TSE：8438

AMIA CO., LTD. and Subsidiaries

Consolidated Financial Statements for the Years Ended December 31, 2022 and 2021 and Independent Auditors' Report

Address: No. 19 Dagong Road, Dayuan District, Taoyuan City
Tel: 03-3860601

DECLARATION OF CONSOLIDATION OF FINANCIAL STATEMENTS OF AFFILIATES

In 2022 (from January 1, 2022 to December 31, 2022), the Company shall be included in the preparation of the consolidated financial statements of affiliated companies and. According to International Accounting Standards No. 10, the companies that should be included in the preparation of the parent-subsidiary consolidated financial statements are the same, and the relevant information that should be disclosed in the parent-subsidiary consolidated financial statements has been disclosed in the previously disclosed parent-subsidiary consolidated financial statements, and the relationship will not be prepared separately Business consolidated financial statements.

Hereby declare

AMIA CO., LTD.
Chairman: CHEN, KUO-CHIN

February 22,2023,

INDEPENDENT AUDITORS' REPORT

The Board of Directors and Shareholders
AMIA CO., LTD.

Opinion

We have audited the accompanying consolidated financial statements of AMIA CO., LTD. and its subsidiaries , which comprise the consolidated balance sheets as of December 31, 2022 and 2021, and the consolidated statements of comprehensive income, changes in equity and cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies .

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as of December 31, 2022 and 2021, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

Basis for Opinion

We conducted our audits in accordance with the Regulations Governing Auditing and 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 Consolidated Financial Statements section of our report. We are independent of the Group in accordance with The Norm of Professional Ethics for Certified Public Accountant of the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. 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 consolidated financial statements for the year ended December 31, 2022. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

The descriptions of the key audit matters of the consolidated financial statements for the year ended December 31, 2022 are as follows:

<u>Revenue Recognition</u>

AMIA CO., LTD. and its subsidiaries mainly sell PCB chemical products and green products COPPER-SULPHATE. And sales revenue is a key indicator for management to evaluate business performance. We analyze the financial information of each customer and select customers that meet certain criteria. The risk of sales revenue for customers meeting certain criteria is higher than that of ordinary customers. The veracity of sales revenue recognition is considered a critical review.

We performed the following audit procedures in respect of the above key audit matter:

1. We understood the key internal controls related to sales revenue recognition and tested the operating effectiveness of these controls

2. We perform a sample of revenues that meet specific criteria and confirm their amounts to verify the relevant certificates to assess the validity of revenue recognition.

Other Matter

We have also audited the parent company only financial statements of AMIA CO., LTD. as of and for the years ended December 31, 2022 and 2021 on which we have issued an unmodified opinion.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

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

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

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

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

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

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

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

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

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

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

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

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the year ended December 31, 2022, 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 audits resulting in this independent auditors' report are Tseng, Chien-Ming and Wang, Pan-Fa.

Deloitte & Touche
Taipei, Taiwan
Republic of China

February 22, 2023

Notice to Readers

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

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

AMIA CO., LTD. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 2022 AND 2021
(In Thousands of New Taiwan Dollars)

Code	Assets	2022 Amount	2022 %	2021 Amount	2021 %
	CURRENT ASSETS				
1100	Cash and cash equivalents (Notes 4 and 6)	$ 465,540	16	$ 465,905	19
1110	Current financial assets at fair value through profit or loss (Notes 4 and 7)	2,494	-	3,081	-
1136	Current financial assets at amortized cost (Notes 4 and 9)	76,944	3	92,991	4
1150	Notes receivable, net (Notes 4 and 10)	24,658	1	38,207	2
1170	Accounts receivable, net (Notes 4 and 10)	377,578	13	494,819	20
1180	Accounts receivable due from related parties, net (Notes 4, 10 and 30)	4,605	-	9,219	-
1200	Other receivables (Note 10)	14,496	-	23,917	1
1220	Current tax assets (Note 25)	6,320	-	4,500	-
130X	Current inventories (Notes 4 and 11)	207,356	7	184,295	7
1479	Other current assets, others (Note 16)	35,381	1	35,485	1
11XX	Total current assets	1,215,372	41	1,352,419	54
	Non-current assets				
1517	Non-current financial assets at fair value through other comprehensive income (Notes 4 and 8)	2,640	-	2,640	-
1535	Non-current financial assets at amortized cost (Notes 4 and 9)	200,111	7	199,215	8
1550	Investments accounted for using equity method (Notes 4 and 13)	28,074	1	27,802	1
1600	Property, plant and equipment (Notes 4 and 14)	1,389,217	48	820,510	33
1755	Right-of-use assets (Notes 4 and 15)	37,628	1	59,596	2
1840	Deferred tax assets (Notes 4 and 25)	19,757	1	29,923	1
1915	Prepayments for business facilities (Note 32)	34,224	1	22,218	1
1920	Guarantee deposits paid	7,248	-	9,538	-
15XX	Total non-current assets	1,718,899	59	1,171,442	46
1XXX	TOTAL ASSETS	$ 2,934,271	100	$ 2,523,861	100
Code	LIABILITIES AND EQUITY				
	CURRENT LIABILITIES				
2100	Current borrowings (Note 17)	$ 170,000	6	$ 375,500	15
2110	Short-term notes and bills payable (Note 17)	-	-	30,000	1
2130	Current contract liabilities(Note 23)	3,164	-	1,483	-
2150	Notes payable (Note 18)	805	-	689	-
2170	Accounts payable (Note 18)	261,800	9	409,526	16
2200	Other payables (Note 19)	162,648	5	202,987	8
2230	Current tax liabilities(Note 25)	25,879	1	-	-
2280	Current lease liabilities(Notes 4 and 15)	18,847	1	21,867	1
2320	Long-term liabilities, current portion(Note 17)	16,680	1	29,922	1
2399	Other current liabilities, others (Note 19)	6,442	-	6,307	1
21XX	TOTAL CURRENT LIABILITIES	666,265	23	1,078,281	43
	NON-CURRENT LIABILITIES				
2540	Non-current portion of non-current borrowings(Note 17)	516,320	18	6,363	-
2550	Non-current provisions (Notes 4 and 20)	5,133	-	5,047	-
2570	Deferred tax liabilities (Notes 4 and 25)	5,550	-	2,465	-
2580	Non-current lease liabilities(Notes 4 and 15)	7,287	-	24,207	1
2640	Net defined benefit liability, non-current (Notes 4 and 21)	31,333	1	41,344	2
2645	Guarantee deposits received	10	-	20	-
25XX	TOTAL NON-CURRENT LIABILITIES	565,633	19	79,446	3
2XXX	TOTAL LIABILITIES	1,231,898	42	1,157,727	46
	EQUITY (Note 22)				
3110	Ordinary share	705,180	24	628,990	25
3200	Capital surplus e	625,932	21	346,491	14
	Retained earnings				
3310	Legal reserve	90,724	3	68,604	3
3320	Special reserve	41,398	1	37,426	1
3350	Unappropriated retained earnings	283,790	10	343,155	14
3300	Total retained earnings	415,912	14	449,185	18
3490	Other equity	(32,976)	(1)	(41,398)	(2)
3500	Treasury shares	(11,675)	-	(17,134)	(1)
3XXX	TOTAL EQUITY	1,702,373	58	1,366,134	54
	TOTAL LIABILITIES AND EQUITY	$ 2,934,271	100	$ 2,523,861	100

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

AMIA CO., LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021
(In Thousands of New Taiwan Dollars, Except Earnings per Share)

		2022		2021	
Code		Amount	%	Amount	%
	Operating revenue				
4110	Sales revenue(Notes 4, 23 and 30)	$ 3,756,250	101	$ 4,218,452	100
4170	Sales returns	(104)	-	-	-
4190	Sales discounts and allowances	(35,040)	(1)	(14,502)	-
4000	Net sales revenue	3,721,106	100	4,203,950	100
5000	Operating costs(Notes 4, 11 and 24)	3,359,625	90	3,647,706	87
5900	Gross profit from operations	361,481	10	556,244	13
	Operating expenses(Notes 24 and 30)				
6100	Selling expenses	112,013	3	130,291	3
6200	Administrative expenses	149,685	4	171,922	4
6300	Research and development expenses	4,122	-	4,259	-
6450	Impairment loss (impairment gain and reversal of impairment loss) determined in accordance with IFRS 9	(651)	-	961	-
6000	Total operating expenses	265,169	7	307,433	7
6900	Net operating income	96,312	3	248,811	6
	Non-operating income and expenses(Note 24)				
7100	Interest income	12,023	-	13,300	-
7190	Other income	8,589	-	8,177	-
7020	Other gains and losses	30,008	1	(6,144)	-
7050	Finance costs	(11,785)	-	(9,396)	-
7060	Share of profit (loss) of associates and joint ventures accounted for using(Note 13)	7,292	-	12,093	-
7000	Total non-operating income and expenses	46,127	1	18,030	-

(Continued)

AMIA CO., LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021
(In Thousands of New Taiwan Dollars, Except Earnings per Share)

		2022		2021	
Code		Amount	%	Amount	%
7900	Profit from continuing operations before tax	142,439	4	266,841	6
7950	Tax expense(Notes 4 and 25)	(42,647)	(1)	(46,136)	(1)
8200	Profit	99,792	3	220,705	5
	Other comprehensive income				
8310	Components of other comprehensive income that will not be reclassified to profit or loss				
8311	Gains (losses) on re-measurements of defined benefit plans (Note 21)	7,651	-	490	-
8360	Components of other comprehensive income that will be reclassified to profit or loss				
8361	Exchange differences on translation	10,528	-	(4,965)	-
8399	Income tax related to components of other comprehensive income that will be reclassified to profit or loss	(2,106)	-	993	-
		8,422	-	(3,972)	-
8300	Total other comprehensive income	16,073	-	(3,482)	-
8500	Total comprehensive income	$ 115,865	3	$ 217,223	5
	Earnings per share(Note 26)				
9710	Basic earnings per share	$ 1.46		$ 3.56	
9810	Diluted earnings per share	$ 1.45		$ 3.51	

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

AMIA CO., LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021
(In Thousands of New Taiwan Dollars)

Code		Ordinary share			Retained Earnings			Other equity interest		
		Shares (In Thousands)	Amount	Capital Surplus	Legal Reserve	Special Reserve	Unappropriated retained earnings	Exchange differences on translation of foreign financial statements	Treasury shares	Total equity
A1	BALANCE AT JANUARY 1, 2021	62,899	$ 628,990	$ 346,491	$ 61,569	$ 45,245	$ 177,047	($ 37,426)	($ 17,134)	$ 1,204,782
	Appropriation of 2020 earnings									
B1	Legal reserve appropriated	-	-	-	7,035	-	(7,035)	-	-	-
B17	Reversal of special reserve	-	-	-	-	(7,819)	7,819	-	-	-
B5	Cash dividends of ordinary share	-	-	-	-	-	(55,871)	-	-	(55,871)
D1	Net profit in 2021	-	-	-	-	-	220,705	-	-	220,705
D3	Other comprehensive income (loss) in 2021, net of income tax	-	-	-	-	-	490	(3,972)	-	(3,482)
D5	Total comprehensive income (loss) in 2021	-	-	-	-	-	221,195	(3,972)	-	217,223
Z1	BALANCE AT DECEMBER 31, 2021	62,899	628,990	346,491	68,604	37,426	343,155	(41,398)	(17,134)	1,366,134
	Appropriation of 2021 earnings									
B1	Legal reserve appropriated	-	-	-	22,120	-	(22,120)	-	-	-
B3	Special reserve appropriated	-	-	-	-	3,972	(3,972)	-	-	-
B5	Cash dividends of ordinary share	-	-	-	-	-	(139,886)	-	-	(139,886)
E1	Issue of shares	7,864	78,640	279,900	-	-	-	-	-	358,540
M7	Changes in ownership interests in subsidiaries(Note 12)	-	-	-	-	-	(12)	-	-	(12)
N1	Share-based payments	-	-	1,732	-	-	-	-	-	1,732
L3	Retirement of treasury share	(245)	(2,450)	(2,191)	-	-	(818)	-	5,459	-
D1	Net profit in 2022	-	-	-	-	-	99,792	-	-	99,792
D3	Other comprehensive income (loss) in 2022, net of income tax	-	-	-	-	-	7,651	8,422	-	16,073
D5	Total comprehensive income (loss) in 2022	-	-	-	-	-	107,443	8,422	-	115,865
Z1	BALANCE AT DECEMBER 31, 2022	70,518	$ 705,180	$ 625,932	$ 90,724	$ 41,398	$ 283,790	($ 32,976)	($ 11,675)	$ 1,702,373

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

AMIA CO., LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021
(In Thousands of New Taiwan Dollars)

Code		2022	2021
	Cash flows from operating activities		
A10000	Profit before tax	$ 142,439	$ 266,841
A20010	Adjustments to reconcile profit (loss)		
A20300	Expected credit loss (gain) / Provision (reversal of provision) for bad debt expense	(651)	961
A20100	Depreciation expense	95,808	115,501
A20400	Net loss (gain) on financial assets or liabilities at fair value through profit or loss	446	(200)
A20900	Interest expense	11,785	9,396
A21200	Interest income	(12,023)	(13,300)
A21300	Dividend income	(489)	(512)
A21900	Share-based payments	1,732	-
A22300	Share of loss (profit) of associates and joint ventures accounted for using equity method	(7,292)	(12,093)
A22500	Loss (gain) on disposal of property, plant and equipment	(332)	634
A23800	Reversal of impairment loss on non-financial assets	(2,636)	(21,409)
A29900	Other adjustments to reconcile profit	(481)	-
A30000	Changes in operating assets and liabilities		
A31130	Decrease (increase) in notes receivable	13,549	(5,244)
A31150	Decrease (increase) in accounts receivable	122,469	(143,317)
A31200	Decrease (increase) in inventories	(20,470)	33,721
A31240	Adjustments for decrease (increase) in other current assets	(89)	5,031
A32125	Increase (decrease) in contract liabilities	1,681	(5,802)
A32130	Increase (decrease) in notes payable	116	(1,481)
A32150	Increase (decrease) in accounts payable	(147,726)	103,488
A32180	Increase (decrease) in other payable	(40,806)	59,392
A32230	Adjustments for increase (decrease) in other current liabilities	135	(6)
A32240	Increase (decrease) in net defined benefit liability	(2,360)	(2,406)
A33000	Cash inflow (outflow) generated from operations	154,805	389,195
A33100	Interest received	21,517	6,308
A33300	Interest paid	(11,232)	(9,464)
A33500	Income taxes refund (paid)	(7,443)	(28,534)
AAAA	Net cash flows from (used in) operating activities	157,647	357,505

(Continued on next page)

AMIA CO., LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021
(In Thousands of New Taiwan Dollars)

Code		2022	2021
	Cash flows from (used in) investing activities		
B00040	Acquisition of financial assets at amortized cost	(280,613)	(90,229)
B00050	Proceeds from disposal of financial assets at amortized cost	295,764	153,980
B00100	Acquisition of financial assets at fair value through profit or loss	(8,000)	(10,000)
B00200	Proceeds from disposal of financial assets at fair value through profit or loss	8,141	7,119
B02700	Acquisition of property, plant and equipment	(639,101)	(69,504)
B02800	Proceeds from disposal of property, plant and equipment	434	830
B03800	Decrease in refundable deposits	2,290	1,329
B07100	Increase in prepayments for business facilities	(13,412)	(17,825)
B07600	Dividends received	7,908	512
BBBB	Net cash flows from (used in) investing activities	(626,589)	(23,788)
	Cash flows from (used in) financing activities		
C00100	Increase in short-term loans	1,173,500	940,153
C00200	Decrease in short-term loans	(1,409,000)	(1,049,537)
C01600	Proceeds from long-term debt	737,000	-
C01700	Repayments of long-term debt	(240,285)	(132,685)
C03000	Increase in guarantee deposits received	-	20
C03100	Decrease in guarantee deposits received	(10)	-
C04000	Decrease in lease payable	(19,402)	(30,426)
C04500	Cash dividends paid	(139,886)	(55,871)
C04600	Proceeds from issuing shares	358,540	-
CCCC	Net cash flows from (used in) financing activities	460,457	(328,346)
DDDD	Effect of exchange rate changes on cash and cash equivalents	8,120	(4,023)
EEEE	Net increase (decrease) in cash and cash equivalents	(365)	1,348
E00100	Cash and cash equivalents at beginning of period	465,905	464,557
E00200	Cash and cash equivalents at end of period	$ 465,540	$ 465,905

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

AMIA CO., LTD. and its subsidiaries
Notes to Consolidated Financial Statements
January 1 to December 31, 2022 and 2021
(Unless otherwise specified, the amount is in thousands of NT dollars)

1. History of the Company

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

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

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

2. Date and procedure for approval of financial report

This consolidated financial report was approved by the board of directors on February 22, 2023.

3. Application of newly released and revised standards and interpretations

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

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

(2) IFRSs approved by the Financial Supervisory Commission applicable in 2023

Newly issued/amended/revised standards and interpretations	Effective date of publication by the IASB
Amendments to IAS 1 "Disclosure of Accounting Policies"	January 1 , 2023 (Note 1)
IAS 8 "Definition of Accounting Estimates"	January 1 , 2023 (Note 2)
IAS 12 "Deferred income tax relating to assets and liabilities arising from a single transaction"	January 1 , 2023 (Note 3)

Note1: This amendment applies to the annual reporting period beginning after January 1, 2023.

Note2: This amendment applies to changes in accounting estimates and changes in accounting policies that occur during the annual reporting period beginning after January 1, 2023.

Note3: Except for the recognition of deferred income tax on temporary differences in lease and decommissioning obligations on January 1, 2022, this amendment is applicable to transactions occurring after January 1, 2022.

As of the release date of this consolidated financial report, the consolidated company's assessment of other standards and amendments to interpretations will not have a significant impact on the financial status and financial performance.

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

Newly issued/amended/revised standards and interpretations	Effective date of publication by the IASB (Note 1)
IFRS 10 and IAS 28 "Asset Sale or Contribution between Investors and Their Affiliates or Joint Ventures"	undecided
Amendments to IFRS 16 "Lease Liability in Sale and Leaseback"	January 1, 2024 (Note 2)
IFRS 17 "Contracts of Insurance"	January 1 , 2023
Amendments to IFRS 17	January 1 , 2023
IFRS 17 "Initial Application of IFRS 17 and IFRS 9 - Comparative Information"	January 1 , 2023
IAS 1 "Classification of Liabilities as Current or Non-Current"	January 1 , 2024
Amendments to IAS 1 "Non-current liabilities with contractual terms"	January 1, 2024

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

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

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

4. Summary of major accounting policies

(1) Follow the statement

This consolidated financial report is prepared in accordance with the Financial Reporting Standards for Securities Issuers and the IFRSs approved and issued by the Financial Supervisory Commission.

(2) Compilation basis

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

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

1. Level 1 input value: refers to the quoted price (unadjusted) in an active market for the same asset or liability that can be obtained on the measurement date.

2. Level 2 input value: Refers to the observable input value of an asset or liability that is directly (that is, price) or indirect (that is, derived from price) in addition to quotations at level 1.
3. Level 3 input value: Refers to the unobservable input value of assets or liabilities.

(3) Criteria for distinguishing current and non-current assets and liabilities

Current assets include:

1. Assets held primarily for trading purposes;
2. Assets expected to be realized within 12 months after the balance sheet date; and
3. Cash and cash equivalents (but excluding those subject to restrictions on exchange or settlement of liabilities more than 12 months after the balance sheet date).

Current liabilities include:

1. Liabilities held primarily for trading purposes;
2. Liabilities that are due to be settled within 12 months after the balance sheet data (even if a long-term refinancing or rescheduled payment agreement has been completed after the balance sheet date and before the release of the financial report, it is also a current liability) , and
3. Liabilities that cannot unconditionally defer the settlement period to at least 12 months after the balance sheet date. However, if the terms of the liability may be settled by issuing equity instruments at the option of the counterparty, this does not affect the classification.

Those that are not the above-mentioned current assets or current liabilities are classified as non-current assets or non-current liabilities.

(4) Consolidation Basis

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

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

For details of subsidiaries, shareholding ratios and business items, please refer to Note 12 and Schedules 3 and 4.

(5) Foreign currency

When each entity prepares financial reports, transactions in currencies other than the individual's functional currency (foreign currency) shall be converted into functional currency records at the exchange rate on the transaction day.

Monetary items denominated in foreign currencies are translated at the closing rates at each balance sheet date. Exchange differences arising from delivery of monetary items or translation of monetary items are recognized in profit or loss in the period in which they occur.

Foreign currency non-monetary items measured by fair value are translated at the exchange rate on the day when the fair value is determined, and the resulting exchange difference is listed as current profit or loss. However, if the change in fair value is recognized in other comprehensive profit or loss, the resulting exchange difference is listed as in other comprehensive income.

Non-monetary items in foreign currencies measured at historical cost are translated at the exchange rate on the transaction date and will not be re-translated.

When preparing the consolidated financial report, the assets and liabilities of foreign operating institutions (including subsidiaries and affiliated companies operating in a country or using a currency different from that of the Company) are converted into New Taiwan Dollars at the exchange rate on each balance sheet date. Income and expense items are translated at the current average exchange rate, and the resulting exchange differences are listed in other comprehensive income.

If the merged company disposes of all the interests in the foreign operating institution, or disposes of part of the interests in the subsidiary of the foreign operating institution but loses control, or the retained interest after disposing of the affiliated enterprises of the foreign operating institution is a financial asset, it shall be treated in accordance with the accounting policies for financial instruments , all accumulated exchange differences attributable to the owner of the Company and related to the foreign operating institution will be reclassified to profit or loss.

If the partial disposal of a subsidiary of a foreign operating institution does not lead to loss of control, the accumulated exchange difference is re-attributed to the non-controlling interest of the subsidiary in proportion, but it is not recognized as profit or loss. In the case of any other partial disposal of foreign operations, the accumulated exchange differences are reclassified to profit or loss in proportion to the disposal.

(6) Inventory

Inventories include raw materials, supplies, semi-finished products, finished goods, work in progress and merchandise. Inventories are measured at the lower of cost and net realizable value, and the comparison between cost and net realizable value is based on individual items except for inventories of the same category. Net realizable value is the estimated selling price under normal circumstances less the estimated cost to complete the project and the estimated cost to complete the sale. The calculation of inventory cost adopts the weighted average method.

(7) Investing in affiliated companies

Affiliated enterprises refer to enterprises that have significant influence on the merged company, but are not subsidiaries or joint venture interests.

The equity method is adopted to invest in affiliated enterprises of the merged company.

Under the equity method, an investment in an affiliated enterprise is initially recognized at cost, and the book value after acquisition will increase or decrease with the combined company's share of the affiliated enterprise's profit or loss, other comprehensive profit or loss, and profit distribution. In addition, changes in the equity of related companies are recognized on a shareholding basis.

The amount of the acquisition cost exceeding the net fair value share of the identifiable assets and liabilities of the affiliated company enjoyed by the merged company on the acquisition date is listed as goodwill, which is included in the book value of the investment and cannot be amortized; The excess of the share of the net fair value of the identifiable assets and liabilities of the affiliated enterprise over the acquisition cost is listed as current income.

When an affiliated company issues new shares, if the merging company does not subscribe in accordance with the shareholding ratio, resulting in a change in the shareholding ratio, and thus resulting in an increase or decrease in the net equity value of the investment, the increase or decrease shall be adjusted to the capital reserve - the equity method shall be used to recognize the related party Changes in the net equity value of enterprises and joint ventures and investments using the equity method. However, if the ownership interest in the affiliated enterprise is reduced by not subscribing or obtaining it according to the shareholding ratio, the amount recognized in other comprehensive profit and loss related to the affiliated enterprise will be reclassified according to the reduction ratio, and the basis of accounting treatment is related to the affiliated enterprise If the basis for directly disposing of related assets or liabilities is the same ; if the adjustment in the preceding paragraph should be debited to the capital reserve, and if the balance of the capital reserve generated by the investment using the equity method is insufficient, the difference will be debited to the retained surplus.

When the merging company's loss share of the affiliated enterprise is equal to or exceeds its equity in the affiliated enterprise (including the book value of the investment in the affiliated enterprise under the equity method and other long-term interests that are substantially part of the merging company's net investment in the affiliated enterprise) , which ceases to recognize further losses. The merged company recognizes additional losses and liabilities only within the scope of statutory obligations, constructive obligations or payments made on behalf of related companies.

When the consolidated company assesses the impairment, it regards the overall book value of the investment (including goodwill) as a single asset and compares the recoverable amount with the book value to conduct an impairment test. The recognized impairment loss is not apportioned to the components that constitute the investment book amount any assets.

Any reversal of the impairment loss is recognized to the extent of subsequent increases in the recoverable amount of the investment.

The merged company ceases to adopt the equity method on the date when its investment ceases to be an affiliated enterprise, and its retained interests in the original affiliated enterprise shall be measured at fair value. Included in current profit and loss. In addition, all amounts related to the affiliated enterprise recognized in other comprehensive profit or loss are accounted for on the same basis as would be required if the affiliated enterprise directly disposes of the related assets or liabilities. If the investment in an affiliated enterprise becomes an investment in a joint venture, or if the investment in a joint venture becomes an investment in an affiliated enterprise, the consolidated company continues to use the equity method without re-measurement of the retained interest.

Profit and loss arising from upstream, downstream, and side stream transactions between the merging company and affiliated companies shall be recognized in the consolidated financial report only to the extent that it is not related to the merging company's rights and interests in the affiliated company.

(8) Real estate, plant and equipment

Property, plant and equipment are recognized at cost and subsequently measured at cost less accumulated depreciation and accumulated impairment losses.

Except for self-owned land, which is not depreciated, other real estate, plant and equipment are depreciated on a straight-line basis within their useful lives, and each major part is depreciated separately. The combined company shall review the estimated service life, salvage value and depreciation method at least at the end of each year. And postpone the impact of changes in applicable accounting estimates.

The difference between the net disposal price on recognition of property, plant and equipment and the carrying amount of the asset is recognized in profit or loss.

(9) Impairment of assets related to real estate, plant and equipment and right-of-use assets

The Combined Company assesses at each balance sheet date whether there are any indications that property, plant and equipment and right-of-use assets may have been impaired. If any indication of impairment exists, the asset's recoverable amount is estimated. If it is not possible to estimate the recoverable amount of an individual asset, the Merging Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. Shared assets are allocated to the smallest group of cash-generating units on a reasonable and consistent basis.

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

The inventory, real estate, plant and equipment and intangible assets recognized in the customer contract are firstly recognized as impairment in accordance with the provisions on inventory impairment and the above-mentioned regulations, and then the book value of the contract cost related assets exceeds the expected consideration that can be received for the provision of related goods or services. The amount after deducting the directly related costs is recognized as an impairment loss, and the carrying amount of the asset related to the contract cost is included in the cash-generating unit to which the cash-generating unit belongs for impairment assessment of the cash-generating unit.

When the impairment loss is subsequently reversed, the carrying amount of the asset or cash-generating unit is increased to the revised recoverable amount, but the increased carrying amount shall not exceed that of the asset or cash-generating unit if no impairment was recognized in the previous year The carrying amount (less amortization or depreciation) determined at the time of the loss. The reversal of the impairment loss is recognized in profit or loss.

(10) Financial instruments

Financial assets and financial liabilities are recognized in the consolidated balance sheet when the merging company becomes a party to the contractual terms of the instrument.

Initially recognizing financial assets and financial liabilities, if the financial assets or financial liabilities are not measured at fair value through profit or loss, they are measured at fair value plus transaction costs directly attributable to the acquisition or issuance of financial assets or financial liabilities. Transaction costs directly attributable to the acquisition or issue of a financial asset or financial liability at fair value through profit or loss are recognized immediately in profit or loss.

1. Financial assets

Customary transactions of financial assets are recognized and delisted using transaction date accounting.

(1) Measurement type

The types of financial assets held by the combined company are financial assets measured at fair value through profit or loss, financial assets measured at amortized cost, and equity instrument investments measured at fair value through other comprehensive profit or loss.

A. Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss include financial assets that are mandated to be measured at fair value through profit or loss. Financial assets that are mandatory to be measured at fair value through profit or loss include equity instrument investments that are not designated as measured at fair value through other comprehensive profit or loss, and debt instrument investments that do not qualify for classification as measured at amortized cost or at fair value through other comprehensive profit or loss.

Financial assets at fair value through profit or loss are measured at fair value with premeasurement gains or losses recognized in other gains and losses. For the determination method of fair value, please refer to Note 29.

B. Financial assets measured at amortized cost

Financial assets invested by the merged company shall be classified as financial assets measured at amortized cost if both of the following two conditions are met:

a. is held under a business model whose purpose is to hold financial assets for the purpose of receiving contractual cash flows; and

b. The terms of the contract give rise to cash flows on a specified date that are solely payments of principal and interest on the outstanding principal amount.

After original recognition, financial assets measured at amortized cost (including cash and cash equivalents, accounts receivable measured at amortized cost, and security deposits) are determined using the effective interest method minus the total carrying amount Any foreign exchange gain or loss is recognized in profit or loss, in addition to the amortized cost measurement of any impairment loss.

Except for the following two cases, interest income is calculated by multiplying the effective interest rate by the total book value of financial assets:

a. For credit-impaired financial assets purchased or created, interest income is calculated by multiplying the effective interest rate after credit adjustment by the amortized cost of the financial asset.

b. For financial assets that are not purchased or created credit-impaired but subsequently become credit-impaired, interest income shall be calculated at the effective interest rate multiplied by the amortized cost of the financial asset from the reporting period following the credit-impairment.

Credit-impaired financial assets refer to the fact that the issuer or debtor has experienced major financial difficulties, defaulted, the debtor is likely to file for bankruptcy or other financial reorganization, or the active market for financial assets has disappeared due to financial difficulties.

Equivalent cash includes highly liquid time deposits within 3 months from the date of acquisition , which can be converted into fixed cash at any time and have little risk of value change, and are used to meet short-term cash commitments.

C. Investment in equity instruments measured at fair value through other comprehensive income

At the time of original recognition, the merging company may make an irrevocable choice to designate the investment in equity instruments that are not held for trading and recognized as contingent consideration by the acquirer of the business combination to be measured at fair value through other comprehensive gains and losses.

Investments in equity instruments measured at fair value through other comprehensive profit or loss are measured at fair value, with subsequent fair value changes presented in other comprehensive profit or loss and accumulated in other equity.

When the investment is disposed of, the accumulated profit or loss is directly transferred to retained earnings and is not reclassified as profit or loss.

Dividends on investments in equity instruments at fair value through other comprehensive income are recognized in profit or loss when the merging company's right to receive payment is established, unless the dividend clearly represents a recovery of part of the cost of the investment.

(2) Impairment of financial assets

The combined company assesses impairment losses on financial assets (including accounts receivable) measured at amortized cost based on expected credit losses at each balance sheet date.

Accounts receivable are recognized as allowance losses based on expected credit losses during the duration. For other financial assets, first assess whether the credit risk has increased significantly since the original recognition. If there is no significant increase, the provision loss will be recognized as the 12 -month expected credit loss. If there has been a significant increase, it will be recognized as the expected credit loss during the duration Allow for losses.

Expected credit losses are weighted average credit losses weighted by the risk of default. The 12 -month expected credit loss represents the expected credit loss arising from possible default events of the financial instrument within 12 months after the reporting date, and the expected credit loss during the duration represents the expected credit loss arising from all possible default events of the financial instrument during the expected duration.

For the purpose of internal credit risk management, the merged company judges that the following situations represent financial assets in default without considering the collateral held:

A. There is internal or external information showing that it is impossible for the debtor to repay the debt.

B. Overdue for more than 365 days, unless there is reasonable and corroborated information showing that a delayed default basis is more appropriate.

Impairment losses on all financial assets reduce their carrying amounts through the allowance account, except that allowance losses on debt instrument investments at fair value through other comprehensive income are recognized in other comprehensive income without reducing their carrying amounts.

(3) Delisting of financial assets

The Company delists financial assets only when the contractual rights to the cash flows from the financial assets lapse, or when the financial assets have been transferred and almost all the risks and rewards of ownership of the assets have been transferred to other enterprises.

When a financial asset is measured at amortized cost as a whole, the difference between its carrying amount and the consideration received is recognized in profit or loss.

When an equity instrument investment measured at fair value through other comprehensive income is delisted as a whole, the accumulated gain or loss is transferred directly to retained earnings and is not reclassified as profit or loss.

2. Equity instruments

Debt and equity instruments issued by the consolidated company are classified as financial liabilities or equity according to the substance of the contract agreement and the definition of financial liabilities and equity instruments.

The equity instruments issued by the merged company are recognized at the amount obtained after deducting the direct issuance costs.

3. Financial liabilities

(1) Subsequent measurement

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

(2) Delisting of financial liabilities

On delisting a financial liability, the difference between its carrying amount and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognized in profit or loss.

(11) Provision for liabilities

The amount recognized as a liability reserve is the best estimate of the expenditure required to settle the obligation on the balance sheet date, taking into account the risks and uncertainties of the obligation. The liability provision is measured at the discounted value of the estimated cash flows of the settlement obligation.

(12) Revenue recognition

After the consolidated company identifies the performance obligations in the customer contract, it allocates the transaction price to each performance obligation, and recognizes revenue when each performance obligation is satisfied.

Merchandise sales revenue

When the control of the goods is transferred to the customer (for export sales when the sales conditions specified in the contract are fulfilled; for domestic sales, when the goods are delivered), the customer has the right to determine the price and use of the goods and bears the primary responsibility for reselling the goods, and bear the risk of obsolete goods, the Company recognizes revenue and accounts receivable at this point in time. Advance receipts from sales are recognized as contract liabilities.

(13) Rent

The Merging Company assesses whether the contract is (or contains) a lease on the contract inception date.

Merger Company as lessee

Except for leases of low-value underlying assets to which the recognition exemption applies and lease payments for short-term leases, which are recognized as expenses on a straight-line basis over the lease term, other leases are recognized as right-of-use assets and lease liabilities on the lease inception date.

The right-of-use asset is initially measured at cost (including the original measured amount of the lease liability, lease payments less lease incentives received before the lease commencement date, original direct costs and the estimated cost of restoring the underlying asset), and is subsequently measured at cost less accumulated depreciation and The amount after the accumulated impairment loss is measured, and the premeasurement amount of the lease liability is adjusted. Right-of-use assets are presented separately in the consolidated balance sheet.

Right-of-use assets are depreciated on a straight-line basis from the commencement date of the lease to the expiry of the useful life or the expiry of the lease term, whichever is earlier.

The lease liability is initially measured at the present value of the lease payments (including fixed payments). If the implied interest rate of the lease is easy to determine, the lease payment shall be discounted using the interest rate. If this rate is not readily determined, the lessee incremental borrowing rate is used.

Subsequently, the lease liability is measured on an amortized cost basis using the effective interest method, and the interest expense is amortized over the lease term. If changes in the lease term lead to changes in future lease payments, the merged company will re-measure the lease liability and adjust the right-of-use asset accordingly. However, if the book value of the right-of-use asset has been reduced to zero, the remaining re-measured amount will be recognized in profit or loss. Lease liabilities are presented separately in the consolidated balance sheet.

(14) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset are included as part of the cost of the asset until substantially all activities necessary to bring the asset to its intended use or sale have been completed.

Investment income earned on the temporary investment of specific borrowings prior to the occurrence of eligible capital expenditures is deducted from the borrowing costs eligible for capitalization.

Except for the above, all other borrowing costs are recognized as profit or loss in the period in which they are incurred.

(15) Employee benefits

1. Short-term employee benefits

Liabilities related to short-term employee benefits are measured at undiscounted amounts expected to be paid in exchange for employee services.

2. Post-employment benefits

The retirement benefits of the defined contribution retirement plan are recognized as expenses during the service period of the employees.

The defined benefit cost (including service cost, net interest and premeasurement amount) of the defined benefit retirement plan is actuarially calculated using the projected unit benefit method. Service costs (including current service costs) and net interest on net defined benefit liabilities (assets) are recognized as employee benefit expenses when incurred. The premeasurement amount (including changes in actuarial profit and loss and return on project assets after deducting interest) is recognized in other comprehensive profit or loss and included in retained earnings when it occurs, and will not be reclassified to profit or loss in subsequent periods.

The net defined benefit liability (asset) is the shortfall (residual) of contributions from defined benefit retirement plans. Net defined benefit assets cannot exceed the present value of refunding contributions from the plan or reducing future contributions.

(16) Share-based payment

The equity delivery share-based payment given to employees by the consolidated company is based on the fair value of the equity instrument on the date of grant and the best estimated quantity expected to be acquired, and the expense is recognized on a straight-line basis during the vesting period, and the capital reserve - share Basic benefits. If it is immediately vested on the grant date, it shall be fully recognized as an expense on the grant date. When the merged company handles cash capital increase and retains employees to subscribe, the date of notification to the employees shall be the date of payment.

The combined company revises the estimated number of expected vested equity instruments on each balance sheet date. If there is a revision to the original estimated quantity, the affected number is recognized as profit or loss, so that the accumulated expenses reflect the revised estimate, and the capital reserve-share-based payment is adjusted accordingly.

(17) Income tax

Income tax expense is the sum of current income tax and deferred income tax.

1. Current income tax

The merged company determines the current income (loss) in accordance with the laws and regulations formulated by each income tax reporting jurisdiction, and calculates the payable (recoverable) income tax accordingly.

Income tax on the undistributed earnings calculated in accordance with the provisions of the Income Tax Law of the Republic of China is recognized in the year of resolution of the shareholders' meeting.

In the previous year shall be included in the current income tax.

2. Deferred income tax

Deferred income tax is calculated based on the temporary difference between the carrying amount of assets and liabilities on the books and the tax basis for calculating taxable income.

Deferred income tax liabilities are generally recognized for all taxable temporary differences, while deferred income tax assets are recognized when it is probable that taxable income can be used to deduct temporary differences and loss deductions. Confirmed when used.

Taxable temporary differences related to investment subsidiaries, affiliated enterprises and joint agreements are all recognized as deferred income tax liabilities, but if the merged company can control the timing of the reversal of the temporary difference, and the temporary difference is likely to be in the foreseeable future Except for those whose future will not return. Deductible temporary differences related to such investments are recognized as deferred income tax only to the extent that it is probable that there will be sufficient taxable income to realize the temporary differences and that they are expected to reverse in the foreseeable future assets.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and is reduced for those assets for which it is no longer probable that sufficient taxable income will be available to recover all or part of the asset. Those that have not been recognized as deferred income tax assets are also re-examined on each balance sheet date, and for those that are likely to generate taxable income in the future to recover all or part of the assets, the book amount is increased.

The tax rates expected to be settled or assets realized in the current period. The tax rates are based on the tax rates and tax laws that have been enacted or substantively enacted on the balance sheet date. The measurement of deferred tax liabilities and assets reflects the tax consequences arising from the manner in which the consolidated company expects to recover or pay off the carrying amounts of its assets and liabilities at the balance sheet date.

3. Current and deferred income tax

Current and deferred income taxes are recognized in profit or loss, except that current and deferred income taxes related to items recognized in other comprehensive profit or loss or directly in equity are recognized in other comprehensive profit or loss or directly in equity, respectively.

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

When the merged company adopts accounting policies, the management must make relevant judgments, estimates and assumptions based on historical experience and other relevant factors for those that are not easy to obtain relevant information from other sources. Actual results may differ from estimates.

The merged company takes into consideration the possible impact of inflation and market interest rate fluctuations on major accounting estimates such as cash flow estimation, growth rate, discount rate, and profitability. The management will continue to review the estimates and basic assumptions. If the estimated If the revision affects only the current period, it is recognized in the period of revision. If revisions to accounting estimates affect both current and future periods, they are recognized in the revision's current and future periods.

6. Cash and cash equivalents

	December 31, 2022	December 31, 2021
Cash on hand and working capital	$ 1,178	$ 1,118
Bank Check and Demand Deposit	464,362	420,588
Cash equivalent (investment with original maturity within 3 months)		
Bank fixed deposit	-	44,199
	$ 465,540	$ 465,905

Bank deposits on the balance sheet date is as follows:

	December 31, 2022	December 31, 2021
Bank demand deposit	0.25 %～1.05 %	0.01 %～0.35%
Time deposit	-	2.03 %

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

	December 31, 2022	December 31, 2021
Financial assets - current		
Mandatory fair value through profit or loss		
Non-derivative financial assets - fund beneficiary certificate	$ 2,494	$ 3,081

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

Equity instrument investment

	December 31, 2022	December 31, 2021
Non-current		
Foreign investment		
Unlisted (counter) stocks	$ 2,640	$ 2,640

The merged company invests for medium to long-term strategic purposes and expects to make profits through long-term investments. The management of the merged company believes that if the short-term fair value fluctuations of these investments are included in profit or loss, it is inconsistent with the aforementioned long-term investment plan, so they choose to designate these investments as measured at fair value through other comprehensive income.

9. Financial assets measured at cost after amortization

	December 31, 2022	December 31, 2021
flow		
original maturity over 3 months (1)	$ 57,740	$ 63,654
Pledge Certificate of Deposit (2)	19,204	23,336
Reimbursement account (3)	-	6,001
	$ 76,944	$ 92,991
No flow move		
Time deposit with original maturity over 1 year (1)	$ 176,320	$ 173,760
Pledge Certificate of Deposit (2)	23,791	23,454
Reimbursement account (3)	-	2,001
	$ 200,111	$ 199,215

(1) As of December 31, 2011 and 2011, the interest rate ranges for time deposits with an original maturity of more than 3 months are 1.44 % to 4.125% and 0.815% to 4.263 % per annum respectively.
(2) As of December 31, 2011 and 2011, the interest rate ranges for pledged certificates of deposit are 0.48% to 3.864% and 0.12% to 3.864 % per annum respectively.
(3) As of December 31, 2011, the interest rate of the reserve account is 0.01 % per annum.
(4) For information on the pledge of financial assets measured at cost after amortization, please refer to Note 31.

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

	December 31, 2022	December 31, 2021
bill receivable		
Measured at amortized cost		
total book amount	$ 24,658	$38,207
Less: Allowance for losses	-	-
	$ 24,658	$ 38,207
Accounts receivable		
Measured at amortized cost		
total book amount	$ 377,800	$495,961
Less: Allowance for losses	(222)	(1,142)
	$ 377,578	$ 494,819
Accounts receivable - related parties		
Measured at amortized cost		
total book amount	$ 4,607	$ 9,286
Less: Allowance for losses	(2)	(67)
	$ 4,605	$ 9,219
other receivables		
income receivable	$ 9,401	$ 18,895
Other receivables - other	22,339	22,146
Less: Allowance for doubtful debts	(17,244)	(17,124)
	$ 14,496	$ 23,917
Collection		
Measured at amortized cost		
total book amount	$ 752	$ 641
Less: Allowance for doubtful debts	(752)	(641)
	$ -	$ -

(1) Accounts receivable

The average credit period of the merged company for commodity sales is 30 to 60 days. The policy adopted by the merged company is to only conduct transactions with objects whose ratings are equivalent to and above the investment grade (included), and to obtain sufficient guarantees under necessary circumstances to reduce the risk of financial losses due to default. Credit rating information is based on the ratings of major customers by the Merged Company using other publicly available financial information and historical transaction records. The merged company continuously monitors the credit ratings of credit exposure and counterparties, and distributes the total transaction amount to different customers with qualified credit ratings, and manages credit exposure through the counterparty credit limit reviewed and approved by the management every year.

In order to mitigate credit risk, the management of the merged company assigned a dedicated team to be responsible for the determination of credit line, credit approval and other monitoring procedures to ensure that appropriate actions have been taken to recover overdue receivables. In addition, the merged company will review the recoverable amount of receivables one by one on the balance sheet date to ensure that unrecoverable receivables have been appropriately derogated. Accordingly, the management of the Company believes that the credit risk of the merged company has been significantly reduced.

The merged company recognizes the allowance loss of accounts receivable according to the expected credit loss during the existence period. The expected credit loss during the duration is calculated using the provision matrix, which considers the customer's past default record, current financial situation, and industrial economic situation, as well as GDP forecast and industry outlook. As the credit loss historical experience of the merged company shows that there is no significant difference in the loss patterns of different customer groups, the provision matrix does not further distinguish customer groups, and only sets the expected credit loss rate based on the aging days of notes receivable and accounts receivable.

If there is evidence that the counterparty is facing serious financial difficulties and the merged company cannot reasonably expect the recoverable amount, for example, the counterparty is in liquidation or the debt has been overdue for more than 365 days, the merged company will directly reclassify the collection and continue to pursue activities. The recovered amount is written off against the relevant collection.

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

Bill receivable

December 31, 2022

	1～120 days	121～180 days	181 days	Total
Expected credit loss rate	0%	0%	-	
Total book amount	$ 24,386	$ 272	$ -	$ 24,658
Expected credit losses during the lifetime)	-	-	-	-
Amortized cost	$ 24,386	$ 272	$ -	$ 24,658

December 31, 2021

	1～120 days	121～180 days	181 days	Total
Expected credit loss rate	0%	0%	-	
Total book amount	$ 37,749	$ 458	$ -	$ 38,207
Expected credit losses during the lifetime)	-	-	-	-
Amortized cost	$ 37,749	$ 458	$ -	$ 38,207

Accounts receivable
December 31, 2022

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

December 31, 2021

	1～120 days	121~180 days	180~270 days	271 days	Total
Expected credit loss rate	0%～0.32 %	0%～3.42 %	0%～22.94 %	100 %	
Total book amount	$ 484,165	$ 20,253	$ 789	$ 40	$ 505,247
Expected credit losses during the lifetime)	(539)	(473)	(157)	(40)	(1,209)
Amortized cost	$ 483,626	$ 19,780	$ 632	$ -	$ 504,038

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

	2022	2021
Balance at the beginning of the year	$ 1,209	$ 128
Add: provision for impairment losses in the current year	-	961
Add: Reclassification transferred in this year	-	130
Less: Reversal impairment loss in the current period	(651)	-
Less: Reclassified and transferred out in the current period	(362)	-
Foreign currency translation difference	28	(10)
Year-end balance	$ 224	$ 1,209

(2) Notes receivable

There is no change in the allowance for doubtful debts for 2022 and 2021 notes receivable.

(3) Other receivables

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

	2022	2021
Balance at the beginning of the year	$ 17,124	$ 17,185
Foreign currency translation difference	120	(61)
Year-end balance	$ 17,244	$ 17,124

(4) Collection

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

	2022	2021
Balance at the beginning of the year	$ 641	$ 777
Add: Reclassified and transferred in this period	362	-
Less: Reclassified and transferred out in the current period	-	(130)
Less: Actual write-offs for the year	(260)	-
Foreign currency translation difference	9	(6)
Year-end balance	$ 752	$ 64 1

11. Inventory

	December 31, 2022	December 31, 2021
commodity	$ 31,925	$ 36,693
manufactures	101,102	72,108
Half finished product	13,676	13,960
WIP	837	869
raw material	59,816	59,049
Raw materials in transit	-	1,616
	$ 207,356	$ 184,295

The nature of cost of goods sold is as follows:

	2022	2021
Cost of inventories sold	$ 3,362,261	$3,669,115
Inventory depreciation and sluggish recovery benefits	(2,636)	(21,409)
	$ 3,359,625	$ 3,647,706

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

12. Subsidiaries

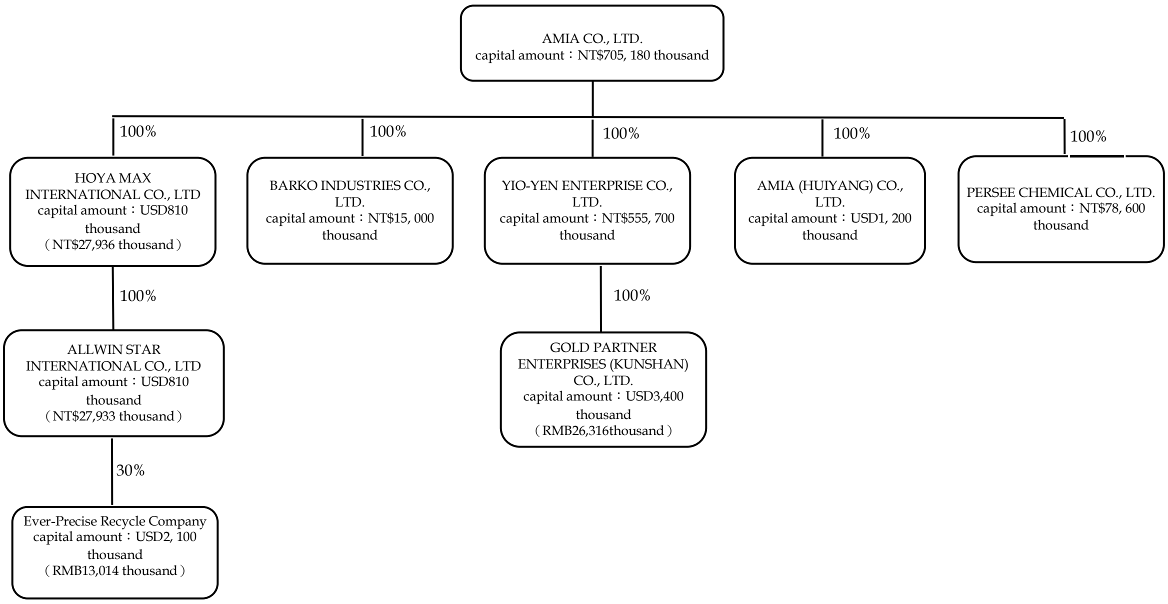
(1) Subsidiaries included in the consolidated financial report

The entities preparing this consolidated financial report are as follows:

Investor	Investee	Nature of Activities	Proportion of Ownership (%) 2022 December 31	Proportion of Ownership (%) 2021 December 31	Remark
AMIA CO., LTD.	AMIA (HUIYANG) CO., LTD.	Processing, manufacturing, trading and recycling of various industrial chemicals	100%	100%	-
	PERSEE CHEMICAL CO., LTD. (Hereinafter referred to as PERSEE Company)	Processing, manufacturing, trading and recycling of various industrial chemicals	100%	100%	-
	YIO-YEN ENTERPRISE CO., LTD. (Hereinafter referred to as YIO-YEN Company)	Operating holding business	100%	100%	-
	BARKO INDUSTRIES CO., LTD. (Hereinafter referred to as BARKO Company)	Waste recycling, etc.	100%	100%	-
	HOYA MAX INTERNATIONAL CO.,LTD. (Hereinafter referred to as HOYA Company)	Operating holding business	100%	100%	-
YIO-YEN ENTERPRISE CO., LTD	GOLD PARTNER ENTERPRISES (KUNSHAN) CO., LTD. (Hereinafter referred to as GOLD (KUNSHAN) Company)	Processing, manufacturing, trading and recycling of various industrial chemicals	100%	100%	-
HOYA MAX INTERNATIONAL CO.,LTD.	ALLWIN STAR INTERNATIONAL CO., LTD. (Hereinafter referred to as ALLWIN Company)	Operating holding business	100%	100%	-

Remark:

As of December 31, 2022, the investment relationship and shareholding ratio of the Company and its subsidiaries and the invested companies that have significant influence are shown in the following chart:



Hereinafter, the Company and the above-mentioned investee companies included in the consolidated financial statements are collectively referred to as the consolidated company.

(2) Other information

On June 10, 2022, the board of directors of YIO-YEN Company decided to convert the surplus into capital increase, and the additional cost of issuing new shares was NT$12 thousand, which was used as a deduction of retained earnings. For the above case of capital increase from surplus, the capital increase base date was June 16, 2022, and the change registration was completed on July 29, 2022.

13. Investments using the equity method

Invest in affiliated companies

	December 31, 2022	December 31, 2021
Individually insignificant affiliated enterprises	$ 28,074	$ 27,802

Aggregate information of individually insignificant affiliated companies

	2022	2021
Shares of the merged company		
Net profit (loss) for the year	$ 7,292	$ 12,093
Other comprehensive income	3 99	(99)
Total comprehensive profit and loss	$ 7,691	$ 11,994

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

14. Real estate, plant and equipment

	Own Land	Building	Mechanical Equipment	Transportation Equipment	Other Devices	Total
cost						
January 1,2022 Balance	$ 535,492	$ 382,293	$ 363,049	$ 101,369	$ 283,573	$ 1,665,776
increase	605,800	4,000	12,608	4,601	12,092	639,101
punishment	-	-	(2,437)	(3,062)	(1,489)	(6,988)
rearrange	-	-	1,406	-	-	1,406
net exchange difference	-	2,408	882	265	1,679	5,234
December 31, 2022 Balance	$ 1,141,292	$ 388,701	$ 375,508	$ 103,173	$ 295,855	$ 2,304,529
accumulated depreciation						
January 1,2022 Balance	$ -	$ 258,998	$ 288,432	$ 69,836	$ 228,000	$ 845,266
punishment	-	-	(2,502)	(3,012)	(1,372)	(6,886)
Depreciation expense	-	14,600	22,867	11,189	25,081	73,737
net exchange difference	-	1,420	602	122	1,051	3,195
December 31, 2022 Balance	$ -	$ 275,018	$ 309,399	$ 78,135	$ 252,760	$ 915,312
December 31, 2022 Net	$ 1,141,292	$ 113,683	$ 66,109	$ 25,038	$ 43,095	$ 1,389,217

	Own Land	Building	Mechanical Equipment	Transportation Equipment	Other Devices	Total
cost						
January 1,2021 Balance	$ 535,492	$ 382,673	$ 507,094	$ 86,844	$ 301,961	$1,814,064
increase	-	1,590	25,215	15,550	27,149	69,504
punishment	-	(729)	(175,617)	(924)	(52,196)	(229,466)
rearrange	-	-	6,725	-	7,341	14,066
net exchange difference	-	(1,241)	(368)	(101)	(682)	(2,392)
December 31, 2021 Balance	$ 535,492	$ 382,293	$ 363,049	$ 101,369	$ 283,573	$ 1,665,776
accumulated depreciation						
January 1,2021 Balance	$-	$ 246,595	$ 436,176	$ 60,623	$ 248,534	$ 991,928
punishment	-	(729)	(174,382)	(924)	(51,967)	(228,002)
Depreciation expense	-	13,815	26,942	10,196	31,921	82,874
net exchange difference	-	(683)	(304)	(59)	(488)	(1,534)
December 31, 2021 Balance	$ -	$ 258,998	$ 288,432	$ 69,836	$ 228,000	$ 845,266
December 31, 2021 Net	$ 535,492	$ 123,295	$ 74,617	$ 31,533	$ 55,573	$ 820,510

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

Building	5 to 50 years
Mechanical equipment	2 to 11 years
Transportation equipment	3 to 6 years
Other devices	3 to 10 years

Self-used real estate, plant and equipment set as loan guarantee, please refer to Note 31.

15. Lease agreement

(1) Right-of-use assets

	December 31, 2022	December 31, 2021
Carrying amount of right-of-use asset		
Land	$ 10,705	$ 10,858
Building	24,937	48,687
Transportation Equipment	1,986	51
	$ 37,628	$ 59,596

	2022	2021
Addition of right-of-use assets	$ 2,466	$ 56,107
Depreciation expense on right-of-use assets		
Land	$ 313	$309
Building	21,227	31,93 6
Transportation Equipment	531	38 2
	$ 22,071	$ 32,627

(2) Lease liabilities

	December 31, 2022	December 31, 2021
Carrying amount of the lease liability		
Flow	$ 18,847	$ 21,867
No flow move	$ 7,287	$ 24,207

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

	December 31, 2022	December 31, 2021
building	1.94%	1.94 %
Transportation Equipment	1.4 0%	1.94 %

(3) Important leasing activities and terms

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

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

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

When the merged company leases machinery and equipment, the lease starts when the equipment is installed and accepted by both parties. The lease period of the contract is 1 year, and the monthly rental fee is NT$500 thousand. After the lease expires, the merged company can choose to purchase the equipment and can fully discount the rental fee paid during the lease period to the purchase amount. The merged company terminated the original lease with the manufacturer in January 2012, and signed a separate equipment purchase contract.

(4) Other leasing information

	2022	2021
Short-term rental fee	$ 2,340	$ 2,334
Low-value asset rental expenses	$ 490	$ 369
Total cash (outflows) from leases	($ 22,832)	($ 33,939)

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

16. Other assets

	December 31, 2022	December 31, 2021
Flow		
Other assets		
Tax refund receivable	$ 8,015	$ 11,125
Prepaid fee	14,887	11,425
Advance payment	11,796	11,676
Input tax	425	957
Other	258	302
	$ 35,381	$ 35,485

17. Borrowing

(1) Short-term loans

	December 31, 2022	December 31, 2021
Guaranteed loans (Note 31)		
Bank loan	$ 130,000	$ 290,500
unsecured borrowing		
line of credit borrowing	40,000	85,000
	$ 170,000	$ 375,500

The interest rates of bank revolving loans will be 1.65% to 1.87% and 1.40% to 1.58% on December 31, 2022 and 2021, respectively.

(2) Short-term notes payable

	December 31, 2022	December 31, 2021
Commercial paper payable	$ -	$ 30,000

The outstanding short-term notes payable are as follows:

December 31, 2021

Guarantee / Acceptance Agency	face value	discount amount	carrying amount	Interest rate range	Collateral name	Collateral carrying amount
Commercial paper payable						
Mega Coupons	$ 30,000	$ -	$ 30,000	0.85%	none	$ -

The commercial notes payable of the merged company are payable short-term bills with no interest paid.

The impact is not significant, so it is measured by the original face value.

(3) Long-term loans

	December 31, 2022	December 31, 2021
Guaranteed loans (Note 31)		
Bank loan	$ 533,000	$-
unsecured borrowing		
Bank loan	-	36,285
Minus: listed as part due within 1 year	(16,680)	(29,922)
Long term loan	$ 516,320	$ 6,363

The guaranteed loan is guaranteed by the consolidated company's certificate of deposit, self-owned land and buildings (see Note 31). As of December 31, 2022 and December 31, 2021, the effective annual interest rate is 1.65% to 2.025% and 1.73% to 1.88%. In 2022, the merged company obtained a bank loan of NT$682,000 thousand from New Mobile. The loan interest rate is 1.65%~2.025%, divided into 3 years. The amount allocated this time is needed to raise operating turnover.

The consolidated company's borrowings include:

	Expiry Date	Major Terms	Effective Interest Rate	December 31, 2022	December 31, 2021
floating rate borrowing	2023/9/25	O-bank It is a loan to raise funds needed for medium-term operating turnover, with a loan amount of NT$50,000 thousand and an interest rate of 1.88 %. The loan period is from September 25, 2020 to September 25, 2023. Since March 15, 2022, NT$4,000 thousand will be repaid quarterly, which has been fully repaid on March 16, 2022.	1.88 %	$ -	$ 18,000
	2023/3/12	Changhua Commercial Bank It is a loan to raise funds needed for medium-term operating turnover, with a loan amount of NT$10,000 thousand and an interest rate of 1.73%. During the loan period from March 12, 2020 to March 12, 2023, interest is	1.75%	-	4,167

Expiry Date	Major Terms	Effective Interest Rate	December 31, 2022	December 31, 2021
	deducted every month. Starting from the loan date, each month is regarded as one installment, which is divided into 36 installments, and the principal of NT$278 thousand is amortized on average on the 12th of each month as scheduled, and has been fully repaid on March 17, 2022.			
2023/3/12	Changhua Commercial Bank It is a loan to raise funds needed for medium-term operating turnover, with a loan amount of NT$30,000 thousand and an interest rate of 1.73%. During the loan period from June 5, 2020 to March 12, 2023, the interest will be deducted every month. Starting from the loan date, each month is regarded as one installment, which is divided into 34 installments. The principal is repaid on average on the 5th of each month, NT$882 thousand, and has been fully repaid on March 17, 2022.	1.73%	-	14,118
2029/2/11	Mega Commercial Bank It is a loan to raise funds needed for medium-term operating turnover, with a loan amount of NT$400,000 thousand and an interest rate of 2.025%. During the loan period from February 11, 2022 to February 11, 2029, the interest will be deducted every month. Starting from February 11, 2023, every six months will be amortized in 12 installments. NT$149,000 thousand has been repaid in advance on September 22, 2022.	2.025%	51,000	-
2029/2/11	Mega Commercial Bank It is a loan to raise funds needed for medium-term operating turnover, with a loan amount of NT$400,000 thousand and an interest rate of 2.025%. During the loan period from December 2, 2022 to February 11, 2029, the interest will be deducted every month. Starting from February 11, 2023, every six months is a period, and amortized in 12 installments.	2.025%	88,000	-
2042/3/3	first commercial bank It is a loan to raise the funds needed for medium-term operating turnover. The loan amount is NT$394,000,000. The interest rate for the first 3 years is 1.15%, and the annual interest rate for the next 17 years is 1.25%. Due to the interest rate increase, the interest rate in 2022 will be 1.65%. During the loan period from March 3, 2022 to March 3, 2042, the interest will be deducted every month. Starting from the loan date, each month is regarded as one period, which is divided into 240 periods in total. The first 3 years are the grace period, and the monthly principal and interest are evenly amortized from April 3, 2025.	1.65%	394,000	-
			533,000	36,285
	Less: portion due within 1 year		(16,680)	(29,922)
	Long term loan		$ 516,320	$ 6,363

Please refer to Note 31 for the collateral guarantee of the above-mentioned bank loans.

18. Notes payable and accounts payable

	December 31, 2022	December 31, 2021
Notes payable		
Occurred due to business - non-related person	$ 805	$ 689
accounts payable		
Occurred due to business - non-related person	$ 261,800	$ 409,526

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

19. Other Liabilities

	December 31, 2022	December 31, 2021
Flow		
Other payables		
Payable salary and bonus	$ 37,617	$ 41,194
Leave payable	6,433	5,629
Premium payable	24,309	25,375
Employee bonuses payable	8,560	16,507
Directors' remuneration payable	2,850	9,629
Interest payable	723	256
Payable for equipment	8,758	8,345
Output tax	161	1,004
Taxes payable	249	834
Other payable expenses	72,988	94,214
	$ 162,648	$ 2 02,987
Other liabilities		
Temporary payment	$ 5,179	$ 5,057
Collection	1,263	1,250
	$ 6,442	$ 6,307

20. Provision for liabilities

	December 31 , 2022	December 31 , 2021
Non-current		
Decommissioning costs	$ 5,133	$ 5,047

The decommissioning cost liability provision is the decommissioning liability provision arising from the dismantling, removal of related equipment and restoration of its location. The amount is measured by the estimated discounted value of the cash flow of the expected settlement obligation, and is properly evaluated at the end of the reporting period and Adjustment.

21. Post-employment benefit plan

(1) Determining the appropriation plan

Among the merged companies, GOLD (KUNSHAN) Company, AMIA (HUIYANG) CO., LTD., HOYA Company and ALLWIN Company have not yet formulated employee retirement methods, and the local government laws have not stipulated mandatory employee retirement methods.

of our company, PERSEE Company, YIO-YEN Company and BARKO Company applicable to the "Labor Pension Act" in the merged company is a defined contribution retirement plan managed by the government, based on the employee's monthly salary of 6 % Transfer the pension to the personal special account of the Labor Insurance Bureau.

(2) Defined benefit plan

The pension system of our company and PERSEE Company in the merged company is a defined benefit retirement plan managed by the government in accordance with the "Labor Standards Law" of our country. The payment of employee pensions is calculated based on the years of service and the average salary of the six months before the approved retirement date. These companies allocate 2% of the total monthly salary of employees to the employee retirement fund, and submit it to the Labor Retirement Reserve Supervision Committee to deposit it in the special account of the Bank of Taiwan in the name of the committee. Before the end of the year, if the estimated balance in the special account is insufficient, the payment will be made for those workers who are estimated to meet the retirement requirements within the year, the difference will be allocated in one lump sum before the end of March of the following year. The special account is managed by the Labor Fund Utilization Bureau of the Ministry of Labor, and the merged company has no right to influence the investment management strategy.

The amounts of defined benefit plans included in the consolidated balance sheet are as follows:

	December 31, 2022	December 31, 2021
Determining the Present Value of Benefit Obligations	$ 61,308	$ 71,473
Fair value of project assets	(29,975)	(30,129)
Net defined benefit liability	$ 31,333	$ 41,344

Changes in net defined benefit liabilities are as follows:

	Determining the Present Value of Benefit Obligations	Fair value of project assets	Net defined benefit liability
January 1,2021	$ 71,148	($ 26,908)	$ 44,240
service cost			
current service cost	194	-	194
Interest Expense (Income)	266	(106)	160
recognized in profit or loss	460	(106)	354
premeasurement number			
Return on project assets (except the amount included in net interest)	-	(355)	(355)
Actuarial loss - change in demographic assumptions	1,934	-	1,934

	Determining the Present Value of Benefit Obligations	Fair value of project assets	Net defined benefit liability
Actuarial benefits - changes in financial assumptions	(467)	-	(467)
Actuarial Benefit - Experience Adjustment	(1,602)	-	(1,602)
recognized in other comprehensive income	(135)	(355)	(490)
employer appropriation	-	(2,760)	(2,760)
December 31, 2021	$ 71,473	($ 30,12 9)	$ 41,344

	Determining the Present Value of Benefit Obligations	Fair value of project assets	Net defined benefit liability
January 1, 2022	$ 71,473	($ 30,129)	$ 41,344
service cost			
current service cost	200	-	200
Interest Expense (Income)	357	(157)	200
recognized in profit or loss	557	(157)	400
premeasurement number			
Return on project assets (except the amount included in net interest)	-	(2,285)	(2,285)
Actuarial benefits - changes in financial assumptions	(2,932)	-	(2,932)
Actuarial Benefit - Experience Adjustment	(2,434)	-	(2,434)
recognized in other comprehensive income	(5,366)	(2,285)	(7,651)
employer appropriation	-	(2,760)	(2,760)
welfare payment	(5,356)	5,356	-
December 31, 2022	$ 6 1,308	($ 29,975)	$ 31,333

The amount of defined benefit plans recognized in profit or loss is summarized by function as follows:

	2022	2021
Operating cost	$ 130	$ 117
Promotional expenses	106	95
Management costs	164	142
	$ 400	$ 354

The merged company is exposed to the following risks due to the pension system of the Labor Standards Act:

1. Investment risk: The Labor Fund Utilization Bureau of the Ministry of Labor invests labor pension funds in domestic (foreign) equity securities, debt securities, and bank deposits through self-use and entrusted operation methods, but the planned assets of the merged company may be allocated The amount is calculated based on the local bank's 2-year fixed deposit interest rate.
2. Interest rate risk: The decline in the interest rate of government bonds will increase the present value of defined benefit obligations, but the debt investment return on project assets will also increase accordingly, and the impact of the two on net defined benefit liabilities will have a partial offset effect.

3. Salary risk: The calculation of the present value of the determined benefit obligation refers to the future salary of the plan members. An increase in plan member salaries will therefore increase the present value of the defined benefit obligation.

The present value of the confirmed benefit obligations of the merged company is calculated by a qualified actuary, and the major assumptions on the measurement date are as follows:

	December 31, 2022	December 31, 2021
Discount Rate	1.125 %	0.500 %
Salary Expected Increase Rate	2.000 %	2.000 %～2.250 %

If there are reasonably possible changes in major actuarial assumptions, and all other assumptions remain unchanged, the amount that will increase (decrease) the present value of the defined benefit obligation is as follows:

	December 31, 2022	December 31, 2021
Discount Rate		
0.25% increase	($ 825)	($ 1,070)
0.25% reduction	$ 847	$ 1,101
Salary Expected Increase Rate		
0.25% increase	$ 828	$ 1,0 68
0.25% reduction	($ 810)	($ 1,0 43)

Since the actuarial assumptions may be related to each other, the possibility of only a single assumption changing is unlikely, so the above sensitivity analysis may not be able to reflect the actual changes in the present value of the defined benefit obligations.

	December 31, 2022	December 31, 2021
Expected amount allocated within 1 year	$ 2,760	$ 2,760
Determining the average benefit obligation due period	3.5 years to 5.9 years	4.1 year to 6.4 years

22. Rights and interests

(1) Common stock capital

	December 31, 2022	December 31, 2021
Rated number of shares (thousand shares)	100,000	100,000
Rated share capital	$ 1,000,000	$ 1,000,000
Number of issued and fully paid shares (thousand shares)	70,518	62,899
Issued share capital	$ 705,180	$ 628,990

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

Among the rated share capital, 3,000 thousand shares are reserved for the issuance of warrant certificates, special shares with warrants, or corporate bonds with warrants for the exercise of stock options.

The resolution of the board of directors of the Company on December 30, 2021 approved the cash capital increase to issue 7,864 thousand new shares, with a par value of NT$10 per share, and retained 10% of the number of issued shares in accordance with the Company law, totaling 787 thousand shares for employees Subscription, the subscription price per share is NT$40, and the remaining 7,077 thousand shares are used for public underwriting before the listing of the stock, and are handled by bidding auction (80%) and public subscription (20%) at the same time. The average transaction price of bidding auction is NT$47.77 per share. In addition, on February 24, 2011, the underwriting price for public subscription was set at NT$40 per share. The total issuance amount was NT$358,540 thousand. The above-mentioned cash capital increase case has been declared effective by the Taiwan Stock Exchange on January 11, 2011 with Taiwan Zheng Shang YI ZI No. 1111800181, and March 9 of the same year was used as the capital increase base date, and the change registration was carried out on May 2, 2022 Finish.

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

(2) Capital reserves

	December 31, 2022	December 31, 2021
Can be used to make up losses, distribute cash or make capital contributions (a)		
Stock issue premium	$ 625,677	$ 346,236
Gain on disposal of assets	255	255
	$ 625,932	$ 346,491

(a) This kind of capital reserve can be used to make up for losses, and can also be used to distribute cash or allocate capital when the Company has no losses. However, capitalization is limited to a certain percentage of paid-in capital every year.

(3) Retained earnings and dividend policy

According to the surplus distribution policy of the Company's articles of association, if there is a surplus in the annual final accounts, taxes should be paid first to make up for previous losses, and 10% should be set aside as the statutory surplus reserve, and the special surplus reserve should be withdrawn and reversed in accordance with laws and regulations. After accumulating, if there is any surplus, the remaining surplus plus the accumulated undistributed surplus of the previous year shall be regarded as distributable surplus. The board of directors shall prepare a surplus distribution proposal and submit it to the shareholders' meeting for a resolution on the distribution of shareholder dividends. Please refer to Note 24 (7) Employee Remuneration and Director Remuneration for the employee and director remuneration distribution policy stipulated in the Company's articles of association.

The Company is in the period of business growth, and the policy of dividend distribution depends on factors such as the Company's current and future investment environment, capital demand, securities market, domestic and foreign competition conditions, and capital budget, and takes into account shareholders' interests, balanced dividends, and the Company's financial planning, etc. , each year according to the law, the board of directors prepares a distribution plan and submits it to the shareholders' meeting. Distribution of shareholder dividends, of which cash dividends shall not be less than 20% of the total dividends, and the rest shall be distributed as stock dividends.

The statutory surplus reserve shall be appropriated until its balance reaches the total paid-in share capital of the Company. The statutory surplus reserve can be used to make up for losses. When the Company has no losses, the part of the statutory surplus reserve exceeding 25% of the total paid-in amount can be distributed in cash in addition to being allocated to share capital.

The Company held regular shareholders' meetings on May 24, 2022 and July 7, 2021, and passed resolutions on the distribution of surplus for 2021 and 2020 as follows:

	2022	2021
Statutory surplus reserve	$ 22,120	$ 7,035
special surplus reserve	$ 3,972	($ 7,819)
cash dividend	$ 139,886	$ 55,871
Cash dividend per share (yuan)	$ 2.0	$ 0.9

On February 22, 2023, the Company's board of directors proposed the profit distribution plan for 2022 as follows:

	Surplus Distribution Proposal
Statutory surplus reserve	$ 10,661
special surplus reserve	($ 8,422)
cash dividend	$ 69,943
Cash dividend per share (yuan)	$ 1.0

2023 is yet to be resolved at the general meeting of shareholders expected to be held on May 24, 2022.

(4) Treasury stocks

Reason for withdrawal	Transfer of shares to employees (thousand shares)
Number of shares on January 1 , 2022	820
Decrease this year	(245)
Number of shares on 1 February 31, 2022	575
Number of shares on January 1 , 2021	820
Number of shares on 1 February 31, 2021	820

Buy back time	Number of shares (thousand shares)	The amount	Deadline for transfer
March 24 , 2020	575	$ 11,675	March 23 , 2023

The treasury stocks held by the Company shall not be pledged in accordance with the provisions of the Company law, nor shall they be entitled to the distribution of dividends and voting rights.

23. Income

	2022	2021
Client contract revenue		
Merchandise sales revenue	$ 3,721,106	$ 4,203,950

Contract balance

	December 31,2022	December 31,2021	January 1,2021
Accounts receivable (Note 10)	$ 382,183	$ 504,038	$ 361,672
Contract Liabilities			
Merchandising	$ 3,164	$ 1,483	$ 7,285

Changes in contract liabilities are primarily attributable to differences in the timing of satisfaction of performance obligations and the timing of payment by customers.

24. Net profit before tax

(1) Interest income

	2022	2021
Bank savings	$ 11,988	$ 13,300
Other	35	-
	$ 12,023	$ 13,300

(2) Other income

	2022	2021
Dividend income	$ 489	$ 512
Other	8,100	7,665
	$ 8,589	$ 8,177

(3) Other benefits and (losses)

	2022	2021
Financial asset (loss) loss		
Mandatory financial assets at fair value through profit or loss	($ 446)	$ 200
Disposal of property, plant and equipment (loss)	3 32	(634)
Net foreign currency exchange (loss) loss	29,771	(5,466)
lease modification benefit	481	-
other	(130)	(244)
	$ 30,008	($ 6,144)

(4) Financial costs

	2022	2021
Bank loan interest	($ 11,099)	($ 8,529)
Interest on the lease liability	(600)	(810)
Interest on liability provision	(86)	(57)
	($ 11,785)	($ 9,396)

There was no interest capitalization in 2022 and 2021.

(5) Depreciation and amortization

	2022	2021
Summary of depreciation expense by function		
Operating cost	$ 71,241	$ 92,811
Operating expenses	24,567	22,690
	$ 95,808	$ 115,501

(6) Employee welfare expenses

	2022	2021
Post-employment benefits		
Confirm allocation plan	$ 6,604	$ 6,778
Defined benefit plans (Note 21)	400	354
	7,00 4	7,132
share based payment	1,732	-
Other employee benefits	2 67,104	293,074
Total employee benefit expenses	$ 275,840	$ 300,206
Summary by function		
Operating cost	$ 130,829	$ 125,461
Operating expenses	14 5,011	174,745
	$ 275,840	$ 300,206

(7) Employee remuneration and director remuneration

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

February 22, 2023 and March 8, 2022, the employee remuneration and director's remuneration in 2022 and 2021 were respectively resolved by the board of directors as follows:

Estimated ratio

	2022	2021
Employee compensation	6.01 %	5.98 %
Director remuneration	2.00%	3.49%

The amount

	2022	2021
	Cash	Cash
Employee compensation	$ 8,560	$ 16,507
Director remuneration	2,850	9,629

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

There is no difference between the actual distribution amount of employee remuneration and director's remuneration in 2022 and 2021 and the recognized amount in the consolidated financial report of 2022 and 2021.

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

(8) Foreign currency exchange (gain) loss

	2022	2021
Total foreign currency exchange benefit	$ 41,107	$10,508
Total foreign currency exchange (loss)	(11,336)	(15,974)
Net (loss) loss	$ 29,771	($ 5,466)

25. Income Tax

(1) Income tax expense recognized in profit or loss

The main components of income tax expenses are as follows:

	2022	2021
Current income tax		
Produced this year	$30,088	$ 16,293
Undistributed surplus tax	1,615	-
Prior Year Adjustments	(201)	349
	31,502	16,642
Deferred income tax		
Produced this year	9,379	29,265
Prior Year Adjustments	1,766	229
	11,145	29,494
Income tax expense recognized in profit or loss	$ 42,647	$ 46,136

The adjustment of accounting income and income tax expense is as follows:

	2022	2021
Net profit before tax	$ 142,439	$ 266,841
Income tax expense calculated at the statutory tax rate on net profit before tax (20%)	$ 28,488	$ 53,368
Non-deductible expense losses	1	1,853
tax-free income	(1,372)	(2,459)
Repatriation of Overseas Dividends	10,338	-
Temporary Difference - Overseas Investment	1,853	1,942
Undistributed Earnings Levy	1,615	-
Unrecognized loss write-off	463	(12,028)
Impact of different tax rates on subsidiaries operating in other jurisdictions	(304)	2,882
Adjustment of the current income tax expense of the previous year in the current year	(201)	34 9
Adjustment of the deferred income tax expense in the previous year in the current year	1,766	229
Income tax expense recognized in profit or loss	$ 42,647	$ 46,136

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

	2022	2021
Deferred income tax		
Generated in the current year		
- Conversion of foreign operating institutions	($ 2,106)	$ 993

(3) Current income tax assets and liabilities

	December 31, 2022	December 31, 2021
Current income tax assets		
Tax refund receivable	$ 6,320	$ 4,500
Current income tax liabilities		
income tax payable	$ 25,879	$ -

(4) Deferred income tax assets and liabilities

Changes in deferred tax assets and liabilities are as follows:

2022

	Initial balance	Recognized in profit or loss	Recognized in Other comprehensive income	Year-end balance
Deferred tax assets				
temporary difference				
Overseas Investment	$ 4,836	($ 1,164)	$ -	$ 3,672
Unrealized loss on inventory decline	5,049	(529)	-	4,520
Unrealized benefits from transactions with subsidiaries	220	306	-	526
Exchange difference of foreign operating institutions	10,350	-	(2,106)	8,244
Defined Benefit Retirement Plan	102	(65)	-	37
Provision for Decommissioning Liabilities	-	583	-	583
leave payable	909	164	-	1,073
Allowance for bad debts	1,102	-	-	1,102
	22,568	(705)	(2,106)	19,757
loss write-off	7,355	(7,355)	-	-
	$ 29,923	($ 8,060)	($ 2,106)	$ 19,757
Deferred tax liabilities				
temporary difference				
Unrealized exchange gains and losses	($ 46)	$ 9	$ -	($37)
Overseas Investment	-	(2,687)	-	(2,687)
Defined Benefit Retirement Plan	(2,419)	(407)	-	(2,826)
	($ 2,465)	($ 3,085)	$ -	($ 5,550)

2021

	initial balance	recognized in profit or loss	recognized in Other comprehensive income	Year-end balance
Deferred tax assets				
temporary difference				
Overseas Investment	$ 6,778	($ 1,942)	$ -	$ 4,836
Unrealized loss on inventory decline	9,257	(4,208)	-	5,049
Unrealized benefits from transactions with subsidiaries	120	100	-	220
Exchange difference of foreign operating institutions	9,357	-	993	10,350
Defined Benefit Retirement Plan	169	(67)	-	102
leave payable	1,063	(154)	-	909
Allowance for bad debts	1,102	-	-	1,102
	27,846	(6,271)	993	22,568
loss write-off	30,127	(22,772)	-	7,355
	$ 57,973	($ 29,043)	$ 993	$ 29,923
Deferred tax liabilities				
temporary difference				
Unrealized exchange gains and losses	($ 10)	($ 36)	$ -	($ 46)
Defined Benefit Retirement Plan	(2,004)	(415)	-	(2,419)
	($ 2,014)	($ 451)	$ -	($ 2,465)

(5) Unused loss deduction amount not recognized in the consolidated balance sheet as deferred income tax assets

PERSEE CHEMICAL CO., LTD.

	December 31, 2022	December 31, 2021
Loss write-off		
2030 due	$ 633	$ 844
2032 year due	1,137	-
	$ 1,770	$ 844

YIO-YEN ENTERPRISE CO., LTD.

	December 31, 2022	December 31, 2021
Loss write-off		
2031 years due	$ -	$ 1,013

BARKO INDUSTRIES CO., LTD.

	December 31, 2022	December 31, 2021
loss write-off		
2022 due	$ -	$ 975
2023 due	838	838
2024 due	582	582
2025 due	613	613
2026 due	451	451
2027 due	194	194
2028 due	165	165
2029 due	169	1 69
2030 due	163	163
	$ 3,175	$ 4,150

(6) Relevant information on unused loss deduction

As of December 31, 2022, PERSEE Company's loss deduction related information is as follows:

Balance not yet deducted	Final deduction year
$ 633	2030
1,137	2032
$ 1,770	

As of December 31, 2022, the information related to the loss deduction of BARKO Company is as follows:

Balance not yet deducted	Final deduction year
$ 838	2023
582	2024
613	2025
451	2026
194	2027
165	2028
169	2029
163	2030
$ 3,175	

(7) Income tax verification situation

The Company, PERSEE Company, YIO-YEN Company, and BARKO Company's profit-seeking enterprise income tax declarations except for 2021, the declaration cases before 2020 have been approved by the tax collection agency.

26. Earnings per share

Unit: Yuan per share

	2022	2021
Total Basic Earnings Per Share	$ 1.46	$ 3.56
Total diluted earnings per share	$ 1.45	$ 3.51

Earnings and weighted average number of ordinary shares used to calculate earnings per share are as follows:

Net profit for the year

	2022	2021
Net income used to calculate basic earnings per share	$ 99,792	$ 220,705
Net income used to calculate diluted earnings per share	$ 99,792	$ 220,705

Number of shares unit: thousand shares

	2022	2021
Weighted average number of common shares used to calculate basic earnings per share	68,496	62,079
Effect of Dilutive Potential Ordinary Shares		
employee bonus	492	760
Weighted average number of common shares used to calculate diluted earnings per share	68,988	62,839

If the merged company can choose to issue employee remuneration in stock or cash, when calculating diluted earnings per share, it is assumed that the employee remuneration will be issued in the form of stock, and when the potential common stock has a dilutive effect, it will be included in the weighted average number of outstanding shares to calculate Diluted earnings per share. When calculating the diluted earnings per share before deciding on the number of shares issued for employee compensation in the next year, the dilutive effect of these potential ordinary shares will also continue to be considered.

27. Share-Based Payment Agreement

Cash Capital Increase Retention Employee Subscription

On December 30, 2021, the Company's board of directors resolved to issue 7,864 thousand new shares through cash capital increase before the initial stock listing. This cash capital increase project was approved and declared by the Taiwan Stock Exchange on January 11, 2022, and was resolved by the board of directors , with March 9 , 2022 as the capital increase base date .

The reserved part of the new shares issued by the above-mentioned cash capital increase is used as subscription by the Company's employees, and February 24, 2022 is the day of giving.

The relevant information of employee stock options is as follows:

	2022	
Employee stock options	Unit (thousand)	Weighted average Execution price (yuan)
Circulation at the beginning of the period	-	$-
Give this period	787	40
Exercise this period	(787)	
Out of circulation at the end of the period	-	
Executable at the end of the period	-	

Of employee stock options granted in the current period (yuan)	$ 2.2

For employee stock options that will be executed in 2022, the weighted average exercise price on the execution date is NT$40.

The employee stock options granted by the Company use the Black-Scholes evaluation model, and the input values used in the evaluation model are as follows:

Grant day share price	NT$ 41.96
Execution price	NT$ 40.00
Expected volatility	33.42%
Expected duration	0.033 years
Risk free rate	0. 35%

The stock price on the date of giving is evaluated using the market method and estimated based on the stock price-to-book value ratio, average price-to-earnings ratio, and stock price adjustment of listed companies in comparable domestic industries.

The expected volatility is based on the average value of the annualized standard deviation calculated from the daily stock price returns of similar companies in the same industry in the past year.

The remuneration cost recognized in 2022 is NT$1,732thousand.

28. Capital risk management

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

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

Merging companies are not subject to other external capital requirements.

The main management of the merged company re-examines the capital structure of the group every year, and the content of the review includes consideration of the cost of various types of capital and related risks. The merged company will balance its overall capital structure by paying dividends, issuing new shares, repurchasing shares, issuing new debts or repaying old debts, etc., based on the recommendations of the main management.

29. Financial Instruments

(1) Fair value information - financial instruments not measured at fair value
The carrying amounts of financial assets and financial liabilities not measured at fair value approximate their fair values in the opinion of the management of the combined company.

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

1. Fair value hierarchy

December 31, 2022

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

December 31, 2021

	Level 1	Level 2	Level 3	total
Financial assets at fair value through profit or loss				
Fund income certificate	$ 3,081	$ -	$ -	$ 3,081
Financial assets at fair value through other comprehensive income				
Foreign unlisted (counter) stocks	$ -	$ -	$ 2,640	$ 2,640

There will be no transfer between Level 1 and Level 2 fair value measurements in 2022 and 2021.

2. Evaluation techniques and input values for Level 3 fair value measurement

The fair values of financial assets and financial liabilities that have standard terms and conditions and are traded in active markets are determined by reference to quoted market prices. If there is no market price for reference, it shall be estimated by evaluation method. The estimates and assumptions used by the merged company in the evaluation method are consistent with the information used by market participants as estimates and assumptions when pricing financial products.

Stocks without public quotes

These consolidated financial statements include unquoted shares measured at fair value. The fair value is based on the market-based valuation method - the price-to-earnings ratio method and the stock price-to-book value ratio method, to evaluate a reasonable fair value. The significant unobservable input values are as follows. When the liquidity discount decreases, the fair value of these investments will increase.

(3) Types of financial instruments

	December 31, 2022	December 31, 2021
Monetary assets		
Financial assets at fair value through profit or loss		
Mandatory to be measured at fair value through profit or loss	$ 2,494	$ 3,081
Financial assets measured at amortized cost (Note 1)	1,171,180	1,333,811
Financial assets at fair value through other comprehensive income		
Equity instrument investment	2,640	2,640
Financial liabilities		
Measured by amortized cost (Note 2)	1,128,263	1,055, 007

Note 1: The balance includes cash and cash equivalents, financial assets measured at amortized cost, notes receivable, accounts receivable, other receivables and deposits and other financial assets measured at amortized cost.

Note 2: The balance includes short-term loans, short-term bills payable, and notes payable, accounts payable, other payables, long-term loans due within one year, long-term loans and deposits, and other financial liabilities measured at amortized cost.

(4) Purpose and policy of financial risk management

The main financial instruments of the combined company include equity investments, accounts receivable, accounts payable and borrowings and lease liabilities. The financial management department of the merged company provides services for each business unit, coordinates operations in the domestic and international financial markets, and monitors and manages financial risks related to the operations of the merged company by analyzing the internal risk report of the risk according to the degree and breadth of the risk. These risks include market risk (including exchange rate risk, interest rate risk and other price risks), credit risk and liquidity risk.

1. Market risk

The main financial risks borne by the combined company's operating activities are the risk of foreign currency exchange rate changes (see (1) below) and the risk of interest rate changes (see (2) below).

(1) Exchange rate risk

Several subsidiaries of the Company are engaged in sales and purchase transactions denominated in foreign currencies, thus exposing the consolidated company to risk of exchange rate fluctuations. The management of exchange rate risks of the merged company is to use short-term borrowings to avoid exchange rate risks.

For the carrying amount of monetary assets and monetary liabilities denominated in non-functional currency of the consolidated company on the balance sheet data (including monetary items denominated in non-functional currency that have been written off in the consolidated financial statements), please refer to Note 34 .

Sensitivity Analysis

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

The following table details the sensitivity analysis of the merged company when the exchange rate of the New Taiwan dollar (functional currency) against each relevant foreign currency increases and decreases by 1%. 1% is the sensitivity rate used when reporting the exchange rate risk to key management within the group, and it also represents the management's assessment of the range of reasonably possible changes in foreign currency in exchange rates. Sensitivity analysis only includes monetary items in foreign currencies in circulation, and the conversion at the end of the period is adjusted by 1% of the exchange rate change. The positive numbers in the table below represent the amount that will increase the pre-tax net profit when the NT dollar depreciates by 1% relative to the relevant currencies; when the NT dollar appreciates by 1% relative to the relevant foreign currencies, the impact on the pre-tax net profit will be Negative numbers of the same amount.

	Impact of USD		Impact of RMB	
	2022	2021	2022	2021
Profit and loss	$ 1,668 (I.)	$2,398 (I.)	$545 (II)	$ 186(II)

(I.) The receivables and payables denominated in US dollars are mainly derived from the consolidated company's outstanding circulation on the balance sheet date and no cash flow hedging.

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

(2) Interest rate risk

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

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

	December 31, 2022	December 31, 2021
Fair value interest rate risk		
-monetary assets	$ 277,055	$ 328,403
- Financial liabilities	26,134	76,074
Cash flow interest rate risk		
-monetary assets	471,610	4 38 , 128
- Financial liabilities	703,000	411,785

Sensitivity Analysis

The sensitivity analysis below is based on the interest rate exposure of derivative and non-derivative instruments at the balance sheet date. For floating rate assets and liabilities, the analysis method assumes that the amount of assets and liabilities outstanding on the balance sheet date is outstanding during the reporting period. The rate of change used when reporting interest rates internally to key management within the Group is 0.25% for an increase or decrease in interest rates, which also represents management's assessment of the range of reasonably possible changes in interest rates.

If the interest rate increases/decreases by 0.25%, and all other variables remain unchanged, the combined company’s net profit before tax in 2022 and 2021 will decrease/increase NT$578 thousand and increase/decrease NT$66 thousand, respectively, mainly due to the merger The Company’s variable interest rate borrowings decreased.

(3) Other price risks

The merged company has equity price risk due to investment in equity securities listed on the counter.

Sensitivity Analysis

The following sensitivity analysis is carried out based on the equity price exposure on the balance sheet date.

If the equity price increases/decreases by 5%, the pre-tax profit and loss in 2022 and 2021 will increase/decrease by NT$125 thousand and NT$154 thousand respectively due to the increase/decrease in the fair value of financial assets measured at fair value through profit and loss. Other comprehensive profit and loss before tax in 2022 and 2021 will increase/decrease by NT$132 thousand due to the increase/decrease in the fair value of financial assets measured at fair value through other comprehensive profit or loss.

2. Credit risk

Credit risk refers to the risk that the counterparty defaults in contractual obligations and causes financial losses to the Group. As of the balance sheet date, the largest credit risk exposure of the merged company that may cause financial losses due to the failure of the counterparty to perform its obligations and the financial guarantee provided by the merged company mainly comes from:

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

(2) The amount of contingent liabilities arising from the financial guarantee provided by the merged company.

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

The credit risk of the merged company is mainly concentrated in the top five customers of the merged company, As of December 31, 2021 and 2022, the ratios of total accounts receivable from the aforementioned customers were 28% and 33 %, respectively.

3. Liquidity risk

The combined company manages and maintains sufficient cash and equivalent cash to support the group's operations and mitigate the impact of cash flow fluctuations. The management of the merged company supervises the use of bank financing facilities and ensures compliance with the terms of the loan contract.

Bank borrowings are an important source of liquidity for the Merged Company. As of December 31, 2021 and 2022, please refer to the description of the following (2) financing line for the unused financing line of the merged company

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

The remaining contractual maturity analysis of non-derivative financial liabilities is prepared based on the undiscounted cash flows of financial liabilities (including principal and estimated interest) based on the earliest date on which the combined company may be required to repay. Therefore, the bank loans that the merged company can be required to repay immediately are serialized in the earliest period in the table below, regardless of the probability of the bank's immediate execution of the right; the maturity analysis of other non-derivative financial liabilities is prepared according to the agreed repayment date.

December 31, 2022

	pay on demand or less than 1 month	1 to 3 months	3 months to 1 year	1 to 5 years	over 5 years	total
Non-derivative financial liabilities						
Notes payable	$ 281	$ 524	$ -	$ -	$ -	$ 805
accounts payable	234,375	18,766	8,659	-	-	261,800
Other payables	142,799	14,565	4,663	621	-	162,648
lease liability	1,545	3,090	14,505	7,320	-	26,460
loan	40,000	88,340	58,340	123,956	392,364	703,000
	$419,000	$ 125,285	$ 86,167	$ 131,897	$392,364	$1,154,713

December 31, 2021

	pay on demand or less than 1 month	1 to 3 months	3 months to 1 year	1 to 5 years	over 5 years	total
Non-derivative financial liabilities						
Notes payable	$ 84	$ 605	$ -	$ -	$ -	$ 689
accounts payable	374,022	25,021	10,483	-	-	409,526
Other payables	174,594	23,199	5,158	36	-	202,987
lease liability	2,676	5,326	14,477	24,500	-	46,979
loan	46,160	187,821	201,441	6,363	-	441,785
	$ 597,536	$ 241,972	$ 231,559	$ 30,899	$ -	$1,101,966

(2) Financing amount

	December 31, 2022	December 31, 2021
Unsecured Bank Borrowing Facility (reviewed annually)		
- Amount used	$ 40,000	$ 168,246
- Unused amount	510,000	281,500
	$ 550,000	$ 449,746
Guaranteed bank loan line (extendable upon mutual agreement)		
- Amount used	$ 842,000	$ 290,500
- Unused amount	458,500	395,000
	$ 1,300,500	$ 685,500

30. Related party transactions

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

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

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

(2) Operating income

Account items	Related person name	2022	2021
sales revenue	Ever-Precise recycle company	$ 9,466	$ 35,142

The sales price of the merged company to related parties is comparable to that of general customers.

(3) Receivables from related parties (excluding loans to related parties)

Account items	Related person name	December 31, 2022	December 31, 2021
Accounts receivable - related parties	Ever-Precise recycle company	$ 4,605	$ 9,219

There is no guarantee for the outstanding receivables from related parties. In 2022 and 2021, the amount receivable from related parties will be NT$65 thousand and NT$67 thousand respectively.

(4) Lease agreement

Related person name	Subject matter	Rent payment method	2022	2021
CHEN,KUO-CHIN	No. 11, Lane 195, Yongfeng Road, Tucheng District, New Taipei City	Pay NT$5 thousand per month	$ 60	$ 60
CHEN, YAN-HONG	2nd Floor, No. 185, Zhongxiao West Road, Fuchangli, Luzhu District, Taoyuan City	Pay NT$6 thousand per month	$ 72	$ 72

(5) Remuneration of main management

	2022	2021
short-term employee benefits	$ 19,765	$ 20,727
Post-employment benefits	498	203
	$ 20,263	$ 20,930

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

31. Assets pledged

The following assets of the merged company have been provided as collateral for financing loans, collateral for purchasing raw materials, and deposits:

	December 31, 2022	December 31, 2021
Pledged certificate of deposit (financial assets measured at cost after amortization - current)	$ 19,204	$ 23,336
Bank deposits - allowance account (financial assets carried at amortized cost - current)	-	6,001
Bank deposits - allowance account (financial assets carried at amortized cost - non-current)	-	2,001
Pledged certificate of deposit (financial assets measured at cost after amortization - non-current)	23,791	23,454
own land	1,129,047	523,247
Housing and construction - net	40,216	50,758
Machinery and equipment - net	12,499	13,622
Other equipment - net	12,565	15,691
	$ 1,237,322	$ 658,110

32. Significant contingent liabilities and unrecognized contractual commitments

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

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

(2) The consolidated company issued a deposit guarantee note to the manufacturer for the purchase of raw materials, amounting to NT$19,663 thousand.

(3) The combined company's deposit and outbound securities issued to the bank for borrowing and export bills amounted to NT$1,345,770 thousand and US$4,000 thousand.

(4) The contract between the merged company and the manufacturer promises to purchase machinery and equipment. The total contract price is NT$60,532 thousand. As of December 31, 2022, NT$34,224 thousand has been paid (account advance payment for equipment), and NT$26,308 thousand remains to be paid.

33. Other matters

The merged company has assessed the economic impact of the novel coronavirus pneumonia epidemic, but as of the date of the release of this consolidated financial report, there has been no significant impact on the merged company. The Merged Company will continue to observe the relevant outbreak and assess its impact.

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

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

December 31, 2022

	Foreign currency	Exchange rate	Carrying amount
Foreign currency assets			
Monetary item			
USD	$ 5,383	30.71 (USD: TWD)	$ 165,325
USD	152	6.967 (USD: RMB)	4,667
RMB	12,365	4.408 (RMB: NTD)	54,503
			$ 224,495
non-monetary items			
Affiliated enterprises and joint ventures using the equity method			
USD	$ 630	30.71 (USD: TWD)	$ 28,074
Financial assets measured at cost			
MYR	238	6.70 (MYR: TWD)	$ 2,640
foreign currency liabilities			
monetary item			
USD	105	30.71 (USD: TWD)	$ 3,235

December 31, 2021

	Foreign currency	Exchange rate	Carrying amount
Foreign currency assets			
Monetary item			
USD	$ 8,683	27.68 (USD: TWD)	$ 240,351
USD	90	6.3 8 (USD:RMB)	2,481
RMB	4,287	4.344 (RMB: NTD)	18,622
			$ 261,454
non-monetary items			
Affiliated enterprises and joint ventures using the equity method			
USD	630	27.68 (USD: TWD)	$ 27,802
Financial assets measured at cost			
MYR	238	6.36 (MYR: TWD)	$ 2,640
Foreign currency liabilities			
Monetary item			
USD	109	27.68 (USD: TWD)	$ 3,019

The realized and unrealized foreign currency exchange gains and losses of the consolidated company in 2022 and 2021 are NT$29,771 thousand and NT$(5,466) thousand respectively. Due to the variety of foreign currency transactions and individual functional currencies of the group, it is not possible to calculate. Do not disclose exchange gains and losses for foreign currencies.

35. Matters disclosed in the notes

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

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

(3) Mainland investment information:

Serial number	Project	Illustrate
1	The name of the mainland invested company, main business items, paid-in capital, investment method, capital remittance, shareholding ratio, investment profit and loss, investment book amount at the end of the period, repatriated investment profit and loss, and investment quota in the mainland.	Schedule 4
2	The following major transactions, prices, payment terms, and unrealized gains and losses with mainland investee companies directly or indirectly via third regions:	
	(1) The purchase amount and percentage and the ending balance and percentage of related payables.	None
	(2) The amount and percentage of sales and the closing balance and percentage of related receivables.	Schedule 5
	(3) The amount of the property transaction and the resulting profit or loss.	None
	(4) Ending balance of bill endorsement guarantee or provision of collateral and its purpose.	None

Serial number	Project	Illustrate
	(5) The maximum balance of financing, the balance at the end of the period, the interest rate range and the total amount of interest for the current period.	None
	(6) Other transactions that have a significant impact on the current profit or loss or financial status, such as the provision or receipt of labor services, etc.	None

(4) Major shareholder information: Please refer to Attachment VII for the name, shareholding amount and proportion of the shareholders whose shareholding ratio is more than 5 %.

36. Department information

(1) Department revenue and operating results

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

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

(2) Income from main products and services

The income analysis of the consolidated company's main products and services is as follows:

	2022	2021
Specialty chemicals	$ 402,064	$447,026
Recycled products (containing copper salts)	2,888,309	3,250,599
Other	430,733	506,325
	$ 3,721,106	$ 4,203,950

(3) Regional information

The combined company mainly operates in two regions - Taiwan and China.

The consolidated company's income from external customers is listed as follows:

	Revenue from external customers		Non-current assets	
	2022	2021	December 31, 2022	December 31, 2021
Taiwan	$ 609,143	$ 626,561	$ 1,332,396	$ 758,794
Asia	1,875,054	2,106,012	128,673	143,530
Oceania	1,195,221	1,370,914	-	-
America	38,627	81,449	-	-
Africa	3,061	19,014	-	-
	$ 3,721,106	$ 4,203,950	$ 1,461,069	$ 902,324

Non-current assets do not include assets classified as financial assets, affiliates using the equity method and deferred tax assets.

(4) Main customer information

The income from a single customer accounts for more than 10% of the total income of the consolidated company as follows:

	2022	2021
Customer D	$ 947,959	$ 960,358
Customer A12	677,068	756, 699
	$ 1,625,027	$ 1,717,057

AMIA CO., LTD. and Subsidiaries
MARKETABLE SECURITIES HELD
DECEMBER 31, 2022

Schedule 1

(Amounts in Thousands of New Taiwan Dollars or in Thousands of Foreign Currencies)

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	December 31, 2022				Note
				Number of Shares	Carrying Amount	Percentage of Ownership (%)	Fair Value	
AMIA CO., LTD.	Unlisted (cabinet) company							
	MERIDIAN WORLD SDN. BHD.	None	Non-current financial assets at fair value through other comprehensive income	238,400	$ 2,640	12.8	$ 2,640	
PERSEE CHEMICAL CO., LTD.	Fund income certificate							
	Mega Global Met averse Technology Fund	None	Current financial assets at fair value through profit or loss	200,000	$ 1,600	-	$ 1,600	
	First Gold Taiwan Core Strategic Construction Fund	None	Current financial assets at fair value through profit or loss	100,000	894	-	894	
					$ 2,494		$ 2,494	

Note 1: Securities mentioned in this table refer to stocks, bonds, beneficiary certificates and securities arising from the above items within the scope of IFRS 9 "Financial Instruments".
Note 2: The listed securities do not provide guarantees, pledged loans or other restricted matters in accordance with the agreement.
Note 3: For information about investing in subsidiaries, affiliated companies and joint venture interests, please refer to Schedule 3 and Schedule 4.

AMIA CO., LTD. and Subsidiaries

ACQUISITION OF INDIVIDUAL REAL ESTATE AT COSTS OF AT LEAST NT$300 MILLION OR 20% OF THE PAID-IN CAPITAL

January 1, 2022 to December 31, 2022

Schedule 2

(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	Relationship	Transaction Date	Amount			
AMIA CO., LTD.	Own land and buildings	Board Resolution Date September 7,2021 Closing Date February 22,2022	$610,000	The total price of 610,000 thousand has been paid in full according to the contract	FU SENG FIBER CO., LTD.	non-related person	-	-	-	$-	Referring to the market prices and the valuation report of the real estate appraiser, the estimated value is NT$617,727 thousand and NT$ 620,957 thousand.	Own use	none

Note 1: If the acquired assets should be appraised according to regulations, the appraisal result should be indicated in the column of "Reference Basis for Price Determination".

Note 2: Paid-in capital refers to the paid-in capital of the parent company. If the issuer's stock has no par value or the par value per share is not NT$10, the transaction amount requirement of 20% of the paid-in capital shall be calculated on the basis of 10% of the equity attributable to the owner of the parent company on the balance sheet.

Note 3: The date of fact occurrence refers to the earlier of the transaction signing date, payment date, entrustment transaction date, transfer date, board of directors resolution date, or other date when the transaction object and transaction amount are fully determined.

AMIA CO., LTD. and Subsidiaries
INFORMATION ON INVESTEES
January 1, 2022 to December 31, 2022

Schedule 3

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

Investor Company	Investee Company	Location	Main Businesses and Products	Original Investment Amount		As of December 31, 2022			Net Income (Loss) of the Investee	Share of Profit (Loss)	Note
				December 31, 2022	December 31, 2021	Number of Shares	%	Carrying Amount t			
AMIA CO., LTD.	YIO-YEN ENTERPRISE CO., LTD.	No. 19, Lane 195, Yongfeng Road, Tucheng District, New Taipei City	Operating holding business	$ 516,647	$ 516,647	55,570,000	100	$ 683,804	($ 8,060)	($ 8,060)	son male manage
	PERSEE CHEMICAL CO., LTD.	No. 19, Lane 195, Yongfeng Road, Tucheng District, New Taipei City	Processing, manufacturing, trading and recycling of various industrial chemicals	109,643	109,643	7,860,000	100	85,909	(2,485)	(2,485)	son male manage
	BARKO INDUSTRIES CO., LTD.	2nd Floor, No. 185, Zhongxiao West Road, Fuchangli, Luzhu District, Taoyuan City	Waste recycling, etc.	12,737	12,737	1,500,000	100	8,574	47	47	son male manage
	HOYA MAX INTERNATIONAL CO., LTD.	Le Sanalel Complex, Ground Floor, Vaea Street, Saleufi, PO Box 1868, Apia, Samoa.	Operating holding business	27,936	27,936	-	100	34,541	7,646	7,646	son male manage
HOYA MAX INTERNATIONAL CO., LTD.	ALLWIN STAR INTERNATIONAL CO., LTD.	Le Sanalel Complex, Ground Floor, Vaea Street, Saleufi, PO Box 1868, Apia, Samoa.	Operating holding business	24,875 (USD 810)	24,875 (USD 810)	-	100	34,538	7,646	7,646	son male manage

Note: Please refer to Attachment 4 for relevant information of the invested companies in mainland China.

AMIA CO., LTD. and Subsidiaries
INFORMATION ON INVESTMENT IN MAINLAND CHINA
January 1, 2022 to December 31, 2022

Schedule 4

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

1. The name of the mainland invested company, main business items, paid-in capital, investment method, capital remittance, shareholding ratio, investment profit and loss, investment book value and repatriation investment profit and loss:

Investee Company	Main Businesses and Products	Paid-in Capital	Method of Investment (Note 1)	Accumulated Outflow of Investment from Taiwan as of January 1, 2022	Remittance of Funds		Accumulated Outflow of Investment from Taiwan as of December 31, 2022	Net Income (Losses) of the Investee	% Ownership of Direct or Indirect Investment	Investment Gain (Loss) (Note 2)	Carrying Amount as of December 31, 2022	Accumulated Repatriation of Investment Income as of December 31, 2022 Note
					Outflow	Inflow						
AMIA (HUIYANG) CO., LTD.	Processing, manufacturing, trading and recycling of various industrial chemicals	$ 36,852 (USD 1,200)	(1)	$ 36,852 (USD 1,200)	$ -	$ -	$ 36,852 (USD 1,200)	($ 1,820) (RMB -412)	100%	($ 1,820) (RMB -412) (B)	$ 13,330 (RMB 3,024)	$ -
GOLD PARTNER ENTERPRISES (KUNSHAN) CO.,LTD.	Processing, manufacturing, trading and recycling of various industrial chemicals	104,414 (USD 3,400)	(3)	104,414 (USD 3,400) (Where USD2,200,000 is transferred from surplus to capital increase)	-	-	104,414 (USD 3,400) (Where USD2,200,000 is transferred from surplus to capital increase)	3,436 (RMB 782)	100%	3,436 (RMB 782) (B)	627,712 (RMB 142,403)	158,688 (RMB 36,000)
SUZHOU ZHONGHUAN YOUYUAN CHEMICAL CO., LTD.	Recycle and utilize wire plate etching solution and industrial waste liquid containing non-ferrous metals to produce copper sulfate and copper salt series products; sell self-produced products and provide related technical services	42,380 (USD 1,380)	(3)	14,833 (USD 483)	-	-	14,833 (USD 483)	-	- (Note 4)	-	-	6,019 (USD 196)
Ever-Precise recycle company	Recycling and sales of waste paper, cardboard, plastic products, and scrap metal; sales of special pharmaceutical materials for environmental pollution treatment; leasing of self-owned equipment	64,491 (USD 2,100)	(2)	19,347 (USD 630)	-	-	19,347 (USD 630)	24,305 (RMB 5,496)	30%	7,292 (RMB 1,649) (B)	28,074 (RMB 6,369)	7,419 (RMB 1,680)

2. Investment limit in mainland China:

Accumulated Outward Remittance for Investments in Mainland China as of December 31, 2022	Investment Amount Authorized by the Investment Commission, MOEA	Upper Limit on the Amount of Investments Stipulated by the Investment Commission, MOEA
NTD 175,446 (USD 5,713 thousand) (Exchange rate: 30.71)	NTD 268,743 (USD 8,751 thousand) (Exchange rate: 30.71)	NTD 1,021,424 (USD 33,260 thousand) (Exchange rate: 30.71)

Note 1: Investment methods are divided into the following three types:

(1) Go directly to the mainland for investment.

(2) Reinvest in mainland China through a company in a third area (please specify the investment company in the third area).

A. ALLWIN STAR INTERNATIONAL CO., LTD.

(3) Other ways.

Note 2: In the current period recognized investment profit and loss column:

(1) If it is under preparation and there is no investment profit or loss, it should be indicated.

(2) The recognition basis of investment profit and loss is divided into the following three types, which should be specified.

A. Financial statements audited and certified by an international accounting firm that has a cooperative relationship with an accounting firm in the Republic of China.

B. Financial statements audited by certified accountants of the parent company in Taiwan.

C. Other. (The financial statements of the above-mentioned invested companies have not been checked by certified accountants of the parent company in Taiwan)

Note 3: The relevant amounts in this table are listed in New Taiwan Dollars, and those involving foreign currencies are converted into New Taiwan Dollars at the spot exchange rate on the financial reporting date. (The USD spot exchange rate on December 31, 2022 is 30.71; the RMB spot exchange rate is 4.408)

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

AMIA CO., LTD. and Subsidiaries

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 third region

January 1, 2022 to December 31, 2022

Schedule 5

(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	%		
GOLD PARTNER ENTERPRISES (KUNSHAN) CO.,LTD.	sales	$ 25,046	1%	Same as regular customers	Same as regular customers	Same as regular customers	$ 6,481	3%	($ 2,630)	

AMIA CO., LTD. and Subsidiaries
The business relationship between the parent company and the subsidiaries and among the subsidiaries, as well as the status and amount of important transactions
January 1, 2022 to December 31, 2022

Schedule 6

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

Number (Note 1)	Trader name	Transaction object	Relationship with trader (Note 2)	Transaction status			
				Subject	The amount	Transaction terms (Note 4)	Of consolidated total revenue or Ratio of Total Assets (Note 3)
0	AMIA CO., LTD.	PERSEE Company	1	Other income	$ 540	-	-
				Manufacturing costs	3,590	-	-
				Other receivables	95	-	-
				Other payables	604	-	-
		BARKO Company	1	Rent expense	360	-	-
				Other payables	63	-	-
		GOLD (KUNSHAN) Company	1	Sales	25,046	-	1%
				Manufacturing costs	1,826	-	-
				Accounts receivable	6,481	-	-
				Other payables	48	-	-
1	PERSEE Company	YIO-YEN Company	3	Rental income	60	-	-
				Other receivables	11	-	-
2	GOLD (KUNSHAN) Company	AMIA (HUIYANG) CO., LTD.	3	Sales	1,956	-	-
				Purchase	1,136	-	-
				Accounts receivable	180	-	-

Note 1: The business transaction information between the parent company and its subsidiaries should be indicated in the number column respectively. The method of filling in the number is as follows:
(1) Fill in 0 for the parent company.
(2) Subsidiaries are numbered sequentially starting from the Arabic numeral 1 according to the Company.

Note 2: There are the following three types of relationship with the trader, just indicate the type:
(1) Parent company to subsidiary company.
(2) Subsidiary to parent company.
(3) Subsidiary to subsidiary.

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

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

AMIA CO., LTD.
INFORMATION OF MAJOR SHAREHOLDERS
DECEMBER 31, 2022

Schedule 7

Name of Major Shareholder	Shares	
	Number of Shares	Percentage of Ownership (%)
CHEN,YEN-HENG	14,767,000	20.94 %
CHEN,GUO-TANG	6,015,000	8.52 %
CDIB Capital Group	6,000,000	8.50 %
CHEN,KUO-CHIN	6,000,000	8.50 %
CHEN,GUO-FA	5,000,000	7.09 %
CHEN,CHIU-HUNG	5,000,000	7.09 %
CHEN,GUO-SHAN	4,008,000	5.68 %
CHEN,MIN-HSIUNG	4,001,000	5.67 %

Note 1: The main shareholder information in this table is calculated by CHEP based on the last business day at the end of the quarter, and the shareholders hold more than 5% of the common shares and special shares of the Company that have completed delivery without physical registration (including treasury shares) material. The share capital recorded in the Company's individual financial report and the actual number of shares delivered without physical registration may be different or different due to the different basis of preparation and calculation.

Note 2: If the above-mentioned information is that the shareholder transfers the holdings to the trust, it is disclosed by the trustor's individual trust account opened by the trustee. As for insider equity declarations for shareholders who hold more than 10% of the shares in accordance with the Securities and Exchange Act, their shareholding includes their own shares plus the shares they have delivered to the trust and have the right to use the trust property, etc. For information on insider equity declarations, please refer to public information Observatory.