Ji-Haw Industrial, Co., Ltd.

STANDALONE FINANCIAL STATEMENTS
with Independent Auditors' Report
2023 and 2022

Address: No. 53, Baoxing Road, Xindian District, New
Taipei City
Tel: (02)29189189

§TABLE OF CONTENTS§

	Item	Page	Number of notes to parent company only financial statements
I.	Cover Page	1	-
II.	Table of Contents	2	-
III.	Independent Auditor's Report	3～6	-
IV.	Balance Sheets	7	-
V.	Statements of Comprehensive Income	8～9	-
VI.	Statements of Changes in Equity	10	-
VII.	Statements of Cash Flows	11～12	-
VIII.	Notes to Standalone Financial Statements		
	(I) Organization and operations	13	I
	(II) Date and procedure for adopting parent company only financial statements	13	II
	(III) New standards, amendments, and interpretations adopted	13～14	III
	(IV) Summary of significant accounting policies	14～25	IV
	(V) Significant accounting assumptions and judgments, and major sources of estimation uncertainty	29	V
	(VI) Explanation of significant accounts	29～53	VI to XXV
	(VII) Related-party transactions	53～54	XXVI
	(VIII) Pledged assets	55	XXVII
	(IX) Commitments and contingencies	-	-
	(X) Losses Due to Major Disasters	-	-
	(XI) Subsequent Events	55	XXVIII
	(XII) Significant Assets and Liabilities Denominated in Foreign Currencies	55～56	XXIX
	(XIII) Other Disclosures		
	1. Information on significant transactions	56～57	XXX
	2. Information on investees	57	XXX
	3. Information on investment in mainland China	57	XXX
	4. Information on major shareholders	57	XXX
	(XIV) Segment information	-	-
IX.	Details of Major Accounts	65～72	-

Independent Auditor's Report

To Ji-Haw Industrial, Co., Ltd.:

Opinions

We have audited the accompanying parent company only balance sheets of Ji-Haw Industrial Co., Ltd. as of December 31, 2023 and 2022, and the related parent company only statements of comprehensive income, of changes in equity and of cash flow from January 1 to December 31, 2023 and 2022, as well as notes to the parent company only financial statements (including the summary of significant accounting policies).

In our opinion, the parent company only financial statements referred to above present fairly, in all material respects, the parent company only financial position of the Ji-Haw Industrial Co., Ltd. as of December 31, 2023 and 2022, and the parent company only financial performance and the parent company only cash flows from January 1 through December 31, 2023 and 2022, in conformity with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

Basis of Audit Opinion

We are entrusted to conduct the audits in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and auditing standards. Our responsibilities as an auditor under the abovementioned standards will be explained in the Responsibilities paragraph. We are independent of Ji-Haw Industrial, Co., Ltd. in accordance with the Certified Public Accountants Code of Professional Ethics in the Republic of China ("the Code"), and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis of our opinion.

Key Audit Issues

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the parent company only financial statements of Ji-Haw Industrial Co., Ltd. for the year 2023. These issues have already been addressed when we audited and formed our opinions on the Standalone Financial Statements. Therefore we do not provide opinions separately for individual issues.

Key audit matters for the parent company only financial statements of Ji-Haw Industrial Co., Ltd. for the year 2023 are stated as follows:

Recognition of sales revenue

Ji-Haw Industrial Co., Ltd. are mainly engaged in the manufacturing, processing and trading of precision electronic connectors and sockets, connectors, wires, cables and various electronic components, as well as other industrial and commercial services. However, the overall market demand has declined this year, but the revenue for the sales to certain customers grew against the trend. As the amount and proportion of such increase are considered significant, we include the recognition of sales revenue from the customer as a key audit matter for Ji-Haw Industrial Co., Ltd. For the accounting policies related to the recognition of operating revenue and relevant disclosure information, please refer to Notes 4 and 19 to the parent company only financial statements.

The main audit procedures that we have performed with respect to the above-mentioned key audit matters are as follows:

1. Understand and test the effectiveness of the design and implementation of the main internal control related to the sales revenue recognition.
2. In order to confirm the authenticity of the sales transactions, we select appropriate samples from the transaction details of customers with significant increase in sales revenue, check transaction vouchers, and confirm the fund remittance recipient and collection process.
3. Send letters to the balance of accounts receivable at the end of the year to customers with significant increases in sales revenue, and implement alternative procedures for those who fail to receive a confirmation in a timely manner, including checking the transaction vouchers and observing the post-period collection status.

Responsibilities of the Management and Governance Body to the Standalone Financial Statements

Responsibilities of the management were to prepare and ensure fair presentation of the Standalone Financial Statements in accordance with the "Regulations Governing the Preparation of Financial Reports by Securities Issuers" and to exercise proper internal control practices that are relevant to the preparation of Standalone Financial Statements so that the Standalone Financial Statements are free of material misstatements, whether caused by fraud or error.

In preparing the parent company only financial statements, the management's responsibilities also include assessing the ability of the Ji-Haw Industrial Co., Ltd. to continue as a going concern, disclosing relevant matters, and adopting the going concern basis of accounting, unless the management intends to liquidate Ji-Haw Industrial Co., Ltd. or cease operations, or has no other viable alternative but to liquidate or suspend business.

The governing body of Ji-Haw Industrial Co., Ltd. (including the Audit Committee) are responsible for supervising the financial reporting process.

Responsibilities of the Auditor When Auditing Standalone Financial Statements

The purposes of our audit were to obtain reasonable assurance of whether the Standalone Financial Statements were prone to material misstatements, whether due to fraud or error, and to issue a report of our audit opinions. Reasonable assurance is a high level of assurance. However, an audit conducted in accordance with the Standards on Auditing cannot guarantee that material misstatements in the parent company's financial statements will be detected. Misstatements can arise from fraud or error Misstatements are considered material if the individual amount or aggregate total is reasonably expected to affect economic decisions of the Standalone Financial Statement user.

As part of an audit in accordance with the auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

1. Identify and assess the risks of material misstatement of the parent company's only financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence 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 internal control of Ji-Haw Industrial, Co., Ltd..
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management’s use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of Ji-Haw Industrial, Co., Ltd. to continue as a going concern. We are bound to remind users of Standalone Financial Statements and make related disclosures if uncertainties exist in regards to the abovementioned events or circumstances, and amend audit opinions when the disclosures are no longer appropriate. Our conclusions are based on the audit evidence

obtained up to the date of our auditors' report. However, future events or conditions may cause Ji-Haw Industrial, Co., Ltd. to cease to continue as a going concern.

5. Evaluate the overall presentation, structure and content of the parent company only financial statements, including the related notes, and whether the parent company only financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business activities within Ji-Haw Industrial, Co., Ltd. to express an opinion on the parent company only financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion of Ji-Haw Industrial, Co., Ltd.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the parent company only financial statements of Ji-Haw Industrial, Co., Ltd. for the year 2023. 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 Taiwan

Huang Yao-Lin, CPA	Chou Shih-Chieh, CPA
Approval reference number of Financial Supervisory Commission Jin-Guan-Zheng-Shen-Zi No. 1060004806	Approval reference number of Financial Supervisory Commission Jin-Guan-Zheng-Shen-Zi No. 1110348898

March 15, 2024

Ji-Haw Industrial, Co., Ltd.

Balance Sheets

December 31, 2023 and 2022

Unit: NT$ thousand

Code	Assets	December 31, 2023 Amount	%	December 31, 2022 Amount	%
	Current assets				
1100	Cash (Note 4 and 6)	$ 37,171	2	$ 166,521	11
1170	Accounts receivable (Notes 4, 8 and 19)	184,396	12	192,762	13
1210	Other receivables - Related parties (Note 26)	10,900	1	-	-
130X	Inventories (Notes 4 and 9)	60,229	4	51,889	4
1470	Other current assets (Note 4 and 21)	10,386	1	1,794	-
11XX	Total current assets	303,082	20	412,966	28
	Non-current Assets				
1550	Investments accounted for using equity method (Notes 4, 10, 22, and 29)	898,908	59	863,845	59
1600	Property, plant and equipment (Notes 4, 11 and 27)	196,751	13	108,738	8
1755	Right-of-use assets (Notes 4 and 12)	18,544	1	-	-
1760	Investment property (Notes 4, 13, and 27)	65,061	4	66,374	5
1780	Intangible assets (Notes 4 and 14)	9,381	1	-	-
1840	Deferred income tax assets (Notes 4 and 21)	6,130	-	6,607	-
1990	Other non-current assets (Note 4)	23,278	2	75	-
15XX	Total non-current assets	1,218,053	80	1,045,639	72
1XXX	Total assets	$ 1,521,135	100	$ 1,458,605	100
Code	**LIABILITIES AND EQUITY**				
	Current liabilities				
2100	Short-term borrowings (Notes 15 and 27)	$ 300,000	20	$ 100,000	7
2170	Notes and Accounts Payable	10,870	1	17,144	1
2180	Accounts payable - Related parties (Note 26)	273,827	18	242,380	17
2200	Other payables (Note 16)	13,723	1	21,623	1
2280	Lease liabilities - current (Notes 4 and 12)	6,751	-	-	-
2300	Other current liabilities	371	-	205	-
21XX	Total current liabilities	605,542	40	381,352	26
	Non-current liabilities				
2570	Deferred income tax liabilities (Notes 4 and 21)	22,990	1	54,895	4
2580	Lease liabilities - non-current (Notes 4 and 13)	11,902	1	-	-
2640	Net defined benefit liabilities (Notes 4 and 17)	886	-	823	-
2670	Guarantee deposits received (Note 4)	1,562	-	1,562	-
25XX	Total non-current liabilities	37,340	2	57,280	4
2XXX	Total liabilities	642,882	42	438,632	30
	Equity (Notes 4 and 18)				
3100	Common shares	1,127,192	74	1,127,192	77
3200	Capital surplus	226,697	15	226,697	16
	Accumulated losses				
3310	Appropriated as legal capital reserve	23,586	2	23,586	2
3320	Special reserve	218,029	14	218,029	15
3350	Losses to be offset	(626,001)	(41)	(494,359)	(34)
3300	Total accumulated losses	(384,386)	(25)	(252,744)	(17)
3400	Other equity	(91,250)	(6)	(81,172)	(6)
3XXX	Total equity	878,253	58	1,019,973	70
	Total liabilities and equities	$ 1,521,135	100	$ 1,458,605	100

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

Chairman: Shih Hao-Ji　　General Manager: Lin Meng-Chieh　　Accounting Manager: Chen Po-Jung

Ji-Haw Industrial, Co., Ltd.

Statements of Comprehensive Income

January 1 to December 31, 2023 and 2022

Unit: NTD Thousand, but NTD for the loss per share

		2023		2022	
Code		Amount	%	Amount	%
4000	Operating revenues (Notes 4, 19, and 26)	$ 533,710	100	$ 698,712	100
5000	Operating cost (Notes 9 and 26)	512,040	96	655,692	94
5900	Gross profit	21,670	4	43,020	6
	Operating expenses (Notes 8, 17, and 20)				
6100	Selling expenses	47,364	9	36,195	5
6200	Administrative expenses	61,847	12	47,925	7
6300	R&D expenses	7,682	1	7,374	1
6450	Reversal of Impairment loss of expected credit loss	(8)	-	(28)	-
6000	Total operating expenses	116,885	22	91,466	13
6900	Operating loss	(95,215)	(18)	(48,446)	(7)
	Non-operating income and expenses				
7100	Interest income	1,742	-	510	-
7010	Other income (Notes 19 and 20)	9,440	2	11,380	2
7020	Other gains and losses (Notes 20 and 29)	93	-	9,321	1
7050	Finance costs (Note 20)	(2,804)	(1)	(2,460)	-
7060	Share of the profit or loss of subsidiaries and associates accounted for using equity method (Notes 4 and 10)	(76,018)	(14)	20,328	3
7000	Total non-operating income and expenses	(67,547)	(13)	39,079	6

(Continued next page)

(Continued from previous page)

Code		2023 Amount	2023 %	2022 Amount	2022 %
7900	Loss before tax	($ 162,762)	(31)	($ 9,367)	(1)
7950	Income tax gains (expenses) (Notes 4 and 21)	31,366	6	(4,119)	(1)
8200	Net loss for the year	(131,396)	(25)	(13,486)	(2)
	Other comprehensive income				
	Items Not Reclassified Into Profit or Loss				
8311	Remeasurement of defined benefit plan (Notes 4 and 17)	(308)	-	2,573	-
8349	Income tax related to items not reclassified into profit or loss (Notes 4 and 21)	62	-	(515)	-
8310		(246)	-	2,058	-
8360	Items that may be reclassified subsequently to profit or loss:				
8361	Exchange differences from the translation of financial statements of foreign operations (note 4)	(10,078)	(2)	21,111	3
8300	Other comprehensive income (after tax)	(10,324)	(2)	23,169	3
8500	Total comprehensive income for the year	($ 141,720)	(27)	$ 9,683	1
	Loss per share (Note 22)				
9750	Basic	($ 1.17)		($ 0.12)	

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

Chairman: Shih Hao-Ji | General Manager: Lin Meng-Chieh | Accounting Manager: Chen Po-Rong

Ji-Haw Industrial, Co., Ltd.

Statements of Changes in Equity

January 1 to December 31, 2023 and 2022

Unit: thousands of New Taiwan Dollar unless otherwise specified

				Accumulated losses				Other equity			
Code		Common shares	Capital surplus	Appropriated as legal capital reserve	Special reserve	Losses to be offset	Total	Exchange differences from the translation of financial statements of foreign operations	Unrealized gains (losses) from financial assets measured at fair value through other comprehensive income	Total	Total equity
A1	Balance as of January 1, 2022	$ 1,127,192	$ 226,697	$ 23,586	$ 218,029	($ 482,931)	($ 241,316)	($ 88,283)	($ 14,000)	($ 102,283)	$ 1,010,290
D1	Net loss in 2022	-	-	-	-	(13,486)	(13,486)	-	-	-	(13,486)
D3	Other comprehensive income after tax in 2022	-	-	-	-	2,058	2,058	21,111	-	21,111	23,169
D5	Total comprehensive income in 2022	-	-	-	-	(11,428)	(11,428)	21,111	-	21,111	9,683
Z1	Balance as of December 31, 2022	1,127,192	226,697	23,586	218,029	(494,359)	(252,744)	(67,172)	(14,000)	(81,172)	1,019,973
D1	Net loss in 2023	-	-	-	-	(131,396)	(131,396)	-	-	-	(131,396)
D3	Other comprehensive income after tax in 2023	-	-	-	-	(246)	(246)	(10,078)	-	(10,078)	(10,324)
D5	Total comprehensive income in 2023	-	-	-	-	(131,642)	(131,642)	(10,078)	-	(10,078)	(141,720)
Z1	Balance as of December 31, 2023	$ 1,127,192	$ 226,697	$ 23,586	$ 218,029	($ 626,001)	($ 384,386)	($ 77,250)	($ 14,000)	($ 91,250)	$ 878,253

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

Chairman: Shih Hao-Ji General Manager: Lin Meng-Chieh Accounting Manager: Chen Po-Rong

Ji-Haw Industrial, Co., Ltd.

Statements of Cash Flows

January 1 to December 31, 2023 and 2022

Unit: NT$ thousand

Code		2023	2022
	Cash flows from operating activities		
A00010	Net loss before tax for the current year	($ 162,762)	($ 9,367)
A20010	Adjustments:		
A20100	Depreciation expense	8,508	7,338
A20200	Amortization Expenses	71	-
A20300	Reversal of Impairment loss of expected credit loss	(8)	(28)
A20900	Finance costs	2,804	2,460
A21200	Interest income	(1,742)	(510)
A22500	Losses from disposal of property, plant and equipment	2,609	-
A22300	Share of profit or loss of subsidiaries and associates using the equity method	76,018	(20,328)
A23700	Write-down of inventories	2,835	353
A24100	Unrealized foreign currency exchange gain or loss	(1,306)	2,967
A30000	Changes in operating assets and liabilities		
A31190	Other receivables－related parties	(10,900)	-
A31150	Accounts receivable	2,220	155,159
A31200	Inventories	(11,175)	14,813
A31240	Other current assets	(8,592)	2,603
A32150	Notes and Accounts Payable	32,633	(78,917)
A32180	Other payables	(7,900)	2,521
A32230	Other current liabilities	166	(468)
A32240	Net defined benefit liabilities	(245)	(463)
A33000	Cash generated from operations	(76,766)	78,133
A33300	Interest paid	(2,751)	(2,460)
AAAA	Net cash inflow (outflow) from operating activities	(79,517)	75,673
	Cash flows from investing activities		
B01800	Acquisition of long-term equity investment under equity method	(121,159)	-
B02300	Proceeds from the disposal of subsidiaries	-	25,489
B02700	Acquisition of property, plants, and equipment	(96,458)	(329)
B04500	Purchase of intangible assets	(9,452)	-
B05350	Acquisition of right-of-use assets	(356)	-
B07200	Increase in other non-current assets	(23,203)	(41)

(Continued next page)

(Continued from previous page)

Code		2023	2022
B07500	Interest received	$ 1,742	$ 510
B07600	Receipt of dividends from subsidiaries	-	92,748
BBBB	Net Cash Inflow (outflow) From Investing Activities	(248,886)	118,377
	Cash flows from financing activities		
C00100	Increase (decrease) in short-term borrowings	200,000	(135,000)
C03000	Decrease in guarantee deposits	-	(111)
C04020	Repayment of principal of lease liabilities	(947)	-
CCCC	Net cash flows from (used in) financing activities	199,053	(135,111)
EEEE	Net increase (decrease) in cash	(129,350)	58,939
E00100	Cash at the beginning of the year	166,521	107,582
E00200	Cash at the end of the year	$ 37,171	$ 166,521

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

Chairman: Shih Hao-Ji	General Manager: Lin Meng-Chieh	Accounting Manager: Chen Po-Rong

Ji-Haw Industrial, Co., Ltd.

Notes to Standalone Financial Statements

January 1 to December 31, 2023 and 2022

(expressed in thousands of New Taiwan Dollars unless otherwise specified)

I. Organization and operations

Ji-Haw Industrial, Co., Ltd., (the "Company") was incorporated on January 11, 1983. The major business activities of the Company are the sale and manufacturing of precision electric ports and sockets, connectors, electric wires and cables, electronics components, and other industrial and commercial services. The Company's common shares were listed on the Taiwan Stock Exchange (TWSE) in July 2002.

The financial statements are presented in the Company's functional currency, the New Taiwan dollars.

II. Date and procedure for adopting parent company only financial statements

The parent company only financial statements were approved by the Board of Directors on March 13, 2024.

III. New standards, amendments, and interpretations adopted

(I) The first-time adoption of any International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) (collectively referred to as "IFRSs" below) that have been endorsed and issued into effect by the Financial Supervisory Commission ("FSC")

The application of the amendments to the IFRSs endorsed and issued into effect by the FSC does not have material impact on the accounting policies of the Company.

(II) IFRSs approved by the FSC applicable in 2024

New IFRSs	The effective date of issuance by the International Accounting Standards Board (IASB) (Note 1)
Amendments to IFRS 16 Regarding "Lease Liability in A Sale and Leaseback"	January 1, 2024 (Note 2)
Amendments to IAS 1 "Classification of Liabilities as Current or Non-current"	January 1, 2024
Amendments to IAS 1 "Non-current Liabilities with Contractual Clauses"	January 1, 2024
Amendments to IAS 7 and IFRS 7 regarding "Supplier Finance Arrangements"	January 1, 2024 (Note 3)

Note 1: Unless stated otherwise, the above New IFRSs are effective for annual reporting periods beginning on or after their respective effective dates.

Note 2: 16 days after the initial application of IFRS, the amendments to IFRS 16 should be applied retroactively for all sales and leaseback transactions signed.

Note 3: Certain requirements on the disclosure may be exempted at the time of the Company's first application of the amendments.

As of the date the parent company only financial statements were approved for issue, the Company continues to evaluate the impact of the amendments to the above standards and interpretations on its parent company only financial position and parent company only financial performance. The relevant impact will be disclosed when the evaluation is completed.

(III) IFRS accounting standards issued by the IASB but not yet endorsed and issued into effect by the FSC

New IFRSs	Effective Date Announced by IASB (Note 1)
Amendments to IFRS 10 and IAS 28 "Sale or Contribution of Assets between an Investor and its Associate or Joint Venture"	To be determined by IASB
IFRS 17 "Insurance Contracts"	January 1, 2023
Amendments to IFRS 17	January 1, 2023
Amendments to IFRS 17 "Initial Application of IFRS 17 and IFRS 9 – Comparative Information"	January 1, 2023
Amendments to IAS 21 "Lack of Convertibility".	January 1, 2025 (Note 2)

Note 1: Unless stated otherwise, the above New IFRSs are effective for annual reporting periods beginning on or after their respective effective dates.

Note 2: Applicable for annual reporting periods beginning on or after January 1, 2025. When the amendment is first applied, the impact will be recognized in retained earnings as of the initial application date. When a non-functional currency is used as the presentation currency, the impact on the exchange differences of foreign operations under equity on the date of initial application will be adjusted.

As of the date the parent company only financial statements were approved for issue, the Company continues to evaluate the impact of the amendments to the above standards and interpretations on its parent company only financial position and parent company only financial performance. The relevant impact will be disclosed when the evaluation is completed.

IV. Summary of significant accounting policies

(I) Statement of compliance

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

(II) Basis of preparation

Except for the financial instruments measured at fair value and the net defined benefit liabilities recognized at the present value of the defined benefit obligation less the fair value of plan assets, the parent company only financial statements have been prepared on the basis of historical cost.

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

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

The subsidiaries are incorporated in the standalone financial statements under the equity method. To make the current income, other comprehensive income and equity in the parent company only financial statements equal to those attributed to owners of the Company in the consolidated financial statements, the effect of the differences between standalone and consolidated basis of consolidation are adjusted in the "investments accounted for using the equity method," the "share of profit or loss of subsidiaries and associates accounted for using the equity method," and related equity.

(III) Classification of current and noncurrent assets and liabilities

Current 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 unless the asset is restricted from being used for an exchange or used to settle a liability for more than twelve months after the reporting period.

Current liabilities include:

1. Liabilities held primarily for the purpose of trading;

2. Liabilities due to be settled within 12 months after the balance sheet date (even if a long-term refinancing or payment rearrangement agreement has been completed after the balance sheet date and before the financial statements are approved for issue, they are also classified as current liabilities); and
3. Liabilities without an unconditional right to defer settlement for at least twelve months after the reporting period.

Assets and liabilities that are not classified as abovementioned are classified as noncurrent.

(IV) Foreign currencies

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

At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Exchange differences on monetary items arising from settlement or translation are recognized in profit or loss in the year in which they arise.

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

Non-monetary items that are measured at historical cost in a foreign currency are recognized at the rates of exchange prevailing at the dates of the transactions and are not retranslated.

For the purpose of presenting standalone financial statements, the assets and liabilities of foreign operations are translated into the presentation currency - New Taiwan dollars at the exchange rates at the reporting date. The income and expenses of foreign operations are translated into the presentation currency at the average exchange rate. Exchange differences are recognized in other comprehensive income.

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

(V) Inventories

Inventories consist of raw materials and finished goods. Inventories 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. 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 weighted-average cost.

(VI) Subsidiary

The Company uses the equity method to account for its investments in subsidiaries.

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

Under the equity method, an investment is initially recognized at cost and adjusted thereafter to recognize the Company's share of the profit or loss and other comprehensive income of the subsidiary. The Company also recognizes the changes in the share of other equity of subsidiaries.

When the Company's share of loss in a subsidiary equals or exceeds its interest in the subsidiary (including the carrying amount of the subsidiary under the equity method and other long-term interests that are substantially part of the Company's net investment in the subsidiary), the loss continues to be recognized in proportion to the Company's ownership.

When the Company assesses impairment, it considers the cash-generating unit as a whole in the financial statements and compares its recoverable amount with the carrying amount. If the recoverable amount of the investment subsequently increases, the Company recognizes a reversal of the impairment loss; the adjusted post-reversal carrying amount should not exceed the carrying amount that would have been recognized (net of amortization), had no impairment loss been recognized in prior years.

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

The unrealized profits and losses are eliminated in the parent company only financial statements for downstream transactions between the Company and its subsidiaries. The profit or loss arising from the countercurrent and side-stream transactions between the Company and its subsidiaries is recognized in the parent company only financial statements only to the extent that it is irrelevant to the Company's interest in the subsidiaries.

(VII) Investment in associates

Associates are enterprises over which the Company has significant influence but is not a subsidiary or a joint venture.

The Company adopts the equity method for investment in associates.

Under the equity method, an investment in an associate is initially recognized at cost, and the carrying amount after the acquisition is adjusted based on the Company's share of the gains and other comprehensive income of the associate and the profit distribution. The Group also recognizes the changes in the proportionate share of equity of associates.

The acquisition cost exceeding the Company's share of the net fair value of the identifiable assets and liabilities of the associate on the date of acquisition is recognized as goodwill. The goodwill is included in the carrying amount of the investment and shall not be amortized. The share of net identifiable assets and liabilities net fair value of the associate exceeding the acquisition cost is recognized in the current profit or loss.

When the associate issues new shares, if the Company fails to subscribe for stock share proportionally to its shareholding, resulting in changes in shareholding ratio and thus causing changes in net worth of the equity investment, the increase or decrease amount should be adjusted to the capital surplus-changes in net equity value of associates and joint ventures under equity method and investment under equity method. If the Group’s ownership interest is reduced due to non-subscription of the new shares of associate, the proportionate amount of the gains or losses previously recognized in other comprehensive income in relation to that associate is reclassified to profit or loss on the same basis as would be required if the investee had directly disposed of the related assets or liabilities. When the adjustment should be a deduction to capital surplus, but the capital surplus recognized from investments accounted for using equity method is insufficient, the shortage is deducted from retained earnings.

When the Company's share of losses in an associate equals or exceeds its equity in the associate (including the carrying amount of the investment in the associate under the equity method and other long-term interests that in substance form part of the Company's net investment in the associate), the recognition of further loss is stopped. Additional losses and liabilities are recognized only to the extent that the Company has incurred legal obligations, or constructive obligations, or made payments on behalf of that associate.

When impairment loss is evaluated, the entire carrying amount of the investment (including goodwill) is tested for impairment as a single asset by comparing its recoverable amount with its carrying amount. Any impairment loss recognized is not allocated to any assets, including goodwill, that compose the carrying amount. Any reversal of that impairment loss is recognized to the extent that the recoverable amount of the investment has subsequently increased.

The Company ceases to adopt the equity method from the date its investment ceases to be an associate, and its retained interest in the former associate is measured at fair value. The difference between the fair value and the disposal price and the carrying amount of the investment on the date of cessation of the equity method is stated in the current profit and loss. Additionally, all amounts recognized in other comprehensive income related to the associate shall be accounted for on the same basis as the basis for the direct disposal of the relevant assets or liabilities by the associate. 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 Company continues to adopt the equity method and does not remeasure the reserved equity.

The profit or loss arising from the countercurrent, downstream and side-stream transactions between the Company and its associates is recognized in the parent company only financial statements only to the extent that it is irrelevant to the Company's interest in the associates.

(VIII) Property, plants, and equipment

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

Depreciation is calculated on a straight-line basis over the estimated useful lives of each component of an item of property, plant and equipment. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

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

(IX) Investment properties

Investment properties are properties held to earn rentals and/or for capital appreciation.

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

Depreciation is recognized using the straight-line method.

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

(X) Intangible Assets

Intangible assets with limited useful life acquired separately are initially measured at cost and subsequently measured at cost less accumulated amortization and accumulated impairment losses. Intangible assets are amortized using the straight-line method over the useful lives. The Company conducts at least one annual review at the end of each year to assess the estimated useful life, residual value, and amortization methods, while applying the effects of changes in accounting estimates prospectively. Intangible assets with indefinite useful lives are stated at cost less accumulated impairment losses.

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

The Company assesses at each balance sheet date whether there are any signs of possible impairment in property, plant and equipment, right-of-use assets, investment property and intangible assets (excluding goodwill). If any such indication exists, the recoverable amount of the asset is estimated. When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

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

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

(XII) Financial instruments

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

Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities not at fair value through profit or loss are added to the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in profit or loss.

1. Financial assets

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

(1) Measurement category

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

A. Financial assets at amortized cost

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

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

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

Financial assets at amortized cost, including cash, notes and accounts receivable at amortized cost, other receivables, and refundable deposits, are measured at amortized cost, which equals to gross carrying amount determined by the effective interest method less any impairment loss. Exchange differences are recognized in profit or loss.

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

a. The interest revenue of purchased or originated credit-impaired financial assets shall be calculated by applying the effective interest rate to the amortized cost of a financial asset.
b. For those financial assets that are not purchased or originated credit-impaired financial assets but subsequently have become credit-impaired financial assets. The interest revenue shall be calculated by applying the effective interest rate to the amortized cost of the financial asset in subsequent reporting periods.

Financial assets become credit-impaired when the following events occur: the significant financial difficulty of the issuer or the borrower; a breach of contract; it is becoming probable that the borrower will enter bankruptcy or other financial reorganization; or the disappearance of an active market for that financial asset because of financial difficulties.

B. Investments in equity instruments at FVTOCI

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

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

Dividends on these investments in equity instruments are recognized in profit or loss 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

At the end of each reporting period, the Company recognizes a loss allowance for expected credit losses on financial assets at amortized cost (including accounts receivable).

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

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

For internal risk management purpose, the Company determines that the following situations indicate that a financial asset is in default (without taking into account any collateral held by the Company):

A. Internal or external information shows that the debtor is unlikely to pay its creditors.
B. When a financial asset is more than 90 days past due unless the Group has reasonable and corroborative information to support a more lagged default criterion.

The impairment loss of all financial assets is recognized in profit or loss by a reduction in their carrying amounts through a loss allowance account,

(3) Derecognition of financial assets

The Company derecognizes a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the 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 in its entirety, the cumulative gain or loss is transferred directly to retained earnings, without recycling through profit or loss.

2. Equity instruments

Equity instruments issued by the Company are classified as equity in accordance with the substance of the contractual arrangements and the definitions of an equity instrument.

3. Financial liabilities

(1) Subsequent measurement

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

(2) Derecognition of financial liabilities

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

(XIII) Revenue recognition

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

Revenue comes from the sale of various electronic components. Sales revenue is recognized when the customer obtains the control of good, i.e. when the good is delivered to the buyer, the buyer has discretion in establishing the sales price and channel for the specified good and there is no unsatisfied performance obligation of the Company that may impact the recognition of revenue and accounts receivable at the customer's acceptance. Delivery occurs when the products have been shipped to the specific location, the risks of obsolescence and loss have been transferred to the customer, and either the customer has accepted the products in accordance with the sales contract or the Group has objective evidence that all criteria for acceptance have been satisfied.

(XIV) Leases

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

1. The Company as lessor

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

Under an operating lease, lease payment after the deduction of lease incentives is recognized as income on a straight-line basis over the lease term. Initial direct costs incurred in obtaining operating leases are added to the carrying amounts of the underlying assets and recognized as expenses on a straight-line basis over the lease terms.

When a lease includes both land and building elements, the Company assesses the classification of each element separately as a finance or an operating lease based on the assessment as to whether substantially all the risks and rewards incidental to ownership of each element have been transferred to the lessee. The lease payments are allocated between the land and the building elements in proportion to the relative fair values of the leasehold interests in the land element and building element of the lease at the inception of a contract. If the allocation of the lease payments can be made reliably, each element is accounted for separately in accordance with its lease classification. When the lease payments cannot be allocated reliably between the land and building elements, the entire lease is generally classified as a finance lease unless it is clear that both elements are operating leases; in which case, the entire lease is classified as an operating lease.

2. The Company as the 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 as expenses on a straight-line basis over the lease terms.

Right-of-use assets are initially measured at cost and subsequently measured at cost less accumulated depreciation and impairment losses and adjusted for any remeasurement of the lease liabilities. Right-of-use assets are presented on a separate line in the consolidated balance sheets except for those meeting the definition of investment properties. Please refer to the accounting policies of investment properties for the recognition and measurement of right-of-use assets meeting the definition of investment properties.

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

Lease liabilities are initially measured at the present value of the lease payments (including fixed payments). The lease payments are discounted using the interest rate implicit in a lease, if that rate can be readily determined. If that rate cannot be readily determined, the 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. The Company remeasures the lease liabilities and adjusts the right-of-use assets accordingly. However, if the carrying amount of the right-of-use assets has been reduced to zero, the remaining remeasurement amount is recognized in profit or loss. lease liabilities are presented on a separate line in the consolidated balance sheets.

(XV) Employee benefits

1. Short-term employee benefits

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

2. Retirement benefits

Payments to defined contribution retirement benefit plans are recognized as an expense when employees have rendered service entitling them to the contributions.

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

Net defined benefit liability represents the actual deficit in the Group's defined benefit plan. The net defined benefit assets shall not exceed the present value of the refundable contributions from the plan or the reduced future contributions.

(XVI) Taxation

Income tax expenses represent the sum of the tax currently payable and deferred tax.

1. Current tax

The Company's income tax payable (recoverable) is based on taxable profit (loss) for the year determined according to the applicable tax laws.

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

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

2. Deferred tax

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

Deferred tax liabilities are generally recognized for all deductible temporary differences, while deferred tax assets are recognized 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, except where the Company is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are 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 each balance sheet date 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 asset to be recovered. A previously unrecognized deferred tax asset is also reviewed at each balance sheet date and recognized to the extent that it has become probable that future taxable profit will allow all or part of the deferred tax asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. 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 tax

Current and deferred income taxes are recognized in the profit or loss, except for the current and deferred income taxes related to the items recognized in other comprehensive profit or loss or directly included in the equity are recognized in the other comprehensive profit or loss or directly included in the equity. The initial recognition of assets and liabilities that are not part of those of the subsidiaries acquired affects neither taxable income nor accounting profits, and the transaction does not generate equivalent taxable and deductible temporary differences. The temporary differences generating therefor are not recognized as deferred income tax assets and liabilities. Meanwhile, the taxable temporary differences arising from the initial recognition of goodwill of investment in subsidiaries are not recognized as deferred income tax liabilities.

V. Significant accounting assumptions and judgments, and major sources of estimation uncertainty

In the application of the Company's accounting policies, management is required to make judgments, estimates and assumptions that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered relevant. Actual results may differ from these estimates.

The accounting policies, estimates, and basic assumptions adopted by the Company have been evaluated by the company's management and are free of significant uncertainty in accounting judgments, estimates, and assumptions.

VI. Cash

	December 31, 2023	December 31, 2022
Cash on hand	$ 805	$ 1,055
Checking accounts and demand deposits	36,366	165,466
	$ 37,171	$166,521

VII. Financial Assets at Fair Value Through Other Comprehensive Income

These investments in ordinary shares of Chunghwa Picture Tubes, Ltd., Soyo Link Energy Co., Ltd., Li Wang Technology Co., Ltd., and S SQUARE SYSTEM LTD. are held for medium to long-term strategic purposes. The management elected to designate these investments 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 Company's strategy of holding these investments for long-term purposes.

The Group is unable to recover the investment costs as Chunghwa Picture Tubes, Ltd., Soyo Link Energy Co., Ltd., and Li Wang Technology Co., Ltd., have discontinued their operation and S SQUARE SYSTEM LTD., has been incurring losses for several years. Their fair value was assessed to be zero.

VIII. Accounts receivable

	December 31, 2023	December 31, 2022
Accounts receivable		
Measured at amortized cost		
Gross carrying amount	184,434	192,808
Less: allowance	(38)	(46)
	$184,396	$192,762

The Company's average credit period for sales is 30~135 days, and the accounts receivable do not accrue interest. The rating of major customers is given by using public financial information that is readily available and historical transaction records. The Company's credit exposures and the credit ratings of its counterparties are continuously monitored and the aggregate value of transactions concluded is spread amongst approved counterparties. Credit exposure is controlled by counterparty credit limits that are reviewed and approved by the management annually.

In order to reduce the credit risk, the Company assigns a team responsible for the determination and approval of credit limits and takes other monitoring measures to ensure that proper actions have been taken to recover the overdue accounts receivable. Additionally, the Company reviews the recoverable amount of receivables one by one on the balance sheet date to ensure that proper allowances are recognized for unrecoverable receivables. Accordingly, the management of the Company believes that the Company's credit risk has been significantly reduced.

The Company applies the simplified approach to providing for expected credit losses prescribed by IFRS 9, which permits the use of lifetime expected loss provision for all trade receivables. The expected credit losses on trade receivables are estimated considering the past default experience of the debtor and the debtor's current financial position. As the Company's historical credit 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 Company's different customer base.

The Company writes off accounts receivable when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery. For trade receivables that have been written off, the Company continues to engage in enforcement activity to attempt to recover the receivables due. Where recoveries are made, these are recognized in profit or loss.

The following table details the loss allowance of trade receivables:

December 31, 2023

	Current	1 to 30 days past due	31 to 60 days past due	61 to 90 days past due	More than 91 days past	Total
Expected credit loss rate	0.02%	-	-	-	-	
Gross carrying amount	$ 184,434	$ -	$ -	$ -	$ -	$ 184,434
Loss allowance (lifetime ECL)	(38)	-	-	-	-	(38)
Amortized cost	$ 184,396	$ -	$ -	$ -	$ -	$ 184,396

December 31, 2022

	Current	1 to 30 days past due	31 to 60 days past due	61 to 90 days past due	More than 91 days past	Total
Expected credit loss rate	0.02%	3.17%	-	-	-	
Gross carrying amount	$ 192,745	$ 63	$ -	$ -	$ -	$ 192,808
Loss allowance (lifetime ECL)	(44)	(2)	-	-	-	(46)
Amortized cost	$ 192,701	$ 61	$ -	$ -	$ -	$ 192,762

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

	2023	2022
Balance, beginning of year	$ 46	$ 74
Less: Reversal	(8)	(28)
Balance, end of year	$ 38	$ 46

IX. Inventories

	December 31, 2023	December 31, 2022
Finished goods	$ 60,229	$ 51,586
Raw materials	-	303
	$ 60,229	$ 51,889

The nature of the cost of goods sold is as follows:

	2023	2022
Cost of inventories sold	$ 509,134	$ 655,339
Other operating costs	71	-
Allowance for inventory write-downs	2,835	353
	$ 512,040	$ 655,692

X. Investments accounted for using equity method

	December 31, 2023	December 31, 2022
Subsidiary	$ 879,754	$ 863,845
Investment in associates	19,154	-
	$ 898,908	$ 863,845

(I) Subsidiary

	December 31, 2023	December 31, 2022
J.B.T INDUSTRIAL CO., LTD. (J.B.T)	$ 472,224	$ 523,976
Ji-Haw Opto-Electrical (Kunshan) Co., Ltd. (J.H.P)	231,826	256,234
Ji-Haw Artificial Intelligence Technology (Kunshan) Co.,Ltd. (J.H.K) (Note)	78,917	79,358

JI-HAW INVESTMENT CO., LTD. (J.H.I)	4,415	4,277
JI-HAW TECHNOLOGY VN CO., LTD (J.H.V)	2,768	-
CHINTEK INC. (CHINTEK)	89,604	-
	$ 879,754	$ 863,845

Note: The Company was renamed from Ji-Haw Electronics (Kunshan) Co., Ltd. to Ji-Haw Artificial Intelligence Technology (Kunshan) Co.,Ltd. on September 25, 2023.

The proportion of the Company's ownership in the equity and voting rights of subsidiaries on the balance sheet date was as follows:

	December 31, 2023	December 31, 2022
J.B.T	100.00%	100.00%
J.H.P (Note 1)	40.48%	40.48%
J.H.K	100.00%	100.00%
J.H.I	100.00%	100.00%
J.H.V (Note 2)	100.00%	-
CHINTEK (Note 3)	100.00%	-

Note 1: 40.48% held directly by the Company and 59.52% held directly by the 100% owned subsidiary, J.B.T.

Note 2: In response to the market demand, the Company completed the registration of its incorporation on September 27, 2023.

Note 3: In order to expand the products and markets of the in-vehicle business, the Company acquired 100% equity of the company at the price of NT$98,000 thousand in cash on October 27, 2023.

(II) Investment in associates

	December 31, 2023	December 31, 2022
Individual non-significant associates		
CERMAX CO., LTD. ("CERMAX")	$ 19,154	$ -

The proportion of the Company's ownership in the equity and voting rights of associates on the balance sheet date was as follows:

Investee	December 31, 2023	December 31, 2022
CERMAX	25.04%	-

For the main business items of the above-mentioned associates, please refer to Table 4 "Information on Investees, Location, etc.."

In 2023, the Company acquired CERMAX as an individually insignificant associate at the price of NT$20,000 thousand in cash.

	2023	2022
Shares of the Company		
Net loss and other comprehensive income (loss) for the year	($ 846)	$ -

XI. Property, plants, and equipment

	Proprietary Land	Buildings	Machinery and equipment	Transportation Equipment	Other equipment	Total
Cost						
Balance on January 1, 2023	$ 88,310	$ 15,903	$ 41,784	$ 3,910	$ 2,843	$ 152,750
Additions	96,179	-	199	-	80	96,458
Disposals	-	-	(8,165)	-	(365)	(8,530)
Balance as of December 31, 2023	$ 184,489	$ 15,903	$ 33,818	$ 3,910	$ 2,558	$ 240,678
Accumulated Depreciation						
Balance on January 1, 2023	$ -	$ 12,175	$ 27,580	$ 2,437	$ 1,820	$ 44,012
Depreciation expense	-	749	4,114	594	379	5,836
Disposals	-	-	(5,556)	-	(365)	(5,921)
Balance as of December 31, 2023	$ -	$ 12,924	$ 26,138	$ 3,031	$ 1,834	$ 43,927
Net on December 31, 2023	$ 184,489	$ 2,979	$ 7,680	$ 879	$ 724	$ 196,751

(Continued next page)

(Continued from previous page)

	Proprietary Land	Buildings	Machinery and equipment	Transportation Equipment	Other equipment	Total
Cost						
Balance as of January 1, 2022	$ 88,310	$ 15,903	$ 42,219	$ 3,910	$ 4,862	$ 155,204
Additions	-	-	-	-	329	329
Disposals	-	-	(435)	-	(2,348)	(2,783)
Balance as of December 31, 2022	$ 88,310	$ 15,903	$ 41,784	$ 3,910	$ 2,843	$ 152,750
Accumulated Depreciation						
Balance as of January 1, 2022	$ -	$ 11,426	$ 23,696	$ 1,814	$ 3,838	$ 40,774
Depreciation expense	-	749	4,319	623	330	6,021
Disposals	-	-	(435)	-	(2,348)	(2,783)
Balance as of December 31, 2022	$ -	$ 12,175	$ 27,580	$ 2,437	$ 1,820	$ 44,012
Net Balance as of December 31, 2022	$ 88,310	$ 3,728	$ 14,204	$ 1,473	$ 1,023	$ 108,738

The above items of property, plants, and equipment are depreciated on a straight-line basis over their estimated useful lives as follows:

Buildings	10-24 years
Machinery and equipment	5-8 years
Transportation Equipment	5 years
Other equipment	2-5 years

Depreciation is calculated over the estimated useful lives of 10 to 24 years for each material component of buildings which includes the main building, electrical and mechanical construction, and improvements.

For the amount of property, plant and equipment pledged for loans, please refer to Note 27.

XII. Lease agreement

(I) Right-of-use assets

	December 31, 2023
Carrying amounts	
Buildings	$ 14,520
Transportation Equipment	4,024
	$ 18,544

	2023
Additions to right-of-use assets	$ 19,903
Depreciation charge for right-of-use assets	
Buildings	$ 854
Transportation Equipment	505
	$ 1,359

Except for the above additions and recognized depreciation expenses, there was no significant sublease or impairment of the Company's right-of-use assets in 2023. Right-of-use assets disclosed above do not include those meeting the definition of investment properties.

(II) Lease liabilities

	December 31, 2023
Carrying amount of the lease liabilities	
Current	$ 6,751
Non-current	$ 11,902

Range of discount rates for lease liabilities was as follows:

	December 31, 2023
Buildings	2.10%
Transportation Equipment	2.10%~2.30%

(III) Other lease information

	December 31, 2023
Total cash outflow for leases	($ 978)

XIII. Investment properties

	Proprietary Land	Buildings	Total
Cost			
Balance on January 1 and December 31, 2023	$ 60,240	$ 31,840	$ 92,080
Accumulated Depreciation			
Balance on January 1, 2023	$ -	$ 25,706	$ 25,706
Depreciation expense	-	1,313	1,313
Balance as of December 31, 2023	$ -	$ 27,019	$ 27,019
Net on December 31, 2023	$ 60,240	$ 4,821	$ 65,061
Cost			
Balance on January 1 and December 31, 2022	$ 60,240	$ 31,840	$ 92,080
Accumulated Depreciation			
Balance as of January 1, 2022	$ -	$ 24,389	$ 24,389
Depreciation expense	-	1,317	1,317
Balance as of December 31, 2022	$ -	$ 25,706	$ 25,706
Net Balance as of December 31, 2022	$ 60,240	$ 6,134	$ 66,374

The lease term of investment properties is 1 year with the option to extend. The rent will be adjusted based on market price when the lessee exercises the option to renew, which is included in the terms of all lease contracts. The lessee is not granted the bargain purchase option at the end of lease term.

Lease payments receivable under operating leases of investment properties in the future was as follows:

	December 31, 2023	December 31, 2022
Year 1	$ 5,094	$ 5,787

The investment properties are depreciated using the straight-line method over their estimated useful lives as follows:

Buildings	10-24 years

Depreciation is calculated over the estimated useful lives of 10 to 24 years for each material component of buildings which includes the main building, electrical and mechanical construction, and improvements.

The fair value of the investment property has been initially appraised by an independent appraiser, and the Level 3 input value has been measured by the management of the Company at each subsequent balance sheet date using the appraisal model commonly used by market participants. The fair value of the Company's investment properties is regularly evaluated based on the above-mentioned independent appraiser's valuation, taking into account the market evidence of real estate transaction prices in nearby areas. The fair value derived from evaluation is as follows:

	December 31, 2023	December 31, 2022
Land and buildings held under freehold interests	$279,634	$279,540

Please refer to Note 27 for the amount of investment property pledged for loans.

All lease commitments with lease terms commencing after the balance sheet dates are as follows:

	December 31, 2023	December 31, 2022
Lease commitments for investment properties	$ 5,094	$ 5,787

XIV. Intangible Assets

	Software licensing	Technology licensing	Total
Cost			
Balance on January 1, 2023	$ -	$ -	$ -
Acquired separately	8,513	939	9,452
Balance as of December 31, 2023	$ 8,513	$ 939	$ 9,452

(Continued next page)

(Continued from previous page)

	Software licensing	Technology licensing	Total
Accumulated Amortization			
Balance on January 1, 2023	$ -	$ -	$ -
Amortization Expenses	71	-	71
Balance as of December 31, 2023	$ 71	$ -	$ 71
Net on December 31, 2023	$ 8,442	$ 939	$ 9,381

The Company holds the license of AI-related software. As of December 31, 2023, the carrying amount was NT$8,442 thousand and will be fully amortized within 10 years.

Amortization expenses are accrued on a straight-line basis over the following useful lives:

Software licensing	10 years
Technology licensing	10 years

Summary of amortization expenses by function:

	2023
Operating costs	$ 71

XV. Short-term borrowings

	December 31, 2023	December 31, 2022
Secured borrowings (Note 27)		
Bank borrowing	$300,000	$100,000

As of December 31, 2023 and 2022, the annual interest rates for revolving bank borrowings were 1.99% and 2.24%, respectively.

XVI. Other payables

	December 31, 2023	December 31, 2022
Payables for salaries and bonuses	$ 7,944	$ 7,353
Payables for expenses	5,779	14,270
	$ 13,723	$ 21,623

XVII. Post-retirement benefit plan

(I) Defined contribution plan

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

(II) Defined benefit plans

The pension system adopted by the Company in accordance with the "Labor Standards Act" of the R.O.C. is a state-managed defined benefit plan. Pension benefits are calculated on the basis of the length of service and average monthly salaries of the 6 months before retirement. The Company contributes amounts equal to 5.8% 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 Company assesses the balance in the 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 Company 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 Company has no right to influence the investment policy and strategy.

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

	December 31, 2023	December 31, 2022
Present value of defined benefit obligation	$ 1,935	$ 7,522
Fair value of plan assets	(1,049)	(6,699)
Net defined benefit liabilities	$ 886	$ 823

Movements in net defined benefit liabilities were as follows:

	Present value of defined benefit obligation	Fair value of plan assets	Net defined benefit liabilities
Balance as of January 1, 2022	$ 9,425	($ 5,566)	$ 3,859
Current service cost	75	-	75
Net interest expense	45	-	45
Expected return on plan assets	-	(28)	(28)
Recognized in profit or loss	120	(28)	92

(Continued next page)

(Continued from previous page)

	Present value of defined benefit obligation	Fair value of plan assets	Net defined benefit liabilities
Remeasurement			
Actuarial profit or loss - changes in assumptions	($ 951)	($ 550)	($ 1,501)
Actuarial profit or loss - changes in experience	(1,072)	-	(1,072)
Recognized in other comprehensive income	(2,023)	(550)	(2,573)
Contributions from the employer	-	(555)	(555)
Balance as of December 31, 2022	$ 7,522	($ 6,699)	$ 823
Balance on January 1, 2023	$ 7,522	($ 6,699)	$ 823
Current service cost	66	-	66
Net interest expense	127	-	127
Expected return on plan assets	-	(118)	(118)
Recognized in profit or loss	193	(118)	75
Remeasurement			
Actuarial profit or loss - changes in assumptions	102	22	124
Actuarial profit or loss - changes in experience	184	-	184
Recognized in other comprehensive income	286	22	308
Contributions from the employer	-	(320)	(320)
Benefits paid	(6,066)	6,066	-
Balance as of December 31, 2023	$ 1,935	($ 1,049)	$ 886

An analysis by function of the amounts recognized in profit or loss in respect to the defined benefit plans is as follows:

	2023	2022
Administrative expenses	$ 75	$ 92

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

1. Investment risk: The plan assets are invested in domestic and foreign equity securities, debt securities, and 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, 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 corporate 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	1.222%	1.694%
Expected return on plan assets	1.222%	1.694%
Expected rate of salary increase	0.500%	0.500%

If possible reasonable change 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		
0.25% increase	($ 55)	($ 186)
0.25% decrease	$ 57	$ 192
Expected rate of salary increase		
0.25% increase	$ 56	$ 192
0.25% decrease	($ 54)	($ 187)
Expected return on plan assets		
0.25% increase	($ 1)	($ 1)
0.25% decrease	$ 1	$ 1

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

	December 31, 2023	December 31, 2022
The expected contributions to the plan for the next year	$ 230	$ 558
The average duration of the defined benefit obligation	11.75 years	10.29 years

XVIII. EQUITY

(I) Share capital – Ordinary shares

	December 31, 2023	December 31, 2022
Number of shares authorized (in thousands)	180,000	135,000
Amount of shares authorized	$ 1,800,000	$ 1,350,000
Number of shares issued and fully paid (in thousands)	112,719	112,719
Amount of shares issued	$ 1,127,192	$ 1,127,192

Fully paid ordinary shares, with a par value of NT$10, each of which carries one vote per share and carry a right to receive dividends. The portion of authorized capital reserved for the issuance of employee stock options is 27,000,000 shares.

(II) Capital surplus

	December 31, 2023	December 31, 2022
It may be used to offset losses, distribute cash, or allocate to share capital.		
Additional paid-in capital	$200,025	$200,025
Treasury share transactions	25,915	25,915
Donated assets received	757	757
	$226,697	$226,697

The capital surplus could be used to offset a deficit and distribute as cash dividends or transfer to capital when the Company has no deficit (limited to a certain percentage of the Company's paid-in capital and once a year).

(III) Retained earnings and dividend policy

According to the company's articles of association and profit distribution policy, if there is a surplus in the annual financial statements, it shall be used to pay taxes and make up for accumulated losses. Subsequently, 10% is set aside as a statutory surplus reserve until it reaches the paid-in capital. Any remaining surplus may be allocated or reversed according to the company's operational needs or legal requirements as special surplus reserves. If there is still a balance, it will be added to the accumulated undistributed profits, and the board of directors will propose a profit distribution resolution to the shareholders' meeting for approval, ranging from 10% to 100%. Please refer to Note 20(6) for the policy on the distribution of employees' and directors' remuneration as stipulated in the Company's Articles of Incorporation.

The cash dividend shall not be less than 30% of the total dividend. However, if the cash dividend per share is less than NT$0.1, it may be changed to a stock dividend.

The percentage of earnings distribution may be adjusted based on the actual profit, capital budget and fund status of the current year.

Appropriation of earnings to the legal reserve could be made until the legal reserve equals the Company's paid-in capital. Legal reserve may be used to offset deficit. When the company has no losses, the portion of the statutory surplus reserve exceeding 25% of the total paid-in capital may be used for capitalization, and the remainder may be distributed in cash.

The company held shareholder meetings on June 29, 2023, and June 20, 2022, respectively, and passed resolutions for the appropriation of losses for the years 2022 and 2021.

The loss compensation proposed by the Company's Board of Directors on March 13, 2024 is expected to be resolved at the annual general meeting in June 2024.

XIX. Revenue

	2023	2022
Revenue from contracts with customers		
Revenue from sale of goods	$ 533,710	$ 698,712

(I) Contract balances

	December 31, 2023	December 31, 2022	January 1, 2022
Accounts receivable (note 8)	$ 184,434	$ 192,808	$ 350,129

(II) Disaggregation of revenue from contracts with customers

2023

	Reportable segment		
	Connection cables	Others	Total
Category of products or services			
Revenue from sale of goods	$ 528,503	$ 5,207	$ 533,710

2022

	Reportable segment		
	Connection cables	Others	Total
Category of products or services			
Revenue from sale of goods	$ 691,382	$ 7,330	$ 698,712

XX. Net profit

(I) Other income

	2023	2022
Rental income	$ 9,328	$ 10,143
Others	112	1,237
	$ 9,440	$ 11,380

(II) Other gains and losses

	2023	2022
Net foreign exchange gain	$ 4,015	$ 11,933
Losses from disposal of property, plant and equipment	(2,609)	-
Others	(1,313)	(2,612)
	$ 93	$ 9,321

(III) Finance costs

	2023	2022
Interest expense from bank borrowing	$ 2,720	$ 2,460
Interest expense from lease liabilities	84	-
	$ 2,804	$ 2,460

(IV) Depreciation and amortization

	2023	2022
Property, plants, and equipment	$ 5,836	$ 6,021
Right-of-use assets	1,359	-
Investment properties	1,313	1,317
Intangible Assets	71	-
Total	$ 8,579	$ 7,338
Analysis of depreciation by function		
Operating expenses	$ 7,195	$ 6,021
Other gains and losses	1,313	1,317
	$ 8,508	$ 7,338
Summary of amortization expenses by function		
Operating costs	$ 71	$ -

(V) Employee benefits

	2023	2022
Retirement benefits		
Defined contribution plan	$ 2,726	$ 2,210
Defined benefit plan (Note 17)	75	92
Other employee benefits	73,930	58,000
Total	$ 76,731	$ 60,302
Analysis of employee benefits by function		
Operating expenses	$ 76,731	$ 60,302

(VI) Remuneration to employees and directors

In accordance with the Articles of Incorporation, the Company appropriated the remuneration of employees and remuneration of directors at the ratio of 3% to 15% and 1% to 5% of the profit before tax before the distribution of remuneration to employees and directors of the same year, respectively. There were both net losses before tax from January 1 to December 31, 2023 and 2022. However, the Company still has accumulated losses, so employees' remuneration and directors' remuneration have not been estimated.

If the amounts in the annual parent company only financial statements change after the date of issuance, they will be adjusted in the following year's financial statements in accordance with accounting estimates.

At the board meetings held on March 17, 2023 and March 29, 2022, the Company passed resolutions not to distribute employees' remuneration and directors' remuneration for 2022 and 2021, respectively. There is also no difference from the amounts recognized in 2022 and 2021 parent company only financial statements.

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

(VII) Foreign exchange gain

	2023	2022
Total foreign exchange gain	$ 22,697	$ 43,638
Total foreign exchange loss	(18,682)	(31,705)
Net profit	$ 4,015	$ 11,933

XXI. Taxation

(I) Income tax recognized in profit or loss

The major components of tax expense (benefit) are as follows:

	2023	2022
Deferred tax		
In respect of the current year	($ 31,366)	$ 4,119
Income tax expense (benefit) recognized in profit or loss	($ 31,366)	$ 4,119

The reconciliation of accounting income and income tax expense (benefit) is as follows

	2023	2022
Income tax gains on net profit before tax calculated at statutory tax rate	($ 32,552)	($ 1,874)
Deductible temporary differences not recognized	1,186	5,993
Income tax expense (benefit) recognized in profit or loss	($ 31,366)	$ 4,119

(II) Income tax recognized in other comprehensive income

	2023	2022
Deferred tax		
In respect of the current year		
Re-measurement of defined benefit plans	$ 62	($ 515)

(III) Current tax assets

	December 31, 2023	December 31, 2022
Current income tax assets (stated into the "other current assets")		
Tax refund receivable	$ 219	$ 49

(IV) Deferred tax assets and liabilities

The movements of deferred tax assets and deferred tax liabilities were as follows:

2023

Deferred tax assets	Balance, beginning of year	Recognized in profit or loss	Recognized in other comprehensive income	Balance, end of year
Allowance for write-down of inventories	$ 1,532	$ 567	$ -	$ 2,099
Defined benefit obligation	1,463	(49)	62	1,476
Unrealized net exchange losses (gains)	812	(1,057)	-	(245)
Unrealized impairment loss of financial assets	2,800	-	-	2,800
	$ 6,607	($ 539)	$ 62	$ 6,130
Deferred tax liabilities				
Share of the net profit of associates accounting for using equity method	$ 54,895	($ 31,905)	$ -	$ 22,990

2022

Deferred tax assets	Balance, beginning of year	Recognized in profit or loss	Recognized in other comprehensive income	Balance, end of year
Allowance for write-down of inventories	$ 1,461	$ 71	$ -	$ 1,532
Defined benefit obligation	2,071	(93)	(515)	1,463
Net unrealized foreign exchange loss	16	796	-	812
Unrealized impairment loss of financial assets	2,800	-	-	2,800
Allowance in excess of the deductible limit	30	(30)	-	-
	$ 6,378	$ 744	($ 515)	$ 6,607
Deferred tax liabilities				
Share of the net profit of associates accounting for using equity method	$ 50,032	$ 4,863	$ -	$ 54,895

(V) Unused loss carryforwards for which no deferred tax assets have been recognized in the standalone balance sheets

	December 31, 2023	December 31, 2022
Loss carryforwards		
Expiry in 2023	$ -	$ 14,073
Expiry in 2024	46,971	46,971

(Continued next page)

(Continued from previous page)

	December 31, 2023	December 31, 2022
Expiry in 2025	$ 64,045	$ 64,045
Expiry in 2026	53,454	53,454
Expiry in 2027	70,987	70,987
Expiry in 2029	67,882	67,882
Expiry in 2030	50,643	50,643
Expiry in 2031	79,357	79,357
Expiry in 2032	-	25,825
Expiry in 2033	89,439	-
	$ 522,778	$ 473,237

(VI) Income tax assessments

The Company's business income tax returns up to 2021 have been approved by the tax collection authority.

XXII. Loss per share

The net loss and the weighted average number of ordinary shares used to calculate the loss per share are as follows:

	2023	2022
Net loss for the year	($131,396)	($ 13,486)

Shares

Unit: Thousand shares

	2023	2022
Weighted average number of ordinary shares used to calculate basic net losses per share	112,719	112,719

XXIII. Acquisition of invested subsidiaries - acquisition of control over a business

	Main operating activities	Date of acquisition	Owner's equity with voting rights/percentage of acquisition (%)	Transfer consideration
CHINTEK	Software development and design	October 27, 2023	100	$ 98,000

The Company acquired CHINTEK to expand the product and market of the in-vehicle business. Please refer to Note 28 to the Company's 2023 consolidated financial statements for a description of the acquisition of CHINTEK.

XXIV. Capital management

In consideration of the industry characteristics and future developments, as well as external environmental factors, the Company plans its needs for future working capital, research and development expenses, and dividend payments, in order to ensure that entities in the Group will be able to continue as going concerns while maximizing shareholder value in the long run through maintaining optimal capital structure and the optimization of the debt and equity balance.

The Company's management reviews the capital structure on a regular basis. As part of this review, the management considers the cost of capital and the risks associated with each class of capital. Based on the management's recommendations, the Company expects to balance its capital structure through the payment of dividends, borrowings from financial institutions or the payment of old debt.

The Company is not subject to other external capital requirements.

XXV. Financial Instruments

(I) Fair value of financial instruments that are not measured at fair value

The Company believes the carrying amounts of financial assets and financial liabilities that are not measured at fair value approximated their fair values.

(II) Categories of financial instruments

	December 31, 2023	December 31, 2022
Financial assets		
Financial assets at amortized cost (note 1)	$235,836	$359,398
Financial liabilities		
Measured at amortized cost (note 2)	592,038	375,356

Note 1: The balance includes cash and cash equivalents, accounts receivable, other receivables (stated into other current assets), and refundable deposits, and other financial assets measured at amortized cost.

Note 2: The balances include short-term borrowings, notes and accounts payable, accounts payable-related party, other payables, guarantee deposits received, and other financial liabilities measured at amortized cost.

(III) Financial risk management objectives and policies

The Company engages in multiple financial instruments for its operating activities, including equity investment, accounts receivable, accounts payable, bank borrowings and lease liabilities. However, due to the aforementioned financial instruments and operating activities, the Company is exposed to risks such as credit risk, liquidity risk, and market risk.

To avoid the possible adverse impact by the aforementioned financial risks on the Company, the Company has been dedicated to analyzing, identifying, and evaluating relevant financial risks. The financial risk management framework of the Company is supervised by the Board of Directors. The accounting department establishes and follows financial risk management policies. Financial risk control procedures are regularly and irregularly reviewed by the internal auditors and related results are reported to the Board of Directors on a regular basis. The Company is committed to developing a disciplined and constructive control environment to reduce the potential adverse impact of the aforementioned risks on the Company.

1. Market risk

The Company's activities exposed it primarily to the financial risks of changes in foreign currency exchange rates (see (a) below) and interest rates (see (b) below).

There were no changes in the exposures of financial instruments to market risk and the management and measurement of such exposures.

(1) Foreign currency risk

The Company had foreign currency sales and purchases, which exposed the Company to foreign currency risk. Exchange rate exposures were managed by hedging which was not for the purpose of making profits. Foreign currency inflows and outflows resulted in natural hedging effects in the long run, and exchange rate changes had little impact on the Company's operations. Therefore, the Company only adjusted the cash reserves of foreign currency deposits and did not use accounts receivable/payable as derivative products for hedging. However, the hedging for exchange rate risk will be carried out through relevant commodities in a timely manner based on the exchange rate movement and the evaluation report of financial institutions.

For the carrying amounts of monetary assets and monetary liabilities denominated in non-functional currencies at the balance sheet date, please refer to Note 29.

Sensitivity Analysis

The Company is primarily affected by fluctuations in the U.S. dollar exchange rate.

The following schedule details the sensitivity analysis of the Company when the New Taiwan dollar (functional currency) strengthens or weakens by 1% against relevant foreign currencies. 1% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis included only outstanding foreign currency denominated monetary items, and adjusts their translation at the end of the reporting period for a 1% change in foreign currency rates. A positive number below indicates an increase or decrease in pre-tax profit associated with the New Taiwan dollar depreciating by 1% against the relevant currency. For New Taiwan dollar appreciating by 1% against the relevant currency, pre-tax losses would have decreased by the same amount.

	USD impact	
	2023	2022
Profit or loss	($ 769)	$ 803

This was mainly due to the Company's bank deposits and receivables and payables denominated in U.S. dollars that were outstanding and not cash flow hedged at the balance sheet date.

(2) Interest rate risk

The carrying amounts of the Company's financial assets and financial liabilities exposed to interest rate risk as of the balance sheet date were as follows:

	December 31, 2023	December 31, 2022
Fair value interest rate risk		
Financial liabilities	$ 18,653	$ -
Risk of cash flow changes due to interest rate		
Financial assets	35,490	164,570
Financial liabilities	300,000	100,000

Sensitivity Analysis

The sensitivity analyses below have been determined on the basis of the exposure to interest rates for non-derivative instruments on balance sheet dates. For floating rate assets and liabilities, the analysis is prepared assuming the amount of the asset and liability outstanding on the balance sheet dates outstanding for the entire period. A 100 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

If the interest rate increases/decreases by 100 basis points, and all other variables remain unchanged, the Company's net loss before tax for 2023 and 2022 would have increased/decreased by NT$2,645 thousand and NT$645 thousand, respectively. This is mainly due to the Company's net position of variable interest rate deposits and variable interest rate borrowings.

(3) Other price risk

The Company was exposed to equity price risk through its investments in domestic and foreign listed equity securities. The Company does not actively trade these investments. Relevant personnel has been assigned to the supervision of price risk and assessment of the timing of increasing the hedging.

As the amount of equity investment was not material, there was no significant price risk of changes in equity price.

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 balance sheet date, the Company's maximum exposure to credit risk resulting from the counterparty's default on its contractual obligations and the Company's provision of financial guarantee is the carrying amount of the financial assets on the standalone balance sheets.

To mitigate the impact of credit risk, the Company considers the default risk by industries and countries of each customer, as well as the nature of the counterparty (capital scale, loan status, etc.), based on which credit policies, payment terms and trade terms were established by the accounting department.

If necessary, a third-party risk assessment institution was engaged to assess its risk. Relevant terms are reviewed and audited by the audit office regularly.

Given that most of the major customers are well-known domestic listed (TWSE/TPEx) companies with normal transaction records, the default risks is quite low. The risk from new small customers is managed by only receiving advance payments or cash. After the transaction basis becomes stable, the credit limit is updated by referring to external information. Hence, there is limited impact of the credit risk on the Company. Furthermore, the Company has established a provision policy, set allowance account, and presented in the statement to reflect the estimation of the potential loss resulted from the credit risk.

3. Liquidity risk

Liquidity risk refers to the risk that relevant obligations are not fulfilled due to the Company’s failure to settle the financial liabilities by cash or other financial assets. The share capital and working capital of the Company is sufficient, therefore there is no liquidity risk from the inability to raise capital for fulfilling contractual obligations. Bank borrowing is an important source of liquidity for the Company. As of December 31, 2023 and 2022, the undrawn financing facilities of the Company were NT$100,000 thousand and NT$320,000 thousand, respectively.

Liquidity and interest rate risk tables for non-derivative financial liabilities

The analysis for the Company’s remaining contractual maturities for its non-derivative financial liabilities with agreed repayment periods has been drawn up based on the undiscounted cash flows (including both the principal and estimated interests) of financial liabilities from the earliest date on which the Company can be required to pay. 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 other non-derivative financial liabilities were based on the agreed repayment dates.

The undiscounted interest payment relating to borrowing with variable interest rates was extrapolated based on the yield curve as of the end of the reporting period.

December 31, 2023

	On Demand or Less than 1 Month	1-3 Months	3 Months to 1 Year	1-5 Years
Non-derivative Financial Liabilities				
Non-interest bearing liabilities	$ 116,477	$ 94,265	$ 79,733	$ 1,562
Variable interest rate liabilities	100,169	-	201,792	-
Lease liabilities	509	1,180	5,312	12,132
	$ 217,155	$ 95,445	$ 286,837	$ 13,694

December 31, 2022

	On Demand or Less than 1 Month	1-3 Months	3 Months to 1 Year	1-5 Years
Non-derivative Financial Liabilities				
Non-interest bearing liabilities	$ 104,422	$ 81,013	$ 74,089	$ 1,562
Variable interest rate liabilities	-	-	100,111	-
	$ 104,422	$ 81,013	$ 174,200	$ 1,562

The amounts included above for variable interest rate instruments for non-derivative financial liabilities were subject to change if changes in variable interest rates were to differ from those estimates of interest rates determined at the end of the reporting period.

XXVI. Related-party transactions

In addition to those disclosed in other notes, details of transactions between the Company and other related parties were disclosed below:

(I) Related party name and category

Related Party Name	Relationship with the Company
J.B.T	Subsidiaries
J.H.P	Subsidiaries

(II) Operating income

Account Item	Related Party Category	2023	2022
Revenue from sale of goods	Subsidiaries	$ 139	$ 4,342

(III) Operating costs

Account Item	Related Party Name	2023	2022
Purchase	J.H.P	$ 495,404	$ 582,852
	Subsidiaries	16,992	-
		$ 512,396	$ 582,852

(IV) Receivables from related parties

Account Item	Related Party Name	December 31, 2023	December 31, 2022
Other receivables - related parties	J.H.P	$ 10,900	$ -

No guarantee is received for the outstanding accounts receivable from related parties. No loss allowance was provided for receivables from related parties in 2023.

(V) Payables to related parties (excluding borrowings from related parties)

Account Item	Related Party Name/Category	December 31, 2023	December 31, 2022
Accounts payable - related parties	J.H.P	$ 267,822	$ 241,811
	Subsidiaries	6,005	569
		$ 273,827	$ 242,380

The Company purchases finished products from its subsidiaries directly or through triangle trade at the price equaling the final sales price of the finished products. The resulting accounts payable generally offsets the accounts receivable from the sale of raw materials. The payment term is 150 days from the end of month.

(VI) Compensation to key management of the Group

	2023	2022
Short-term employee benefits	$ 7,487	$ 2,975
Retirement benefits	335	154
	$ 7,822	$ 3,129

The remuneration to directors and key management was determined by the remuneration committee based on individual performance and markets.

XXVII. Pledged assets

The following assets were provided as collateral for bank borrowings:

	December 31, 2023	December 31, 2022
Property, plants, and equipment	$ 91,289	$ 92,038
Investment properties	65,061	66,374
	$156,350	$158,412

XXVIII. Major Post Balance Sheet Events

On March 13, 2024, the Company's Board of Directors approved the equity investment of NT$40,000 thousand.

XXIX. Significant Assets and Liabilities Denominated in Foreign Currencies

The following information was aggregated by the foreign currencies other than functional currencies of the Company 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 Assets			
Monetary Item			
USD	$ 6,717	30.705 (USD:NTD)	$ 206,245
Non-monetary items			
Investments accounted for using equity method			
USD	10,264	30.705 (USD:NTD)	315,158
THB	523,704	0.9017 (THB:NTD)	472,224
VND	2,306,667	0.0012 (VND:NTD)	2,768
Foreign Currency Liabilities			
Monetary Item			
USD	9,222	30.705 (USD:NTD)	283,162

December 31, 2022

	Foreign currencies	Exchange Rate	Carrying Amount
Foreign Currency Assets			
Monetary Item			
USD	$ 10,969	30.71 (USD:NTD)	$ 336,844
Non-monetary items			
Investments accounted for using equity method			
USD	11,067	30.71 (USD:NTD)	339,869
THB	586,037	0.8941 (THB:NTD)	523,976
Foreign Currency Liabilities			
Monetary Item			
USD	8,353	30.71 (USD:NTD)	256,511

Foreign exchange gains and losses with material influence (including realized and unrealized) are as follows:

	2023		2022	
Foreign currencies	Exchange Rate	Net exchange gains (losses)	Exchange Rate	Net exchange gains (losses)
USD	31.155 (USD:NTD)	$ 4,015	29.805 (USD:NTD)	$ 11,933

XXX. Other Disclosures

(I) Information on significant transactions:

1. Financing provided to others. (None)
2. Endorsements/guarantees provided. (None)
3. Marketable securities held - ending (excluding investments in subsidiaries and associates). (Table 1)
4. Marketable securities acquired or disposed of at costs or prices at least NT$300 million or 20% of the paid-in capital. (None)
5. Acquisition of individual real estate at costs of at least NT$300 million or 20% of the paid-in capital. (None)

6. Disposal of individual real estate at prices of at least NT$300 million or 20% of the paid-in capital. (None)
7. Total purchases from or sales to related parties amounting to at least NT$100 million or 20% of the paid-in capital. (Table 2)
8. Receivables from related parties amounting to at least NT$100 million or 20% of the paid-in capital. (Table 3)
9. Trading in derivative instruments. (None)

(II) Information on investees (Table 4)

(III) Information on investment in mainland China

1. Information on any investee company in mainland China, showing the name, principal business activities, paid-in capital, method of investment, inward and outward remittance of funds, ownership percentage, investment income or loss, carrying amount of the investment at the end of the period, repatriations of investment income, and limit on the amount of investment in the mainland China area. (Table 5)
2. Any of the following significant transactions with investee companies in mainland China, either directly or indirectly through a third party, and their prices, payment terms, and unrealized gains or losses: (None)
   (1) The amount and percentage of purchases and the balance and percentage of the related payables at the end of the period.
   (2) The amount and percentage of sales and the balance and percentage of the related receivables at the end of the period.
   (3) The amount of property transactions and the amount of the resultant gains or losses.
   (4) The balance of negotiable instrument endorsements or guarantees or pledges of collateral at the end of the period and the purposes.
   (5) The highest balance, the end of period balance, the interest rate range, and total current period interest with respect to financing of funds.
   (6) Other transactions that have a material effect on the profit or loss for the period or on the financial position, such as the rendering or receipt of services.

(IV) Information of major shareholders: List all shareholders with ownership of 5% or greater showing the name of the shareholder, the number of shares owned, and percentage of ownership of each shareholder. (Table 6)

Ji-Haw Industrial, Co., Ltd., and Subsidiaries

Marketable Securities Held - ending

December 31, 2023

Table 1

Unit: Unless otherwise stated, in NT$ thousands.

Holding Company Name	Marketable Securities Type and Name	Relationship with the issuer of securities	Financial Statement Account	End of the period				Remarks
				Shares/Units	Carrying Amount	Shareholding ratio (%)	Fair value	
Ji-Haw Industrial, Co., Ltd.	shares							
	Chunghwa Picture Tubes, Ltd.	-	Current financial assets at fair value through other comprehensive income	604	$ -	-	$ -	Note 2
	Soyo Link Energy Co., Ltd.	-	Non-current financial assets at fair value through other comprehensive income	300,000	-	7.14	-	Note 2
	Li Wang Technology Co., Ltd.	-	Non-current financial assets at fair value through other comprehensive income	185,185	-	6.90	-	Note 2
	S SQUARE SYSTEM LTD.	-	Non-current financial assets at fair value through other comprehensive income	747	-	3.19	-	Note 2
J.H.I	shares							
	Vision Works Inc.	-	Non-current financial assets at fair value through profit or loss	190,000	-	19.00	-	Note 2
	ING Group N.V.	-	Current financial assets at fair value through profit or loss	3,000	1,383	-	1,383	Note 2
	TESLA MORTORS INC	-	Current financial assets at fair value through profit or loss	30	229	-	229	Note 2
	BEYOND MEAT INC	-	Current financial assets at fair value through profit or loss	80	22	-	22	Note 2
J.B.T	Fund beneficiary certificate							
	KTGOV3M12	-	Current financial assets at fair value through profit or loss	2,000,000	18,034	-	18,034	Note 2
	KTSS		Current financial assets at fair value through profit or loss	44.9214	1	-	1	Note 2

Note 1: Marketable securities stated in this table refer to stocks within the scope of IFRS 9 "Financial Instruments".

Note 2: Not provided as collateral, pledged, or restricted in other ways.

Ji-Haw Industrial, Co., Ltd., and Subsidiaries

Total purchases from or sales to related parties amounting to at least NT$100 million or 20% of the paid-in capital

2023

Table 2

Unit: Unless otherwise stated, in NT$ thousands.

Buyer (Seller)	Related Party	Relationship	Transaction Details				Abnormal Transaction		Notes/Accounts Receivable (Payable)		Remarks
			Purchase (Sale)	Amount	Percentage to Total Sales (Purchases) (%)	Collection/Payment terms	Unit Price	Collection/Payment terms	Ending Balance	Percentage to Total Notes/Accounts Receivable (Payable) (%)	
Ji-Haw Industrial, Co., Ltd.	J.H.P	Subsidiaries	Purchase	$ 495,404	97	Note 1	-	Note 1	($ 267,822)	94	—
J.H.P	Ji-Haw Industrial, Co., Ltd.	Parent	Sales	(495,404)	48	Note 1	-	Note 1	267,822	59	—

Note 1: Payment terms are 150 days from the end of the month.

Ji-Haw Industrial, Co., Ltd., and Subsidiaries

Receivables from related parties amounting to at least NT$100 million or 20% of the paid-in capital

December 31, 2023

Table 3

Unit: Unless otherwise stated, in NT$ thousands.

Company Name	Related Party	Relationship	Ending Balance	Turnover Rate	Overdue		Amount Received in Subsequent Period	Allowance for Impairment Loss
					Amount	Actions Taken		
J.H.P	Ji-Haw Industrial, Co., Ltd.	Parent	$267,822	1.95	$ -	—	96,306	$ -

Ji-Haw Industrial, Co., Ltd., and Subsidiaries

Information on investees

2023

Table 4

Unit: Unless otherwise stated, in NT$ thousands.

Investor	Investee	Location	Main Business Activities	Initial investment amount		Holding at period end			Net profit (loss) of the investee for the year ended December 31, 2021	Investment income (loss) recognized by the Company for the year ended December 31, 2021	Remarks
				At the End of the Current Period	At the End of Last Year	No. of shares	Percentage of ownership (%)	Carrying Amount			
Ji-Haw Industrial, Co., Ltd.	J.B.T	227, M003, Laem Chabang Industrial Estate, Sukhumvit Road, Thungsukla, Sriracha, Chonburi 20230 Thailand	Manufacturing and trading of computer cables or plugs	$ 207,215	$ 207,215	18,600,000	100.00	$ 472,224	($ 47,211)	($ 47,211)	—
	J.H.I	Sertus Chambers, P.O. Box 603, Apia, Samoa.	Investing in overseas financial products and stocks	9,649	9,649	300,000	100.00	4,415	139	139	—
	J.H.V	3rd Floor, No. 87 89 Khuat Duy Tien Street, Nhan Chinh Ward, Thanh Xuan District, Hanoi	Manufacturing and trading of computer cables or plugs	3,159	-	-	100.00	2,768	(114)	(114)	—
	CHINTEK INC.	19F-6, No. 7, Sec. 3, New Taipei Boulevard, Xinzhuang District, New Taipei City	Manufacturing and trading of computer cables or plugs	98,000	-	1,600,000	100.00	89,604	(18,979)	(8,396)	Note 2
	CERMAX CO., LTD.	No. 36, Lane 816, Bo'ai Street, Zhubei City, Hsinchu County	Manufacturing and trading of computer cables or plugs	20,000	-	1,250,000	25.04	19,154	(13,234)	(846)	Note 2

Note 1: Please refer to Table 5 for information on investees in Mainland China.

Note 2: The investment loss recognized in the current year is recognized in accordance with the shareholding ratio from the date of acquisition.

Ji-Haw Industrial, Co., Ltd., and Subsidiaries

Information on investment in mainland China

2023

Table 5

Unit: Unless otherwise stated, in NT$ thousands.

Investee	Main Business Activities	Paid-in capital	Method of Investment	Accumulated Outward Remittance for Investment from Taiwan as of January 1, 2021	Remittance of Funds		Accumulated Outward Remittance for Investment from Taiwan at the End of the Current Period	Net profit (loss) of the investee for the year ended December 31, 2021	Percentage of Ownership of Direct or Indirect Investment	Investment income (loss) recognized by the Company for the year ended December 31, 2021	Carrying Amount as of December 31, 2021	Accumulated Repatriation of Investment Income as of December 31, 2021	Remarks
					Outward	Inward							
J.H.K	Manufacturing and trading of computer cables or plugs	US$100,000	Direct investment with 100% ownership	$ 3,070 (US$ 100,000)	$ -	$ -	$ 3,070 (US$ 100,000)	$ 914	100.00%	$ 914	$ 78,917	$ 277,250	—
J.H.P	Manufacturing and trading of precision ceramics, precision molds, and computer cables and plugs	US$12,600,000	40.48% held directly by the Company and 59.52% held directly by the 100% owned subsidiary, J.B.T.	294,768 (US$9,600,000)	-	-	294,768 (US$9,600,000)	(50,656)	100.00%	(50,656)	572,693	-	Note 2
Chuzhou Dingwang	Investment development	CNY60,180,000	Held directly by the 100% owned subsidiary, J.H.P.	-	-	-	-	(42,290)	39.00%	(16,873)	1,672	-	—

Accumulated Outward Remittance from Taiwan for Investment in Mainland China at the End of the Current Period	Investment Amounts Authorized by Investment Commission, MOEA	Limit on the Amount of Investment Stipulated by Investment Commission, MOEA
$ 297,838 (US$9,700,000)	$ 389,953 (US$12,700,000)	$ 526,951 (Note 3)

Note 1: The calculation is based on the spot exchange rate at the end of December 2023, except for the investee's profit and loss and investment profit and loss recognized in the current period, which are based on the average exchange rate from January 1 to December 31, 2023.

Note 2: For the investment losses of NT$50,656 thousand recognized in the current year, except for the investment losses of NT$20,504 thousand recognized by the Company based on 40.48% of the Company's shareholding, the remaining investment losses of NT$30,152 thousand were recognized through 100% owned subsidiary J.B.T subject to the shareholding of 59.52%.

Note 3: Calculated pursuant to Article 3 of “Principle of investment or Technical Cooperation in Mainland China”, MOEA, which was the higher of the net worth of the entity or 60% of the consolidated net worth.

Ji-Haw Industrial, Co., Ltd.

Information on major shareholders

December 31, 2023

Table 6

Name of The Major Shareholder	Shares	
	Number of Shares Owned	Shareholding ratio
No data for this quarter	-	-

Note: The information of major shareholders presented in this table is provided by the Taiwan Depository & Clearing Corporation based on the number of ordinary shares and preference shares held by shareholders with ownership of 5% or greater, that have been issued without physical registration (including treasury shares) by the Company as of the last business day for the current quarter. The share capital in the standalone financial statements may differ from the actual number of shares that have been issued without physical registration because of different preparation basis.

§TABLE OF CONTENTS OF STATEMENTS OF MAJOR ACCOUNTING ITEMS§

ITEM	INDEX
Major accounting items in assets, liabilities and equity	
Statement of cash	Table 1
Statement of accounts receivable	Table 2
Statement of inventories	Table 3
Statement of changes in investments accounted for using equity method	Table 4
Statement of changes in property, plant and equipment	Note 11
Statement of changes in accumulated depreciation of property, plant and equipment	Note 11
Statement of changes in investment properties	Note 12
Statement of changes in accumulated depreciation of investment properties	Note 12
Statement of short-term borrowings	Table 5
Major accounting items in profit or loss	
Statement of operating income	Note 19
Statement of operating costs	Table 6
Statement of operating expenses	Table 7
Statement of employee benefits and depreciation expenses by function	Table 8

Ji-Haw Industrial, Co., Ltd.

Statement of cash

December 31, 2023

Table 1

Unit: thousands of New Taiwan Dollar unless otherwise specified

Name	Amount
Cash	
Cash on hand (note 1)	$ 805
Bank checking accounts	876
Demand deposits (note 2)	35,490
	$ 37,171

Note 1: The details of foreign currencies in cash on hand were as follows: (expressed in dollars)

Currency	Amount in foreign currency	Exchange Rate
JPY	$ 68,030	0.2186
USD	742	30.705
THB	12,084	0.9613
CNY	105,328	4.4714
MYR	780	8.5936
HKD	31,922	4.3212
SGD	2,240	23.2164
HUF	20,700	0.1631
PHP	715	1.0749
DKK	136	5.5351
SEK	292	4.2329
Germany	26	15.9657
CZK	1,100	1.4855
IDR	7,100,000	0.0028

Note 2: Including US$660 thousand, converted at the exchange rate of US$1=NT$30.705.

Ji-Haw Industrial, Co., Ltd.

Statement of accounts receivable

December 31, 2023

Table 2 Unit: NT$ thousand

Customer Name	Amount
CH416	$ 59,128
CH045	47,013
CH199	18,062
CH200	12,429
TA835	12,352
Others (note)	35,450
Total	184,434
Less: allowance	38
Net	$184,396

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

Ji-Haw Industrial, Co., Ltd.

Statement of inventories

December 31, 2023

Table 3 Unit: NT$ thousand

Name	Amount	
	Cost	Market price (Note 1)
Raw materials	$ 516	$ 69
Finished goods	70,206	67,594
Total	70,722	$ 67,663
Less: allowance (note 2)	10,493	
Net	$ 60,229	

Note 1: The net realizable value

Note 2: The allowance for loss on decline in value of inventory and slow-moving inventory

Ji-Haw Industrial, Co., Ltd.

Statement of changes in investments accounted for using equity method

December 31, 2023

Table 4

Unit: thousands of New Taiwan Dollar unless otherwise specified

Name	Par value		Balance, beginning of year			Changes in the current period			Balance, end of year			Remarks
			No. of shares	Shareholding ratio (%)	Amount	Increase	Investment income (loss)	Exchange differences from the translation of financial statements of foreign operations	No. of shares	Shareholding ratio (%)	Amount	
Unlisted shares												
J.B.T	THB	10	18,600,000	100.00	$ 523,976	$ -	($ 47,211)	($ 4,541)	18,600,000	100.00	$ 472,224	-
J.H.P			-	100.00	256,234	-	(20,504)	(3,904)	-	100.00	231,826	Note 2
J.H.K			-	100.00	79,358	-	914	(1,355)	-	100.00	78,917	-
J.H.I	USD	1	300,000	100.00	4,277	-	139	(1)	300,000	100.00	4,415	-
J.H.V			-	-	-	3,159	(114)	(277)	-	100.00	2,768	Note 3
CHINTEK			-	-	-	98,000	(8,396)	-	1,600,000	100.00	89,604	Note 3
CERMAX			-	-	-	20,000	(846)	-	1,250,000	25.04	19,154	Note 4
					$ 863,845	$ 121,159	($ 76,018)	($ 10,078)			$ 898,908	

Note 1: The long-term investment has not been provided as collateral or pledged for the current period.

Note 2: For the investment losses of NT$50,656 thousand invested by J.H.P in the current year, except for the investment losses of NT$20,504 thousand recognized by the Company based on 40.48% of the Company's equivalent shareholding, the remaining investment losses of NT$30,152 thousand were recognized through 100% owned subsidiary J.B.T subject to the shareholding of 59.52%.

Note 3: The increase in current period is due to the new investment in subsidiaries.

Note 4: The increase in the current year is mainly due to the acquisition of long-term equity investment under equity method.

Ji-Haw Industrial, Co., Ltd.

Statement of short-term borrowings

December 31, 2023

Table 5

Unit: NT$ thousand

Type and debtor	Contract period	Interest rate (%)	Amount	Loan Commitment	Collateral
Mortgage loan Mega International Commercial Bank	2023.09.11~2024.09.10	1.99%	$ 300,000	$ 400,000	Property, plant and equipment and investment properties (at Baoxing Rd., Xindian Dist., New Taipei City)

Note: As of the end of 2023, the Company's unused short-term financing line amounted to NT$100,000 thousand.

Ji-Haw Industrial, Co., Ltd.

Statement of operating costs

2023

Table 6 Unit: NT$ thousand

Name	Amount
Cost of self-produced products	
Raw materials, beginning of the year	$ 3,954
Add: raw materials purchased	1,292
Less: raw materials, end of the year	516
Cost of raw materials sold	135
Recognized as expenses	19
Raw materials used	4,576
Manufacturing costs	4,576
Add: finished goods, beginning of the year	55,593
Add: Purchase of goods in the current period	519,036
Less: finished goods, end of the year	70,206
Cost of self-produced products	508,999
Cost of goods sold	
Raw materials sold as goods	135
Other operating costs	71
Write-down of inventories	2,835
Total operating costs	$ 512,040

Ji-Haw Industrial, Co., Ltd.

Statement of operating expenses

2023

Table 7 Unit: NT$ thousand

Item	Selling expenses	Administrative expenses	R&D expenses	Total
Salary expenses	$ 23,293	$ 43,562	$ 3,392	$ 70,247
Depreciation expenses	5,066	1,912	1,530	8,508
Insurance expenses	4,396	2,857	204	7,457
Others (note)	14,609	13,516	2,556	30,681
Subtotal	$ 47,364	$ 61,847	$ 7,682	116,893
Reversal of Impairment loss of expected credit loss				(8)
Total				$ 116,885

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

Ji-Haw Industrial, Co., Ltd.

Statement of employee benefits, depreciation expenses and amortization expenses by function

January 1 to December 31, 2023 and 2022

Table 8

Unit: NT$ thousand

	2023				2022			
	Classified as Operating Costs	Classified as Operating Expenses	Attributable to other gains and losses	Total	Classified as Operating Costs	Classified as Operating Expenses	Attributable to other gains and losses	Total
Employee benefits								
Salaries	$ -	$ 65,122	$ -	$ 65,122	$ -	$ 51,621	$ -	$ 51,621
Labor and health insurance	-	4,746	-	4,746	-	4,272	-	4,272
Pension	-	2,801	-	2,801	-	2,302	-	2,302
Remuneration to directors	-	2,324	-	2,324	-	465	-	465
Other employee benefit expenses	-	1,737	-	1,737	-	1,642	-	1,642
	$ -	$ 76,730	$ -	$ 76,730	$ -	$ 60,302	$ -	$ 60,302
Depreciation Expense	$ -	$ 7,195	$ 1,313	$ 8,508	$ -	$ 6,021	$ 1,317	$ 7,338
Amortization Expense	$ 71	$ -	$ -	$ 71	$ -	$ -	$ -	$ -

Note 1: This year and in the previous year, the Company had 66 and 62 employees, respectively, and among them, 0 and 2 directors did not serve concurrently as employees. The calculation basis was the same as that used for the employee benefits.

Note 2: (1) The average employee benefits expense for the current year was NT$1,127 thousand, compared to NT$997 thousand in the previous year.

(2) The average employee salary expense for the current year was NT$987 thousand, compared to NT$860 thousand in the previous year.

(3) The change in average employee salary adjustment was 14.65%.

(4) The remuneration to the Audit Committee for the current year was NT$1,144 thousand, compared to NT$180 thousand in the previous year.

(5) Remuneration policy (including directors, managers and employees):

Remuneration to directors and supervisors: remuneration is appropriated according to the Articles of Incorporation, regulated by the Remuneration Committee, resolved by the Board of Directors and distributed after passed by the shareholders' meeting.

Compensation to the management and employees: compensation standards are formulated based on their duties, education, professional skills. Salary adjustment and bonus distribution are made depending on the Company's operation, employees' performance, etc. The compensation to the management is resolved by the Remuneration Committee and passed by the Board of Directors.