Sitronix Technology Corporation and Subsidiaries

Consolidated Financial Statements for the Years Ended December 31, 2023 and 2022 and Independent Auditors' Report

Sitronix Technology Corporation and Subsidiaries

Index

DECLARATION OF CONSOLIDATION OF FINANCIAL STATEMENTS OF AFFILIATES

The entities that are required to be included in the consolidated financial statements of affiliates of Sitronix Technology Corporation for the year ended December 31, 2023 under the "Criteria Governing Preparation of Affiliation Reports, Consolidated Business Reports and Consolidated Financial Statements of Affiliated Enterprises" are all the same as those included in the consolidated financial statements of parent and subsidiary companies prepared in conformity with International Financial Reporting Standard 10 "Consolidated Financial Statements". In addition, the relevant information required to be disclosed in the consolidated financial statements of affiliates has all been disclosed in the consolidated financial statements of parent and subsidiary companies. Hence, we did not prepare a separate set of consolidated financial statements of affiliates.

Very truly yours,

Sitronix Technology Corporation

By

____

Vincent Mao
Chairman

March 7, 2024

INDEPENDENT AUDITORS' REPORT

The Board of Directors and the Shareholders
Sitronix Technology Corporation

Opinion

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

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 International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

Basis for Opinion

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

Key Audit Matters

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

The key audit matter of the Group's consolidated financial statements for the year ended December 31, 2023 is described as follows:

Recognition of sales revenue

The Group's main source of revenue comes from the sale of goods. For the year ended December 31, 2023, the revenue recognized was NT$16,722,891 thousand, refer to Notes 4, 23 and 38 for information on the accounting policies of revenue recognition. Such revenue is recognized when the goods are transferred to the customer and the performance obligations are met. The revenue recognition process is that after receiving customers' orders and checking the transaction conditions, the business unit creates a manufacturing notice in the system and enters into the production schedule after obtaining the approval from the supervisor. As soon as the production is completed, the production unit would issue packing lists and invoices from the system, then the Group would obtain a signed packing list or the bill of ladings on sight from the shipping companies when those shipping companies pick up the goods, then the system would check the shipping-related information, to generate the sales details. The accounting officers would recognize sales revenue according to the sales details.

We have assessed that the customers of the Group whose revenue significantly changed in 2023 are subject to the risk of validity of revenue recognition. Therefore, in order to confirm the validity of the Group's revenue recognition, we performed the following audit procedures on the sales transactions of these customers:

1. We obtained an understanding of the internal controls over revenue recognition, evaluated the design of the key controls, determined that the controls were implemented and tested the operating effectiveness of the controls.

2. We sampled and inspected the existence of the original purchase orders existed for each sale and were appropriately approved.

3. We inspected product names and quantities on notifications of manufacturing, invoices and goods receipts. We also inspected and confirmed the amounts were consistent.

4. We inspected the reasonableness of the collection of accounts receivable and confirmed the collection amounts, and counterparties were consistent with the revenue recognized.

Other Matter

We have also audited the parent company only financial statements of Sitronix Technology Corporation as of and for the years ended December 31, 2023 and 2022 on which we have issued an unmodified opinion.

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

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

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

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

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

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

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

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

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

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

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

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

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

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

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

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

The engagement partners on the audits resulting in this independent auditors' report are Cheng-Chih Lin and Mei-Chen Tsai.

Deloitte & Touche
Taipei, Taiwan
Republic of China

March 7, 2024

<u>*Notice to Readers*</u>

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

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

SITRONIX TECHNOLOGY CORPORATION AND SUBSIDIARIES

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

	December 31, 2023		December 31, 2022	
ASSETS	**Amount**	**%**	**Amount**	**%**
CURRENT ASSETS				
Cash and cash equivalents (Notes 4, 6 and 32)	$ 5,499,342	28	$ 5,661,717	28
Financial assets at fair value through profit or loss - current (Notes 4, 7 and 32)	623,250	3	424,634	2
Financial assets at fair value through other comprehensive income - current (Notes 4, 8 and 32)	667,938	3	564,206	3
Financial assets at amortized cost - current (Notes 4, 9, 32 and 34)	3,133,690	16	2,416,889	12
Notes receivable and trade receivables (Notes 4, 10, 23 and 32)	1,592,929	8	1,226,520	6
Notes receivable and trade receivables from related parties (Notes 4, 23, 32 and 33)	1,782	-	1,469	-
Other receivables (Notes 4, 10 and 32)	116,874	1	98,837	1
Inventories (Notes 4, 5 and 11)	2,660,629	14	4,399,343	22
Prepayments (Notes 18,33 and 35)	191,653	1	141,882	1
Other current assets (Notes 4, 18 and 32)	12,915	-	9,941	-
Total current assets	14,501,002	74	14,945,438	75
NON-CURRENT ASSETS				
Financial assets at fair value through profit or loss - non-current (Notes 4, 7 and 32)	302,718	2	435,199	2
Financial assets at fair value through other comprehensive income - non-current (Notes 4, 8 and 32)	1,203,010	6	950,102	5
Financial assets at amortized cost - non-current (Notes 4, 9, 32 and 34)	30,870	-	30,983	-
Investments accounted for using the equity method (Note 4 and 13)	5,202	-	-	-
Property, plant and equipment (Notes 4 and 14)	1,867,934	10	1,801,838	9
Right-of-use assets (Notes 4 and 15)	146,749	1	129,164	1
Investment properties (Notes 4 and 16)	637,589	3	730,506	4
Goodwill (Note 4 and 28)	7,074	-	-	-
Intangible assets (Notes 4 and 17)	195,713	1	76,898	-
Deferred tax assets - non-current (Notes 4 and 25)	5,771	-	9,191	-
Other non-current assets (Notes 4, 18, 32 and 35)	679,231	3	847,020	4
Total non-current assets	5,081,861	26	5,010,901	25
TOTAL	$ 19,582,863	100	$ 19,956,339	100

	December 31, 2023		December 31, 2022	
LIABILITIES AND EQUITY	**Amount**	**%**	**Amount**	**%**
CURRENT LIABILITIES				
Short-term borrowings (Notes 4, 19, 30 and 32)	$ -	-	$ 18,119	-
Financial liabilities at fair value through profit or loss - current (Notes 4, 7 and 32)	27,793	-	37,725	-
Notes payable and trade payables (Note 32)	1,974,921	10	992,089	5
Accrued profit sharing bonus to employees' compensation and remuneration of directors (Note 24)	330,763	2	611,743	3
Other payables (Notes 20 and 32)	1,473,734	7	1,853,492	10
Other payables to related parties (Notes 32 and 33)	353	-	182	-
Current tax liabilities (Notes 4 and 25)	562,401	3	984,450	5
Lease liabilities - current (Notes 4, 15, 30 and 32)	46,884	-	45,301	-
Other current liabilities (Notes 20, 23 and 32)	148,616	1	153,855	1
Total current liabilities	4,565,465	23	4,696,956	24
NON-CURRENT LIABILITIES				
Deferred tax liabilities (Notes 4 and 25)	23,329	-	11,697	-
Lease liabilities - non-current (Notes 4, 15, 30 and 32)	104,905	1	87,613	-
Net defined benefit liabilities - non-current (Notes 4 and 21)	26,355	-	31,391	-
Other non-current liabilities (Notes 30, 32, 33 and 35)	267,797	1	362,810	2
Total non-current liabilities	422,386	2	493,511	2
Total liabilities	4,987,851	25	5,190,467	26
EQUITY ATTRIBUTABLE TO SHAREHOLDERS OF THE COMPANY (Notes 4, 22, 27 and 29)				
Share capital				
Ordinary shares	1,201,369	6	1,201,369	6
Capital surplus	1,839,449	9	1,690,740	8
Retained earnings				
Legal reserve	2,165,105	11	1,801,820	9
Special reserve	288,225	1	105,464	-
Unappropriated earnings	5,633,437	29	6,961,331	35
Total retained earnings	8,086,767	41	8,868,615	44
Other equity				
Exchange differences on translating the financial statements of foreign operations	(2,758)	-	9,186	-
Unrealized gain (loss) on financial assets at fair value through other comprehensive income	(73,630)	-	(290,948)	(1)
Total other equity	(76,388)	-	(281,762)	(1)
Treasury shares	(56,009)	-	(56,009)	-
Total equity attributable to owners of the Company	10,995,188	56	11,422,953	57
NON-CONTROLLING INTERESTS (Notes 12, 22, 28 and 29)	3,599,824	19	3,342,919	17
Total equity	14,595,012	75	14,765,872	74
TOTAL	$ 19,582,863	100	$ 19,956,339	100

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

SITRONIX TECHNOLOGY CORPORATION AND SUBSIDIARIES

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

	2023		2022	
	Amount	**%**	**Amount**	**%**
NET REVENUE (Notes 4, 23, 33 and 38)	$ 16,722,891	100	$ 18,027,827	100
OPERATING COSTS (Notes 4, 11, 24 and 35)	11,009,189	66	9,773,803	54
GROSS PROFIT	5,713,702	34	8,254,024	46
OPERATING EXPENSES (Notes 4, 10, 21, 24 and 33)				
Selling and marketing expenses	297,411	2	316,064	1
General and administrative expenses	642,369	4	694,860	4
Research and development expenses	2,271,280	13	2,502,919	14
Expected credit loss (gain)	69	-	(1,004)	-
Total operating expenses	3,211,129	19	3,512,839	19
OTHER OPERATING INCOME AND EXPENSES (Notes 24)	982	-	1,339	-
INCOME FROM OPERATIONS	2,503,555	15	4,742,524	27
NON-OPERATING INCOME AND EXPENSES (Notes 4, 24 and 33)				
Interest income	155,951	1	97,465	-
Other income	103,222	1	115,334	1
Other gains and losses	84,089	-	155,074	1
Finance costs	(6,252)	-	(3,919)	-
Total non-operating income and expenses	337,010	2	363,954	2
INCOME BEFORE INCOME TAX	2,840,565	17	5,106,478	29
INCOME TAX EXPENSE (Notes 4 and 25)	424,021	2	875,775	5
NET INCOME FOR THE YEAR	2,416,544	15	4,230,703	24
OTHER COMPREHENSIVE INCOME (LOSS) (Notes 4, 21 and 22)				
Items that will not be reclassified subsequently to profit or loss				
Remeasurement of defined benefit plans	2,764	-	2,065	-
Unrealized (loss) gain on investments in equity instruments at fair value through other comprehensive income	216,087	1	(177,014)	(1)

(Continued)

SITRONIX TECHNOLOGY CORPORATION AND SUBSIDIARIES

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

	2023		2022	
	Amount	**%**	**Amount**	**%**
Items that may be reclassified subsequently to profit or loss				
Exchange differences on translation of the financial statements of foreign operations	($ 12,875)	-	$ 23,770	-
Unrealized (loss) gain on investments in debt instruments at fair value through other comprehensive income	7,490	-	(9,087)	-
Other comprehensive (loss) income for the year, net of income tax	213,466	1	(160,266)	(1)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	$ 2,630,010	16	$ 4,070,437	23
NET INCOME ATTRIBUTABLE TO:				
Owners of the Company	$ 1,858,341	11	$ 3,610,165	20
Non-controlling interests	558,203	3	620,538	3
	$ 2,416,544	14	$ 4,230,703	23
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:				
Owners of the Company	$ 2,066,424	12	$ 3,456,555	19
Non-controlling interests	563,586	4	613,882	4
	$ 2,630,010	16	$ 4,070,437	23
EARNINGS PER SHARE (Note 26)				
Basic	$ 15.50		$ 30.10	
Diluted	$ 15.39		$ 29.57	

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

SITRONIX TECHNOLOGY CORPORATION AND SUBSIDIARIES

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

	Equity Attributable to Shareholders of the Company (Notes 4, 22 and 29)											
	Share Capital			Retained Earnings			Other Equity					
	Number of Shares (In Thousands)	Amount	Capital Surplus	Legal Reserve	Special reserve	Unappropriated Earnings	Exchange Differences on Translating the Financial Statements of Foreign Operations	Unrealized Gain (Loss) on Financial Assets at Fair Value Through Other Comprehensive Income	Treasury Share	Total	Non-controlling Interests (Notes 12, 22, 28 and 29)	Total Equity
BALANCE AT JANUARY 1, 2022	120,137	$ 1,201,369	$ 1,610,911	$ 1,200,307	$ 180,223	$ 7,699,611	($ 14,086)	($ 91,377)	($ 31,783)	$ 11,755,175	$ 3,441,892	$ 15,197,067
Appropriation of 2021 earnings												
Legal reserve	-	-	-	601,513	-	(601,513)	-	-	-	-	-	-
Cash dividends distributed by the Company	-	-	-	-	-	(3,844,380)	-	-	-	(3,844,380)	-	(3,844,380)
Special reserve	-	-	-	-	(74,759)	74,759	-	-	-	-	-	-
The Company's shares held by its subsidiary treated as treasury shares	-	-	-	-	-	-	-	-	(24,226)	(24,226)	(28,369)	(52,595)
Other changes in capital surplus												
Adjustment of capital surplus due to dividends distributed to subsidiaries	-	-	6,456	-	-	-	-	-	-	6,456	7,561	14,017
Changes in percentage of ownership interests in subsidiaries	-	-	73,373	-	-	-	-	-	-	73,373	(73,373)	-
Disposal of equity instruments at fair value through other comprehensive income	-	-	-	-	-	20,624	-	(20,624)	-	-	-	-
Net income for the year ended December 31, 2022	-	-	-	-	-	3,610,165	-	-	-	3,610,165	620,538	4,230,703
Other comprehensive income (loss) for the year ended December 31, 2022, net of income tax	-	-	-	-	-	2,065	23,272	(178,947)	-	(153,610)	(6,656)	(160,266)
Total comprehensive income (loss) for the year ended December 31, 2022	-	-	-	-	-	3,612,230	23,272	(178,947)	-	3,456,555	613,882	4,070,437
Increase in non- controlling interests	-	-	-	-	-	-	-	-	-	-	347,434	347,434
Dividends paid to non-controlling interests	-	-	-	-	-	-	-	-	-	-	(966,108)	(966,108)
BALANCE AT DECEMBER 31, 2022	120,137	1,201,369	1,690,740	1,801,820	105,464	6,961,331	9,186	(290,948)	(56,009)	11,422,953	3,342,919	14,765,872
Appropriation of 2022 earnings												
Legal reserve	-	-	-	363,285	-	(363,285)	-	-	-	-	-	-
Special reserve	-	-	-	-	182,761	(182,761)	-	-	-	-	-	-
Cash dividends distributed by the Company	-	-	-	-	-	(2,643,011)	-	-	-	(2,643,011)	-	(2,643,011)
Other changes in capital surplus												
Adjustment of capital surplus due to dividends distributed to subsidiaries	-	-	6,141	-	-	-	-	-	-	6,141	7,191	13,332
Differences between consideration received and the carrying amount of subsidiaries' net assets during actual acquisitions or disposals	-	-	120,849	-	-	-	-	113	-	120,962	49,888	170,850
Changes in percentage of ownership interests in subsidiaries	-	-	21,719	-	-	-	-	-	-	21,719	(21,719)	-
Disposal of equity instruments at fair value through other comprehensive income	-	-	-	-	-	58	-	(58)	-	-	-	-
Net income for the year ended December 31, 2023	-	-	-	-	-	1,858,341	-	-	-	1,858,341	558,203	2,416,544
Other comprehensive income (loss) for the year ended December 31, 2023, net of income tax	-	-	-	-	-	2,764	(11,944)	217,263	-	208,083	5,383	213,466
Total comprehensive income (loss) for the year ended December 31, 2023	-	-	-	-	-	1,861,105	(11,944)	217,263	-	2,066,424	563,586	2,630,010
Increase in non- controlling interests	-	-	-	-	-	-	-	-	-	-	230,246	230,246
Dividends paid to non-controlling interests	-	-	-	-	-	-	-	-	-	-	(572,287)	(572,287)
BALANCE AT DECEMBER 31, 2023	120,137	$ 1,201,369	$ 1,839,449	$ 2,165,105	$ 288,225	$ 5,633,437	($ 2,758)	($ 73,630)	($ 56,009)	$ 10,995,188	$ 3,599,824	$ 14,595,012

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

SITRONIX TECHNOLOGY CORPORATION AND SUBSIDIARIES

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

	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax	$ 2,840,565	$ 5,106,478
Adjustments for:		
Depreciation expense	372,085	355,839
Amortization expense	75,416	48,183
Expected credit loss recognized (reversed) on trade receivables	69	(1,004)
Net loss (gain) on fair value changes of financial assets designated as at fair value through profit or loss	(55,848)	7,349
Finance costs	6,252	3,919
Interest income	(155,951)	(97,465)
Dividend income	(32,389)	(43,858)
Compensation costs of share-based payments	7,671	70
Loss on disposal of property, plant and equipment	170	33
Gain on disposal of financial instruments	(7,180)	-
Write-down of inventories recognized (reversed)	(83,267)	285,708
Impairment loss recognized on prepayment for purchase	178,142	230,540
Unrealized net loss (gain) on foreign currency exchange	3,569	(182,911)
Other income	(5,202)	-
Gain on modification of lease agreements	(9)	(215)
Changes in operating assets and liabilities		
Notes receivable and trade receivables	(424,033)	723,769
Receivables from related parties	(313)	(754)
Other receivables	(5,249)	(6,198)
Inventories	1,839,531	(2,234,483)
Prepayments	(40,618)	79,933
Other current assets	(1,333)	945
Notes payable and trade payables	1,043,451	(1,484,301)
Other payables	(370,863)	38,900
Other payables to related parties	171	(28)
Other current liabilities	(36,108)	57,554
Net defined benefit liabilities	(2,272)	(4,821)
Accrued profit sharing bonus to employees' compensation and remuneration of directors	(148,279)	(203,403)
Cash generated from operations	4,998,178	2,679,779
Interest received	143,966	96,751
Interest paid	(6,205)	(3,838)
Income tax paid	(837,722)	(1,252,595)
Net cash generated from operating activities	4,298,217	1,520,097

(Continued)

SITRONIX TECHNOLOGY CORPORATION AND SUBSIDIARIES

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

	2023	2022
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of financial assets at fair value through other comprehensive income	($ 222,296)	($ 261,334)
Disposal of financial assets at fair value through other comprehensive income	96,002	248,086
Purchase of financial assets measured at amortized cost	(4,928,236)	(3,479,338)
Proceeds from the return of principal of financial assets at amortized cost	4,211,435	5,041,169
Acquisitions of financial assets at fair value through profit or loss	(445,690)	(542,428)
Disposal of financial assets at fair value through profit or loss	425,471	617,232
Net cash flow from acquisition of subsidiaries	1,157	-
Acquisition of property, plant and equipment	(460,866)	(649,183)
Proceeds from disposal of property, plant and equipment	1,500	485
Increase in refundable deposits	(3,179)	(3,177)
Decrease in refundable deposits	121,564	60,006
Payment of intangible assets	(153,669)	(80,470)
Acquisition of investment properties	-	(67,996)
Dividends received	32,151	43,858
Net cash (used in) generated from investing activities	(1,324,656)	926,910
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from short-term borrowings	800,918	659,582
Repayments of short-term borrowings	(838,963)	(697,017)
Repayment of bonds	(9,000)	-
Increase in guarantee deposits	37,750	109,079
Decrease in guarantee deposits	(95,791)	(110,189)
Repayment of the principal portion of lease liabilities	(49,924)	(47,210)
Cash dividends distributed	(2,629,679)	(3,830,363)
Payments for buy back of treasury shares	-	(52,595)
Dividends paid to non-controlling interests	(572,287)	(966,108)
Disposal of ownership interests in subsidiaries (without losing control)	170,850	-
Increase in non-controlling interests	63,000	58,000
Employee compensation issued in the form of stock that are not vested	1,562	1,729
Net cash used in financing activities	(3,121,564)	(4,875,092)
EFFECT OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH AND CASH EQUIVALENTS HELD IN FOREIGN CURRENCIES	(14,372)	159,294
NET DECREASE IN CASH AND CASH EQUIVALENTS	(162,375)	(2,268,791)

(Continued)

SITRONIX TECHNOLOGY CORPORATION AND SUBSIDIARIES

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

	2023	2022
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	5,661,717	7,930,508
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	$ 5,499,342	$ 5,661,717

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

SITRONIX TECHNOLOGY CORPORATION AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

1. GENERAL INFORMATION

Sitronix Technology Corporation (the "Company") was incorporated in Taipei City, Taiwan (ROC) in July 1992 and commenced operations in the same year. The principal place of business is located in Tai Yuen Hi-Tech Industrial Park, Hsinchu County. The Company operates principally as a designer, manufacturer and supplier of integrated circuits (ICs) and memory chips and focuses on display driver ICs (DDIs) for entry-level mobile phones, industrial displays and automotive systems.

The Company's shares have been listed on the Taiwan Stock Exchange (TWSE) since December 25, 2003.

In order to improve the Company's overall operating performance and increase market competitiveness, the Company reorganized the Group's structure, carried out a professional division of labor and coordinated the allocation of the Group's resources. On March 18, 2021, according to the Business Mergers And Acquisitions Act and the Company Act, the Company's board of directors resolved to spin off the automotive business division to the Company's subsidiary, Forcelead Technology Corp., which issued new ordinary shares as consideration for the transfer. The spin-off completion date is June 1, 2021.

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

2. APPROVAL OF FINANCIAL STATEMENTS

The consolidated financial statements were approved by the Company's board of directors and authorized for issue on March 7, 2024.

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

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

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

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

New, Revised or Amended Standards and Interpretations	Effective Date Announced by IASB
Amendments to IFRS 16 "Leases Liability in a Sale and Leaseback"	January 1, 2024 (Note 2)
Amendments to IAS 1 "Classification of Liabilities as Current or Non-current"	January 1, 2024
Amendments to IAS 1 "Non-current Liabilities with Covenants"	January 1, 2024
Amendments to IAS 7 and IFRS 7 "Supplier Finance Arrangements"	January 1, 2024 (Note 3)

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

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

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

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

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

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

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

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

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

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES INFORMATION

a. Statement of compliance

The accompanying consolidated financial statements have been prepared in conformity with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the IFRS Accounting Standards endorsed and issued into effect by the FSC.

b. Basis of preparation

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

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

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

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

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

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

Current assets include:

1) Assets held primarily for the purpose of trading;

2) Assets expected to be realized within 12 months after the reporting period; and

3) Cash and cash equivalents unless the asset is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period.

Current liabilities include:

1) Liabilities held primarily for the purpose of trading;

2) Liabilities due to be settled within 12 months after the reporting period; and

3) Liabilities for which the Group does not have an unconditional right to defer settlement for at least 12 months after the reporting period.

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

d. Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and the entities controlled by the Company (i.e. its subsidiaries). Income and expenses of subsidiaries acquired or disposed of during the period are included in the consolidated statement of profit or loss and other comprehensive income from the effective dates of acquisitions up to the effective dates of disposals, as appropriate. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by the Company. All intra-group transactions, balances, income and expenses are eliminated in full upon consolidation. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

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

When the Group loses control of a subsidiary, a gain or loss is recognized in profit or loss and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and any investment retained in the former subsidiary at its fair value at the date when control is lost and (ii) the assets (including any goodwill) and liabilities and any non-controlling interests of the former subsidiary at their carrying amounts at the date when control is lost. The Group accounts for all amounts recognized in other comprehensive income in relation to that subsidiary on the same basis as would be required if the Group had directly disposed of the related assets or liabilities.

See Note 12 and Tables 7 and 8 for the detailed information of subsidiaries (including the percentages of ownership and main businesses).

e. Business combinations

Acquisitions of businesses are accounted for using the acquisition method. Acquisition-related costs are generally recognized in profit or loss as they are incurred.

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

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

f. Foreign currencies

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

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

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

Non-monetary items that are measured at historical cost in a foreign currency are not retranslated.

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

g. Inventories

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

h. Investments in associates

An associate is an entity over which the Group has significant influence and that is neither a subsidiary nor an interest in a joint venture.

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

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

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

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

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

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

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

When a group entity transacts with its associate, profit and loss resulting from the upstream or downstream transactions with the associate, and transactions between associates are recognized in the Group's consolidated financial statements only to the extent that interests in the associate are not related to the Group.

i. Property, plant, and equipment

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

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

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

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

j. Investment properties

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

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

Depreciation is recognized using the straight-line method.

Investment properties is transferred to property, plant and equipment at the carrying amount on the day when the supply for self-use begins.

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

k. Goodwill

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

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

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

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

l. Intangible assets

1) Intangible assets acquired separately

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

2) Internally-generated intangible assets - research and development expenditure

Expenditure on research activities is recognized as an expense in the period in which it is incurred.

3) Derecognition of intangible assets

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

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

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

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

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

n. Financial instruments

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

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

1) Financial assets

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

a) Measurement category

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

i. Financial assets at FVTPL

Financial assets measured at FVTPL include financial assets mandatorily measured or designated as at FVTPL. Financial assets mandatorily measured at FVTPL include investments in equity instruments which are not designated as at FVTOCI and debt instruments that do not meet the amortized cost criteria or the FVTOCI criteria.

Financial assets at fair value through profit or loss are stated at fair value, with any gains or losses arising on remeasurement recognized in profit or loss. The net gain or loss recognized in profit or loss incorporates any dividend or interest earned on the financial asset. Fair value is determined in the manner described in Note 32.

ii. Financial assets at amortized cost

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

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

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

Subsequent to initial recognition, financial assets at amortized cost (including cash and cash equivalents, accounts receivable, other receivables measured at amortized cost, time deposits with original maturities of over 3 months, pledged fixed deposits, and refundable deposits) and are measured at amortized cost, which equals the gross carrying amount determined using the effective interest method less any impairment loss. Exchange differences are recognized in profit or loss.

Interest income is calculated by applying the effective interest rate to the gross carrying amount of such a financial asset.

A credit-impaired financial asset is one where the issuer or debtor has experienced significant financial difficulties, defaults, the debtor is likely to file for bankruptcy or other financial reorganization, or the active market for the financial asset has disappeared due to financial difficulties.

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

iii. Investments in debt instruments at FVTOCI

Debt instruments that meet the following conditions are subsequently measured at FVTOCI:

i) The debt instrument is held within a business model whose objective is achieved by both the collecting of contractual cash flows and the selling of such financial assets; and

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

Investments in debt instruments at FVTOCI are subsequently measured at fair value. Changes in the carrying amounts of these debt instruments relating to changes in foreign currency exchange rates, interest income calculated using the effective interest method and impairment losses or reversals are recognized in profit or loss. Other changes in the carrying amount of these debt instruments are recognized in other comprehensive income and will be reclassified to profit or loss when the investment is disposed of.

iv. Investments in equity instruments at FVTOCI

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

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

Dividends are recognized in profit and loss when the Group's right to receive the dividends is established, unless they clearly represent a recovery of part of the cost of the investment, in which case, they are included in OCI.

b) Impairment of financial assets

The Group recognizes a loss allowance for expected credit losses on financial assets at amortized cost (including trade receivables), investments in debt instruments that are measured at FVTOCI.

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

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

The Group recognizes an impairment gain or loss in profit or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account, except for investments in debt instruments that are measured at FVTOCI, for which the loss allowance is recognized in other comprehensive income and does not reduce the carrying amount of such a financial asset.

c) Derecognition of financial assets

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

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

2) Equity instruments

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

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

The repurchase of the Group's own equity instruments is recognized in and deducted directly from equity, and its carrying amounts are calculated based on weighted average by share types and calculated separately by repurchase category. No gain or loss is recognized in profit or loss on the purchase, sale, issue or cancellation of the Group's own equity instruments.

3) Financial liabilities

a) Subsequent measurement

Except the following situation, all financial liabilities are measured at amortized cost using the effective interest method.

i. Financial liabilities at FVTPL

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

Financial liabilities held for trading are stated at fair value, with any gain or loss arising on remeasurement recognized in profit or loss.

Fair value is determined in the manner described in Note 32.

b) Derecognition of financial liabilities

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

4) Derivative financial instruments

The Group enters into a variety of derivative financial instruments to manage its exposure to interest rate and foreign exchange rate risks, including cross currency swaps and foreign exchange forward contracts.

Derivatives are initially recognized at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognized in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship. When the fair value of derivative financial instruments is positive, the derivative is recognized as a financial asset; when the fair value of derivative financial instruments is negative, the derivative is recognized as a financial liability.

Derivatives embedded in hybrid contracts that contain financial asset hosts that is within the scope of IFRS 9 “Financial instruments” are not separated; instead, the classification is determined in accordance with the entire hybrid contract. Derivatives embedded in non-derivative host contracts that are not financial assets that is within the scope of IFRS 9 (e.g. financial liabilities) are treated as separate derivatives when they meet the definition of a derivative; their risks and characteristics are not closely related to those of the host contracts; and the host contracts are not measured at FVTPL.

o. Revenue recognition

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

1) Sale of goods

Revenue from the sale of goods comes from sales of integrated circuits. Sales of integrated circuits are recognized as revenue when the goods are delivered to the customer’s specific location because it is the time when the customer has full discretion over the manner of distribution and price to sell the goods, has the primary responsibility for sales to future customers and bears the risks of obsolescence.

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

2) Rendering of services

Service income is recognized when services are provided.

p. Leasing

At the inception of a contract, the Group assesses whether the contract is, or contain a lease.

1) The Group as lessor

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

When the Group subleases a right-of-use asset, the sublease is classified by reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. However, if the head lease is a short-term lease that the Group, as a lessee, has accounted for applying the recognition exemption, the sublease is classified as an operating lease.

Lease payments (less any lease incentives payable) from operating leases are recognized as income on a straight-line basis over the terms of the relevant leases.

2) The Group as lessee

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

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

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

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

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

The Group negotiates with the lessor for rent concessions as a direct consequence of the Covid-19 to change the lease payments originally due by June 30, 2022, that results in the revised consideration for the lease. There is no substantive change to other terms and conditions. The Group elects to apply the practical expedient to all of these rent concessions and, therefore, does not assess whether the rent concessions are lease modifications. Instead, the Group recognizes the reduction in lease payment in profit or loss (accounted for as other income) in the period in which the events or conditions that trigger the concession occur, and makes a corresponding adjustment to the lease liability.

q. Borrowing costs

Borrowing costs are recognized in profit or loss in the period in which they are incurred.

r. Government grants

Government grants are recognized only when it is reasonably certain that the Group will comply with the conditions attached to the government grant and that the grant will be received.

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

s. Employee benefits

1) Short-term employee benefits

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

2) Retirement benefits

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

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

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

t. Share-based payment arrangements

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

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

u. Taxation

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

1) Current tax

Income tax payable (refundable) is based on taxable profit (loss) for the year determined according to the applicable tax laws of each tax jurisdiction.

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

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

2) Deferred tax

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

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

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

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

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

3) Current and deferred taxes

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

5. CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

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

The Group considers the possible impact of inflation and market rate of interest fluctuations into significant accounting estimates when making its critical significant accounting estimates on cash flow projections, growth rate, discount rate, profitability, etc. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised if the revisions affect only that period or in the period of the revisions and future periods if the revisions affect both current and future periods.

Key Sources of Estimation Uncertainty

a. Write-down of inventories

The net realizable value of inventory is the estimated selling price in the ordinary course of business less the estimated costs of completion and disposal. The estimation of net realizable value was based on current market conditions and the historical experience with product sales of a similar nature. Changes in market conditions may have a material impact on the estimation of the net realizable value.

6. CASH AND CASH EQUIVALENTS

	December 31	
	2023	2022
Bank deposits	$ 5,015,639	$ 4,307,822
Cash on hand	281	291
Cash equivalents	483,422	1,353,604
	$ 5,499,342	$ 5,661,717

The market rate intervals of bank deposits and cash equivalents at the end of the reporting period were as follows:

	December 31	
	2023	2022
Bank deposits	0.001%~5.40%	0.001%~4.20%
Cash equivalents	1.25%~5.40%	0.58%~4.20%

7. FINANCIAL INSTRUMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS

	December 31	
	2023	2022
Financial assets at FVTPL - current		
Mandatorily measured at FVTPL		
Derivative financial assets		
Credit linked notes - linked with convertible bonds	$ 170,667	$ 22,774
Foreign exchange forward contracts and foreign exchange swap contracts	37,811	49,170
Equity linked notes	15,466	15,355
Non-derivative financial assets		
Domestic mutual fund investments	241,345	190,223
Convertible bonds	113,786	104,835
Exchangeable bonds	41,520	40,080
Domestic listed shares	2,655	2,197
	$ 623,250	$ 424,634

(Continued)

	December 31	
	2023	2022
Financial assets at FVTPL - non-current		
Mandatorily measured at FVTPL		
Derivative financial assets		
Credit linked notes - linked with convertible bonds	$ 220,544	$ 400,431
Non-derivative financial assets		
Limited partnership	82,174	34,768
	$ 302,718	$ 435,199
Financial liabilities at FVTPL - current		
Mandatorily measured at FVTPL		
Derivative financial liabilities		
Foreign exchange forward contracts and foreign exchange swap contracts	$ 27,793	$ 37,725

(Concluded)

At the end of the reporting period, outstanding foreign exchange forward contracts and foreign exchange swaps contracts not under hedge accounting were as follows:

	Currency	Maturity Date	Notional Amount (In Thousands)
December 31, 2023			
Sell forward exchange contracts	USD/NTD	2024.01.04~2024.08.14	US$44,500/NT$1,381,382
Buy forward exchange contracts	NTD/USD	2024.01.03~2024.08.16	NT$1,432,774/US$46,500
December 31, 2022			
Sell forward exchange contracts	USD/NTD	2023.01.17~2023.09.26	US$44,000/NT$1,322,023
Buy forward exchange contracts	NTD/USD	2023.01.13~2023.09.28	NT$1,310,577/US$44,000

The Group entered into foreign exchange forward contracts to manage exposures to exchange rate fluctuations of foreign currency denominated assets and liabilities.

8. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	December 31	
	2023	2022
Current		
Investments in equity instruments at FVTOCI	$ 561,273	$ 474,029
Investments in debt instruments at FVTOCI	106,665	90,177
	$ 667,938	$ 564,206

(Continued)

	December 31	
	2023	2022
Non-current		
Investments in equity instruments at FVTOCI	$ 791,077	$ 640,322
Investments in debt instruments at FVTOCI	411,933	309,780
	$ 1,203,010	$ 950,102

(Concluded)

a. Investments in equity instruments at FVTOCI

	December 31	
	2023	2022
Current		
Domestic investments		
Listed shares (1) and (2)	$ 561,273	$ 474,029
Non-current		
Domestic investments		
Unlisted equity investments (1) and (3)	$ 281,352	$ 193,708
Foreign investments		
Unlisted equity investments (1)	572,725	446,614
	$ 791,077	$ 640,322

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

2) In 2023 and 2022, the Group acquired the ordinary shares of domestic listed companies at $22,348 thousand and $10,035 thousand for strategic investment purposes. The management designated these investments as at FVTOCI.

3) In order to manage credit concentration risk, the Group sold its ordinary shares and preferred shares of domestic and foreign listed companies in 2023 and 2022 in the amounts of $436 thousand and $248,086 thousand; and transferred a gain of $58 thousand and $20,624 thousand from other equity to retained earnings.

4) During 2022, the Group purchased domestic unlisted equity investments at $15,000 thousand for strategic investment purposes. The management designated the investment as at FVTOCI.

5) Dividends of $30,667 thousand and $43,728 thousand were recognized for the years ended December 31, 2023 and 2022, respectively. Those related to investments held on December 31, 2023 and 2022 were $30,667 thousand and $38,479 thousand, respectively.

b. Investments in debt instruments at FVTOCI

	December 31	
	2023	2022
Current		
Foreign corporate bonds	$ 106,665	$ 90,177
Non-current		
Foreign corporate bonds	$ 362,195	$ 309,780
Domestic corporate bonds	49,738	-
	$ 411,933	$ 309,780

In 2020, the Group purchased foreign corporate bonds for US$5,822 thousand with a coupon rate of 3.375%~5.65%.

In 2023 and 2022, the Group purchased foreign corporate bonds respectively for US$4,767 thousand and US$8,012 thousand with a coupon rate respectively of 2.50%~5.80% and 2.75%~4.125%.

In 2023, the Group purchased domestic corporate bonds for $49,999 thousand with a coupon rate of 1.537%.

9. FINANCIAL ASSETS AT AMORTIZED COST

	December 31	
	2023	2022
Current		
Domestic investments		
Time deposits with original maturities of more than 3 months (a)	$ 2,305,000	$ 1,659,100
Pledged fixed deposits (b)	828,690	757,789
	$ 3,133,690	$ 2,416,889
Non-current		
Foreign investments		
Foreign corporate bonds (c)	$ 30,870	$ 30,983

a. The interest rates for time deposits with original maturities of more than 3 months ranged from 0.56%~1.80% and 0.27%~1.60% per annum as of December 31, 2023 and 2022, respectively.

b. Refer to Note 34 for information relating to investments in financial assets at amortized cost pledged as security.

c. In August 2016, the Group purchased the priority unsecured US dollar debt issued by Formosa Group (Cayman) Limited at US$1,028 thousand, with an expiry date of April 22, 2025 and the coupon rate of 3.375%.

10. NOTES RECEIVABLE, TRADE RECEIVABLES AND OTHER RECEIVABLES

	December 31	
	2023	2022
Notes receivable		
At amortized cost		
Gross carrying amount	$ -	$ 79
Less: Allowance for impairment loss	-	-
	$ -	$ 79
Trade receivables		
At amortized cost		
Gross carrying amount	$ 1,614,048	$ 1,247,779
Less: Allowance for impairment loss	(21,119)	(21,338)
	$ 1,592,929	$ 1,226,441
Other receivables		
Income tax refund receivable	$ 84,954	$ 73,876
Interest receivables	29,139	16,752
Others	2,781	8,209
	$ 116,874	$ 98,837

The credit period of sales of goods was 5~135 days. No interest was charged on trade receivables. The Group adopted a policy of obtaining advance payment or sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults. The Group uses other publicly available financial information or its own historical trading records to rate its major customers. The Group's exposure and the credit ratings of its counterparties are continuously monitored. Credit exposure is controlled by counterparty limits that are reviewed and approved by the Group annually.

The Group measures the loss allowance for trade receivables at an amount equal to lifetime ECLs. The expected credit losses on trade receivables are estimated using a provision matrix by reference to the past default records of the debtor and an analysis of the debtor's current financial position, adjusted for general economic conditions of the industry in which the debtors operate. As the Group's historical credit loss experience does not show significantly different loss patterns for different customer segments, the provision for loss allowance based on past due status is not further distinguished according to the Group's different customer base.

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

The following table details the loss allowance of trade receivables based on the Group's provision matrix:

December 31, 2023

	Not Past Due	Up to 60 Days	61 to 90 Days	Over 90 Days	Total
Gross carrying amount	$ 1,602,952	$ 4,381	$ 1,192	$ 5,523	$ 1,614,048
Loss allowance (Lifetime ECLs)	(15,122)	(118)	(356)	(5,523)	(21,119)
Amortized cost	$ 1,587,830	$ 4,263	$ 836	$ -	$ 1,592,929

December 31, 2022

	Not Past Due	Up to 60 Days	61 to 90 Days	Over 90 Days	Total
Gross carrying amount	$ 1,241,830	$ 1,313	$ 2	$ 4,634	$ 1,247,779
Loss allowance (Lifetime ECLs)	(15,389)	(1,313)	(2)	(4,634)	(21,338)
Amortized cost	$ 1,226,441	$ -	$ -	$ -	$ 1,226,441

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

	For the Year Ended December 31	
	2023	2022
Balance at January 1	$ 21,338	$ 23,789
Provision (Reversal) for expected credit loss (a)	69	(1,004)
Amounts written off (b)	(277)	(1,458)
Change in exchange rates or others	(11)	11
Balance at December 31	$ 21,119	$ 21,338

a. Compared with January 1, 2023, the total carrying amount of trade receivables as of December 31, 2023 increased by a net amount of $366,269 thousand, and the loss allowance decreased by $219 thousand; compared with January 1, 2022, the total carrying amount of trade receivables as of December 31, 2022 decreased by a net amount of $727,405 thousand, and the loss allowance decreased by $2,451 thousand.

b. The Group wrote off the related trade receivables of $277 thousand and the loss allowance of $277 thousand, due to the bankruptcy declared by the court for one customer in the year ended 2023. The Group wrote off the related trade receivables of $1,458 thousand and the loss allowance of $1,458 thousand, due to the liquidation of one customer, in the years ended 2022.

11. INVENTORIES

	December 31	
	2023	2022
Finished goods	$ 723,718	$ 1,452,658
Work in progress	1,540,029	2,356,694
Raw materials	394,753	585,369
Merchandise	2,129	4,622
	$ 2,660,629	$ 4,399,343

Cost of goods sold is defined as follows:

	For the Year Ended December, 31	
	2023	2022
Cost of inventories sold	$ 10,937,590	$ 9,267,687
Allowance for inventory valuation loss (reversal of write-down inventories) (a)	(83,267)	285,708
Impairment loss on prepayment for purchase	178,142	230,540
Others	(23,276)	(10,132)
	$ 11,009,189	$ 9,773,803

a. The reversal of the inventories to net receivable value was due to the circumtances that caused the net realizable value of inventories to be lower than its cost no longer existed.

12. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

a. Subsidiaries included in the consolidated financial statements:

			Proportion of Ownership (%) December 31	
Investor	Investee	Main Business	2023	2022
The Company	Sitronix Investment Corp.	Investment	100.00	100.00
	Sensortek Technology Corp.	R&D, design and sales of sensor integrated circuit products	46.06	46.06
	INFSitronix Technology Corp.	Comprehensive line of Power supervisor IC design	58.42	58.42
	mCore Technology Corp.	Providing solutions for consumer display and voice/audio related applications.	90.73	90.73
	Forcelead Technology Corp.	R&D and sale of multi-functional integrated automotive display driver ICs	61.01	70.76
	Sync-Tech System Corp.	Design, manufacturing and maintenance of semiconductor consumables and testing equipment	42.19	42.86
	Sitronix Holding International Ltd.	Investment	100.00	100.00
	HeFei ezGreen Co., Ltd.	Design, sales and technical services of Supplier management software development	100.00	100.00
	HeFei Sitronix Co., Ltd.	R&D, design, sales and technical services of integrated circuits and system hardware and software	90.00	90.00
	ezGreen Inc.	Software design and electronic information supply services	100.00	100.00
	Sitronix Technology (Shenzhen) Co., Ltd.	Computer software and hardware development, sales and after-sales service business and related technical consulting services	100.00	100.00
	HeFei Sitronix Technology Co., Ltd.	R&D, sale and provision of after-sales services and related technical consultancy services of integrated circuits and system hardware and software	100.00	100.00
	Seer Microelectronics, Inc.	High performance sensor IC with single photon design and applications	72.66	-
Sitronix Investment Corp.	Sensortek Technology Corp.	R&D, design and sales of sensor integrated circuit products	-	-
	INFSitronix Technology Corp.	Comprehensive line of Power supervisor IC design	-	-

As of December 31, 2023, and 2022, the Group's shareholding ratio of Sensortek Technology Corp. were both 46.06%. Since Sensortek Technology Corp. is a TPEx listed company in the Republic of China, the remaining 53.94% of the shares held are widely dispersed. After considering the absolute number, relative size and distribution of shareholding held by the other shareholders, the Group was judged to have the substantive ability to dominate the relevant activities of Sensortek Technology Corp., therefore, it is classified as a subsidiary.

As of December 31, 2023, and 2022, the Group's shareholding ratio of Sync-Tech System Corp. were 42.19% and 42.86%, respectively and was the largest single shareholder of the latter. After considering the absolute number, relative size and distribution of shareholding held by the other shareholders, the Group was judged to have the substantive ability to dominate the relevant activities of Sync-Tech System Corp., therefore, it is classified as a subsidiary.

In 2023, the Group acquired Seer Microelectronics, Inc. by subscribing to its newly issued shares through capital increase. As a result, the Group has accumulated a 72.66% equity stake therefore, it is classified as a subsidiary. For more information, please refer to Note 28.

Please refer to Note 29 for the equity transactions between the Group and non-controlling interests.

b. Details of subsidiaries that have material non-controlling interests

		Proportion of Ownership and Voting Rights Held by Non-controlling Interests	
		December 31	
Name of Subsidiary	**Principal Place of Business**	**2023**	**2022**
Sensortek Technology Corp.	Taiwan	53.94%	53.94%
INFSitronix Technology Corp.	Taiwan	41.58%	41.58%
Forcelead Technology Corp.	Taiwan	38.99%	29.24%
Sync-Tech System Corp.	Taiwan	57.81%	57.14%

	Profit (Loss) Allocated to Non-controlling Interests		Accumulated Non-controlling Interests	
	For the Year Ended December 31		December 31	
Name of Subsidiary	**2023**	**2022**	**2023**	**2022**
Sensortek Technology Corp.	$ 357,144	$ 446,984	$ 2,327,738	$ 2,352,651
INFSitronix Technology Corp.	(10,818)	(8,643)	37,274	48,092
Forcelead Technology Corp.	145,865	117,109	652,939	460,157
Sync-Tech System Corp.	66,273	53,997	490,089	423,804
Others	(261)	11,091	91,784	58,215
Total	$ 558,203	$ 620,538	$ 3,599,824	$ 3,342,919

Summarized financial information in respect of each of the Group's subsidiaries that has material non-controlling interests is set out below. The summarized financial information below represents amounts before intragroup eliminations:

	December 31	
	2023	2022
Current assets	$ 7,488,901	$ 6,994,769
Non-current assets	2,195,847	2,106,299
Current liabilities	(2,339,292)	(1,921,690)
Non-current liabilities	(245,715)	(273,354)
Equity	$ 7,099,741	$ 6,906,024
Equity attributable to:		
Owners of the Company	$ 3,498,819	$ 3,560,428
Non-controlling interests of subsidiaries	3,600,922	3,345,596
	$ 7,099,741	$ 6,906,024

	For the Year Ended December 31	
	2023	2022
Revenue	$ 7,975,128	$ 7,585,496
Net income for the year	$ 1,199,880	$ 1,495,891
Other comprehensive income (loss)	72,506	(63,617)
Total comprehensive income	$ 1,272,386	$ 1,432,274
Profit attributable to:		
Owners of the Company	$ 635,082	$ 879,559
Non-controlling interests of the subsidiaries	564,798	616,332
	$ 1,199,880	$ 1,495,891
Total comprehensive income attributable to:		
Owners of the Company	$ 668,426	$ 850,230
Non-controlling interests of the subsidiaries	603,960	582,044
	$ 1,272,386	$ 1,432,274
Net cash inflow (outflow) from:		
Operating activities	$ 2,001,400	$ 839,890
Investing activities	(865,095)	589,982
Financing activities	(1,229,525)	(2,564,292)
Effects of exchange rate changes on the balance of cash and cash equivalents held in foreign currencies	(3,349)	48,793
Net cash outflow	($ 96,569)	($ 1,085,627)
Dividends paid to non-controlling interests	$ 570,802	$ 963,363

13. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

	December 31, 2023
Investments in associates	
esGMeta Co.,Ltd.	$ 5,202

Company name	Main business	Principal Place of Business	Proportion of Ownership Held and Voting Right December 31, 2023
esGMeta Co.,Ltd.	Carbon footprint verification, analysis of data on carbon system platforms, execution of carbon reduction projects and commissioning of carbon trading rights	Taiwan	47.5%

In December 2023, the Group invested $9,500 thousand in esGMeta Co.,Ltd. (collectively, the "esGMeta Co.,Ltd.") through technical pricing, and by resolution of the Directors on December 5, 2023, to capital increase was carried out with a shareholding percentage of 47.5%. As the Group has significant influence over this company, it is classified as an investment accounted for using the equity method.

Please refer to Table 7 "Information on Investees, Locations, etc." for information on the nature of business, its area of operations, and country of company registry of the above affiliates.

The following financial information summary is prepared based on the associates' IFRS-based individual financial statements, and has reflected the adjustments required for adoption of the equity method.

	December 31,2023
Current assets	$ 10,952
Non-current assets	9,048
Current liabilities	-
Equity	$ 20,000
The Group's shareholding ratio(%)	47.5%
The Group's equity	$ 9,500
Unrealized gains (loss) on downstream transactions	(4,298)
Investment book value	$ 5,202

	For the Year Ended December 31, 2023
Net income for the year	$ -
Other comprehensive income (loss)	-
Total comprehensive income	$ -

14. PROPERTY, PLANT AND EQUIPMENT

	Freehold Land	Buildings	Machinery Equipment	Test Equipment	Office Equipment	Property Under Construction	Total
Cost							
Balance at January 1, 2022	$ 269,162	$ 939,233	$ 233,840	$ 1,023,980	$ 28,188	$ -	$ 2,494,403
Additions	29,561	39,169	54,339	299,883	2,692	211,301	636,945
Disposals	-	(2,378)	(3,547)	(418,989)	(127)	-	(425,041)
Effect of foreign currency exchange differences	-	1,105	29	425	78	(666)	971
Balance at December 31, 2022	$ 298,723	$ 977,129	$ 284,661	$ 905,299	$ 30,831	$ 210,635	$ 2,707,278
Accumulated depreciation							
Balance at January 1, 2022	$ -	$ 186,484	$ 118,574	$ 716,698	$ 12,097	$ -	$ 1,033,853
Additions	-	31,796	38,661	221,467	3,827	-	295,751
Disposals	-	(2,378)	(3,119)	(418,906)	(120)	-	(424,523)
Effect of foreign currency exchange differences	-	116	20	184	39	-	359
Balance at December 31, 2022	$ -	$ 216,018	$ 154,136	$ 519,443	$ 15,843	$ -	$ 905,440
Carrying amount at December 31, 2022	$ 298,723	$ 761,111	$ 130,525	$ 385,856	$ 14,988	$ 210,635	$ 1,801,838

	Freehold Land	Buildings	Machinery Equipment	Test Equipment	Office Equipment	Property Under Construction	Total
Cost							
Balance at January1, 2023	$ 298,723	$ 977,129	$ 284,661	$ 905,299	$ 30,831	$ 210,635	$ 2,707,278
Additions	-	17,950	61,429	221,829	1,689	4,411	307,308
Disposals	-	(1,010)	(7,025)	(86,738)	-	-	(94,773)
Reclassification	22,903	69,072	13	-	(13)	(6,889)	85,086
Acquired through business combinations	-	-	50	381	244	-	675
Effect of foreign currency exchange differences	-	(1,392)	(71)	(1,220)	(107)	(3,734)	(6,524)
Balance at December 31, 2023	$ 321,626	$ 1,061,749	$ 339,057	$ 1,039,551	$ 32,644	$ 204,423	$2,999,050
Accumulated depreciation							
Balance at January1, 2023	$ -	$ 216,018	$ 154,136	$ 519,443	$ 15,843	$ -	$ 905,440
Additions	-	35,357	44,513	227,385	4,111	-	311,366
Disposals	-	(1,010)	(5,355)	(86,738)	-	-	(93,103)
Reclassification	-	8,568	-	-	-	-	8,568
Acquired through business combinations	-	-	39	221	155	-	415
Effect of foreign currency exchange differences	-	(347)	(49)	(1,103)	(71)	-	(1,570)
Balance at December 31, 2023	$ -	$ 258,586	$ 193,284	$ 659,208	$ 20,038	$ -	$ 1,131,116
Carrying amount at December 31, 2023	$ 321,626	$ 803,163	$ 145,773	$ 380,343	$ 12,606	$ 204,423	$ 1,867,934

The Group's property, plant and equipment are depreciated on a straight-line basis over their estimated useful lives as follows:

Buildings	
Main buildings	40~51 years
Renovation construction / Lease improvement	3~15 years
Machinery equipment	3~6 years
Test equipment	1~6 years
Office equipment	3~6 years

15. LEASE ARRANGEMENTS

a. Right-of-use assets

	December 31	
	2023	2022
Carrying amount		
Buildings	$ 86,355	$ 122,161
Land	52,160	-
Office equipment	7,993	6,666
Machinery equipment	241	337
	$ 146,749	$ 129,164

	For the Year Ended December 31	
	2023	2022
Additions to right-of-use assets	$ 69,617	$ 20,998
Depreciation charge for right-of-use assets		
Buildings	$ 42,952	$ 43,295
Land	2,506	-
Office equipment	5,655	6,109
Machinery equipment	96	96
	$ 51,209	$ 49,500

Except for the addition and recognition of depreciation expenses listed above, there was no significant sublease or impairment of the Group's right-of-use assets in 2023 and 2022.

b. Lease liabilities

	December 31	
	2023	2022
Carrying amount		
Current	$ 46,884	$ 45,301
Non-current	$ 104,905	$ 87,613

Range of discount rates for lease liabilities was as follows:

	December 31	
	2023	**2022**
Buildings	1.250%~4.750%	1.250%~4.750%
Land	1.250%	-
Office equipment	1.345%~2.225%	1.250%~1.920%
Machinery equipment	1.250%	1.250%

c. Material lease activities and terms

The Group leases various assets including land, buildings, office equipment and machinery equipment with lease terms between 2~20 years. The leased land is used for constructing a factory building with lease contracts adjusted payment every 2 years on the announced land value. The leased buildings includes factory and offices, and the leased office equipment includes rental cars. The Group does not have bargain purchase or renewal options to acquire or renew the leases when they expire.

d. Other lease information

Lease arrangements under operating leases for the leasing out of investment properties are set out in Note 15.

	For the Year Ended December 31	
	2023	**2022**
Expenses relating to short-term leases	$ 4,473	$ 1,904
Expenses relating to low-value asset leases	$ 196	$ 156
Total cash outflow for leases	$ 57,633	$ 52,419

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

16. INVESTMENT PROPERTIES

	Land	**Buildings**	**Total**
<u>Cost</u>			
Balance at January 1, 2022	$ 210,648	$ 508,152	$ 718,800
Additions	34,618	33,378	67,996
Balance at December 31, 2022	$ 245,266	$ 541,530	$ 786,796
<u>Accumulated depreciation</u>			
Balance at January 1, 2022	$ -	$ 45,702	$ 45,702
Additions	-	10,588	10,588
Balance at December 31, 2022	$ -	$ 56,290	$ 56,290
Carrying amount at December 31, 2022	$ 245,266	$ 485,240	$ 730,506

(Continued)

	Land	Buildings	Total
Cost			
Balance at January 1, 2023	$ 245,266	$ 541,530	$ 786,796
Reclassification	(22,903)	(69,072)	(91,975)
Balance at December 31, 2023	$ 222,363	$ 472,458	$ 694,821
Accumulated depreciation			
Balance at January 1, 2023	$ -	$ 56,290	$ 56,290
Additions	-	9,510	9,510
Reclassification	-	(8,568)	(8,568)
Balance at December 31, 2023	$ -	$ 57,232	$ 57,232
Carrying amount at December 31, 2023	$ 222,363	$ 415,226	$ 637,589

(Concluded)

Except for the situation that Sync-Tech System Corp. has not yet leased out its investment properties, the above-mentioned investment properties were leased out for 1 to 5 years. The lessees do not have bargain purchase options to acquire the investment properties at the expiry of the lease periods.

The future minimum lease payments of operating lease commitments were as follows:

	December 31	
	2023	2022
Within 1 year	$ 18,877	$ 17,095
Years 1～5	25,767	23,600
	$ 44,644	$ 40,695

Investment properties are depreciated using the straight-line method over their estimated useful lives of 50 to 51 years.

The determination of fair values of the Group's investment properties was performed by independent qualified professional vaulters of the China Real Estate Appraising Firm using Level 3 inputs. The evaluation is based on the weighted average of the income method and the market comparison method. The significant unobservable input used include the discount rate, and the appraised fair value are as follows:

	December 31	
	2023	2022
Fair value	$ 788,574	$ 904,343

All of the Group's investment properties were held under freehold interests.

17. INTANGIBLE ASSETS

	Royalty	Computer Software	Specialized Technology	Total
Cost				
Balance at January 1, 2022	$ 136,219	$ 138,764	$ -	$ 274,983
Additions	7,139	68,844	500	76,483
Disposals	(2,447)	(5,745)	-	(8,192)
Effect of foreign currency exchange differences	-	(71)	-	(71)
Balance at December 31, 2022	$ 140,911	$ 201,792	$ 500	$ 343,203
Accumulated amortization				
Balance at January 1, 2022	$ 123,260	$ 103,149	$ -	$ 226,409
Additions	11,543	36,619	21	48,183
Disposals	(2,447)	(5,745)	-	(8,192)
Effect of foreign currency exchange differences	-	(95)	-	(95)
Balance at December 31, 2022	$ 132,356	$ 133,928	$ 21	$ 266,305
Carrying amount at December 31, 2022	$ 8,555	$ 67,864	$ 479	$ 76,898
Cost				
Balance at January 1, 2023	$ 140,911	$ 201,792	$ 500	$ 343,203
Additions	21,891	130,787	-	152,678
Disposals	(9,897)	(10,499)	-	(20,396)
Acquired through business combinations	8,800	-	39,661	48,461
Effect of foreign currency exchange differences	-	(102)	-	(102)
Balance at December 31, 2023	$ 161,705	$ 321,978	$ 40,161	$ 523,844
Accumulated amortization				
Balance at January 1, 2023	$ 132,356	$ 133,928	$ 21	$ 266,305
Additions	9,830	62,909	2,677	75,416
Disposals	(9,897)	(10,499)	-	(20,396)
Acquired through business combinations	2,635	-	4,225	6,860
Effect of foreign currency exchange differences	-	(54)	-	(54)
Balance at December 31, 2023	$ 134,924	$ 186,284	$ 6,923	$ 328,131
Carrying amount at December 31, 2023	$ 26,781	$ 135,694	$ 33,238	$ 195,713

Intangible assets are amortized on a straight-line basis over their estimated useful lives as follows:

Royalty	2~10 years
Computer software	2~10 years
Specialized technology	2~10 years

18. OTHER ASSETS

	December 31	
	2023	2022
Other current assets		
Provisional payments	$ 5,142	$ 3,143
Others	7,773	6,798
	$ 12,915	$ 9,941
Prepayments		
Input tax and offset against business tax	$ 102,881	$ 50,796
Prepaid probe cards	52,795	42,245
Prepayments	23,559	34,085
Prepayment for purchase (a)	5,154	8,291
Others	7,264	6,465
	$ 191,653	$ 141,882
Other non-current assets		
Refundable deposits (b)	$ 521,497	$ 651,206
Prepayments for buildings (b)	121,870	-
Prepayments for equipment	35,864	16,412
Long-term prepayment for purchase (a)	-	179,402
	$ 679,231	$ 847,020

a. The Group has signed purchase agreements with fabs, and the prepayment has been made in advance according to the agreements, please refer to Note 35 for the details.

b. Please refer to Note 35 for details of the contract terms related to the prepayments for buildings and the capacity guarantee agreements.

19. SHORT-TERM BORROWINGS

	December 31	
	2023	2022
Unsecured borrowings		
Bank loans	$ -	$ 18,119

The range of weighted average effective interest rates on bank loans was 4.97% as of December 31, 2022.

20. OTHER LIABILITIES

	December 31	
	2023	2022
Current		
Other payables		
Payables for salaries and bonuses	$ 1,031,478	$ 1,464,877
Payables for research	45,709	40,588
Payables for equipment	38,782	51,691
Others	357,765	296,336
	$ 1,473,734	$ 1,853,492
Other liabilities		
Contract liabilities	$ 97,482	$ 135,268
Guarantee deposits received-current	30,705	-
Others	12,625	12,620
Temporary receipts	7,804	5,967
	$ 148,616	$ 153,855

21. RETIREMENT BENEFIT PLANS

a. Defined contribution plans

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

b. Defined benefit plans

The defined benefit plan adopted by the Group in accordance with the Labor Standards Act is operated by the government. Pension benefits are calculated on the basis of the length of service and average monthly salaries of the 6 months before retirement. The Group contributes amounts equal to 2% of total monthly salaries and wages to a pension fund administered by the pension fund monitoring committee. Pension contributions are deposited in the Bank of Taiwan in the committee's name. Before the end of each year, the Group assesses the balance in the pension fund. If the amount of the balance in the pension fund is inadequate to pay retirement benefits for employees who conform to retirement requirements in the next year, the Group is required to fund the difference in one appropriation that should be made before the end of March of the next year. The pension fund is managed by the Bureau of Labor Funds, Ministry of Labor (the "Bureau"); the Group has no right to influence the investment policy and strategy.

The amounts based on the actuarial report of the Group's defined benefit plans were as follows:

	December 31	
	2023	2022
Present value of defined benefit obligation	$ 93,558	$ 94,582
Fair value of the plan assets	(67,203)	(63,191)
Net defined benefit liabilities	$ 26,355	$ 31,391

Movements in net defined benefit liabilities were as follows:

	Present Value of Defined Benefit Obligation	Fair Value of the Plan Assets	Net Defined Benefit Liabilities
Balance at January 1, 2022	$ 94,994	($ 56,717)	$ 38,277
Service cost			
(Gain) Loss on settlements	(626)	-	(626)
Net interest expense (income)	660	(401)	259
Recognized in profit or loss	34	(401)	(367)
Remeasurement			
Return on plan assets (excluding amounts included in net interest)	-	(4,312)	(4,312)
Actuarial loss - change in demographic assumptions	42	-	42
Actuarial gain - change in financial assumptions	(5,770)	-	(5,770)
Actuarial loss - experience adjustments	7,975	-	7,975
Recognized in other comprehensive income(loss)	2,247	(4,312)	(2,065)
Contributions from the employer	-	(2,603)	(2,603)
Benefit payments	(2,693)	842	(1,851)
Balance at December 31, 2022	94,582	(63,191)	31,391
Net interest expense (income)	1,220	(829)	391
Recognized in profit or loss	1,220	(829)	391
Remeasurement			
Return on plan assets (excluding amounts included in net interest)	-	(520)	(520)
Actuarial loss - change in demographic assumptions	2	-	2
Actuarial loss - change in financial assumptions	774	-	774
Actuarial gain - experience adjustments	(3,020)	-	(3,020)
Recognized in other comprehensive income(loss)	(2,244)	(520)	(2,764)
Contributions from the employer	-	(2,663)	(2,663)
Balance at December 31, 2023	$ 93,558	($ 67,203)	$ 26,355

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

	For the Year Ended December 31	
	2023	2022
Selling and marketing expenses	$ 47	$ 26
General and administrative expenses	101	56
Research and development expenses	243	(449)
	$ 391	($ 367)

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

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

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

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

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

	December 31	
	2023	**2022**
Discount rate	1.2%	1.30%
Expected rate of salary increase	4.0%	4.00%

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

	December 31	
	2023	**2022**
Discount rate		
0.25% increase	($ 1,916)	($ 2,253)
0.25% decrease	$ 1,984	$ 2,333
Expected rate of salary increase		
0.25% increase	$ 1,925	$ 2,266
0.25% decrease	($ 1,870)	($ 2,200)

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

	December 31	
	2023	**2022**
Expected contributions to the plan for the next year	$ 2,470	$ 2,607
Average duration of the defined benefit obligation	9 years	9 years

22. EQUITY

a. Share capital

	December 31	
	2023	2022
Number of shares authorized (in thousands)	200,000	200,000
Share capital	$ 2,000,000	$ 2,000,000
Number of shares issued and fully paid (in thousands)	120,137	120,137
Shares issued	$ 1,201,369	$ 1,201,369

Fully paid ordinary shares, which have a par value of $10, carry one vote per share and carry a right to dividends.

The authorized shares include 20,000 thousand shares reserved for the exercise of employee stock options.

b. Capital surplus

	December 31	
	2023	2022
May be used to offset a deficit, distributed as cash dividends, or transferred to share capital (1)		
Issuance of ordinary shares	$ 401,995	$ 401,995
Conversion of bonds	335,041	335,041
Treasury share transactions	14,255	8,114
Differences between the consideration received and the carrying amount of subsidiaries' net assets during actual acquisitions or disposals	120,849	-
May be used to offset a deficit only		
Changes in percentage of ownership interests in subsidiaries (2)	967,309	945,590
	$ 1,839,449	$ 1,690,740

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

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

c. Retained earnings and dividends policy

Under the dividends policy as set in the Company's Articles of Incorporation (the "Articles"), the board of directors is authorized to adopt a special resolution to distribute all or part of the dividends and bonuses in cash, and a report of such distribution should be submitted in the latest shareholders' meeting.

Under the dividends policy as set forth in the Articles, where the Company made a profit in a fiscal year, the profit shall be distributed in the following order:

1) Utilized for paying taxes.

2) Offsetting losses of previous years.

3) Setting aside as a legal reserve of 10% of the remaining profit (legal reserve that has reached the company's paid-in capital is not subject to this condition).

4) Setting aside or reversing a special reserve in accordance with the laws and regulations.

5) Any remaining profit together with any undistributed retained earnings shall be used by the Company's board of directors as the basis for proposing a distribution plan, which should be resolved in the shareholders' meeting for the distribution of dividends and bonuses to shareholders.

For the policies on the distribution of employees' compensation and remuneration of directors, refer to employees' compensation and remuneration of directors in Note 24(h).

The distribution of dividends to shareholders of the Company can be made in cash or shares, but the proportion of cash dividends distributed should not be less than 10% of the total dividends distributed. The dividends policy is dependent on the Company's current and future investment environment, capital needs, domestic and international competition and capital budget, etc., taking into account the interests of shareholders, balance of dividends and long-term financial planning of the Company, the board of directors plans to distribute the case to the shareholders' meeting.

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

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

	For the Year Ended December 31	
	2022	**2021**
Legal reserve	$ 363,285	$ 601,513
Appropriations (Reversals) special reserve	$ 182,761	($ 74,759)
Cash dividends	$ 2,643,011	$ 3,844,380
Cash dividends per share (NT$)	$ 22	$ 32

The above appropriations for cash dividends were resolved by the Company's board of directors on March 16, 2023 and March 17, 2022, respectively; the other proposed appropriations were resolved by the shareholders in their meeting on June 21, 2023 and June 23, 2022, respectively.

The appropriation of earnings for 2023 had been proposed by the Company's board of directors on March 7, 2024. The appropriation and dividends per share were as follows:

	For the Year Ended December,2023
Legal reserve	$ 186,117
Reversal special reserve	($ 211,838)
Cash dividends	$ 1,441,642
Cash dividends per share (NT$)	$ 12

The aforementioned distribution of cash dividends has been resolved by the board of directors, and the rest has yet to be resolved at the shareholders' meeting to be held on June 20, 2024.

d. Special reserve

	For the Year Ended December 31	
	2023	2022
Balance at January 1	$ 105,464	$ 180,223
Appropriations (Reversals) in respect of Debits to other equity items	182,761	(74,759)
Balance at December 31	$ 288,225	$ 105,464

e. Other equity items

1) Exchange differences on translating the financial statements of foreign operations

	For the Year Ended December 31	
	2023	2022
Balance at January 1	$ 9,186	($ 14,086)
Exchange differences on translating the financial statements of foreign operations	(11,944)	23,272
Balance at December 31	($ 2,758)	$ 9,186

2) Unrealized gain (loss) on financial assets at FVTOCI

	For the Year Ended December 31	
	2023	2022
Balance at January 1	($ 290,948)	($ 91,377)
Recognized for the year		
Unrealized gain (loss) - debt instruments	7,237	(10,592)
Unrealized gain (loss) - equity instruments	210,026	(168,355)
Cumulative unrealized (gain) loss of equity instruments transferred to retained earnings due to disposal	(58)	(20,624)
Disposal of subsidiaries' partial equity	113	-
Balance at December 31	($ 73,630)	($ 290,948)

f. Non-controlling interests

	For the Year Ended December 31	
	2023	2022
Balance at January 1	$ 3,342,919	$ 3,441,892
Share attributable to non-controlling interests:		
Share in profit for the period	558,203	620,538
Exchange difference on translating the financial statements of foreign operations	(931)	498
Financial assets at FVTOCI	6,314	(7,154)
The Company's shares held by its subsidiaries treated as treasury shares	-	(28,369)
Adjustment of capital surplus due to dividends distributed to subsidiaries	7,191	7,561
Cash dividends distributed by subsidiaries	(572,287)	(966,108)
Non-controlling interests arising from acquisition of subsidiaries (Note 28)	25,312	-
The net assets of the subsidiary transferred to non-controlling interests (Note 29)	233,103	274,061
Balance at December 31	$ 3,599,824	$ 3,342,919

g. Treasury shares

The Company's shares held by its subsidiary	Number of Shares
Number of shares at January 1, 2023 and December 31, 2023	606,000
Number of shares at January 1, 2022	329,000
Increase during the year	277,000
Number of shares at December 31, 2022	606,000

The Company's shares held by its subsidiary at the end of the reporting period were as follows:

Name of Subsidiary	Number of Shares Held	Carrying Amount	Market Price
December 31, 2023			
Sensortek Technology Corp.	606,000	$ 168,468	$ 168,468
December 31, 2022			
Sensortek Technology Corp.	606,000	$ 107,565	$ 107,565

The Company's shares held by its subsidiary are treated as treasury shares.

23. REVENUE

a. Disaggregation of revenue

Product	For the Year Ended December 31 2023	2022
Integrated circuits	$ 16,169,905	$ 17,520,329
Others	552,986	507,498
	$ 16,722,891	$ 18,027,827

Primary geographical markets	For the Year Ended December 31 2023	2022
Hong Kong	$ 13,451,241	$ 14,708,794
Vietnam	988,167	999,340
Taiwan	880,864	1,001,199
China	453,694	539,207
South Korea	456,321	326,707
Others	492,604	452,580
	$ 16,722,891	$ 18,027,827

The basis of calculation of the Group's revenue segregated by geographical location is mainly based on the location the goods were shipped as designated by the customers.

b. Contract balances

	December 31		January 1
	2023	2022	2022
Trade receivables (Note 10)	$ 1,592,929	$ 1,226,441	$ 1,951,395
Trade receivables from related parties (Note 33)	1,782	1,469	715
	$ 1,594,711	$ 1,227,910	$ 1,952,110
Contract liabilities - current (Note 20)			
Sales of goods	$ 97,482	$ 135,268	$ 75,623

Revenue recognized in the current year that was included in the contract liability balance at the beginning of the year is as follows:

	For the Year Ended December 31 2023	2022
From contract liabilities at the start of the year		
Sales of goods	$ 128,318	$ 68,980

Changes in contract liabilities are mainly due to the timing difference between the satisfaction of performance obligations and customer payment.

24. NET PROFIT

a. Other operating income and expense

	For the Year Ended December 31	
	2023	2022
Gain on sublease of right-of-use assets	$ 1,143	$ 1,157
Gain on modification of lease agreements	9	215
Loss on disposal of property, plant and equipment	(170)	(33)
	$ 982	$ 1,339

b. Interest income

	For the Year Ended December 31	
	2023	2022
Financial assets at amortized cost	$ 128,213	$ 78,275
Financial asset at FVTPL	12,746	8,530
Investments in debt instruments at FVTOCI	14,885	10,615
Others	107	45
	$ 155,951	$ 97,465

c. Other income

	For the Year Ended December 31	
	2023	2022
Dividend income	$ 32,389	$ 43,858
Rental income	26,941	24,583
Government grants income	26,734	22,540
Others	17,158	24,353
	$ 103,222	$ 115,334

d. Other gains and losses

	For the Year Ended December 31	
	2023	2022
Net foreign exchange gains	$ 30,718	$ 173,022
Gain (loss) on financial assets designated as at FVTPL	55,848	(7,349)
Gain on disposal of financial instruments	7,180	-
Depreciation of investment property	(9,510)	(10,588)
Other losses	(147)	(11)
	$ 84,089	$ 155,074

e. Finance costs

	For the Year Ended December 31	
	2023	2022
Interest on lease liabilities	$ 3,040	$ 3,149
Interest on loans	1,677	586
Other interest expenses	1,535	184
	$ 6,252	$ 3,919

f. Depreciation and amortization

	For the Year Ended December 31	
	2023	2022
Property, plant and equipment	$ 311,366	$ 295,751
Investment properties	9,510	10,588
Right-of-use assets	51,209	49,500
Intangible assets	75,416	48,183
	$ 447,501	$ 404,022
An analysis of depreciation by function		
Operating expenses	$ 296,271	$ 269,262
Operating costs	66,304	75,989
Depreciation of investment property	9,510	10,588
	$ 372,085	$ 355,839
An analysis of amortization by function		
Operating expenses	$ 75,297	$ 46,429
Operating costs	119	1,754
	$ 75,416	$ 48,183

g. Employee benefits expense

	For the Year Ended December 31	
	2023	2022
Short-term benefits	$ 2,446,749	$ 2,835,920
Post-employment benefits		
Defined contribution plans	63,128	57,312
Defined benefit plans (Note 21)	395	(348)
Share-based payments Equity-settled	7,671	70
	$ 2,517,943	$ 2,892,954
An analysis of employee benefits expense by function	$ 2,247,482	$ 2,623,892
Operating expenses	270,461	269,062
Operating costs	$ 2,517,943	$ 2,892,954

h. Employees' compensation and remuneration of directors

According to the articles of incorporation of the Company, the Company accrued employees' compensation and remuneration of directors at rates of no less than 1% and no higher than 25%, and rates of no higher than 3%, respectively, of net profit before income tax, employees' compensation, and remuneration of directors.The employees' compensation and the remuneration of directors for the years ended December 31, 2023 and 2022, which were approved by the Company's board of directors on March 7, 2024 and March 16, 2023, respectively, are as follows:

Amount

	For the Year Ended December 31			
	2023		2022	
	Cash	Shares	Cash	Shares
Employees' compensation	$ 165,555	$ -	$ 317,180	$ -
Remuneration of directors	24,833	-	58,816	-

If there is a change in the amounts after the annual consolidated financial statements are authorized for issue, the differences are recorded as a change in the accounting estimate.

There is no difference between the actual amounts of employees' compensation and remuneration of directors resolved by the board of directors and the amount recognized in the consolidated financial statements for the years ended December 31, 2023 and 2022.

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

i. Gains or losses on foreign currency exchange

	For the Year Ended December 31	
	2023	2022
Foreign exchange gains	$ 369,159	$ 709,211
Foreign exchange losses	(338,441)	(536,189)
Net benefit	$ 30,718	$ 173,022

25. INCOME TAXES RELATING TO CONTINUING OPERATIONS

a. Income tax recognized in profit or loss

Major components of income tax expense are as follows:

	For the Year Ended December 31	
	2023	2022
Current tax		
In respect of the current year	$ 394,917	$ 845,721
Income tax on unappropriated earnings	24,724	85,126
Adjustments for prior years	(5,340)	(59,865)
	414,301	870,982
Deferred tax		
In respect of the current year	9,720	4,793
Income tax expense recognized in profit or loss	$ 424,021	$ 875,775

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

	For the Year Ended December 31	
	2023	2022
Profit before tax	$ 2,840,565	$ 5,106,478
Income tax expense calculated at the statutory rate	$ 703,486	$ 1,204,266
Deductible expenses in determining taxable income	(115,197)	(203,865)
Non-deductible expenses in determining taxable income	-	461
Income tax on unappropriated earnings	24,724	85,126
Impact of the temporary differences	(8,447)	93,942
Effects of investment credits	(174,586)	(243,468)
Unrecognized tax-deductible loss	(619)	(822)
Adjustments for prior years' tax	(5,340)	(59,865)
Income tax expense recognized in profit or loss	$ 424,021	$ 875,775

b. Current tax liabilities

	December 31	
	2023	2022
Current tax liabilities		
Income tax payable	$ 562,401	$ 984,450

c. Deferred tax assets and liabilities

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

For the year ended December 31, 2023

Deferred Tax Assets	January 1, 2023	Recognized in Profit or Loss	Acquired through combination	December 31, 2023
Temporary differences	$ 9,191	($ 3,420)	$ -	$ 5,771

Deferred Tax Liabilities	January 1, 2023	Recognized in Profit or Loss	Acquired through combination	December 31, 2023
Temporary differences	$ 11,697	$ 6,300	$ 5,332	$ 23,329

For the year ended December 31, 2022

Deferred Tax Assets	January 1, 2022	Recognized in Profit or Loss	December 31, 2022
Temporary differences	$ 12,993	($ 3,802)	$ 9,191

Deferred Tax Liabilities	January 1, 2022	Recognized in Profit or Loss	December 31, 2022
Temporary differences	$ 10,706	$ 991	$ 11,697

d. Deductible temporary differences for which no deferred assets have been recognized in the consolidated balance sheets

	December 31	
	2023	2022
Deductible temporary differences	$ 608,482	$ 646,085

e. Information on unrecognized deferred income tax liabilities associated with investments

As of December 31, 2023 and 2022, there were no recognized taxable temporary differences associated with investments in subsidiaries for which no deferred tax liabilities were recognized.

f. Income tax assessments

The Company's tax returns through 2021 have been assessed by the tax authorities.

26. EARNINGS PER SHARE

Unit: NT$ Per Share

	For the Year Ended December 31	
	2023	2022
Basic earnings per share	$ 15.50	$ 30.10
Diluted earnings per share	$ 15.39	$ 29.57

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

Net Income for the Year

	For the Year Ended December 31	
	2023	2022
Net income for the year	$ 1,858,341	$ 3,610,165
Earnings used in the computation of basic earnings per share	$ 1,858,341	$ 3,610,165
Effect of potentially dilutive ordinary shares:		
Employees' compensation	-	-
Earnings used in the computation of diluted earnings per share	$ 1,858,341	$ 3,610,165

Shares

Unit: in thousands of shares

	For the Year Ended December 31	
	2023	2022
Weighted average number of ordinary shares used in the computation of basic earnings per share	119,858	119,928
Effect of potentially dilutive ordinary shares:		
Employees' compensation	881	2,164
Weighted average number of ordinary shares used in the computation of diluted earnings per share	120,739	122,092

Since the Company offered to settle compensation or bonuses paid to employees in cash or shares, the Company assumes the entire amount of the compensation or bonus will be settled in shares and the resulting potential shares were included in the weighted average number of shares outstanding used in the computation of diluted earnings per share, as the effect is dilutive. Such dilutive effect of the potential shares is included in the computation of diluted earnings per share until the number of shares to be distributed to employees is resolved in the following year.

27. SHARE-BASED PAYMENT ARRANGEMENTS

a. Employee share option plan of Forcelead Technology Corp.

On April 11, 2023 and August 16, 2022, the board of directors of Forcelead Technology Corp. approved the issuance of 1,000 thousand units of employee share option certificates. Each unit of share option certificate can be exchanged for 1 ordinary share. The share option certificates can be issued all at once or split into several issues after the approval date of the board of directors, the actual issuance date is to be fixed by the Chairman. Eligible employees are limited to full-time employees and those under certain requirements within Forcelead Technology Corp. and the employees of controlling or controlled entity who meet certain terms. The holder of the share option certificates can exercise the options at any time after the date of issuance.

The information on employee share option is summarized as follows:

	2023-Year Share Option Plan		**2022-Year Share Option Plan**	
	Number of Shares (In Thousands)	**Weighted-average Exercise Price (NT$)**	**Number of Shares (In Thousands)**	**Weighted-average Exercise Price (NT$)**
Balance at January 1	-	$ -	-	$ -
Options granted	1,000	58.00	1,000	58.00
Options exercised	(1,000)	58.00	(1,000)	58.00
Options forfeited	-	-	-	-
Balance at December 31	-	-	-	-

Per the employee share option plan of 2023, Forcelead Technology Corp. distributed 1,000 thousand units of employee share option certificates to its employees on April 11, 2023. The Black-Scholes Pricing Model was used to calculate the fair values of the employee share options, and the input values used are summarized as follows:

	April 2023
Grant date share price (NT$)	$ 65.57
Exercise price (NT$)	$ 58.00
Expected volatility rate	33.99%
Option life	0.012 years
Dividend yield	-
Risk-free interest rate	1.02%
Share options fair value (NT$)	$ 7.58

Compensation costs of the Group's employee share option plans were $7,580 thousand in the second quarter of 2023.

Per the employee share option plan of 2022, Forcelead Technology Corp. distributed 1,000 thousand units of employee share option certificates to its employees on August 16, 2022. The Black-Scholes Pricing Model was used to calculate the fair values of the employee share options, and the input values used are summarized as follows:

	August 2022
Grant date share price (NT$)	$ 54.83
Exercise price (NT$)	$ 58.00
Expected volatility rate	35.61%
Option life	0.012 years
Dividend yield	-
Risk-free interest rate	0.73%
Share options fair value (NT$)	$ 0.07

Compensation costs of the Group's employee share option plans were $70 thousand of 2022.

b. Employee share option plan of Seer Microelectronics, Inc.

The employee share option certificates issued by Seer Microelectronics, Inc. are granted to employees of the Company who meet certain conditions, and the certificate holders can exercise the share options in a certain period and proportion two years after the expiration date of the certificates, and the duration of the share options is six years, after which the unexercised share options shall be deemed to be waived, and the share rights holders shall not claim their share options again.

The information on employee share option is summarized as follows:

	2023-Year Share Option Plan		2022-Year Share Option Plan	
	Number of Shares (In Thousands)	Weighted-average Exercise Price (NT$)	Number of Shares (In Thousands)	Weighted-average Exercise Price (NT$)
Balance at January 1	76	$ 8.50	76	$ 8.50
Options granted	-	-	-	-
Options exercised	-	-	-	-
Canceled of share options	(76)	8.50	-	-
Balance at December 31	-	-	76	8.50

Per the employee share option plan of 2020, Seer Microelectronics, Inc. distributed 176 thousand units of employee share option certificates to its employees on August 31, 2020. The Black-Scholes Pricing Model was used to calculate the fair values of the employee share options, and the input values used are summarized as follows:

	August 2020
Grant date share price (NT$)	$ 14.96
Exercise price (NT$)	$ 8.50
Expected volatility rate	46.53%
Option life	6years
Dividend yield	-
Risk-free interest rate	0.42%
Share options fair value (NT$)	$ 7.2874

Compensation costs of the Group's employee share option plans were $91 thousand of 2023.

Due to operational consideration, Seer Microelectronics, Inc. abolished the issuance of employee share warrants and share subscription measures on June 14, 2023.

28. BUSINESS COMBINATIONS

a. Subsidiaries acquired

	Principal Activity	Date of Acquisition	Proportion of Voting Equity Interests Acquired (%)	Consideration Transferred
Seer Microelectronics, Inc.	High performance sensor IC with single photon design and applications	July 5, 2023	56.54	$ 40,000

Seer Microelectronics, Inc were acquired on July 5, 2023 in order to continue the expansion of the Group's activities in scale and product mix.

b. Consideration transferred

	Seer Microelectronics, Inc.
Cash	$ 40,000

c. Assets acquired and liabilities assumed at the date of acquisition

	Seer Microelectronics, Inc.
Current assets	
Cash and cash equivalents	$ 41,157
Trade receivables and other receivables	2,093
Inventories	17,550
Other current assets	1,643
Non-current assets	
Plant and Equipment	260
Right-of-use assets	489
Intangible assets	41,601
Other non-current assets	224
Current liabilities	
Short-term borrowings	(20,000)
Trade payables and other payables	(10,768)
Lease liabilities	(284)
Bonds payable	(9,000)
Other current liabilities	(164)
Non-current liabilities	
Lease liabilities	(231)
Deferred tax liabilities	(5,332)
Other non-current liabilities	(1,000)
	$ 58,238

d. Non-controlling interests

The non-controlling interest (43.46% ownership interest in Seer Microelectronics, Inc.) was measured by proportionate share of Seer Microelectronics, Inc.'s identifiable net assets at the date of acquisition.

e. Goodwill generated from the acquisition

	Seer Microelectronics, Inc.
Consideration transferred	$ 40,000
Plus:Non-controlling interests (43.46% ownership interest in Seer Microelectronics, Inc.)	25,312
Less: Fair value of identifiable net assets acquired	(58,238)
Goodwill generated from the acquisition	$ 7,074

The goodwill generated from the acquisitions of Seer Microelectronics, Inc. mainly comes from the control premium.

The goodwill generated from the acquisition is not expected to be tax-deductible.

f. Net cash inflow on the acquisition of subsidiaries

	Seer Microelectronics, Inc.
Consideration paid in cash	$ 40,000
Less: Cash and cash equivalent balances acquired	(41,157)
	($ 1,157)

g. Impact of acquisitions on the results of the Group

The financial results of the acquirees since the acquisition dates, which are included in the consolidated statements of comprehensive income, were as follows:

	Seer Microelectronics, Inc.
Revenue	$ 482
Profit(loss)	(17,616)

If the acquisition of Seer Microelectronics, Inc. in July 2023 took place on January 1, 2023, the proposed operating revenue and net profit (loss) of the Seer Microelectronics, Inc. for the year ended December 31, 2023 were $3,341 thousand, and ($27,949) thousand, respectively.

29. EQUITY TRANSACTIONS WITH NON-CONTROLLING INTERESTS

On August 6, 2023, the Group did not participate in the cash capital increase of Seer Microelectronics, Inc. in proportion to its existing ownership, the Group's shareholding percentage increased from 56.54% to 72.66%.

On December 14, 2023, due to the Group sold part of the Forcelead Technology Corp.'s shares, the Group's shareholding percentage decreased from 64.00% to 61.01%.

Due to the distribution of employees' compensation in the form of shares by Forcelead Technology Corp's on July 20, 2023, the Group's shareholding percentage decreased from 68.76% to 64.00%.

On April 20, 2023, due to the Forcelead Technology Corp.'s employees execute options to issue new shares, the Group's shareholding percentage decreased from 70.76% to 68.76%.

On August 24, 2022, due to the Forcelead Technology Corp.'s employees execute options to issue new shares, the Group's shareholding percentage decreased from 72.88% to 70.76%.

Due to the distribution of employees' compensation in the form of shares by Forcelead Technology Corp. on June 28, 2022, the Group's shareholding percentage decreased from 83.48% to 72.88%.

Due to the distribution of employees' compensation in the form of shares by Sync-Tech system Corp. on July 16, 2023, the Group's shareholding percentage decreased from 42.86% to 42.19%.

Due to the distribution of employees' compensation in the form of shares by Sync-Tech system Corp. on July 17, 2022, the Group's shareholding percentage decreased from 45.73% to 42.86%.

The above transactions were accounted for as equity transactions, since the Group did not cease to have control over these subsidiaries.

For the Year Ended December 31, 2023

	Sync-Tech System Corp.	Forcelead Technology Corp.	Seer Microelectronics, Inc.
Cash consideration received	$ 1,470	$ 228,942	$ 5,000
Non-cash transaction	12,191	128,090	91
The proportionate share of the carrying amount of the net assets of the subsidiary transferred to non-controlling interests	(12,979)	(209,189)	(10,935)
Adjustment of other equity items attributable to owners of the Company - unrealized gain (loss) of financial assets at FVTOCI	-	(113)	-
Differences recognized from equity transactions	$ 682	$ 147,730	($ 5,844)

Line items adjusted for equity transactions

	Sync-Tech System Corp.	Forcelead Technology Corp.	Seer Microelectronics, Inc.
Capital surplus - differences between consideration received and the carrying amount of subsidiaries' net assets during actual acquisitions or disposals	$ -	$ 120,849	$ -
Capital surplus - changes in percentage of ownership interests in subsidiaries	682	26,881	(5,844)
	$ 682	$ 147,730	($ 5,844)

For the Year Ended December 31, 2022

	Sync-Tech System Corp.	Forcelead Technology Corp.
Cash consideration received	$ 1,729	$ 58,000
Non-cash transaction	44,611	243,094
The proportionate share of the carrying amount of the net assets of the subsidiary transferred to non-controlling interests	(46,010)	(228,051)
Differences recognized from equity transactions	$ 330	$ 73,043

Line items adjusted for equity transactions

Capital surplus - changes in percentage of ownership interests in subsidiaries	$ 330	$ 73,043

30. CASH FLOW INFORMATION

a. Changes in liabilities arising from financing activities

For the Year Ended December 31, 2023

			Non-cash Changes				
	January 1, 2023	Cash Flows	Foreign Exchange Movement	New Leases	Lease Modification	Acquired through combination	December 31, 2023
Short-term borrowings	$ 18,119	($ 38,045)	($ 74)	$ -	$ -	$ 20,000	$ -
Bonds payable	-	(9,000)	-	-	-	9,000	-
Lease liabilities	132,914	(49,924)	(491)	69,128	(353)	515	151,789
Guarantee deposits received	352,371	(58,041)	(6,342)	-	-	-	287,988
	$ 503,404	($ 155,010)	($ 6,907)	$ 69,128	($ 353)	$ 29,515	$ 439,777

For the Year Ended December 31, 2022

			Non-cash Changes			
	January 1, 2022	Cash Flows	Foreign Exchange Movement	New Leases	Lease Modification	December 31, 2022
Short-term borrowings	$ 55,360	($ 37,435)	$ 194	$ -	$ -	$ 18,119
Lease liabilities	165,525	(47,210)	551	20,059	(6,011)	132,914
Guarantee deposits received	316,468	(1,110)	37,013	-	-	352,371
	$ 537,353	($ 85,755)	$ 37,758	$ 20,059	($ 6,011)	$ 503,404

31. CAPITAL RISK MANAGEMENT

The Group manages its capital to ensure that entities in the Group will be able to continue as going concerns while maximizing the return to shareholders through the optimization of the debt and equity balance.

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

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

32. FINANCIAL INSTRUMENTS

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

The management considers that the carrying amounts of financial assets and financial liabilities recognized in the financial statements are relatively close to their fair values.

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

1) Fair value hierarchy

December 31, 2023

	Level 1	Level 2	Level 3	Total
Financial assets at FVTPL				
Domestic corporate funds	$ 241,345	$ -	$ -	$ 241,345
Convertible bonds	113,786	-	-	113,786
Exchangeable bonds	41,520	-	-	41,520
Domestic listed shares	2,655	-	-	2,655
Limited partnership	-	-	82,174	82,174
Derivative instrument				
Credit linked notes - linked with convertible bonds	-	391,211	-	391,211
Foreign exchange forward contracts and foreign exchange swap contracts	-	37,811	-	37,811
Equity linked notes	-	15,466	-	15,466
	$ 399,306	$ 444,488	$ 82,174	$ 925,968
Financial assets at FVTOCI				
Investments in equity instruments at FVTOCI				
Domestic listed shares	$ 561,273	$ -	$ -	$ 561,273
Foreign listed shares	-	-	-	-
Domestic unlisted equity investments	-	-	218,352	218,352
Foreign unlisted equity investments	-	-	572,725	572,725
Investments in debt instruments at FVTOCI				
Domestic corporate bonds	-	49,738	-	49,738
Foreign corporate bonds	-	468,860	-	468,860
	$ 561,273	$ 518,598	$ 791,077	$ 1,870,948
Financial liabilities at FVTPL				
Derivative instruments				
Foreign exchange forward contracts and foreign exchange swap contracts	$ -	$ 27,793	$ -	$ 27,793

December 31, 2022

	Level 1	Level 2	Level 3	Total
Financial assets at FVTPL				
Domestic corporate funds	$ 190,223	$ -	$ -	$ 190,223
Convertible bonds	104,835	-	-	104,835
Exchangeable bonds	40,080	-	-	40,080
Domestic listed shares	2,197	-	-	2,197
Limited partnership	-	-	34,768	34,768
Derivative instrument				
Credit linked notes - linked with convertible bonds	-	423,205	-	423,205

(Continued)

	Level 1	Level 2	Level 3	Total
Foreign exchange forward contracts and foreign exchange swap contracts	$ -	$ 49,170	$ -	$ 49,170
Equity linked notes	-	15,355	-	15,355
	$ 337,335	$ 487,730	$ 34,768	$ 859,833
Financial assets at FVTOCI				
Investments in equity instruments at FVTOCI				
Domestic listed shares	$ 474,029	$ -	$ -	$ 474,029
Foreign listed shares	-	-	-	-
Domestic unlisted equity investments	-	-	193,708	193,708
Foreign unlisted equity investments	-	-	446,614	446,614
Investments in debt instruments at FVTOCI				
Foreign corporate bonds	-	399,957	-	399,957
	$ 474,029	$ 399,957	$ 640,322	$ 1,514,308
Financial liabilities at FVTPL				
Derivative instruments				
Foreign exchange forward contracts and foreign exchange swap contracts	$ -	$ 37,725	$ -	$ 37,725

(Concluded)

For the years ended December 31, 2023 and 2022, there were no transfers between Level 1 and Level 2 fair value measurements.

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

Financial Instruments	Valuation Techniques and Inputs
Foreign corporate bonds	Based on the public market quotes provided by third-party agencies.
Credit linked notes - linked with Convertible bonds	Based on the public market quotation of convertible bond, the parameters of the repurchase, the coupon interest and the interest compensation are considered as the basis for fair value measurement.
Equity linked notes	Based on the public market quotation of stock, the parameters of the repurchase and the interest compensation are considered as the basis for fair value measurement.
Derivatives - foreign exchange forward contracts and foreign exchange swap contracts	Discounted cash flow method: Estimate the future cash flow at the end of the period by observing the forward exchange rate and the exchange rate and interest rate set by the contract, and have already discounted the discount rate of each counterparty's credit risk.

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

Domestic and foreign unlisted equity investments are evaluated by the net asset value method. The management of the Group evaluates the target of such equity investments with the active market quotation, and the net asset amount tends to the fair value of the equity investments.

Domestic unlisted equity investment and the domestic limited partnership is valued using the net asset value method. The management of the Group evaluates that the amount of the net assets of this investment is equivalent to its fair value. The evaluation covers the total value of the investment's individual assets and liabilities, which reflects the value of the entity or business.

4) Adjustment of financial instruments measured using Level 3 fair values

The Group's financial assets under level 3 fair value measurement are financial assets at FVTPL and equity instruments measured at fair value through other comprehensive income.

For the Year Ended December 31, 2023

	Financial instruments at FVTPL	Financial instruments at FVTOCI	Total
Balance at January 1	$ 34,768	$ 640,322	$ 675,090
Additions	40,000	-	40,000
Disposal	(467)	-	(467)
Recognized under profit or loss	7,873	-	7,873
Recognized under other comprehensive income	-	150,755	150,755
Balance at December 31	$ 82,174	$ 791,077	$ 873,251

For the Year Ended December 31, 2022

	Financial instruments at FVTPL	Financial instruments at FVTOCI	Total
Balance at January 1	$ 18,067	$ 790,532	$ 808,599
Additions	20,000	15,000	35,000
Recognized under profit or loss	(3,299)	-	(3,299)
Recognized under other comprehensive income	-	(165,210)	(165,210)
Balance at December 31	$ 34,768	$ 640,322	$ 675,090

c. Categories of financial instruments

	December 31	
	2023	2022
Financial assets		
Financial assets at FVTPL		
Mandatorily classified as at FVTPL	$ 925,968	$ 859,833
Financial assets at amortized cost (1)	10,909,899	10,097,562
Financial assets at FVTOCI		
Equity instruments	1,352,350	1,114,351
Debt instruments	518,598	399,957

(Continued)

	December 31	
	2023	2022
Financial liabilities		
Financial liabilities at FVTPL		
Held for trading	$ 27,793	$ 37,725
Financial liabilities at amortized cost (2)	2,713,322	1,757,343

(Concluded)

1) The balances include financial assets measured at amortized cost, which comprise cash and cash equivalents, pledged fixed deposits, time deposits with original maturities of more than 3 months notes and trade receivables (including receivables from related parties), other receivables, other current assets and refundable deposits.

2) The balances include financial liabilities at amortized cost, which comprise short-term borrowings, notes and trade payables, other payables (including other payables to related parties), other current liabilities and guarantee deposits.

d. Financial risk management objectives and policies

The Group's major financial instruments include equity and debt investments, trade receivables, trade payables and borrowings. The Group's corporate treasury function provides services to the business, coordinates access to domestic and international financial markets, monitors and manages the financial risks relating to the operations of the Group through internal risk reports which analyze exposures by degree and magnitude of risks. These risks include market risk (including foreign currency risk, interest rate risk and other price risk), credit risk and liquidity risk.

The Group seeks to minimize the effects of these risks by using derivative financial instruments to hedge risk exposures. The use of financial derivatives is governed by the Group's policies approved by the board of directors, which provided written principles on foreign currency risk, interest rate risk, credit risk, the use of financial derivatives and non-derivative financial instruments, and the investment of excess liquidity. Compliance with policies and exposure limits is reviewed by the internal auditors on a continuous basis. The Group did not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes.

1) Market risk

The Group's activities exposed it primarily to the financial risks of changes in foreign currency exchange rates (see (a) below) and interest rates (see (b) below). The Group entered into a variety of derivative financial instruments to manage its exposure to foreign currency risk and interest rate risk.

There has been no change in the Group's exposure to market risks or the manner in which these risks are managed and measured.

a) Foreign currency risk

The Group's operating activities are partially denominated in foreign currencies and thus have partial natural hedging effects.

The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities (including those eliminated on consolidation) and of the derivatives exposed to foreign currency risk at the end of the reporting period are set out in Note 36.

Sensitivity analysis

The Group was mainly exposed to the USD, JPY and CNY.

The following table details the Group's sensitivity to a 5% increase and decrease in the New Taiwan dollar (i.e. the functional currency) against the relevant foreign currencies. The sensitivity analysis included only outstanding foreign currency denominated monetary items, and adjusts their translation at the end of the reporting period for a 5% change in foreign currency rates. A positive (negative) number below indicates an increase (decrease) in pre-tax profit and other equity associated with the New Taiwan dollar weakening (strengthening) 5% against the relevant currency.

	USD Impact		JPY Impact		CNY Impact	
	For the Year Ended December 31		For the Year Ended December 31		For the Year Ended December 31	
	2023	2022	2023	2022	2023	2022
Profit or loss	$ 33,535	$ 56,794	$ 792	$ 683	$ 13,303	$ 9,096

b) Interest rate risk

The Group was exposed to interest rate risk because the Group borrowed funds at both fixed and floating interest rates.

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

	December 31	
	2023	2022
Fair value interest rate risk		
Financial assets	$ 6,346,975	$ 5,658,100
Financial liabilities	151,789	151,061
Cash flow interest rate risk		
Financial assets	2,830,895	2,841,123

Sensitivity analysis

The sensitivity analysis below was determined based on the Group's exposure to interest rates for both derivative and non-derivative instruments at the end of the reporting period. For floating rate liabilities, the analysis was prepared assuming the amount of each liability outstanding at the end of the reporting period was outstanding for the whole year.

If interest rates had been 0.1% higher/lower and all other variables were held constant, the Group's pre-tax profit for the years ended December 31, 2023 and 2022 would increase/decrease by $2,831 thousand and $2,841 thousand, respectively, which was mainly attributable to the Group's exposure to interest rates on variable-rate net assets. The Group's pre-tax other comprehensive income for the years ended December 31, 2023 and 2022 would decrease/increase by $519 thousand and $400 thousand, respectively, which was mainly due to the changes in the fair value of investments in fixed-rate debt instruments at FVTOCI.

c) Other price risk

The Group was exposed to equity price risk through its investments in listed equity securities, convertible bonds, exchangeable bonds structured notes of listed companies and mutual fund investments. The Group does not actively trade these investments. The Group's equity price risk is mainly concentrated in equity instruments operating in the semiconductor industry, finance and insurance industries structured notes, structured notes and exchange-traded funds quoted on the Taiwan Stock Exchange and the Taipei Exchange.

Sensitivity analysis

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

If equity prices had been 5% higher/lower, pre-tax income for the years ended December 31, 2023 and 2022 would have increased/decreased by $40,299 thousand and $38,795 thousand, respectively, as a result of the changes in fair value of financial assets at FVTPL. Pre-tax other comprehensive income for the years ended December 31, 2023 and 2022 would have increased/decreased by $28,064 thousand and $23,701 thousand, respectively, as a result of the changes in the fair value of financial assets at FVTOCI.

2) Credit risk

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

To mitigate credit risk, the management of the Group assigns a dedicated team responsible for credit line decisions, credit approvals and other monitoring procedures to ensure appropriate actions are taken for the collections of overdue receivables. In addition the Group reviews conditions on each collecting receivable to ensure the uncollectible amounts are provided with appropriate impairment losses. Accordingly, the management of the Group believes that the credit risk of the Group has been significantly reduced.

In addition, since the counterparties of liquidity and derivative financial instruments are banks with sound credit ratings, the credit risk is limited.

Apart from customers whose accounts receivable constitute more than 10% of the Group's total trade receivables, the Group did not have significant credit risk exposure to any single counterparty or any group of counterparties having similar characteristics. The Group's concentration of credit risk was 18% and 16% of total trade receivables as of December 31, 2023 and 2022, respectively. The credit risk is minimal because the customers which account for more than 10% of the Group's trade receivables balance are creditworthy companies.

3) Liquidity risk

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

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

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

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

December 31, 2023

	On Demand or Less than 1 Month	1-3 Months	3 Months to 1 Year	1-5 Years	Over 5 Years	Total
Non-derivative financial liabilities						
Non-interest bearing liabilities	$ 1,292,511	$ 1,275,794	$ 888,507	$ -	$ -	$3,456,812
Lease liabilities	4,462	8,714	34,977	66,255	43,480	157,888

December 31, 2022

	On Demand or Less than 1 Month	1-3 Months	3 Months to 1 Year	1-5 Years	Total
Non-derivative financial liabilities					
Non-interest bearing liabilities	$ 917,812	$ 710,676	$ 1,223,214	$ -	$ 2,851,702
Lease liabilities	4,140	8,137	35,289	89,558	137,124
Fixed interest rate liabilities	18,147	-	-	-	18,147

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

b) Liquidity and interest rate risk table for derivative financial liabilities

The following table details the Group's liquidity analysis of its derivative financial instruments. The table is based on the undiscounted contractual net cash inflows and outflows on derivative instruments that settle on a net basis, and the undiscounted gross inflows and outflows on those derivatives that require gross settlement. When the amount payable or receivable is not fixed, the amount disclosed is determined by reference to the projected interest rates as illustrated by the yield curves at the end of the reporting period.

December 31, 2023

	On Demand or Less than 1 Month	1-3 Months	3 Months to 1 Year	1-5 Years
Foreign exchange forward contracts and foreign exchange swaps contracts				
Inflows	$ 305,895	$ 1,143,430	$ 1,359,840	$ -
Outflows	(304,550)	(1,139,240)	(1,355,357)	-
	$ 1,345	$ 4,190	$ 4,483	$ -

December 31, 2022

	On Demand or Less than 1 Month	1-3 Months	3 Months to 1 Year	1-5 Years
Foreign exchange forward contracts and foreign exchange swaps contracts				
Inflows	$ 526,353	$ 693,678	$ 1,453,231	$ -
Outflows	(524,836)	(690,702)	(1,446,279)	-
	$ 1,517	$ 2,976	$ 6,952	$ -

c) Financing facilities

	December 31	
	2023	2022
Unsecured bank overdraft facilities, reviewed annually and payable on demand:		
Amount used	$ 165,000	$ 323,119
Amount unused	6,575,373	6,602,121
	$ 6,740,373	$ 6,925,240

The amount of used bank facilities includes a performance guarantee of $165,000 thousand and 305,000 thousand which were guaranteed by the bank in respect of the Supplier purchase guarantee letter opened by the Group as of December 31, 2023 and 2022.

33. TRANSACTIONS WITH RELATED PARTIES

In addition to those disclosed in other notes, detail of transactions between the Group and related parties are disclosed below:

a. Related party name and category

Related Party Name	Related Party Category
Silicon Power Computer & Communications Inc.	Substantive related party
ezGlobal Corp.	Substantive related party
esGMeta Co.,Ltd.	Associates

b. Sales of goods

	For the Year Ended December 31	
Related Party Category	2023	2022
Substantive related party	$ 6,363	$ 3,084

The transactions for related parties were negotiated under the terms of general transactions and prices.

c. Operating expenses

	For the Year Ended December 31	
Related Party Category	2023	2022
Substantive related party	$ 1,033	$ 986

The transactions in which the Group made payments of operating expenses to a related party were subject to a contractual agreement as there were no similar transactions for comparison.

.

d. Other income

Related Party Category	For the Year Ended December 31 2023	2022
Associates	$ 4,750	$ -

In December 2023, the Group invested in associates through technical pricing and recognized other income of 9,048 thousand. However, as this income will be realized over time, 4,298 thousand will be deferred proportionally according to the shareholding ratio. The transaction was subject to the contractual agreement as there were no similar transactions for comparison.

e. Trade receivables from related parties

Related Party Category	Line Item	December 31 2023	2022
Substantive related party	Trade receivables from related parties	$ 1,782	$ 1,469

The outstanding trade receivables from related parties were unsecured. No impairment losses were recognized for trade receivables from related parties.

f. Prepayments

Related Party Category	December 31 2023	2022
Substantive related party	$ 20	$ 258

g. Trade payables to related parties

Related Party Category	Line Item	December 31 2023	2022
Substantive related party	Other payables to related parties	$ 353	$ 182

The outstanding trade payables to related parties are unsecured.

h. Lease arrangement - the Group is lessor

Operating lease rental

Future lease receivables are as follows:

Related Party Category	December 31 2023	2022
Substantive related party	$ 508	$ 508

Lease income was as follows:

Related Party Category	For the Year Ended December 31	
	2023	2022
Substantive related party	$ 2,039	$ 2,036

The terms of transactions between the Group and its related parties for the collection of rent are based on the terms of contractual agreements as there were no similar transactions for comparison.

Related Party Category	For the Year Ended December 31	
	2023	2022
Deposit interest		
Substantive related party	$ 5	$ 3

i. Guarantee deposits received

Related Party Category	December 31	
	2023	2022
Substantive related party	$ 356	$ 356

The guarantee deposits received are mainly generated from the rental deposits.

j. Remuneration of key management personnel

	For the Year Ended December 31	
	2023	2022
Short-term employee benefits	$ 211,054	$ 260,418
Post-employment benefits	2,079	1,796
Share-based payments	1,455	8
	$ 214,588	$ 262,222

The remuneration of directors and key executives was determined by the performance of individuals and the Group's profits.

34. ASSETS PLEDGED AS COLLATERAL OR FOR SECURITY

The following assets were provided as collateral for the tariff of imported raw materials guarantees:

	December 31	
	2023	2022
Pledged deposits	$ 828,690	$ 757,789

Pledged fixed deposits are classified as financial assets measured at amortized cost - current.

35. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNIZED CONTRACTUAL COMMITMENTS

In addition to those disclosed in other notes, the significant commitments of the Group at the balance sheet date are as follows:

a. Long-term purchase agreements

The Group entered into long-term purchase agreements of materials with suppliers during 2021. Both parties agreed that during the contract period, the suppliers would deliver the materials to the Group in accordance with the agreements. The Group has paid the suppliers USD37,781 thousand as guarantee to ensure the supply of materials. The rights and obligations of both parties are based on the content of each agreement. Presented by prepayment for purchase and refundable deposits were USD15,000 thousand and USD22,781 thousand, respectively.

As of December 31,2023, the Group assesses that prepayment for purchase made under signed capacity guarantee agreements was written off due to estimated unrealizability, the impairment loss was classified as cost of goods sold. This estimation could be adjusted due to the market demand fluctuates in the future. As of December 31, 2023, the balance of the prepayment for purchase was USD184 thousand.

As of December 31, 2023, the balance of the refundable deposits was USD 16,488 thousand.

b Long-term supply agreements

The Group entered into long-term supply agreements of products with clients from 2021 to 2022. Both parties agreed that during the contract period, the Group would deliver the products to clients in accordance with the agreements. The Group has collected USD3,347 thousand as guarantee to ensure the supply of products. The rights and obligations of both parties are based on the content of each agreement.

As of December 31, 2023, the balance of the guarantee deposits received was USD1,613 thousand.

c Acquisition of Property

Forcelead Technology Corp's Board of Directors approved on September 6, 2023 to purchase the office premises and entered into a purchase agreement with Winsome Development Co., Ltd. to acquire office on the 8th and 9th floors and parking spaces of Building 2B, Phase 10 of Tai Yuen Hi-Tech Industrial Park, in the amounting of NT$937,250 thousand (including tax). As of December 31, 2023, $121,870 thousand was paid as consideration.

36. SIGNIFICANT ASSETS AND LIABILITIES DENOMINATED IN FOREIGN CURRENCIES

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

	December 31			
	2023		2022	
	Foreign Currency	Exchange Rate	Foreign Currency	Exchange Rate
Financial assets				
Monetary items				
USD	$ 99,508	30.705	$ 85,538	30.710
JPY	134,167	0.2172	90,498	0.2324
CNY	61,502	4.327	41,270	4.408

(Continued)

	December 31			
	2023		2022	
	Foreign Currency	Exchange Rate	Foreign Currency	Exchange Rate
Non-monetary items				
USD	$ 28,932	30.705	$ 22,770	30.710
Financial liabilities				
Monetary items				
USD	77,665	30.705	48,551	30.710
JPY	61,276	0.2172	31,704	0.2324
CNY	15	4.327	-	4.408

(Concluded)

The Group is mainly exposed to the USD, CNY and JPY. The following information was aggregated by the functional currencies of the Group, and the exchange rates between the respective functional currencies and the presentation currency were disclosed. The significant realized and unrealized foreign exchange gains (losses) were as follows:

	For the Year Ended December 31			
	2023		2022	
Foreign Currency	Exchange Rate	Net Foreign Exchange Gains (Losses)	Exchange Rate	Net Foreign Exchange Gains (Losses)
NTD	1 (NTD:NTD)	$ 28,296	1 (NTD:NTD)	$ 172,140
CNY	4.327 (CNY:NTD)	2,422	4.408 (CNY:NTD)	882
		$ 30,718		$ 173,022

37. SEPARATELY DISCLOSED ITEMS

a. Information on significant transactions and b. information on investees:

1) Financing provided to others: Table 1 (attached)

2) Endorsements/guarantees provided: Table 2 (attached)

3) Marketable securities held (excluding investment in subsidiaries): Table 3 (attached)

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

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

6) Disposal of individual real estate at prices of at least NT$300 million or 20% of the paid-in capital: None

7) Total purchases from or sales to related parties amounting to at least NT$100 million or 20% of the paid-in capital: Table 5 (attached)

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

9) Trading in derivative instruments: Note 7 and Note 32.

10) Intercompany relationships and significant intercompany transactions: Table 6 (attached)

11) Information on investees: Table 7 (attached)

c. Information on investments in mainland China: Table 8 and 9 (attached)

In the preparation of the consolidated financial statements, major transactions between parent and subsidiary companies and their balances have been fully eliminated.

d. Information of major shareholders: List all shareholders with ownership of 5% or greater showing the name of the shareholder, the number of shares owned, and percentage of ownership of each shareholder: Table 10 (attached)

38. SEGMENT INFORMATION

a. Segment revenues, results and assets

The operating decision makers of the Group use the distribution of resources and the evaluation of segment performance to focus on the financial information of the Group as a whole, while individual companies have similar economic characteristics, and individual companies have used similar processes to produce similar products and sell them through the same sales method, so the Company and its subsidiaries are reported by the single operating department.

The Company and its subsidiaries provide the segment information reviewed by the operating decision maker on the same basis as the financial statements, and the profit and loss, assets and liabilities of the operating department are measured on the same basis as the combined financial Report preparation, Therefore, the segment income and operating results for the years ended December 31, 2023 and 2022 can be referenced by the combined consolidated income and loss Statement for the years ended December 31, 2023 and 2022.

Segment assets that should be reported can be found in the consolidated balance sheets for the years ended December 31, 2023 and 2022.

b. Revenue from major products and services

The following was an analysis of the Group's revenue and results from continuing operations by reportable segment:

	For the Year Ended December 31	
	2023	**2022**
Integrated circuits	$ 16,169,905	$ 17,520,329
Others	552,986	507,498
	$ 16,722,891	$ 18,027,827

c. Geographical information

The Group's net operating revenue from external customers by location based on the location where the goods were shipped as designated by the customers and information about its non-current assets by location of assets are detailed below:

	Revenue from External Customers		Non-current Assets	
	For the Year Ended December 31		December 31	
	2023	2022	2023	2022
Hong Kong	$ 13,451,241	$ 14,708,794	$ -	$ -
Vietnam	988,167	999,340	-	-
Taiwan	880,864	1,001,199	2,567,515	2,413,893
China	453,694	539,207	287,544	324,513
South Korea	456,321	326,707	-	-
Others	492,604	452,580	-	-
	$ 16,722,891	$ 18,027,827	$ 2,855,059	$ 2,738,406

Non-current assets exclude financial instruments and other assets.

d. Information on major customers

Single customer contributed 10% or more to the Group’s revenue is below:

	For the Year Ended December 31			
	2023		2022	
Customer Name	**Amount**	**As a percentage of net sales (%)**	**Amount**	**As a percentage of net sales (%)**
A	$ 1,589,793	10	$ 1,819,027	10

TABLE 1

SITRONIX TECHNOLOGY CORPORATION AND SUBSIDIARIES

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

No.	Lender	Borrower	Financial Statement Account	Related Parties	Highest Balance for the Period	Ending Balance	Actual Amount Borrowed	Interest Rate	Nature of Financing	Business Transaction Amounts	Reasons for Short-term Financing	Allowance for Impairment Loss	Collateral		Financing Limit for Each Borrower	Aggregate Financing Limits
													Item	Value		
0	The Company	mCore Technology Corp.	Other receivables from related parties	Yes	$ 100,000	$ 50,000	$ -	-	For financing	$ -	Working capital	$ -	-	$ -	$ 2,199,038	$ 4,398,075
		Seer Microelectronics, Inc.	Other receivables from related parties	Yes	60,000	60,000	-	-	For financing	-	Working capital	-	-	-	2,199,038	4,398,075
		INFSitronix Technology Corp.	Other receivables from related parties	Yes	100,000	100,000	6,000	1.95%	For financing	-	Working capital	-	-	-	2,199,038	4,398,075

Note 1: The description is as follows

1. Lender is numbered as 0.
2. Investee is numbered sequentially from 1.

Note 2: According to the “Financing providing and operation management method”, the total amount and the available amount to any individual for lending are as follows:

1. The total amount for lending shall not exceed forty percent of SITRONIX’s net worth. However the total amount lendable to any subsidiary for short-term financing could upper to the total available amount of the company.
2. The total amount for lending to or lending from any directly or indirectly hold foreign subsidiaries with 100% ownership, shall not exceed 40% of the net worth of the lending company. The total amount for lending to any individual shall not exceed 50% of the total available amount.
3. Where funds are lent to a company or business with business relationships with the Company, the total amount for lending to any individual shall not exceed the amount of business transaction between the two parties. Amount of business transaction defines the highest amount of purchase or sales.
4. The total amount for lending to any individual shall not exceed 50% of the Company’s net worth for the company or firm that needs short-term financing.

SITRONIX TECHNOLOGY CORPORATION AND SUBSIDIARIES

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

No. (Note 1)	Endorser/ Guarantor	Endorsee/Guarantee		Limit on Endorsement/ Guarantee Given on Behalf of Each Party (Note 2)	Maximum Amount Endorsed/ Guaranteed During the Period	Outstanding Endorsement/ Guarantee at the End of the Period	Actual Amount Borrowed	Amount Endorsed/ Guaranteed by Collateral	Ratio of Accumulated Endorsement/ Guarantee to Net Equity in Latest Financial Statements (%)	Aggregate Endorsement/ Guarantee Limit (Note 2)	Endorsement/ Guarantee Given by Parent on Behalf of Subsidiaries	Endorsement/ Guarantee Given by Subsidiaries on Behalf of Parent	Endorsement/ Guarantee Given on Behalf of Companies in Mainland China
		Name	Relationship										
0	The Company	HeFei Sitronix Technology Co., Ltd.	Subsidiary	$ 5,497,594	$ 100,000	$ 100,000	$ -	$ -	0.91	$ 5,497,594	Yes	-	Yes
		mCore Technology Corp.	Subsidiary	5,497,594	100,000	100,000	11,564	-	0.91	5,497,594	Yes	-	-
		HeFei Sitronix Co., Ltd.	Subsidiary	5,497,594	400,000	400,000	75,227	-	3.64	5,497,594	Yes	-	Yes
		Seer Microelectronics, Inc.	Subsidiary	5,497,594	200,000	200,000	-	-	1.82	5,497,594	Yes	-	-
		INFSitronix Technology Corp.	Subsidiary	5,497,594	100,000	100,000	4,606	-	0.91	5,497,594	Yes	-	-

Note 1: The description is as follows

1. Lender is numbered as 0.
2. Investee is numbered sequentially from 1.

Note 2: According to the “endorsement guarantee operation management measures” of Sitronix Technology Corp. The total amount of endorsement guarantee shall not exceed 50% of the net value in the latest year’s financial statements audited by CPA. The amount of endorsement guarantee for a single enterprise shall not exceed 25% of the net value of the latest year’s financial statements audited by CPA. However, the amount of endorsement guarantee for the company that directly and indirectly holds more than 50% of the voting shares of a company shall not exceed 50% of the net value of the latest year’s financial statements audited by CPA.

TABLE 3

SITRONIX TECHNOLOGY CORPORATION AND SUBSIDIARIES

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

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	December 31, 2023				Note
				Number of Shares	Carrying Amount	Percentage of Ownership (%)	Fair Value	
The Company	Bond							
	FORCAY 3.375% 04/22/2025, USD Bond	-	Financial assets at amortized cost - non-current	-	$ 30,870	-	$ 30,870	Note 2
	TSMC ARIZONA CORP 4.125% 04/22/2029, USD Bond	-	Investments in debt instruments at fair value through other comprehensive income - non-current	-	30,189	-	30,189	Note 1
	TAIWAN MOBILE first Unsecured Straight Corporate Bond in 2023	-	Investments in debt instruments at fair value through other comprehensive income - non-current	-	49,738	-	49,738	Note 1
	GS 5.8% 12/18/2033, USD Bond	-	Investments in debt instruments at fair value through other comprehensive income - non-current	-	31,491	-	31,491	Note 1
	Chailease Holding Company Limited first Unsecured Convertible Bond	-	Financial assets at fair value through profit or loss - current	100,000	9,910	-	9,910	Note 1
	Topco Technologies Corp. first Unsecured Convertible Bond	-	Financial assets at fair value through profit or loss - current	200,000	21,840	-	21,840	Note 1
	Yulon Motor Co., Ltd. third Unsecured Convertible Bond	-	Financial assets at fair value through profit or loss - current	65,000	6,939	-	6,939	Note 1
	Gloria Material Technology Corp. seventh Unsecured Convertible Bond	-	Financial assets at fair value through profit or loss - current	100,000	10,665	-	10,665	Note 1
	Ennoconn Corporation fifth Unsecured Convertible Bond	-	Financial assets at fair value through profit or loss - current	100,000	10,885	-	10,885	Note 1
	Yulon Finance Corp. second Unsecured Convertible Bond	-	Financial assets at fair value through profit or loss - current	100,000	10,170	-	10,170	Note 1
	Taishin Financial Holding Co., Ltd. first Unsecured Exchangeable Bond	-	Financial assets at fair value through profit or loss - current	200,000	20,760	-	20,760	Note 1
	Derivatives							
	6M USD FCN [GOOG+AMD+QCOM] 14.88% 06/20/2024	-	Financial assets at fair value through profit or loss - current	-	15,466	-	15,466	Note 1
	Taishin Financial Holding Co., Ltd. E1 Credit Linked Structured Product	-	Financial assets at fair value through profit or loss - non-current	-	35,106	-	35,106	Note 1
	Gemtek Technologies Co., Ltd. sixth Credit Linked Structured Product	-	Financial assets at fair value through profit or loss - non-current	-	10,031	-	10,031	Note 1
	Gloria Material Technology Corp. seventh Credit Linked Structured Product	-	Financial assets at fair value through profit or loss - non-current	-	25,233	-	25,233	Note 1
	Ennoconn Corporation fifth Credit Linked Structured Product	-	Financial assets at fair value through profit or loss - non-current	-	20,091	-	20,091	Note 1
	Yulon Finance Corp. second Credit Linked Structured Product	-	Financial assets at fair value through profit or loss - non-current	-	20,094	-	20,094	Note 1

(Continued)

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	December 31, 2023				Note
				Number of Shares	Carrying Amount	Percentage of Ownership (%)	Fair Value	
The Company	Sercomm Corp. sixth Credit Linked Structured Product	-	Financial assets at fair value through profit or loss - non-current	-	$ 15,017	-	$ 15,017	Note 1
	Taiwan Mask Corp. third Credit Linked Structured Product	-	Financial assets at fair value through profit or loss - current	-	40,154	-	40,154	Note 1
	Ultra Chip, Inc. second Credit Linked Structured Product	-	Financial assets at fair value through profit or loss - current	-	30,142	-	30,142	Note 1
	Wah Lee Industrial Corp. third Credit Linked Structured Product	-	Financial assets at fair value through profit or loss - current	-	20,062	-	20,062	Note 1
	Fund							
	KGI Taiwan Assets Fund	-	Financial assets at fair value through profit or loss - current	5,503,962	65,634	-	65,634	Note 1
	UPAMC Taiwan Smart Strategy fund	-	Financial assets at fair value through profit or loss - current	1,000,000	11,430	-	11,430	Note 1
	UPAMC CB Strategy fund	-	Financial assets at fair value through profit or loss - current	10,000,000	110,498	-	110,498	Note 1
	Cathay U.S. Treasury 20+ Year Bond ETF	-	Financial assets at fair value through profit or loss - current	530,000	16,859	-	16,859	Note 1
	Jih Sun Vietnam Opportunity Fund A (TWD)	-	Financial assets at fair value through profit or loss - current	1,202,815	9,839	-	9,839	Note 1
	Stock							
	Fubon Financial Holding Co., Ltd.	-	Financial assets at fair value through profit or loss - current	7,354	476	-	476	Note 1
	Silicon Power Computer & Communications Inc.	Substantive related party	Investments in equity instruments at fair value through other comprehensive income - current	4,198,701	154,932	-	154,932	Note 1
	Taishin Financial Holding Co., Ltd. Preferred Share E	-	Investments in equity instruments at fair value through other comprehensive income - current	189,000	9,658	-	9,658	Note 1
	Taishin Financial Holding Co., Ltd. Preferred Share F (2)	-	Investments in equity instruments at fair value through other comprehensive income - current	474,000	21,638	-	21,638	Note 1
	WPG Holdings Limited Preferred Share A	-	Investments in equity instruments at fair value through other comprehensive income - current	690,000	32,430	-	32,430	Note 1
	Chailease Holding Company Limited Preferred Share A	-	Investments in equity instruments at fair value through other comprehensive income - current	250,000	24,475	-	24,475	Note 1
	WT Microelectronics Co., Ltd. Preferred Share A	-	Investments in equity instruments at fair value through other comprehensive income - current	1,000,000	45,650	-	45,650	Note 1
	Fubon Financial Holding Co., Ltd. Preferred Share A	-	Investments in equity instruments at fair value through other comprehensive income - current	175,000	10,692	-	10,692	Note 1
	Cathay Financial Holding Co., Ltd. Preferred Share A	-	Investments in equity instruments at fair value through other comprehensive income - current	131,000	7,808	-	7,808	Note 1
	Nan Ya Plastics Corporation	-	Investments in equity instruments at fair value through other comprehensive income - current	150,000	9,975	-	9,975	Note 1

(Continued)

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	December 31, 2023				Note
				Number of Shares	Carrying Amount	Percentage of Ownership (%)	Fair Value	
The Company	Kwong Lung Enterprise Co., Ltd	-	Investments in equity instruments at fair value through other comprehensive income - current	146,000	$ 8,307	-	$ 8,307	Note 1
	G-tech Electronics Co., Ltd.	-	Investments in equity instruments at fair value through other comprehensive income - current	307,000	-	2	-	
	Equity Investment							
	HANS GLOBAL SELECT FUND LIMITED	-	Investments in equity instruments at fair value through other comprehensive income - non-current	120,000	296,877	-	296,877	Note 3
	Fong Huang Innovation Investment Co., Ltd.	-	Investments in equity instruments at fair value through other comprehensive income - non-current	3,000,000	35,565	9	35,565	Note 3
	Fong Huang II Innovation Investment Co., Ltd.	-	Investments in equity instruments at fair value through other comprehensive income - non-current	3,000,000	34,658	7	34,658	Note 3
	Top Taiwan XIII Venture Capital Co., Ltd.	-	Investments in equity instruments at fair value through other comprehensive income - non-current	10,000,000	94,844	12	94,844	Note 3
	Fong Huang IV Innovation Investment Co., Ltd.	-	Investments in equity instruments at fair value through other comprehensive income - non-current	1,500,000	18,627	6	18,627	Note 3
	Limited Partnership							
	CDIB-Innolux Limited Partnership	-	Financial assets at fair value through profit or loss - non-current	4,953,300	60,965	-	60,965	Note 3
	Megawood Green Technology Fund L.P.	-	Financial assets at fair value through profit or loss - non-current	2,250,000	21,209	-	21,209	Note 3
Sitronix Investment Corp.	Equity Investment							
	HANS GLOBAL SELECT FUND LIMITED	-	Investments in equity instruments at fair value through other comprehensive income - non-current	111,500	275,848	-	275,848	Note 3
Sensortek Technology Corp.	Bond							
	HSBC 3.75% 05/24/2024 USD Bond	-	Investments in debt instruments at fair value through other comprehensive income - current	-	15,237	-	15,237	Note 1
	TSMC ARIZONA CORP 4.125% 04/22/2029 USD Bond	-	Investments in debt instruments at fair value through other comprehensive income - non-current	-	30,189	-	30,189	Note 1
	TSMC ARIZONA CORP 3.875% 04/22/2027 USD Bond	-	Investments in debt instruments at fair value through other comprehensive income - non-current	-	30,084	-	30,084	Note 1
	China Huadian Corporation 3.375% Perpetual USD Bond	-	Investments in debt instruments at fair value through other comprehensive income - non-current	-	29,701	-	29,701	Note 1
	CITI 2.80% 06/15/2025 USD Bond	-	Investments in debt instruments at fair value through other comprehensive income - non-current	-	29,473	-	29,473	Note 1
	TSMC ARIZONA CORP 2.5% 10/25/2031 USD Bond	-	Investments in debt instruments at fair value through other comprehensive income - non-current	-	26,419	-	26,419	Note 1

(Continued)

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	December 31, 2023 Number of Shares	Carrying Amount	Percentage of Ownership (%)	Fair Value	Note
Sensortek Technology Corp.	FORCAY 3.375% 04/22/2025 USD Bond	-	Investments in debt instruments at fair value through other comprehensive income - non-current	-	$ 15,007	-	$ 15,007	Note 1
	GS 5.8% 12/18/2033, USD Bond	-	Investments in debt instruments at fair value through other comprehensive income - non-current	-	31,491	-	31,491	Note 1
	Chailease Holding Company Limited first Unsecured Convertible Bond	-	Financial assets at fair value through profit or loss - current	287,000	28,442	-	28,442	Note 1
	Gloria Material Technology Corp. seventh Unsecured Convertible Bond	-	Financial assets at fair value through profit or loss - current	100,000	10,665	-	10,665	Note 1
	Yulon Motor Co., Ltd. third Unsecured Convertible Bond	-	Financial assets at fair value through profit or loss - current	40,000	4,270	-	4,270	Note 1
	Taishin Financial Holding Co., Ltd. first Unsecured Exchangeable Bond	-	Financial assets at fair value through profit or loss - current	200,000	20,760	-	20,760	Note 1
	Derivatives							
	Taiwan Mask Corp. third Credit Linked Structured Product	-	Financial assets at fair value through profit or loss - current	-	30,105	-	30,105	Note 1
	Ultra Chip, Inc. second Credit Linked Structured Product	-	Financial assets at fair value through profit or loss - current	-	30,142	-	30,142	Note 1
	Wah Lee Industrial Corp. third Credit Linked Structured Product	-	Financial assets at fair value through profit or loss - current	-	20,062	-	20,062	Note 1
	Taishin Financial Holding Co., Ltd. E1 Credit Linked Structured Product	-	Financial assets at fair value through profit or loss - non-current	-	35,106	-	35,106	Note 1
	RiTdisplay Corporation second Credit Linked Structured Product	-	Financial assets at fair value through profit or loss - non-current	-	9,585	-	9,585	Note 1
	Sercomm Corp. sixth Credit Linked Structured Product	-	Financial assets at fair value through profit or loss - non-current	-	15,017	-	15,017	Note 1
	Gemtek Technologies Co., Ltd. sixth Credit Linked Structured Product	-	Financial assets at fair value through profit or loss - non-current	-	10,031	-	10,031	Note 1
	Gloria Material Technology Corp. seventh Credit Linked Structured Product	-	Financial assets at fair value through profit or loss - non-current	-	25,233	-	25,233	Note 1
	Fund							
	Cathay U.S. Treasury 20+ Year Bond ETF	-	Financial assets at fair value through profit or loss - current	150,000	4,771	-	4,771	Note 1
	Stock							
	WT Microelectronics Co., Ltd. Preferred Share A	-	Investments in equity instruments at fair value through other comprehensive income - current	2,000,000	91,300	-	91,300	Note 1
	Fubon Financial Holding Co., Ltd. Preferred Share A	-	Investments in equity instruments at fair value through other comprehensive income - current	800,000	48,880	-	48,880	Note 1
	Taishin Financial Holding Co., Ltd. Preferred Share E	-	Investments in equity instruments at fair value through other comprehensive income - current	609,000	31,120	-	31,120	Note 1
	Chailease Holding Company Limited Preferred Share A	-	Investments in equity instruments at fair value through other comprehensive income - current	300,000	29,370	-	29,370	Note 1
	Powertech Technology Inc.	-	Investments in equity instruments at fair value through other comprehensive income - current	168,000	23,688	-	23,688	Note 1

(Continued)

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	December 31, 2023				Note
				Number of Shares	Carrying Amount	Percentage of Ownership (%)	Fair Value	
Sensortek Technology Corp.	Taiwan Cement Corp.	-	Investments in equity instruments at fair value through other comprehensive income - current	69,450	$ 2,420	-	$ 2,420	Note 1
	Fubon Financial Holding Co., Ltd.	-	Financial assets at fair value through profit or loss - current	33,621	2,179	-	2,179	Note 1
	Sitronix Technology Corp.	The Parent Company	Investments in equity instruments at fair value through other comprehensive income - non-current	606,000	168,468	-	168,468	Note 1
	Equity Investment							
	Fong Huang II Innovation Investment Co., Ltd.	-	Investments in equity instruments at fair value through other comprehensive income - non-current	3,000,000	34,658	7	34,658	Note 3
Forcelead Technology Corp.	Fund							
	TAISHIN JU LONG Fund	-	Financial assets at fair value through profit or loss - current	1,746,862	22,314	-	22,314	Note 1
	Stock							
	WPG Holdings Limited Preferred Share A	-	Investments in equity instruments at fair value through other comprehensive income - current	190,000	8,930	-	8,930	Note 1
Sitronix Holding International Ltd.	Bond							
	CITI 2.75% 04/08/2024 USD Bond	-	Investments in debt instruments at fair value through other comprehensive income - current	-	USD 2,978	-	USD 2,978	Note 1
	AT&T INC 5.35% 11/01/2066 (TBB) USD Bond	-	Investments in debt instruments at fair value through other comprehensive income - non-current	-	USD 569	-	USD 569	Note 1
	China Huadian Corporation 3.375% Perpetual USD Bond	-	Investments in debt instruments at fair value through other comprehensive income - non-current	-	USD 967	-	USD 967	Note 1
	CITI 2.80% 06/15/2025 USD Bond	-	Investments in debt instruments at fair value through other comprehensive income - non-current	-	USD 960	-	USD 960	Note 1
	GS 5.8% 12/18/2033, USD Bond	-	Investments in debt instruments at fair value through other comprehensive income - non-current	-	USD 1,026	-	USD 1,026	Note 1

(Concluded)

Note 1: Calculated based on the closing price on December 31, 2023.

Note 2: Listed based on book value.

Note 3: Calculated based on the net value on December 31, 2023.

Note 4: As of December 31, 2023, the above listed marketable securities were neither provided as guarantee nor pledged as collateral for loans.

Note 5: The marketable securities listed in the table above refer to the securities, bonds, beneficiary certificates and securities that fall within the scope of IFRS 9 “Financial Instruments”.

TABLE 4

SITRONIX TECHNOLOGY CORPORATION AND SUBSIDIARIES

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

Company Name	Property	Event Date	Transaction Amount	Payment Status	Counterparty	Relationship	Information on Previous Title Transfer If Counterparty Is A Related Party				Pricing Reference	Purpose of Acquisition	Other Terms
							Property Owner	Relationship	Transaction Date	Amount			
Forcelead Technology Corp.	Buildings	2023.9.6	$ 937,250	$ 121,870	Winsome Development Co., Ltd.	None	-	-	-	-	Real estate valuation report and board of directors	Operating Purpose	None

Note 1: Payment amount are classified as prepayments for buildings.

TABLE 5

SITRONIX TECHNOLOGY CORPORATION AND SUBSIDIARIES

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

Buyer	Related Party	Relationship	Transaction Details				Abnormal Transaction		Notes/Trade Receivable (Payable)		Note
			Purchase/ Sale	Amount	% of Total	Payment Terms	Unit Price	Payment Terms	Ending Balance	% of Total	
The Company	Sensortek Technology Corp.	Subsidiary	Purchase	$ 1,733,011	35%	Net 60 days from the ship date	$ -	-	($ 339,158)	(29%)	-

TABLE 6

SITRONIX TECHNOLOGY CORPORATION AND SUBSIDIARIES

INTERCOMPANY RELATIONSHIPS AND SIGNIFICANT INTERCOMPANY TRANSACTIONS
FOR THE YEAR ENDED DECEMBER 31, 2023
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

No.	Investee Company	Counterparty	Relationship	Transaction Details			
				Financial Statement Account	Amount	Payment Terms (Note)	% of Total Sales or Assets
0	The Company	Sensortek Technology Corp.	from the parent company to the subsidiary	Sales	$ 54,211	-	-
				Purchases	1,733,011	-	10%
				Trade receivables	13,044	-	-
				Trade payables	339,158	-	2%
		Forcelead Technology Corp.	from the parent company to the subsidiary	Sales	57,419	-	-
				Purchases	74,941	-	-
				Rental income	6,310	-	-
				Other receivables	12,544	-	-
				Trade receivables	9,120	-	-
				Trade payables	10,865	-	-
				Guarantee deposits received	7,402	-	-
		INFSitronix Technology Corp.	from the parent company to the subsidiary	Sales	9,539	-	-
				Trade receivables	2,382	-	-
				Other receivables	7,296	-	-
		mCore Technology Corp.	from the parent company to the subsidiary	Sales	17,655	-	-
				Rental income	2,217	-	-
				Trade receivables	3,298	-	-
		Sync-Tech System Corp.	from the parent company to the subsidiary	Sales	3,589	-	-
				Other payables	7,686	-	-
				Rental income	7,248	-	-
				Manufacturing expenses	40,808	-	-
		Sitronix Technology (Shenzhen) Co., Ltd.	from the parent company to the subsidiary	Professional service fees	177,367	-	1%
		HeFei Sitronix Co., Ltd.	from the parent company to the subsidiary	Other income	2,684	-	-
				Trade payables	3,638	-	-
				Purchases	22,027	-	-
1	Forcelead Technology Corp.	Sync-Tech System Corp.	from the subsidiary to the subsidiary	Manufacturing expenses	35,923	-	-
				Other payables	9,107	-	-
2	mCore Technology Corp.	HeFei Sitronix Co., Ltd.	from the subsidiary to the subsidiary	Purchases	6,838	-	-
				Trade payables	4,575	-	-

Note 1: The purchase transactions of the Company and its subsidiaries, their trading prices and collection conditions, are not significantly different from those of non-subsidiaries, and the rest of the transactions with the subsidiaries are calculated in accordance with the contractual agreements.

Note 2: The transaction of the Forcelead Technology Corp. and the Sync-Tech System Corp. is calculated according to mutual agreements.

Note 3: The purchase transactions of the mCore Technology Corp. and HeFei Sitronix Co., Ltd., their trading prices and collection conditions, are not significantly different from those of non-subsidiaries.

TABLE 7

SITRONIX TECHNOLOGY CORPORATION AND SUBSIDIARIES

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

Investor Company	Investee Company	Location	Main Businesses and Products	Original Investment Amount (Foreign Currencies in Thousands)		Balance as of December 31, 2023			Net Income (Loss) of the Investee	Share of (Loss) Profit
				December 31, 2023	December 31, 2022	Number of Shares	Percentage of Ownership (%)	Carrying Amount		
The Company	Sitronix Investment Corp.	Taiwan	Investment	$ 367,270	$ 367,270	33,249,060	100.00	$ 280,473	($ 4,441)	($ 4,441)
	Forcelead Technology Corp.	Taiwan	R&D design and sales of multi-functional integrated automotive display driver ICs	684,047	717,634	23,197,545	61.01	1,021,604	436,894	291,029
	Sensortek Technology Corp.	Taiwan	R&D, design and sales of sensor integrated circuit products	113,318	113,318	22,529,596	46.06	1,959,092	675,516	305,009
	mCore Technology Corp.	Taiwan	Providing solutions for consumer display and voice/audio related applications.	131,074	131,074	9,583,010	90.73	113,139	9,581	8,693
	Sync-Tech System Corp.	Taiwan	Design, manufacturing and maintenance of semiconductor consumables and testing equipment	160,554	160,554	12,403,511	42.19	359,425	113,486	48,072
	INFSitronix Technology Corp.	Taiwan	Comprehensive line of Power supervisor IC design	193,559	193,559	9,796,220	58.42	52,932	(26,017)	(15,199)
	ezGreen Inc.	Taiwan	Software design and electronic information supply services	160,000	100,000	16,000,000	100.00	45,694	(23,847)	(23,847)
	Seer Microelectronics, Inc.	Taiwan	High performance sensor IC with single photon design and applications	95,000	-	9,500,000	72.66	76,007	(17,616)	(12,345)
	Sitronix Holding International Ltd.	Samoa	Investment	184,230 (USD 6,000)	184,230 (USD 6,000)	6,000,000	100.00	217,255	7,031	7,031
Sitronix Investment Corp.	Sensortek Technology Corp.	Taiwan	R&D, design and sales of sensor integrated circuit products	10	10	2,290	-	208	675,516	32
	INFSitronix Technology Corp.	Taiwan	Comprehensive line of Power supervisor IC design	10	10	266	-	1	(26,017)	(1)
ezGreen Inc.	esGMeta Co.,Ltd.	Taiwan	Carbon footprint verification, analysis of data on carbon system platforms, execution of carbon reduction projects and commissioning of carbon trading rights	9,500	-	9,500,000	47.50	5,202	-	-

Note : Foreign currencies is converted into NTD using the exchange rates of the US dollar to NTD on December 31, 2023.

TABLE 8

SITRONIX TECHNOLOGY CORPORATION AND SUBSIDIARIES

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

Investee Company	Main Businesses and Products	Paid-in Capital (Foreign Currencies in Thousands)	Method of Investment	Accumulated Outward Remittance for Investment from Taiwan as of January 1, 2023 (Foreign Currencies in Thousands)	Remittance of Funds: Outward (Foreign Currencies in Thousands)	Remittance of Funds: Inward	Accumulated Outward Remittance for Investment from Taiwan as of December 31, 2023 (Foreign Currencies in Thousands)	Net Income (Loss) of the Investee	% Ownership for Direct or Indirect Investment	Investment Gain (Loss)	Carrying Amount as of December 31, 2023	Accumulated Repatriation of Investment Income as of December 31, 2023
Sitronix Technology (Shenzhen) Co., Ltd.	Computer software and hardware development, sales and after-sales service business and related technical consulting services	$ 12,282 (USD 400)	Note 1	$ 12,282 (USD 400)	$ -	$ -	$ 12,282 (USD 400)	$ 2,151	100%	$ 2,151	$ 28,514	$ 10,237
HeFei ezGreen Co., Ltd.	Design, sales and technical services of Supplier management software development	43,270 (CNY 10,000)	Note 4	43,270 (CNY 10,000)	-	-	43,270 (CNY 10,000)	(9,438)	100%	(9,438)	10,906	-
HeFei Sitronix Co., Ltd.	R&D, design, sales and technical services of integrated circuits and system hardware and software	216,350 (CNY 50,000)	Note 5	97,358 (CNY 22,500)	-	-	97,358 (CNY 22,500)	47,393	90%	42,654	449,489	-
HeFei Sitronix Technology Co., Ltd.	R&D and sale of integrated circuits; R&D, service and sales of integrated circuits chip	151,445 (CNY 35,000)	Note 6	129,810 (CNY 30,000)	21,635 (CNY 5,000)	-	151,445 (CNY 35,000)	(8,397)	100%	(8,397)	139,304	-

Investor Company	Accumulated Outward Remittance for Investment in Mainland China as of December 31, 2023 (Foreign Currencies in Thousands)	Investment Amount Authorized by the Investment Commission, MOEA (Foreign Currencies in Thousands)	Upper Limit on the Amounts of Investment Stipulated by Investment Commission, MOEA
Sitronix Technology Corporation	$ 326,456 (US$ 10,632)	$ 691,937 (US$ 22,535)	$6,597,113
Forcelead Technology Corp.	$ - (US$ -)	$ 23,888 (US$ 788)	$1,004,704

Note 1: Direct Investment, as of December 31, 2023, the total investment amount approved by the Investment Commission, MOEA, is US$400 thousand, and the investment amount of US$400 thousand has been remitted.

Note 2: Foreign currencies are converted into NTD using the exchange rates of the US dollar and CNY to NTD on December 31, 2023.

Note 3: According to the Investment Commission, MOEA, 60% of the net value of investments in mainland China is set.

Note 4: Direct Investment, as of December 31, 2023, the total investment amount approved by the Investment Commission, MOEA, is CNY10,000 thousand, and the investment amount of CNY10,000 thousand has been remitted.

Note 5: Direct Investment, as of December 31, 2023, the total investment amount approved by the Investment Commission, MOEA, is CNY45,000 thousand, and the investment amount of CNY22,500 thousand has been remitted, and the capital increase from capital surplus in the amount of CNY22,500 thousand.

Note 6: Direct Investment, as of December 31, 2023, the total investment amount approved by the Investment Commission, MOEA, is CNY90,000 thousand, and the investment amount of CNY35,000 thousand has been remitted.

TABLE 9

SITRONIX TECHNOLOGY CORPORATION AND SUBSIDIARIES

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

Investor Company	Investee Company	Relationship	Transaction Type	Total Operating Expenses		Price	Transaction Details		Notes/Accounts Receivable (Payable)		Unrealized (Gain) Loss	Note
				Amount	%		Payment Terms	Comparison with Normal Transactions	Ending Balance	%		
The Company	Sitronix Technology (Shenzhen) Co., Ltd	From the parent company to the subsidiary	Professional service fees	$ 177,367	11%	Calculated based on the contract	Calculated based on the contract	No related similar transactions to follow	$ -	-	$ -	-

TABLE 10

SITRONIX TECHNOLOGY CORPORATION AND SUBSIDIARIES

INFORMATION ON MAJOR SHAREHOLDERS
DECEMBER 31, 2023

Name of Major Shareholder	Shares	
	Number of Shares	Percentage of Ownership (%)
Capital Tip customized Taiwan Select High Dividend ETF	8,437,000	7.02

Note 1: The information of major shareholders presented in this table is provided by the Taiwan Depository & Clearing Corporation based on the number of ordinary shares and preferred shares held by shareholders with ownership of 5% or greater, that have been issued without physical registration (including treasury shares) by the Company as of the last business day for the current quarter. The share capital in the consolidated financial statements may differ from the actual number of shares that have been issued without physical registration because of different preparation basis.

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