Stock Code：4906

Gemtek Technologies Co., Ltd.
And Subsidiary Companies

Consolidated Financial Statements and Audit Report

As of December 31, 2023 and 2022

Address: No. 15-1, Zhonghua Rd., Hukou Township, Hsinchu County
Tel: (03)5985535

§CONTENTS§

	PAGE	NOTE
Cover	1	-
Content	2	-
Independent auditor's report	4～9	-
Individual balance sheet	10 ~ 11	-
Individual comprehensive income statement	12～14	-
Statement of changes in individual equity	15 ~ 16	-
Individual cash flow statement	17～19	-
Notes to Individual Financial Statements		
(1) Company history	20	1
(2) Date and procedures for approving financial reports	20	2
(3) Application of newly released and revised standards and interpretations	20～22	3
(4) Summary explanation of significant accounting policies	22～37	4
(5) Main sources of uncertainty in major accounting judgments, estimates and assumptions	37	5
(6) Description of important accounting items	37～85	6~30
(7) Related party transactions	86～88	31
(8) Pledged assets	88	32
(9) Significant contingent liabilities and unrecognized contractual commitments	89	33
(10) Major disaster losses	-	-
(11) Significant post-period events	-	-
(12) Exchange rate information on foreign currency financial assets and liabilities	89～91	34
(13) Notes Disclosure Matters		
1. Information related to major transaction matters	91，96～101	35
2. Information related to reinvestment business	91，102～103	35
3. Mainland investment information	91，105～106	35
4. Major shareholder information	91~92，104	35
(14) Department information	93~95	36

CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022

REPRESENTATION LETTER

The entities that are required to be included in the consolidated financial statements of Gemtek Technologies Co., Ltd. as of and for the year ended December 31, 2023, under the Criteria Governing the Preparation of Affiliation Reports, Consolidated Business Reports and Consolidated Financial Statements of Affiliated Enterprises are the same as those included in theconsolidated financial statements prepared in conformity with the International Financial Reporting Standards 10, "Consolidated and Separate Financial Statements." In addition, the information required to be disclosed in the combined financial statements is included in the consolidated financial statements. Consequently, Gemtek Technologies Co., Ltd. and Subsidiaries do not prepare a separate set of combined financial statements.

Gemtek Technologies Co., Ltd.

Chairman

March 13, 2024

INDEPENDENT AUDITORS'
REPORT

The Board of Directors and
ShareholdersGemtek Technologies
Co., Ltd.

Opinion

We have audited the accompanying consolidated financial statements of Gemtek Technologies Co., Ltd. (the "Company") and its subsidiaries (collectively referred to as the "Group"), which comprise the consolidated balance sheets as of December 31, 2023 and 2022, and the consolidated statements of comprehensive income, changes in equity and cash flows for the years then ended, and the notes to the consolidated financial statements, including a summary ofsignificant accounting policies (collectively referred to as the "consolidated financial statements").

In our opinion, the accompanying consolidated financial statements present fairly, in all materialrespects, the consolidated financial position of the Group as of 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 International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

Basis for Opinion

We conducted our audits in accordance with the Regulations Governing Auditing and Attestationof Financial Statements by Certified Public Accountants and auditing standards generally accepted in the Republic of China. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statementssection 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. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significancein our audit of the Group's consolidated financial statements for the year ended December 31, 2022. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We hereby summarize the Key Audit Matters of the 2022 Consolidated Financial Statements ofthe Group as follows:

Revenue Recognition

The 2023 operating income of Gemtek Technology Co., Ltd. and its subsidairies is NT$26,136,349 thousand, in which NT$7,647,327 thousand sales revenue is attributed to the sale of a major customer product, accounting for 29% of the operating income. Due to the factthat the sales revenue makes up a consequential part of the operating income in contrast to theyear 2022, the operating income for the sale to the specific customer product is listed as a KeyAudit Matter. For related accounting policies pertaining to revenue recognition, please refer toNote 4 and 24.

Main Audit Procedures conducted by the CPA are as follows:

1.Assess the quality of composition and implementation of the Group's Internal Control Policythat are related to sales income conjointly with the Group's Sales Revenue Recognition Policy.2.Conduct inspections on selected materials acquired from income reports that are related to sales transactions and receivables, etc. to verify whether the origins of the operating income aredocumented truthfully.

3.Verify whether the customer has received any substantial sales return or discounts after thetransaction.

Additional Matters:

Among the subsidiaries included in the consolidated financial statements of Gemtek Group in 2022, the financial statements prepared by Gemtek Vietnam Co., Ltd. according to different financial reporting structures were not reviewed by this accountant but were reviewed by other accountants. Adjustments made by Gemtek Vietnam Co., Ltd.'s financial statements to be prepared in accordance with the Financial Reporting Standards for Securities Issuers and the International Financial Reporting Standards, International Accounting Standards, Interpretations and Interpretation Announcements approved and issued by the Financial Supervisory Commission. Necessary verification procedures have been carried out. Therefore, the opinion expressed by our accountant on the consolidated financial statements above, regarding the amounts listed in the financial statements before adjustments of the above-mentioned company, is based on the audit report of other accountants. The total assets of the above-mentioned company as of December 31, 2022 were NT$4,998,116, accounting for 20% of the total consolidated assets. The net operating income from January 1 to December 31, 2022 was NT$871,000, accounting for 20% of the total consolidated assets. 0.0% of consolidated net operating income.

Gemtek Technology Co., Ltd. has prepared individual financial reports for the 2023 and 2022 years of the Republic of China, and the audit report with unqualified opinions and other matters paragraphs issued by our accountants is on record for reference.

Responsibilities of Management and Those Charged with Governance for the ConsolidatedFinancial 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, International Financial Reporting Standards (IFRS), InternationalAccounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China, 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 the audit committee and 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 auditingstandards generally accepted in 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 auditing standards generally accepted in the Republic of China, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

1. Identify and assess the risks of material misstatement of the 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.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose

of expressing an opinion on the effectiveness of the Group's internal control.

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

   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.

4. 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.

5. Obtain sufficient and appropriate audit evidence regarding the financial information of 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 for theyear ended December 31, 2023 and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Deloitte & Touche Taiwan Certified Public AccountantAlice H. Fang	Deloitte & Touche Taiwan Certified Public Accountant Jing-ting Yang
Financial Supervision Commission Approved Document Number: 1090347472	Securities and Futures Commission Approved Document Number: 6-0930128050

Date: March 15, 2024

GEMTEK TECHNOLOGY CO., LTD.
Parent Company and Subsidiaries Balance SheetsDecember 31,2023 and 2022
(Expressed in thousands of New Taiwan Dollars)

code	ASSETS	December 31,2023 AMOUNT	%	December 31,2022 AMOUNT	%
	CURRENT ASSETS				
1100	Cash and cash equivalents（note 4 and 6）	$ 2,945,341	14	$ 1,009,501	4
1110	Financial assets at fair value through profit or loss - current（note 4 and 7）	309,590	2	17,940	-
1136	Financial assets at amortized cost – current （note 4, 9 and 32）	273,271	1	3,307	-
1170	Accounts receivable, net（note 4、10 and 24）	6,748,271	31	9,305,116	38
1180	Accounts receivable from related parties（note 4、24 and 31）	80,086	-	63,000	-
1200	Other receivables（note 4、31）	52,942	-	33,949	-
1220	Current tax assets（note 4 and 26）	6,886	-	1,281	-
130X	Inventories（note 4 and 11）	3,008,915	14	4,601,290	19
1460	Non-current Assets Held for Sale（note 12）	16,398	-	-	-
1470	Other current assets（note 4 and 18）	84,262	-	243,671	1
11XX	**Total current assets**	13,525,962	62	15,279,055	62
	NON-CURRENT ASSETS				
1517	Financial assets at fair value through other comprehensive income - non-current（note 4 and 8）	2,798,037	13	3,258,819	13
1535	Financial assets at amortized cost - non-current（note 4、9 and 32）	28,252	-	20,000	-
1550	Investments accounted for using the equity method（note 4 ,13, 14 and 21）	1,218,926	6	1,286,049	5
1600	Property, plant and equipment（note 4 and 15）	3,411,716	15	4,042,505	16
1755	Right-of-use assets（note 4 and 16）	335,961	2	384,883	2
1805	Goodwill（note 4 and17）	245,224	1	265,224	1
1821	Other intangible assets	48,366	-	65,745	-
1840	Deferred tax assets（note 4 and 26）	86,400	-	61,716	-
1990	Other non-current assets（note 4、18 and 22）	271,284	1	166,543	1
15XX	**Total non-current assets**	8,444,166	38	9,551,484	38
1XXX	**Total assets**	$ 21,970,128	100	$ 24,830,539	100

code	LIABILITIES AND EQUITY	December 31,2023 AMOUNT	%	December 31,2022 AMOUNT	%
	CURRENT LIABILITIES				
2100	Short-term borrowings（note 19）	$ 951,855	4	$ 2,526,205	10
2120	Current financial liabilities at fair value through profit or loss（note 7）	1,806	-	-	-
2130	Contract liabilities - current（note 4 and 24）	388,615	2	325,857	1
2170	Accounts payable	4,805,480	22	7,103,761	29
2219	Other payables（note 21 and 31）	778,239	4	971,249	4
2230	Current tax liabilities（note 4 and 26）	192,257	1	137,470	1
2280	Current lease liabilities（note 4 and 16）	94,742	-	91,168	-
2399	Other current liabilities（note 21）	55,540	-	56,977	-
21XX	**Total current liabilities**	7,268,534	33	11,212,687	45
	NON-CURRENT LIABILITIES				
2530	Bonds payable（note 20）	1,226,783	6	-	-
2570	Deferred tax liabilities（note 4 and 26）	261,668	1	224,596	1
2580	Non-current lease liabilities（note 4 and 16）	5,806	-	12,689	-
2670	Other non-current liabilities（note 21）	11,746	-	1,705	-
25XX	**Total non-current liabilities**	1,506,003	7	238,990	1
2XXX	**Total liabilities**	8,774,537	40	11,451,677	46
	EQUITY（note 4、14、20、23 and 28）				
	Share capital				
3110	Ordinary shares	4,001,211	18	3,946,465	16
3140	Capital collected in advance	54,846	-	-	-
3200	Capital surplus	5,329,633	24	4,983,065	20
	Retained earnings				
3310	Legal reserve	1,003,186	5	943,768	4
3320	Special reserve	195,638	1	195,638	1
3350	Unappropriated earnings	1,591,682	7	1,728,176	7
3300	Total retained earnings	2,790,506	13	2,867,582	12
3490	Other equity	663,200	3	1,275,930	5
31XX	Total equity attributable to owners of parent	12,839,396	58	13,073,042	53

36XX	Non-controlling interests （note 23）	356,195	2	305,820	1
3XXX	**Total equity**	13,195,591	60	13,378,862	54
	Total liabilities and equity	$ 21,970,128	100	$ 24,830,539	100

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

Chairman: Hong-wen Chen General Manager: Rong-chang Li Accounting Supervisor: Zhi-hong Lin

GEMTEK TECHNOLOGY CO., LTD.

Parent Company and Subsidiaries Statements of Comprehensive IncomeFor the Years Ended December 31,2023and 2022

(Expressed in thousands of New Taiwan Dollars, Except Earnings Per Share)

code		2023 AMOUNT	2023 %	2022 AMOUNT	2022 %
4000	Operating revenue（note 4、24 and 31）	$ 26,136,349	100	$ 27,899,990	100
5000	Operating costs（note 11、22、25 and 31）	(23,365,192)	(89)	(25,034,716)	(90)
5900	Gross profit	2,771,157	11	2,865,274	10
	Operating expenses（note10、22、25 and 31）				
6100	Selling expenses	(524,312)	(2)	(517,931)	(2)
6200	General and administrative expenses	(663,386)	(3)	(695,521)	(3)
6300	Research and development expenses	(1,069,512)	(4)	(916,227)	(3)
6450	Expected credit losses recognized on receivables	(50,322)	-	(7,238)	-
6000	Total operating expenses	(2,307,532)	(9)	(2,136,917)	(8)
6900	Profit from operations	463,625	2	728,357	2
	Non-operating income and expenses				
7100	Interest income（note 25）	55,902	-	35,904	-
7010	Other income（note 25 and 31）	64,805	-	80,929	-
7020	Other gains and losses（note 25 and 31）	259,231	1	21,850	-
7050	Finance costs（note 25）	(114,436)	-	(82,357)	-
7060	Share of profit ofsubsidiaries and associates（note 4 and 14）	59,541	-	134,650	1

code		2023 AMOUNT	2023 %	2022 AMOUNT	2022 %
7000	Total non-operating income and expenses	325,043	1	190,976	1
7900	Profit before income tax	788,668	3	919,333	3
7950	Income tax（note 4 and 26）	(243,123)	(1)	(173,283)	-
8200	Net profit for the period	545,545	2	746,050	3
	Other comprehensive income /(loss)				
8310	Items that will not be reclassified subsequently to profit or loss				
8311	Remeasurement of defined benefit plans（note 22）	$ 2,043	-	$ 8,337	-
8316	Unrealized gain/(loss) on investments in equity instruments at fair value through other comprehensive income	(532,435)	(2)	368,248	1
8330	Share of other comprehensive income of subsidiaries and associates accounted for using the equity method	33	-	275	-
8360	Items that may be reclassified subsequently to profit or loss				
8361	Exchange differences on translation of the financialstatements of foreign operations	(80,916)	-	233,369	1
8370	Share of other comprehensive income/(loss) of subsidiaries and associates accounted for using the equity method	(161)	-	595	-
8300	Other comprehensive income/(loss)	(611,436)	(2)	610,824	2

8500	Total comprehensive income/(loss)	($ 65,891)	-	$ 1,356,874	5
	Profit, attributable to:				
8610	Profit, attributable to owners of parent	$ 609,150	2	$ 664,683	3
8620	Profit/(loss), attributable to non-controlling interests	(63,605)	-	81,367	-
8600		$ 545,545	2	$ 746,050	3
	Profit, attributable to:				
8710	Comprehensive income /(loss), attributable to owners of parent	($ 2,286)	-	$ 1,275,507	5
8720	Comprehensive income /(loss),attributable to non-controlling interests	(63,605)	-	81,367	-
8700		($ 65,891)	-	$ 1,356,874	5
	Earnings per share（note 27）				
9750	Basic earnings per share	$ 1.55		$ 1.70	
9850	Diluted earnings per share	$ 1.37		$ 1.59	

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

Chairman: Hong-wen Chen General Manager: Rong-chang Li Accounting Supervisor: Zhi-hong Lin

GEMTEK TECHNOLOGY CO., LTD
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
For the Years Ended December 31 ,2023 and 2022

(Expressed in thousands of New Taiwan Dollars)

單位：新台幣仟元

		Share Capital (Note 23 and 28)			Capital Reserve	Retained Earnings (Note 23)			Other Equity (Note 4 and 23)					Non-controlling Equity	
code		Number of shares (thousands of shares)	Amount	Capital received in advance	Foreign	Comprehensive	Special Reserve	unappropriated Earnings	Exchange Differences on Translation of the Financial Statements of On translation of financial statements	Unrealized Valuation Gain/(Loss) on Financial Assets at Fair Value Through Other Comprehensive income	Unearned Employee Compensation	Subtotal	Treasury Share	(note 23)	Total equity
A1	BALANCE AT JANUARY 1, 2022	366,119	$ 3,661,188	$ 44,798	$ 4,441,626	$ 878,269	$ 1,305,902	$ 696,971	($ 581,856)	$ 1,268,926	($ 25,997)	$ 661,073	$ -	$ 225,994	$ 11,915,821
	Appropriation of 2021 earnings														
B1	Legal reserve	-	-	-	-	65,499	-	(65,499)	-	-	-	-	-	-	-
B3	Special reserve	-	-	-	-	-	(1,110,264)	1,110,264	-	-	-	-	-	-	-
B5	Cash dividends to shareholders	-	-	-	-	-	-	(607,738)	-	-	-	-	-	-	(607,738)
	Subtotal	-	-	-	-	65,499	(1,110,264)	437,027	-	-	-	-	-	-	(607,738)
C7	Changes in subsidiaries and associates recognized using the equity method	-	-	-	131,860	-	-	(216)	4	216	-	220	-	-	131,864
M7	Changes in ownership interests in subsidiaries	-	-	-	14,269	-	-	-	-	-	-	-	-	-	14,269
D1	Net profit for the year ended December31, 2022	-	-	-	-	-	-	664,683	-	-	-	-	-	81,367	746,050
D3	Other comprehensive income for the yearended December 31, 2022	-	-	-	-	-	-	8,612	233,964	368,248	-	602,212	-	-	610,824
D5	Total comprehensive income forthe year ended December 31, 2022	-	-	-	-	-	-	673,295	233,964	368,248	-	602,212	-	81,367	1,356,874
M3	Disposals of subsidiaries	-	-	-	-	-	-	(34)	1	34	-	35	-	-	1
I1	Corporate bond converted to ordinary shares	39,040	390,402	(44,798)	510,856	-	-	-	-	-	-	-	-	-	856,460
N1	Cancelation of restricted share plan foremployees	(171)	(1,705)	-	4,367	-	-	-	-	-	(2,662)	(2,662)	-	-	-
L1	Buy-back of treasury shares	-	-	-	-	-	-	-	-	-	-	-	(307,112)	-	(307,112)
L3	Cancelation of treasury shares	(10,342)	(103,420)	-	(119,913)	-	-	(83,779)	-	-	-	-	307,112	-	-
T1	Share-based payment expenses	-	-	-	-	-	-	-	-	-	19,964	19,964	-	-	19,964
O1	Changes of non-controlling interest	-	-	-	-	-	-	-	-	-	-	-	-	(1,541)	(1,541)
Q1	Disposal of investments in equity instruments at fair value through othercomprehensive income	-	-	-	-	-	-	4,912	-	(4,912)	-	(4,912)	-	-	-
Z1	BALANCE AT DECEMBER 31, 2022	394,646	3,946,465	-	4,983,065	943,768	195,638	1,728,176	(347,887)	1,632,512	(8,695)	1,275,930	-	305,820	13,378,862
	Appropriation of 2022 earnings														
B1	Legal reserve	-	-	-	-	59,418	-	(59,418)	-	-	-	-	-	-	-
B5	Cash dividends to shareholders	-	-	-	-	-	-	(591,712)	-	-	-	-	-	-	(591,712)
	subtotal	-	-	-	-	59,418	-	(651,130)	-	-	-	-	-	-	(591,712)
M7	Changes in ownership interests in subsidiaries	-	-	-	3,072	-	-	-	-	-	-	-	-	-	3,072
C5	The Company's issuance of convertible corporate bonds and recognition of equity portion	-	-	-	133,101	-	-	-	-	-	-	-	-	-	133,101
D1	Net profit for the year ended December31, 2023	-	-	-	-	-	-	609,150	-	-	-	-	-	(63,605)	545,545
D3	Other comprehensive income/(loss) for the yearended December 31, 2023	-	-	-	-	-	-	2,076	(81,085)	(532,435)	-	(613,520)	-	8	(611,436)

D5	Total comprehensive income/(loss) forthe year ended December 31, 2023	-	-	-	-	-	-	611,226	(81,085)	(532,435)	-	(613,520)	-	(63,597)	(65,891)
G1	Issuance of new shares with restrictions on employee rights	4,300	43,000	-	90,967	-	-	-	-	-	(133,967)	(133,967)	-	-	-
I1	Corporate bond converted to ordinary shares	1,693	16,928	54,846	127,978	-	-	-	-	-	-	-	-	-	199,752
N1	Cancelation of restricted share plan foremployees	(518)	(5,182)	-	(8,550)	-	-	-	-	-	13,732	13,732	-	-	-
O1	Changes of non-controlling interest	-	-	-	-	-	-	-	-	-	-	-	-	113,972	113,972
Q1	Disposal of investments in equity instruments at fair value through othercomprehensive income	-	-	-	-	-	-	(96,590)	-	96,590	-	96,590	-	-	-
T1	Share-based payment expenses	-	-	-	-	-	-	-	-	-	24,435	24,435	-	-	24,435
Z1	BALANCE AT DECEMBER 31, 2023	400,121	$ 4,001,211	$ 54,846	$ 5,329,633	$ 1,003,186	$ 195,638	$ 1,591,682	($ 428,972)	$ 1,196,667	($ 104,495)	$ 663,200	$ -	$ 356,195	$ 13,195,591

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

Chairman: Hong-wen Chen General Manager: Rong-chang Li Accounting Supervisor: Zhi-hong Lin

GEMTEK TECHNOLOGY CO., LTD

Parent Company and Subsidiaries Statements of Cash FlowsFor the Years Ended December 31,2023 and 2022

(Expressed in thousands of New Taiwan Dollars)

code		2023	2022
	CASH FLOWS FROM OPERATING ACTIVITIES		
A00010	Income before income tax	$ 788,668	$ 919,333
A20010	Adjustments for:		
A20100	Depreciation expense	489,066	433,725
A20200	Amortization expense	177,561	131,441
A20300	Expected credit losses recognized on receivables	50,322	7,238
A20400	Net (gain)/loss on fair value changes of financial [assets/liabilities] at fair value through profit or loss	(8,417)	15,715
A20900	Finance costs	114,436	82,357
A21200	Interest income	(55,902)	(35,904)
A21300	Dividend income	(1,728)	(5,801)
A21900	Share-based payment expenses	24,511	20,135
A22300	Share of profit of subsidiaries and associate	(59,541)	(134,650)
A22500	Loss on disposal of property, plant and equipment	39,416	6,313
A23000	Gain on disposal of non-current assets held for sale	(255,219)	-
A23100	Gain on disposal of associates	-	(3,140)
A23700	Write-down of inventories	63,121	15,092
A29900	Goodwill impairment loss	20,000	-
A24100	Net loss on foreign currency exchange	135,569	172,928
A30000	Changes in operating assets and liabilities		
A31115	Financial assets at fair value through profit or loss	(296,175)	248,608
A31150	Accounts receivable	2,298,098	(3,377,355)
A31160	Accounts receivable from related parties	(20,489)	137,618
A31180	Other receivables	(23,670)	79,362
A31200	Inventories	1,515,280	(724,958)
A31240	Other current assets	159,480	(8,424)
A31990	Prepaid pension	(4,256)	(10,412)
A32125	Contract liabilities	48,830	13,169
A32150	Accounts payable	(2,207,551)	3,069,041
A32160	Accounts payable to related parties	1,977	(4,896)

code		2023	2022
A32180	Other payables	(171,037)	24,991
A32230	Other current liabilities	10,555	(21,638)
A33000	Cash generated from operations	2,832,905	1,049,888
A33100	Interest received	60,579	35,832
A33200	Dividends received	1,728	5,801
A33300	Interest paid	($ 104,494)	($ 64,373)
A33500	Income tax paid	(181,520)	(70,728)
AAAA	Net cash generated from operating activities	2,609,198	956,420
	CASH FLOWS FROM INVESTING ACTIVITIES		
B00010	Purchase of financial assets at fair value through other comprehensive income	(56,200)	-
B00200	Proceeds from sale of financial assets at fair value through income	-	17,994
B01800	Acquisition of investments accounted for using equity method	-	(9,000)
B01900	Proceeds from sale of investments accounted for using equity method	-	9,571
B00040	Acquisition of financial assets measured at amortized cost	(281,523)	-
B00050	Proceeds from sale of financial assets measured at amortized cost	-	6,623
B02600	Proceeds from disposal of non-current assets held for sale	701,910	-
B02700	Payments for property, plant and equipment	(810,696)	(824,845)
B02800	Proceeds from disposal of property, plant and equipment	190,266	72,648
B03700	Decrease (Increase) in refundable deposit	2,013	(622)
B04500	Acquisition of intangible assets	(694)	-
B06700	Decrease (Increase) in other non-current assets	41,530	(44,202)
B09900	Dividends received from associates	130,004	109,142
BBBB	Net cash used in investing activities	(83,390)	(662,691)
	CASH FLOWS FROM FINANCING ACTIVITIES		
C00100	(Decrease) Increase short-term borrowings	(1,574,350)	417,685
C01200	Issuance of corporate bonds	1,551,957	-
C01300	Redemption of Bonds	-	(3,300)
C04020	Repayment of the principal portion of lease liabilities	(19,311)	(196,641)
C04300	Decrease in other non-current liabilities	(953)	(5,375)

C04500	Cash dividends paid	(591,712)	(607,738)
C04900	Payments for buy-back of ordinary shares	-	(307,112)
C05800	Changes in non-controlling interests	113,972	(1,625)
CCCC	Net cash used in financing activities	(520,397)	(704,106)
DDDD	Effect of exchange rate changes on cash and cash equivalents	(69,571)	144,070
EEEE	NET INCREASE(DECREASE)IN CASH AND CASH EQUIVALENTS	1,935,840	(266,307)
E00100	CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	1,009,501	1,275,808
E00200	CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	$ 2,945,341	$ 1,009,501

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

Chairman: Hong-wen Chen General Manager: Rong-chang Li Accounting Supervisor: Zhi-hong Lin

GEMTEK TECHNOLOGIES CO., LTD. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEARS ENDEDDECEMBER 31, 2023 AND 2022

(Expressed In Thousands of New Taiwan Dollars, Unless Specified Otherwise)

I. COMPANY HISTORY

Gemtek Technologies Co., Ltd. (the "Company") was incorporated on June 29, 1988. It researches, develops, manufactures, purchases, sells, exports, and imports electronic components, semi-finished products, finished products, computer software, hardware and peripheral equipment. The Company's shares was listed on the Taipei Exchange (OTC) in January of 2002, and have been listed on the Taiwan Stock Exchange (TWSE) since June 30, 2003.

The consolidated financial statements of the Company and its subsidiaries (collectively, referred to as the "Group") are presented in the Company's functional currency, the New Taiwan dollar.

II. APPROVAL OF FINANCIAL STATEMENTS

The consolidated financial statements were approved by the board of directors and authorized forissuance on March 13, 2024.

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

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

Except for the following, the initial application of the amendments to the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the IFRSs endorse and issued into effect by the FSC did not have material impact on the Group's accountingpolicies:

(2) New, Amended and Revised Standards and Interpretions of IFRSs endorsed and issued intoeffect by the FSC

New, Amended and Revised Standards and Interpretions	Effective Date per IASB(note 1)
Amendment to IFRS 16 “Lease Liabilities in Sale and Leaseback”	The amendments are effective for annual reporting periods beginning on or after 1 January 2024. (Note 2)
Amendments to IAS 1 "Classification of liabilities as current or non-current"	The amendments are effective for annual reporting periods beginning on or after 1 January 2024.
Amendments to IAS 1 “Non-current liabilities with contractual terms”	The amendments are effective for annual reporting periods beginning on or after 1 January 2024.
Amendments to IAS 7 and IFRS 7 "Supplier Financing Arrangements"	The amendments are effective for annual reporting periods beginning on or after 1 January 2024. (Note 3)

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

Note 2: The seller and lessee shall retroactively apply the amendments to IFRS 16 to sale and leaseback transactions entered into 16 days after the initial application of IFRS.

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

As of the date of issuance of this consolidated financial report, the combined company continues to evaluate the impact of amendments to other standards and interpretations on its financial position and financial performance. The relevant impact will be disclosed when the assessment is completed.

(3) New, Amended and Revised Standards and Interpretations of IFRSs

Announced by the IASBbut not yet endorsed and issued into effect by the FSC

New, Amended and Revised Standards and Interpretion	Effective Date per IASB(Note1)
Amendments to IFRS 10 and IAS 28 "Investors and Amendments to IFRS 10 and IAS 28 "Asset sales or contributions between investors and their affiliates or joint ventures" Asset sales or contributions between investors and their affiliates or joint ventures"	To be determined by IASB
IFRS 17 "Insurance Contracts"	January 01, 2023
Amendments to IFRS 17	January 01, 2023
Amendments to IFRS 17 "Initial Application of IFRS 17 and IFRS 9 - Comparative Information"	January 01, 2023
Amendment to IAS 21 “Lack of Convertibility”	January 01, 2025(note 2)

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

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

As of the date of issuance of these consolidated financial statements, the combined company continues to evaluate the impact of amendments to other standards and interpretations on its financial position and financial performance. The relevant impact will be disclosed when the assessment is completed.

IV.SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(I)Statement of Compliance

The consolidated financial statements have been prepared in accordance with the Regulations Governing the Preparation of

Financial Reports by Securities Issuers andIFRSs as endorsed by the FSC.

(II)Basis of Preparation

The consolidated financial statements have been prepared on the historical cost basisexcept for financial instruments that are measured at fair value.

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

1. Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets orliabilities;
2. Level 2 inputs are inputs other than quoted prices included within Level 1 that areobservable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and
3. Level 3 inputs are unobservable inputs for the asset or liability.

(III) Classification of current and non-current assets

and liabilitiesCurrent assets include:

1. Assets held primarily for the purpose of trading;
2. Assets expected to be realized within twelve months after the reporting period; and
3. Cash and cash equivalents unless the asset is restricted from being exchanged or used tosettle a liability for at least twelve months after the reporting period.
4.

Current liabilities include:

1. Liabilities held primarily for the purpose of trading;
2. Liabilities due to be settled within twelve months after the reporting period, even if an agreement to refinance, or to reschedule payments, on a long-term basis is completed afterthe reporting period and before the consolidated financial statements are authorized for issue; and
3. Liabilities for which the Group does not have an unconditional right to defer settlementfor at least twelve months after the reporting period.

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

(IV) Basis of Consolidation

The consolidated financial statements incorporate the financial statements of the Group and the entities controlled by the Group (i.e., its subsidiaries, including special purpose entities). Income and expenses of subsidiaries acquired or disposed of are included in the consolidated statement of comprehensive income from the effective date of acquisition and up to the effective date of disposal, as appropriate. Total comprehensive income of subsidiaries is attributed to the shareholders of the parent and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance. Whennecessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by the Group. All intra-group transactions, balances, income and expenses are eliminated in full upon consolidation.

Changes in the Group's ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's interests and the noncontrolling interests are adjusted to reflect thechanges in their relative interests in the subsidiaries. Any difference between the amount by which the noncontrolling interests are adjusted and the fair value of the consideration paid or received is recognized directly in equity and attributed to shareholders of the parent.

See Note 13, Attachment 56, and Attachment 7 for detailed information on subsidiaries(including the percentages of ownership and main businesses).

(V) Business Combinations

Acquisitions of businesses are accounted for using the acquisition method.

Acquisition-related costs are generally recognized in profit or loss as they are incurred.

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

For each business combination, the Group measures the non-controlling interests at eitherfair value or the share in the recognized amounts of the acquiree's identifiable net assets. Non-controlling interests that are present ownership interests and entitle their holders to aproportionate share of the entity's net assets, in the event of liquidation, may be initially measured at the non-controlling interests' proportionate share of the recognized amounts of the acquiree's identifiable net assets. The choice of the measurement basis is made on atransaction-by-transaction basis. Other types of non-controlling interests are measured at fair value.

When a business combination is achieved in stages, the Group's previously held equity interest in an acquiree is remeasured to fair value at the acquisition date, and the resultinggain or loss is recognized in profit or loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognized in other comprehensiveincome are recognized on the same basis as would be required if those interests were directly disposed of by the Group.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amountsfor the items for which the accounting is incomplete. Those provisional amounts are adjusted retrospectively during the measurement period or additional assets or liabilities are recognized to reflect new information obtained about facts and circumstances that existed as of the acquisition date that, if known, would have affected the amounts recognized as of that date.

(VI) Foreign Currencies

In preparing the financial statements of each individual group entity, transactions incurrencies other than the entity's functional currency (i.e. foreign currencies) are recognized at the rates of exchange prevailing at the dates of the transactions.

At the end of each reporting period, monetary items denominated in foreign currencies areretranslated at the rates prevailing at that date. Exchange differences on monetary items arising from settlement or translation are recognized in profit or loss in the period except for exchange differences on transactions entered into in order to hedge certain foreign currency risks.

Non-monetary items measured at fair value that are denominated in foreign currencies areretranslated at the rates prevailing at the date when the fair value was determined.

Exchange differences arising from the retranslation of non-monetary items are included inprofit or loss for the period except for exchange differences arising from the retranslation of non-monetary items in respect of which gains and losses are recognized directly inother comprehensive income, and in which case, the exchange differences are also recognized directly in other comprehensive income.

on-monetary items that are measured at historical cost in a foreign currency are notretranslated.

For the purpose of presenting consolidated financial statements, the functional currencies of the Corporation and the group entities (including subsidiaries and associates in other countries that use currencies that are different from the currency of the Corporation) are translated into the presentation currency, the New Taiwan dollar, as follows: Assets and liabilities are translated at the exchange rates prevailing at the end of the reporting period;income and expense items are translated at the average exchange rates for the period. Theresulting currency translation differences are recognized in other comprehensive income (attributed to the owners of the Corporation and non-controlling interests as appropriate).

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

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

(VII) Inventories

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

(VIII) Investments in associates and joint ventures

An associate is an entity over which the Group has significant influence and that is neithera subsidiary nor an interest in a joint venture. A joint venture is a joint

arrangement whereby the Group and other parties that have joint control of the arrangement have rightsto the net assets of the arrangement.

The Group uses the equity method to account for its investments in associates and jointventures.

Under the equity method, investments in an associate and joint venture are initially recognized at cost and adjusted thereafter to recognize the Group's share of the profit or loss and other comprehensive income of the associate and joint venture. The Group also recognizes the changes in the Group's share of the equity of associates and joint ventures.

Any excess of the cost of an acquisition over the Group's share of the net fair value of theidentifiable assets and liabilities of an associate or a joint venture at the date of acquisitionis recognized as goodwill, which is included within the carrying amount of the investmentand is not amortized. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of the acquisition, after reassessment, is recognized immediately in profit or loss.

When the Group subscribes for additional new shares of an associate and joint venture at apercentage different from its existing ownership percentage, the resulting carrying amountof the investment differs from the amount of the Group's proportionate interest in that associate and joint venture. The Group records such a difference as an adjustment to investments, with the corresponding amount charged or credited to capital surplus - changes in the Group's share of equity of associates and joint ventures. If the Group's ownership interest is reduced due to its additional subscription of the new shares of the associate and joint venture, the proportionate amount of the gains or losses previously recognized in other comprehensive income in relation to that associate and joint venture is reclassified to profit or loss on the same basis as would be required had the investee had directly disposed of the related assets or liabilities. When the adjustment should be debitedto capital surplus, but the capital surplus recognized from investments accounted for by using the equity method is insufficient, the shortage is debited to retained earnings.

When the Group's share of losses of an associate and a joint venture equals or exceeds its interest in that associate and joint venture (which includes any carrying amount of the investment accounted for by using the equity method and long-term interests that, in substance, form part of the Group's net investment in the associate and joint venture), the Group discontinues recognizing its share of further losses. Additional losses and liabilitiesare recognized only to the extent that the Group has incurred legal obligations, or constructive obligations, or made payments on behalf of that associate and joint venture.

The entire carrying amount of an investment (including goodwill) is tested for impairmentas a single asset by comparing its recoverable amount with its carrying amount. Any impairment loss recognized forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognized to the extent that the recoverable amount ofthe investment subsequently increases.

The Group discontinues the use of the equity method from the date on which its investment ceases to be an associate and a joint venture. Any retained investment is measured at fair value at that date, and the fair value is regarded as the investment's fair value on its initial recognition as a financial asset. The difference between the previous carrying amount of the associate and joint venture attributable to the retained interest and its fair value is included in the determination of the gain or loss on disposal of the associate and the joint venture. The Group accounts for all amounts previously recognizedin other comprehensive income in relation to that associate and joint venture on the same basis as would be required had that associate had directly disposed of the related assets or liabilities. If an investment in an associate becomes an investment in a joint venture or an investment in a joint venture becomes an investment in an associate, the Group continues to apply the equity method and does not remeasure the retained interest.

When a group entity transacts with its associate and joint venture, profits and losses resulting from the transactions with the associate and joint venture are recognized in theGroup' consolidated financial statements only to the extent that interests in the associateand the joint venture are not related to the Group.

(IX) Property, plant and equipment

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

Depreciation is recognized using the straight-line method with their estimated useful lives.Each significant part is depreciated separately. If the lease term is shorter than its estimated useful life, an item of property, plant and equipment is depreciated over the lease term. The estimated useful lives, residual values and depreciation method are reviewed at least once at the end of each year, with the effect of any changes in estimate accounted for on a prospective basis.

Any gain or loss arising on the disposal or retirement of an item of property, plant andequipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in profit or loss.

(X) Goodwill

Goodwill arising from the acquisition of a business is measured at cost as established atthe date of the acquisition of the business less accumulated impairment loss.

For the purposes of impairment testing, goodwill is allocated to each of the Group's cash-generating units or groups of cash-generating units (referred to as "cash-generatingunits") that is expected to benefit from the synergies of the combination.

A cash-generating unit to which goodwill has been allocated is tested for impairment annually or more frequently when there is an indication that the unit may be impaired bycomparing its carrying amount, including the attributed goodwill, with its recoverable amount. However, if the goodwill allocated to a cash-generating unit or groups of cash-generating units was acquired in a business combination during the current annual period, that unit shall be tested for impairment before the end of the current annual period.If the recoverable amount of the cash-generating unit or groups of cash-generating units isless than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss is recognized directly in profit or loss. An impairment loss recognized for goodwill is not reversed in subsequent periods.

If goodwill has been allocated to a cash-generating unit and the entity disposes of an operation within that unit, the goodwill associated with the operation that is disposed of isincluded in the carrying amount of the operation when determining the gain or loss on disposal and is measured on the basis of the relative values of the operation disposed of and the portion of the cash-generating unit retained.

(XI) Intangible assets

1.Intangible assets acquired separately

Intangible assets with finite useful lives that are acquired separately are initially measured at cost and subsequently measured at cost less accumulated amortization and accumulated impairment loss. Amortization is recognized on a straight-line basis. The estimated useful lives, residual values, and amortization methods are reviewed at the end of each reporting period, with the effect of any changes in the estimates accounted for on a prospective basis.Intangible assets with indefinite useful lives that are acquired separately are measured at cost less accumulated impairment loss. When the Group has a right to charge for usage of concession infrastructure (as a consideration for providing construction services in a service concession arrangement), it is initially recognized as an intangible asset at its fair value. The intangible asset is subsequently measured at cost less accumulated amortization and any accumulated impairment loss.

2.Intangible assets acquired in a business combination

Intangible assets acquired in a business combination and recognized separately from goodwill are initially recognized at their fair value at the acquisition date. Subsequent toinitial recognition, they are measured on the same basis as intangible assets that are acquired separately.

3.Derecognition of intangible assets

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

(XII) Impairment of tangible assets (property, plant, and equipment), right-of-use assets, andintangible assets other than goodwill

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

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

When an impairment loss is subsequently reversed, the carrying amount of an asset or cash-generating unit is increased to the revised estimate of its recoverable amount, but only to the extent of the carrying amount (less amortization expenses or depreciation expenses) that would have been determined had no impairment loss been recognized forthe asset or cash-generating unit in prior years. A reversal of an impairment loss is recognized in profit or loss.

(XIII) Financial instruments

Financial assets and financial liabilities are recognized when a group entity becomes aparty to the contractual provisions of the instruments.

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

1.Financial assets

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

(1) Measurement categories

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

A.Financial assets at FVTPL

Financial assets are classified as at FVTPL when such a financial asset is mandatorily classified or designated as at FVTPL. Financial assets mandatorilyclassified as at FVTPL include investments in equity instruments which are notdesignated as at FVTOCI and debt instruments that do not meet the amortized cost criteria or the FVTOCI criteria.

Financial assets at FVTPL are subsequently measured at fair value, with any gains or losses arising on remeasurement recognized in profit or loss. The netgain or loss recognized in profit or loss incorporates any dividends or interestearned on such a financial asset. Fair value is determined in the manner described in Note 30.

B.Financial assets at amortized cost

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

a.The financial asset is held within a business model whose objective is to holdfinancial assets in order to collect contractual cash flows; and b.The contractual terms of the financial asset give rise on specified dates to cashflows that are solely payments of principal and interest on the principal amount outstanding.

Subsequent to initial recognition, financial assets measured at amortized cost,including cash and cash equivalents, note receivables, account receivables, account receivables-related party, other receivables, other receivables-relatedparty, and refundable deposits, which equals the gross carrying amount determined using the effective interest method less any impairment loss measured at amortized cost. Exchange differences are recognized in profit or loss

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

a. Purchased or originated credit-impaired financial assets, for which interest income is calculated by applying the credit-adjusted effective interest rate to theamortized cost of such financial assets; and

b. Financial assets that are not credit impaired on purchase or origination but have subsequently become credit impaired, for which interest income is calculated by applying the effective interest rate to the amortized cost of suchfinancial assets in subsequent reporting periods.

Evidence of impairment may include indications that the debtor is experiencing significant financial difficulty, default or delinquency in interest or principal payments, indications that the debtor or issuer will probably enter bankruptcy orother financial reorganization, and the disappearance of an active market for that financial asset because of financial difficulties

Cash equivalents include time deposits and bank acceptances with original maturities within 3 months from the date of acquisition, which are highly liquid,readily convertible to a known amount of cash and are subject to an insignificantrisk of changes in value. These cash equivalents are held for the purpose of meeting short-term cash commitments.

C.Investments in equity instruments at FVTOCI

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

Investments in equity instruments at FVTOCI are subsequently measured at fairvalue with gains and losses arising from changes in fair value recognized in other comprehensive income and accumulated in other equity. The cumulative gain or loss will not be reclassified to profit or loss on disposal of the equity investments; instead, it will be transferred to retained earnings.

Dividends on these investments in equity instruments are recognized in profit orloss when the Group’s right to receive the dividends is established, unless the dividends clearly represent a recovery of part of the cost of the investment.

(2) Impairment of financial assets

The Group recognizes a loss allowance for expected credit losses on financial assets atamortized cost (including accounts receivables).

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

Expected credit losses reflect the weighted average of credit losses with the respectiverisks of default occurring as the weights. Lifetime ECLs represent the expected credit losses that will result from all possible default events over the expected life of a financial instrument. In contrast, 12-month ECLs represent the portion of lifetime ECLs that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date. The Group recognizes an impairment gain or loss in profit or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account.

For internal credit risk management purposes, the Group determines that the followingsituation indicate that a financial asset is in default (without taking into account any collateral held by the Group):

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

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

The Group recognizes an impairment loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account, except for investmens in debt instruments that are measured at FVTOCI, for which theloss allowance is recognized in the other comprehensive incomeand does not reduce the carrying amount of the financial assets.

(3) Derecognition of financial assets

The Group derecognizes a financial asset only when the contractual rights to the cash flows from the asset expire or when it transfers the financial asset and substantially allthe risks and rewards of ownership of the asset to another party.

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

2. Equity instruments

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

Equity instruments issued by the Group are recognized at the proceeds received, net ofdirect issue costs.

The repurchase of the Corporation's own equity instruments is recognized in and deducteddirectly from equity. No gain or loss is recognized in profit or loss on the purchase, sale, issuance or cancellation of the Corporation's own equity instruments.

Financial liabilities (1)Subsequent measurement

All the financial liabilities are measures at amortized cost using the effective interestmethod.

Financial liabilities at FVTPL.

Financial liabilities are classified as at FVTPL when such financial liabilities are held fortrading.

Financial liabilities held for trading are stated at fair value, with any gain or loss arising onremeasurement recognized in profit or loss. The fair value is determined in the manner described in Note 30.

(2)Derecognition of financial liabilities

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

3. Convertible bonds

The component parts of compound instruments (i.e. convertible bonds) issued by the Group are classified separately as financial liabilities and equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and anequity instrument.

On initial recognition, the fair value of the liability component is estimated using the prevailing market interest rate for similar non-convertible instruments. This amount is recorded as a liability on an amortized cost basis using the effective interest method untilextinguished upon conversion or upon the instrument's maturity date. Any embedded derivative liability is measured at fair value.

The conversion option classified as equity is determined by deducting the amount of theliability component from the fair value of the compound instrument as a whole. This is recognized and included in equity, net of income tax effects, and is not subsequently remeasured. In addition, the conversion option classified as equity will remain in equity until the conversion option is exercised; in which case, the balance recognized in equitywill be transferred to capital surplus - share premiums. When the conversion option remains unexercised at maturity, the balance recognized in equity will be transferred tocapital surplus - share premiums.

Transaction costs that relate to the issuance of the convertible notes are allocated to theliability and equity components in proportion to the allocation of the gross proceeds.

Transaction costs relating to the equity component are recognized directly in equity. Transaction costs relating to the liability component are included in the carrying amount ofthe liability component.

4. Derivative financial instruments

The Group enters into foreign exchange forward to manage its exposure to foreignexchange rate risks.

Derivatives are initially recognized at fair value at the date on which the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognized in profit or loss immediately.When the fair value of derivative financial instrument is positive, the derivative is recognized as a financial asset; when the fair value of derivative financial instrument is negative, the derivative is recognized as a financial liability.

(XIV) Revenue recognition

The Group identifies contracts with customers, allocates the transaction price to the performance obligations and recognizes revenue when performance obligations aresatisfied.

Revenue from the sale of goods

Revenue from the sale of goods comes from sales of wireless gateways and wlan cards. Sales of wireless gateways and wlan cards are recognized as revenue when the goods areshipped because it is the time when the customer has full discretion over the manner of distribution and price to sell the goods, has the primary responsibility for sales to future customers and bears the risks of obsolescence. Trade receivables are recognized concurrently. The transaction price received is recognized as a contract liability until thecustomer acquires control of the good.

The Group does not recognize revenue on materials delivered to subcontractors becausethis delivery does not involve a transfer of control.

(XV) Leasing

At the inception of a contract, the Group assesses whether the contract is, or contains, alease.

For a contract that contains a lease component and non-lease components, the Group allocates the consideration in the contract to each component on the basis of the relativestand-alone price and accounts for each component separately.

1. The Group as lessor

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

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

2. The Group as lessee

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

Right-of-use assets are initially measured at cost, which comprises the initial measurementof lease liabilities adjusted for lease payments made at or before the commencement date. Right-of-use assets are subsequently measured at cost less accumulated depreciation and impairment losses and adjusted for any remeasurement of the lease liabilities. Right-of-useassets are presented on a separate line in the consolidated balance sheets.

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

Lease liabilities are initially measured at the present value of the lease payments, which comprise fixed payments, in-substance fixed payments, and variable lease payments whichdepend on an index or a rate. The lease payments are discounted using the interest rate implicit in a lease, if that rate can be readily determined. If that rate cannot be readily determined, the Group uses the lessee’s incremental borrowing rate.

Subsequently, lease liabilities are measured at amortized cost using the effective interest method, with interest expense recognized over the lease terms. When there is a change in alease term or a change in future lease payments resulting from a change in an index or a rate used to determine those payments, the Group remeasures the lease liabilities with a corresponding adjustment to the right-of-use-assets. However, if the carrying amount of the right-of-use assets is reduced to zero, any remaining amount of the remeasurement is recognized in profit or loss. Lease liabilities are presented on a separate line in the consolidated balance sheets.

(XVI) Borrowing costs

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

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

Other than that which is stated above, all other borrowing costs are recognized in profit orloss in the year in which they are incurred.

(XVII) Employee benefits

1.Short-term

Liabilities recognized in respect of short-term employee benefits are measured at theundiscounted amount of the benefits expected to be paid in exchange for the related services.

2.Retirement benefits

Payments to defined contribution retirement benefit plans are recognized as an expensewhen employees have rendered services entitling them to the contributions.

Defined benefit costs (including service costs, net interest and remeasurement) under the defined benefit retirement benefit plans are determined using the projected unit credit method. Service costs and net interest on the net defined benefit liability (asset)are recognized as an employee benefits expense in the period in which they occur.

Remeasurement, comprising actuarial gains and losses and the return on plan assets (excluding interest), is recognized in other comprehensive income in the period in which it occurs. Remeasurement recognized in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to profit or loss.

The net defined benefit liability (asset) represents the actual deficit (surplus) in the Group's defined benefit plan. Any surplus resulting from this calculation is limited tothe present value of any refunds from the plan or reductions in future contributions tothe plan.

(XVIII) Share-based payment arrangements

Employee share options

The fair value at the grant date of the employee share options is expensed on a straight-line basis over the vesting period, based on the Group's best estimates of the number of shares or options that are expected to ultimately vest, with a corresponding increase in non-controlling interest; it is recognized as an expense in full at the grant dateif vested immediately.

At the end of each reporting period, the Group revises its estimates of the number of employees share options expected to vest. The impact of the revision of the original estimates is recognized in profit or loss such that the cumulative expenses reflect the revised estimate, with a corresponding adjustment to capital surplus-employee share options

(XIV)Taxation

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

1. Current tax

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustments to tax payable in respect of previous years.

According to the Income Tax Law, an additional tax of unappropriated earnings is provided for as income tax in the year the shareholders approve to retain the earnings.

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

2. Deferred tax

Deferred tax is recognized on temporary differences between the consolidated financialstatement carrying amounts of assets and liabilities and the corresponding tax bases used in the computation of taxable profit.

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

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

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

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

3. Current and deferred taxes for the year

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

V. ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

When the consolidated company adopts accounting policies, management must make relevant judgments, estimates and assumptions based on historical experience and other relevant factors for which relevant information is not easily obtained from other sources. Actual results may differ from estimates.

When developing significant accounting estimates, the combined company will take into account the possible impact of inflation and market interest rate fluctuations on cash flow estimates, growth rates, discount rates, profitability and other related major estimates. Management will continue to review Estimates and underlying assumptions.

VI. CASH AND CASH EQUIVALENTS

	December 31, 2023	December 31, 2022
Cash on hand	$ 2,753	$ 2,219
Checking accounts and demand deposits	1,886,955	836,815
Cash equivalents		
Time deposits with original maturities of less than 3 months	1,055,633	170,467
	$ 2,945,341	$ 1,009,501

Market rate intervals of cash in banks at the end of the reporting period	0.001%~5.55%	0.001%~6.90%

VII. FINANCIAL ASSETS AND LIABILITIES AT FAIR VALUE THROUGH PROFIT ORLOSS

	December 31, 2023	December 31, 2022
Financial assets - current		
Mandatorily classified as at FVTPL		
Non-derivative financial assets		
－Financial Products	$ 309,590	$ -
Hybrid Financial Assets		
－Convertible Bonds	-	17,940
	$ 309,590	$ 17,940
Financial liabilities - current		
Mandatorily classified as at FVTPL		
Bonds Payable		
－Conversion option	$ 1,806	$ -

VIII. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME - OTHERS

	December 31, 2023	December 31, 2022
Non-current		
Domestic Investments		
Listed shares	$ 2,641,777	$ 3,095,245
Unlisted shares	98,390	51,150
Total	2,740,167	3,146,395
Overseas Investment		
Listed shares	6,738	10,560
Unlisted shares	51,132	101,864
Total	57,870	112,424
	$ 2,798,037	$ 3,258,819

Foreign investments are held for medium- to long-term strategic purposes. Accordingly, the management elected to designate these investments in equity instruments as at FVTOCI as they believe that recognizing short-term fluctuations in these investments' fair value in profit or loss would not be consistent with the Group's strategy of holding these investments for long-term purposes.

VI. Please refer to Attachment 2 for the stock holdings of the merged company at the end of the period.

IX. FINANCIAL ASSETS MEASURED AT AMORTIZED COST

	December 31, 2023	December 31, 2022
Current		
Domestic Investment		
Time deposits with original maturities of more than 3 months (1)	$ 273,271	$ 3,307
Non-current		
Domestic Investment		
Time deposits with original maturities of more than 3 months (1)	$ 28,252	$ 20,000

(1) As of December 31, 2012 and 2011, the interest rate ranges for time deposits with original maturity dates exceeding 3 months are 1.29%~6.2% and 1.08% respectively.

(2) For information on pledges of financial assets measured at amortized cost, please refer to Note 32.

I. ACCOUNTS RECEIVABLE

	December 31, 2023	December 31, 2022
Accounts Receivable		
At Amortized Cost	$ 6,784,115	$ 9,313,057
Less: Allowance for impairment loss	(35,844)	(7,941)
	$ 6,748,271	$ 9,305,116

The average credit period on sales of goods is 90 days with no accrued interest. Theallowance for doubtful receivables was assessed by referring to the collectability ofreceivables based on an individual trade term analysis, aging analysis, the historical payment behavior and current financial condition of customers.

The Group measures the loss allowance for accounts receivables at an amount equal to lifetime expected credit losses.The expected credit losses on trade receivables are estimatedusing a provision matrix by reference to past default experience of the debtor and an analysis of the debtor’s current financial position, adjusted for general economic conditionsof the industry in which the debtors operate and an assessment of both the current as well as the forecast direction of economic conditions at the reporting date. As the Group's historicalcredit loss experience does not show significantly different loss patterns for different customer segments, the provision for loss allowance based on past due status is not further distinguished according to the Group's different customer base.

In the event there is an evidence indicating that the customer is under severe financial difficulty and the Group cannot reasonably estimate the recoverable amounts, the Group writes off relevant accounts receivable. However, the Group continues to engage in enforcement activity to attempt to recover the receivables which are due. Where recoveriesare made, the recoverable amounts are recognized in profit or loss.

The following table details the loss allowance of note receivables and accounts receivablesbased on the Group's provision matrix.

December 31, 2023

	Not overdue	Less than 180 days	181～365dyas	More than 366 days	Total
Expected Credit Loss Rate	-	-	-	100%	
Gross carrying amount	$ 6,622,777	$ 125,498	$ -	$ 35,840	$ 6,784,115
Loss allowance (Lifetime ECL）	-	(4)	-	(35,840)	(35,844)
Amortized cost	$ 6,622,777	$ 125,494	$ -	$ -	$ 6,748,271

December 31, 2022

	Less than 180 days	181～365dyas	More than 366 days	Total
Expected Credit Loss Rate	-	7.69%	100%	
Gross carrying amount	$ 9,218,712	$ 93,832	$ 513	$ 9,313,057
Loss allowance (Lifetime ECL）	(215)	(7,213)	(513)	(7,941)
Amortized cost	$ 9,218,497	$ 86,619	$ -	$ 9,305,116

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

	December 31, 2023	December 31, 2022
Balance, beginning of year	$ 7,941	$ 703
Add: Provision for impairment losses in the current period	50,322	7,238
Less: Reclassified to allowance	(22,419)	-

for losses in the current period - collections		
Balance, end of year	$ 35,844	$ 7,941

XI. INVENTORIES

	December 31, 2023	December 31, 2022
Finished goods	$ 296,742	$ 697,243
Work in process	343,706	509,549
Raw materials and supplies	2,232,158	3,271,188
Inventory in transit	136,309	123,310
	$ 3,008,915	$ 4,601,290

As of December 31, 2023 and 2022, the cost of inventories recognized as cost of goods soldwere NT$23,365,192 thousand and NT$25,034,716 thousand, respectively. Cost of goods sold include allowance for inventory write-downs and inventory obsolescence were $63,121 thousand and $15,092 thousand, respectively.

XII. Non-current assets to be sold 12. Non-current assets to be sold

	December 31, 2023	December 31, 2022
Right-of-use assets – land	$ 16,398	$ -

On May 29, 2023, the board of directors of the merged company approved the disposal of the real estate, factories, equipment and right-of-use assets of Amber Electronic Technology (Changshu) Co., Ltd. and the land, and signed an agreement with Changshu Zhilong New Energy Industry Development Co., Ltd. An asset sales contract was established, and the disposal process is expected to be completed within 12 months. The merged company has reclassified assets to be disposed of worth NT449,988,000 as non-current assets to be sold. As of December 31, 2023, the merged company has completed most of the delivery procedures, delisted related assets, and recognized NT255,219 in profits from the disposal of non-current assets to be sold. Therefore, only the right-of-use assets that have not yet completed the transfer procedures - land will be accounted for NT16,398. Thousand yuan is expressed separately in the consolidated balance sheet.

The sale price is expected to exceed the carrying amount of the relevant net assets, so no impairment loss should be recognized when classifying these units as non-current assets for sale.

XIII. SUBSIDIARIES

(I) Subsidiaries included in consolidated financial statements:

Investor	Investee	Main Business	% of Ownership 2023 December, 31	% of Ownership 2022 December, 31
Gemtek Technologies Co., Ltd.	Brightech International Co., Ltd.	Investment	100.00%	100.00%
Gemtek Technologies Co., Ltd.	G-Technology Investment Co., Ltd.	Investment	100.00%	100.00%
Gemtek Technologies Co., Ltd.	Gemtek Investment Co.,Ltd	Investment	-	100.00%
Gemtek Technologies Co., Ltd.	Gemtek Vietnam Co., Ltd.	Telecommunications	100.00%	100.00%
Gemtek Technologies Co., Ltd.	BROWAN Communications Incorporation	Telecommunications	50.44%	33.68%
Gemtek Technologies Co., Ltd.	5V Technologies, Ltd.	Telecommunications	97.92%	-
Gemtek Technologies Co., Ltd.	Lionic Networks Inc.	Telecommunications	90.91%	-
Gemtek Investment Co.,Ltd	5V Technologies, Ltd.	Telecommunications	-	97.92%
Gemtek Investment Co.,Ltd	BROWAN Communications Incorporation	Telecommunications	-	16.81%
Brightech International Co., Ltd.	Gemtek Electronics (ChangShu) Co., Ltd.	Telecommunications	80.46%	80.46%
G-Technology Investment Co., Ltd.	Gemtek Electronics (Kuanshan) Co., Ltd.	Telecommunications	100.00%	100.00%
G-Technology Investment Co., Ltd.	AMPAK International Holdings Ltd.	Investment	100.00%	100.00%
G-Technology Investment Co., Ltd.	Primax Communication (B.V.I.) Inc.	Investment	100.00%	100.00%
G-Technology Investment Co., Ltd.	Gemtek CZ., s.r.o.	Telecommunications	100.00%	100.00%
AMPAK International Holdings Ltd.	Gemtek Electronics (ChangShu) Co., Ltd.	Telecommunications	100.00%	100.00%
Primax Communication (B.V.I.) Inc.	Gemtek Electronics Suzhou Co. Ltd.	Telecommunications	19.54%	19.54%

The merged company's board of directors approved the proposed investment in Lionic Networks Inc. in March 2023. The merged company invested NT30,720 thousand in cash in Lionic Networks Inc., with a shareholding ratio of 90.91%.

In April 2023, the company did not subscribe for the cash capital increase equity of BROWAN Company according to the shareholding ratio but increased the investment by NT150,202 thousand. The company's shareholding ratio increased from 33.68% to 35.73%; Gemtek Investment Company did not subscribe for BROWAN Company according to the shareholding ratio. The company's cash capital increase reduced its shareholding ratio from 16.81% to 14.71%; and due to the merger of the company and Gemtek Investment Company in September 2023, the company held 50.44% of BROWAN Company.

To simplify the group's investment structure and resource integration, the board of directors of the merged company passed a resolution in May 2023 to handle a simple merger of the company and Gemtek Investment Company. The base date of the merger is September 1, 2023. After the merger, the company will be the surviving company. The text investment company is an elimination company.

The merged company handled a cash capital increase of Gemtek Vietnam Co., Ltd. on September 28, 2023, totaling NT319,300 thousand (US$10,000 thousand). The company subscribed 100% of the capital, and the shareholding ratio was 100%.

(II) Subsidiaries not included in consolidated financial statements

			% of ownership	
Investor	Investee	Main Business	2023 December, 31	2022 December, 31
Gemtek Technologies Co., Ltd.	Wi Tek Investment Co., Ltd.	Investment	100.00%	100.00%

G-Technology Investment Co., Ltd.	PT. South Ocean	Telecommunications	95.00%	95.00%
Wi Tek Investment Co., Ltd.	Browan Communications (Xi'An) Inc.	Telecommunications	100.00%	100.00%

On December 31, 2023 and 2022, the merged company held 100% of the shares of Wi Tek Investment Co., Ltd., and its total assets were NT6,000 and NT3,349,000 respectively, accounting for 0% and 0.01% of the consolidated assets respectively. , operating income was NT0,000, accounting for 0% of the total consolidated operating income, so the company was not incorporated into the consolidated financial statements.

On December 31, 2023 and 2022, the combined company held 95% of the shares of PT. South Ocean. Its total assets were NT2,817 thousand and NT2,818 thousand respectively, accounting for 0.01% of the combined assets, and its operating income was NT0,000, accounting for 0% of the consolidated total operating income, so the company was not incorporated into the consolidated financial statements.

On December 31, 2023 and 2022, the merged company held 100% of the shares of Pro Communication (Xi'an) Co., Ltd. through Wi Tek Investment Co., Ltd., and its total assets were NT10,616 thousand and NT9,724 thousand respectively, accounting for The consolidated assets were 0.05% and 0.04% respectively, and the operating income was NT1,795 thousand and NT1,636 thousand respectively, accounting for 0% and 0.01% of the total consolidated operating income, so the company was not included in the consolidated financial statements.

XIV. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

	December 31, 2023	December 31, 2022
Investment in subsidiaries	$ 2,818	$ 6,167

Investment in associates	1,216,108	1,279,882
	$ 1,218,926	$ 1,286,049

1. Investment in subsidiaries

	December 31, 2023	December 31, 2022
Unlisted Company		
Wi Tek Investment Co.,Ltd.	($ 1,350)	$ 3,349
PT. South Ocean	2,818	2,818
	1,468	6,167
Add: Account for other liabilities	1,350	-
	$ 2,818	$ 6,167

Proportion of ownership and voting rights:

	December 31, 2023	December 31, 2022
WiTek Investment Co., Ltd.	100.00%	100.00%
PT. South Ocean	95.00%	95.00%

The investments in subsidiaries accounted for using the equity method and the share of profit or loss and other comprehensive income of those investments for the year ended December 31, 2023 and 2022 was based on the subsidiaries' financial statements which have been audited for the same year.

Please refer to Note 13 for details on subsidiaries that are not included in the consolidated financial statement. For more information regarding the nature of activities, principal place of business and country of incorporation of the associates, please refer to Attachment 6.

2. Investments in associates

	December 31, 2023	December 31, 2022
Material associate		
AMPAK Technology Inc.	$ 1,185,921	$ 1,242,015
Associate that is not individually material		
Free PP Worldwide Co., Ltd.	22,516	26,409
BandRich Inc.	1,792	3,030
ANTEK NETWORKS INC.	5,879	8,428
	$ 1,216,108	$ 1,279,882

1. Material associate:

	Proportion of	Proportion of ownership and

Company Name	ownership and voting rights December 31, 2023	voting rights December 31, 2022
AMPAK Technology Inc.	30.20%	30.20%

For more information regarding the nature of activities, principal place of business and country of incorporation of the associates, please refer to Table 6.

In May 2022, the merged company did not subscribe to the cash capital increase of AMPAK Technology Co., Ltd. according to the shareholding ratio, resulting in the shareholding ratio falling to 30.35%. The increase in the net equity value of the investment was NT131,860 thousand and was recorded as capital reserve. In addition, in June 2011 In March, it sold part of its equity in AMPAK Technology Co., Ltd., reducing its shareholding ratio to 30.20%.

The level 1 fair value information of associates with open market quotations is asfollows:

Company Name	December 31, 2023	December 31, 2022
AMPAK Technology Inc.	$ 2,400,071	$ 1,422,042

Summarized financial information in respect of each of the Group's material associates is set out below. The summarized financial information below represents amounts shown in the associates' financial statements prepared in accordance with IFRSs adjusted by the Group for equity accounting purposes.

AMPAK Technology Inc.

	December 31, 2023	December 31, 2022
Current assets	$ 1,774,245	$ 2,237,822
Non-current assets	845,290	850,394
Current liabilities	($ 474,381)	($ 809,828)
Non-current liabilities	(314,585)	(255,608)
Equity	$ 1,830,569	$ 2,022,780
Proportion of the Group's ownership	30.20%	30.20%

	December 31, 2023	December 31, 2022
Equity attributable to the Group	$ 552,219	$ 608,313
Goodwill	633,702	633,702
Carrying amount	$ 1,185,921	$ 1,242,015

	2023	2022
Operating revenue	$ 1,939,694	$ 3,145,981
Net profit for the year	$ 277,749	$ 496,528
Other comprehensive income	7,631	(7,031)
Total comprehensive income for the year	$ 285,380	$ 489,497
Equity obtained from AMPAK TechnologyInc.	$ 130,004	$ 109,142

2. Aggregate information of associates that are not individually material

	2023	2022
The Group's share of:		
Total comprehensive income	($ 7,694)	($ 5,861)

The profits and losses and other comprehensive profit and loss shares of affiliated enterprises using the equity method are recognized based on the financial reports of each affiliated enterprise for the same period that have been reviewed by accountants.

XV. PROPERTY, PLANT AND EQUIPMENT

	Land	Buildings	Machinery and Equipment	Other equipment	Construction in progress/ Equipment pending acceptance	Total
Cost						
Balance on January 01, 2022	$ 368,719	$ 3,193,097	$ 2,106,907	$ 1,441,369	$ 88,037	$ 7,198,129
Additions	-	10,044	117,468	149,900	547,433	824,845
Disposals	-	(611)	(166,618)	(127,189)	-	(294,418)
Prepayments for business facilities	-	-	14,730	11,777	-	26,507
Reclassification	-	34,181	447,363	21,517	(300,632)	202,429
Effect of foreign currency exchange differences	-	54,308	90,096	18,057	16,972	179,433
Balance on December31, 2022	$ 368,719	$ 3,291,019	$ 2,609,946	$ 1,515,431	$ 351,810	$ 8,136,925
Accumulated depreciation and impairment						
Balance on January 01,	$ -	$ 1,490,577	$ 1,196,779	$ 1,039,235	$ -	$ 3,726,591

2022						
Disposals	-	(611)	(106,431)	(108,415)	-	(215,457)
Depreciation expenses	-	108,299	180,908	127,097	-	416,304
Effect of foreign currency exchange difference	-	15,729	140,624	10,629	-	166,982
Balance on December31, 2022	$ -	$ 1,613,994	$ 1,411,880	$ 1,068,546	$ -	$ 4,094,420
Net value on December 31, 2022	$ 368,719	$ 1,677,025	$ 1,198,066	$ 446,885	$ 351,810	$ 4,042,505
Cost						
Balance on January 01, 2023	$ 368,719	$ 3,291,019	$ 2,609,946	$ 1,515,431	$ 351,810	$ 8,136,925
Additions	-	144,350	421,004	245,217	125	810,696
Disposals	-	-	(551,213)	(339,951)	-	(891,164)
Prepayments for business facilities	-		3,539	5,836		9,375
Reclassification	-	9,016	57,328	(1,270)	(272,108)	(207,034)
Reclassified to Pending Sale	-	(884,077)	-	(54,376)		(938,453)
Effect of foreign currency exchange differences	-	(8,498)	(18,845)	(10,831)	3,873	(34,301)
Balance on December31, 2023	$ 368,719	$ 2,551,810	$ 2,521,759	$ 1,360,056	$ 83,700	$ 6,886,044
Accumulated depreciation and impairment						
Balance on January 01, 2023	$ -	$ 1,613,994	$ 1,411,880	$ 1,068,546	$ -	$ 4,094,420
Disposals	-	-	(393,208)	(268,274)	-	(661,482)
Depreciation expenses	-	99,678	217,741	151,106	-	468,525
Reclassification	-	-	86,142	(780)	-	85,362
Reclassified to Pending Sale	-	(459,123)	-	(29,342)	-	(488,465)
Effect of foreign currency exchange	-	(6,270)	(11,724)	(6,038)	-	(24,032)
Balance on December31, 2023	$ -	$ 1,248,279	$ 1,310,831	$ 915,218	$ -	$ 3,474,328
Net value on December 31, 2022	$ 368,719	$ 1,303,531	$ 1,210,928	$ 444,838	$ 83,700	$ 3,411,716

No impairment assessment was performed for the years endedDecember 31, 2023 and 2022 as there were no indication of impairment.

Building	
Main buildings	50 years
Others	3~50 years
Machinery and equipment	2~10 years
Miscellaneous equipment	2~10 years

XVI. LEASE ARRANGEMENTS

(I) Right-of- use Assets

	December 31, 2023	December 31, 2022
Carrying amounts		

	December 31, 2023	December 31, 2022
Land	$ 314,238	$ 358,581
Building	19,262	21,060
Transportation equipment	2,461	5,242
	$ 335,961	$ 384,883

	2023	2022
Additions to right-of-use assets	$ 13,085	$ 256,626
Depreciation charge for right-of-use assets		
Land	$ 2,495	$ 2,921
Buildings	15,262	11,508
Transportation equipment	2,784	2,992
	$ 20,541	$ 17,421

(II)Lease Liabilities

	December 31, 2023	December 31, 2022
Carrying amounts		
Current	$ 94,742	$ 91,168
Non-current	$ 5,806	$ 12,689

Range of discount rate for lease liabilities was as follows:

	December 31, 2023	December 31, 2022
Buildings	0.67%~4.34%	0.67%~4.34%
Transportation equipment	0.67%~4.41%	0.67%~4.41%

(III)Other lease information

	December 31, 2023	December 31, 2022
Total cash outflow for leases	($ 19,887)	($ 197,163)

XVII. Goodwill

December 31, 2023	December 31, 2022
$ 245,224	$ 265,224

The determination of the recoverable amount of goodwill is based on value in use. Value in use is based on cash flow estimates based on the financial budget for the next five years approved by the management of the combined company.

In order to expand the scale of operations, the merged company purchased BROWAN Company and 5V TECHNOLOGIES Company in 2021 and 2020 respectively, resulting in goodwill of NT192,379 thousand and NT72,845 thousand respectively; in 2023, the merged company evaluated the goodwill impairment test of the subsidiary 5V TECHNOLOGY Company , because the sales of its products in the market are not good, and future cash inflows are expected to decrease, the merged company calculates the recoverable amount based on value in use, and the discount rate adopted is 8.37%. It is assessed that the recoverable amount is less than the book amount, so In 2023, the merged company recognized an impairment loss of NT20,000,000 on the goodwill from 5V TECHNOLOGY Company, and recorded other benefits and losses.

XVIII. OTHER ASSETS

	December 31, 2023	December 31, 2022
Current		
Prepaid expenses	$ 33,574	$ 55,036
Prepayments	12,483	55,584
Temporary Payments	5,276	57,726
Offset Against Business Tax Payable	32,929	75,325
	$ 84,262	$ 243,671
Non-current		
Deferred expenses	$ 102,871	$ 101,597
Refundable deposits	6,236	8,249
Overdue receivables	219,160	196,741
Allowance for overdue receivables	(219,160)	(196,741)
Defined Benefit Asset (Note22)	23,880	19,625
Advanced payment for facilitate	138,139	36,762
Others	158	310
	$ 271,284	$ 166,543

XIX. BORROWINGS

Short-term borrowings

	December 31, 2023	December 31, 2022

Unsecured borrowings		
Line of credit borrowings	$ 951,855	$ 2,526,205
Rate of interest per annum (%)	5.9%~6.45%	1.52%~5.95%

XX. BONDS PAYABLE

	December 31, 2023	December 31, 2022
5th Domestic unsecured convertible bonds	$ 1,226,783	$ -
Due within 1 year	-	-
	$ 1,226,783	$ -

On June 2, 2023, the company issued 15,000 units of the sixth domestic three-year unsecured conversion corporate bonds with a zero coupon rate, with a total principal amount of NT1,500,000, issued at 103.82% of the face value, and the face value of each bond was It is NT100 thousand.

The conversion price per share is NT29.3, and the conversion period is from June 2, 2023 to June 2, 2026.

Two years after the issuance of the convertible corporate bonds, bond holders may request the company to redeem the converted corporate bonds they hold in cash at 101.0025% of the face value of the bonds on the base date of sale. From the day after three months after the issuance of the convertible corporate bonds to 40 days before the expiration of the issuance period, if the closing price of the company's common stock exceeds the then-current conversion price by 30% (inclusive) for 30 consecutive business days, the company may the face amount of the bond, and all of its bonds are collected in cash. From the day after the three months after the issuance of the convertible corporate bonds to 40 days before the expiration of the issuance, if the outstanding balance of the convertible corporate bonds is less than 10% of the original issuance amount, the company may call back all the bonds in cash according to the face value of the bonds. Except for conversion into ordinary shares of the Company and early withdrawal by the Company in accordance with the redemption terms, the shares will be repaid in cash upon maturity.

This convertible corporate bond includes liability and equity components. The equity component is expressed as capital reserve - stock options under equity. The original recognized effective interest rate for the liability component was 2.02%.

Issuance price (minus transaction costs of NT 5,408,000)	$ 1,551,957
Equity component (excluding transaction costs allocated to equity of NT464,000)	(133,101)
Financial liabilities measured at fair value through profit and loss – current (less transaction costs of NT30,000)	(8,669)
Liability components on the issuance date (excluding transaction costs allocated to liabilities of NT4,914,000)	1,410,187
Interest calculated based on effective interest rate 2.02%	16,348
Conversion of corporate bonds payable into ordinary shares	(199,752)
Components of liabilities as of December 31, 2023	$ 1,226,783

On March 15, 2019, the company issued 12,000 units of the fifth domestic three-year unsecured conversion corporate bonds with a zero coupon rate, with a total principal amount of NT1,200,000, issued at 100.2% of the face value, and the face value of each bond was NT100 thousand.

The conversion price per share is NT24.8, and the conversion period is from June 16, 2019 to March 15, 2022. Two years after the issuance of the convertible corporate bonds, bondholders may request the company to redeem the converted corporate bonds they hold in cash at 100.5% of the face value of the bonds on the base date of sale. From the day after three months after the issuance of the convertible corporate bonds to 40 days before the expiration of the issuance period, if the closing price of the company's common stock exceeds the then-current conversion price by 30% (inclusive) for 30 consecutive business days, the company may the face amount of the bond, and all of its bonds are collected in cash. From the day after the three months after the issuance of the convertible corporate bonds to 40 days before the expiration of the issuance, if the outstanding balance of the convertible corporate bonds is less than 10% of the original issuance amount, the company may call back all the bonds in cash according to the face value of the bonds. Except for conversion into ordinary shares of the Company and early withdrawal by the Company in accordance with the redemption terms, the shares will be repaid in cash upon maturity.

This convertible corporate bond includes liability and equity components. The equity component is expressed as capital reserve - stock options under equity. The effective interest rate originally recognized for the liability component was 1.46%.

Issuance price (excluding transaction costs of NT5,084,000)	$ 1,197,316
Equity component (excluding transaction costs allocated to equity of NT193,000)	(45,527)
Financial liabilities at fair value through profit or loss – current (less transactions Cost NT13,000)	(3,107)
Liability components on the issuance date (excluding transaction costs allocated to liabilities of NT 4,878,000)	1,148,682
Interest calculated based on effective interest rate 1.46%	45,815
Financial asset valuation benefits	(68)
Conversion of corporate bonds payable into ordinary shares	(336,587)
Components of liabilities as of December 31, 2021	857,842
Interest calculated based on effective interest rate 1.46%	1,918
Conversion of corporate bonds payable into ordinary shares	(856,460)
Redeem corporate bonds	(3,300)
Components of liabilities as of December 31, 2021	$ -

XXI. OTHER LIABILITIES

	December 31, 2023	December 31, 2022
Other payables-current		
Other payables	$ 224,568	$ 422,520
Payables for salaries or bonuses	546,117	548,230
Other payables to related parties (Note 31)	7,554	499
	$ 778,239	$ 971,249
Other liabilities－current		
Temporary credits	$ 41,984	$ 43,630
Others	13,556	13,347
	$ 55,540	$ 56,977
Other liabilities－non-current		
Deposits received	$ 1,338	$ 1,705
Long-term investment loan balance	1,350	-
Restoration obligation liability provision	9,058	-
	$ 11,746	$ 1,705

XXII. RETIREMENT BENEFIT PLANS

(I) Defined contribution plans

The Company and its subsidiaries adopted a pension plan under the Labor Pension Act (LPA), which is a state-managed defined contribution plan. Under the LPA, an entity makes monthly contributions to employees' individual pension accounts at 6% of monthly salaries and wages.

(III) Defined benefit plans

The defined benefit plan adopted by the Company and its subsidiaries in accordance with the Labor Standards is operated by the government. Pension benefits are calculated on the basis of the length of service and average monthly salaries of the six months before retirement. The Group contributes amounts equal to 2% of total monthly salaries and wages to a pension fund administered by the pension fund monitoring committee. Pension contributions are deposited in the Bank of Taiwan in the committee's name. Before the end of each year, the Group assesses the balance inthe pension fund. If the amount of the balance in the pension fund is inadequate to pay retirement benefits for employees who conform to retirement requirements in the next year, the Group is required to fund the difference in one appropriation that should be made before the end of March of the next year. The pension fund is managed by the Bureau of Labor Funds, Ministry of Labor (the "Bureau") and the Group has no right to influence the investment policy and strategy.

Among the Group's subsidiaries, Gemtek Electronics (Kunshan) Co., Ltd. and Gemtek Electronics (Changshu) Co., Ltd. follow the above plans to contribute an amount equal to the proportion allocated from their employees' salaries, and deposit the total amount into a special pension account. The pension fund is managed by the local statutory insurance agency. When an employee retires, he/she will be eligble to receive the employee's personal pension savings and the Group's relative contributions, plus its accrued interest from the past years.

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

	December 31, 2023	December 31, 2022
Determining the present value of benefit obligations	$ 64,818	$ 64,813
Fair value of project assets	(88,698)	(84,438)
Net defined benefit assets	($ 23,880)	($ 19,625)

Movements in net defined benefit assets were as follows:

	Present value of the defined benefit obligation	Fair value of the plan assets	Net defined benefit assets
Balance on January 01, 2022	$ 67,550	($ 76,762)	($ 9,212)
Service cost			
Current service cost	551	-	551
Interest expense(Income)	506	(586)	(80)

Recognized in profit or loss	1,057	(586)	471
Remeasurement			
Return on plan assets	-	(5,941)	(5,941)
Actuarial gains and losses			
—Change in demographicassumptions	(3,014)	-	(3,014)
—experience adjustments	618	-	618
Recognized in other comprehensive income	(2,396)	(5,941)	(8,337)
Contributions from the employer	-	(2,547)	(2,547)
Benefits paid	(1,398)	1,398	-
Balance on December 31,2023	64,813	(84,438)	(19,625)
Service cost			
Current service cost	539	-	539
Interest expense(income)	908	(1,200)	(292)
Recognized in profit or loss	1,447	(1,200)	247
Remeasurement number			
Return on planned assets	-	(601)	(601)
Actuarial loss			
—Change in demographicassumptions	441	-	441
—experience adjustments	(1,883)		(1,883)
Recognized in other comprehensive income	(1,442)	(601)	(2,043)
Contributions from the employer	-	(2,459)	(2,459)
Balance on December 31, 2023	$ 64,818	($ 88,698)	($ 23,880)

The amounts of defined benefit plans recognized in profit or loss by function were asfollows:

	2023	2022
Operation cost	$ 65	$ 131
Selling and marketing expenses	16	34
General and administrative expenses	51	94
R&D expense	115	212
	$ 247	$ 471

Through the defined benefit plans under the Labor Standards Law, the

Group is exposed to the following risks:

1. Investment risk: The plan assets are invested in domestic/and foreign/equity and debt securities, bank deposits, etc. The investment is conducted at the discretion of the Bureau of Labor Funds, Ministry of Labor or under the mandated management. However, in accordance with relevant regulations, the return generated by plan assets should not be below the interest rate for a 2-year time deposit with local banks.

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

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

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

	December 31, 2023	December 31, 2022
Discount rate	1.30%	1.40%
Expected rates of future salary increase	3.25%	3.25%

If possible reasonable changes in each of the significant actuarial assumptions will occur and all other assumptions will remain constant, the present value of the defined benefit obligation would increase (decrease) as follows:

	December 31, 2023	December 31, 2022
Discount rate		

Increase 0.25%	($ 1,125)	($ 1,183)
Decrease 0.25%	$ 1,159	$ 1,220
Expected rates of future salary increase		
Increase 0.25%	$ 1,105	$ 1,166
Decrease0.25%	($ 1,078)	($ 1,136)

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

	December 31, 2023	December 31, 2022
The expected contributions to the plan for the next year	$ 2,459	$ 2,548
The average duration of the defined benefit obligation	10 Year	11年 Year

XXIII. EQUITY

(I) Share capital

Common stock

	December 31, 2023	December 31, 2022
Authorized shares（in Thousands）	500,000	500,000
Authorized shares	$ 5,000,000	$ 5,000,000
Issued and paid shares (in thousands)	400,121	394,646
Issued capital	$ 4,001,211	$ 3,946,465
Advance Receipts for Share Capital	54,846	-
	$ 4,056,057	$ 3,946,465

A holder of issued ordinary shares with par value of NT$10 is entitled to the proportional rights to vote and to dividends.

The company's shareholders meeting on May 29, 2023 approved the issuance of new shares with a total amount of NT$43,000 to restrict employee rights. A total of 4,300 shares were issued at an issue price of NT$10 per share. It has been approved by the Financial Supervision and Administration Commission in Letter No. 1120347892 issued by the Financial Supervisory Commission on July 11, 2012, and has been approved by the Board of Directors to set August 15, 2023 as the base date for capital increase.

During the years 2022 and 2023, due to the fact that some of the new shares with restricted employee rights did not meet the vested conditions, the company passed resolutions of the board of directors on August 4, 2022, December 16, 2011, March 13, and August 3, 2023 respectively. Recovered 171,000, 116,000, 56,000 and 346,000 new shares with restricted employee rights and reduced capital respectively. The base dates for capital reduction were August 4, 2011, January 2, 2012, and March, 2023 respectively. 13th and August 10, 112.

The number of ordinary shares converted by exercising the conversion rights of the company's fifth domestic unsecured convertible corporate bonds held is 39,040,000 shares, and March 18, 2022 is used as the base date for capital increase.

The number of ordinary shares converted by the company's sixth domestic unsecured convertible corporate bonds held by the exercise of conversion rights are 1,693 thousand shares and 5,485 thousand shares, respectively, and are based on November 10, 2023 and March 13, 2024 respectively. is the base date for capital increase.

(II) Capital Surplus

	December 31, 2023	December 31, 2022
Shares premium from issuance	$ 970,862	$ 970,862
Conversion premium	3,868,023	3,606,944
Recognition of changes in ownership interests in	39,240	36,197

subsidiaries		
Recognition of changes in investment in subsidiaries and associates by using the equity method	157,776	157,747
Employee restricted stock	142,568	60,151
Expired share option	150,691	150,691
Others	473	473
	$ 5,329,633	$ 4,983,065

The capital surplus arising from shares issued in excess of par value (including share premium from issuance of ordinary shares), and donations may be used to offset a deficit; in addition, when the Company has no deficit, such capital surplus may be distributed as cash dividends or transferred to share capital (limited to a certain percentage of the Company's capital surplus and once a year).

The capital surplus arising from investments, employee share options, andconvertible bonds options accounted for equity method may not be used for any purpose.

(III) Retained earnings and dividends policy

Under the dividends policy as set forth in the amended Articles, where the Company made profit in a fiscal year, the profit shall be first utilized for paying taxes, offsetting losses of previous years, setting aside as legal reserve 10% of the remaining profit, setting aside or reversing a special reserve in accordance with the laws and regulations, and then any remaining profit together with any undistributed retained earnings shall be used by the Company's board of directors as the basis for proposing a distribution plan, which should be resolved in the shareholders' meeting for distribution of dividends and bonus to shareholders. For information on theaccrual basis of the employees' compensation and remuneration of directors and the actual appropriations, refer to Note 25-7 employee benefits and remuneration of directors.

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

Under FSC Authorization Letters Jinguanzheng Fazi No. 1010012865 and No. 1010047490, and the directive titled “Questions and Answers for Special Reserves Appropriated Following Adoption of IFRSs”, the Company should appropriate or reverse to a special reserve. On January 01, 2003, a total of NT$195,638 thousand earnings was appropriated to special reserve.

The company held regular shareholders' meetings on May 29, 2023 and June 9, 2022, and passed the resolutions to approve the profit distribution proposals for 2022 and 2021 respectively as follows:

	2022	2021
Legal reserve	$ 59,418	$ 65,499
Special reserve	$ -	($ 1,110,264)
Cash dividend	$ 591,712	$ 607,738
Cash dividend per share(NT)	$ 1.5	$ 1.5

The profit distribution proposal for 2023 is yet to be resolved at the regular shareholders' meeting expected to be held on May 29, 2024.

The company's board of directors proposed the 2023 earnings distribution plan on March 13, 2024 as follows:

	Appropriation of Earnings	Dividends per share(NT$)
Legal reserve	$ 51,464	
Cash dividend	608,926	$ 1.5

The profit distribution proposal for 2023 is yet to be resolved at the regular shareholders' meeting expected to be held on May 29, 2024.

(IV) Special Reserve

	2023	2022
Beginning balance	$ 195,638	$ 1,305,902
Appropriated special reserve		
Other deducted equity items	-	(1,110,264)
Ending balance	$ 195,638	$ 195,638

Upon the initial adoption of the IFRSs, the reversal of special reserve appropriated due to exchange differences resulting from translation of financial statements of a foreign operation (including subsidiaries) shall be based on the Group's disposal of ownership. If the Group loses significant influence, the special reserve will be fully reversed. When distributing the earnings, the difference between the net deduction of other shareholders' equity and the special reserve appropriated during the initial adoption of the IFRSs should be added to the special reserve at the end of the reporting period. Thereafter, earnings may be distributed based on the reversal of the deduction balance of other shareholders' equity.

(V) Other Equity Items

1. Exchange differences on translating the financial statements of foreignoperations

	2023	2022
Beginning balance	($ 347,887)	($ 581,856)
Recognized for the year		
Exchange differences on translating the financial statements of foreign operations	(80,924)	233,369
Share from subsidiaries and associates accounted for usingthe equity method	(161)	595
Change of subsidiaries and	-	4

	2023	2022
associates accounted for using the equity method		
Disposal of subsidiaries	-	1
Ending balance	($ 428,972)	($ 347,887)

2. Unrealized gain (loss) on financial assets at FVTOCI (fair value through othercomprehensive income)

	2023	2022
Beginning balance	$ 1,632,512	$ 1,268,926
Produced in the current period		
Unrealized gains and losses		
equity instruments	(157,146)	(38,094)
Share from subsidiaries and associates accounted for using the equity method	(375,289)	406,342
Changes in subsidiaries andassociates accounted for using the equity method	-	216
Disposal of investments using the equity method	-	34
Accumulated gains and losses from disposal of equity instruments are transferred to retained earnings	96,590	(4,912)
Ending balance	$ 1,196,667	$ 1,632,512

3. Unearned compensation

The company's shareholders' meeting resolved to issue new shares with restricted employee rights on May 29, 2023 and June 9, 2020. Please refer to Note 28 for relevant explanations.

	2023	2022
Beginning balance	($ 8,695)	($ 25,997)
Issued for the year	(133,967)	-
Cancelled for the year	13,732	(2,662)
Recognized share-based payment expenses	24,435	19,964
Ending balance	($ 104,495)	($ 8,695)

(VI) Non-controlling interests

	2023	2022
Beginning balance	$ 305,820	$ 225,994
Exchange differences in the translation of financial statements of foreign operating institutions	8	-
Cash dividends from subsidiaries	(40,061)	-
Obtained increased non-controlling interest in BROWAN Company	151,030	-
Acquired increased non-controlling interest in Lionic Networks Inc.	3,072	-
Net profit for this period	(63,605)	81,367
Subsidiary cash capital reduction	-	(1,625)
Subsidiaries restrict employee rights and non-controlling interests related to new shares	(69)	84
Ending balance	$ 356,195	$ 305,820

(VII) Treasury Stocks

Reason for withdrawal	Cancelled after repurchase （In thousands of

	shares）
Number of shares on January 01, 2022	-
Increased for the period	10,342
Decreased for the period	(10,342)
Number of shares on December 31, 2022	-

To maintain the company's credit and shareholders' rights and interests, on April 20, 2022, the Company's board of directors decided to buy back and cancel 10,342 thousand treasury shares from the centralized securities exchange market. On August 4, 2022 , the board of directors resolved to cancel 10,342 thousand treasury shares, in addition to the completion of relevant changes in registration with the authority.

According to the provisions of the Securities Exchange Law, treasury stocks cannot be pledged by the corporation, nor have the eligibility to claim dividends and voting rights.

(XXIV) REVENUE

	2023	2022
Revenue from contracts		
Revenue from product sales	$ 26,136,349	$ 27,899,990

(I) Contract balance

	December 31, 2023	December 31, 2022	January 1, 2022
Accounts receivable (Note 10)	$ 6,748,271	$ 9,305,116	$ 6,157,358
Accounts receivable - related party (note 31)	80,086	63,000	201,980
	$ 6,828,357	$ 9,368,116	$ 6,359,338
Contract liabilities – current			
Product sales	$ 388,615	$ 325,857	$ 307,167

(II) Breakdown of customer contract revenue

Please refer to Note 36 for revenue breakdown information.

XXV. Profit Before Income Tax

Net profit (loss) from continuing operations includes the following items:

(I) Interest income

	2023	2022
Bank deposit	$ 55,902	$ 35,904

(II) Other income

	2023	2022
Rental incomes	$ 6,086	$ 6,541
Dividends	1,728	5,801
Other income	56,991	68,587
	$ 64,805	$ 80,929

(III) Other gains and losses

	112年度	111年度
Gain (loss) on financial assets and liabilities measured at FVTPL	$ 8,417	($ 15,715)
Gain on disposal of associates	-	3,140
Foreign currency exchange loss	175,412	67,418
Gains from disposal of non-current assets to be sold (Note 12)	255,219	-
Goodwill impairment losses (Note 17)	(20,000)	-
Loss from disposal and scrapping of real estate, plant and equipment	(39,416)	(6,313)
Others	(120,401)	(26,680)
	$ 259,231	$ 21,850

(IV) Finance Costs

	2023	2022
Interest on convertible bond	$ 16,348	$ 1,918
Interest on bank loans	97,512	79,917

Interest on lease liabilities	576	522
	$ 114,436	$ 82,357

(V) Depreciation and Amortization

	2023	2022
Property, plant and equipment	$ 468,525	$ 416,304
Right-of-use assets	20,541	17,421
Deferred expenses	177,561	131,441
	$ 666,627	$ 565,166
Depreciation Expenses by Function		
Operating costs	$ 336,671	$ 307,354
Operating expenses	152,395	126,371
	$ 489,066	$ 433,725
Amortization expenses by function		
Operating costs	$ 73,536	$ 46,696
Operating expenses	104,025	84,745
	$ 177,561	$ 131,441

(VI) Employee Benefits Expenses

	2022	2021
Post-employment benefits		
Defined contribution plans	$ 74,721	$ 89,031
Defined benefit plans (Note22）	247	471
	74,968	89,502
Share-based payments		
Equity-settled	24,511	20,135
Other employee benefit	2,760,355	2,800,727
Total employee benefits expenses	$ 2,859,834	$ 2,910,364
Employee benefits expense by function		
Operating costs	$ 1,441,974	$ 1,565,584
Operating expenses	1,417,860	1,344,780
	$ 2,859,834	$ 2,910,364

(VII) Employee Compensation and Remuneration of Board of Directors

According to the provisions of the Articles of Association, the company allocates no less than 13.5% and no more than 1.8% of the pre-tax profits for the current year to employee remuneration and director remuneration respectively. The estimated employee remuneration and director remuneration for the years 2023 and 2022 were resolved by the board of directors on March 13, 2024 and March 13, 2023 respectively as follows:

Accrual Rate

	2023	2022
Employee compensation	13.5%	13.5%
Remuneration of Directors	1.8%	1.8%

Amount

	2023	2022
	CASH	CASH
Employee compensation	$ 110,935	$ 123,629
Remuneration of Directors	14,791	16,484

If there is still a change in the amount after the annual consolidated financial report is released, it will be treated as a change in accounting estimates and will be adjusted and accounted for in the next year.

There is no difference between the actual amount of employee remuneration and director and supervisors remuneration in 2022 and 2021 and the amount recognized in the consolidated financial reports of 2022 and 2021.

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

XXVI. Income Taxes

1. Major components of tax expense recognized in profit or loss:

	2023	2022
Current income tax		
In respect of the current year	$ 228,592	$ 125,960
Income tax on unappropriated earnings	-	54,601
Adjustments for prior years	2,074	908
	230,666	181,469
Deferred tax		
In respect of the current year	12,457	(8,186)
Income tax expense recognized in profit or loss	$ 243,123	$ 173,283

A reconciliation of accounting profit and income tax expense is as follows:

	2023	2022
Income before income tax from continuing operations	$ 788,688	$ 919,333
Income tax expense calculated at the statutory rate	$ 291,255	$ 282,311
Nondeductible expenses in determining taxable income	13,125	31,300
Tax-exempt income	(41,259)	(128,791)
Income tax on unappropriated earnings	-	54,601
Unrecognized temporary differences	(22,072)	(67,046)
Adjustments for prior years' tax	2,074	908
Income tax expense recognized in profit or loss	$ 243,123	$ 173,283

2. Current tax asset and liability

	December 31, 2023	December 31, 2022
Current tax asset		
Tax refund receivable	$ 6,886	$ 1,281
Current tax liability		
Income tax payable	$ 192,257	$ 137,470

(III) Deferred tax assets and liabilities

Changes in deferred income tax assets and liabilities are as follows:

2023

	Opening	Recognized in Profit or Loss	Exchange Differences	Closing Balance
Deferred tax assets				
Temporary differences				
Write-down of inventories	$ 12,544	$ 7,791	$ -	$ 20,335
Allowance for loss exceeded	7,485	31,022	-	38,507
Loss carryforwards	-	13,095	-	13,095
Unrealized exchange losses	39,531	(27,422)	-	12,109
Others	2,156	224	(26)	2,354
	$ 61,716	$ 24,710	($ 26)	$ 86,400
Deferred tax liabilities				
Temporary differences				
Gain on foreign investment accounted for under the equity method	$ 205,314	$ 40,002	$ -	$ 245,316
Unrealized exchange gains	6,883	(649)	-	6,234
Others	12,399	(2,186)	(95)	10,118
	$ 224,596	$ 37,167	($ 95)	$ 261,668

2022

	Opening	Recognized in Profit or Loss	Exchange Differences	Closing Balance
Deferred tax assets				
Temporary differences				
Write-down of inventories	$ 3,774	$ 8,770	$ -	$ 12,544
Allowance for loss exceeded	6,167	1,318	-	7,485
Loss carryforwards	29,684	(29,684)	-	-
Unrealized exchange losses	6,286	33,245	-	39,531
Others	2,094	30	32	2,156
	$ 48,005	$ 13,679	$ 32	$ 61,716
Deferred tax liabilities				
Temporary differences				
Gain on foreign investment accounted for under the equity method	$ 205,314	$ -	$ -	$ 205,314
Unrealized exchange gains	635	6,248	-	6,883
Others	12,984	(755)	170	12,399
	$ 218,933	$ 5,493	$ 170	$ 224,596

(IV) Summary of temporary differences related to investments for which deferred income tax liabilities have not been recognized

The taxable temporary differences related to investment subsidiaries and not recognized as deferred income tax liabilities as of December 31, 2023 and 2022 were NT700,916 thousand and NT568,536 thousand respectively.

(V) Income tax assessment situation

The declaration cases filed by our company, 5V TECHNOLOGY Company, BROWAN Company and Gemtek Investment Company before 2021 have been approved by the tax collection authority.

Subsidiaries Brightech International Co., Ltd, G-Technology Investment Co., Ltd, AMPAK INTERNATIONAL HOLDINGS LTD, Primax Communication (B.V.I.) Inc. have no income tax ; Gemtek CZ., s.r.o, Gemtek Vietnam Co., Ltd, Zhengpeng Electronics (Kunshan) Co., Ltd., Ambow Electronic Technology (Suzhou) Co., Ltd., and Zhengyang Electronics (Suzhou) Co., Ltd. as of the end of 2022, the corporate income tax industry has been approved by the tax collection agency.

(VI) Pillar II Income Tax Bill

In November 2012, in the country where Gemtek Vietnam Co., Ltd. is registered, the Vietnamese government legislated the Pillar 2 Income Tax Act, which took effect from January 1, 2024. Since the bill has not yet taken effect as of the end of the reporting period, there is no relevant current income tax impact on the combined company.

According to this bill, Gemtek Vietnam Co., Ltd. must pay supplementary tax in Vietnam on its profits taxed below the effective tax rate of 15%. The main jurisdiction where there may be exposure to this income tax is Vietnam. As of December 31, 20123, the current average effective tax rate on such profits of the combined company was 11%. The aforementioned information is based on the income tax expenses and accounting profits for the preparation of the group's consolidated financial statements. The combined company also continues to review the impact of the Pillar 2 Income Tax Act on its future financial performance.

XXVII. Earnings Per Share

Unit: NT$ Per Share

	2023	2022
Basic earnings per share from continuing operations	$ 1.55	$ 1.70
Diluted earnings per share from continuing operations	$ 1.37	$ 1.59

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

Current net income

	2023	2022
Net income attributable to owners of the company	$ 609,150	$ 664,683
Effect of potentially dilutive ordinary shares:		
Interest after tax for convertible bonds	13,079	1,534
Net income in computation of diluted earnings per share	$ 622,229	$ 666,217

Ordinary shares

Unit: Thousand Shares

	2023	2022
Weighted average number of ordinary shares in computationof basic earnings per share	394,148	391,633
Effect of potentially dilutive		

ordinary shares:		
Convertible bonds	51,069	20,642
Employee restricted stock	4,300	1,534
Employee compensation	4,035	5,275
Weighted average number of ordinary shares used in the computation of diluted earnings per share	453,552	419,084

If the Group offered to settle compensation or bonuses paid to employees in cash or shares, the Group assumed the entire amount of the compensation or bonuses would be settled in shares and the resulting potential shares were included in the weighted average number of shares outstanding used in the computation of diluted earnings per share, if the effect is dilutive. Such dilutive effect of the potential shares was included in the computation of diluted earnings per share until the number of shares to be distributed to employees is resolved in the following year.

XXVIII. Share-Based Payment Arrangement

Restricted Stock Awards

On June 09, 2020, the annual shareholders' meeting of the Company approved the issuance of Restricted Stock Awards with a total amount of NT$40,000 thousand, that is 4,000 thousand shares to be issued at issue price of NT$10 per share. Followed by the approval letter Financial Supervisory Commission No. 1090349323 issued by the Financial Supervisory Commission, Executive Yuan on July 14, 2020, the board of directors therefore determined August 7, 2020 as the capital increase base date.

The company's shareholders meeting on May 29, 2023 approved the issuance of new shares with a total amount of NT$43,000 to restrict employee rights. A total of 4,300 shares were issued at an issue price of

NT$10 per share. It has been approved by the Financial Supervision and Administration Commission in Letter No. 1120347892 issued by the Financial Supervisory Commission on July 11, 2023, and has been approved by the Board of Directors to set August 15, 2023 as the base date for capital increase.

If an employee still serves the Company after the subscription of Retricted Stock Awards, provided that the employee has not violated the Company's labor contract, work rules, or company regulations, and under the circumstance that the overall business operations and employee performances have reached the reasonable targets set out by the Company for the preceding year, the following ratio of shares for eachvesting anniversary are:

1. 1st anniversary： 30% of subscription；
2. 2nd anniversary：30% of subscription；
3. 3rd anniversary：40% of subscription

Vesting restrictions if conditions have not been fulfilled:

(I) Measures to be taken when employees fail to meet the vesting conditions:

1. Before vesting conditions are met, Restricted Stock Awards received by the employee are not to be sold, mortgaged, transferred, gifted, pledged, or otherwise sanctioned exceptin the event of inheritance.
2. The attendance, proposal, speech, and voting rights of theshareholders meeting shall be implemented in accordance with the trust custody agreement. Any cash dividends, stock dividends, and capital reserve cash (stocks) allocated to the New Employee Restricted Stock Awards shall be placed under the custody of the trust. For those Restricted Stocks whom their owners have not yet fulfilled the vesting

conditions, the cash dividends, stock dividends, and capital reserves (stocks) generated shall be forfeited and being reclaimed or cancelled by the Company in accordance with relevant laws and regulations.

(II) Based upon the above trust custody agreement, employees who have received Restricted Stock Awards are eligible to retain certain rights, including but not limited to:the right to receive dividends, bonuses, and capital reserves, the right to subscribe shares for cash increase, and voting rights, which are equivalent to the rights of common shares issued by the Company.

(III) Restricted Stock Awards that are issued in accordance with this arrangement shall be handled via trust and custody before vesting conditions are fulfilled.

XXIX. Capital risk management

Based on the characteristics of the current operating industry, future company development, and weighing changes in the external environment and other factors, the merged company plans the funds, research and development expenses, dividend payments and other needs of the merged company in the future to ensure that each company in the group can continue to operate. Under this circumstance, by optimizing the balance of debt and equity, maintaining the best capital structure can increase shareholder value in the long run.

The main management of the merged company re-examines the group's capital structure from time to time. The review includes consideration of the costs of various types of capital and related risks. Based on recommendations from key management, the combined company will balance its overall capital structure by paying dividends, issuing new shares, buying back shares and issuing new debt or repaying old debt.

XXX. Financial Instruments

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

1. fair value hierarchy

December 31, 2023

	Level 1	Level 2	Level 3	Total
Financial assets at				

	Level 1	Level 2	Level 3	Total
FVTPL				
Financial product	$ -	$ -	$ 309,590	$ 309,590
Financial liabilities at FVTOCI				
conversion option	$ -	$ -	$ 1,806	$ 1,806
Through other comprehensive profit and loss				
Fair value				
Equity instrument investment				
—Domestic and overseas listedstock	$ 2,648,515	$ -	$ -	$ 2,648,515
—Domestic and overseas unlistedstock	-	-	149,522	149,522
Total	$ 2,648,515	$ -	$ 149,522	$ 2,798,037

December 31, 2022

	Level 1	Level 2	Level 3	Total
Financial assets at FVTPL				
Convertible bond	$ -	$ -	$ 17,940	$ 17,940
Financial assets at FVTOCI				
Equity instrument investment				
—Domestic and overseas listedstock	$ 3,105,805	$ -	$ -	$ 3,105,805
—Domestic and overseas unlistedstock	-	-	153,014	153,014
Total	$ 3,105,805	$ -	$ 153,014	$ 3,258,819

There were no transfers between Levels 1 and 2 in 2023 and 2022.

2. Valuation techniques and inputs applied for the purpose of measuring Level 2fair value measurement

Financial Instruments	Valuation Techniques and Inputs
Derivatives- convertible options	Binary Tree Model for Convertible Bonds Pricing: Evaluated based on the volatility ofthe conversion price, the risk-free interest rate, the risk of discount rate, and the yearsuntil maturity.

3. Valuation techniques and inputs applied for Level 3 fair valuemeasurement

For stocks of unlisted companies without an active market, their fair value isassessed by using the market method and the income method.

The market approach refers to the market price and related information of listed companies that share a similar background as the unlisted stock in order to estimate its fair value; the income approach uses the discounting cash flow method to calculate the present value of the expected return from holding the investment target.

Hybrid financial assets - Convertible corporate bonds have no market price for reference. The Company's evaluation of fair value is based on the Binomial Tree Model for Convertible Bond Pricing, which factors in the volatility of the conversion price, the risk-free interest rate, the risk of discount rate, and the periods until maturity.

(2) Categories of Financial Instruments

	December 31, 2023	December 31, 2022
Financial assets		
Fair value through profit or loss	$ 309,590	$ 17,940
Fair value after amortized cost (Note 1)	10,134,399	10,443,122
Fair value through other comprehensive income	2,798,037	3,258,819
Financial liabilities		
Fair value after amortized cost (Note 2)	1,806	-
Financial liabilities	7,763,695	10,602,920

Note 1: Financial assets measured at fair value after amortized cost include cash and cash equivalents, notes receivables-related parties, accounts receivable, accounts receivables-related parties, other receivables, and refundable deposits etc.

Note 2: Financial liabilities measured at fair value after amortized cost include short-term loans, accounts payables, accounts payables -related parties, other payables, refundable deposits, and bonds payable etc.

(3) Financial Risk Management Objective and Policies

The main financial instruments of the merged company include equity instrument investments, accounts receivable, accounts payable, corporate bonds payable, loans and lease liabilities. The financial management department of the merged company provides services to each business unit and coordinates the entry into domestic and international financial markets. Operations, oversees and manages the financial risks associated with the consolidated company's operations through internal risk reporting that analyzes critical risks according to the degree and breadth of risk. These risks include market risk (including exchange rate risk, interest rate risk and other price risks), credit risk and liquidity risk.

The merged company uses derivative financial instruments to avoid risks and mitigate the impact of these risks. The use of derivative financial instruments is governed by policies adopted by the board of directors of the combined company, which are written principles for exchange rate risk, interest rate risk, credit risk, the use of derivative financial instruments and non-derivative financial instruments, and the investment of remaining liquidity. Internal auditors continuously review compliance with policies and risk exposure limits. The Merged Company does not engage in transactions in financial instruments (including derivative financial instruments) for speculative purposes.

If the Finance Department should engage in derivative transactions, the results are reported to the Board of Directors on a regular basis.

1. Market Risk

The Group's operating activities exposed it primarily to the financial risks arising from changes in foreign currency exchange rates (see (1) below) and interest rates (see (2) below):

There had been no change to the Group's exposure to market risks or the way these risks were managed and measured.

(1) Foreign Currency Risk

The Group engages in foreign currency-denominated sales and purchase transactions, therefore exposing the Group to foreign currency fluctuation risks.

The carrying amounts of the significant monetary assets and liabilities not denominated in functional currency (including those eliminated on consolidation) at the end of the reporting period are set out in Note 34.

Sensitivity analysis

The Group was mainly exposed to the USD.

The following table details the Group's sensitivity to a 1% increase and decrease in the New Taiwan dollars (the functional currency) against the relevant foreign currencies. If the loss of the financial asset measured at fair value through profit and loss reaches the 3% cap as laid out in the contract, the situation must be reported to the management, and a reassessment of the exchange rate fluctuation should be made. The sensitivity analysis included only outstanding foreign currency denominated monetary items plus forward exchange contracts designated as a cash flow hedge, and their translations are adjusted at the end of the reporting period for a 1% change in foreign currency rates. A positive number below indicates an increase in pre-tax profit associated with New Taiwan dollars strengthen 1% against the relevant currency; a negative number below indicates a decrease in pre-tax profit associated with New Taiwan dollars weakens 1% against the relevant currency.

	Impact of USD	
	2023	2022
Profit or Loss	$ 107,264	$ 95,575

The impact of foreign currencies on profit and loss listed in the above table mainly derived from the USD-denominated non-derivative financial assets and liabilities of the Group that are still in circulation on the balance sheet date and have not undergone cash flow hedging.

There was no significant changes in the sensitivity analysis of the current year's foreign exchange rates when compared to the previous year.

(2) Interest rate risk

The Group is exposed to interest rate risk arising from borrowing at both fixed and floating interest rates.

The carrying amounts of the Group's financial assets and financial liabilities with exposure to interest rates at the end of the reporting period were asfollows:

	December 31,2023	December 31,2022
Fair value interest rate risk		
－Financial assets	$ 1,357,156	$ 193,774
－Financial liabilities	2,178,638	2,238,880
Cash flow interest rate risk		
－Financial assets	1,886,955	836,815
－Financial liabilities	-	287,325

(3) Other market price risk

Equity price risk exposure arises from the Group's investments in domestic and foreign listed stocks, unlisted stocks, and convertible bonds. The Group assigns relevant personnel to monitor price flucutations and evaluate the timing to increase hedge positions.

Sensitivity analysis

The sensitivity analysis below was determined based on the Group's exposure to equity price risks at the end of the reporting period.

If the equity price increases/decreases by 1%, the pre-tax profits in 2023 and 2022 will increase/decrease by NT3,096,000 and NT179,000 due to the increase/decrease in the fair value of financial assets measured at fair value through profit and loss. Other comprehensive gains and losses before tax in 2023 and 2022 will increase/decrease by NT27,980,000 and NT32,588,000 respectively due to the increase/decrease in the fair value of financial assets measured at fair value through other comprehensive gains and losses.

2. Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. As of the end of the reporting period, the Group's maximum exposure to credit risk which will cause a financial loss to the Group due to failure of counterparties to discharge an obligation and financial guarantees provided by the Group could arise from the carrying amount of the respective recognized financial assets as stated inthe balance sheets.

The Group adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults.

3. Liquidity risk

The combined company manages and maintains sufficient cash and cash equivalents to support the group's operations and mitigate the impact of cash flow fluctuations. The management of the merged company monitors the utilization of bank financing lines and ensures compliance with the terms of the loan contract.

Bank borrowings are an important source of liquidity for the combined company. For the unused financing quota of the merged company on December 31, 2023 and 2022, please refer to the description of the financing quota in (2) below.

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

The following table details the Group’s remaining contractual maturityfor its non-derivative financial liabilities with agreed repayment periods.The tables had been drawn up based on the undiscounted cash flows of financial liabilities from the earliest date on which the Group can be required to pay. The tables included both interest and principal cash flows.Specifically, bank loans with a repayment on demand clause were included in the earliest time band regardless of the probability of the banks choosing to exercise their rights. The maturity dates for othernon-derivative financial liabilities were based on the agreed upon repayment dates.

For interest cash flows paid at floating interest rates, the undiscounted amount of interest can be inferred by the yield curve on the balance sheetdate.

December 31, 2023

	On Demand or Less than 1 Month	1-3 Months	3 Months – 1 Year	1-5 Years
Non-derivative financial liabilities				
Non-interest bearing	$ 4,843,022	$ 513,534	$ 227,163	$ -
Lease liabilities	1,307	2,615	87,691	4,057
Fixed interest rate liabilities	954,959	-	-	1,226,783
	$ 5,799,288	$ 516,149	$ 314,854	$ 1,230,840

December 31, 2022

	On Demand or Less than 1 Month	1-3 Months	3 Months – 1 Year	1-5 Years
Non-derivative financial liabilities				
Non-interest bearing	$ 5,894,826	$ 1,767,993	$ 412,191	$ -
Lease liabilities	1,143	2,287	88,523	13,182
Fixed interest	230,753	57,017	-	-
rate liabilities	2,043,381	199,637	-	-
	$ 8,170,103	$ 2,026,934	$ 500,714	$ 13,182

The amount of floating rate instruments for the above non-derivative financial liabilities will change due to the difference between the floating interest rate and the estimated interest rate on the balance sheet date.

(2) Financing facilities Credit Lines

	December 31, 2023	December 31, 2022
Unsecured bank borrowing limit		
—Amount used	$ 951,855	$ 2,526,205
—Amount unused	9,240,990	6,932,951
	$ 10,192,845	$ 9,459,156

XXXI. Related party transaction

Transactions, account balances, income and losses between the Company and its subsidiaries (which are related parties of the Company) are all eliminated on consolidation and are therefore not disclosed in this note. Except as disclosed in other notes, the transactions between the merged company and other related parties are as follows.

(1) Name of related person and their relationship

Name of related person	Relationship with our company
AMPAK Technology Inc.	Associates
SparkLAN Communications, Inc.	Associates
ANTEK NETWORKS INC	Associates
BandRich Inc.	Associates

(2) Operating income

Related person category/name	2023	2022
Associate		
Others	$ 134,230	$ 310,776

The merged company sells goods to the above-mentioned related parties, and its transaction price is not significantly different from that of ordinary customers.

(3) Purchase goods

Related person category/name	2023	2022
Associate		
Others	$ -	$ 14,147

When the merged company purchases goods from related parties, the transaction price has no significant counterpart for comparison, and the payment period is not significantly different from that of ordinary suppliers.

(4) Amounts receivable from related parties

Account	Type/Name of related party	December 31, 2023	December 31, 2022
Accounts receivables – related parties	Associates		
	AMPAK Technology Inc.	$ 77,526	$ 51,344
	SparkLAN Communications, Inc.	2,560	11,656
		$ 80,086	$ 63,000

There is no collection guarantee for outstanding amounts receivable from related parties. No provision for loss was made for amounts receivable from related parties in 2023 and 2022.

(5) Other amounts receivable from related parties

Related person category/name	December 31, 2023	December 31, 2022
Associate		
Others	$ 542	$ 633

The combined company's other receivables from related enterprises include advances and payments for purchasing raw materials.

(6) Other transactions due to related parties

Related person category/name	December 31, 2023	December 31, 2022
Associate		
Others	$ 7,554	$ 499

The combined company's other payables to related companies include advances and payments for raw materials purchased on behalf of the company.

(7) Transactions with other related parties

Related person	2023	2022

category/name		
Rent Income		
Associates		
AMPAK Technology Inc.	$ 3,452	$ 3,782
Others	287	348
	$ 3,739	$ 4,130
Other Income		
Associate		
Others	$ 603	$ 1,055

Rental income of the Group collected from associates were based on the marketprice.

(8) Rewards and remuneration for key management

	112年度	111年度
Short-term employee benefits	$ 54,464	$ 48,388
Post-employment benefits	655	759
	$ 55,119	$ 49,147

The remuneration of directors and key executives was determined by the remuneration committee based on the performance of individuals and market trends.

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XXXII. ASSETS PLEDGED AS COLLATERAL OR FOR SECURITY

The following assets were pledged or mortgaged as collateral for tariffs on imported raw materials:

	December 31, 2023	December 31, 2022
Pledged bank deposits (included in financial assets measured at amortized cost)	$ 28,252	$ 23,307

XXXIII. SIGNIFICANT ASSETS AND LIABILITIES DENOMINATED IN FOREIGNCURRENCIES

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

As of December 31, 2023 and 2022, the combined company's tariff performance guarantee or factory construction deposit was NT28,252 thousand and NT23,307 thousand respectively.

As of December 31, 2023, the merged company's significant unrecognized contractual commitments for the purchase of real estate, plant and equipment were NT31,928,000.

XXXIV. SIGNIFICANT ASSETS AND LIABILITIES DENOMINATED IN FOREIGNCURRENCIES

The following information was aggregated by the foreign currencies other than functional currencies of the Group and the exchange rates between foreign currencies and respective functional currencies were disclosed. The significant assets and liabilities denominated in foreign currencies were as follows:

December 31, 2023

	Foreign Currencies	Exchange Rate	Carrying Amount
Foreign currency asset			
Monetary items			
USD	$ 397,658	30.71(USD: NTD)	$ 12,210,076
USD	225,781	7.0827(USD: RMB)	6,932,616
			$ 19,142,692

(Continued)

(Brought forward)

	Foreign Currencies	Exchange Rate	Carrying Amount
Non-monetary items			
Investments accounted forusing equity method			
USD	$ 781	30.71(USD: NTD)	$ 23,983
Financial asset measured at fairvalue through other comprehensive income			
USD	1,885	30.71(USD: NTD)	57,870
			$ 81,853
Foreign currency liabilities			
Monetary items			
USD	202,514	30.71(USD: NTD)	$ 6,218,199
USD	71,588	7.0827(USD: RMB)	2,198,117
			$ 8,416,316

December 31, 2022

	Foreign Currencies	Exchange Rate	Carrying Amount
Foreign currency asset			
Monetary items			
USD	$ 426,403	30.71(USD: NTD)	$ 13,094,851
USD	247,006	6.9646(USD: RMB)	7,585,569
			$ 20,680,420
Non-monetary items			
Investments accounted forusing equity method			
USD	1,061	30.71(USD: NTD)	$ 32,575
Financial asset			

measured at fairvalue through other comprehensive income			
USD	584	30.71(USD: NTD)	17,940
Financial asset measures at amortized cost			
USD	3,661	30.71(USD: NTD)	112,424
			$ 162,939
Foreign currency liabilities			
Monetary items			
USD	231,839	30.71(USD: NTD)	$ 7,119,776
USD	130,355	6.9646(USD: RMB)	4,003,189
			$ 11,122,965

For the total realized and unrealized foreign currency exchange gains and losses of the group in 2023 and 2022, please refer to the consolidated statement of comprehensive income. Due to the wide variety of foreign currency transactions and the functional currencies of the company's subsidiaries, it is impossible to disclose the gains and losses of each major foreign currency separately.

XXXV. SEPARATELY DISCLOSED ITEMS

(1) Major transaction matters:

1. Lending funds to others. (Table 1)
2. Endorse guarantees for others. (none)
3. Securities held at the end of the period. (Table 2)
4. The cumulative amount of buying or selling the same securities reaches NT$300 million or more than 20% of the paid-in capital. (none)

5. The amount of real estate acquired reaches NT$300 million or more than 20% of the paid-in capital. (none)

6. The amount of real estate disposed of reaches NT$300 million or more than 20% of the paid-in capital. (Table 3)

7. The amount of goods purchased and sold with related parties reaches NT$100 million or more than 20% of the paid-in capital. (Table 4)

8. The amount receivable from related parties reaches NT$100 million or more than 20% of the paid-in capital. (Table 5)

9. Engage in derivative transactions. (Notes 7 and 30)

10. Others: business relationships and important transactions and amounts between the parent and subsidiaries and between subsidiaries. (Table 8)

(2) Information related to reinvestment businesses. (Table 6)

(3) Mainland China investment information:

1. The name of the mainland China invested company, main business items, paid-in capital, investment method, fund remittances and inflows, shareholding ratio, investment profits and losses, closing investment book amount, repatriated investment profits and losses, and investment limits in mainland China. (Table 7)

2. The following major transactions with mainland China invested companies directly or indirectly through third regions, as well as their prices, payment terms, and unrealized profits and losses: (Table 4, 5 and 8)

(1) Purchase amount and percentage and closing balance and percentage of related payables.

(2) Sales amount and percentage and closing balance and percentage of related receivables.

(3) The amount of property transactions and the amount of profits and losses generated therefrom.

(4) Ending balance of bill endorsement or collateral provided and its purpose.

(5) The maximum balance of financial financing, the ending balance, the interest rate range and the total interest for the current period.

(6) Other transactions that have a significant impact on current profits and losses or financial status, such as the provision or receipt of labor services, etc.

(4) Major shareholder information: names of shareholders with a shareholding ratio of more than 5%, shareholding amount and proportion. (none)

XXXVI. SEGMENT INFORMATION

Information reported to the chief operating decision maker for the purposes of resource allocation and assessment of segment performance focuses on types of goods or services delivered or provided. The Group’s reportable segment is the wireless telecommunication products department.

(1) Department income and operating results

The income and operating results of the continuing operating units of the merged company are analyzed according to the reportable departments as follows:

	Segment Revenue		Segment Profit	
	2023	2022	2023	2022
Wireless telecommunication products department	$26,136,349	$27,899,990	$ 1,127,011	$ 1,423,878
Central administration cost			(663,386)	(695,521)
Interest income			55,902	35,904
Other income			64,805	80,929

	2023	2022
Other gains and losses	259,231	21,850
Finance cost	(114,436)	(82,357)
Share of profit of subsidiaries and associates	59,541	134,650
Profit before income tax	$ 788,668	$ 919,333

Segment revenues reported above represents revenue generated from external customers. There were no inter-segment sales during the years ended December 31, 2023 and 2022.

Segment profit represented the profit before tax earned by each segment without allocation of central administration costs, interest income, other income, other gains or losses, finance cost, share of profit of associates accounted for using the equity method, and income tax expense. This was the measure reported to the chief operating decision maker for the purposes of resource allocation and assessment of segment performance.

(2) Total assets of the department

The measured amounts of assets and liabilities of the consolidated company are not provided to the operating decision-makers, so the measured amounts of departmental assets and liabilities are zero.

(3) Other department information

	Depreciation and amortization	
	2023	2022
Wireless telecommunication product department	$ 666,627	$ 565,166

(4) Revenue from major products and services

	2023	2022
CARD	$ 1,643,072	$ 1,900,160
GATEWAY	21,234,011	23,062,684
Wireless Telecommunication Module	195,738	208,521
Others	3,063,528	2,728,625
	$ 26,136,349	$ 27,899,990

(5) Regionally differentiated information

The Group operates in three principal geographical areas – Taiwan, China, and theCzech Republic.

The Group's revenue from continuing operations from external customers bylocation of operations was detailed below:

	Revenues from External Customers	
	2023	2022
Taiwan	$ 24,642,762	$ 26,235,835
China	1,485,616	1,662,655
Vietnam	7,904	871
Czech Republic	67	629
	$ 26,136,349	$ 27,899,990

(6) Main customer information

Revenues from individual customers that exceeded 10% of the Group's revenue for the years ended December 31, 2023 and 2022:

	2023		2022	
Customer	Sales revenue	%	Sales revenue	%
A Company	$ 7,647,327	29	$ 8,383,981	30
B Company	4,137,381	16	3,560,406	13
C Company	2,758,311	11	1,765,585	6
D Company	1,923,248	7	3,123,811	11

GEMTEK TECHNOLOGIES CO., LTD. AND SUBSIDIARIES

FINANCING PROVIDED TO OTHERS

FOR THE YEAR ENDED DECEMBER 31, 2023

TABLE 1

Unit: In Thousands of New Taiwan Dollars, Unless Stated Otherwis

No.	Financing Company Name	Borrower	Financial Statement Account	Related Parties	Parties Highest Balance for the Period	Ending Balance	Actual Borrowing Amount	Interest Rate	Nature of Financing (Note 2)	Business Transaction Amount	Reasons for Short-term Financing	Allowance for Impairment Loss	Collateral		Financing Limit for Each Borrowing Company (Note 1)	Financing Company's Total Financing Amount Limit
													Item	Value		
1	Gemtek Electronics (Suzhou) Co. Ltd.	Gemtek Electronics (Kunshan) Co. Ltd.	Short-term financing	Yes	$ 72,963	$ 71,396	$ 71,396	1.65%	2	$ -	Operating capital	$ -	-	-	$ 78,261	$ 78,261
2	Gemtek Electronics (ChangShu) Co., Ltd	Gemtek Electronics (Kunshan) Co. Ltd.	Short-term financing	Yes	442,200	432,700	432,700	1.65%	2	-	Operating capital	-	-	-	1,214,073	1,214,073
3	Gemtek Electronics (ChangShu) Co., Ltd	Gemtek Co. Ltd.	Other receivables	Yes	565,241	537,828	537,828	-	1	-	Operating capital	-	-	-	858,462	858,462

Note 1: According to the "Operational Procedures for Fund Loans to Others" of Amber Electronics (Changshu) Co., Ltd. and Gemtek Electronics (Suzhou) Co., Ltd., foreign companies whose parent companies directly and indirectly hold 100% of the voting shares may occasionally engage in business with the ultimate parent company. For capital loans, the total amount shall not exceed 100% of the net value of the loan company, and the limit for individual objects shall not exceed 100% of the net value of the loan company.

Note 2: Fund loan and nature -

1. Fill in 1 if you have business contacts.
2. Fill in 2 if there is a need for short-term financing.

Note 3: The conversion is based on the exchange rate on the financial reporting date: US dollar: New Taiwan dollar = 1: 30.705; RMB: New Taiwan dollar = 1: 4.327.

Note 4: All transactions listed in the above table have been eliminated when preparing consolidated financial statements.

Note 5: Amber Electronics (Changshu) Co., Ltd.'s capital loan to Gemtek Technology Co., Ltd. was approved by the board of directors on November 8, 2023.

GEMTEK TECHNOLOGIES CO.,
LTD. MARKETABLE SECURITIES
HELD
FOR THE YEAR ENDED DECEMBER 31, 2023

TABLE 2

Unit:In Thousands of New Taiwan Dollars, Unless Stated Otherwise

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	Ending Balance on December 31, 2023				Note
				Shares/ Units (in thousands)	Carrying Value	Percentage of Ownership%	Fair Value	
Gemtek Technologies Co.,Ltd.	Stock							
	TAI-SAW TECHNOLOGY CO., LTD.	None	Financial assets measured at fair value through other comprehensive income – non-current	691	$ 18,966	0.67%	$ 18,966	
	Green Packet Bhd.	None	〃	26,273	6,738	2.81%	6,738	
	Greenwave holding, Inc.	None	〃	3,965	6,392	3.30%	6,392	Preferred stock
	AIPTEK, Inc	None	〃	29	360	0.11%	360	
	Polaris Group	None	〃	8,675	621,510	1.17%	621,510	
	PYRAS TECHNOLOGY INC.	The Corporation serves as corporate director	〃	3,200	33,056	16.10%	33,056	
	GaN Power Technology Co., Ltd.	None	〃	2,500	24,375	5.49%	24,375	
	AVIX TECHNOLOGY INC.	The Corporation serves as corporate director	〃	600	33,420	6.00%	33,420	
	Lionic Corporation	The Corporation serves as corporate director	〃	1,425	7,539	6.47%	7,539	
	SKSpruce Holding Limited	None	〃	2,241	33,247	2.32%	33,247	Common stock ／ Preferred stock
	Sky Phy Networks Limited	None	〃	4,943	-	13.82%	-	Preferred stock
	Sanjet Technology Corp.	None	〃	3,882	-	12.33%	-	
G-Technology Investment Co., Ltd.	Stock							
	Polaris Group	None	Financial assets measured at fair value through other comprehensive income – non-current	26,467	2,000,941 (USD 65,167)	3.56%	2,000,941 (USD 65,167)	
	GREENWAVE HOLDING INC	None	〃	16,710	11,493 (USD 374)	4.05%	11,493 (USD 374)	Preferred stock
	UBITUS Inc.	None	〃	200	-	2.32%	-	
Gemtek Electronics (ChangShu) Co., Ltd.	Fund							
	Financial products	None	Financial assets	44,000	192,539	-	192,539	

			measured at fair value through other comprehensive income – current		(RMB 44,413)		(RMB 44,413)	
Gemtek Electronics (Kunshan) Co., Ltd.	Financial products	None	〃	27,000	117,051 (RMB 27,000)	-	117,051 (RMB 27,000)	

Note 1: For information on investment subsidiaries and affiliated enterprises, please refer to Table 5 and Table 6.

Note 2: The conversion is based on the exchange rate on the financial report date: US dollar: New Taiwan dollar = 1: 30.705; RMB: New Taiwan dollar = 1: 4.327.

GEMTEK TECHNOLOGIES CO., LTD.

TOTAL PURCHASES FROM OR SALES TO RELATED PARTIES AMOUNTING TO AT LEAST NT$300 MILLION OR 20%

OF THE PAID-IN CAPITAL FOR THE YEAR ENDED DECEMBER 31, 2023

TABLE 3

Unit:In Thousands of New Taiwan Dollars, Unless Stated Otherwise

Company Name	Property Name	Date of Occurrence (Note 1)	Original Acquisition Date	Carrying Amount	Amount of the Transaction	Price Collection Situation	Gains and Losses on Disposal	Trading Partners	Relationship	Purpose of Punishment	Determined by Price Reference	Other Agreed matters
Gemtek Electronics (ChangShu) Co., Ltd.	Houses and buildings and land use rights	2023/5/29	2009/11/20	$ 453,291	$ 819,521 (tax included)	Note 2	Note 2	Changshu Zhilong New Energy Industry Development Co., Ltd.	None	Cooperate with local government projects	Suzhou Anjiahe Land Real Estate Assets Appraisal Co., Ltd. Asset Appraisal Report	None
Gemtek Electronics (ChangShu) Co., Ltd.	Land use rights	2023/5/29	2012/11/14	16,398	57,354 (tax included)	Note 3	Note 3	Changshu Zhilong New Energy Industry Development Co., Ltd.	Nonw	Cooperate with local government projects	Suzhou Anjiahe Land Real Estate Assets Appraisal Co., Ltd. Asset Appraisal Report	None

Note 1: The date of occurrence refers to the date of transaction signing, payment date, entrustment transaction date, transfer date, board resolution date or other dates sufficient to determine the transaction object and transaction amount, whichever is the earlier.

Note 2: The handover was completed in July 2023 and full payment was received. The disposal benefit of NT 255,219,000 was recognized in July 2023.

Note 3: NT 3,634,000 has been collected in 2023, but in compliance with local laws, the transfer process is still going through as of March 13, 2024, and the estimated proceeds from the disposal are 19,196,000.

GEMTEK TECHNOLOGIES CO., LTD.

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

TABLE 4 Unit:In Thousands of New Taiwan Dollars, Unless Stated Otherwise

Company Name	Related Party	Relationship	Transaction Details				Abnormal Transaction		Notes/ Accounts Receivable (Payable)		Note
			Purchases/Sales	Amount	% To Total	Payment Terms	Unit	Price	Payment Terms	Ending Balance	
Gemtek Technologies Co., Ltd.	Gemtek Electronics(Kunshan) Co., Ltd.	Investment in subsidiary through third region	Purchase and processing expenses	$ 7,345,679	26%	Note 1	Note 1	Note 1	($ 2,800,469)	(49%)	Note 2& 3
	Electronics(Changshu) Co., Ltd.	Investment in subsidiary through third region	Purchase and processing expenses	858,462	3%	Note 1	Note 1	Note 1	(537,828)	(9%)	Note 2& 3
	Gemtek CZ., s.r.o.	Investment in subsidiary through third region	Purchase and processing expenses	217,519	1%	Note 1	Note 1	Note 1	22,973	-	Note 2& 3
	Gemtek Vietnam Co., Ltd.	Subsidiary	Purchase and processing expenses	12,313,115	43%	Note 1	Note 1	Note 1	978,378	17%	Note 2& 3
	BROWN Communication Incorporation	Subsidiary	Sales and processing income	(382,452)	(1%)	Note 1	Note 1	Note 1	530	-	Note 2& 3 Note 2& 3
Gemtek Electronics(Kunshan) Co., Ltd.	Gemtek Technologies Co., Ltd.	Parent company	Sales and processing income	(7,345,679)	(77%)	Note 1	Note 1	Note 1	2,800,469	91%	Note 2& 3 Note 2& 3
Gemtek Electronics(Changshu) Co., Ltd.	Gemtek Technologies Co., Ltd.	Parent company	Sales and processing income	(858,462)	(94%)	Note 1	Note 1	Note 1	537,828	98%	Note 2& 3 Note 2& 3
Gemtek CZ., s.r.o.	Gemtek Technologies Co., Ltd.	Parent company	Sales and processing income	(217,519)	(100%)	Note 1	Note 1	Note 1	(22,973)	(88%)	Note 2& 3 Note 2& 3
Gemtek Vietnam Co., Ltd.	Gemtek Technologies Co., Ltd.	Parent company	Sales and processing income	(12,313,115)	(100%)	Note 1	Note 1	Note 1	978,378	(51%)	Note 2& 3
BROWN Communication Incorporation	Gemtek Technologies Co., Ltd.	Parent company	Purchase and processing expenses	382,452	61%	Note 1	Note 1	Note 1	(530)	(1%)	Note 2& 3

Note 1: The company purchases goods from related parties or entrusts related parties to process and then repurchase finished products. This is part of the group's strategic division of labor. There is no obvious object for comparison in its transaction price. The payment period is based on the actual asset status of the company.

Note 2: The company has receivables and payments from related parties of Gemtek Electronics(Kunshan) Co., Ltd., Gemtek Electronics(Changshu) Co., Ltd. , Gemtek CZ., s.r.o., Gemtek Vietnam Co., Ltd. and BROWN Communication Incorporation, presented on a net basisNote 3: All transactions listed in the above table have been eliminated when preparing consolidated financial statements.

GEMTEK TECHNOLOGIES CO., LTD.

RECEIVABLES FROM RELATED PARTIES AMOUNTING TO AT LEAST NT$100 MILLION OR 20% OF THE PAID-IN CAPITAL

FOR THE YEAR ENDED DECEMBER 31, 2023

TABLE 5

Unit:In Thousands of New Taiwan Dollars, Unless Stated Otherwise

Company Name	Related Party	Relationship	Ending Balance	Turnover Rate	Overdue		Amounts Received in Subsequent Period	Allowance for Impairment	Note
					Amount	Actions Taken			
Gemtek Electronics (Kunshan) Co., Ltd	Gemtek Technologies Co., Ltd.	Parent company	$2,800,469	2.98	$ -	-	$2,800,469	$ -	
Gemtek Electronics (ChangShu) Co., Ltd.	Gemtek Technologies Co., Ltd.	Parent company	537,828	1.08	-	-	-	-	Transferred funds and loans, details in Table 1
Gemtek Technologies Co., Ltd.	Gemtek Vietnam Co., Ltd.	Subsidiary	978,378	-	-	-	978,378	-	

Note 1: All transactions listed in the above table have been eliminated when preparing consolidated financial statements.

GEMTEK TECHNOLOGIES CO., LTD. INFORMATION ON INVESTEES

FOR THE YEAR ENDED DECEMBER 31, 2023

TABLE 6

Unit: In Thousands of New Taiwan Dollars/US Dollars Unless Stated Otherwise

Investor Company	Investee Company	Location	Main Businesses and Products	Original Investment Amount		As of December 31, 2023			Net Income (Loss) of the Investee	Share of Profit (Loss)	Note
				December 31, 2023	December 31, 2022	Shares/Units (In Thousands)	%	Carrying			
Gemtek Technologies Co., Ltd.	Gemtek Investment Co.,Ltd.	Hsinchu County, Taiwan	Investment	$ 469,457	$ 469,457	-	-	$ -	($ 9,089)	($ 9,089)	Note 3
	G-Technology Investment Co., Ltd.	Cayman Islands	Investment	2,345,252 (USD 73,600)	2,345,252 (USD 73,600)	73,600	100.00	5,796,883	(34,521)	(34,521)	Note 3
	Brightech International Co., Ltd.	Republic of Mauritius	Investment	207,969 (USD 6,145)	207,969 (USD 6,145)	6,145	100.00	63,013	(4,055)	(4,055)	Note 3
	AMPAK Technology Inc.	Hsinchu County, Taiwan	Telecommunications	510,303	510,303	20,001	30.20	1,185,921	277,749	71,968 (Note 1)	
	Wi Tek Investment Co., Ltd.	Cayman Islands	Investment	132,155 (USD 4,000)	132,155 (USD 4,000)	4,000	100.00	(1,350)	(4,735)	(4,735)	
	BROWAN Communications Incorporation	Hsinchu County, Taiwan	Telecommunications	442,154	439,651	20,214	50.44	551,837	(111,906)	(59,084)	Note 3
	Gemtek Vietnam Co., Ltd.	Vietnam	Telecommunications	1,227,684 (USD 40,000)	908,384 (USD 30,000)	-	100.00	1,751,722	178,545	178,545	Note 3
	ANTEK NETWORKS INC	New Taipei City, Taiwan	Telecommunications	9,000	9,000	900	15.25	5,879	(16,715)	(2,549)	
	Lionic Networks Inc.	USA	Telecommunications	30,720 (USD 1,000)	- (USD -)	1,000	90.91	27,948	(3,139)	(2,854)	Note 3
	BandRich Inc.	New Taipei City, Taiwan	Telecommunications	55,000	55,000	5,500	27.04	1,792	(1,569)	(426)	
	5V TECHNOLOGIES, TAIWAN LTD.	Taipei City, Taiwan	Telecommunications	13,500	13,500	1,350	97.92	68,563	329	815 (Note 2)	Note 3
G-Technology Investment Co., Ltd.	Ampak International Holdings Ltd.	Independent State of Samoa	Investment	1,099,843 (USD 35,561)	1,099,843 (USD 35,561)	36,000	100.00	1,214,073 (USD 39,540)	103,842 (USD 3,214)	103,842 (USD 3,214)	Note 3
	Gemtek CZ., s.r.o.	Czech Republic	Telecommunications	25,351 (USD 692)	25,351 (USD 692)	12,000	100.00	(6,249) (USD -204)	(3,026) (USD -105)	(3,026) (USD -105)	Note 3
	Primax Communication (B.V.I.) Inc.	British Virgin Islands	Investment	73,886 (USD 2,297)	73,886 (USD 2,297)	2,350	100.00	15,292 (USD 498)	(954) (USD -31)	(954) (USD -31)	Note 3
	PT. South Ocean	Indonesia	Telecommunications	7,838 (USD 238)	7,838 (USD 238)	24	95.00	2,818 (USD 92)	- USD -	- USD -	
	Free PP Worldwide Co.,Ltd.	Republic of Seychelles	Investment	30,260 (USD 1,000)	30,260 (USD 1,000)	1,002	30.00	22,516 (USD 733)	(13,026) (USD -419)	(3,908) (USD -126)	

Note 1: The net profit of the invested company of NT 83,879,000 is recognized based on the shareholding ratio, minus the adjustment of the amortization of the identified intangible assets for the period of NT 11,911,000.

Note 2: The net profit of the investee company of NT 1,914,000 is recognized based on the shareholding ratio, minus the adjustment of the amortization of the identified intangible assets for the period of NT 1,099,000.

Note 3: Investment transactions between reinvested companies have been completely eliminated when preparing consolidated statements.

GEMTEK TECHNOLOGIES CO., LTD.

INFORMATION ON INVESTMENT IN MAINLAND CHIN

A FOR THE YEAR ENDED DECEMBER 31, 2023

TABLE 7

Unit: In Thousands of New Taiwan Dollars/US Dollars Unless Stated Otherwise

Investee Company	Main Businesses and Products	Share Capital	Method of Investment (Note 1)	Accumulated Outward Remittance for Investment from Taiwan as of January 01, 2023	Investment Flow		Accumulated Outward Remittance for Investment from Taiwan as of December 31, 2023	Net Income (Loss) of the Investee	% Ownership of Direct or Indirect Investment	Investment Gain (Loss)	Carrying Amount as of December 31, 2023	Accumulated Repatriation of Investment Income as of December 31, 2023	Note
					Outflow	Inflow							
Gemtek Electronics (Suzhou) Co. Ltd.	Manufacturing of wireless telecommunication products such as wireless network cards and wireless gateways	$ 256,387 (USD 8,350)	The invested companies - Brightech International Co Ltd and Primx Communication (BVI) Inc invested in mainland companies	$ 255,435 (USD 8,319)	$ -	$ -	$ 255,435 (USD 8,319)	($ 4,882) (USD -159)	100.00	($ 4,882) (USD -159)	$ 78,261 (USD 2,549)	$ -	Note3& 4
Gemtek Electronics (Kunshan) Co., Ltd	Manufacturing of wireless telecommunication products such as wireless network cards and wireless gateways	460,575 (USD 15,000)	The invested company - G-Technology Investment Co Ltd transferred investment to a mainland company	460,575 (USD 15,000)	-	-	460,575 (USD 15,000)	(28,993) (USD -904)	100.00	(28,993) (USD -904)	1,715,355 (USD 55,866)	-	Note3& 4
Browan Communications (Xi'An) Inc.	R&D, production, sales and provision of technical consulting and related services for wireless network products	122,820 (USD 4,000)	The invested company - Wi Tek Investment Co Ltd invested in a mainland company	122,820 (USD 4,000)	-	-	122,820 (USD 4,000)	(4,735) (USD -152)	100.00	(4,735) (USD -152)	(1,356) (USD -44)	-	
Gemtek Electronics (ChangShu) Co., Ltd.	R&D, production, sales and provision of technical consulting and related services for wireless network products	1,105,380 (USD 36,000)	The invested company - G-Technology Investment Co Ltd transferred investment to a mainland company	1,105,380 (USD 36,000)	-	-	1,105,380 (USD 36,000)	103,747 (USD 3,211)	100.00	103,747 (USD 3,211)	1,214,073 (USD 39,540)	-	Note3& 4

Accumulated Outward Remittance for Investment in Mainland China as of December 31, 2021	Investment Amounts Authorized by Investment Commission, MOEA	Upper Limit on the Amount of Investment Stipulated by Investment Commission, MOEA
$ 1,961,435 USD 63,880 (Note 1)	$ 1,930,730 USD 62,880	$ 7,703,637

Note1: (1) The amount of investment remitted at the end of the period exceeded the investment amount approved by the Investment Review Committee of the Ministry of Economic Affairs by USD 1,000,000. It was due to the remittance of Ampak International Holdings Ltd., the original parent company of Gemtek Electronics (ChangShu) Co., Ltd., in previous years.

(2) In July 2009, the company acquired AMPAK International Holdings Ltd., the overseas holding company of AMPAK Electronic Technology (Changshu) Co., Ltd., through the overseas company G-Technology Investment Co., Ltd. for US$561,000 (equivalent to NT$17,413,000). 100% equity, approved by the Investment Review Committee of the Ministry of Economic Affairs No. 09800283840.

(3) The conversion exchange rate is based on the average spot buying/selling exchange rate of the Bank of Taiwan on December 31, 2023

Note2: See Tables 3, 4 and 7 for the information about significant transactions with investees in the mainland China, either directly or indirectly through a third area.

Note3: Amount was recognized based on the audited financial statements of the investee as of December 31, 2023

Note 4: It has been eliminated when preparing the consolidated financial statements.

GEMTEK TECHNOLOGIES CO., LTD.

Business relationships and important transactions and amounts between the parent company and its subsidiaries and between each subsidiary company

For the Year Ended December 31, 2023

Table 8

Unit: In Thousands of New Taiwan Dollars/US Dollars Unless Stated Otherwise

No.	Company Name	Related Party	Relationship	Transactions			
				Account	Amount	Transaction Terms	%
	January 1 to December 31, 2023						
0	Gemtek Technology Co., Ltd.	Amber Electronics (ChangSh u) Co., Ltd.	Parent company to subsidiary	Cost of goods sold - processing fee	$ 858,462	Note 1	3%
				Other accounts payable	537,828	Note 1	2%
		Gemtek Electronics (Kunshan) Co., Ltd	Parent company to subsidiary	Cost of goods sold - processing fee	7,345,679	Note 1	28%
				Accounts payable	2,800,469	Note 1	13%
		Gemtek CZ., s.r.o.	Parent company to subsidiary	Cost of goods sold - processing fee	217,519	Note 1	1%
				Other accounts receivable	22,973	Note 1	-
		Gemtek Vietnam Co., Ltd.	Parent company to subsidiary	Cost of goods sold - processing fee	12,313,115	Note 1	47%
				Accounts receivable	978,378	Note 1	4%
1	Gemtek Electronics (Suzhou) Co., Ltd	Gemtek Electronics (Kunshan) Co., Ltd	Subsidiary company to subsidiary	Other accounts receivable	71,396	Note 2	-
2	Amber Electronics (ChangSh u) Co., Ltd.	Gemtek Electronics (Kunshan) Co., Ltd	Subsidiary company to subsidiary	Other accounts receivable	432,700	Note 2	2%

Note 1: The company purchases goods from related parties or entrusts related parties to process and then repurchase finished products.

This is part of the group's strategic division of labor. There is no significant object for comparison in its transaction price. The payment period is based on the actual asset status of the company.
Note 2: Subject to agreement between both parties.
Note 3: All transactions listed in the above table have been eliminated when preparing consolidated financial statements.