Stock Code:3520

JHEN VEI ELECTRONIC CO., LTD AND SUBSIDIARIES

Consolidated Financial Statements

With Independent Auditors' Report
For the Years Ended December 31, 2023 and 2022

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Representation Letter

The entities that are required to be included in the consolidated financial statements of JHEN VEI ELECTRONIC CO., LTD as of and for the year ended December 31, 2023 under the Criteria Governing the Preparation of Affiliation Reports, Consolidated Business Reports, and Consolidated Financial Statements of Affiliated Enterprises are the same as those included in the consolidated financial statements prepared in conformity with International Financial Reporting Standards No. 10 "Consolidated Financial Statements" endorsed by the Financial Supervisory Commission, In addition, the information required to be disclosed in the combined financial statements is included in the consolidated financial statements. Consequently, JHEN VEI ELECTRONIC CO., LTD and Subsidiaries do not prepare a separate set of combined financial statements.

Company name: JHEN VEI ELECTRONIC CO., LTD
Chairman: Chair man:Niang Chuan, Wei
Date: March 14, 2024.

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Independent Auditors' Report

To the Board of Directors of JHEN VEI ELECTRONIC CO., LTD:

Opinion

We have audited the consolidated financial statements of JHEN VEI ELECTRONIC CO., LTD and its subsidiaries ("the Group"), which comprise the consolidated balance sheet as of December 31, 2023 and 2022, the consolidated statement 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 material 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, 2023 and 2022, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and with the International Financial Reporting Standards ("IFRSs"), International Accounting Standards ("IASs"), Interpretations developed by the International Financial Reporting Interpretations Committee ("IFRIC") or the former Standing Interpretations Committee ("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 Financial Statement Audit and Attestation Engagements of Certified Public Accountants and Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the Auditors' Responsibilities Of 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 Accountants of Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirement. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis of 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 of the current period. 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.

1. Revenue recognition

   Please refer to note 4 (m) for the relevant accounting policy regarding recognition of revenue, and refer to note 6 (r) for relevant disclosures.

   Description of key audit matter:

   JHEN VEI ELECTRONIC CO., LTD. and its subsidiaries are principally engaged in the trading of electronic components and the after-processing of electronic components. Sales revenue is one of the key items in the financial statements. therefore, the recognition of sales revenue is one of the most important evaluation in performing our audit procedures.

How the matter was addressed in our audit:

Our principal audit procedures the following:

- Assess whether the revenue recognition policy has been made in in accordance with relevant bulletins.
- Understand and test revenue recognition design and implementation of internal controls related with revenue recognition.
- Analyze the changes in the prior year's amount within the top ten customers to evaluate if there are any major abnormalities.
- Spot-check revenue for the year and test whether revenue transactions are recorded correctly.
- Choose the period between the Balance sheet date, then examine the recognition of income transactions and vouchers cover for the appropriate period.
- Assess whether there are material sales return and discounts

Other Matter

JHEN VEI ELECTRONIC CO., LTD has additionally prepared its parent-company-only financial statements as of and for the years ended December 31, 2023 and 2022, on which we have issued an unmodified opinion with.

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 Regulations Governing the Preparation of Financial Reports by Securities Issuers and with IFRSs, IASs, IFRIC, SIC endorsed 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 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 auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Standards on Auditing of the Republic of China will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these 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 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 the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

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

The engagement partners on the audit resulting in this independent auditors' report are Lin, Heng-Shen and Yang, Shu-Chih.

KPMG

Taipei, Taiwan (Republic of China)
March 14, 2024

Notes to Readers

The accompanying consolidated financial statements are intended only to present the consolidated statement of financial position, financial performance and its cash flows in accordance with the 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 accepted and applied in the Republic of China.

The auditors' report and the accompanying consolidated financial statements are the English translation of the Chinese version prepared and used in the Republic of China. If there is any conflict between, or any difference in the interpretation of the English and Chinese language auditors' report and consolidated financial statements, the Chinese version shall prevail.

(English Translation of Consolidated Financial Statements and Report Originally Issued in Chinese)

JHEN VEI ELECTRONIC CO., LTD AND SUBSIDIARIES

Consolidated Balance Sheets

December 31, 2023 and 2022

(Expressed in Thousands of New Taiwan Dollars)

		December 31, 2023		December 31, 2022	
	Assets	**Amount**	**%**	**Amount**	**%**
	Current assets:				
1100	Cash and cash equivalents(note 6 (a))	$ 319,187	22	279,258	19
1170	Account and notes receivable, net(notes (6)(b), (q)and (8))	318,951	22	347,844	24
1200	Other receivables(note (6)(c))	8,836	1	6,809	1
130X	Inventories(notes (6)(d)and (f))	142,569	10	145,339	10
1479	Other current assets(note (8))	25,750	2	21,228	1
		815,293	57	800,478	55
	Non-current assets:				
1600	Property, plant and equipment(notes (6)(f), (g)and (8))	471,225	33	480,241	33
1755	Right-of-use assets(note (6)(h))	39,947	3	39,985	3
1805	Intangible assets(notes (6)(f)and (i))	59,396	4	65,719	5
1840	Deferred tax assets(note (6)(n))	21,702	1	16,711	1
1915	Prepayments for equipment	3,069	-	25,639	2
1920	Refundable deposits	8,024	1	3,263	-
1975	Net defined benefit asset, non-current(note 6(m))	12,103	1	12,080	1
		615,466	43	643,638	45
	Total assets	**$ 1,430,759**	**100**	**1,444,116**	**100**

		December 31, 2023		December 31, 2022	
	Liabilities and Equity	**Amount**	**%**	**Amount**	**%**
	Current liabilities:				
2100	Short-term borrowings(notes (6)(j)and (8))	$ 48,352	3	94,603	7
2130	Current contract liabilities(note (6)(q))	63,661	5	26,965	2
2170	Accounts payable	108,230	8	117,931	8
2200	Other payables(note (7))	45,953	3	59,309	4
2280	Current lease liabilities(note (6)(l))	8,720	1	11,240	1
2322	Long-term borrowings, current portion(notes (6)(k)and (8))	21,434	1	16,470	1
2399	Other current liabilities, others	4,979	-	5,137	-
		301,329	21	331,655	23
	Non-Current liabilities:				
2540	Long-term borrowings(notes (6)(k)and (8))	243,093	17	203,119	14
2570	Deferred tax liabilities(note (6)(n))	2,514	-	3,572	-
2580	Non-current lease liabilities(note 6(l))	30,255	2	27,417	2
2550	Non-current provisions	4,540	-	3,928	-
2630	Long-term deferred revenue(note (6)(g))	57,220	4	62,346	4
		337,622	23	300,382	20
	Total liabilities	638,951	44	632,037	43
	Equity attributable to owners of parent:(note 6(o))				
3110	Ordinary share	688,468	48	688,468	49
3200	Capital surplus	61,539	4	61,506	4
3310	Legal reserve	7,451	1	-	-
3350	Unappropriated retained earnings	50,106	4	74,511	5
3410	Exchange differences on translation of foreign financial statements	(15,756)	(1)	(12,406)	(1)
	Total equity	791,808	56	812,079	57
	Total liabilities and equity	**$ 1,430,759**	**100**	**1,444,116**	**100**

See accompanying notes to consolidated financial statements.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)

JHEN VEI ELECTRONIC CO., LTD AND SUBSIDIARIES

Consolidated Statements of Comprehensive Income

For the years ended December 31, 2023 and 2022

(Expressed in Thousands of New Taiwan Dollars , Except for Earnings Per Common Share)

		2023		2022	
		Amount	**%**	**Amount**	**%**
4000	**Operating revenue(notes (6)(q)and (7))**	$ 836,326	100	1,003,670	100
5000	**Operating costs(notes (6)(d)and (m))**	(707,690)	(85)	(846,488)	(84)
	Gross profit (loss) from operations	128,636	15	157,182	16
	Operating expenses (notes (6)(b), (f), (m)and (r)):				
6100	Selling expenses	64,562	8	56,284	6
6200	Administrative expenses	70,531	8	79,417	8
6450	Expected credit loss (reversal gains)	(67)	-	328	-
	Total operating expenses	135,026	16	136,029	14
	Net operating income (loss)	(6,390)	(1)	21,153	2
	Non-operating income and expenses (note (6)(s)):				
7100	Interest income	4,728	1	1,744	-
7230	Foreign exchange gains	914	-	30,285	3
7050	Finance costs	(8,201)	(1)	(7,943)	(1)
7190	Other gains and losses(notes (6)(e)and (7))	11,802	1	57,341	6
	Total non-operating income and expenses	9,243	1	81,427	8
7900	**Profit (loss) from continuing operations before tax**	2,853	-	102,580	10
7950	**Less: Income tax expenses(note (6)(n))**	(966)	-	4,935	-
	Profit (loss) from discontinued operations:				
8100	Profit (loss) from discontinued operations, net of tax(note (12)b)	-	-	9,662	1
	Net profit (loss)	3,819	-	107,307	11
8300	**Other comprehensive income:**				
8310	**Components of other comprehensive income that will not be reclassified to profit or loss**				
8311	Gains (losses) on remeasurements of defined benefit plans(note (6)(m))	(119)	-	861	-
8349	Less: Income tax related to components of other comprehensive income that will not be reclassified to profit or loss(note (6)(n))	-	-	172	-
8360	**Components of other comprehensive income that will be reclassified to profit or loss**				
8361	Exchange differences on translation of foreign financial statements	(3,350)	-	2,237	-
8399	Less: Income tax related to components of other comprehensive income that will be reclassified to profit or loss	-	-	-	-
8300	**Other comprehensive income**(note (6)(p))	(3,469)	-	2,926	-
	Total comprehensive income	**$ 350**	**-**	**110,233**	**11**
	Profit (loss), attributable to:				
8610	Profit (loss), attributable to owners of parent	$ 3,819	-	102,573	11
8620	Profit (loss), attributable to non-controlling interests	-	-	4,734	-
		$ 3,819	**-**	**107,307**	**11**
	Comprehensive income attributable to:				
8710	Comprehensive income, attributable to owners of parent	$ 350	-	105,499	11
8720	Comprehensive income, attributable to non-controlling interests	-	-	4,734	-
		$ 350	**-**	**110,233**	**11**
	Basic earnings per share(in dollar)(note 6(p))				
9710	Basic earnings (loss) per share from continuing operations	$	0.06		1.42
9720	Basic earnings (loss) per share from discontinued operations		0.00		0.07
	Total basic earnings per share(in dollar)(note 6(p))	**$**	**0.06**		**1.49**
	Diluted earnings per share(in dollar)(note 6(p))				
9810	Diluted earnings (loss) per share from continuing operations	$	0.06		1.42
982	Diluted earnings (loss) per share from discontinued operations		0.00		0.07
	Total diluted earnings per share	**$**	**0.06**		**1.49**

See accompanying notes to consolidated financial statements.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)

JHEN VEI ELECTRONIC CO., LTD AND SUBSIDIARIES

Consolidated Statements of Changes in Equity

For the years ended December 31, 2023 and 2022

(Expressed in Thousands of New Taiwan Dollars)

	Equity attributable to owners of parent							
			Retained earnings		Total other equity interest			
	Ordinary shares	Capital surplus	Legal reserve	Unappropriated retained earnings	Exchange differences on translation of foreign financial statements	Total equity attributable to owners of parent	Non-controlling interests	Total equity
Balance at January 1, 2022	$ 688,468	61,506	-	(28,751)	(14,643)	706,580	79,234	785,814
Net profit (loss)	-	-	-	102,573	-	102,573	4,734	107,307
Other comprehensive income	-	-	-	689	2,237	2,926	-	2,926
Total comprehensive income	-	-	-	103,262	2,237	105,499	4,734	110,233
Proceeds from disposal of subsidiaries	-	-	-	-	-	-	(83,968)	(83,968)
Balance at December 31, 2022	688,468	61,506	-	74,511	(12,406)	812,079	-	812,079
Net profit (loss)	-	-	-	3,819	-	3,819	-	3,819
Other comprehensive income	-	-	-	(119)	(3,350)	(3,469)	-	(3,469)
Total comprehensive income	-	-	-	3,700	(3,350)	350	-	350
Appropriation and distribution of retained earnings:								
Legal reserve appropriated	-	-	7,451	(7,451)	-	-	-	-
Cash dividends of ordinary share	-	-	-	(20,654)	-	(20,654)	-	(20,654)
Benefits gained from exercising disgorgement	-	33	-	-	-	33	-	33
Balance at December 31, 2023	**$ 688,468**	**61,539**	**7,451**	**50,106**	**(15,756)**	**791,808**	**-**	**791,808**

See accompanying notes to consolidated financial statements.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)

JHEN VEI ELECTRONIC CO., LTD AND SUBSIDIARIES

Consolidated Statements of Cash Flows

For the years ended December 31, 2023 and 2022

(Expressed in Thousands of New Taiwan Dollars)

	2023	2022
Cash flows from (used in) operating activities:		
Profit from continuing operations before tax	$ 2,853	102,580
Profit from discontinued operations before tax	-	12,078
Net profit before tax	2,853	114,658
Adjustments:		
Adjustments to reconcile profit (loss):		
Depreciation expense	53,295	46,423
Amortization expense	6,323	6,150
Expected credit loss (reversal gains)	(67)	328
Interest expense	8,201	7,943
Interest income	(4,728)	(1,744)
Loss (gain) on disposal of property, plan and equipment	(935)	301
Loss (gain) on disposal of investments	-	(48,709)
Gain on lease modification	(10)	-
Total adjustments to reconcile profit (loss)	62,079	10,692
Changes in operating assets and liabilities:		
Changes in operating assets:		
Notes receivable	34,915	11,323
Other receivable	(2,027)	(5,853)
Inventories	2,770	(31,772)
Prepayments and other current assets	(4,529)	(248)
Net defined benefit assets	(142)	(884)
Total changes in operating assets	30,987	(27,434)
Changes in operating liabilities:		
Contract liabilities	36,696	20,464
Accounts payable	(10,502)	44,428
Accounts payable to related parties	-	(7,967)
Other payable	(4,085)	18,957
Deferred income	(4,076)	(4,546)
Other current liabilities	192	5,057
Total changes in operating liabilities	18,225	76,393
Total adjustments	111,291	59,651
Cash inflow (outflow) generated from operations	114,144	174,309
Interest received	4,728	1,744
Interest paid	(8,201)	(7,943)
Income taxes paid	(5,352)	(466)
Net cash flows from (used in) operating activities	105,319	167,644
Cash flows from (used in) investing activities:		
Business combination	-	(186,477)
Proceeds from disposal of subsidiaries	-	136,131
Cash decreased from disposal of subsidiaries	-	(139,727)
Acquisition of property, plant and equipment	(25,798)	(103,749)
Proceeds from disposal of property, plant and equipment	17,994	7,367
Increase in refundable deposits	(4,761)	(2,331)
Acquisition of intangible assets	-	(1,139)
Increase in other financial assets	-	(78,877)
Increase in prepayments for business facilities	(10,634)	(25,904)
Decrease in other prepayments	-	(58,938)
Net cash flows from (used in) investing activities	(23,199)	(453,644)
Cash flows from (used in) financing activities:		
Increase (Decrease) in short-term loans	(45,566)	11,219
Proceeds from long-term debt	62,560	204,819
Repayments of long-term debt	(17,622)	(11,570)
Payment of lease liabilities	(12,191)	(11,210)
Cash dividends paid	(20,654)	-
Benefits gained from exercising disgorgement	33	-
Net cash flows from (used in) financing activities	(33,440)	193,258
Effect of exchange rate changes on cash and cash equivalents	(8,751)	5,349
Net increase (decrease) in cash and cash equivalents	39,929	(87,393)
Cash and cash equivalents at beginning of period	279,258	366,651
Cash and cash equivalents at end of period	$ **319,187**	**279,258**

See accompanying notes to consolidated financial statements.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)

JHEN VEI ELECTRONIC CO., LTD AND SUBSIDIARIES

Notes to the Consolidated Financial Statements

For the years ended December 31, 2023 and 2022

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

(1) Company history

JHEN VEI ELECTRONIC CO., LTD (Hua Yin Group, hereinafter referred to as "the Group"), formerly known as JHEN VEI ELECTRONIC CO., LTD.,was established by the Ministry of Economic Affairs on February 21, 1986. As of June 19, 2020, the name of the Group was approved by the general shareholders' meeting to be changed to JHEN VEI ELECTRONIC CO., LTD. The registered address is 6F, No. 18, Ln 609, Sec 5, Chongxin Rd., Sanchong Dist., New Taipei City 24159, Taiwan. The principal activities of the Company and its subsidiaries (hereinafter referred to as the "Group") are trading of plug, socket, computer cable, the after processing of electronic components ,Solar power plant construction services and renewable energy generation.

(2) Approval date and procedures of the consolidated financial statements:

These consolidated financial statements were authorized for issue by the Board of Directors on March 14, 2024..

(3) New standards, amendments and interpretations adopted:

(a) The impact of the International Financial Reporting Standards ("IFRSs") endorsed by the Financial Supervisory Commission, R.O.C. which have already been adopted.

The Group has initially adopted the following new amendments, which do not have a significant impact on its consolidated financial statements, from January 1, 2023:

- Amendments to IAS 1 "Disclosure of Accounting Policies"
- Amendments to IAS 8 "Definition of Accounting Estimates"
- Amendments to IAS 12 " Deferred Tax related to Assets and Liabilities arising from a Single Transaction"

The Group has initially adopted the new amendment, which do not have a significant impact on its consolidated financial statements, from May 23, 2023:

- Amendments to IAS 12 "International Tax Reform—Pillar Two Model Rules"

(b) The impact of IFRS issued by the FSC but not yet effective

The Group assesses that the adoption of the following new amendments, effective for annual period beginning on January 1, 2024, would not have a significant impact on its consolidated financial statements:

- Amendments to IAS 1 "Classification of Liabilities as Current or Non-current"
- Amendments to IAS 1 "Non-current Liabilities with Covenants"
- Amendments to IAS 7 and IFRS 7 "Supplier Finance Arrangements"
- Amendments to IFRS 16 "Lease Liability in a Sale and Leaseback"

(Continued)

(c) The impact of IFRS issued by IASB but not yet endorsed by the FSC

The Group does not expect the following new and amended standards, which have yet to be endorsed by the FSC, to have a significant impact on its consolidated financial statements:

- Amendments to IFRS 10 and IAS 28 “Sale or Contribution of Assets Between an Investor and Its Associate or Joint Venture”
- IFRS 17 “ Insurance Contracts” and amendments to IFRS 17 “ Insurance Contracts”
- Amendments to IAS21 “Lack of Exchangeability”

(4) Summary of material accounting policies:

The material accounting policies presented in the consolidated financial statements are summarized below. Except for those specifically indicated, the following accounting policies were applied consistently throughout the periods presented in the consolidated financial statements.

(a) Statement of compliance

These consolidated financial statements have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers (hereinafter referred to as “the Regulations”) and the International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations endorsed and issued into effect by the Financial Supervisory Commission, R.O.C..

(b) Basis of preparation

(i) Basis of measurement

Except for the following significant accounts, the consolidated financial statements have been prepared on a historical cost basis:

1) Financial instruments at fair value through profit or loss are measured at fair value;

2) The defined benefit liabilities (assets) are measured at fair value of the plan assets less the present value of the defined benefit obligation,

(c) Basis of consolidation

(i) Principles of preparation of the consolidated financial statements

The consolidated financial statements comprise the Company and subsidiaries. Subsidiaries are entities controlled by the Group. The Group ‘controls’ an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases. Intragroup balances and transactions, and any unrealized income and expenses arising from Intragroup transactions are eliminated in preparing the consolidated financial statements. The Group attributes the profit or loss and each component of other comprehensive income to the owners of the parent and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance.

The Group prepares consolidated financial statements using uniform accounting policies for like transactions and other events in similar circumstances. Changes in the Group's ownership interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received will be recognized directly in equity, and the Group will attribute it to the owners of the parent.

(ii) List of subsidiaries in the consolidated financial statements

List of the subsidiaries included in the consolidated financial statements:

			Percentage of ownership		
Name investor	**Name of investee**	**Scope of business**	**December 31, 2023**	**December 31, 2022**	**Description**
The Group	Jhen Vei Enterprise Co.,Ltd.	Manufacturing and sales of various types of signal cables and investment holding	100.00 %	100.00 %	
The Group	Pors Wiring Co.,Ltd.	Investment holding	100.00 %	100.00 %	
The Group	Hua Yin Energy	Power generation for self-usage using renewable energy	100.00 %	100.00 %	Note (c)
The Group	Gou Zhi Electronic	After processing of electronic	100.00 %	100.00 %	Note (b)
Jhen Vei Enterprise Co.,Ltd.	Jhen Vei Investment Limited	Manufacturing and sales of various types of signal cables	100.00 %	100.00 %	
Jhen Vei Enterprise Co.,Ltd.	Jhen Vei Investment Limited	Investment holding	100.00 %	100.00 %	
Hua Yin Energy	Gou Zhi Electronic	After processing of electronic components	- %	- %	Note (b)

note(a) The Group disposed of its entire shareholding on March 18, 2022 by resolution of the Board of Directors. the equity interest were delivered between March and April of the same year, respectively. The equity method then ceased to be applied after losing control.

note(b): The Group increased the cash capital of Guozhi Electronic Co., Ltd.by $199,000 thousand in September 2022 and purchased the remaining shares from Huayin Energy. The Group directly hold 100%shareholding of Guozhi Electronic Co., Ltd..

note(c): The Group was involved in a cash capital increase of $50,000 thousand in Huayin Energy. The base day for capital increase is May 25, 2022.

(iii) Subsidiaries excluded from the consolidated financial statements: None.

(d) Foreign currencies

(i) Foreign currency transactions

Transactions in foreign currencies are translated into the respective functional currencies of Group entities at the exchange rates at the dates of the transactions. At the end of each subsequent reporting period, monetary items denominated in foreign currencies are translated into the functional currencies using the exchange rate at that date. Non-monetary items denominated in foreign currencies that are measured at fair value are translated into the functional currencies using the exchange rate at the date that the fair value was determined. Nonmonetary items denominated in foreign currencies that are measured based on historical cost are translated using the exchange rate at the date of the transaction.

Exchange differences are generally recognized in profit or loss, except for those differences relating to the following, which are recognized in other comprehensive income:

1) an investment in equity securities designated as at fair value through other comprehensive income;

2) a financial liability designated as a hedge of the net investment in a foreign operation to the extent that the hedge is effective; or

3) qualifying cash flow hedges to the extent that the hedges are effective.

(ii) Foreign operations

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on acquisition, are translated into the presentation currency at the exchange rates at the reporting date. The income and expenses of foreign operations are translated into the presentation currency at the average exchange rate. Exchange differences are recognized in other comprehensive income.

When a foreign operation is disposed of such that control, significant influence, or joint control is lost, the cumulative amount in the translation reserve related to that foreign operation is reclassified to profit or loss as part of the gain or loss on disposal. When the Group disposes of only part of its interest in a subsidiary that includes a foreign operation while retaining control, the relevant proportion of the cumulative amount is reattributed to noncontrolling interests. When the Group disposes of only part of its investment in an associate or joint venture that includes a foreign operation while retaining significant influence or joint control, the relevant proportion of the cumulative amount is reclassified to profit or loss.

When the settlement of a monetary receivable from or payable to a foreign operation is neither planned nor likely to occur in the foreseeable future, Exchange differences arising from such a monetary item that are considered to form part of the net investment in the foreign operation are recognized in other comprehensive income.

(e) Classification of current and non-current assets and liabilities

An asset is classified as current under one of the following criteria, and all other assets are classified as noncurrent.

(i) It is expected to be realized, or intended to be sold or consumed, in the normal operating cycle;

(ii) It is held primarily for the purpose of trading;

(iii) It is expected to be realized within twelve months after the reporting period; or

(iv) The asset is cash or a cash equivalent (as defined in IAS 7) unless the asset is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

A liability is classified as current under one of the following criteria, and all other liabilities are classified as noncurrent.

(Continued)

JHEN VEI ELECTRONIC CO., LTD AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

An entity shall classify a liability as current when:

(i) It is expected to be settled in the normal operating cycle;

(ii) It is held primarily for the purpose of trading;

(iii) It is due to be settled within twelve months after the reporting period; or

(iv) The Group does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting period. Terms of a liability that could, at the option of the counterparty, result in its settlement by issuing equity instruments do not affect its classification.

(f) Cash and cash equivalents

Cash comprises cash on hand and demand deposits. Cash equivalents are shortterm, highly liquid investments that are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value. Time deposits which meet the above definition and are held for the purpose of meeting shortterm cash commitments rather than for investment or other purposes should be recognized as cash equivalents.

(g) Financial instruments

Trade receivables and debt securities issued are initially recognized when they are originated. All other financial assets and financial liabilities are initially recognized when the Group becomes a party to the contractual provisions of the instrument. A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not at fair value through profit or loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

(i) Financial assets

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

On initial recognition, a financial asset is classified as measured at: amortized cost; Fair value through other comprehensive income (FVOCI) – debt investment; FVOCI – equity investment; or FVTPL. Financial assets are not reclassified subsequent to their initial recognition unless the Group changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

1) Financial assets measured at amortized cost

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as at FVTPL:

· it is held within a business model whose objective is to hold assets to collect contractual cash flows; and

- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest(SPPI) on the principal amount outstanding.

These assets are subsequently measured at amortized cost, which is the amount at which the financial asset is measured at initial recognition, plus/minus, the cumulative amortization using the effective interest method, adjusted for any loss allowance. Interest income, foreign exchange gains and losses, as well as impairment, are recognized in profit or loss. Any gain or loss on derecognition is recognized in profit or loss.

2) Impairment of financial assets

The Group measures loss allowances at an amount equal to lifetime expected credit loss (ECL), except for the following which are measured as 12-month ECL:

- debt securities that are determined to have low credit risk at the reporting date; and
- other debt securities and bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Loss allowance for trade receivables and contract assets are always measured at an amount equal to lifetime ECL.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECL, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis based on the Group's historical experience and informed credit assessment as well as forward-looking information.

The Group assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due.

The Group considers a financial asset to be in default when the financial asset is more than 90 days past due or the debtor is unlikely to pay its credit obligations to the Group in full.

Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument.

12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 month after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

(Continued)

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e the difference between the cash flows due to the Group in accordance with the contract and the cash flows that the Group expects to receive). ECLs are discounted at the effective interest rate of the financial asset.

At each reporting date, the Group assesses whether financial assets carried at amortized cost and debt securities at FVOCI are credit-impaired. A financial asset is ‘credit-impaired’ when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred. Evidence that a financial assets is credit-impaired includes the following observable data:

· significant financial difficulty of the borrower or issuer;

· a breach of contract such as a default or being more than 90 days past due;

· the lender of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession that the lender would not otherwise consider;

· it is probable that the borrower will enter bankruptcy or other financial reorganization; or

· the disappearance of an active market for a security because of financial difficulties.

Loss allowances for financial assets measured at amortized cost are deducted from the gross carrying amount of the assets. For debt securities at FVOCI, the loss allowance is charge to profit or loss and is recognized in other comprehensive income instead of reducing the carrying amount of the asset.

The gross carrying amount of a financial asset is written off when the Group has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. For individual customers, the Group has a policy of writing off the gross carrying amount when the financial asset is 180 days past due based on historical experience of recoveries of similar assets. For corporate customers, the Group individually makes an assessment with respect to the timing and amount of write-off based on whether there is a reasonable expectation of recovery. The Group expects no significant recovery from the amount written off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group’s procedures for recovery of amounts due. Based on its experience, there have been no corporate customer recoveries after six months.

3) Derecognition of financial assets

The Group derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

The Group enters into transactions whereby it transfers assets recognized in its statement of balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets. In these cases, the transferred assets are not derecognized.

(ii) Financial liabilities and equity instruments

1) Classification of debt or equity

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

2) Equity instrument

An equity instrument is any contract that evidences residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued are recognized as the amount of consideration received, less the direct cost of issuing.

3) Financial liabilities

Financial liabilities are classified as measured at amortized cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in profit or loss.

Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognized in profit or loss. Any gain or loss on derecognition is also recognized in profit or loss.

4) Derecognition of financial liabilities

The Group derecognizes a financial liability when its contractual obligations are discharged or cancelled, or expire. The Group also derecognizes a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognized at fair value.

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

5) Offsetting of financial assets and liabilities

Financial assets and financial liabilities are offset and the net amount presented in the statement of balance sheet when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realize the asset and settle the liability simultaneously.

(Continued)

(h) Inventories

Inventories are measured at the lower of cost and net realizable value. The cost of inventories is calculated using the weighted average method, and includes expenditure incurred in acquiring the inventories, production or conversion costs, and other costs incurred in bringing them to their present location and condition. In the case of manufactured inventories and work in progress, cost includes an appropriate share of production overheads based on normal operating capacity.

Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

The cost of inventories transferred from biological assets is its fair value less costs to sell at the date of harvest.

(i) Non-current assets held for sale & Discontinued operations

(i) Discontinued operations

A discontinued operation is a component of the Group's business that either has been disposed, or is classifies as held for sale, and

1) represents a separate major line of business or geographic area of operations;

2) is part of a single co-ordinated plan to dispose of a separate major line of business or geographic area of operations; or

3) is a subsidiary acquired exclusively with a view to resale.

Classification as a discontinued operation occurs at the earlier of disposal or when the operation meets the criteria to be classified as held for sale.

(j) Property, plant and equipment

(i) Recognition and measurement

Items of property, plant and equipment are measured at cost, which includes capitalized borrowing costs, less accumulated depreciation and any accumulated impairment losses. The cost of certain items of property, plant and equipment on January 1, 2012, the Group's date of transition to the Standards, was determined with reference to its fair value at that date.

If significant parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognized in profit or loss.

(ii) Subsequent expenditure

Subsequent expenditure is capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the Group.

(Continued)

(iii) Depreciation

Depreciation is calculated on the cost of an asset less its residual value and is recognized in profit or loss on a straight-line basis over the estimated useful lives of each component of an item of property, plant and equipment.

Land is not depreciated.

The estimated useful lives of property, plant and equipment for current and comparative periods are as follows:

1)	buildings	20 years
2)	plant and equipment	5～10 years
3)	fixtures and fittings	5 years
4)	major components, electronic equipment	2～10 years

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

(k) Leases

(i) As a leasee

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Group recognizes a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be reliably determined, the Group's incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability comprise the following:

— fixed payments,including in-substance fixed payments;

(Continued)

- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- payments for purchase or termination options that are reasonably certain to be exercised.

The lease liability is measured at amortized cost using the effective interest method. It is remeasured when:

- there is a change in future lease payments arising from the change in an index or rate; or
- there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee; or
- there is a change in the lease term resulting from a change of its assessment on whether it will exercise an option to purchase the underlying asset, or
- there is a change of its assessment on whether it will exercise a extension or termination option; or
- there is any lease modifications

When the lease liability is remeasured, other than lease modifications, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or in profit and loss if the carrying amount of the right-of-use asset has been reduced to zero.

When the lease liability is remeasured to reflect the partial or full termination of the lease for lease modifications that decrease the scope of the lease, the Group accounts for the remeasurement of the lease liability by decreasing the carrying amount of the right-of-use asset to reflect the partial or full termination of the lease, and recognize in profit or loss any gain or loss relating to the partial or full termination of the lease.

The Group presents right-of-use assets that do not meet the definition of investment and lease liabilities as a separate line item respectively in the statement of financial position.

The Group has elected not to recognize right-of-use assets and lease liabilities for short-term leases of other equipment. The Group recognizes the lease payments associated with these leases as an expense

(l) Intangible assets

(i) Recognition and measurement

Goodwill arising on the acquisition of subsidiaries is measured at cost, less accumulated impairment losses.

Expenditure on research activities is recognized in profit or loss as incurred.

Development expenditure is capitalized only if the expenditure can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable and the Group intends to, and has sufficient resources to, complete development and to use or sell the asset. Otherwise, it is recognized in profit or loss as incurred. Subsequent to initial recognition, development expenditure is measured at cost, less accumulated amortization and any accumulated impairment losses.

Other intangible assets, including customer relationships, patents and trademarks, that are acquired by the Group and have finite useful lives are measured at cost less accumulated amortization and any accumulated impairment losses.

(ii) Subsequent expenditure

Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, is recognized in profit or loss as incurred.

(iii) Amortization

Amortization is calculated over the cost of the asset, less its residual value, and is recognized in profit or loss on a straight-line basis over the estimated useful lives of intangible assets, other than goodwill, from the date that they are available for use.

The estimated useful lives for current and comparative periods are as follows:

1)	Trademarks and patents	10 years
2)	Core technology	10 years
3)	Customer relationships	2 years

Amortization methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

(m) Provisions

A provision is recognized if, as a result of a past event, the Group has a present obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects the current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognized as finance cost.

The Group's decommissioning liabilities are estimated in accordance with the Regulations for the Management of Setting up Renewable Energy Power Generation Equipmenti issued by Energy Administration of the Ministry of Economic Affairs of the ROC. These amounts were calculated based on the size of the power plants ,and were recognized at the present values of the estimated decommissioning costs to be incurred.

(n) Revenue from contracts with customers

Revenue is measured based on the consideration to which the Group expects to be entitled in exchange for transferring goods or services to a customer. The Group recognizes revenue when it satisfies a performance obligation by transferring control of a good or a service to a customer. The accounting policies for the Group's main types of revenue are explained below.

(i) Sale of goods–electronic components

The Group manufactures and sells electronic components to computer manufacturers. The Group recognizes revenue when control of the products has transferred, being when the products are delivered to the customer, the customer has full discretion over the channel and price to sell the products, and there is no unfulfilled obligation that could affect the customer's acceptance of the products. Delivery occurs when the products have been shipped to the specific location, the risks of obsolescence and loss have been transferred to the customer, and either the customer has accepted the products in accordance with the sales contract, the acceptance provisions have lapsed, or the Group has objective evidence that all criteria for acceptance have been satisfied. A receivable is recognized when the goods are delivered as this is the point in time that the Group has a right to an amount of consideration that is unconditional.

(ii) Power electric revenue

The Group recognized the power electric revenue is based on the actual electric units and electric rate.

(iii) Construction contracts

The Group enters into contracts to build customized power plants. Because its customer controls the asset as it is constructed, the Group recognizes revenue over time on the basis of the construction costs incurred to date as a proportion of the total estimated costs of the contract. The Group recognizes revenue only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognized will not occur. If the consideration paid by the customer according to agreed schedule is received and the Group has not recognized as revenue, it should be recognized as contract liabilities. The consideration is paid by the customer according to the agreed payment terms. The excess of the amount that has been recognized as revenue over the amount that the Group has issued a bill is recognized as a contract asset. When the entitlement to the payment becomes unconditional, the contract asset is transferred to receivables.

If the Group cannot reasonably measure its progress towards complete satisfaction of the performance obligation of a construction contract, the Group shall recognize revenue only to the extent of the costs expected to be recovered.

Estimates of revenues, costs, or extent of progress toward completion, are revised if circumstances change. Any resulting increases or decreases in estimated revenues or costs are reflected in profit or loss in the period in which the circumstances that give rise to the revision become known by the management.

(Continued)

(iv) Financing components

The Group does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, the group does not adjust any of the transaction prices for the time value of money.

(o) Government grants and government assistance

The Group recognizes an unconditional government grant related to business operation as other income when the unconditional grant becomes receivable. Other government grants related to assets with terms of how the Group should purchase, build or acquire non-current assets through other methods are recognized as deferred revenues if there is reasonable assurance that they will be received and the Group will comply with the conditions associated with the grant; they are then recognized in profit or loss as other income on a systematic basis over the useful life of the asset. Grants that compensate the Group for expenses or losses incurred are recognized in profit or loss on a systematic basis in the periods in which the expenses or losses are recognized.

(p) Employee benefits

(i) Defined contribution plans

Obligations for contributions to defined contribution plans are expensed as the related service is provided. Prepaid contributions are recognized as an asset to the extent that a cash refund or a reduction in future payments is available.

(ii) Defined benefit plans

The Group’s net obligation in respect of defined benefit plans is calculated separately for each the plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligations is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Group, the recognized asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan. To calculate the present value of economic benefits, consideration is given to any applicable minimum funding requirements.

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognized immediately in other comprehensive income, and accumulated in retained earnings within equity. The Group determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability (asset). Net interest expense and other expenses related to defined benefit plans are recognized in profit or loss.

(Continued)

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognized immediately in profit or loss. The Group recognizes gains and losses on the settlement of a defined benefit plan when the settlement occurs.

(q) Share-based payment

The grant-date fair value of equity-settled share-based payment arrangements granted to employees is generally recognized as an expense, with a corresponding increase in equity, over the vesting period of the awards. The amount recognized as an expense is adjusted to reflect the number of awards for which the related service and non-market performance conditions are expected to be met, such that the amount ultimately recognized is based on the number of awards that meet the related service and non-market performance conditions at the vesting date. For share-based payment awards with non-vesting conditions, the grant-date fair value of the share-based payment is measured to reflect such conditions and there is no true-up for differences between expected and actual outcomes.

The fair value of the amount payable to employees in respect of share appreciation rights, which are settled in cash, is recognized as an expense with a corresponding increase in liabilities, over the period during which the employees become unconditionally entitled to payment. The liability is remeasured at each reporting date and at settlement date based on the fair value of the share appreciation rights. Any changes in the liability are recognized in profit or loss.

Grant date of a share-based payment award is the date which the Board of Directors authorized the price and number of a new award.

(r) Income taxes

Income taxes comprise current taxes and deferred taxes. Except for expenses related to business combinations or recognized directly in equity or other comprehensive income, all current and deferred taxes are recognized in profit or loss.

The Group has determined that the global minimum top-up tax – which it is required to pay under Pillar Two legislation – is an income tax in the scope of IAS 12. The Group has applied a temporary mandatory relief from deferred tax accounting for the impacts of the top-up tax and accounts for it as a current tax when it is incurred.

Current taxes comprise the expected tax payables or receivables on the taxable profits (losses) for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax payables or receivables are the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any. It is measured using tax rates enacted or substantively enacted at the reporting date.

Deferred taxes arise due to temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and their respective tax bases. Deferred taxes are recognized except for the following:

(i) temporary differences on the initial recognition of assets and liabilities in a transaction that is not a business combination and at the time of the transaction (1) affects neither accounting nor taxable profits (losses) and (2) does not give rise to equal taxable and deductible temporary differences

(ii) temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and

(iii) taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognized for the carry forward of unused tax losses, unused tax credits, and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefits will be realized.

Deferred taxes are measured at tax rates that are expected to be applied to temporary differences when they reserve, using tax rates enacted or substantively enacted at the reporting date, and reflect uncertainty related to income taxes, if any.

Deferred tax assets and liabilities are offset if the following criteria are met:

(i) the Group has a legally enforceable right to set off currenttax assets against current tax liabilities; and

(ii) the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on either:

1) the same taxable entity; or

2) different taxable entities which intend to settle current tax assets and liabilities on a net basis, or to realize the assets and liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

(s) Business combination

The Company accounts for business combinations using the acquisition method. The goodwill arising from an acquisition is measured as the excess of (i) the consideration transferred (which is generally measured at fair value) and (ii) the amount of non-controlling interest in the acquiree, both over the identifiable net assets acquired at the acquisition date. If the amount calculated above is a deficit balance, the Company recognized that amount as a gain on a bargain purchase in profit or loss immediately after reassessing whether it has correctly identified all of the assets acquired and all of the liabilities assumed.

(Continued)

All acquisition-related transaction costs are expensed as incurred, except for the issuance of debt or equity instruments.

For each business combination, the Group measures any noncontrolling interests in the acquiree either at fair value or at the noncontrolling interest' s proportionate share of the acquiree' s identifiable net assets, if the noncontrolling interests are present ownership interests and entitle their holders to a proportionate share of the Group' s net assets in the event of liquidation. Other components of noncontrolling interests are measured at their acquisition-date fair values, unless another measurement basis is required by the IFRS Accounting Standards endorsed by the FSC.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, provisional amounts for the items for which the accounting is incomplete are reported in the Group' s financial statements. During the measurement period, the provisional amounts recognized at the acquisition date are retrospectively adjusted, or additional assets or liabilities are recognized to reflect new information obtained about facts and circumstances that existed as of the acquisition date. The measurement period will not exceed one year from the acquisition date.

The Group recognizes the acquisition-date fair value of the contingent consideration as part of the consideration transferred. The cost of the acquisition and measuring goodwill will retrospectively be adjusted when some changes in the fair value of contingent consideration that the Group recognizes have been made after the acquisition date. Measurement period adjustments is the result of additional information that the Group obtained after that date about facts and circumstances that existed at the acquisition date. The measurement period will not exceed one year from the acquisition date. The Group accounts for the changes in the fair value of contingent consideration that are not measurement period adjustments based on the classification of contingent consideration. Contingent consideration classified as equity shall not be remeasured and its subsequent settlement will be accounted for within equity. Others will be measured at fair value at each reporting date and changes in fair value will be recognized in profit or loss or other comprehensive income.

(t) Earnings per share

The Group discloses the Company' s basic and diluted earnings per share attributable to ordinary shareholders of the Company. Basic earnings per share is calculated as the profit attributable to ordinary shareholders of the Company divided by the weighted average number of ordinary shares outstanding. Diluted earnings per share is calculated as the profit attributable to ordinary shareholders of the Company divided by the weighted average number of ordinary shares outstanding after adjustment for the effects of all potentially dilutive ordinary shares ,such as convertible bonds and employee compensation.

(u) Operating segments

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses (including revenues and expenses relating to transactions with other components of the Group). Operating results of the operating segment are regularly reviewed by the Group's chief operating decision maker to make decisions about resources to be allocated to the segment and to assess its performance. Each operating segment consists of standalone financial information.

(5) Significant accounting assumptions and judgments, and major sources of estimation uncertainty:

In preparing these consolidated financial statements, management has made judgments, estimates, and assumptions that affect the application of the accounting policies and the reported amount of assets, liabilities, income, and expenses. Actual results may differ from these estimates.

The management continues to monitor the accounting estimates and assumptions. The management recognizes any changes in accounting estimates during the period and the impact of those changes in accounting estimates in the following period.

There are no critical judgments in applying accounting policies that have significant effect on the amounts recognized in the consolidated financial statements.

(6) Explanation of significant accounts:

(a) Cash and cash equivalents

	December 31, 2023	**December 31, 2022**
Cash on hand and petty cash	$ 598	304
Cash in banks and demand deposits	318,589	278,954
	$ 319,187	**279,258**

Please refer to Note 6(u) for the fair value sensitivity analysis and interest rate risk of the financial assets and liabilities of the Group.

(b) Notes receivables and notes receivable

Details are set out in the following table:

	December 31, 2023	**December 31, 2022**
Notes receivable	$ 1,482	2,200
Accounts receivable	318,721	346,966
Less:Loss allowance	(1,252)	(1,322)
	$ 318,951	**347,844**

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The Group applies the simplified approach to provide for its expected credit losses, i.e. the use of lifetime expected loss provision for all receivables. To measure the expected credit losses, notes and accounts receivables have been grouped based on shared credit risk characteristics and the days past due, as well as incorporated forward looking information, including macroeconomic and relevant industry information. Includes macroeconomics and related industry information. The ECL analysis of notes receivable and accounts receivable of the Group was as follows:

	December 31, 2023		
	Gross carrying amount	**Weighted-average loss rate**	**Loss allowance for lifetime expected credit losses**
Current	$ 317,136	0.1%	(313)
1 to 30 days past due	1,070	1%	(11)
31 to 60 days past due	1,416	25%	(354)
61 to 90 days past due	14	50%	(7)
Past due over 91 days	567	100%	(567)
	$ 320,203		**(1,252)**

	December 31, 2022		
	Gross carrying amount	**Weighted-average loss rate**	**Loss allowance for lifetime expected credit losses**
Current	$ 345,969	0.1%	(339)
1 to 30 days past due	2,018	1%	(20)
31 to 60 days past due	288	25%	(72)
Past due over 91 days	891	100%	(891)
	$ 349,166		**(1,322)**

The movements in the allowance for notes and accounts receivable were as follows:

	2023	**2022**
Balance at January 1	$ 1,322	1,672
Expected credit losses (gains)	(67)	328
Profit from discontinued segments	-	(682)
Foreign exchange gains/(losses)	(3)	4
Balance at December 31	**$ 1,252**	**1,322**

The payment terms granted to customers are generally 120 days for sales of goods.Interests are not accrued for accounts receivable, please refer to Note 6(u) for information on other credit risks.

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As of December 31, 2023 and 2022, the notes and accounts receivable of the Group were not pledged as collateral.

(c) Other receivables

	December 31, 2023	December 31, 2022
Other receivables	$ 67,052	65,025
Less: loss allowance	(58,216)	(58,216)
	$ 8,836	**6,809**

The Group signed an investment agreement for television programs on January 3, 2017 with an agreed investment of $50,000 thousand and a new agreement was subsequently entered on May 16, 2017 with an agreed investment of $65,000 thousand. This investment case is a principal protection investment agreement. The Group is entitled to the net profit distribution of the project according to the contract upon the expiry of the investment term. If the amount recovered at maturity is less than $65,000 thousand, the shortfall is to be covered by the counterparty within one month from the date of termination of the investment term. In addition, the Group try to work with program broadcast by contributing marketing fees successively, amounting to RMB$ 3,000 thousand (equivalent to NT$13,664 thousand), and the license fee of $2,991 thousand for the program to be authorized for broadcasting in Taiwan. However, the program production has decided to adjust its performance pattern to improve the program quality after broadcasting on television stations in mainland China in July 2017. The recording and broadcasting were suspended after the fourth episode broadcast in August 2017. Thus, the Group complied with principal protection provisions and transferred its financial assets from available-for-sale financial assets to other receivables and entered into repayment agreements with the trading counterparty. An agreement was made to repay $77,341 thousand in installments before December 31, 2017 (including 65,000 thousand for investment and $9,350 thousand for unused license fees and $2,991 thousand (US$93.6 thousand)). As the end of 2017, the Group had recovered $19,125 thousand (US$632 thousand), but the management after considering the possibility of collection, had included all outstanding amounts as bad debts.

The Group filed a lawsuit to the Taiwan Taipei District Court in November 2018 for the contract mentioned above. The Taiwan Taipei District Court ruled on September 11, 2019 that the Group had won the appeal. The Group appointed a lawyer to apply to the Beijing No.4 Intermediate People's Court for recognition and enforcement of the judgment of the Taiwan Taipei District Court in 2021, and obtained the civil decision from the Beijing No.4 Intermediate People's Court on December 10, 2021. The ruling approved the execution of the 2018 re-appeal cilvil judgment No. 1339 by the Taipei District Court. The Group appealed to the People's Court on March 8, 2022 for enforcement, and the other receivables mentioned above were not received after the People's Court performed its execution on August 25, 2022.

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(d) Inventories

	December 31, 2023	December 31, 2022
Raw materials and consumables	$ 81,786	83,204
Finished goods	26,856	24,210
Merchandise	25,674	30,939
Work in progress	5,865	6,986
construction work-in-process	2,388	-
	$ 142,569	**145,339**

	2023	2022
Inventory is transferred for sales	$ 655,709	819,133
Construction costs of power plants	47,498	17,570
Loss on write-down of inventories (reversal gains)	3,105	5,501
Other	1,378	4,284
	$ 707,690	**846,488**

As of December 31, 2023 and 2022, there was no inventory pledged as collateral.

(e) Lost control over subsidiaries

The Group disposed of it entire shareholding in UNIFORCE TECHNOLOGY CORPORATION of 51% by resolution of the Board of Directors on March 18, 2022. 30% and 21% of the equity interests were settled on March 22 and April 11, 2022, respectively, the the control of it was lost in March 2022, with a disposal price of $80,000 thousand and $56,131 thousand, respectively. The gain on disposal amounting to $48,709 thousand is recognized in the consolidated statement of comprehensive income under “Other gains and losses”. Please refer to note 6(t) for details.

The fair value of the remaining 21% equity interests,with a price of $56,131 thousand in UNIFORCE TECHNOLOGY CORPORATION that have not yet been settled were listed under "Non-current net defined benefit asset". Please refer to note 6(g) for details.

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The carrying amount of assets and liabilities of UNIFORCE TECHNOLOGY CORPORATION on March 31, 2022 were as follow:

Cash and cash equivalents	$	139,727
Notes and accounts receivable		131,897
Inventories		119,265
Other financial asset		80,000
Other current assets		14,404
Property, plant and equipment		3,394
Right-of-use assets		4,595
Other non-current assets		11,146
Bank loan		(70,000)
Accounts payable and other payables		(167,917)
Contract liabilities		(21,159)
Lease liabilities		(4,651)
Current tax liabilities		(6,603)
Other current liabilities		(3,524)
long-term borrowings		(59,184)
Carrying amount of the net assets		171,390
Less: Non-controlling interests		83,968
Book value of net identifiable assets	**$**	**87,422**

(f) Business combination

The subsidiaries of the Group acquired the principal assets, production technology (know -how), proprietary technology and customers lists of SUBTLE ELECTRONIC on January 1, 2022 to obtain the PCB assembly and processing business originally operated by SUBTLE ELECTRONIC. It is expected that this will expand the business of the Group. The total contract price was $186,477 thousand. The acquisition method of accounting is adopted as the key elements of contribution, processes and outputs for which the target is acquired are in line with the business definition.

The Group entered into a cooperation agreement with the SUBTLE ELECTRONIC on January 6, 2022 and agreed that SUBTLE ELECTRONIC would be responsible for marketing, transfer the accepted external order to the Group and processing customer order services. The Group will provide 5.8% to 6% of its turnover as service fee for rendering of services as described above during period of service. Please refer to note 7 for details of the transaction.

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SUBTLE ELECTRONIC warrants that during the agreement term, the sales revenue for the years ended December 31, 2023 and 2022 will not be less than 80% of the sales revenue of the Company for the years ended December 31, 2022 and 2021. If the sales revenue for the years ended December 31, 2023 and 2022 does not reach 80% of the sales revenue for the years ended December 31, 2022 and 2021, the Group may request SUBTLE ELECTRONIC to compensate for damages. The Group estimated that the contingent consideration may be requested in future amounted to $0 thousand.

From the acquisition date to December 31, 2022, the PCB assembly segment contributed revenue of $304,817 thousand and profit after tax of $3,091 thousand to the Group's results.

(i) Identifiable net assets acquired

The following table summarizes the fair values of identifiable assets acquired at the acquisition date:

		January 1, 2022
Inventories	$	55,011
Property, plant and equipment		60,736
Intangible assets		55,502
Fair value of net identifiable assets	**$**	**171,249**

(ii) Goodwill

		January 1, 2022
Consideration transferred	$	186,477
Less: Fair value of identifiable assets		(171,249)
	$	**15,228**

Goodwill is mainly derived from the profitability and employee values of SUBTLE ELECTRONIC in the PCB assembly and processing segment. It is expected to generate synergies of combination from integrating such company's PCB business with the Group's.

(iii) Acquistion-related cost

Acquisition-related costs of $1,110 thousand on legal fees and on-site investigation were expensed and recognized in operating expenses under the consolidated statement of comprehensive income for the year ended December 31, 2022

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(g) Property, plant and equipment

The cost, depreciation of the property, plant and equipment of the the Group were as follows:

	Land	Buildings and Construction	Machinery and Equipment	Transportation equipmen	Other equipment	construction work-in-process	Total
Costs							
Balance at January 1, 2023	$ 25,980	92,458	435,802	3,528	20,881	-	578,649
Additions	-	-	5,777	1,561	7,498	1,691	16,527
Reclassification	-	-	34,588	-	(1,123)	-	33,465
Disposal	-	-	(20,243)	(210)	(57)	-	(20,510)
Effects of changes in foreign exchange rates	-	(1,328)	(935)	(28)	(159)	-	(2,450)
Balance at December 31, 2023	**$ 25,980**	**91,130**	**454,989**	**4,851**	**27,040**	**1,691**	**605,681**
Balance at January 1, 2022	$ 25,980	91,298	226,363	1,615	24,286	-	369,542
Acquisition through business combination	-	-	60,311	-	425	-	60,736
Additions	-	-	39,454	1,889	5,850	-	47,193
Reclassification	-	-	118,130	-	3,432	-	121,562
Subsidiaries sold	-	-	-	-	(11,790)	-	(11,790)
Disposal	-	-	(9,272)	-	(1,453)	-	(10,725)
Effects of changes in foreign exchange rates	-	1,160	816	24	131	-	2,131
Balance at December 31, 2022	**$ 25,980**	**92,458**	**435,802**	**3,528**	**20,881**	**-**	**578,649**
Depreciation:							
Balance at January 1, 2023	$ -	19,476	66,411	1,852	10,669	-	98,408
Depreciation for the year	-	4,309	31,719	456	4,278	-	40,762
Disposal	-	-	(3,379)	(42)	(30)	-	(3,451)
Effects of changes in foreign exchange rates	-	(347)	(747)	(28)	(141)	-	(1,263)
Balance at December 31, 2023	**$ -**	**23,438**	**94,004**	**2,238**	**14,776**	**-**	**134,456**
Balance at January 1, 2022	$ -	14,944	40,963	1,498	16,711	-	74,116
Depreciation for the year	-	4,331	27,293	332	2,902	-	34,858
Reclassification	-	-	(766)	-	759	-	(7)
Subsidiaries sold	-	-	-	-	(8,396)	-	(8,396)
Disposal	-	-	(1,665)	-	(1,392)	-	(3,057)
Effects of changes in foreign exchange rates	-	201	586	22	85	-	894
Balance at December 31, 2022	**$ -**	**19,476**	**66,411**	**1,852**	**10,669**	**-**	**98,408**
Carrying amounts:							
Balance at December 31, 2023	**$ 25,980**	**67,692**	**360,985**	**2,613**	**12,264**	**1,691**	**471,225**
Balance at January 1, 2023	**$ 25,980**	**76,354**	**185,400**	**117**	**7,575**	**-**	**295,426**
Balance at December 31, 2022	**$ 25,980**	**72,982**	**369,391**	**1,676**	**10,212**	**-**	**480,241**

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(i) As of December 31, 2023 and 2022, the property, plant, and equipment of the Group were pledged as collateral. Please refer to note 8 for details.

(ii) Property, plant and equipment falls within the scope of government subsidy income (it is accounted for as long-term deferred income), which will be transfered to profit and loss over the expected useful life.

(h) Right-of-use assets

The cost and depreciation of leased buildings and transportation equipment of the Group were as follows:

	Landuse Right	Buildings and Construction	Transportation equipment	Total
Cost:				
Balance at January 1, 2023	$ 1,872	46,751	2,712	51,335
Additions	-	13,232	1,040	14,272
Disposal	-	(3,902)	(678)	(4,580)
Effects of changes in foreign exchange rates	(32)	-	-	(32)
Balance at December 31, 2023	**$ 1,840**	**56,081**	**3,074**	**60,995**
Balance at January 1, 2022	$ 1,844	16,797	2,712	21,353
Additions	-	46,086	-	46,086
Subsidiaries sold	-	(16,132)	-	(16,132)
Effects of changes in foreign exchange rates	28	-	-	28
Balance at December 31, 2022	**$ 1,872**	**46,751**	**2,712**	**51,335**
Accumulated depreciation:				
Balance at January 1, 2023	$ 195	9,610	1,545	11,350
Depreciation	48	11,311	1,174	12,533
Disposal	-	(2,149)	(678)	(2,827)
Effects of changes in foreign exchange rates	(4)	(4)	-	(8)
Balance at December 31, 2023	**$ 239**	**18,768**	**2,041**	**21,048**
Balance at January 1, 2022	$ 143	10,535	641	11,319
Depreciation	49	10,612	904	11,565
Subsidiaries sold	-	(11,537)	-	(11,537)
Effects of changes in foreign exchange rates	3	-	-	3
Balance at December 31, 2022	**$ 195**	**9,610**	**1,545**	**11,350**
Carrying amounts:				
Balance at December 31, 2023	**$ 1,601**	**37,313**	**1,033**	**39,947**
Balance at January 1, 2022	**$ 1,701**	**6,262**	**2,071**	**10,034**
Balance at December 31, 2022	**$ 1,677**	**37,141**	**1,167**	**39,985**

As of December 31, 2023 and 2022, there was no right-of-use assets pledged as collateral.

(Continued)

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(i) Intangible assets

The cost, amortization and impairment loss of the intangible assets of the Group were as follows:

	Goodwill	Patent Rights	Customer relationships	Computer software	Total
Cost:					
Balance at December 31, 2023					
(i.e. opening balance)	$ 15,228	5,178	49,815	1,648	71,869
Balance at January 1, 2022	$ -	-	-	-	-
Individual Acquisitions	-	-	-	1,139	1,139
Acquisition through business					
combination	15,228	5,178	49,815	509	70,730
Balance at December 31, 2022	$ 15,228	5,178	49,815	1,648	71,869
Depreciation and impairment losses:					
Balance at January 1, 2022	$ -	518	4,981	651	6,150
Amortization	-	518	4,981	824	6,323
Balance at December 31, 2023	$ -	1,036	9,962	1,475	12,473
Balance at January 1, 2022	$ -	-	-	-	-
Amortization	-	518	4,981	651	6,150
Balance at December 31, 2022	$ -	518	4,981	651	6,150
Carrying amounts:					
Balance at December 31, 2023	$ 15,228	4,142	39,853	173	59,396
Balance at January 1, 2022	$ -	-	-	-	-
Balance at December 31, 2022	$ 15,228	4,660	44,834	997	65,719

(j) Short-term borrowings

(i) The details of the Group's short-term borrowings were as follows:

	December 31, 2023	December 31, 2022
Unsecured bank borrowings	$ 5,000	40,000
Secured bank loans	43,352	54,603
Total	$ 48,352	94,603
Unused short-term credit lines	$ 253,461	209,092
Range of Interest rate	2.25%~6.59%	2.00%~6.32%

(ii) The Group refer to note 8 for a description of the Group's assets pledged as collateral to secure the bank loans.

(Continued)

(k) Long-term borrowings

(i) The GroupThe details of the Group's long-term borrowings were as follows:

	December 31, 2023			
	Currency	**Rate**	**Maturity year**	**Amount**
Secured bank loans	TWD	2.095%~2.693%	117~124	$ 264,527
Less: current portion				(21,434)
Total				**$ 243,093**
Unused long-term credit lines				**$ 8,419**

	December 31, 2022			
	Currency	**Rate**	**Maturity year**	**Amount**
Secured bank loans	TWD	1.92%~2.441%	117~124	$ 219,589
Less: current portion				(16,470)
Total				**$ 203,119**
Unused long-term credit lines				**$ 24,151**

(ii) The Group refer to note 8 for a description of the Group's assets pledged as collateral to secure the bank loans.

(l) Lease liabilities

The carrying values of the Group's lease liabilities were as follows:

	December 31, 2023	**December 31, 2022**
Current	**$ 8,720**	**11,240**
Non-current	**$ 30,255**	**27,417**

For the maturity analysis, please refer to note 6(u).

The amounts recognized in profit or loss were as follows:

	2023	**2022**
Interest on lease liabilities	**$ 749**	**796**
Variable lease payments not included in the measurement of lease liabilities	**$ 3,046**	**2,324**
Expenses relating to short-term leases	**$ 901**	**1,107**
Expenses relating to leases of low-value assets	**$ 520**	**626**

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The amounts recognized in the statement of cash flows for the Group were as follows:

		2023	2022
Total cash outflow for leases	$	17,407	16,063

(i) Real estate leases

The Group leases buildings for its office space, the lease of office space typically run for a period from 3 to 5 years. the Group also leases building rooftops as sites for solar power generation, with the leases term typically run for 20 years.

Some leases contain extension options exercisable by the Group. These leases are negotiated and monitored by local management, and accordingly, contain a wide range of different terms and conditions. The extension options held are exercisable not only by the Group and by the lessors. In which lessee is not reasonably certain to use an optional extended lease term, payments associated with the optional period are not included within lease liabilities.

(ii) Other leases

The Group leases transportation equipment with contract terms of three years. These leases are leases of low-value items. The Group has elected not to recognize right-of-use assets and lease liabilities for these leases.

(m) Employee benefits

(i) .Defined benefit plans

The Group's employee benefit liabilities were as follows:

		December 31, 2023	December 31, 2022
Present value of the defined benefit obligations	$	2,221	1,945
Fair value of plan assets		(14,324)	(14,025)
Net defined benefit liabilities (assets)	$	(12,103)	(12,080)

The Company makes defined benefit plan contributions to the pension fund account with Bank of Taiwan that provides pensions for employees upon retirement. Plans (covered by the Labor Standards Law) entitle a retired employee to receive retirement benefits based on years of service and average monthly salary for the six months prior to retirement.

1) Composition of plan assets

The Company allocates pension funds in accordance with the Regulations for Revenues, Expenditures, Safeguard and Utilization of the Labor Retirement Fund, and such funds are managed by the Bureau of Labor Funds, Ministry of Labor. With regard to the utilization of the funds, minimum earnings shall be no less than the earnings attainable from two-year time deposits with interest rates offered by local banks.

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The Company' s Bank of Taiwan labor pension reserve account balance amounted to $14,324 thousand as of December 31, 2023. For information on the utilization of the labor pension fund assets, including the asset allocation and yield of the fund, please refer to the website of the Bureau of Labor Funds, Ministry of Labor.

2) Movements in present value of the defined benefit obligations

For the years ended December 31, 2023 and 2022, the movement in present value of the defined benefit obligations for the Company were as follows:

		2023	2022
Defined benefit obligations at January 1	$	1,945	1,735
Current service costs and interest cost		94	50
－Actuarial losses (gains) arising from experience adjustments		26	132
－Actuarial loss (gain) arising from changes in financial assumptions		156	28
Defined benefit obligations at December 31	**$**	**2,221**	**1,945**

3) Movements of defined benefit plan assets

For the years ended December 31, 2023 and 2022, the movements in the present value of the defined benefit plan assets for the Company were as follows:

		2023	2022
Fair value of plan assets at January 1	$	14,025	12,931
Interest income		236	73
Remeasurement of net liabilities (assets) for defined benefit obligations			
－Return on plan assets excluding interest income		63	1,021
Fair value of plan assets at December 31	**$**	**14,324**	**14,025**

4) Expenses recognized in profit or loss

For the years ended December 31, 2023 and 2022, the expenses recognized in profit or loss for the Company were as follows:

		2023	2022
Current service costs	$	61	40
Net interest of net liabilities (assets) for defined benefit		(203)	(63)
	$	**(142)**	**(23)**
Operating expenses	**$**	**(142)**	**(23)**

(Continued)

5) Re-measurement of net defined benefit liability(asset) recognized in other comprehensive income

The Group's re-measurement of the net defined benefit liability(asset) recognized in other comprehensive income, was as follows:

	2023	2022
Cumulated amount at January 1	$ 1,746	885
Recognized during the period	(119)	861
Cumulated amount at December 31	**$ 1,627**	**1,746**

6) Actuarial assumptions

The principal actuarial assumptions at the reporting date were as follows:

	December 31, 2023	December 31, 2022
Discount rate	1.289 %	1.679 %
Future salary increases	2.000 %	2.000 %

The expected allocation payment to be made by the Company to the defined benefit plans for the one-year period after the reporting date is $0 thousand.

The weighted-average lifetime of the defined benefits plans is 16.28 years.

7) Sensitivity analysis

For the year ended in December 31, 2023 and 2022, if the actuarial assumptions had changed, the impact on the present value of the defined benefit obligation shall be as follows:

	Influences of defined benefit obligation	
	Increased 0.25%	**Decreased 0.25%**
December 31, 2023		
Discount rate	(86)	91
Future salary increase rate	89	(84)
December 31, 2022		
Discount rate	(73)	77
Future salary increase rate	75	(72)

(Continued)

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Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown above. In practical, the relevant actuarial assumptions are correlated to each other. The method used in the sensitivity analysis is consistent with the calculation on the net defined benefit liabilities in the balance sheets.

There is no change in the method and assumptions used in the preparation of sensitivity analysis for 2023 and 2022.

(ii) Defined contribution plans

The Group allocates 6% of each employee's monthly wages to the labor pension personal account at the Bureau of Labor Insurance in accordance with the provisions of the Labor Pension Act. Under these defined contribution plans, the Company allocates a fixed amount to the Bureau of Labor Insurance without additional legal or constructive obligation.

Under the contribution pension plan, the Group's pension costs amounted to $3,913 thousand and $2,911 thousand for the years ended December 31, 2023 and 2022, respectively.

The pension costs incurred from the contribution to the Bureau of Labor Insurance amounted to $9,196 thousand and $8,874 thousand for the year ended December 31, 2023 and 2022, respectively.

(n) Income taxes

(i) Income tax expense

1) The components of income tax in the years 2023 and 2022 were as follows:

	2023	2022
Current tax expense		
Current period	$ 5,353	1,591
Adjustment for prior years	-	-
Deferred tax expense		
Occurrence and reversal of temporary difference	(6,319)	3,344
Income tax expense	**$ (966)**	**4,935**

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2) Reconciliation of income tax expense and profit before tax in 2023 and 2022 was as follows:

		2023	2022
Profit before tax	**$**	**2,853**	**102,580**
Income tax using the Company's domestic tax rate	$	4,406	21,942
Non-deductible expenses		8,378	11,327
Change in provision in prior periods		292	-
Recognition of previously unrecognized tax losses		(14,042)	(28,334)
	$	**(966)**	**4,935**

3) The amounts of income tax benefit recognized in other comprehensive income for the years ended December 31, 2023 and 2022, were as follows:

		2023	2022
Remeasurement of defined benefit plans	**$**	**-**	**172**

(ii) Deferred tax assets and liabilities

1) Unrecognized Deferred Tax Assets

		December 31, 2023	December 31, 2022
Tax effect of deductible Temporary Differences	$	273,734	241,209
Unused tax losses		97,636	119,234
	$	**371,370**	**-**

The R.O.C Income Tax Act allows net losses, as assessed by the tax authorities, to offset taxable income over a period of ten years for local tax reporting purposes. Deferred tax assets have not been recognized in respect of these items because it is not probable that future taxable profit will be available against which the Group can u tilize the benefits therefrom.

As of December 31, 2023, the information of the Group's unused tax losses for which no deferred tax assets were recognized are as follows:

Year of loss		Unused tax loss	Expiry date
2017	$	31,313	2027
2018		40,577	2028
2019		19,144	2029
2020		6,602	2030
	$	**97,636**	

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2) Recognized deferred tax assets and liabilities

Changes in the amount of deferred tax assets and liabilities for 2023 and 2022 were as follows:

		Defined benefit plans	Others	Total
Deferred tax liabilities:				
January 1, 2023	$	3,572		3,572
Recognized in profit or loss		(1,058)	-	(1,058)
December 31, 2023	**$**	**2,514**		**2,514**
January 1, 2022	$	2,379	70	2,449
Proceeds from disposal of subsidiaries		-	(70)	(70)
Recognized in profit or loss		1,021	-	1,021
Recognized in other comprehensive income		172	-	172
December 31, 2022	**$**	**3,572**	**-**	**3,572**

		Bad debt limit exceeded	Write-down of inventories	Unrealized depreciation	Unrealized exchange gain (loss)	accumulated loss	Other	Total
Deferred tax assets：								
January 1, 2023	$	21	931	15,586	173	-	-	16,711
Recognized in profit or loss		2	508	(1,033)	75	4,966	743	5,261
Effects of changes in foreign exchange rates		(1)	(20)	(249)	-	-	-	(270)
December 31, 2023	**$**	**22**	**1,419**	**14,304**	**248**	**4,966**	**743**	**21,702**
January 1, 2022	$	45	6,070	16,474	522	-	942	24,053
Recognized in profit or loss		(25)	133	(1,140)	(349)	-	(942)	(2,323)
proceeds from disposal of subsidiaries		-	(5,284)	-	-	-	-	(5,284)
Effects of changes in foreign exchange rates		1	12	252	-	-	-	265
December 31, 2022	**$**	**21**	**931**	**15,586**	**173**	**-**	**-**	**16,711**

(iii) Assessment of tax

The Company’s tax returns for the years through 2021 were assessed by the Taipei National Tax Administration.

(o) Capital and other equity

As of December 31, 2023 and 2022, the Group's authorized share capital comprised 120,000 and 90,000 thousand shares with the par value of $10 per share, amounting to $1,200,000 and $900,000 thousand. The total number of issued shares were 68,847 thousand ordinary shares. All issued shares were paid up upon issuance.

(i) Ordinary shares

The Group aims to enhance its financial structure and strengthen its competitiveness by increasing its working capital, investee companies and responding to the capital requirements of the future operational development of the Group. Pursuant to the resolution of the general shareholders' meeting on June 29, 2023, the board was authorized to issue ordinary shares for cash capital increase through private placement of not more than 10,000 thousand shares with one year.

The previous limit on number of shares through private placement resolved by general shareholders'meeting on Augest 27, 2021 and June 17, 2022. It was canceled by a resolution of the Board of Directors on April 26, 2022 and May 11, 2023, respectively.

The rights and obligations of ordinary shares issued through private placement are the same as those ordinary shares issued by the Group. However, under the provisions of Securities and Exchange Act, the ordinary shares issued through private placement may only apply to the competent authorities for listing complying with the relevant provisions of the Securities Exchange Act, three years after the delivery date and such shares should be reissued through public offering. ◦

(ii) Capital surplus

The balances of capital surplus were as follows:

	December 31, 2023	December 31, 2022
Share capital at premium	$ 56,000	56,000
Changes in ownership interests in subsidiaries	2,536	2,536
Benefits gained from exercising disgorgement	33	-
Employee stock options	2,970	2,970
	$ 61,539	**61,506**

According to the R.O.C. Company Act, capital surplus can only be used to offset a deficit, and only the realized capital surplus can be used to increase the common stock or be distributed as cash dividends. The aforementioned realized capital surplus includes capital surplus resulting from premium on issuance of capital stock and earnings from donated assets received. According to the Regulations Governing the Offering and Issuance of Securities by Securities Issuers, capital increases by transferring capital surplus in excess of par value should not exceed 10% of the total common stock outstanding.

(iii) Retained earnings

The Company's article of incorporation stipulate that Company's net earnings should first be used to offset the prior years' deficits, if any, before paying any income taxes. Of the remaining balance, 10% is to be appropriated as legal reserve, and then any remaining profit together with any undistributed retained earnings shall be distributed according to the distribution plan proposed by the Board of Directors and submitted to the stockholders' meeting for approval.

Before the distribution of dividends, the Company shall first take into consideration its operating environment, industry developments, and the long-term interests of stockholders, as well as its programs to maintain operating efficiency and meet its capital expenditure budget and financial goals in determining the stock or cash dividends to be paid. After the above appropriations, current and prior-period earnings that remain undistributed will be proposed for distribution by the Board of Directors, and a meeting of shareholders will be held to decide on this matter.

1) Legal reserve

When a company incurs no loss, it may, pursuant to a resolution by a shareholders' meeting, distribute its legal reserve by issuing new shares or by distributing cash, and only the portion of legal reserve which exceeds 25% of capital may be distributed.

2) Special reserve

In accordance with the rules issued by the FSC, a portion of current-period earnings and undistributed prior-period earnings shall be allocated as special reserve during earnings distribution. The amount to be reclassified should equal to the current-period total net reuduciton of other shareholders' equity. Smiliarly, a portion of undistributed priorperiod earnings shall be reclassified as special earnings reserve (and does not qualify for earning distribution) to account for cumulative changes to other shareholders' equity pertaining to prior periods. Amounts of subsequent reversals pertaining to the net reduction of other shareholders' equity shall qualify for additional distributions.

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3) Earnings distribution

The appropriations of earnings for 2021 were resolved in the The Shareholder's meeting offset the deficits and there were no distribution of dividends on June 17, 2022.

The amount of cash dividends on the appropriations of earnings for 2022, had been approved during The Shareholder's meeting on June 29, 2023. The amount of dividend distribution to shareholders were as follows:

	2022	
	Amount per share (in dollars)	**Total Amount**
Dividends distributed to ordinary shareholders: ：		
Cash	$ 0.30	20,654

(p) Earnings per share

	2023			2022		
	Continued Segments	**Dis-Continued Segments**	**Total**	**Continued Segments**	**Dis-Continued Segments**	**Total**
Net profit (loss) attributable to ordinary shareholders of the Company	$ 3,819	-	3,819	97,645	4,928	102,573
Weighted average number of ordinary shares outstanding (in thousands of shares)	68,847	-	68,847	68,847	68,847	68,847
Basic earnings (loss) per share	$ 0.06	-	0.06	1.42	0.07	1.49

	2023			2022		
	Continued Segments	**Dis-Continued Segments**	**Total**	**Continued Segments**	**Dis-Continued Segments**	**Total**
Net profit (loss) attributable to ordinary shareholders of the Group (dilutive)	$ 3,819	-	3,819	97,645	4,928	9,863
Weighted average number of ordinary shares outstanding (in thousands of shares)	68,847	-	68,847	68,847	68,847	49,724
Effect of employee share bonus (in thousand of shares)	22	-	22	106	106	-
Weighted-average number of common shares outstanding (After the effect of diluted potential ordinary share is adjusted/ thousand shares):	68,869	-	68,869	68,953	68,953	49,724
Diluted earnings (loss) per share	$ 0.06	-	0.06	1.42	0.07	1.49

(Continued)

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(q) Revenue from contracts with customer

(i) Details of revenue

		2023	2022
Primary geographical markets:			
Taiwan	$	489,369	597,760
China		222,341	267,325
America		114,901	130,929
Others		9,715	7,632
	$	**836,326**	**1,003,646**
Major products/service lines:			
electronic components	$	536,701	620,724
After processing of electronic components		230,001	304,817
Energy Revenues		38,576	32,708
Power plant engineering service revenue		31,048	45,421
	$	**836,326**	**1,003,670**

(ii) Contract balances

		December 31, 2023	December 31, 2022	January 1, 2022
Notes receivable	$	1,482	2,200	2,860
Accounts receivable		318,721	346,966	493,820
Less: Loss allowance		(1,252)	(1,322)	(1,672)
Total	$	**318,951**	**347,844**	**495,008**
Contract liabilities	$	**63,661**	**26,965**	**27,660**

For details on notes and accounts receivable and allowance for impairment, please refer to note 6(b).

The amount of revenue recognized for the years ended December 31, 2023 and 2022 included the contract liability balance at the beginning of the period were $26,905 thousand and $6,501 thousand, respectively. The change in the balance of contract liabilities is the difference between the time frame in the performance obli gation to be satisfied and the payment to be received, as well as the disposal of subisdiary by the Group in March 2022. For details, please refer to Note 6(e).

Contract liabilities primarily relate to advance consideration received from customer for power plant construction that has not yet finished and electronic component sales contracts, for which revenue is recognized during the construction period and when the products are delivered to customers, respectively.

(Continued)

(r) Employee compensation and directors' and supervisors' remuneration

In accordance with the articles of incorporation, the company should contribute no less than 2.5% of the profit as employee’s compensation and less than 3% as directors' and supervisors' remuneration when there is profit for the year. However, if the Company has accumulated deficits, the profit should be reserved to offset the deficit. The amount of remuneration of each director and supervisor and of compensation for employees entitled to receive the abovementioned employee compensation is approved by the Board of Directors. The recipients of shares and cash may include the employees of the Company's subsidiaries who meet certain conditions.

The Company suffered loss and didn't estimate remuneration to employee and director for the years ended December 31, 2023. The Company recognized $1,929 thousand of renumeration to employees for the years ended December 31, 2022. In addition, The Company estimated renumeration to directors and supervisors amounting to $2,315 thousand for the years ended December 31, 2022. The amounts mentioned above are calculated based the percentage net profit before tax, excluding the remuneration to employees, directors and supervisors of each period,and multiplied by the percentage of remuneration to employees, directors and supervisors as specified in the Company’s articles. These remunerations were expensed under operating costs or operating expenses during the reporting period. If the actual amounts differ from the estimated amounts, the differences shall be accounted as changes in accounting estimates and recognized as profit or loss in the following year. However, if the Board of Directors resolved that the employee remuneration to be distributed through stock dividends, the closing price of the ordinary share on the day before the Board of Directors’ meeting is used in the calculation for stock remuneration.

Board of directors’ meetings were held on March 28, 2023. There were $93 thousand and $112 thousand differences between the amounts employees’ and directors’ remuneration allocated by the aforesaid Board resolutions and the difference will be recognized as profit or loss in the consolidated financial statements of 2022.

Board of directors’ meetings were held on March 18, 2022, as there were accumulated losses, the resolution passed respectively that employee, supervisors and directors’ remuneration for the year ended December 31, 2021 were not distributed. There were no differences between the amounts in the consolidated financial statements of 2021.

The renumeration to the Company’s employees,directors and supervisors can be obtained from the Open Information Observatory.

(s) Non-operating income and expenses

(i) The details of interest income for 2023 and 2022 were as follows:

	2023	2022
Interest income from bank deposits	$ 4,728	1,744

(Continued)

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(ii) Other gains and losses

The details of other income for 2023 and 2022 were as follows

	2023	2022
Gains on disposals of investments	$ -	48,709
Gains (losses) on disposals of assets	935	(301)
Other gains	10,867	8,933
	$ 11,802	**57,341**

(iii) Finance costs

The details of finance costs for 2023 and 2022 were as follows:

	2023	2022
Interest expense	**$ (8,201)**	**(7,943)**

(t) Financial instruments

(i) Credit risk

1) Concentration of credit risk

The sales of the Group is significantly concentrated in a few customers. As of December 31, 2023 and 2022 79.80% and 75.11% respectively, of accounts receivable were two major customers. ◦

2) Credit risks of receivables and debt securities

For details on credit risk of notes and accounts receivable and other receivables arising from operation, please refer to note 6(b) and (c). All of these financial assets are considered to be low risk, and thus the impairment provision recognized during the period was limited to 12 months expected losses. (Please refer to Note 4(g) on how the Group determines whether credit risk is to be low risk).

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(ii) Liquidity risk

The following are the contractual maturities of financial liabilities, including the estimated interest payments and excluding the impact of netting agreements.

	Carrying amounts	Contractual Cash flows	Paid on request or less than 1 month	1-3 months	3 months to 1 year	over 1 year
December 31, 2023						
Non-derivative financial liabilities						
Short-term borrowings	$ 48,352	48,722	5,108	13,202	30,412	-
Lease liabilities	38,975	44,580	1,192	2,597	5,714	35,077
Non-interest bearing liabilities	154,183	154,183	93,391	39,687	21,105	-
Long-term borrowings (including current portion)	264,527	298,265	2,032	4,036	20,948	271,249
	$ 506,037	**545,750**	**101,723**	**59,522**	**78,179**	**306,326**
December 31, 2022						
Non-derivative financial liabilities						
Short-term borrowings	$ 94,603	95,271	40,207	24,065	30,999	-
Lease liabilities	38,657	47,158	992	1,984	8,909	35,273
Non-interest bearing liabilities	177,240	177,240	92,814	43,752	40,674	-
Long-term borrowings (including current portion)	219,589	240,507	1,852	3,470	15,596	219,589
	$ 530,089	**560,176**	**135,865**	**73,271**	**96,178**	**254,862**

The Group does not expect that the cash flows included in the maturity analysis would occur significantly earlier or at significantly different amounts.

(iii) Currency risk

1) Currency risk

The Group's significant exposure to foreign currency risk were as follows:

	December 31, 2023				December 31, 2022			
	Foreign currency	Exchange rate		TWD	Foreign currency	Exchange rate		TWD
Financial assets								
Monetary items								
USD	$ 12,717	USD/TWD=	30.705	390,475	11,117	USD/TWD=	30.710	341,403
USD	8,788	USD/CNY=	7.083	269,836	8,043	USD/CNY=	6.965	247,001
Financial liabilities								
Monetary items								
USD	4,324	USD/TWD=	30.705	132,768	3,422	USD/TWD=	30.710	105,090
USD	5,927	USD/CNY=	7.083	181,989	5,543	USD/CNY=	6.965	170,226

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2) Sensitivity analysis

The Group’s exposure to foreign currency risk arises from the foreign currency exchange gains and losses resulted from the translation of cash and cash equivalents, trade receivables, other receivables, trade payables and other payables which are denominated in foreign currencies.

A strengthening (weakening) of 1% of the NTD against the USD at December 31, 2023, would have increased or decreased the profit before tax by $3,456 thousand and $3,131 thousand for the years ended December 31, 2022 and 2021, respectively. The analysis assumes that all other variables remain constant and was performed on the same basis for both periods.

3) Foreign exchange gains and losses on monetary items

As the Group deal in diverse foreign currencies, gains and losses on foreign exchange were summarized as a single amount. The Group aggregate of realized and unrealized foreign exchange gain (loss) for the years ended December 31, 2023 and 2022 were $914 thousand and $30,285 thousand, respectively.

(iv) Interest rate analysis

Please refer to the notes on liquidity risk management and interest rate exposure of the Group's financial assets and liabilities.

The following sensitivity analysis is based on the risk exposure to the interest rates risk of derivative and non-derivative financial instruments on the reporting date. Regarding liabilities with variable interest rates, the analysis is based on the assumption that the amount of liabilities outstanding at the reporting date was outstanding throughout the year. The rate of change is expressed as the interest rate increases or decreases by 1% when reporting to management internally, which also represents the Group management's assessment of the reasonably possible interest rate change.

If the interest rate increases or decreases by 1% the Group’s profit before tax will decrease /increase by $45 thousand and $250 thousand for the years ended December 31, 2023 and 2022, respectively, assuming all other variable factors remain constant. This is mainly due to the Group’s borrowings and loans at variable rate and the risk exposure of cash flow interest rate risks for receivables.

(v) Fair value of financial instruments

The Group’s management considers its financial assets and financial liabilities measured at amortized cost to be the approximation of the fair value.

For the Group’s financial assets and liabilities including cash and cash equivalents, account receivables, account payables and other financial liabilities, their carrying amount is reasonably close to the fair value, disclosure of fair value information is not required.

(u) Financial risk management

(i) Overview

The Group has exposure to the following risks from its financial instruments

1) Credit risk

2) Liquidity risk

3) Market risk

The following likewise discusses theGroup' s exposure information, objectives, policies and processes for measuring and managing the above mentioned risks For more disclosures about the quantitative effects of these risks exposures, please refer to the respective notes in the accompanying consolidated financial statements.

(ii) Structure of risk management

The Group' s finance management department provides business services for the overall internal department. It monitor and manage financial risks of the the Group' s business operation through internal risk report, which analyze the exposure according to risk levels and scopes. The Group these risks by natural hedging through timely adjust its foreign currency assets and liabilities position. The Board of Directors regulated the use of derivative financial instruments in accordance with the Group' s policy about risks arising from financial instruments such as currency risk, interest rate risk, credit risk, the use of derivative and non-derivative financial instruments and the investments of excess liquidity. The internal auditors of the Company continue with the review of the amount of the risk exposure in accordance with the Company's policies and the risk management policies and procedures. The Group has no transactions in financial instruments (including derivative financial instruments) for the purpose of speculation. The business and finance departments submit quarterly financial and business reports to the Board of Directors of the Group in accordance with the procedure of the board meetings.

(iii) Credit risk

Credit risk means the potential loss of the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group' s receivables from customers and investments in debt Category and name of security.

1) Accounts and other receivables

The Group has established a credit policy under which each new customer is analyzed individually for creditworthiness before the Group's standard payment and delivery terms and conditions are offered.

2) Investments

The credit risk exposure in the bank deposits and other financial instruments are measured and monitored by the Group' s finance department. Since The Group' s transaction counterparties and the contractually obligated counterparties are banks, financial institutes and corporate organizations with good credits, there are no compliance issues, and therefore, no significant credit risk.

3) Guarantees

The Group's policy is to provide financial guarantees only to wholly owned subsidiaries for purchasing and financing amount. As of December 31, 2023 and 2022, no other guarantees were outstanding.

(iv) Liquidity risk

The Group manages and maintains sufficient cash and cash equivalents so as to cope with its operations and mitigate the effects of fluctuations in cash flows. The Group' s management supervises the banking facilities and ensures compliance with the terms of loan agreements. Bank borrowing is an essential liquidity source for the Group. As of December 31, 2023 and 2022, the Group' s unused credit line were $261,880 thousand and $233,243 thousand, respectively.

(v) Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rate, and equity prices which will affect the Group' s income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters while optimizing the return.

The Group buys and sells derivatives in order to reduce market risks. All such transactions are carried out within the guidelines set by the Risk Management Committee.

1) Currency risk

The Group is exposed to currency risk on sales and purchases and borrowings that are denominated in a currency other than the functional currency of the Group' s respective entity. The respective functional currencies of The Group' s entities are primarily the NTD,USD and RMB. These transactions are denominated into the presentation (NTD), US dollar (USD) and RMB dollar (CNY).

2) Interest risk

The Group borrows funds on fixed and variable interest rates, which has a risk exposure to changes in fair value and cash flow. The Group manages the interest rates risk by maintaining an adequate combination of fixed and variable interest rates.

(Continued)

(v) Capital management

The Group' s objectives for managing capital to safeguard the capacity to continue to operate, to continue to provide a return on shareholders, to maintain the interest of other related parties, and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the dividend payment to the shareholders, reduce the capital for redistribution to shareholders, issue new shares, or sell assets to settle any liabilities.

The Group and other entities in the same industry use the debt-to-equity ratio to manage capital. This ratio is the total net debt divided by the total capital. The net debt from the balance sheet is derived from the total liabilities less cash and cash equivalents. The total capital and equity include share capital, capital surplus, retained earnings, and other equity plus net debt.

The Group' s debt-to-equity ratio at the end of the reporting period as at 2023 and 2022, were as follows:

	December 31, 2023	December 31, 2022
Total liabilities	$ 638,951	632,037
Less: Cash and cash equivalents	(319,187)	(279,258)
Net liabilities	**$ 319,764**	**352,779**
Total equity	**$ 791,808**	**812,079**
Debt-to-equity ratio	**40.38 %**	**43.44 %**

(w) Investing and financing activities not affecting cash flows

The Group' s the investing and financing activities which did not affect the current cash flow in the years ended December 31, 2023 and 2022, were as follows:

Please refer to note 6(h) for a description of acquisition of right-of-use assets through leases.

	January 1, 2023	Cash Flow	Non-Cash changes	December 31, 2023
Short-term borrowings	$ 94,603	(45,566)	(685)	48,352
Long-term borrowings (including current portion)	219,589	44,938	-	264,527
Lease liabilities	38,657	(12,191)	12,509	38,975
Total liabilities from financing activities	**$ 352,849**	**(12,819)**	**11,824**	**351,854**

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		January 1, 2022	Cash Flows	Non-Cash changes	December 31, 2022
Short-term borrowings	$	165,723	11,219	(82,339)	94,603
Long-term borrowings (including current portion)		72,769	193,249	(46,429)	219,589
Lease liabilities		8,433	(11,210)	41,434	38,657
Total liabilities from financing activities	**$**	**246,925**	**193,258**	**(87,334)**	**352,849**

(x) Net cash outflows from acquisition of property, plant and equipment

		2023	2022
Addition	$	16,527	47,193
Add: Payable at beginning		11,960	68,516
Less: Ending balance of payables		(2,689)	(11,960)
Total	**$**	**25,798**	**103,749**

(7) Related-party transactions

(a) Names and relationship with related parties

The followings are entities that have had transactions with related party during the periods covered in the consolidated financial statementsconsolidated financial statements.

Name of related party	Relationship with the Group
Wei Liangquan	Key management personnel of the Group
Qingrui Investment Co., Ltd.	Its major shareholder is the key management personnel of the Group (Note 1)
Cloudhood Technology Corporation (Hereafter referred to as Cloudhood Technology)	Substantive related party of the Group (Note 1)
SUBTLE ELECTRONIC CO., LTD. (Hereafter referred to as SUBTLE ELECTRONIC)	Other related parties (whose representatives are directors of the Group) (Note 2, 3)

Note 1: The major shareholder of the Company is the key management personnel of UNIFORCE TECHNOLOGY CORPORATION. Since the Group disposed of the Company in April 2022, the Company ceased to be a related party of the Group.

Note 2: A director of the Group, Huatai Management Consulting Co., Ltd., its representative, Lin Zhiqiang, was elected as the new director at the general shareholders' meeting on June 17, 2022. And since Lin Zhiqiang was the representative of SUBTLE ELECTRONIC, the company became an related party of the Group.

Note 3: Mr Lin Zhiqiang resigned as the director on October 31, 2022 and therefore, SUBTLE ELECTRONIC ceased to be a related party of the Group since November 1, 2022.

(Continued)

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(b) Significant transactions with related parties

(i) Sale revenue

The amounts of significant sales by the Group to related parties were as follows:

The total sales amount between the Group and SUBTLE ELECTRONIC was 27,151 thousand for the year ended December 31, 2022, which is the sales revenue of SUBTLE ELECTRONIC before it became the related party of the Group.

The Group did not purchase the product specifications from other vendors, so the purchase price was not comparable to other vendors. The payment term was 30 days. Same as regular vendors.

(ii) Purchases

The amounts of significant purchases by the Group from related parties were as follows:

	2023	2022
Other related parties - Cloudhood Technology	$ -	924

The Group did not purchase the product specifications from the related party from other vendors, so the purchase price was not comparable to other vendors. The payment term was 30 days. Same as regular vendors.

The purchases from other related parties are those of the subsidiary, UNIFORCE TECHNOLOGY CORPORATION, which has been transferred to the discontinued operation. Please refer to note 12(b) for details.

(iii) Rendering of services Provision

The Group entered into a cooperation agreement with the SUBTLE ELECTRONIC and agreed that SUBTLE ELECTRONIC would be responsible for marketing and processing customer order services during the agreement term. The Group will provide 5.8% to 6% of its turnover as service fee for rendering of aforementioned services fee. For the year ended December 31, 2022, the Group estimated $9,970 thousand and $7,764 thousand, respectively before and after the company became a related party and is recognized under “selling expenses”. As of December 31, 2023 and 2022, the outstanding balance of as a result of SUBTLE ELECTRONIC being no longer a related party to the Group, amounting to $0 thousand and $16,232 thousand and is recognized under "other payables"

(iv) Proceeds from disposal of subsidiaries’ equity interest

The Group disposed of it entire shareholding in UNIFORCE TECHNOLOGY CORPORATION by resolution of the Board of Directors on March 18, 2022. 30% of the equity interests were disposed on March 22, 2022 to Qingrui Investment Co., Ltd.The total of 3,200 thousand shares were traded with a disposal price of $25 per share, amounting to $80,000 thoudand in total. Please refer to note 6(f) for details.

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(v) Guarantee

As of December 31, 2023 and 2022, the chairman of the Group, Wei Liangquan, have issued a promissory notes amounting to $22,250 thousand and $44,500 thousand for the guarantee of acquiring SUBTLE ELECTRONIC..

As of December 31, 2023 and 2022, the Group's bank loans amounted to $220,840 thousand, were guaranteed by the Chairman of the Group, Wei Liangquan.

(c) Key management personnel compensation

Key management personnel compensation comprised:

	2023	2022
Short-term employee benefits	$ 17,943	18,169
Post-employment benefit	1,015	1,060
	$ 18,958	**19,229**

(8) Pledged assets:

The carrying values of pledged assets were as follows:

Pledged assets	Object	December 31, 2023	December 31, 2022
Accounts receivable	Short-term bank loans	**$ -**	**78,531**
Property, plant and equipment		-	-
Land	Long-term bank loans	$ 25,980	25,980
Machinery and Equipment	Long-term bank loans	281,597	280,071
Buildings and Construction	Long-term bank loans	11,096	11,868
Buildings and Construction	Short-term bank loans	56,596	61,114
		$ 375,269	**379,033**
Cash in banks (recognized in other current asset)	Short-term bank loans	**$ 5,642**	**4,820**

(9) Commitments and contingencies:

(a) Major commitments were as follows:

The Group's unrecognized contractual commitments were as follows:

	December 31, 2023	December 31, 2022
Acquisition of property, plant and equipment	$ 4,361	2,726
Inventories - Construction in progress-power plants	$ 16,659	16,850

(b) The Group has entered into several contracts with Taiwan Power Company for the purchase and sale of electricity, all of which are terminated on the expiry date of 20 years after the date of the first parallel of power generators. The Group shall not transfer electricity generated by the renewable energy system to other persons for usage, except for the purpose of electricity sales as applied with Taiwan Power Company in accordance with the regulations.

(10) Losses Due to Major Disasters:None

(11) Subsequent Events:None

(12) Other:

(a) A summary of current-period employee benefits, depreciation, and amortization, by function, is as follows:

By funtion / By item	2023 Cost of Sale	2023 Operating Expense	2023 Total	2022 Cost of Sale	2022 Operating Expense	2022 Total
Employee benefits						
Salary	103,155	47,332	150,487	109,022	59,410	168,432
Labor and health insurance	10,337	4,148	14,485	8,749	5,076	13,825
Pension	10,744	2,223	12,967	9,436	2,326	11,762
Remuneration of directors	-	2,368	2,368	-	1,817	1,817
Other employee benefits	9,212	2,271	11,483	5,724	2,571	8,295
Depreciation	48,656	4,639	53,295	40,214	6,209	46,423
Amortization	-	6,323	6,323	-	6,150	6,150

(b) Discontinued operations

The Group approved the sales of Network Security Systems Integration Segment in March 2022, and so it was presented as a discontinued operation since the sales was completed in April 2022.

Please refer to note 6(p) for details on the amount of net profit (loss) attributable to the owner of the parent company from the continuing operations and the discontinued operation.

Profit and loss, and cash flows from (used in) discontinued operations are summarized as follows:

		2022
Net profit before tax from discontinued operation		
Operating revenue	$	127,797
Operating costs		(94,462)
Gross profit from operations		33,335
Operating expenses		20,346
Net operating income of discontinued operations		12,989
Non-operating income and expenses		(911)
Net profit before tax from discontinued operation		12,078
Income tax expense		(2,416)
Gain (loss) of discontinued segment	**$**	**9,662**
Cash flows of discontinued operation:		
Cash flows from (used in) operating activities:	$	28,430
Cash flows from (used in) investing activities:		(80,008)
Cash flows from (used in) financing activities:		57,933
Net cash inflows (outflows)	**$**	**6,355**

Please refer to note 6(e) for details on the impact of the disposal of Network Security Systems Integration Segment on the financial position of the Group.

JHEN VEI ELECTRONIC CO., LTD AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(13) Other disclosures:

(a) Information on significant transactions:

The following is the information on significant transactions required by the “Regulations Governing the Preparation of Financial Reports by Securities Issuers” for the Group:

(i) Loans to other parties:

(In Thousands of New Taiwan Dollars)

Number	Name of lender	Name of borrower	Account name	Related party	Highest balance of financing to other parties during the period	Ending balance	Actual usage amount during the period	Range of interest rates during the period	Purposes of fund financing for the borrower	Transaction amount for business between two parties	Reasons for short-term financing (note 3)	Allowance for bad debt	Collateral		Individual funding loan limits	Maximum limit of fund financing
													Item	Value		
0	The Group	Gou Zhi Electronic	Other receivables due from -related parties	Yes	90,000	-	-	2.70	2	-	Operating capital	-		-	316,723	316,723
0	The Group	Gou Zhi Electronic	Other receivables due from -related parties	Yes	80,000	-	-	2.70	2	-	Operating capital	-		-	316,723	316,723
0	The Group	Gou Zhi Electronic	Other receivables due from -related parties	Yes	80,000	80,000	80,000	3	1	244,391	Operating capital	-		-	316,723	316,723
1	Jhen Vei Enterprise Co., Ltd	Huai An Jhen Vei Electronic Co., Ltd.	Other receivables due from -related parties	Yes	15,355	-	-	2.70	2	-	Operating capital	-	-	-	296,948	296,948
1	Jhen Vei Enterprise Co., Ltd	Huai An Jhen Vei Electronic Co., Ltd.	Other receivables due from -related parties	Yes	10,749	-	-	2.70	2	-	Operating capital	-	-	-	296,948	296,948
1	Jhen Vei Enterprise Co., Ltd	Huai An Jhen Vei Electronic Co., Ltd.	Other receivables due from -related parties	Yes	15,375	-	-	2.70	2	-	Operating capital	-	-	-	296,948	296,948
1	Jhen Vei Enterprise Co., Ltd	Huai An Jhen Vei Electronic Co., Ltd.	Other receivables due from -related parties	Yes	16,213	15,353	15,353	2.70	2	-	Operating capital	-	-	-	296,948	296,948
1	Jhen Vei Enterprise Co., Ltd	Huai An Jhen Vei Electronic Co., Ltd.	Other receivables due from -related parties	Yes	6,485	6,141	6,141	3%	2	-	Operating capital	-		-	296,948	296,948
1	Jhen Vei Enterprise Co., Ltd	Huai An Jhen Vei Electronic Co., Ltd.	Other receivables due from -related parties	Yes	16,213	15,353	15,353	3%	2	-	Operating capital	-		-	296,948	296,948
1	Jhen Vei Enterprise Co., Ltd	Huai An Jhen Vei Electronic Co., Ltd.	Other receivables due from -related parties	Yes	4,864	4,606	4,606	3%	2	-	Operating capital	-		-	296,948	296,948
2	Pors Wiring Co., Ltd	Huai An Jhen Vei Electronic Co., Ltd.	Other receivables due from -related parties	Yes	15,355	-	-	2.7%	2	-	Operating capital	-	-	-	79,666	79,666
2	Pors Wiring Co., Ltd	Huai An Jhen Vei Electronic Co., Ltd.	Other receivables due from -related parties	Yes	15,570	-	-	2.7%	2	-	Operating capital	-	-	-	79,666	79,666
2	Pors Wiring Co., Ltd	Huai An Jhen Vei Electronic Co., Ltd.	Other receivables due from -related parties	Yes	15,710	-	-	2.7%	2	-	Operating capital	-	-	-	79,666	79,666
2	Pors Wiring Co., Ltd	Huai An Jhen Vei Electronic Co., Ltd.	Other receivables due from -related parties	Yes	16,213	15,353	15,353	2.7%	2	-	Operating capital	-	-	-	79,666	79,666
2	Pors Wiring Co., Ltd	Huai An Jhen Vei Electronic Co., Ltd.	Other receivables due from -related parties	Yes	16,213	15,353	15,353	3%	2	-	Operating capital	-	-	-	79,666	79,666
2	Pors Wiring Co., Ltd	Huai An Jhen Vei Electronic Co., Ltd.	Other receivables due from -related parties	Yes	16,213	15,353	15,353	3%	2	-	Operating capital	-		-	79,666	79,666
2	Pors Wiring Co., Ltd	Huai An Jhen Vei Electronic Co., Ltd.	Other receivables due from -related parties	Yes	9,212	9,212	9,212	3%	2	-	Operating capital	-		-	79,666	79,666
3	Jhen Vei Investment Limited	Huai An Jhen Vei Electronic Co., Ltd.	Other receivables due from -related parties	Yes	16,135	-	-	0%	2	-	Operating capital	-	-	-	24,871	24,871
3	Jhen Vei Investment Limited	Huai An Jhen Vei Electronic Co., Ltd.	Other receivables due from -related parties	Yes	16,213	15,353	15,353	0%	2	-	Operating capital	-		-	24,871	24,871

Note 1: For capital financing, except for the Group holds more than 100% of voting shares in the foreign entity, directly and indirectly, Total financing amount for a single company by the Group and its subsidiaries shall not exceed 40 percent of the Group’s net worth as stated in its latest financial report. For capital financing, except for the Group holds more than 100% of voting shares in the foreign entity, directly and indirectly, Total financing amount for a single company shall not exceed 100% of the paid-in capital as stated in the latest financial report.

Note 2 :For capital financing, except for the Group holds more than 100% of voting shares in the foreign entity, directly and indirectly, Total financing amount for external entity by the Group and its subsidiaries shall not exceed 40 percent of the Group’s net worth as stated in its latest financial report. For capital financing, except for the Group holds more than 100% of voting shares in the foreign entity, directly and indirectly, Total financing amount for external entity shall not exceed 100% of the paid-in capital as stated in the latest financial report.

Note 3 : Purpose of fund financing for the borrower:

(1) Those with business contact please fill in 1

(2) Those necessary for short-term financing please fill in 2.

Note 4: The transaction has already been written off in the consolidated financial statements.

(Continued)

JHEN VEI ELECTRONIC CO., LTD AND SUBSIDIARIES
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(ii) Guarantees and endorsements for other parties:

(In Thousands of New Taiwan Dollars)

No.	Name of guarantor	Counter-party of guarantee and endorsement		Limitation on amount of guarantees and endorsements for a specific enterprise	Highest balance for guarantees and endorsements during the period	Balance of guarantees and endorsements as of reporting date	Actual usage amount during the period	Property pledged for guarantees and endorsements (Amount)	Ratio of accumulated amounts of guarantees and endorsements to net worth of the latest financial statements	Maximum amount for guarantees and endorsements	Parent company endorsements/ guarantees to third parties on behalf of subsidiary	Subsidiary endorsements guarantees to third parties on behalf of parent company	Endorsements/ guarantees to third parties on behalf of companies in Mainland China
		Name	Relationship with the Company										
0	The Group	Huai An Jhen Vei Electronic Co., Ltd.	2	633,446	76,775	-	-	-	- %	633,446	Y	N	Y
0	The Group	Gou Zhi Electronic	2	633,446	30,000	-	-	-	- %	633,446	Y	N	N
0	The Group	Huai An Jhen Vei Electronic Co., Ltd.	2	633,446	77,630	75,732	-	-	9.56 %	633,446	Y	N	Y

Note 1: In accordance to the "endorsement and guarantees operational procedure" of the Group, The total amount of the guarantees and endorsements by the Group and its subsidiaries for a company shall not exceed 80% of the Group's net worth. An inter-subsidiary endorsement and guarantee of which the Group directly holds more than 90% of the ordinary shares of the subsidiary, shall not exceed 10% of the current net worth. A company in which the Group holds, directly or indirectly, 100% or more of the voting shares, is excluded.

Note 2: In accordance to the "endorsement and guarantees operational procedure" of the Group, the total endorsement and guarantee by the Group shall not exceed 100% of the Group's net worth.

Note 3: The relationship between the endorser/guarantor and the guaranteed party:

1) Trading counterparty
2) The Company holds more than 50% of the voting shares in the entity, directly and indirectly.
3) The entity holds more than 50% of voting shares in the Group, directly and indirectly.
4) The Group holds more than 90% of voting shares in the entity, directly and indirectly.
5) The stockholders of the Group provide guarantees or endorsements for the entity in proportion to percentage of ownership for joint investment.
6) Fulfillment of contractual obligations by providing mutual endorsements and guarantees for peer or joint builders in order to undertake a construction project.
7) The companies in the same industry provide among themselves joint and several securities for a performance guarantee of a sales contract for preconstruction homes pursuant to the Consumer Protection Act for each other.

(iii) Securities held as of December 31, 2023 (excluding investment in subsidiaries, associates and joint ventures): None.

(iv) Individual securities acquired or disposed of with accumulated amount exceeding the lower of NT$300 million or 20% of the capital stock: None.

(v) Acquisition of individual real estate with amount exceeding the lower of NT$300 million or 20% of the capital stock: None.

(vi) Disposal of individual real estate with amount exceeding the lower of NT$300 million or 20% of the capital stock: None.

(vii) Related-party transactions for purchases and sales with amounts exceeding the lower of NT$300 million or 20% of the capital stock:

(In Thousands of New Taiwan Dollars)

Name of company	Related party	Nature of relationship	Transaction details				Transactions with terms different from others		Notes/Accounts receivable (payable)		Note
			Purchase/Sale	Amount	Percentage of total purchases/sales	Payment terms	Unit price	Payment terms	Ending balance	Percentage of total notes/accounts receivable (payable)	
JHEN VEI ELECTRONIC CO., LTD. AND SUBSIDIARIES	Huai An Jhen Vei Electronic Co., Ltd.	The Group	Purchase	286,989	57 %	O/A 90 days	-		(109,189)	80.60%	
Huai An Jhen Vei Electronic Co., Ltd.	JHEN VEI ELECTRONIC CO., LTD. AND SUBSIDIARIES	Subsidiaries	Sales	(286,989)	(56) %	O/A 90 days	-		109,189	(45.83)%	

(viii) Receivables from related parties with amounts exceeding the lower of NT$100 million or 20% of the capital stock:

(In Thousands of New Taiwan Dollars)

Name of company	Counter-party	Nature of relationship	Ending balance	Turnover rate	Overdue		Amounts received in subsequent period	Allowance for bad debts
					Amount	Action taken		
Huai An Jhen Vei Electronic Co., Ltd.	The Group	Subsidiaries	109,189	2.88	-		23,092	-

Note: The aforementioned inter-company transactions have been eliminated in the consolidated financial statements.

(ix) Trading in derivative instruments: None.

JHEN VEI ELECTRONIC CO., LTD AND SUBSIDIARIES
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(x) Business relationships and significant intercompany transactions:

(In Thousands of New Taiwan Dollars)

No.	Name of company	Name of counter-party	Nature of relationship	Intercompany transactions: Account name	Amount	Trading terms	Percentage of the consolidated net revenue or total assets
0	The Group	Huai An Jhen Vei Electronic Co., Ltd.	1	Other receivables	60,169	O/A 30 days	4.21%
0	The Group	Huai An Jhen Vei Electronic Co., Ltd.	1	Purchase	286,989	O/A 90 days	18.51%
0	The Group	Huai An Jhen Vei Electronic Co., Ltd.	1	Accounts payable	109,189	O/A 90 days	7.63%
0	The Group	Gou Zhi Electronic	1	Other receivables	81,129	According to the contract	5.67%
0	The Group	Gou Zhi Electronic	1	Purchase	14,623	O/A 90 days	1.75%
0	The Group	Gou Zhi Electronic	1	Accounts payable	26,248	O/A 90 days	1.83%
1	Pors Wiring Co.,Ltd	Huai An Jhen Vei Electronic Co., Ltd.	3	Other receivables	56,001	According to the contract	3.91%
2	Jhen Vei Investment Limited	Huai An Jhen Vei Electronic Co., Ltd.	3	Other receivables	15,353	According to the contract	1.07%
3	Jhen Vei Enterprise Co.,Ltd	Huai An Jhen Vei Electronic Co., Ltd.	3	Other receivables	42,182	According to the contract	2.95%

Note 1: Numbers are filled in as follows:
1. “0” represents the Group
2. The subsidiaries start with number 1.

Note 2: Relationship with the listed companies:
1. Transactions from parent Group to subsidiary
2. Transactions from subsidiary to parent Group
3. Transactions between subsidiaries

(b) Information on investees:

The following is the information on investees for the years ended December 31, 2023 (excluding information on investees in Mainland China):

(In Thousands of New Taiwan Dollars)

Name of investor	Name of investee	Location	Main businesses and products	Original investment amount: December 31, 2023	Original investment amount: December 31, 2022	Balance as of December 31, 2023: Shares (thousands)	Balance as of December 31, 2023: Percentage of wnership	Balance as of December 31, 2023: Carrying value	Highest Percentage of wnership	Net income (losses) of investee	Share of profits/losses of investee	Note
The Group	Jhen Vei Enterprise Co., Ltd	The British Virgin Islands	Manufacturing and sales of various types of signal cables and investment holding	352,091	352,091	48,355	100.00 %	134,397	100.00 %	21,785	24,695	Note 1
The Group	Pors Wiring Co., Ltd	The British Virgin Islands	Investment holding	98,373	98,373	48,048	100.00 %	64,866	100.00 %	2,905	2,905	Note 1
The Group	Priceplay.com Inc	United States	IC and software design	27,187	27,187	45,000	30.00 %	-	30.00 %	-	-	Note 2
The Group	Hua Yin Energy	Taiwan	Power generation for self-usage using renewable energy	100,000	100,000	10,000,000	100.00 %	106,672	100.00 %	5,943	5,943	Note 1
Jhen Vei Enterprise Co., Ltd.	Jhen Vei Investment Limited	Belize	Investment holding	26,244	26,244	810,000	100.00 %	27,462	100.00 %	653	653	Note 1
The Group	Gou Zhi Electronic	Taiwan	After processing of electronic components	199,927	199,927	20,000,000	100.00 %	119,607	100.00 %	(47,382)	(47,382)	Note 1
						-	- %	-	100.00 %	-	-	

Note 1: The aforementioned inter-company transactions have been eliminated in the consolidated financial statements.

Note 2: It has been assessed that carrying amount has no future economic benefits and was therefore fully recognized in the impairment losses as of June 30, 2016.

(c) Information on investment in mainland China:

(i) The names of investees in Mainland China, the main businesses and products, and other information:

(In Thousands of New Taiwan Dollars)

Name of investee	Main businesses and products	Total amount of paid-in capital	Method of investment	Accumulated outflow of investment from Taiwan as of January 1, 2023	Investment flows: Outflow	Investment flows: Inflow	Accumulated outflow of investment from Taiwan as of December 31, 2023	Net income (losses) of the investee	Percentage of ownership	Highest percentage of ownership	Investment income (losses)	Book value	Accumu-lated remittance of earnings in current period
Huai An Jhen Vei Electronic Co., Ltd.	Manufacturing and sales of various types of signal cables	214,935 (USD 7,000 thousand)	(2)	214,935 (USD 7,000 thousand)	-	-	214,935 (USD 7,000 thousand)	18,659	100.00%	100.00%	18,659 (RMB 4,245 thousand)	52,523 (RMB 12,115 thousand)	-

Note 1: There are three ways to invest in China:
(1) Direct investment in the Mainland China.
(2) Through investing in an existing company in the third area, which then invested in the investee in Mainland China.
(3) Others.

Note 2: The financial report of the investee is audited financial report and is calculated by shareholding of the Group.

Note 3: The aforementioned inter-company transactions have been eliminated in the consolidated financial statements.

(Continued)

(ii) Limitation on investment in Mainland China:

Accumulated Investment in Mainland China as of December 31, 2023 (note 1, 2)	Investment Amounts Authorized by Investment Commission, MOEA (note 1, 2)	Upper Limit on Investment
286,999 (USD 9,347 thousand))	321,020 (USD 10,455 thousand)	475,084

Note 1: Except that the recognized investment losses for the period were calculated at the average exchange rate from January 1,2023 to December 31, 2023 and the remittance of surplus was calculated at the historical exchange rate, the balance was calculated at the closing exchange rate as of December 31, 2023. ◦

Note 2: The difference is due to the disposal of equity interest in Xinfeng Zhenwei Electronics Co., Ltd.. The return of investment amounting to US$600 thousand was fully remitted to Jhen Vei Enterprise Co., Ltd. Zhenwei Electronics (Wujiang) Co., Ltd.is liquidated and return investment amounting to $963 thousand and Zhenwei Electronics (Shenzhen) Co., Ltd.is liquidated and its loss on investment amounting to $1 thousand.

(iii) Significant transactions:

The significant inter-company transactions with the subsidiary in Mainland China, which were eliminated in the preparation of consolidated financial statements, are disclosed in Note 13(a) “Information on significant transactions”.

(d) Major shareholders:None

Shareholding **Shareholder’s Name**	**Shares**	**Percentage**
Yongding Investment Co., Ltd.	10,374,629	15.06 %
Huatai Management Consulting Co., Ltd.	6,359,230	9.23 %

Note: 1) Information about the substantial shareholders of this form is provided by the General Insurance Company on the last business day of each quarter. The total number of ordinary shares and special shares in which the calculation of shareholders' holding company has completed the unincorporated delivery (including treasury shares) is more than 5%. As to the number of shares recorded in the Group’s financial reports that are not physically registered as delivered by the Group, the basis of the calculation may varies or be different.

2) The above information, in the case of a shareholder's delivery of shares to a trust, is disclosed by the individual sub-account of the principal who opened the trust in favor of the trustee. As to the declaration of the shareholders’ shareholding of an insider in excess of 10% by virtue of the Securities Trading Act, the shareholding of the shareholders includes the addition of the shares of the shareholders in trust and the application of the right of decision in respect of the trust property, and so on. For information on the declaration of the rights of the insider, please refer to the Public Information Observatory.

JHEN VEI ELECTRONIC CO., LTD AND SUBSIDIARIES
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(14) Segment information:

(a) Reportable segment profit or loss, segment assets, segment liabilities, and their measurement and reconciliations

Reportable segment profit or loss is based on operating profit or loss before taxation, and as the base of performance evaluation. The segments' accounting policy are same note 4.

The Group's operating segment information and the reconciliations were as follows:

	2023					
	Electronics Component Department	Network Security Systems Integration Segment (discontinued)	After Processing of Electronics Component Segment	Energy Segment	Discontinued segment and adjustment	Total
Revenue:						
Revenue from external customers	$ 536,701	-	230,001	69,624	-	836,326
Intersegment revenues	-	-	-	-	-	-
Total revenue	**$ 536,701**	**-**	**230,001**	**69,624**	**-**	**836,326**
Profit (loss) of reportable segments	**$ 4,329**	**-**	**(26,586)**	**15,867**	**-**	**(6,390)**

	2022					
	Electronics Component Department	Network Security Systems Integration Segment (discontinued)	After Processing of Electronics Component Segment	Energy Segment	Discontinued segment and adjustment	Total
Revenue:						
Revenue from external customers	$ 620,724	127,797	304,817	78,129	(127,797)	1,003,670
Intersegment revenues	-	-	-	-	-	-
Total revenue	**$ 620,724**	**127,797**	**304,817**	**78,129**	**(127,797)**	**1,003,670**
Profit (loss) of reportable segments	**$ 7,984**	**12,989**	**3,091**	**10,078**	**(12,989)**	**21,153**

(b) Geographic information

Regions	**2023**	**2022**
Non-Current assets		
Taiwan	$ 484,948	533,721
China	88,689	77,863
Total	**$ 573,637**	**611,584**

Noncurrent assets include property, plant and equipment, rightofuse assets and other noncurrent assets, excluding financial instruments, deferred tax assets, pension fund assets, and rights arising from an insurance contract (noncurrent).

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(c) Major customer information

	2023	2022
Customer A	$ 288,471	308,170
Customer B	209,183	265,487
	$ 497,654	**573,657**