SynPower Co., Ltd.

Parent Company Only Financial Statements for the Years Ended December 31, 2023 and 2022 and Independent Auditors’ Report

INDEPENDENT AUDITORS' REPORT

The Board of Directors and Shareholders
SynPower Co., Ltd.

Opinion

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

In our opinion, the accompanying parent company only financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2023 and 2022, and its parent company only financial performance and its cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the parent company only financial statements for the year ended December 31, 2023. These matters were addressed in the context of our audit of the parent company only financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matters for the Company's parent company only financial statements for the year ended December 31, 2023 are stated as follows:

Cut-off of Sales Revenue - Sales Revenue over Specific Types of Equipment

The Company generates its primary revenue from sales of automation equipment. Among these, the delivery and installation cycles for specific types of equipment are longer than others, and the sale of a single piece of equipment carries significant value. Whether such sales revenue is recognized only after fulfilling performance obligations and correctly cutoff will have a significant impact on the financial statements. Consequently, the auditor has identified the verification of the cut-off of these equipment sales as a key audit matter.

For accounting policies and relevant disclosure information related to revenue recognition, please refer to Notes 4 and 20 of the parent company only financial statements.

The main audit procedures performed by the accountant for the above matters are as follows:

1. Understanding and testing the effectiveness of internal controls over revenue recognition design and implementation. Evaluating the appropriateness of management's adopted revenue recognition accounting policies.

2. Sampling the transaction documents for sales revenue, including purchase orders, sales invoices, shipping documents, installation confirmation, and perform confirmation letter procedure to ensure the recognition of sales revenue is recorded upon fulfillment of obligations.

3. Reviewing post-period sales returns and allowances, as well as any anomalies in post-period receipts.

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

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

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

Those charged with governance, including the audit committee, are responsible for overseeing the Company's financial reporting process.

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

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

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

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

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

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

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

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

6. Obtain sufficient and appropriate audit evidence regarding the financial information of entities or business activities within the Company to express an opinion on the parent company only financial statements. We are responsible for the direction, supervision, and performance of the audit. We remain solely responsible for our audit opinion.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the parent company only financial statements for the year ended December 31, 2023 and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partners on the audit resulting in this independent auditors' report are Chin-Chuan Shih and Shu-Lin Liu.

Deloitte & Touche
Taipei, Taiwan
Republic of China

February 23, 2024

Notice to Readers

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

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

SYNPOWER CO., LTD.

PARENT COMPANY ONLY BALANCE SHEETS
DECEMBER 31, 2023 AND 2022
(In Thousands of New Taiwan Dollars)

	2023		2022	
ASSETS	**Amount**	**%**	**Amount**	**%**
CURRENT ASSETS				
Cash and cash equivalents (Notes 4 and 6)	$ 154,691	10	$ 270,099	17
Financial assets at amortized cost - current (Notes 4, 8 and 28)	41,789	3	23,803	2
Notes receivable (Notes 4, 5 and 9)	9	-	259	-
Trade receivables (Notes 4, 5 and 9)	266,105	17	229,186	14
Trade receivables from related parties (Notes 4, 5, 9 and 27)	24,565	2	24,223	2
Other receivables (Notes 4 and 9)	5,845	-	4,995	-
Other receivables from related parties (Notes 4, 9 and 27)	84	-	47,716	3
Current tax assets (Notes 4 and 22)	4,542	-	3,315	-
Inventories (Notes 4, 5 and 10)	88,206	5	83,743	5
Prepayments (Note 27)	38,655	2	21,752	2
Right to recover a product (Notes 4 and 5)	5,092	-	5,239	-
Other current assets	114	-	283	-
Total current assets	629,697	39	714,613	45
NON-CURRENT ASSETS				
Financial assets at fair value through other comprehensive income - non-current (Notes 4 and 7)	143,406	9	114,296	7
Financial assets at amortized cost - non-current (Notes 4, 8 and 28)	2,000	-	2,000	-
Investments accounted for using the equity method (Notes 4 and 11)	438,653	27	421,747	26
Property, plant and equipment (Notes 4, 12, 27 and 28)	368,795	23	319,078	20
Right-of-use assets (Notes 4 and 13)	6,553	1	6,294	-
Other intangible assets (Notes 4 and 27)	4,491	-	6,529	1
Deferred tax assets (Notes 4 and 22)	17,697	1	17,109	1
Refundable deposits (Note 4)	3,425	-	3,319	-
Total non-current assets	985,020	61	890,372	55
TOTAL	$ 1,614,717	100	$ 1,604,985	100
LIABILITIES AND EQUITY				
CURRENT LIABILITIES				
Short-term borrowings (Notes 4 and 15)	$ 32,000	2	$ 90,000	6
Trade payables	106,700	7	109,759	7
Trade payables to related parties (Note 27)	46,798	3	62,431	4
Other payables (Note 16)	31,666	2	49,688	3
Other payables to related parties (Note 27)	141	-	12,393	1
Current tax liabilities (Notes 4 and 22)	-	-	13,112	1
Lease liabilities - current (Notes 4 and 13)	4,708	-	3,983	-
Current portion of long-term borrowings (Notes 4, 15 and 28)	19,797	1	19,797	1
Refund provisions (Notes 4, 5 and 17)	6,843	1	8,829	-
Other current liabilities (Note 27)	17,505	1	3,617	-
Total current liabilities	266,158	17	373,609	23
NON-CURRENT LIABILITIES				
Long-term borrowings (Notes 4, 15 and 28)	297,519	18	263,670	16
Deferred tax liabilities (Notes 4 and 22)	7,569	1	9,574	1
Lease liabilities - non-current (Notes 4 and 13)	1,870	-	2,328	-
Net defined benefit liabilities - non-current (Notes 4 and 18)	1,475	-	8,011	1
Other non-current liabilities	3,558	-	1,658	-
Total non-current liabilities	311,991	19	285,241	18
Total liabilities	578,149	36	658,850	41
EQUITY (Notes 4, 19 and 24)				
Ordinary shares	328,700	20	300,280	19
Capital surplus	359,848	22	287,556	18
Retained earnings				
Legal reserve	57,437	3	45,402	3
Special reserve	10,089	1	9,746	1
Unappropriated earnings	270,935	17	313,240	19
Total retained earnings	338,461	21	368,388	23
Other equity				
Exchange differences on translating foreign operations	(19,478)	(1)	(14,629)	(1)
Unrealized gain on financial assets at fair value through other comprehensive income	29,037	2	4,540	-
Total other equity	9,559	1	(10,089)	(1)
Total equity	1,036,568	64	946,135	59
TOTAL	$ 1,614,717	100	$ 1,604,985	100

The accompanying notes are an integral part of the parent company only financial statements.

SYNPOWER CO., LTD.

PARENT COMPANY ONLY STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022
(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2023		2022	
	Amount	**%**	**Amount**	**%**
NET OPERATING REVENUE (Notes 4, 5, 17, 20 and 27)	$ 516,776	100	$ 693,250	100
OPERATING COSTS (Notes 4, 10, 21 and 27)	391,155	76	554,708	80
GROSS PROFIT	125,621	24	138,542	20
REALIZED GAIN ON TRANSACTIONS WITH SUBSIDIARIES	254	-	1,584	-
REALIZED GROSS PROFIT	125,875	24	140,126	20
OPERATING EXPENSES (Notes 4, 21, 24 and 27)				
Selling and marketing expenses	41,007	8	33,645	5
General and administrative expenses	66,363	13	64,605	9
Research and development expenses	38,252	7	47,098	7
Expected credit (reversal gain) loss	(4,333)	(1)	5,920	1
Total operating expenses	141,289	27	151,268	22
LOSS FROM OPERATIONS	(15,414)	(3)	(11,142)	(2)
NON-OPERATING INCOME AND EXPENSES (Notes 4, 11, 21 and 27)				
Interest income	2,381	1	2,218	-
Other income	12,260	2	17,616	3
Other gains and losses	2,101	-	40,073	6
Finance costs	(2,433)	-	(5,139)	(1)
Share of profit in subsidiaries accounted for under the equity method	30,183	6	91,397	13
Total non-operating income and expenses	44,492	9	146,165	21
PROFIT BEFORE INCOME TAX	29,078	6	135,023	19
INCOME TAX (BENEFIT) EXPENSE (Notes 4 and 22)	(1,009)	-	15,807	2
NET PROFIT FOR THE YEAR	30,087	6	119,216	17

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SYNPOWER CO., LTD.

PARENT COMPANY ONLY STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022
(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2023		2022	
	Amount	**%**	**Amount**	**%**
OTHER COMPREHENSIVE INCOME (Notes 4, 18 and 22)				
Items that will not be reclassified subsequently to profit or loss:				
Remeasurement of defined benefit plans	$ (24)	-	$ 744	-
Unrealized gain (loss) on investments in equity instruments designated as a fair value through other comprehensive income	24,497	5	(37,424)	(5)
Share of the other comprehensive gain in subsidiaries - remeasurement of defined benefit plans	61	-	538	-
Income tax relating to items that will not be reclassified subsequently to profit or loss	5	-	(149)	-
	24,539	5	(36,291)	(5)
Items that maybe reclassified subsequently to profit or loss:				
Exchange differences on translating foreign operations	(4,849)	(1)	2,224	-
Other comprehensive gain (loss) for the year, net of income tax	19,690	4	(34,067)	(5)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	$ 49,777	10	$ 85,149	12
EARNINGS PER SHARE (Note 23)				
Basic	$ 0.99		$ 3.97	
Diluted	$ 0.98		$ 3.94	

The accompanying notes are an integral part of the parent company only financial statements. (Concluded)

SYNPOWER CO., LTD.

PARENT COMPANY ONLY STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022
(In Thousands of New Taiwan Dollars)

			Retained Earnings				Other Equity			
	Ordinary Shares	Capital Surplus	Legal Reserve	Special Reserve	Unappropriated Earnings	Total	Exchange Differences on Translation of the Financial Statements of Foreign Operations	Unrealized Valuation Gain on Financial Assets at Fair Value Through Other Comprehensive Income	Total	Total Equity
BALANCE AT JANUARY 1, 2022	$ 300,280	$ 287,556	$ 43,213	$ 9,746	$ 231,114	$ 284,073	$ (16,853)	$ 41,964	$ 25,111	$ 897,020
Appropriation of 2021 earnings										
Legal reserve	-	-	2,189	-	(2,189)	-	-	-	-	-
Cash dividends distributed by the Company	-	-	-	-	(36,034)	(36,034)	-	-	-	(36,034)
Net profit for the year ended December 31, 2022	-	-	-	-	119,216	119,216	-	-	-	119,216
Other comprehensive income (loss) for the year ended December 31, 2022	-	-	-	-	1,133	1,133	2,224	(37,424)	(35,200)	(34,067)
Total comprehensive income (loss) for the year ended December 31, 2022	-	-	-	-	120,349	120,349	2,224	(37,424)	(35,200)	85,149
BALANCE AT DECEMBER 31, 2022	300,280	287,556	45,402	9,746	313,240	368,388	(14,629)	4,540	(10,089)	946,135
Appropriation of 2022 earnings										
Legal reserve	-	-	12,035	-	(12,035)	-	-	-	-	-
Special reserve	-	-	-	343	(343)	-	-	-	-	-
Cash dividends distributed by the Company	-	-	-	-	(60,056)	(60,056)	-	-	-	(60,056)
Net profit for the year ended December 31, 2023	-	-	-	-	30,087	30,087	-	-	-	30,087
Other comprehensive income (loss) for the year ended December 31, 2023	-	-	-	-	42	42	(4,849)	24,497	19,648	19,690
Total comprehensive income (loss) for the year ended December 31, 2023	-	-	-	-	30,129	30,129	(4,849)	24,497	19,648	49,777
Issuance of ordinary shares for cash	28,420	69,037	-	-	-	-	-	-	-	97,457
Issuance of ordinary shares under employee share options	-	3,255	-	-	-	-	-	-	-	3,255
BALANCE AT DECEMBER 31, 2023	$ 328,700	$ 359,848	$ 57,437	$ 10,089	$ 270,935	$ 338,461	$ (19,478)	$ 29,037	$ 9,559	$ 1,036,568

The accompanying notes are an integral part of the parent company only financial statements.

SYNPOWER CO., LTD.

PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022
(In Thousands of New Taiwan Dollars)

	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before income tax	$ 29,078	$ 135,023
Adjustments for:		
Depreciation expenses	10,048	10,144
Amortization expense	3,533	3,535
Expected credit (reversed) loss	(4,333)	5,920
Finance costs	2,433	5,139
Interest income	(2,381)	(2,218)
Dividend income	(10,996)	(7,733)
Compensation cost of employee share options	3,255	-
Share of profit in subsidiaries accounted for under the equity method	(30,183)	(91,397)
Gain on disposal of property, plant and equipment	(471)	-
Gain on lease modification	(4)	-
Gain on disposal of non-current assets classified as held for sale	-	(29,578)
Write-down of inventories	6,001	5,509
Realized gain on transactions with subsidiaries	(254)	(1,584)
(Reserve) recognized refund provisions	(1,839)	(1,958)
Changes in operating assets and liabilities		
Notes receivable	250	4,399
Trade receivables	(36,606)	(40,449)
Other receivables from related parties	(342)	31,237
Other receivables	6,804	(6,995)
Other receivables from related parties	-	(357)
Inventories	(9,274)	(18,932)
Prepayments	(16,903)	13,903
Other current assets	169	155
Trade payables	(3,059)	(106,323)
Trade payables to related parties	(15,633)	57,941
Other payables	(17,053)	7,549
Other payables to related parties	(12,252)	9,896
Other current liabilities	13,888	(41,391)
Net defined benefit liabilities	(6,560)	255
Cash used in operations	(92,684)	(58,310)
Interest received	2,381	2,207
Interest paid	(2,373)	(4,700)
Income tax paid	(15,918)	(199)
Net cash used in operating activities	(108,594)	(61,002)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of financial assets at fair value through other comprehensive income	(4,613)	-
Purchase of financial assets at amortized cost	(63,812)	(25,945)
Proceeds from financial assets at amortized cost	45,826	35,358
Proceeds from disposal of non-current assets classified as held for sale	-	216,522

(Continued)

SYNPOWER CO., LTD.

PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022
(In Thousands of New Taiwan Dollars)

	2023	2022
Payments for property, plant and equipment	$ (87,882)	$ (247,352)
Proceeds from disposal of property, plant and equipment	33,513	-
(Increase) decrease in refundable deposits	(106)	356
Increase in other receivables from related parties	-	(47,632)
Decrease in other receivables from related parties	47,632	26,448
Payments for intangible assets	(1,495)	(4,410)
Dividends received from subsidiaries	8,743	2,186
Dividends received from investment in financial assets at fair value through other comprehensive income	7,362	7,733
Net cash used in investing activities	(14,832)	(36,736)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from short-term borrowings	319,000	321,000
Repayments of short-term borrowings	(377,000)	(351,000)
Proceeds from short-term bills payable	200,000	-
Repayments of short-term bills payable	(200,000)	(60,000)
Proceeds from long-term borrowings	55,846	261,000
Repayments of long-term borrowings	(21,997)	(205,173)
Repayment of the principal portion of lease liabilities	(5,232)	(4,397)
Increase in other non-current liabilities	-	1,658
Dividends paid to owners of the Company	(60,056)	(36,034)
Proceeds from issuance of ordinary shares	97,457	-
Net cash generated from/(used in) financing activities	8,018	(72,946)
NET DECREASE IN CASH AND CASH EQUIVALENTS	(115,408)	(170,684)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	270,099	440,783
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	$ 154,691	$ 270,099

The accompanying notes are an integral part of the parent company only financial statements. (Concluded)

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

1. GENERAL INFORMATION

SynPower Co., Ltd. (the “Company”) was incorporated in the Republic of China (ROC) in April 29, 2002. The Company is mainly engaged in the combination, manufacture, testing and sales of electronic equipment.

The Company’s shares have been listed on the Taiwan Stock Exchange (TWSE) since November 2023.

The parent company only financial statements are presented in the Company’s functional currency, the New Taiwan dollars.

2. APPROVAL OF FINANCIAL STATEMENTS

The parent company only financial statements were approved by the Company’s board of directors on February 22, 2024.

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

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

   The initial application of the IFRS Accounting Standards endorsed and issued into effect by the FSC did not have material impact on the Company’s accounting policies.

b. The IFRS Accounting Standards endorsed by the FSC for application starting from 2024

New, Amended and Revised Standards and Interpretations	Effective Date Announced by IASB (Note 1)
Amendments to IFRS 16 “Leases 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 Covenants”	January 1, 2024
Amendments to IAS 7 and IFRS 7 “Supplier Finance Arrangements”	January 1, 2024 (Note 3)

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

Note 2: A seller-lessee shall apply the Amendments to IFRS 16 retrospectively to sale and leaseback transactions entered into after the date of initial application of IFRS 16.

Note 3: The amendments provide some transition relief regarding disclosure requirements.

As of the date the parent company only financial statements were authorized for issue, the Company has assessed that the application of other standards and interpretations will not have a material impact on the Company's financial position and financial performance.

c. The IFRS Accounting Standards in issue but not yet endorsed and issued into effect by the FSC

New, Amended and Revised Standards and Interpretations	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 9 and IFRS 17 - Comparative Information"	January 1, 2023
Amendments to IAS 21 "Lack of Exchangeability"	January 1, 2025 (Note 2)

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

Note 2: An entity shall apply those amendments for annual reporting periods beginning on or after January 1, 2025. Upon initial application of the amendments, the entity recognizes any effect as an adjustment to the opening balance of retained earnings. When the entity uses a presentation currency other than its functional currency, it shall, at the date of initial application, recognize any effect as an adjustment to the cumulative amount of translation differences in equity.

As of the date the parent company only financial statements were authorized for issue, the Company is continuously assessing the possible impact of the application of other standards and interpretations on the Company's financial position and financial performance and will disclose the relevant impact when the assessment is completed.

4. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION

a. Statement of compliance

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

b. Basis of preparation

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

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

1) Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities;

2) Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for an asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

3) Level 3 inputs are unobservable inputs for an asset or liability.

When preparing these parent company only financial statements, the Company used the equity method to account for its investments in subsidiaries. In order for the amounts of the net profit for the year, other comprehensive income for the year and total equity in the parent company only financial statements to be the same with the amounts attributable to the owners of the Company in its consolidated financial statements, adjustments arising from the differences in accounting treatments between the parent company only basis and the basis of consolidation were made to investments accounted for using the equity method, the share of profit or loss of subsidiaries, the share of other comprehensive income of subsidiaries and associates and the related equity items, as appropriate, in these parent company only financial statements.

c. Classification of current and non-current assets and liabilities

Current assets include:

- Assets held primarily for the purpose of trading;
- Assets expected to be realized within 12 months after the reporting period; and
- Cash and cash equivalents unless the asset is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period.

Current liabilities include:

- Liabilities held primarily for the purpose of trading;
- Liabilities due to be settled within 12 months after the reporting period; and
- Liabilities for which the Company does not have an unconditional right to defer settlement for at least 12 months after the reporting period.

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

d. Foreign currencies

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

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

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

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

e. Inventories

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

f. Investments in subsidiaries

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

A subsidiary is an entity (including a structured entity) that is controlled by the Company.

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

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

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

Any excess of the cost of acquisition over the Company's share of the net fair value of the identifiable assets and liabilities of a subsidiary that constitutes a business at the date of acquisition is recognized as goodwill, which is included within the carrying amount of the investment and is not amortized. Any excess of the Company's share of the net fair value of the identifiable assets and liabilities of a subsidiary that constitutes a business over the cost of acquisition is recognized immediately in profit or loss.

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

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

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

g. Property, plant and equipment

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

Property, plant and equipment in the course of construction are measured at cost less any recognized impairment loss. Cost includes professional fees and borrowing costs eligible for capitalization. Such assets are depreciated and classified to the appropriate categories of property, plant and equipment when completed and ready for their intended use.

Except for freehold land which is not depreciated, the depreciation of property, plant and equipment is recognized using the straight-line method. Each significant part is depreciated separately. The estimated useful lives, residual values and depreciation methods are reviewed at the end of each reporting period, with the effects of any changes in the estimates 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.

h. Investment properties

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

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

Except for freehold land which is not depreciated, depreciation is recognized using the straight-line method.

For a transfer of classification from investment properties to property, plant and equipment, the deemed cost of the property for subsequent accounting is its carrying amount.

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.

i. Intangible assets

1) Intangible assets acquired separately

Intangible assets with finite useful lives that are acquired separately are initially measured at cost and subsequently measured at cost less accumulated amortization and accumulated impairment loss. Amortization is recognized on a straight-line basis. The estimated useful lives, residual values, and amortization methods are reviewed at the end of each reporting period, with the effect of any changes in the estimates accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are measured at cost less accumulated impairment loss.

2) Derecognition of intangible assets

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

j. Impairment of property, plant and equipment, right-of-use asset, investment properties and intangible assets

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

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually and whenever there is an indication that the assets may be impaired.

The 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, with the resulting impairment loss recognized in profit or loss.

When an impairment loss is subsequently reversed, the carrying amount of the corresponding asset, cash-generating unit or assets related to contract costs is increased to the revised estimate of its recoverable amount, but only to the extent of the carrying amount that would have been determined had no impairment loss been recognized on the asset, cash-generating unit or assets related to contract costs in prior years. A reversal of an impairment loss is recognized in profit or loss.

k. Financial instruments

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

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

1) Financial assets

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

a) Measurement categories

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

i. Financial assets at amortized cost

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

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

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

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

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

i) Purchased or originated credit-impaired financial asset, for which interest income is calculated by applying the credit-adjusted effective interest rate to the amortized cost of such financial assets; and

ii) Financial asset that is not credit impaired on purchase or origination but has subsequently become credit impaired, for which interest income is calculated by applying the effective interest rate to the amortized cost of such financial assets in subsequent reporting periods.

A financial asset is credit impaired when one or more of the following events have occurred:

i) Significant financial difficulty of the issuer or the borrower;

ii) Breach of contract, such as a default;

iii) It is becoming probable that the borrower will enter bankruptcy or undergo a financial reorganization; or

iv) The disappearance of an active market for that financial asset because of financial difficulties.

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

ii. 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 as at FVTOCI is not permitted if the equity investment is held for trading or if it is contingent consideration recognized by an acquirer in a business combination.

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

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

b) Impairment of financial assets

The Company recognizes a loss allowance for expected credit losses on financial assets at amortized cost (including notes receivable and trade receivables) on each balance sheet date.

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

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

For internal credit risk management purposes, the Company considers if there is internal or external information that the debtor is no longer able to pay off its debts, a financial asset is in default (without taking into account any collateral held by the Company).

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.

c) 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, the difference between the asset’s carrying amount and the sum of the consideration received and receivable is recognized in profit or loss, and the cumulative gain or loss which had been recognized in other comprehensive income is transferred directly to retained earnings, without recycling through profit or loss.

2) Financial liabilities

a) Subsequent measurement

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

b) Derecognition of financial liabilities

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

l. Provisions

Provisions are measured at the best estimate of the discounted cash flows of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

Provisions for the expected cost of warranty obligations generated under sales contracts are recognized on the date of sale of the relevant products at the best estimate by the management of the Company of the expenditures required to settle the Company's obligations.

m. Revenue recognition

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

1) Revenue from the sale of goods

Revenue from the sale of goods comes from sales of electronic equipment. Sales of electronic equipment are recognized as revenue when the goods are delivered to the customer's specific location and reach the agreed usable status, because it is the time when the customer has full discretion over the manner of distribution and price to sell the goods, has the primary responsibility for sales to future customers and bears the risks of obsolescence. Trade receivables are recognized concurrently. Revenue from the sale of goods are measured at fair value of consideration received or receivable, net of estimated customer returns, discounts and other similar discounts. Estimated sales returns and other allowances is generally made and adjusted based on historical experience and the consideration of varying contractual terms to recognize refund provisions and right to recover a product.

2) Revenue from the rendering of services

Revenue from the rendering of services comes from the maintenance services of equipment, and other related technical services, is recognized at the time of service provision.

n. Leases

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

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

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

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

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

Subsequently, lease liabilities are measured at amortized cost using the effective interest method, with interest expense recognized over the lease terms. When there is a change in a lease term, a change in the amounts expected to be payable under a residual value guarantee, the Company remeasures the lease liabilities with a corresponding adjustment to the right-of-use assets. However, if the carrying amount of the right-of-use assets is reduced to zero, any remaining amount of the remeasurement is recognized in profit or loss. Lease liabilities are presented on a separate line in the parent company only balance sheets.

o. Borrowing costs

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

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

p. Government grants

Government grants are not recognized until there is reasonable assurance that the Company will comply with the conditions attached to them and that the grants will be received.

Government grants related to income are recognized in other income on a systematic basis over the periods in which the Company recognizes as expenses the related costs that the grants intend to compensate. Specifically, government grants whose primary condition is that the Company should purchase, construct or otherwise acquire non-current assets are recognized as deferred revenue and recognized in profit or loss on a systematic and rational basis over the useful lives of the related assets.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Company with no future related costs are recognized in profit or loss in the period in which they are received.

q. 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 services.

2) Retirement benefits

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

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

Net defined benefit liabilities (assets) represent the actual deficit (surplus) in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any refunds from the plans or reductions in future contributions to the plans.

r. Share-based payment arrangements

Employee share options granted to employees

The fair value at the grant date of the employee share options is expensed on a straight-line basis over the vesting period, based on the Company's best estimates of the number of shares or options that are expected to ultimately vest, with a corresponding increase in capital surplus - employee share options. The expense is recognized in full at the grant date if the grants are vested immediately. The grant date of issued ordinary shares for cash which are reserved for employees is the date on which the number of shares that the employees purchase is confirmed.

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

s. Taxation

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

1) Current tax

Income tax payable is based on taxable profit (loss) for the year determined according to the applicable tax laws of each tax jurisdiction. According to the Income Tax Act in the ROC, an additional tax on unappropriated earnings is provided for in the year the shareholders approve to retain earnings.

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

2) Deferred tax

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

Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences and unused loss carryforwards 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 recognized only to the extent that it is probable that there will be sufficient taxable profits against which to utilize the benefits of the temporary differences and such temporary differences are expected to reverse in the foreseeable future.

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

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

3) Current and deferred taxes

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

5. MATERIAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

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

Management will continue to review the estimates and underlying assumptions. If the revision of the estimate only affects the current period, it is recognized in the revision period; if the revision of the accounting estimate affects both the current period and the future period, it is recognized in the revision period and the future period.

Key Sources of Estimation Uncertainty

a. Estimated impairment of financial assets

The provision for impairment of trade receivables is based on assumptions on probability of default and loss given default. The Company uses judgment in making these assumptions and in selecting the inputs to the impairment calculation, based on the Company's historical experience, existing market conditions as well as forward looking estimates as of the end of each reporting period. Where the actual future cash inflows are less than expected, a material impairment loss may arise.

b. Write-down of inventories

The net realizable value of inventories is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale. The estimation of net realizable value is based on current market conditions and historical experience in the sale of product of a similar nature. Changes in market conditions may have a material impact on the estimation of the net realizable value.

6. CASH AND CASH EQUIVALENTS

	December 31	
	2023	2022
Cash on hand	$ 505	$ 345
Checking accounts and demand deposits	154,171	238,898
Cash equivalents (investments with original maturities of 3 months or less)		
Time deposits	-	30,856
Postal gift coupon	15	-
	$ 154,691	$ 270,099

The market rate intervals of cash in banks at the end of the reporting period were as follows:

	December 31	
	2023	2022
Bank deposits	0.001%-1.450%	0.001%-1.050%
Time deposits	-	1.000%-1.680%

7. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

Investments in Equity Instruments at FVTOCI

	December 31	
	2023	2022
Non-current		
Domestic investments		
Unlisted shares		
Odobez system Taiwan corporation. (Odobez)	$ 10,001	$ 10,001
Listed shares		
Symtek Automation Asia Co., Ltd. (Symtek)	133,405	104,295
	$ 143,406	$ 114,296

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

8. FINANCIAL ASSETS AT AMORTIZED COST

	December 31	
	2023	2022
Current		
Pledged certificate of deposit	$ 41,789	$ 23,803
Non-current		
Pledged certificate of deposit	$ 2,000	$ 2,000

The market rate intervals of financial assets at amortized cost at the end of the reporting period were as follows:

	December 31	
	2023	2022
Pledged certificate of deposit	1.56%-5.31%	1.44%-1.72%

Refer to Note 28 for information relating to investments in financial assets at amortized cost pledged as security.

9. NOTES RECEIVABLE, TRADE RECEIVABLES AND OTHER RECEIVABLES

	December 31	
	2023	2022
Notes receivable - operating	$ 9	$ 259
Trade receivables	$ 278,472	$ 241,866
Less: Allowance for impairment loss	(12,367)	(12,680)
	$ 266,105	$ 229,186
Trade receivables from related parties (Note 27)	$ 24,565	$ 24,223
Other receivables	$ 5,970	$ 9,140
Less: Allowance for impairment loss	(125)	(4,145)
	$ 5,845	$ 4,995
Other receivables from related parties (Note 27)	$ 84	$ 47,716

a. Notes receivable and trade receivables

The average credit period of sales of goods is 30 to 150 days. In order to minimize credit risk, the management of the Company has delegated a team responsible for determining credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue debts. In addition, the Company reviews the recoverable amount of each individual trade debt at the end of the year to ensure that adequate allowance is made for possible irrecoverable amounts. In this regard, the management believes the Company's credit risk was significantly reduced.

The Company measures the loss allowance for accounts receivable at an amount equal to lifetime ECLs. The expected credit losses on accounts receivable are estimated using a provision matrix prepared by reference to the past default experience of the customer, the customer's current financial position, economic condition of the industry in which the customer operates and industry outlook. 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 an accounts receivable when there is evidence indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery. For accounts receivable 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 accounts receivable based on the Company's provision matrix.

December 31, 2023

	0 to 120 Days	121 to 180 Days	181 to 365 Days	Over 365 Days	Total
Gross carrying amount	$ 156,824	$ 59,830	$ 30,158	$ 56,234	$ 303,046
Loss allowance (Lifetime ECL)	-	(312)	(1,432)	(10,623)	(12,367)
Amortized cost	$ 156,824	$ 59,518	$ 28,726	$ 45,611	$ 290,679

December 31, 2022

	0 to 120 Days	121 to 180 Days	181 to 365 Days	Over 365 Days	Total
Gross carrying amount	$ 156,680	$ 33,442	$ 32,778	$ 43,448	$ 266,348
Loss allowance (Lifetime ECL)	-	(360)	(1,257)	(11,063)	(12,680)
Amortized cost	$ 156,680	$ 33,082	$ 31,521	$ 32,385	$ 253,668

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

	For the Year Ended December 31	
	2023	2022
Balance at January 1	$ 12,680	$ 10,780
(Less) add: Net remeasurement of loss allowance	(313)	1,900
Balance at December 31	$ 12,367	$ 12,680

b. Other receivables

The Company has measured the loss allowance of other receivables as of December 31, 2023 and 2022.

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

	For the Year Ended December 31	
	2023	2022
Balance at January 1	$ 4,145	$ 125
(Less) add: Net remeasurement of loss allowance	(4,020)	4,020
Balance at December 31	$ 125	$ 4,145

10. INVENTORIES

	December 31	
	2023	2022
Merchandise	$ 22,308	$ 26,759
Raw materials	5,191	8,779
Work in process	8,162	29,674
Finished goods	52,545	17,439
Inventory in transit	-	1,092
	$ 88,206	$ 83,743

For the years ended December 31, 2023 and 2022, the cost of goods sold related to inventory were $381,245 thousand and $541,073 thousand, respectively; the cost of goods sold including write-down of inventories were $6,001 thousand and $5,509 thousand, respectively.

11. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

	December 31			
	2023		2022	
	Amount	%	Amount	%
Subsidiaries				
HK Synpower Ltd. (HK Synpower)	$ 259,583	100.00	$ 227,655	100.00
Synpower Co., Ltd. (Synpower)	61,848	100.00	58,611	100.00
SynTop Co., Ltd. (SynTop)	2,914	76.76	20,934	76.76
Chipboard Technology Corporation (Chipboard)	108,357	51.00	108,699	51.00
SYNDIA INDIA PRIVATE LIMITED	5,951	100.00	5,848	100.00
	$ 438,653		$ 421,747	

The Company invests in Kunshan SynPower and Dongguan SynPower through subsidiary, HK Synpower. As of December 31, 2023, the amounts invested in Kunshan SynPower and Dongguan SynPower were $40,142 thousand (US$1,282 thousand) and $68,636 thousand (US$2,222 thousand), respectively.

12. PROPERTY, PLANT AND EQUIPMENT

	2023				
	Beginning Balance	Additions	Disposals	Reclassification	Ending Balance
Cost					
Land	$ 301,382	$ -	$ (30,013)	$ -	$ 271,369
Machinery and equipment	26,417	464	(2,308)	(735)	23,838
Office equipment	7,304	489	-	-	7,793
Leasehold improvements	3,340	-	-	-	3,340
Other equipment	4,345	-	(120)	-	4,225
Construction in progress	1,496	85,900	-	-	87,396
	344,284	$ 86,853	$ (32,441)	$ (735)	397,961
Accumulated depreciation and impairment					
Machinery and equipment	12,818	$ 4,030	$ (1,179)	$ 455	16,124
Office equipment	6,301	348	-	-	6,649
Leasehold improvements	3,288	51	-	-	3,339
Other equipment	2,799	375	(120)	-	3,054
	25,206	$ 4,804	$ (1,299)	$ 455	29,166
Net	$ 319,078				$ 368,795

	2022				
	Beginning Balance	Additions	Disposals	Reclassification	Ending Balance
Cost					
Land	$ -	$ 242,077	$ -	$ 59,305	$ 301,382
Machinery and equipment	20,712	2,712	-	2,993	26,417
Office equipment	6,989	347	(32)	-	7,304
Leasehold improvements	3,111	237	(8)	-	3,340
Other equipment	2,867	1,512	(34)	-	4,345
Construction in progress	-	1,496	-	-	1,496
	33,679	$ 248,381	$ (74)	$ 62,298	344,284
Accumulated depreciation and impairment					
Machinery and equipment	5,631	$ 4,194	$ -	$ 2,993	12,818
Office equipment	6,051	282	(32)	-	6,301
Leasehold improvements	2,937	359	(8)	-	3,288
Other equipment	2,598	235	(34)	-	2,799
	17,217	$ 5,070	$ (74)	$ 2,993	25,206
Net	$ 16,462				$ 319,078

The Company's board of directors resolved to purchase land in the Dajiang section of Zhongli District for the purpose of constructing factory buildings and offices for the use of the Company. The Company had signed a land purchase contract on October 15, 2021, and agreed on the total transaction price of $297,653 thousand on April 20, 2022. After completing land registration transfer process in July 2022, the Company had reclassified the prepayment and related acquisition costs as land.

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

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

Machinery and equipment	4-6 years
Office equipment	2-5 years
Leasehold improvements	2-4 years
Other equipment	2-6 years

Property, plant and equipment used by the Company and pledged as collateral for bank borrowings are set out in Note 28.

13. LEASE ARRANGEMENTS

a. Right-of-use assets

	December 31	
	2023	2022
Carrying amount		
Buildings	$ 5,832	$ 2,769
Transportation equipment	721	3,525
	$ 6,553	$ 6,294

	For the Year Ended December 31	
	2023	2022
Additions to right-of-use assets	$ 7,154	$ 5,131
Depreciation charge for right-of-use assets		
Buildings	$ 2,702	$ 1,691
Transportation equipment	2,542	2,688
	$ 5,244	$ 4,379

b. Lease liabilities

	December 31	
	2023	2022
Carrying amounts		
Current	$ 4,708	$ 3,983
Non-current	$ 1,870	$ 2,328

Range of weighted average interest rate for lease liabilities was as follows:

	December 31	
	2023	2022
Buildings	1.31%	1.04%
Transportation equipment	1.14%	1.10%

The Company leases buildings and transportation equipment for operational use with lease terms of 2 to 3 years. The Company does not have bargain purchase options to acquire the leasehold land and buildings at the end of the lease terms. In addition, the Company is prohibited from subleasing or transferring all or any portion of the underlying assets without the lessor's consent.

c. Other lease information

	For the Year Ended December 31	
	2023	2022
Expenses relating to short-term leases	$ 1,614	$ 1,718
Expenses relating to low-value asset leases	$ 720	$ 558
Total cash outflow for leases	$ 7,566	$ 6,715

The Company's leases of certain buildings qualify as short-term leases and leases of certain office equipments as low-value asset leases. The Company has elected to apply the recognition exemption and thus, did not recognize right-of-use assets and lease liabilities for these leases.

14. INVESTMENT PROPERTIES (FOR THE YEAR ENDED DECEMBER 31, 2023: NONE)

	Land	Buildings	Total
Cost			
Balance at January 1, 2022	$ 155,210	$ 32,429	$ 187,639
Reclassification	(155,210)	(32,429)	(187,639)
Balance at December 31, 2022	$ -	$ -	$ -
Accumulated depreciation			
Balance at January 1, 2022	$ -	$ -	$ -
Depreciation expenses	-	695	695
Reclassification	-	(695)	(695)
Balance at December 31, 2022	$ -	$ -	$ -
Carrying amount at December 31, 2022	$ -	$ -	$ -

Since the Company considered that investment properties were available for immediate sale and highly likely to be sold. The carrying amounts of investment properties were reclassified to non-current assets held for sale in September 2022. The disposal transaction was completed in December 2022, deducting necessary disposal expenses of $3,478 thousand, resulting in a net disposal proceeds of $216,522 thousand.

15. BORROWINGS

a. Short-term borrowings

	December 31	
	2023	2022
Unsecured borrowings		
Line of credit borrowings	$ 32,000	$ 90,000

Range of interest rate on balance sheet date was as follows:

	December 31	
	2023	**2022**
Line of credit borrowings	1.65%-2.41%	1.63%-1.87%

As of December 31, the credit borrowings of the Company is jointly guaranteed by the Chairman and the General Manager of the Company.

b. Long-term borrowings

	December 31	
	2023	**2022**
Bank loans	$ 317,316	$ 283,467
Less: Current portion	(19,797)	(19,797)
Long-term borrowings	$ 297,519	$ 263,670

In order to purchase land and plants on Beiyuan Road, Zhongli District, and to support subsequent repairment and renovation projects, the Company had signed three medium-to-long-term facility agreements with Mega Bank in April 2021. The facility limits were $124,000 thousand, $50,000 thousand and $50,000 thousand, respectively. The Company initially used the facility drawdown on April 28, May 7 and May 17, 2021 correspondingly. According to the agreements, the first installment was due two years, one year and one year, respectively from the initial drawdown date, followed by installments every three months. The principal amounts were amortized over 53, 17 and 25 installments, respectively. The long-term borrowings were secured by the land and plants on Beiyuan Road, Zhongli District, and were fully repaid ahead of schedule in December 2022.

To enhance midterm operational funds, the Company entered into a medium-term facility agreement with Taipei Fubon Commercial Bank, with a facility limit of $80,000 thousand. The Company initially used the facility drawdown in October 2021. According to the agreement, the principal was to be repaid in 48 monthly installments starting one year after the initial drawdown date. As of December 31, 2023, the effective annual interest rate was 1.64%. The borrowing was jointly guaranteed by the Chairman and the General of the Company and with no assets provided as collateral.

The borrowed funds did not provide any assets as collateral.

For the expanding operational scale and capacity, the Company purchased land on Xinsheng Road, Zhongli District, and planned to construct plants. Therefore, the Company entered into a comprehensive facility agreement with E.Sun Commercial Bank in June 2022. The medium-term facility limit for land was $208,000 thousand, and The Company initially used the facility drawdown on July 5, 2022, with a drawdown period of four years. According to the agreement, interest was to be paid monthly, and the repayment was to be made upon maturity. As of December 31, 2023, the effective annual interest rate was 2.09%. On the other hand, the medium-term facility limit for buildings was $310,000 thousand, and The Company initially used the facility drawdown on September 1, 2023, with a drawdown period of four years. According to the agreement, interest was to be paid monthly, and the repayment was to be made upon maturity. As of December 31, 2023, the effective annual interest rate was 2.19%. The borrowing were secured by the land on Xinsheng Road, Zhongli District, please refer to Note 28 for more information. Additionally, after the completion of the plant and acquiring the usage permission, the plant should also be pledged as collateral.

16. OTHER PAYABLES FROM UNRELATED PARTIES

	December 31	
	2023	2022
Payables for salaries or bonuses	$ 13,383	$ 19,286
Payables for professional fee	2,359	3,945
Payables for bonuses to employees' compensation and directors' remuneration	1,984	7,884
Others	13,940	18,573
	$ 31,666	$ 49,688

17. REFUND PROVISIONS

	December 31	
	2023	2022
Customer returns and rebates	$ 6,843	$ 8,829

	For the Year Ended December 31	
	2023	2022
Balance at January 1	$ 8,829	$ 15,913
Reserve during the year	(1,986)	(7,084)
Balance at December 31	$ 6,843	$ 8,829

The refund provisions is based on the management's judgments and other known reasons for which estimated product returns and rebates may occur for the year ended. The provision is recognized as a reduction of operating income in the periods in which the related goods are sold.

18. RETIREMENT BENEFIT PLANS

a. Defined contribution plan

The Company adopted a pension plan under the Labor Pension Act (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.

b. Defined benefit plans

The defined benefit plans adopted by the Company in accordance with the Labor Standards Act is operated by the government of the ROC. Pension benefits are calculated on the basis of the length of service and average monthly salaries of the 6 months before retirement. The Company contribute amounts equal to 2% of total monthly salaries and wages to a pension fund administered by the pension fund monitoring committee. Pension contributions are deposited in the Bank of Taiwan in the committee's name. Before the end of each year, the 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 "Bureau"); the Company has no right to influence the investment policy and strategy.

The amounts included in the parent company only balance sheets in respect of the Company's defined benefit plans are as follows:

	December 31	
	2023	2022
Present value of defined benefit obligation	$ 9,272	$ 8,829
Fair value of plan assets	(7,797)	(818)
Net defined benefit liabilities	$ 1,475	$ 8,011

Movements in net defined benefit liabilities were as follows:

	Present Value of the Defined Benefit Obligation	Fair Value of the Plan Assets	Net Defined Benefit Liabilities
Balance at January 1, 2022	$ 9,225	$ (725)	$ 8,500
Service cost			
Current service cost	234	-	234
Net interest expense (income)	58	(5)	53
Recognized in profit or loss	292	(5)	287
Remeasurement			
Return on plan assets (excluding amounts included in net interest)	-	(56)	(56)
Actuarial gain - changes in financial assumptions	(591)	-	(591)
Actuarial gain - experience adjustments	(97)	-	(97)
Recognized in other comprehensive income	(688)	(56)	(744)
Contributions from the employer	-	(32)	(32)
Balance at December 31, 2022	8,829	(818)	8,011
Service cost			
Current service cost	218	-	218
Net interest expense (income)	132	(12)	120
Recognized in profit or loss	350	(12)	338
Remeasurement			
Return on plan assets (excluding amounts included in net interest)	-	(69)	(69)
Actuarial loss - changes in financial assumptions	110	-	110
Actuarial gain - experience adjustments	(17)	-	(17)
Recognized in other comprehensive income	93	(69)	24
Contributions from the employer	-	(6,898)	(6,898)
Balance at December 31, 2023	$ 9,272	$ (7,797)	$ 1,475

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

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

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

3) Salary risk: The present value of the defined benefit obligation is calculated using the future salaries of plan participants. As such, an increase in the salaries 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 significant assumptions used for the purposes of the actuarial valuations are as follows:

	December 31	
	2023	**2022**
Discount rate(s)	1.375%	1.500%
Expected rate(s) of salary increase	2.250%	2.250%

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

	December 31	
	2023	**2022**
Discount rate(s)		
0.25% increase	$ (219)	$ (221)
0.25% decrease	$ 226	$ 228
Expected rate(s) of salary increase		
0.25% increase	$ 220	$ 222
0.25% decrease	$ (214)	$ (216)

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

	December 31	
	2023	**2022**
Expected contributions to the plans for the next year	$ 112	$ 33
Average duration of the defined benefit obligation	13.3 years	10.4 years

19. EQUITY

a. Ordinary shares

	December 31	
	2023	**2022**
Shares authorized (in thousands of shares)	60,000	60,000
Shares authorized	$ 600,000	$ 600,000
Shares issued and fully paid (in thousands of shares)	32,870	30,028
Shares issued and fully paid	$ 328,700	$ 300,280

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

The Company's board of directors resolved to issue 2,842 thousand ordinary shares with $10 par value for pre-initial public offering placement, the above issuance of shares for cash capital increase was approved by the Taiwan Stock Exchange under letter No. 1121804375 and effective on October 31, 2023, the registration change was completed on November 15, 2023. The shares in the aforementioned cash capital increase are issued at a premium, includes the issuance of an underwriting price of $28 per share for employee subscription and public subscription and at weighted average price of the winning bidders of $38.32 per share for the auction. After deducting the underwriting handling fees, the net issuance amount of $97,457 thousand has been fully collected.

b. Capital surplus

	December 31	
	2023	**2022**
May be used to offset a deficit, distributed as cash dividends, or transferred to share capital (1)		
Issuance of ordinary shares	$ 354,592	$ 285,555
Executive employees stock options	3,255	-
May only be used to offset a deficit		
Changes in percentage of ownership interests in subsidiaries (2)	2,001	2,001
	$ 359,848	$ 287,556

1) Such capital surplus may be used to offset a deficit; in addition, when the Company has no deficit, such capital surplus may be distributed as cash dividends or transferred to share capital (limited to a certain percentage of the Company's capital surplus and to once a year).

2) Such capital surplus arises from the effects of changes in ownership interests in subsidiaries resulting from equity transactions other than actual disposals or acquisitions or from changes in capital surplus of subsidiaries accounted for using the equity method.

c. Retained earnings and dividends policy

Under the dividends policy as set forth in the Articles, where the Company made a profit in a fiscal year, the profit shall be first utilized for paying taxes, offsetting losses of previous years, setting aside as legal reserve 10% of the remaining profit, setting aside or reversing a special reserve, and then any remaining profit together with any undistributed retained earnings shall be used by the Company's board of directors as the basis for proposing a distribution plan, which should be resolved in the shareholders' meeting for the distribution of dividends and bonuses to shareholders. For the policies on the distribution of compensation of employees and remuneration of directors after the amendment, refer to compensation of employees and remuneration of directors in Note 21-7.

The Company's Articles also stipulate a dividends policy whereby the dividend distribution is mainly based on cash dividends and stock dividends balanced dividend policies, of which the cash dividend payment ratio is limited to not less than 10% of the total dividends distributed from the earnings of the current year.

An appropriation of earnings to a legal reserve shall be made until the legal reserve equals the Company's paid-in capital. The legal reserve may be used to offset deficits. If the Company has no deficit and the legal reserve has exceeded 25% of the Company's paid-in capital, the excess may be transferred to capital or distributed in cash.

The Company has set aside and reversed the special surplus reserve in accordance with the provisions of Financial Supervisory Securities Letter No. 1090150022 and the "Q&A of Application of Set Aside Special Reserve After Adoption of International financial statements Standards (IFRSs)".

The appropriations of earnings for 2022 and 2021 were as follows:

	Earning Appropriation		**Dividend Per Share (NT$)**	
	2022	**2021**	**2022**	**2021**
Legal reserve	$ 12,035	$ 2,189		
Special reserve	343	-		
Cash dividend	60,056	36,034	$ 2.0	$ 1.2

The above appropriations for cash dividends were resolved by the Company's board of directors on February 23, 2023 and March 29, 2022, respectively; the other proposed appropriations were resolved by the shareholders in their meeting on May 18, 2023 and June 10, 2022, respectively.

The appropriation of earnings for 2023, which were proposed by the Company's board of directors on February 22, 2023, were as follows:

	Earning Appropriation	**Dividend Per Share (NT$)**
Legal reserve	$ 3,013	
Cash dividend	39,444	$ 1.2

The above appropriation for cash dividends has been resolved by the Company's board of directors; the other proposed appropriations will be resolved by the shareholders in their meeting to be held on May 15, 2024.

20. REVENUE

	For the Year Ended December 31	
	2023	**2022**
Revenue from contracts with customers		
Revenue from the sale of goods	$ 510,426	$ 690,194
Revenue from the rendering of services	6,350	3,056
	$ 516,776	$ 693,250

21. NET PROFIT

a. Interest income

	For the Year Ended December 31	
	2023	2022
Bank deposits interest	$ 1,356	$ 2,093
Reverse repurchase bonds interest	849	82
Others	176	43
	$ 2,381	$ 2,218

b. Other income

	For the Year Ended December 31	
	2023	2022
Dividends	$ 10,996	$ 7,733
Government grants income	-	8,342
Others	1,264	1,541
	$ 12,260	$ 17,616

c. Other gains and losses

	For the Year Ended December 31	
	2023	2022
Net foreign exchange gains	$ 1,645	$ 12,672
Gain on disposal of property, plant and equipment	471	-
Gain on lease modification	4	-
Gain on disposal of non-current assets classified as held for sale	-	29,578
Fair value changes of financial assets designated as at FVTPL	-	38
Others	(19)	(2,215)
	$ 2,101	$ 40,073

d. Finance costs

	For the Year Ended December 31	
	2023	2022
Interest on bank loans	$ 6,892	$ 6,593
Interest on lease liabilities	78	42
Less: capitalized interest	(4,537)	(1,496)
	$ 2,433	$ 5,139

Information on capitalized interest is as follows:

	For the Year Ended December 31	
	2023	2022
Capitalized interest amount	$ 4,537	$ 1,496
Capitalization rate	1.84%-2.22%	1.55%-1.84%

e. Depreciation and amortization

	For the Year Ended December 31	
	2023	2022
Property, plant and equipment	$ 4,804	$ 5,070
Right-of-use assets	5,244	4,379
Investment properties	-	695
Intangible assets	3,533	3,535
	$ 13,581	$ 13,679
An analysis of depreciation by function		
Operating costs	$ 1,530	$ 1,245
Operating expenses	8,518	8,899
	$ 10,048	$ 10,144
An analysis of amortization by function		
Operating costs	$ 166	$ 216
Operating expenses	3,367	3,319
	$ 3,533	$ 3,535

f. Employee benefits expense

	For the Year Ended December 31	
	2023	2022
Post-employment benefits		
Defined contribution plan	$ 4,400	$ 3,890
Defined benefit plans	338	287
	4,738	4,177
Share-based payments	3,255	-
Other employee benefits	105,361	109,223
Total employee benefits expense	$ 113,354	$ 113,400
An analysis of employee benefits expense by function		
Operating costs	$ 18,896	$ 15,237
Operating expenses	94,458	98,163
	$ 113,354	$ 113,400

g. Compensation of employees and remuneration of directors

According to the Company's Articles, the Company accrues compensation of employees and remuneration of directors at rates of no less than 3% and no higher than 5%, respectively, of net profit before income tax, compensation of employees, and remuneration of directors. The compensation of employees and the remuneration of directors for the years ended December 31, 2023 and 2022, which were approved by the Company's board of directors on February 22, 2024 and February 23, 2023, respectively, are as follows:

Amount

	For the Year Ended December 31	
	2023	2022
Compensation of employees	$ 1,526	$ 6,127
Remuneration of directors	458	1,757

If there is a change in the amounts after the annual financial statements are authorized for issue, the differences are recorded as a change in the accounting estimate.
There is no difference between the actual amounts of compensation of employees and remuneration of directors paid and the amounts recognized in the parent company only financial statements for the years ended December 31, 2022 and 2021.

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

h. Gains or losses on foreign currency exchange

	For the Year Ended December 31	
	2023	2022
Foreign exchange gains	$ 42,013	$ 68,037
Foreign exchange losses	(40,368)	(55,365)
Net gain on foreign currency exchange	$ 1,645	$ 12,672

22. INCOME TAXES

a. Income tax (benefit) expense recognized in profit or loss

	For the Year Ended December 31	
	2023	2022
Current tax		
In respect of the current year	$ -	$ 13,311
Income tax on unappropriated earnings	2,336	-
Adjustments for prior year	(757)	-
	1,579	13,311
Deferred tax		
In respect of the current year	(1,149)	2,496
Adjustments for prior year	(1,439)	-
	(2,588)	2,496
Income tax (benefit) expense recognized in profit or loss	$ (1,009)	$ 15,807

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

	For the Year Ended December 31	
	2023	2022
Profit before tax from continuing operations	$ 29,078	$ 135,023
Income tax expense calculated at the statutory rate	$ 5,816	$ 27,005
Items to be adjusted in determining taxable income	(6,965)	(24,509)
Income tax on unappropriated earnings	2,336	-
Adjustments for prior year - current tax	(757)	-
Adjustments for prior year - deferred tax	(1,439)	-
House and Land Transactions Income Tax	-	13,311
Income tax (benefit) expense recognized in profit or loss	$ (1,009)	$ 15,807

b. Income tax recognized in other comprehensive income

	For the Year Ended December 31	
	2023	2022
Deferred tax		
In respect of the current year		
Remeasurement of defined benefit plans	$ 5	$ (149)

c. Current tax assets and liabilities

	For the Year Ended December 31	
	2023	2022
Current tax assets		
Tax refund receivable	$ 4,542	$ 3,315
Current tax liabilities		
Income tax payable	$ -	$ 13,112

d. Deferred tax assets and liabilities

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

For the year ended December 31, 2023

Deferred Tax Assets	Opening Balance	Recognized in Profit or Loss	Recognized in Other Comprehensive Income	Closing Balance
Temporary differences				
Unrealized net gain on sale of goods	$ 491	$ (50)	$ -	$ 441
Defined benefit retirement plan	1,602	(1,312)	5	295
Refund provisions	718	(368)	-	350

(Continued)

Deferred Tax Assets	Opening Balance	Recognized in Profit or Loss	Recognized in Other Comprehensive Income	Closing Balance
Unrealized foreign exchange losses	$ -	$ 901	$ -	$ 901
Others	9,945	(82)	-	9,863
	12,756	(911)	5	11,850
Tax losses	4,353	1,494	-	5,847
	$ 17,109	$ 583	$ 5	$ 17,697
Temporary differences				
Investments accounted for using the equity method	$ 6,901	$ 668	$ -	$ 7,569
Unrealized foreign exchange gains	2,673	(2,673)	-	-
	$ 9,574	$ (2,005)	$ -	$ 7,569

(Concluded)

For the year ended December 31, 2022

Deferred Tax Assets	Opening Balance	Recognized in Profit or Loss	Recognized in Other Comprehensive Income	Closing Balance
Temporary differences				
Unrealized net gain on sale of goods	$ 808	$ (317)	$ -	$ 491
Defined benefit retirement plan	1,700	51	(149)	1,602
Refund provisions	1,109	(391)	-	718
Others	6,841	3,104	-	9,945
	10,458	2,447	(149)	12,756
Tax losses	6,259	(1,906)	-	4,353
	$ 16,717	$ 541	$ (149)	$ 17,109
Temporary differences				
Investments accounted for using the equity method	$ 5,731	$ 1,170	$ -	$ 6,901
Unrealized foreign exchange gains	806	1,867	-	2,673
	$ 6,537	$ 3,037	$ -	$ 9,574

e. Related to investment for which no deferred tax assets have been recognized in the balance sheets:

As of December 31, 2023 and 2022, deferred tax liabilities have not been recognized for taxable temporary differences associated with investments in subsidiaries is $170,681 thousand and $134,130 thousand, respectively.

f. Income tax assessments

The income tax returns of the Company through 2021 have been assessed by the tax authorities.

23. EARNINGS PER SHARE

Unit: NT$ Per Share

	For the Year Ended December 31	
	2023	**2022**
Basic earnings per share	$ 0.99	$ 3.97
Diluted earnings per share	$ 0.98	$ 3.94

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

Net Profit for the Year

	For the Year Ended December 31	
	2023	**2022**
Profit for the year attributable to owners of the Company	$ 30,087	$ 119,216

Number of Shares

	For the Year Ended December 31	
	2023	**2022**
Weighted average number of ordinary shares used in the computation of basic earnings per share	30,511	30,028
Effect of potentially dilutive ordinary shares		
Compensation of employees	64	203
Weighted average number of ordinary shares used in the computation of diluted earnings per share	30,575	30,231

The Company may settle the compensation of employees in cash or shares; therefore, the Company assumes that the entire amount of the compensation will be settled in shares, and the resulting potential shares are included in the weighted average number of shares outstanding used in the computation of diluted earnings per share, as the effect is dilutive. Such dilutive effect of the potential shares is included in the computation of diluted earnings per share until the number of shares to be distributed to employees is resolved in the following year.

24. SHARE-BASED PAYMENT ARRANGEMENTS

On August 31, 2023, the Company’s board of directors resolved to issue ordinary shares, which consisted of 313 thousand shares for employee share option plan. Employees who meet specific criteria are given the options and could exercise the shares in accordance with the employee share option plan issuance and subscription terms and conditions immediately. The duration of the employee share option plan is 9 days and the exercise price is $28.

Information on employee share options was as follows:

Employee Share Options	For the Year Ended December 31, 2023	
	Number of Options (In Thousands of Units)	Weighted-average Exercise Price ($)
Balance at January 1	-	$ -
Options granted	313	28
Options exercised	(313)	
Balance at December 31	-	
Weighted-average fair value of options granted ($)	$ 12.04	

Options granted in August 2023 is priced using the Black-Scholes pricing model, and the inputs to the model are as follows:

Grant-date share price	$40.04
Exercise price	$28.00
Expected volatility	26.99%
Expected dividend yield	0%
Duration	9 days
Risk-free interest rate	0.95%

Compensation costs recognized were $3,255 thousand for the year ended December 31, 2023.

25. CAPITAL MANAGEMENT

The Company manages its capital to ensure that entities in the Company will be able to continue as going concerns while maximizing the return to stakeholders through the optimization of the debt and equity balance. The Company's overall strategy remains unchanged.

The capital structure of the Company consists of net debt (borrowings offset by cash and cash equivalents) and equity of the Company (comprising issued capital, reserves, retained earnings and other equity).

The Company is not subject to any externally imposed capital requirements.

26. FINANCIAL INSTRUMENTS

a. Fair value of financial instruments not measured at fair value

The management of the Company considers that the carrying amounts of financial assets and financial liabilities not measured at fair value are closer to their fair values or their fair values cannot be reliably measured.

b. Fair value of financial instruments measured at fair value on a recurring basis

1) Fair value hierarchy

December 31, 2023

	Level 1	Level 2	Level 3	Total
Investments in equity instruments				
Listed shares	$ 133,405	$ -	$ -	$ 133,405
Unlisted shares	-	-	10,001	10,001
	$ 133,405	$ -	$ 10,001	$ 143,406

December 31, 2022

	Level 1	Level 2	Level 3	Total
Investments in equity instruments				
Listed shares	$ 104,295	$ -	$ -	$ 104,295
Unlisted shares	-	-	10,001	10,001
	$ 104,295	$ -	$ 10,001	$ 114,296

2) Valuation techniques and inputs applied for Level 3 fair value measurement

The fair values of unlisted equity securities were determined using the market approach. To calculate the fair value of the investment, the fair value is determined by the transaction price of the shares traded in the active market of an enterprise engaged in the same or similar business, the value multiplier of the price and related transaction information, and the significant unobservable input value is mainly the liquidity discount. The unobservable input value used on December 31, 2023, and 2022 are both a liquidity discount of 20%.

c. Categories of financial instruments

	December 31	
	2023	2022
Financial assets		
Financial assets at amortized cost (Note 1)	$ 498,513	$ 605,600
Financial assets at fair value through other comprehensive income	143,406	114,296
Financial liabilities		
Amortized cost (Note 2)	534,621	607,738

1) The balances include financial assets at amortized cost, which comprise cash and cash equivalents, pledged certificate of deposit, notes receivable, trade receivables, other receivables and refundable deposits.

2) The balances include financial liabilities at amortized cost, which comprise short-term borrowings, trade payables, other payables and long-term borrowings.

d. Financial risk management objectives and policies

The Company’s major financial instruments include notes receivable, trade receivables, trade payables and borrowings. The financial risk management objectives of the Company is to manage market risk, credit risk and liquidity risk related to operational activities. In order to mitigate the associated risks, the Company’s management is committed to identifying, evaluating and avoiding market uncertainties in order to mitigate the potential adverse impact of market changes on the Company's financial performance.

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).

a) Foreign currency risk

The Company engages in foreign currency-denominated sales and purchase transactions, causing the Company to cause risk exposure to the fluctuation of the exchange rates. In order to avoid fluctuations in the value of foreign currency assets and future cash flows due to exchange rate fluctuations, the Company avoids the impact of the exchange rates fluctuations through analyzing the amount and maturity period of foreign currency assets and liabilities and considering the risk of foreign currency net position to avoid related risks.

The carrying amounts of the Company’s foreign currency denominated monetary assets and monetary liabilities at the end of the year are set out in Note 29.

Sensitivity analysis

The Company’s sensitivity analysis mainly focuses on the foreign currency risk of U.S. dollars at the end of the reporting period. When the functional currency of the Company appreciates/depreciates by 1% against USD, the Company's net income before tax will decrease/increase by $1,171 thousand and $1,993 thousand in 2023 and 2022, respectively.

In the opinion of the Company’s management, this sensitivity analysis is unrepresentative of the Company’s inherent foreign exchange risk because the exposure at the end of the reporting period did not reflect the exposure during the period.

b) Interest rate risk

The Company is exposed to fair value interest rate risk in relation to fixed-rate financial assets and financial liabilities; the Company is also exposed to cash flow interest rate risk in relation to variable-rate financial assets and financial liabilities. The Company’s management regularly monitors changes in market interest rates and adjusts the fixed and floating rate financial liabilities to keep the interest rates of the Company close to the market interest rates to cope with the risks arising from changes in market interest rates.

The carrying amounts of the Company's financial assets and financial liabilities with exposure to interest rates at the end of the year were as follows:

	December 31	
	2023	2022
Fair value interest rate risk		
Financial assets	$ 43,804	$ 56,659
Financial liabilities	38,578	76,311
Cash flow interest rate risk		
Financial assets	153,366	238,093
Financial liabilities	317,516	303,467

Sensitivity analysis

The following sensitivity analysis is based on the interest rate exposure of financial assets and financial liabilities on the balance sheet date. The Company uses a 0.5% increase/decrease in market interest rates as a reasonable risk assessment to report interest rate changes to management. If the interest rate increased/decreased by 0.5% basis points and all other variables were held constant, the Company's pre-tax profit for the years ended December 31, 2023 and 2022 would have decreased/increased by $821 thousand and $327 thousand, respectively.

2) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a financial loss to the Company. At the end of the year, the Company's maximum exposure to credit risk is fairly equivalent to the carrying amount of the respective recognized financial assets as stated in the balance sheets.

The policies adopted by the Company are to trade only with well-reputed counterparties, and to continuously monitor credit exposure and the credit status of counterparties to mitigate the risk of financial losses arising from default. The Company uses other publicly available financial information and mutual transaction records to rate its major customers. The Company continues to monitor credit exposure and the creditworthiness of counterparties.

The trade receivables balance of the largest five customers accounted for 71% and 58% of the total trade receivables of the Company as of December 31, 2023 and 2022, respectively. The credit concentration risk of the remaining trade receivables is relatively insignificant.

3) Liquidity risk

The Company manages liquidity risk by monitoring and maintaining a level of cash and cash equivalents deemed adequate to finance the Company's operations and mitigate the effects of fluctuations in cash flows. In addition, management monitors the utilization of bank borrowings and ensures compliance with loan covenants.

The Company relies on bank borrowings as a significant source of liquidity. As of December 31, 2023 and 2022, the Company had available unutilized short-term bank borrowings facilities set out in (2) below.

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

The following table details the Company's remaining contractual maturities for its non-derivative financial liabilities with agreed upon repayment periods. The table has been drawn up based on the undiscounted cash flows of financial liabilities from the earliest date on which the Company can be required to pay. The table includes both interest and principal cash flows.

	Weighted Average Effective Interest Rate (%)	Demand or Less than 1 Year	1-5 Years	5+ Years
December 31, 2023				
Non-derivative financial liabilities	-	$ 185,305	$ -	$ -
Variable interest rate liabilities	2.03	26,960	311,391	24,022
Fixed interest rate liabilities	1.70	32,043	-	-
Lease liabilities	1.23	4,765	1,885	-
		$ 249,073	$ 313,276	$ 24,022
December 31, 2022				
Non-derivative financial liabilities	-	$ 234,271	$ -	$ -
Variable interest rate liabilities	1.74	44,644	274,452	-
Fixed interest rate liabilities	1.82	70,267	-	-
Lease liabilities	1.07	4,029	2,340	-
		$ 353,211	$ 276,792	$ -

b) Financing amount

The undrawn facility facilities of the banks of the Company at the balance sheet date are as follows:

	December 31	
	2023	2022
Financing amount		
Undrawn amount	$ 1,215,614	$ 1,199,816

27. TRANSACTIONS WITH RELATED PARTIES

Besides information disclosed elsewhere in the other notes, details of transactions between the Company and other related parties are disclosed as follows.

a. Related party name and category

Related Party Name	Related Party Category
Synpower Co., Ltd. (Synpower)	Subsidiary
HK Synpower Ltd.	Subsidiary
SynTop Co., Ltd. (SynTop)	Subsidiary
SYNDIA INDIA PRIVATE LIMITED. (Syndia India)	Subsidiary
Chipboard Technology Corporation (Chipboard)	Subsidiary
SynPower Co., Ltd (Kunshan). (Kunshan SynPower)	Sub-subsidiary
SynPower Co., Ltd Dongguan. (Dongguan SynPower)	Sub-subsidiary
Industrial Technology Research Institute (ITRI)	Related party in substance (as of February 24, 2023)
Shengyi Limited Company (Shengyi)	Related party in substance

b. Sales of goods

Line Item	Related Party Category/Name	For the Year Ended December 31 2023	2022
Sales	Subsidiary		
	Chipboard	$ -	$ 460
	Sub-subsidiary		
	Dongguan SynPower	25,540	72,092
	Kunshan SynPower	16,620	24,340
	Related party in substance		
	ITRI	-	1,335
		$ 42,160	$ 98,227
Technical service revenue	Sub-subsidiary		
	Kunshan SynPower	$ 64	$ -
Sales discount and sales return	Sub-subsidiary		
	Dongguan SynPower	$ -	$ 10,336
	Kunshan SynPower	-	2,734
		$ -	$ 13,070

c. Purchase

Related Party Category/Name	For the Year Ended December 31 2023	2022
Subsidiary		
SynTop	$ 82,606	$ 227,110
Sub-subsidiary		
Kunshan SynPower	422	293
Dongguan SynPower	296	6,662
	$ 83,324	$ 234,065

d. Receivables from related parties

Related Party Category/Name	December 31 2023	December 31 2022
Sub-subsidiary		
Dongguan SynPower	$ 14,902	$ 9,104
Kunshan SynPower	9,663	14,389
Related party in substance		
ITRI	-	730
	$ 24,565	$ 24,223

The credit period of the receivable is 30-120 days from the end of the month.

The outstanding balances of trade receivables from related parties is not collateralized. No bad debts expense was set aside for receivables from related parties for the years ended December 31, 2023 and 2022.

e. Payables to related parties

Related Party Category/Name	December 31 2023	December 31 2022
Subsidiary		
SynTop	$ 46,723	$ 60,623
Sub-subsidiary		
Dongguan SynPower	33	1,622
Kunshan SynPower	42	186
	$ 46,798	$ 62,431

f. Other receivables form related parties

Related Party Category/Name	December 31 2023	December 31 2022
Subsidiary		
Chipboard	$ 84	$ 84
SynTop	-	30,000
Sub-subsidiary		
Dongguan SynPower	-	17,632
	$ 84	$ 47,716

Other receivables from subsidiaries and sub-subsidiaries are loans and on behalf of the collection. The Company's loans to subsidiaries and sub-subsidiaries are interest-free loans.

g. Other payables to related parties

Related Party Category/Name	December 31 2023	December 31 2022
Subsidiary		
SynTop	$ 63	$ 63
Sub-subsidiary		
Kunshan SynPower	78	773
Dongguan SynPower	-	10,801
Related party in substance		
ITRI	-	756
	$ 141	$ 12,393

h. Prepayments

Related Party Category/Name	December 31 2023	December 31 2022
Subsidiary		
SynTop	$ 27,837	$ -

i. Contract liabilities

Related Party Category/Name	December 31 2023	December 31 2022
Subsidiary		
Chipboard	$ -	$ 3,150

j. Acquisition of property, plant and equipment

Related Party Category/Name	Purchase Price For the Year Ended December 31 2023	Purchase Price For the Year Ended December 31 2022
Related party in substance		
Shengyi	$ -	$ 1,400

k. Disposal of property, plant and equipment

Related Party Category/Name	Proceeds For the Year Ended December 31 2023	Proceeds For the Year Ended December 31 2022	Gain on Disposal For the Year Ended December 31 2023	Gain on Disposal For the Year Ended December 31 2022
Subsidiary				
Chipboard	$ 3,500	$ -	$ 2,371	$ -

l. Lease arrangements

Related Party Category/Name	For the Year Ended December 31 2023	2022
Rental expense		
Subsidiary		
SynTop	$ 720	$ 720

The Company leased a plant located in Taoyuan from SynTop and paid fixed rental expenses monthly based on the contract terms.

m. Acquisition of intangible equipment

Related Party Category/Name	Purchase Price For the Year Ended December 31 2023	2022
Related party in substance		
ITRI	$ 500	$ 3,220

n. Others

Line Item	Related Party Category/Name	For the Year Ended December 31 2023	2022
Research and development expenses	Related party in substance ITRI	$ -	$ 733
Other expenses	Related party in substance ITRI	$ -	$ 14
Technical service expenses	Subsidiary SynTop	$ 28	$ -
Other income	Subsidiary Chipboard	$ 960	$ 960

Others are the research and development expenses paid to ITRI, the technical service expenses paid to SynTop and other income from Chipboard for providing management and technical advisory service.

o. Remuneration of key management personnel

The total remuneration of key management personnel as of December 31, 2023 and 2022, respectively were as follows:

	For the Year Ended December 31 2023	2022
Salaries and other	$ 22,962	$ 25,688
Post-employment benefits	300	418
	$ 23,262	$ 26,106

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

28. ASSETS PLEDGED AS COLLATERAL OR FOR SECURITY

The following assets were provided as collateral for bank borrowings, bank financing amount and post-release duty payment:

	For the Year Ended December 31	
	2023	2022
Pledged certificate of deposit (recognized as financial assets at amortized cost)	$ 43,789	$ 25,803
Property, plant and equipment, net	271,369	301,382
	$ 315,158	$ 327,185

29. SIGNIFICANT ASSETS AND LIABILITIES DENOMINATED IN FOREIGN CURRENCIES

The Company's significant financial assets and liabilities denominated in foreign currencies aggregated by the foreign currencies other than functional currencies of the entities in the Company and the related exchange rates between the foreign currencies and the respective functional currencies were as follows:

December 31, 2023

	Foreign Currency	Exchange Rate	Carrying Amount
Financial assets			
Monetary items			
USD	$ 5,199	30.705 (USD:NTD)	$ 159,635
JPY	47,876	0.217 (JPY:NTD)	10,399
CNY	12,337	4.327 (CNY:NTD)	53,382
Financial liabilities			
Monetary items			
USD	1,384	30.705 (USD:NTD)	42,496
JPY	46,170	0.217 (JPY:NTD)	10,028
CNY	799	4.327 (CNY:NTD)	3,457

December 31, 2022

	Foreign Currency	Exchange Rate	Carrying Amount
Financial assets			
Monetary items			
USD	$ 7,702	30.710 (USD:NTD)	$ 236,528
JPY	31,651	0.232 (JPY:NTD)	7,356
CNY	42,187	4.408 (CNY:NTD)	185,959
Financial liabilities			
Monetary items			
USD	1,212	30.710 (USD:NTD)	37,210
JPY	99,685	0.232 (JPY:NTD)	23,167
CNY	6,104	4.408 (CNY:NTD)	26,905

For the years ended December 31, 2023 and 2022, realized and unrealized net foreign exchange gains were $1,645 thousand and $12,672 thousand, respectively. It is impractical to disclose net foreign exchange gains (losses) by each significant foreign currency due to the variety of the foreign currency transactions and functional currencies of the entities in the Company.

30. SEPARATELY DISCLOSED ITEMS

a. Information on significant transactions:

1) Financing provided to others (Table 1)

2) Endorsements/guarantees provided (Table 2)

3) Marketable securities held (excluding investments in subsidiaries, associates and joint ventures) (Table 3)

4) Marketable securities acquired or disposed of at costs or prices of at least NT$300 million or 20% of the paid-in capital (None)

5) Acquisition of individual real estate at costs of at least NT$300 million or 20% of the paid-in capital (Table 4)

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 5)

8) Receivables from related parties amounting to at least NT$100 million or 20% of the paid-in capital (None)

9) Trading in derivative instruments (None)

b. Information on investees (Table 6)

c. Information on investments 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, net income of investees, investment income or loss, carrying amount of the investment at the end of the year, repatriations of investment income, and limit on the amount of investment in the mainland China area (Table 7)

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 (Table 1, 2 and 8):

a) The amount and percentage of purchases and the balance and percentage of the related payables at the end of the year

b) The amount and percentage of sales and the balance and percentage of the related receivables at the end of the year

c) The amount of property transactions and the amount of the resultant gains or losses

d) The balance of negotiable instrument endorsements or guarantees or pledges of collateral at the end of the year and the purposes

e) The highest balance, the ending balance, the interest rate range, and total current period interest with respect to the financing of funds

f) Other transactions that have a material effect on the profit or loss for the year or on the financial position, such as the rendering or receipt of services

d. 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 9)

SYNPOWER CO., LTD.

FINANCING PROVIDED TO OTHERS
FOR THE YEAR ENDED DECEMBER 31, 2023
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

No.	Lender	Borrower	Financial Statement Account	Related Party	Highest Balance for the Period	Ending Balance (Note 3)	Actual Amount Borrowed (Notes 3 and 4)	Interest Rate (%)	Nature of Financing (Note 1)	Business Transaction Amount	Reasons for Short-term Financing	Allowance for Impairment Loss	Collateral		Financing Limit for Each Borrower (Note 2)	Aggregate Financing Limit (Note 2)
													Item	Value		
0	SynPower Co., Ltd.	SynPower Co., Ltd. (Kunshan)	Other receivables from related parties	Yes	$ 17,308 (CNY 4,000 thousand)	$ -	$ -	-	a	$ 16,684	-	$ -	-	$ -	$ 16,684	$ 414,627
		SynPower Co., Ltd. Dongguan	Other receivables from related parties	Yes	16,443 (CNY 3,800 thousand)	-	-	-	a	25,540	-	-	-	-	25,540	414,627
		SynTop Co., Ltd.	Other receivables from related parties	Yes	30,000	-	-	-	a	82,634	-	-	-	-	82,634	414,627
1	SynPower Co., Ltd. Dongguan	SynPower Co., Ltd. (Kunshan)	Other receivables from related parties	Yes	8,654 (CNY 2,000 thousand)	-	-	-	b	-	Operating turnover	-	-	-	135,376	135,376

Note 1: The nature of financing is explained as follows:

a. Fill in 1 for any business interaction.
b. Fill in 2 for any needs in short-term financing.

Note 2: The total amount for guarantees and endorsements provided by the Company to other entity for short-term financing shall not exceed 40% of the Company's net equity. The amount for guarantees and endorsements provided by the Company to any individual entity shall not exceed 40% of the Company's net equity. The amount of each loan by the Company for business relationships shall not exceed the amount of the business relationships in the past year. The amount of business relationship refers to the higher of the sales amount or purchase amount. The amount of each loan by the Company to any individual entity shall not exceed the amount of the business relationship. The amount of business relationship refers to the higher of the predictable sales amount or purchase amount. The total amount for guarantees and endorsements provided by DongGuan SynPower shall not exceed 100% of it's net equity.

Note 3: The foreign currencies are translated at the exchange rates prevailing on December 31, 2023.

SYNPOWER CO., LTD.

ENDORSEMENTS/GUARANTEES PROVIDED
FOR THE YEAR ENDED DECEMBER 31, 2023
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

No.	Endorser/Guarantor	Endorsee/Guarantee		Limit on Endorsement/ Guarantee Given on Behalf of Each Party (Note 2)	Maximum Amount Endorsed/ Guaranteed During the Period (Note 3)	Outstanding Endorsement/ Guarantee at the End of the Period	Actual Amount Borrowed	Amount Endorsed/ Guaranteed by Collateral	Ratio of Accumulated Endorsement/ Guarantee to Net Equity in Latest Financial Statements (%) (Note 1)	Aggregate Endorsement/ Guarantee Limit (Note 2)	Endorsement/ Guarantee Given by Parent on Behalf of Subsidiaries	Endorsement/ Guarantee Given by Subsidiaries on Behalf of Parent	Endorsement/ Guarantee Given on Behalf of Companies in Mainland China
		Name	Relationship										
0	SynPower Co., Ltd.	SynPower Co., Ltd. Dongguan	Sub-subsidiary	$ 1,036,568	$ 122,820 (US$ 4,000 thousand)	$ 122,820 (US$ 4,000 thousand)	$ 23,366 (US$ 761 thousand)	$ 23,366 (US$ 761 thousand)	12	$ 1,036,568	Yes	No	Yes
		SynPower Co., Ltd. (Kunshan)	Sub-subsidiary	1,036,568	69,232 (CNY 16,000 thousand)	69,232 (CNY 16,000 thousand)	-	-	7	1,036,568	Yes	No	Yes
		SynTop Co., Ltd.	Subsidiary	1,036,568	115,000	115,000	61,308	-	11	1,036,568	Yes	No	No

Note 1: Calculated using the net value of the company as of December 31, 2023.

Note 2: The total amount of endorsements/guarantees provides to the subsidiary in which the Company directly or indirectly holds 100% of the shares is limited to 100% of net value of the parent company. The limit on endorsements/guarantees provided to a single entity is 100% of the net assets of the parent company.

Note 3: The foreign currencies are translated at the exchange rates prevailing on December 31, 2023.

SYNPOWER CO., LTD.

MARKETABLE SECURITIES HELD
DECEMBER 31, 2023
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	December 31, 2023				Note
				Number of Shares	Carrying Amount	Percentage of Ownership (%)	Fair Value	
SynPower Co., Ltd.	Odobez system Taiwan corporation.	-	Financial assets at fair value through other comprehensive income	259,000	$ 10,001	0.60	$ 10,001	-
	Symtek Automation Asia Co., Ltd.	-	Financial assets at fair value through other comprehensive income	1,276,599	133,405	1.70	133,405	Note

Note: It is evaluated based on the closing price of the last trading day of December 2023 on the Taiwan Stock Exchange.

SYNPOWER CO., LTD.

ACQUISITION OF INDIVIDUAL REAL ESTATE AT COSTS OF AT LEAST NT$300 MILLION OR 20% OF THE PAID-IN CAPITAL
FOR THE YEAR ENDED DECEMBER 31, 2023
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Buyer	Property	Event Date	Transaction Amount	Payment Status	Counterparty	Relationship	Information on Previous Title Transfer If Counterparty Is A Related Party				Pricing Reference	Purpose of Acquisition	Other Terms
							Property Owner	Property Owner	Property Owner	Property Owner			
SynPower Co., Ltd.	Plant construction works on Xinsheng road	July 20, 2023	$ 398,900	Note	True-Dreams Construction Co., Ltd	-	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Planning and construction of plant and offices	None

Note: As of December 31, 2023, according to the agreement of the project contract, the company has paid a total of $75,981 thousand for the project and recognized as construction in progress.

SYNPOWER CO., LTD.

TOTAL PURCHASES FROM OR SALES TO RELATED PARTIES AMOUNTING TO AT LEAST NT$100 MILLION OR 20% OF THE PAID-IN CAPITAL
FOR THE YEAR ENDED DECEMBER 31, 2023
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Buyer	Related Party	Relationship	Transaction Details				Abnormal Transaction		Notes/Accounts Receivable (Payable)		Note
			Purchase/ Sale	Amount	% of Total	Payment Terms	Unit Price	Payment Terms	Ending Balance	Ending Balance	
SynPower Co., Ltd.	SynTop Co., Ltd.	Parent company and subsidiary	Purchase	$ 82,606	22.55	-	-	Note	$ 46,723	30.43	-

Note: In order to enrich the production capacity of SynTop Co., Ltd., the Company pays for partial purchase transaction in advance, the other transactions are not materially different from the general transaction type.

SYNPOWER CO., LTD.

INFORMATION ON INVESTEES
FOR THE YEAR ENDED DECEMBER 31, 2023
(Amounts in Thousands of New Taiwan Dollars)

Investor Company	Investee Company	Location	Main Businesses and Products	Original Investment Amount (Note 1)		As of December 31, 2023 (Note 3)			Net Income (Loss) of the Investee	Share of Profit (Loss)	Note
				December 31, 2023	December 31, 2022	Number of Shares	%	Carrying Amount			
SynPower Co., Ltd.	HK Synpower Ltd.	Hong Kong	Investment company	$ 111,876 (US$ 3,630 thousand)	$ 111,876 (US$ 3,630 thousand)	3,630,000	100	$ 259,583	$ 36,442	$ 36,551	
	Synpower Co., Ltd.	Republic of Seychelles	Trading Company	9,613 (US$ 319 thousand)	9,613 (US$ 319 thousand)	50,000	100	61,848	3,237	3,237	
	SynTop Co., Ltd.	Taiwan	Electronic product testing services, automated equipment, electronic components and other parts, and related maintenance services.	49,996	49,996	2,479,500	77	2,914	(18,990)	(18,020)	
	Chipboard Technology Corporation	Taiwan	Electroless nickel immersion gold for PCB	71,211	71,211	4,371,502	51	108,357	16,298	8,312	
	SYNDIA INDIA PRIVATE LIMITED	India	Electronic components and other parts, and related maintenance services	4,044 (INR 10,000 thousand)	4,044 (INR 10,000 thousand)	-	100	5,951	103	103	

Note 1: The original investment amount is converted at the exchange rate prevailing at the time of the original investment.

Note 2: Investments in mainland China are included in Table 7.

SYNPOWER CO., LTD.

INFORMATION ON INVESTMENTS IN MAINLAND CHINA
FOR THE YEAR ENDED DECEMBER 31, 2023
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Investee Company	Main Businesses and Products	Paid-in Capital (Note 3)	Method of Investment	Accumulated Outward Remittance for Investment from Taiwan as of January 1, 2023 (Note 1)	Remittance of Funds		Accumulated Outward Remittance for Investment from Taiwan as of December 31, 2023 (Note 1)	Net Income (Loss) of the Investee (Note 2)	% Ownership of Direct or Indirect Investment	Investment Gain (Loss) (Note 2)	Carrying Amount as of December 31, 2023 (Note 3)	Accumulated Repatriation of Investment Income as of December 31, 2023	Note
					Outward	Inward							
SynPower Co., Ltd. (Kunshan)	Electronic product testing services, automated equipment, electronic components	$ 34,616 (CNY 8,000 thousand)	Invest Company in Mainland China through HK Synpower Ltd.	$ 40,142 (US$ 1,282 thousand)	$ -	$ -	$ 40,142 (US$ 1,282 thousand)	$ 28,838 (CNY 6,560 thousand)	100	$ 28,838 (CNY 6,560 thousand)	$ 125,752 (CNY 29,062 thousand)	$ -	Note 5
SynPower Co., Ltd. Dongguan	Electronic product testing services, automated equipment, electronic components and other parts, and related maintenance services	60,578 (CNY 14,000 thousand)	Invest Company in Mainland China through HK Synpower Ltd.	68,636 (US$ 2,222 thousand)	-	-	68,636 (US$ 2,222 thousand)	7,583 (CNY 1,725 thousand)	100	7,583 (CNY 1,725 thousand)	135,376 (CNY 31,286 thousand)	-	Note 5
Jiangsu SLK High-Tech Co., Ltd	Electronic product testing services, automated equipment, electronic components and other parts, and related maintenance services	116,829 (CNY 27,000 thousand)	Invest Company in Mainland China through DongGuan SynPower Co., Ltd.	-	-	-	-	(839) (CNY (191) thousand)	20	(168) (CNY (38) thousand)	21,221 (CNY 4,904 thousand)	-	-

Accumulated Outward Remittance for Investments in Mainland China as of December 31, 2023 (Note 1)	Investment Amount Authorized by the Investment Commission, MOEA (Note 3)	Upper Limit on the Amount of Investments Stipulated by the Investment Commission, MOEA (Note 4)
$108,778 (US$3,504 thousand)	$107,590 (US$3,504 thousand)	$621,941

Note 1: The foreign currencies are translated at the exchange rate at the time of remittance of the original investment cost.

Note 2: The foreign currencies are translated at the average exchange rate in 2023.

Note 3: The foreign currencies are translated at the exchange rates prevailing on December 31, 2023.

Note 4: It was calculated by 60% of the Company's net equity on December 31, 2023.

Note 5: The investment income (loss) recognized was based on the audited financial statement.

SYNPOWER CO., LTD.

SIGNIFICANT TRANSACTIONS WITH INVESTEE COMPANIES IN MAINLAND CHINA, EITHER DIRECTLY OR INDIRECTLY THROUGH A THIRD PARTY, AND THEIR PRICES, PAYMENT TERMS, AND UNREALIZED GAINS OR LOSSES
FOR THE YEAR ENDED DECEMBER 31, 2023
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Investee Company	Transaction Type	Purchase/Sale		Price	Transaction Details		Notes/Accounts Receivable (Payable)		Unrealized (Gain) Loss	Note
		Amount	%		Payment Terms	Comparison with Normal Transactions	Ending Balance	%		
SynPower Co., Ltd. Dongguan	Sale	$ 25,540	5	No significant differences	No significant differences	No significant differences	$ 14,902	5	$ -	
	Purchase	296	-	No significant differences	No significant differences	No significant differences	(33)	-	-	
SynPower Co., Ltd. (Kunshan)	Sale	16,684	3	No significant differences	No significant differences	No significant differences	9,663	3	-	
	Purchase	422	-	No significant differences	No significant differences	No significant differences	(42)	-	-	

TABLE 9

SYNPOWER CO., LTD.

INFORMATION OF MAJOR SHAREHOLDERS
DECEMBER 31, 2023

Name of Major Shareholder	Shares	
	Number of Shares	Number of Shares
Chi Bin Industrial Co., Ltd	4,786,751	14.56
Kao Mei Industrial Co., Ltd	4,232,729	12.87
Symtek Automation Asia Co., Ltd.	2,991,719	9.10
Zhen Ding Technology Holding Limited	2,437,697	7.41
Lin, Win-Bin	2,080,308	6.32

Note 1: 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 preferred 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 financial statements may differ from the actual number of shares that have been issued without physical registration because of different preparation basis.

Note 2: If a shareholder delivers the shareholdings to the trust, the above information will be disclosed by the individual truster who opened the trust account. For shareholders who declare insider shareholdings with ownership greater than 10% in accordance with the Security and Exchange Act, the shareholdings include shares held by shareholders and those delivered to the trust over which shareholders have rights to determine the use of trust property. For information relating to insider shareholding declaration, please refer to Market Observation Post System.

SYNPOWER CO., LTD.

THE CONTENTS OF STATEMENTS OF MAJOR ACCOUNTING ITEMS

SYNPOWER CO., LTD.

STATEMENT OF CASH AND CASH EQUIVALENTS
DECEMBER 31, 2023
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Item	Summary	Amount
Cash on hand		$ 505
Bank deposits		
Demand deposits		93,381
Demand deposits (foreign currency)	US$1,430,597, exchange rate at 30.705 JPY47,875,870, exchange rate at 0.2172 THB228,070, exchange rate at 0.9017 GBP71, exchange rate at 39.15 CNY1,259,907, exchange rate at 4.327	59,985
Check deposits		805
		154,171
Cash equivalents		
Postal gift coupon		15
		$ 154,691

STATEMENT 2

SYNPOWER CO., LTD.

STATEMENT OF NOTES and TRADE RECEIVABLES
DECEMBER 31, 2023
(In Thousands of New Taiwan Dollars)

Item	Amount
Notes receivable	
Customer A	$ 9
Trade receivables from unrelated parties	
Customer B	69,453
Customer C	68,200
Customer D	26,561
Customer E	20,659
Others (Note)	93,599
	278,472
Less: Allowance for impairment loss	(12,367)
	266,105
Trade receivables from related parties	
SynPower Co., Ltd. Dongguan	14,902
SynPower Co., Ltd. (Kunshan)	9,663
	24,565
	$ 290,679

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

SYNPOWER CO., LTD.

STATEMENT OF INVENTORIES
DECEMBER 31, 2023
(In Thousands of New Taiwan Dollars)

Item	Amount	
	Cost	Market Price (Note)
Merchandise	$ 39,815	$ 58,363
Raw materials	8,014	8,527
Work in process	8,202	8,208
Finished goods	58,297	63,108
	114,328	$ 138,206
Allowance for inventory valuation	(26,122)	
	$ 88,206	

Note: Market value is calculated using net realizable value.

SYNPOWER CO., LTD.

STATEMENT OF PREPAYMENTS
DECEMBER 31, 2023
(In Thousands of New Taiwan Dollars)

Item	Amount
Prepayments for goods	$ 32,761
Offset against business tax payable	2,705
Others (Note)	3,189
	$ 38,655

Note: The balance of each item does not exceed 5% of the balance of this account.

SYNPOWER CO., LTD.

STATEMENT OF CHANGES IN INVESTMENTS ACCOUNTED FOR UNDER THE EQUITY METHOD
DECEMBER 31, 2023
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

	Beginning Balance		Increase/Decrease in This Year		Ending Balances		Year-end	Market		
Investee Company	Shares (In Thousands)	Amount	Shares (In Thousands)	Amount	Shares (In Thousands)	Amount	Shareholding %	Value/Net Equity	Guarantee or Pledge	Note
Unlisted shares										
Synpower Co., Ltd.	50	$ 58,611	-	$ 3,237	50	$ 61,848	100	$ 61,848	None	Note 1
HK Synpower Co., Ltd.	3,630	227,655	-	31,928	3,630	259,583	100	259,583	None	Note 2
SynTop Co., Ltd.	2,480	20,934	-	(18,020)	2,480	2,914	77	2,914	None	Note 3
Chipboard Technology Corporation	4,372	108,699	-	(342)	4,372	108,357	51	108,357	None	Note 4
SYNDIA INDIA PRIVATE LIMITED	-	5,848	-	103	-	5,951	100	5,951	None	Note 5
		$ 421,747		$ 16,906		$ 438,653				

Note:1 The increase in the current year is due to the recognition of investment gain of $3,237 thousand.

Note 2: The increase in the current year is due to the recognition of investment gain of $36,551 thousand, realized sales gain of $226 thousand and deducted of cumulative translation adjustments of $4,849 thousand.

Note 3: The increase in the current year is due to the recognition of investment loss of $18,020 thousand.

Note 4: The increase in the current year is due to the recognition of investment gain of $8,312 thousand, change in the remeasurement of the investee’s defined benefit plan of $61 thousand and realized sales gain of $28 thousand and the subsidiary paid cash dividends of $8,743 thousand.

Note 5: The increase in the current year is due to the recognition of investment gain of $103 thousand.

SYNPOWER CO., LTD.

STATEMENT OF CHANGES IN RIGHT-OF-USE ASSETS
DECEMBER 31, 2023
(In Thousands of New Taiwan Dollars)

Item	Beginning Balance	Increased in This Year	Decrease in This Year	Ending Balance	Note
Cost					
Buildings	$ 7,285	$ 4,634	$ (4,140)	$ 7,779	
Transportation equipment	3,800	2,520	(3,835)	2,485	
	11,085	$ 7,154	$ (7,975)	10,264	
Accumulated depreciation					
Buildings	4,516	$ 2,702	$ (5,271)	1,947	
Transportation equipment	275	2,542	(1,053)	1,764	
	4,791	$ 5,244	$ (6,324)	3,711	
	$ 6,294			$ 6,553	

SYNPOWER CO., LTD.

STATEMENT OF CHANGES IN SHORT-TERM BORROWINGS
DECEMBER 31, 2023
(In Thousands of New Taiwan Dollars)

Type of Loans	Ending Balance	Contract Period	Interest Rate (%)	Financing Amount	Pledge or Guarantee
Unsecured borrowings					
Shin Kong Commercial Bank	$ 30,000	2023.02.14-2024.02.14	1.65	$ 100,000	None
Hua Nan Commercial Bank	2,000	2023.05.25-2024.05.25	2.41	50,000	None
	$ 32,000			$ 150,000	

SYNPOWER CO., LTD.

STATEMENT OF CHANGES IN TRADE PAYABLES
DECEMBER 31, 2023
(In Thousands of New Taiwan Dollars)

Item	Amount
Trade payables from unrelated parties	
Vendor A	$ 20,694
Vendor B	12,842
Vendor C	11,786
Vendor D	10,895
Vendor E	7,273
Others (Note)	43,210
	106,700
Trade payables from related parties	
SynTop Co., Ltd.	46,723
Others (Note)	75
	46,798
	$ 153,498

Note: The balance of each item does not exceed 5% of the balance of this account.

STATEMENT 9

SYNPOWER CO., LTD.

STATEMENT OF CHANGES IN OTHER CURRENT LIABILITIES
DECEMBER 31, 2023
(In Thousands of New Taiwan Dollars)

Item	Amount
Contract liabilities	$ 15,413
Temporary Credits	1,726
Others (Note)	366
	$ 17,505

Note: The balance of each item does not exceed 5% of the balance of this account.

SYNPOWER CO., LTD.

STATEMENT OF CHANGES IN LONG-TERM BORROWINGS
DECEMBER 31, 2023
(In Thousands of New Taiwan Dollars)

Creditor	Borrowing Balance	Contract Period	Interest Rate (%)	Financing Amount	Pledge or Guarantee
Secured borrowings					
E.Sun Commercial Bank	$ 178,100	2022.07.05-2026.07.03	2.09	$ 180,000	Real estate
	27,700	2022.07.05-2026.07.03	2.09	28,000	Real estate
	55,846	2022.07.05-2026.07.03	2.19	310,000	Real estate
Unsecured borrowings					
Taipei Fubon Commercial Bank	55,670	2021.10.01-2026.10.01	1.64	80,000	None
	$ 317,316			$ 598,000	

SYNPOWER CO., LTD.

STATEMENT OF OPERATING REVENUE
FOR THE YEAR ENDED DECEMBER 31, 2023
(In Thousands of New Taiwan Dollars)

Item	Amount
Sales	
Wet process smart solutions	$ 254,396
AI machine vision equipment	172,880
Production automation integration	53,757
Others (Note)	35,743
	$ 516,776

Note: The balance of each item does not exceed 5% of the balance of this account.

SYNPOWER CO., LTD.

STATEMENT OF OPERATING COSTS
FOR THE YEAR ENDED DECEMBER 31, 2023
(In Thousands of New Taiwan Dollars)

Item	Amount
Cost of goods sold from trading business	
Beginning balance of merchandise	$ 43,334
Add: Purchase of merchandise	247,834
Less: Material request between departments	(10,555)
Others	(9,475)
Ending balance of merchandise	(39,815)
Costs of merchandise sold	231,323
Raw materials	
Beginning balance of raw materials	11,620
Add: Purchase of raw materials	28,429
Less: Sales of raw materials	(4,688)
Material request between departments	(1,748)
Others	(507)
Ending balance of raw materials	(8,014)
Raw materials used in production	25,092
Manufacturing expenses (Statement 13)	9,830
Manufacturing costs	34,922
Beginning balance of work in process	29,715
Add: Purchase of work in process	7,701
Less: Ending balance of work in process	(8,202)
Finished goods costs	64,136
Beginning balance of finished goods	19,672
Add: Purchase of finished goods	82,429
Others	16,231
Less: Ending balance of finished goods	(58,297)
Production costs	124,171
Cost of goods sold before adjustment	355,494
Maintenance and warranty cost	9,882
Inventory valuation loss	6,001
Right to recover a product	147
Others	19,631
Operating costs	$ 391,155

SYNPOWER CO., LTD.

STATEMENT OF MANUFACTURING EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2023
(In Thousands of New Taiwan Dollars)

Item	Amount
Salaries and pensions	$ 6,252
Depreciation expenses	1,530
Others (Note)	2,048
	$ 9,830

Note: The balance of each item does not exceed 5% of the balance of this account.

SYNPOWER CO., LTD.

STATEMENT OF OPERATING EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2023
(In Thousands of New Taiwan Dollars)

Item	Selling and Marketing Expenses	General and Administrative Expenses	Research and Development Expenses
Salaries and pension	$ 26,011	$ 37,913	$ 19,138
Insurance fees	3,596	3,404	1,826
Travelling fees	2,685	1,080	863
Depreciation expenses	681	2,084	5,753
Professional fees	66	8,076	2,544
Research fees	-	-	4,234
Others (Note)	7,968	13,806	3,894
	$ 41,007	$ 66,363	$ 38,252

Note: The balance of each item does not exceed 5% of the balance of this account.

SYNPOWER CO., LTD.

STATEMENT OF EMPLOYEE BENEFITS AND DEPRECIATION AND AMORTIZATION EXPENSES BY FUNCTION
FOR THE YEAR ENDED DECEMBER 31, 2023
(In Thousands of New Taiwan Dollars)

	2023			2022		
Item	**Cost of Goods Sold**	**Operating Expenses**	**Total**	**Cost of Goods Sold**	**Operating Expenses**	**Total**
Employee benefits expense						
Salaries	$ 15,860	$ 72,382	$ 88,242	$ 12,878	$ 74,637	$ 87,515
Share-based payments	-	3,255	3,255	-	-	-
Labor and health insurance	1,567	7,539	9,106	1,164	6,470	7,634
Pension	785	3,953	4,738	631	3,546	4,177
Remuneration paid to directors	-	3,472	3,472	-	9,371	9,371
Others	684	3,857	4,541	564	4,139	4,703
	$ 18,896	$ 94,458	$ 113,354	$ 15,237	$ 98,163	$ 113,400
Depreciation expenses	$ 1,530	$ 8,518	$ 10,048	$ 1,245	$ 8,899	$ 10,144
Amortization expenses	$ 166	$ 3,367	$ 3,533	$ 216	$ 3,319	$ 3,535

Note 1: The number of employees in 2023 and 2022 is 107 and 95, respectively, of which the number of directors who are not also employees is 4 and 5, respectively.

Note 2: a. Average employee benefits for the years ended December 31, 2023 and 2022 were $1,067 thousand and $1,156 thousand, respectively.

b. Average salary for the years ended December 31, 2023 and 2022 were $888 thousand and $972 thousand, respectively.

c. The average salary decreased by 8.64% year over year.

d. The Company did not have supervisors for the years ended December 31, 2023 and 2022. Therefore, there was no compensation to the supervisor.

e. The compensation policies of the company are as follow:

Directors

The remuneration of directors was determined by in accordance with the Company's regulations. If the company makes annual profits, the remuneration shall be allocated in accordance with the Articles and approved by the Remuneration Committee and Board of Directors and report on the shareholder's meeting. If the directors are also employees, the remuneration should be paid in accordance with the following regulation.

Managers

The remuneration policy for the general manager and deputy general manager is based on the Company's operating strategy, profit ability, operating performance, job contribution and the future risks. The remuneration are reviewed by the Remuneration Committee and submitted to the Board of Directors for approval.

Employees

The remuneration of employees was positively correlated with the individual's ability, contribution to the Company, and the correlation between performance and business performance. The remuneration mainly includes basic salary, bonus and employee bonus. The standard of remuneration is based on the market competition situation of the position held by the employee and the company's policy: bonuses and employee bonuses are paid in connection with the department's goals or the company's business performance.

The rule for employees share option plan or transfer treasury stock to employees should be established and reviewed by the Remuneration Committee and approved by the Board of Directors.