 2022. Please refer to Note 6(36) for details.

Note 11: PQI Mobility Inc. completed the registration of cancellation in October 2022. Therefore, 100% ownership in Power Quotient Technology (YANCHENG) Co., Ltd. was changed to be held by Power Quotient International (H.K.) Co., Ltd.

Note 12: For the year ended December 31, 2023, the Group disposed 1,601 thousand shares of Foxwell Power. The shareholding ratio was 77.57% after the sales, refer to Note 6(34) for details.

Note 13: The Group sold its entire equity interest in Diwei Power and Liangwei Power in December 2023, refer to Note 6(36) for details.

Note 14: Guanwei Power increased its capital on July 5, 2023. Shinfox did not acquire shares proportionally to its interest. As a result, Shinfox decreased its share interest from 100% to 51%, refer to Note 6(36) for details.

Note 15: Shinfox prepaid a payment for investments on December 27, 2022, and acquire 40% equity interests in SFE in January 2023. Subsequently, the Company acquired an additional 27% equity interests in SFE on November 6, 2023, and the Company's shareholding ratio was 67% in total.

Note 16: GLORY TEK (SAMOA) and Glorytek Suzhou jointly held 100% equity interest of GOYC.

C. Subsidiaries not included in the consolidated financial statements:

			Ownership(%)		
Investor	Subsidiary	Main activity	December 31, 2023	December 31, 2022	Description
FII	Yixin Precision Industry Co., Ltd. (YX)	Manufacture of electronic telecommunication components and electronic machinery equipment	75	75	Note 1
Studio A	Tayih Digital Technology Co., Ltd. (TAYIH)	Manufacture and sales of electronic parts and components	60	60	Note 2

Note 1: The ratio of total assets to the Company's total assets was insignificant, and it was approved by the Ministry of Economic Affairs on October 5, 2004 to be dissolved and is currently undergoing liquidation procedures. Thus, this subsidiary was not included in the consolidated financial statements.

Note 2: The ratio of total assets to the Company's total assets was insignificant, and it was approved by the Ministry of Economic Affairs on July 7, 2010 to be dissolved and is

currently undergoing liquidation procedures. Thus, this subsidiary was not included in the consolidated financial statements.

D. Adjustments for subsidiaries with different balance sheet dates:

(a) Sinocity and DG are subsidiaries of PQI in Hong Kong and Macau, respectively, with balance sheet date of March 31. For the preparation of consolidated financial statements, PQI had required Sinocity and DG as consolidated entities to prepare financial statements with balance sheet date of December 31 to conform with the balance sheet date of the Group.

(b) FOXLINK MYANMAR is a subsidiary of SINOBEST in Myanmar with balance sheet date of March 31. For the preparation of consolidated financial statements, SINOBEST had required FOXLINK MYANMAR as consolidated entities to prepare financial statements with balance sheet date of December 31 to conform to the balance sheet date of the consolidated financial statements.

E. Significant restrictions: None.

F. Subsidiaries that have non-controlling interests that are material to the Group:

As of December 31, 2023 and 2022, the non-controlling interest amounted to $12,631,718 and $11,835,496, respectively. The information of non-controlling interest and respective subsidiaries is as follows:

		Non-controlling interest			
		December 31, 2023		December 31, 2022	
Name of subsidiary	Principal place of business	Amount	Ownership (%)	Amount	Ownership (%)
FIT Holding	Taiwan	$ 4,415,678	61.81%	$ 4,826,603	61.81%

Summarised financial information of the subsidiaries:

Balance sheets

	FIT Holding	
	December 31, 2023	December 31, 2022
Current assets	$ 29,137,952	$ 20,092,218
Non-current assets	15,150,442	12,296,784
Current liabilities	(17,784,604)	(12,407,153)
Non-current liabilities	(9,790,651)	(5,276,432)
Total net assets	$ 16,713,139	$ 14,705,417

Statements of comprehensive income

	FIT Holding	
	Years ended December 31,	
	2023	2022
Revenue	$ 17,423,002	$ 12,069,249
Profit before income tax	1,102,011	846,521
Income tax expense	(208,132)	(186,130)
Profit for the year from continuing operations	893,879	660,391
Profit from non-controlling interest	325,963	130,802
Profit for the year	567,916	529,589
Other comprehensive income (loss) (net of tax)	209,144	(58,491)
Total comprehensive income for the year	$ 1,103,023	$ 601,900
Comprehensive income attributable to non-controlling	$ 252,972	$ 130,915
Dividends paid to non-controlling interest	$ 304,385	$ 228,289

Statements of cash flows

	FIT Holding	
	Years ended December 31,	
	2023	2022
Net cash used in operating activities	($ 5,161,915)	($ 2,351,013)
Net cash used in investing activities	(1,751,140)	(5,578,178)
Net cash provided by financing activities	8,166,220	8,614,718
Effect of exchange rates on cash and cash equivalents	(32,731)	78,822
Increase in cash and cash equivalents	1,220,434	764,349
Cash and cash equivalents, beginning of year	5,732,695	4,968,346
Cash and cash equivalents, end of year	$ 6,953,129	$ 5,732,695

(4) Foreign currency translation

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

A. Foreign currency transactions and balances

a) Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are remeasured. Foreign exchange gains and losses resulting from the settlement of such transactions are recognised in profit or loss in the period in which they arise.

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

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

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

B. Translation of foreign operations

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

i. Assets and liabilities for each balance sheet presented are translated at the closing exchange rate at the date of that balance sheet;

ii. Income and expenses for each statement of comprehensive income are translated at average exchange rates of that period; and

iii. All resulting exchange differences are recognised in other comprehensive income.

b) When the foreign operation partially disposed of or sold is a subsidiary, cumulative exchange differences that were recorded in other comprehensive income are proportionately transferred to the non-controlling interest in this foreign operation. In addition, even when the Group still retains partial interest in the former foreign subsidiary after losing control of the former foreign subsidiary, such transactions should be accounted for as disposal of all interest in the foreign operation.

c) Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing exchange rates at the balance sheet date.

(5) Classification of current and non-current items

A. The construction contracts contracted by the Group are generally longer that one year. The assets and liabilities of the construction projects are classified as current or non-current according to the business cycle; the other criteria for classifying between current and non-current are as follows:

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

b) Assets held mainly for trading purposes;

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

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

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

a) Liabilities that are expected to be paid off within the normal operating cycle;

b) Liabilities arising mainly from trading activities;

c) Liabilities that are to be paid off within twelve months from the balance sheet date.

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

(6) Cash and cash equivalents

Cash equivalents refer to short-term highly liquid investments that are readily convertible to known amount of cash and subject to an insignificant risk of changes in value. Time deposits that meet the above criteria and are held for the purpose of meeting short-term cash commitment in operations are classified as cash equivalents.

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

A. Financial assets at fair value through profit or loss are financial assets that are not measured at amortised cost or fair value through other comprehensive income.

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

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

D. The Group recognises the dividend income when the right to receive payment is established, future economic benefits associated with the dividend will flow to the Group and the amount of the dividend can be measured reliably.

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

A. Financial assets at fair value through other comprehensive income comprise equity securities which are not held for trading, and for which the Group has made an irrevocable election at initial recognition to recognise changes in fair value in other comprehensive income.

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

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

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

(9) Financial assets at amortised cost

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

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

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

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

C. At initial recognition, the Group measures the financial assets at fair value plus transaction costs. Interest income from these financial assets is included in finance income using the effective interest method. A gain or loss is recognised in profit or loss when the asset is derecognised or impaired.

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

(10) Accounts and notes receivable

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

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

(11) Impairment of financial assets

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

(12) Derecognition of financial assets

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

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

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

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

(13) Inventories

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

price in the ordinary course of business, less the estimated cost of completion and applicable variable selling expenses.

(14) Investments accounted for under the equity method / associates

A. Associates are all entities over which the Group has significant influence but not control. In general, it is presumed that the investor has significant influence, if an investor holds, directly or indirectly 20 percent or more of the voting power of the investee. Investments in associates are accounted for under the equity method and are initially recognised at cost.

B. The Group's share of its associates' post-acquisition profits or losses is recognised in profit or loss, and its share of post-acquisition movements in other comprehensive income is recognised in other comprehensive income. When the Group's share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured receivables, the Group does not recognise further losses, unless it has incurred statutory/constructive obligations or made payments on behalf of the associate.

C. When changes in an associate's equity are not recognised in profit or loss or other comprehensive income of the associate and such changes do not affect the Group's ownership percentage of the associate, the Group recognises change in ownership interests in the associate in 'capital surplus' in proportion to its ownership.

D. Unrealised gains on transactions between the Group and its associates are eliminated to the extent of the Group's interest in the associates. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of associates have been adjusted where necessary to ensure consistency with the policies adopted by the Group.

E. In the case that an associate issues new shares and the Group does not subscribe or acquire new shares proportionately, which results in a change in the Group's ownership percentage of the associate but maintains significant influence on the associate, then 'capital surplus' and 'investments accounted for under the equity method' shall be adjusted for the increase or decrease of its share of equity interest. If the above condition causes a decrease in the Group's ownership percentage of the associate, in addition to the above adjustment, the amounts previously recognised in other comprehensive income in relation to the associate are reclassified to profit or loss proportionately on the same basis as would be required if the relevant assets or liabilities were disposed of.

F. Upon loss of significant influence over an associate, the Group remeasures any investment retained in the former associate at its fair value. Any difference between fair value and carrying amount is recognised in profit or loss.

G. When the Group disposes its investment in an associate and loses significant influence over this associate, the amounts previously recognised in other comprehensive income in relation to the associate, are reclassified to profit or loss, on the same basis as would be required if the relevant assets or liabilities were disposed of. If it retains significant influence over this associate, the amounts previously recognised in other comprehensive income in relation to the associate are

reclassified to profit or loss proportionately in accordance with the aforementioned approach.

H. When the Group disposes its investment in an associate and loses significant influence over this associate, the amounts previously recognised as capital surplus in relation to the associate are transferred to profit or loss. If it retains significant influence over this associate, the amounts previously recognised as capital surplus in relation to the associate are transferred to profit or loss proportionately.

I. When the Group disposed the subsidiary which was a developed and constructed renewable energy power generation project, gain or loss on disposal of the subsidiary was categorised as income and expenses arising from operating activities, which was accounted for as other income and expense based on the actual operating condition.

(15) Investments accounted for using equity method – joint ventures

Investment of joint arrangements are classified as joint operations or joint ventures based on its contractual rights and obligations.

The Group accounts for its interest in a joint venture using equity method. Unrealised profits and losses arising from the transactions between the Group and its joint venture are eliminated to the extent of the Group's interest in the joint venture. However, when the transaction provides evidence of a reduction in the net realisable value of current assets or an impairment loss, all such losses shall be recognised immediately. When the Group's share of losses in a joint venture equals or exceeds its interest in the joint venture together with any other unsecured receivables, the Group does not recognise further losses, unless it has incurred legal or constructive obligations or made payments on behalf of the joint venture.

(16) Property, plant and equipment

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

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

C. Land is not depreciated. Other property, plant and equipment apply cost model and are depreciated using the straight-line method to allocate their cost over their estimated useful lives. If each component of property, plant and equipment is significant, it is depreciated separately.

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

are as follows:

Buildings and structures	3~50 year(s)
Machinery and equipment	1~20 year(s)
Office equipment	2~5 year(s)
Miscellaneous equipment	3~15 year(s)

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

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

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

Lease payments are comprised of the following:

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

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

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

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

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

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

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

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

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

(18) Investment property

An investment property is stated initially at its cost and measured subsequently using the cost model. Except for land, investment property is depreciated on a straight-line basis over its estimated useful life of 15 ~ 50 years.

(19) Intangible assets

A. Goodwill

Goodwill arises in a business combination accounted for by applying the acquisition method.

B. Trademark right (indefinite useful life)

Trademark right is stated at cost and regarded as having an indefinite useful life as it was assessed to generate continuous net cash inflow in the foreseeable future. Trademark right is not amortised, but is tested annually for impairment.

C. The intangible assets, other than goodwill and trademark rights, are computer software and customer relationships, which are amortized using the straight-line method over a period of 3 to 5 years.

(20) Impairment of non-financial assets

A. The Group assesses at each balance sheet date the recoverable amounts of those assets where there is an indication that they are impaired. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell or value in use. Except for goodwill, when the circumstances or reasons for recognising impairment loss for an asset in prior years no longer exist, the impairment loss shall be reversed to the extent of the loss previously recognised in profit or loss. Such recovery of impairment loss shall not result to the asset's carrying amount greater than its amortised cost where no impairment loss was recognised.

B. The recoverable amounts of goodwill**,** **i**ntangible assets with an indefinite useful life and intangible assets that have not yet been available for use shall be evaluated periodically. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. Impairment loss of goodwill previously recognised in profit or loss shall not be reversed in the following years.

C. Goodwill for impairment testing purpose is allocated to cash generating units. This allocation is identified based on operating segments. Goodwill is allocated to a cash generating unit or a group of cash generating units that expects to benefit from business combination that will produce goodwill.

(21) Borrowings

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

(22) Notes and accounts payable

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

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

(23) Bonds payable

Ordinary corporate bonds issued by the Group are initially recognised at fair value less transaction

costs. Any difference between the proceeds (net of transaction costs) and the redemption value is presented as an addition to or deduction from bonds payable, which is amortised to profit or loss over the period of bond circulation using the effective interest method as an adjustment to 'finance costs'.

(24) Convertible corporate bonds

Convertible corporate bonds issued by the Company contain conversion options (that is, the bondholders have the right to convert the bonds into the Group's common shares by exchanging a fixed amount of cash for a fixed number of common shares) and put options. The Group classifies the bonds payable upon issuance as a financial asset, a financial liability or an equity instrument in accordance with the contract terms. They are accounted for as follows:

A. The embedded put options are recognised initially at net fair value as 'financial assets or financial liabilities at fair value through profit or loss'. They are subsequently remeasured and stated at fair value on each balance sheet date; the gain or loss is recognised as 'gain or loss on valuation of financial assets or financial liabilities at fair value through profit or loss'.

B. The host contracts of bonds are initially recognised at fair value. Any difference between the initial recognition and the redemption value is accounted for as the premium or discount on bonds payable and subsequently is amortised in profit or loss as an adjustment to 'finance costs' over the period of circulation using the effective interest method.

C. The embedded conversion options which meet the definition of an equity instrument are initially recognised in 'capital surplus—share options' at the residual amount of total issue price less the amount of financial assets or financial liabilities at fair value through profit or loss and bonds payable as stated above. Conversion options are not subsequently remeasured.

D. Any transaction costs directly attributable to the issuance are allocated to each liability or equity component in proportion to the initial carrying amount of each abovementioned item.

E. When bondholders exercise conversion options, the liability component of the bonds (including bonds payable and 'financial assets or financial liabilities at fair value through profit or loss') shall be remeasured on the conversion date. The issuance cost of converted common shares is the total book value of the abovementioned liability component and 'capital surplus—share options'.

(25) Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability specified in the contract is discharged or cancelled or expires.

(26) Offsetting financial instruments

Financial assets and liabilities are offset and reported in the net amount in the balance sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

(27) Employee benefits

A. Pensions

a) Defined contribution plans

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

b) Defined benefit plans

i. The liability recognised in the balance sheet in respect of defined benefit pension plans is the present value of the defined benefit obligation at the balance sheet date less the fair value of plan assets. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of government bonds (at the balance sheet date).

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

iii. Past service costs are recognised immediately in profit or loss.

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

Employees' compensation and directors' and supervisors' remuneration are recognised as expenses and liabilities, provided that such recognition is required under legal obligation or constructive obligation and those amounts can be reliably estimated. Any difference between the resolved amounts and the subsequently actual distributed amounts is accounted for as changes in estimates.

(28) Income tax

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

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

C. Deferred tax is recognised, using the balance sheet liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated balance sheet. However, the deferred tax is not accounted for if it arises from initial recognition of goodwill or of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences. Deferred tax is

provided on temporary differences arising on investments in subsidiaries, except where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

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

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

F. A deferred tax asset shall be recognised for the carryforward of unused tax credits resulting from acquisitions of equipment or technology, research and development expenditures and equity investments to the extent that it is possible that future taxable profit will be available against which the unused tax credits can be utilized.

(29) Share capital

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

B. Where the Company repurchases the Company's equity share capital that has been issued, the consideration paid, including any directly attributable incremental costs (net of income taxes) is deducted from equity attributable to the Company's equity holders. Where such shares are subsequently reissued, the difference between their book value and any consideration received, net of any directly attributable incremental transaction costs and the related income tax effects, are included in equity attributable to the Company's equity holders.

(30) Dividends

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

(31) Revenue recognition

A. Sales of goods

a) The Group manufactures and sells electronic telecommunication component products. Revenue is measured at the fair value of the consideration received or receivable taking into

account value-added tax, returns, rebates and discounts for the sale of goods to external customers in the ordinary course of the Group's activities. Revenue arising from the sales of goods should be recognised when the Group has delivered the goods to the customer, the amount of sales revenue can be measured reliably and it is probable that the future economic benefits associated with the transaction will flow to the entity. The delivery of goods is completed when the significant risks and rewards of ownership have been transferred to the customer, the Group retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold, and the customer has accepted the goods based on the sales contract or there is objective evidence showing that all acceptance provisions have been satisfied.

b) The goods are often sold with volume discounts based on aggregate sales over a 12-month period. Revenue from these sales is recognised based on the price specified in the contract, net of the estimated sales discounts and allowances. Revenue is only recognised to the extent that it is highly probable that a significant reversal will not occur. The estimation is subject to an assessment at each reporting date. No element of financing is deemed present as the sales are made with a credit term of 30 to 120 days, which is consistent with market practice.

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

B. Sales of services

The Group is engaged in research and development and mold repair of products, energy saving and maintenance of energy-saving equipment as well as design and development of solar engineering, etc. In cases where the results of transactions involving the provision of services can be reliably estimated or when certain milestones in research and development projects are achieved, revenue shall be recognized based on the project's progress. In other cases, revenue shall be recognized upon the completion of the provision of services or over the period in which the services are provided to the customer.

C. Construction revenue from construction contracts

a) The Group's construction revenue mainly arises from undertaking construction contracts. As the cost of construction input is directly related to the stage of completion of performance obligations, revenue is recognised by the proportion of contract costs input to the estimated total costs.

b) The Group's revenue is recognised as contract assets over time based on the proportion of the cost of construction input. Accounts receivable from a service contract are recognised in which the Group bills monthly at the amount to which the Group has the right to invoice. The customer pays at the time specified in the payment schedule. If the services rendered exceed the payment, a contract asset is recognised. If the payments exceed the services rendered, a

contract liability is recognised.

D. Electricity (natural gas) sales revenue

Electricity (natural gas) sales revenue of the Group is mainly recognised when the Group has provided the goods to the customer, the amount can be measured reliably and it is probable that the future economic benefits associated with the transaction will flow to the entity.

(32) Government grants

Government grants are recognised at their fair value only when there is reasonable assurance that the Group will comply with any conditions attached to the grants and the grants will be received. Government grants related to property, plant and equipment are recognised as non-current liabilities and are amortised to profit or loss over the estimated useful lives of the related assets using the straight-line method

(33) Business combinations

A. The Group uses the acquisition method to account for business combinations. The consideration transferred for an acquisition is measured as the fair value of the assets transferred, liabilities incurred or assumed and equity instruments issued at the acquisition date, plus the fair value of any assets and liabilities resulting from a contingent consideration arrangement. All acquisition-related costs are expensed as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. For each business combination, the Group measures at the acquisition date components of non-controlling interests in the acquiree that are present ownership interests and entitle their holders to the proportionate share of the entity's net assets in the event of liquidation at either fair value or the present ownership instruments' proportionate share in the recognised amounts of the acquiree's identifiable net assets. All other non-controlling interests should be measured at the acquisition-date fair value.

B. The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the fair value of any previous equity interest in the acquiree over the fair value of the identifiable assets acquired and the liabilities assumed is recorded as goodwill at the acquisition date. If the total of consideration transferred, non-controlling interest in the acquiree recognised and the fair value of previously held equity interest in the acquiree is less than the fair value of the identifiable assets acquired and the liabilities assumed, the difference is recognised directly in profit or loss on the acquisition date.

(34) Operating segments

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The Group's chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors that makes strategic decisions.

5. CRITICAL ACCOUNTING JUDGEMENTS, ESTIMATES AND KEY SOURCES OF ASSUMPTION UNCERTAINTY

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

Critical accounting estimates and assumptions

(1) Impairment assessment of goodwill

The impairment assessment of goodwill relies on the Group's subjective judgement, including identifying cash-generating units, allocating assets and liabilities as well as goodwill to related cash-generating units, and determining the recoverable amounts of related cash-generating units.

As of December 31, 2023, the Group's goodwill amount is $1,252,490. Please refer to Note 6(13) for detailed information.

(2) Recognition of construction revenue

Construction revenue is recognised based on the percentage of completion method, which is the same method used to calculate the expense during the construction period. The stage of completion of a contract is measured by the proportion of contract costs incurred for work performed up to the balance date to the estimated total costs for the contract. The estimated total costs and contract items are assessed by the management based on the different nature of constructions and the price fluctuations in the market to estimate the costs for each construction activity such as estimated subcontract charges and material and labour expenses, which may affect the calculation of construction profit or loss. Information on the transaction price in relation to the unfulfilled obligation of the Group's construction contract is provided in Note 6(24).

(3) Evaluation of inventories

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

As of December 31, 2023, the Group's inventory book value is $14,297,590 Please refer to Note 6(7) for detailed information.

6. DETAILS OF SIGNIFICANT ACCOUNTS

(1) Cash and cash equivalents

	December 31, 2023	December 31, 2022
Cash on hand and revolving funds	$ 29,079	$ 32,183
Checking accounts and demand deposits	7,473,858	7,136,651
Cash equivalents		
Time deposits-repatriated offshore funds	174,047	184,629
Time deposits	7,119,832	4,015,782
Short-term notes and bills	47,980	61,825
Total	$ 14,844,796	$ 11,431,070

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

B. Details of the Group's cash and cash equivalents pledged to others as collateral are provided in Note 8.

C. According to IFRS Q&A amended by the competent authority on January 5, 2024, the Group reclassified the undrawn balance of deposits account for offshore funds which applies "The Management, Utilization, and Taxation of Repatriated Offshore Funds Act" as cash and cash equivalents. As of December 31, 2023 and 2022, cash and cash equivalents was increased by $174,047 and financial assets at amortised cost was decreased by $184,629.

(2) Financial assets and liabilities at fair value through profit or loss (No such transaction in 2022)

Item	December 31, 2023
Current items	
Financial assets and liabilities mandatorily measured at fair value through profit or loss	
Listed stocks	$ 927
Convertible corporate bonds	3,900
	4,827
Valuation adjustment	340
	$ 5,167

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

	Year ended December 31, 2023
Financial assets and liabilities mandatorily measured at fair value through profit or loss	
Forward exchange contracts - gains on settement	$ 629
Listed stocks	110
	$ 739

B. The Group entered into forward foreign exchange contracts to hedge exchange rate risk of assets denominated in foreign currencies whose values would be affected by the exchange rate fluctuations. However, these forward foreign exchange contracts are not accounted for under hedge accounting.

C. The Group has no financial assets at fair value through profit or loss pledged to others as collateral.

D. Information relating to credit risk of financial assets at fair value through profit or loss is provided in Note 12(2).

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

Items	December 31, 2023	December 31, 2022
Non-current items:		
Equity instruments		
Listed stocks	$ 323,491	$ -
Unlisted stocks	1,339,323	2,235,952
Valuation adjustment	(317,507)	(714,574)
	$ 1,345,307	$ 1,521,378

A. The Group has elected to classify equity instruments that are considered to be strategic investments as financial assets at fair value through other comprehensive income. As of December 31, 2023 and 2022, the fair value of such investments amounted to $1,345,307 and $1,521,378, respectively.

B. For the year ended December 31, 2023, the Group derecognised original investment costs as its investee was dissolved, and the Company wrote off accumulated loss by decreasing retained earnings based on shareholding ratio amounting to $437.

C. For the year ended December 31, 2023, the Company's subsidiaries, Power Quotient International Co., Ltd. and Foxlink Image Technology Co., Ltd., derecognised original investment costs at the effective date of merger as their investee, Taiwan Star Telecom Co., Ltd, was dissolved through the exchange of shares with Taiwan Mobile Co., Ltd. Accordingly, the Company wrote off accumulated loss by decreasing retained earnings based on shareholding ratio amounting to $225,324.

D. Amounts recognised in profit or loss and other comprehensive income in relation to the financial assets at fair value through other comprehensive income are listed below:

	Years ended December 31,	
	2023	2022
Equity instruments at fair value through other comprehensive income		
Fair value change recognised in other comprehensive income	($ 148,776)	($ 42,267)
Cumulative losses reclassified to retained earnings due to derecognition	($ 225,761)	$ -

E. The Group has no financial assets at fair value through other comprehensive income pledged to

others as collateral.

F. Information relating to credit risk of financial assets at fair value through other comprehensive income is provided in Note 12(2).

(4) Financial assets at amortised cost

Items	December 31, 2023	December 31, 2022
Current items:		
Time deposits maturing over three months	$ 837,506	$ 68,040
Restricted deposits	390,806	1,131,507
Pledged time deposits	1,689,866	1,716,728
	$ 2,918,178	$ 2,916,275
Non-current items:		
Restricted deposits	$ 316,794	$ 76,698
Pledged time deposits	384,267	373,354
	$ 701,061	$ 450,052

A. As at December 31, 2023 and 2022, without taking into account any collateral held or other credit enhancements, the maximum exposure to credit risk in respect of the amount that best represents the financial assets at amortised cost held by the Group was $3,619,239 and $3,366,327, respectively.

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

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

(5) Accounts receivable and note receivable

	December 31, 2023	December 31, 2022
Note receivable	$ 53,933	$ 59,703
Accounts receivable	$ 16,926,316	$ 18,124,623
Construction receivable	852,465	7,790
Less: Loss allowance	(69,843)	(126,750)
	$ 17,708,938	$ 18,005,663

A. The information on the Group's ageing analysis of accounts receivable is provided in Note 12(2).

B. As of December 31, 2023 and 2022, accounts receivable were all from contracts with customers. And as of January 1, 2022, the balance of receivables from contracts with customers amounted to $16,481,390.

C. The quality information of accounts receivable is based on customers' credit ranking and recoverable period of receivables in order to calculate the accrual of impairment. The Group's internal credit ranking policy is that the Group's business and management segment assesses periodically or occasionally whether the credit ranking of existing customers is appropriate and

adjusts to obtain the latest information when necessary. Customers' credit ranking assessment is based on industrial operating scale, profitability and ranking assessed by financial insurance institutions.

The Group has insured accounts receivable of certain customers and the Group will receive 80%~90% compensation if bad debts occur. As of December 31, 2023 and 2022, the balance of accounts receivable from specific customers amounted to $2,291,815, and $2,100,339, respectively.

D. The Group does not hold any collateral as security.

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

(6) Transfer of financial assets (as at December 31, 2023: None)

A. The Group entered into a factoring agreement with the banks to sell its accounts receivable. Under the agreement, the Group is not obligated to bear the default risk of the transferred accounts receivable, but is liable for the losses incurred on any business dispute. The Group does not have any continuing involvement in the transferred accounts receivable. Thus, as of December 31, 2022, the Group derecognised the transferred accounts receivable, and the related information is as follows:

	December 31, 2022						
Purchaser of accounts receivable	Accounts receivable transferred	Amount derecognised	Facilities	Amount advanced	Amount advanced for advance (shown as other receivables)	Interest rate of amount advanced	Collateral Provided
Bank of Taiwan	$ 641,782	$ 641,782	$ 4,606,500	$ 577,603	$ 64,179	4.84%~4.92%	None
Mega International Commercial Bank	159,223	159,223	1,535,500	143,300	15,923	5.66%	None

B. As of December 31, 2022, the Group issued promissory notes to some banks for the factoring agreements signed.

(7) Inventories

	December 31, 2023		
	Cost	Allowance for valuation loss	Book value
Raw materials	$ 5,683,115	($ 394,692)	$ 5,288,423
Work in progress and semi-finished goods	2,426,515	(7,276)	2,419,239
Finished goods (including merchandise)	6,762,112	(172,314)	6,589,798
Inventory in transit	130	-	130
	$ 14,871,872	($ 574,282)	$ 14,297,590

	December 31, 2022		
	Cost	Allowance for valuation loss	Book value
Raw materials	$ 9,167,963	($ 330,700)	$ 8,837,263
Work in progress and semi-finished goods	3,068,101	(76,882)	2,991,219
Finished goods (including merchandise)	6,121,494	(197,750)	5,923,744
Inventory in transit	58,973	-	58,973
	$ 18,416,531	($ 605,332)	$ 17,811,199

A. FOXLINK INDIA ELECTRIC PRIVATE LIMITED, a subsidiary of the Group, sustained a fire damage at its factory in TIRUPATI, India on February 27, 2023. The carrying amount of the loss of inventory due to the fire amounted to $302,830, which was listed as 'other gains and losses - loss by fire'. Refer to Note 10 for details.

B. The cost of inventories recognised as expense for the period:

	Years ended December 31,	
	2023	2022
Cost of inventories sold	$ 69,104,546	$ 78,729,055
Construction cost and cost of electricity sold	10,054,709	3,736,667
(Gain on reversal of) loss on decline in market value	(31,050)	(78,611)
Others (revenue from sale of scraps)	(271,353)	(378,716)
	$ 78,856,852	$ 82,008,395

The Group reversed a previous inventory write-down because obsolete and slow-moving inventories and inventories with decline in market value were partially sold by the Group for the years ended December 31, 2023 and 2022.

(8) Prepayments

	December 31, 2023	December 31, 2022
Construction prepayment	$ 4,658,272	$ 4,192,448
Overpaid VAT	1,523,196	1,135,339
Others	982,899	739,810
	$ 7,164,367	$ 6,067,597

(9) Investments accounted for using equity method/Subsequent events

Investee	December 31, 2023 Amount	December 31, 2023 Ownership percentage (%)	December 31, 2022 Amount	December 31, 2022 Ownership percentage (%)
Associates:				
Sharetronic Data Technology Co., Ltd.	$ 1,756,140	16.89%	$ 1,265,605	19.94%
Central Motion Picture Corporation	1,712,489	17.49%	1,653,741	17.49%
Well Shin Technology Co., Ltd.	1,268,983	18.84%	1,278,262	18.84%
Hangzhou Huantuo Power Technology Development Servive Co., Ltd.	120,686	43.71%	-	-
Dongguan Banrin Robot Technology Co., Ltd.	111,958	31.03%	128,687	31.03%
CMPC Cultural & Creative Co., Ltd.	111,565	42.86%	128,032	42.86%
TEGNA ELECTRONICS PRIVATE LIMITED	37,627	30.00%	36,222	30.00%
Synergy Co., Ltd.	33,401	36.76%	33,353	36.76%
CYNC Design Co., Ltd.	10,053	15.38%	9,884	15.38%
Cheng Shin Digital Co., Ltd.	1,682	49.00%	-	-
Chung Chia Power Co., Ltd.	-	-	170,089	20.00%
Microlink Communications Inc.	(22,889)	21.43%	(22,732)	21.43%
	5,141,695		4,681,143	
Joint ventures:				
Changpin Wind Power Ltd.	105,979	50.00%	116,102	50.00%
GRID RESPONSE LLC	12,048	50.00%	-	-
	118,027		116,102	
Prepayments for investments:				
JOURN TA BROTHERS LIMITED	227,072		227,072	
Shinfox Far Eeast Company Pte. Ltd.	-		981,545	
Hangzhou Huantuo Power Technology Development Servive Co., Ltd.	-		132,238	
	227,072		1,340,855	
Add: Credit balance of long-term equity investments reclassified to other non-current liabilities	22,889		22,732	
	$ 5,509,683		$ 6,160,832	

A. Associates

(a) The basic information of the associates that are material to the Group is summarised below:

Company name	Principal place of business	Shareholding ratio December 31, 2023	Shareholding ratio December 31, 2022	Nature of relationship	Methods of measurement
Central Motion Picture Corporation	Taiwan	17.49%	17.49%	Note	Equity method
Well Shin Technology Co., Ltd.	Taiwan	18.84%	18.84%	Note	Equity method

Note : As the Group's management holds several seats in the Board of Directors of Central Motion Picture Corporation and Well Shin Technology Co., Ltd., the Group is assessed to have significant influence.

(b) Summarised financial information of the associates that are material to the Group is as follows:

Balance sheet

	Central Motion Picture Corporation	
	December 31, 2023	December 31, 2022
Current assets	$ 320,558	$ 496,469
Non-current assets	17,007,034	16,700,586
Current liabilities	(161,634)	(177,177)
Non-current liabilities	(5,933,686)	(6,152,277)
Total net assets	$ 11,232,272	$ 10,867,601
Share in associate's net assets	$ 1,712,489	$ 1,653,741
Goodwill	-	-
Carrying amount of the associates	$ 1,712,489	$ 1,653,741

	Well Shin Technology Co., Ltd.	
	December 31, 2023	December 31, 2022
Current assets	$ 5,742,830	$ 6,236,329
Non-current assets	2,509,536	2,446,796
Current liabilities	(988,655)	(1,426,591)
Non-current liabilities	(723,112)	(665,162)
Total net assets	$ 6,540,599	$ 6,591,372
Share in associate's net assets	$ 1,232,394	$ 1,241,673
Goodwill	36,589	36,589
Carrying amount of the associates	$ 1,268,983	$ 1,278,262

Statement of comprehensive income

	Central Motion Picture Corporation	
	Years ended December 31,	
	2023	2022
Revenue	$ 521,291	$ 493,589
Profit for the year from continuing operations	$ 70,821	$ 68,773
Other comprehensive (loss) income, net of tax	921,850	(312,383)
Total comprehensive (loss) income	$ 992,671	($ 243,610)
Dividends received from associates	$ 14,904	$ 15,436

	Well Shin Technology Co., Ltd.	
	Years ended December 31,	
	2023	2022
Revenue	$ 5,328,786	$ 6,159,487
Profit for the year from continuing operations	$ 507,511	$ 759,540
Other comprehensive (loss) income, net of tax	(85,254)	120,545
Total comprehensive income	$ 422,257	$ 880,085
Dividends received from associates	$ 89,130	$ 44,565

(c) The carrying amount of the Group's interests in all individually immaterial associates (Note) and the Group's share of the operating results are summarised below:

As of December 31, 2023 and 2022, the carrying amount of the Group's individually immaterial associates amounted to $2,160,223, and $1,749,140, respectively.

	Years ended December 31,	
	2023	2022
Profit for the year from continuing operations	$ 1,191,188	$ 604,545
Total comprehensive income	$ 1,191,188	$ 604,545

Note: Sharetronic Data, CMPC Cultural & Creative, Microlink, CYNC, Chung Chia Power, Banrin, Synergy, TEGNA, Huantuo and Cheng Shin Digital.

(d) The fair value of the Group's material associates with quoted market prices is as follows:

	December 31, 2023	December 31, 2022
Well Shin Technology Co., Ltd.	$ 1,152,001	$ 1,102,980

B. Joint ventures

The carrying amount of the Group's interests in all individual immaterial join ventures (Note) and the Group's share of the operating results are summarised below:

As of December 31, 2023 and 2022, the carrying amount of the Group's individually immaterial joint ventures amounted to $118,027 and $116,102, respectively.

	Years ended December 31,	
	2023	2022
Loss for the year from continuing operations	($ 1,033)	$ -
Total comprehensive loss	($ 1,033)	($ 896)

Note: Changpin Wind and GRID RESPONSE LLC.

C. The Group is the single largest shareholder of Well Shin Technology Co., Ltd. with an 18.84% equity interest. Given that it was a strategic investment, and the Group had no involvement in its substantial operations and no active participation at the last shareholders' meeting by other shareholders, which indicates that the Group has no current ability to direct the relevant activities of Well Shin Technology Co., Ltd., the Group has no control, but only has significant influence, over the investee.

D. The Group has signed a stock purchase agreement with an individual on May 15, 2014 to purchase

all the Company's shares in CMPC amounting to $150,000 thousand. As of December 31, 2023, uncollected amount was $141,000 thousand (shown as 'other receivables') and accrued impairment loss was $141,000 thousand.

E. Chung Chia Power Co., Ltd. increased its capital by issuing new shares on January 29, 2023. The Group did not acquire shares proportionally to its interest. As a result, the Group lost its significant influence and decreased its share interest from 20% to 8%. Accordingly, the Group's investment in Chung Chia Power Co., Ltd. was reclassified as financial assets at fair value through other comprehensive income.

F. On October 17, 2023, the Group acquired 49% equity interests in Cheng Shin Digital Co., Ltd. in the amount of $490. Gain recognised in bargain purchase transaction from the acquisition amounted to $707 (shown as 'other income').

G. On December 27, 2022, the Group invested in Shinfox Far East Company Pte. Ltd. in the amount of $981,545 (shown as prepayments for investments), and acquired 40% equity interests in Shinfox Far East Company Pte. Ltd. in January 2023. On September 25, 2023, the Group's Board of Directors resolved to increase the shareholding of Shinfox Far East Company Pte. Ltd., an overseas investee company. On November 6, 2023, the Group acquired an additional 27% equity interest in Shinfox Far East Company Pte. Ltd., and the shareholding ratio increased to 67% in total. As a result, Shinfox Far East Company Pte. Ltd. became a subsidiary of the Group. The Group recognised gain on disposal of investments for this transaction amounting to $45,025 (shown as 'other gains and losses-gain on disposal of investments'). For the year ended December 31, 2023, share of profit or loss of investments accounted for under the equity method before the Group increasing its shareholding in the company amounted to ($33,302).

H. On September 25, 2023, the Group's Board of Directors resolved to invest in renewable energy power plants in Vietnam, including GIO THANH ENERGY JOINT STOCK COMPANY, SECO JOINT STOCK COMPANY, VIETNAM RENEWABLE ENERGY JOINT COMPANY STOCK and SECO JOINT STOCK COMPANY, of which the Company's shareholding ratio are all 35%, and both parties completed the signing of the contract on September 29, 2023, with an investment amount of VND 853,248,000 thousand. As of the financial reporting date, the investment has not yet been completed.

I. For the year ended December 31, 2023, the Group did not participate in the capital increase of Sharetronic Data Technology Co., Ltd. proportionately to ownership, and the shareholding ratio decreased to 16.89%. The Company recognised capital surplus according to shareholding ratio amounting to $255,743.

J. The prepayments for investments of the Group in the amount of $227,072 on December 31, 2023 were used to invest in JOURN TA BROTHERS LIMITED. However, the registration had not yet been completed.

(10) Property, plant and equipment

	2023							
	Land	Buildings and structures	Machinery and equipment	Office equipment	Ship equipment	Others	Construction-in-progress	Total
At January 1								
Cost	$ 412,428	$ 16,014,299	$ 15,483,038	$ 549,366	$ -	$ 5,166,840	$ 1,097,319	$ 38,723,290
Accumulated depreciation and impairment	-	(4,321,071)	(9,457,802)	(395,524)	-	(3,625,647)	-	(17,800,044)
	$ 412,428	$ 11,693,228	$ 6,025,236	$ 153,842	$ -	$ 1,541,193	$ 1,097,319	$ 20,923,246
Opening net book amount as at January 1	$ 412,428	$ 11,693,228	$ 6,025,236	$ 153,842	$ -	$ 1,541,193	$ 1,097,319	$ 20,923,246
Additions	54,772	45,983	1,976,937	94,984	-	612,810	865,924	3,651,410
Acquired from business	27,786	7,369	1,061	4,833	314,947	7,972	1,712,627	2,076,595
Disposals	-	(75,923)	(407,926)	(12,611)	-	(53,189)	-	(549,649)
Decrease (Note)	-	(1,327,364)	-	-	-	-	-	(1,327,364)
Loss on fire	-	-	(212,017)	(16,562)	-	(21,005)	-	(249,584)
Reclassifications	-	148,320	222,925	8,222	-	174,720	1,348,750	1,902,937
Depreciation charge	-	(397,191)	(2,064,093)	(79,331)	(5,129)	(588,475)	-	(3,134,219)
Disposal of subsidiaries	-	-	(226,964)	-	-	-	(36,189)	(263,153)
Net exchange differences	-	(145,356)	(76,646)	(1,487)	(14,082)	(28,373)	(58,567)	(324,511)
Closing net book amount as at December 31	$ 494,986	$ 9,949,066	$ 5,238,513	$ 151,890	$ 295,736	$ 1,645,653	$ 4,929,864	$ 22,705,708
At December 31								
Cost	$ 494,986	$ 14,361,983	$ 15,562,981	$ 559,986	$ 303,319	$ 5,310,175	$ 4,929,864	$ 41,523,294
Accumulated depreciation and impairment	-	(4,412,917)	(10,324,368)	(408,096)	(7,583)	(3,664,522)	-	(18,817,486)
	$ 494,986	$ 9,949,066	$ 5,238,613	$ 151,890	$ 295,736	$ 1,645,653	$ 4,929,864	$ 22,705,808

Note: Refer to Note 9(1) B. for details.

	2022						
	Land	Buildings and structures	Machinery and equipment	Office equipment	Others	Unfinished construction	Total
At January 1							
Cost	$ 412,428	$ 15,758,297	$ 14,361,180	$ 496,163	$ 5,018,465	$ 967,680	$ 37,014,213
Accumulated depreciation and impairment	-	(3,939,028)	(8,298,577)	(348,110)	(3,403,530)	-	(15,989,245)
	$ 412,428	$ 11,819,269	$ 6,062,603	$ 148,053	$ 1,614,935	$ 967,680	$ 21,024,968
Opening net book amount as at January 1	$ 412,428	$ 11,819,269	$ 6,062,603	$ 148,053	$ 1,614,935	$ 967,680	$ 21,024,968
Additions	-	76,552	1,899,859	70,857	416,942	139,003	2,603,213
Disposals	-	(11,527)	(46,140)	(10,339)	(12,235)	-	(80,241)
Disposal of subsidiaries	-	-	(173,333)	-	-	-	(173,333)
Reclassifications	-	84,632	254,541	32,695	52,533	(6,697)	417,704
Depreciation charge	-	(407,013)	(2,029,241)	(89,300)	(553,378)	-	(3,078,932)
Net exchange differences	-	131,315	56,947	1,876	22,396	(2,667)	209,867
Closing net book amount as at December 31	$ 412,428	$ 11,693,228	$ 6,025,236	$ 153,842	$ 1,541,193	$ 1,097,319	$ 20,923,246
At December 31							
Cost	$ 412,428	$ 16,014,299	$ 15,483,038	$ 549,366	$ 5,166,840	$ 1,097,319	$ 38,723,290
Accumulated depreciation and impairment	-	(4,321,071)	(9,457,802)	(395,524)	(3,625,647)	-	(17,800,044)
	$ 412,428	$ 11,693,228	$ 6,025,236	$ 153,842	$ 1,541,193	$ 1,097,319	$ 20,923,246

A. FOXLINK INDIA ELECTRIC PRIVATE LIMITED, a subsidiary of the Group, sustained a fire damage at its factory in TIRUPATI, India on February 27, 2023. The carrying amount of the loss of equipment due to fire amounted to $249,584, which was listed as 'other gains and losses - loss by fire'. Refer to Note 10 for details.

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

	Years ended December 31,	
	2023	2022
Amount capitalised	$ 47,797	$ 4,343
Range of the interest rates for capitalisation	1.95%~2.689%	1.88%~2.863%

C. The Group's property, plant and equipment were pledged to others as collateral, please refer to Note 8 for detailed information.

D. As of December 31, 2023 and 2022, the Group's prepayments for the purchase of equipment amounted to $791,122 and $2,328,066, respectively.

(11) Leasing arrangements-lessee

A. The Group leases various assets including land, buildings, and transportation equipment. Rental contracts are typically made for periods of 2 to 70 years. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose covenants, but leased assets may not be used as security for borrowing purposes.

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

	December 31, 2023	December 31, 2022
	Carrying amount	Carrying amount
Land	$ 1,319,658	$ 1,416,817
Buildings	1,941,328	881,504
Transportation equipment (Business vehicles)	3,993	3,941
Office equipment (Photocopiers)	197	11
	$ 3,265,176	$ 2,302,273

	Years ended December 31,	
	2023	2022
	Depreciation charge	Depreciation charge
Land	$ 114,879	$ 49,862
Buildings	513,759	291,899
Transportation equipment (Business vehicles)	5,370	3,253
Office equipment (Photocopiers)	12	70
Less: Capitalisation of depreciation	(7,400)	-
	$ 626,620	$ 345,084

C. For the years ended December 31, 2023 and 2022, the additions to right-of-use assets amounted to $1,759,145 and $1,013,954, respectively.

D. The information on income and expense accounts relating to lease contracts is as follows:

	Years ended December 31,	
	2023	2022
Items affecting profit or loss		
Interest expense on lease liabilities	$ 35,274	$ 11,189
Expense on short-term lease contracts	80,900	45,625
Expense on leases of low-value assets	3,841	6,921
Expense on variable lease payments	56,826	56,665
Lease modification gain	157	1,246

E. For the years ended December 31, 2023 and 2022, the Group's total cash outflow for leases amounted to $689,663 and $432,997, respectively.

F. Variable lease payments

(a) Some of the Group's lease contracts contain variable lease payment terms that are linked to sales generated from a store or a counter in a department store and sales generated from electricity sold. For aforementioned contracts, up to 3.73%~44.12% of lease payments are on the basis of variable payment terms and are accrued based on the sales amount. Variable payment terms are used for a variety of reasons and various lease payments that depend on sales are recognised in profit or loss in the period in which the event or condition that triggers those payments occurs.

(b) A 1% increase in the aggregate sales amount of all stores with such variable lease contracts would increase total lease payments by approximately $568.

G. Please refer to Note 8 for information of right-of-use assets provided by the Group as collaterals.

(12) Investment property

	2023		
	Land	Buildings and structures	Total
At January 1			
Cost	$ 183,076	$ 526,996	$ 710,072
Accumulated depreciation and impairment	-	(149,913)	(149,913)
	$ 183,076	$ 377,083	$ 560,159
Opening net book amount as at January 1	$ 183,076	$ 377,083	$ 560,159
Depreciation charge	-	(13,011)	(13,011)
Net exchange differences	-	(5,308)	(5,308)
Closing net book amount as at December 31	$ 183,076	$ 358,764	$ 541,840
At December 31			
Cost	$ 183,076	$ 520,938	$ 704,014
Accumulated depreciation and impairment	-	(162,174)	(162,174)
	$ 183,076	$ 358,764	$ 541,840

	2022		
	Land	Buildings and structures	Total
At January 1			
Cost	$ 183,076	$ 516,422	$ 699,498
Accumulated depreciation and impairment	-	(130,715)	(130,715)
	$ 183,076	$ 385,707	$ 568,783
Opening net book amount as at January 1	$ 183,076	$ 385,707	$ 568,783
Depreciation charge	-	(13,093)	(13,093)
Net exchange differences	-	4,469	4,469
Closing net book amount as at December 31	$ 183,076	$ 377,083	$ 560,159
At December 31			
Cost	$ 183,076	$ 526,996	$ 710,072
Accumulated depreciation and impairment	-	(149,913)	(149,913)
	$ 183,076	$ 377,083	$ 560,159

A. Rental income from the lease of the investment property and direct operating expenses arising from the investment property are shown below:

	Years ended December 31,	
	2023	2022
Rental income from the lease of the investment property	$ 17,512	$ 17,185
Direct operating expenses arising from the investment property that generated rental income in the year	$ 13,011	$ 13,093

B. Investment property is stated initially at its cost and is depreciated on a straight-line basis over its estimated useful life. The fair value of the investment property held by the Group as at December 31, 2023 and 2022 was $988,241 and $1,146,850, respectively, which was evaluated based on the market prices of similar real estate in the areas nearby, as Level 2 fair value market prices did not change significantly.

C. There was no impairment loss on investment property.

D. The investment property was not pledged to others as collateral.

(13) Intangible assets

	2023					
	Trademark rights	Patent	Goodwill	Customer relationship	Others	Total
At January 1						
Cost	$ 51,275	$ 451,126	$ 3,955,678	$ 197,637	$ 431,770	$ 5,087,486
Accumulated amortisation and impairment	(335)	(244,834)	(2,762,518)	(4,616)	(325,867)	(3,338,170)
	$ 50,940	$ 206,292	$ 1,193,160	$ 193,021	$ 105,903	$ 1,749,316
Opening net book amount as at January 1	$ 50,940	$ 206,292	$ 1,193,160	$ 193,021	$ 105,903	$ 1,749,316
Additions-acquired separately	-	-	-	-	45,941	45,941
Additions-acquired through business combinations	-	-	59,397	-	716	60,113
Disposals	-	-	-	-	(578)	(578)
Amortisation charge	(44)	(24,460)	-	(64,340)	(51,306)	(140,150)
Reclassification	-	-	-	-	10,992	10,992
Net exchange differences	(8)	-	(67)	-	(1,127)	(1,202)
Closing net book amount as at December 31	$ 50,888	$ 181,832	$ 1,252,490	$ 128,681	$ 110,541	$ 1,724,432
At December 31						
Cost	$ 51,267	$ 451,126	$ 4,015,008	$ 197,637	$ 453,379	$ 5,168,417
Accumulated amortisation and impairment	(379)	(269,294)	(2,762,518)	(68,956)	(342,838)	(3,443,985)
	$ 50,888	$ 181,832	$ 1,252,490	$ 128,681	$ 110,541	$ 1,724,432

	2022					
	Trademark rights	Patent	Goodwill	Customer relationship	Others	Total
At January 1						
Cost	$ 46,266	$ 451,126	$ 3,874,852	$ -	$ 386,221	$ 4,758,465
Accumulated amortisation and impairment	(291)	(220,374)	(2,762,518)	-	(307,725)	(3,290,908)
	$ 45,975	$ 230,752	$ 1,112,334	$ -	$ 78,496	$ 1,467,557
Opening net book amount as at January 1	$ 45,975	$ 230,752	$ 1,112,334	$ -	$ 78,496	$ 1,467,557
Additions-acquired separately	-	-	-	-	73,760	73,760
Additions-acquired through business combinations	-	-	39,528	197,637	-	237,165
Amortisation charge	(44)	(24,460)	-	(4,616)	(49,350)	(78,470)
Reclassification	-	-	-	-	2,024	2,024
Net exchange differences	5,009	-	41,298	-	973	47,280
Closing net book amount as at December 31	$ 50,940	$ 206,292	$ 1,193,160	$ 193,021	$ 105,903	$ 1,749,316
At December 31						
Cost	$ 51,275	$ 451,126	$ 3,955,678	$ 197,637	$ 431,770	$ 5,087,486
Accumulated amortisation and impairment	(335)	(244,834)	(2,762,518)	(4,616)	(325,867)	(3,338,170)
	$ 50,940	$ 206,292	$ 1,193,160	$ 193,021	$ 105,903	$ 1,749,316

A. Goodwill is allocated to the Group's cash-generating units identified according to operating segments as follows:

	December 31, 2023				
	System and peripheral products	3C product retail	Energy service management	Others	Total
Taiwan	$ 715,197	$ -	$ 98,927	$ 8,258	$ 822,382
Hong Kong	-	418,502	-	-	418,502
All other segments	-	-	-	11,606	11,606
	$ 715,197	$ 418,502	$ 98,927	$ 19,864	$ 1,252,490

	December 31, 2022				
	System and peripheral products	3C product retail	Energy service management	Others	Total
Taiwan	$ 715,197	$ -	$ 39,528	$ 8,258	$ 762,983
Hong Kong	-	418,571	-	-	418,571
All other segments	-	-	-	11,606	11,606
	$ 715,197	$ 418,571	$ 39,528	$ 19,864	$ 1,193,160

B. The value of customer relationship arose from the Group acquiring shares in Elegant Energy in February 2022. Refer to Note 6(35) for details.

C. The recoverable amount of all cash-generating units has been determined based on value-in-use calculations. These calculations use pre-tax cash flow projections and decisions assisted by independent valuation institutions based on financial budgets approved by the management covering a five-year period. The Group performs impairment testing annually. For the years

ended December 31, 2023 and 2022, there was no impairment on assets.

D. The intangible assets were not pledged to others as collateral.

(14) Short-term borrowings

Type of borrowings	December 31, 2023	Interest rate range	Collateral
Bank borrowings			
Credit borrowings	$ 9,084,573	1.70%~5.78%	-
Secured borrowings	806,124	2.93%	Note 8
	$ 9,890,697		

Type of borrowings	December 31, 2022	Interest rate range	Collateral
Bank borrowings			
Credit borrowings	$ 8,694,117	1.29%~5.12%	-
Secured borrowings	856,124	2.00%~2.50%	Note 8
	$ 9,550,241		

(15) Short-term notes and bills payable

	December 31, 2023	December 31, 2022
Commercial paper	$ 4,093,200	$ 1,792,400
Discount amortisation	(7,680)	(3,241)
	$ 4,085,520	$ 1,789,159
Annual interest rate range	1.79%~2.68%	2.09%~2.19%

Information about short-term notes and bills payable that were pledged to others as collaterals is provided in Note 8.

(16) Other payables

	December 31, 2023	December 31, 2022
Payables on salary and bonus	$ 1,846,989	$ 2,044,046
Payables on equipment	749,489	514,893
Payables on employees' compensation and directors' and supervisors' remuneration	470,335	547,809
Indemnity payable (Note)	322,148	793,728
Others	2,377,431	2,207,873
	$ 5,766,392	$ 6,108,349

Note: Refer to Note 9(1) B. for details.

(17) Bonds payable

	December 31, 2023	December 31, 2022
Secured corporate bonds	$ 6,600,000	$ 6,600,000
Secured convertible bonds payable	3,000,000	-
Less: Discount on bonds payable	(162,267)	(17,626)
	9,437,733	6,582,374
Less: Current portion of corporate bonds payable (shown as "long-term liabilities, current portion")	(2,994,906)	-
	$ 6,442,827	$ 6,582,374

A. The main terms of the $3,600,000 2nd secured corporate bonds issued by the Company on July 29, 2020 are as follows:
   (a) Total initial issue amount: $3,600,000.
   (b) Issue price: Issue at par value, $1,000 each.
   (c) Issue period: 5 years, from July 29, 2020 to July 27, 2025.
   (d) Coupon rate: 0.65% fixed per annum.
   (e) Interest payment method: Interest is calculated from the date of issuance at the coupon rate, is a simple interest and is paid yearly.
   (f) Principal repayment method: Pay entire amount at the maturity date.
   (g) Guarantee method:
   The joint guarantor banks including CTBC Bank Co., Ltd., Taiwan Cooperative Bank Co., Ltd., Hua Nan Commercial Bank Ltd., Agricultural Bank of Taiwan Corporation and Mega International Commercial Bank Co., Ltd. provide guarantees based on a joint engagement guarantee contract and bond-fulfilling guarantee obligation contract.
   (h) Commitment:
   The company should maintain the following financial ratios during the contract duration for semi-annual consolidated and annual consolidated financial statements:
      i. Current assets to current liabilities ratio of at least 1:1;
      ii. Liabilities not exceeding 200% of tangible net equity;
      iii. Interest coverage of at least 400%; and
      iv. Tangible net equity of at least NT$15,000,000 thousand.

B. The main terms of the $3,000,000 1st secured corporate bonds issued by the Company on June 26, 2019 are as follows:
   (a) Total initial issue amount: $3,000,000.
   (b) Issue price: Issue at par value, $1,000 each.
   (c) Issue period: 5 years, from June 26, 2019 to June 26, 2024.
   (d) Coupon rate: 0.80% fixed per annum.
   (e) Interest payment method: Interest is calculated from the date of issuance at the coupon rate, is a simple interest and is paid yearly.

(f) Principal repayment method: Pay entire amount at the maturity date.

(g) Guarantee method:

The joint guarantor banks including CTBC Bank Co., Ltd., Taiwan Cooperative Bank Co., Ltd., Mega International Commercial Bank Co., Ltd. and Chang Hwa Commercial Bank, Ltd. provide guarantees based on a joint engagement guarantee contract and bond-fulfilling guarantee obligation contract.

(h) Commitment:

The company should maintain the following financial ratios during the contract duration for semi-annual consolidated and annual consolidated financial statements:

i. Current assets to current liabilities ratio of at least 1:1;
ii. Liabilities not exceeding 200% of tangible net equity;
iii. Interest coverage of at least 400%; and
iv. Tangible net equity of at least NT$15,000,000 thousand.

C. The terms of the first domestic secured convertible bonds issued by the Group's second-tier subsidiary, Shinfox Energy Co., Ltd., are as follows:

(a) The competent authority has approved Shinfox Energy Co., Ltd.'s first time raising and issuance of domestic secured convertible bonds. The bonds have a total issuance amount of $3,000,000 and a coupon rate of 0%, covering a 3-year period of issuance and a circulation period from November 22, 2023 to November 22, 2026. The convertible bonds will be fully redeemed in cash at face value at the maturity date. The bonds were listed on the Taipei Exchange on November 22, 2023.

(b) The bondholders have the right to ask for conversion of the bonds into common shares of Shinfox Energy Co., Ltd. during the period from the date after three months of the bonds issue to the maturity date, except for the stop transfer period as specified in the terms of the bonds or the laws/regulations. The rights and obligations of the new shares converted from the bonds are the same as the issued and outstanding common shares.

(c) The conversion price of the convertible bonds was made in accordance with the pricing model as specified in the terms of conversion. The conversion price was NT$114 per share at the issuance date of the bonds.

(f) Shinfox Energy Co., Ltd. may repurchase all the bonds outstanding in cash at the bonds' face value at any time after the following events occur: (i) the closing price of Shinfox Energy Co., Ltd.'s common shares is above the then conversion price by 30% for 30 consecutive trading days during the period from the date after three months of the bonds issue to 40 days before the maturity date, or (ii) the outstanding balance of the bonds is less than 10% of total initial issue amount during the period from the date after three months of the bonds issue to 40 days before the maturity date.

(e) Under the terms of the bonds, all bonds redeemed (including bonds repurchased from the Taipei Exchange), matured and converted are retired and not to be re-issued; all rights and obligations attached to the bonds are also extinguished.

D. Regarding the issuance of convertible bonds of the Group's second-tier subsidiary, Shinfox Energy Co., Ltd., the equity conversion options were separated from the liability component in accordance with IAS 32. The call options embedded in bonds payable were separated from their host contracts and were recognised in 'financial assets at fair value through profit or loss' in net amount of $3,900 in accordance with IFRS 9 because the economic characteristics and risks of the embedded derivatives were not closely related to those of the host contracts. The effective interest rate of the bonds payable after such separation was 1.7688%.

(18) Long-term borrowings

Type of borrowings	Borrowing period and repayment term	Interest rate range	Unused credit line	December 31, 2023
Long-term bank borrowings				
Bank's unsecured borrowings				
Cheng Uei				
- with covenants	Borrowing period is from May 2023 to December 2026; pay entire amount when due	1.85%~1.89%	$ 700,000	$ 3,600,000
- without covenants	Borrowing period is from March 2023 to November 2026; pay entire amount when due	1.70%~1.94%	2,151,625	4,781,250
FIT Holding				
- with covenants	Borrowing period is from September 2023 to October 2025; pay entire amount of principal when due, interest is repayable monthly	1.90%~2.06%	979,000	500,000
- without covenants	Borrowing period is from September 2023 to May 2027 ; pay entire amount of principal when due, interest is repayable monthly	2.00%	-	600,000
Foxlink Image				
- with covenants	Borrowing period is from September 2023 to December 2025; pay entire amount of principal when due, interest is repayable monthly	1.90%~1.95%	1,844,000	356,000
- without covenants	Borrowing period is from March 2023 to December 2025; pay entire amount of principal when due, interest is repayable monthly	1.80%~1.90%	600,000	2,050,000
PQI				
- with covenants	Borrowing period is from August 2023 to October 2025; pay principal based on each bank's regulations, interest is repayable monthly	2.11%~2.21%	75,000	425,000
- without covenants	Borrowing period is from June 2022 to June 2026 ; pay principal based on each bank's regulations, interest is repayable monthly	2.00%~2.10%	-	600,000
Glory Science				
- without covenants	Borrowing period is from July 15, 2019 to December 23, 2024; pay principal and interest based on each bank's regulations	1.86%~2.32%	-	85,000
Foxwell Energy				
- without covenants	Principal and interest are repayable in installments from January 2019 to December 2035	2.23%~2.28%	277,448	32,576
Foxwell Power				
- with covenants	Principal and interest are repayable in installments from October 2022 to September 2028	2.55%	-	6,250
Bank's secured borrowings				
Glory Science	Borrowing period is from December 31, 2019 to December 31, 2024; pay principal based on each bank's regulations interest is calculated monthly	1.86%	-	25,000
Foxwell Energy	Principal is repayable in installments from May 2018 to February 2036	2.23%~2.65%	220,646	246,323
Foxwell Power	Principal and interest are repayable in installments from October 2022 to September 2028	2.55%	-	93,750

Type of borrowings	Borrowing period and repayment term	Interest rate range	Unused credit line	December 31, 2023
Medium-term and long-term syndicated loans				
Cheng Uei				
- with covenants	Borrowing period is from November 2020 to November 2025. The Company may issue a drawing application before the maturity date of borrowing to repay the loan principal with the new payment	2.20%	4,800,000	3,200,000
Foxwell Power				
- with covenants	Principal and interest are repayable in installments from October 2022 to October 2025	2.58%~2.69%	255,600	1,494,400
				18,095,549
Less: Current portion				(306,996)
Less: Discount				(15,842)
				$ 17,772,711

Type of borrowings	Borrowing period and repayment term	Interest rate range	Unused credit line	December 31, 2022
Long-term bank borrowings				
Bank's unsecured borrowings				
Cheng Uei				
- with covenants	Borrowing period is from September 2022 to September 2025; pay entire amount when due	1.98%~2.06%	$ 2,500,000	$ 1,500,000
- without covenants	Borrowing period is from September 2022 to March 2025; pay entire amount when due	1.45%~2.30%	2,034,500	5,198,750
FIT Holding				
- with covenants	Borrowing period is from February 2022 to September 2024; pay entire amount of principal when due, interest is repayable monthly	1.51%~2.05%	722,000	630,000
- without covenants	Borrowing period is from July 2021 to August 2024; pay entire amount of principal when due, interest is repayable monthly	1.63%~1.88%	-	800,000
Foxlink Image				
- with covenants	Borrowing period is from January 2022 to January 2024; pay entire amount of principal when due, interest is repayable monthly	2.00%	2,085,000	115,000
- without covenants	Borrowing period is from July 2021 to December 2024; pay entire amount of principal when due, interest is repayable monthly	1.41%~1.97%	1,640,000	1,410,000
PQI				
- with covenants	Borrowing period is from September 2022 to February 2024; pay principal based on each bank's regulations, interest is repayable monthly	1.88%	-	300,000
- without covenants	Borrowing period is from July 2021 to June 2025 ; pay principal based on each bank's regulations, interest is repayable monthly	1.78%~1.88%	-	600,000
Glory Science				
- without covenants	Borrowing period is from July 15, 2019 to December 23, 2024; pay principal and interest based on each bank's regulations	1.44%~2.07%	-	110,000

Type of borrowings	Borrowing period and repayment term	Interest rate range	Unused credit line	December 31, 2022
Shinfox				
- without covenants	Principal and interest are repayable in installments from February 2019 to February 2023	2.21%	-	1,295
Foxwell Energy				
- without covenants	Principal and interest are repayable in installments from January 2019 to December 2035	1.88%~1.97%	282,098	35,882
Foxwell Power				
- with covenants	Principal and interest are repayable in installments from October 2022 to September 2028	2.15%	-	7,500
Bank's secured borrowings				
Foxwell Energy	Principal and interest are repayable in installments from May 2018 to February 2036	1.88%~2.35%	223,996	275,013
Foxwell Power	Principal and interest are repayable in installments from October 2022 to September 2028	2.15%	-	112,500
Glory Science	Borrowing period is from December 31, 2019 to December 31, 2024; pay principal based on each bank's regulations, interest is calculated monthly	1.61%	-	45,000
Medium-term and long-term syndicated loans				
Cheng Uei				
- with covenants	Borrowing period is from November 2020 to November 2025. The Company may issue a drawing application before the maturity date of borrowing to repay the loan principal with the new payment	1.93%~2.06%	4,000,000	4,000,000
Foxwell Power				
- with covenants	Borrowing period is from October 2022 to October 2025; pay entire amount when due	2.32%~2.41%	770,100	979,900
				16,120,840
Less: current portion				(689,541)
Less: Discount				(24,376)
				$ 15,406,923

A. In November 2020, the Group signed a medium-term syndicated revolving NTD credit facility agreement with the Bank of Taiwan as the lead bank. The terms of agreement are summarised below:

(a) Duration of loan: The loan period of the agreement was 5 years from the agreement signing date.

(b) Credit line and draw-down: The credit line was NT$8,000,000, which can be drawn down in installments of at least NT$100,000 thousand per draw-down.

(c) Principal repayment: The duration of each loan drawn down is either 90 days or 180 days at the Company's option. The Company, if without any default, may submit an application to the banks to draw down a new loan with principal equal to the original loan before its maturity, and the new loan is directly used to repay the original loan. The banks and the Company are not required to make remittances for such draw-down and repayment, which is viewed that the Company has received the new loan on the maturity of original loan.

(d) Commitment: The Company should maintain the following financial ratios during the contract duration for semi-annual consolidated and annual consolidated financial statements:
   i. Current assets to current liabilities ratio of at least 1:1;
   ii. Liabilities not exceeding 200% of tangible net equity;
   iii. Interest coverage of at least 400%; and
   iv. Total equity of at least NT$15,000,000 thousand.

(e) The loan period is decided by the borrower. The borrower may choose to early repay the loans during the contract period according to the syndicated loan contract.

B. The Company entered into the borrowing contracts with Bank SinoPac, Taipei Fubon and Far Eastern International Bank, and the total credit line is $4,300,000. As of December 31, 2023, the borrowings that have been used amounted to $3,600,000. In the duration period of these contracts, the financial ratios in the semi-annual consolidated and annual consolidated financial statements shall be as follows:

(a) Current assets to current liabilities ratio of at least 1:1;

(b) Liabilities not exceeding 200% of tangible net equity;

(c) Interest coverage of at least 400%; and

(d) Tangible net equity of at least NT$15,000,000 thousand.

C. The Group's subsidiary, FIT Holding, Foxlink Image and PQI, entered into the borrowing contracts with Bank SinoPac, Entie Commercial Bank, Yuanta Commercial Bank, Taishin International Bank and Far Eastern International Bank, and the total credit line is NT$2,900,000. As of December 31, 2023, the borrowings that have been used amounted to NT$1,281,000. In the duration period of these contracts, the financial ratios in the semi-annual consolidated and annual consolidated financial statements shall be as follows:

(a) Current assets to current liabilities ratio of at 80% or above;

(b) Liabilities not exceeding 200% of tangible net equity;

(c) Financial gearing ratio should be below 75%;

(d) Interest coverage of at 3 to 4 times or above;

(e) Tangible net equity of at least NT$1,500,000 thousand to NT$8,000,000 thousand; and

(f) Net asset value of at least NT$1,800,000 thousand.

D. The long-term borrowing contract entered into by the Group's second-tier subsidiary, Foxwell Power, with Taishin International Bank on March 7, 2022 stipulates that the Group shall annually review the financial ratios to maintain a current assets to current liabilities ratio not less than 150%, liabilities not less than 200% of tangible net equity and a net asset value not less than $800,000 before every July 31 during the loan period. Additionally, the Group is required to review the shareholding ratio of the ultimate parent company and the parent company on a semi-annual basis. As of December 31, 2022, the Group did not violate the terms of the above contract signed with the bank; As of December 31, 2023, the Group reclassified unpaid borrowings as current portion of long-term borrowings in accordance with the contract terms.

E. The Group's subsidiary Foxwell Power entered into a syndicated contract for a credit line of $1,750,000 with three syndicated banks including O-Bank, etc., on October 3, 2022, and the credit line was divided into Tranche A's and Tranche B's credit line. As of December 31, 2023 and 2022, the undrawn credit line was from Tranche A for both years. As the use of Tranche B is for the Company repaying the unsettled claim, Tranche A borrowings will be reclassified as Tranche B borrowings if the preconditions of the first drawing of Tranche A's credit line are satisfied. In addition, financial commitments relating to Trance B are summarised as follows:

(a) Foxwell Power committed to review the latest nine months' or twelve months' revenue from ancillary services on a semi-annual or annual basis after the site of the project has been qualified to trade on the energy trading platform and the first settlement amount of ancillary services revenue has been remitted to the reserve account. The interest rate will be adjusted by 0.1% if the cumulative number of times did not meet the above requirement of which the revenue reached 80% of the average monthly income listed in the "Estimated statement of annual gain and loss and cash flow".

(b) The Group committed to review the DSCR (Debt Service Coverage Ratio) semi-annually based on the revenue from ancillary services and the principal and interest amount for the last twelve months from the date the first monthly settlement amount of ancillary services revenue for the site of project has been remitted to the reserve account for a full twelve months. The Group should repay the principal in advance within three months or by other appropriate means as agreed by the management bank, so that the DSCR will not be lower than 1.1 times.

F. The Group's subsidiary, Foxwell Energy, entered into the borrowing contracts with eleven banks including CTBC Bank, etc., on March 10, 2023, and the total credit line is $6,720,000. In the duration period of these contracts, the Group shall semi-annually review the tangible net equity to not be less than $6,000,000, and maintain the shareholding ratio of the parent company.

G. As of December 31, 2023, the borrowings that have been used amounted to as follows:

Company	Bank	Loan approval amounts (in thousands)	Amount of borrowings used as of December 31, 2023
Cheng Uei	Yuanta Commercial Bank Co., Ltd.	$ 450,000	$ 400,000
Cheng Uei	Taiwan Cooperative Bank	500,000	-
Cheng Uei	Cathay Bank	500,000	500,000
Cheng Uei	KGI Bank	1,000,000	885,000
Cheng Uei	First Bank	600,000	600,000
Cheng Uei	Entie Commercial Bank	500,000	-
Cheng Uei	Export-Import Bank of Republic of China	480,000	96,250
Cheng Uei	Panhsin Bank	300,000	200,000
Cheng Uei	E.Sun Bank	300,000	300,000
Cheng Uei	Mizuho Bank	USD 30,000	900,000
Cheng Uei	DBS Bank	USD 35,000	900,000
Cheng Uei	United Overseas Bank	USD 10,000	-
Foxlink Image and PQI	Mega International Commercial Bank (Note)	300,000	300,000
FIT Holding	Mega International Commercial Bank	300,000	300,000
FIT Holding	The Shanghai Commercial & Savings Bank	300,000	300,000
Foxlink Image	KGI Bank	400,000	400,000
Foxlink Image	E.Sun Bank (Note)	400,000	300,000
Foxlink Image	Bank of Taiwan	300,000	300,000
Foxlink Image	Hua Nan Commercial Bank	200,000	200,000
Foxlink Image	Taiwan Cooperative Bank	500,000	500,000
Foxlink Image	First Bank	250,000	250,000
Foxlink Image	Cathay Bank (Note)	300,000	100,000
PQI	The Shanghai Commercial & Savings Bank	300,000	300,000
Glory Science	Hua Nan Commercial Bank	70,000	70,000
Glory Science	Chang Hwa Bank	40,000	40,000
Foxwell Energy Corporation Ltd.	Bank SinoPac	310,024	32,576

Note: The credit line was shared by short-term and long-term borrowings and were disclosed in the consolidation.

G. Information about the collateral that was pledged for the long-term borrowings is provided in Note 8.

(19) Pensions

A.(a) The Company and its domestic subsidiaries have a defined benefit pension plan in accordance with the Labour Standards Act, covering all regular employees' service years prior to the enforcement of the Labour Pension Act on July 1, 2005 and service years thereafter of employees who chose to continue to be subject to the pension mechanism under the Labour standards Act. Under the defined benefit pension plan, two units are accrued for each year of service for the first 15 years and one unit for each additional year thereafter, subject to a maximum of 45 units. Pension benefits are based on the number of units accrued and the average monthly salaries and wages of the last 6 months prior to retirement. The Company and its domestic subsidiaries contributes monthly an amount equal to 2% of the employees' monthly salaries and wages to the retirement fund deposited with Bank of Taiwan, the trustee, under the name of the independent retirement fund committee. Also, the Company and its

domestic subsidiaries would assess the balance in the aforementioned labour pension reserve account by the end of December 31, every year. If the account balance is insufficient to pay the pension calculated by the aforementioned method, to the employees expected to be qualified for retirement next year, the Company and its domestic subsidiaries will make contributions to cover the deficit by next March.

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

	December 31, 2023	December 31, 2022
Present value of defined benefit obligations	($ 272,313)	($ 311,689)
Fair value of plan assets	226,889	241,068
Net defined benefit liability (shown as other non-current liabilities)	($ 45,424)	($ 70,621)

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

	Present value of defined benefit obligations	Fair value of plan assets	Net defined benefit liability
Year ended December 31, 2023			
Balance at January 1	($ 311,689)	$ 241,068	($ 70,621)
Current service cost	(1,488)	-	(1,488)
Interest (expense) income	(4,104)	3,545	(559)
	(317,281)	244,613	(72,668)
Remeasurements:			
Return on plan asset (excluding amounts included in interest income or expense)	-	335	335
Change in financial assumptions	(2,336)	-	(2,336)
Experience adjustments	19,538	546	20,084
	17,202	881	18,083
Pension fund contribution	-	2,302	2,302
Benefits paid	20,137	(20,137)	-
Paid pension	7,629	(770)	6,859
Balance at December 31	($ 272,313)	$ 226,889	($ 45,424)

	Present value of defined benefit obligations	Fair value of plan assets	Net defined benefit liability
Year ended December 31, 2022			
Balance at January 1	($ 348,876)	$ 226,278	($ 122,598)
Current service cost	(1,541)	-	(1,541)
Interest (expense) income	(2,449)	1,611	(838)
	(352,866)	227,889	(124,977)
Remeasurements:			
Return on plan asset (excluding amounts included in interest income or expense)	-	8,870	8,870
Change in demographic assumptions	-	-	-
Change in financial assumptions	16,867	-	16,867
Experience adjustments	(3,970)	7,649	3,679
	12,897	16,519	29,416
Pension fund contribution		15,179	15,179
Benefit paid	18,304	(18,304)	
Paid pension	9,976	(215)	9,761
Balance at December 31	($ 311,689)	$ 241,068	($ 70,621)

(d) The Bank of Taiwan was commissioned to manage the Fund of the Company's and domestic subsidiaries' defined benefit pension plan in accordance with the Fund's annual investment and utilisation plan and the "Regulations for Revenues, Expenditures, Safeguard and Utilisation of the Labor Retirement Fund" (Article 6: The scope of utilisation for the Fund includes deposit in domestic or foreign financial institutions, investment in domestic or foreign listed, over-the-counter, or private placement equity securities, investment in domestic or foreign real estate securitization products, etc.). With regard to the utilisation of the Fund, its minimum earnings in the annual distributions on the final financial statements shall be no less than the earnings attainable from the amounts accrued from two-year time deposits with the interest rates offered by local banks. If the earnings is less than aforementioned rates, government shall make payment for the deficit after being authorized by the Regulator. The Company has no right to participate in managing and operating that fund and hence the Company is unable to disclose the classification of plan asset fair value in accordance with IAS 19 paragraph 142. The composition of fair value of plan assets as of December 31, 2023 and 2022 is given in the Annual Labor Retirement Fund Utilisation Report announced by the government.

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

	Years ended December 31,	
	2023	2022
Discount rate	1.20%~1.875%	1.25%~2.00%
Future salary increases	2.00%~5.00%	2.00%~5.00%

Future mortality rate was estimated based on the 5th Taiwan Standard Ordinary Experience Mortality Table. Because the main actuarial assumption changed, the present value of defined benefit obligation is affected. The analysis was as follows:

	Discount rate		Future salary increases	
	Increase 0.25%	Decrease 0.25%	Increase 0.25%	Decrease 0.25%
December 31, 2023				
Effect on present value of defined benefit obligation	$ 3,880	($ 3,991)	($ 3,360)	$ 3,314
December 31, 2022				
Effect on present value of defined benefit obligation	$ 4,944	($ 5,093)	($ 3,701)	$ 3,745

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

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

(f) Expected contributions to the defined benefit pension plans of the Group for the year ending December 31, 2024 amount to $2,119.

(g) As of December 31, 2023, the weighted average duration of that retirement plan is 8 to 17.9 years.

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

(b) The Company's Mainland China subsidiaries have a funded defined contribution plan. Monthly contributions are based on the employees' monthly salaries (the contribution ratio for the years ended December 31, 2023 and 2022 is between 10.2%~21%) and wages to an independent fund administered by the government in accordance with the pension regulations. Other than the monthly contributions, the Group has no further obligations.

(c) The pension costs under the abovementioned defined contribution pension plan for the years ended December 31, 2023 and 2022 were $906,506 and $904,077, respectively.

(20) Share capital

A. As of December 31, 2023, the Company's authorised common stock was $7,000,000 (including 50,000,000 shares reserved for the issuance of employees' warrants), and the issued and outstanding shares were 462,823,940 shares.

B. Treasury shares

Before becoming a subsidiary, Foxlink Image Technology Co., Ltd. held the parent's capital stock amounting to 27,503 thousand shares with a book value of $272,066 for general investment purpose. For the year ended December 31, 2023, Foxlink Image Technology Co., Ltd. acquired 22,000 thousand shares with a book value of $350,708 after the Company acquired control over Foxlink Image on October 1, 2018. As of December 31, 2023 and 2022, the detailed information of Foxlink Image's parent equity shares is as follows:

	December 31, 2023	December 31, 2022
Thousand shares	49,503	27,503
Book value	$ 622,774	$ 272,066

(21) Capital surplus

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

	2023					
	Share premium	Treasury share transactions	Difference between proceeds from acquisition or disposal of subsidiary and book value	Changes in ownership interests in subsidiaries	Change in net equity of associates accounted for using equity method	Total
At January 1	$ 9,337,850	$ 87,091	$ 700,203	$ 3,894	$ 253,645	$ 10,382,683
Cash dividends distributed to subsidiaries	-	33,216	-	-	-	33,216
Non-subscription in the capital increase of subsidiaries proportionately by the Group	-	-	-	(12)	-	(12)
Convertible bonds issued by subsidiaries	-	-	-	83,504	-	83,504
Transactions with non-controlling interest	-	-	9,757	-	-	9,757
Recognition of change in equity of associates in portion to the Group's ownership	-	-	-	-	255,753	255,753
At December 31	$ 9,337,850	$ 120,307	$ 709,960	$ 87,386	$ 509,398	$ 10,764,901

	2022					
	Share premium	Treasury share transactions	Difference between proceeds from acquisition or disposal of subsidiary and book value	Changes in ownership interests in subsidiaries	Change in net equity of associates accounted for using equity method	Total
At January 1	$ 9,337,850	$ 71,336	$ 589,709	$ 3,829	$ 250,151	$ 10,252,875
Cash dividends distributed to subsidiaries	-	15,755	-	-	-	15,755
Adjustments due to not participating in the capital increase of investees proportionately	-	-	110,494	65	3,494	114,053
At December 31	$ 9,337,850	$ 87,091	$ 700,203	$ 3,894	$ 253,645	$ 10,382,683

(22) Retained earnings

A. Based on the Company's Articles of Incorporation, the current year's earnings, if any, shall first be used to pay all taxes and offset prior years' operating losses and then 10% of the remaining amount shall be set aside as legal reserve. The appropriation of remainder shall be proposed by the Board of Directors and be resolved by the shareholders.

The Board of Directors may, upon resolution adopted by a majority vote at a meeting of the Board of Directors attended by two-thirds of the total number of directors, distribute dividends and bonus, capital surplus or legal reserve, in whole or in part, in the form of cash. The above distribution is not subject to approval by the shareholders.

B. According to the Company's Articles of Incorporation, no more than 90% of the distributable retained earnings shall be distributed as stockholders' bonus and cash dividend distributed in any calendar year shall be at least 20% of the total distributable earnings in that year based on future capital expenditures budget and capital requirements.

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

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

(b) The amounts previously set aside by the Company as special reserve on initial application of IFRSs in accordance with Order No. Financial-Supervisory-Securities-Corporate-1090150022, dated March 31, 2021, shall be reversed proportionately when the relevant assets are used, disposed of or reclassified subsequently.

(c) The amounts previously set aside by the Company as special reserve for the initial application of IFRSs amounted to $665,206. Furthermore, the Company did not reverse special reserve to retained earnings for the years ended December 31, 2023 and 2022 as a result of the use, disposal or reclassification of related assets. As of December 31, 2023 and 2022, the amount of special reserve set aside for the initial application of IFRSs all amounted to $665,206.

E. (a) For the years ended December 31, 2023 and 2022, the Company recognised dividends distributed to owners amounting to $1,127,119 and $768,490, respectively. Details of the appropriation of 2022's and 2021's net income which was resolved at the stockholders' meeting on May 31, 2023 and June 21, 2022, respectively, are as follows:

	Year ended December 31, 2022		Year ended December 31, 2021	
	Amount	Dividend per share (in dollars)	Amount	Dividend per share (in dollars)
Legal reserve	$ 153,911	$ -	$ 94,372	$ -
Special reserve	(237,890)	-	565,304	-
Cash dividends	1,127,119	2.2	768,490	1.5
Total	$ 1,043,140	$ 2.2	$ 1,428,166	$ 1.5

(b) The appropriation of 2023 earnings had been proposed by the Board of Directors on March 11, 2024. Details are summarized below:

	Year ended December 31, 2023	
	Amount	Dividend per share (NTD)
Legal reserve	$ 117,296	$ -
Special reserve	309,668	-
Cash dividends	1,024,654	2.0
Total	$ 1,451,618	$ 2.0

Information about earnings distribution of the Company as approved and proposed by the Board of Directors and resolved by the shareholders' will be posted in the "Market Observation Post System" at the website of the Taiwan Stock Exchange.

(23) Other equity items

	2023		
	Financial assets at fair value through other comprehensive income	Currency Translation	Total
At January 1	($ 544,591)	($ 1,819,170)	($ 2,363,761)
Changes in disposals:			
- Group	225,761	-	225,761
- Associates	72,634	-	72,634
Valuation adjustment:			
- Group	(62,224)	-	(62,224)
- Associates	28,915	-	28,915
Currency translation differences:			
- Group	-	(586,204)	(586,204)
- Associates	-	11,450	11,450
At December 31	($ 279,505)	($ 2,393,924)	($ 2,673,429)

	2022		
	Financial assets at fair value through other comprehensive income	Currency Translation	Total
At January 1	($ 472,609)	($ 2,129,042)	($ 2,601,651)
Valuation adjustment:			
- Group	(5,302)	-	(5,302)
- Associates	(66,680)	-	(66,680)
Currency translation differences:			
- Group	-	353,222	353,222
- Associates	-	(43,350)	(43,350)
At December 31	($ 544,591)	($ 1,819,170)	($ 2,363,761)

(24) Operating revenue

A. Disaggregation of revenue from contracts with customers

The Group derives revenue from the transfer of goods over time and at a point in time in the following major product lines and generates related revenue in each reportable segment:

	Years ended December 31,	
	2023	2022
Systems and peripheral products	$ 37,683,291	$ 40,762,357
3C component	29,198,974	31,850,107
3C product retail	12,422,435	17,188,938
Energy service management	11,246,064	4,301,192
Total	$ 90,550,764	$ 94,102,594

B. Unfulfilled construction contracts

Aggregate amount of the transaction price allocated to and the year expected to recognise revenue for the unsatisfied performance obligations in relation to the contracted significant construction contracts as of December 31, 2023 and 2022 are as follows:

Year	Year expected to recognise revenue	Contracted amount (before tax)
December 31, 2023	2024~2025	$ 41,439,682
December 31, 2022	2023~2025	50,750,368

C. Contract assets and contract liabilities

(a) The Group has recognised the following revenue-related contract assets and liabilities:

	December 31, 2023	December 31, 2022
Contract assets:		
Contract assets-construction contracts	$ 8,675,960	$ 2,716,125

	December 31, 2023	December 31, 2022
Contract liabilities:		
Contract liabilities-advance sales receipts	$ 512,263	$ 1,057,380
Contract liabilities-construction contracts	42,777	3,171
Contract liabilities-warranty with an extra fee	41,171	8,912
Contract liabilities-education training courses	18,611	18,404
	$ 614,822	$ 1,087,867
Contract liabilities-non-current:		
Contract liabilities-warranty with an extra fee	$ 134,202	$ 173,085
Contract liabilities-education training courses	32,975	50,901
Total	$ 167,177	$ 223,986

(b) Contract assets and liabilities recognised for the aforementioned construction contracts as at December 31, 2023 and 2022 are as follows:

	December 31, 2023	December 31, 2022
Aggregate costs incurred plus recognised profits	$ 20,545,655	$ 8,411,401
Less: Progress billings	(11,912,472)	(5,698,447)
Net balance sheet position for construction in progress	$ 8,633,183	$ 2,712,954
Presented as:		
Current contract assets	$ 8,675,960	$ 2,716,125
Current contract liabilities	(42,777)	(3,171)
Total	$ 8,633,183	$ 2,712,954

(c) Revenue recognised that was included in the contract liability balance at the beginning of the period:

	Years ended December 31,	
	2023	2022
Revenue recognised that was included in the contract liability balance at the beginning of the year	$ 774,889	$ 224,879

D. Please refer to Note 9 for the information of significant construction contracts of the Group.

(25) Net other income (expenses)

	Years ended December 31,	
	2023	2022
Gains on disposals of investments	$ 118,111	$ -

(26) Interest income

	Years ended December 31,	
	2023	2022
Interest income from bank deposits	$ 275,628	$ 131,821

(27) Other income

	Years ended December 31,	
	2023	2022
Government grants revenue	$ 340,462	$ 214,635
Rental revenue	65,121	53,724
Income from counter-party default	15,351	35,167
Gain recognised in bargain purchase transaction	707	-
Other revenue-other	115,230	120,796
	$ 536,871	$ 424,322

Please refer to Note 6(9) F. for the information of gain recognised in bargain purchase transaction

(28) Other gains and losses

	Years ended December 31,	
	2023	2022
Gains on financial assets at fair value through profit or loss	$ 739	$ -
Loss on disposal of property, plant and equipment	(239,068)	(58,049)
Gains on disposal of investments	47,008	23,290
Loss on the fire damage	(552,414)	-
Claims income	520,642	-
Net currency exchange (loss) gain	(34,063)	374,682
Depreciation charge on investment property	(13,011)	(13,093)
Loss on indemnity	-	(793,728)
Other gains and losses	(43,535)	(56,504)
	($ 313,702)	($ 523,402)

(29) Finance costs

	Years ended December 31,	
	2023	2022
Bank borrowings	$ 483,944	$ 323,291
Corporate bonds	100,014	88,777
Lease liabilities	35,274	11,189
	$ 619,232	$ 423,257

(30) Expenses by nature

	Years ended December 31,	
	2023	2022
Employee benefit expense	$ 12,896,773	$ 13,487,044
Depreciation expense	3,760,839	3,424,016
Amortisation charges on intangible assets	140,150	78,470
Transportation expense	557,349	674,103
Advertising costs	95,732	65,855
Operating lease payments	141,567	109,211
	$ 17,592,410	$ 17,838,699

(31) Employee benefit expense

	Years ended December 31,	
	2023	2022
Wages and salaries	$ 11,005,450	$ 11,694,317
Pension costs	908,553	906,456
Labour and health insurance fees	617,171	544,165
Director's remuneration	8,000	10,000
Other personnel expenses	357,599	332,106
	$ 12,896,773	$ 13,487,044

A. According to the Articles of Incorporation of the Company, a ratio of distributable profit of the current year, after covering accumulated losses, shall be distributed as employees' compensation and directors' and supervisors' remuneration. The ratio shall not be lower than 6% for employees' compensation and shall not be higher than 3% for directors' and supervisors' remuneration.

B. For the years ended December 31, 2023 and 2022, employees' compensation was accrued at $231,145 and $312,000, respectively; directors' and supervisors' remuneration was both accrued at $8,000 and $10,000, respectively. The aforementioned amounts were recognised in salary expenses.

C. The employees' compensation and directors' and supervisors' remuneration were estimated and accrued based on the distributable profit of current period for the year ended December 31, 2023 and percentage as prescribed by the Company's Articles of Incorporation. The Board of Directors resolved the actual appropriation amounts of $231,145 and $8,000 and appropriated in cash in March 11, 2024.

D. Employees' compensation and directors' and supervisors' remuneration of 2022 as resolved at the Board of Directors were in agreement with those amounts recognised in the profit or loss of 2022.

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

(32) Income tax

A. Income tax expense

(a) Components of income tax expense:

	Years ended December 31,	
	2023	2022
Current tax:		
Tax payable incurred in current year	$ 1,127,199	$ 989,167
Tax on undistributed surplus earnings	29,268	4,904
Prior year income tax (over) under estimation	(24,920)	47,279
Total current tax	1,131,547	1,041,350
Deferred tax:		
Origination and reversal of temporary differences	(97,068)	275,744
Total deferred tax	(97,068)	275,744
Income tax expense	$ 1,034,479	$ 1,317,094

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

	Years ended December 31,	
	2023	2022
Currency translation differences	($ 147,279)	$ 108,773
Remeasurement of defined benefit obligations	3,617	5,883
	($ 143,662)	$ 114,656

B. Reconciliation between income tax expense and accounting profit

	Years ended December 31,	
	2023	2022
Tax calculated based on profit before tax and statutory tax rate	$ 1,626,518	$ 1,461,113
Tax on undistributed surplus earnings	29,268	4,904
Effect from Alternative Minimum Tax	3,851	-
Realisability of deferred tax assets	2,335	-
Effect from items disallowed by tax regulation	(474,453)	(196,202)
Effects from loss carryforward	(128,144)	-
Prior year income tax (over) under estimation underestimation	(24,920)	47,279
Other	24	-
Income tax expense	$ 1,034,479	$ 1,317,094

C. Amounts of deferred tax assets or liabilities as a result of temporary differences, tax losses and investment tax credits are as follows:

	2023				
	January 1	Recognised in profit or loss	Recognised in other comprehensive income	Business combination	December 31
Temporary differences:					
-Deferred tax assets:					
Bad debts expense	$ 18,993	$ -	$ -	$ -	$ 18,993
Impairment losses on slow-moving inventory	19,381	11,532	-	-	30,913
Unrealised profit from sales	31,252	19,965	-	-	51,217
Remeasurement of defined benefit	-	-	(9,597)	-	(9,597)
Currency translation differences	180,097	-	147,279	-	327,376
Tax losses	104,127	6,464	-	34,144	144,735
Others	94,930	23,342	-	(48)	118,224
Subtotal	$ 448,780	$ 61,303	$ 137,682	$ 34,096	$ 681,861
-Deferred tax liabilities:					
Gain on investments	($ 985,646)	($ 79,574)	$ -	($ 2,662)	($ 1,067,882)
Unrealised exchange (loss) gain	(96,536)	96,195	-	-	(341)
Unrealised appropriation of pension	(12,136)	120	-	-	(12,016)
Remeasurement of defined benefit	(5,980)	-	5,980	-	-
Others	(142,786)	19,024	-	-	(123,762)
Subtotal	($ 1,243,084)	$ 35,765	$ 5,980	($ 2,662)	($ 1,204,001)
Total	($ 794,304)	$ 97,068	$ 143,662	$ 31,434	($ 522,140)

	2022				
	January 1	Recognised in profit or loss	Recognised in other comprehensive income	Business combination	December 31
Temporary differences:					
-Deferred tax assets:					
Bad debts expense	$ 18,619	$ 374	$ -	$ -	$ 18,993
Impairment losses on slow-moving inventory	21,522	(2,141)	-	-	19,381
Unrealised exchange (loss) gain	23,894	(23,894)	-	-	-
Unrealised profit from sales	24,511	6,741	-	-	31,252
Remeasurement of defined benefit	243	-	(243)	-	-
Currency translation differences	288,870	-	(108,773)	-	180,097
Tax losses	103,342	785	-	-	104,127
Others	88,171	6,759	-	-	94,930
Subtotal	$ 569,172	($ 11,376)	($ 109,016)	$ -	$ 448,780
-Deferred tax liabilities:					
Gain on investments	($ 815,723)	($ 169,923)	$ -	$ -	($ 985,646)
Unrealised exchange (loss) gain	-	(96,536)	-	-	(96,536)
Unrealised appropriation of pension	(10,738)	(1,398)	-	-	(12,136)
Remeasurement of defined benefit	-	(340)	(5,640)	-	(5,980)
Others	(107,087)	3,829	-	(39,528)	(142,786)
Subtotal	($ 933,548)	($ 264,368)	($ 5,640)	($ 39,528)	($ 1,243,084)
Total	($ 364,376)	($ 275,744)	($ 114,656)	($ 39,528)	($ 794,304)

D. Expiration dates of unused tax losses and amounts of unrecognised deferred tax assets are as follows:

December 31, 2023				
Year incurred	Amount filed /assessed	Unused amount	Unrecognised deferred tax assets	Expiry year
2014-2023	$ 3,785,045	$ 3,547,357	$ 2,646,822	2024-2033

December 31, 2022				
Year incurred	Amount filed /assessed	Unused amount	Unrecognised deferred tax assets	Expiry year
2011-2022	$ 3,406,188	$ 3,150,618	$ 2,466,819	2022-2032

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

	December 31, 2023	December 31, 2022
Deductible temporary differences	$ 8,325	$ 275,630

F. The latest year of the Company's and its domestic subsidiaries' income tax returns that have been assessed and approved by the Tax Authority is as follows:

	Status of Assessment
The Company, Suntain, Zhi De Investment, Darts, FII, FUII, FAT, WCT, DU Precision, Shinfox, Foxwell Energy, Foxwell Power, Studio A, Jing Jing, Straight A, VA, PSI, Shinfox Natural Gas, Elegant Energy, Eastern Rainbow Green Energy and Eastern Rainbow Environmental	Assessed and approved up to 2021
Foxlink Image, PQI, Glory Science and FIT Holding	Assessed and approved up to 2018

G. The Group has applied the exception to recognising and disclosing information about deferred tax assets and liabilities related to Pillar Two income taxes.

H. The Group's exposure to Pillar Two income taxes arising from the Pillar Two legislation is as follows:

(a) The Group is within the scope of the Pillar Two model rules published by the Organisation for Economic Co-operation and Development (OECD).

(b) Since Pillar Two legislation was enacted in Vietnam, the jurisdiction in which the Group's subsidiaries are incorporated, and will come into effect from January 1, 2024, the Group has no related current tax exposure as of December 31, 2023.

(c) Under the Pillar Two legislation, the Group is liable to pay aa top-up tax for the difference between its GloBE effective tax rate per jurisdiction and the 15% minimum rate.

(d) The Group is in the process of assessing its exposure to the Pillar Two legislation for when it comes into effect. However, due to the complexities in applying the legislation and calculating GloBE income as well as the impact of specific adjustments envisaged in the Pillar Two legislation which give rise to different effective tax rates compared to those calculated in accordance with IAS 12, the quantitative impact of the enacted or substantively enacted legislation is not yet reasonably estimable. The Group is currently engaged with tax specialists to assist it with applying the legislation.

(33) Earnings per share

	Year ended December 31, 2023		
	Amount after tax	Weighted average number of ordinary shares outstanding (share in thousands)	Earnings per share (in dollars)
Basic earnings per share			
Profit attributable to ordinary shareholders of the parent	$ 1,457,132	471,542	$ 3.09
Diluted earnings per share			
Profit attributable to ordinary shareholders of the parent	$ 1,457,132	471,542	
Assumed conversion of all dilutive potential ordinary shares			
Employees' compensation	-	4,786	
Profit attributable to ordinary shareholders of the parent plus assumed conversion of all dilutive potential ordinary shares	$ 1,457,132	476,328	$ 3.06

	Year ended December 31, 2022		
	Amount after tax	Weighted average number of ordinary shares outstanding (share in thousands)	Earnings per share (in dollars)
Basic earnings per share			
Profit attributable to ordinary shareholders of the parent	$ 1,522,518	484,824	$ 3.14
Diluted earnings per share			
Profit attributable to ordinary shareholders of the parent	$ 1,522,518	484,824	
Assumed conversion of all dilutive potential ordinary shares			
Employees' compensation	-	6,353	
Profit attributable to ordinary shareholders of the parent plus assumed conversion of all dilutive potential ordinary shares	$ 1,522,518	491,177	$ 3.10

(34) Transactions with non-controlling interest

A. The Group did not participate in the capital increase raised by the second-tier subsidiary proportionally to its interest to the subsidiary.

(a) The second-tier subsidiary, Shinfox Energy Co., Ltd., and Foxwell Power Co., Ltd. increased its capital by issuing new shares in 2022. The Group did not acquire shares proportionally to its interest. As a result, the Group decreased its share interest by 3.01% and 18.77%, respectively. The transaction increased non-controlling interest by $2,381,970 and increased

the equity attributable to owners of parent by $109,969.

(b) The Group's second-tier subsidiary, Guanwei Power Co., Ltd., increased its capital by issuing new shares on July 5, 2023. The Group did not acquire shares proportionally to its interest. As a result, the Group decreased its share interest by 49%, and the transaction amounted was $34,300. The transaction increased non-controlling interest by $34,312 and decreased the equity attributable to owners of parent by $12.

B. Disposal of equity interest in second-tier subsidiaries (that did not result in a loss of control)

The Group sold 2.67% equity interests of the second-tier subsidiary, Foxwell Power Co., Ltd., in December 2023, and the transaction amount was $60,838. The transaction decreased non-controlling interest by $51,081 and increased the equity attributable to owners of parent by $9,757.

C. For the year ended December 31, 2023, the Group's second-tier subsidiary, Shinfox Energy Co., Ltd., had changes in equity due to the issuance of convertible bonds. The transaction decreased non-controlling interest by $227,723 and increased the equity attributable to owners of parent by $83,504.

(35) Business combinations

A. Elegant Energy TECH Co., Ltd. ("Elegant Energy")

(a) On February 14, 2022, the Group acquired 100% of the share capital of Elegant Energy for $200,000 and obtained control over Elegant Energy. As a result of the acquisition, the Group is expected to increase its presence in the land-based wind market.

(b) The following table summarises the consideration paid for Elegant Energy and the fair values of the assets acquired and liabilities assumed at the acquisition date:

	February 14, 2022
Purchase consideration	
Cash	$ 200,000
Fair value of the identifiable assets acquired and liabilities assumed	
Cash	786
Other current assets	3,293
Intangible assets	197,637
Other current liabilities	(1,716)
Deferred tax liabilities:	(39,528)
Total identifiable net assets	160,472
Goodwill	$ 39,528

(c) The allocation of purchase price due to acquisition of Elegant Energy was completed in the first quarter of 2022. The fair value of the acquired identifiable intangible assets and goodwill amounted to $197,637 and $39,528, respectively.

(d) The operating revenue included in the consolidated statement of comprehensive income since February 14, 2022 contributed by Elegant Energy was $1,998. Elegant Energy also contributed profit before income tax of $1,990 over the same period. Had Elegant Energy

been consolidated from January 1, 2022, the consolidated statement of comprehensive income would show operating revenue of $94,103,343 and profit before income tax of $3,407,578.

B. Eastern Rainbow Green Energy Environmental Technology Co., Ltd. ("Eastern Rainbow Green Energy")

(a) On October 6, 2023, the Group subscribed to the newly issued common shares of Eastern Rainbow Green Energy in cash amounting to $218,020. The Group held 56.63% equity interests in Eastern Rainbow Green Energy and had control over Eastern Rainbow Green Energy after the subscription.

(b) The allocation of the acquisition price of Eastern Rainbow Green Energy was completed in the fourth quarter of 2023. The fair value of the identifiable intangible assets acquired and goodwill amounted to $716 and $9,519, respectively.

(c) The operating revenue included in the consolidated statement of comprehensive income since October 6, 2023 contributed by Eastern Rainbow Green Energy was $67,503. Eastern Rainbow Green Energy also contributed loss before income tax of ($23,557) over the same period. Had Eastern Rainbow Green Energy been consolidated from January 1, 2023, the consolidated statement of comprehensive income would show operating revenue of $241,902 and loss before income tax of ($59,035) for the year ended December 31, 2023.

C. Shinfox Far East Company Pte. Ltd. ("SFE")

(a) The Group originally held 40% equity interest in SFE before the business combination, and the Group acquired an additional 27% equity interests in SFE in cash amounting to $1,649,347 on November 6, 2023. After the acquisition, the Group totally held 67% equity interests in SFE and had control over SFE. The Group recognised gain on remeasurement of fair value amounting to $45,025 (shown as 'other gains and losses-gain on disposal of investment').

(b) The allocation of the acquisition price of SFE was completed in the fourth quarter of 2023. The fair value of the acquired goodwill amounted to $49,878.

(c) The operating revenue included in the consolidated statement of comprehensive income since November 6, 2023 contributed by SFE was $522,429. SFE also contributed loss before income tax of ($92,246) over the same period. Had SFE been consolidated from January 1, 2023, the consolidated statement of comprehensive income would show operating revenue of $1,875,937 and loss before income tax of ($491) for the year ended December 31, 2023.

D. The following table summarises the consideration paid for Eastern Rainbow Green Energy and the fair values of the assets acquired and liabilities assumed at the acquisition date:

	Eastern Rainbow Green Energy	SFE
Purchase consideration		
Cash paid	$ 218,020	$ 663,097
The fair value of the equity previously held as of the acquistion date	-	986,250
The non-controlling interest's proportionate share of the recognised amounts of acquire's identifiable net assets	159,688	787,798
	377,708	2,437,145
Fair value of the identifiable assets acquired and liabilities assumed		
Cash	273,914	225,447
Other current assets	284,856	396,034
Property, plant and equipment	38,072	2,038,523
Intangible assets	716	-
Deferred tax assets	34,144	-
Other non-current assets	9,209	14,451
Other current liabilities	(237,750)	(278,405)
Deffered tax liabilities	(2,710)	-
Other non-current Liabitities	(32,262)	(8,783)
Total identifiable net assets	368,189	2,387,267
Goodwill	$ 9,519	$ 49,878

(36) Supplemental cash flow information

A. Investment activities with partial cash payments:

	Years ended December 31,	
	2023	2022
Purchase of property, plant and equipment	$ 3,651,410	$ 2,603,213
Add: Opening balance of payable on equipment	514,893	447,305
Less: Ending balance of payable on equipment	(749,489)	(514,893)
Less: Capitalisation of interest expense	(47,797)	(4,343)
Cash paid during the period	$ 3,369,017	$ 2,531,282

B. The Group sold 58.50% of its shares in the subsidiary, Junezhe, on December 27, 2022 and therefore lost control over the subsidiary (please refer to Note 4(3)B.). The details of the consideration received from the transaction (including cash and cash equivalents) and assets and liabilities relating to the subsidiary are as follows:

	December 27, 2022
Consideration received	
Cash	$ 134,550
Carrying amount of assets and liabilities of Junezhe	
Cash	11,788
Accounts receivable	16,790
Other current assets	1,091
Property, plant and equipment	173,333
Accounts payable (including related parties)	(4,013)
Other payables	(3,587)
Current tax liabilities	(7,081)
Other current liabilities	(17)
Total net assets	$ 188,304

C. The Group sold 100% of share in subsidiary Diwei Power Co., Ltd. and Liangwei Power Co., Ltd. on December 25, 2023 and therefore lost control over the subsidiary (please refer to Note 4(3) B.). The details of the consideration received from the transaction (including cash and cash equivalents) and assets and liabilities relating to the subsidiary are as follows:

	Diwei Power	Liangwei Power
Consideration received		
Cash	$ 77,297	$ 163,175
Carrying amount of the assets and liabilities		
Cash	4,362	8,716
Other current assets	21,819	26,243
Property, plant and equipment	102,700	160,452
Short-term notes and bills payable	(76,587)	(94,490)
Other current liabilities	(16,353)	(14,501)
Total net assets	$ 35,941	$ 86,420

(37) Changes in liabilities from financing activities

	2023					
	Short-term borrowings	Short-term notes and bills payable	Corporate bonds payable	Long-term borrowings	Lease liabilities	Liabilities from financing activities - gross
At January 1	$ 9,550,241	$ 1,789,159	$ 6,582,374	$ 16,096,464	$ 977,569	$ 34,995,807
Changes in cash flow from financing activities	322,197	2,467,438	2,846,277	1,951,339	(548,096)	7,039,155
Impact of changes in foreign exchange rate	(9,911)	-	-	-	(73,957)	(83,868)
Interest expense	-	-	-	-	35,274	35,274
Changes in other non-cash items	28,170	(171,077)	9,082	31,904	1,767,505	1,665,584
At December 31	$ 9,890,697	$ 4,085,520	$ 9,437,733	$ 18,079,707	$ 2,158,295	$ 43,651,952

	2022					
	Short-term borrowings	Short-term notes and bills payable	Corporate bonds payable	Long-term borrowings	Lease liabilities	Liabilities from financing activities - gross
At January 1	$ 4,224,848	$ 1,596,522	$ 6,578,570	$ 11,479,117	$ 406,162	$ 24,285,219
Changes in cash flow from financing activities	5,325,393	192,637	-	4,617,347	(323,786)	9,811,591
Impact of changes in foreign exchange rate	-	-	-	-	(129,950)	(129,950)
Interest expense	-	-	-	-	11,189	11,189
Changes in other non-cash items	-	-	3,804	-	1,013,954	1,017,758
At December 31	$ 9,550,241	$ 1,789,159	$ 6,582,374	$ 16,096,464	$ 977,569	$ 34,995,807

7. RELATED PARTY TRANSACTIONS

(1) Names of related parties and relationship

Names of related parties	Relationship with the Group
Well Shin Technology Co., Ltd. (Well Shin)	Associate
Sharetronic Data Technology Co., Ltd. (Sharetronic)	Associate
Microlink Communications Inc. (Microlink)	Associate
Central Motion Picture Corporation (Central Motion Picture)	Associate
Deepwaters Digital Support Inc. (Deepwaters)	Associate
Dongguan Banrin Robot Technology Co., Ltd. (Banrin)	Associate
Synergy Co., Ltd. (Synergy)	Associate
Cheng Shin Digital Co., Ltd. (Cheng Shin Digital)	Associate
Changpin Wind Power Ltd.(Changpin)	Joint venture (Note 1)
Shin Hon International Investment Co., Ltd. (SHIN HON)	Other related party
Hon Hai Precision Industry Co., Ltd. (Hon Hai)	Other related party
Chern Feng Engineering Tech Co., Ltd. (Chern Feng)	Formerly other related party (Note 2)

Note 1: The Group acquired the investment accounted for using equity method in the second quarter of 2022, so it is listed as a related party.

Note 2: Chern Feng was the Group's related party because Chern Feng was the major shareholder of the Group's subsidiary - Junezhe. However, the Group disposed all the equity interest in Junezhe on December 27, 2022. As a result, Chern Feng was no longer a related party of the Group starting from December 27, 2022.

(2) Significant related party transactions

A. Operating revenue

	Years ended December 31,	
	2023	2022
-Associates	$ 151	$ 9,270
-Joint ventures	133,354	60,000
-Other related parties	729,715	809,822
	$ 863,220	$ 879,092

(a) The sales price in relation to the transaction made with related parties is based on mutual agreement. All the credit terms on sales to related parties were receivable within 4 to 6 months after sales. The credit terms on sales to third parties were 30 to 120 days after monthly billing or by telegraphic transfer upon shipment of goods, except for receivables arising from the sales of tooling that are collectible upon acceptance by customers.

(b) The Group's sales of services to the abovementioned related parties refer to construction revenue and service revenue from contracts such as electricity sales revenue charged from the contracted construction agreements, contracted agreements for development, design, manufacture and supervision of construction and the operation and maintenance contract for wind turbine generator system (WTGS) entered with other related parties, and the transaction price and credit terms are the same with the market situation or the general customers.

B. Operating costs

(a) Purchase

	Years ended December 31,	
	2023	2022
Purchases of goods:		
- Associates	$ 249,244	$ 393,253
- Other related parties	642,049	1,064,707
	$ 891,293	$ 1,457,960

The purchase price in relation to the transaction made with related parties is based on mutual agreement. All purchases from related parties are at arm's-length. Payment period was 60 to 120 days after receipt of goods from suppliers.

(b) Construction cost

	Years ended December 31,	
	2023	2022
Construction cost		
- Other related parties	$ 1,225	$ -
- Formerly other related parties	-	60,007
	$ 1,225	$ 60,007

Except for construction cost which is calculated based on the construction contract entered into using market quotes, other payments of the transactions between the Group and the abovementioned related parties are calculated based on mutual agreement and paid monthly.

C. Rental revenue

	Years ended December 31,	
	2023	2022
Associates	$ 48,273	$ -

D. Receivables from related parties

	December 31, 2023	December 31, 2022
Accounts receivable:		
- Other related parties	$ 350,624	$ 339,390
- Joint ventures	5,250	-
- Associates	78,005	74,797
	$ 433,879	$ 414,187
Other receivables (Financing):		
- Associates		
Microlink	$ 55,000	$ 55,000
Other receivables (Others):		
- Associates	6,338	11,184
- Other related parties	1,481	364
	$ 62,819	$ 66,548

Other receivables (Other) mainly refer to the rental income received from related parties, and the collection terms are based on mutual agreement.

E. Payables to related parties:

	December 31, 2023	December 31, 2022
Accounts payable:		
- Associates	$ 69,920	$ 123,552
- Other related parties	74,685	57,572
	$ 144,605	$ 181,124

	December 31, 2023	December 31, 2022
Other payables-Receipts under custody:		
- Associates	$ 20,341	$ 20,476
- Other related parties	-	-
	$ 20,341	$ 20,476

F. Property transactions

Acquisition of property, plant and equipment

	Years ended December 31,	
	2023	2022
- Associates	$ 21,267	$ -

The Company purchased equipment from the associates and the payment terms were determined based on mutual agreements.

G. Lease transactions - lessee

(a) The Group leases buildings from related parties. Rental contracts are typically made for periods of 3 years. Rents are paid at the end of the month.

(b) Acquisitions of right-of-use assets

	Years ended December 31,	
	2023	2022
Associates	$ 28,314	$ 4,654

(c) Lease liability

i. Outstanding balance:

	December 31, 2023	December 31, 2022
Associates	$ 28,312	$ 9,011
Other related parties	4,550	13,542
	$ 32,862	$ 22,553

ii. Interest expense

	Years ended December 31,	
	2023	2022
Associates	$ 70	$ 358
Other related parties	151	294
	$ 221	$ 652

(3) Key management compensation

	Years ended December 31,	
	2023	2022
Short-term employee benefits	$ 178,537	$ 218,468
Post-employment benefits	2,857	2,732
Total	$ 181,394	$ 221,200

8. PLEDGED ASSETS

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

	Book value		
Pledged asset	December 31, 2023	December 31, 2022	Purpose
Property, plant and equipment	$ 1,278,790	$ 2,637,959	Short-term notes and bills, long-term borrowings, debt mortgage guarantee
Right-of-use assets	23,491	198,125	Debt mortgage guarantee
Restricted deposits and time deposits-current (shown as financial assets at amortised cost-current)	2,080,672	2,848,235	Customs deposit, guarantee for L/C issued for purchases of materials, government grants coupon trust, construction pertormance security deposit, short-term borrowings and guaranteed bill
Refundable deposits (shown as other current assets)	1,001,654	999,711	Construction performance security deposit, performance security deposit
Restricted deposits and time deposits-non-current (shown as financial assets at amortised cost-non-current)	701,061	450,052	Reserve account, development deposit and guarantee for bonds
Refundable deposits (shown as other non-current assets)	609,687	642,607	Customs deposit, plant deposit and rental performance security deposit, security deposit and Electrical energy performance security deposit
	$ 5,695,355	$ 7,776,689	

9. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNISED CONTRACT COMMITMENTS

(1) Contingencies

A. The Group's subsidiary, Shih Fong Power Co., Ltd. ("Shih Fong"), carried out the "Shih Fong Power's FongPing River and Its Tributary Hydroelectric Project" (the "Project") in Hualien County and planned to build a weir in FongPing River for hydropower plants to generate electricity. Since 2000, the Company has successively obtained the permit to build the infrastructure as an electricity enterprise and the work permit to operate power generation equipment as an electricity enterprise (the "Work Permit"). As the construction was unable to be completed on time, an extension was applied for according to the law year by year and the Work Permit was obtained as approved and issued by the Ministry of Economic Affairs. Certain litigations that ensued during the period of application for the renewal of the Work Permit were as follows:

(a) Administrative appeal

The local indigenous peoples (the "Petitioners") filed a petition on May 14, 2021 with the Administrative Appeals Committee of the Executive Yuan (AAC), requesting "the suspension of the Project" and "the revocation of work permit in 2021 issued by the Ministry of Economic Affairs". Regarding the dispute with the former, the administrative appeal was dismissed from the AAC on May 31, 2021; and regarding the dispute with the latter, the decision of administrative appeal was rendered by the AAC on March 3, 2022 and the original administrative action was revoked.

In accordance with the decision of the AAC, the Ministry of Economic Affairs sent a letter to Shih Fong on March 10, 2022, ordering it to consult and obtain consent and participation from the indigenous peoples or tribes. Shih Fong disagreed with the judgement and filed an administrative litigation according to the law on April 29, 2022, requesting the Executive Yuan to revoke the decision of administrative appeal of Shih Fong's Work Permit in 2021. Currently, the case trial has been initiated by the court on November 9, 2022. However, as of the reporting date, the judgement had not been made.

(b) Administrative litigation

The Petitioners disagreed with the decision of dismiss on May 31, 2021 by the AAC and filed an administrative litigation with the Taipei High Administrative Court (THAC). On December 3, 2021, the THAC rendered a judgement that the Project is suspended until the administrative litigation is finalised. The Ministry of Economic Affairs and Shih Fong disagreed with the abovementioned judgement and filed an counterappeal with the Supreme Administrative Court (SAC). On March 31, 2022, the SAC revoked the original verdict, excluding certain final judgements.

However, in order to conduct the construction smoothly in the future and respect the will of local peoples, Shih Fong sent a letter to the Zhuoxi Township Office on April 7, 2022, requesting it to consult and obtain consent from the tribes. Shih Fong completed relevant tribal consultation and obtained a majority of consent in December 2022 and sent a letter to the Bureau of Energy to report the results of the tribal consultation. The Company had obtained the renewal Work Permit in 2021 and 2022 in December 2022 and the Work Permit in 2023 was renewed by the Ministry of Economic Affairs in February 2023 which will be valid until December 31, 2023. The Petitioners disagreed with the issuance of the Work Permit in 2023 by the Ministry of Economic Affairs and requested for a suspension until the administrative litigation is finalised. On September 28, 2023, the Supreme Court issued a ruling that "the execution shall be stayed until the administrative litigation is concluded and the certain litigation expenses shall all be abandoned." Shih Fong had obtained the renewal Work Permit between 2024 and 2026 in February 2024 which will be valid until December 31, 2026.

B. The Group's subsidiary, Fugang Electric (Maanshan) Co., Ltd.("FG MAANSHAN"), a subsidiary of the Group, has a lawsuit with Maanshan Economic and Technological Development Zone

Construction Investment Co., Ltd. On November 19, 2021, Ma'anshan Intermediate People's Court in Anhui Province rendered a first-instance decision pursuant to the Articles 201 and 206 of "Contract Law of The People's Republic of China", Articles 26 and 53 of "Guarantee Law of The People's Republic of China", Article 26 of "Provisions of the Supreme People's Court on Certain Issues concerning Application of Law in Trial of Cases involving Private Lending" and Article 142 of "Administrative Procedure Law of the People's Republic of China", and affirmed that FG MAANSHAN shall pay principal amounting to RMB 274,450 thousand and interest amounting to RMB 139,488.9 thousand, based on the principal agreed in the court's judgement and interest calculated until the date when the principal is fully repaid, to Maanshan Economic and Technological Development Zone Construction Investment Co., Ltd. within 30 days from the effective date of this judgement. If the payments are not repaid on time, Maanshan Economic and Technological Development Zone Construction Investment Co., Ltd. has the priority right to obtain compensation by converting the properties pledged by FG MAANSHAN into money or seek preferential payments from the proceeds from the auction or sale of the properties concerned. On December 7, 2021, FG MAANSHAN filed a second instance appeal with the Higher People's Court of Anhui Province to request to modify or remand the decision according to the first instance. Trials of the case had been initiated by the Higher People's Court of Anhui Province on May 11, 2022. On October 14, 2022, FG MAANSHAN and Maanshan Economic and Technological Development Zone Construction Investment Co., Ltd. signed the settlement agreement, and on October 18, 2022, both parties reached a settlement in Anhui Ma'anshan Intermediate People's Court. Based on the agreement, FG MAANSHAN should repay the borrowing principal from Maanshan Economic and Technological Development Zone Construction Investment Co., Ltd. in the amount of RMB 31.44 million before October 31, 2022. The residual of RMB 333.96 million should be repaid by using right-of -use assets, property and all buildings and affiliated facilities in relation to property on the accounts of FG MAANSHAN, and the actual written transfer procedures should be completed before January 20, 2023. Because of the settlement agreement, FG MAANSHAN was responsible for the loss on disposal of assets transferred and indemnity in the amount of RMB 179.25 million (accounted as other gains and losses in 2022). As of December 31, 2023, the Company had transferred the properties and land use rights based on the contract. However, due to a procedural problem, certain properties and use rights (approximately RMB 69.92 million) would be transferred after the completion of the procedure based on mutual agreement. As of January 22, 2024, the procedure was completed.

On March 17, 2022, Fugang Electric (Maanshan) Co., Ltd. filed an administrative litigation with the Ma'anshan Intermediate People's Court in Anhui Province against the People's Government of Ma'anshan Municipality, the Administrative Committee of Ma'anshan Economic and Technological Development Zone and Maanshan Economic and Technological Development Zone Construction Investment Co., Ltd. pursuant to Article 12 of the "Administrative Procedure Law of the People's Republic of China". Fugang Electric (Maanshan) Co., Ltd., received the

dismissal of the administrative litigation by the Ma'anshan Intermediate People's Court in Anhui Province on May 6, 2022 and filed an appeal to the Ma'anshan Higher People's Court in Anhui Province on May 13, 2022. The administrative litigation has been filed as a case by the Ma'anshan Higher People's Court in Anhui Province on July 6, 2022. Additionally, on August 8, 2022, the Ma'anshan Higher People's Court in Anhui Province denied the appeal and upheld the original administrative litigation. According to the judgement, on August 24, 2022, FG MAANSHAN filed a motion for a retrial with Supreme People's Court, and on October 10, 2022, the case had been filed. Because the litigants had reached a settlement, on October 31, 2022, FG MAANSHAN withdrew the motion.

C. The Group's subsidiary, Foxwell Energy Corporation Ltd. ("Foxwell Energy"), entered into a 'Transportation and Installment Contract of Wind Turbines in Wind Farm Site No. 26' with a Singapore contractor, Teras Offshore Pte. Ltd. As the contractor failed to submit the essential documents within the time frame prescribed in the contract, Foxwell Energy has the right to revoke the contract and has notified the contractor in writing of the termination of the contract. After receiving the written notice from Foxwell Energy, the contractor entrusted a lawyer on December 11, 2021 to request for compensation from Foxwell Energy, and state that it will refer the matter to arbitration if the compensation is not paid. On December 24, 2021, Foxwell Energy also appointed a lawyer to send a letter stating that it was a lawful termination of the contract and it reserves the right to claim compensation from the contractor. As of March 11, 2024, Foxwell Energy has not yet received the notice of arbitration submitted by the contractor to the arbitration institution, and the termination of the contract has no impact on the original construction contract and subsequent performance obligations.

D. The Group's subsidiary, Foxlink International, Inc. ("Foxlink"), originally has a lawsuit with Azooca, Inc ("Azooca"). Azooca filed a lawsuit against Foxlink on February 9, 2021 and claimed a compensation of US$6 million for the development of interactive game product in 2015. Foxlink filed a counterclaim on March 15, 2021 and requested a compensation of US$821,800. However, on August 25, 2023, the parties entered into a settlement agreement and the related litigation was revoked by both parties, thus the litigation was concluded.

E. The Group's subsidiary, Elegant Energy TECH Co., Ltd., was commissioned by VAI Renewables Co., Ltd. to develop a wind farm. As there are objections over the development process of the wind farm, VAI Renewables Co., Ltd. has filed a claim for reimbursement to the Company's subsidiary, Elegant Energy TECH Co., Ltd., for approximately $33,593, which has not yet started trial proceedings, and it is not possible to anticipate the outcome of the court trial.

(2) Commitments

A. Capital expenditure contracted for at the balance sheet date but not yet incurred is as follows:

	December 31, 2023	December 31, 2022
Equipment purchase contract		
Contract price	$ 2,809,411	$ 2,504,383
Outstanding amount	$ 719,229	$ 668,407

	December 31, 2023	December 31, 2022
Construction contract		
Contract price	$ 44,455,932	$ 38,700,551
Outstanding amount	$ 28,075,259	$ 28,572,525

B. As of December 31, 2023 and 2022, the letters of guarantee to be issued by the bank, which are required for contracting the Phase II of Taipower's Offshore Wind Power Project, the "Wind Farm Property Procurement and Installation Project", all amounted to $5,400,000, of which the amounts of collateral pledged by the Group to the banks (shown "as financial assets at amortised cost") were all $1,620,000, the amounts of endorsements and guarantees provided by the Group's subsidiary, Shinfox Energy Co., Ltd., were all $3,780,000, and the amounts of collateral pledged by using the letters of guarantee issued by the subcontractor were all $1,608,370.

C. Except as described in Note 9(2) B., the Group's subsidiary, Shinfox Energy Co., Ltd., provided performance guarantee on the subcontracted construction and the credit line on the guaranteed amount to the Group's subsidiary, Foxwell Energy Corporation Ltd., amounting to $19,786,950 and $12,762,997 as of December 31, 2023 and 2022, respectively.

D. As of December 31, 2023 and 2022, the letters of guarantee to be issued by the bank, which are required for contracting the Solar System Integration Project, amounted to $150,519 and $75,144, respectively.

E. On August 13, 2020, the Group entered into an equipment procurement contract and an operation and maintenance contract with Taiwan Power Company for the Phase II of Taipower's Offshore Wind Power Project, and the "Wind Farm Property Procurement and Installation Project" amounting to $56,588,000 and $6,300,000, respectively. The terms of the equipment procurement contract specifies that the Company shall complete the foundation construction for wind turbine generator system and offshore substation as of September 30, 2024, shall complete all wind turbine generator system which shall be under the security constrained dispatch process as of September 30, 2025, shall complete the whole construction as of December 31, 2025 and shall provide 2 years warranties from the date of completion and acceptance of the whole construction. In addition, the equipment shall provide guaranteed generating capacity. The performance term of this project is divided into stages progress and the final completion deadline. The default penalty shall be computed until the termination date of the contract according to each stage of the project. The operation and maintenance contract specifies the terms such as the guaranteed annual availability

and default penalty of all wind turbine generator system as well as the relevant rights and obligations of both parties. The contract period is 5 years from the time when all wind turbine generator system are under the security constrained dispatch process. As of December 31, 2023, the construction was constructed as scheduled, and no compensation loss was made due to overdue construction.

F. The Group entered into an operation and maintenance contract with customers for wind turbine generator system and solar energy equipment. The contract specifies the terms such as the bonus and penalty of operation and maintenance which are calculated based on ceiling and floor guaranteed generating capacity as well as the relevant rights and obligations of both parties. The contract period is for 20 years from the parallel connection date.

10. SIGNIFICANT DISASTER LOSS

The plant of the Group's subsidiary, FOXLINK INDIA ELECTRIC PRIVATE LIMITED, in Tirupati, India sustained a fire damage on February 27, 2023, resulting in losses on certain equipment and inventories. The disaster losses on the equipment and inventories amounted to $249,584 and $302,830, respectively, totalling $520,642. For the aforementioned loss on the fire, the amount of claim that can be obtained from the insurance company is $520,642 and the relevant loss and estimated insurance claim income will be shown as 'other gains and losses'.

11. SIGNIFICANT SUBSEQUENT EVENTS

(1) Details of the appropriation of 2023 earnings as resolved by the Board of Directors on March 11, 2024 are provided in Note 6(22).

(2) On March 11, 2024, the Board of Directors of the Company resolved to grant short-term financings to the second-tier subsidiary, Shinfox, to meet working capital needs. The loan facility is NT$1.5 billion. The loan is repayable according to the agreement, and interest is repayable at an annual interest of 8%.

(3) On February 27, 2024, the Board of Directors of the Group resolved to provide endorsements and guarantees for the investee company, Changpin Wind Power Ltd. by pledging the shares of Changpin Wind Power Ltd. to Bank SinoPac with the 50% shareholding ratio of which the value amounted to $120,000 to apply for a project financing facility.

(4) On February 27, 2024, the Board of Directors of the Group resolved to provide an endorsement and guarantee for the subsidiary, SFE, with the credit line within the limit of US$100 million (equivalent to approximately NT$3.15 billion) to financial institutions.

(5) On February 27, 2024, to meet the needs of the Group's subsidiary, SFE, for purchasing heavy lifting vessels, the Board of Directors of the Group resolved to provide short-term financing facilities with a borrowing amount of $1,500,000 and the interest is repayable monthly at an annual interest rate of 8%.

12. OTHERS

(1) Capital management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a

going concern in order to provide returns for shareholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt. The Group monitors capital on the basis of the actual financial condition.

(2) Financial instruments

A. Financial instruments by category

	December 31, 2023	December 31, 2022
Financial assets		
Financial assets at fair value through profit or loss		
Financial assets mandatorily measured at fairvalue through profit or loss	$ 5,167	$ -
Financial assets at fair value through other comprehensive income		
Designation of equity instrument	$ 1,345,307	$ 1,521,378
Financial assets at amortised cost/loans and receivables		
Cash and cash equivalents	14,844,796	11,431,070
Financial assets at amortised cost	3,619,239	3,366,327
Notes receivable	53,933	59,703
Accounts receivable	18,142,817	18,419,850
Other receivables	509,659	595,359
Guarantee deposits paid	1,611,341	1,642,318
	$ 38,781,785	$ 35,514,627
Financial liabilities		
Financial liabilities at amortised cost		
Short-term borrowings	$ 9,890,697	$ 9,550,241
Short-term notes and bills payable	4,085,520	1,789,159
Notes payable	32,677	657
Accounts payable	15,914,236	15,833,624
Other accounts payable (including current portion)	5,766,392	6,108,349
Corporate bonds payables	6,585,954	6,582,374
Long-term borrowings (including current portion)	18,079,707	16,096,464
Guarantee deposits received	56,801	41,082
	$ 60,411,984	$ 56,001,950
Lease liability	$ 2,158,295	$ 977,569

B. Risk management policies

(a) The Group's activities expose it to a variety of financial risks: market risk (including foreign exchange risk, interest rate risk and price risk), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial position and financial performance.

(b) Risk management is carried out by a central treasury department (Group treasury) under

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

C. Significant financial risks and degrees of financial risks

(a) Market risk

Foreign exchange risk

i. The Group operates internationally and is exposed to exchange rate risk arising from the transactions of the Company and its subsidiaries used in various functional currency, primarily with respect to the USD and RMB. Exchange rate risk arises from future commercial transactions and recognised assets and liabilities.

ii. Management has set up a policy to require group companies to manage their foreign exchange risk against their functional currency. The companies are required to hedge their entire foreign exchange risk exposure with the Group treasury. Exchange rate risk is measured through a forecast of highly probable USD and RMB expenditures. Forward foreign exchange contracts are adopted to minimise the volatility of the exchange rate affecting cost of forecast inventory purchases.

iii. The Group hedges foreign exchange rate by using forward exchange contracts. However, the Group does not adopt hedging accounting. Details of financial assets or liabilities at fair value through profit or loss are provided in Note 6(2).

iv. The Group's businesses involve some non-functional currency operations (the Company's and certain subsidiaries' functional currency: NTD; other certain subsidiaries' functional currency: RMB and HKD). The information on assets and liabilities denominated in foreign currencies whose values would be materially affected by the exchange rate fluctuations is as follows:

	December 31, 2023		
	Foreign currency amount (In thousands)	Exchange rate	Book value (NTD)
(Foreign currency: functional currency)			
Financial assets			
Monetary items			
USD:NTD	$ 478,365	30.71	$ 14,690,589
RMB:NTD	80,980	4.33	350,643
HKD:NTD	46,424	3.93	182,446
EUR:NTD	832	33.98	28,271
JPY:NTD	11,793	0.22	2,594
USD:RMB	20,178	7.10	619,666
HKD:RMB	3,065	0.91	12,045
USD:HKD	102	7.82	3,132
Non-monetary items			
USD:NTD	$ 392	30.71	$ 12,048
RMB:USD	53,728	0.14	232,644
RMB:HKD	405,575	1.08	1,756,140
INR:USD	99,018	0.01	37,627
HKD:NTD	57,779	3.93	227,072
Financial liabilities			
Monetary items			
USD:NTD	$ 291,432	30.71	$ 8,949,877
RMB:NTD	575	4.33	2,490
HKD:NTD	638	3.93	2,507
EUR:NTD	688	33.98	23,378
JPY:NTD	53,583	0.22	11,788
USD:RMB	31,120	7.10	955,695
USD:HKD	378	7.82	11,609

	December 31, 2022		
	Foreign currency amount (In thousands)	Exchange rate	Book value (NTD)
(Foreign currency: functional currency)			
Financial assets			
Monetary items			
USD：NTD	$ 452,220	30.71	$ 13,887,676
RMB：NTD	86,330	4.41	380,715
HKD：NTD	48,346	3.94	190,483
EUR：NTD	1,117	32.72	36,548
JPY：NTD	545,591	0.23	125,486
USD：RMB	27,387	6.96	841,055
HKD：RMB	22,044	1.12	86,853
Non-monetary items			
USD：NTD	$ 31,962	30.71	$ 981,545
RMB：USD	59,167	0.14	260,925
RMB：HKD	286,985	1.12	1,265,605
HKD：NTD	57,632	3.94	227,072
INR：USD	97,897	0.01	36,222
Financial liabilities			
Monetary items			
USD：NTD	$ 656,384	30.71	$ 20,157,553
RMB：NTD	85,626	4.41	377,611
HKD：NTD	4,360	3.94	17,178
EUR：NTD	1,189	32.72	38,904
JPY：NTD	41,033	0.23	9,438
USD：RMB	85,206	6.96	2,616,676
USD：HKD	4,152	7.80	127,508

v. The total exchange (loss) gain, including realised and unrealised, arising from significant foreign exchange variation on the monetary items held by the Group for the years ended December 31, 2023 and 2022 amounted to ($34,063) and $374,682, respectively.

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

	Year ended December 31, 2023		
	Sensitivity Analysis		
	Degree of variation	Effect on profit or loss	Effect on other comprehensive income
(Foreign currency: functional currency)			
Financial assets			
Monetary items			
USD：NTD	1%	$ 146,906	$ -
RMB：NTD	1%	3,506	-
HKD：NTD	1%	1,824	-
EUR：NTD	1%	283	-
JPY：NTD	1%	26	-
USD：RMB	1%	6,197	-
HKD：RMB	1%	120	-
USD：HKD	1%	31	-
Financial liabilities			
Monetary items			
USD：NTD	1%	$ 89,499	$ -
RMB：NTD	1%	25	-
HKD：NTD	1%	25	-
EUR：NTD	1%	234	-
JPY：NTD	1%	118	-
USD：RMB	1%	9,557	-
USD：HKD	1%	116	-

	Year ended December 31, 2022		
	Sensitivity Analysis		
	Degree of variation	Effect on profit or loss	Effect on other comprehensive income
(Foreign currency: functional currency)			
Financial assets			
Monetary items			
USD：NTD	1%	$ 138,877	$ -
RMB：NTD	1%	3,807	-
HKD：NTD	1%	1,905	-
EUR：NTD	1%	365	-
JPY：NTD	1%	1,255	-
USD：RMB	1%	8,411	-
HKD：RMB	1%	869	-
Financial liabilities			
Monetary items			
USD：NTD	1%	$ 201,576	$ -
RMB：NTD	1%	3,776	-
HKD：NTD	1%	172	-
EUR：NTD	1%	389	-
JPY：NTD	1%	94	-
USD：RMB	1%	26,167	-
USD：HKD	1%	1,275	-

Price risk

i. The Group's equity securities, which are exposed to price risk, are the held financial assets at fair value through other comprehensive income. To manage its price risk arising from investments in equity securities, the Group diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the Group.

ii. The Group's investments in equity securities comprise domestic or foreign listed and unlisted stocks. The prices of equity securities would change due to the change of the future value of investee companies. If the prices of these equity securities had increased/decreased by 1% with all other variables held constant. Other components of equity for the years ended December 31, 2023 and 2022 would have increased by $10,762 and $12,171, respectively, as a result of gains/losses on equity securities other comprehensive income classified as equity investment at fair value through other comprehensive income.

Cash flow and fair value interest rate risk

i. The Group's main interest rate risk arises from long-term borrowings with variable rates, which expose the Group to cash flow interest rate risk. The Group's interest rates of borrowings are fixed and floating rate. For the years ended December 31, 2023 and 2022, the Group's borrowings issued by floating rate are priced in New Taiwan dollars, Renminbi and US dollar.

ii. As of December 31, 2023, and 2022, if interest rates on borrowings at that date had been 1% lower/higher with all other variables held constant, post-tax profit for the years ended December 31, 2023 and 2022 would have been $256,447 and $219,487 lower/higher, respectively, mainly as a result of higher interest expense on floating rate borrowings.

(b) Credit risk

i. Credit risk refers to the risk of financial loss to the Group arising from default by the clients or counterparties of financial instruments on the contract obligations. The main factor is that counterparties could not repay in full the accounts receivable based on the agreed terms.

ii. According to the Group's credit policy, each local entity in the Group is responsible for managing and analysing the credit risk for each of their new clients before standard payment and delivery terms and conditions are offered. Internal risk control assesses the credit quality of the customers, taking into account their financial position, past experience and other factors. Individual risk limits are set based on internal or external ratings in accordance with limits set by the Board of Directors. The utilisation of credit limits is regularly monitored.

iii. Group treasury manages credit risk of cash in banks and other financial instruments based on the Group's credit policy. Because the Group's counterparties are determined based on the Group's internal control, only rated banks with an optimal rating and financial institutions with investment grade are accepted.

iv. The Group adopts following assumptions under IFRS 9 to assess whether there has been a significant increase in credit risk on that instrument since initial recognition. If the contract payments were past due over 30 days based on the terms, there has been a significant increase in credit risk on that instrument since initial recognition.

The Group adopts the assumptions under IFRS 9 and considers the industry characteristics, the default occurs when the contract payments are past due over 120 days.

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

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

(ii) A breach of contract.

vi. The Group classifies customers' accounts receivable in accordance with customer types. The Group applies the simplified approach using provision matrix to estimate expected credit loss under the provision matrix basis.

vii. The Group used the forecastability of Taiwan Institute of Economic Research boom observation report to adjust historical and timely information to assess the default possibility of accounts receivable. As of December 31, 2023 and 2022, the provision matrix is as follows:

	Not past due	Up to 30 days past due	31~120 days past due	Over 120 days	Total
At December 31, 2023					
Expected loss rate	0.00%~4.41%	0.00%~13.56%	0.30%~46.01%	100%	
Total book value	$ 16,959,836	$ 634,671	$ 162,334	$ 21,940	$ 17,778,781
Loss allowance	$ 3,176	$ 41,706	$ 3,021	$ 21,940	$ 69,843

	Not past due	Up to 30 days past due	31~120 days past due	Over 120 days	Total
At December 31, 2022					
Expected loss rate	0.03%~0.12%	0.03%~9.69%	5.37%~70.70%	100%	
Total book value	$ 17,161,008	$ 751,389	$ 184,216	$ 35,800	$ 18,132,413
Loss allowance	$ 16,231	$ 64,829	$ 9,890	$ 35,800	$ 126,750

viii. Movements in relation to the group applying the simplified approach to provide loss allowance for accounts receivable are as follows:

	2023	2022
	Accounts receivable	Accounts receivable
At January 1	$ 126,750	$ 111,508
Provision for impairment loss	-	13,792
Reversal of impairment loss	(56,739)	-
Effect of foreign exchange	(168)	1,450
At December 31	$ 69,843	$ 126,750

(c) Liquidity risk

i. Cash flow forecasting is performed in the operating entities of the Group and aggregated by Group treasury. Group treasury monitors rolling forecasts of the Group's liquidity requirements to ensure it has sufficient cash to meet operational needs.

ii. The table below analyses the Group's non-derivative financial liabilities and net-settled or gross-settled derivative financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date for non-derivative financial liabilities and to the expected maturity date for derivative financial liabilities. Except that the carrying amounts of notes payable, accounts payable and other payables are approximate to the amounts of contractual undiscounted cash flows and those accounts will expire within a year, the amounts of financial liabilities disclosed in the table are the contractual undiscounted cash flows:

Non-derivative financial liabilities:

December 31, 2023	Less than 1 year	Between 1 and 2 years	Between 2 and 3 years	Between 3 and 5 years	Over 5 years
Short-term borrowings	$ 9,955,096	$ -	$ -	$ -	$ -
Short-term notes and bills payable	4,265,200	-	-	-	-
Lease liabilities	420,078	368,855	300,463	488,230	776,444
Long-term borrowings (including current portion)	585,400	15,631,240	2,193,169	176,206	58,909
Corporate bonds payable (including current portion)	3,064,196	3,617,656	3,000,000	-	-

Non-derivative financial liabilities:

December 31, 2022	Less than 1 year	Between 1 and 2 years	Between 2 and 3 years	Between 3 and 5 years	Over 5 years
Short-term borrowings	$ 9,838,606	$ -	$ -	$ -	$ -
Short-term notes and bills payable	1,791,564	-	-	-	-
Lease liabilities	290,251	154,081	89,995	163,709	430,047
Long-term borrowings (including current portion)	998,692	8,359,883	6,162,777	1,090,393	176,064
Corporate bonds payable (including current portion)	91,010	3,064,196	3,617,656	-	-

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

(3) Fair value information

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

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

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. The fair value of the Group's convertible bonds is included in Level 2.

Level 3: Unobservable inputs for the asset or liability. The fair value of the Group's investment in non-hedging derivatives is included in Level 3.

B. Fair value information of investment property at cost is provided in Note 6(12).

C. Financial instruments not measured at fair value

Except for those listed in the table below, the carrying amounts of cash and cash equivalents, notes receivable, accounts receivable, other receivables, short-term borrowings, short-term notes and bills payable notes payable, accounts payable, other payables and long-term borrowings are approximate to their fair values.

	December 31, 2023			
		Fair value		
	Book value	Level 1	Level 2	Level 3
Financial liabilities:				
Bonds payable	$ 9,600,000	$ -	$ 9,437,733	$ -

	December 31, 2022			
		Fair value		
	Book value	Level 1	Level 2	Level 3
Financial liabilities:				
Bonds payable	$ 6,600,000	$ -	$ 6,582,374	$ -

D. The related information of financial and non-financial instruments measured at fair value by level on the basis of the nature, characteristics and risks of the assets and liabilities is as follows:

December 31, 2023	Level 1	Level 2	Level 3	Total
Assets				
Recurring fair value measurements				
Financial assets at fair value through profit or loss				
Equity securities	$ 1,267	$ -	$ -	$ 1,267
Financial assets at fair value through other comprehensive income				
Equity securities	321,535	-	1,023,772	1,345,307
Embedded derivatives				
Put options of convertible bonds	-	3,900	-	3,900
	$ 322,802	$ 3,900	$ 1,023,772	$ 1,350,474

December 31, 2022	Level 1	Level 2	Level 3	Total
Assets				
Recurring fair value measurements				
Financial assets at fair value through other comprehensive income				
Equity securities	$ -	$ -	$ 1,521,378	$ 1,521,378

E. The methods and assumptions the Group used to measure fair value are as follows:

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

	Listed shares
Market quoted price	Closing price

(b) Except for financial instruments with active markets, the fair value of other financial instruments is measured by using valuation techniques or by reference to counterparty quotes.

(c) When assessing non-standard and low-complexity financial instruments, for example, debt instruments without active market, interest rate swap contracts, foreign exchange swap contracts and options, the Group adopts valuation technique that is widely used by market participants. The inputs used in the valuation method to measure these financial instruments are normally observable in the market.

(d) The valuation of derivative financial instruments is based on valuation model widely accepted by market participants, such as present value techniques and option pricing models. Forward exchange contracts are usually valued based on the current forward exchange rate.

(e) The output of valuation model is an estimated value and the valuation technique may not be able to capture all relevant factors of the Group's financial and non-financial instruments. Therefore, the estimated value derived using valuation model is adjusted accordingly with additional inputs. In accordance with the Group's management policies and relevant control procedures relating to the valuation models used for fair value measurement, management believes adjustment to valuation is necessary in order to reasonably represent the fair value of financial and non-financial instruments at the consolidated balance sheet. The inputs and pricing information used during valuation are carefully assessed and adjusted based on current market conditions.

(f) The Group takes into account adjustments for credit risks to measure the fair value of financial and non-financial instruments to reflect credit risk of the counterparty and the Group's credit quality.

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

G. The following chart is the movement of Level 3 for years ended December 31, 2023 and 2022:

	2023	2022
	Equity securities	Equity securities
At January 1	$ 1,521,378	$ 1,116,311
Recorded as unrealised losses on valuation of investments in equity instruments measured at fair value through other comprehensive income	(146,819)	(42,267)
Acquired in the period	-	431,984
Transfers into in the period	170,591	-
Sold in the period	(169,942)	-
Decreased in the period	(14,755)	-
Transfers out in the period	(323,491)	-
Effect of exchange rate changes	(13,190)	15,350
At December 31	$ 1,023,772	$ 1,521,378

H. The information on the transfers into Level 3 for the years ended December 31, 2023 and 2022 is provided in Note 6(9).

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

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

	December 31, 2023	Valuation technique	Significant unobservable input	Range (weighted average)	Relationship of inputs to fair value
Non-derivative equity instrument:					
Unlisted shares	$ 1,023,772	Market comparable companies	Discount for lack of marketability	20%~50%	The higher the discount for lack of marketability, the lower the fair value

	Fair value at December 31, 2022	Valuation technique	Significant unobservable input	Range (weighted average)	Relationship of inputs to fair value
Non-derivative equity instrument:					
Unlisted shares	$ 1,521,378	Market comparable companies	Discount for lack of marketability	20%~30%	The higher the discount for lack of marketability, the lower the fair value

K. The Group has carefully assessed the valuation models and assumptions used to measure fair value. However, use of different valuation models or assumptions may result in different measurement. For financial assets and liabilities categorised within Level 3, there is no significant impact to other comprehensive income on December 31, 2023 and 2022 if the net asset value increase or decrease by 1%.

13. SUPPLEMENTARY DISCLOSURES

(1) Significant transactions information

For the investees' information, refer to investees' independent accountant attestation report.

A. Loans to others: Please refer to table 1.

B. Provision of endorsements and guarantees to others: Please refer to table 2.

C. Holding of marketable securities at the end of the period (not including subsidiaries, associates and joint ventures): Please refer to table 3.

D. Acquisition or sale of the same security with the accumulated cost exceeding $300 million or 20% of the Company's paid-in capital: Please refer to table 4.

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

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

G. Purchases or sales of goods from or to related parties reaching $100 million or 20% of paid-in capital or more: Please refer to table 5.

H. Receivables from related parties reaching $100 million or 20% of paid-in capital or more: Please refer to table 6.

I. Trading in derivative instruments undertaken during the reporting periods: Please refer to Note 6(2).

J. Significant inter-company transactions during the reporting periods: Please refer to table 7.

(2) Information on investees

For the information on investees, except for current profit (loss) for the year ended December 31, 2023 that is translated using the monthly average exchange rate in 2023, others are translated using the spot rate at December 31, 2023.

Names, locations and other information of investee companies (not including investees in Mainland China): Please refer to table 8.

(3) Information on investments in Mainland China

A. Processing on order plant invested in Mainland China:

In 1997, the Company rented plants located in Shenzhen and Dongguan, Guangdong Province, Mainland China, respectively, through the investee, CU International Ltd. and operated the plants through processing on order. The plants were primarily engaged in the manufacture of electronic telecommunication components and electric wire, under Cu International Ltd. without their own corporate entity for the operating period ended December 2017. As of March 11, 2024, the plants are still under the cancellation process.

B. Investee in Mainland China, main business activities, paid-in capital, investment method, amount remitted from Taiwan to Mainland China / amount remitted back to Taiwan, ownership, investment income (loss), investments in Mainland China as of December 31, 2023, book value, investment income remitted back and ceiling on investments in Mainland China: Please refer to table 9.

C. Significant transactions, either directly or indirectly through a third area, with investee companies in the Mainland China, and price, payment terms, unreleased income/loss and other related information relating to investments in Mainland China:

(a) The amount and percentage of purchases and the balance and percentage of the related payables at the end of the period:

		Year ended December 31, 2023	
Company name	General ledger account	Amount	Percentage of total amount
Dongguan Fuqiang Electronics Co., Ltd.	Purchases of goods	$ 24,944,932	43%
Fugang Electronic (Dongguan) Co., Ltd.	Purchases of goods	$ 15,438,851	26%
Fugang Electric (Xuzhou) Co., Ltd.	Purchases of goods	$ 9,735,601	17%
Fushineng Electronics (Kunshan) Co., Ltd.	Purchases of goods	$ 2,800,885	5%
Fugang Electric (Kunshan) Co., Ltd.	Purchases of goods	$ 2,219,089	4%
Fugang Electric (Maanshan) Co., Ltd.	Purchases of goods	$ 429,760	1%
Foxlink Automotive Technology (Kunshan) Co., Ltd.	Purchases of goods	$ 212,600	-

		December 31, 2023	
Company name	General ledger account	Amount	Percentage of total amount
Fugang Electronic (Dongguan) Co., Ltd.	Accounts payable	$ 4,158,415	34%
Fugang Electric (Xuzhou) Co., Ltd.	Accounts payable	$ 1,940,678	18%
Fugang Electric (Nan Chang) Co., Ltd.	Accounts payable	$ 1,264,537	12%
Dongguan Fuqiang Electronics Co., Ltd.	Accounts payable	$ 1,106,714	9%
Fushineng Electronics (Kunshan) Co., Ltd.	Accounts payable	$ 607,523	6%
Fugang Electric (Maanshan) Co., Ltd.	Accounts payable	$ 298,231	3%
Fuqiang Electric (Yancheng) Co., Ltd.	Accounts payable	$ 123	-

(b) Balance and purpose of provision of endorsements/guarantees or collateral at the end of the year: Please refer to table 2.

(c) Maximum balance, ending balance, interest rate range and interest for financing during the years ended December 31, 2023: Please refer to table 1.

(d) Other transactions that have a significant impact on the profit/loss of current period or on the financial condition, such as the rendering or receiving of service:

		Year ended December 31, 2023	
Company name	General ledger account	Amount	Percentage of total amount
Dongguan Fuqiang Electronics Co., Ltd.	Raw materials purchased on behalf of others	$ 11,365,775	39%
Fugang Electronic (Dongguan) Co., Ltd.	Raw materials purchased on behalf of others	$ 6,400,961	22%
Fugang Electric (Xuzhou) Co., Ltd.	Raw materials purchased on behalf of others	$ 6,341,729	22%
Fushineng Electronics (Kunshan) Co., Ltd.	Raw materials purchased on behalf of others	$ 1,256,436	4%
Fugang Electric (Kunshan) Co., Ltd.	Raw materials purchased on behalf of others	$ 1,192,802	4%
Fugang Electric (Maanshan) Co., Ltd.	Raw materials purchased on behalf of others	$ 274,878	1%
Foxlink Automotive Technology (Kunshan) Co., Ltd.	Raw materials purchased on behalf of others	$ 114,674	-

		Year ended December 31, 2023	
Company name	General ledger account	Amount	Percentage of total amount
Dongguan Fuqiang Electronics Co., Ltd.	Fixture and equipment purchased on behalf of others	$ 117,705	50%
Fushineng Electronics (Kunshan) Co., Ltd.	Fixture and equipment purchased on behalf of others	$ 23,505	10%
Fugang Electric (Kunshan) Co., Ltd.	Fixture and equipment purchased on behalf of others	$ 19,291	8%
Fugang Electric (Xuzhou) Co., Ltd.	Fixture and equipment purchased on behalf of others	$ 6,828	3%
Fugang Electronic (Dongguan) Co., Ltd.	Fixture and equipment purchased on behalf of others	$ 1,246	1%
Fugang Electric (Maanshan) Co., Ltd.	Fixture and equipment purchased on behalf of others	$ 110	-

Company name	General ledger account	December 31, 2023 Amount	Percentage of total amount
Fugang Electric (Xuzhou) Co., Ltd.	Other receivables	$ 626,189	12%
Fugang Electric (Maanshan) Co., Ltd.	Other receivables	$ 593,312	11%
Fushineng Electronics (Kunshan) Co., Ltd.	Other receivables	$ 439,700	8%
Fugang Electric (Kunshan) Co., Ltd.	Other receivables	$ 159,286	3%
Fu Gang Electronic (Nan Chang) Co., Ltd.	Other receivables	$ 63,979	1%
Dongguan Fuqiang Electronics Co., Ltd.	Other receivables	$ 17,846	-
Fuqiang Electric (Yancheng) Co., Ltd.	Other receivables	$ 13,054	-
Fugang Electric (Yancheng) Co., Ltd.	Other receivables	$ 477	-
Foxlink Tianjin Co., Ltd.	Other receivables	$ 35	-

(4) Major shareholders information

Major shareholders information: Please refer to table 10.

14. SEGMENT INFORMATION

(1) General information

The Group has classified the reportable operating segments based on product types. The Company's operations and segmentation are both developed according to the product types. The current main product types are: 3C component, systems and peripheral products, 3C product retail and others.

(2) Measurement of segment information

The Board of Directors of the Group uses operating profit to measure the operating segments and as evaluation basis of the segments' performance.

(3) Segment information

The financial information of reportable segments provided to Chief Operating Decision-Maker is as follows:

Year ended December 31, 2023

	3C component department	Systems and peripheral products department	3C product retail department	Energy service management	Adjustments	Total
External Revenue	$ 29,198,974	$ 37,683,291	$ 12,422,435	$ 11,246,064	$ -	$ 90,550,764
Revenue from Internal Customers	2,289,116	985,355	-	2,094	(3,276,565)	-
Segment Revenue	$ 31,488,090	$ 38,668,646	$ 12,422,435	$ 11,248,158	($ 3,276,565)	$ 90,550,764
Segment (Loss) Profit	($ 65,585)	$ 2,200,301	$ 77,320	$ 806,097	$ -	$ 3,018,133

Year ended December 31, 2022

	3C component department	Systems and peripheral products department	3C product retail department	Energy service management	Adjustments	Total
External Revenue	$ 31,850,107	$ 40,762,357	$ 17,188,938	$ 4,301,192	$ -	$ 94,102,594
Revenue from Internal Customers	1,879,810	161,824	-	-	(2,041,634)	-
Segment Revenue	$ 33,729,917	$ 40,924,181	$ 17,188,938	$ 4,301,192	($ 2,041,634)	$ 94,102,594
Segment Profit	$ 758,883	$ 2,102,750	$ 417,673	$ 252,387	$ -	$ 3,531,693

(4) Reconciliation for segment profit (loss)

The external revenue and segment profit (loss) reported to the chief operating decision-maker are measured in manner consistent with revenue and profit (loss) before tax in the financial statements. Therefore, no reconciliation was needed.

(5) Geographical information

Geographical information for the years ended December 31, 2023 and 2022 is as follows:

	Years ended December 31,			
	2023		2022	
	Revenue	Non-current assets	Revenue	Non-current assets
Taiwan	$ 22,357,958	$ 12,078,147	$ 14,689,833	$ 9,412,021
China	22,445,300	14,751,144	27,334,678	15,801,037
America	27,771,270	572,488	29,552,766	587,302
Vietnam	4,599,975	284,163	5,037,465	162,555
India	2,500,317	763,788	1,673,660	1,094,485
Hong Kong	2,285,456	1,210	5,819,606	1,213
Korea	227,345	57,401	2,157,239	63,930
Others	8,363,143	1,298,148	7,837,347	1,498,867
	$ 90,550,764	$ 29,806,489	$ 94,102,594	$ 28,621,410

(6) Major customer information

Major customer information of the Group for the years ended December 31, 2023 and 2022 is as follows:

	Years ended December 31,			
	2023		2022	
	Revenue	Segment	Revenue	Segment
D	$ 18,911,892	Systems and peripheral products department	$ 12,968,277	Systems and peripheral products department
E	9,908,573	Energy service management department	2,099,298	Energy service management department
A	8,018,006	Systems and peripheral products department	14,422,164	Systems and peripheral products department
	$ 36,838,471		$ 29,489,739	

Cheng Uei Precision Industry Co., Ltd. and subsidiaries
Loans to others
Year ended December 31, 2023

Table 1

Expressed in thousands of NTD
(Except as otherwise indicated)

Number	Creditor	Borrower	General ledger account	Is a related party	Maximum outstanding balance during the year ended December 31, 2023	Balance at December 31, 2023	Actual amount drawn down	Interest rate	Nature of loan (Note 1)	Amount of transactions with the borrower	Reason for short-term financing	Allowance for doubtful accounts	Collateral		Limit on loans granted to a single party (Note 2)	Ceiling on total loans granted (Note 3)	Footnote
													Item	Value			
1	Fugang Electric (Kunshan) Co., Ltd.	Fu Shi Xiang Research & Development Center (Kunshan) Co., Ltd.	Other receivables-related parties	Yes	$ 26,694	$ 25,962	$ 25,962	-	2	$ -	Operations	$ -	-	$ -	$ 2,608,510	$ 2,608,510	
1	Fugang Electric (Kunshan) Co., Ltd.	Kunshan Fugang Electric Trading Co., Ltd.	Other receivables-related parties	Yes	146,630	144,955	144,955	3.00%	2	-	Operations	-	-	-	1,043,404	1,043,404	
1	Fugang Electric (Kunshan) Co., Ltd.	Shanghai Standard Information Technology Co., Ltd.	Other receivables-related parties	Yes	15,477	15,145	15,145	4.00%	2	-	Operations	-	-	-	1,043,404	1,043,404	
2	World Circuit Technology Co., Ltd.	Cheng Uei Precision Industry Co., Ltd.	Other receivables	Yes	100,000	100,000	100,000	-	2	-	Operations	-	-	-	107,578	107,578	
2	World Circuit Technology Co., Ltd.	Microlink Communications Inc.	Other receivables	Yes	55,000	-	-	-	2	-	Operations	-	-	-	107,578	107,578	
2	World Circuit Technology Co., Ltd.	Suntain Co., Ltd.	Other receivables	Yes	20,000	-	-	-	2	-	Operations	-	-	-	107,578	107,578	
3	Culink Tianjin Co., Ltd.	Dongguan Fuqiang Electronics Co., Ltd.	Other receivables-related parties	Yes	220,400	-	-	-	2	-	Operations	-	-	-	235,276	235,276	
4	Foxlink Energy (Tianjin) Ltd.	Dongguan Fuqiang Electronics Co., Ltd.	Other receivables-related parties	Yes	173,511	-	-	-	2	-	Operations	-	-	-	175,347	175,347	
5	Foxlink International Investment Ltd.	Foxlink Vietnam Co., Ltd.	Other receivables	Yes	119,880	61,410	61,410	5.00%	2	-	Operations	-	-	-	2,005,403	2,005,403	
5	Foxlink International Investment Ltd.	Cu International Ltd.	Other receivables	Yes	324,000	-	-	-	2	-	Operations	-	-	-	2,005,403	2,005,403	
6	Fu Uei International Investment Ltd.	Cheng Uei Precision Industry Co., Ltd.	Other receivables	Yes	240,000	140,000	140,000	-	2	-	Operations	-	-	-	1,095,928	1,095,928	
6	Fu Uei International Investment Ltd.	Foxlink Arizona Inc.	Other receivables	Yes	129,600	122,820	61,410	4.50%	2	-	Operations	-	-	-	1,095,928	1,095,928	
6	Fu Uei International Investment Ltd.	Microlink Communications Inc.	Other receivables	Yes	55,000	55,000	55,000	-	2	-	Operations	-	-	-	1,095,928	1,095,928	
6	Fu Uei International Investment Ltd.	Suntain Co., Ltd.	Other receivables	Yes	40,000	-	-	-	2	-	Operations	-	-	-	1,095,928	1,095,928	
7	Foxlink Technology Limited	Cu International Ltd.	Other receivables	Yes	816,279	773,576	773,576	-	2	-	Operations	-	-	-	877,998	877,998	
7	Foxlink Technology Limited	Cheng Uei Precision Industry Co., Ltd.	Other receivables	Yes	122,840	-	-	-	2	-	Operations	-	-	-	877,998	877,998	
8	Foxlink Tianjin Co., Ltd.	Fugang Electric (Kunshan) Co., Ltd.	Other receivables	Yes	355,920	346,160	346,160	-	2	-	Operations	-	-	-	1,336,385	1,336,385	
9	Zhi De Investment Co., Ltd.	Cheng Uei Precision Industry Co., Ltd.	Other receivables	Yes	200,000	200,000	200,000	-	2	-	Operations	-	-	-	264,654	264,654	
9	Zhi De Investment Co., Ltd.	Cu International Ltd.	Other receivables	Yes	100,000	-	-	-	2	-	Operations	-	-	-	264,654	264,654	

Number	Creditor	Borrower	General ledger account	Is a related party	Maximum outstanding balance during the year ended December 31, 2023	Balance at December 31, 2023	Actual amount drawn down	Interest rate	Nature of loan (Note 1)	Amount of transactions with the borrower	Reason for short-term financing	Allowance for doubtful accounts	Collateral		Limit on loans granted to a single party (Note 2)	Ceiling on total loans granted (Note 3)	Footnote
													Item	Value			
10	Dongguan Fuqiang Electronics Co., Ltd.	Fugang Electric (Maanshan) Co., Ltd.	Other receivables	Yes	$ 166,838	$ 162,263	$ 162,263	1.00%	2	-	Operations	$ -	-	$ -	$ 10,708,758	$ 10,708,758	
11	Fugang Electronic (Dongguan) Co., Ltd.	Fugang Electric (Maanshan) Co., Ltd.	Other receivables	Yes	351,471	341,833	341,833	1.00%	2	-	Operations	-	-	-	7,620,872	7,620,872	
12	Fushineng Electronics (Kunshan) Co., Ltd.	Fugang Electric (Yancheng) Co., Ltd.	Other receivables	Yes	35,592	34,616	34,616	-	2	-	Operations	-	-	-	1,562,830	1,562,830	
13	Studio A Inc.	Straight A Inc.	Other receivables	Yes	250,000	-	-	-	2	-	Operations	-	-	-	257,201	257,201	
13	Studio A Inc.	Ashop Co., Ltd.	Other receivables	Yes	162,000	153,525	116,679	2.00%	2	-	Operations	-	-	-	257,201	257,201	
14	Straight A Inc.	Ashop Co., Ltd.	Other receivables	Yes	48,600	46,058	-	2.00%	2	-	Operations	-	-	-	83,006	83,006	
15	Studio A Technology Limited	Kunshan Fugang Electric Trading Co., Ltd.	Other receivables	Yes	124,350	-	-	2.00%	2	-	Operations	-	-	-	174,485	174,485	
15	Studio A Technology Limited	Ashop Co., Ltd.	Other receivables	Yes	254,800	-	-	2.00%	2	-	Operations	-	-	-	174,485	174,485	
16	FIT Holding Co., Ltd.	Power Quotient International Co., Ltd.	Other receivables	Yes	900,000	-	-	1.93%	2	-	Operations	-	-	-	2,555,825	3,407,767	
17	Foxlink Image Technology Co., Ltd.	Glorytek (Yancheng) Co., Ltd.	Other receivables	Yes	266,700	173,080	118,992	2.50%	2	-	Operations	-	-	-	1,378,304	1,378,304	
17	Foxlink Image Technology Co., Ltd.	Power Quotient International Co., Ltd.	Other receivables	Yes	500,000	500,000	-	2.00%	2	-	Operations	-	-	-	1,378,304	1,378,304	
18	Glorytek (Suzhou) Co., Ltd.	Glory Optics (Yancheng) Co., Ltd.	Other receivables-related parties	Yes	28,448	-	-	3.00%	2	-	Operations	-	-	-	284,865	284,865	
18	Glorytek (Suzhou) Co., Ltd.	Glorytek (Yancheng) Co., Ltd.	Other receivables-related parties	Yes	222,250	216,350	154,041	3.00%	2	-	Operations	-	-	-	284,865	284,865	
19	Shinfox Energy Co., Ltd.	Foxwell Energy Corporation Ltd.	Other receivables-related parties	Yes	600,000	-	-	Average borrowing interest rate plus 0.1%	2	-	Group's capital management	-	-	-	4,463,022	4,463,022	
20	Power Quotient Technology (Yancheng) Co., Ltd.	Glory Optics (Yancheng) Co., Ltd.	Other receivables	Yes	533,400	333,179	333,179	2.50%	2	-	Group's capital management	-	-	-	703,240	703,240	
20	Power Quotient Technology (Yancheng) Co., Ltd.	Glorytek (Yancheng) Co., Ltd.	Other receivables	Yes	221,100	216,350	216,350	2.50%	2	-	Group's capital management	-	-	-	703,240	703,240	
21	Dong Guan HanYang Computer Co., Ltd	Glory Optics (Yancheng) Co., Ltd.	Other receivables	Yes	88,660	86,540	-	3.65%	2	-	Operations	-	-	-	326,156	326,156	

Note 1: The numbers as follows represent the nature of loan:
(1) Business transaction is labelled as "1".
(2) Short-term financing is labelled as "2".

Note 2: (1) Limit on loans granted to a single party is 40% of the Company's net asset value.
(2) Limit on loans granted to the domestic unlisted subsidiaries of the Company and FIT Holding Co., Ltd. is 40% of their net asset value.
(3) Limit on loans granted to direct or indirect holding foreign subsidiaries is 40% of their net asset value.
(4) Limit on loans granted between foreign companies whose voting shares are 100% held by the Company directly or indirectly, or on loans granted to the Company by such foreign companies is 100% of their net asset value.
(5) Limit on loans granted by FIT Holding Co., Ltd. to its direct or indirect holding foreign subsidiaries is 30% of FIT Holding Co., Ltd.'s net asset value on recent financial report.

Note 3: (1) Ceiling on total loans granted to the company is 40% of the Company's net asset value.
(2) Ceiling on total loans granted to the domestic unlisted subsidiaries of the Company and FIT Holding is 40% of their net asset value.
(3) Ceiling on total loans granted to the direct or indirect holding subsidiaries is 40% of their net asset value.
(4) Ceiling on total loans granted between foreign companies whose voting shares are 100% held by the Company directly or indirectly, or on loans granted to the Company by such foreign companies is 100% of their net asset value.
(5) Ceiling on total loans granted by FIT Holding Co., Ltd. to its direct or indirect holding foreign subsidiaries is 40% of their net asset value on recent financial report.

Cheng Uei Precision Industry Co., Ltd. and subsidiaries

Provision of endorsements and guarantees to others

Year ended December 31, 2023

Table 2

Expressed in thousands of NTD

(Except as otherwise indicated)

Number	Endorser/ guarantor	Party being endorsed/guaranteed		Limit on endorsements/ guarantees provided for a single party (Note 1)	Maximum outstanding endorsement/ guarantee amount as of December 31, 2023	Outstanding endorsement/ guarantee amount at December 31, 2023	Actual amount drawn down	Amount of endorsements /guarantees secured with collateral	Ratio of accumulated endorsement/guarantee amount to net asset value of the endorser/guarantor company	Ceiling on total amount of endorsements /guarantees provided (Note 2)	Provision of endorsements /guarantees by parent company to subsidiary	Provision of endorsements /guarantees by subsidiary to parent company	Provision of endorsements /guarantees to the party in Mainland China	Footnote
		Company name	Relationship with the endorser/guarantor											
0	Cheng Uei Precision Industry Co., Ltd.	Dongguan Fuqiang Electronics Co., Ltd.	The Company"s second-tier subsidiary	$ 36,285,411	$ 1,334,700	$ 1,298,100	$ 1,298,100	$ -	5.37	$ 72,570,822	Y	N	Y	
0	Cheng Uei Precision Industry Co., Ltd.	Foxlink International Incorporation	The Company’s third-tier subsidiary	36,285,411	1,049,760	994,842	-	-	4.11	72,570,822	Y	N	N	
0	Cheng Uei Precision Industry Co., Ltd.	Studio A Inc.	The Company’s second-tier subsidiary	36,285,411	1,296,000	1,228,200	300,745	-	5.08	72,570,822	Y	N	N	
0	Cheng Uei Precision Industry Co., Ltd.	Studio A Technology Limited	The Company’s third-tier subsidiary	36,285,411	1,296,000	1,228,200	26,099	-	5.08	72,570,822	Y	N	N	
0	Cheng Uei Precision Industry Co., Ltd.	Kunshan Fugang Electric Trading Co., Ltd.	The Company’s third-tier subsidiary	36,285,411	874,800	829,035	42,680	-	3.43	72,570,822	Y	N	Y	
0	Cheng Uei Precision Industry Co., Ltd.	Ashop Co., Ltd.	The Company’s forth-tier subsidiary	36,285,411	907,200	859,740	151,683	-	3.55	72,570,822	Y	N	N	
0	Cheng Uei Precision Industry Co., Ltd.	Straight A Inc.	The Company’s third-tier subsidiary	36,285,411	486,000	460,575	60,357	-	1.90	72,570,822	Y	N	N	
1	Fugang Electric (Kunshan) Co., Ltd.	Kunshan Fugang Electric Trading Co., Ltd.	Fugang Electric (Kunshan) Co., Ltd.’s subsidiary	36,285,411	106,776	103,848	-	-	0.43	72,570,822	N	N	Y	
2	Studio A Inc.	Studio A Technology Limited	Studio A Inc.'s subsidiary	36,285,411	296,780	230,288	-	-	0.95	72,570,822	N	N	N	
3	Foxlink International Incorporation	Foxlink Arizona Inc.	Foxlink International Incorporation's sibling company	36,285,411	558,058	528,863	528,863	-	2.19	72,570,822	N	N	N	
4	FIT Holding Co., Ltd.	Power Quotient International Co., Ltd.	FIT Holding Co., Ltd.'s subsidiary	51,116,514	1,636,002	1,320,000	1,025,000	-	5.46	51,116,514	N	N	N	
4	FIT Holding Co., Ltd.	Glory Science Co., Ltd.	FIT Holding Co., Ltd.'s subsidiary	51,116,514	1,223,350	990,000	680,000	-	4.09	51,116,514	N	N	N	
5	FIT Holding Co., Ltd.	Glory Optics (Yancheng) Co., Ltd.	FIT Holding Co., Ltd.’s third-tier subsidiary	51,116,514	131,340	129,810	129,810	-	0.54	51,116,514	N	N	Y	
5	Foxlink Image Technology Co., Ltd.	Power Quotient International Co., Ltd.	Foxlink Image Technology Co., Ltd.’s sibling company	20,674,572	1,925,000	1,365,000	1,225,000	-	5.64	20,674,572	N	N	N	
6	Foxlink Image Technology Co., Ltd.	Glory Science Co., Ltd.	Foxlink Image Technology Co., Ltd.’s subsidiary	20,674,572	440,000	440,000	350,000	-	1.82	20,674,572	N	N	N	
7	Shinfox Energy Co., Ltd.	Foxwell Energy Corporation Ltd.	Shinfox Energy Co., Ltd.’s subsidiary	66,945,324	31,200,000	31,200,000	23,453,750	-	128.98	66,945,324	N	N	N	
7	Shinfox Energy Co., Ltd.	Shinfox Far East Company Pte Ltd.	Shinfox Energy Co., Ltd.’s subsidiary	62,482,302	630,000	630,000	-	-	2.60	66,945,324	N	N	N	
7	Foxwell Energy Corporation Ltd.	Xinwei Power Co., Ltd.	Foxwell Energy Corporation Ltd.’s subsidiary	14,227,534	113,200	113,200	113,200	-	0.47	14,227,534	N	N	N	

Note 1: Calculation for limit on endorsements/guarantees provided for a single party is as follows:

(1) For subsidiaries whose shares are 90% or above held by the Company, ceiling on total amount of endorsements and guarantees provided by the Company is 150% of the Company's net asset value; limit on endorsements and guarantees provided by the Company for a single party is 150% of the Company's net asset value.

(2) For FIT Holding Co.,Ltd., limit on endorsements and guarantees for a single party is 600% of FIT Holding Co.,Ltd.'s current net asset value and for subsidiary whose equity is no less than 90% held by FIT Holding Co.,Ltd., is 600% of FIT Holding Co.,Ltd.'s net asset value.

(3) Endorsements and guarantees are available between companies whose voting shares are more than 90% held by FIT Holding Co., Ltd. directly or indirectly. And the limit on endorsements and guarantees is 10% of FIT Holding Co., Ltd.'s net asset value except that endorsements and guarantees are between companies whose voting shares are 100% held by FIT Holding Co., Ltd. directly or indirectly.

(4) For subsidiaries whose shares are 90% or above held by Shinfox, ceiling on total amount of endorsements and guarantees provided by the Company is 600% of the Company's net asset value; limit on endorsements and guarantees provided by the Company for a single party is 560% of the Company's net asset value.

(5) For subsidiaries whose shares are 90% or above held by Foxwell Energy, ceiling on total amount of endorsements and guarantees provided by the Company is 150% of the Company's net asset value; limit on endorsements and guarantees provided by the Company for a single party is 140% of the Company's net asset value.

Note 2: Calculation for limit on endorsements/guarantees provided is as follows:

(1) The Company's and subsidiaries' endorsements and guarantees to others should not exceed 300% of the Company's net asset value.

(2) FIT Holding Co.,Ltd.'s endorsements and guarantees to others and subsidiaries should not exceed 600% of FIT Holding Co., Ltd.'s net asset value in the latest financial statements.

(3) Endorsements and guarantees are available between companies whose voting shares are more than 90% held by FIT Holding Co., Ltd. directly or indirectly. And the limit on endorsements and guarantees is 10% of FIT Holding Co., Ltd.'s net asset value except that endorsements and guarantees are between companies whose voting shares are 100% held by FIT Holding Co., Ltd. directly or indirectly.

(4) Ceiling on total amount of endorsements/guarantees provided by Foxwell Energy and subsidiaries is 150% of Foxwell Energy's net asset value in the latest financial statements.

Cheng Uei Precision Industry Co., Ltd. and subsidiaries

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

December 31, 2023

Table 3

Expressed in thousands of NTD

(Except as otherwise indicated)

Securities held by	Marketable securities	Relationship with the securities issuer	General ledger account	As of December 31, 2023				Footnote
				Number of shares (in thousand shares)	Book value	Ownership (%)	Fair value	
Fu Uei International Investment Ltd.	Trinity Investment Corporation	An investee of the Company	Financial assets at fair value through other comprehensive income - non-current	3,000	$ 30,000	10.00	$ 30,000	
Fu Uei International Investment Ltd.	Ade Technology Inc.	An investee of the Company	Financial assets at fair value through other comprehensive income - non-current	500	11,500	1.45	11,500	
Culink International Ltd.	Gamma 2 Robotics, Inc.	An investee of the Company	Financial assets at fair value through other comprehensive income - non-current	862	-	9.00	-	
Culink International Ltd.	Occipital, Inc.	An investee of the Company	Financial assets at fair value through other comprehensive income - non-current	389	-	2.50	-	
Culink International Ltd.	V5 Systems, Inc.	An investee of the Company	Financial assets at fair value through other comprehensive income - non-current	1,460	-	4.63	-	
Culink International Ltd.	Motiv Inc	An investee of the Company	Financial assets at fair value through other comprehensive income - non-current	273	-	1.70	-	
Culink International Ltd.	LeadSun Winion Limited	An investee of the Company	Financial assets at fair value through other comprehensive income - non-current	3,000	92,115	40.07	92,115	
Culink International Ltd.	MedWand Solutions Inc.	An investee of the Company	Financial assets at fair value through other comprehensive income - non-current	63	-	2.89	-	
Foxlink Technology Limited	Leadsun New Star Corp.	An investee of the Company	Financial assets at fair value through other comprehensive income - non-current	550	4,591	12.50	4,591	
Changzhou Xinwei Vehicle Energy Venture Capital Co., Ltd.	Dongguan Power Wise Technology Co., Ltd.	An investee of the Company	Financial assets at fair value through other comprehensive income - non-current	1,250	-	4.00	-	
Changzhou Xinwei Vehicle Energy Venture Capital Co., Ltd.	Zhongneng Lithium Battery Technology Taizhou Co., Ltd	An investee of the Company	Financial assets at fair value through other comprehensive income - non-current	922	86,540	3.35	86,540	
Changzhou Xinwei Vehicle Energy Venture Capital Co., Ltd.	Hebei Gellec New Energy Science&technology Co.,ltd.	An investee of the Company	Financial assets at fair value through other comprehensive income - non-current	3,333	86,540	0.61	86,540	
Changzhou Xinwei Vehicle Energy Venture Capital Co., Ltd.	Changzhou Qitai No.1 Venture Capital Partnership	An investee of the Company	Financial assets at fair value through other comprehensive income - non-current	20,000	86,540	6.33	86,540	
Changzhou Xinwei Vehicle Energy Venture Capital Co., Ltd.	TBB Power (Xiamen) Co., Ltd.	An investee of the Company	Financial assets at fair value through other comprehensive income - non-current	2,149	216,350	4.35	216,350	
Changzhou Xinwei Vehicle Energy Venture Capital Co., Ltd.	Shaha Technology (Shanghai) Co., Ltd.	An investee of the Company	Financial assets at fair value through other comprehensive income - non-current	163	121,156	14.00	121,156	
Foxlink Tianjin Co., Ltd.	Changde Fubo Intelligent Technology Co., Ltd.	An investee of the Company	Financial assets at fair value through other comprehensive income - non-current	-	4,112	9.50	4,112	

Securities held by	Marketable securities	Relationship with the securities issuer	General ledger account	As of December 31, 2023				Footnote
				Number of shares (in thousand shares)	Book value	Ownership (%)	Fair value	
FIT Holding Co., Ltd.	Leadsun Wind & Solar Co., Ltd.	N/A	Financial assets at fair value through other comprehensive income - non-current	22,500	$ 210,529	12.00	$ 210,529	
Foxlink Image Technology Co., Ltd.	Taiwan Mobile Co., Ltd.	N/A	Financial assets at fair value through other comprehensive income - non-current	1,631	160,767	0.04	160,767	
Foxlink Image Technology Co., Ltd.	Wellgen Medical Co., Ltd.	N/A	Financial assets at fair value through other comprehensive income - non-current	1,500	-	14.09	-	
Power Quotient International Co., Ltd.	Saint Song Corp.	N/A	Financial assets at fair value through other comprehensive income - non-current	127	-	1.05	-	
Power Quotient International Co., Ltd.	Ours Technology Inc.	N/A	Financial assets at fair value through other comprehensive income - non-current	13	-	0.21	-	
Power Quotient International Co., Ltd.	Innoplus Co., Ltd.	N/A	Financial assets at fair value through other comprehensive income - non-current	160	-	12.00	-	
Power Quotient International Co., Ltd.	Taiwan Mobile Co., Ltd.	N/A	Financial assets at fair value through other comprehensive income - non-current	1,631	160,767	0.04	160,767	
Power Quotient International Co., Ltd.	Stack Devices Corporation	N/A	Financial assets at fair value through other comprehensive income - non-current	70	-	0.11	-	
Power Quotient Technology (Yancheng) Co., Ltd.	Jiangsu Foxlink New Energy Technology Co.,Ltd.	N/A	Financial assets at fair value through other comprehensive income - non-current	-	73,151	12.90	73,151	
Shinfox Energy Co., Ltd.	Corvus Energy Ltd.	N/A	Financial assets at fair value through other comprehensive income - non-current	22	-	0.04	-	
Foxwell Energy Corporation Ltd.	Full Entertainment Marketing Co., Ltd.	N/A	Financial assets at fair value through other comprehensive income - non-current	300	-	3.00	-	
KunShan Eastern Rainbow Environmental Equipment Co., Ltd.	Wuxi Eastern Rainbow Environmental Protection Engineering Co., Ltd.	N/A	Financial assets at fair value through other comprehensive income - non-current	-	649	10.00	649	
Eastern Rainbow Green Energy Environmental Technology Co., Ltd.	Shin Kong Financial Holding Co., Ltd	N/A	Financial assets at fair value through profit or loss - current	43	383	-	383	
Eastern Rainbow Green Energy Environmental Technology Co., Ltd.	Shin Kong Financial Holding Co., Ltd. Preferred Shares B	N/A	Financial assets at fair value through profit or loss - current	1	15	-	15	
Eastern Rainbow Green Energy Environmental Technology Co., Ltd.	Mildef Crete Inc.	N/A	Financial assets at fair value through profit or loss - current	10	869	0.02	869	

Cheng Uei Precision Industry Co., Ltd. and subsidiaries

Acquisition or sale of the same security with the accumulated cost exceeding $300 million or 20% of the Company's paid-in capital

Year ended December 31, 2023

Table 4

Expressed in thousands of NTD

(Except as otherwise indicated)

Investor	Marketable securities	General ledger account	Counterparty	Relationship with the investor	Balance as at January 1, 2023		Addition		Disposal				Balance as at December 31, 2023		Footnote
					Number of shares (in thousand shares)	Amount	Number of shares (in thousand shares)	Amount	Number of shares (in thousand shares)	Selling price	Book value	Gain (loss) on disposal	Number of shares	Amount	
The Company	Cu International Ltd.	Investment accounted for using equity method	Cu International Ltd.	Note 1	478,350	$ 14,687,737	15,200	$ 464,325	-	$ -	$ -	$ -	$ 493,550	$ 15,154,453	Note 3
The Company	Foxlink International Investment Ltd.	Investment accounted for using equity method	Foxlink International Investment Ltd.	Note 1	408,750	3,350,000	60,000	600,000	-	-	-	-	468,750	3,950,000	Note 3
Foxlink International Investment Ltd.	Foxlink Da Nang Electronics Co., Ltd.	Investment accounted for using equity method	Foxlink Da Nang Electronics Co., Ltd.	Note 1	-	-	28,000	905,730	-	-	-	-	28,000	905,730	Note 3
Shinfox Energy Co., Ltd.	Foxwell Energy Corporation Ltd	Investment accounted for using equity method	Foxwell Energy Corporation Ltd	Note 1	610,000	610,000	257,000	2,570,000	-	-	-	-	867,000	8,670,000	Note 3
Shinfox Energy Co., Ltd.	Shinfox Far East Company Pte Ltd.	Investment accounted for using equity method	Shinfox Far East Renewable Energy Company Pte Ltd.	Note 2	-	981,545	53,600	675,778	-	-	-	-	53,600	1,657,323	Note 3、4

Note 1 : The entity is the Company's subsidiary.

Note 2 : The general ledger account is ‘Investments accounted for using equity method’.

Note 3 : The abovementioned amount is investment cost, information relating to its carrying amount is provided Table 8.

Note 4 : The Group prepaid investments to Shinfox Far East Company Pte Ltd. on December 27, 2022, and acquired a 40% equity interests in the entity in January 2023, and acquired another 27% equity interests in the entity on November 6, 2023.

Cheng Uei Precision Industry Co., Ltd. and subsidiaries

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

Year ended December 31, 2023

Table 5

Expressed in thousands of NTD
(Except as otherwise indicated)

Purchaser/seller	Counterparty	Relationship with the counterparty	Transaction				Differences in transaction terms compared to third party transactions		Notes/accounts receivable (payable)		Footnote
			Purchases (sales)	Amount	Percentage of total purchases (sales)	Credit term	Unit price	Credit term	Balance	Percentage of total notes/accounts	
The Company	Foxlink International Incorporation	The Company's third-tier subsidiary	Sales	($ 17,783,841)	(30)	Note 1	Note 1	Note 1	$ 3,807,340	26	
The Company	Hon Hai Precision Industry Co., Ltd.	Other related party	Sales	(707,681)	(1)	Note 1	Note 1	Note 1	349,454	2	
The Company	Dongguan Fuqiang Electronics Co., Ltd.	The Company's second-tier subsidiary	Purchases	24,944,932	43	Note 2	Note 2	Note 2	(1,106,714)	(9)	
The Company	Fugang Electronic (Dongguan) Co., Ltd.	The Company's second-tier subsidiary	Purchases	15,438,851	26	Note 2	Note 2	Note 2	(4,158,415)	(34)	
The Company	Fugang Electric (Kunshan) Co., Ltd.	The Company's second-tier subsidiary	Purchases	2,219,089	4	Note 2	Note 2	Note 2	-	-	
The Company	Fushineng Electronics (Kunshan) Co., Ltd.	The Company's second-tier subsidiary	Purchases	2,800,885	5	Note 2	Note 2	Note 2	(607,523)	(6)	
The Company	Fugang Electric (Maanshan) Co., Ltd.	The Company's second-tier subsidiary	Purchases	429,760	1	Note 2	Note 2	Note 2	(298,231)	(3)	
The Company	Well Shin Technology Co., Ltd.	The Company's investee accounted for using equity method	Purchases	245,525	-	Note 2	Note 2	Note 2	(67,474)	(1)	
The Company	Fugang Electric (Xuzhou) Co., Ltd.	The Company's second-tier subsidiary	Purchases	9,735,601	17	Note 2	Note 2	Note 2	(1,940,678)	(18)	
The Company	Hon Hai Precision Industry Co., Ltd.	Other related party	Purchases	490,158	1	Note 2	Note 2	Note 2	(62,894)	(1)	
The Company	Foxlink Automotive Technology (Kunshan) Co., Ltd.	The Company's second-tier subsidiary	Purchases	212,600	-	Note 2	Note 2	Note 2	-	-	
The Company	Sinobest Brothers Limited	The Company's subsidiary	Purchases	137,967	-	Note 2	Note 2	Note 2	(79,722)	(1)	
The Company	Foxlink India Electric Private Limited	The Company's second-tier subsidiary	Purchases	458,430	1	Note 2	Note 2	Note 2	(207,089)	(2)	
The Company	Foxlink (Vietnam) Co., Ltd.	The Company's second-tier subsidiary	Purchases	1,195,775	2	Note 2	Note 2	Note 2	(999,718)	(9)	

Purchaser/seller	Counterparty	Relationship with the counterparty	Transaction				Differences in transaction terms compared to third party transactions		Notes/accounts receivable (payable)		Footnote
			Purchases (sales)	Amount	Percentage of total purchases (sales)	Credit term	Unit price	Credit term	Balance	Percentage of total notes/accounts	
Foxlink International Incorporation	The Company	The entity is the ultimate parent company of the Company	Purchases	$ 17,783,841	100	Note 2	Note 2	Note 2	($ 3,807,340)	100	
Dongguan Fuqiang Electronics Co., Ltd.	The Company	The entity is the ultimate parent company of the Company	Sales	(24,944,932)	(90)	Note 1	Note 1	Note 1	1,106,714	11	
Fugang Electronic (Dongguan) Co., Ltd.	The Company	The entity is the ultimate parent company of the Company	Sales	(15,438,851)	(81)	Note 1	Note 1	Note 1	4,158,415	65	
Fugang Electric (Kunshan) Co., Ltd.	The Company	The entity is the ultimate parent company of the Company	Sales	(2,219,089)	(72)	Note 1	Note 1	Note 1	-	-	
Fushineng Electronics (Kunshan) Co., Ltd.	The Company	The entity is the ultimate parent company of the Company	Sales	(2,800,885)	(73)	Note 1	Note 1	Note 1	607,523	61	
Fugang Electric (Maanshan) Co., Ltd.	The Company	The entity is the ultimate parent company of the Company	Sales	(429,760)	100	Note 1	Note 1	Note 1	298,231	93	
Fugang Electric (Xuzhou) Co., Ltd.	The Company	The entity is the ultimate parent company of the Company	Sales	(9,735,601)	(90)	Note 1	Note 1	Note 1	1,940,678	93	
Foxlink Automotive Technology (Kunshan) Co., Ltd.	The Company	The entity is the ultimate parent company of the Company	Sales	(212,600)	(72)	Note 1	Note 1	Note 1	-	-	
Sinobest Brothers Limited	The Company	The entity is the ultimate parent company of the Company	Sales	(137,967)	(67)	Note 1	Note 1	Note 1	79,722	100	
Foxlink India Electric Private Limited	The Company	The entity is the ultimate parent company of the Company	Sales	(458,430)	(17)	Note 1	Note 1	Note 1	207,089	29	
Foxlink (Vietnam) Co., Ltd.	The Company	The entity is the ultimate parent company of the Company	Sales	(1,195,775)	(97)	Note 1	Note 1	Note 1	999,718	99	
Fugang Electronic (Dongguan) Co., Ltd.	Dongguan Fuqiang Electronics Co., Ltd.	Affiliated company	Sales	(1,961,899)	(10)	Note 1	Note 1	Note 1	324,815	5	
Dongguan Fuqiang Electronics Co., Ltd.	Fugang Electronic (Dongguan) Co., Ltd.	Affiliated company	Purchases	1,961,899	8	Note 2	Note 2	Note 2	(324,815)	(5)	
Dongguan Fuqiang Electronics Co., Ltd.	Du Precision Industry Co., Ltd.	Affiliated company	Sales	(100,469)	-	Note 1	Note 1	Note 1	100,469	1	
Du Precision Industry Co., Ltd.	Dongguan Fuqiang Electronics Co., Ltd.	Affiliated company	Purchases	100,469	-	Note 2	Note 2	Note 2	(100,469)	(1)	
Fugang Electric (Kunshan) Co., Ltd.	Fugang Electronic (Dongguan) Co., Ltd.	Affiliated company	Sales	(271,425)	(9)	Note 2	Note 2	Note 2	-	-	
Fugang Electronic (Dongguan) Co., Ltd.	Fugang Electric (Kunshan) Co., Ltd.	Affiliated company	Purchases	271,425	2	Note 2	Note 2	Note 2	-	-	

Purchaser/seller	Counterparty	Relationship with the counterparty	Transaction				Differences in transaction terms compared to third party transactions		Notes/accounts receivable (payable)		Footnote
			Purchases (sales)	Amount	Percentage of total purchases (sales)	Credit term	Unit price	Credit term	Balance	Percentage of total notes/accounts	
Suntain Co., Ltd.	Hon Hai Precision Industry Co., Ltd.	Other related party	Purchases	$ 151,891	55	Note 2	Note 2	Note 2	($ 11,791)	(100)	
Kunshan Fugang Electric Trading Co., Ltd.	Shanghai Fugang Electric Trading Co., Ltd.	Affiliated company	Sales	(972,650)	(72)	Note 1	Note 1	Note 1	94,247	100	
Shanghai Fugang Electric Trading Co., Ltd.	Kunshan Fugang Electric Trading Co., Ltd.	Affiliated company	Purchases	972,650	100	Note 2	Note 2	Note 2	(94,247)	(100)	
Wei Hai Fu Kang Electric Co., Ltd.	Accu-Image Technology Limited	Affiliated company	Sales	(667,701)	(90)	Note 1	Note 1	Note 1	132,607	100	
Accu-Image Technology Limited	Wei Hai Fu Kang Electric Co., Ltd.	Affiliated company	Purchases	667,701	19	Note 2	Note 2	Note 2	(132,607)	(17)	

Note 1: Please refer to Note 7(2) A. for the details.

Note 2: Please refer to Note 7(2) B. for the details.

Cheng Uei Precision Industry Co., Ltd. and subsidiaries

Receivables from related parties reaching NT$100 million or 20% of paid-in capital or more

Year ended December 31, 2023

Table 6

Expressed in thousands of NTD

(Except as otherwise indicated)

Creditor	Counterparty	Relationship with the counterparty	Balance as at December 31, 2023	Turnover rate	Overdue receivables		Amount collected subsequent to the balance sheet date	Allowance for doubtful accounts
					Amount	Action taken		
The Company	Foxlink International Incorporation	Great-grandchild company	$ 3,807,340	4.67	None	N/A	$ 2,558,753	None
The Company	Fushineng Electronics (Kunshan) Co., Ltd.	The Company's second-tier subsidiary	439,700	Note 1	〃	〃	-	〃
The Company	Hon Hai Precision Industry Co., Ltd.	This company's chairman is the second-degree relative of the Company's chairman	349,454	2.03	〃	〃	155,369	〃
The Company	Fugang Electric (Kunshan) Co., Ltd.	The Company's second-tier subsidiary	159,286	Note 1	〃	〃	21,742	〃
The Company	Fugang Electric (Xuzhou) Co., Ltd.	The Company's second-tier subsidiary	626,189	Note 1	〃	〃	-	〃
The Company	Fugang Electric (Maanshan) Co., Ltd.	The Company's second-tier subsidiary	593,312	Note 1	〃	〃	-	〃
The Company	Sinobest Brothers Limited	The Company's subsidiary	104,747	Note 1	〃	〃	-	〃
The Company	Foxlink India Electric Private Limited	The Company's second-tier subsidiary	2,328,643	Note 1	〃	〃	-	〃
The Company	Foxlink (Vietnam) Co., Ltd.	The Company's second-tier subsidiary	769,695	Note 1	〃	〃	-	〃
Fushineng Electronics (Kunshan) Co., Ltd.	The Company	This company is the ultimate parent company of the company	607,523	4.18	〃	〃	-	〃
Fu Gang Electronic (Nan Chang) Co., Ltd.	The Company	This company is the ultimate parent company of the company	1,264,537	Note 1	〃	〃	-	〃
Fugang Electronic (Dongguan) Co., Ltd.	The Company	This company is the ultimate parent company of the company	4,158,415	3.35	〃	〃	-	〃
Dongguan Fuqiang Electronics Co., Ltd.	The Company	This company is the ultimate parent company of the company	1,106,714	17.07	〃	〃	-	〃
Fugang Electric (Maanshan) Co., Ltd.	The Company	This company is the ultimate parent company of the company	298,231	1.44	〃	〃	-	〃
Fugang Electric (Xuzhou) Co., Ltd.	The Company	This company is the ultimate parent company of the company	1,940,678	4.12	〃	〃	-	〃
Foxlink (Vietnam) Co., Ltd.	The Company	This company is the ultimate parent company of the company	999,718	0.44	〃	〃	-	〃
Foxlink India Electric Private Limited	The Company	This company is the ultimate parent company of the company	207,089	2.21	〃	〃	-	〃
Fu Uei International Investment Ltd.	The Company	This company is the ultimate parent company of the company	140,000	Note 1	〃	〃	-	〃
World Circuit Technology Co., Ltd.	The Company	This company is the ultimate parent company of the company	100,000	Note 1	〃	〃	-	〃
Zhi De Investment Co., Ltd.	The Company	This company is the ultimate parent company of the company	200,000	Note 1	〃	〃	-	〃

Creditor	Counterparty	Relationship with the counterparty	Balance as at December 31, 2023	Turnover rate	Overdue receivables		Amount collected subsequent to the balance sheet date	Allowance for doubtful accounts
					Amount	Action taken		
Cu International Ltd.	Dongguan Fuqiang Electronics Co., Ltd.	Affiliated company	$ 143,604	Note 1	None	N/A	$ -	None
Fugang Electronic (Dongguan) Co., Ltd.	Dongguan Fuqiang Electronics Co., Ltd.	Affiliated company	324,815	6.04	〃	〃	-	〃
Fugang Electronic (Dongguan) Co., Ltd.	Dongguan Fuqiang Electronics Co., Ltd.	Affiliated company	290,295	Note 1	〃	〃	-	〃
Fugang Electronic (Dongguan) Co., Ltd.	Fugang Electric (Maanshan) Co., Ltd.	Affiliated company	341,833	Note 1	〃	〃	-	〃
Dongguan Fuqiang Electronics Co., Ltd.	Fugang Electric (Maanshan) Co., Ltd.	Affiliated company	279,822	Note 1	〃	〃	-	〃
Dongguan Fuqiang Electronics Co., Ltd.	Fugang Electric (Kunshan) Co., Ltd.	Affiliated company	1,801,959	0.00	〃	〃	-	〃
Dongguan Fuqiang Electronics Co., Ltd.	Du Precision Industry Co., Ltd.	Affiliated company	100,469	1.00	〃	〃	-	〃
Fugang Electric (Kunshan) Co., Ltd.	Fugang Electric (Maanshan) Co., Ltd.	Affiliated company	270,701	Note 1	〃	〃	-	〃
Fugang Electric (Kunshan) Co., Ltd.	Kunshan Fugang Electric Trading Co., Ltd.	Affiliated company	144,955	Note 1	〃	〃	-	〃
Foxlink Tianjin Co., Ltd.	Fugang Electric (Kunshan) Co., Ltd.	Affiliated company	346,160	Note 1	〃	〃	-	〃
Foxlink Tianjin Co., Ltd.	Cu International Ltd.	Affiliated company	387,051	Note 1	〃	〃	-	〃
Foxlink Technology Limited	Cu International Ltd.	Affiliated company	773,576	Note 1	〃	〃	-	〃
Fugang Electric (Maanshan) Co., Ltd.	Dongguan Fuqiang Electronics Co., Ltd.	Affiliated company	132,570	0.09	〃	〃	-	〃
Studio A Technology Limited	Ashop Co., Ltd.	The Company's subsidiary	116,679	Note 1	〃	〃	-	〃
Foxlink Image Technology Co., Ltd.	Glorytek (Yancheng) Co., Ltd.	Affiliated company	118,992	Note 1	〃	〃	-	〃
Glory Science Co., Ltd.	Glorytek (Yancheng) Co., Ltd.	Affiliated company	346,939	0.72	〃	〃	-	〃
Glory Science Co., Ltd.	Glorytek (Yancheng) Co., Ltd.	Affiliated company	138,511	Note 1	〃	〃	-	〃
Glory Science Co., Ltd.	Glory Optics (Yancheng) Co., Ltd.	Affiliated company	255,026	Note 1	〃	〃	-	〃
Glorytek (Suzhou) Co., Ltd.	Glorytek (Yancheng) Co., Ltd.	Affiliated company	165,545	Note 1	〃	〃	-	〃
Dongguan Fu Wei Electronics Co., Ltd.	Foxlink Image Technology Co., Ltd.	Affiliated company	342,797	1.95	〃	〃	55,231	〃
Wei Hai Fu Kang Electric Co., Ltd.	Foxlink Image Technology Co., Ltd.	Affiliated company	132,607	4.42	〃	〃	56,523	〃
Power Quotient Technology (Yancheng) Co., Ltd.	Glorytek (Yancheng) Co., Ltd.	Affiliated company	333,179	Note 1	〃	〃	-	〃
Power Quotient Technology (Yancheng) Co., Ltd.	Glory Optics (Yancheng) Co., Ltd.	Affiliated company	216,350	Note 1	〃	〃	-	〃

Note 1: The turnover rate was not applicable as the receivables were recorded as other receivables.

Cheng Uei Precision Industry Co., Ltd. and subsidiaries

Significant inter-company transactions during the reporting periods

Year ended December 31, 2023

Table 7

Expressed in thousands of NTD

(Except as otherwise indicated)

Number (Note 1)	Company name	Counterparty	Relationship (Note 2)	Transaction			
				General ledger account	Amount	Transaction terms	Percentage of consolidated total operating revenues or total assets (Note 3)
0	Cheng Uei Precision Industry Co., Ltd.	Foxlink International Incorporation	1	Sales	$ 17,783,841	Sales prices are based on the mutual agreement	20
0	Cheng Uei Precision Industry Co., Ltd.	Foxlink International Incorporation	1	Accounts receivable	3,807,340	The collections depend on the financial situation after offsetting the receivables against the payables	4
0	Cheng Uei Precision Industry Co., Ltd.	Dongguan Fuqiang Electronics Co., Ltd.	1	Purchases	24,944,932	Purchase prices are based on the mutual agreement	28
0	Cheng Uei Precision Industry Co., Ltd.	Dongguan Fuqiang Electronics Co., Ltd.	1	Accounts payable	1,106,714	The collections depend on the financial situation after offsetting the receivables against the payables	1
0	Cheng Uei Precision Industry Co., Ltd.	Fugang Electric (Kunshan) Co., Ltd.	1	Purchases	2,219,089	Purchase prices are based on the mutual agreement	2
0	Cheng Uei Precision Industry Co., Ltd.	Fugang Electric (Kunshan) Co., Ltd.	1	Other receivables	159,286	The collections depend on the financial situation after offsetting the receivables against the payables	-
0	Cheng Uei Precision Industry Co., Ltd.	Fushineng Electronics (Kunshan) Co., Ltd.	1	Purchases	2,800,885	Purchase prices are based on the mutual agreement	3
0	Cheng Uei Precision Industry Co., Ltd.	Fushineng Electronics (Kunshan) Co., Ltd.	1	Other receivables	439,700	The collections depend on the financial situation after offsetting the receivables against the payables	-
0	Cheng Uei Precision Industry Co., Ltd.	Fushineng Electronics (Kunshan) Co., Ltd.	1	Accounts payable	607,523	The collections depend on the financial situation after offsetting the receivables against the payables	1
0	Cheng Uei Precision Industry Co., Ltd.	Fugang Electronic (Dongguan) Co., Ltd.	1	Purchases	15,438,851	Purchase prices are based on the mutual agreement	17
0	Cheng Uei Precision Industry Co., Ltd.	Fugang Electronic (Dongguan) Co., Ltd.	1	Accounts payable	4,158,415	The collections depend on the financial situation after offsetting the receivables against the payables	4
0	Cheng Uei Precision Industry Co., Ltd.	Fu Uei International Investment Ltd.	1	Other receivables	140,000	The collections depend on the financial situation after offsetting the receivables against the payables	-
0	Cheng Uei Precision Industry Co., Ltd.	Fugang Electric (Maanshan) Co., Ltd.	1	Purchases	429,760	Purchase prices are based on the mutual agreement	-
0	Cheng Uei Precision Industry Co., Ltd.	Fugang Electric (Maanshan) Co., Ltd.	1	Other payables	593,312	The collections depend on the financial situation after offsetting the receivables against the payables	1
0	Cheng Uei Precision Industry Co., Ltd.	Fugang Electric (Maanshan) Co., Ltd.	1	Accounts payable	298,231	The collections depend on the financial situation after offsetting the receivables against the payables	-
0	Cheng Uei Precision Industry Co., Ltd.	Fugang Electric (Xuzhou) Co., Ltd.	1	Other receivables	626,189	The collections depend on the financial situation after offsetting the receivables against the payables	1

Number (Note 1)	Company name	Counterparty	Relationship (Note 2)	Transaction			
				General ledger account	Amount	Transaction terms	Percentage of consolidated total operating revenues or total assets (Note 3)
0	Cheng Uei Precision Industry Co., Ltd.	Fugang Electric (Xuzhou) Co., Ltd.	1	Purchases	$ 9,735,601	Purchase prices are based on the mutual agreement	11
0	Cheng Uei Precision Industry Co., Ltd.	Fugang Electric (Xuzhou) Co., Ltd.	1	Accounts payable	1,940,678	The collections depend on the financial situation after offsetting the receivables against the payables	2
0	Cheng Uei Precision Industry Co., Ltd.	Foxlink Automotive Technology (Kunshan) Co., Ltd.	1	Purchases	212,600	Purchase prices are based on the mutual agreement	-
0	Cheng Uei Precision Industry Co., Ltd.	Fu Gang Electronic (Nan Chang) Co., Ltd.	1	Accounts payable	1,264,537	The collections depend on the financial situation after offsetting the receivables against the payables	1
0	Cheng Uei Precision Industry Co., Ltd.	Zhi De Investment Co., Ltd.	1	Other payables	200,000	The collections depend on the financial situation after offsetting the receivables against the payables	-
0	Cheng Uei Precision Industry Co., Ltd.	World Circuit Technology Co., Ltd	1	Other payables	100,000	The collections depend on the financial situation after offsetting the receivables against the payables	-
0	Cheng Uei Precision Industry Co., Ltd.	Sinobest Brothers Limited	1	Other receivables	104,747	The collections depend on the financial situation after offsetting the receivables against the payables	-
0	Cheng Uei Precision Industry Co., Ltd.	Sinobest Brothers Limited	1	Purchases	137,967	Purchase prices are based on the mutual agreement	-
0	Cheng Uei Precision Industry Co., Ltd.	Foxlink India Electric Private Limited	1	Other receivables	2,328,643	The collections depend on the financial situation after offsetting the receivables against the payables	2
0	Cheng Uei Precision Industry Co., Ltd.	Foxlink India Electric Private Limited	1	Accounts payable	207,089	The collections depend on the financial situation after offsetting the receivables against the payables	-
0	Cheng Uei Precision Industry Co., Ltd.	Foxlink India Electric Private Limited	1	Purchases	458,430	Purchase prices are based on the mutual agreement	-
0	Cheng Uei Precision Industry Co., Ltd.	Foxlink (Vietnam) Co., Ltd.	1	Accounts payable	999,718	The collections depend on the financial situation after offsetting the receivables against the payables	-
0	Cheng Uei Precision Industry Co., Ltd.	Foxlink (Vietnam) Co., Ltd.	1	Purchases	1,195,775	Purchase prices are based on the mutual agreement	-
0	Cheng Uei Precision Industry Co., Ltd.	Foxlink (Vietnam) Co., Ltd.	1	Other receivables	769,695	The collections depend on the financial situation after offsetting the receivables against the payables	1
1	Cu International Ltd.	Dongguan Fuqiang Electronics Co., Ltd.	3	Other receivables	143,604	The collections depend on the financial situation after offsetting the receivables against the payables	-
1	Cu International Ltd.	Dongguan Fuqiang Electronics Co., Ltd.	3	Prepaid expenses	173,429	The collections depend on the financial situation after offsetting the receivables against the payables	-
1	Cu International Ltd.	Foxlink Tianjin Co., Ltd.	3	Other payables	387,051	The collections depend on the financial situation after offsetting the receivables against the payables	-
1	Cu International Ltd.	Foxlink Technology Limited	3	Other payables	773,576	The collections depend on the financial situation after offsetting the receivables against the payables	1
2	Fugang Electric (Kunshan) Co., Ltd.	Foxlink Automotive Technology (Kunshan) Co., Ltd.	3	Prepaid expenses	204,070	The collections depend on the financial situation after offsetting the receivables against the payables	-

Number (Note 1)	Company name	Counterparty	Relationship (Note 2)	Transaction			
				General ledger account	Amount	Transaction terms	Percentage of consolidated total operating revenues or total assets (Note 3)
2	Fugang Electric (Kunshan) Co., Ltd.	Kunshan Fugang Electric Trading Co., Ltd.	3	Other receivables	$ 144,955	The collections depend on the financial situation after offsetting the receivables against the payables	-
2	Fugang Electric (Kunshan) Co., Ltd.	Fugang Electric (Maanshan) Co., Ltd.	3	Other receivables	270,701	The collections depend on the financial situation after offsetting the receivables against the payables	-
2	Fugang Electric (Kunshan) Co., Ltd.	Fugang Electronic (Dongguan) Co., Ltd.	3	Sales	271,425	Sales prices are based on the mutual agreement	-
2	Fugang Electric (Kunshan) Co., Ltd.	Culink Tianjin Co., Ltd.	3	Other payables	346,160	The collections depend on the financial situation after offsetting the receivables against the payables	-
3	Dongguan Fuqiang Electronics Co., Ltd.	Fugang Electronic (Dongguan) Co., Ltd.	3	Purchases	1,961,899	Purchase prices are based on the mutual agreement	2
3	Dongguan Fuqiang Electronics Co., Ltd.	Fugang Electronic (Dongguan) Co., Ltd.	3	Other payables	290,295	The collections depend on the financial situation after offsetting the receivables against the payables	-
3	Dongguan Fuqiang Electronics Co., Ltd.	Fugang Electronic (Dongguan) Co., Ltd.	3	Accounts payable	324,815	The collections depend on the financial situation after offsetting the receivables against the payables	-
3	Dongguan Fuqiang Electronics Co., Ltd.	Fugang Electric (Maanshan) Co., Ltd.	3	Other receivables	279,822	The collections depend on the financial situation after offsetting the receivables against the payables	-
3	Dongguan Fuqiang Electronics Co., Ltd.	Fuqiang Electric (Maanshan) Co., Ltd.	3	Accounts payable	132,570	The collections depend on the financial situation after offsetting the receivables against the payables	-
3	Dongguan Fuqiang Electronics Co., Ltd.	Fugang Electric (Kunshan) Co., Ltd.	3	Accounts receivable	1,801,959	The collections depend on the financial situation after offsetting the receivables against the payables	2
3	Dongguan Fuqiang Electronics Co., Ltd.	Du Precision Industry Co., Ltd.	3	Sales	100,469	Purchase prices are based on the mutual agreement	-
3	Dongguan Fuqiang Electronics Co., Ltd.	Du Precision Industry Co., Ltd.	3	Other receivables	100,469	The collections depend on the financial situation after offsetting the receivables against the payables	-
4	Fugang Electronic (Dongguan) Co., Ltd.	Fugang Electric (Maanshan) Co., Ltd.	3	Other receivables	341,833	The collections depend on the financial situation after offsetting the receivables against the payables	-
5	Studio A Inc.	Ashop Co., Ltd.	3	Other receivables	116,679	The collections depend on the financial situation after offsetting the receivables against the payables	-
6	Kunshan Fugang Electric Trading Co., Ltd.	Shanghai Fugang Electric Trading Co., Ltd.	3	Sales	972,650	Sales prices are based on the mutual agreement	1
7	Foxlink Image Technology Co., Ltd.	Glorytek (Yancheng) Co., Ltd.	3	Other receivables	118,992	Based on the company's policy	-

Number (Note 1)	Company name	Counterparty	Relationship (Note 2)	Transaction			
				General ledger account	Amount	Transaction terms	Percentage of consolidated total operating revenues or total assets (Note 3)
8	Glory Science Co., Ltd.	Glory Optics (Yancheng) Co., Ltd.	3	Other receivables	$ 255,026	Based on the company's policy	-
8	Glory Science Co., Ltd.	Glorytek (Yancheng) Co., Ltd.	3	Accounts receivable	346,939	Based on the company's policy	-
8	Glory Science Co., Ltd.	Glorytek (Yancheng) Co., Ltd.	3	Other receivables	138,511	Based on the company's policy	-
9	Glorytek (Suzhou) Co., Ltd.	Glorytek (Yancheng) Co., Ltd.	3	Other receivables	165,545	Based on the company's policy	-
10	Dongguan Fu Wei Electronics Co., Ltd.	Foxlink Image Technology Co., Ltd.	3	Processing income	600,085	The flexible collection based on the financial situation	1
10	Dongguan Fu Wei Electronics Co., Ltd.	Foxlink Image Technology Co., Ltd.	3	Accounts receivable	342,797	The flexible collection based on the financial situation	-
11	Dong Guan Fu Zhang Precision Industry Co., Ltd.	Foxlink Image Technology Co., Ltd.	3	Processing income	104,010	The flexible collection based on the financial situation	-
12	Wei Hai Fu Kang Electric Co., Ltd.	Foxlink Image Technology Co., Ltd.	3	Sales	667,701	The flexible collection based on the financial situation	1
12	Wei Hai Fu Kang Electric Co., Ltd.	Foxlink Image Technology Co., Ltd.	3	Accounts receivable	132,607	The flexible collection based on the financial situation	-
13	Power Quotient Technology (Yancheng) Co., Ltd.	Glory Optics (Yancheng) Co., Ltd.	3	Other receivables	333,179	Based on the company's policy	-
13	Power Quotient Technology (Yancheng) Co., Ltd.	Glorytek (Yancheng) Co., Ltd.	3	Other receivables	216,350	Based on the company's policy	-
14	Foxwell Energy Corporation Ltd	Shinfox Far East Company Pte Ltd.	3	Construction Cost	610,562	Sales prices are based on the mutual agreement	1

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

(1)Parent company is '0'.

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

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

(1)Parent company to subsidiary.

(2)Subsidiary to parent company.

(3)Subsidiary to subsidiary.

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

Note 4: Disclosure of the transactions of related party over $100 million only and the related party transactions for counterparty are not disclosed.

Cheng Uei Precision Industry Co., Ltd. and subsidiaries
Information on investees
Year ended December 31, 2023

Table 8

Expressed in thousands of NTD
(Except as otherwise indicated)

Investor	Investee	Location	Main business activities	Initial investment amount		Shares held as at December 31, 2023			Net Income (loss) of the investee for the year ended December 31, 2023	Investment income (loss) recognised by the Company for the year ended December 31, 2023	Footnote
				Balance as at December 31, 2023	Balance as at December 31, 2022	Number of shares (in thousand shares)	Ownership (%)	Book value			
The Company	Cu International Ltd.	British Virgin IS.	Manufacture of electronic telecommunication components and reinvestment business	$ 15,154,453	$ 14,687,737	493,550	100	$ 26,164,967	$ 699,614	$ 754,543	
The Company	Culink International Ltd.	British Virgin IS.	Reinvestment business	1,029,477	989,561	33,528	100	1,772,836	372,435	372,435	
The Company	Foxlink International Investment Ltd.	Taiwan	General investments holdings	3,950,000	3,350,000	468,750	100	4,390,733	456,990	456,990	
The Company	Fu Uei International Investment Ltd.	Taiwan	General investments holdings	4,250,000	4,250,000	425,000	100	2,725,367	(560,963)	(560,963)	
The Company	Well Shin Technology Co., Ltd.	Taiwan	Manufacture and sales of electronic telecommunication	270,065	270,065	22,282	18.84	1,268,983	507,511	95,914	
The Company	Darts Technologies Corporation	Taiwan	Manufacture of electronic telecommunication and wireless components	762,566	762,566	47,576	97	1,186,665	120,266	116,658	
The Company	Du Precision Industry Co., Ltd.	Taiwan	Sales of raw materials and products of various connectors	600,000	600,000	60,000	100	86,774	17,481	17,481	
The Company	Foxlink Technology Limited.	Hong Kong	Reinvestment business	340,644	340,644	86,700	100	889,607	1,329	1,329	
The Company	Suntain Co., Ltd.	Taiwan	Electroplating processing services	190,810	190,810	22,374	100	249,536	12,837	12,837	
The Company	Foxlink Arizona Inc.	USA	Energy service management	475,006	224,147	15,470	100	28,289	(271,827)	(271,827)	
The Company	Sinobest Brothers Limited	Hong Kong	Reinvestment business	635,716	635,716	20,704	91.19	300,231	(18,565)	(16,929)	

Investor	Investee	Location	Main business activities	Initial investment amount		Shares held as at December 31, 2023			Net Income (loss) of the investee for the year ended December 31, 2023	Investment income (loss) recognised by the Company for the year ended December 31, 2023	Footnote
				Balance as at December 31, 2023	Balance as at December 31, 2022	Number of shares (in thousand shares)	Ownership (%)	Book value			
Foxlink Technology Limited.	Sinobest Brothers Limited	Hong Kong	Reinvestment business	$ 60,903	$ 60,903	2,000	8.81	$ 29,002	($ 18,565)	($ 1,634)	
Sinobest Brothers Limited	Foxlink Myanmar Company Limited	Myanmar	Manufacture and sales of electronic telecommunication	697,126	697,126	22,704	100	363,954	(39,834)	(39,834)	
Du Precision Industry Co., Ltd.	Celink International Ltd.	British Virgin IS.	Sales of raw materials and products of various connectors	507,738	507,738	16,536	100	-	-	-	
Darts Technologies Corporation	Benefit Right Ltd.	British Virgin IS.	General investments holdings	302,321	302,321	9,846	100	1,254,458	127,966	127,966	
Benefit Right Ltd.	Power Channel Limited	Hong Kong	General investments holdings	236,736	236,736	6	64.25	1,172,675	194,483	124,926	
Foxlink Arizona Inc.	Grid Response LLC.	USA	Energy service management	12,036	-	392	50	12,048	-	-	
Cu International Ltd.	New Start Industries Ltd.	British Virgin IS.	Reinvestment business	264,063	264,063	8,600	100	2,769,294	118,229	118,229	
Cu International Ltd.	Foxlink Technical India Private Ltd.	India	Manufacture and sales of electronic telecommunication	120,623	99,116	26,594	34.45	62,398	1,493	511	
Cu International Ltd.	Solteras Limited	British Virgin IS.	Reinvestment business	61,410	61,410	1,960	100	-	-	-	
Foxlink Automotive Technology (Kunshan) Co., Ltd.	Foxlink Automotive Technology Co., Ltd.	Taiwan	Manufacture and sales of electronic telecommunication	39,609	39,609	5,000	100	47,616	250	250	
Culink International Ltd.	Pacific Wealth Limited	Cayman Islands	General investments holdings	30,705	30,705	1,000	100	(116,845)	4,050	4,050	
Culink International Ltd.	Foxlink Technical India Private Ltd.	India	Manufacture and sales of electronic telecommunication	206,759	166,843	21,546	65.55	112,497	1,493	982	
Culink International Ltd.	Foxlink Powerbank International Technology Private Ltd.	India	Manufacture and sales of electronic telecommunication	591	591	160	0.73	589	163	1	
Culink International Ltd.	Glorytek Science India Private Limited	India	Trading and manufacture	591	591	160	0.73	588	174	1	
Pacific Wealth Limited	Foxlink International Incorporation	USA	Sales of electronic telecommunication components	15,353	15,353	500	100	(116,845)	4,050	4,050	
Foxlink Techinical India Private Ltd.	Tegna Electronics Private Limited	India	Trading and manufacture	11,088	11,088	3,001	10	12,541	5,832	432	

Investor	Investee	Location	Main business activities	Initial investment amount		Shares held as at December 31, 2023			Net Income (loss) of the investee for the year ended December 31, 2023	Investment income (loss) recognised by the Company for the year ended December 31, 2023	Footnote
				Balance as at December 31, 2023	Balance as at December 31, 2022	Number of shares (in thousand shares)	Ownership (%)	Book value			
Foxlink International Investment Ltd.	FIT Holding Co., Ltd.	Taiwan	General investments holdings	$ 1,357,624	$ 1,357,624	58,303	23.67	$ 1,817,371	$ 567,916	$ 129,820	
Foxlink International Investment Ltd.	Yixin Precision Industry Co., Ltd.	Taiwan	Manufacture and sales of electronic telecommunication	60,000	60,000	6,000	75	-	-	-	
Foxlink International Investment Ltd.	Microlink Communications Inc.	Taiwan	Manufacture and sales of telecommunication equipment and apparatus	80,000	80,000	6,857	21.43	(22,889)	(736)	(158)	
Foxlink International Investment Ltd.	World Circuit Technology Co., Ltd.	Taiwan	Manufacture and sales of electronic telecommunication	469,500	469,500	15,650	69.56	187,066	(5,472)	(3,806)	
Foxlink International Investment Ltd.	Central Motion Picture Corporation	Taiwan	Motion picture production	900,000	900,000	15,000	13.60	1,528,446	70,821	9,632	
Foxlink International Investment Ltd.	Foxlink India Electric Private Limited	India	Manufacture and sales of electronic telecommunication	160,662	160,662	41,646	13.53	(50,259)	(813,385)	(110,068)	
Foxlink International Investment Ltd.	CYNC Design Co., Ltd.	Taiwan	Sales of electronic telecommunication components	10,000	10,000	1,000	15.38	10,053	1,104	170	
Foxlink International Investment Ltd.	Foxlink (Vietnam) Co., Ltd.	Vietnam	Sales of electronic telecommunication components	185,058	119,318	6,452	100	487,297	442,049	442,049	
Foxlink International Investment Ltd.	Foxlink Da Nang Electronics Co., Ltd.	Vietnam	Sales of electronic telecommunication components	905,730	-	28,000	100	822,494	(2,170)	(2,170)	
Foxlink Image Technology Co., Ltd.	Central Motion Picture Corporation	Taiwan	Motion picture production	257,656	257,656	4,294	3.89	184,043	70,821	2,755	
World Circuit Technology Co., Ltd.	Value Success Ltd.	British Virgin IS.	Holding company and reinvestment business	196,512	196,512	5,000	100	25,700	(8,087)	(8,087)	
Value Success Ltd.	Capital Guardian Limited	Hong Kong	Sales of electronic telecommunication components	196,512	196,512	3,005	100	25,631	(8,087)	(8,087)	
Capital Guardian Limited	World Circuit Technology (Hong Kong) Limited	Hong Kong	Sales of electronic telecommunication components	34,237	34,237	-	100	29,970	(8,087)	(8,087)	
Fu Uei International Investment Ltd.	FIT Holding Co., Ltd.	Taiwan	General investments holdings	456,240	456,240	14,690	5.97	405,812	567,916	32,673	
Fu Uei International Investment Ltd.	Studio A Inc.	Taiwan	Sales of electronic telecommunication components	96,200	96,200	13,196	51	338,579	42,027	16,095	
Fu Uei International Investment Ltd.	VA Product Inc.	Taiwan	Sales of electronic telecommunication components	16,642	16,642	2,400	100	33,161	4,641	4,641	

Investor	Investee	Location	Main business activities	Initial investment amount		Shares held as at December 31, 2023			Net Income (loss) of the investee for the year ended December 31, 2023	Investment income (loss) recognised by the Company for the year ended December 31, 2023	Footnote
				Balance as at December 31, 2023	Balance as at December 31, 2022	Number of shares (in thousand shares)	Ownership (%)	Book value			
Fu Uei International Investment Ltd.	Zhi De Investment Co., Ltd.	Taiwan	General investments holdings	$ 2,184,388	$ 2,184,388	170,918	100	$ 661,635	$ 44,916	$ 44,916	
Fu Uei International Investment Ltd.	CMPC Cultural & Creative Co., Ltd.	Taiwan	Venture capital industry	150,000	150,000	15,000	42.86	111,565	(1,678)	(719)	
Fu Uei International Investment Ltd.	Shinfox Energy Co., Ltd.	Taiwan	Mechanical installation and piping engineering	694,170	694,170	18,673	8.64	963,891	636,385	54,977	
Fu Uei International Investment Ltd.	Foxlink India Electric Private Limited	India	Manufacture and sales of electronic telecommunication	1,010,999	1,010,999	266,109	86.47	(183,031)	(813,385)	(703,317)	
Zhi De Investment Co., Ltd.	FIT Holding Co., Ltd.	Taiwan	General investments holdings	1,258,208	1,258,208	21,056	8.55	457,735	567,916	46,883	
Studio A Inc.	Tayih Digital Technology Co., Ltd.	Taiwan	Manufacture and sales of electronic telecommunication	3,000	3,000	300	60	-	-	-	
Studio A Inc.	Straight A Inc.	Taiwan	Sales of electronic telecommunication components	101,232	101,232	6,660	100	207,515	26,044	26,044	
Studio A Inc.	Studio A Technology Limited	Hong Kong	Sales of electronic telecommunication components	10,019	10,019	2,550	51	222,469	(181)	(92)	
Studio A Inc.	Jing Jing Technology Co., Ltd.	Taiwan	Sales of electronic telecommunication components	3,700	3,700	370	100	7,996	41	41	
Studio A Technology Limited	Ashop Co., Ltd.	South Korea	Sales of electronic telecommunication components	4,606	4,606	10	100	56,501	(19,229)	(19,229)	
FIT Holding Co., Ltd.	Glory Science Co., Ltd.	Taiwan	Manufacture and sales of optical instruments	2,814,868	2,214,868	60,000	100	426,601	(279,500)	(279,500)	
FIT Holding Co., Ltd.	Foxlink Image Technology Co., Ltd.	Taiwan	Manufacture and sales of image scanners and multifunction printers	3,011,140	3,011,140	164,994	100	4,173,056	602,151	595,939	
FIT Holding Co., Ltd.	Power Quotient International Co., Ltd.	Taiwan	Energy service management	3,372,180	3,372,180	444,691	100	5,213,291	264,600	264,161	
FIT Holding Co., Ltd.	Shin Fong Power Co., Ltd.	Taiwan	Energy service management	299,952	299,952	37,500	16.30	388,100	11,763	1,918	
FIT Holding Co., Ltd.	Synergy Co., Ltd.	Taiwan	Optoelectronics industry, Renewable energy and Energy technical	36,760	36,760	3,676	36.76	33,401	130	48	
Foxlink Image Technology Co., Ltd.	Accu-Image Technology Limited	British Virgin IS	Manufacture of image scanners and multifunction printers	1,325,746	1,325,746	20,241	100	2,274,747	130,291	130,291	

Investor	Investee	Location	Main business activities	Initial investment amount		Shares held as at December 31, 2023			Net Income (loss) of the investee for the year ended December 31, 2023	Investment income (loss) recognised by the Company for the year ended December 31, 2023	Footnote
				Balance as at December 31, 2023	Balance as at December 31, 2022	Number of shares (in thousand shares)	Ownership (%)	Book value			
Foxlink Image Technology Co., Ltd.	Shin Fong Power Co., Ltd.	Taiwan	Energy service management	$ 957,600	$ 957,600	79,800	34.70	$ 957,357	$ 11,763	$ 4,082	
Accu-Image Technology Limited	Power Channel Limited	Hong Kong	General investments holdings	131,724	131,724	4	35.75	753,723	165,112	59,028	
Glory Science Co., Ltd.	Glorytek (BVI) Co., Ltd.	British Virgin IS.	General investments holdings	1,458,482	1,249,688	47,500	100	120,592	(227,607)	(227,607)	
Glorytek (BVI) Co., Ltd.	Glorytek (Samoa) Co., Ltd.	Samoa	General investments holdings	977,974	769,180	31,851	100	471,929	(124,162)	(124,162)	
Glorytek (BVI) Co., Ltd.	Glorytek Optics (BVI) Co., Ltd.	British Virgin IS.	Sales agent	491,280	491,280	16,000	100	(393,565)	(103,618)	(103,618)	
Glorytek (BVI) Co., Ltd.	Glorytek Science India Private Limited	India	Trading and manufacture	103,349	103,349	21,773	99.27	80,173	174	173	
Glorytek Science India Private Limited	Tegna Electronics Private Limited	India	Trading and manufacture	11,086	11,086	3,001	10	12,543	5,832	583	
Power Quotient International Co., Ltd.	Power Quotient International (H.K.) Co., Ltd.	Hong Kong	Sales of electronic telecommunication components	416,867	416,867	106,100	100	703,509	4,361	4,361	
Power Quotient International Co., Ltd.	PQI Japan Co., Ltd.	Japan	Sales of electronic telecommunication components	23,129	23,129	24	100	2,330	132,257	132,257	
Power Quotient International Co., Ltd.	Syscom Development Co., Ltd.	British Virgin IS.	Specialized investments holding	333,548	333,548	10,863	100	82,893	198	198	
Power Quotient International Co., Ltd.	Apix Limited	British Virgin IS.	Specialized investments holding	3,177,022	3,177,022	13	100	1,157,709	20,723	20,723	
Power Quotient International Co., Ltd.	Power Sufficient International Co., Ltd.	Taiwan	Sales of medical instruments	10,000	10,000	1,000	100	13,044	(116)	(116)	
Power Quotient International Co., Ltd.	Shinfox Energy Co., Ltd.	Taiwan	Energy service management	3,646,600	3,646,600	102,951	47.63	5,314,342	636,385	303,110	
Shinfox Energy Co., Ltd.	Foxwell Energy Corporation Ltd.	Taiwan	Energy service management	8,670,000	6,100,000	867,000	100	9,454,493	763,402	765,399	
Shinfox Energy Co., Ltd.	Shinfox Natural Gas Co., Ltd.	Taiwan	Energy service management	360,000	360,000	36,000	80	273,993	(33,373)	(26,698)	
Shinfox Energy Co., Ltd.	Foxwell Power Co., Ltd.	Taiwan	Energy service management	656,590	672,000	46,539	77.57	753,148	53,170	44,568	

Investor	Investee	Location	Main business activities	Initial investment amount		Shares held as at December 31, 2023			Net Income (loss) of the investee for the year ended December 31, 2023	Investment income (loss) recognised by the Company for the year ended December 31, 2023	Footnote
				Balance as at December 31, 2023	Balance as at December 31, 2022	Number of shares (in thousand shares)	Ownership (%)	Book value			
Shinfox Energy Co., Ltd.	Jiuwei Power Co., Ltd.	Taiwan	Natural gas power generation business	$ 1,100,000	$ 1,100,000	110,000	100	$ 1,086,175	$ (6,154)	($ 6,154)	
Shinfox Energy Co., Ltd.	Chung Chia Power Co., Ltd.	Taiwan	Cogeneration business	-	180,000	-	-	-	(731)	(146)	Note 2
Shinfox Energy Co., Ltd.	Elegant Energy Tech Co., Ltd.	Taiwan	Energy technical services	200,000	200,000	500	100	146,872	(1,068)	(54,635)	
Shinfox Energy Co., Ltd.	Yuanshan Forest Natural Resources Co., Ltd.	Taiwan	Afforestation	100,000	10,000	10,000	100	99,682	(264)	(264)	
Shinfox Energy Co., Ltd.	Changpin wind power Ltd.	Taiwan	Electric Power Generation	120,000	120,000	12,000	50	105,979	(1,033)	(10,123)	
Shinfox Energy Co., Ltd.	Diwei Power Co., Ltd	Taiwan	Electric Power Generation	-	30,000	-	-	-	5,990	5,990	
Shinfox Energy Co., Ltd.	Guanwei Power Co., Ltd	Taiwan	Electric Power Generation	35,700	35,700	3,570	51	35,622	(122)	(1)	
Shinfox Energy Co., Ltd.	Shinfox Far East Company Pte Ltd	Singapore	Marine engineering business	1,657,323	981,545	53,600	67	1,571,897	(261,606)	(59,360)	
Shinfox Energy Co., Ltd.	Jun Wei Technology Co.,Ltd	Taiwan	Electric Power Generation	12,000	-	1,200	100	11,955	(45)	(45)	
Shinfox Energy Co., Ltd.	Eastern Rainbow Green Energy Environmental Technology Co., Ltd.	Taiwan	Energy service management	218,020	-	19,820	56.63	211,405	(11,095)	(6,283)	
Foxwell Energy Corporation Ltd.	Liangwei Power Co., Ltd	Taiwan	Electric Power Generation	-	40,000	-	-	-	6,459	6,459	
Foxwell Energy Corporation Ltd.	Xinwei Power Co., Ltd.	Taiwan	Electric Power Generation	37,300	-	3,730	100	31,998	(201)	(201)	
Foxwell Power Co., Ltd.	Foxwell Certification Co., Ltd.	Taiwan	Energy service management	10,000	-	1,000	100	5,794	(4,206)	(4,206)	
Foxwell Power Co., Ltd.	Cheng Shin Digital Co., Ltd.	Taiwan	Energy service management	490	-	49	49	1,682	990	485	
Eastern Rainbow Green Energy Environmental Technology Co., Ltd.	Eastern Rainbow Environmental Technology Co., Ltd.	Taiwan	Energy service management	2,500	-	250	100	708	(1,035)	(1,035)	

Investor	Investee	Location	Main business activities	Initial investment amount		Shares held as at December 31, 2023			Net Income (loss) of the investee for the year ended December 31, 2023	Investment income (loss) recognised by the Company for the year ended December 31, 2023	Footnote
				Balance as at December 31, 2023	Balance as at December 31, 2022	Number of shares (in thousand shares)	Ownership (%)	Book value			
Syscom Development Co., Ltd.	Foxlink Powerbank International Technology Private Limited	India	Sales of electronic telecommunication components	$ 103,260	$ 103,260	21,790	99.27	$ 80,232	$ 163	$ 162	
Apix Limited	Sinocity Industries Limited	Hong Kong	Sales of electronic products	2,652,075	2,652,075	6,000	100	915,010	22,410	22,410	
Apix Limited	Perennial Ace Limited	British Virgin IS.	Specialized investments holding	654,017	654,017	-	100	242,553	(1,688)	(1,688)	
Sinocity Industries Limited	DG Lifestyle Store Limited	Macao	Sales of electronic telecommunication components	381	381	100	100	(11,985)	(2,122)	(2,122)	
Perennial Ace Limited	Studio A Technology Limited	Hong Kong	Sales of electronic telecommunication components	4,998	4,998	1,225	24.50	105,982	(181)	(44)	
Foxlink Powerbank International Technology Private Limited	Tegna Electronics Private Limited	India	Trading and manufacture	11,086	11,086	3,001	10	12,543	5,832	583	

Note 1: PSI had registered for cancellation in June 2023.

Note 2: Chung Chia Power Co., Ltd. increased its capital by issuing new shares on January 29, 2023. The Group did not acquire shares proportionally to its interest and lost its significant influence over the company starting from January 30, 2023, which was reclassified to financial assets at fair value through other comprehensive income - non-current.

Cheng Uei Precision Industry Co., Ltd. and subsidiaries
Information on investments in Mainland China
Year ended December 31, 2023

Table 9

Expressed in thousands of NTD
(Except as otherwise indicated)

Investee in Mainland China	Main business activities	Paid-in capital	Investment method (Note 1)	Accumulated amount of remittance from Taiwan to Mainland China as of January 1, 2023	Amount remitted from Taiwan to Mainland China/Amount remitted back to Taiwan for the year ended December 31, 2023		Accumulated amount of remittance from Taiwan to Mainland China as of December 31, 2023	Net income (loss) of investee as of December 31, 2023	Ownership held by the Company (direct or indirect)	Investment income (loss) recognised by the Company for the year ended December 31, 2023 (Note 2)	Book value of investments in Mainland China as of December 31, 2023	Accumulated amount of investment income remitted back to Taiwan as of December 31,2023	Footnote
					Remitted to Mainland China	Remitted back to Taiwan							
Fugang Electronic (Dongguan) Co., Ltd.	Manufacture and sales of electronic telecommunication components	$ 1,788,567	Investment through an existing company in the third area	$ 1,788,567	$ -	$ -	$ 1,788,567	$ 601,752	100	$ 601,752	$ 7,620,885	$ -	
Culink Tianjin Co., Ltd.	Manufacture and sales of electronic telecommunication components	122,820	Investment through an existing company in the third area	30,705	-	-	30,705	2,804	100	2,804	235,250	-	
Fugang Electric (Kunshan) Co., Ltd.	Manufacture and sales of electronic telecommunication components	3,730,658	Investment through an existing company in the third area	3,730,658	-	-	3,730,658	(224,041)	100	(224,041)	2,608,514	-	
Dong Guan Fu Shi Chang Co., Ltd.	Manufacture and sales of electronic telecommunication components	3,678	Investment through an existing company in the third area	3,678	-	-	3,678	-	100	-	2,426	-	
Dongguan Fuqiang Electronics Co., Ltd.	Manufacture and sales of electronic telecommunication components	4,569,211	Investment through an existing company in the third area and the investee company in Mainland China	3,544,677	-	-	3,544,677	321,298	100	321,298	10,708,773	-	
Foxlink Automotive Technology (Kunshan) Co., Ltd.	Manufacture and sales of electronic telecommunication components	196,727	Investment through an existing company in the third area and the investee company in Mainland China	92,115	-	-	92,115	5,184	100	5,184	284,429	-	
Foxlink Energy (Tianjin) Ltd.	Manufacture and sales of electronic telecommunication components	122,820	Investment through an existing company in the third area	122,820	-	-	122,820	927	100	927	175,348	-	
Fushineng Electronics (Kunshan) Co., Ltd.	Manufacture and sales of electronic telecommunication components	368,460	Investment through an existing company in the third area	368,460	-	-	368,460	111,526	100	111,526	1,562,834	-	
Fu Shi Xiang Research & Development Center (Kunshan) Co., Ltd.	Manufacture and sales of electronic telecommunication components	138,173	Investment through an existing company in the third area	138,173	-	-	138,173	(1,924)	100	(1,924)	65,609	-	

Investee in Mainland China	Main business activities	Paid-in capital	Investment method (Note 1)	Accumulated amount of remittance from Taiwan to Mainland China as of January 1, 2023	Amount remitted from Taiwan to Mainland China/Amount remitted back to Taiwan for the year ended December 31, 2023		Accumulated amount of remittance from Taiwan to Mainland China as of December 31, 2023	Net income (loss) of investee as of December 31, 2023	Ownership held by the Company (direct or indirect)	Investment income (loss) recognised by the Company for the year ended December 31, 2023 (Note 2)	Book value of investments in Mainland China as of December 31, 2023	Accumulated amount of investment income remitted back to Taiwan as of December 31,2023	Footnote
					Remitted to Mainland China	Remitted back to Taiwan							
Fu Gang Electronic (Nan Chang) Co., Ltd.	Manufacture and sales of electronic telecommunication components	$ 1,535,250	Investment through an existing company in the third area and the investee company in Mainland China	$ 1,535,250	$ -	$ -	$ 1,535,250	$ 24,090	100	$ 24,090	$ 1,225,094	$ -	
Fugang Electric (Yancheng) Co., Ltd.	Manufacture and sales of electronic telecommunication components	92,115	Investment through an existing company in the third area	73,692	-	-	73,692	442	80	354	51,579	-	
Fuqiang Electric (Yancheng) Co., Ltd	Manufacture and sales of electronic telecommunication components	307,050	Investment through an existing company in the third area	307,050	-	-	307,050	(21,067)	100	(21,067)	(56,365)	-	
Foxlink Tianjin Co., Ltd.	Manufacture and sales of electronic telecommunication components	552,690	Investment through an existing company in the third area	159,666	-	-	159,666	(69,677)	100	(69,677)	1,337,103	-	
Kunshan Fugang Investment Co., Ltd.	Reinvestment business	921,150	Investment through the investee company in Mainland China	921,150	-	-	921,150	37,257	100	37,257	1,753,950	-	
Fugang Electric (Maanshan) Co., Ltd.	Manufacture and sales of electronic telecommunication components	934,388	Investment through an existing company in the third area	307,050	-	-	307,050	(103,659)	100	(103,659)	(1,182,267)	-	
Fuzhan Electronics (Shanghai) Co., Ltd.	Manufacture and sales of electronic telecommunication components	-	Investment through the investee company in Mainland China	244,412	-	244,412	-	-	Note 3	-	-	-	
Kunshan Fugang Electric Trading Co., Ltd.	Sales of electronic telecommunication components	168,949	Investment through the investee company in Mainland China	168,949	-	-	168,949	103	51	(3,212)	11,708	-	
Kunshan Fu Shi You Trading Co., Ltd.	Sales of electronic telecommunication components	62,146	Investment through the investee company in Mainland China	-	-	-	-	(106)	51	(54)	13,362	-	
Shanghai Fugang Electric Trading Co., Ltd.	Sales of electronic telecommunication components	8,878	Investment through the investee company in Mainland China	-	-	-	-	20,109	51	10,256	(61,285)	-	
Shanghai Standard Information Technology Co., Ltd.	Sales of electronic telecommunication components	4,439	Investment through the investee company in Mainland China	-	-	-	-	(6,153)	51	(3,138)	(6,398)	-	

Investee in Mainland China	Main business activities	Paid-in capital	Investment method (Note 1)	Accumulated amount of remittance from Taiwan to Mainland China as of January 1, 2023	Amount remitted from Taiwan to Mainland China/Amount remitted back to Taiwan for the year ended December 31, 2023		Accumulated amount of remittance from Taiwan to Mainland China as of December 31, 2023	Net income (loss) of investee as of December 31, 2023	Ownership held by the Company (direct or indirect)	Investment income (loss) recognised by the Company for the year ended December 31, 2023 (Note 2)	Book value of investments in Mainland China as of December 31, 2023	Accumulated amount of investment income remitted back to Taiwan as of December 31,2023	Footnote
					Remitted to Mainland China	Remitted back to Taiwan							
Sharetronic Data Technology Co., Ltd.	Manufacture and sales of electronic telecommunication components	$ 1,054,927	Investment through an existing company in the third area	$ 236,736	$ -	$ -	$ 236,736	$ 1,236,247	16.89	$ 196,336	$ 1,756,140	$ -	
Fuqiang Electric (Maanshan) Co., Ltd.	Manufacture and sales of electronic telecommunication components	153,525	Investment through the investee company in Mainland China	-	-	-	-	(23)	100	(23)	138,373	-	
Fugang Electric (Xuzhou) Co., Ltd.	Manufacture and sales of electronic telecommunication components	1,903,709	Investment through an existing company in the third area	1,750,185	153,525	-	1,903,710	732,987	100	732,987	3,535,346	-	
Dongguan Banrin Robot Technology Co., Ltd.	Manufacture and sales of automated equipment	129,810	Investment through the investee company in Mainland China	-	-	-	-	(29,402)	31.03	(14,592)	111,958	-	
Suzhou Keyu Rui Automobile Technology Co., Ltd.	Trading and manufacture	10,818	Investment through the investee company in Mainland China	-	-	-	-	(21)	55.56	(11)	23,445	-	
Changzhou Xinwei Vehicle Energy Venture Capital Co., Ltd.	General investments holding	432,700	Investment through an existing company in the third area	-	-	-	-	(288,866)	50	(14,445)	409,703	-	
Hangzhou Huanta Power Technology Development Services Co., Ltd.	Manufacture and sales of electronic telecommunication components	129,810	Investment through the investee company in Mainland China	-	-	-	-	(21,266)	44	(9,295)	120,686	-	
Dong Guan HanYang Computer Co., Ltd.	Manufacture of image scanners and multifunction printers and investment of real estate	187,013	Investment through an existing company in the third area	187,013	-	-	187,013	29,611	100	29,611	326,156	-	
Dong Guan Fu Zhang Precision Industry Co., Ltd.	Mould development and moulding tool manufacture	249,087	Investment through an existing company in the third area	183,170	-	-	183,170	(58,629)	100	(58,629)	123,124	-	
Wei Hai Fu Kang Electric Co., Ltd.	Manufacture and sales of image scanners, multifunction and parts printers	460,575	Investment through an existing company in the third area	368,460	-	-	368,460	68,708	100	68,708	649,756	-	

Investee in Mainland China	Main business activities	Paid-in capital	Investment method (Note 1)	Accumulated amount of remittance from Taiwan to Mainland China as of January 1, 2023	Amount remitted from Taiwan to Mainland China/Amount remitted back to Taiwan for the year ended December 31, 2023		Accumulated amount of remittance from Taiwan to Mainland China as of December 31, 2023	Net income (loss) of investee as of December 31, 2023	Ownership held by the Company (direct or indirect)	Investment income (loss) recognised by the Company for the year ended December 31, 2023 (Note 2)	Book value of investments in Mainland China as of December 31, 2023	Accumulated amount of investment income remitted back to Taiwan as of December 31,2023	Footnote
					Remitted to Mainland China	Remitted back to Taiwan							
Dongguan Fu Wei Electronics Co., Ltd.	Manufacture and sales of parts and moulds of photocopiers and scanners	$ 184,230	Investment through an existing company in the third area	$ 162,992	$ -	$ -	$ 162,992	$ 21,789	100	$ 21,789	$ 499,257	$ -	
Glorytek (Suzhou) Co., Ltd.	Trading and manufacture	429,870	Investment through an existing company in the third area	399,490	-	-	399,490	(72,215)	100	(72,215)	284,865	-	
Glorytek (Yancheng) Co., Ltd.	Trading and manufacture	276,345	Investment through an existing company in the third area	256,815	-	-	256,815	(108,452)	100	(108,452)	(658,937)	-	
Yancheng Yaowei Technology Co., Ltd.	Trading and manufacture	43,270	Investment through the investee company in Mainland China	-	-	-	-	(419)	100	(419)	83,612	-	
Glory Optics (Yancheng) Co., Ltd.	Trading and manufacture	1,143,258	Investment through an existing company in the third area and the investee company in Mainland China	326,960	208,046	-	535,006	(124,375)	100	(124,375)	399,535	-	
Power Quotient Technology (Yancheng) Co., Ltd.	Manufacture and sales of electronic telecommunication components	9	Investment through an existing company in the third area	Note 1	-	-	-	4,570	100	4,570	703,240	-	
PQI (Xuzhou) New Energy Co., Ltd.	Manufacture and sales of electronic telecommunication components	43,270	Investment through the investee company in Mainland China	Note 2	-	-	-	86	100	86	43,590	-	
Kunshan Jiuwei Info Tech Co., Ltd.	Supply chain finance energy service management	1,536	Direct investment	1,536	-	-	1,536	4,817	100	4,817	31,272	-	
KunShan Eastern Rainbow Environmental Equipment Co., Ltd.	Energy service management	21,635	Direct investment	21,635	-	-	21,635	(1,081)	100	(1,081)	31,318	-	

Note 1: The financing amount remitted to PQI's indirect investment of Power Quotient Technology (Yancheng) Co., Ltd. was through an existing company in the third area.
Note 2: The financing amount remitted to PQI's indirect investment of PQI (Xuzhou) New Energy Co., Ltd. were through Power Quotient Technology (Yancheng) Co., Ltd.
Note 3: Fuzhan Electronics (Shanghai) Co., Ltd. completed the registration of cancellation on November 8, 2023.

Company name	Accumulated amount of remittance from Taiwan to Mainland China as of December 31, 2023	Investment amount approved by the Investment Commission of the Ministry of Economic Affairs (MOEA)	Ceiling on investments in Mainland China imposed by the Investment Commission of MOEA
Cheng Uei Precision Industry Co., Ltd.	$ 15,433,106	$ 16,684,051	The Company's investment in Mainland China is not subject to an upper limit as the Company obtained the certificate of scope of operations issued by Industrial Development Bureau, MOEA in accordance with the Regulations Governing the Examination of Investment or Technical Cooperation in Mainland China amended on August 29, 2008.
Foxlink Image Technology Co., Ltd.	1,045,726	1,208,785	2,067,457
Glory Science Co., Ltd.	1,191,311	1,288,075	234,565
Power Quotient International Co., Ltd.	23,171	669,215	7,384,801

Note 1: It was the reinvestment in Mainland China through an existing company in the third area by cash and the investment was approved by the Investment Commission of MOEA.

Note 2: Investment income (loss) recognised by the Company for the year ended December 31, 2023 was audited by independent auditors.

Note 3: The Company's investment in Mainland China is not subject to an upper limit as the Company obtained the scope of operations certificate of being qualified for operating headquarters issued by Industrial Development Bureau, MOEA in accordance with the Regulations Governing the Examination of Investment or Technical Cooperation in Mainland China amended on August 29, 2008.

Note 4: The investments through the investee company in Mainland China of the Company including: Dongguan Fuqiang Electronics Co., Ltd., Fugang Electric (Maanshan) Co., Ltd., Fu Gang Electronic (Nan Chang) Co., Ltd., Foxlink Automotive Technology (Kunshan) Co., Ltd., Kunshan Fugang Electric Trading Co., Ltd., Kunshan Fu Shi You Trading Co., Ltd., Shanghai Fugang Electric Trading Co., Ltd.., Fuqiang Electric (Maanshan) Co., Ltd., Dongguan Banrin Robot Technology Co., Ltd., and Suzhou Keyu Rui Automobile Technology Co., Ltd. Except for the investment via the holding companies in Mainland China, other investments shall not be approved by Investment Commission of MOEA.

Cheng Uei Precision Industry Co., Ltd. and subsidiaries
Major shareholders information
Year ended December 31, 2023

Table 10

Number of major shareholders	Shares	
	Name of shares held	Ownership (%)
Hsin Hung International Investment Co., Ltd.	100,535,228	19.62%
Foxlink Image Technology Co., Ltd.	49,503,000	9.66%
Central Motion Picture Corporation	32,584,000	6.36%

5. Parent company only financial statement for the most recent fiscal year, certified by a CPA

INDEPENDENT AUDITORS' REPORT TRANSLATED FROM CHINESE

PWCR 23000581

To the Board of Directors and Stockholders of Cheng Uei Precision Industry Co., Ltd.

Opinion

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

In our opinion, based on our audits and the reports of other auditors (please refer to the *Other matter* section), the accompanying parent company only financial statements present fairly, in all material respects, the parent company only financial position of the Company as at December 31, 2023 and 2022, and its parent company only financial performance and its parent company only cash flows for the years then ended, in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

Basis for opinion

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

Key audit matters

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

Key audit matters for the Company's parent company only financial statements of the year ended December 31, 2023 are stated as follows:

Valuation of goodwill impairment for the investments accounted for under the equity method / subsidiaries

Description

Please refer to Note 4(10) in the parent company only financial statements for accounting policies on investments accounted for under the equity method, Note 6(5) in the parent company only financial statements for details of investments accounted for under the equity method, Note 4(20) in the consolidated financial statements for accounting policies on impairment loss on non-financial assets, Note 5(1) in the consolidated financial statements for the uncertainty of accounting estimates and assumptions applied to goodwill impairment valuation, and Note 6(13) in the consolidated financial statements for details of intangible assets.

The amount of goodwill (including indefinite useful life trademarks) was derived from the acquisition of Foxlink Image Technology Co., Ltd. and DG Lifestyle Store Limited by the Company's subsidiary, FIT Holding Co., Ltd. The Company valued the impairment of goodwill through the discounted cash flow method, using the higher of value in use or fair value less costs to sell to measure the cash generating unit's recoverable amount. As the assumptions of expected future cash flows contained subjective judgement and involved a high degree of uncertainty which would cause a material impact on the

valuation result, the valuation of goodwill impairment was identified as a key audit matter.

How our audit addressed the matter

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

A. Obtained an understanding and assessed the reasonableness of valuation of goodwill impairment policies and procedures, including collection of internal and external data, operating forecast and industry changes.

B. Obtained the external appraisal report on impairment valuation and performed the following procedures:
   (a) We examined the external appraiser's qualification and assessed the independence, objectiveness and competence.
   (b) We assessed that the valuation method used in the appraisal report was widely used and appropriate.
   (c) We assessed the reasonableness of significant assumptions (including expected growth rate and discount rate) applied in the appraisal report.

Recognition of construction revenue-assessment on the stage of completion for the investments accounted for under the equity method

Description

Please refer to Note 4(10) in the parent company only financial statements for accounting policies on investments accounted for under the equity method, Note 6(5) in the parent company only financial statements for details of investments accounted for under the equity method, Note 4(31) in the consolidated financial statements for accounting policies on construction contracts, and Note 5(2) in the consolidated financial statements for the uncertainty of critical judgement, accounting estimates and assumptions applied to construction contracts. As of December 31, 2023, contract assets, contract liabilities and construction revenue of each subsidiary of the Company amounted to $8,675,960 thousand, $43,541 thousand, and $10,285,643 thousand, respectively, refer to Note 6(24)

in the consolidated financial statements for details.

Construction revenue and costs of each subsidiary of the Company mainly arise from undertaking construction works. If the outcome of a construction contract can be estimated reliably, profit or loss should be recognised by reference to the stage of completion of the contract activity, using the percentage-of-completion method of accounting, over the contract term. The stage of completion of a construction contract is measured by the proportion of contract costs incurred for the construction performed as of the financial reporting date to the estimated total costs for the construction contract, and revenue is recognised over time.

The aforementioned estimated total costs are assessed by the management based on the different nature of constructions and the price fluctuations in the market to estimate the costs for each construction activity such as estimated subcontract charges and material and labor expenses, and the complexity of aforementioned total cost usually involves subjective judgement and contains a high degree of uncertainty, which may affect the construction revenue recognition, thus, we consider the assessment on the stage of completion which was applied on construction revenue recognition as a key audit matter.

How our audit addressed the matter

We performed the following audit procedures on the stage of completion as described on the above key audit matter:

A. Obtained an understanding on the nature of business and industry, and assessed the reasonableness of internal process applied to estimate total construction cost, including the basis for estimating the expected total cost for construction contracts of the same nature.

B. Assessed and tested the internal controls used by the management to recognise construction revenue based on the stage of completion, including checking the supporting documents of additional or reduced constructions and significant constructions performed in the period.

C. Sampled and tested the subcontracts that have been assigned, and assessed the basis and reasonableness of estimating costs for those that have not been assigned.

D. Performed substantive procedures relating to the construction profit or loss statement, including sampling and verifying the costs incurred in the period with the appropriate evidence, and recalculating and confirming that construction revenue calculated based on the stage of completion had been accounted for appropriately.

Assessment of allowance for inventory valuation losses of the Company and investments accounted for under the equity method

Description

Please refer to Note 4(9) for accounting policies on inventory, Note 5 for the uncertainty of accounting estimates and assumptions applied to inventory valuation, and Note 6(4) for details of inventory. Please refer to Note 4(10) for accounting policies on investments accounted for under the equity method, and Notes 8 and 9 for details of investments accounted for under the equity method.

As of December 31, 2023, the balances of inventory and allowance for inventory valuation losses were NT$2,833,390 thousand and NT$66,908 thousand, respectively; and the balance of investments accounted for under the equity method was NT$39,291,060 thousand.

Cheng Uei Precision Industry Co., Ltd. and subsidiaries are primarily engaged in the manufacturing and sale of electronic components and parts. As the electronic products' life cycles are relatively short and the market is highly competitive, there is a higher risk of incurring inventory valuation losses or obsolescence due to economic depression or an excess of supply over demand. The Company's inventories are measured at the lower of cost and net realisable value, and individually assessed for those inventories over a certain age in order to identify obsolete or slow-moving inventories.

The industry technology is rapidly changing, and the net realisable value involves subjective judgement resulting in an uncertainty when assessing the obsolete or slow-moving inventories. Given that the inventory and allowance for inventory valuation losses were material to the financial statements, the assessment of allowance for inventory valuation losses was identified as a key audit matter.

How our audit addressed the matter

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

A. Assessed the reasonableness of policies and procedures on allowance for inventory valuation losses based on our understanding of the Company's operation and industry.
B. Obtained an understanding of the Company's warehousing control procedures. Reviewed annual physical inventory count plan and participated in the annual inventory count event in order to assess the effectiveness of the management of inventory.
C. Verified whether the systematic logic used in the Company's inventory aging report is appropriate and in line with its policies.
D. Inspected inventory valuation basis adequacy and verified the selected samples' information, for instance, purchase price and sale price. Also recalculated and evaluated the reasonableness of inventory allowance basis in order to verify that the inventory was measured at the lower of cost and net realisable value.

Other matter - Reference to the reports of other auditors

We did not audit the parent company only financial statements of certain investees accounted for under the equity method which reflect the balance of investments of NT$74,590 thousand and NT$172,037 thousand as at December 31, 2023 and 2022, constituting 0.12% and 0.27% of total assets; total comprehensive income (including share of profit of subsidiaries, associates and joint ventures accounted for under the equity method, and share of other comprehensive income of subsidiaries, associates and joint ventures accounted for under the equity method) of NT$(5,267) thousand and NT$(4,977)

thousand, for the years ended December 31, 2023 and 2022, constituting (0.61%) and (0.28%) of total comprehensive income, respectively. Those financial statements and the information disclosed in Note 13 were audited by other auditors whose report thereon have been furnished to us, and our opinion expressed herein is based solely on the reports of the other auditors.

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

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

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

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

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

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

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

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

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

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

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

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

F. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the parent company only financial statements. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the parent company only financial

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

Chou, Hsiao-Tzu　　Liang Yi Chang

For and on behalf of PricewaterhouseCoopers, Taiwan

March 11, 2024

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

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

CHENG UEI PRECISION INDUSTRY CO., LTD.
PARENT COMPANY ONLY BALANCE SHEETS
DECEMBER 31, 2023 AND 2022
(Expressed in thousands of New Taiwan dollars)

	Assets	Notes	December 31, 2023 AMOUNT	%	December 31, 2022 AMOUNT	%
	CURRENT ASSETS					
1100	Cash and cash equivalents	6(1)	$ 538,637	1	$ 397,360	1
1150	Notes receivable, net		1,614	-	2,117	-
1170	Accounts receivable, net	6(2)	10,179,011	16	8,538,034	13
1180	Accounts receivable, net - related parties	7	4,175,725	7	6,113,778	10
1200	Other receivables	6(3)	9,113	-	64,879	-
1210	Other receivables - related parties	7	5,150,509	8	6,118,268	10
130X	Inventories	6(4)	2,766,482	4	1,609,131	3
1410	Prepayments	7	166,540	-	282,952	-
11XX	**TOTAL CURRENT ASSETS**		22,987,631	36	23,126,519	37
	NON-CURRENT ASSETS					
1550	Investments accounted for under the equity method	6(5)	39,291,060	61	37,751,713	60
1600	Property, plant and equipment	6(6)	1,817,826	3	1,829,082	3
1755	Right-of-use assets	6(7) and 7	72,943	-	53,597	-
1760	Investment property, net	6(8)	143,051	-	153,190	-
1780	Intangible assets	6(9)	23,333	-	18,747	-
1840	Deferred income tax assets	6(26)	315,604	-	178,143	-
1900	Other non-current assets	8	34,040	-	30,301	-
15XX	**TOTAL NON-CURRENT**		41,697,857	64	40,014,773	63
1XXX	**TOTAL ASSETS**		$ 64,685,488	100	$ 63,141,292	100

(Continued)

CHENG UEI PRECISION INDUSTRY CO., LTD.
PARENT COMPANY ONLY BALANCE SHEETS
DECEMBER 31, 2023 AND 2022
(Expressed in thousands of New Taiwan dollars)

	LIABILITIES AND EQUITY	Notes	December 31, 2023 AMOUNT	%	December 31, 2022 AMOUNT	%
	CURRENT LIABILITIES					
2100	Current borrowings	6(10)	$ -	-	$ 614,475	1
2130	Current contract liabilities	6(19)	75,466	-	331,588	-
2170	Accounts payable		859,974	2	566,405	1
2180	Accounts payable - related parties	7	10,817,761	17	8,688,814	14
2200	Other payables	6(11)(28) and 7	9,246,233	14	9,907,938	16
2230	Current income tax liabilities	6(26)	107,304	-	106,980	-
2280	Current lease liabilities	7	19,311	-	42,489	-
2320	Long-term liabilities, current portion	6(12)(13)	3,068,656	5	-	-
2365	Current refund liabilities		168,123	-	139,022	-
2399	Other current liabilities, others		15,090	-	11,012	-
21XX	**TOTAL CURRENT LIABILITIES**		24,377,918	38	20,408,723	32
	NON-CURRENT LIABILITIES					
2530	Corporate bonds payable	6(12)	3,591,048	6	6,582,374	11
2540	Long-term borrowings	6(13)	11,507,500	18	10,698,750	17
2570	Deferred income tax liabilities	6(26)	815,262	1	843,929	1
2580	Non-current lease liabilities	7	54,121	-	13,443	-
2600	Other non-current liabilities	6(14)	149,365	-	171,482	-
25XX	**TOTAL NON-CURRENT LIABILITIES**		16,117,296	25	18,309,978	29
2XXX	**TOTAL LIABILITIES**		40,495,214	63	38,718,701	61
	EQUITY					
	Capital stock	6(15)				
3110	Common stock		5,123,269	8	5,123,269	8
	Capital reserve	6(16)				
3200	Capital surplus		10,764,901	16	10,382,683	17
	Retained earnings	6(17)				
3310	Legal reserve		3,445,937	5	3,292,026	5
3320	Special reserve		2,363,760	4	2,601,650	4
3350	Unappropriated earnings		5,788,610	9	5,658,790	9
	Other equity	6(18)				
3400	Other equity interest		(2,673,429)	(4)	(2,363,761)	(4)
	Treasury shares	6(15)				
3500	Treasury shares		(622,774)	(1)	(272,066)	-
3XXX	**TOTAL EQUITY**		24,190,274	37	24,422,591	39
	Significant contingent liabilities and unrecognised contract commitments	9				
	Significant disaster loss	10				
	Significant events after the balance sheet date	11				
3X2X	**TOTAL LIABILITIES AND EQUITY**		$ 64,685,488	100	$ 63,141,292	100

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

CHENG UEI PRECISION INDUSTRY CO., LTD.
PARENT COMPANY ONLY STATEMENTS OF COMPREHENSIVE INCOME
YEARS ENDED DECEMBER 31, 2023 AND 2022
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

			Year ended December 31,			
			2023		2022	
	Items	Notes	AMOUNT	%	AMOUNT	%
4000	Operating revenue	6(19) and 7	$ 60,151,768	100	$ 62,769,931	100
5000	Operating costs	6(4)(24)(25) and 7	(58,798,571)	(98)	(61,565,501)	(98)
5900	Gross profit		1,353,197	2	1,204,430	2
	Operating expenses	6(24)(25) and 7				
6100	Sales and marketing expenses		(174,291)	-	(201,461)	-
6200	General and administrative expenses		(558,911)	(1)	(668,314)	(1)
6300	Research and development expenses		(859,441)	(2)	(842,576)	(2)
6450	Expected credit gain (loss)		23,367	-	(11,585)	-
6000	Total operating expenses		(1,569,276)	(3)	(1,723,936)	(3)
6900	Operating income		(216,079)	(1)	(519,506)	(1)
	Non-operating income and expenses					
7100	Interest income	6(20)	35,784	-	14,924	-
7010	Other income	6(8)(21) and 7	892,336	2	286,128	1
7020	Other gains and losses	6(22)	119,877	-	272,864	-
7050	Finance costs	6(23)	(314,213)	(1)	(237,543)	-
7070	Share of profit of the subsidiaries, associates and joint ventures accounted for under the equity method	6(5)	978,694	2	1,929,613	3
7000	Total non-operating income and expenses		1,712,478	3	2,265,986	4
7900	**Income before income tax**		1,496,399	2	1,746,480	3
7950	Income tax expense	6(26)	(39,267)	-	(223,962)	-
8200	**Net income**		$ 1,457,132	2	$ 1,522,518	3
	Other comprehensive (loss) income, net					
	Components of other comprehensive income that will not be reclassified to profit or loss					
8311	Loss on remeasurements of defined benefit plans	6(14)	$ 17,568	-	$ 15,287	-
8330	Share of other comprehensive income of the subsidiaries, associates and joint ventures accounted for under the equity method, components of other comprehensive income that will not be reclassified to profit or loss		(33,140)	-	(67,624)	-
8349	Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	6(26)	(3,514)	-	(3,057)	-
8310	Total components of other comprehensive income that will not be reclassified to profit or loss		(19,086)	-	(55,394)	-
	Components of other comprehensive income that will be reclassified to profit or loss					
8361	Exchange differences arising on translation of foreign operations		(732,756)	(1)	441,528	-
8380	Share of other comprehensive income of the subsidiaries, associates and joint ventures accounted for under the equity method, components of other comprehensive income that will be reclassified to profit or loss		14,313	-	(54,188)	-
8399	Income tax related to components of other comprehensive income that will be reclassified to profit or loss	6(26)	143,689	-	(77,468)	-
8360	Total components of other comprehensive (loss) income that will be reclassified to profit or loss		(574,754)	(1)	309,872	-
8300	**Other comprehensive (loss) income, net**		($ 593,840)	(1)	$ 254,478	-
8500	**Total comprehensive income for the year**		$ 863,292	1	$ 1,776,996	3
	Basic earnings per share	6(27)				
9750	Basic earnings per share		$	3.09	$	3.14
	Diluted earnings per share	6(27)				
9850	Diluted earnings per share		$	3.06	$	3.10

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

CHENG UEI PRECISION INDUSTRY CO., LTD.
PARENT COMPANY ONLY STATEMENTS OF CHANGES IN EQUITY
YEARS ENDED DECEMBER 31, 2023 AND 2022
(Expressed in thousands of New Taiwan dollars)

	Notes	Ordinary share	Capital surplus, additional paid-in capital	Retained earnings			Other equity interest		Treasury shares	Total equity
				Legal reserve	Special reserve	Unappropriated retained earnings	Exchange differences on translation of foreign financial statements	Unrealised gains (losses) from financial assets measured at fair value through other comprehensive income		
Year ended December 31, 2022										
Balance at January 1, 2022		$ 5,123,269	$ 10,252,875	$ 3,197,654	$ 2,036,346	$ 5,547,850	($ 2,129,042)	($ 472,609)	($ 272,066)	$ 23,284,277
Net income for the year		-	-	-	-	1,522,518	-	-	-	1,522,518
Other comprehensive income (loss)		-	-	-	-	16,588	309,872	(71,982)	-	254,478
Total comprehensive income (loss)		-	-	-	-	1,539,106	309,872	(71,982)	-	1,776,996
Appropriation of 2021 earnings	6(17)									
Legal reserve		-	-	94,372	-	(94,372)	-	-	-	-
Special reserve		-	-	-	565,304	(565,304)	-	-	-	-
Cash dividends		-	-	-	-	(768,490)	-	-	-	(768,490)
Changes in ownership interests in subsidiaries	6(16)	-	65	-	-	-	-	-	-	65
Difference between proceeds from acquisition or disposal of subsidiary and book value	6(16)	-	110,494	-	-	-	-	-	-	110,494
Changes in net equity of associates and joint ventures accounted for under the equity method	6(16)	-	3,494	-	-	-	-	-	-	3,494
Cash dividends distributed to subsidiaries	6(16)	-	15,755	-	-	-	-	-	-	15,755
Balance at December 31, 2022		$ 5,123,269	$ 10,382,683	$ 3,292,026	$ 2,601,650	$ 5,658,790	($ 1,819,170)	($ 544,591)	($ 272,066)	$ 24,422,591
Year ended December 31, 2023										
Balance at January 1, 2023		$ 5,123,269	$ 10,382,683	$ 3,292,026	$ 2,601,650	$ 5,658,790	($ 1,819,170)	($ 544,591)	($ 272,066)	$ 24,422,591
Net income for the year		-	-	-	-	1,457,132	-	-	-	1,457,132
Other comprehensive income (loss)		-	-	-	-	14,223	(574,754)	(33,309)	-	(593,840)
Total comprehensive income (loss)		-	-	-	-	1,471,355	(574,754)	(33,309)	-	863,292
Appropriation of 2022 earnings	6(17)									
Legal reserve		-	-	153,911	-	(153,911)	-	-	-	-
Special reserve		-	-	-	(237,890)	237,890	-	-	-	-
Cash dividends		-	-	-	-	(1,127,119)	-	-	-	(1,127,119)
Changes in ownership interests in subsidiaries	6(5)(16)	-	83,492	-	-	-	-	-	-	83,492
Difference between proceeds from acquisition or disposal of subsidiary and book value	6(5)(16)	-	9,757	-	-	-	-	-	-	9,757
Changes in net equity of associates and joint ventures accounted for under the equity method	6(5)(16)(18)	-	255,753	-	-	(72,634)	-	72,634	-	255,753
Disposal of investments in equity instruments designated at fair value through other comprehensive income by subsidiaries	6(16)(18)	-	-	-	-	(225,761)	-	225,761	-	-
Cash dividends distributed to subsidiaries	6(16)	-	33,216	-	-	-	-	-	-	33,216
Acquisition of the parent company's share by subsidiaries recognized as treasury share	6(15)	-	-	-	-	-	-	-	(350,708)	(350,708)
Balance at December 31, 2023		$ 5,123,269	$ 10,764,901	$ 3,445,937	$ 2,363,760	$ 5,788,610	($ 2,393,924)	($ 279,505)	($ 622,774)	$ 24,190,274

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

CHENG UEI PRECISION INDUSTRY CO., LTD.
PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2023 AND 2022
(Expressed in thousands of New Taiwan dollars)

	Notes	Year ended December 31, 2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax		$ 1,496,399	$ 1,746,480
Adjustments			
Adjustments to reconcile profit (loss)			
Depreciation (including investment property)	6(6)(7)(8)(22)(24)	144,661	147,835
Amortisation	6(9)(24)	14,567	10,870
Expected credit (gain) loss		(23,367)	11,585
Interest expense	6(23)	314,213	237,543
Interest income	6(20)	(35,784)	(14,924)
Gain on long-term equity investment accounted for under the equity method	6(5)	(978,694)	(1,929,613)
Gain (loss) on disposal of property, plant and equipment	6(22)	52	(128)
Changes in operating assets and liabilities			
Changes in operating assets			
Notes receivable		503	(132)
Accounts receivable		(1,617,610)	1,473,142
Accounts receivable - related parties		1,938,053	(2,274,703)
Other receivables		55,766	24,623
Other receivables - related parties		967,759	463,544
Inventories		(1,157,351)	(542,711)
Prepayments		116,412	149,601
Changes in operating liabilities			
Current contract liabilities		(256,122)	226,685
Accounts payable		293,569	128,308
Accounts payable - related parties		2,128,947	354,666
Other payables		(951,257)	966,570
Current refund liabilities		29,101	(87,251)
Other current liabilities, others		4,078	2,092
Other non-current liabilities		(4,548)	(21,481)
Cash inflow generated from operations		2,479,347	1,072,601
Interest received		35,784	14,924
Interest paid		(317,440)	(237,513)
Income tax paid		(64,896)	(57,487)
Dividend received		89,130	44,565
Net cash flows from operating activities		2,221,925	837,090
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisition of long-term equity investment- subsidiary		(1,369,857)	(1,492,008)
Acquisition of property, plant and equipment	6(28)	(109,036)	(89,335)
Proceeds from disposal of property, plant and equipment and investment property		3,760	1,849
Acquisition of intangible assets	6(9)	(19,153)	(9,383)
Acquisition of investment property		-	(703)
Decrease in refundable deposits		-	5
Net cash flows used in investing activities		(1,494,286)	(1,589,575)
CASH FLOWS FROM FINANCING ACTIVITIES			
Increase in short-term borrowings	6(29)	11,189,436	14,423,363
Repayment of short-term borrowings	6(29)	(11,803,911)	(14,947,736)
Increase (decrease) in other payables - related parties	6(29)	317,160	(47,880)
Repayments of lease liabilities	6(29)	(44,428)	(42,195)
Increase in long-term borrowings	6(29)	9,185,000	8,100,000
Repayment of long-term borrowings	6(29)	(8,302,500)	(5,802,500)
Cash dividends paid	6(17)	(1,127,119)	(768,490)
Net cash flows (used in) from financing activities		(586,362)	914,562
Net increase in cash and cash equivalents		141,277	162,077
Cash and cash equivalents at beginning of year	6(1)	397,360	235,283
Cash and cash equivalents at end of year	6(1)	$ 538,637	$ 397,360

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

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

1. HISTORY AND ORGANIZATION

Cheng Uei Precision Industry Co., Ltd. (the "Company") was incorporated as a company limited by shares under the provisions of the Company Law of the Republic of China (R.O.C.) on July 14, 1986 and has begun operations on July 31, 1986. The Company is engaged in the manufacture of cable assemblies, connectors, battery packs, and power modules. Effective September 1999, the shares of the Company were listed on the Taiwan Stock Exchange.

2. THE DATE OF AUTHORIZATION FOR ISSUANCE OF THE PARENT COMPANY ONLY FINANCIAL STATEMENTS AND PROCEDURES FOR AUTHORIZATION

These parent company only financial statements were authorized for issuance by the Board of Directors on March 11 2024.

3. APPLICATION OF NEW STANDARDS, AMENDMENTS AND INTERPRETATIONS

(1) Effect of the adoption of new issuances of or amendments to International Financial Reporting Standards ("IFRS®") Accounting Standards that came into effect as endorsed by the Financial Supervisory Commission ("FSC")

New standards, interpretations and amendments endorsed by FSC and became effective from 2023 are as follows:

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

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

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

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

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

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

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

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

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

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

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

(1) Compliance statement

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

(2) Basis of preparation

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

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

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

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

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

(3) Foreign currency translation

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

A. Foreign currency transactions and balances

a) Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are remeasured. Foreign exchange gains and losses resulting from the settlement of such transactions are recognised in profit or loss in the period in which they arise.

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

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

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

B. Translation of foreign operations

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

i. Assets and liabilities for each balance sheet presented are translated at the closing exchange rate at the date of that balance sheet;

ii. Income and expenses for each statement of comprehensive income are translated at average exchange rates of that period; and

iii. All resulting exchange differences are recognised in other comprehensive income.

b) When the foreign operation partially disposed of or sold is a subsidiary, cumulative exchange differences that were recorded in other comprehensive income are proportionately transferred to the non-controlling interest in this foreign operation. In addition, even when the Company still retains partial interest in the former foreign subsidiary after losing control of the former foreign subsidiary, such transactions should be accounted for as disposal of all interest in the foreign operation.

c) Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing exchange rates at the balance sheet date.

(4) Classification of current and non-current items

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

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

b) Assets held mainly for trading purposes;

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

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

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

a) Liabilities that are expected to be paid off within the normal operating cycle;

b) Liabilities arising mainly from trading activities;

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

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

(5) Cash and cash equivalents

Cash equivalents refer to short-term highly liquid investments that are readily convertible to known amount of cash and subject to an insignificant risk of changes in value. Time deposits that meet the above criteria and are held for the purpose of meeting short-term cash commitment in operations are classified as cash equivalents.

(6) Accounts and notes receivable

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

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

(7) Impairment of financial assets

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

(8) Derecognition of financial assets

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

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

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

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

(9) Inventories

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

(10) Investments accounted for under the equity method / subsidiaries and associates

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

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

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

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

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

F. Associates are all entities over which the Company has significant influence but not control. In general, it is presumed that the investor has significant influence, if an investor holds, directly or indirectly 20 percent or more of the voting power of the investee. Investments in associates are accounted for uner the equity method and are initially recognised at cost.

G. The Company's share of its associates' post-acquisition profits or losses is recognised in profit or loss, and its share of post-acquisition movements in other comprehensive income is recognised in other comprehensive income. When the Company's share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured receivables, the Company does not recognise further losses, unless it has incurred statutory/constructive obligations or made payments on behalf of the associate.

H. When changes in an associate's equity are not recognised in profit or loss or other comprehensive income of the associate and such changes do not affect the Company's ownership percentage of the associate, the Company recognises change in ownership interests in the associate in 'capital surplus' in proportion to its ownership.

I. Unrealised gains on transactions between the Company and its associates are eliminated to the extent of the Company's interest in the associates. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of associates have been adjusted where necessary to ensure consistency with the policies adopted

by the Company.

J. In the case that an associate issues new shares and the Company does not subscribe or acquire new shares proportionately, which results in a change in the Company's ownership percentage of the associate but maintains significant influence on the associate, then 'capital surplus' and 'investments accounted for under the equity method' shall be adjusted for the increase or decrease of its share of equity interest. If the above condition causes a decrease in the Company's ownership percentage of the associate, in addition to the above adjustment, the amounts previously recognised in other comprehensive income in relation to the associate are reclassified to profit or loss proportionately on the same basis as would be required if the relevant assets or liabilities were disposed of.

K. When the Company disposes its investment in an associate and loses significant influence over this associate, the amounts previously recognised in other comprehensive income in relation to the associate, are reclassified to profit or loss, on the same basis as would be required if the relevant assets or liabilities were disposed of. If it retains significant influence over this associate, the amounts previously recognised in other comprehensive income in relation to the associate are reclassified to profit or loss proportionately in accordance with the aforementioned approach.

L. When the Company disposes its investment in an associate and loses significant influence over this associate, the amounts previously recognised as capital surplus in relation to the associate are transferred to profit or loss. If it retains significant influence over this associate, the amounts previously recognised as capital surplus in relation to the associate are transferred to profit or loss proportionately.

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

(11) Property, plant and equipment

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

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

C. Land is not depreciated. Other property, plant and equipment apply cost model and are depreciated using the straight-line method to allocate their cost over their estimated useful lives. If each component of property, plant and equipment is significant, it is depreciated separately.

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

Buildings and structures	20~50 years
Machinery and equipment	1 ~ 5 years
Office equipment	3 years
Miscellaneous equipment	3 ~ 8 years

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

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

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

Lease payments are comprised of the following:

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

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

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

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

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

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

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

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

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

(13) Investment property

An investment property is stated initially at its cost and measured subsequently using the cost model. Except for land, investment property is depreciated on a straight-line basis over its estimated useful life of 20 ~ 50 years.

(14) Intangible assets

Computer software is stated at cost and amortised on a straight-line basis over its estimated useful life of 3 years.

(15) Impairment of non-financial assets

A. The Company assesses at each balance sheet date the recoverable amounts of those assets where there is an indication that they are impaired. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell or value in use. Except for goodwill, when the circumstances or reasons for recognising impairment loss for an asset in prior years no longer exist, the impairment loss shall be reversed to the extent of the loss previously recognised in profit or loss. Such recovery of impairment loss shall not result to the asset's carrying amount greater than its amortised cost where no impairment loss was recognised.

B. The recoverable amounts of goodwill, intangible assets with an indefinite useful life and intangible assets that have not yet been available for use shall be evaluated periodically. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. Impairment loss of goodwill previously recognised in profit or loss shall not be reversed in the following years.

C. Goodwill for impairment testing purpose is allocated to cash generating units. This allocation is identified based on operating segments. Goodwill is allocated to a cash generating unit or a Group of cash generating units that expects to benefit from business combination that will produce goodwill.

(16) Borrowings

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

(17) Notes and accounts payable

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

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

(18) Bonds payable

Ordinary corporate bonds issued by the Company are initially recognised at fair value less transaction costs. Any difference between the proceeds (net of transaction costs) and the redemption value is presented as an addition to or deduction from bonds payable, which is amortised to profit or loss over the period of bond circulation using the effective interest method as an adjustment to 'finance costs'.

(19) Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability specified in the contract is discharged or cancelled or expires.

(20) Offsetting financial instruments

Financial assets and liabilities are offset and reported in the net amount in the balance sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

(21) Employee benefits

A. Pensions

a) Defined contribution plans

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

b) Defined benefit plans

i. The liability recognised in the balance sheet in respect of defined benefit pension plans is the present value of the defined benefit obligation at the balance sheet date less the fair value of plan assets. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of government bonds (at the balance sheet date).

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

iii. Past service costs are recognised immediately in profit or loss.

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

Employees' compensation and directors' and supervisors' remuneration are recognised as expenses and liabilities, provided that such recognition is required under legal obligation or constructive obligation and those amounts can be reliably estimated. Any difference between the resolved amounts and the subsequently actual distributed amounts is accounted for as changes in estimates.

(22) Income tax

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

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

C. Deferred income tax is recognised, using the balance sheet liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the parent company only financial statements. However, the deferred income tax is not accounted for if it arises from initial recognition of goodwill or of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is provided on temporary differences arising on investments in subsidiaries and associates, except where the timing of the reversal of the temporary difference is controlled by the Company and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

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

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

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

(23) Share capital

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

B. Where the Company repurchases the Company's equity share capital that has been issued, the consideration paid, including any directly attributable incremental costs (net of income taxes) is deducted from equity attributable to the Company's equity holders. Where such shares are subsequently reissued, the difference between their book value and any consideration received, net of any directly attributable incremental transaction costs and the related income tax effects, are included in equity attributable to the Company's equity holders.

(24) Dividends

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

(25) Revenue recognition

A. The Company manufactures and sells electronic telecommunication component products. Revenue is measured at the fair value of the consideration received or receivable taking into account value-added tax, returns, rebates and discounts for the sale of goods to external customers in the ordinary course of the Company's activities. Revenue arising from the sales of goods should be recognised when the Company has delivered the goods to the customer, the amount of sales revenue can be measured reliably and it is probable that the future economic benefits associated with the transaction will flow to the entity. The delivery of goods is completed when the significant risks and rewards of ownership have been transferred to the customer, the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold, and the customer has accepted the goods based on the sales contract or there is objective evidence showing that all acceptance provisions have been satisfied.

B. The goods are often sold with volume discounts based on aggregate sales over a 12-month period. Revenue from these sales is recognised based on the price specified in the contract, net of the estimated sales discounts and allowances. Revenue is only recognised to the extent that it is highly probable that a significant reversal will not occur. The estimation is subject to an assessment at each reporting date. No element of financing is deemed present as the sales are made with a credit term of 30 to 120 days, which is consistent with market practice.

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

5. CRITICAL ACCOUNTING JUDGEMENTS, ESTIMATES AND KEY SOURCES OF ASSUMPTION UNCERTAINTY

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

Critical accounting estimates and assumptions

A. Evaluation of inventories

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

B. Impairment assessment of investments accounted for under the equity method

The Company assesses the impairment of an investment accounted for under the equity method as soon as there is any indication that it might have been impaired and its carrying amount cannot be recovered. The Company assesses the recoverable amounts of an investment accounted for under the equity method based on the present value of the Company's share of expected future cash flows of the investee or fair value less costs of disposal, and analyses the reasonableness of related assumptions.

6. DETAILS OF SIGNIFICANT ACCOUNTS

(1) Cash and cash equivalents

	December 31, 2023	December 31, 2022
Cash on hand and revolving funds	$ 905	$ 1,190
Checking accounts and demand deposits	302,433	391,350
Time deposits (Note)	235,299	4,820
Total	$ 538,637	$ 397,360

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

B. As of December 31, 2023 and 2022, the annual interest rate of time deposits was 1.10%~5.10% and 0.85%~4.10%, respectively.

C. The Company has no cash and cash equivalents pledged to others as collateral.

(2) Accounts receivable

	December 31, 2023	December 31, 2022
Accounts receivable	$ 10,201,805	$ 8,584,195
Less: Loss allowance	(22,794)	(46,161)
	$ 10,179,011	$ 8,538,034

A. The information on the Company's ageing analysis of accounts receivable is provided in Note 12(2).

B. As of December 31, 2023 and 2022, accounts and notes receivable were all from contracts with customers. And as of January 1, 2022, the balance of receivables from contracts with customers amounted to $10,057,338.

C. The quality information of accounts receivable is based on customers' credit ranking and recoverable period of receivables in order to calculate the accrual of impairment. The Company's internal credit ranking policy is that the Company's business and management segment assesses periodically whether the credit ranking of existing customers is appropriate and adjusts to obtain the latest information when necessary. Customers' credit ranking assessment is based on industrial operating scale, profitability and ranking assessed by financial insurance institutions.

The Company has insured accounts receivable of certain customers and the Company will receive 80%~90% compensation if bad debts occur. As of December 31, 2023 and 2022, the balance of accounts receivable from certain customers amounted to $2,291,185 and $2,100,339, respectively.

D. The Company does not hold any collateral as security.

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

(3) Transfer of financial assets (As at December 31, 2023: None)

A. The Company entered into a factoring agreement with the banks to sell its accounts receivable. Under the agreement, the Company is not obligated to bear the default risk of the transferred accounts receivable, but is liable for the losses incurred on any business dispute. The Company does not have any continuing involvement in the transferred accounts receivable. Thus, the Company derecognised the transferred accounts receivable, and the related information is as follows:

	December 31, 2022						
Purchaser of accounts receivable	Accounts receivable transferred	Amount derecognised	Facilities	Amount advanced	Amount advanced for advance	Interest rate of amount advanced	Collateral Provided
Mega International Commercial Bank	$ 159,223	$ 159,223	$ 1,535,500	$ 143,300	$ 15,923	5.66%	None
Bank of Taiwan	396,048	396,048	3,085,200	356,444	39,604	5.27%	None

B. For the year ended December 31, 2022, the Company issued promissory notes to some banks for the factoring agreements signed.

(4) Inventories

	December 31, 2023		
	Cost	Allowance for valuation loss	Book value
Raw materials	$ 171,910	($ 10,573)	$ 161,337
Work in progress	68,220	(270)	67,950
Finished goods	2,593,260	(56,065)	2,537,195
	$ 2,833,390	($ 66,908)	$ 2,766,482

	December 31, 2022		
	Cost	Allowance for valuation loss	Book value
Raw materials	$ 139,668	($ 11,089)	$ 128,579
Work in progress	33,208	(168)	33,040
Finished goods	1,461,805	(14,293)	1,447,512
	$ 1,634,681	($ 25,550)	$ 1,609,131

The cost of inventories recognised as expense for the year:

	Years ended December 31,	
	2023	2022
Cost of inventories sold	$ 58,757,213	$ 61,569,823
(Gain on reversal of) loss on decline in market value	41,358	(4,322)
	$ 58,798,571	$ 61,565,501

The Company reversed a previous inventory write-down because inventories with net realisable value lower than its cost were partially sold by the Company for the year ended December 31, 2022.

(5) Investments accounted for under the equity method

	December 31, 2023		December 31, 2022	
Investee	Amount	Ownership percentage (%)	Amount	Ownership percentage (%)
Cu International Ltd.	$ 26,164,967	100%	$ 25,409,499	100%
Foxlink International Investment Ltd.	4,390,733	100%	3,696,037	100%
Fu Uei International Investment Ltd.	2,725,367	100%	3,230,556	100%
Culink International Ltd.	1,268,983	18.84%	1,472,408	100%
Well Shin Technology Co., Ltd.	1,772,836	100%	1,278,262	18.84%
Darts Technologies Corporation	889,607	100%	879,437	97%
Foxlink Technology Ltd.	1,186,665	97%	890,227	100%
Sinobest Brothers Limited	300,231	91.19%	316,883	91.19%
Suntain Co., Ltd.	249,536	100%	236,699	100%
DU Precision Industry Co., Ltd.	86,774	100%	69,294	100%
Foxlink Arizona Inc.	28,289	100%	45,339	100%
	39,063,988		37,524,641	
Add : Current prepayments for investments -Journ Ta Brothers Limited	227,072		227,072	
Total	$ 39,291,060		$ 37,751,713	

A. Please refer to Note 4(3) in the 2023 consolidated financial statements for the information regarding the Company's subsidiaries.

B. The gain on investments accounted for under the equity method amounted to $978,694 and $1,929,613 for the years ended December 31, 2023 and 2022, respectively, and were valued based on the investees' audited financial statements for the corresponding period.

C. Associates

(a) The basic information of the associates that are material to the Company is summarised below:

		Shareholding ratio			
Company name	Principal place of business	December 31, 2023	December 31, 2022	Nature of relationship	Methods of measurement
Well Shin Technology Co., Ltd.	Taiwan	18.84%	18.84%	Note	Equity method

Note: As the Company's management holds several seats in the Board of Directors of Well Shin Technology Co., Ltd., the Company is assessed to have significant influence.

(b) Summarised financial information of the associates that are material to the Company is as follows:

Balance sheet

	Well Shin Technology Co., Ltd.	
	December 31, 2023	December 31, 2022
Current assets	$ 2,308,642	$ 2,468,684
Non-current assets	6,724,825	6,379,703
Current liabilities	(1,777,201)	(1,599,211)
Non-current liabilities	(715,667)	(657,804)
Total net assets	$ 6,540,599	$ 6,591,372
Share in associate's net assets	$ 1,232,394	$ 1,241,673
Goodwill	36,589	36,589
Carrying amount of the associates	$ 1,268,983	$ 1,278,262

Statement of comprehensive income

	Well Shin Technology Co., Ltd.	
	Years ended December 31,	
	2023	2022
Revenue	$ 3,979,213	$ 4,793,919
Profit for the year from continuing operations	$ 507,511	$ 759,540
Other comprehensive income (loss), net of tax	(85,254)	120,545
Total comprehensive income	$ 422,257	$ 880,085
Dividends received from associates	$ 89,130	$ 44,565

D. The fair value of the Company's material associates with quoted market prices is as follows:

	December 31, 2023	December 31, 2022
Well Shin Technology Co., Ltd.	$ 1,152,001	$ 1,102,980

E. As of December 31, 2023, the registration of the Company's prepayment for investments- JOURN TA BROTHERS LIMITED has not yet been completed.

F. For the year ended December 31, 2023, the Company's second-tier subsidiary, Power Channel Limited, did not participate in the capital increase of Sharetronic Data Technology Co., Ltd. proportionately to its ownership, thus resulted in the shareholding ratio decreasing to 16.89%. The Company recognised capital surplus according to shareholding ratio amounting to $255,753.

G. For the year ended December 31, 2023, the Company's second-tier subsidiary, Shinfox Energy Co., Ltd., did not participate in the capital increase of Guanwei Power Co., Ltd. proportionately to its ownership, thus resulted in the shareholding ratio decreasing to 51%. The Company recognised capital surplus according to shareholding ratio amounting to ($12).

H. For the year ended December 31, 2023, the Company's second-tier subsidiary, Shinfox Energy Co., Ltd., disposed Guanwei Power Co., Ltd.'s shares in the amount of 1,601 thousand shares, and the proceeds from sales of shares amounted to $60,838. The Company recognised capital surplus according to shareholding ratio amounting to $9,757.

I. For the year ended December 31, 2023, the Company's second-tier subsidiary, Shinfox Energy Co., Ltd., had changes in equity due to its issuing convertible bonds, and the Company recognised capital surplus according to shareholding ratio amounting to $83,504.

(6) Property, plant and equipment

	2023						
	Land	Buildings and structures	Machinery and equipment	Office equipment	Others	Unfinished construction	Total
At January 1							
Cost	$ 412,428	$ 1,785,939	$ 121,996	$ 39,086	$ 210,688	$ 25,243	$ 2,595,380
Accumulated depreciation and impairment	-	(574,941)	(73,348)	(16,625)	(101,384)	-	(766,298)
	$ 412,428	$ 1,210,998	$ 48,648	$ 22,461	$ 109,304	$ 25,243	$ 1,829,082
Opening net book amount	$ 412,428	$ 1,210,998	$ 48,648	$ 22,461	$ 109,304	$ 25,243	$ 1,829,082
Additions	-	-	17,802	12,892	50,711	-	81,405
Disposals	-	-	(2,714)	-	(1,098)	-	(3,812)
Reclassifications	-	6,405	682	-	27,651	(25,243)	9,495
Depreciation charge	-	(36,196)	(19,747)	(11,238)	(31,163)	-	(98,344)
Closing net book amount	$ 412,428	$ 1,181,207	$ 44,671	$ 24,115	$ 155,405	$ -	$ 1,817,826
At December 31							
Cost	$ 412,428	$ 1,795,604	$ 123,643	$ 48,536	$ 232,597	$ -	$ 2,612,808
Accumulated depreciation and impairment	-	(614,397)	(78,972)	(24,421)	(77,192)	-	(794,982)
	$ 412,428	$ 1,181,207	$ 44,671	$ 24,115	$ 155,405	$ -	$ 1,817,826

	2022						
	Land	Buildings and structures	Machinery and equipment	Office equipment	Others	Unfinished construction	Total
At January 1							
Cost	$ 412,428	$ 1,774,021	$ 111,099	$ 42,575	$ 175,584	$ -	$ 2,515,707
Accumulated depreciation and impairment	-	(539,111)	(50,179)	(16,282)	(72,508)	-	(678,080)
	$ 412,428	$ 1,234,910	$ 60,920	$ 26,293	$ 103,076	$ -	$ 1,837,627
Opening net book amount	$ 412,428	$ 1,234,910	$ 60,920	$ 26,293	$ 103,076	$ -	$ 1,837,627
Additions	-	11,918	11,903	6,486	37,537	25,243	93,087
Disposals	-	-	(1,040)	-	(681)	-	(1,721)
Reclassifications	-	-	2,241	-	84	-	2,325
Depreciation charge	-	(35,830)	(25,376)	(10,318)	(30,712)	-	(102,236)
Closing net book amount	$ 412,428	$ 1,210,998	$ 48,648	$ 22,461	$ 109,304	$ 25,243	$ 1,829,082
At December 31							
Cost	$ 412,428	$ 1,785,939	$ 121,996	$ 39,086	$ 210,688	$ 25,243	$ 2,595,380
Accumulated depreciation and impairment	-	(574,941)	(73,348)	(16,625)	(101,384)	-	(766,298)
	$ 412,428	$ 1,210,998	$ 48,648	$ 22,461	$ 109,304	$ 25,243	$ 1,829,082

The Company has no property, plant and equipment pledged to others as collateral.

(7) Leasing arrangements-lessee

A. The Company leases various assets including land and buildings. Rental contracts are typically made for periods of 3 to 20 years. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose covenants, but leased assets may not be used as security for borrowing purposes.

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

	December 31, 2023	December 31, 2022
	Carrying amount	Carrying amount
Land	$ 68,483	$ 20,745
Buildings	4,460	32,852
	$ 72,943	$ 53,597

	Years ended December 31,	
	2023	2022
	Depreciation expense	Depreciation expense
Land	$ 14,190	$ 13,880
Buildings	28,393	27,799
	$ 42,583	$ 41,679

C. For the years ended December 31, 2023 and 2022, the additions to right-of-use assets amounted to $61,928 and $2,287, respectively.

D. The information on income and expense accounts relating to lease contracts is as follows:

	Years ended December 31,	
	2023	2022
Items affecting profit or loss		
Interest expense on lease liabilities	$ 723	$ 1,038
Expense on short-term lease contracts	1,969	6,346
Expense on leases of low-value assets	1,463	872

E. For the years ended December 31, 2023 and 2022, the Company's total cash outflow for leases amounted to $48,584 and $50,452, respectively.

(8) Investment property

	2023	2022
	Buildings and structures	Buildings and structures
At January 1		
Cost	$ 198,804	$ 198,101
Accumulated depreciation and impairment	(45,614)	(41,694)
	$ 153,190	$ 156,407
Opening net book amount	$ 153,190	$ 156,407
Additions	-	703
Disposals	-	-
Reclassifications	(6,405)	-
Depreciation charge	(3,734)	(3,920)
Closing net book amount	$ 143,051	$ 153,190
At December 31		
Cost	$ 189,139	$ 198,804
Accumulated depreciation and impairment	(46,088)	(45,614)
	$ 143,051	$ 153,190

A. Rental income from the lease of the investment property and direct operating expenses arising from the investment property are shown below:

	Years ended December 31,	
	2023	2022
Rental income from the lease of the investment property	$ 23,836	$ 20,639
Direct operating expenses arising from the investment property that generated rental income in the year	$ 3,734	$ 3,920

B. Investment property is stated initially at its cost and is depreciated on a straight-line basis over its estimated useful life. The fair value of the investment property held by the Company as at December 31, 2023 and 2022 was $274,555 and $224,446, respectively, which was evaluated based on the market prices of similar real estate in the areas nearby, market prices did not change significantly.

C. There was no impairment loss on investment property.

D. The investment property was not pledged to others as collateral.

(9) Intangible assets

	2023	2022
	Software	Software
At January 1		
Cost	$ 35,434	$ 35,530
Accumulated amortisation and impairment	(16,687)	(15,296)
	$ 18,747	$ 20,234
Opening net book amount	$ 18,747	$ 20,234
Additions	19,153	9,383
Amortisation charge	(14,567)	(10,870)
Disposals	-	-
Closing net book amount	$ 23,333	$ 18,747
At December 31		
Cost	$ 49,104	$ 35,434
Accumulated amortisation and impairment	(25,771)	(16,687)
	$ 23,333	$ 18,747

(10) Short-term borrowings (As at December 31, 2023: None)

Type of borrowings	December 31, 2022	Interest rate range	Collateral
Bank loan			
Credit loan	$ 614,475	1.41%~5.12%	-

(11) Other payables

	December 31, 2023	December 31, 2022
Payable for purchases made by related parties on behalf of the Company	$ 8,007,953	$ 8,756,383
Financing payable to related parties	440,000	122,840
Payables on salary and bonus	255,037	420,778
Employees' compensation and remuneration for supervisors and directors	239,145	329,171
Payables on equipment	11,741	32,543
Others	292,357	246,223
	$ 9,246,233	$ 9,907,938

Please refer to Note 7 and table 1 of Note 13 for the details of financing payable to related parties.

(12) Bonds payable

	December 31, 2023	December 31, 2022
Secured corporate bonds	$ 6,600,000	$ 6,600,000
Less: Discount on bonds payable	(14,046)	(17,626)
	6,585,954	6,582,374
Less: Current portion of corporate bonds payable (shown as "long-term liabilities, current portion")	(2,994,906)	-
	$ 3,591,048	$ 6,582,374

A. The main terms of the $3,600,000 2nd secured corporate bonds issued by the Company on July 29, 2020 are as follows:

(a) Total initial issue amount: $3,600,000.

(b) Issue price: Issue at par value, $1,000 each.

(c) Issue period: 5 years, from July 29, 2020 to July 27, 2025.

(d) Coupon rate: 0.65% fixed per annum.

(e) Interest payment method: Interest is calculated from the date of issuance at the coupon rate, is a simple interest and is paid yearly.

(f) Principal repayment method: Pay entire amount at the maturity date.

(g) Guarantee method:

The joint guarantor banks including CTBC Bank Co., Ltd., Taiwan Cooperative Bank Co., Ltd., Hua Nan Commercial Bank Ltd., Agricultural Bank of Taiwan Corporation and Mega International Commercial Bank Co., Ltd. provide guarantees based on a joint engagement guarantee contract and bond-fulfilling guarantee obligation contract.

(h) Commitment:

The company should maintain the following financial ratios during the contract duration for semi-annual consolidated and annual consolidated financial statements:

i. Current assets to current liabilities ratio of at least 1:1;

ii. Liabilities not exceeding 200% of tangible net equity;

iii. Interest coverage of at least 400%; and

iv. Tangible net equity of at least NT$15,000,000 thousand.

B. The main terms of the $3,000,000 1st secured corporate bonds issued by the Company on June 26, 2019 are as follows:

a) Total initial issue amount: $3,000,000.

b) Issue price: Issue at par value, $1,000 each.

c) Issue period: 5 years, from June 26, 2019 to June 26, 2024.

d) Coupon rate: 0.80% fixed per annum.

e) Interest payment method: Interest is calculated from the date of issuance at the coupon rate, is a simple interest and is paid yearly.

f) Principal repayment method: Pay entire amount at the maturity date.

g) Guarantee method:

The joint guarantor banks including CTBC Bank Co., Ltd. Taiwan Cooperative Bank Co., Ltd., Mega International Commercial Bank Co., Ltd. and Chang Hwa Commercial Bank, Ltd. provide guarantees based on a joint engagement guarantee contract and bond-fulfilling guarantee obligation contract.

h) Commitment:

The company should maintain the following financial ratios during the contract duration for semi-annual parent company only and annual parent company only financial statements:

i. Current assets to current liabilities ratio of at least 1:1;
ii. Liabilities not exceeding 200% of tangible net equity;
iii. Interest coverage of at least 400%; and
iv. Tangible net equity of at least NT$15,000,000 thousand.

(13) Long-term borrowings

Type of borrowings	Borrowing period and repayment term	Interest rate range	Unused credit line	December 31, 2023
Long-term loan borrowings				
- including covenants	Borrowing period is from May 2023 to December 2026 pay entire amount when due	1.85%~1.89%	$ 700,000	$ 3,600,000
- without covenants	Borrowing period is from March 2023 to November 2026 pay entire amount when due	1.7%~1.940%	2,151,625	4,781,250
Medium-term and long-term syndicated loans	Borrowing period is from November 2020 to November 2025. The Company may issue a drawing application before the maturity date of borrowing to repay the loan principal that was originally expired.	2.20%	4,800,000	3,200,000
				11,581,250
Less: Current portion				(73,750)
				$ 11,507,500

Type of borrowings	Borrowing period and repayment term	Interest rate range	Unused credit line	December 31, 2022
Long-term loan borrowings				
Bank's unsecured borrowings				
- including covenants	Borrowing period is from September 2022 to September 2025 pay entire amount when due	1.98%~2.06%	$ 2,500,000	$ 1,500,000
- without covenants	Borrowing period is from September 2022 to March 2025 pay entire amount when due	1.45%~2.30%	2,034,500	5,198,750
Medium-term and long-term syndicated loans	Borrowing period is from November 2020 to November 2025. The Company may issue a drawing application before the maturity date of borrowing to repay the loan principal that was originally expired.	1.93%~2.06%	4,000,000	4,000,000
				10,698,750
Less: Current portion				-
				$ 10,698,750

A. In November 2020, the Company signed a medium-term syndicated revolving NTD credit facility agreement with the Bank of Taiwan as the lead bank. The terms of agreement are summarised below:
   (a) Duration of loan: The loan period of the agreement was 5 years from the agreement signing date.
   (b) Credit line and draw-down: The credit line was $8,000,000, which can be drawn down in installments of at least NT$100,000 thousand per draw-down.
   (c) Principal repayment: The duration of each loan drawn down is either 90 days or 180 days at the Company's option. The Company, if without any default, may submit an application to the banks to draw down a new loan with principal equal to the old one before its maturity, and the new loan is directly used to repay the original loan. The banks and the Company are not required to make remittances for such draw-down and repayment, which is viewed that the Company has received the new loan on the maturity of original loan.
   (d) Commitment: The Company should maintain the following financial ratios during the contract duration for semi-annual parent company only and annual parent company only financial statements:
      i. Current assets to current liabilities ratio of at least 1:1;
      ii. Liabilities not exceeding 200% of tangible net equity;
      iii. Interest coverage of at least 400%; and
      iv. Tangible net equity of at least NT$15,000,000 thousand.
   (e) The loan period is decided by the borrower. The borrower may choose to early repay the loans during the contract period according to the syndicated loan contract.

B. The Company entered into the borrowing contracts with Bank SinoPac, Taipei Fubon and Far Eastern International Bank, and the total credit line is $4,300,000. As of December 31, 2023, the borrowings that have been used amounted to $3,600,000. In the duration period of these contracts, the financial ratios in the semi-annual parent company only and annual parent company only financial statements shall be as follows:
   (a) Current assets to current liabilities ratio of at least 1:1;
   (b) Liabilities not exceeding 200% of tangible net equity;
   (c) Interest coverage of at least 400%; and
   (d) Tangible net equity of at least NT$15,000,000 thousand.

C. As of December 31, 2023, the borrowings that have been used amounted to as follows:

Company	Bank	Credit line (in thousands)	Amount of borrowings used
The Company	Yuanta Commercial Bank	$ 450,000	$ 400,000
The Company	DBS Bank	USD 35,000	900,000
The Company	Taiwan Cooperative Bank	500,000	-
The Company	Cathay Bank	500,000	500,000
The Company	United Overseas Bank	USD 10,000	-
The Company	KGI Commercial Bank Co., Ltd.	1,000,000	885,000
The Company	First Bank	600,000	600,000
The Company	Mizuho Bank	USD 30,000	900,000
The Company	En Tie Commerical Bank	500,000	-
The Company	Export-Import Bank of Republic of China	480,000	96,250
The Company	Panhsin Bank	300,000	200,000
The Company	E.Sun Bank	300,000	300,000

(14) Pensions

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

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

	December 31, 2023	December 31, 2022
Present value of defined benefit obligations	($ 243,710)	($ 282,568)
Fair value of plan assets	99,276	115,210
Net defined benefit liability (shown as "other non-current liabilities")	($ 144,434)	($ 167,358)

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

	Present value of defined benefit obligations	Fair value of plan assets	Net defined benefit liability
Year ended December 31, 2023			
Balance at January 1	($ 282,567)	$ 115,209	($ 167,358)
Current service cost	(1,488)	-	(1,488)
Interest (expense) income	(3,673)	1,498	(2,175)
	(287,728)	116,707	(171,021)
Remeasurements:			
Change in financial assumptions	(1,889)	-	(1,889)
Experience adjustments	18,911	546	19,457
	17,022	546	17,568
Pension fund contribution	-	2,160	2,160
Number of benefits paid	20,137	(20,137)	-
Paid pension	6,859	-	6,859
	26,996	(17,977)	9,019
Balance at December 31	($ 243,710)	$ 99,276	($ 144,434)

	Present value of defined benefit obligations	Fair value of plan assets	Net defined benefit liability
Year ended December 31, 2022			
Balance at January 1	($ 314,531)	$ 110,060	($ 204,471)
Current service cost	(1,541)	-	(1,541)
Interest (expense) income	(2,202)	770	(1,432)
	(318,274)	110,830	(207,444)
Remeasurements:			
Change in financial assumptions	14,753	-	14,753
Experience adjustments	(7,112)	7,646	534
	7,641	7,646	15,287
Pension fund contribution	-	15,037	15,037
Number of benefits paid	18,304	(18,304)	-
Paid pension	9,762	-	9,762
	28,066	(3,267)	24,799
Balance at December 31	($ 282,567)	$ 115,209	($ 167,358)

(d) The Bank of Taiwan was commissioned to manage the Fund of the Company's and domestic subsidiaries' defined benefit pension plan in accordance with the Fund's annual investment and utilisation plan and the "Regulations for Revenues, Expenditures, Safeguard and Utilisation of the Labor Retirement Fund" (Article 6: The scope of utilisation for the Fund includes deposit in domestic or foreign financial institutions, investment in domestic or foreign listed, over-the-counter, or private placement equity securities, investment in domestic or foreign real estate securitization products, etc.). With regard to the utilisation of the Fund, its minimum earnings in the annual distributions on the final financial statements shall be no less than the earnings attainable from the amounts accrued from two-year time deposits with the interest rates offered by local banks. If the earnings is less than aforementioned rates, government shall make payment for the deficit after being authorized by the Regulator. The Company has no right to participate in managing and operating that fund and hence the Company is unable to disclose the classification of plan asset fair value in accordance with IAS 19 paragraph 142. The compositions of fair value of plan assets as of December 31, 2023 and 2022 are given in the Annual Labor Retirement Fund Utilisation Report announced by the government.

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

	Years ended December 31,	
	2023	2022
Discount rate	1.20%	1.30%
Future salary increases	3%	3.00%

Future mortality rate was estimated based on the 6th Taiwan Standard Ordinary Experience Mortality Table.

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

	Discount rate		Future salary increases	
	Increase 0.25%	Decrease 0.25%	Increase 0.25%	Decrease 0.25%
December 31, 2023				
Effect on present value of defined benefit obligation	$ 4,679	($ 4,823)	($ 4,134)	$ 4,038
December 31, 2022				
Effect on present value of defined benefit obligation	$ 5,824	($ 6,010)	($ 5,213)	$ 5,086

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

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

(f) Expected contributions to the defined benefit pension plans of the Company for the year ending December 31, 2024 amount to $1,977.

(g) As of December 31, 2023, the weighted average duration of that retirement plan is 8 years.

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

The pension costs under the abovementioned defined contribution pension plan for the years ended December 31, 2023 and 2022 were $38,609 and $37,630, respectively.

(15) Share capital

A. As of December 31, 2023, the Company's authorised common stock was $7,000,000 (including 50,000,000 shares reserved for the issuance of employees' warrants), and the issued and outstanding shares were both 512,326,940 shares, with a par value of $10 (in dollars) per share.

B. Treasury shares

Before becoming a subsidiary, Foxlink Image Technology Co., Ltd. (Foxlink Image) held parent's capital stock for general investment purpose. Foxlink Image acquired 22,000 thousand shares with a book value of $350,708 after the Company acquired control over Foxlink Image on October 1, 2018. As of December 31, 2023 and 2022, the detailed information of Foxlink Image's parent equity shares is as follows:

	December 31, 2023	December 31, 2022
In thousand shares	49,503	27,503
Book value	$ 622,774	$ 272,066

(16) Capital surplus

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

	2023					
	Share premium	Treasury share transactions	Difference between proceeds from acquisition or disposal of subsidiary and book value	Changes in ownership interests in subsidiaries	Change in net equity of associates accounted for under the equity method	Total
At January 1	$ 9,337,850	$ 87,091	$ 700,203	$ 3,894	$ 253,645	$ 10,382,683
Cash dividends distributed to subsidiaries	-	33,216	-	-	-	33,216
The Company did not participate in the capital increase of subsidiaries proportionately to ownership	-	-	-	(12)	-	(12)
Subsidiaries convertible bonds issued	-	-	-	83,504	-	83,504
Transactions with non-controlling interests	-	-	9,757	-	-	9,757
Adjustments due to not participating in the capital increase of investees proportionately	-	-	-	-	255,753	255,753
At December 31	$ 9,337,850	$ 120,307	$ 709,960	$ 87,386	$ 509,398	$ 10,764,901

	2022					
	Share premium	Treasury share transactions	Difference between proceeds from acquisition or disposal of subsidiary and book value	Changes in ownership interests in subsidiaries	Change in net equity of associates accounted for under the equity method	Total
At January 1	$ 9,337,850	$ 71,336	$ 589,709	$ 3,829	$ 250,151	$ 10,252,875
Cash dividends distributed to subsidiaries	-	15,755	-	-	-	15,755
Employee share option payments	-	-	-	65	-	65
Transactions with non-controlling interests	-	-	110,494	-	-	110,494
Adjustments due to not participating in the capital increase of investees proportionately	-	-	-	-	3,494	3,494
At December 31	$ 9,337,850	$ 87,091	$ 700,203	$ 3,894	$ 253,645	$ 10,382,683

(17) Retained earnings/Subsequent events

A. Based on the Company's Articles of Incorporation, the current year's earnings, if any, shall first be used to pay all taxes and offset prior years' operating losses and then 10% of the remaining amount shall be set aside as legal reserve. The appropriation of remainder shall be proposed by the Board of Directors and be resolved by the shareholders.

B. According to the Company's Articles of Incorporation, no more than 90% of the distributable retained earnings shall be distributed as stockholders' bonus and cash dividend distributed in any

calendar year shall be at least 20% of the total distributable earnings in that year based on future capital expenditures budget and capital requirements.

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

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

(b) The amounts previously set aside by the Company as special reserve on initial application of IFRSs in accordance with Order No. Financial-Supervisory-Securities-Corporate-1090150022, dated March 31, 2021, shall be reversed proportionately when the relevant assets are used, disposed of or reclassified subsequently.

(c) The amounts set aside by the Company as special reserve for the initial application of IFRSs amounted to $665,206. Furthermore, the Company did not reverse special reserve to retained earnings for the years ended December 31, 2023 and 2022 as a result of the use, disposal or reclassification of related assets. As of December 31, 2023 and 2022, the amount of special reserve set aside all amounted to $665,206.

E. (a) Details of the appropriation of 2022's and 2021's net income which was resolved at the stockholders' meeting on May 31, 2023 and June 21, 2022 are as follows:

	Year ended December 31, 2022		Year ended December 31, 2021	
	Amount	Dividend per share (NTD)	Amount	Dividend per share (NTD)
Legal reserve	$ 153,911	$ -	$ 94,372	$ -
Special reserve	(237,890)	-	565,304	-
Cash dividends	1,127,119	2.2	768,490	1.5
Total	$ 1,043,140	$ 2.2	$ 1,428,166	$ 1.5

(b) The appropriation of 2023 earnings had been proposed by the Board of Directors on March 11, 2024. Details are summarized below:

	Year ended December 31, 2023	
	Amount	Dividend per share (NTD)
Legal reserve	$ 117,296	$ -
Special reserve	309,668	-
Cash dividends	1,024,654	2.0
Total	$ 1,451,618	$ 2.0

(18) Other equity items

	2023		
	Financial assets at fair value through other comprehensive income	Currency Translation	Total
At January 1	($ 544,591)	($ 1,819,170)	($ 2,363,761)
Changes in disposals:			
- Valuation adjustment transferred to retained earnings	298,395	-	298,395
Valuation adjustment:	(33,309)	-	(33,309)
Currency translation differences:			
- Group	-	(586,204)	(586,204)
- Associates	-	11,450	11,450
At December 31	($ 279,505)	($ 2,393,924)	($ 2,673,429)

	2022		
	Financial assets at fair value through other comprehensive income	Currency Translation	Total
At January 1	($ 472,609)	($ 2,129,042)	($ 2,601,651)
Changes in disposals:			
- Valuation adjustment	(71,982)	-	(71,982)
Currency translation differences:			
- Group	-	353,222	353,222
- Associates	-	(43,350)	(43,350)
At December 31	($ 544,591)	($ 1,819,170)	($ 2,363,761)

A. For the year ended December 31, 2023, the Company's second-tier subsidiary, Shinfox Energy Co., Ltd., derecognised original investment costs as its investee was dissolved, and the Company wrote off accumulated loss by decreasing retained earnings based on shareholding ratio amounting to $437.

B. For the year ended December 31, 2023, the Company's subsidiaries, Power Quotient International Co., Ltd. and Foxlink Image Technology Co., Ltd., derecognised original investment costs at the effective date of merger as their investee, Taiwan Star Telecom Co., Ltd, was dissolved by exchanging shares with Taiwan Mobile Co., Ltd. Accordingly, the Company wrote off accumulated loss by decreasing retained earnings based on shareholding ratio amounting to $225,324.

C. For the year ended December 31, 2023, the Company's investee accounted for under the equity method, Central Motion Picture Corporation, derecognised original investment costs at the

effective date of merger as its investee, Taiwan Star Telecom Co., Ltd, was dissolved by exchanging shares with Taiwan Mobile Co., Ltd. Accordingly, the Company wrote off accumulated loss by decreasing retained earnings based on shareholding ratio amounting to $72,634.

(19) Operating revenue

A. Disaggregation of revenue from contracts with customers

The Company derives revenue from the transfer of goods over time and at a point in time in the following major product lines and generates related revenue in each reportable segment:

	Years ended December 31,	
	2023	2022
3C component	$ 21,459,234	$ 22,764,695
Systems and peripheral products	38,692,534	40,005,236
Total revenue from external customer contracts	$ 60,151,768	$ 62,769,931

B. Contract liabilities

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

	December 31, 2023	December 31, 2022
Contract liabilities:		
Contract liabilities-advance sales receipts	$ 75,466	$ 331,588

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

	Years ended December 31,	
	2023	2022
Revenue recognised that was included in the contract liability balance at the beginning of the period		
Sales revenue received in advance	$ 299,868	$ 34,256

(20) Interest income

	Years ended December 31,	
	2023	2022
Interest income	$ 35,784	$ 14,924

(21) Other income

	Years ended December 31,	
	2023	2022
Revenue from technical service compensation	$ 221,264	$ 191,068
Revenue from management service fees	40,630	36,501
Rental revenue	23,836	20,639
Claims income	520,642	-
Others	85,964	37,920
	$ 892,336	$ 286,128

Please refer to Note 7(2)C for details of revenue from technical service compensation and Note 10 for details of claims income.

(22) Other gains and losses

	Years ended December 31,	
	2023	2022
Net currency exchange gains	$ 140,865	$ 282,969
Depreciation charge on investment property	(3,734)	(3,920)
Net (loss) gain on disposal of property, plant and equipment	(52)	128
Other gains and losses	(17,202)	(6,313)
	$ 119,877	$ 272,864

(23) Finance costs

	Years ended December 31,	
	2023	2022
Interest expense:		
Bank borrowings	$ 218,978	$ 147,728
Corporate bonds	94,512	88,777
Lease liabilities	723	1,038
	$ 314,213	$ 237,543

(24) Expenses by nature

	Years ended December 31,	
	2023	2022
Employee benefit expense	$ 1,236,651	$ 1,555,230
Depreciation expense	140,927	143,915
Amortisation charges	14,567	10,870
Transportation expenses	161,945	165,047
Operating lease payments	3,432	7,218

(25) Employee benefit expense

	Years ended December 31,	
	2023	2022
Wages and salaries	$ 1,039,197	$ 1,369,289
Labour and health insurance fees	88,842	77,872
Pension costs	42,272	40,603
Directors' remuneration	8,000	10,000
Other personnel expenses	58,340	57,466
	$ 1,236,651	$ 1,555,230

A. According to the Articles of Incorporation of the Company, a ratio of distributable profit of the current year, after covering accumulated losses, shall be distributed as employees' compensation and directors' and supervisors' remuneration. The ratio shall not be lower than 6% for employees' compensation and shall not be higher than 3% for directors' and supervisors' remuneration.

B. For the years ended December 31, 2023 and 2022, employees' compensation was accrued at $231,145 and $312,000, respectively; directors' and supervisors' remuneration was accrued at $8,000 and $10,000 respectively. The aforementioned amounts were recognised in salary expenses.

C. The employees' compensation and directors' and supervisors' remuneration were estimated and accrued based on the distributable profit of current year for the year ended December 31, 2023 and percentage as prescribed by the Company's Articles of Incorporation. The Board of Directors resolved the actual appropriation amounts of $231,145 and $8,000 and appropriated in cash in March 11, 2024.

D. Employees' compensation and directors' and supervisors' remuneration of 2023 as resolved at the Board of Directors were in agreement with those amounts recognised in the profit or loss of 2023.

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

(26) Income tax

A. Income tax expense

(a) Components of income tax expense:

	Years ended December 31,	
	2023	2022
Current tax:		
Tax payable incurred in current period	$ 60,421	$ -
Tax on undistributed surplus earnings	24,799	-
Prior year income tax (over) under estimation	(20,000)	25,095
Total current tax	65,220	25,095
Deferred tax:		
Origination and reversal of temporary differences	(25,953)	198,867
Income tax expense	$ 39,267	$ 223,962

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

	Years ended December 31,	
	2023	2022
Currency translation differences	($ 143,689)	$ 77,468
Remeasurement of defined benefit obligations	3,514	3,057
	($ 140,175)	$ 80,525

B. Reconciliation between income tax expense and accounting profit

	Years ended December 31,	
	2023	2022
Tax calculated based on profit before tax and statutory tax rate	$ 299,279	$ 349,296
Effect from items disallowed by tax regulation	(264,811)	(150,429)
Tax on undistributed surplus earnings	24,799	-
Prior year income tax (over) under estimation	(20,000)	25,095
Income tax expense	$ 39,267	$ 223,962

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

	2023			
	January 1	Recognised in profit or loss	Recognised in other comprehensive income	December 31
Temporary differences:				
-Deferred tax assets:				
Bad debts expense	$ 3,562	$ -	$ -	$ 3,562
Unrealised loss on slow-moving inventories	5,110	8,272	-	13,382
Unrealised profit from sales	16,810	(10,986)	-	5,824
Remeasurement of defined benefit plan	7,416	-	(3,514)	3,902
Unused compensated absences	7,804	-	-	7,804
Unrealised exchange loss	-	-	-	-
Currency translation differences	137,441	-	143,689	281,130
Subtotal	$ 178,143	($ 2,714)	$ 140,175	$ 315,604
-Deferred tax liabilities:				
Unrealised exchange gain	($ 89,261)	$ 76,962	$ -	($ 12,299)
Unrealised long-term investment benefits	(741,145)	(47,078)	-	(788,223)
Pension costs	(8,503)	294	-	(8,209)
Others	(5,020)	(1,511)	-	(6,531)
Subtotal	($ 843,929)	$ 28,667	$ -	($ 815,262)
Total	($ 665,786)	$ 25,953	$ 140,175	($ 499,658)

	2022			
	January 1	Recognised in profit or loss	Recognised in other comprehensive income	December 31
Temporary differences:				
-Deferred tax assets:				
Bad debts expense	$ 3,562	$ -	$ -	$ 3,562
Unrealised loss on slow-moving inventories	5,975	(865)	-	5,110
Unrealised profit from sales	3,609	13,201	-	16,810
Remeasurement of defined benefit plan	10,473	-	(3,057)	7,416
Unused compensated absences	7,804	-	-	7,804
Unrealised exchange loss	12,851	(12,851)	-	-
Currency translation differences	214,909	-	(77,468)	137,441
Subtotal	$ 259,183	($ 515)	($ 80,525)	$ 178,143
-Deferred tax liabilities:				
Unrealised exchange gain	$ -	($ 89,261)	$ -	($ 89,261)
Unrealised long-term investment benefits	(638,133)	(103,012)	-	(741,145)
Pension costs	(7,192)	(1,311)	-	(8,503)
Others	(252)	(4,768)	-	(5,020)
Subtotal	($ 645,577)	($ 198,352)	$ -	($ 843,929)
Total	($ 386,394)	($ 198,867)	($ 80,525)	($ 665,786)

D. Expiration dates of unused tax losses and amounts of unrecognized deferred tax assets are as follows:

Year ended December 31, 2022				
Year incurred	Amount filed/assessed	Unused amount	Unrecognised deferred tax assets	Expiry year
2022	$ 653,609	$ 653,609	$ 653,609	2032

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

(27) Earnings per share

	Year ended December 31, 2023		
	Amount after tax	Weighted average number of ordinary shares outstanding (share in thousands)	Earnings per share (in dollars)
Basic earnings per share			
Profit attributable to ordinary shareholders of the parent	$ 1,457,132	471,542	$ 3.09
Diluted earnings per share			
Profit attributable to ordinary shareholders of the parent	$ 1,457,132	471,542	
Assumed conversion of all dilutive potential ordinary shares			
Employees' compensation	-	4,786	
Profit attributable to ordinary shareholders of the parent plus assumed conversion of all dilutive potential ordinary shares	$ 1,457,132	476,328	$ 3.06

	Year ended December 31, 2022		
	Amount after tax	Weighted average number of ordinary shares outstanding (share in thousands)	Earnings per share (in dollars)
Basic earnings per share			
Profit attributable to ordinary shareholders of the parent	$ 1,522,518	484,824	$ 3.14
Diluted earnings per share			
Profit attributable to ordinary shareholders of the parent	$ 1,522,518	484,824	
Assumed conversion of all dilutive potential ordinary shares			
Employees' compensation	-	6,353	
Profit attributable to ordinary shareholders of the parent plus assumed conversion of all dilutive potential ordinary shares	$ 1,522,518	491,177	$ 3.10

(28) Supplemental cash flow information

Investment activities with partial cash payments:

	Years ended December 31,	
	2023	2022
Purchase of property, plant and equipment	$ 81,405	$ 93,087
Add: Opening balance of payable on equipment	32,543	20,086
Ending balance of prepayments for equipment	16,873	13,134
Transfer of prepayments for equipment from previous year	3,090	2,325
Less: Ending balance of payable on equipment	(11,741)	(32,543)
Opening balance of prepayments for equipment	(13,134)	(6,754)
Cash paid during the year	$ 109,036	$ 89,335

(29) Changes in liabilities from financing activities

	2023					
	Short-term borrowings	Corporate bonds payable	Long-term borrowings	Lease liabilities	Other payables to related parties	Liabilities from financing activities - gross
At January 1	$ 614,475	$ 6,582,374	$ 10,698,750	$ 55,932	$ 122,840	$ 17,459,896
Changes in cash flow from financing activities	(614,475)	-	882,500	(44,428)	317,160	1,155,232
Interest expense paid	-	-	-	(723)	-	(723)
Changes in other non-cash items	-	3,580	-	62,651	-	66,231
At December 31	$ -	$ 6,585,954	$ 11,581,250	$ 73,432	$ 440,000	$ 18,680,636

	2022					
	Short-term borrowings	Corporate bonds payable	Long-term borrowings	Lease liabilities	Other payables to related parties	Liabilities from financing activities - gross
At January 1	$ 1,138,848	$ 6,578,570	$ 8,401,250	$ 95,841	$ 170,720	$ 15,246,381
Changes in cash flow from financing activities	(524,373)	-	2,297,500	(42,195)	(47,880)	2,207,425
Interest expense paid	-	-	-	(1,038)	-	(1,038)
Changes in other non-cash items	-	3,804	-	3,324	-	7,128
At December 31	$ 614,475	$ 6,582,374	$ 10,698,750	$ 55,932	$ 122,840	$ 17,459,896

7. RELATED PARTY TRANSACTIONS

(1) Names of related parties and relationship

Names of related parties	Relationship with the Group
CU International Ltd. (CU)	The subsidiary
Dongguan Fuqiang Electronics Co., Ltd. (DGFQ)	The subsidiary
Fugang Electronic (Dongguan) Co., Ltd. (FGEDG)	The subsidiary
Fugang Electric (Kunshan) Co., Ltd. (FGEKS)	The subsidiary
Kunshan Fugang Electric Trading Co., Ltd. (KFET)	The subsidiary
Foxlink Tianjin Co., Ltd. (FTJ)	The subsidiary
Foxlink Automotive Technology (Kunshan) Co., Ltd. (KAFE)	The subsidiary
Fushineng Electronics (Kunshan) Co., Ltd. (FSNK)	The subsidiary
Fu Gang Electronic (Nan Chang) Co., Ltd. (FENC)	The subsidiary
Fugang Electric (Yancheng) Co., Ltd. (FG YANCHENG)	The subsidiary
Fuqiang Electric (Yancheng) Co., Ltd. (FQ YANCHENG)	The subsidiary
Fugang Electric (Maanshan) Co., Ltd. (FG MAANSHAN)	The subsidiary
Fugang Electric (Xuzhou) Co., Ltd. (FG XuZhou)	The subsidiary
World Circuit Technology Co., Ltd. (WCT)	The subsidiary
Power Quotient International Co., Ltd. (PQI)	The subsidiary
Foxlink International Inc. (FOXLINK)	The subsidiary
Studio A Inc. (Studio A)	The subsidiary
Sinobest Brothers Limited (SINOBEST)	The subsidiary
Foxlink India Electric Private Limited (FIE)	The subsidiary
Foxlink Technical India Private Limited (FOXLINK INDIA)	The subsidiary
Foxlink (Vietnam) CO., LTD. (FV)	The subsidiary
Foxlink Da Nang Electronic Co., Ltd. (FDN)	The subsidiary (Note)
Straight A Inc. (Straight A)	The subsidiary
Studio A Technology Limited (Studio A Hong Kong)	The subsidiary
Ashop Co., Ltd. (ASHOP)	The subsidiary
Shinfox Energy Co., Ltd. (Shinfox)	The subsidiary
Foxwell Energy Corporation Ltd. (Foxwell Energy)	The subsidiary
Foxlink Technology Ltd. (FT)	The subsidiary
Suntain Co., Ltd. (Suntain)	The subsidiary
FIT Holding Co., Ltd. (FIT Holding)	The subsidiary
Foxlink Image Technology Co., Ltd. (Foxlink Image)	The subsidiary
Glory Science Co., Ltd. (Glory Science)	The subsidiary
Foxlink Automotive Technology Co., Ltd. (FAT)	The subsidiary
Well Shin Technology Co., Ltd. (Well Shin)	Associate
Microlink Communications Inc. (Microlink)	Associate
Sharetronic Data Technology Co., Ltd. (Sharetronic)	Associate
Synergy Co., Ltd. (Synergy)	Associate
Shin Hon International Investment Co., Ltd. (SHIN HON)	Other related party
Hon Hai Precision Industry Co., Ltd. (Hon Hai)	Other related party

Note：Investment in October 2023.

(2) Significant related party transactions

A. Operating revenue

	Years ended December 31,	
	2023	2022
Sales of goods:		
- Subsidiaries		
FOXLINK	$ 17,783,841	$ 19,986,459
Others	34,112	249,307
- Other related parties	707,681	798,909
	$ 18,525,634	$ 21,034,675

(a) All the credit terms on sales to related parties were 120 to 180 days after monthly billings. The credit terms on sales to third parties were 30 to 120 days after monthly billing or upon shipment of goods, except for receivables arising from the sales of tooling that are collectible upon acceptance by customers.

(b) The Company purchased goods from the abovementioned subsidiaries and sold to the customers after selling raw materials to the factories located in Mainland China for finished goods production for the years ended December 31, 2023 and 2022. Revenue and operating cost of sales of raw materials amounting to $29,798,236 and $32,969,240, respectively, were excluded from purchase or sales of goods as they were offset in the aforementioned transactions. The collections depend on the financial situation after offsetting the receivables against the payables.

B. Purchases of goods

	Years ended December 31,	
	2023	2022
Purchases of goods:		
- Subsidiaries		
DGFQ	$ 24,944,932	$ 22,462,964
FGEDG	15,438,851	16,108,184
FG XuZhou	9,735,601	13,420,213
Others	7,498,795	1,442,876
- Associates	245,525	390,858
- Other related parties	490,158	880,175
	$ 58,353,862	$ 60,071,036

The purchase price in relation to the transaction made with related parties and all purchases from related parties are at arm's-length. Payment period was 60 to 120 days after receipt of goods from suppliers.

C. Non-operating income - other income

	Years ended December 31,	
	2023	2022
Other income		
- Subsidiaries		
DGFQ	$ 221,264	$ 189,839
Others	79,008	48,817
	$ 300,272	$ 261,160

The Company charged technical service compensation and management service fees from CU, Foxlink Image, Suntain and DGFQ, respectively, and collected the net balance after offsetting with payables to related parties and considering the financial situation.

D. Receivables from related parties

	December 31, 2023	December 31, 2022
Accounts receivable:		
- Subsidiaries		
FOXLINK	$ 3,807,340	$ 5,764,180
Others	18,447	13,042
- Associates	484	461
- Other related parties	349,454	336,095
	$ 4,175,725	$ 6,113,778

	December 31, 2023	December 31, 2022
Other receivables-purchases on behalf of others		
- Subsidiaries		
FIE	$ 2,328,643	$ 2,377,076
FV	769,695	110,888
FG XuZhou	626,189	665,130
FG MANNSHAN	593,312	628,265
FSNK	439,700	1,442,477
Others	374,337	871,974
Other receivables-revenue from technical service compensation and management service fees		
- Subsidiaries	13,643	15,174
Other receivables-others		
- Subsidiaries	756	3,050
- Associates	4,234	4,234
	$ 5,150,509	$ 6,118,268

The receivables for raw materials as well as fixtures and equipment, purchased by the Company on behalf of the subsidiaries, were excluded from the purchases or sales of goods of the Company. The details are provided in Note 13(3).

E. Prepayments

	December 31, 2023	December 31, 2022
Prepayments:		
- Subsidiaries		
CU	$ 33,285	$ 103,809
- Other related parties	140	140
	$ 33,425	$ 103,949

Prepayments mainly refer to prepayments to suppliers and the related transactions were based on financial situation of the Company.

F. Payables to related parties

	December 31, 2023	December 31, 2022
Accounts payable:		
- Subsidiaries		
FGEDG	$ 4,158,415	$ 3,181,103
FG XuZhou	1,940,678	1,372,597
FENC	1,264,537	1,264,745
DGFQ	1,106,714	-
FV	999,718	-
FSNK	607,523	1,543,890
Others	609,769	715,406
- Associates	67,512	123,313
- Other related parties	62,895	52,471
	$ 10,817,761	$ 8,688,814

	December 31, 2023	December 31, 2022
Other payables-other financing payable		
- Subsidiaries		
FT	$ -	$ 122,840
WCT	100,000	-
FUII	140,000	-
Zhi De Investment	200,000	-
Other payables-Receipts under custody		
- Subsidiaries	94,070	46,888
- Associates	20,341	20,476
	$ 554,411	$ 190,204

Details of accounts payable are provided in the abovementioned Note 7(2)B., and other payables refer to financing and receipts under custody.

G. Lease transactions - lessee

(a) The Company leases buildings from other related parties. The lease term was 3 years and rent was paid at the beginning of every month.

(b) Acquisition of right-of-use assets

	Years ended December 31,	
	2023	2022
Subsidiaries	$ -	$ 2,254
Other related parties	-	-
	$ -	$ 2,254

(c) Lease liability

i. Outstanding balance:

	December 31, 2023	December 31, 2022
Subsidiaries	$ -	$ 18,873
Other related parties	4,550	13,542
	$ 4,550	$ 32,415

ii. Interest expense

	Years ended December 31,	
	2023	2022
Subsidiaries	$ 171	$ 474
Other related parties	151	294
	$ 322	$ 768

H. Property transactions

(a) Acquisition of property, plant and equipment

	Years ended December 31,	
	2023	2022
- Subsidiaries		
Others	$ 40,515	$ 494

The Company purchased equipment from subsidiaries for the years ended December 31, 2023 and 2022. The payment terms are based on mutual agreement.

(b) Disposal of property, plant and equipment and investment property:

	Year ended December 31, 2023	
	Disposal proceeds	Gain on disposal
Subsidiaries	$ 3,760	$ 24

	Year ended December 31, 2022	
	Disposal proceeds	Gain on disposal
Subsidiaries	$ 1,469	$ -

For the years ended December 31, 2023 and 2022, the Company sold equipment to subsidiaries, the collection terms were based on mutual agreement.

I. Endorsements and guarantees

	December 31, 2023	December 31, 2022
- Subsidiaries		
DGFQ	$ 1,298,100	$ 1,322,400
Studio A Hong Kong	1,228,200	1,228,400
Studio A	1,228,200	1,228,400
FOXLINK	994,842	995,004
ASHOP	859,740	859,880
KFET	829,035	829,170
Others	460,575	460,650
	$ 6,898,692	$ 6,923,904

(3) Key management compensation

	Years ended December 31,	
	2023	2022
Salaries and other short-term employee benefits	$ 154,714	$ 194,528
Post-employment benefits	1,944	1,873
Total	$ 156,658	$ 196,401

8. PLEDGED ASSETS

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

	Book value		
Pledged asset	December 31, 2023	December 31, 2022	Purpose
Refundable deposits (shown as other non-current assets)	$ 12,222	$ 12,222	Customs deposit

9. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNISED CONTRACT COMMITMENTS

(1) Contingencies

Information on related contingencies of the Company's subsidiaries is provided in Note 9(1).

(2) Commitments

Capital expenditure contracted for at the balance sheet date but not yet incurred is as follows:

	December 31, 2023	December 31, 2022
Property, plant and equipment	$ 9,165	$ 21,209

10. SIGNIFICANT DISASTER LOSS

The plant of the Company's subsidiary, Foxlink India Electric Private Limited, which was located in Tirupati, India sustained a fire damage on February 27, 2023, resulting in losses on certain equipment and inventory. Disaster loss recognised for equipment and inventories amounted to $249,584 and $302,830, respectively, and the total disaster loss amounted to $552,414. The claim compensation received from the insurance company for the above disaster loss amounted to $520,642. Refer to Note 6(7) in the consolidated financial statements for details of related loss on inventories and Note 6(10) in the consolidated financial statements for details of related loss on equipment. The Company recognised the related claim compensation in 'other income' amounting to $520,642, refer to Note 6(21) for details.

11. SIGNIFICANT SUBSEQUENT EVENTS

A. Details of the appropriation of 2023 earnings as resolved by the Board of Directors on March 11, 2024 are provided in Note 6(17).

B. To meet the requirement of working capital of the second-tier subsidiary, Shinfox Energy Co., Ltd., the Board of Directors of the Company during their meeting on March 11, 2024 resolved to provide short-term financing, and the borrowing facility amounted to NT$1.5 billion. The borrowing is repayable based on the contract, and the interest is paid at 8% per annum.

12. OTHERS

(1) Capital management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt. The Company monitors capital on the basis of the actual financial condition.

(2) Financial instruments

A. Financial instruments by category

	December 31, 2023	December 31, 2022
Financial assets		
Financial assets at amortised cost/loans and receivables		
Cash and cash equivalents	$ 538,637	$ 397,360
Notes receivable	1,614	2,117
Accounts receivable	14,354,736	14,651,812
Other receivables	5,159,622	6,183,147
Guarantee deposits paid	12,222	12,222
	$ 20,066,831	$ 21,246,658

	December 31, 2023	December 31, 2022
Financial liabilities		
Financial liabilities at amortised cost		
Short-term borrowings	$ -	$ 614,475
Accounts payable	11,677,735	9,255,219
Other accounts payable	9,246,233	9,907,938
Bonds payable (including current portion)	6,585,954	6,582,374
Long-term borrowings (including current portion)	11,581,250	10,698,750
Guarantee deposits received	3,117	2,953
	$ 39,094,289	$ 36,447,234
Lease liability	$ 73,432	$ 55,932

B. Risk management policies

(a) The Company's activities expose it to a variety of financial risks: market risk (including foreign exchange risk, interest rate risk and price risk), credit risk and liquidity risk. The Company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Company's financial position and financial performance.

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

C. Significant financial risks and degrees of financial risks

(a) Market risk

Foreign exchange risk

i. The Company operates internationally and is exposed to exchange rate risk arising from the transactions of the Company used in various functional currency, primarily with respect to the USD and RMB. Exchange rate risk arises from future commercial transactions and recognised assets and liabilities.

ii. Management has set up a policy to require Company entities to manage their foreign exchange risk against their functional currency. The companies are required to hedge their entire foreign exchange risk exposure with the Company treasury. Exchange rate risk is measured through a forecast of highly probable USD and RMB expenditures. Forward foreign exchange contracts are adopted to minimise the volatility of the exchange rate affecting cost of forecast inventory purchases.

iii. The Company's businesses involve some non-functional currency operations (the

Company's functional currency: NTD). The information on assets and liabilities denominated in foreign currencies whose values would be materially affected by the exchange rate fluctuations is as follows:

	December 31, 2023		
	Foreign currency amount (In thousands)	Exchange rate	Book value (NTD)
(Foreign currency: functional currency)			
Financial assets			
Monetary items			
USD：NTD	$ 521,890	30.71	$ 16,024,632
RMB：NTD	429	4.33	1,856
HKD：NTD	196	3.93	770
EUR：NTD	664	33.98	22,563
JPY：NTD	6,929	0.22	1,505
SGD：NTD	16	23.29	373
Non-monetary items			
USD：NTD	$ 58,659	30.71	$ 1,801,125
HKD：NTD	7,020,076	3.93	27,581,877
Financial liabilities			
Monetary items			
USD：NTD	$ 622,098	30.71	$ 19,101,519
RMB：NTD	756	4.33	3,271
HKD：NTD	638	3.93	2,507
EUR：NTD	992	33.98	33,708
JPY：NTD	50,568	0.22	10,983

	December 31, 2022		
	Foreign currency amount (In thousands)	Exchange rate	Book value (NTD)
(Foreign currency: functional currency)			
Financial assets			
Monetary items			
USD：NTD	$ 555,477	30.71	$ 17,058,637
RMB：NTD	291	4.41	1,283
HKD：NTD	408	3.94	1,607
EUR：NTD	494	32.72	31,051
JPY：NTD	72,655	0.23	16,885
SGD：NTD	16	22.88	366
GBP：NTD	0.50	37.09	19
THB：NTD	72	0.89	64
Non-monetary items			
USD：NTD	$ 49,422	30.71	$ 1,517,747
HKD：NTD	6,555,311	3.94	25,814,814
Financial liabilities			
Monetary items			
USD：NTD	$ 560,838	30.71	$ 17,223,335
RMB：NTD	793	4.41	3,496
HKD：NTD	4,360	3.94	17,170
EUR：NTD	1,189	32.72	38,904
JPY：NTD	30,667	0.23	7,127

iv. The total exchange (loss) gain, including realised and unrealised, arising from significant foreign exchange variation on the monetary items held by the Company for the years ended December 31, 2023 and 2022 amounted to $140,865 and $282,969, respectively.

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

	Year ended December 31, 2023		
	Sensitivity Analysis		
	Degree of variation	Effect on profit or loss	Effect on other comprehensive income
(Foreign currency: functional currency)			
Financial assets			
Monetary items			
USD：NTD	1%	$ 160,246	$ -
RMB：NTD	1%	19	-
HKD：NTD	1%	8	-
EUR：NTD	1%	226	-
JPY：NTD	1%	15	-
SGD：NTD	1%	4	-
Financial liabilities			
Monetary items			
USD：NTD	1%	$ 191,015	$ -
RMB：NTD	1%	33	-
HKD：NTD	1%	25	-
EUR：NTD	1%	337	-
JPY：NTD	1%	110	-

	Year ended December 31, 2022		
	Sensitivity Analysis		
	Degree of variation	Effect on profit or loss	Effect on other comprehensive income
(Foreign currency: functional currency)			
Financial assets			
Monetary items			
USD：NTD	1%	$ 170,587	$ -
RMB：NTD	1%	13	-
HKD：NTD	1%	16	-
EUR：NTD	1%	311	-
JPY：NTD	1%	169	-
SGD：NTD	1%	4	-
Financial liabilities			
Monetary items			
USD：NTD	1%	$ 172,233	$ -
RMB：NTD	1%	35	-
HKD：NTD	1%	172	-
EUR：NTD	1%	389	-
JPY：NTD	1%	71	-

Cash flow and fair value interest rate risk

i. The Company's main interest rate risk arises from long-term borrowings with variable rates, which expose the Company to cash flow interest rate risk. The Company's interest rates of borrowings are fixed and floating rate. For the years ended December 31, 2023 and 2022, the Company's borrowings issued by floating rate are priced in New Taiwan dollars.
ii. As of December 31, 2023 and 2022, if interest rates on borrowings at that date had been 1% lower/higher with all other variables held constant, post-tax profit for the years ended December 31, 2023 and 2022 would have been $92,650 and $85,590 lower/higher, respectively, mainly as a result of higher interest expense on floating rate borrowings.

(b) Credit risk

i. Credit risk refers to the risk of financial loss to the Company arising from default by the clients or counterparties of financial instruments on the contract obligations. The main factor is that counterparties could not repay in full the accounts receivable based on the agreed terms.
ii. According to the Company's credit policy, each local entity in the Company is responsible for managing and analysing the credit risk for each of their new clients before standard payment and delivery terms and conditions are offered. Internal risk control assesses the credit quality of the customers, taking into account their financial position, past experience and other factors. Individual risk limits are set based on internal or external ratings in accordance with limits set by the Board of Directors. The utilisation of credit limits is regularly monitored.
iii. Company treasury manages credit risk of cash in banks and other financial instruments based on the Company's credit policy. Because the Company's counterparties are determined based on the Company's internal control, only rated banks with an optimal rating and financial institutions with investment grade are accepted.
iv. The Company adopts following assumptions under IFRS 9 to assess whether there has been a significant increase in credit risk on that instrument since initial recognition. If the contract payments were past due over 30 days based on the terms, there has been a significant increase in credit risk on that instrument since initial recognition.

    The Company adopts the assumptions under IFRS 9 and considers the industry characteristics, the default occurs when the contract payments are past due over 120 days.
v. The following indicators are used to determine whether the credit impairment of debt instruments has occurred:
    (i) It becomes probable that the issuer will enter bankruptcy or other financial reorganisation due to their financial difficulties;
    (ii) A breach of contract.
vi. The Company classifies customers' accounts receivable in accordance with customer types. The Company applies the roll rate to estimate expected credit loss.

vii. The Company used the forecast ability of Taiwan Institute of Economic Research boom observation report to adjust historical and timely information to assess the default possibility of accounts receivable. As of December 31, 2023 and 2022, the provision matrix is as follows:

	Not past due	Up to 30 days past due	31~120 days past due	Over 120 days	Total
At December 31, 2023					
Expected loss rate	0.13%	2.06%	4.25%	100.00%	
Total book value	$ 9,747,178	$ 442,096	$ 12,519	$ 12	$ 10,201,805
Loss allowance	$ 13,122	$ 9,128	$ 532	$ 12	$ 22,794

	Not past due	Up to 30 days past due	31~120 days past due	Over 120 days	Total
At December 31, 2022					
Expected loss rate	0.10%	3.71%	17.22%	100.00%	
Total book value	$ 8,136,871	$ 399,822	$ 29,847	$ 17,655	$ 8,584,195
Loss allowance	$ 8,538	$ 14,828	$ 5,140	$ 17,655	$ 46,161

viii. Movements in relation to the Company applying the simplified approach to provide loss allowance for accounts receivable are as follows:

	2023	2022
	Accounts receivable	Accounts receivable
At January 1	$ 46,161	$ 34,576
Provision for impairment (gain on reversal of impairment loss)	(23,367)	11,585
Effect of foreign exchange	-	-
At December 31	$ 22,794	$ 46,161

(c) Liquidity risk

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

ii. The table below analyses the Company's non-derivative financial liabilities and net-settled or gross-settled derivative financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date for non-derivative financial liabilities and to the expected maturity date for derivative financial liabilities. The amounts disclosed in the table are the contractual undiscounted cash flows:

Non-derivative financial liabilities:

December 31, 2023	Less than 1 year	Between 1 and 2 years	Between 2 and 3 years	Between 3 and 5 years	Over 5 years
Short-term borrowings	$ -	$ -	$ -	$ -	$ -
Lease liabilities	20,108	6,600	6,600	13,200	30,800
Long-term borrowings (including current portion)	300,791	9,571,530	2,134,979	-	-

Non-derivative financial liabilities:

December 31, 2022	Less than 1 year	Between 1 and 2 years	Between 2 and 3 years	Between 3 and 5 years	Over 5 years
Short-term borrowings	$ 621,870	$ -	$ -	$ -	$ -
Lease liabilities	42,951	13,508	-	-	-
Long-term borrowings (including current portion)	208,479	4,869,748	6,086,491	-	-

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

(3) Other matters

The Group's financial condition and financial performance were not affected by the Covid-19 outbreak and various preventive measures which were imposed by the government in 2023.

13. SUPPLEMENTARY DISCLOSURES

(1) Significant transactions information

For the investees' information, refer to investees' independent accountant attestation report.

A. Loans to others: Please refer to table 1.

B. Provision of endorsements and guarantees to others: Please refer to table 2.

C. Holding of marketable securities at the end of the period (not including subsidiaries, associates and joint ventures): Please refer to table 3.

D. Acquisition or sale of the same security with the accumulated cost exceeding $300 million or 20% of the Company's paid-in capital: Please refer to table 4.

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

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

G. Purchases or sales of goods from or to related parties reaching $100 million or 20% of paid-in capital or more: Please refer to table 5.

H. Receivables from related parties reaching $100 million or 20% of paid-in capital or more: Please refer to table 6.

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

(2) Information on investees

For the information on investees, except for current profit (loss) for the year ended December 31, 2023 is translated using the monthly average exchange rate in 2023, others are translated using the spot rate at December 31, 2023.

Names, locations and other information of investee companies (not including investees in Mainland China): Please refer to table 8.

(3) Information on investments in Mainland China

A. Processing on order plant invested in Mainland China:

In 1997, the Company rented plants located in Shenzhen and Dongguan, Guangdong Province, Mainland China, respectively, through the investee, CU International Ltd. and operated the plants through processing on order. The plants were primarily engaged in the manufacture of electronic telecommunication components and electric wire, under CU International Ltd. without their own corporate entity for the operating period ended December 2017. As of March 11, 2024, the plants are still under the cancellation process.

B. Investee in Mainland China, main business activities, paid-in capital, investment method, amount remitted from Taiwan to Mainland China / amount remitted back to Taiwan, ownership, investment income (loss), investments in Mainland China as of December 31, 2023, book value, investment income remitted back and ceiling on investments in Mainland China: Please refer to table 9.

C. Significant transactions, either directly or indirectly through a third area, with investee companies in the Mainland China, and price, payment terms, unreleased income/loss and other related information relating to investments in Mainland China:

(a) The amount and percentage of purchases and the balance and percentage of the related payables at the end of the period:

		Year ended December 31, 2023	
Company name	General ledger account	Amount	Ownership (%)
Dongguan Fuqiang Electronics Co., Ltd.	Purchases of goods	$ 24,944,932	42%
Fugang Electronic (Dongguan) Co., Ltd.	Purchases of goods	$ 15,438,851	26%
Fugang Electric (Xuzhou) Co., Ltd.	Purchases of goods	$ 9,735,601	16%
Fushineng Electronics (Kunshan) Co., Ltd.	Purchases of goods	$ 2,800,885	5%
Fugang Electric (Kunshan) Co., Ltd.	Purchases of goods	$ 2,219,089	4%
Fugang Electric (Maanshan) Co., Ltd.	Purchases of goods	$ 429,760	1%
Foxlink Automotive Technology (Kunshan) Co., Ltd.	Purchases of goods	$ 212,600	-

Company name	General ledger account	December 31, 2023 Amount	Ownership (%)
Fugang Electronic (Dongguan) Co., Ltd.	Accounts payable	$ 4,158,415	34%
Fugang Electric (Xuzhou) Co., Ltd.	Accounts payable	$ 1,940,678	18%
Fu Gang Electronic (Nan Chang) Co., Ltd.	Accounts payable	$ 1,264,537	12%
Dongguan Fuqiang Electronics Co., Ltd.	Accounts payable	$ 1,106,714	9%
Fushineng Electronics (Kunshan) Co., Ltd.	Accounts payable	$ 607,523	6%
Fugang Electric (Maanshan) Co., Ltd.	Accounts payable	$ 298,231	3%
Fuqiang Electric (Yancheng) Co., Ltd.	Accounts payable	$ 123	-

(b) Balance and purpose of provision of endorsements/guarantees or collateral at the end of the period: Please refer to table 2.

(c) Maximum balance, ending balance, interest rate range and interest for financing during the period and at December 31, 2023: Please refer to table 1.

(d) Other transactions that have a significant impact on the profit/loss of current period or on the financial condition, such as the rendering or receiving of service:

Company name	General ledger account	Year ended December 31, 2023 Amount	Ownership (%)
Dongguan Fuqiang Electronics Co., Ltd.	Raw materials purchased on behalf of others	$ 11,365,775	38%
Fugang Electronic (Dongguan) Co., Ltd.	Raw materials purchased on behalf of others	$ 6,400,961	21%
Fugang Electric (Xuzhou) Co., Ltd.	Raw materials purchased on behalf of others	$ 6,341,729	21%
Fushineng Electronics (Kunshan) Co., Ltd.	Raw materials purchased on behalf of others	$ 1,256,436	4%
Fugang Electric (Kunshan) Co., Ltd.	Raw materials purchased on behalf of others	$ 1,192,802	4%
Fugang Electric (Maanshan) Co., Ltd.	Raw materials purchased on behalf of others	$ 274,878	1%
Foxlink Automotive Technology (Kunshan) Co., Ltd.	Raw materials purchased on behalf of others	$ 114,674	-

		Year ended December 31, 2023	
Company name	General ledger account	Amount	Ownership (%)
Dongguan Fuqiang Electronics Co., Ltd.	Fixture and equipment purchased on behalf of others	$ 117,705	50%
Fushineng Electronics (Kunshan) Co., Ltd.	Fixture and equipment purchased on behalf of others	$ 23,505	10%
Fugang Electric (Kunshan) Co., Ltd.	Fixture and equipment purchased on behalf of others	$ 19,291	8%
Fugang Electric (Xuzhou) Co., Ltd.	Fixture and equipment purchased on behalf of others	$ 6,828	3%
Fugang Electronic (Dongguan) Co., Ltd.	Fixture and equipment purchased on behalf of others	$ 1,246	1%
Fugang Electric (Maanshan) Co., Ltd.	Fixture and equipment purchased on behalf of others	$ 110	-

		December 31, 2023	
Company name	General ledger account	Amount	Ownership (%)
Fugang Electric (Xuzhou) Co., Ltd.	Other receivables	$ 626,189	12%
Fugang Electric (Maanshan) Co., Ltd.	Other receivables	$ 593,312	11%
Fushineng Electronics (Kunshan) Co., Ltd.	Other receivables	$ 439,700	8%
Fugang Electric (Kunshan) Co., Ltd.	Other receivables	$ 159,286	3%
Fu Gang Electronic (Nan Chang) Co., Ltd.	Other receivables	$ 63,979	1%
Dongguan Fuqiang Electronics Co., Ltd.	Other receivables	$ 17,846	-
Fuqiang Electric (Yancheng) Co., Ltd.	Other receivables	$ 13,054	-
Fugang Electric (Yancheng) Co., Ltd.	Other receivables	$ 477	-
Foxlink Tianjin Co., Ltd.	Other receivables	$ 35	-

(4) Major shareholders information

Major shareholders information: Please refer to table 10.

14. SEGMENT INFORMATION

None.

CHENG UEI PRECISION INDUSTRY CO.,LTD.
STATEMENT OF CASH AND CASH EQUIVALENTS
DECEMBER 31, 2023
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

Item	Description	Amount
Cash on hand and petty cash		$ 905
Checking accounts		
NTD deposits		6,493
HKD deposits	HKD 67 thousand; conversion rate was 3.93	262
Demand deposits		
NTD deposits		101,816
USD deposits	USD 6,153 thousand; conversion rate was 30.71	188,938
JPY deposits	JPY 6,438 thousand; conversion rate was 0.22	1,398
RMB deposits	RMB 408 thousand; conversion rate was 4.33	1,766
EUR deposits	EUR 22 thousand; conversion rate was 33.98	732
HKD deposits	HKD 171 thousand; conversion rate was 3.93	671
SGD deposits	SGD 15 thousand; conversion rate was 23.29	357
Time deposits		
NTD deposits		713
USD deposits	USD 7,640 thousand; conversion rate was 30.71	234,586
		$ 538,637

CHENG UEI PRECISION INDUSTRY CO.,LTD.
STATEMENT OF ACCOUNTS RECEIVABLE
DECEMBER 31, 2023
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

Client Name	Amount	Note
Non-related parties		
Avary Holding (Shenzhen) Co., Ltd.	$ 1,360,254	
Goertek Technology Vina Co., Ltd.	1,218,301	
Luxshare Precision Limited	770,517	
APPLE Inc.	744,245	
Jiangxi Luxshare Intelligent Manufacture Co., Ltd.	693,278	
Mflex Suzhou Co.,Ltd.	624,836	
Apple Operations Europe Limited	623,701	
Others	4,166,673	Balance of each client has not exceeded 5% of total account balance
	10,201,805	
Less: Allowance for bad debts	(22,794)	
	10,179,011	
Related parties		
FOXLINK	3,807,340	
Hon Hai	349,454	
Others	18,931	
	4,175,725	
	$ 14,354,736	

CHENG UEI PRECISION INDUSTRY CO.,LTD.
STATEMENT OF INVENTORIES
DECEMBER 31, 2023
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

Item	Amount		Note
	Cost	Market Value	
Manufactures	$ 2,593,260	$ 2,554,700	Net realisable value
Work in progress	68,220	106,200	〃
Material	171,910	169,858	〃
	2,833,390	$ 2,830,758	
Less: Allowance for loss on slow-moving inventories and valuation loss	(66,908)		
	$ 2,766,482		

CHENG UEI PRECISION INDUSTRY CO.,LTD.
MOVEMENT SUMMARY OF INVESTMENTS ACCOUNTED FOR UNDER THE EQUITY METHOD
FOR THE YEAR ENDED DECEMBER 31, 2023
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

	Opening Balance		Addition		Decrease		Ending Balance			Net Assets Value			
Investee	No. of shares (in thousands)	Amount	No. of shares (in thousands)	Amount (Note 1)	No. of shares (in thousands)	Amount (Note 2)	No. of shares (in thousands)	Percentage of Ownership	Amount	Unit Price (in dollars)	Total Amount	Valuation Basis	For collateralize and pledge
CU International Ltd.	478,350	$ 25,409,499	15,200	$ 1,313,820	-	($ 558,352)	493,550	100%	$ 26,164,967	-	$ 26,199,631	Equity method	None
CULINK International Ltd.	32,228	1,472,408	1,300	412,267	-	(111,839)	33,528	100%	1,772,836	-	1,772,836	Equity method	None
Foxlink International Investment Ltd.	408,750	3,696,037	60,000	1,391,121	-	(696,425)	468,750	100%	4,390,733	-	5,013,507	Equity method	None
Fu Uei International Investment Ltd.	425,000	3,230,556	-	135,620	-	(640,809)	425,000	100%	2,725,367	-	2,739,819	Equity method	None
Well Shin Technology Co., Ltd.	22,282	1,278,262	-	95,926	-	(105,205)	22,282	18.84%	1,268,983	-	1,152,001	Equity method	None
Darts Technologies Corporation	47,576	879,437	-	326,705	-	(19,477)	47,576	97%	1,186,665	-	1,186,665	Equity method	None
SINOBEST BROTHERS Ltd.	20,704	316,883	-	277	-	(16,929)	20,704	91.19%	300,231	-	300,231	Equity method	None
DU Precision Industry Co., Ltd.	60,000	69,294	-	17,480	-	-	60,000	100%	86,774	-	108,477	Equity method	None
FOXLINK TECHNOLGY Ltd.	86,700	890,227	-	1,329	-	(1,949)	86,700	100%	889,607	-	877,999	Equity method	None
FOXLINK ARIZONA Inc.	7,300	45,339	8,170	256,013	-	(273,063)	15,470	100%	28,289	-	28,289	Equity method	None
Suntain Co., Ltd.	20,602	236,699	1,772	12,837	-	-	22,374	100%	249,536	-	249,536	Equity method	None
		37,524,641		3,963,395		(2,424,048)			39,063,988		39,628,991		
Current prepayments for investments		227,072		-		-			227,072		227,072		
-JOURN TA		$ 37,751,713		$ 3,963,395		($ 2,424,048)			$ 39,291,060		$ 39,856,063		

Note 1: Addition in the year including gain on investment, changes in net asset value of investees' equity, accumulated translation adjustment, unrealised gain or loss on financial instrument and amount of investment increase.

Note 2: Decrease in the year including loss from investment, accumulated translation adjustment, distribution of cash dividends, changes in net asset value of investees' equity, disposal of investment and share returned from capital decrease of investee.

CHENG UEI PRECISION INDUSTRY CO.,LTD.

MOVEMENT SUMMARY OF PROPERTY, PLANT AND EQUIPMENT AND INVESTMENT PROPERTY

FOR THE YEAR ENDED DECEMBER 31, 2023

(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

Item	Opening Balance	Addition	Decrease	Transfers	Ending Balance	For collateralize and pledge	Note
Lands	$ 412,428	$ -	$ -	$ -	$ 412,428	None	
Buildings and structures	1,785,939	-	-	9,665	1,795,604	〃	
Machinery and equipment	121,996	17,802	(16,837)	682	123,643	〃	
Office equipment	39,086	12,892	(3,442)	-	48,536	〃	
Other equipment	210,688	50,711	(56,453)	27,651	232,597	〃	
Unfinished construction	25,243	-	-	(25,243)	-	〃	
	$ 2,595,380	$ 81,405	($ 76,732)	$ 12,755	$ 2,612,808		
Investment property							
Buildings and structures	$ 198,804	$ -	$ -	($ 9,665)	$ 189,139	〃	

CHENG UEI PRECISION INDUSTRY CO.,LTD.

MOVEMENT SUMMARY OF ACCUMULATED DEPRECIATION AND IMPAIRMENT OF PROPERTY, PLANT AND EQUIPMENT AND INVESTMENT PROPERTY

FOR THE YEAR ENDED DECEMBER 31, 2023

(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

Item	Opening Balance	Addition	Decrease	Transfers	Ending Balance	Note
Buildings and structures	$ 574,941	$ 36,196	$ -	$ 3,260	$ 614,397	
Machinery and equipment	73,348	19,747	(14,123)	-	78,972	
Office equipment	16,625	11,238	(3,442)	-	24,421	
Other equipment	101,384	31,163	(55,355)	-	77,192	
	$ 766,298	$ 98,344	($ 72,920)	$ 3,260	$ 794,982	
Investment property						
Buildings and structures	$ 45,614	$ 3,734	$ -	($ 3,260)	$ 46,088	

CHENG UEI PRECISION INDUSTRY CO.,LTD.
STATEMENT OF ACCOUNTS PAYABLE
DECEMBER 31, 2023
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

Client Name	Amount	Note
Non-related parties		
He Zhan Electronic Co., Ltd.	$ 144,098	
Others	715,876	Balance of each client has not exceeded 5% of total account balance
	$ 859,974	
Related parties		
FGEDG	4,158,415	
FG XuZhou	1,940,678	
FENC	1,264,537	
DGFQ	1,106,714	
FV	999,718	
FSNK	607,523	
Others	740,176	
	10,817,761	
	$ 11,677,735	

CHENG UEI PRECISION INDUSTRY CO.,LTD.
STATEMENT OF LONG-TERM BORROWINGS
DECEMBER 31, 2023
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

Creditor	Description	Amount	Contract Period	Interest Rate	For collateralize and pledge	Note
Bank of Taiwan	Unsecured syndicate credit long-term borrowing	$ 320,000	2020/11/23~2025/11/23	2.20%	None	
Taiwan Cooperative Bank	〃	240,000	〃	〃	〃	
Land Bank	〃	240,000	〃	〃	〃	
Taipei Fubon Bank	〃	240,000	〃	〃	〃	
BANK SINOPAC CO., LTD.	〃	240,000	〃	〃	〃	
Yuanta Commercial Bank	〃	240,000	〃	〃	〃	
Hua Nan Commercial Bank	〃	240,000	〃	〃	〃	
Cathay Bank	〃	240,000	〃	〃	〃	
Mega Bank	〃	240,000	〃	〃	〃	
Agricultural Bank of Taiwan	〃	160,000	〃	〃	〃	
E.SUN BANK	〃	200,000	〃	〃	〃	
KGI Commercial Bank Co., Ltd.	〃	240,000	〃	〃	〃	
Far Eastern International Bank	〃	120,000	〃	〃	〃	
The Shanghai Commercial & Savings Bank, Lt	〃	240,000	〃	〃	〃	
		3,200,000				

CHENG UEI PRECISION INDUSTRY CO.,LTD.
STATEMENT OF LONG-TERM BORROWINGS (Cont.)
DECEMBER 31, 2023
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

Creditor	Description	Amount	Contract Period	Interest Rate	For collateralize and pledge	Note
Taipei Fubon Bank	Mid and long term unsecured borrowings	$ 1,800,000	2023/5/31~2025/5/31	1.88%	None	
Far Eastern International Bank	〃	300,000	2023/7/10~2026/7/10	1.89%	〃	
BANK SINOPAC CO., LTD.	〃	1,500,000	2023/12/31~2026/12/31	1.85%	〃	
KGI Commercial Bank Co., Ltd.	〃	885,000	2023/9/26~2025/9/26	1.88%	〃	
Mizuho Bank	〃	900,000	2023/8/10~2025/8/10	1.91%	〃	
Cathay Bank	〃	500,000	2023/3/31~2025/3/31	1.88%	〃	
DBS Bank	〃	900,000	2023/2/25~2023/2/25	1.84%	〃	
First Bank	〃	600,000	2023/10/31~2025/10/31	1.90%	〃	
Yuanta Commercial Bank	〃	400,000	2023/12/18~2025/12/17	1.90%	〃	
Export-Import Bank of Republic of China	〃	28,750	2018/11/29~2023/11/29	1.94%	〃	
Export-Import Bank of Republic of China	〃	67,500	2019/7/11~2024/7/11	1.89%	〃	
Panhsin Bank	〃	200,000	2023/12/25~2025/12/25	1.91%	〃	
E.SUN BANK	〃	300,000	2023/11/1~2026/11/1	1.70%	〃	
		8,381,250				
Subtotal		11,581,250				
Less: Current portion		(73,750)				
Total		$ 11,507,500				

CHENG UEI PRECISION INDUSTRY CO.,LTD.
STATEMENT OF OPERATING REVENUE
FOR THE YEAR ENDED DECEMBER 31, 2023
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

Item	Volume	Amount	Note
Electronic equipment (including components and other electronic related products)		$ 60,330,921	
Less: Sales returns		(23,358)	
Sales discounts and allowances		(155,795)	
		$ 60,151,768	

CHENG UEI PRECISION INDUSTRY CO.,LTD.
STATEMENT OF OPERATING COSTS
FOR THE YEAR ENDED DECEMBER 31, 2023
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

Item	Amount	Note
Raw materials at the beginning	$ 139,668	
Add: Materials purchased for the year	679,696	
Less: Raw materials at the end	(171,910)	
Raw materials used in the year	647,454	
Direct labor	101,427	
Manufacturing Expenses	528,375	
Manufacturing costs	1,277,256	
Add:Work in progress at the beginning	33,208	
Less:Work in progress at the end	(68,220)	
Cost of finished goods	1,242,244	
Add: Finished goods at the beginning	1,461,805	
Finished goods purchased for the year	58,646,424	
Less: Finished goods at the end	(2,593,260)	
Manufacturing and selling costs	58,757,213	
Less: Revenue from sales of scraps	41,358	
Total operating costs	$ 58,798,571	

CHENG UEI PRECISION INDUSTRY CO.,LTD.
STATEMENT OF MANUFACTURING EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2023
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

Item	Amount	Note
Freight	$ 107,433	
Indirect labor	78,900	
Depreciation expense	47,993	
Processing fees	31,990	
Others	262,059	
	$ 528,375	

CHENG UEI PRECISION INDUSTRY CO.,LTD.
STATEMENT OF SALES AND MARKETING EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2023
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

Item	Amount	Note
Wages and Salaries	$ 105,936	
Freight	25,400	
Others	42,955	
	$ 174,291	

CHENG UEI PRECISION INDUSTRY CO.,LTD.
STATEMENT OF GENERAL AND ADMINISTRATIVE EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2023
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

Item	Amount	Note
Wages and Salaries	$ 200,634	
Depreciation expense	72,241	
Professional service fee	35,412	
Insurance expense	33,618	
Entertainment expense	32,066	
Freight	25,762	
Others	159,178	
	$ 558,911	

CHENG UEI PRECISION INDUSTRY CO.,LTD.
STATEMENT OF RESEARCH AND DEVELOPMENT EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2023
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

Item	Amount	Note
Wages and salaries	$ 605,676	
Insurance expense	47,194	
Traveling expense	26,254	
Depreciation expense	20,611	
Research and development expenses	19,643	
Others	140,063	
	$ 859,441	

CHENG UEI PRECISION INDUSTRY CO.,LTD.

SUMMARY STATEMENT OF CURRENT PERIOD EMPLOYEE BENEFITS, DEPRECIATION, DEPLETION AND AMORTIZATION EXPENSES BY FUNCTION

FOR THE YEAR ENDED DECEMBER 31, 2023

(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

Function / Nature	Year ended December 31, 2023			Year ended December 31, 2022		
	Classified as Operating Costs	Classified as Operating Expenses	Total	Classified as Operating Costs	Classified as Operating Expenses	Total
Employee benefit expense						
Wages and Salaries	126,951	912,246	1,039,197	364,485	1,004,804	1,369,289
Labour and health insurance fees	13,055	75,787	88,842	12,026	65,846	77,872
Pension costs	5,672	36,600	42,272	5,799	34,804	40,603
Directors' remuneration	-	8,000	8,000	-	10,000	10,000
Other personnel expenses	8,883	49,457	58,340	9,022	48,444	57,466
Depreciation expense (Note 1)	47,993	92,934	140,927	46,800	97,115	143,915
Amortisation charge	357	14,210	14,567	217	10,653	10,870

Note 1: For the years ended December 31, 2023 and 2022, the Company's depreciation expense recognised in non-operating expenses and loss amounted to $3,734 and $3,920, respectively.

Note 2: For the years ended December 31, 2023 and 2022, the Company had 963 and 902 employees, including 5 and 5 non-employee directors, respectively.

Note 3: For the years ended December 31, 2023 and 2022 , the average employee benefit expense amounted to $1,283 and $1,723, respectively.

Note 4: For the years ended December 31, 2023 and 2022, the average employee salary expenses amounted to $1,085 and $1,527, respectively. For the year ended December 31, 2023, the average change in adjustments on salary expenses was (29%).

Note 5: The Company's policies on salary and remuneration (including directors, independent directors, managers and employees).

(a) For payment to directors and independent directors, the correlation between the Company's policy, standard and combination, procedures of setting remuneration, operating performance and future risk are as follows:

CHENG UEI PRECISION INDUSTRY CO.,LTD.
SUMMARY STATEMENT OF CURRENT PERIOD EMPLOYEE BENEFITS, DEPRECIATION, DEPLETION AND AMORTIZATION EXPENSES BY FUNCTION (Cont.)
FOR THE YEAR ENDED DECEMBER 31, 2023
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

i. The Company's remuneration of directors were paid based on the common standard of the Company's conference attendance fees and traveling fee approved by the Board of Directors.

ii. According to Article 23 of the Company's Articles of Incorporation: income before tax deduct income before employees' compensation and directors' remuneration, after offsetting deficits, if any, shall be distributed as employees' compensation not lower than 6% and directors' remuneration not higher than 3% after resolving by the Board of Directors.

(b) For payment to managers, the correlation between the Company's policy, standard and combination, procedures of setting remuneration, operating performance and future risk are as follows:

i. The Company's remuneration for managers shall based on the Company's regulation of performance assessment, individual's performance and operating contribution to the Company's operation taking into consideration the market standard within the same industry, and reported to the directors for approval after being reviewed by salary and remuneration committee.

ii. According to Article 23 of the Company's Articles of Incorporation: income before tax deduct income before employees' compensation and directors' remuneration, after offseting deficits, if any, shall be distributed as employees' compensation not lower than 6% and directors' remuneration not higher than 3% after resolving by the Board of Directors.

(c) For payment to employees, the correlation between the Company's policy, standard and combination, procedures of setting remuneration, operating performance and future risk are as follows:

i. The Company's compensation for employees were determined based on individual ability, contribution to the company and performance which have positive correlation with operating performance.

The Company has adequately controlled the future risk, the policies of compensation also related with future risk.Whole combination of salary and compensation includes basic salary, bonus and employees' compensation and allowance.

CHENG UEI PRECISION INDUSTRY CO.,LTD.
SUMMARY STATEMENT OF CURRENT PERIOD EMPLOYEE BENEFITS, DEPRECIATION, DEPLETION AND AMORTIZATION EXPENSES BY FUNCTION (Cont.)
FOR THE YEAR ENDED DECEMBER 31, 2023
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

As for the standard of compensation payment, basic salary were determined based on the market competitveness of their positions and the Company's policy. Bonus and employees' compensation were determined through linking with employees' and segments' target or the Company's operating performance. The benefits were designed to meet employees' requirements under the related regulations in order to share the Company's operating result with employees.

ii. According to Article 23 of the Company's Articles of Incorporation: income before tax deduct income before employees' compensation and directors' remuneration, after offsetting deficits, if any, shall be distributed as employees' compensation not lower than 6% and directors' remuneration not higher than 3% after resolving by the Board of Directors.

Cheng Uei Precision Industry Co., Ltd. and subsidiaries
Loans to others
Year ended December 31, 2023

Table 1

Expressed in thousands of NTD
(Except as otherwise indicated)

Number	Creditor	Borrower	General ledger account	Is a related party	Maximum outstanding balance during the year ended December 31, 2023	Balance at December 31, 2023	Actual amount drawn down	Interest rate	Nature of loan (Note 1)	Amount of transactions with the borrower	Reason for short-term financing	Allowance for doubtful accounts	Collateral		Limit on loans granted to a single party (Note 2)	Ceiling on total loans granted (Note 3)	Footnote
													Item	Value			
1	Fugang Electric (Kunshan) Co., Ltd.	Fu Shi Xiang Research & Development Center (Kunshan) Co., Ltd.	Other receivables-related parties	Yes	$ 26,694	$ 25,962	$ 25,962	-	2	$ -	Operations	$ -	-	$ -	$ 2,608,510	$ 2,608,510	
1	Fugang Electric (Kunshan) Co., Ltd.	Kunshan Fugang Electric Trading Co., Ltd.	Other receivables-related parties	Yes	146,630	144,955	144,955	3.00%	2	-	Operations	-	-	-	1,043,404	1,043,404	
1	Fugang Electric (Kunshan) Co., Ltd.	Shanghai Standard Information Technology Co., Ltd.	Other receivables-related parties	Yes	15,477	15,145	15,145	4.00%	2	-	Operations	-	-	-	1,043,404	1,043,404	
2	World Circuit Technology Co., Ltd.	Cheng Uei Precision Industry Co., Ltd.	Other receivables	Yes	100,000	100,000	100,000	-	2	-	Operations	-	-	-	107,578	107,578	
2	World Circuit Technology Co., Ltd.	Microlink Communications Inc.	Other receivables	Yes	55,000	-	-	-	2	-	Operations	-	-	-	107,578	107,578	
2	World Circuit Technology Co., Ltd.	Suntain Co., Ltd.	Other receivables	Yes	20,000	-	-	-	2	-	Operations	-	-	-	107,578	107,578	
3	Culink Tianjin Co., Ltd.	Dongguan Fuqiang Electronics Co., Ltd.	Other receivables-related parties	Yes	220,400	-	-	-	2	-	Operations	-	-	-	235,276	235,276	
4	Foxlink Energy (Tianjin) Ltd.	Dongguan Fuqiang Electronics Co., Ltd.	Other receivables-related parties	Yes	173,511	-	-	-	2	-	Operations	-	-	-	175,347	175,347	
5	Foxlink International Investment Ltd.	Foxlink Vietnam Co., Ltd.	Other receivables	Yes	119,880	61,410	61,410	5.00%	2	-	Operations	-	-	-	2,005,403	2,005,403	
5	Foxlink International Investment Ltd.	Cu International Ltd.	Other receivables	Yes	324,000	-	-	-	2	-	Operations	-	-	-	2,005,403	2,005,403	
6	Fu Uei International Investment Ltd.	Cheng Uei Precision Industry Co., Ltd.	Other receivables	Yes	240,000	140,000	140,000	-	2	-	Operations	-	-	-	1,095,928	1,095,928	
6	Fu Uei International Investment Ltd.	Foxlink Arizona Inc.	Other receivables	Yes	129,600	122,820	61,410	4.50%	2	-	Operations	-	-	-	1,095,928	1,095,928	
6	Fu Uei International Investment Ltd.	Microlink Communications Inc.	Other receivables	Yes	55,000	55,000	55,000	-	2	-	Operations	-	-	-	1,095,928	1,095,928	
6	Fu Uei International Investment Ltd.	Suntain Co., Ltd.	Other receivables	Yes	40,000	-	-	-	2	-	Operations	-	-	-	1,095,928	1,095,928	
7	Foxlink Technology Limited	Cu International Ltd.	Other receivables	Yes	816,279	773,576	773,576	-	2	-	Operations	-	-	-	877,998	877,998	
7	Foxlink Technology Limited	Cheng Uei Precision Industry Co., Ltd.	Other receivables	Yes	122,840	-	-	-	2	-	Operations	-	-	-	877,998	877,998	
8	Foxlink Tianjin Co., Ltd.	Fugang Electric (Kunshan) Co., Ltd.	Other receivables	Yes	355,920	346,160	346,160	-	2	-	Operations	-	-	-	1,336,385	1,336,385	
9	Zhi De Investment Co., Ltd.	Cheng Uei Precision Industry Co., Ltd.	Other receivables	Yes	200,000	200,000	200,000	-	2	-	Operations	-	-	-	264,654	264,654	
9	Zhi De Investment Co., Ltd.	Cu International Ltd.	Other receivables	Yes	100,000	-	-	-	2	-	Operations	-	-	-	264,654	264,654	

Number	Creditor	Borrower	General ledger account	Is a related party	Maximum outstanding balance during the year ended December 31, 2023	Balance at December 31, 2023	Actual amount drawn down	Interest rate	Nature of loan (Note 1)	Amount of transactions with the borrower	Reason for short-term financing	Allowance for doubtful accounts	Collateral		Limit on loans granted to a single party (Note 2)	Ceiling on total loans granted (Note 3)	Footnote
													Item	Value			
10	Dongguan Fuqiang Electronics Co., Ltd.	Fugang Electric (Maanshan) Co., Ltd.	Other receivables	Yes	$ 166,838	$ 162,263	$ 162,263	1.00%	2	-	Operations	$ -	-	$ -	$ 10,708,758	$ 10,708,758	
11	Fugang Electronic (Dongguan) Co., Ltd.	Fugang Electric (Maanshan) Co., Ltd.	Other receivables	Yes	351,471	341,833	341,833	1.00%	2	-	Operations	-	-	-	7,620,872	7,620,872	
12	Fushineng Electronics (Kunshan) Co., Ltd.	Fugang Electric (Yancheng) Co., Ltd.	Other receivables	Yes	35,592	34,616	34,616	-	2	-	Operations	-	-	-	1,562,830	1,562,830	
13	Studio A Inc.	Straight A Inc.	Other receivables	Yes	250,000	-	-	-	2	-	Operations	-	-	-	257,201	257,201	
13	Studio A Inc.	Ashop Co., Ltd.	Other receivables	Yes	162,000	153,525	116,679	2.00%	2	-	Operations	-	-	-	257,201	257,201	
14	Straight A Inc.	Ashop Co., Ltd.	Other receivables	Yes	48,600	46,058	-	2.00%	2	-	Operations	-	-	-	83,006	83,006	
15	Studio A Technology Limited	Kunshan Fugang Electric Trading Co., Ltd.	Other receivables	Yes	124,350	-	-	2.00%	2	-	Operations	-	-	-	174,485	174,485	
15	Studio A Technology Limited	Ashop Co., Ltd.	Other receivables	Yes	254,800	-	-	2.00%	2	-	Operations	-	-	-	174,485	174,485	
16	FIT Holding Co., Ltd.	Power Quotient International Co., Ltd.	Other receivables	Yes	900,000	-	-	1.93%	2	-	Operations	-	-	-	2,555,825	3,407,767	
17	Foxlink Image Technology Co., Ltd.	Glorytek (Yancheng) Co., Ltd.	Other receivables	Yes	266,700	173,080	118,992	2.50%	2	-	Operations	-	-	-	1,378,304	1,378,304	
17	Foxlink Image Technology Co., Ltd.	Power Quotient International Co., Ltd.	Other receivables	Yes	500,000	500,000	-	2.00%	2	-	Operations	-	-	-	1,378,304	1,378,304	
18	Glorytek (Suzhou) Co., Ltd.	Glory Optics (Yancheng) Co., Ltd.	Other receivables-related parties	Yes	28,448	-	-	3.00%	2	-	Operations	-	-	-	284,865	284,865	
18	Glorytek (Suzhou) Co., Ltd.	Glorytek (Yancheng) Co., Ltd.	Other receivables-related parties	Yes	222,250	216,350	154,041	3.00%	2	-	Operations	-	-	-	284,865	284,865	
19	Shinfox Energy Co., Ltd.	Foxwell Energy Corporation Ltd.	Other receivables-related parties	Yes	600,000	-	-	Average borrowing interest rate plus 0.1%	2	-	Group's capital management	-	-	-	4,463,022	4,463,022	
20	Power Quotient Technology (Yancheng) Co., Ltd.	Glory Optics (Yancheng) Co., Ltd.	Other receivables	Yes	533,400	333,179	333,179	2.50%	2	-	Group's capital management	-	-	-	703,240	703,240	
20	Power Quotient Technology (Yancheng) Co., Ltd.	Glorytek (Yancheng) Co., Ltd.	Other receivables	Yes	221,100	216,350	216,350	2.50%	2	-	Group's capital management	-	-	-	703,240	703,240	
21	Dong Guan HanYang Computer Co., Ltd	Glory Optics (Yancheng) Co., Ltd.	Other receivables	Yes	88,660	86,540	-	3.65%	2	-	Operations	-	-	-	326,156	326,156	

Note 1: The numbers as follows represent the nature of loan:
(1) Business transaction is labelled as "1".
(2) Short-term financing is labelled as "2".

Note 2: (1) Limit on loans granted to a single party is 40% of the Company's net asset value.
(2) Limit on loans granted to the domestic unlisted subsidiaries of the Company and FIT Holding Co., Ltd. is 40% of their net asset value.
(3) Limit on loans granted to direct or indirect holding foreign subsidiaries is 40% of their net asset value.
(4) Limit on loans granted between foreign companies whose voting shares are 100% held by the Company directly or indirectly, or on loans granted to the Company by such foreign companies is 100% of their net asset value.
(5) Limit on loans granted by FIT Holding Co., Ltd. to its direct or indirect holding foreign subsidiaries is 30% of FIT Holding Co., Ltd.'s net asset value on recent financial report.

Note 3: (1) Ceiling on total loans granted to the company is 40% of the Company's net asset value.
(2) Ceiling on total loans granted to the domestic unlisted subsidiaries of the Company and FIT Holding is 40% of their net asset value.
(3) Ceiling on total loans granted to the direct or indirect holding subsidiaries is 40% of their net asset value.
(4) Ceiling on total loans granted between foreign companies whose voting shares are 100% held by the Company directly or indirectly, or on loans granted to the Company by such foreign companies is 100% of their net asset value.
(5) Ceiling on total loans granted by FIT Holding Co., Ltd. to its direct or indirect holding foreign subsidiaries is 40% of their net asset value on recent financial report.

Cheng Uei Precision Industry Co., Ltd. and subsidiaries

Provision of endorsements and guarantees to others

Year ended December 31, 2023

Table 2

Expressed in thousands of NTD

(Except as otherwise indicated)

Number	Endorser/ guarantor	Party being endorsed/guaranteed		Limit on endorsements/ guarantees provided for a single party (Note 1)	Maximum outstanding endorsement/ guarantee amount as of December 31, 2023	Outstanding endorsement/ guarantee amount at December 31, 2023	Actual amount drawn down	Amount of endorsements /guarantees secured with collateral	Ratio of accumulated endorsement/guarantee amount to net asset value of the endorser/guarantor company	Ceiling on total amount of endorsements /guarantees provided (Note 2)	Provision of endorsements /guarantees by parent company to subsidiary	Provision of endorsements /guarantees by subsidiary to parent company	Provision of endorsements /guarantees to the party in Mainland China	Footnote
		Company name	Relationship with the endorser/guarantor											
0	Cheng Uei Precision Industry Co., Ltd.	Dongguan Fuqiang Electronics Co., Ltd.	The Company"s second-tier subsidiary	$ 36,285,411	$ 1,334,700	$ 1,298,100	$ 1,298,100	$ -	5.37	$ 72,570,822	Y	N	Y	
0	Cheng Uei Precision Industry Co., Ltd.	Foxlink International Incorporation	The Company’s third-tier subsidiary	36,285,411	1,049,760	994,842	-	-	4.11	72,570,822	Y	N	N	
0	Cheng Uei Precision Industry Co., Ltd.	Studio A Inc.	The Company’s second-tier subsidiary	36,285,411	1,296,000	1,228,200	300,745	-	5.08	72,570,822	Y	N	N	
0	Cheng Uei Precision Industry Co., Ltd.	Studio A Technology Limited	The Company’s third-tier subsidiary	36,285,411	1,296,000	1,228,200	26,099	-	5.08	72,570,822	Y	N	N	
0	Cheng Uei Precision Industry Co., Ltd.	Kunshan Fugang Electric Trading Co., Ltd.	The Company’s third-tier subsidiary	36,285,411	874,800	829,035	42,680	-	3.43	72,570,822	Y	N	Y	
0	Cheng Uei Precision Industry Co., Ltd.	Ashop Co., Ltd.	The Company’s forth-tier subsidiary	36,285,411	907,200	859,740	151,683	-	3.55	72,570,822	Y	N	N	
0	Cheng Uei Precision Industry Co., Ltd.	Straight A Inc.	The Company’s third-tier subsidiary	36,285,411	486,000	460,575	60,357	-	1.90	72,570,822	Y	N	N	
1	Fugang Electric (Kunshan) Co., Ltd.	Kunshan Fugang Electric Trading Co., Ltd.	Fugang Electric (Kunshan) Co., Ltd.’s subsidiary	36,285,411	106,776	103,848	-	-	0.43	72,570,822	N	N	Y	
2	Studio A Inc.	Studio A Technology Limited	Studio A Inc.'s subsidiary	36,285,411	296,780	230,288	-	-	0.95	72,570,822	N	N	N	
3	Foxlink International Incorporation	Foxlink Arizona Inc.	Foxlink International Incorporation's sibling company	36,285,411	558,058	528,863	528,863	-	2.19	72,570,822	N	N	N	
4	FIT Holding Co., Ltd.	Power Quotient International Co., Ltd.	FIT Holding Co., Ltd.'s subsidiary	51,116,514	1,636,002	1,320,000	1,025,000	-	5.46	51,116,514	N	N	N	
4	FIT Holding Co., Ltd.	Glory Science Co., Ltd.	FIT Holding Co., Ltd.'s subsidiary	51,116,514	1,223,350	990,000	680,000	-	4.09	51,116,514	N	N	N	
5	FIT Holding Co., Ltd.	Glory Optics (Yancheng) Co., Ltd.	FIT Holding Co., Ltd.’s third-tier subsidiary	51,116,514	131,340	129,810	129,810	-	0.54	51,116,514	N	N	Y	
5	Foxlink Image Technology Co., Ltd.	Power Quotient International Co., Ltd.	Foxlink Image Technology Co., Ltd.’s sibling company	20,674,572	1,925,000	1,365,000	1,225,000	-	5.64	20,674,572	N	N	N	
6	Foxlink Image Technology Co., Ltd.	Glory Science Co., Ltd.	Foxlink Image Technology Co., Ltd.’s subsidiary	20,674,572	440,000	440,000	350,000	-	1.82	20,674,572	N	N	N	
7	Shinfox Energy Co., Ltd.	Foxwell Energy Corporation Ltd.	Shinfox Energy Co., Ltd.’s subsidiary	66,945,324	31,200,000	31,200,000	23,453,750	-	128.98	66,945,324	N	N	N	
7	Shinfox Energy Co., Ltd.	Shinfox Far East Company Pte Ltd.	Shinfox Energy Co., Ltd.’s subsidiary	62,482,302	630,000	630,000	-	-	2.60	66,945,324	N	N	N	
7	Foxwell Energy Corporation Ltd.	Xinwei Power Co., Ltd.	Foxwell Energy Corporation Ltd.’s subsidiary	14,227,534	113,200	113,200	113,200	-	0.47	14,227,534	N	N	N	

Note 1: Calculation for limit on endorsements/guarantees provided for a single party is as follows:

(1) For subsidiaries whose shares are 90% or above held by the Company, ceiling on total amount of endorsements and guarantees provided by the Company is 150% of the Company's net asset value; limit on endorsements and guarantees provided by the Company for a single party is 150% of the Company's net asset value.

(2) For FIT Holding Co.,Ltd., limit on endorsements and guarantees for a single party is 600% of FIT Holding Co.,Ltd.'s current net asset value and for subsidiary whose equity is no less than 90% held by FIT Holding Co.,Ltd., is 600% of FIT Holding Co.,Ltd.'s net asset value.

(3) Endorsements and guarantees are available between companies whose voting shares are more than 90% held by FIT Holding Co., Ltd. directly or indirectly. And the limit on endorsements and guarantees is 10% of FIT Holding Co., Ltd.'s net asset value except that endorsements and guarantees are between companies whose voting shares are 100% held by FIT Holding Co., Ltd. directly or indirectly.

(4) For subsidiaries whose shares are 90% or above held by Shinfox, ceiling on total amount of endorsements and guarantees provided by the Company is 600% of the Company's net asset value; limit on endorsements and guarantees provided by the Company for a single party is 560% of the Company's net asset value.

(5) For subsidiaries whose shares are 90% or above held by Foxwell Energy, ceiling on total amount of endorsements and guarantees provided by the Company is 150% of the Company's net asset value; limit on endorsements and guarantees provided by the Company for a single party is 140% of the Company's net asset value.

Note 2: Calculation for limit on endorsements/guarantees provided is as follows:

(1) The Company's and subsidiaries' endorsements and guarantees to others should not exceed 300% of the Company's net asset value.

(2) FIT Holding Co.,Ltd.'s endorsements and guarantees to others and subsidiaries should not exceed 600% of FIT Holding Co., Ltd.'s net asset value in the latest financial statements.

(3) Endorsements and guarantees are available between companies whose voting shares are more than 90% held by FIT Holding Co., Ltd. directly or indirectly. And the limit on endorsements and guarantees is 10% of FIT Holding Co., Ltd.'s net asset value except that endorsements and guarantees are between companies whose voting shares are 100% held by FIT Holding Co., Ltd. directly or indirectly.

(4) Ceiling on total amount of endorsements/guarantees provided by Foxwell Energy and subsidiaries is 150% of Foxwell Energy's net asset value in the latest financial statements.

Cheng Uei Precision Industry Co., Ltd. and subsidiaries

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

December 31, 2023

Table 3

Expressed in thousands of NTD

(Except as otherwise indicated)

Securities held by	Marketable securities	Relationship with the securities issuer	General ledger account	As of December 31, 2023				Footnote
				Number of shares (in thousand shares)	Book value	Ownership (%)	Fair value	
Fu Uei International Investment Ltd.	Trinity Investment Corporation	An investee of the Company	Financial assets at fair value through other comprehensive income - non-current	3,000	$ 30,000	10.00	$ 30,000	
Fu Uei International Investment Ltd.	Ade Technology Inc.	An investee of the Company	Financial assets at fair value through other comprehensive income - non-current	500	11,500	1.45	11,500	
Culink International Ltd.	Gamma 2 Robotics, Inc.	An investee of the Company	Financial assets at fair value through other comprehensive income - non-current	862	-	9.00	-	
Culink International Ltd.	Occipital, Inc.	An investee of the Company	Financial assets at fair value through other comprehensive income - non-current	389	-	2.50	-	
Culink International Ltd.	V5 Systems, Inc.	An investee of the Company	Financial assets at fair value through other comprehensive income - non-current	1,460	-	4.63	-	
Culink International Ltd.	Motiv Inc	An investee of the Company	Financial assets at fair value through other comprehensive income - non-current	273	-	1.70	-	
Culink International Ltd.	LeadSun Winion Limited	An investee of the Company	Financial assets at fair value through other comprehensive income - non-current	3,000	92,115	40.07	92,115	
Culink International Ltd.	MedWand Solutions Inc.	An investee of the Company	Financial assets at fair value through other comprehensive income - non-current	63	-	2.89	-	
Foxlink Technology Limited	Leadsun New Star Corp.	An investee of the Company	Financial assets at fair value through other comprehensive income - non-current	550	4,591	12.50	4,591	
Changzhou Xinwei Vehicle Energy Venture Capital Co., Ltd.	Dongguan Power Wise Technology Co., Ltd.	An investee of the Company	Financial assets at fair value through other comprehensive income - non-current	1,250	-	4.00	-	
Changzhou Xinwei Vehicle Energy Venture Capital Co., Ltd.	Zhongneng Lithium Battery Technology Taizhou Co., Ltd	An investee of the Company	Financial assets at fair value through other comprehensive income - non-current	922	86,540	3.35	86,540	
Changzhou Xinwei Vehicle Energy Venture Capital Co., Ltd.	Hebei Gellec New Energy Science&technology Co.,ltd.	An investee of the Company	Financial assets at fair value through other comprehensive income - non-current	3,333	86,540	0.61	86,540	
Changzhou Xinwei Vehicle Energy Venture Capital Co., Ltd.	Changzhou Qitai No.1 Venture Capital Partnership	An investee of the Company	Financial assets at fair value through other comprehensive income - non-current	20,000	86,540	6.33	86,540	
Changzhou Xinwei Vehicle Energy Venture Capital Co., Ltd.	TBB Power (Xiamen) Co., Ltd.	An investee of the Company	Financial assets at fair value through other comprehensive income - non-current	2,149	216,350	4.35	216,350	
Changzhou Xinwei Vehicle Energy Venture Capital Co., Ltd.	Shaha Technology (Shanghai) Co., Ltd.	An investee of the Company	Financial assets at fair value through other comprehensive income - non-current	163	121,156	14.00	121,156	
Foxlink Tianjin Co., Ltd.	Changde Fubo Intelligent Technology Co., Ltd.	An investee of the Company	Financial assets at fair value through other comprehensive income - non-current	-	4,112	9.50	4,112	

Securities held by	Marketable securities	Relationship with the securities issuer	General ledger account	As of December 31, 2023				Footnote
				Number of shares (in thousand shares)	Book value	Ownership (%)	Fair value	
FIT Holding Co., Ltd.	Leadsun Wind & Solar Co., Ltd.	N/A	Financial assets at fair value through other comprehensive income - non-current	22,500	$ 210,529	12.00	$ 210,529	
Foxlink Image Technology Co., Ltd.	Taiwan Mobile Co., Ltd.	N/A	Financial assets at fair value through other comprehensive income - non-current	1,631	160,767	0.04	160,767	
Foxlink Image Technology Co., Ltd.	Wellgen Medical Co., Ltd.	N/A	Financial assets at fair value through other comprehensive income - non-current	1,500	-	14.09	-	
Power Quotient International Co., Ltd.	Saint Song Corp.	N/A	Financial assets at fair value through other comprehensive income - non-current	127	-	1.05	-	
Power Quotient International Co., Ltd.	Ours Technology Inc.	N/A	Financial assets at fair value through other comprehensive income - non-current	13	-	0.21	-	
Power Quotient International Co., Ltd.	Innoplus Co., Ltd.	N/A	Financial assets at fair value through other comprehensive income - non-current	160	-	12.00	-	
Power Quotient International Co., Ltd.	Taiwan Mobile Co., Ltd.	N/A	Financial assets at fair value through other comprehensive income - non-current	1,631	160,767	0.04	160,767	
Power Quotient International Co., Ltd.	Stack Devices Corporation	N/A	Financial assets at fair value through other comprehensive income - non-current	70	-	0.11	-	
Power Quotient Technology (Yancheng) Co., Ltd.	Jiangsu Foxlink New Energy Technology Co.,Ltd.	N/A	Financial assets at fair value through other comprehensive income - non-current	-	73,151	12.90	73,151	
Shinfox Energy Co., Ltd.	Corvus Energy Ltd.	N/A	Financial assets at fair value through other comprehensive income - non-current	22	-	0.04	-	
Foxwell Energy Corporation Ltd.	Full Entertainment Marketing Co., Ltd.	N/A	Financial assets at fair value through other comprehensive income - non-current	300	-	3.00	-	
KunShan Eastern Rainbow Environmental Equipment Co., Ltd.	Wuxi Eastern Rainbow Environmental Protection Engineering Co., Ltd.	N/A	Financial assets at fair value through other comprehensive income - non-current	-	649	10.00	649	
Eastern Rainbow Green Energy Environmental Technology Co., Ltd.	Shin Kong Financial Holding Co., Ltd	N/A	Financial assets at fair value through profit or loss - current	43	383	-	383	
Eastern Rainbow Green Energy Environmental Technology Co., Ltd.	Shin Kong Financial Holding Co., Ltd. Preferred Shares B	N/A	Financial assets at fair value through profit or loss - current	1	15	-	15	
Eastern Rainbow Green Energy Environmental Technology Co., Ltd.	Mildef Crete Inc.	N/A	Financial assets at fair value through profit or loss - current	10	869	0.02	869	

Cheng Uei Precision Industry Co., Ltd. and subsidiaries

Acquisition or sale of the same security with the accumulated cost exceeding $300 million or 20% of the Company's paid-in capital

Year ended December 31, 2023

Table 4

Expressed in thousands of NTD

(Except as otherwise indicated)

Investor	Marketable securities	General ledger account	Counterparty	Relationship with the investor	Balance as at January 1, 2023		Addition		Disposal				Balance as at December 31, 2023		Footnote
					Number of shares (in thousand shares)	Amount	Number of shares (in thousand shares)	Amount	Number of shares (in thousand shares)	Selling price	Book value	Gain (loss) on disposal	Number of shares	Amount	
The Company	Cu International Ltd.	Investment accounted for using equity method	Cu International Ltd.	Note 1	478,350	$ 14,687,737	15,200	$ 464,325	-	$ -	$ -	$ -	$ 493,550	$ 15,154,453	Note 3
The Company	Foxlink International Investment Ltd.	Investment accounted for using equity method	Foxlink International Investment Ltd.	Note 1	408,750	3,350,000	60,000	600,000	-	-	-	-	468,750	3,950,000	Note 3
Foxlink International Investment Ltd.	Foxlink Da Nang Electronics Co., Ltd.	Investment accounted for using equity method	Foxlink Da Nang Electronics Co., Ltd.	Note 1	-	-	28,000	905,730	-	-	-	-	28,000	905,730	Note 3
Shinfox Energy Co., Ltd.	Foxwell Energy Corporation Ltd	Investment accounted for using equity method	Foxwell Energy Corporation Ltd	Note 1	610,000	610,000	257,000	2,570,000	-	-	-	-	867,000	8,670,000	Note 3
Shinfox Energy Co., Ltd.	Shinfox Far East Company Pte Ltd.	Investment accounted for using equity method	Shinfox Far East Renewable Energy Company Pte Ltd.	Note 2	-	981,545	53,600	675,778	-	-	-	-	53,600	1,657,323	Note 3、4

Note 1 : The entity is the Company's subsidiary.

Note 2 : The general ledger account is ‘Investments accounted for using equity method’.

Note 3 : The abovementioned amount is investment cost, information relating to its carrying amount is provided Table 8.

Note 4 : The Group prepaid investments to Shinfox Far East Company Pte Ltd. on December 27, 2022, and acquired a 40% equity interests in the entity in January 2023, and acquired another 27% equity interests in the entity on November 6, 2023.

Cheng Uei Precision Industry Co., Ltd. and subsidiaries

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

Year ended December 31, 2023

Table 5

Expressed in thousands of NTD
(Except as otherwise indicated)

Purchaser/seller	Counterparty	Relationship with the counterparty	Transaction				Differences in transaction terms compared to third party transactions		Notes/accounts receivable (payable)		Footnote
			Purchases (sales)	Amount	Percentage of total purchases (sales)	Credit term	Unit price	Credit term	Balance	Percentage of total notes/accounts	
The Company	Foxlink International Incorporation	The Company's third-tier subsidiary	Sales	($ 17,783,841)	(30)	Note 1	Note 1	Note 1	$ 3,807,340	26	
The Company	Hon Hai Precision Industry Co., Ltd.	Other related party	Sales	(707,681)	(1)	Note 1	Note 1	Note 1	349,454	2	
The Company	Dongguan Fuqiang Electronics Co., Ltd.	The Company's second-tier subsidiary	Purchases	24,944,932	43	Note 2	Note 2	Note 2	(1,106,714)	(9)	
The Company	Fugang Electronic (Dongguan) Co., Ltd.	The Company's second-tier subsidiary	Purchases	15,438,851	26	Note 2	Note 2	Note 2	(4,158,415)	(34)	
The Company	Fugang Electric (Kunshan) Co., Ltd.	The Company's second-tier subsidiary	Purchases	2,219,089	4	Note 2	Note 2	Note 2	-	-	
The Company	Fushineng Electronics (Kunshan) Co., Ltd.	The Company's second-tier subsidiary	Purchases	2,800,885	5	Note 2	Note 2	Note 2	(607,523)	(6)	
The Company	Fugang Electric (Maanshan) Co., Ltd.	The Company's second-tier subsidiary	Purchases	429,760	1	Note 2	Note 2	Note 2	(298,231)	(3)	
The Company	Well Shin Technology Co., Ltd.	The Company's investee accounted for using equity method	Purchases	245,525	-	Note 2	Note 2	Note 2	(67,474)	(1)	
The Company	Fugang Electric (Xuzhou) Co., Ltd.	The Company's second-tier subsidiary	Purchases	9,735,601	17	Note 2	Note 2	Note 2	(1,940,678)	(18)	
The Company	Hon Hai Precision Industry Co., Ltd.	Other related party	Purchases	490,158	1	Note 2	Note 2	Note 2	(62,894)	(1)	
The Company	Foxlink Automotive Technology (Kunshan) Co., Ltd.	The Company's second-tier subsidiary	Purchases	212,600	-	Note 2	Note 2	Note 2	-	-	
The Company	Sinobest Brothers Limited	The Company's subsidiary	Purchases	137,967	-	Note 2	Note 2	Note 2	(79,722)	(1)	
The Company	Foxlink India Electric Private Limited	The Company's second-tier subsidiary	Purchases	458,430	1	Note 2	Note 2	Note 2	(207,089)	(2)	
The Company	Foxlink (Vietnam) Co., Ltd.	The Company's second-tier subsidiary	Purchases	1,195,775	2	Note 2	Note 2	Note 2	(999,718)	(9)	

Purchaser/seller	Counterparty	Relationship with the counterparty	Transaction				Differences in transaction terms compared to third party transactions		Notes/accounts receivable (payable)		Footnote
			Purchases (sales)	Amount	Percentage of total purchases (sales)	Credit term	Unit price	Credit term	Balance	Percentage of total notes/accounts	
Foxlink International Incorporation	The Company	The entity is the ultimate parent company of the Company	Purchases	$ 17,783,841	100	Note 2	Note 2	Note 2	($ 3,807,340)	100	
Dongguan Fuqiang Electronics Co., Ltd.	The Company	The entity is the ultimate parent company of the Company	Sales	(24,944,932)	(90)	Note 1	Note 1	Note 1	1,106,714	11	
Fugang Electronic (Dongguan) Co., Ltd.	The Company	The entity is the ultimate parent company of the Company	Sales	(15,438,851)	(81)	Note 1	Note 1	Note 1	4,158,415	65	
Fugang Electric (Kunshan) Co., Ltd.	The Company	The entity is the ultimate parent company of the Company	Sales	(2,219,089)	(72)	Note 1	Note 1	Note 1	-	-	
Fushineng Electronics (Kunshan) Co., Ltd.	The Company	The entity is the ultimate parent company of the Company	Sales	(2,800,885)	(73)	Note 1	Note 1	Note 1	607,523	61	
Fugang Electric (Maanshan) Co., Ltd.	The Company	The entity is the ultimate parent company of the Company	Sales	(429,760)	100	Note 1	Note 1	Note 1	298,231	93	
Fugang Electric (Xuzhou) Co., Ltd.	The Company	The entity is the ultimate parent company of the Company	Sales	(9,735,601)	(90)	Note 1	Note 1	Note 1	1,940,678	93	
Foxlink Automotive Technology (Kunshan) Co., Ltd.	The Company	The entity is the ultimate parent company of the Company	Sales	(212,600)	(72)	Note 1	Note 1	Note 1	-	-	
Sinobest Brothers Limited	The Company	The entity is the ultimate parent company of the Company	Sales	(137,967)	(67)	Note 1	Note 1	Note 1	79,722	100	
Foxlink India Electric Private Limited	The Company	The entity is the ultimate parent company of the Company	Sales	(458,430)	(17)	Note 1	Note 1	Note 1	207,089	29	
Foxlink (Vietnam) Co., Ltd.	The Company	The entity is the ultimate parent company of the Company	Sales	(1,195,775)	(97)	Note 1	Note 1	Note 1	999,718	99	
Fugang Electronic (Dongguan) Co., Ltd.	Dongguan Fuqiang Electronics Co., Ltd.	Affiliated company	Sales	(1,961,899)	(10)	Note 1	Note 1	Note 1	324,815	5	
Dongguan Fuqiang Electronics Co., Ltd.	Fugang Electronic (Dongguan) Co., Ltd.	Affiliated company	Purchases	1,961,899	8	Note 2	Note 2	Note 2	(324,815)	(5)	
Dongguan Fuqiang Electronics Co., Ltd.	Du Precision Industry Co., Ltd.	Affiliated company	Sales	(100,469)	-	Note 1	Note 1	Note 1	100,469	1	
Du Precision Industry Co., Ltd.	Dongguan Fuqiang Electronics Co., Ltd.	Affiliated company	Purchases	100,469	-	Note 2	Note 2	Note 2	(100,469)	(1)	
Fugang Electric (Kunshan) Co., Ltd.	Fugang Electronic (Dongguan) Co., Ltd.	Affiliated company	Sales	(271,425)	(9)	Note 2	Note 2	Note 2	-	-	
Fugang Electronic (Dongguan) Co., Ltd.	Fugang Electric (Kunshan) Co., Ltd.	Affiliated company	Purchases	271,425	2	Note 2	Note 2	Note 2	-	-	

Purchaser/seller	Counterparty	Relationship with the counterparty	Transaction				Differences in transaction terms compared to third party transactions		Notes/accounts receivable (payable)		Footnote
			Purchases (sales)	Amount	Percentage of total purchases (sales)	Credit term	Unit price	Credit term	Balance	Percentage of total notes/accounts	
Suntain Co., Ltd.	Hon Hai Precision Industry Co., Ltd.	Other related party	Purchases	$ 151,891	55	Note 2	Note 2	Note 2	($ 11,791)	(100)	
Kunshan Fugang Electric Trading Co., Ltd.	Shanghai Fugang Electric Trading Co., Ltd.	Affiliated company	Sales	(972,650)	(72)	Note 1	Note 1	Note 1	94,247	100	
Shanghai Fugang Electric Trading Co., Ltd.	Kunshan Fugang Electric Trading Co., Ltd.	Affiliated company	Purchases	972,650	100	Note 2	Note 2	Note 2	(94,247)	(100)	
Wei Hai Fu Kang Electric Co., Ltd.	Accu-Image Technology Limited	Affiliated company	Sales	(667,701)	(90)	Note 1	Note 1	Note 1	132,607	100	
Accu-Image Technology Limited	Wei Hai Fu Kang Electric Co., Ltd.	Affiliated company	Purchases	667,701	19	Note 2	Note 2	Note 2	(132,607)	(17)	

Note 1: Please refer to Note 7(2) A. for the details.

Note 2: Please refer to Note 7(2) B. for the details.

Cheng Uei Precision Industry Co., Ltd. and subsidiaries

Receivables from related parties reaching NT$100 million or 20% of paid-in capital or more

Year ended December 31, 2023

Table 6

Expressed in thousands of NTD

(Except as otherwise indicated)

Creditor	Counterparty	Relationship with the counterparty	Balance as at December 31, 2023	Turnover rate	Overdue receivables		Amount collected subsequent to the balance sheet date	Allowance for doubtful accounts
					Amount	Action taken		
The Company	Foxlink International Incorporation	Great-grandchild company	$ 3,807,340	4.67	None	N/A	$ 2,558,753	None
The Company	Fushineng Electronics (Kunshan) Co., Ltd.	The Company's second-tier subsidiary	439,700	Note 1	〃	〃	-	〃
The Company	Hon Hai Precision Industry Co., Ltd.	This company's chairman is the second-degree relative of the Company's chairman	349,454	2.03	〃	〃	155,369	〃
The Company	Fugang Electric (Kunshan) Co., Ltd.	The Company's second-tier subsidiary	159,286	Note 1	〃	〃	21,742	〃
The Company	Fugang Electric (Xuzhou) Co., Ltd.	The Company's second-tier subsidiary	626,189	Note 1	〃	〃	-	〃
The Company	Fugang Electric (Maanshan) Co., Ltd.	The Company's second-tier subsidiary	593,312	Note 1	〃	〃	-	〃
The Company	Sinobest Brothers Limited	The Company's subsidiary	104,747	Note 1	〃	〃	-	〃
The Company	Foxlink India Electric Private Limited	The Company's second-tier subsidiary	2,328,643	Note 1	〃	〃	-	〃
The Company	Foxlink (Vietnam) Co., Ltd.	The Company's second-tier subsidiary	769,695	Note 1	〃	〃	-	〃
Fushineng Electronics (Kunshan) Co., Ltd.	The Company	This company is the ultimate parent company of the company	607,523	4.18	〃	〃	-	〃
Fu Gang Electronic (Nan Chang) Co., Ltd.	The Company	This company is the ultimate parent company of the company	1,264,537	Note 1	〃	〃	-	〃
Fugang Electronic (Dongguan) Co., Ltd.	The Company	This company is the ultimate parent company of the company	4,158,415	3.35	〃	〃	-	〃
Dongguan Fuqiang Electronics Co., Ltd.	The Company	This company is the ultimate parent company of the company	1,106,714	17.07	〃	〃	-	〃
Fugang Electric (Maanshan) Co., Ltd.	The Company	This company is the ultimate parent company of the company	298,231	1.44	〃	〃	-	〃
Fugang Electric (Xuzhou) Co., Ltd.	The Company	This company is the ultimate parent company of the company	1,940,678	4.12	〃	〃	-	〃
Foxlink (Vietnam) Co., Ltd.	The Company	This company is the ultimate parent company of the company	999,718	0.44	〃	〃	-	〃
Foxlink India Electric Private Limited	The Company	This company is the ultimate parent company of the company	207,089	2.21	〃	〃	-	〃
Fu Uei International Investment Ltd.	The Company	This company is the ultimate parent company of the company	140,000	Note 1	〃	〃	-	〃
World Circuit Technology Co., Ltd.	The Company	This company is the ultimate parent company of the company	100,000	Note 1	〃	〃	-	〃
Zhi De Investment Co., Ltd.	The Company	This company is the ultimate parent company of the company	200,000	Note 1	〃	〃	-	〃

Creditor	Counterparty	Relationship with the counterparty	Balance as at December 31, 2023	Turnover rate	Overdue receivables		Amount collected subsequent to the balance sheet date	Allowance for doubtful accounts
					Amount	Action taken		
Cu International Ltd.	Dongguan Fuqiang Electronics Co., Ltd.	Affiliated company	$ 143,604	Note 1	None	N/A	$ -	None
Fugang Electronic (Dongguan) Co., Ltd.	Dongguan Fuqiang Electronics Co., Ltd.	Affiliated company	324,815	6.04	〃	〃	-	〃
Fugang Electronic (Dongguan) Co., Ltd.	Dongguan Fuqiang Electronics Co., Ltd.	Affiliated company	290,295	Note 1	〃	〃	-	〃
Fugang Electronic (Dongguan) Co., Ltd.	Fugang Electric (Maanshan) Co., Ltd.	Affiliated company	341,833	Note 1	〃	〃	-	〃
Dongguan Fuqiang Electronics Co., Ltd.	Fugang Electric (Maanshan) Co., Ltd.	Affiliated company	279,822	Note 1	〃	〃	-	〃
Dongguan Fuqiang Electronics Co., Ltd.	Fugang Electric (Kunshan) Co., Ltd.	Affiliated company	1,801,959	0.00	〃	〃	-	〃
Dongguan Fuqiang Electronics Co., Ltd.	Du Precision Industry Co., Ltd.	Affiliated company	100,469	1.00	〃	〃	-	〃
Fugang Electric (Kunshan) Co., Ltd.	Fugang Electric (Maanshan) Co., Ltd.	Affiliated company	270,701	Note 1	〃	〃	-	〃
Fugang Electric (Kunshan) Co., Ltd.	Kunshan Fugang Electric Trading Co., Ltd.	Affiliated company	144,955	Note 1	〃	〃	-	〃
Foxlink Tianjin Co., Ltd.	Fugang Electric (Kunshan) Co., Ltd.	Affiliated company	346,160	Note 1	〃	〃	-	〃
Foxlink Tianjin Co., Ltd.	Cu International Ltd.	Affiliated company	387,051	Note 1	〃	〃	-	〃
Foxlink Technology Limited	Cu International Ltd.	Affiliated company	773,576	Note 1	〃	〃	-	〃
Fugang Electric (Maanshan) Co., Ltd.	Dongguan Fuqiang Electronics Co., Ltd.	Affiliated company	132,570	0.09	〃	〃	-	〃
Studio A Technology Limited	Ashop Co., Ltd.	The Company's subsidiary	116,679	Note 1	〃	〃	-	〃
Foxlink Image Technology Co., Ltd.	Glorytek (Yancheng) Co., Ltd.	Affiliated company	118,992	Note 1	〃	〃	-	〃
Glory Science Co., Ltd.	Glorytek (Yancheng) Co., Ltd.	Affiliated company	346,939	0.72	〃	〃	-	〃
Glory Science Co., Ltd.	Glorytek (Yancheng) Co., Ltd.	Affiliated company	138,511	Note 1	〃	〃	-	〃
Glory Science Co., Ltd.	Glory Optics (Yancheng) Co., Ltd.	Affiliated company	255,026	Note 1	〃	〃	-	〃
Glorytek (Suzhou) Co., Ltd.	Glorytek (Yancheng) Co., Ltd.	Affiliated company	165,545	Note 1	〃	〃	-	〃
Dongguan Fu Wei Electronics Co., Ltd.	Foxlink Image Technology Co., Ltd.	Affiliated company	342,797	1.95	〃	〃	55,231	〃
Wei Hai Fu Kang Electric Co., Ltd.	Foxlink Image Technology Co., Ltd.	Affiliated company	132,607	4.42	〃	〃	56,523	〃
Power Quotient Technology (Yancheng) Co., Ltd.	Glorytek (Yancheng) Co., Ltd.	Affiliated company	333,179	Note 1	〃	〃	-	〃
Power Quotient Technology (Yancheng) Co., Ltd.	Glory Optics (Yancheng) Co., Ltd.	Affiliated company	216,350	Note 1	〃	〃	-	〃

Note 1: The turnover rate was not applicable as the receivables were recorded as other receivables.

Cheng Uei Precision Industry Co., Ltd. and subsidiaries

Significant inter-company transactions during the reporting periods

Year ended December 31, 2023

Table 7

Expressed in thousands of NTD

(Except as otherwise indicated)

Number (Note 1)	Company name	Counterparty	Relationship (Note 2)	Transaction			
				General ledger account	Amount	Transaction terms	Percentage of consolidated total operating revenues or total assets (Note 3)
0	Cheng Uei Precision Industry Co., Ltd.	Foxlink International Incorporation	1	Sales	$ 17,783,841	Sales prices are based on the mutual agreement	20
0	Cheng Uei Precision Industry Co., Ltd.	Foxlink International Incorporation	1	Accounts receivable	3,807,340	The collections depend on the financial situation after offsetting the receivables against the payables	4
0	Cheng Uei Precision Industry Co., Ltd.	Dongguan Fuqiang Electronics Co., Ltd.	1	Purchases	24,944,932	Purchase prices are based on the mutual agreement	28
0	Cheng Uei Precision Industry Co., Ltd.	Dongguan Fuqiang Electronics Co., Ltd.	1	Accounts payable	1,106,714	The collections depend on the financial situation after offsetting the receivables against the payables	1
0	Cheng Uei Precision Industry Co., Ltd.	Fugang Electric (Kunshan) Co., Ltd.	1	Purchases	2,219,089	Purchase prices are based on the mutual agreement	2
0	Cheng Uei Precision Industry Co., Ltd.	Fugang Electric (Kunshan) Co., Ltd.	1	Other receivables	159,286	The collections depend on the financial situation after offsetting the receivables against the payables	-
0	Cheng Uei Precision Industry Co., Ltd.	Fushineng Electronics (Kunshan) Co., Ltd.	1	Purchases	2,800,885	Purchase prices are based on the mutual agreement	3
0	Cheng Uei Precision Industry Co., Ltd.	Fushineng Electronics (Kunshan) Co., Ltd.	1	Other receivables	439,700	The collections depend on the financial situation after offsetting the receivables against the payables	-
0	Cheng Uei Precision Industry Co., Ltd.	Fushineng Electronics (Kunshan) Co., Ltd.	1	Accounts payable	607,523	The collections depend on the financial situation after offsetting the receivables against the payables	1
0	Cheng Uei Precision Industry Co., Ltd.	Fugang Electronic (Dongguan) Co., Ltd.	1	Purchases	15,438,851	Purchase prices are based on the mutual agreement	17
0	Cheng Uei Precision Industry Co., Ltd.	Fugang Electronic (Dongguan) Co., Ltd.	1	Accounts payable	4,158,415	The collections depend on the financial situation after offsetting the receivables against the payables	4
0	Cheng Uei Precision Industry Co., Ltd.	Fu Uei International Investment Ltd.	1	Other receivables	140,000	The collections depend on the financial situation after offsetting the receivables against the payables	-
0	Cheng Uei Precision Industry Co., Ltd.	Fugang Electric (Maanshan) Co., Ltd.	1	Purchases	429,760	Purchase prices are based on the mutual agreement	-
0	Cheng Uei Precision Industry Co., Ltd.	Fugang Electric (Maanshan) Co., Ltd.	1	Other payables	593,312	The collections depend on the financial situation after offsetting the receivables against the payables	1
0	Cheng Uei Precision Industry Co., Ltd.	Fugang Electric (Maanshan) Co., Ltd.	1	Accounts payable	298,231	The collections depend on the financial situation after offsetting the receivables against the payables	-
0	Cheng Uei Precision Industry Co., Ltd.	Fugang Electric (Xuzhou) Co., Ltd.	1	Other receivables	626,189	The collections depend on the financial situation after offsetting the receivables against the payables	1

Number (Note 1)	Company name	Counterparty	Relationship (Note 2)	Transaction			
				General ledger account	Amount	Transaction terms	Percentage of consolidated total operating revenues or total assets (Note 3)
0	Cheng Uei Precision Industry Co., Ltd.	Fugang Electric (Xuzhou) Co., Ltd.	1	Purchases	$ 9,735,601	Purchase prices are based on the mutual agreement	11
0	Cheng Uei Precision Industry Co., Ltd.	Fugang Electric (Xuzhou) Co., Ltd.	1	Accounts payable	1,940,678	The collections depend on the financial situation after offsetting the receivables against the payables	2
0	Cheng Uei Precision Industry Co., Ltd.	Foxlink Automotive Technology (Kunshan) Co., Ltd.	1	Purchases	212,600	Purchase prices are based on the mutual agreement	-
0	Cheng Uei Precision Industry Co., Ltd.	Fu Gang Electronic (Nan Chang) Co., Ltd.	1	Accounts payable	1,264,537	The collections depend on the financial situation after offsetting the receivables against the payables	1
0	Cheng Uei Precision Industry Co., Ltd.	Zhi De Investment Co., Ltd.	1	Other payables	200,000	The collections depend on the financial situation after offsetting the receivables against the payables	-
0	Cheng Uei Precision Industry Co., Ltd.	World Circuit Technology Co., Ltd	1	Other payables	100,000	The collections depend on the financial situation after offsetting the receivables against the payables	-
0	Cheng Uei Precision Industry Co., Ltd.	Sinobest Brothers Limited	1	Other receivables	104,747	The collections depend on the financial situation after offsetting the receivables against the payables	-
0	Cheng Uei Precision Industry Co., Ltd.	Sinobest Brothers Limited	1	Purchases	137,967	Purchase prices are based on the mutual agreement	-
0	Cheng Uei Precision Industry Co., Ltd.	Foxlink India Electric Private Limited	1	Other receivables	2,328,643	The collections depend on the financial situation after offsetting the receivables against the payables	2
0	Cheng Uei Precision Industry Co., Ltd.	Foxlink India Electric Private Limited	1	Accounts payable	207,089	The collections depend on the financial situation after offsetting the receivables against the payables	-
0	Cheng Uei Precision Industry Co., Ltd.	Foxlink India Electric Private Limited	1	Purchases	458,430	Purchase prices are based on the mutual agreement	-
0	Cheng Uei Precision Industry Co., Ltd.	Foxlink (Vietnam) Co., Ltd.	1	Accounts payable	999,718	The collections depend on the financial situation after offsetting the receivables against the payables	-
0	Cheng Uei Precision Industry Co., Ltd.	Foxlink (Vietnam) Co., Ltd.	1	Purchases	1,195,775	Purchase prices are based on the mutual agreement	-
0	Cheng Uei Precision Industry Co., Ltd.	Foxlink (Vietnam) Co., Ltd.	1	Other receivables	769,695	The collections depend on the financial situation after offsetting the receivables against the payables	1
1	Cu International Ltd.	Dongguan Fuqiang Electronics Co., Ltd.	3	Other receivables	143,604	The collections depend on the financial situation after offsetting the receivables against the payables	-
1	Cu International Ltd.	Dongguan Fuqiang Electronics Co., Ltd.	3	Prepaid expenses	173,429	The collections depend on the financial situation after offsetting the receivables against the payables	-
1	Cu International Ltd.	Foxlink Tianjin Co., Ltd.	3	Other payables	387,051	The collections depend on the financial situation after offsetting the receivables against the payables	-
1	Cu International Ltd.	Foxlink Technology Limited	3	Other payables	773,576	The collections depend on the financial situation after offsetting the receivables against the payables	1
2	Fugang Electric (Kunshan) Co., Ltd.	Foxlink Automotive Technology (Kunshan) Co., Ltd.	3	Prepaid expenses	204,070	The collections depend on the financial situation after offsetting the receivables against the payables	-

Number (Note 1)	Company name	Counterparty	Relationship (Note 2)	Transaction			
				General ledger account	Amount	Transaction terms	Percentage of consolidated total operating revenues or total assets (Note 3)
2	Fugang Electric (Kunshan) Co., Ltd.	Kunshan Fugang Electric Trading Co., Ltd.	3	Other receivables	$ 144,955	The collections depend on the financial situation after offsetting the receivables against the payables	-
2	Fugang Electric (Kunshan) Co., Ltd.	Fugang Electric (Maanshan) Co., Ltd.	3	Other receivables	270,701	The collections depend on the financial situation after offsetting the receivables against the payables	-
2	Fugang Electric (Kunshan) Co., Ltd.	Fugang Electronic (Dongguan) Co., Ltd.	3	Sales	271,425	Sales prices are based on the mutual agreement	-
2	Fugang Electric (Kunshan) Co., Ltd.	Culink Tianjin Co., Ltd.	3	Other payables	346,160	The collections depend on the financial situation after offsetting the receivables against the payables	-
3	Dongguan Fuqiang Electronics Co., Ltd.	Fugang Electronic (Dongguan) Co., Ltd.	3	Purchases	1,961,899	Purchase prices are based on the mutual agreement	2
3	Dongguan Fuqiang Electronics Co., Ltd.	Fugang Electronic (Dongguan) Co., Ltd.	3	Other payables	290,295	The collections depend on the financial situation after offsetting the receivables against the payables	-
3	Dongguan Fuqiang Electronics Co., Ltd.	Fugang Electronic (Dongguan) Co., Ltd.	3	Accounts payable	324,815	The collections depend on the financial situation after offsetting the receivables against the payables	-
3	Dongguan Fuqiang Electronics Co., Ltd.	Fugang Electric (Maanshan) Co., Ltd.	3	Other receivables	279,822	The collections depend on the financial situation after offsetting the receivables against the payables	-
3	Dongguan Fuqiang Electronics Co., Ltd.	Fuqiang Electric (Maanshan) Co., Ltd.	3	Accounts payable	132,570	The collections depend on the financial situation after offsetting the receivables against the payables	-
3	Dongguan Fuqiang Electronics Co., Ltd.	Fugang Electric (Kunshan) Co., Ltd.	3	Accounts receivable	1,801,959	The collections depend on the financial situation after offsetting the receivables against the payables	2
3	Dongguan Fuqiang Electronics Co., Ltd.	Du Precision Industry Co., Ltd.	3	Sales	100,469	Purchase prices are based on the mutual agreement	-
3	Dongguan Fuqiang Electronics Co., Ltd.	Du Precision Industry Co., Ltd.	3	Other receivables	100,469	The collections depend on the financial situation after offsetting the receivables against the payables	-
4	Fugang Electronic (Dongguan) Co., Ltd.	Fugang Electric (Maanshan) Co., Ltd.	3	Other receivables	341,833	The collections depend on the financial situation after offsetting the receivables against the payables	-
5	Studio A Inc.	Ashop Co., Ltd.	3	Other receivables	116,679	The collections depend on the financial situation after offsetting the receivables against the payables	-
6	Kunshan Fugang Electric Trading Co., Ltd.	Shanghai Fugang Electric Trading Co., Ltd.	3	Sales	972,650	Sales prices are based on the mutual agreement	1
7	Foxlink Image Technology Co., Ltd.	Glorytek (Yancheng) Co., Ltd.	3	Other receivables	118,992	Based on the company's policy	-

Number (Note 1)	Company name	Counterparty	Relationship (Note 2)	Transaction			
				General ledger account	Amount	Transaction terms	Percentage of consolidated total operating revenues or total assets (Note 3)
8	Glory Science Co., Ltd.	Glory Optics (Yancheng) Co., Ltd.	3	Other receivables	$ 255,026	Based on the company's policy	-
8	Glory Science Co., Ltd.	Glorytek (Yancheng) Co., Ltd.	3	Accounts receivable	346,939	Based on the company's policy	-
8	Glory Science Co., Ltd.	Glorytek (Yancheng) Co., Ltd.	3	Other receivables	138,511	Based on the company's policy	-
9	Glorytek (Suzhou) Co., Ltd.	Glorytek (Yancheng) Co., Ltd.	3	Other receivables	165,545	Based on the company's policy	-
10	Dongguan Fu Wei Electronics Co., Ltd.	Foxlink Image Technology Co., Ltd.	3	Processing income	600,085	The flexible collection based on the financial situation	1
10	Dongguan Fu Wei Electronics Co., Ltd.	Foxlink Image Technology Co., Ltd.	3	Accounts receivable	342,797	The flexible collection based on the financial situation	-
11	Dong Guan Fu Zhang Precision Industry Co., Ltd.	Foxlink Image Technology Co., Ltd.	3	Processing income	104,010	The flexible collection based on the financial situation	-
12	Wei Hai Fu Kang Electric Co., Ltd.	Foxlink Image Technology Co., Ltd.	3	Sales	667,701	The flexible collection based on the financial situation	1
12	Wei Hai Fu Kang Electric Co., Ltd.	Foxlink Image Technology Co., Ltd.	3	Accounts receivable	132,607	The flexible collection based on the financial situation	-
13	Power Quotient Technology (Yancheng) Co., Ltd.	Glory Optics (Yancheng) Co., Ltd.	3	Other receivables	333,179	Based on the company's policy	-
13	Power Quotient Technology (Yancheng) Co., Ltd.	Glorytek (Yancheng) Co., Ltd.	3	Other receivables	216,350	Based on the company's policy	-
14	Foxwell Energy Corporation Ltd	Shinfox Far East Company Pte Ltd.	3	Construction Cost	610,562	Sales prices are based on the mutual agreement	1

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

(1)Parent company is '0'.

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

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

(1)Parent company to subsidiary.

(2)Subsidiary to parent company.

(3)Subsidiary to subsidiary.

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

Note 4: Disclosure of the transactions of related party over $100 million only and the related party transactions for counterparty are not disclosed.

Cheng Uei Precision Industry Co., Ltd. and subsidiaries
Information on investees
Year ended December 31, 2023

Table 8

Expressed in thousands of NTD
(Except as otherwise indicated)

Investor	Investee	Location	Main business activities	Initial investment amount		Shares held as at December 31, 2023			Net Income (loss) of the investee for the year ended December 31, 2023	Investment income (loss) recognised by the Company for the year ended December 31, 2023	Footnote
				Balance as at December 31, 2023	Balance as at December 31, 2022	Number of shares (in thousand shares)	Ownership (%)	Book value			
The Company	Cu International Ltd.	British Virgin IS.	Manufacture of electronic telecommunication components and reinvestment business	$ 15,154,453	$ 14,687,737	493,550	100	$ 26,164,967	$ 699,614	$ 754,543	
The Company	Culink International Ltd.	British Virgin IS.	Reinvestment business	1,029,477	989,561	33,528	100	1,772,836	372,435	372,435	
The Company	Foxlink International Investment Ltd.	Taiwan	General investments holdings	3,950,000	3,350,000	468,750	100	4,390,733	456,990	456,990	
The Company	Fu Uei International Investment Ltd.	Taiwan	General investments holdings	4,250,000	4,250,000	425,000	100	2,725,367	(560,963)	(560,963)	
The Company	Well Shin Technology Co., Ltd.	Taiwan	Manufacture and sales of electronic telecommunication	270,065	270,065	22,282	18.84	1,268,983	507,511	95,914	
The Company	Darts Technologies Corporation	Taiwan	Manufacture of electronic telecommunication and wireless components	762,566	762,566	47,576	97	1,186,665	120,266	116,658	
The Company	Du Precision Industry Co., Ltd.	Taiwan	Sales of raw materials and products of various connectors	600,000	600,000	60,000	100	86,774	17,481	17,481	
The Company	Foxlink Technology Limited.	Hong Kong	Reinvestment business	340,644	340,644	86,700	100	889,607	1,329	1,329	
The Company	Suntain Co., Ltd.	Taiwan	Electroplating processing services	190,810	190,810	22,374	100	249,536	12,837	12,837	
The Company	Foxlink Arizona Inc.	USA	Energy service management	475,006	224,147	15,470	100	28,289	(271,827)	(271,827)	
The Company	Sinobest Brothers Limited	Hong Kong	Reinvestment business	635,716	635,716	20,704	91.19	300,231	(18,565)	(16,929)	

Investor	Investee	Location	Main business activities	Initial investment amount		Shares held as at December 31, 2023			Net Income (loss) of the investee for the year ended December 31, 2023	Investment income (loss) recognised by the Company for the year ended December 31, 2023	Footnote
				Balance as at December 31, 2023	Balance as at December 31, 2022	Number of shares (in thousand shares)	Ownership (%)	Book value			
Foxlink Technology Limited.	Sinobest Brothers Limited	Hong Kong	Reinvestment business	$ 60,903	$ 60,903	2,000	8.81	$ 29,002	($ 18,565)	($ 1,634)	
Sinobest Brothers Limited	Foxlink Myanmar Company Limited	Myanmar	Manufacture and sales of electronic telecommunication	697,126	697,126	22,704	100	363,954	(39,834)	(39,834)	
Du Precision Industry Co., Ltd.	Celink International Ltd.	British Virgin IS.	Sales of raw materials and products of various connectors	507,738	507,738	16,536	100	-	-	-	
Darts Technologies Corporation	Benefit Right Ltd.	British Virgin IS.	General investments holdings	302,321	302,321	9,846	100	1,254,458	127,966	127,966	
Benefit Right Ltd.	Power Channel Limited	Hong Kong	General investments holdings	236,736	236,736	6	64.25	1,172,675	194,483	124,926	
Foxlink Arizona Inc.	Grid Response LLC.	USA	Energy service management	12,036	-	392	50	12,048	-	-	
Cu International Ltd.	New Start Industries Ltd.	British Virgin IS.	Reinvestment business	264,063	264,063	8,600	100	2,769,294	118,229	118,229	
Cu International Ltd.	Foxlink Technical India Private Ltd.	India	Manufacture and sales of electronic telecommunication	120,623	99,116	26,594	34.45	62,398	1,493	511	
Cu International Ltd.	Solteras Limited	British Virgin IS.	Reinvestment business	61,410	61,410	1,960	100	-	-	-	
Foxlink Automotive Technology (Kunshan) Co., Ltd.	Foxlink Automotive Technology Co., Ltd.	Taiwan	Manufacture and sales of electronic telecommunication	39,609	39,609	5,000	100	47,616	250	250	
Culink International Ltd.	Pacific Wealth Limited	Cayman Islands	General investments holdings	30,705	30,705	1,000	100	(116,845)	4,050	4,050	
Culink International Ltd.	Foxlink Technical India Private Ltd.	India	Manufacture and sales of electronic telecommunication	206,759	166,843	21,546	65.55	112,497	1,493	982	
Culink International Ltd.	Foxlink Powerbank International Technology Private Ltd.	India	Manufacture and sales of electronic telecommunication	591	591	160	0.73	589	163	1	
Culink International Ltd.	Glorytek Science India Private Limited	India	Trading and manufacture	591	591	160	0.73	588	174	1	
Pacific Wealth Limited	Foxlink International Incorporation	USA	Sales of electronic telecommunication components	15,353	15,353	500	100	(116,845)	4,050	4,050	
Foxlink Techinical India Private Ltd.	Tegna Electronics Private Limited	India	Trading and manufacture	11,088	11,088	3,001	10	12,541	5,832	432	

Investor	Investee	Location	Main business activities	Initial investment amount		Shares held as at December 31, 2023			Net Income (loss) of the investee for the year ended December 31, 2023	Investment income (loss) recognised by the Company for the year ended December 31, 2023	Footnote
				Balance as at December 31, 2023	Balance as at December 31, 2022	Number of shares (in thousand shares)	Ownership (%)	Book value			
Foxlink International Investment Ltd.	FIT Holding Co., Ltd.	Taiwan	General investments holdings	$ 1,357,624	$ 1,357,624	58,303	23.67	$ 1,817,371	$ 567,916	$ 129,820	
Foxlink International Investment Ltd.	Yixin Precision Industry Co., Ltd.	Taiwan	Manufacture and sales of electronic telecommunication	60,000	60,000	6,000	75	-	-	-	
Foxlink International Investment Ltd.	Microlink Communications Inc.	Taiwan	Manufacture and sales of telecommunication equipment and apparatus	80,000	80,000	6,857	21.43	(22,889)	(736)	(158)	
Foxlink International Investment Ltd.	World Circuit Technology Co., Ltd.	Taiwan	Manufacture and sales of electronic telecommunication	469,500	469,500	15,650	69.56	187,066	(5,472)	(3,806)	
Foxlink International Investment Ltd.	Central Motion Picture Corporation	Taiwan	Motion picture production	900,000	900,000	15,000	13.60	1,528,446	70,821	9,632	
Foxlink International Investment Ltd.	Foxlink India Electric Private Limited	India	Manufacture and sales of electronic telecommunication	160,662	160,662	41,646	13.53	(50,259)	(813,385)	(110,068)	
Foxlink International Investment Ltd.	CYNC Design Co., Ltd.	Taiwan	Sales of electronic telecommunication components	10,000	10,000	1,000	15.38	10,053	1,104	170	
Foxlink International Investment Ltd.	Foxlink (Vietnam) Co., Ltd.	Vietnam	Sales of electronic telecommunication components	185,058	119,318	6,452	100	487,297	442,049	442,049	
Foxlink International Investment Ltd.	Foxlink Da Nang Electronics Co., Ltd.	Vietnam	Sales of electronic telecommunication components	905,730	-	28,000	100	822,494	(2,170)	(2,170)	
Foxlink Image Technology Co., Ltd.	Central Motion Picture Corporation	Taiwan	Motion picture production	257,656	257,656	4,294	3.89	184,043	70,821	2,755	
World Circuit Technology Co., Ltd.	Value Success Ltd.	British Virgin IS.	Holding company and reinvestment business	196,512	196,512	5,000	100	25,700	(8,087)	(8,087)	
Value Success Ltd.	Capital Guardian Limited	Hong Kong	Sales of electronic telecommunication components	196,512	196,512	3,005	100	25,631	(8,087)	(8,087)	
Capital Guardian Limited	World Circuit Technology (Hong Kong) Limited	Hong Kong	Sales of electronic telecommunication components	34,237	34,237	-	100	29,970	(8,087)	(8,087)	
Fu Uei International Investment Ltd.	FIT Holding Co., Ltd.	Taiwan	General investments holdings	456,240	456,240	14,690	5.97	405,812	567,916	32,673	
Fu Uei International Investment Ltd.	Studio A Inc.	Taiwan	Sales of electronic telecommunication components	96,200	96,200	13,196	51	338,579	42,027	16,095	
Fu Uei International Investment Ltd.	VA Product Inc.	Taiwan	Sales of electronic telecommunication components	16,642	16,642	2,400	100	33,161	4,641	4,641	

Investor	Investee	Location	Main business activities	Initial investment amount		Shares held as at December 31, 2023			Net Income (loss) of the investee for the year ended December 31, 2023	Investment income (loss) recognised by the Company for the year ended December 31, 2023	Footnote
				Balance as at December 31, 2023	Balance as at December 31, 2022	Number of shares (in thousand shares)	Ownership (%)	Book value			
Fu Uei International Investment Ltd.	Zhi De Investment Co., Ltd.	Taiwan	General investments holdings	$ 2,184,388	$ 2,184,388	170,918	100	$ 661,635	$ 44,916	$ 44,916	
Fu Uei International Investment Ltd.	CMPC Cultural & Creative Co., Ltd.	Taiwan	Venture capital industry	150,000	150,000	15,000	42.86	111,565	(1,678)	(719)	
Fu Uei International Investment Ltd.	Shinfox Energy Co., Ltd.	Taiwan	Mechanical installation and piping engineering	694,170	694,170	18,673	8.64	963,891	636,385	54,977	
Fu Uei International Investment Ltd.	Foxlink India Electric Private Limited	India	Manufacture and sales of electronic telecommunication	1,010,999	1,010,999	266,109	86.47	(183,031)	(813,385)	(703,317)	
Zhi De Investment Co., Ltd.	FIT Holding Co., Ltd.	Taiwan	General investments holdings	1,258,208	1,258,208	21,056	8.55	457,735	567,916	46,883	
Studio A Inc.	Tayih Digital Technology Co., Ltd.	Taiwan	Manufacture and sales of electronic telecommunication	3,000	3,000	300	60	-	-	-	
Studio A Inc.	Straight A Inc.	Taiwan	Sales of electronic telecommunication components	101,232	101,232	6,660	100	207,515	26,044	26,044	
Studio A Inc.	Studio A Technology Limited	Hong Kong	Sales of electronic telecommunication components	10,019	10,019	2,550	51	222,469	(181)	(92)	
Studio A Inc.	Jing Jing Technology Co., Ltd.	Taiwan	Sales of electronic telecommunication components	3,700	3,700	370	100	7,996	41	41	
Studio A Technology Limited	Ashop Co., Ltd.	South Korea	Sales of electronic telecommunication components	4,606	4,606	10	100	56,501	(19,229)	(19,229)	
FIT Holding Co., Ltd.	Glory Science Co., Ltd.	Taiwan	Manufacture and sales of optical instruments	2,814,868	2,214,868	60,000	100	426,601	(279,500)	(279,500)	
FIT Holding Co., Ltd.	Foxlink Image Technology Co., Ltd.	Taiwan	Manufacture and sales of image scanners and multifunction printers	3,011,140	3,011,140	164,994	100	4,173,056	602,151	595,939	
FIT Holding Co., Ltd.	Power Quotient International Co., Ltd.	Taiwan	Energy service management	3,372,180	3,372,180	444,691	100	5,213,291	264,600	264,161	
FIT Holding Co., Ltd.	Shin Fong Power Co., Ltd.	Taiwan	Energy service management	299,952	299,952	37,500	16.30	388,100	11,763	1,918	
FIT Holding Co., Ltd.	Synergy Co., Ltd.	Taiwan	Optoelectronics industry, Renewable energy and Energy technical	36,760	36,760	3,676	36.76	33,401	130	48	
Foxlink Image Technology Co., Ltd.	Accu-Image Technology Limited	British Virgin IS	Manufacture of image scanners and multifunction printers	1,325,746	1,325,746	20,241	100	2,274,747	130,291	130,291	

Investor	Investee	Location	Main business activities	Initial investment amount		Shares held as at December 31, 2023			Net Income (loss) of the investee for the year ended December 31, 2023	Investment income (loss) recognised by the Company for the year ended December 31, 2023	Footnote
				Balance as at December 31, 2023	Balance as at December 31, 2022	Number of shares (in thousand shares)	Ownership (%)	Book value			
Foxlink Image Technology Co., Ltd.	Shin Fong Power Co., Ltd.	Taiwan	Energy service management	$ 957,600	$ 957,600	79,800	34.70	$ 957,357	$ 11,763	$ 4,082	
Accu-Image Technology Limited	Power Channel Limited	Hong Kong	General investments holdings	131,724	131,724	4	35.75	753,723	165,112	59,028	
Glory Science Co., Ltd.	Glorytek (BVI) Co., Ltd.	British Virgin IS.	General investments holdings	1,458,482	1,249,688	47,500	100	120,592	(227,607)	(227,607)	
Glorytek (BVI) Co., Ltd.	Glorytek (Samoa) Co., Ltd.	Samoa	General investments holdings	977,974	769,180	31,851	100	471,929	(124,162)	(124,162)	
Glorytek (BVI) Co., Ltd.	Glorytek Optics (BVI) Co., Ltd.	British Virgin IS.	Sales agent	491,280	491,280	16,000	100	(393,565)	(103,618)	(103,618)	
Glorytek (BVI) Co., Ltd.	Glorytek Science India Private Limited	India	Trading and manufacture	103,349	103,349	21,773	99.27	80,173	174	173	
Glorytek Science India Private Limited	Tegna Electronics Private Limited	India	Trading and manufacture	11,086	11,086	3,001	10	12,543	5,832	583	
Power Quotient International Co., Ltd.	Power Quotient International (H.K.) Co., Ltd.	Hong Kong	Sales of electronic telecommunication components	416,867	416,867	106,100	100	703,509	4,361	4,361	
Power Quotient International Co., Ltd.	PQI Japan Co., Ltd.	Japan	Sales of electronic telecommunication components	23,129	23,129	24	100	2,330	132,257	132,257	
Power Quotient International Co., Ltd.	Syscom Development Co., Ltd.	British Virgin IS.	Specialized investments holding	333,548	333,548	10,863	100	82,893	198	198	
Power Quotient International Co., Ltd.	Apix Limited	British Virgin IS.	Specialized investments holding	3,177,022	3,177,022	13	100	1,157,709	20,723	20,723	
Power Quotient International Co., Ltd.	Power Sufficient International Co., Ltd.	Taiwan	Sales of medical instruments	10,000	10,000	1,000	100	13,044	(116)	(116)	
Power Quotient International Co., Ltd.	Shinfox Energy Co., Ltd.	Taiwan	Energy service management	3,646,600	3,646,600	102,951	47.63	5,314,342	636,385	303,110	
Shinfox Energy Co., Ltd.	Foxwell Energy Corporation Ltd.	Taiwan	Energy service management	8,670,000	6,100,000	867,000	100	9,454,493	763,402	765,399	
Shinfox Energy Co., Ltd.	Shinfox Natural Gas Co., Ltd.	Taiwan	Energy service management	360,000	360,000	36,000	80	273,993	(33,373)	(26,698)	
Shinfox Energy Co., Ltd.	Foxwell Power Co., Ltd.	Taiwan	Energy service management	656,590	672,000	46,539	77.57	753,148	53,170	44,568	

Investor	Investee	Location	Main business activities	Initial investment amount		Shares held as at December 31, 2023			Net Income (loss) of the investee for the year ended December 31, 2023	Investment income (loss) recognised by the Company for the year ended December 31, 2023	Footnote
				Balance as at December 31, 2023	Balance as at December 31, 2022	Number of shares (in thousand shares)	Ownership (%)	Book value			
Shinfox Energy Co., Ltd.	Jiuwei Power Co., Ltd.	Taiwan	Natural gas power generation business	$ 1,100,000	$ 1,100,000	110,000	100	$ 1,086,175	$ (6,154)	($ 6,154)	
Shinfox Energy Co., Ltd.	Chung Chia Power Co., Ltd.	Taiwan	Cogeneration business	-	180,000	-	-	-	(731)	(146)	Note 2
Shinfox Energy Co., Ltd.	Elegant Energy Tech Co., Ltd.	Taiwan	Energy technical services	200,000	200,000	500	100	146,872	(1,068)	(54,635)	
Shinfox Energy Co., Ltd.	Yuanshan Forest Natural Resources Co., Ltd.	Taiwan	Afforestation	100,000	10,000	10,000	100	99,682	(264)	(264)	
Shinfox Energy Co., Ltd.	Changpin wind power Ltd.	Taiwan	Electric Power Generation	120,000	120,000	12,000	50	105,979	(1,033)	(10,123)	
Shinfox Energy Co., Ltd.	Diwei Power Co., Ltd	Taiwan	Electric Power Generation	-	30,000	-	-	-	5,990	5,990	
Shinfox Energy Co., Ltd.	Guanwei Power Co., Ltd	Taiwan	Electric Power Generation	35,700	35,700	3,570	51	35,622	(122)	(1)	
Shinfox Energy Co., Ltd.	Shinfox Far East Company Pte Ltd	Singapore	Marine engineering business	1,657,323	981,545	53,600	67	1,571,897	(261,606)	(59,360)	
Shinfox Energy Co., Ltd.	Jun Wei Technology Co.,Ltd	Taiwan	Electric Power Generation	12,000	-	1,200	100	11,955	(45)	(45)	
Shinfox Energy Co., Ltd.	Eastern Rainbow Green Energy Environmental Technology Co., Ltd.	Taiwan	Energy service management	218,020	-	19,820	56.63	211,405	(11,095)	(6,283)	
Foxwell Energy Corporation Ltd.	Liangwei Power Co., Ltd	Taiwan	Electric Power Generation	-	40,000	-	-	-	6,459	6,459	
Foxwell Energy Corporation Ltd.	Xinwei Power Co., Ltd.	Taiwan	Electric Power Generation	37,300	-	3,730	100	31,998	(201)	(201)	
Foxwell Power Co., Ltd.	Foxwell Certification Co., Ltd.	Taiwan	Energy service management	10,000	-	1,000	100	5,794	(4,206)	(4,206)	
Foxwell Power Co., Ltd.	Cheng Shin Digital Co., Ltd.	Taiwan	Energy service management	490	-	49	49	1,682	990	485	
Eastern Rainbow Green Energy Environmental Technology Co., Ltd.	Eastern Rainbow Environmental Technology Co., Ltd.	Taiwan	Energy service management	2,500	-	250	100	708	(1,035)	(1,035)	

Investor	Investee	Location	Main business activities	Initial investment amount		Shares held as at December 31, 2023			Net Income (loss) of the investee for the year ended December 31, 2023	Investment income (loss) recognised by the Company for the year ended December 31, 2023	Footnote
				Balance as at December 31, 2023	Balance as at December 31, 2022	Number of shares (in thousand shares)	Ownership (%)	Book value			
Syscom Development Co., Ltd.	Foxlink Powerbank International Technology Private Limited	India	Sales of electronic telecommunication components	$ 103,260	$ 103,260	21,790	99.27	$ 80,232	$ 163	$ 162	
Apix Limited	Sinocity Industries Limited	Hong Kong	Sales of electronic products	2,652,075	2,652,075	6,000	100	915,010	22,410	22,410	
Apix Limited	Perennial Ace Limited	British Virgin IS.	Specialized investments holding	654,017	654,017	-	100	242,553	(1,688)	(1,688)	
Sinocity Industries Limited	DG Lifestyle Store Limited	Macao	Sales of electronic telecommunication components	381	381	100	100	(11,985)	(2,122)	(2,122)	
Perennial Ace Limited	Studio A Technology Limited	Hong Kong	Sales of electronic telecommunication components	4,998	4,998	1,225	24.50	105,982	(181)	(44)	
Foxlink Powerbank International Technology Private Limited	Tegna Electronics Private Limited	India	Trading and manufacture	11,086	11,086	3,001	10	12,543	5,832	583	

Note 1: PSI had registered for cancellation in June 2023.

Note 2: Chung Chia Power Co., Ltd. increased its capital by issuing new shares on January 29, 2023. The Group did not acquire shares proportionally to its interest and lost its significant influence over the company starting from January 30, 2023, which was reclassified to financial assets at fair value through other comprehensive income - non-current.

Cheng Uei Precision Industry Co., Ltd. and subsidiaries
Information on investments in Mainland China
Year ended December 31, 2023

Table 9

Expressed in thousands of NTD
(Except as otherwise indicated)

Investee in Mainland China	Main business activities	Paid-in capital	Investment method (Note 1)	Accumulated amount of remittance from Taiwan to Mainland China as of January 1, 2023	Amount remitted from Taiwan to Mainland China/Amount remitted back to Taiwan for the year ended December 31, 2023		Accumulated amount of remittance from Taiwan to Mainland China as of December 31, 2023	Net income (loss) of investee as of December 31, 2023	Ownership held by the Company (direct or indirect)	Investment income (loss) recognised by the Company for the year ended December 31, 2023 (Note 2)	Book value of investments in Mainland China as of December 31, 2023	Accumulated amount of investment income remitted back to Taiwan as of December 31,2023	Footnote
					Remitted to Mainland China	Remitted back to Taiwan							
Fugang Electronic (Dongguan) Co., Ltd.	Manufacture and sales of electronic telecommunication components	$ 1,788,567	Investment through an existing company in the third area	$ 1,788,567	$ -	$ -	$ 1,788,567	$ 601,752	100	$ 601,752	$ 7,620,885	$ -	
Culink Tianjin Co., Ltd.	Manufacture and sales of electronic telecommunication components	122,820	Investment through an existing company in the third area	30,705	-	-	30,705	2,804	100	2,804	235,250	-	
Fugang Electric (Kunshan) Co., Ltd.	Manufacture and sales of electronic telecommunication components	3,730,658	Investment through an existing company in the third area	3,730,658	-	-	3,730,658	(224,041)	100	(224,041)	2,608,514	-	
Dong Guan Fu Shi Chang Co., Ltd.	Manufacture and sales of electronic telecommunication components	3,678	Investment through an existing company in the third area	3,678	-	-	3,678	-	100	-	2,426	-	
Dongguan Fuqiang Electronics Co., Ltd.	Manufacture and sales of electronic telecommunication components	4,569,211	Investment through an existing company in the third area and the investee company in Mainland China	3,544,677	-	-	3,544,677	321,298	100	321,298	10,708,773	-	
Foxlink Automotive Technology (Kunshan) Co., Ltd.	Manufacture and sales of electronic telecommunication components	196,727	Investment through an existing company in the third area and the investee company in Mainland China	92,115	-	-	92,115	5,184	100	5,184	284,429	-	
Foxlink Energy (Tianjin) Ltd.	Manufacture and sales of electronic telecommunication components	122,820	Investment through an existing company in the third area	122,820	-	-	122,820	927	100	927	175,348	-	
Fushineng Electronics (Kunshan) Co., Ltd.	Manufacture and sales of electronic telecommunication components	368,460	Investment through an existing company in the third area	368,460	-	-	368,460	111,526	100	111,526	1,562,834	-	
Fu Shi Xiang Research & Development Center (Kunshan) Co., Ltd.	Manufacture and sales of electronic telecommunication components	138,173	Investment through an existing company in the third area	138,173	-	-	138,173	(1,924)	100	(1,924)	65,609	-	

Investee in Mainland China	Main business activities	Paid-in capital	Investment method (Note 1)	Accumulated amount of remittance from Taiwan to Mainland China as of January 1, 2023	Amount remitted from Taiwan to Mainland China/Amount remitted back to Taiwan for the year ended December 31, 2023		Accumulated amount of remittance from Taiwan to Mainland China as of December 31, 2023	Net income (loss) of investee as of December 31, 2023	Ownership held by the Company (direct or indirect)	Investment income (loss) recognised by the Company for the year ended December 31, 2023 (Note 2)	Book value of investments in Mainland China as of December 31, 2023	Accumulated amount of investment income remitted back to Taiwan as of December 31,2023	Footnote
					Remitted to Mainland China	Remitted back to Taiwan							
Fu Gang Electronic (Nan Chang) Co., Ltd.	Manufacture and sales of electronic telecommunication components	$ 1,535,250	Investment through an existing company in the third area and the investee company in Mainland China	$ 1,535,250	$ -	$ -	$ 1,535,250	$ 24,090	100	$ 24,090	$ 1,225,094	$ -	
Fugang Electric (Yancheng) Co., Ltd.	Manufacture and sales of electronic telecommunication components	92,115	Investment through an existing company in the third area	73,692	-	-	73,692	442	80	354	51,579	-	
Fuqiang Electric (Yancheng) Co., Ltd	Manufacture and sales of electronic telecommunication components	307,050	Investment through an existing company in the third area	307,050	-	-	307,050	(21,067)	100	(21,067)	(56,365)	-	
Foxlink Tianjin Co., Ltd.	Manufacture and sales of electronic telecommunication components	552,690	Investment through an existing company in the third area	159,666	-	-	159,666	(69,677)	100	(69,677)	1,337,103	-	
Kunshan Fugang Investment Co., Ltd.	Reinvestment business	921,150	Investment through the investee company in Mainland China	921,150	-	-	921,150	37,257	100	37,257	1,753,950	-	
Fugang Electric (Maanshan) Co., Ltd.	Manufacture and sales of electronic telecommunication components	934,388	Investment through an existing company in the third area	307,050	-	-	307,050	(103,659)	100	(103,659)	(1,182,267)	-	
Fuzhan Electronics (Shanghai) Co., Ltd.	Manufacture and sales of electronic telecommunication components	-	Investment through the investee company in Mainland China	244,412	-	244,412	-	-	Note 3	-	-	-	
Kunshan Fugang Electric Trading Co., Ltd.	Sales of electronic telecommunication components	168,949	Investment through the investee company in Mainland China	168,949	-	-	168,949	103	51	(3,212)	11,708	-	
Kunshan Fu Shi You Trading Co., Ltd.	Sales of electronic telecommunication components	62,146	Investment through the investee company in Mainland China	-	-	-	-	(106)	51	(54)	13,362	-	
Shanghai Fugang Electric Trading Co., Ltd.	Sales of electronic telecommunication components	8,878	Investment through the investee company in Mainland China	-	-	-	-	20,109	51	10,256	(61,285)	-	
Shanghai Standard Information Technology Co., Ltd.	Sales of electronic telecommunication components	4,439	Investment through the investee company in Mainland China	-	-	-	-	(6,153)	51	(3,138)	(6,398)	-	

Investee in Mainland China	Main business activities	Paid-in capital	Investment method (Note 1)	Accumulated amount of remittance from Taiwan to Mainland China as of January 1, 2023	Amount remitted from Taiwan to Mainland China/Amount remitted back to Taiwan for the year ended December 31, 2023		Accumulated amount of remittance from Taiwan to Mainland China as of December 31, 2023	Net income (loss) of investee as of December 31, 2023	Ownership held by the Company (direct or indirect)	Investment income (loss) recognised by the Company for the year ended December 31, 2023 (Note 2)	Book value of investments in Mainland China as of December 31, 2023	Accumulated amount of investment income remitted back to Taiwan as of December 31,2023	Footnote
					Remitted to Mainland China	Remitted back to Taiwan							
Sharetronic Data Technology Co., Ltd.	Manufacture and sales of electronic telecommunication components	$ 1,054,927	Investment through an existing company in the third area	$ 236,736	$ -	$ -	$ 236,736	$ 1,236,247	16.89	$ 196,336	$ 1,756,140	$ -	
Fuqiang Electric (Maanshan) Co., Ltd.	Manufacture and sales of electronic telecommunication components	153,525	Investment through the investee company in Mainland China	-	-	-	-	(23)	100	(23)	138,373	-	
Fugang Electric (Xuzhou) Co., Ltd.	Manufacture and sales of electronic telecommunication components	1,903,709	Investment through an existing company in the third area	1,750,185	153,525	-	1,903,710	732,987	100	732,987	3,535,346	-	
Dongguan Banrin Robot Technology Co., Ltd.	Manufacture and sales of automated equipment	129,810	Investment through the investee company in Mainland China	-	-	-	-	(29,402)	31.03	(14,592)	111,958	-	
Suzhou Keyu Rui Automobile Technology Co., Ltd.	Trading and manufacture	10,818	Investment through the investee company in Mainland China	-	-	-	-	(21)	55.56	(11)	23,445	-	
Changzhou Xinwei Vehicle Energy Venture Capital Co., Ltd.	General investments holding	432,700	Investment through an existing company in the third area	-	-	-	-	(288,866)	50	(14,445)	409,703	-	
Hangzhou Huanta Power Technology Development Services Co., Ltd.	Manufacture and sales of electronic telecommunication components	129,810	Investment through the investee company in Mainland China	-	-	-	-	(21,266)	44	(9,295)	120,686	-	
Dong Guan HanYang Computer Co., Ltd.	Manufacture of image scanners and multifunction printers and investment of real estate	187,013	Investment through an existing company in the third area	187,013	-	-	187,013	29,611	100	29,611	326,156	-	
Dong Guan Fu Zhang Precision Industry Co., Ltd.	Mould development and moulding tool manufacture	249,087	Investment through an existing company in the third area	183,170	-	-	183,170	(58,629)	100	(58,629)	123,124	-	
Wei Hai Fu Kang Electric Co., Ltd.	Manufacture and sales of image scanners, multifunction and parts printers	460,575	Investment through an existing company in the third area	368,460	-	-	368,460	68,708	100	68,708	649,756	-	

Investee in Mainland China	Main business activities	Paid-in capital	Investment method (Note 1)	Accumulated amount of remittance from Taiwan to Mainland China as of January 1, 2023	Amount remitted from Taiwan to Mainland China/Amount remitted back to Taiwan for the year ended December 31, 2023		Accumulated amount of remittance from Taiwan to Mainland China as of December 31, 2023	Net income (loss) of investee as of December 31, 2023	Ownership held by the Company (direct or indirect)	Investment income (loss) recognised by the Company for the year ended December 31, 2023 (Note 2)	Book value of investments in Mainland China as of December 31, 2023	Accumulated amount of investment income remitted back to Taiwan as of December 31,2023	Footnote
					Remitted to Mainland China	Remitted back to Taiwan							
Dongguan Fu Wei Electronics Co., Ltd.	Manufacture and sales of parts and moulds of photocopiers and scanners	$ 184,230	Investment through an existing company in the third area	$ 162,992	$ -	$ -	$ 162,992	$ 21,789	100	$ 21,789	$ 499,257	$ -	
Glorytek (Suzhou) Co., Ltd.	Trading and manufacture	429,870	Investment through an existing company in the third area	399,490	-	-	399,490	(72,215)	100	(72,215)	284,865	-	
Glorytek (Yancheng) Co., Ltd.	Trading and manufacture	276,345	Investment through an existing company in the third area	256,815	-	-	256,815	(108,452)	100	(108,452)	(658,937)	-	
Yancheng Yaowei Technology Co., Ltd.	Trading and manufacture	43,270	Investment through the investee company in Mainland China	-	-	-	-	(419)	100	(419)	83,612	-	
Glory Optics (Yancheng) Co., Ltd.	Trading and manufacture	1,143,258	Investment through an existing company in the third area and the investee company in Mainland China	326,960	208,046	-	535,006	(124,375)	100	(124,375)	399,535	-	
Power Quotient Technology (Yancheng) Co., Ltd.	Manufacture and sales of electronic telecommunication components	9	Investment through an existing company in the third area	Note 1	-	-	-	4,570	100	4,570	703,240	-	
PQI (Xuzhou) New Energy Co., Ltd.	Manufacture and sales of electronic telecommunication components	43,270	Investment through the investee company in Mainland China	Note 2	-	-	-	86	100	86	43,590	-	
Kunshan Jiuwei Info Tech Co., Ltd.	Supply chain finance energy service management	1,536	Direct investment	1,536	-	-	1,536	4,817	100	4,817	31,272	-	
KunShan Eastern Rainbow Environmental Equipment Co., Ltd.	Energy service management	21,635	Direct investment	21,635	-	-	21,635	(1,081)	100	(1,081)	31,318	-	

Note 1: The financing amount remitted to PQI's indirect investment of Power Quotient Technology (Yancheng) Co., Ltd. was through an existing company in the third area.
Note 2: The financing amount remitted to PQI's indirect investment of PQI (Xuzhou) New Energy Co., Ltd. were through Power Quotient Technology (Yancheng) Co., Ltd.
Note 3: Fuzhan Electronics (Shanghai) Co., Ltd. completed the registration of cancellation on November 8, 2023.

Company name	Accumulated amount of remittance from Taiwan to Mainland China as of December 31, 2023	Investment amount approved by the Investment Commission of the Ministry of Economic Affairs (MOEA)	Ceiling on investments in Mainland China imposed by the Investment Commission of MOEA
Cheng Uei Precision Industry Co., Ltd.	$ 15,433,106	$ 16,684,051	The Company's investment in Mainland China is not subject to an upper limit as the Company obtained the certificate of scope of operations issued by Industrial Development Bureau, MOEA in accordance with the Regulations Governing the Examination of Investment or Technical Cooperation in Mainland China amended on August 29, 2008.
Foxlink Image Technology Co., Ltd.	1,045,726	1,208,785	2,067,457
Glory Science Co., Ltd.	1,191,311	1,288,075	234,565
Power Quotient International Co., Ltd.	23,171	669,215	7,384,801

Note 1: It was the reinvestment in Mainland China through an existing company in the third area by cash and the investment was approved by the Investment Commission of MOEA.

Note 2: Investment income (loss) recognised by the Company for the year ended December 31, 2023 was audited by independent auditors.

Note 3: The Company's investment in Mainland China is not subject to an upper limit as the Company obtained the scope of operations certificate of being qualified for operating headquarters issued by Industrial Development Bureau, MOEA in accordance with the Regulations Governing the Examination of Investment or Technical Cooperation in Mainland China amended on August 29, 2008.

Note 4: The investments through the investee company in Mainland China of the Company including: Dongguan Fuqiang Electronics Co., Ltd., Fugang Electric (Maanshan) Co., Ltd., Fu Gang Electronic (Nan Chang) Co., Ltd., Foxlink Automotive Technology (Kunshan) Co., Ltd., Kunshan Fugang Electric Trading Co., Ltd., Kunshan Fu Shi You Trading Co., Ltd., Shanghai Fugang Electric Trading Co., Ltd.., Fuqiang Electric (Maanshan) Co., Ltd., Dongguan Banrin Robot Technology Co., Ltd., and Suzhou Keyu Rui Automobile Technology Co., Ltd. Except for the investment via the holding companies in Mainland China, other investments shall not be approved by Investment Commission of MOEA.

Cheng Uei Precision Industry Co., Ltd. and subsidiaries
Major shareholders information
Year ended December 31, 2023

Table 10

Number of major shareholders	Shares	
	Name of shares held	Ownership (%)
Hsin Hung International Investment Co., Ltd.	100,535,228	19.62%
Foxlink Image Technology Co., Ltd.	49,503,000	9.66%
Central Motion Picture Corporation	32,584,000	6.36%

6. **In the most recent year and as of the publication date of the annual report, whether any financial difficulties occur at the Company that affects the Company's financial status: None.**

VII. Financial status and financial performance review analysis and risk issue

1. Review and analysis financial status

Comparative analysis table of financial status

Unit: NTD Thousand

Item \ Year	2023	2022	Difference	
			Amount	%
Current Assets	67,717,157	61,093,418	6,623,739	10.84%
Property, Plant And Equipment	22,705,808	20,923,246	1,782,562	8.52%
Intangible Assets	1,724,432	1,749,316	(24,884)	(1.42%)
Other Assets	13,614,161	14,532,031	(917,870)	(6.32%)
Total Assets	105,761,558	98,298,011	7,463,547	7.59%
Current Liabilities	41,256,215	36,357,990	4,898,225	13.47%
Non-Current Liabilities:	27,683,351	25,681,934	2,001,417	7.79%
Total Liabilities	68,939,566	62,039,924	6,899,642	11.12%
Equity Attributable To Owners Of Parent	24,190,274	24,422,591	(232,317)	(0.95%)
Capital Stock	5,123,269	5,123,269	-	0.00%
Additional Paid-In Capital	10,764,901	10,382,683	382,218	3.68%
Retained Earnings	11,598,307	11,552,466	45,841	0.40%
Other Equity Interest	(2,673,429)	(2,363,761)	(309,668)	13.10%
Treasury Shares	(622,774)	(272,066)	(350,708)	128.91%
Non-Controlling Interests	12,631,718	11,835,496	796,222	6.73%
Total Equity	36,821,992	36,258,087	563,905	1.56%
Reasons For Increases Or Decreases In Amounts In The Last Two Years. Treasury Stock Increased By 128.91%, Mainly Due To The Increase Of Subsidiaries' Purchase Of The Company's Stock.				

2. Review and analysis of financial performance:

Unit: NTD Thousand

Item \ Year	2023	2022	Difference	
			Amount	%
Operating revenue	90,550,764	94,102,594	(3,551,830)	(3.77%)
Operating costs	78,856,852	82,008,395	(3,151,543)	(3.84%)
Operating gross profit	11,693,912	12,094,199	(400,287)	(3.31%)
Operating Expenses	8,793,890	8,562,506	231,384	2.70%
Operating profit	118,111	-	118,111	-
Non-operating income and expenses	3,018,133	3,531,693	(513,560)	(14.54%)
Net profit before tax	118,168	(119,900)	238,068	198.56%
Income tax expense	3,136,301	3,411,793	(275,492)	(8.07%)
Net profit for the period	1,034,479	1,317,094	(282,615)	(21.46%)

Reasons for increases or decreases in amounts in the last two years.

1. Non-operating income and expenses increased by 198.56%, mainly due to the recognition of compensation losses in 2022.
2. Income tax expenses decreased by 21.46%, mainly due to the decrease in the net profit before tax in 2023.

3. Cash flow review and analysis

Unit: NTD Thousand

Beginning cash balance	Annual net cash flows from operating activities	Annual cash outflows from investment and financing activities	Effect of exchange rate fluctuations	Cash surplus (insufficiency) amount	Remedial measures for cash shortages	
					Investment plan	Financing plan
11,431,070	2,525,347	1,289,362	(400,983)	14,844,796	-	-

1. Analysis of the changes in cash flows for the most recent year:
   (1) Operating activities: NTD 2,525,347 thousand
   (2) Investing activities: NTD (3,662,487)thousand
   (3) Financing activities: NTD 4,951,849 thousand
2. Remedial measures and liquidity analysis for cash shortage: None.
3. Analysis of cash liquidity in the coming year: With the Company's substantial growth in operations and increased profits in recent years, cash flows in the coming year will be sound.

4. The impact of major capital expenditures in recent years on financial operations

Unit: NTD Thousand

Year	Capital expenditure items	Sources of funds	Total funds	Effect on financial operations
2023	Acquisition of property, plant and equipment	Own funds and bank financing	3,734,836	Build additional factories and purchase production equipment to expand the scale of production and sales to meet market and customer needs.

5. Reinvestment policy in the most recent year, main reasons for its profit or loss, improvement plan and investment plan for the next year

The Company's reinvestment under equity method is for long-term strategic purpose. In 2023, the reinvestment profit under the equity method was NTD 238,603 thousand. In the future, the Company's reinvestments under equity method will continue to be long-term strategic investments, and will focus on expanding production capacity in response to market demands, and will continue to prudently evaluate them.

6. Risk management

6.1 Most recent year impact of interest rate, exchange rate changes, and inflation on the Company's profit and loss and future countermeasures:

(1) The amount of bank loans increased in 2023 compared with 2022, and market interest rates rose. Therefore, annual interest expense was NTD 619,232 thousand, representing an increase from the NTD 423,257 thousand seen in 2022. In the future, the Company will regularly evaluate deposit and borrowing interest rates between banks and maintain good relationships with correspondent banks to obtain more favorable borrowing rates. At the same time, we will pay close attention to changes in interest rates to maintain the flexibility of financial operations.

(2) The Company's 2023 exchange gains totaled NTD 34,063 thousand mainly due to the appreciation of the US dollar. However, based on the inconsistency of exchange rate changes in the market, it is difficult to accurately predict the future direction of exchange rate changes. Therefore, the Company's consistent practice is to reduce the net position exposed to the risk of exchange rate fluctuations as its main principle. At the same time, we will closely monitor market exchange rate fluctuations, and undertake forward foreign exchange transactions for risky positions to hedge risks. This will be done to reduce the impact of exchange rate fluctuations on the company's profits and losses.

(3) Prices of raw materials such as international crude oil and basic metals have remained at high levels, which has put pressure on the Company's overall material costs. In 2023, domestic water, oil and electricity prices gradually increased. The Company thus will pay close attention to price changes. At the same time, a relatively medium- to long-term procurement strategy will be formulated to reduce the impact of inflation on the Company's profits and losses.

6.2 In the past year, policies for engagement in high risk and high leverage investment, loaning funds to others, guarantees/endorsements, and derivative trade, the main reason for profit or loss, and the response in the future:

(1) Since its establishment, the Company has been committed to operations in its industry and has not engaged in high risk and high leverage investment behavior.

(2) The Company's conduct of loans of funds to others and of endorsements and guarantees are all handled in accordance with the company's Operational Procedures for Loaning Funds to Others and Implementation Measures for Endorsements and Guarantees.

(3) The Company did not engage in derivative operations in 2023. Any future derivative transactions will be for the purpose of hedging and will be handled in accordance with the Procedures for the Acquisition or Disposal of Assets.

6.3 The most recent annual research and development plans, current progress of ongoing R&D plans, R&D expenses to be reinvested, estimated time before mass production is completed, and main factors influencing the success of future R&D:

(1) The main future research and development directions and strategies of the Company will be:

A. Closely integrate technology into products to generate differentiated competitive advantages.

B. Integrate the technical fields of materials, machinery, electronics, optics, electroacoustics, power, etc.; e.g., through: optical inspection automation, engineering analysis capabilities, secondary processing electroplating technology, antenna design, and wire nano coating development.

C. Build professional laboratories for high frequency technology, electroacoustic technology, surface technology, and so on.
D. Lead and continue to develop various halogen-free, lead-free materials and application products that meet future environmental protection requirements.
E. Participate in the development process of customers' new products to provide them with various solutions and technical support.
F. Strengthen the ability to integrate existing technologies and evaluate and introduce new product development technologies.
G. Integrate the technology platform of electro-optic sound to expand products and market share.
H. Pay attention to the development of green technology, including energy-saving and carbon emission reduction technologies, renewable energy applications, and develop corresponding products and solutions, and contribute to the creation of a sustainable environment.
I. Develop cloud computing and edge computing technologies and modules, and provide related cloud services and data analysis solutions.
J. Development of artificial intelligence (AI) related applications and products.

(2) Cases that have been developed and completed as of the first quarter of this year:
A. USB-C connector laser spot welding and welding monitoring technology.
B. Connector terminal U-shaped cold forging technology.
C. Centrifugal plating technology for metal loose parts.
D. Completed the development of 240W high-current charging cable.
E. USB4 Gen3 Active Cable.
F. Development of integrated technology for the ECG sensor of electric bicycle and the three-power system.
G. The AI optical system for detecting the color of game joystick objects.
H. Development of smart taillights for two-wheeled vehicles.
I. Physical movement detection for remote fitness sessions.
J. ANC headset prototype & ANC tuning technology.
K. Cooperated with the digital innovation subsidy program developed by the Digital Industry Administration, and Foxwell Power will implement the Foxwell Cloud green power sharing cloud service.

(3) This year's planned development of ongoing cases is as follows, and it is expected that mass production and shipments will be attained by the end of this year.
A. Establishment and application of electroplating masking & plating technology.
B. Automated busbar technology.
C. AOI white light inspection technology.
D. Vehicle-mounted Ethernet wire harness products.
E. 280W ultra-high current charging cable.
F. High Power 460W PSU.
G. Physical movement detection for remote fitness sessions.
H. IP Cam with AI function.
I. In line with Taiwan's 2050 net zero transformation goal, develop inspection software to simplify inspection procedures, integrate public clouds and existing cloud platforms, and provide inspection services through the API framework and functional modules.

(4) Our company's actual R&D expenditure for the merger in 2023 amounted to NT$2,521,545 thousand, approximately 2.78% of the consolidated revenue for that year. The planned R&D expenditure for 2024 is currently set at NT$3.1 billion. The company will allocate R&D expenses according to the aforementioned plan and targets, with adjustments made based on operational conditions.

6.4 In the past year, the impact of important domestic and foreign policies and legal changes on the Company's financial business and corresponding measures:

The Company has a legal unit that keeps an eye on important domestic and foreign policies and changes in laws to propose impact assessments and response plans. At the same time, the Company has also appointed external legal counsel to make inquiries and deal with legal issues related to the Company.

6.5 Effect of changes in technology (including information and communication security risks) and industrial changes on the Company's financial operations and countermeasures:

(1) The advancement of science and technology is set to transform human life as well as impact the ecology of the industry. The changes in and rise and fall of the industry are closely related to the Company's future development. In the past, our Company has developed from its start in the information industry to take its place in the communications industry, and is now set to expand into the consumer electronics industry. The Company has thus always been able to keep abreast of technological information and changes in this industry to understand market needs and trends in this industry, so as to set out strategies that are beneficial to the Company's long-term development.

(2) Information security risk assessment analysis

The Company has formulated an information security policy to strengthen information security management, ensuring the confidentiality, integrity, and availability of the information assets. It has done so in order to provide an information environment for the continuous operation of the Company's business, as well as freedom from internal and external threats whether deliberate or accidental. The Company has also formulated information security risk assessment procedures and conducts regular annual assessments.

A. Information security policy scope
   - Personnel management and information security education and training
   - Network and computer system security management
   - System access control, development and maintenance security management
   - Information asset security management
   - Physical and environmental safety management
   - Planning and management of business continuity operation plan

B. Information security policy responsibilities
   - The Company has established an inter-departmental information security management team. The staff work of this group is the responsibility of the information unit, coordinating matters related to information security management.
   - Supervisors at all levels of the Company should actively participate in and support the information security management system, and achieve cost policies through the relevant standards and procedures that have been established.
   - All personnel of the company, outsourced service vendors and visitors should abide by these policies.
   - When any personnel of the Company or outsourced service providers discover an information and security incident, the contact person of the information security team should be notified, and the person in charge of the information security team should be informed. At the same time, the information security contact person should report information security incidents or discovered weaknesses through the notification mechanism, and should also record them.
   - Any act that endangers information security will be investigated for civil, criminal and administrative responsibilities according to the seriousness of the circumstances or will be dealt with in accordance with the relevant regulations of the Company.
   - The information security team's operations are to be implemented in accordance with the Company's procedures to ensure data integrity and security. As the results of the information security risk assessment are still optimal, the Company's information security has therefore experienced no major adverse effects and no major operational risks in the most recent year and as of the publication date of the annual report.

6.6 In the most recent year, the impact of corporate image change on corporate crisis management and countermeasures:

The Company has been committed to operations in its industry and with the goal of establishing a positive social image of the Company and exerting its social responsibility. Nothing has happened that would damage our corporate image.

6.7 Expected benefits and possible risks of mergers and acquisitions and countermeasures:

In the most recent year and up to the date of publication of the annual report, the Company has not had any mergers or acquisitions.

6.8 Expected benefits and possible risks of plant expansion and countermeasures:

In order to meet the needs of future business growth, the company will continue to expand the production capacity of each production base to expand its market share.

6.9 Risks arising from purchase or sales concentration and countermeasures:

(1) Sales:

As the company's products are diversified, including cables, connectors, batteries, power modules and other system products, the application scope of terminal products covers communication and consumer electronics products and the sales target is mainly international brand manufacturers; therefore, risk is relatively low. At the same time, the company's products have gradually changed from OEM and ODM to JDM (joint design manufacturing with customers) in recent years, thus providing customers with multiple technical resources. Therefore, the close integration of customer relationships also greatly enhances the Company's R&D strength and competitiveness; and even in the face of an oligopolistic market for end products, the Company can also expand various new product areas and achieve the goal of stable growth in its annual performance.

(2) Purchasing:

Except for agency sales involving finished products bought back from subsidiaries, the Company requires a wide range of raw materials in view of the diversified nature of its products. As a result, actual purchasing counterparties are quite spread out and there is no risk of concentration.

6.10 The influence and risk of the massive transfer of shares or the replacement of the directors, supervisors, or major shareholders holding more than 10% of the shares issued by the Company, and the response:

In the most recent year and up to the date of publication of the annual report, the Company has not faced the aforementioned situation.

6.11 The impact, risks and countermeasures of a change of management rights on the Company:

In the most recent year and up to the date of publication of the annual report, there has not been such a concern.

6.12 Litigation or non-litigation events:

(1) The Company's current major litigation or non-litigation events or administrative disputes still being adjudicated:

The Company	Counterparty	Year dispute began	Summary of facts	Targeted amount	Jurisdiction
Shih Fong Power Co., Ltd.	* Shanli tribe, Taiping tribe, and indigenous peoples	2020	**Proposal:** The Shanli tribe, the Taiping tribe, and indigenous peoples filed a case for the suspension of the extended construction permit of Shih Fong Power Co., Ltd.'s power plant issued by the Bureau of Energy, Ministry of Economic Affairs: Case progress: The first instance of this case has been approved by the Taipei High Administrative Court, referenced 2021-Ting No. 79, to suspend the extended construction permit issued by the Ministry of Economic Affairs on December 31, 2020 until the conclusion of the administrative proceedings, and the court rejected the remaining claims. The Ministry of Economic Affairs and Shih Fong Power Co., Ltd. refused to accept the judgment and filed an appeal with the Supreme Administrative Court prior to a deadline stipulated in law. The case is still being tried, and the result is yet to be known. * On April 13, 2022, the Supreme Court's ruling was received (as attached), and it was considered that the appeal was justified. The ruling's intention: the extension of the case would expire on December 31, 2021 and there was no cause to suspend enforcement. (Program termination of this portion here)	NA	Supreme Administrative Court
Shih Fong Power Co., Ltd.	* Shanli tribe, Taiping tribe, and indigenous peoples	2020	Proposal: The Shanli tribe, the Taiping tribe, and indigenous peoples filed a petition to revoke the extended construction permit of Shih Fong Power Co., Ltd.'s power plant, issued by the Bureau of Energy, Ministry of Economic Affairs: Case progress: (1) This petition case is under review by the Petitions and Appeals Committee, Executive Yuan, and the decision has not come out yet. Shih Fong Power Co., Ltd.'s application for stating opinions has been passed. * On March 3, 2022, by decision of the Appeal Review Committee (Yuantai Suzi No. 1110166224) regarding the portion of petitioner Taiping tribe, the Ministry of Economic Affairs would undertake revocation on December 31, 2020 through Letter Quannengzi No. 10900223510 and the Ministry would take other appropriate legal sanctions within two months. * On April 29, 2022, Shi Fong Company filed an administrative suit against the decision in the preceding paragraph. As of November 9, 2022, the procedural court was still being prepared. The case is still being tried, and the result is yet to be known. (Trial of this case concurrently with the "Environmental Impact Assessment")	NA	Taipei High Administrative Court

			On October 17, 2023, the High Court ruled to allow the applicant to participate in the litigation. As of December 20, 2023, the preparatory proceedings (II) were conducted and the preparatory proceedings were conducted on February 22, 2024 (III).		
Shih Fong Power Co., Ltd.	Citizen of the Earth, Taiwan	2022	Reason: Citizen of the Earth, Taiwan submitted a citizen notification letter to the Environmental Protection Administration in respect to an environmental impact assessment event, requesting the Administration to order the Company to submit a surprise analysis of the current environmental situation and a review report on countermeasures for the development plan, submitting it to the Administration for review. In accordance with the letter from the Environmental Protection Administration of June 9, 2021, the development plan has passed the environmental impact assessment and environmental impact review, and there is no basis for a second environmental impact assessment in accordance with the law. Citizen of the Earth, Taiwan filed an administrative suit (against defendant EPA) on August 6, 2021, alleging administrative inaction. Referred to as the "Environmental Impact Assessment." Case progress: * The Company filed a plea for participation in the litigation on March 23, 2022. As of October 12, 2022, the procedural court was still being prepared. The case is still being tried, and the result is yet to be known. (1) The preparation process (IV) was conducted as of July 12, 2023. The case is still being tried, and the result is yet to be known. As of November 22, 2023, the preparatory proceedings (V) were conducted, and the preparatory proceedings (VI) were conducted on January 17, 2024. The case is still being tried, and the result is yet to be known.	NA	Taipei High Administrative Court
Shih Fong Power Co., Ltd.	* Shanli tribe, Taiping tribe, and indigenous peoples	2023	**Proposal:** The Shanli Tribe, Taiping Tribe, and the indigenous peoples filed a petition to revoke the "2023" work permit granted to Shifeng Power Plant by the Energy Bureau, MOEA. **Case progress:** (1) On April 11, 2023, a petition was filed, applying for the suspension and revocation of the 2023 work permit. (2) On May 5, 2023, the Executive Yuan overruled the suspension of execution. The revocation of the 2023 work permit is "pending the court proceedings." * Letter from the Secretary-General of the Executive Yuan on February 6, 2024 inadmissible (indigenous individuals cannot file a lawsuit)	NA	Supreme Administrative Court

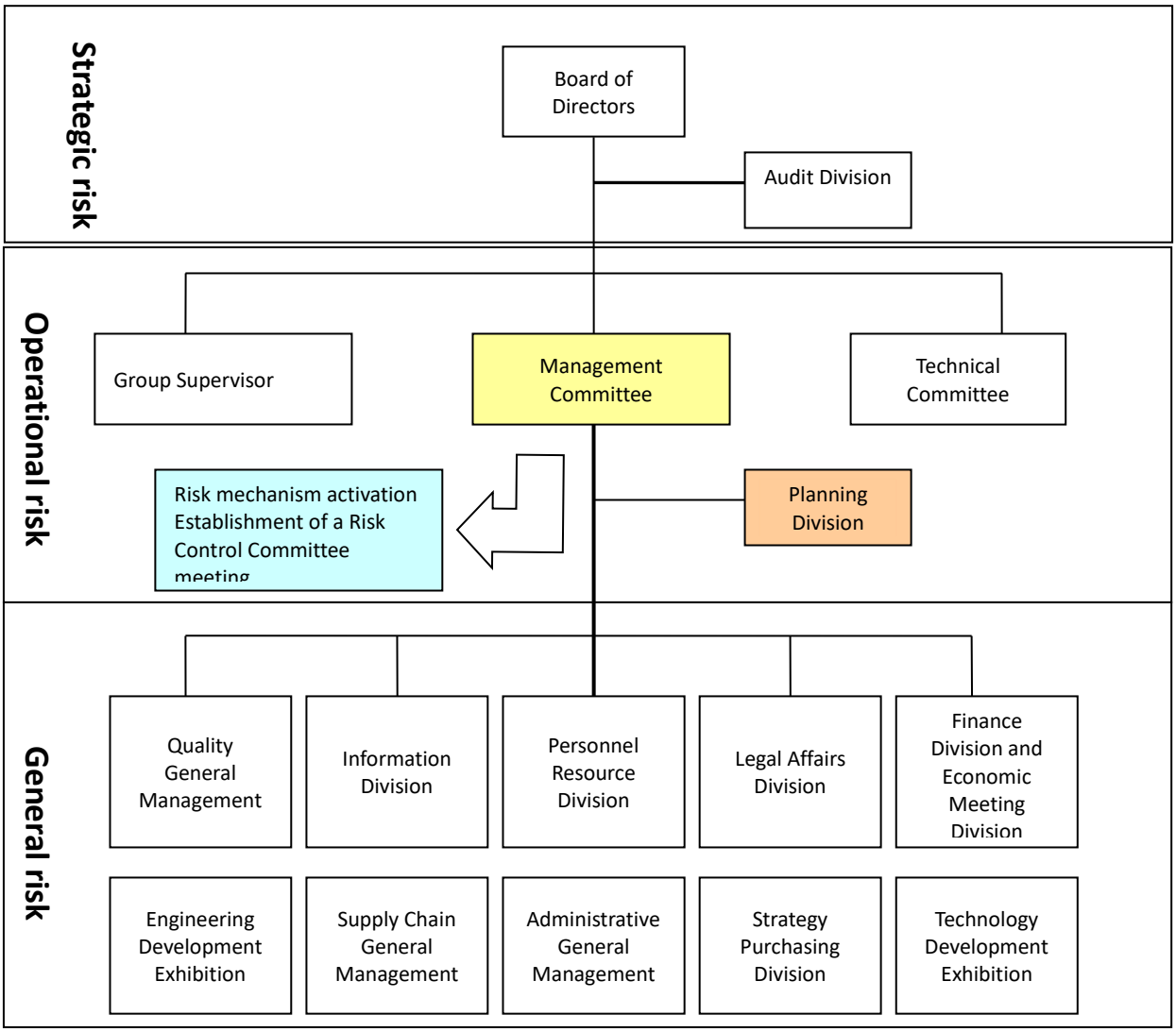
			(3) On July 7, 2023, the applicant filed a lawsuit for "application for suspension of 2023 work permit". (4) On August 11, 2023, the Taipei High Administrative Court ruled to "suspend the execution of the 2023 work permit." Shi Feng expects to file a protest to the Supreme Administrative Court in August. On September 28, 2023, the Supreme Administrative Court ruled to reject the application for suspension of execution (the original ruling to abolish Taipei High Administrative Court).		

(2) Major litigation or non-litigation events impacting the Company and its directors, supervisors, general managers, substantive persons in charge, and major shareholders whose shareholding ratio exceeds 10%, and major litigation or non-litigation events or administrative disputes confirmed or still being adjudicated for affiliated companies, where the outcomes may have a significant impact on shareholders' equity or the price of securities: **None.**

6.13 Other important risks and countermeasures: None.

(1) Risk management policy of the Company:
In order to strengthen its risk management mechanisms and improve internal response to various risk issues, the Company has formulated its Risk Management Measures. These clearly define risk items, risk levels, notification and management procedures, risk control management organizational structure, supervision and tracking rights and responsibilities, and so on. This is done to enhance the Company's internal risk management awareness and reduce the possibility of risk. It is further hoped that the impact of risk items can be reduced so as to achieve the Company's vision and business goals.

(2) Risk management organization framework:



(3) Functional description of each organizational unit:

- Management Committee: Comprehensively coordinates the operation of various functional organizations; discuss and suggest optimal countermeasures
- Finance and Accounting Division: Financial risk assessment and control
- Information Division: Evaluation and control of information systems and computer hardware and software equipment
- Administrative Management Division: Evaluation and control of general affairs and industrial safety system planning
- Human Resources Division: Evaluation and control of talent cultivation and personnel management
- Legal Affairs Division: Evaluation and control of legal risks
- Spokesperson: The Company's unified external contact window

7. Other important matters:

7.1 Status of advanced training for directors:

Position	Name	Training date		Organizer Unit	Course Designation	Training Hours
		From	Until			
Director	T.C Gou, Chen-Phan Pu T.C. Wang James Lee Eric Huang	2023.05.24	2023.05.24	Taiwan Corporate Governance Association	Insider trading prevention and countermeasures	3
		2023.08.08	2023.08.08	Taiwan Corporate Governance Association	Legal matters for the board of directors to supervise enterprises: Beware of mistakenly touching the red line of joint action	3
Director	Randy Lee	2023.07.12	2023.07.12	Accounting Research and Development Foundation	How to Correctly Understand the Evaluation Indicators of Corporate Governance	6
Director	Randy Lee	2023.07.28	2023.07.28	Taiwan Securities and Futures Market Development Fund Foundation	Directors' Seminar - Business Judgment Principles and Case Studies	3
Director	Randy Lee	2023.12.01	2023.12.01	Taiwan Corporate Governance Association	The era of strong personal tax supervision is coming	3
Director	Chien-Chung Fu	112.03.03	2023.03.03	Taiwan Corporate Governance Association	Analysis of key messages and responsibilities in the annual report: Directors' and Supervisors' views	3
Director	Chien-Chung Fu	112.06.30	2023.06.30	Taiwan Investor Relations Association	Media Management and Crisis Management - Strategy for Corporate Management and News Crisis Management	3
Director	Chien-Chung Fu	2023.10.26	2023.10.26	Taiwan Corporate Governance Association	Business Administration and Crisis Management	3
Director	Jing-Mi Tang	2023.10.13	2023.10.13	Securities & Futures Institute	Carbon trading mechanism and enterprise management application	3
Director	Jing-Mi Tang	2023.10.20	2023.10.20	Taiwan Corporate Governance Association	The distance between climate change and us	3

Position	Name	Training date		Organizer Unit	Course Designation	Training Hours
		From	Until			
Director	Chih-Yang Tseng	2023.11.14	2023.11.14	Internal Audit Association of the Republic of China	How to prevent major financial frauds	6
Director	Chih-Yang Tseng	2023.11.21	2023.11.21	Internal Audit Association of the Republic of China	1. Benchmark of misrepresentation in financial statements 2. Corporate liability for fraud	6

7.2 On-the-job training of the corporate governance officer:

Position	Name	Training date		Organizer Unit	Course Designation	Training Hours
		From	Until			
Co., Ltd. Governance Supervisor	Kufn Lin	112.05.24	2023.05.24	Taiwan Corporate Governance Association	Insider trading prevention and countermeasures	3
		2023.08.08	2023.08.08	Taiwan Corporate Governance Association	Legal matters for the board of directors to supervise enterprises: Beware of mistakenly touching the red line of joint action	3
		2023.11.02	2023.11.02	Taiwan Corporate Governance Association	Corporate Governance and Securities Regulation	3
		2023.11.30	2023.11.30	Accounting Research and Development Foundation	Practical Analysis of the Latest "Sustainable Development Action Plan" and the Impact of Net Zero Carbon Emission on Financial Statements	6

7.3 Personnel involved in financial information transparency, participating in training or obtaining licenses:

(1) Participation in training:

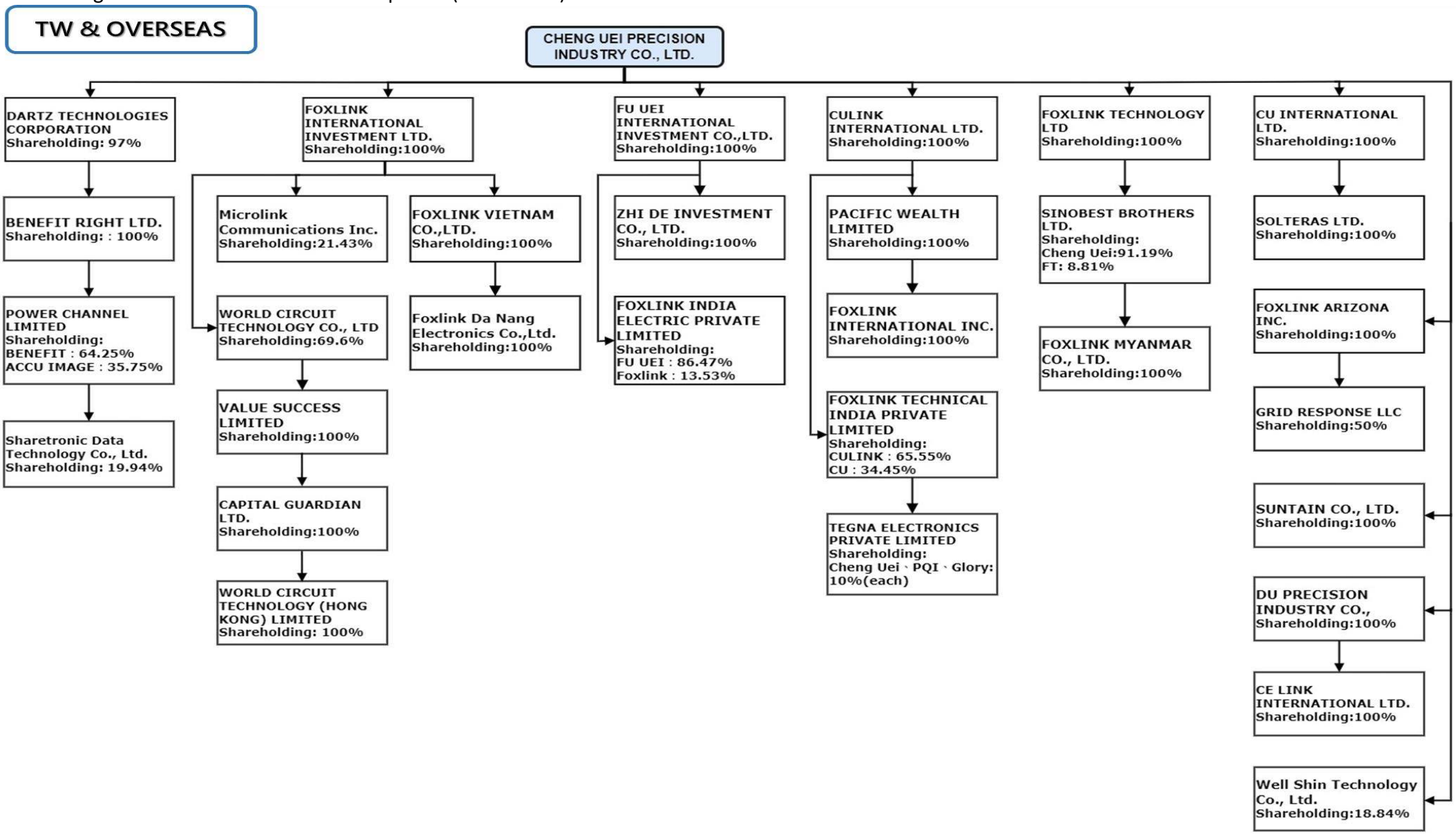
Year	Organizer	Course title	Course Hours	The Company's number of participating staff
2023	Accounting Research and Development Foundation	Enterprise "Labor Compliance" Practice and Case Studies	6	2
2023	Accounting Research and Development Foundation	Common Deficiencies of "Financial Report Review" and Practical Analysis of Important Internal Control Regulations	6	1
2023	Accounting Research and Development Foundation	The Latest Policy Development and Internal Control Management Practice for ESG Sustainability and for Self-Prepared Financial Reports	6	1

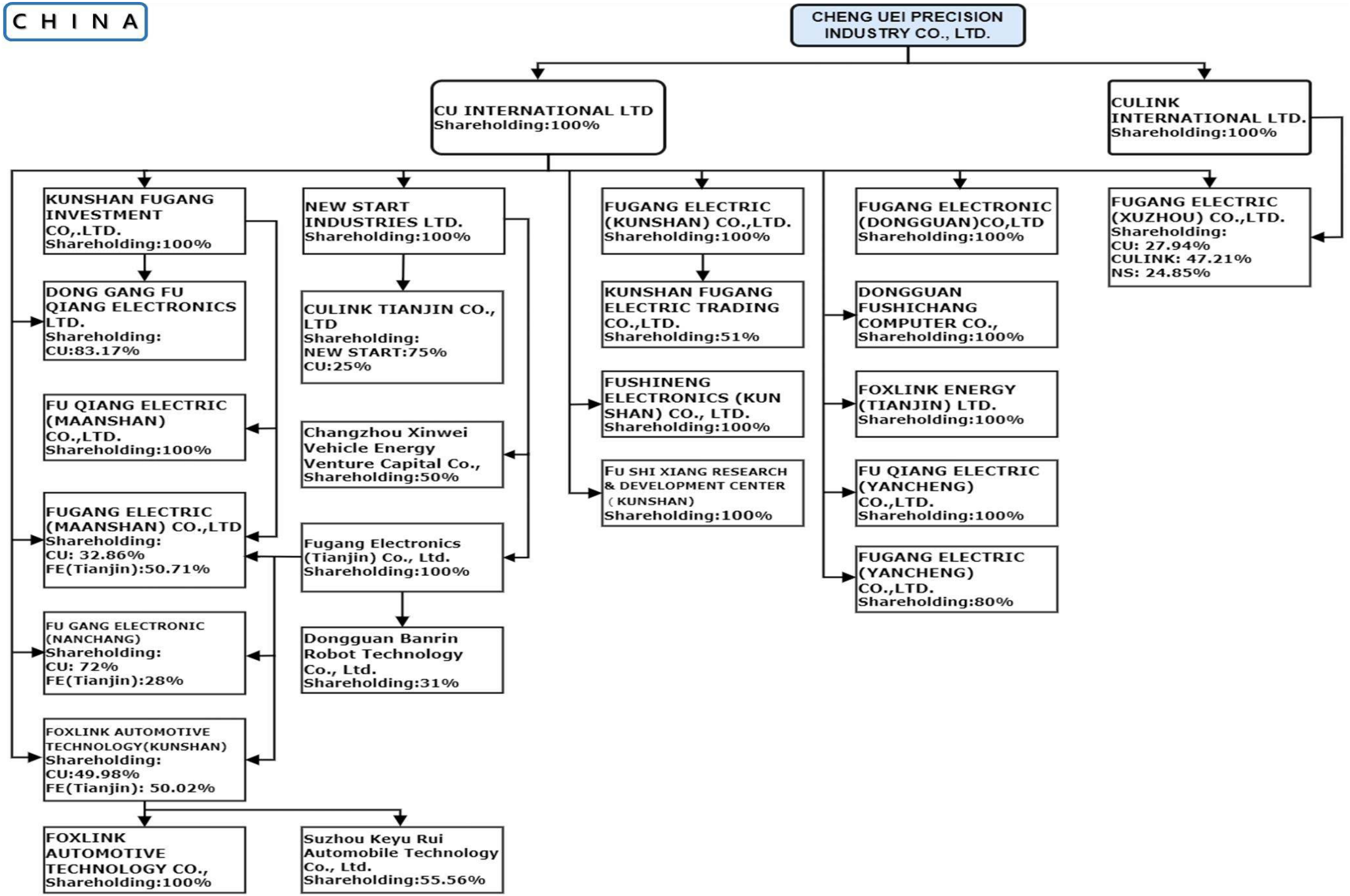
(2) Circumstances of obtaining licenses: **None**.

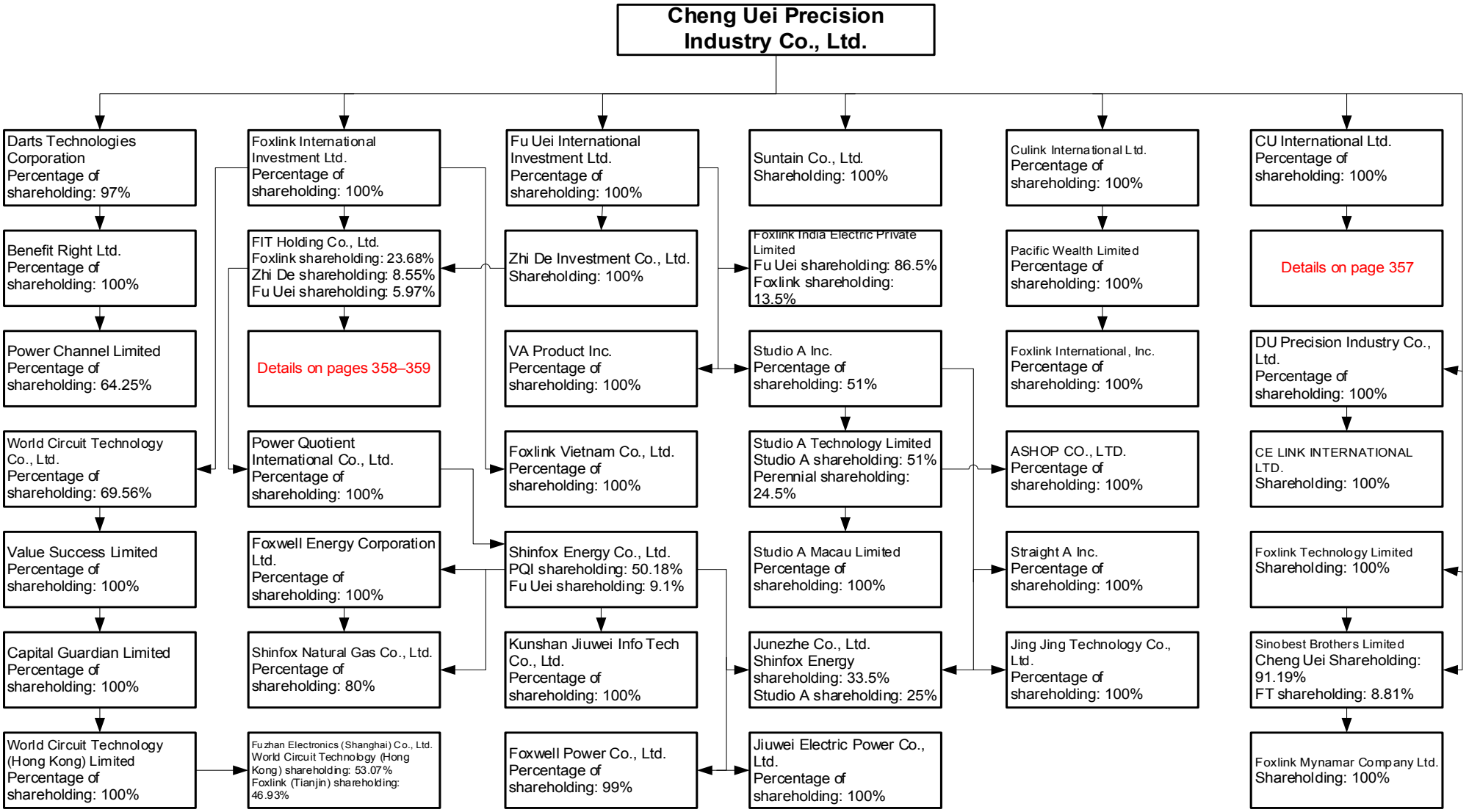
VIII. Special Disclosures

1. Related information of affiliated companies:

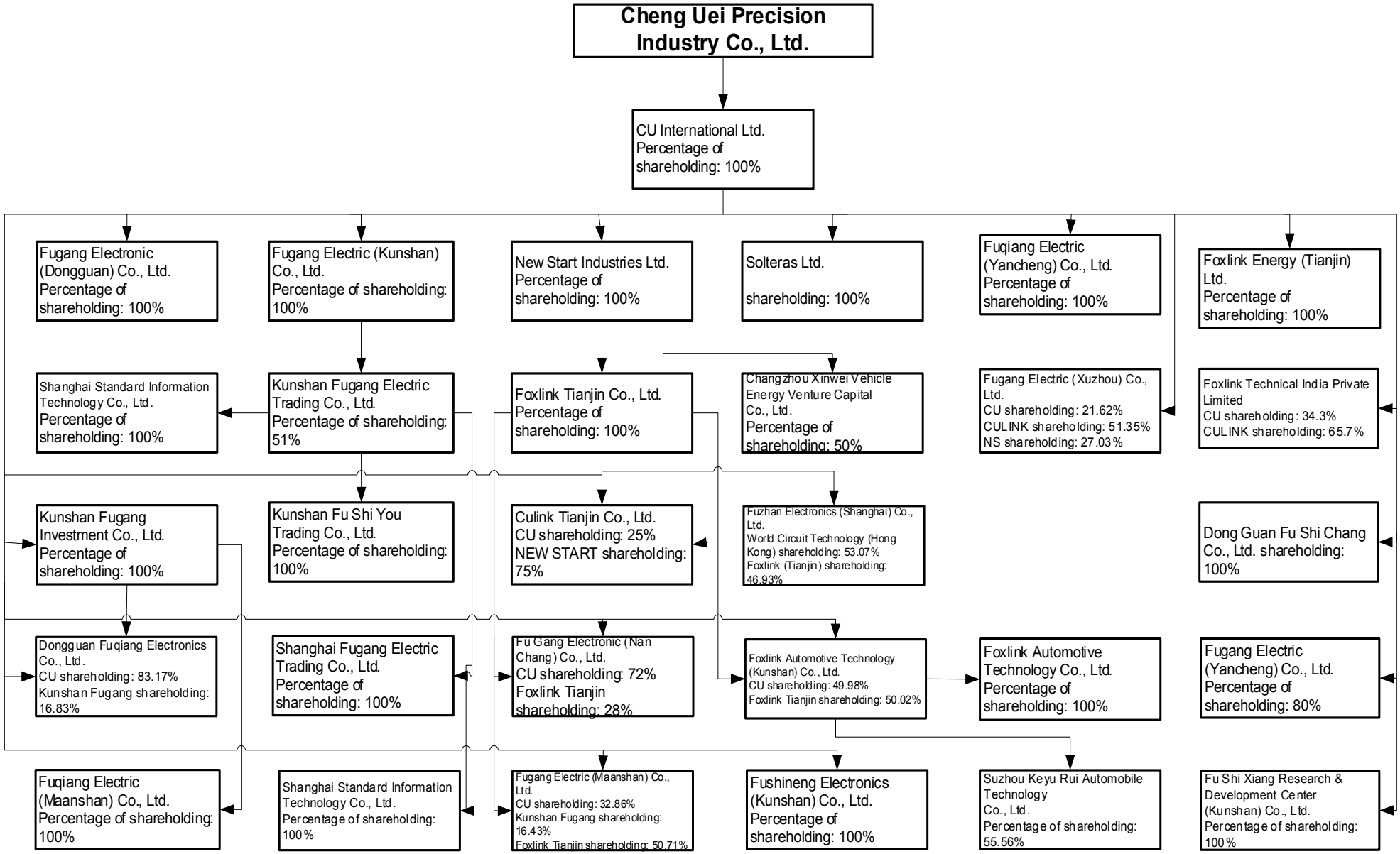
1.1 Organization chart of affiliated companies (2023.12.31)



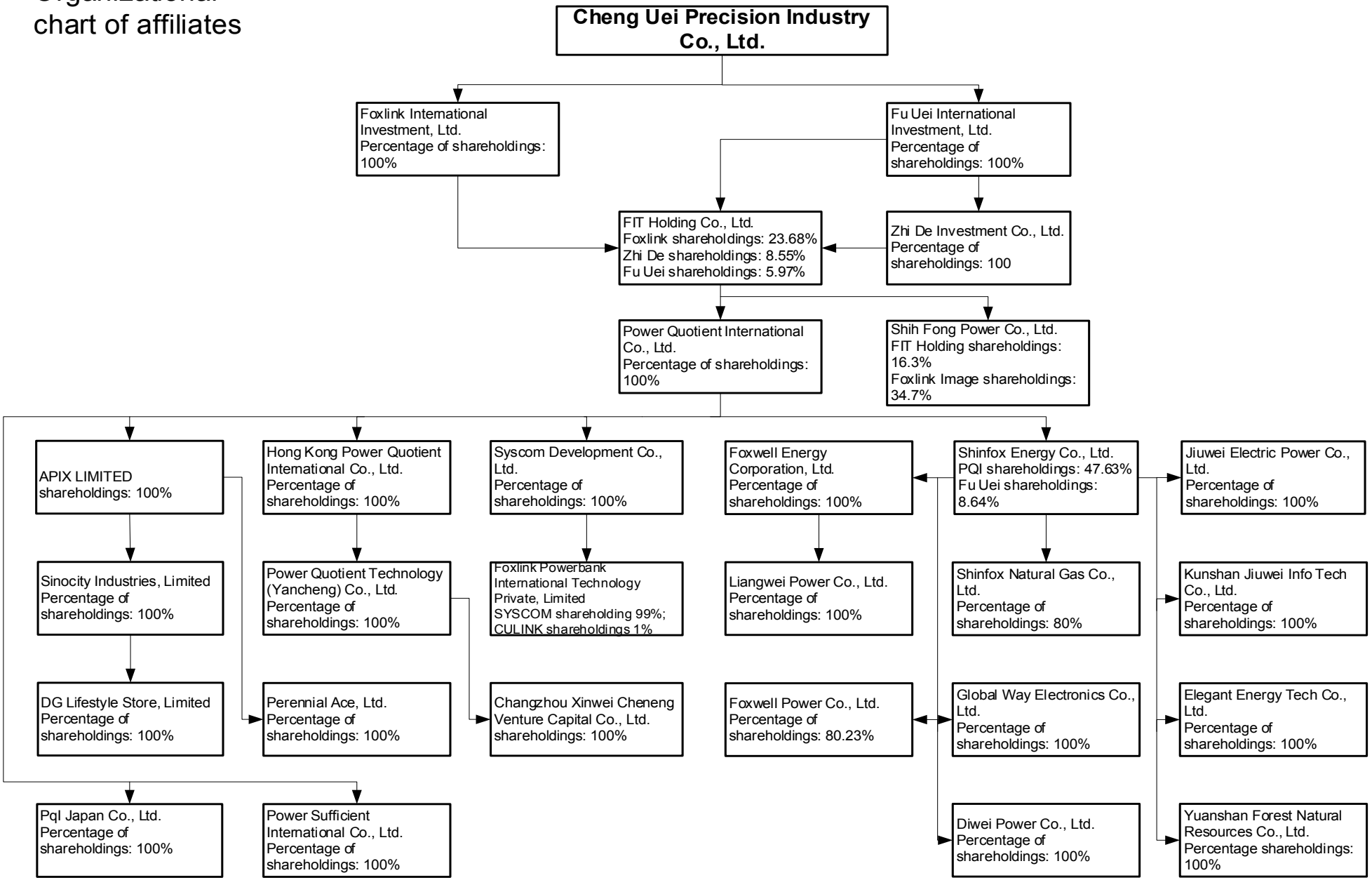

CHINA
CHENG UEI PRECISION INDUSTRY CO., LTD.
CU INTERNATIONAL LTD
Shareholding:100%
CULINK INTERNATIONAL LTD.
Shareholding:100%
KUNSHAN FUGANG INVESTMENT CO,.LTD.
Shareholding:100%
NEW START INDUSTRIES LTD.
Shareholding:100%
FUGANG ELECTRIC (KUNSHAN) CO.,LTD.
Shareholding:100%
FUGANG ELECTRONIC (DONGGUAN)CO,LTD
Shareholding:100%
FUGANG ELECTRIC (XUZHOU) CO.,LTD.
Shareholding:
CU: 27.94%
CULINK: 47.21%
NS: 24.85%
DONG GANG FU QIANG ELECTRONICS LTD.
Shareholding:
CU:83.17%
CULINK TIANJIN CO., LTD
Shareholding:
NEW START:75%
CU:25%
KUNSHAN FUGANG ELECTRIC TRADING CO.,LTD.
Shareholding:51%
DONGGUAN FUSHICHANG COMPUTER CO.,
Shareholding:100%
FU QIANG ELECTRIC (MAANSHAN) CO.,LTD.
Shareholding:100%
Changzhou Xinwei Vehicle Energy Venture Capital Co.,
Shareholding:50%
FUSHINENG ELECTRONICS (KUN SHAN) CO., LTD.
Shareholding:100%
FOXLINK ENERGY (TIANJIN) LTD.
Shareholding:100%
FUGANG ELECTRIC (MAANSHAN) CO.,LTD
Shareholding:
CU: 32.86%
FE(Tianjin):50.71%
Fugang Electronics (Tianjin) Co., Ltd.
Shareholding:100%
FU SHI XIANG RESEARCH & DEVELOPMENT CENTER (KUNSHAN)
Shareholding:100%
FU QIANG ELECTRIC (YANCHENG) CO.,LTD.
Shareholding:100%
FU GANG ELECTRONIC (NANCHANG)
Shareholding:
CU: 72%
FE(Tianjin):28%
Dongguan Banrin Robot Technology Co., Ltd.
Shareholding:31%
FUGANG ELECTRIC (YANCHENG) CO.,LTD.
Shareholding:80%
FOXLINK AUTOMOTIVE TECHNOLOGY(KUNSHAN)
Shareholding:
CU:49.98%
FE(Tianjin): 50.02%
FOXLINK AUTOMOTIVE TECHNOLOGY CO.,
Shareholding:100%
Suzhou Keyu Rui Automobile Technology Co., Ltd.
Shareholding:55.56%


Cheng Uei Precision Industry Co., Ltd.
Darts Technologies Corporation Percentage of shareholding: 97%
Foxlink International Investment Ltd. Percentage of shareholding: 100%
Fu Uei International Investment Ltd. Percentage of shareholding: 100%
Suntain Co., Ltd. Shareholding: 100%
Culink International Ltd. Percentage of shareholding: 100%
CU International Ltd. Percentage of shareholding: 100%
Benefit Right Ltd. Percentage of shareholding: 100%
FIT Holding Co., Ltd. Foxlink shareholding: 23.68% Zhi De shareholding: 8.55% Fu Uei shareholding: 5.97%
Zhi De Investment Co., Ltd. Shareholding: 100%
Foxlink India Electric Private Limited Fu Uei shareholding: 86.5% Foxlink shareholding: 13.5%
Pacific Wealth Limited Percentage of shareholding: 100%
Details on page 357
Power Channel Limited Percentage of shareholding: 64.25%
Details on pages 358–359
VA Product Inc. Percentage of shareholding: 100%
Studio A Inc. Percentage of shareholding: 51%
Foxlink International, Inc. Percentage of shareholding: 100%
DU Precision Industry Co., Ltd. Percentage of shareholding: 100%
World Circuit Technology Co., Ltd. Percentage of shareholding: 69.56%
Power Quotient International Co., Ltd. Percentage of shareholding: 100%
Foxlink Vietnam Co., Ltd. Percentage of shareholding: 100%
Studio A Technology Limited Studio A shareholding: 51% Perennial shareholding: 24.5%
ASHOP CO., LTD. Percentage of shareholding: 100%
CE LINK INTERNATIONAL LTD. Shareholding: 100%
Value Success Limited Percentage of shareholding: 100%
Foxwell Energy Corporation Ltd. Percentage of shareholding: 100%
Shinfox Energy Co., Ltd. PQI shareholding: 50.18% Fu Uei shareholding: 9.1%
Studio A Macau Limited Percentage of shareholding: 100%
Straight A Inc. Percentage of shareholding: 100%
Foxlink Technology Limited Shareholding: 100%
Capital Guardian Limited Percentage of shareholding: 100%
Shinfox Natural Gas Co., Ltd. Percentage of shareholding: 80%
Kunshan Jiuwei Info Tech Co., Ltd. Percentage of shareholding: 100%
Junezhe Co., Ltd. Shinfox Energy shareholding: 33.5% Studio A shareholding: 25%
Jing Jing Technology Co., Ltd. Percentage of shareholding: 100%
Sinobest Brothers Limited Cheng Uei Shareholding: 91.19% FT shareholding: 8.81%
World Circuit Technology (Hong Kong) Limited Percentage of shareholding: 100%
Fuzhan Electronics (Shanghai) Co., Ltd. World Circuit Technology (Hong Kong) shareholding: 53.07% Foxlink (Tianjin) shareholding: 46.93%
Foxwell Power Co., Ltd. Percentage of shareholding: 99%
Jiuwei Electric Power Co., Ltd. Percentage of shareholding: 100%
Foxlink Mynamar Company Ltd. Shareholding: 100%

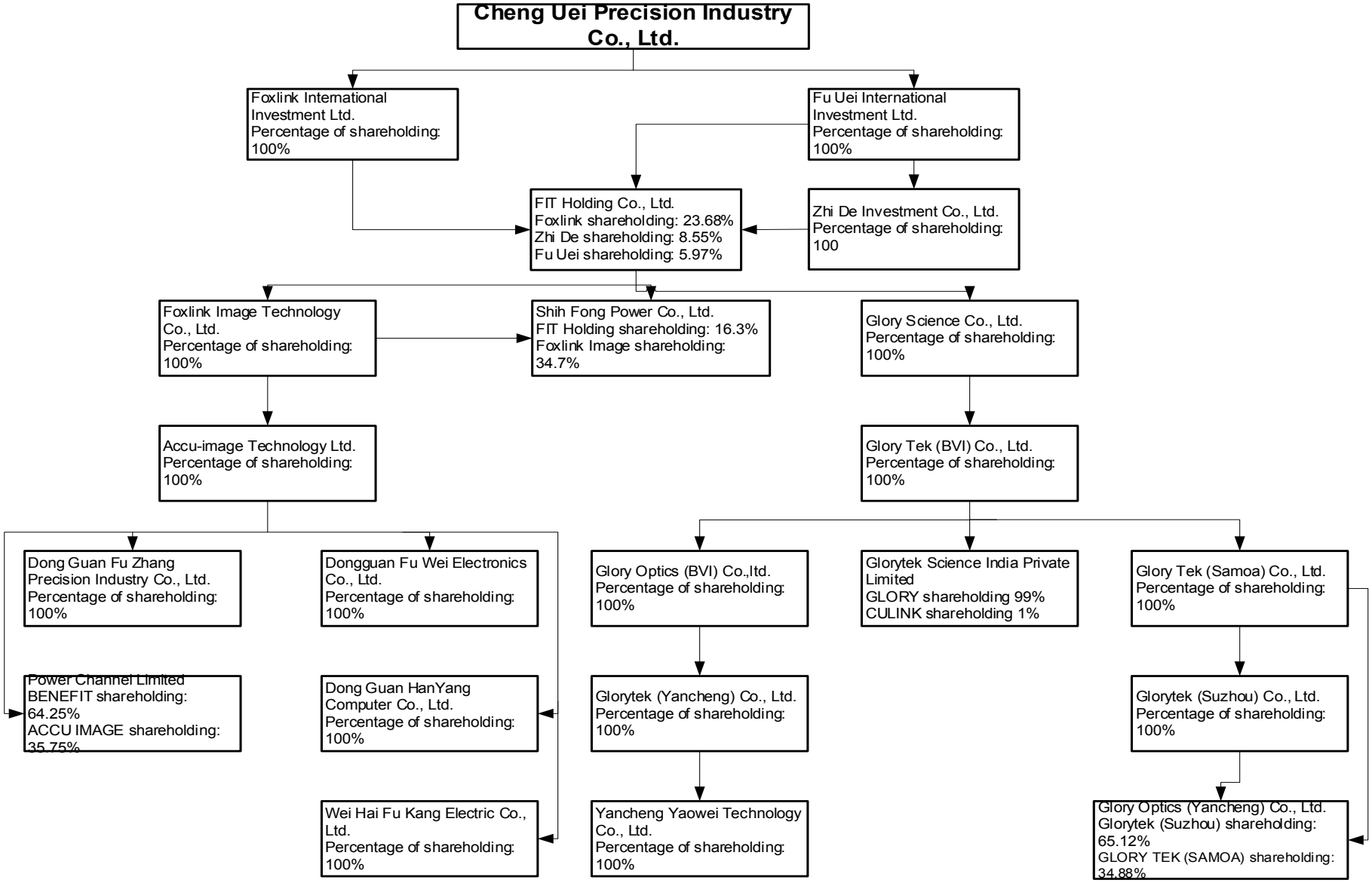
Organization chart of affiliates



Organizational chart of affiliates



Organization chart of affiliates



1.2 Basic information of each affiliated company

December 31, 2023; Unit: NTD thousand

ENTERPRISE NAME	Date of establishment	Address	Paid-in capital amount	Main business or production items
BENEFIT RIGHT LTD.	2007.08.15	P.O.Box 957, Offshore Incorporations Centre, Road Town, Tortola, British Virgin Islands	302,321	General investing
CAPITAL GUARDIAN LTD.	2004.07.01	P.O.Box 957, Offshore Incorporations Centre, Road Town, Tortola, British Virgin Islands	196,512	Holding and reinvestment business
CELINK INTERNATIONAL LTD.	2007.07.31	P.O.Box 957, Offshore Incorporations Centre, Road Town, Tortola, British Virgin Islands	507,738	Holding and reinvestment business
CU INTERNATIONAL LTD.	1996.11.06	P.O.Box 957, Offshore Incorporations Centre, Road Town, Tortola, British Virgin Islands	15,154,453	Manufacturing and reinvestment of electronic components and related businesses
CULINK INTERNATIONAL LTD.	1996.10.30	P.O.Box 957, Offshore Incorporations Centre, Road Town, Tortola, British Virgin Islands	1,029,477	Investment in related business
FOXLINK ARIZONA INC.	2022.01.06	2140 West Pinnacle Peak Road,Phoenix, AZ, 85027, USA	475,006	Energy Service Management
FOXLINK DA NANG ELECTRONICS CO., LTD.	2023.09.29	Lot J4 and Lot A1, Da Nang Hi-Tech Park, Hoa Lien Commune, Hoa Vang District, Da Nang City, Vietnam	905,730	Manufacturing and trading of electronic components
FOXLINK INDIA ELECTRIC PRIVATE LIMITED	2020.03.18	Plot 2, EMC I, Vikruthamala	1,171,661	Manufacturing and trading of electronic components
FOXLINK INTERNATIONAL, INC.	1994.07.15	360 N. Pastoria Ave., Sunnyvale CA 94085	15,353	Shipping center and marketing business
FOXLINK MYANMAR COMPANY LIMITED	2013.07.25	Plot C-8, Mingaladon Industrial Park, Mingaladon Township, Yangon, Myanmar	744,566	Manufacturing and trading of electronic components
FOXLINK TECHNICAL INDIA PRIVATE LIMITED	2017.08.03	A-13, Sector 64, Noida Gautam Buddha Nagar, Uttar Pradesh, India	327,382	Manufacturing and trading of electronic components
FOXLINK TECHNOLOGY LIMITED	2000.03.01	Unit 901-4, 9/F., Lu Plaza 2 Wing Yip Street, Kwun Tong, Kowloon Hong Kong	340,644	Reinvestment related business
FOXLINK VIETNAM CO., LTD.	2020.12.09	Standard Factory C, lot Va.04b,Road 24 & 17, Industrial Park,Tan Thuan Export Processing Zone,Tan Thuan Dong Ward, District 7,Ho Chi Minh City, Vietnam	185,058	Manufacturing and trading of electronic components
NEW START INDUSTRIES LTD.	1998.12.18	P.O.Box 957, Offshore Incorporations Centre, Road Town, Tortola, British Virgin Islands	264,063	Investment in related business

ENTERPRISE NAME	Date of establishment	Address	Paid-in capital amount	Main business or production items
PACIFIC WEALTH LTD.	1997.08.01	Huntlaw Building, P.O. Box 2804, George Town, Grand Cayman, Cayman Islands	30,705	General investing
POWER CHANNEL LIMITED	2003.09.05	Room 1904, 19th Floor, Donghui Commercial Building, 109-111 Gloucester Road, Wanchai, Hong Kong.	368,460	General investing
SINOBEST BROTHERS LIMITED	2011.08.10	Room 902-4, 9th Floor, Zhen Wan Plaza, 2 Wing Yip Street, Kwun Tong, Kowloon, Hong Kong	696,619	Reinvestment related business
SOLTERAS LTD.	2006.04.06	P.O.Box 957, Offshore Incorporations Centre, Road Town, Tortola, British Virgin Islands	61,410	General investing
VALUE SUCCESS LTD.	2003.04.15	P.O.Box 957, Offshore Incorporations Centre, Road Town, Tortola, British Virgin Islands	196,512	Holding and reinvestment business
DU PRECISION INDUSTRY CO.,	2007.08.09	No.28, Chung Shan Road, Tu Cheng District, New Taipei City 236, Taiwan (R.O.C.)	600,000	Manufacturing and reinvestment of electronic components and related businesses
ZHI DE INVESTMENT CO., LTD.	1998.07.10	6th Floor, No. 260, Bade Road Section 2, Zhongshan District, Taipei City	1,709,183	General investing
SUNTAIN CO., LTD.	1991.04.30	4F, No.11, Minquan St., Tu Cheng Dist., New Taipei City	223,737	Electroplating service
FOXLINK AUTOMOTIVE TECHNOLOGY(KUNSHAN) LTD.	2005.09.08	No. 2-18, Zhengwei Road, Jinxi Town, Kunshan City, Jiangsu Province, China	196,727	Manufacturing and trading of electronic components
KUNSHAN FUGANG INVESTMENT CO,.LTD.	2014.03.04	No. 2, Zhengwei Road, Jinxi Town, Kunshan City, Jiangsu Province, China	921,150	Investment in relat
DONGGUAN FUSHICHANG COMPUTER CORPORATION	2002.06.25		3,678	
DONG GANG FU QIANG ELECTRONICS LTD.	2005.02.24		4,569,211	
WORLD CIRCUIT TECHNOLOGY (HONG KONG) LIMITED	1999.07.02	Units 901-4,9/F., Lu Plaza, No. 2 Wing Yip Street, Kwun Tong, Kowloon, Hong Kong	34,237	Trading of electronic components
CHANGZHOU XINWEI VEHICLE ENERGY VENTURE CAPITAL CO., LTD.	2018.12.14	Room 405, Block E, Building 3, High-Tech Park, Xinbei District, Changzhou City	432,700	General investing

ENTERPRISE NAME	Date of establishment	Address	Paid-in capital amount	Main business or production items
FOXLINK AUTOMOTIVE TECHNOLOGY CO., LTD.	2008.02.27	3F, No. 49, Sec.4, Zhongyang Rd., Tu Cheng Dist., New Taipei City	50,000	Manufacturing and trading of electronic components
FUSHINENG ELECTRONICS (KUN SHAN) CO., LTD.	2007.09.06	No. 6, Zhengwei Road, Jinxi Town, Kunshan City, Jiangsu Province	368,460	Manufacturing and trading of electronic compon
FU SHI XIANG RESEARCH & DEVELOPMENT CENTER (KUNSHAN) CO.,LTD	2010.02.10	North side of Jindong Road, Jinxi Town, Kunshan City, Jiangsu Province	138,173	
CULINK TIANJIN CO., LTD	2002.11.08	No. 33, Fifth Avenue, Jinnan Economic Development Zone, Tianjin	122,820	
FOXLINK INTERNATIONAL INVESTMENT LTD.	2000.03.20	6th Floor, No. 260, Bade Road Section 2, Zhongshan District, Taipei City	4,687,500	General investing
FOXLINK ENERGY (TIANJIN) LTD.	2004.11.23	No. 137, Huanghai Road, Tianjin Economic and Technological Development Zone	122,820	Manufacturing and trading of electronic components
FU QIANG ELECTRIC (MAANSHAN) CO.,LTD.	2013.03.13	1st Floor, Comprehensive Building, No. 259, Huxi Avenue South Road, Ma'anshan Economic and Technological Development Zone	153,525	
FU QIANG ELECTRIC (YANCHENG) CO.,LTD.	2011.11.11	2# Standard Factory Building in Yancheng Comprehensive Bonded Zone, Jiangsu Province	307,050	Manufacturing and trading of electronic compon
FU UEI INTERNATIONAL INVESTMENT CO.,LTD.	2004.11.05	6th Floor, No. 260, Bade Road Section 2, Zhongshan District, Taipei City	4,250,000	General investing
FUGANG ELECTRONICS (TIANJIN) CO., LTD.	1998.10.30	Jinnan Economic Development Zone, Tianjin City, Hebei Province, China	552,690	
FUGANG ELECTRIC (KUNSHAN) CO.,LTD.	2002.04.03	Jinxi Development Zone, Jinxi Town, Kunshan City, Jiangsu Province, China	3,730,658	Electronic component manufacturing
FUGANG ELECTRONIC (DONGGUAN)CO,LTD	1997.12.17		1,788,567	
FU GANG ELECTRONIC (NANCHANG) CO.,LTD.	2010.11.09		1,535,250	
FUGANG ELECTRIC (XUZHOU) CO.,LTD.	2017.10.26	North side of Shenda Road, Xuzhou Economic and Technological Development Zone	1,903,709	Manufacturing and trading of electronic compon

ENTERPRISE NAME	Date of establishment	Address	Paid-in capital amount	Main business or production items
FUGANG ELECTRIC (MAANSHAN) CO.,LTD.	2013.01.17		934,388	
FUGANG ELECTRIC (YANCHENG) CO.,LTD.	2011.08.05		92,115	
DARTZ TECHNOLOGIES CORPORATION	2002.09.23		564,086	
WORLD CIRCUIT TECHNOLOGY CO., LTD	2003.09.15	No. 28-1, Zhongshan Road, Tucheng District, New Taipei City	225,000	Manufacturing and trading of flex PCBs and elect
SUZHOU KEYU RUI AUTOMOBILE TECHNOLOGY CO., LTD.	2016.01.22	No. 1088, Jindong Road, Jinxi Town, Kunshan City, Jiangsu Province	10,818	Trading and manufacturing business
FIT HOLDING CO., LTD.	2018.10.01	No. 49, Sec. 4, Zhongyang Rd., Tu Cheng Dist., New Taipei City	2,462,421	General investing
GLORYTEK SCIENCE INDIA PRIVATE LIMITED	2017.08.14	C-3 in Unit No.532, Logix Technova, Tower B Plot No.A-4, Sector-132 Noida Gautam Buddha Nagar-201301	81,021	Trading and manufacturing business
GLORYTEK (SAZHOU) CO., LTD.	2004.01.09		429,870	
GLORY OPTICS (BVI) CO., LTD.	2003.12.24	Vistra Corporate Services Centre, Wickhams Cay II, Road Town, Tortola, VG1110, British Virgin Islands	494,837	Trading business
GLORY OPTICS (YANCHENG) CO., LTD.	2017.05.23	Room 919, No. 18, Hope Avenue South Road, Yancheng Technology Development Zone, Jiangsu Province	1,143,258	Trading and manufacturing business
GLORY TEK (BVI) CO., LTD.	2003.11.03		1,470,468	
GLORY TEK (SAMOA) CO., LTD.	2003.10.31		988,120	
GLORY SCIENCE CO., LTD.	2000.06.29		600,000	
GLORYTEK (YANCHENG) CO., LTD.	2011.11.11	1 Standard Factory Building in Yancheng Comprehensive Bonded Zone, Jiangsu Province	276,345	Trading and manufacturing business
YANCHENG YAO ARC TECHNOLOGY CO., LTD	2015.11.05		43,270	
APIX LIMITED	2012.12.13	Portcullis TrustNet Chambers, P.O Box 3444 Road Town, Tortola, British Virgin Islands	3,177,022	Professional investment company

ENTERPRISE NAME	Date of establishment	Address	Paid-in capital amount	Main business or production items
FOXLINK POWERBANK INTERNATIONAL TECHNOLOGY PRIVATE LIMITED	2018.01.16	A-13, Sector 64, Noida Gautam Buddha Nagar, Uttar Pradesh, India	81,083	Trading of electronic components
PERENNIAL ACE LTD.	2012.01.17	Vistra Corporate Services Centre, Wickhams Cay II, Road Town, Tortola, VG1110, British Virgin Islands	654,017	Professional investment company
PQI JAPAN CO.,LTD.	2002.04.09	5-1208 BIWAJIMA-TYO, NISHI-KU, NAGOYA CITY 451-0053, JAPAN	2,172	Trading of electronic components
SYSCOM DEVELOPMENT CO.,LTD	2000.11.09	Office of Insinger Corporate Services Limited, Road Town, Tortola, British Virgin Islands.	333,548	Professional investment company
DG LIFESTYLE STORE LIMITED	2007.09.13	Shop 2109&2111, 3rd Floor, Shoppes at Venetian, Coloane Road, Macau	381	Trading of electronic products
SINOCITY INDUSTRIES LIMITED	1991.12.10	Room 3906, Cable Building, 9 Hoi Shing Road, Tsuen Wan, New Territories, Hong Kong	23,574	Trading of electronic products
POWER QUOTIENT TECHNOLOGY (YANCHENG) CO.,LTD.	2001.04.12		614,100	
CHANGZHOU XINWEI CHENENG VENTURE CAPITAL CO., LTD.	2020.06.18	North side of Shenda Road, Xuzhou Economic and Technological Development Zone	43,270	Manufacturing and trading of electronic components
POWER QUOTIENT INTERNATIONAL CO., LTD.	1997.12.31	8F, No. 49, Sec.4, Zhongyang Rd., Tu Cheng Dist., New Taipei City	4,446,905	Manufacturing and trading of electronic components
POWER SUFFICIENT INTERNATIONAL CO., LTD.	2014.11.21	8F, No. 49, Zhongyang Road Section 4, Tucheng District, New Taipei City	10,000	Medical equipment sales
POWER QUOTIEN INTERATIONAL (HK) CO LTD.	1999.09.29		416,867	
SHINFOX FAR EAST COMPANY PTE. LTD.	2022.09.05		2,453,864	
JIUWEI ELECTRIC POWER CO., LTD.	2021.10.10	No. 27, Minsheng 6th Street, Guiren District, Tainan City	1,100,000	Natural gas power generation business
YUANSHAN FOREST NATURAL RESOURCES CO., LTD.	2022.03.18	No. 49, Zhongyang Road Section 4, Tucheng District, New Taipei City	100,000	Xxx
FOXWELL CERTIFICATION CO., LTD.	2023.04.19		10,000	

ENTERPRISE NAME	Date of establishment	Address	Paid-in capital amount	Main business or production items
KUNSHAN JIUWEI INFO TECH CO., LTD.	2017.06.01	Room 9606, Room 3, No. 28, Jinchang Road, Jinxi Town, Kunshan City, Jiangsu Province	1,536	Supply chain finance energy service management
KUNSHAN EASTERN RAINBOW ENVIRONMENTAL EQUIPMENT CO., LTD.	2008.05.15		21,635	
EASTERN RAINBOW GREEN ENERGY ENVIRONMENTAL TECHNOLOGY CO., LTD.	2005.05.20		350,000	
EASTERN RAINBOW ENVIRONMENTAL RESOURCE CO., LTD.	2003.07.11		2,500	
SHINFOX NATURAL GAS CO., LTD.	2014.04.11	6F, No. 49, Sec.4, Zhongyang Rd., Tu Cheng Dist., New Taipei City	450,000	Energy service management
JUNEWEI POWER CO., LTD.	2023.08.23	No. 49, Sec. 4, Zhongyang Rd., Tu Cheng Dist., New Taipei City	12,000	
SHINWEI POWER CO., LTD.	2023.03.01	No. 49, Sec. 4, Zhongyang Rd., Tu Cheng Dist., New Taipei City	37,300	
GUANWEI POWER CO., LTD.	2022.06.21	No. 49, Sec. 4, Zhongyang Rd., Tu Cheng Dist., New Taipei City	70,000	
FOXWELL POWER CO., LTD.	2019.06.28	No. 49, Sec. 4, Zhongyang Rd., Tu Cheng Dist., New Taipei City	600,000	Energy service management
FOXWELL ENERGY CORPORATION LTD.	2013.02.08	No. 49, Zhongyang Road Section 4, Tucheng District, New Taipei City	8,670,000	Energy service management
SHINFOX ENERGY CO., LTD.	2007.04.27	No. 49, Sec. 4, Zhongyang Rd., Tu Cheng Dist., New Taipei City	2,161,500	Energy service management
ELEGANT ENERGY TECH CO., LTD.	2020.04.07	No. 49, Zhongyang Road Section 4, Tucheng District, New Taipei City	5,000	
ACCU-IMAGE TECHNOLOGY LIMITED	2000.07.18	Vistra Corporate Services Centre, Wickhams Cay II, Road Town, Tortola, VG1110, British Virgin Islands	581,051	Manufacturing and trading of image scanners and multi-function printers, etc.
SHIH FONG POWER CO., LTD.	1995.01.18	No. 49, Sec. 4, Zhongyang Rd., Tu Cheng Dist., New Taipei City	2,300,000	Hydropower

ENTERPRISE NAME	Date of establishment	Address	Paid-in capital amount	Main business or production items
DONGGUAN FU WEI ELECTRONICS CO., LTD.	2014.01.10	Yinhe Industrial Zone, Zhonghe Management Zone, Qingxi Town, Dongguan	184,230	Sales and purchase of image scanners, multi-function printers and their accessories
DONG GUAN FU ZHANG PRECISION INDUSTRY CO., LTD.	2011.06.01	Yinhe Industrial Zone, Zhonghe Management Zone, Qingxi Town, Dongguan	249,087	Mold development and plastic parts
DONG GUAN HANYANG COMPUTER CO., LTD.	2000.11.24	Yinhe Industrial Zone, Zhonghe Management Zone, Qingxi Town, Dongguan	187,013	Manufacturing of image scanners and multi-function printers; investment in real estate
WEI HAI FU KANG ELECTRIC CO., LTD.	2011.07.12	No. 373, Shuangdao Road, Shuangdao Bay, Weihai High District	460,575	Manufacturing and sales of parts and molds such as photocopiers and scanners
FOXLINK IMAGE TECHNOLOGY	1997.03.25	No. 49, Zhongyang Road Section 4, Tucheng District, New Taipei City	1,649,940	Trading of electronic components
ASHOP CO., LTD.	1999.10.12	B1-23 Coex Mall,159. Samseong-dong, Gangnam-gu, Seoul Korea	8,925	Trading of electronic components
SHANG HAI FUGANG ELECTRIC TRADING CO., LTD.	2011.11.15		8,878	Trading of electronic components
SHANGHAI STANDARD INFORMATION TECHNOLOGY CO., LTD	2018.12.12		4,439	Trading of electronic components
KUNSHAN FU SHI YU TRADING CO., LTD.	1998.07.10		62,146	Trading of electronic components
KUNSHAN FUGANG ELECTRIC TRADING CO.,LTD.	2011.09.19		168,949	Trading of electronic components
VA PRODUCT INC.	2001.05.22	6th Floor, No. 260, Bade Road Section 2, Zhongshan District, Taipei City	24,000	Trading of electronic components
JING SHENG TECHNOLOGY INC.	2009.08.25	6th Floor, No. 260, Bade Road Section 2, Zhongshan District, Taipei City	151,848	Trading of electronic components
STUDIO A INC.	2007.03.22	6th Floor, No. 260, Bade Road Section 2, Zhongshan District, Taipei City	258,750	Trading of electronic components
STUDIO A TECHNOLOGY LIMITED	2010.02.11	Shop 101-102, First Floor, Frontline Touch, 310 Gloucester Road, Causeway Bay, Hong Kong	20,415	Trading of electronic components

ENTERPRISE NAME	Date of establishment	Address	Paid-in capital amount	Main business or production items
JING JING TECHNOLOGY CO., LTD.	2010.11.17	6th Floor, No. 260, Bade Road Section 2, Zhongshan District, Taipei City	3,700	Trading of electronic components

1.3 The information of identical shareholders presumed to have control and subsidiary relationship: None.

1.4 The industries covered by the business of the overall related company: Including manufacturing, investment, trading, etc.

1.5 Information on directors, supervisors and general managers of related companies

December 31, 2023 Unit: Shares

Enterprise Name	Position	Name or representative	Shareholding	
			Shares	Percentage of shareholding
CU INTERNATIONAL LTD.	DIRECTOR DIRECTOR	Chen-Phan Pu Kufn Lin	- -	- -
CULINK INTERNATIONAL LTD.	DIRECTOR DIRECTOR	Chen-Phan Pu Kufn Lin	- -	- -
PACIFIC WEALTH LTD.	DIRECTOR	CULINK INTERNATIONAL LTD.	-	-
FOXLINK INTERNATIONAL,INC.	DIRECTOR	Chen-Phan Pu	-	-
Foxlink International Investment Ltd.	Chairperson Director Director Supervisor	T.C. Gou (Note 1) Liu Su-Fang (Note 1) Kufn Lin (Note 1) Chen-Phan Pu (Note 1)	408,750,000 408,750,000 408,750,000 408,750,000	100.00% 100.00% 100.00% 100.00%
NEW START INDUSTRIES LTD.	DIRECTOR DIRECTOR	Chen-Phan Pu Kufn Lin	- -	- -
Foxlink Tianjin Co., Ltd.	Legal representative	Chen-Phan Pu	-	-
Fugang Electronic (Dongguan) Co., Ltd.	Legal representative	Chen-Phan Pu	-	-
Fugang Electric (Kunshan) Co., Ltd.	Legal representative	Kufn Lin	-	-
Dong Guan Fu Shi Chang Co., Ltd.	Legal representative	Lan Chia-Cheng	-	-
Culink Tianjin Co., Ltd.	Legal representative	Kufn Lin	-	-
World Circuit Technology Co., Ltd.	Chairperson Supervisor	Liu Su-Fang (Note 2) Chen-Phan Pu (Note 12)	15,650,000 100,000	69.56% 0.44%-
VALUE SUCCESS LTD.	DIRECTOR	Kufn Lin	-	-
Fu Uei International Investment Ltd.	Chairperson Director Director Supervisor	Kufn Lin (Note I) Teng Ching-Yueh (Note 1) Liu Su-Fang (Note 1) Chen-Phan Pu (Note 1)	355,000,000	100.00%
Dongguan Fuqiang Electronics Co., Ltd.	Legal representative	Kufn Lin	-	-
Foxlink Energy (Tianjin) Ltd.	Legal representative	Kufn Lin	-	-
Foxlink Automotive Technology (Kunshan) Co., Ltd.	Legal representative	Kuo Shou-Fu	-	-
CAPITAL GUARDIAN LTD.	DIRECTOR DIRECTOR	Kufn Lin Chen-Phan Pu	- -	- -

Enterprise Name	Position	Name or representative	Shareholding	
			Shares	Percentage of shareholding
World Circuit Technology (Hong Kong) Limited	DIRECTOR	Kufn Lin	-	-
Darts Technologies Corporation	Chairperson Director Director Supervisor	Liu Su-Fang (Note 1) Teng Ching-Yueh (Note 1) Kufn Lin (Note 1) Chen-Phan Pu (Note 16)	47,575,573 47,575,573 47,575,573 1,471,410	97.00% 97.00% 97.00% 3.00%
SOLTERAS LTD.	DIRECTOR	Liu Su-Fang	-	-
DU Precision Industry Co., Ltd.	Chairperson	T.C. Gou (Note 1)	60,000,000	100.00%
CE LINK INTERNATIONAL LTD.	DIRECTOR DIRECTOR	Chen-Phan Pu Chang Shao-Liang	- -	- -
BENEFIT RIGHT LTD.	DIRECTOR DIRECTOR	Kufn Lin Leu Tzu-Keng	- -	- -
Studio A Inc.	Chairperson Director Director Supervisor Supervisor	T.C. Gou (Note 3) Kuan Hsin (Note 11) Kufn Lin (Note 3) Chen-Phan Pu Su Yu-Lan	13,196,250 12,678,750 13,196,250 - -	51.00% 49.00% 51.00% - -
Straight A Inc.	Chairperson Director Director Supervisor	Cheng Ying-Lung (Note 4) Kufn Lin (Note 4) Fu Chih-Fang (Note 4) Chen-Phan Pu (Note 4)	10,123,200 10,123,200 10,123,200 10,123,200	100.00% 100.00% 100.00% 100.00%
Fushineng Electronics (Kunshan) Co., Ltd.	Legal representative	Chen-Phan Pu	-	-
VA Product Inc.	Chairperson Director Director Supervisor	Kufn Lin (Note 3) Liu Su-Fang (Note 3) Cheng Ying-Lung (Note 3) Chen-Phan Pu (Note 3)	2,400,000 2,400,000 2,400,000 2,400,000	100.00% 100.00% 100.00% 100.00%
FOXLINK TECHNOLOGY LIMITED	DIRECTOR	Kufn Lin	-	-
Studio A Technology Limited	DIRECTOR DIRECTOR	Cheng Ying-Lung Kufn Lin	- -	- -
Fu Shi Xiang Research & Development Center (Kunshan) Co., Ltd.	Corporate representative	Kufn Lin	-	-

Enterprise Name	Position	Name or representative	Shareholding	
			Shares	Percentage of shareholding
Zhi De Investment Co., Ltd.	Chairperson Director Director Supervisor	Liu Su-Fang (Note 3) Kufn Lin (Note 3) Luo Chi-Wei (Note 3) Chen-Phan Pu (Note 3)	170,918,308 170,918,308 170,918,308 170,918,308	100.00% 100.00% 100.00% 100.00%
Kunshan Fugang Electric Trading Co., Ltd.	Legal representative	Kufn Lin	-	-
ASHOP CO., LTD.	DIRECTOR	Cheng Ying-Lung Kufn Lin Koh, Hyunlim	-	-
Fu Gang Electronic (Nan Chang) Co., Ltd.	Legal representative	Chen-Phan Pu	-	-
Shinfox Energy Co., Ltd.	Chairperson Director Director Director Independent Director Independent Director Independent Director	T.C. Gou (Note 6) Kufn Lin (Note 6) Hu Hui-Sen (Note 6) Tu Tze-Chun Wang Shu-Fen Ong Chung-Hsiung Liu Wen-Shuai	102,951,145 102,951,145 102,951,145 - - - -	47.63% 47.63% 47.63% - - - -
Jing Jing Technology Co., Ltd.	Chairperson Director Director Supervisor	Cheng Ying-Lung (Note 4) Kufn Lin (Note 4) Fu Chih-Fang (Note 4) Chen-Phan Pu (Note 4)	370,000 370,000 370,000 370,000	100.00% 100.00% 100.00% 100.00%
Power Quotient International Co., Ltd.	Chairperson	T.C. Gou (Note 5)	444,690,529	100.00%
Hong Kong Power Quotient International Co., Ltd.	Director	Liu Su-Fang (Note 6)	106,100,000	100.00%
SYSCOM DEVELOPMENT CO.,LTD	Director	Liu Su-Fang (Note 6)	10,862,980	100.00%
Power Quotient Technology (Yancheng) Co., Ltd.	Director	Liu Su-Fang (Note 8)	(Capital contribution USD 20,000 thousand, unissued shares)	100.00%
PQI JAPAN CO.,LTD.	Director	Liu Su-Fang (Note 6)	24,300	100.00%
Fugang Electric (Yancheng) Co., Ltd.	Legal representative	Kufn Lin	-	-

Enterprise Name	Position	Name or representative	Shareholding	
			Shares	Percentage of shareholding
Kunshan Fu Shi You Trading Co., Ltd.	Legal representative	Cheng Ying-Lung	-	-
Shanghai Fugang Electric Trading Co., Ltd.	Legal representative	Kufn Lin	-	-
Fuqiang Electric (Yancheng) Co., Ltd.	Legal representative	Kufn Lin	-	-
Sinocity Industries Limited	Director Director	Liu Su-Fang (Note 9) Cheng Ying-Lung	6,000,000 -	100.00% -
APIX LIMITED	Director	Liu Su-Fang (Note 6)	12,501	100.00%
DG Lifestyle Store Limited	Director	Cheng Ying-Lung (Note 19)	100,000	100.00%
PERENNIAL ACE LTD.	Director	Liu Su-Fang (Note 9)	(Capital contribution USD 21,300 thousand, unissued shares)	100.00%
Foxwell Energy Corporation Ltd.	Chairperson Director Director Supervisor	Hu Hui-Sen (Note 10) Kufn Lin (Note 10) Liu Su-Fang (Note 10) Chen-Phan Pu (Note 10)	610,000,000 610,000,000 610,000,000 610,000,000	100.00% 100.00% 100.00% 100.00%
Suntain Co., Ltd.	Director	Chen-Phan Pu (Note 1)	20,601,666	100.00%
Fugang Electric (Maanshan) Co., Ltd.	Legal representative	Kufn Lin	-	-
Kunshan Fugang Investment Co., Ltd.	Legal representative	Kufn Lin	-	-
Shinfox Natural Gas Co., Ltd.	Chairperson Director Director Director Director Supervisor	Hu Hui-Sen (Note 10) Tsai Mei-Chi(Note 10) Kufn Lin (Note 10) Kuei-Lung Liao (Note 10) Yi-chiu Chemical & Technical Co., Ltd. Chen-Phan Pu	36,000,000 36,000,000 36,000,000 36,000,000 9,000,000 -	80.00% 80.00% 80.00% 80.00% 20.00% -
Fuqiang Electric (Maanshan) Co., Ltd.	Legal representative	Kufn Lin	-	-
Power Sufficient International Co., Ltd.	Chairperson	Liu Su-Fang (Note 6)	1,000,000	100.00%
POWER CHANNEL LIMITED	DIRECTOR	Kufn Lin	-	-
Kunshan Jiuwei Info Tech Co., Ltd.	Legal representative	Hu Hui-Sen	-	-
Foxlink Automotive Technology Co., Ltd.	Chairperson	Kuo Shou-Fu (Note 14)	5,000,000	100.00%
FOXLINK TECHNICAL INDIA PRIVATE	DIRECTOR	Kufn Lin	-	-

Enterprise Name	Position	Name or representative	Shareholding	
			Shares	Percentage of shareholding
LIMITED	DIRECTOR	WU HSIANG CHIN	-	-
	DIRECTOR	PRANAV NEGI	-	-
Fugang Electric (Xuzhou) Co., Ltd.	Legal representative	Chen-Phan Pu	-	-
FOXLINK POWERBANK INTERNATIONAL TECHNOLOGY PRIVATE LIMITED	Director	Liu Su-Fang (Note 7)	217,900,000	99.27%
	Director	WU HSIANG CHIN	-	-
FIT Holding Co., Ltd.	Chairperson	T.C. Gou (Note 2)	58,303,464	23.68%
	Director	Kufn Lin (Note 2)	58,303,464	23.68%
	Director	Cheng Ying-Lung (Note 23)	5,419,329	2.20%
	Director	Lin Hui-Chuan (Note 23)	5,419,329	2.20%
	Director	Wang Hsiu-Ming (Note 12)	2,771,276	1.13%
	Director	Hu Hui-Sen (Note 12)	2,771,276	1.13%
	Independent Director	Chen Tzu-Chien	-	-
	Independent Director	Chiang Chen-Jung	-	-
	Independent Director	Wang Wei-Lin	-	-
Foxlink Image Technology Co., Ltd.	Chairperson	T.C. Gou (Note 5)	164,993,974	100.00%
Glory Science Co., Ltd.	Chairperson	T.C. Gou (Note 5)	60,000,001	100.00%
ACCU-IMAGE TECHNOLOGY LIMITED	DIRECTOR	Kufn Lin (Note 17)	13,241,034	100%
Dongguan Fu Wei Electronics Co., Ltd.	Legal representative	Kufn Lin (Note 18)	6,000,000	100%
Wei Hai Fu Kang Electric Co., Ltd.	Legal representative	Kufn Lin (Note 18)	8,000,000	100%
Dong Guan Fu Zhang Precision Industry Co., Ltd.	Legal representative	Kufn Lin (Note 18)	8,112,257	100%
Dong Guan HanYang Computer Co., Ltd.	Legal representative	Kufn Lin (Note 18)	47,598,184	100%
Glory Science (BVI) Co., Ltd.	Director	Kufn Lin	-	-
Glory Optics (BVI) Co., Ltd.	Director	Kufn Lin	-	-
Glory Science (Samoa) Co., Ltd.	Director	Kufn Lin	-	-
Glorytek (Yancheng) Co., Ltd.	Legal representative	Kufn Lin	-	-
Glorytek (Suzhou) Co., Ltd.	Legal representative	Kufn Lin	-	-
Yancheng Yaowei Technology Co., Ltd.	Legal representative	Kufn Lin	-	-
Glory Optics (Yancheng) Co., Ltd.	Legal representative	Kufn Lin	-	-
GLORYTEK SCIENCE INDIA PRIVATE LIMITED	Director	Kufn Lin	-	-
	Director	WU HSIANG CHIN	-	-
Suzhou Keyu Rui Automobile Technology	Legal representative	Kufn Lin	-	-

Enterprise Name	Position	Name or representative	Shareholding	
			Shares	Percentage of shareholding
Co., Ltd.				
Changzhou Xinwei Vehicle Energy Venture Capital Co., Ltd.	Legal representative	Ting Hsueh-Wen	-	-
SINOBEST BROTHERS LIMITED	DIRECTOR	Kufn Lin	-	-
FOXLINK MYANMAR COMPANY LIMITED	DIRECTOR	Kufn Lin	-	-
Shih Fong Power Co., Ltd.	Chairperson Director Director Director Director Supervisor	T.C. Gou (Note 5) Hu Hui-Sen (Note 5) Kufn Lin (Note 5) Chiang-Chang Ju (Note 22) Peng Shao-Po (Note 20) Chen-Phan Pu (Note 17)	37,500,000 37,500,000 37,500,000 57,500,000 46,000,000 79,800,000	16.30% 16.30% 16.30% 25.00% 20.00% 34.70%
Foxwell Power Co., Ltd.	Chairperson Director Director Supervisor	Hu Hui-Sen (Note 10) Kufn Lin (Note 10) Hao Hsia-Peng (Note 10) Chen-Phan Pu	48,140,000 48,140,000 48,140,000 -	80.23% 80.23% 80.23% -
Shanghai Standard Information Technology Co., Ltd.	Legal representative	Cheng Ying-Lung	-	-
FOXLINK INDIA ELECTRIC PRIVATE LIMITED	DIRECTOR DIRECTOR DIRECTOR	Kufn Lin WU HSIANG CHIN BENSON CHO F	- - -	- - -
Changzhou Xinwei Cheneng Venture Capital Co., Ltd.	Legal representative	Spencer Yeh (Note 13)	(Capital contribution CNY 10,000 thousand, unissued shares)	-
FOXLINK VIETNAM CO., LTD.	Legal representative	Cheng-Chieh Lin (Note 2)	1,300,000	100%
Jiuwei Electric Power Co., Ltd.	Chairperson	Hu Hui-Sen (Note 10)	110,000,000	100%
FOXLINK ARIZONA INC.	DIRECTOR	Kuo Shou-Fu (Note 1)	-	-
Elegant Energy Tech Co., Ltd.	Chairperson	Hu Hui-Sen (Note 10)	500,000	100%
Yuanshan Forest Natural Resources Co., Ltd.	Chairperson	Hu Hui-Sen (Note 10)	1,000,000	100%
Global Way Electronics Co., Ltd.	Chairperson	Hu Hui-Sen (Note 10)	3,570,000	100%
Diwei Power Co., Ltd.	Chairperson	Hu Hui-Sen (Note 10)	3,000,000	100%

Enterprise Name	Position	Name or representative	Shareholding	
			Shares	Percentage of shareholding
Liangwei Power Co., Ltd.	Chairperson	Hu Hui-Sen (Note 15)	4,000,000	100%

Note 1: Representative of Cheng Uei Precision Industry Co., Ltd.
Note 2: Representative of Foxlink International Investment Ltd.
Note 3: Representative of Fu Uei International Investment Ltd.
Note 4: Representative of Studio A Inc.
Note 5: Representative of FIT Holding Co., Ltd.
Note 6: Representative of Power Quotient International Co., Ltd.
Note 7: Representative of Syscom Development Co., Ltd.
Note 8: Representative of PQI Mobility Inc.
Note 9: Representative of Apix Limited
Note 10: Representative of Shinfox Energy Co., Ltd.
Note 11: Representative, Allied Industrial Corp., Ltd.
Note 12: Representative of Foxlink Taiwan Industry Co., Ltd.
Note 13: Representative of Power Quotient Technology (Yancheng) Co., Ltd.
Note 14: Representative of Foxlink Automotive Technology (Kunshan) Co., Ltd. of China
Note 15: Representative of Foxwell Energy Corporation Ltd.
Note 16: Representative of Zhengfa Investment Co., Ltd.
Note 17: Representative of Foxlink Image Technology Co., Ltd.
Note 18: Representative: of Accu-Image Technology Limited
Note 19: Representative of Sinocity Industries Limited
Note 20: Representative of the National Development Fund, Executive Yuan of the R.O.C.
Note 21: Representative of Chern Feng Engineering Tech Co., Ltd.
Note 22: C&C Investment Corporation in Japan
Note 23: Hsin Hung International Investment Co., Ltd.

1.6 Overview of operations of affiliated companies

(1) The financial status and financial performance of each affiliated company in 2023

December 31, 2023 Unit: NTD thousand

Enterprise Name	Capital	Total assets	Total liabilities	Net worth	Operating revenue	Operating profit	Current profit and loss (after tax)	Earnings per share (NTD) (after tax)
BENEFIT RIGHT LTD.	302,321	1,258,151	3,693	1,254,458	0	0	127,966	Note
CAPITAL GUARDIAN LTD.	196,512	29,970	0	29,970	0	0	(8,087)	Note
CELINK INTERNATIONAL LTD.	507,738	-	-	-	-	-	-	Note
CU INTERNATIONAL LTD.	15,154,453	27,774,495	1,574,864	26,199,631	1,245	(228,690)	699,614	Note
CULINK INTERNATIONAL LTD.	1,029,477	1,788,247	15,411	1,772,836	0	(125)	372,435	Note
FOXLINK ARIZONA INC.	475,006	567,360	539,071	28,289	50,611	(264,170)	(271,827)	(17.57)
FOXLINK DA NANG ELECTRONICS CO., LTD.	905,730	843,204	20,710	822,494	0	(4,860)	(2,170)	Note
FOXLINK INDIA ELECTRIC PRIVATE LIMITED	1,171,661	2,027,463	2,260,753	(233,290)	2,697,713	(213,333)	(813,385)	(2.64)
FOXLINK INTERNATIONAL, INC.	15,353	4,517,237	4,634,381	(117,144)	17,461,997	3,425	4,050	8.10
FOXLINK MYANMAR COMPANY LIMITED	744,566	375,129	11,175	363,954	64,539	(27,419)	(39,834)	(2.49)
FOXLINK TECHNICAL INDIA PRIVATE LIMITED	327,382	194,642	19,747	174,895	0	(2,611)	1,493	0.02
FOXLINK TECHNOLOGY LIMITED	340,644	880,286	2,287	877,999	24,336	(4)	1,329	Note
FOXLINK VIETNAM CO., LTD.	185,058	1,424,217	936,920	487,297	1,228,507	543,026	442,049	Note
NEW START INDUSTRIES LTD.	264,063	2,770,792	1,498	2,769,294	0	0	118,229	Note
PACIFIC WEALTH LTD.	30,705	0	0	0	0	0	4,050	Note
POWER CHANNEL LIMITED	368,460	1,785,674	29,103	1,756,571	0	(192)	194,483	2.09
SINOBEST BROTHERS LIMITED	696,619	449,920	120,687	329,233	206,244	21,504	(18,565)	(1.16)
SOLTERAS LTD.	61,410	0	0	0	0	0	0	0.00
VALUE SUCCESS LTD.	196,512	25,700	0	25,700	0	0	(8,087)	Note
DU PRECISION INDUSTRY CO.,	600,000	283,034	174,557	108,477	15,644	15,472	17,481	0.29
ZHI DE INVESTMENT CO., LTD.	1,709,183	661,719	84	661,635	0	(85)	44,916	0.26
SUNTAIN CO., LTD.	223,737	377,609	128,073	249,536	304,263	15,672	12,837	0.57
FOXLINK AUTOMOTIVE TECHNOLOGY(KUNSHAN) LTD.	196,727	679,431	395,002	284,429	297,150	9,204	5,184	Note
KUNSHAN FUGANG INVESTMENT CO,.LTD.	921,150	1,783,693	29,743	1,753,950	0	(158)	37,257	Note
DONGGUAN FUSHICHANG COMPUTER CORPORATION	3,678	3,162	736	2,426	0	0	0	Note
DONG GANG FU QIANG ELECTRONICS LTD.	4,569,211	22,498,247	11,789,474	10,708,773	27,787,429	700,449	321,298	Note

December 31, 2023 Unit: NTD thousand

Enterprise Name	Capital	Total assets	Total liabilities	Net worth	Operating revenue	Operating profit	Current profit and loss (after tax)	Earnings per share (NTD) (after tax)
WORLD CIRCUIT TECHNOLOGY (HONG KONG) LIMITED	34,237	29,970	0	29,970	0	0	(8,087)	Note
Changzhou Xinwei Vehicle Energy Venture Capital Co., Ltd.	432,700	793,341	(26,065)	819,406	0	(20,200)	(28,886)	Note
FOXLINK AUTOMOTIVE TECHNOLOGY CO., LTD.	50,000	47,666	50	47,616	0	(51)	250	0.05
FUSHINENG ELECTRONICS (KUN SHAN) CO., LTD.	368,460	2,722,325	1,159,491	1,562,834	3,850,747	178,339	111,526	Note
FU SHI XIANG RESEARCH & DEVELOPMENT CENTER（KUNSHAN) CO.,LTD	138,173	92,459	26,850	65,609	6,524	(1,898)	(1,924)	Note
CULINK TIANJIN CO., LTD	122,820	237,824	2,574	235,250	0	(46)	2,804	Note
FOXLINK INTERNATIONAL INVESTMENT LTD.	4,687,500	5,016,182	2,675	5,013,507	0	(1,966)	456,990	0.97
FOXLINK ENERGY (TIANJIN) LTD.	122,820	175,509	161	175,348	0	(48)	927	Note
FU QIANG ELECTRIC (MAANSHAN) CO.,LTD.	153,525	138,500	127	138,373	0	(27)	(23)	Note
FU QIANG ELECTRIC (YANCHENG) CO.,LTD.	307,050	70,230	126,595	(56,365)	0	(2,761)	(21,067)	Note
FU UEI INTERNATIONAL INVESTMENT CO.,LTD.	4,250,000	2,741,075	1,256	2,739,819	0	(189)	(560,963)	(1.32)
Fugang Electronics (Tianjin) Co., Ltd.	552,690	1,345,987	8,884	1,337,103	0	(25,339)	(69,677)	Note
FUGANG ELECTRIC (KUNSHAN) CO.,LTD.	3,730,658	8,408,503	5,799,989	2,608,514	3,100,250	(330,243)	(224,041)	Note
FUGANG ELECTRONIC (DONGGUAN)CO,LTD	1,788,567	11,438,215	3,817,330	7,620,885	19,110,477	695,876	601,752	Note
FU GANG ELECTRONIC (NANCHANG) CO.,LTD.	1,535,250	1,293,153	68,059	1,225,094	0	(236)	24,090	Note
FUGANG ELECTRIC (XUZHOU) CO.,LTD.	1,903,709	6,011,525	2,476,179	3,535,346	10,823,146	890,827	732,987	Note
FUGANG ELECTRIC (MAANSHAN) CO.,LTD.	934,388	758,736	1,941,003	(1,182,267)	379,617	(117,248)	(103,659)	Note
FUGANG ELECTRIC (YANCHENG) CO.,LTD.	92,115	66,092	1,618	64,474	0	(22)	442	Note
DARTZ TECHNOLOGIES CORPORATION	564,086	1,255,238	33,178	1,222,060	0	(121)	120,266	2.13
WORLD CIRCUIT TECHNOLOGY CO., LTD	225,000	271,190	2,245	268,945	0	(365)	(5,472)	(0.24)
Suzhou Keyu Rui Automobile Technology Co., Ltd.	10,818	12,015	(30,183)	42,198	0	(48)	(21)	Note

December 31, 2023 Unit: NTD thousand

Enterprise Name	Capital	Total assets	Total liabilities	Net worth	Operating revenue	Operating profit	Current profit and loss (after tax)	Earnings per share (NTD) (after tax)
FIT Holding Co., Ltd.	2,462,421	10,489,547	1,970,128	8,519,419	582,566	555,608	567,916	2.31
GLORYTEK SCIENCE INDIA PRIVATE LIMITED	81,021	82,067	1,304	80,763	-	(410)	174	0.02
GLORYTEK (SAZHOU) CO., LTD.	429,870	379,531	94,666	284,865	-	(1,357)	(72,215)	Note
GLORY OPTICS (BVI) CO., LTD.	494,837	(393,565)	-	(393,565)	-	(10)	(103,618)	(2.09)
GLORY OPTICS (YANCHENG) CO., LTD.	1,143,258	1,113,282	713,747	399,535	17,186	(118,236)	(124,375)	Note
GLORY TEK (BVI) CO., LTD.	1,470,468	158,629	-	158,629	-	-	(227,607)	(1.55)
GLORY TEK (SAMOA) CO., LTD.	988,120	471,929	-	471,929	-	(1)	(124,162)	(1.26)
GLORY SCIENCE CO., LTD.	600,000	1,729,194	1,302,593	426,601	84,681	(145,876)	(279,500)	(4.66)
GLORYTEK (YANCHENG) CO., LTD.	276,345	411,635	1,070,572	(658,937)	117,996	(90,898)	(108,452)	Note
Yancheng yao arc technology co., LTD	43,270	83,612	-	83,612	-	(329)	(419)	Note
APIX LIMITED	3,177,022	1,157,709	-	1,157,709	-	-	20,723	0.07
FOXLINK POWERBANK INTERNATIONAL TECHNOLOGY PRIVATE LIMITED	81,083	82,070	1,245	80,825	-	(420)	163	Note
PERENNIAL ACE LTD.	654,017	242,553	-	242,553	-	-	(1,688)	Note
PQI JAPAN CO.,LTD.	2,172	2,652	322	2,330	-	-	132,257	608.92
SYSCOM DEVELOPMENT CO.,LTD	333,548	82,893	-	82,893	-	-	198	0.01
DG LIFESTYLE STORE LIMITED	381	23,009	34,994	(11,985)	125,675	(3,933)	(2,122)	(55.70)
Sinocity Industries Limited	23,574	519,212	73,467	445,745	1,519,604	23,587	22,407	Note
POWER QUOTIENT TECHNOLOGY (YANCHENG) CO.,LTD.	614,100	709,538	6,298	703,240	-	(1,098)	4,570	Note
Changzhou Xinwei Cheneng Venture Capital Co., Ltd.	43,270	43,590	-	43,590	-	(9)	86	Note
POWER QUOTIENT INTERNATIONAL CO., LTD.	4,446,905	7,814,350	2,511,479	5,302,871	101,507	(143,627)	264,600	0.60
POWER SUFFICIENT INTERNATIONAL CO., LTD.	10,000	13,044	-	13,044	-	-	(116)	(0.12)
POWER QUOTIEN INTERATIONAL (HK) CO LTD.	416,867	703,669	160	703,509	-	(210)	4,361	0.10
SHINFOX FAR EAST COMPANY PTE. LTD.	2,453,864	3,479,008	1,280,295	2,198,713	522,429	78,652	(261,606)	Note
Jiuwei Electric Power Co., Ltd.	1,100,000	1,089,090	2,915	1,086,175	-	(7,098)	(6,154)	(0.06)
Yuanshan Forest Natural Resources Co., Ltd.	100,000	99,877	195	99,682	-	(368)	(264)	(0.03)
Foxwell Certification Co., Ltd.	10,000	7,027	1,233	5,794	3,924	(6,016)	(4,206)	(4.21)

December 31, 2023 Unit: NTD thousand

Enterprise Name	Capital	Total assets	Total liabilities	Net worth	Operating revenue	Operating profit	Current profit and loss (after tax)	Earnings per share (NTD) (after tax)
Kunshan Jiuwei Info Tech Co., Ltd.	1,536	34,622	3,350	31,272	12,499	3,625	4,817	Note
Kunshan Eastern Rainbow Environmental Equipment Co., Ltd.	21,635	64,003	32,684	31,319	2,029	(1,106)	(1,081)	(0.50)
Eastern Rainbow Green Energy Environmental Technology Co., Ltd.	350,000	516,177	159,671	356,506	65,801	(24,172)	(11,095)	(0.32)
Eastern Rainbow Environmental Resource Co., Ltd.	2,500	2,044	1,337	707	213	(147)	(1,035)	(4.14)
SHINFOX NATURAL GAS CO., LTD.	450,000	361,003	18,511	342,492	39,360	(35,674)	(33,373)	(0.74)
JuneWei Power Co., Ltd.	12,000	12,005	50	11,955	-	(69)	(45)	(0.04)
Shinwei Power Co., Ltd.	37,300	197,833	159,076	38,757	8,192	3,136	(201)	(0.05)
Guanwei Power Co., Ltd.	70,000	99,869	30,022	69,847	-	(73)	(122)	(0.02)
Foxwell Power Co., Ltd.	600,000	3,204,461	2,267,578	936,883	876,905	51,647	56,201	0.94
FOXWELL ENERGY CORPORATION LTD.	8,670,000	18,758,324	9,273,300	9,485,024	9,813,150	935,512	763,402	0.88
SHINFOX ENERGY CO., LTD.	2,161,500	16,744,929	5,587,375	11,157,554	392,152	(78,937)	636,385	2.94
Elegant Energy TECH Co., Ltd.	5,000	4,452	52	4,400	-	(352)	(1,068)	(2.14)
ACCU-IMAGE TECHNOLOGY LIMITED	581,051	2,274,747	-	2,274,747	111,027	8,297	130,291	Note
Shih Fong Power Co., Ltd.	2,300,000	2,464,760	12,784	2,451,976	-	(4,208)	11,763	0.05
Dongguan Fu Wei Electronics Co., Ltd.	184,230	623,440	124,183	499,257	614,221	27,304	21,789	Note
Dong Guan Fu Zhang Precision Industry Co., Ltd.	249,087	178,163	55,039	123,124	119,465	(60,501)	(58,629)	Note
Dong Guan HanYang Computer Co., Ltd.	187,013	333,516	7,360	326,156	-	(12,873)	29,611	Note
Wei Hai Fu Kang Electric Co., Ltd.	460,575	803,256	153,500	649,756	744,340	88,330	68,708	Note
Foxlink Image Technology	1,649,940	8,455,606	5,009,845	3,445,761	4,339,818	528,542	602,151	3.65
ASHOP CO., LTD.	8,925	429,920	373,419	56,501	2,023,022	(18,314)	(19,229)	Note
SHANG HAI FUGANG ELECTRIC TRADING CO., LTD.	8,878	354,871	419,017	(64,146)	991,401	(4,690)	20,109	Note
Shanghai Standard Information Technology Co., Ltd	4,439	10,201	18,233	(8,032)	1,678	(4,012)	(6,153)	Note
KUNSHAN FU SHI YU TRADING CO., LTD.	62,146	16,672	4,287	12,385	729	(188)	(106)	Note
KUNSHAN FUGANG ELECTRIC TRADING CO.,LTD.	168,949	325,126	302,169	22,957	1,375,980	(399)	103	Note

December 31, 2023 Unit: NTD thousand

Enterprise Name	Capital	Total assets	Total liabilities	Net worth	Operating revenue	Operating profit	Current profit and loss (after tax)	Earnings per share (NTD) (after tax)
VA PRODUCT INC.	24,000	41,930	8,769	33,161	46,654	3,406	4,641	1.93
JING SHENG TECHNOLOGY INC.	151,848	558,744	351,229	207,515	1,036,915	35,372	26,044	0.00
STUDIO A INC.	258,750	1,652,184	1,009,181	643,003	4,967,828	14,576	40,627	0.00
STUDIO A TECHNOLOGY LIMITED	20,415	509,679	73,465	436,214	1,793,176	9,302	(181)	0.00
JING JING TECHNOLOGY CO., LTD.	3,700	8,026	30	7,996	0	(31)	41	0.00

Note： As a limited company, this is not applicable

(2) Consolidated financial statements of affiliated enterprises: For the consolidated financial statements of the parent and subsidiary companies, please refer to pages 107 to 234 of this book.

(3) Report on relationships of affiliated companies: Not applicable

2. Handling of privately placed securities in the most recent year and as of the date of publication of the annual report: None.

3. Status of holding or disposing of the Company's stocks by subsidiaries in the most recent year and as of the date of publication of the annual report:

Units: NTD thousands; thousand shares;

%

Subsidiary name	Paid-in capital amount	Sources of funds	Percentage of shareholding of the Company	Date of acquisition or disposal	Number and amount of shares acquired	Disposal of shares and amount	Investment gains and losses	Number and amount of shares held as of the publication date of the annual report	Setting of pledges	The Company's endorsement/ guarantee amounts for subsidiaries	The company's loan amounts to subsidiaries
Foxlink Image Technology Co., Ltd.	1,649,940	Own funds	38.19% (Note)	2023.09.13	22,000 thousand shares NTD 918,268 thousand	0	0	49,503 thousand shares NTD 19,933,128 thousand	None	0	0

Note: A 100% owned subsidiary of FIT Holding Co., Ltd.

4. Other necessary supplementary explanations: None.

5. In the most recent year and as of the printing date of the annual report, matters that have a significant impact on shareholders' equity or securities prices: None.

Cheng Uei Precision Industry Co., Ltd.

Chairman: T.C. Gou