SOLOMON Technology Corporation and Subsidiaries

Consolidated Financial Statements and Independent Auditor's Review Report

First Quarter 2024 and 2023

(Stock Code 2359)

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SOLOMON Technology Corporation and Subsidiaries
Consolidated Financial Statements and Independent Auditor's Review Report for First Quarter 2024 and 2023
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Independent Auditor's Review Report

(2024) Letter Cai-Shen-Bao-Zi No. 24000132

To SOLOMON Technology Corporation:

Introduction

We reviewed the consolidated balance sheets of SOLOMON Technology Corporation and its subsidiaries (hereinafter referred to as "Solomon Group") as of March 31, 2024 and 2023, and their consolidated statements of comprehensive income, consolidated statements of changes in equity and consolidated statements of cash flows for the periods from January 1 to March 31, 2024 and 2023 and the notes to the consolidated financial statements (including the summary of material accounting policies). Compiling fairly presented consolidated financial statements according to the "Regulations Governing the Preparation of Financial Reports by Securities Issuers" and the IAS 34 "Interim Financial Reporting" endorsed and issued into effect by the Financial Supervisory Commission is the responsibility of the management. Our responsibility is to make conclusions about the consolidated financial statements based on the review result.

Scope

Except as explained in the Basis of Qualified Conclusion paragraph, we conducted our review in accordance with the Standards on Review Engagements of the Republic of China No. 2410 "Review of Financial Statements." The procedures carried out during the review of the consolidated financial statements include inquiries (mainly to the personnel in charge of financial and accounting matters), analytical procedures and other review procedures. The scope of the review is obviously narrower than the scope of the audit. Hence, we may not identify the material matters that can be identified during the audit and, thus, cannot give audit opinions.

Basis of Qualified Conclusion

As disclosed in Notes 4 (3) and 6 (7) to the consolidated financial statements, the financial statements of some non-significant subsidiaries included in the consolidated financial statements and investments accounted for using the equity method for the same period were not reviewed by us. As of March 31, 2024 and 2023, the total assets (including the investments accounted for using the equity method) of these non-significant subsidiaries were NT$1,066,960 thousand and NT$748,061 thousand, representing 11.5% and 8.6%, respectively, of the consolidated total assets; the total liabilities were NT$305,332 thousand and NT$257,905 thousand, representing 8.1% and 7.2%, respectively, of the consolidated total liabilities; for the three months ended March 31, 2024 and 2023, the total comprehensive income of these non-significant subsidiaries was NT$(94,115) thousand and NT$2,437 thousand, representing (257.3%) and 9.3%, respectively, of the consolidated comprehensive income.

Qualified Conclusion

Based on our review, except for the adjustments, if any, as might have been determined to be necessary had the financial statements of the non-significant subsidiaries and investments accounted for using the equity method as described in the Basis of Qualified Conclusion paragraph and the relevant information disclosed in Note 13 been reviewed, nothing has come to our attention that caused us to believe that the accompanying consolidated financial statements do not present fairly, in all material respects, the consolidated financial position of Solomon Group as of March 31, 2024 and 2023 and its consolidated financial performance and its consolidated cash flows for the three months ended March 31, 2024 and 2023 in accordance with the Regulations Governing the Preparation of

Financial Reports by Securities Issuers and International Accounting Standard 34 “Interim Financial Reporting” endorsed and issued into effect by the Financial Supervisory Commission.

PricewaterhouseCoopers Taiwan

Liang Yi-Chang
CPA
Wen Ya-Fang

Financial Supervisory Commission
Approval Letter No.:
Jin-Guan-Zheng-Shen-Zi No. 1070303009
Jin-Guan-Zheng-Shen-Zi No. 1100350706

May 10, 2024

SOLOMON Technology Corporation and Subsidiaries
Consolidated Balance Sheet
March 31, 2024 and December 31 and March 31, 2023

Unit: NT$ Thousand

	Assets	Note	March 31, 2024 Amount	%	December 31, 2023 Amount	%	March 31, 2023 Amount	%
	Current assets							
1100	Cash and cash equivalents	6 (1)	$ 1,784,423	19	$ 1,255,387	14	$ 1,824,691	21
1110	Financial assets measured at fair value through profit or loss – current	6 (2)	439,438	5	368,120	4	484,790	6
1136	Financial assets measured at amortized cost – current	6 (3)	491,772	5	526,931	6	286,900	3
1150	Net notes receivable	6 (4)	30,767	-	45,582	1	77,085	1
1170	Net accounts receivable	6 (4)	819,150	9	957,482	11	736,174	9
1200	Other receivables		25,539	-	20,658	-	27,256	-
1220	Income tax assets in the current period		130	-	130	-	292	-
130X	Inventory	6 (5)	1,733,498	19	1,892,638	21	1,218,355	14
1410	Prepayments	6 (6)	518,229	6	379,430	4	985,635	11
11XX	**Total current assets**		5,842,946	63	5,446,358	61	5,641,178	65
	Non-current assets							
1510	Financial assets measured at fair value through profit or loss – non-current	6 (2)	252,317	3	307,309	3	99,769	1
1535	Financial assets measured at amortized cost – non-current	6 (3) and 8	1,448,105	15	1,389,834	15	1,370,250	16
1550	Investments accounted for using the equity method	6 (7)	71,222	1	74,517	1	63,327	1
1600	Property, plant and equipment	6 (8) and 8	434,019	5	433,387	5	431,621	5
1755	Right-of-use assets	6 (9)	206,063	2	211,134	2	24,399	-
1760	Net investment property	6 (11) and 8	868,538	9	871,320	10	879,631	10
1780	Intangible assets		1,148	-	1,483	-	2,545	-
1840	Deferred income tax assets		65,975	1	66,668	1	15,276	-
1900	Other non-current assets	6 (12) and 8	120,369	1	146,082	2	160,562	2
15XX	**Total non-current assets**		3,467,756	37	3,501,734	39	3,047,380	35
1XXX	**Total assets**		$ 9,310,702	100	$ 8,948,092	100	$ 8,688,558	100

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SOLOMON Technology Corporation and Subsidiaries
Consolidated Balance Sheet
March 31, 2024 and December 31 and March 31, 2023

Unit: NT$ Thousand

Code	Liabilities and equity	Note	March 31, 2024 Amount	%	December 31, 2023 Amount	%	March 31, 2023 Amount	%
	Current liabilities							
2100	Short-term loans	6 (13)	$ 709,941	8	$ 673,000	8	$ 918,000	10
2130	Contractual liabilities – current	6 (20)	1,293,400	14	1,131,473	13	1,470,391	17
2150	Notes payable		10,312	-	10,054	-	9,330	-
2170	Accounts payable		859,212	9	885,710	10	507,230	6
2200	Other payables	6 (14)	462,481	5	193,111	2	436,388	5
2230	Income tax liabilities in the current period		77,085	1	71,538	1	64,037	1
2250	Liability provisions – current	6 (15)	4,263	-	1,749	-	3,585	-
2280	Lease liabilities – current	6 (9)	24,217	-	23,593	-	21,496	-
2300	Other current liabilities		21,065	-	21,016	-	57,373	1
21XX	**Total current liabilities**		3,461,976	37	3,011,244	34	3,487,830	40
	Non-current liabilities							
2570	Deferred income tax liabilities		102,985	1	82,127	1	91,695	1
2580	Lease liabilities – non-current	6 (9)	183,574	2	187,960	2	3,361	-
2600	Other non-current liabilities		8,357	-	8,357	-	8,032	-
25XX	**Total non-current liabilities**		294,916	3	278,444	3	103,088	1
2XXX	**Total liabilities**		3,756,892	40	3,289,688	37	3,590,918	41
	Share capital	6 (17)						
3110	Common share capital		1,714,711	19	1,714,711	19	1,714,711	20
	Capital reserves	6 (18)						
3200	Capital reserves		392,243	4	262,149	3	215,138	1
	Retained earnings	6 (19)						
3310	Legal reserves		463,352	5	463,352	5	417,135	5
3320	Special reserves		116,320	1	116,320	1	147,260	2
3350	Undistributed earnings		2,542,534	27	2,798,080	31	2,317,612	27
	Other equity							
3400	Other equity		(114,760)	(1)	(125,280)	(1)	(114,038)	(1)
3500	Treasury stocks	6 (17)	(6,042)	-	(6,042)	-	(6,042)	-
31XX	**Total equity attributable to owners of the parent company**		5,108,358	55	5,223,290	58	4,691,776	54
36XX	**Non-controlling interests**		445,452	5	435,114	5	405,864	5
3XXX	**Total equity**		5,553,810	60	5,658,404	63	5,097,640	59
	Material contingent liabilities and unrecognized contractual commitments	9						
3X2X	**Total liabilities and equity**		$ 9,310,702	100	$ 8,948,092	100	$ 8,688,558	100

The attached notes to the consolidated financial statements are part of the consolidated financial statements and should be read in conjunction.

Chairman: Chen Cheng-Lung General Manager: Chen Cheng-Lung Chief Accountant: Huang Chien-Chi

SOLOMON Technology Corporation and Subsidiaries
Consolidated Statement of Comprehensive Income
January 1 to March 31, 2024 and 2023

Unit: NT$ Thousand
(Earnings per share in NT$)

	Item	Note	January 1 to March 31, 2024 Amount	%	January 1 to March 31, 2023 Amount	%
4000	Operating income	6 (20)	$ 788,224	100	$ 947,828	100
5000	Operating costs	6 (5)	(613,918)	(78)	(743,431)	(79)
5950	Net gross operating profit		174,306	22	204,397	21
	Operating expenses	6 (25) (26)				
6100	Marketing expenses		(85,313)	(11)	(86,372)	(9)
6200	Management expenses		(81,276)	(10)	(86,530)	(9)
6300	R&D expenses		(32,491)	(4)	(28,941)	(3)
6450	Expected credit impairment gain (loss)	12 (2)	1,362	-	(1,191)	-
6000	Total operating expenses		(197,718)	(25)	(203,034)	(21)
6900	Operating (loss) profit		(23,412)	(3)	1,363	-
	Non-operating income and expenses					
7100	Interest income	6 (21)	38,898	5	40,854	4
7010	Other income	6 (22)	14,388	2	19,279	2
7020	Other gains and losses	6 (23)	48,183	6	(1,708)	-
7050	Financial costs	6 (24)	(5,222)	(1)	(4,430)	-
7060	Share of gains/losses of associates and joint ventures under the equity method	6 (7)	(3,295)	-	1,029	-
7000	Total non-operating income and expenses		92,952	12	55,024	6
7900	**Pre-tax profit**		69,540	9	56,387	6
7950	Income tax expense	6 (27)	(30,242)	(4)	(13,371)	(1)
8200	**Net profit in the current period**		$ 39,298	5	$ 43,016	5
	Other comprehensive income (net)					
	Items likely to be subsequently reclassified as profit or loss					
8361	Exchange differences on translation of financial statements of foreign operations		($ 2,719)	-	($ 16,726)	(2)
8300	**Other comprehensive income (net)**		($ 2,719)	-	($ 16,726)	(2)
8500	**Total comprehensive income in the current period**		$ 36,579	5	$ 26,290	3
	Net profit attributable to:					
8610	Owners of the parent company		$ 35,955	5	$ 37,991	4
8620	Non-controlling interests		$ 3,343	-	$ 5,025	1
	Total comprehensive income attributable to:					
8710	Owners of the parent company		$ 46,475	6	$ 40,273	4
8720	Non-controlling interests		($ 9,896)	(1)	($ 13,983)	(1)
	Basic earnings per share	6 (28)				
9750	Basic earnings per share		$ 0.21		$ 0.22	
	Diluted earnings per share	6 (28)				
9850	Diluted earnings per share		$ 0.21		$ 0.22	

The attached notes to the consolidated financial statements are part of the consolidated financial statements and should be read in conjunction.

Chairman: Chen Cheng-Lung General Manager: Chen Cheng-Lung Chief Accountant: Huang Chien-Chi

SOLOMON Technology Corporation and Subsidiaries
Consolidated Statement of Changes in Equity
January 1 to March 31, 2024 and 2023

Unit: NT$ Thousand

	Note	Equity attributable to owners of the parent company								Non-controlling interests	Total equity
				Retained earnings							
		Common share capital	Capital reserves	Legal reserves	Special reserves	Undistributed earnings	Exchange differences on translation of financial statements of foreign operations	Treasury stocks	Total		
January 1 to March 31, 2023											
Balance on January 1, 2023		$ 1,714,711	$ 215,138	$ 417,135	$ 147,260	$ 2,536,828	($ 116,320)	($ 6,042)	$ 4,908,710	$ 419,847	$ 5,328,557
Net profit in the current period		-	-	-	-	37,991	-	-	37,991	5,025	43,016
Other comprehensive income in the current period		-	-	-	-	-	2,282	-	2,282	(19,008)	(16,726)
Total comprehensive income in the current period		-	-	-	-	37,991	2,282	-	40,273	(13,983)	26,290
Allocation and distribution of earnings:	6 (19)										
Cash dividends		-	-	-	-	(257,207)	-	-	(257,207)	-	(257,207)
Balance on March 31, 2023		$ 1,714,711	$ 215,138	$ 417,135	$ 147,260	$ 2,317,612	($ 114,038)	($ 6,042)	$ 4,691,776	$ 405,864	$ 5,097,640
January 1 to March 31, 2024											
Balance on January 1, 2024		$ 1,714,711	$ 262,149	$ 463,352	$ 116,320	$ 2,798,080	($ 125,280)	($ 6,042)	$ 5,223,290	$ 435,114	$ 5,658,404
Net profit in the current period		-	-	-	-	35,955	-	-	35,955	3,343	39,298
Other comprehensive income in the current period		-	-	-	-	-	10,520	-	10,520	(13,239)	(2,719)
Total comprehensive income in the current period		-	-	-	-	35,955	10,520	-	46,475	(9,896)	36,579
Allocation and distribution of earnings:	6 (19)										
Cash dividends		-	-	-	-	(291,501)	-	-	(291,501)	-	(291,501)
Difference between the consideration and carrying amount of subsidiaries acquired or disposed of	6 (18) (29)	-	130,094	-	-	-	-	-	130,094	20,234	150,328
Balance on March 31, 2024		$ 1,714,711	$ 392,243	$ 463,352	$ 116,320	$ 2,542,534	($ 114,760)	($ 6,042)	$ 5,108,358	$ 445,452	$ 5,553,810

The attached notes to the consolidated financial statements are part of the consolidated financial statements and should be read in conjunction.

Chairman: Chen Cheng-Lung General Manager: Chen Cheng-Lung Chief Accountant: Huang Chien-Chi

SOLOMON Technology Corporation and Subsidiaries
Consolidated Statement of Cash Flows
January 1 to March 31, 2024 and 2023

Unit: NT$ Thousand

	Note	January 1 to March 31, 2024	January 1 to March 31, 2023
Cash flows from operating activities			
Pre-tax profit in the current period		$ 69,540	$ 56,387
Adjustment items			
Profits and expenses having no effect on cash flows			
Depreciation expense (including investment property and right-of-use assets)	6 (8) (9) (11)	16,924	17,881
Amortization expense	6 (25)	653	763
Expected credit impairment (gain) loss	12 (2)	(1,362)	1,191
Net loss (gain) from financial assets and liabilities measured at fair value through profit or loss	6 (2) (23)	57,255	(32,794)
Interest expense	6 (24)	5,222	4,430
Interest income	6 (21)	(38,898)	(40,854)
Share of losses (gains) of associates and joint ventures under the equity method	6 (7)	3,295	(1,029)
Changes in assets/liabilities related to operating activities			
Net changes in assets related to operating activities			
Financial assets measured at fair value through profit or loss		(73,581)	(220,309)
Net notes receivable		14,815	16,284
Accounts receivable		139,694	15,413
Other receivables		(3,751)	(5,299)
Inventory		159,140	53,258
Prepayments		(138,799)	(464,694)
Other non-current assets		25,500	(4,712)
Net changes in liabilities related to operating activities			
Contractual liabilities		161,927	320,371
Notes payable		258	(1,855)
Accounts payable		(26,498)	(5,524)
Other payables		(22,393)	(24,653)
Liability provisions – current		2,514	(7)
Other current liabilities		49	5,784
Cash inflow (outflow) from operations		351,504	(309,968)
Interest received		37,768	42,319
Interest paid		(4,960)	(4,714)
Income tax paid		(3,170)	(14,913)
Net cash inflow (outflow) from operating activities		381,142	(287,276)

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SOLOMON Technology Corporation and Subsidiaries
Consolidated Statement of Cash Flows
January 1 to March 31, 2024 and 2023

Unit: NT$ Thousand

	Note	January 1 to March 31, 2024	January 1 to March 31, 2023
Cash flows from investing activities			
Increase in financial assets measured at amortized cost		($ 550,043)	($ 286,900)
Decrease in financial assets measured at amortized cost		526,931	35,610
Cost of acquisition of property, plant, and equipment	6 (8)	(5,660)	(395)
Cost of acquisition of intangible assets		(105)	(158)
Net cash outflow from investing activities		(28,877)	(251,843)
Cash flows from financing activities			
Repayment of short-term loans	6 (31)	(104,479)	(560,577)
Borrowing of short-term loans	6 (31)	141,420	484,577
Repayment of principal of lease liabilities	6 (31)	(7,481)	(9,153)
Disposal of equity in subsidiaries (without loss of control)	6 (29)	150,328	-
Increase in deposits received	6 (31)	-	89
Net cash inflow (outflow) from financing activities		179,788	(85,064)
Effect of exchange rate		(3,017)	(1,483)
Increase (decrease) in cash and cash equivalents in the current period		529,036	(625,666)
Opening balance of cash and cash equivalents		1,255,387	2,450,357
Closing balance of cash and cash equivalents		$ 1,784,423	$ 1,824,691

The attached notes to the consolidated financial statements are part of the consolidated financial statements and should be read in conjunction.

Chairman: Chen Cheng-Lung General Manager: Chen Cheng-Lung Chief Accountant: Huang Chien-Chi

SOLOMON Technology Corporation and Subsidiaries
Notes to the Consolidated Financial Statements
First Quarter 2024 and 2023

Unit: NT$ Thousand
(Unless otherwise specified)

1. Company history

(1) SOLOMON Technology Corporation (hereinafter referred to as the "Company") was established in the Republic of China and commenced operation in May 1990. The Company was merged with its 100%-owned subsidiaries Mo Dao Investment Co., Ltd., Long Men Technology Corporation, and De Li Investment Co., Ltd. during 2007 and 2006. After the merger, the Company survived and Mo Dao Investment Co., Ltd., Long Men Technology Corporation, and De Li Investment Co., Ltd. were dissolved. The Company and its subsidiaries (hereinafter collectively referred to as the "Group") are mainly engaged in the sale, manufacturing, agency, and import of generators, semiconductors, electronic parts, and LCDs.

(2) The Company's stock was listed on Taiwan Stock Exchange Corporation in December 1996.

2. Approval date and procedures of the financial statements

The consolidated financial statements were approved for publication by the Board of Directors on May 10, 2024.

3. Application of new and amended standards and interpretations

(1) Effect of adopting the newly promulgated or revised IFRSs endorsed and issued into effect by the Financial Supervisory Commission (hereinafter referred to as the "FSC")

The newly promulgated, amended and revised standards and interpretations of IFRSs endorsed and issued into effect by the FSC and applicable in 2024 are listed in the following table:

New, revised or amended standards and interpretations	Effective date per IASB
Amendments to IFRS 16, "Lease Liability in a Sale and Leaseback"	January 1, 2024
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

As evaluated by the Group, the above standards and interpretations have no significant impact on the financial position and performance of the Group.

(2) Effect of not adopting the newly promulgated or revised IFRSs endorsed by the FSC

None.

(3) Effect of the IFRSs issued by the IASB but not yet endorsed by the FSC

The newly promulgated or revised standards and interpretations of the IFRSs issued by the IASB but not yet endorsed by the FSC are listed in the following table:

New, revised or amended standards and interpretations	Effective date per IASB
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
Amendment to IFRS 17 "Insurance Contracts"	January 1, 2023
Amendment to IFRS 17, "Initial Application of IFRS 17 and IFRS 9—Comparative Information"	January 1, 2023
IFRS 18 "Presentation and Disclosure in Financial Statements"	January 1, 2027
Amendments to IAS 21, "Lack of Exchangeability"	January 1, 2025

As evaluated by the Group, except for IFRS 18 "Presentation and Disclosure in Financial Statements" to be assessed, the above standards and interpretations have no significant impact on the financial position and performance of the Group.

IFRS 18 "Presentation and Disclosure in Financial Statements" replaces IAS 1. IFRS 18 updates the structure of the statement of profit or loss, required disclosures for management-defined performance measures, and enhanced principles on aggregation and disaggregation which apply to the primary financial statements and notes in general.

4. Summary of material accounting policies

The main accounting policies used for preparing the consolidated financial statements are described as follows. Unless otherwise specified, such policies are consistently applicable to all reporting periods.

(1) Statement of compliance

The consolidated financial statements were prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and IAS 34 "Interim Financial Reporting" endorsed and issued into effect by the FSC.

(2) Basis of preparation

A. The consolidated financial statements were prepared on the basis of historical cost, except for the key items listed below:

(A) Financial assets and liabilities (including derivatives) measured at fair value through profit or loss, measured at fair value.

(B) Defined benefit assets recognized at the net amount calculated as pension fund assets less the present value of defined benefit obligations.

B. Preparing financial statements in accordance with the International Financial Reporting Standards, International Accounting Standards, interpretations and pronouncements of interpretation endorsed and issued into effect by the FSC (hereinafter collectively referred to as IFRSs) requires the use of some important accounting estimates. During the adoption of the Group's accounting policies, the management needs to rely on their judgment when it comes to items that require demanding judgments, are highly complex or involve material assumptions and estimates in consolidated financial statements. For details, please refer to the description in Note 5.

(3) Basis of consolidation

A. Principle for preparation of the consolidated financial statements

(A) The Group includes all its subsidiaries as entities in the consolidated financial statements. Subsidiaries refer to entities controlled by the Group. An entity is controlled by the Group when the Group is exposed and has rights to variable returns from its involvement in the entity and has the ability to affect the returns with its power over the entity. The subsidiaries are included in the consolidated financial statements from the date on which the Group obtains control and continue to be consolidated until the date when such control ceases.

(B) Transactions, balances and unrealized gains or losses between companies within the Group have been eliminated. Necessary adjustments have been made to the accounting policies of the subsidiaries to keep them consistent with those of the Group.

(C) All components of profits or losses and other comprehensive income as well as total comprehensive income are attributable to the owners of the parent company and non-controlling interests, even if this results in the non-controlling interests having a deficit balance.

(D) Changes in the Group's shareholding in the subsidiaries that do not result in a loss of control (transactions with non-controlling interests) are treated as equity transactions, namely transactions with the owners. The difference between the adjusted amount of non-controlling interests and the fair value of considerations paid or received is directly recognized as equity.

(E) When the Group loses control over a subsidiary, the fair value of the remaining investment in the former subsidiary is remeasured and used as the fair value of the initially recognized financial assets or the cost of the initially recognized investments in associates or joint ventures. The difference between the fair value and the carrying amount is recognized as profit or loss in the current period. The accounting treatment of all amounts related to the subsidiary and previously recognized as other comprehensive income is on the same basis as that for the Group's direct disposal of the relevant assets or liabilities. In other words, gains or losses previously recognized as other comprehensive income are reclassified as profit or loss when the relevant assets or liabilities are disposed of. Thus, the gains or losses are reclassified from equity to profit or loss when the Group loses control over the subsidiary.

B. Subsidiaries included in the consolidated financial statements:

Name of investor company	Name of subsidiary	Nature of business	Shareholding percentage March 31, 2024	December 31, 2023	March 31, 2023	Description
The Company	Moredel Investment Corp. (Moredel Investment)	Professional investment	100.00	100.00	100.00	Note 3
The Company	Solomon Goldentek Display Corp. (Solomon Goldentek Display)	Manufacturing and sale of LCDs	70.77	70.77	70.77	
The Company	Solomon Cayman International Corporation (Solomon Cayman)	Holding company	100.00	100.00	100.00	

Name of investor company	Name of subsidiary	Nature of business	Shareholding percentage March 31, 2024	December 31, 2023	March 31, 2023	Description
The Company	Solomon Smartnet Corp. (Solomon Smartnet)	Manufacturing and sale of IC cards	100.00	100.00	100.00	Note 3
The Company	Solomon Wireless Technology Corp. (Solomon Wireless Technology)	Manufacturing and sale of communication products	96.41	96.41	96.41	Note 3
The Company	Total Profit Holdings Ltd. (Total Profit)	Holding company	100.00	100.00	100.00	Note 3
The Company	Solomon Data International Corporation (Solomon Data International)	Manufacturing and sale of LCD panels	27.86	29.60	30.45	Note 1
The Company	Cornucopia Innovation Corporation (Cornucopia Innovation)	Manufacturing of electronic parts and components	35.06	35.06	35.06	Notes 1, 3
The Company	Solomon Science Technology (VN) Company Limited (Solomon Science)	Supply and sale of intelligence technology	100.00	100.00	100.00	Note 3
The Company	Solomon Robotics (THAI) Ltd. (Solomon Robotics)	Supply and sale of intelligence technology	100.00	100.00	100.00	Note 3
The Company	Solomon Technology (USA) Corporation (Solomon USA)	Supply and sale of intelligence technology	100.00	100.00	100.00	Note 3
The Company	Solomon Technology Japan Co., Ltd.	Supply and sale of intelligence technology	100.00	100.00	-	Notes 2, 3
The Company	Solomon Energy Technology Corporation (Solomon Energy)	Self-usage renewable energy generation equipment	100.00	100.00	100.00	Note 3
The Company	Sheng-Peng Technology Corp. (Sheng-Peng Technology)	Import and export of electrical power-related products	51.00	51.00	51.00	Note 3
Moredel Investment	Solomon Data International Corporation (Solomon Data International)	Manufacturing and sale of LCD panels	16.31	18.04	18.87	Note 1
Moredel Investment	Solomon Goldentek Display Corp. (Solomon Goldentek Display)	Manufacturing and sale of LCDs	9.26	9.26	9.26	Note 1
Solomon Cayman	Yumon International Trade Shanghai Limited Corporation (Yumon International)	International trade	100.00	100.00	100.00	

Name of investor company	Name of subsidiary	Nature of business	Shareholding percentage			Description
			March 31, 2024	December 31, 2023	March 31, 2023	
Solomon Cayman	Goldentek Display System (B.V.I.) Co., Ltd. (Goldentek (B.V.I.))	Sale of LCDs and modules	0.39	0.39	0.39	Note 1
Solomon Smartnet	Solomon Data International Corporation (Solomon Data International)	Manufacturing and sale of LCD panels	18.56	20.30	21.11	Note 1
Solomon Smartnet	Solomon Goldentek Display Corp. (Solomon Goldentek Display)	Manufacturing and sale of LCDs	9.26	9.26	9.26	Note 1
Total Profit	Solomon Trading (Shenzhen) Ltd. (Solomon Shenzhen)	International trade	100.00	100.00	100.00	Note 3
Solomon Energy	Solomon Energy Technology (Singapore) Pte. Ltd (Solomon Energy (Singapore))	Self-usage renewable energy generation equipment	100.00	100.00	100.00	Note 3
Solomon Goldentek Display	Goldentek Display System (B.V.I.) Co., Ltd. (Goldentek (B.V.I.))	Sale of LCDs and modules	99.61	99.61	99.61	Note 3
Solomon Goldentek Display	Futek Trading Co., Ltd. (Futek Trading)	Entrepot trade	100.00	100.00	100.00	
Solomon Goldentek Display	Cornucopia Innovation Corporation (Cornucopia Innovation)	Manufacturing of electronic parts and components	2.07	2.07	2.07	Notes 1, 3
Solomon Goldentek Display	Solomon Goldentek Display (Hong Kong) Corp. (Hong Kong Goldentek)	Entrepot trade	100.00	100.00	100.00	
Goldentek (B.V.I.)	Solomon Goldentek Display (Dong Guan) Ltd. (Dong Guan Goldentek)	Production and sale of LCDs and modules	100.00	100.00	100.00	
Solomon Data International	Cornucopia Innovation Corporation (Cornucopia Innovation)	Manufacturing of electronic parts and components	13.22	13.22	13.22	Notes 1, 3

Note 1: The Company, directly or indirectly, collectively holds a majority of voting rights in the company.

Note 2: The subsidiary was incorporated in June 2023.

Note 3: The financial statements of the non-significant subsidiary as of March 31, 2024 and 2023, were not reviewed by the CPA.

C. Subsidiaries not included in the consolidated financial statements: None.

D. Different adjustments and treatments for subsidiaries during the accounting period: None.

E. Significant restrictions: None.

F. Subsidiaries with material non-controlling interests to the Group:

The Group's total non-controlling interests on March 31, 2024, December 31, 2023, and March 31, 2023 were $445,452, $435,114, and $405,864, respectively. The following is information on non-controlling interests and subsidiaries that are of materiality to the Group:

		Non-controlling interests			
		March 31, 2024		December 31, 2023	
Name of subsidiary	Principal place of business	Amount	Shareholding percentage	Amount	Shareholding percentage
Solomon Goldentek Display	Taiwan	$ 244,159	10.71%	$ 246,189	10.71%

		Non-controlling interests	
		March 31, 2023	
Name of subsidiary	Principal place of business	Amount	Shareholding percentage
Solomon Goldentek Display	Taiwan	$ 240,605	10.71%

Summary of subsidiaries' financial information:

<u>Consolidated Balance Sheet</u>

	Solomon Goldentek Display		
	March 31, 2024	December 31, 2023	March 31, 2023
Current assets	$ 1,672,244	$ 1,654,535	$ 1,773,408
Non-current assets	635,507	625,255	361,982
Current liabilities	(298,905)	(248,128)	(391,241)
Non-current liabilities	(239,378)	(240,017)	(1,646)
Total net assets	$ 1,769,468	$ 1,791,645	$ 1,742,503

Consolidated Statement of Comprehensive Income

	Solomon Goldentek Display	
	January 1 to March 31, 2024	January 1 to March 31, 2023
Income	$ 171,375	$ 254,625
Pre-tax profit	42,071	25,858
Income tax expense	(9,619)	(3,335)
Net profit from continuing operations in the current period	32,452	22,523
Other comprehensive income (after tax, net)	5,952	2,179
Total comprehensive income in the current period	$ 38,404	$ 24,702
Total comprehensive income attributable to non-controlling interests	$ 4,113	$ 2,646

Consolidated Statement of Cash Flows

	Solomon Goldentek Display	
	January 1 to March 31, 2024	January 1 to March 31, 2023
Net cash inflow (outflow) from operating activities	$ 58,318	($ 363)
Net cash outflow from investing activities	(6,160)	(248,690)
Net cash outflow from financing activities	(5,417)	(127,823)
Effect of changes in exchange rate on cash and cash equivalents	5,172	1,797
Increase (decrease) in cash and cash equivalents in the current period	51,913	(375,079)
Opening balance of cash and cash equivalents	583,693	1,273,114
Closing balance of cash and cash equivalents	$ 635,606	$ 898,035

(4) Foreign currency translation

All items in the financial statements of each entity in the Group are measured based on the currency of the primary economic environment where the entity operates (i.e. functional currency). The consolidated financial statements use the Company's functional currency, "NT dollars," as the presentation currency.

A. Foreign currency transactions and balances

(A) Foreign currencies in foreign currency transactions are translated into the functional currency based on the spot exchange rate on the transaction or measurement date. The translation difference generated by the translation is recognized as profit or loss in the current period.

(B) Valuation adjustments are made to the balance of monetary foreign currency assets and liabilities based on the spot exchange rate on the balance sheet date. The translation difference generated by the adjustments is recognized as profit or loss in the current period.

(C) If the balance of non-monetary foreign currency assets and liabilities is measured at fair value through profit or loss, valuation adjustments are made based on the spot exchange rate on the balance sheet date. The exchange difference generated by the adjustments is recognized as profit or loss in the current period. If the balance is measured at fair value through other comprehensive income, valuation adjustments are made based on the spot exchange rate on the balance sheet date. The exchange difference generated by the adjustments is recognized as other comprehensive income in the current period. If the balance is not measured at fair value, it is measured at the historical exchange rate on the initial transaction date.

(D) All exchange differences are recognized as "other gains and losses" in the income statement based on the nature of transaction.

B. Translation of foreign operations

(A) The business results and financial position of all the Group's entities and associates whose functional currency and presentation currency are different are translated into the presentation currency using the following methods:

A. Assets and liabilities presented in each balance sheet are translated at the closing rate on the balance sheet date;

B. Profits and losses presented in each statement of comprehensive income are translated at the average exchange rate in the current period; and

C. All exchange differences generated from translation are recognized as other comprehensive income.

(B) When a foreign operation that is partially disposed of or sold is a subsidiary, the accumulated exchange difference recognized as other comprehensive income is re-attributed proportionally to the non-controlling interests of the foreign operation. However, when the Group retains partial interest in the former foreign subsidiary after losing control over it, such transactions should be accounted for as disposal of all interest in the foreign operation.

(5) Criteria for classification of current and non-current assets and liabilities

A. Assets that match any of the following conditions shall be classified as current assets:

(A) The asset is expected to be realized or is intended to be sold or depleted over normal business cycles.

(B) The asset is held primarily for the purpose of trading.

(C) The asset is expected to be realized within 12 months after the balance sheet date.

(D) Cash or cash equivalents, excluding those that are restricted for being used for exchange or settlement of liabilities at least within 12 months after the balance sheet date.

The Group classifies all assets that do not match the above conditions as non-current.

B. Liabilities that match any of the following conditions shall be classified as current liabilities:

(A) The liability is expected to be settled over normal business cycles.

(B) The liability is held primarily for the purpose of trading.

(C) The liability is expected to be due to be settled within 12 months after the balance sheet date.

(D) Having no right to defer settlement of the liability for at least 12 months after the reporting period.

The Group classifies all liabilities that do not match the above conditions as non-current.

(6) Cash equivalents

Cash equivalents refer to short-term investments with high liquidity that can be converted into specified amounts of cash at any time with little risk of value changes. Time deposits and bonds under repurchase agreements that fit into the aforesaid definition and are held for the purpose of meeting short-term operating cash commitments are classified as cash equivalents.

(7) Financial assets measured at fair value through profit or loss

A. Financial assets measured at fair value through profit or loss refer to financial assets not measured at amortized cost or at fair value through other comprehensive income.

B. The Group uses settlement date accounting for financial assets measured at fair value through profit or loss in accordance with the trading practice.

C. The Group measures the financial assets at fair value at initial recognition and relevant transaction costs are recognized as profit or loss. The financial assets are subsequently measured at fair value and any gains or losses arising therefrom are recognized as profit or loss.

D. When the right to receive dividends is established, the Group recognizes the dividend income as profit or loss, provided that the economic benefits related to the dividends are likely to flow in and the amount of the dividends can be measured reliably.

(8) Financial assets measured at amortized cost

A. Financial assets measured at amortized cost refer to financial assets that meet all the following conditions:

(A) The financial asset is held under an operating model with the purpose of receiving contractual cash flows.

(B) The contractual terms of the financial asset generate cash flows on a specific date that are solely payments of principal and interest.

B. The Group uses transaction date accounting for financial assets measured at amortized cost in accordance with the trading practice.

C. The Group measures the financial assets at fair value plus transaction costs at initial recognition and subsequently recognizes interest income using the effective interest method over the circulation period according to the amortization procedure as well as impairment losses. Gains or losses on derecognition are recognized as profit or loss.

(9) Accounts and notes receivable

A. Accounts and notes receivable refer to accounts and notes with the right to unconditionally receive the consideration for which goods or services are exchanged pursuant to contractual agreements.

B. They are short-term accounts and notes receivable without payment of interest. As the discount of the accounts and notes receivable does not have significant effect, the Group measures them at the initial invoice amount.

(10) Impairment of financial assets

On each balance sheet, the Group measures the loss allowance for financial assets measured at amortized cost and accounts receivable containing significant financing components, whose credit risk is not significantly increase after initial recognition, at the amount of the 12-month expected credit losses in consideration of all reasonable and supportable information (including forward-looking information). If their credit risk is significantly increased after initial recognition, the loss allowance is measured at the amount of the expected credit losses throughout the lifetime. For accounts receivable that do not contain significant financing components, the loss allowance is measured at the amount of the expected credit losses throughout the lifetime.

(11) Derecognition of financial assets

When the Group's contractual rights to receive the cash flows from financial assets become invalid, the financial assets will be derecognized.

(12) Lessor's lease transactions – operating leases

The lease income from operating leases less any incentive given to the lessee is amortized under the straight-line method over the lease term and recognized as profit or loss in the current period.

(13) Inventory

Inventory is measured at the lower of cost or net realizable value, and its cost is determined using the moving average approach. The cost of finished goods and work in process includes the cost of raw materials and direct labor, other direct costs and production-related expenses (amortized based on normal production capacity) and excludes borrowing costs. The item-by-item method is adopted to determine the lower of cost or net realizable value. Net realizable value means the estimated selling price in the ordinary course of business less the estimated cost required for completion and the estimated cost necessary to make the sale.

(14) Investments accounted for using the equity method – associates

A. Associates refer to entities that the Group has significant influence and no control over, in which case, generally speaking, the Group directly or indirectly holds 20% or more of the voting rights in the entities. The Group adopts the equity method for its investments in associates and recognizes them at cost when acquiring them.

B. The Group recognizes its share of gains or losses after the acquisition of associates as profit or loss in the current period and recognizes its share of other comprehensive income after the acquisition as other comprehensive income. If the Group's share of losses in any associate is equal to or exceeds its interest in the associate (including any other unsecured accounts receivable), the Group does not recognize further losses, unless the Group has incurred legal or constructive obligations to or made payments on behalf of the associate.

C. When there are changes in the equity of an associate that are not associated with profits or losses and other comprehensive income and do not affect the Group's shareholding percentage in the associate, the Group recognizes all equity changes as "capital reserves" in proportion to its shareholding.

D. Unrealized gains and losses generated from transactions between the Group and its associates have been derecognized based on the percentage of its interest in the associates. Unless there is any evidence indicating that the assets transferred in the transactions have impaired, the unrealized losses are derecognized, too. Necessary adjustments have been made to the accounting policies of the associates to keep them consistent with those of the Group.

E. If the Group loses significant influence over an associate when disposing of it, the accounting treatment of all amounts related to the associate previously recognized as other comprehensive income is on the same basis as that for the Group's direct disposal of the relevant assets or liabilities. In other words, gains or losses previously recognized as other comprehensive income are reclassified as profit or loss when the relevant assets or liabilities are disposed of. Thus, the gains or losses are reclassified from equity to profit or loss when the Group loses significant influence over the associate. If the Group still has significant influence over the associate, the amount previously recognized as other comprehensive income is transferred out proportionally based on the above method.

(15) Property, plant and equipment

A. Property, plant and equipment are accounted for at the acquisition cost.

B. Subsequent costs are included in the carrying amount of the asset or recognized as an individual asset only when future economic benefits associated with the item are likely to flow in the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part shall be derecognized. All other maintenance expenses are recognized as profit or loss in the current period at the time of their occurrence.

C. The property, plant and equipment are subsequently measured under the cost model. Except for land that is not depreciated, all property, plant and equipment are depreciated using the straight-line method over the estimated useful life. If the property, plant and equipment comprise any significant components, they are depreciated individually.

D. The Group reviews the residual value, useful life and depreciation method of all assets at the end of each fiscal year. If the expected residual value and useful life are different from the previous estimates or there has been a significant change in the pattern in which the future economic benefits of the asset are expected to be consumed, such change shall be treated in accordance with the requirements on changes in accounting estimates in IAS 8 "Accounting Policies, Changes in Accounting Estimates and Errors" on the date of its occurrence.

The useful life of different types of assets is as follows:

Premises and buildings	3-55 years
Machines/equipment	2-7 years
Office equipment	3-10 years
Other equipment	3-15 years

(16) Lessee's lease transactions – right-of-use assets and lease liabilities

A. Lease assets are recognized as right-of-use assets and lease liabilities on the date on which they become available for use by the Group. For short-term leases or leases of low-value underlying assets, the lease payments are recognized as expense using the straight-line method over the lease term.

B. As for lease liabilities, the unpaid lease payments are recognized at present value discounted at the incremental loan interest rate of the Group on the lease commencement date. Lease payments include fixed payments, less any receivable lease incentives.

The lease liabilities are subsequently measured at amortized cost using the interest method and interest expenses are amortized over the lease term. If changes in the lease term or lease payments do not result from contract revisions, the lease liabilities are re-assessed and a re-measurement is made to adjust right-of-use assets.

C. The right-of-use assets are recognized at cost (including the initially measured amount of the lease liabilities and any initial direct cost incurred) on the lease commencement date.

The right-of-use assets are subsequently measured under the cost model and are depreciated when the useful life of the right-of-use assets or the lease term expires, whichever is earlier. When reassessing the lease liabilities, any remeasurement of the lease liabilities is adjusted for the right-of-use assets.

D. For lease modifications that are changes in the lease scope, the lessee reduces the carrying amount of the right-of-use assets to reflect the partial or whole termination of the lease and recognizes the difference between the carrying amount and the remeasured amount of the lease liabilities as profit or loss.

(17) Investment property

Investment property is recognized at acquisition cost and subsequently measured under the cost model. Except for land, the investment property is depreciated using the straight-line method over an estimated useful life of 3-55 years.

(18) Intangible assets

Computer software is recognized at acquisition cost and amortized using the straight-line method over an estimated useful life of 1-3 years.

(19) Impairment of non-financial assets

The Group estimates the recoverable amount of assets with signs of impairment on the balance sheet date. When the recoverable amount falls below the carrying amount, an impairment loss is recognized. The recoverable amount is the higher of the fair value of an asset less the disposal cost and the value in use. When an asset impairment recognized in prior years may no longer exist or has decreased, the impairment loss is reversed, provided that the carrying amount of the asset increased after reversal of the impairment loss does not exceed the carrying amount of the asset less amortization or depreciation expense without recognition of the impairment loss.

(20) Loans

Loans refer to short-term borrowings from banks. At initial recognition, the Group measures the loans at fair value less transaction costs and subsequently uses the effective interest method to recognize interest expenses at the difference between the proceeds net of transaction costs and the redemption value as profit or loss over the circulation period according to the amortization procedure.

(21) Accounts and notes payable

A. Accounts and notes payable refer to debts incurred due to the purchase of raw materials, goods, or services on credit terms and notes payable arising from operating and non-operating activities.

B. They are short-term accounts and notes payable without payment of interest. As the discount of the accounts and notes payable does not have significant effect, the Group measures them at the initial invoice amount.

(22) Derecognition of financial liabilities

The Group derecognizes financial liabilities when the obligations specified in contracts are fulfilled, canceled, or expired.

(23) Liability provisions

Liability provisions (including warranties and maintenance) mean that a present or constructive obligation is incurred due to past events, which is likely to result in the need for the outflow of resources with economic benefits to settle the obligation, and the obligation shall be recognized when its amount can be estimated reliably. The liability provisions are measured at the best estimated present value of expenses required for settling the obligation on the balance sheet date. The discount rate before tax that reflects the market's current assessment of the time value of money and liability-specific risk is used. The discounted amortization amount is recognized as interest expenses. Future operating losses shall not be recognized as liability provisions.

(24) Employee benefits

A. Short-term employee benefits

Short-term employee benefits are measured at an undiscounted amount expected to be paid and recognized as expense when the related services are provided.

B. Pension

(A) Defined contribution plan

Under the defined contribution plan, pension contributions that shall be made are recognized as pension cost in the current period on an accrual basis. Pre-paid contributions are recognized as assets to the extent that a cash refund or reduction in future payments is available.

(B) Defined benefit plan

A. Under the defined benefit plan, net obligations are calculated based on the discounted future benefits earned by employees for services rendered during the current period or in the past and stated at the present value of the defined benefit obligations on the balance sheet date less the fair value of plan assets. The net defined benefit obligations are calculated by an actuary

using the projected unit credit method every year. The discount rate is the yield rate of government bonds that have the same currency and period under the defined benefit plan on the balance sheet date.

B. Remeasurements arising from the defined benefit plan are recognized as other comprehensive income and recorded in retained earnings in the period of their incurrence.

C. Expenses related to the service cost in the previous period are immediately recognized as profit or loss.

D. Pension cost for an interim period is calculated on a year-to-date basis by using the actuarially determined pension cost rate at the end of the previous fiscal year. Adjustments shall be made for significant market fluctuations since that time and for significant curtailments, settlements, or other significant one-off events, and relevant information shall be disclosed pursuant to the aforesaid policies.

C. Remuneration to employees and to directors

Remuneration to employees and to directors is recognized as expense and liabilities when it is subject to legal or constructive obligations and its amount can be estimated reasonably. Any difference between the amount of remuneration actually distributed to employees and to directors as resolved at the shareholders' meeting and the estimated amount is treated as an accounting estimate change. If employees' remuneration is distributed in shares, the closing price on the day before the date of the Board's resolution is used as a basis for calculating the number of shares to be distributed.

(25) Income tax

A. Income tax expense includes current and deferred income taxes. Income taxes related to the items recognized as other comprehensive income or directly recognized as equity are recognized as comprehensive income or directly recognized as equity, respectively. The other income taxes are recognized as profit or loss.

B. The Group calculates the current income tax based on the tax rates and laws of countries where the Group operates or generates taxable income that have been enacted or substantively enacted by the balance sheet date. The management regularly assesses the reporting of income taxes in accordance with applicable income tax laws and regulations and estimates income tax liabilities based on tax payments expected to be made to the taxation authority, if applicable. The income tax imposed on undistributed earnings according to the Income Tax Act is recognized as income tax on undistributed earnings based on the actual distribution of earnings only after the earning distribution proposal is passed at the shareholders' meeting in the year following the year in which the earnings are generated.

C. Deferred income taxes are recognized at the temporary difference between the carrying amounts of assets and liabilities in the consolidated balance sheet and their tax bases using the balance sheet approach. Temporary differences resulting from investments in subsidiaries and associates are not recognized if the Group are able to control the timing of the reversal of the temporary differences and it is probable that the temporary differences are not likely to reverse in the foreseeable future. The tax rates (and tax laws) that have been enacted or substantively enacted by the balance sheet date and are expected to be applicable when the relevant deferred income tax assets are realized or deferred income tax liabilities are settled are adopted for the deferred income taxes.

D. Deferred income tax assets are recognized when it is probable that temporary differences are likely to be available for offsetting future taxable income. Unrecognized and recognized deferred income tax assets are reassessed on each balance sheet date.

E. When there is a legally enforceable right to offset the amounts of current income tax assets and liabilities recognized and an intention to settle on a net basis or realize the assets and settle the liabilities simultaneously, the current income tax assets may be offset against the current income tax liabilities. When there is a legally enforceable right to offset the amounts of current income tax assets and liabilities and when deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on the same taxable entity or different taxable entities that intend to settle on a net basis or realize the assets and settle the liabilities simultaneously, the deferred income tax assets and liabilities may be offset against each other.

F. Interim period income taxes are calculated based on the interim period profit or loss before tax for which the estimated annual average effective tax rate is adopted, and relevant information shall be disclosed pursuant to the aforesaid policies.

G. When there are tax rate changes in the interim period, the Group recognizes the effect of the changes at once in the period of their incurrence. For changes related to income taxes and items not recognized as profit or loss, the effect of the changes is recognized as other comprehensive income or equity. The effect of changes associated with income taxes and items recognized as profit or loss is recognized as profit or loss.

(26) Share capital

A. Common shares are classified as equity. The incremental cost directly attributable to the issue of new shares or stock options is recognized as a debit item of the proceeds in equity, net of income taxes.

B. When repurchasing issued shares, the Company recognizes the considerations paid, including any directly attributable incremental cost, at the net amount after tax as a debit item of shareholders' equity. When reissuing the repurchased shares, the difference between the received considerations less any directly attributable incremental cost and income tax effects and the carrying amount is recognized as an adjustment to shareholders' equity. In addition, since January 1, 2002, the Company's shares held by its subsidiaries have been treated as treasury stocks.

(27) Distribution of dividends

Cash dividends distributed to the Company's shareholders are recognized in the financial statements when a resolution to distribute the dividends is adopted at a board meeting. Stock dividends are recognized as stock dividends to be distributed after a resolution at a shareholders' meeting and are transferred to common shares on the share issuance date.

(28) Recognition of income

A. Sale of goods

(A) Sales income is recognized when control over products is transferred to a customer. The customer has discretion regarding the sales channels and prices of the products and the Group has no unfulfilled performance obligations that may affect the customer's acceptance of the products. At the time the products are delivered to the designated location, the risk of the products being out of date and lost is already transferred to the customer. When the customer accepts the products pursuant to the sales contract or there is objective evidence demonstrating that all acceptance criteria have been met, the goods are deemed delivered.

(B) The Group offers a standard warranty for the products sold and is obligated to make refunds for product defects. The warranty is recognized as a liability provision at the time the products are sold.

(C) Accounts receivable are recognized when goods are delivered to a customer as the Group has had unconditional rights to contract proceeds since that time and may collect consideration from the customer after that time.

B. Costs of obtaining contracts with customers

Although it is expectable that the Group's incremental costs incurred for obtaining contracts with customers can be recovered, the costs are recognized as expense at the time of their incurrence since the relevant contract terms are shorter than one year.

(29) Government subsidies

Government subsidies shall be recognized when it is reasonable to ensure that the business will comply with the conditions incident to the government subsidies and the subsidies may be received affirmatively. If the government subsidies in nature are used to offset the expenses incurred by the Group, they are recognized as profit or loss on a systematic basis in the period during which the relevant expenses are incurred.

(30) Operating segments

Information on the Group's operating segments is reported using the same method as that for internal management reports provided to the chief operating decision maker. The chief operating decision maker is responsible for allocating resources to the operating segments and evaluating their performance. The Board of Directors is identified as the chief operating decision maker of the Group.

5. <u>Main sources of uncertainty of material accounting judgments, estimates and assumptions</u>

When the Group prepared the consolidated financial statements, the management used their judgment to determine which accounting policies were to be adopted and made accounting estimates and assumptions based on reasonable expectations of future events and according to the situation on the balance sheet date. There might be differences between the material accounting estimates and assumptions and the actual results. Hence, historical experience and other factors would be taken into account to make continuous assessments and adjustments. Such estimates and assumptions led to a risk of causing a material adjustment to the carrying amounts of assets and liabilities within the following fiscal year. The following is the description of the uncertainty of material accounting judgments, estimates and assumptions:

(1) Important judgments for accounting policies adopted:

None.

(2) Important accounting estimates and assumptions

A. Valuation of accounts receivable

In the process of assessing impairment on accounts receivable, the Group must use judgments and estimates to determine the future recoverability of accounts receivable. The future recoverability is subject to a number of factors that may affect customers' ability to pay, such as their financial position, internal credit ratings within the Group, and historical transaction records. When there is doubt about the recoverability of accounts receivable, the Group shall assess the possibility of recovery and make appropriate allowances for the accounts receivable separately. The impairment assessment is based on the reasonable expectation of future events according to the situation on the balance sheet date. However, the actual result may differ from the estimate, which may result in a significant change. Please refer to Note 6 (4) for the description of the estimated impairment on accounts receivable.

B. Valuation of inventory

Inventory shall be evaluated on the basis of the lower of cost or net realizable value. Hence, the Group must use judgments and estimates to determine the net realizable value of the inventory on the balance sheet date. As technology advances rapidly, the Group assesses the amount of inventory with normal wear and tear and obsolescence and without market sales value on the balance sheet date and writes down the cost of the inventory to the net realizable value. As the valuation of inventory is mainly estimated according to the product demand within a certain period in the future, significant changes may occur. Please refer to Note 6 (5) for the description of inventory valuation.

6. Description of major accounts

(1) Cash and cash equivalents

Cash:	March 31, 2024	December 31, 2023	March 31, 2023
Cash on hand and working capital	$ 1,122	$ 1,181	$ 1,176
Check deposits and demand deposits	1,021,937	742,527	840,319
Cash equivalents:			
Time deposits	681,745	433,744	983,196
Bonds under repurchase agreements	79,619	77,935	-
	$ 1,784,423	$ 1,255,387	$ 1,824,691

A. The Group deals with financial institutions with good credit ratings and has dealings with multiple financial institutions to spread credit risk. Thus, the possibility of defaults is expected to be extremely low.

B. The time deposits provided by the Group as customs import security have been transferred to "financial assets measured at amortized cost - non-current" or "other non-current assets." Please refer to Notes 6 (3), 6 (12), and 8 for details.

C. The Group did not pledge the cash and cash equivalents as collateral.

(2) Financial assets measured at fair value through profit or loss

Assets	March 31, 2024	December 31, 2023	March 31, 2023
Current items:			
Financial assets measured at fair value through profit or loss on a mandatory basis			
Listed/OTC stocks	$ 157,680	$ 147,245	$ 190,210
Domestic and foreign funds	328,000	275,000	357,000
	485,680	422,245	547,210
Valuation adjustments	(46,242)	(54,125)	(62,420)
	$ 439,438	$ 368,120	$ 484,790
Non-current items:			
Financial assets measured at fair value through profit or loss on a mandatory basis			
Listed/OTC stocks	$ 197,034	$ 197,034	$ 198,344
Emerging stocks	7,207	7,207	-
Non-listed/non-OTC stocks	83,980	84,072	93,455
Limited partnership	30,000	22,500	15,000
	318,221	310,813	306,799
Valuation adjustments	(65,904)	(3,504)	(207,030)
	$ 252,317	$ 307,309	$ 99,769

A. Details on financial assets measured at fair value through profit or loss recognized as (loss) profit are as follows:

	January 1 to March 31, 2024	January 1 to March 31, 2023
Financial assets measured at fair value through profit or loss on a mandatory basis		
- Equity instruments	($ 58,262)	$ 32,919
- Beneficiary certificates	548	(11)
- Limited partnership	459	(114)
	($ 57,255)	$ 32,794

B. The Group did not pledge the financial assets measured at fair value through profit or loss.

(3) Financial assets measured at amortized cost

	March 31, 2024	December 31, 2023	March 31, 2023
Current items:			
Time deposits with maturities over three months	$ 491,772	$ 526,931	$ 286,900
Non-current items:			
Time deposits with maturities over one year	$ 8,105	$ 8,109	$ -
Common corporate bonds	1,440,000	1,381,725	1,370,250
	$ 1,448,105	$ 1,389,834	$ 1,370,250

A. Details on financial assets measured at amortized cost recognized as profit or loss are as follows:

	January 1 to March 31, 2024	January 1 to March 31, 2023
Interest income	$ 29,709	$ 27,049

B. Please refer to Note 8 for the Group's pledging of financial assets measured at amortized cost as collateral.

C. Without considering other credit enhancements, the carrying amount of the Group's financial assets measured at amortized cost can best represent the maximum amount of their exposure to credit risk on March 31, 2024, December 31, 2023, and March 31, 2023.

D. The Group invests in certificates of deposit with financial institutions with good credit ratings. Thus, the possibility of defaults is expected to be extremely low.

E. The common corporate bonds that the Group has invested in have provided stable interest payments, and the counterparty credit risk has not increased significantly.

(4) Notes and accounts receivable

	March 31, 2024	December 31, 2023	March 31, 2023
Notes receivable	$ 30,767	$ 45,582	$ 77,085
Accounts receivable	$ 834,705	$ 974,212	$ 752,272
Less: Loss allowance	(15,555)	(16,730)	(16,098)
	$ 819,150	$ 957,482	$ 736,174

A. The Group's notes receivable were not overdue. Please refer to the description in Note 12 (2) for the aging analysis of accounts receivable based on the number of days overdue.

B. The balances of the accounts and notes receivable on March 31, 2024, December 31, 2023, and March 31, 2023 were derived from customer contracts. The amount of total receivables from customer contracts on January 1, 2023 was $861,047, and the loss allowance was $14,900.

C. The Group did not pledge the notes and accounts receivable as collateral.

D. Without considering other credit enhancements, the amount that can best represent the maximum amount of the Group's accounts receivable and notes receivable exposed to credit risk as of March 31, 2024, December 31, 2023, and March 31, 2023 was $849,917, $1,003,064, and $813,259, respectively.

E. Please refer to Note 12 (2) for information on the credit risk of the accounts receivable.

(5) Inventory

	March 31, 2024		
	Cost	Allowance for devaluation loss	Carrying amount
Raw materials	$ 81,997	($ 41,155)	$ 40,842
Work in process	22,819	(516)	22,303
Finished goods	32,551	(7,004)	25,547
Inventory of goods	1,682,207	(37,401)	1,644,806
	$ 1,819,574	($ 86,076)	$ 1,733,498

	December 31, 2023		
	Cost	Allowance for devaluation loss	Carrying amount
Raw materials	$ 95,152	($ 56,513)	$ 38,639
Work in process	28,666	(531)	28,135
Finished goods	46,878	(6,806)	40,072
Inventory of goods	1,809,138	(23,346)	1,785,792
	$ 1,979,834	($ 87,196)	$ 1,892,638

	March 31, 2023		
	Cost	Allowance for devaluation loss	Carrying amount
Raw materials	$ 113,074	($ 45,724)	$ 67,350
Work in process	32,533	(504)	32,029
Finished goods	29,927	(7,217)	22,710
Inventory of goods	1,133,939	(37,673)	1,096,266
	$ 1,309,473	($ 91,118)	$ 1,218,355

The inventory costs recognized by the Group as expenses and losses in the current period:

	January 1 to March 31, 2024	January 1 to March 31, 2023
Cost of sold inventory	$ 615,401	$ 746,547
Inventory shortage	3	-
Gain from price recovery of inventory	(1,486)	(3,116)
	$ 613,918	$ 743,431

The Group sold the products for which devaluation losses were recognized during January 1 to March 31, 2024 and 2023, resulting in a recovery of the net realizable value of inventory, which was recognized as a decrease in the cost of goods sold.

(6) Prepayments

	March 31, 2024	December 31, 2023	March 31, 2023
Prepayment for purchase	$ 431,553	$ 315,100	$ 883,680
Overpaid tax for offsetting future tax payable	63,054	43,789	49,768
Others	23,622	20,541	52,187
	$ 518,229	$ 379,430	$ 985,635

(7) Investments accounted for using the equity method

	2024	2023
January 1	$ 74,517	$ 64,872
Reclassification	-	(2,574)
Share of (losses) gains form investments accounted for using the equity method	(3,295)	1,029
March 31	$ 71,222	$ 63,327

	March 31, 2024	December 31, 2023	March 31, 2023
AggrEnergy Inc.	$ 33,857	$ 36,423	$ 26,898
Ju Xin Energy Inc.	37,365	38,094	36,429
	$ 71,222	$ 74,517	$ 63,327

A. Associate

(A) The basic information of the Group's associates is shown below:

		Shareholding percentage				
Company name	Principal place of business	March 31, 2024	December 31, 2023	March 31, 2023	Nature of relationship	Measurement method
AggrEnergy Inc.	Taiwan	18.21%	18.21%	18.21%	With significant influence	Equity method
Ju Xin Energy Inc.	Taiwan	5.00%	5.00%	5.00%	With significant influence	Equity method

(B) A summary of the financial information of the Group's associates is shown below:

Balance Sheet

	March 31, 2024	
	AggrEnergy Inc.	Ju Xin Energy Inc.
Current assets	$ 164,493	$ 221
Non-current assets	154,978	747,995
Current liabilities	(155,772)	(965)
Non-current liabilities	(29,032)	-
Total net assets	$ 134,667	$ 747,251
Share in the net assets of the associate	$ 24,523	$ 37,363
Goodwill	9,334	2
Carrying value of the associate	$ 33,857	$ 37,365

	December 31, 2023	
	AggrEnergy Inc.	Ju Xin Energy Inc.
Current assets	$ 234,653	$ 221
Non-current assets	109,843	753,166
Current liabilities	(161,404)	(918)
Non-current liabilities	(34,333)	-
Total net assets	$ 148,759	$ 752,469
Share in the net assets of the associate	$ 27,089	$ 38,092
Goodwill	9,334	2
Carrying value of the associate	$ 36,423	$ 38,094

	March 31, 2023	
	AggrEnergy Inc.	Ju Xin Energy Inc.
Current assets	$ 70,473	$ 288
Non-current assets	111,967	728,956
Current liabilities	(53,028)	(707)
Non-current liabilities	(32,959)	-
Total net assets	$ 96,453	$ 728,537
Share in the net assets of the associate	$ 17,564	$ 36,427
Goodwill	9,334	2
Carrying value of the associate	$ 26,898	$ 36,429

Statement of Comprehensive Income

	January 1 to March 31, 2024	
	AggrEnergy Inc.	Ju Xin Energy Inc.
Income	$ 5,283	$ -
Net loss in the current period	($ 14,093)	($ 5,218)
Total comprehensive income in the current period	($ 14,093)	($ 5,218)

	January 1 to March 31, 2023	
	AggrEnergy Inc.	Ju Xin Energy Inc.
Income	$ 68,880	$ -
Net profit (loss) in the current period	$ 6,159	($ 1,860)
Total comprehensive income in the current period	$ 6,159	($ 1,860)

B. The Group recognized ($3,295) and $1,029, respectively, as its share of (losses) gains on investments accounted for using the equity method for the three months ended March 31, 2024 and 2023, which were derived from valuation based on the investee companies' financial statements for the same period not reviewed by the CPA.

C. Although the Group only had a 5% shareholding in Ju Xin Energy Inc, the Group had significant influence over the company for serving as one of its directors.

(8) Property, plant and equipment

2024	Land	Premises and buildings	Machines/equipment	Office equipment	Others	Unfinished construction and equipment pending for inspection	Total
January 1							
Cost	$ 261,233	$ 201,152	$ 508,116	$ 44,311	$ 52,086	$ 1,602	$ 1,068,500
Accumulated depreciation	-	(83,227)	(470,554)	(40,726)	(40,606)	-	(635,113)
	$ 261,233	$ 117,925	$ 37,562	$ 3,585	$ 11,480	$ 1,602	$ 433,387
January 1	$ 261,233	$ 117,925	$ 37,562	$ 3,585	$ 11,480	$ 1,602	$ 433,387
Addition	-	210	2,847	425	1,985	193	5,660
Transfer	-	-	1,490	-	193	(1,683)	-
Depreciation expense	-	(884)	(3,388)	(358)	(739)	-	(5,369)
Net exchange differences	-	-	136	47	142	16	341
March 31	$ 261,233	$ 117,251	$ 38,647	$ 3,699	$ 13,061	$ 128	$ 434,019
March 31							
Cost	$ 261,233	$ 201,362	$ 519,544	$ 45,220	$ 54,485	$ 128	$ 1,081,972
Accumulated depreciation	-	(84,111)	(480,897)	(41,521)	(41,424)	-	(647,953)
	$ 261,233	$ 117,251	$ 38,647	$ 3,699	$ 13,061	$ 128	$ 434,019

2023	Land	Premises and buildings	Machines/equipment	Office equipment	Others	Total
January 1						
Cost	$ 261,233	$ 201,152	$ 506,594	$ 43,324	$ 44,839	$ 1,057,142
Accumulated depreciation	-	(79,652)	(463,993)	(39,477)	(38,004)	(621,126)
	$ 261,233	$ 121,500	$ 42,601	$ 3,847	$ 6,835	$ 436,016
January 1	$ 261,233	$ 121,500	$ 42,601	$ 3,847	$ 6,835	$ 436,016
Addition	-	-	208	138	49	395
Reclassification	-	-	1,161	(20)	-	1,141
Depreciation expense	-	(921)	(3,871)	(444)	(749)	(5,985)
Net exchange differences	-	-	25	25	4	54
March 31	$ 261,233	$ 120,579	$ 40,124	$ 3,546	$ 6,139	$ 431,621
March 31						
Cost	$ 261,233	$ 201,152	$ 510,199	$ 43,502	$ 44,911	$ 1,060,997
Accumulated depreciation	-	(80,573)	(470,075)	(39,956)	(38,772)	(629,376)
	$ 261,233	$ 120,579	$ 40,124	$ 3,546	$ 6,139	$ 431,621

A. Please refer to the description in Note 8 for information on the Group's provision of the property, plant and equipment as collateral.

B. There was no interest capitalization on the property, plant and equipment.

(9) Lease transactions – lessee

A. The Group's leased assets include buildings and company vehicles and the leases often have a term of 2 to 10 years. The leases are individually negotiated and contain a variety of terms and conditions. The leased assets shall not be used as collateral for loans and are subject to no other limitations.

B. Some of the dormitories and business vehicles leased by the Group are leased for no more than 12 months, and some of the low-value assets leased are photocopiers.

C. Changes in the Group's right-of-use assets during January 1 to March 31, 2024 and 2023 are as follows:

	2024		
	Premises	Transportation equipment (company vehicles)	Total
January 1	$ 205,929	$ 5,205	$ 211,134
Depreciation expense	(7,976)	(797)	(8,773)
Net exchange differences	3,702	-	3,702
March 31	$ 201,655	$ 4,408	$ 206,063

	2023		
	Premises	Transportation equipment (company vehicles)	Total
January 1	$ 28,868	$ 2,841	$ 31,709
Addition	-	2,418	2,418
Depreciation expense	(8,450)	(649)	(9,099)
Net exchange differences	(149)	(480)	(629)
March 31	$ 20,269	$ 4,130	$ 24,399

D. Information on the profit or loss items related to leases is as follows:

	January 1 to March 31, 2024	January 1 to March 31, 2023
Items that affect profit or loss in the current period		
Interest expense on lease liabilities	$ 2,135	$ 87
Short-term lease expense	$ 2,920	$ 1,927
Low-value asset lease expense	$ 792	$ 835

E. The total cash outflow for leases of the Group for the three months ended March 31, 2024 and 2023 was $13,328 and $12,002, respectively.

(10) Lease transactions – lessor

A. The Group's assets leased out include land and buildings and the leases often have a term of 1 to 10 years. The leases are individually negotiated and contain a variety of terms and conditions. To secure the use of the assets leased out, the lessee is often prohibited from using the leased assets as collateral for loans or from providing them for use by others using any other methods.

B. The Group recognized $12,998 and $11,490 as rental income pursuant to operating leases for the three months ended March 31, 2024 and 2023, respectively. There were no variable lease payments included.

C. The Group's rent received in advance as of March 31, 2024, December 31, 2023, and March 31, 2023 was $11,456, $12,096, and $12,583, respectively, and was stated as other current liabilities.

D. A maturity analysis of lease payments under the Group's operating leases is as follows:

	March 31, 2024	December 31, 2023	March 31, 2023
2023	$ -	$ -	$ 28,678
2024	36,435	43,829	26,735
2025	35,785	29,009	11,450
2026	19,066	12,522	1,159
2027	1,199	-	-
	$ 92,485	$ 85,360	$ 68,022

(11) Investment property

	2024		
	Land	Premises and buildings	Total
January 1			
Cost	$ 584,517	$ 593,765	$ 1,178,282
Accumulated depreciation and impairment	(17,590)	(289,372)	(306,962)
	$ 566,927	$ 304,393	$ 871,320
January 1	$ 566,927	$ 304,393	$ 871,320
Depreciation expense	-	(2,782)	(2,782)
March 31	$ 566,927	$ 301,611	$ 868,538
March 31			
Cost	$ 584,517	$ 593,765	$ 1,178,282

	Land		Premises and buildings		Total	
Accumulated depreciation and impairment	(	17,590)	(	292,154)	(	309,744)
	$	566,927	$	301,611	$	868,538

	2023					
	Land		Premises and buildings		Total	
January 1						
Cost	$	584,517	$	593,765	$	1,178,282
Accumulated depreciation and impairment	(	17,590)	(	278,264)	(	295,854)
	$	566,927	$	315,501	$	882,428
January 1	$	566,927	$	315,501	$	882,428
Depreciation expense		-	(	2,797)	(	2,797)
March 31	$	566,927	$	312,704	$	879,631
March 31						
Cost	$	584,517	$	593,765	$	1,178,282
Accumulated depreciation and impairment	(	17,590)	(	281,061)	(	298,651)
	$	566,927	$	312,704	$	879,631

A. Rental income and direct operating expenses on investment property:

	January 1 to March 31, 2024		January 1 to March 31, 2023	
Rental income on investment property	$	12,998	$	11,490
Direct operating expenses incurred from investment property generating rental income in the current period	$	3,851	$	2,743
Direct operating expenses incurred from investment property not generating rental income in the current period	$	415	$	1,377

B. The fair value of the investment property held by the Group on March 31, 2024, December 31, 2023, and March 31, 2023 was $1,726,704, $1,726,704, and $1,640,115, respectively, according to the valuation results provided by the independent valuation experts. The fair values were calculated using the income approach and comparative approach with a certain weight taken into account, and are level 3 fair values. The key assumptions in the income approach are shown below:

	March 31, 2024	December 31, 2023	March 31, 2023
Income capitalization rate	1.79%~3.92%	1.79%~3.92%	1.55%~4.35%

C. Please refer to the description in Note 8 for information on the Group's provision of the investment property as collateral.

(12) Other non-current assets

	March 31, 2024	December 31, 2023	March 31, 2023
Receivables on demand	$ 200,953	$ 200,633	$ 200,593
Less: Loss allowance	(200,953)	(200,633)	(200,593)
Prepayments for investments	-	7,500	-
Deposits paid	58,959	77,076	69,673
Net defined benefit assets	45,161	45,161	43,661
Restricted assets – time deposits	-	-	31,309
Others	16,249	16,345	15,919
	$ 120,369	$ 146,082	$ 160,562

Please refer to the description in Note 8 for information on the Group's provision of time deposits as collateral.

(13) Short-term loans

	March 31, 2024	December 31, 2023	March 31, 2023
Bank loans			
Secured loans	$ 608,000	$ 608,000	$ 85,000
Credit loans	101,941	65,000	833,000
	$ 709,941	$ 673,000	$ 918,000
Range of interest rates	1.75%~2.33%	1.75%~2.33%	1.66%~2.15%

For the collateral of the Group's short-term loans, please refer to Note 8.

(14) Other payables

	March 31, 2024	December 31, 2023	March 31, 2023
Cash dividends payable	$ 305,701	$ -	$ 276,280
Salaries and bonuses payable	59,465	87,762	59,046

Remuneration to directors and supervisors payable	13,607	12,325	13,317
Employee remuneration payable	6,804	6,155	6,280
Service expense payable	5,771	4,209	7,661
Freight payable	1,560	1,889	1,752
Others	69,573	80,771	72,052
	$ 462,481	$ 193,111	$ 436,388

(15) Liability provisions – current

	2024	2023
	Warranty provision	Warranty provision
Balance on January 1	$ 1,749	$ 3,592
Added liability provisions in the current period	2,764	301
Liability provisions used in the current period	(54)	(301)
Unused amount reversed in the current period	(196)	(7)
Balance on March 31	$ 4,263	$ 3,585

The Group's warranty liability provisions are mainly associated with the sale of LCD products and are estimated based on the historical warranty data of the products. The Group expects that the liability provisions will be used in the following year.

(16) Net defined benefit assets

A. Defined benefit plan

(A) The Company and its domestic subsidiaries have established defined benefit plans in accordance with the "Labor Standards Act." The plans are applicable to the length of service of all full-time employees calculated before the "Labor Pension Act" was implemented on July 1, 2005, and the length of service of employees who choose to stay in the pension scheme under the Labor Standards Act after the implementation of the "Labor Pension Act." The pension paid to employees who meet the criteria for retirement is calculated based on their length of service and their average salary for the 6 months prior to their retirement. Employees whose length of service is no more than 15 years (inclusive) will receive two base points for each year of service and employees whose length of service is more than 15 years will receive one base point for each additional year of service. The maximum number of accumulated base points is 45. The Company and its domestic subsidiaries make a pension contribution of 2% of the total salary on a monthly basis and deposits it into a special account with the Bank of Taiwan in the name of the Labor Pension Fund Supervisory Committee. In addition, before the end of each fiscal year, if the balance of the labor pension fund account referred to in the preceding paragraph is insufficient to pay the pension calculated above to employees expected to meet the criteria for retirement in the following fiscal year, the Company and its domestic subsidiaries will make a full, one-off contribution by the end of March of the next fiscal year.

(B) The Company and subsidiary Solomon Goldentek Display Corp. applied to the Department of Labor, Taipei City Government for approval of a suspension of pension contribution from January 2022 to July 2024.

(C) The pension cost recognized by the Group in accordance with the aforesaid pension plan for the three months ended March 31, 2024 and 2023 was $10 and $17, respectively.

(D) The Group expects to pay a defined benefit plan contribution of $63 in 2024 and has paid $12 as of March 31, 2024.

B. Defined contribution plan

(A) Since July 1, 2005, the Company and its domestic subsidiaries have their defined contribution plans in place in accordance with the "Labor Pension Act." The plans are applicable to employees who are of Taiwanese nationality. The Company and its domestic subsidiaries make and deposit a labor pension distribution of 6% of the salary of the employees who choose to opt in to the labor pension scheme under the "Labor Pension Act" into their personal accounts with the Bureau of Labor Insurance every month. The pension is paid monthly or at once to the employees based on the amount of money in their personal pension accounts and the accumulated gains.

(B) The Group's subsidiaries in China make an endowment insurance contribution of a certain percentage of the total salary of the local employees on a monthly basis under the endowment insurance system as required by the Government of the People's Republic of China. The pension of every employee is managed and arranged by the government. The Group is only obligated to make a monthly contribution and has no further obligation.

(C) The pension cost recognized by the Group in accordance with the aforesaid pension plan for the three months ended March 31, 2024 and 2023 was $9,974 and $10,432, respectively.

(17) Common share capital

A. As of both March 31, 2024 and 2023, the Company's authorized capital was $5,000,000 (including employee stock warrants of $560,000 and shares of convertible corporate bonds amounting to $500,000), with 171,371 thousand outstanding shares (excluding treasury stocks) at a par value of NT$10 per share. Payment for the issued shares of the Company has been received.

B. Treasury stocks

(A) The Company's consolidated subsidiary Moredel Investment Corp. held a total of 100 thousand shares in the Company to ensure financial operations before the Company Act was amended on November 12, 2001. The carrying value of the Company's treasury stocks on March 31, 2024, December 31, 2023, and March 31, 2023 was $6,042.

(B) According to the Securities and Exchange Act, treasury stocks held by the Company shall not be pledged or be entitled to any shareholder rights.

(18) Capital reserves

A. Pursuant to the Company Act, the capital reserve generated from the income derived from the issuance of new shares at a premium and from the endowments received may not only be used to offset losses, but also be distributed to shareholders in new shares or cash in proportion to the shares initially held thereby if the Company has no accumulated losses. According to the relevant provisions in the Securities and Exchange Act, the total proportion of the above capital reserve used for capitalization is limited to 10% of the paid-in capital every year. The Company shall not use the capital reserve to offset capital losses, unless the surplus reserve is insufficient to offset such losses.

B. Details on and changes in the Company's capital reserve are shown below:

	2024					
	Trading of treasury stocks	Recognized changes in ownership interests in subsidiaries	Difference between the consideration and the carrying value of subsidiaries acquired or disposed of	Consolidated excess	Others	Total
January 1	$ 32,683	$ 142,666	$ 47,011	$ 9,473	$ 30,316	$ 262,149
Changes in interests in subsidiaries recognized according to shareholding	-	-	86,721	-	-	86,721
Difference between the consideration and the carrying value of subsidiaries disposed of	-	-	43,373	-	-	43,373
March 31	$ 32,683	$ 142,666	$ 177,105	$ 9,473	$ 30,316	$ 392,243

	2023				
	Trading of treasury stocks	Recognized changes in ownership interests in subsidiaries	Consolidated excess	Others	Total
January 1	$ 32,683	$ 142,666	$ 9,473	$ 30,316	$ 215,138
Changes in the current period	-	-	-	-	-
March 31	$ 32,683	$ 142,666	$ 9,473	$ 30,316	$ 215,138

(19) Retained earnings

A. According to the Articles of Incorporation, where the Company has earnings at the year-end closing in a fiscal year, 10% thereof shall be set aside as legal reserves as required by laws after they are used to pay taxes and offset accumulated losses. Provision for special reserves is then required pursuant to the Securities and Exchange Act and related administrative rules. The remaining earnings, if any, shall be added to the undistributed earnings carried from prior years as distributable earnings. The Board of Directors shall subsequently draw up a distribution proposal and submit the same to a shareholders' meeting for a resolution on the distribution of the earnings. The Board of Directors is authorized to adopt a resolution to distribute the above-mentioned earnings, legal reserve, and capital reserve in cash at a meeting attended by more than two-thirds of directors with the consent of a majority of all attending directors, and the distribution shall be reported at a shareholders' meeting. The distribution of the earnings, legal reserve, and capital reserve by issuing new shares is subject to a resolution adopted at a shareholders' meeting according to the preceding paragraph.

B. The legal reserve shall not be used unless it is used to offset the Company's losses and distributed to shareholders in new shares or cash in proportion to the shares initially held thereby. The legal reserve shall not be distributed in new shares or cash unless the portion distributed exceeds 25% of the paid-in capital.

C. The Company may distribute earnings only after recognizing special reserves based on the debit balance of equity items on the balance sheet in the current year as required by laws. When the debit balance of the equity items is reversed subsequently, the reversed amount may be included as distributable earnings.

D. The Company's 2023 and 2022 earning distribution proposals presented at the board meeting on March 11, 2024 and approved at the shareholders' meeting on June 9, 2023, respectively, are stated as follows:

	2023		2022	
	Amount	Dividend per share (NT$)	Amount	Dividend per share (NT$)
Set aside as legal reserve	$ 53,374		$ 46,217	
Set aside (reversed) as special reserve	8,960		(30,940)	
Cash dividends	291,501	$ 1.70	257,207	$ 1.50

For the Company's 2023 earning distribution proposal, the cash dividend was approved at the above-mentioned board meeting and stated as "other payables." The other parts of the proposal have not been approved at a shareholders' meeting as of the review report date. For the earning distribution approved by the Board of Directors and resolved at the shareholders' meeting, please visit the Market Observation Post System.

(20) Operating income

A. Sub-items of income from contracts with customers

The Group's income from goods and services transferred at a specific timing is disaggregated by product segment. Please refer to 14 (2) for relevant information.

	January 1 to March 31, 2024	January 1 to March 31, 2023
Income from contracts with customers	$ 788,224	$ 947,828

B. Contractual liabilities

The Group's recognized contractual liabilities related to the income from contracts with customers are as follows:

	March 31, 2024	December 31, 2023	March 31, 2023	January 1, 2023
Electromechanical Business Group	$ 952,734	$ 962,477	$ 1,248,073	$ 960,365
Others	340,666	168,996	222,318	189,655
	1,293,400	$ 1,131,473	1,470,391	$ 1,150,020

The opening balance of the Group's contractual liabilities recognized as income for the three months ended March 31, 2024 and 2023 was $254,914 and $104,375, respectively.

(21) Interest income

	January 1 to March 31, 2024	January 1 to March 31, 2023
Interest income from financial assets measured at amortized cost	$ 29,709	$ 27,049
Bank deposit interest	9,189	13,805
	$ 38,898	$ 40,854

(22) Other income

	January 1 to March 31, 2024	January 1 to March 31, 2023
Rental income	$ 12,998	$ 11,490
Government subsidy income	-	5,049
Others	1,390	2,740
	$ 14,388	$ 19,279

(23) Other gains and losses

	January 1 to March 31, 2024	January 1 to March 31, 2023
Net gain (loss) from foreign currency exchange	$ 111,574	($ 36,183)
Gain (loss) from financial assets and liabilities measured at fair value through profit or loss	(57,255)	32,794
Depreciation expense of investment property	(2,782)	(2,797)
Others	(3,354)	4,478
	$ 48,183	($ 1,708)

(24) Financial costs

	January 1 to March 31, 2024	January 1 to March 31, 2023
Interest expense		
- Bank loans	$ 3,087	$ 4,343
- Leases	2,135	87

	$ 5,222	$ 4,430

(25) Additional information on the nature of expense

	January 1 to March 31, 2024	January 1 to March 31, 2023
Employee benefit expenses	177,221	180,727
Depreciation expense of property, plant and equipment (including right-of-use assets)	14,142	15,084
Service expense	11,233	10,849
Operating rent	3,712	2,762
Transportation expense	1,676	2,120
Amortization expense	653	763
	$ 208,637	$ 212,305

(26) Employee benefit expenses

	January 1 to March 31, 2024	January 1 to March 31, 2023
Salary expense	$ 145,453	$ 148,717
Labor and health insurance expenses	10,423	11,158
Pension expense	9,984	10,449
Remuneration to directors	2,585	2,184
Other employment expenses	8,776	8,219
	$ 177,221	$ 180,727

A. According to the Articles of Incorporation, the Company shall subtract any accumulated losses from earnings in the year. A minimum amount of 1% of the remaining (if any) shall be appropriated as remuneration to employees and a maximum amount of 2% shall be appropriated as remuneration to directors.

B. For the three months ended March 31, 2024 and 2023, the Company’s estimated amount of remuneration to employees was $583 and $489, respectively, and the estimated amount of remuneration to directors was $1,167 and $979, respectively. The above amounts were stated as salary expense.

The remuneration to employees and to directors for the three months ended March 31, 2024 and 2023 was estimated as 1% and 2%, respectively, of the earnings in the period.

C. There is consistency between the amounts of remuneration to employees and to directors for 2023 resolved by the Board of Directors and the amounts recognized in the financial statements for 2023. Please visit the Market Observation Post System for information on the remuneration to employees and to directors resolved by the Board of Directors.

(27) Income tax

A. Income tax expense:

The income tax expenses comprise the following:

	January 1 to March 31, 2024	January 1 to March 31, 2023
Income tax in the current period:		
Income tax incurred from income in the current period	$ 8,691	$ 4,482
Overestimation of income tax in prior years	-	(600)
Total income tax in the current period	8,691	3,882
Deferred income tax:		
Initial generation and reversal of temporary differences	21,551	9,489
Income tax expense	$ 30,242	$ 13,371

B. Approval of the Group's profit-seeking enterprise income tax returns by the tax authority:

	Year of approval of income tax return
The Company	2021
Solomon Goldentek Display Corp.	2021
Solomon Data International Corporation	2022

(28) Earnings per share

	January 1 to March 31, 2024		
	Amount after tax	Weighted average outstanding shares (thousand shares)	Earnings per share (NT$)
Basic earnings per share			
Net profit attributable to the shareholders of the parent company in the current period	$ 35,955	171,371	$ 0.21
Diluted earnings per share			
- Remuneration to employees		125	
Net profit attributable to the shareholders of the parent company in the current period plus the effect of potential common shares	$ 35,955	171,496	$ 0.21

	January 1 to March 31, 2023		
	Amount after tax	Weighted average outstanding shares (thousand shares)	Earnings per share (NT$)
Basic earnings per share			
Net profit attributable to the shareholders of the parent company in the current period	$ 37,991	171,371	$ 0.22
Diluted earnings per share			
Effect of dilutive potential common shares			
- Remuneration to employees		157	
Net profit attributable to the shareholders of the parent company in the current period plus the effect of potential common shares	$ 37,991	171,528	$ 0.22

(29) Transactions with non-controlling interests - Disposal of interests in subsidiaries

Disposal of interests in subsidiaries (not resulting in loss of control)

A. The Group sold 5.21% of its equity in its subsidiary, Solomon Data International, for a consideration of $150,328 in the first quarter of 2024. The carrying amount of the non-controlling interests of Solomon Data International on the sale date was $81,502. The transaction increased the non-controlling interests by $20,234 and the equity attributable to owners of the parent company by $130,094.

B. The effect of changes in the equity of Solomon Data International in the first quarter of 2024 on the equity attributable to owners of the Company is as follows:

	January 1 to March 31, 2024
Cash	$ 150,328
Increase in the carrying amount of non-controlling interests	(20,234)
Capital reserve - difference between the consideration and the carrying value of subsidiaries acquired or disposed of	$ 130,094

(30) Supplementary information on cash flows

Financing activities not affecting cash flows:

	March 31, 2024	March 31, 2023
Cash dividends declared but not yet distributed	$ 305,701	$ 276,280

(31) Changes in liabilities from financing activities

	2024				
	Short-term loans	Dividends payable	Deposits received	Lease liabilities	Total liabilities from financing activities
January 1	$ 673,000	$ -	$ 8,357	$ 211,553	$ 892,910
Changes in cash flows from financing activities	36,941	-	-	(7,481)	29,460
Interest expenses paid (Note)	-	-	-	(2,135)	(2,135)
Effect of exchange rate changes	-	-	-	3,719	3,719
Other non-cash changes	-	305,701	-	2,135	307,836
March 31	$ 709,941	$ 305,701	$ 8,357	$ 207,791	$1,231,790

Note: Stated as cash flows from operating activities

	2023				
	Short-term loans	Dividends payable	Deposits received	Lease liabilities	Total liabilities from financing activities
January 1	$ 994,000	$ -	$ 7,943	$ 31,446	$1,033,389
Changes in cash flows from financing activities	(76,000)	-	89	(9,153)	(85,064)
Interest expenses paid (Note)	-	-	-	(87)	(87)
Effect of exchange rate changes	-	-	-	152	152
Other non-cash changes	-	276,280	-	2,499	278,779
March 31	$ 918,000	$ 276,280	$ 8,032	$ 24,857	$1,227,169

Note: Stated as cash flows from operating activities

7. Related party transactions

(1) Names of related parties and their relationship with the Group

Names of related parties	Relationship with the Group
All directors, the General Manager, and key management	The Group's key management and governance bodies

(2) Significant transactions with the related parties

All the Group's related party transaction counterparties are entities included in the consolidated financial statements. The related transactions have been written off.

(3) Information on remuneration to key management

	January 1 to March 31, 2024	January 1 to March 31, 2023
Salaries and other short-term employee benefits	$ 18,374	$ 19,852
Post-employment benefits	203	192
	$ 18,577	$ 20,044

8. Pledged assets

Details on assets	March 31, 2024	December 31, 2023	March 31, 2023	Purpose of collateral
Investment property	$ 696,004	$ 697,644	$ 703,159	Collateral for short-term loans
Property, plant and equipment	378,064	379,158	381,811	Collateral for short-term loans
Deposits paid (stated as "other non-current assets")	58,959	77,076	69,673	Performance bond
Financial assets measured at amortized cost – non-current	8,105	8,109	-	Performance bond and customs import security
Restricted time deposits (stated as "other non-current assets")	-	-	31,309	Customs import security
	$ 1,141,132	$ 1,161,987	$ 1,185,952	

9. Material contingent liabilities and unrecognized contractual commitments

1. As of March 31, 2024, the Group's letter of credit issued but not yet used was $200,772.
2. As of March 31, 2024, the Group's promissory notes issued as security for the performance of sales contracts amounted to $103,958.
3. The Group committed a total capital contribution of $45,000 under a limited partnership investment contract signed. As of March 31, 2024, the Group has invested $30,000, of which $7,500 was stated as other non-current assets on December 31, 2023 since the record date of the capital increase was set in January 2024. Please refer to 6 (12) for details.

10. Material losses from disasters

None.

11. Material subsequent events

None.

12. Others

(1) Capital management

The Group's capital management aims to ensure that the Group can operate as a going concern, maintain the best capital structure to reduce the cost of funds, and offer returns to shareholders. In order to maintain or adjust the capital structure, the Group may adjust dividends paid to the shareholders, return capital to the shareholders, issue new shares or sell assets to reduce debts.

(2) Financial instruments

A. Types of financial instruments

	March 31, 2024	December 31, 2023	March 31, 2023
Financial assets			
Financial assets measured at fair value through profit or loss			
Financial assets measured at fair value through profit or loss	$ 691,755	$ 675,429	$ 584,559
Financial assets measured at amortized cost			
Cash and cash equivalents	1,784,423	1,255,387	1,824,691
Financial assets measured at amortized cost	1,939,877	1,916,765	1,657,150
Notes receivable	30,767	45,582	77,085
Accounts receivable	819,150	957,482	736,174
Other receivables	25,539	20,658	27,256
Deposits paid (stated as "other non-current assets")	58,959	77,076	69,673
Restricted assets (stated as "other non-current assets")	-	-	31,309
	$ 4,658,715	$ 4,272,950	$ 4,423,338

	March 31, 2024		December 31, 2023		March 31, 2023	
Financial liabilities						
Financial liabilities measured at amortized cost						
Short-term loans	$	709,941	$	673,000	$	918,000
Notes payable		10,312		10,054		9,330
Accounts payable		859,212		885,710		507,230
Other payables		462,481		193,111		436,388
Deposits received (stated as "other non-current liabilities")		8,357		8,357		8,032
	$	2,050,303	$	1,770,232	$	1,878,980
Lease liabilities	$	207,791	$	211,553	$	24,857

B. Risk management policy

(A) The Group's day-to-day operations are affected by multiple financial risks, including market risk (exchange rate risk and price risk), credit risk, and liquidity risk.

(B) The Finance Department implements risk management in accordance with the policy approved by the Board of Directors. The Group's Finance Department is responsible for identifying, assessing, and avoiding financial risks by closely cooperating with the Group's operating units.

C. Nature and level of material financial risks

(A) Market risk

Exchange rate risk

A. The Group operates internationally and thus incurs exchange rate risk generated from transactions using currencies different from the functional currencies of the Company and its subsidiaries, which mainly are the US dollar and Chinese yuan. The relevant exchange rate risk arises from future commercial transactions and recognized assets and liabilities.

B. As the business activities that the Group is engaged in involve several functional currencies (the functional currencies of the Group and some of its subsidiaries are the NT dollar and the other subsidiaries' functional currencies are the US dollar and Chinese yuan), there is effect from exchange rate volatility on the Group. Information on foreign currency assets and liabilities with significant exchange rate volatility effect is shown below:

	March 31, 2024		
	Foreign currency (thousand dollars)	Exchange rate	Carrying amount (NTD)
(Foreign currency: functional currency)			
Financial assets			
Monetary items			
USD : NTD	$ 84,251	32.00	$ 2,696,024
EUR : NTD	763	34.46	26,293
HKD : NTD	13,084	4.09	53,500
USD : CNY	320	7.10	2,270
Financial liabilities			
Monetary items			
USD : NTD	$ 960	32.00	$ 30,727
EUR : NTD	390	34.46	13,439
CNY : NTD	2,115	4.41	9,325
HKD : NTD	924	4.09	3,778
SGD : NTD	84	23.72	2,004

	December 31, 2023		
	Foreign currency (thousand dollars)	Exchange rate	Carrying amount (NTD)
(Foreign currency: functional currency)			
Financial assets			
Monetary items			
USD : NTD	$ 83,762	30.71	$ 2,571,902
EUR : NTD	966	33.98	32,825
HKD : NTD	13,330	3.93	52,374
Financial liabilities			
Monetary items			
USD : NTD	$ 1,043	30.71	$ 32,028
EUR : NTD	260	33.98	8,835
HKD : NTD	1,012	3.93	3,976
SGD : NTD	148	23.29	3,442

	March 31, 2023		
	Foreign currency (thousand dollars)	Exchange rate	Carrying amount (NTD)
(Foreign currency: functional currency)			
Financial assets			
Monetary items			
USD : NTD	$ 86,773	30.45	$ 2,642,238
EUR : NTD	1,146	33.15	37,990
HKD : NTD	14,033	3.88	54,434
Financial liabilities			
Monetary items			
USD : NTD	$ 1,011	30.45	$ 30,785
EUR : NTD	104	33.15	3,448
HKD : NTD	891	3.88	3,456

C. As exchange rate volatility has significant effect, all exchange gains (losses) (both realized and unrealized) recognized with respect to the monetary items of the Group for the three months ended March 31, 2024 and 2023 were $111,574 and ($36,183), respectively.

D. The sensitivity analysis of the Group's exchange rate risk focused on the effect of the appreciation or depreciation of relevant foreign currencies with respect to the main foreign currency monetary items on the financial reporting date on the Group's profit or loss. When there was a 1% appreciation or depreciation of the NT dollar against the aforesaid foreign currencies, the pre-tax profit decreased or increased by $27,188 and $26,970 for the three months ended March 31, 2024 and 2023, respectively, provided that all other factors remained the same.

Price risk

A. The Group's financial assets measured at fair value through profit or loss are equity instruments exposed to price risk. To manage the price risk from investments in equity instruments, the Group diversifies its portfolio based on the limit set by it.

B. The Group mainly invests in equity instruments issued by domestic companies and open-end funds. The price of such equity instruments is affected due to the uncertainty of their future value. When the price of the equity instruments rose or dropped by 1% and all other factors remained the same, the net profit after tax decreased or increased by $6,600 and $5,675 for the three months ended March 31, 2024 and 2023, respectively, due to the loss or gain from equity instruments measured at fair value through profit or loss.

Cash flow and fair value interest rate risks

A. The Group's interest rate risk mainly comes from short-term loans for purchasing materials issued at floating interest rates, exposing the Group to cash flow interest rate risk. As of March 31, 2024, December 31, 2023, and March 31, 2023, the Group's loans issued at floating interest rates were mainly denominated in NTD and USD.

B. When the loan interest rate rose or dropped by 0.25% and all the other factors remained the same, the net profit after tax increased or decreased by $355 and $459 for the three months ended March 31, 2024 and 2023, respectively.

(B) Credit risk

A. The Group's credit risk is the risk of failure of a customer or a counterparty trading financial instruments with the Group to fulfill the contractual obligations, leading to the Group's financial loss. The risk is mainly generated from accounts receivable that cannot be collected from the counterparty according to the payment terms and from contractual cash flows classified as investments in debt instruments measured at amortized cost.

B. According to the Group's explicitly defined internal loan policy, all operating entities of the Group must conduct management and credit risk analysis for every new customer before setting payment terms and proposing delivery terms and conditions. The customers' credit quality is assessed by taking into consideration their financial position, past experiences and other factors for internal risk control.

C. When a contract payment is more than 90 or 180 days (depending on individual operating entities) overdue according to the agreed payment terms, a default is considered to have occurred.

D. When a contract payment is more than 90 days overdue according to the agreed payment terms, the credit risk of financial assets is considered to have significantly increased after initial recognition.

E. The indicators used by the Group to identify the credit impairment of investments in debt instruments are shown below:

(A) The issuer incurs significant financial difficulties or there is a significantly increased possibility that it will enter into bankruptcy or other financial reorganization;

(B) The issuer incurs financial difficulties resulting in the disappearance of the active market of the financial asset;

(C) The issuer defaults on or fails to pay the interest or principal;

(D) There are changes adverse to national and regional economic situations that are associated with the default of the issuer.

F. The Group adopts the simplified approach to estimate expected credit losses for accounts receivable from customers by the characteristics of the customers based on a provision matrix.

G. The Group takes into consideration the study reports of Taiwan Institute of Economic Research for future prospects when adjusting the loss rate derived from information during specific historical and current periods to estimate the loss allowance for accounts receivable. The provision matrix on March 31, 2024, December 31, 2023, and March 31, 2023, respectively, is as follows:

	Not overdue	30 days or fewer overdue	31-90 days overdue	91-180 days overdue	More than 181 days overdue	Total
March 31, 2024						
Expected loss rate	0.03%-1.47%	3.31%-70.05%	19.85%-100%	69.90%-100%	100%	
Total carrying value	$ 815,175	$ 9,919	$ 1,801	$ 736	$ 7,074	$ 834,705
Loss allowance	$ 4,224	$ 2,568	$ 1,165	$ 524	$ 7,074	$ 15,555

	Not overdue	30 days or fewer overdue	31-90 days overdue	91-180 days overdue	More than 181 days overdue	Total
December 31, 2023						
Expected loss rate	0.02%-2.92%	6.23%-85.57%	24.76%-100%	100%	100%	
Total carrying value	$ 951,393	$ 11,021	$ 3,031	$ 657	$ 8,110	$ 974,212
Loss allowance	$ 3,996	$ 2,324	$ 1,643	$ 657	$ 8,110	$ 16,730

	Not overdue	30 days overdue	31-90 days overdue	91-180 days overdue	More than 181 days overdue	Total
March 31, 2023						
Expected loss rate	0.03%-4.33%	7.67%-100%	9.93%-100%	66.69%-100%	100%	
Total carrying value	$ 724,314	$ 11,924	$ 7,647	$ 1,880	$ 6,507	$ 752,272
Loss allowance	$ 3,162	$ 2,290	$ 2,299	$ 1,840	$ 6,507	$ 16,098

H. The table about changes in the loss allowance for accounts receivable, for which the Group adopted the simplified approach, is as follows:

	2024	2023
January 1	$ 16,730	$ 14,900
Impairment losses (revered) set aside	(1,362)	1,191
Effect of exchange rate	187	7
March 31	$ 15,555	$ 16,098

(C) Liquidity risk

A. Cash flow forecasting is carried out individually by each operating entity of the Group and the results are summarized by the Group’s Finance Department. The Group’s Finance Department monitors the forecasting of the Group’s needs for current funds to ensure there are sufficient funds to meet the operating needs and maintains adequate unused committed lending facilities to prevent the Group from violating relevant lending limits or terms. Consideration is given to the Group’s debt financing plans, compliance with debt terms, and achievement of internal target balance sheet financial ratios when making such forecasts.

B. The Group groups non-derivative financial liabilities and derivative financial liabilities settled at net amount or total amount by relevant maturity dates. The non-derivative financial liabilities are analyzed based on the remaining period from the balance sheet date to the contract maturity date. The derivative financial liabilities are analyzed based on the remaining period from the balance sheet date to the expected maturity date. The undiscounted contractual cash flows of accounts payable, notes payable, and other payables are equivalent to their carrying values and will fall due within one year. The undiscounted contractual cash flows of the other financial liabilities are shown in detail below:

Non-derivative financial liabilities:

March 31, 2024	Within 1 year	1 to 2 years	2 to 5 years	Over 5 years
Short-term loans	$ 710,578	$ -	$ -	$ -
Lease liabilities	28,882	50,865	74,236	95,725

Non-derivative financial liabilities:

December 31, 2023	Within 1 year	1 to 2 years	2 to 5 years	Over 5 years
Short-term loans	$ 673,679	$ -	$ -	$ -
Lease liabilities	32,045	50,888	74,607	102,857

Non-derivative financial liabilities:

March 31, 2023	Within 1 year	1 to 2 years	2 to 5 years	Over 5 years
Short-term loans	$ 918,587	$ -	$ -	$ -
Lease liabilities	21,589	3,166	227	-

(3) Fair value information

A. The valuation technique levels adopted to measure the fair value of financial instruments and non-financial instruments are defined as follows:

Level 1: Quoted prices in active markets for identical assets or liabilities accessible to an entity on the measurement date (unadjusted). Active markets are ones where asset or liability transactions take place with sufficient frequency and volume for pricing information to be provided on an ongoing basis. All the fair values of the Group's investments in listed/OTC stocks fall under Level 1.

Level 2: Inputs other than the quoted prices included in Level 1 that are directly or indirectly observable for the asset or liability. The Group's investments in bond instruments without active market fall under Level 2.

Level 3: Inputs that are unobservable to the asset or liability.

B. Please refer to the description in Note 6 (11) for information on the fair value of investment property measured at cost.

C. Financial instruments not measured at fair value

The carrying amounts of the Group's cash and cash equivalents, financial assets measured at amortized cost, notes and accounts receivable, other receivables, deposits paid for other non-current assets, notes and accounts payable, other payables, and deposits received are reasonable approximations of their fair values.

D. The Group classifies the financial and non-financial instruments measured at fair value based on the nature, characteristics and risks of the assets and liabilities as well as the levels of the fair values. The relevant information is shown below:

(A) The following is information on the Group's classification based on the nature of the assets and liabilities:

March 31, 2024	Level 1	Level 2	Level 3	Total
Assets				
Recurring fair value				
Financial assets measured at fair value through profit or loss				
Equity securities	$ 606,942	$ -	$ 56,020	$ 662,962
Limited partnership	-	-	28,793	28,793
	$ 606,942	$ -	$ 84,813	$ 691,755

December 31, 2023	Level 1	Level 2	Level 3	Total
Assets				
Recurring fair value				
Financial assets measured at fair value through profit or loss				
Equity securities	$ 601,448	$ -	$ 53,146	$ 654,594
Limited partnership	-	-	20,835	20,835
	$ 601,448	$ -	$ 73,981	$ 675,429

March 31, 2023	Level 1	Level 2	Level 3	Total
Assets				
Recurring fair value				
Financial assets measured at fair value through profit or loss				
Equity securities	$ 486,772	$ -	$ 82,902	$ 569,674
Limited partnership	-	-	14,885	14,885
	$ 486,772	$ -	$ 97,787	$ 584,559

(B) The methods and assumptions used by the Group to measure the fair value are as follows:

a. The quoted market price used by the Group as a fair value input (i.e. Level 1 input) is listed based on the characteristics of the instruments in the following:

	Listed (OTC) stocks	Open-end funds
Quoted market price	Closing price	Net value

b. The fair value of all financial instruments, except for the aforementioned financial instruments with active markets, is acquired using a valuation technique or with reference to the quotation of the counterparty. For fair values acquired using a valuation technique, the current fair value of other financial instruments with substantially similar conditions and characteristics, the cash flow discounting method, and other valuation techniques may be used as a reference, including the market information application model acquirable on the consolidated balance sheet date (e.g. TPEx yield curve, Reuters average interest rate quote for commercial paper).

c. An approximation generated using a valuation model is an estimate, and the valuation technique may not be able to reflect all factors associated with the Group's financial and non-financial instruments. Therefore, estimates made using the valuation model are adjusted properly based on additional parameters, such as model risk or liquidity risk. According to the Group's fair value valuation model management policy and relevant control procedures, the management believes that valuation adjustments are appropriate and necessary for fair presentation of the fair value of financial and non-financial instruments in the consolidated balance sheet. Price information and parameters used in the valuation process are carefully assessed and adjusted based on the current market situation appropriately.

E. There were no transfers between Level 1 and Level 2 in the three months ended March 31, 2024 and 2023.

F. Movements in Level 3 equity instruments in the three months ended March 31, 2024 and 2023 are listed in the following table:

	2024	2023
January 1	$ 73,981	$ 91,492
Gains recognized as profit or loss	3,304	6,380
Sale in the current period	309	-
Reclassified from other non-current assets	7,500	-
Effect of exchange rate	(281)	(85)
March 31	$ 84,813	$ 97,787

G. There was no transfer-in to Level 3 in the three months ended March 31, 2024 and 2023. The only equity investment instrument was listed for trading as an emerging stock in May 2023. As there was sufficient observable market information available, the Group transferred the fair value adopted from Level 3 to Level 1 at the end of the month when the event occurred.

H. The Group's Finance Department is responsible for independent fair value verification for financial instruments in the process of valuation of Level 3 fair values to make valuation results close to the market situation based on information from independent sources and make sure that the information sources are independent, reliable and consistent with other resources and reflect executable prices. The Group also regularly adjusts the valuation model, conducts retrospective testing, updates inputs and data required for the valuation model, and makes any other necessary fair value adjustment to ensure reasonable valuation results.

I. The quantitative significant unobservable inputs of the valuation model used for Level 3 fair value measurements are analyzed and described as follows:

	March 31, 2024 Fair value	Valuation technique	Significant unobservable input	Range (weighted average)	Relationship between the input and the fair value
Non-derivative equity instruments:					
Non-listed/non-OTC stocks	$ 56,020	Comparable public company method	PE multiplier, PB multiplier, discount for lack of marketability.	25%	The higher the multipliers, the higher the fair value. The higher the discount for lack of marketability, the lower the fair value.
Limited partnership	28,793	Net asset value method	N/A	N/A	N/A

	December 31, 2023 Fair value	Valuation technique	Significant unobservable input	Range (weighted average)	Relationship between the input and the fair value
Non-derivative equity instruments:					
Non-listed/non-OTC stocks	$ 53,146	Comparable public company method	PE multiplier, PB multiplier, discount for lack of marketability.	25%	The higher the multipliers, the higher the fair value. The higher the discount for lack of marketability, the lower the fair value.
Non-listed/non-OTC stocks	-	Net asset value method	N/A	N/A	N/A
Limited partnership	20,835	Net asset value method	N/A	N/A	N/A

	March 31, 2023 Fair value	Valuation technique	Significant unobservable input	Range (weighted average)	Relationship between the input and the fair value
Non-derivative equity instruments:					
Non-listed/non-OTC stocks	$ 82,902	Comparable public company method	PE multiplier, PB multiplier, discount for lack of marketability.	25%	The higher the multipliers, the higher the fair value. The higher the discount for lack of marketability, the lower the fair value.
Limited partnership	14,885	Net asset value method	N/A	N/A	N/A

13. Note disclosures

(1) Information of material transactions

A. Loaning of funds to others: Please refer to Table 1.

B. Making of endorsements/guarantees for others: Please refer to Table 2.

C. Securities held at end of period (excluding those controlled by investee subsidiaries, associates and joint ventures): Please refer to Table 3.

D. Aggregate purchases or sales of the same securities amounting to NT$300 million or more than 20% of the paid-in capital: None.

E. Acquisition of property amounting to NT$300 million or more than 20% of the paid-in capital: None.

F. Disposal of property amounting to NT$300 million or more than 20% of the paid-in capital: None.

G. Purchases and sales with related parties amounting to NT$100 million or more than 20% of the paid-in capital: None.

H. Accounts receivable from related parties amounting to NT$100 million or more than 20% of the paid-in capital: None.

I. Transactions of derivatives: Please refer to Note 6 (2).

J. Business relationship and important transactions between the parent company and subsidiaries and between the subsidiaries, and the amounts of such transactions: Please refer to Table 4.

(2) Information of investee companies

Information related to investee companies (excluding those in Mainland China), their place of registration, etc.: Please refer to Table 5.

(3) Information of investments in Mainland China

A. Basic information: Please refer to Table 6.

B. Material matters occurring directly or indirectly through businesses in a third area and investee companies in Mainland China: Please refer to the description in Table 4.

(4) Information of major shareholders

Please refer to Table 7.

14. Operating segment information

(1) General information

A. The management of the Group has identified the reportable segments according to the reported info maker uses to formulate policies.

B. The operating decision maker of the Group operates and manages the business by product business g

(2) Information on segment profits or losses, assets and liabilities

Information on the reportable segments provided to the chief operating decision maker is as follows:

January 1 to March 31, 2024	Electromechanical Business Group	Intelligent Business Group	Optoelectronic manufacturing industry	Electronic channel industry	Others
External income	$ 408,515	$ 148,545	$ 175,072	$ 45,524	$ 10,568
Internal segment income	53,684	554	4,390	-	-
Segment income	$ 462,199	$ 149,099	$ 179,462	$ 45,524	$ 10,568
After-tax segment profit (loss)	$ 11,325	($ 33,827)	$ 32,575	($ 489)	$ 36,690
Depreciation and amortization	$ 3,253	$ 3,306	$ 8,794	$ 269	$ 4,517
Loss from investments accounted for using the equity method	$ -	$ -	$ -	$ -	($ 3,295)
Segment assets	$ 2,764,882	$ 1,440,579	$ 2,710,932	$ 1,185,670	$ 4,890,714

January 1 to March 31, 2023	Electromechanical Business Group	Intelligent Business Group	Optoelectronic manufacturing industry	Electronic channel industry	Others
External income	$ 280,004	$ 319,841	$ 257,381	$ 65,700	$ 24,902
Internal segment income	39,682	388	8,324	-	-
Segment income	$ 319,686	$ 320,229	$ 265,705	$ 65,700	$ 24,902
After-tax segment profit (loss)	$ 2,857	($ 18,362)	$ 19,994	$ 1,353	$ 84,615
Depreciation and amortization	$ 2,989	$ 4,247	$ 8,148	$ 285	$ 4,702
Gain from investments accounted for using the equity method	$ -	$ -	$ -	$ -	$ 1,029
Segment assets	$ 2,759,505	$ 1,295,232	$ 2,493,471	$ 1,066,507	$ 4,104,737

SOLOMON Technology Corporation and Subsidiaries
Loaning of Funds to Others
January 1 to March 31, 2024

Table 1

Unit: NT$ Thousand

(Unless otherwise specified)

No. (Note 1)	Lending company	Borrowing company	Current account	Related party	Maximum amount in the current period	Closing balance	Actual drawdown amount	Range of interest rates	Nature of loaning of funds (Note 4)	Business transaction amount	Reasons for the need of short-term financing	Allowance set aside for bad debts	Collateral		Limit on loans to individual borrowers (Note 2)	Limit on total loans (Note 3)	Remarks
													Name	Value			
0	SOLOMON	Solomon Energy Technology (Singapore) Pte. Ltd	Other receivables	Y	$ 33,225	$ 33,225	$ 13,432	4%	2	$ -	Working capital	$ -	-	-	$ 2,043,343	$ 4,086,686	
1	Moredel Investment	Solomon Energy	Other receivables	Y	39,000	39,000	39,000	2%	2	-	Working capital	-	-	-	223,282	446,564	
2	Solomon Smartnet	Solomon Energy Technology (Singapore) Pte. Ltd	Other receivables	Y	4,956	4,956	4,956	4%	2	-	Working capital	-	-	-	131,815	263,630	
2	Solomon Smartnet	Solomon Energy	Other receivables	Y	10,000	10,000	10,000	2%	2	-	Working capital	-	-	-	131,815	263,630	
3	Solomon Goldentek Display	SOLOMON	Other receivables	Y	500,000	500,000	300,000	1.75%	2	-	Working capital	-	-	-	707,788	1,415,575	

Note 1: Number column description:
(1) "0" is reserved for the issuer.
(2) Each investee company is numbered in sequential order starting from 1.
Note 2: According to the Group's lending procedure, the amount of loans to a single enterprise with short-term financing needs is limited to 40% of the lending company's net worth (for Dong Guan Goldentek, the amount of total loans is limited to 80% of its net worth). The amount of loans to companies having business dealings with the lending company is limited to the higher of the amount of purchases or sales between both parties.
Note 3: According to the Group's lending procedure, the amount of total loans given is limited to 80% of the net worth of the lending company.
Note 4: The nature of loaning of funds is described as follows:
(1) Business relationships: 1.
(2) Needs for short-term financing: 2.

SOLOMON Technology Corporation and Subsidiaries
Endorsements/Guarantees for Others
January 1 to March 31, 2024

Table 2

Unit: NT$ Thousand

(Unless otherwise specified)

No. (Note 1)	Endorser/ guarantor	Endorsee/ guarantee		Limit on endorsements/ guarantees to a single enterprise (Note 3)	Maximum endorsement/ guarantee balance in the current period	Closing endorsement/ guarantee balance	Actual drawdown amount	Endorsement/ guarantee amount secured with property	Cumulative endorsement/ guarantee amount as a percentage of the net worth in the most recent financial statements	Maximum limit on endorsements/ guarantees (Note 3)	Endorsements/ guarantees made by the parent company for subsidiaries	Endorsements/ guarantees made by subsidiaries for the parent company	Endorsements/ guarantees made for the operations in Mainland China	Remarks
		Company name	Relationship (Note 2)											
0	SOLOMON	Solomon Energy	2	$ 1,021,672	$ 245,000	$ 245,000	$ 101,941	$ -	4.80	$ 2,554,179	Y	N	N	

Note 1: Number column description:
(1) "0" is reserved for the issuer.
(2) Each investee company is numbered in sequential order starting from 1.
Note 2: The relationship between the endorser/guarantor and the endorsee/guarantee is classified into the following six categories. It is only necessary to mark the category:
(1) Companies with business relationships.
(2) Subsidiaries in which the Company holds more than 50% of the common stock equity.
(3) Investee companies in which the parent company and its subsidiaries hold more than 50% of the common stock equity, calculated on a consolidated basis.
(4) The parent company, directly or indirectly through a subsidiary, holding more than 50% of the common stock equity of the Company.
(5) Companies in the same industry that are required to provide mutual guarantee pursuant to contracts for undertaking engineering projects.
(6) Companies receiving endorsements/guarantees from the shareholders proportionally to their shareholding due to a joint venture relationship.
Note 3: According to the Company's Operating Procedures for Endorsements and Guarantees, the amount of the Company's total endorsements/guarantees is limited to 50% of the net worth of the Company, and the amount of endorsements/guarantees provided for the same company shall not exceed 20% of the guarantor's net worth.

SOLOMON Technology Corporation and Subsidiaries
Securities Held at End of Period (Excluding Those Controlled by Investee Subsidiaries, Associates and Joint Ventures)
March 31, 2024

Table 3

Unit: NT$ Thousand

(Unless otherwise specified)

Holding company	Type and name of securities	Relationship with the securities issuer	Account	End of period: Number of shares	End of period: Carrying amount	End of period: Shareholding percentage	End of period: Fair value	Remarks
SOLOMON	Hua Nan Phoenix Money Market Fund	None	Financial assets measured at fair value through profit or loss – current	4,775,552	$ 80,000	-	$ 80,000	Note
	Evergreen	〃	Financial assets measured at fair value through profit or loss – current	84,000	14,448	-	14,448	〃
	Unimicron	〃	Financial assets measured at fair value through profit or loss – current	128,000	24,448	0.01%	24,448	〃
	BaaS Innovation	〃	Financial assets measured at fair value through profit or loss – non-current	50,745	1,175	0.20%	1,175	〃
	CHENFENG OPTRONICS	〃	Financial assets measured at fair value through profit or loss – non-current	1,500,000	15,991	1.49%	15,991	〃
	Truewin Technology	〃	Financial assets measured at fair value through profit or loss – non-current	261,269	12,217	0.49%	12,217	〃
	Liwatt X	〃	Financial assets measured at fair value through profit or loss – non-current	500,000	3,799	7.14%	3,799	〃
	Sogotec Enterprise	〃	Financial assets measured at fair value through profit or loss – non-current	852	-	-	-	〃
	TAIWAN-CA	〃	Financial assets measured at fair value through profit or loss – non-current	29,847	-	0.12%	-	〃
	Tai-Ling Biotech	〃	Financial assets measured at fair value through profit or loss – non-current	321,538	-	0.90%	-	〃
	Lion Best Global Limited-Tranche A Notes	〃	Financial assets measured at amortized cost – non-current	-	640,000	-	640,000	〃
	Lion Best Global Limited-Tranche B Notes	〃	Financial assets measured at amortized cost – non-current	-	480,000	-	480,000	〃
Moredel Investment	SOLOMON	Parent company of the Company	Financial assets measured at fair value through profit or loss – current	100,432	7,281	0.06%	7,281	〃
	Hwa Fong Rubber Ind.	None	Financial assets measured at fair value through profit or loss – current	1,361,556	23,623	0.49%	23,623	〃
	E-lead Electronics	〃	Financial assets measured at fair value through profit or loss – current	313,000	17,152	0.00%	17,152	〃
	Hua Nan Phoenix Money Market Fund	〃	Financial assets measured at fair value through profit or loss – current	895,132	15,018	0.00%	15,018	〃
	Integrated Solutions Technology	〃	Financial assets measured at fair value through profit or loss – non-current	1,452,659	166,329	3.83%	166,329	〃
	ABIS Packaging Material Factory	〃	Financial assets measured at fair value through profit or loss – non-current	200,000	3,101	0.80%	3,101	〃
	KeyStone Technology	〃	Financial assets measured at fair value through profit or loss – non-current	200,000	-	2.22%	-	〃
	Gintung Energy	〃	Financial assets measured at fair value through profit or loss – non-current	57,141	-	0.15%	-	〃
Solomon Cayman	Capital Investment Development Corp	〃	Financial assets measured at fair value through profit or loss – non-current	300,000	14,803	0.89%	14,803	〃
	Polar Tech.	〃	Financial assets measured at fair value through profit or loss – non-current	190,000	-	18.21%	-	〃
	UKNOWIKNOW HOLDINGS INC.	〃	Financial assets measured at fair value through profit or loss – non-current	150,000	-	5.22%	-	〃
Solomon Data International	Hua Nan Phoenix Money Market Fund	〃	Financial assets measured at fair value through profit or loss – current	2,719,296	45,624	-	45,624	〃
	CENZ Automation	〃	Financial assets measured at fair value through profit or loss – non-current	80,000	-	1.19%	-	〃
	Truewin Technology	〃	Financial assets measured at fair value through profit or loss – non-current	130,634	6,109	0.24%	6,109	〃
	Cerulean Asset Management Venture Capital Limited Partnership	〃	Financial assets measured at fair value through profit or loss – non-current	-	6,057	-	6,057	〃
	Meng-Lue Venture Capital Limited Partnership	〃	Financial assets measured at fair value through profit or loss – non-current	-	3,403	-	3,403	〃
Solomon Goldentek Display	Hua Nan Phoenix Money Market Fund	〃	Financial assets measured at fair value through profit or loss – current	9,226,160	153,000	-	153,000	〃
	Unimicron	〃	Financial assets measured at fair value through profit or loss – current	90,000	17,190	0.01%	17,190	〃
	CENZ Automation	〃	Financial assets measured at fair value through profit or loss – non-current	250,000	-	3.73%	-	〃
	Lion Best Global Limited-Tranche B Notes	〃	Financial assets measured at amortized cost – non-current	-	320,000	-	320,000	〃
	Meng-Lue Venture Capital Limited Partnership	〃	Financial assets measured at fair value through profit or loss – non-current	-	6,805	-	6,805	〃
	Cerulean Asset Management Venture Capital Limited Partnership	〃	Financial assets measured at fair value through profit or loss – non-current	-	9,125	-	9,125	〃
Solomon Smartnet	Hua Nan Phoenix Money Market Fund	〃	Financial assets measured at fair value through profit or loss – current	1,193,510	20,000	-	20,000	〃
Cornucopia Innovation	Hua Nan Phoenix Money Market Fund	〃	Financial assets measured at fair value through profit or loss – current	602,871	10,125	-	10,125	〃
	Weltrend	〃	Financial assets measured at fair value through profit or loss – current	300,000	18,810	-	18,810	〃
	Meng-Lue Venture Capital Limited Partnership	〃	Financial assets measured at fair value through profit or loss – non-current	-	3,403	-	3,403	〃

Note: Not pledged.

SOLOMON Technology Corporation and Subsidiaries
Business Relationship and Important Transactions between the Parent Company and Subsidiaries and between the Subsidiaries, and the Amounts of Such Transactions
January 1 to March 31, 2024

Table 4

Unit: NT$ Thousand

(Unless otherwise specified)

No. (Note 5)	Name of transacting party	Counterparty	Relationship with transacting party (Note 6)	Transaction			
				Account	Amount	Transaction terms	As a percentage of total consolidated operating income or assets (Note 7)
0	SOLOMON	Yumon International	1	Sale	$ 52,451	Note 1	6.7%
0	SOLOMON	Solomon Goldentek Display	1	Other payables	300,000	Note 2	3.2%
0	SOLOMON	Solomon Energy (Singapore)	1	Other receivables	13,309	Note 2	0.1%
1	Solomon Goldentek Display	Dong Guan Goldentek	1	Purchase	87,496	Note 3	11.1%
1	Solomon Goldentek Display	Dong Guan Goldentek	1	Accounts payable	73,728	Note 3	0.8%
1	Solomon Goldentek Display	Dong Guan Goldentek	1	Other receivables	15,616	Note 4	0.2%
2	Moredel Investment	Solomon Energy	3	Other receivables	39,268	Note 2	0.4%
3	Solomon Smartnet	Solomon Energy	3	Other receivables	10,000	Note 2	0.1%

Note 1: After the payments receivable and payable were offset against each other, the payments were collected based on the funding status. The payment term for regular customers ranges from about 90-120 days.
Note 2: Loaning of funds. Please refer to Table 1.
Note 3: The payment term was 90-180 days after the payments receivable and payable were offset against each other.
Note 4: The receivables were the procurement payments made by the parent company on behalf of the subsidiary.
Note 5: The business transactions between the parent company and its subsidiaries shall be indicated in the "No." column. This column shall be completed as follows:

(1) 0 is reserved for the parent company.
(2) Each subsidiary is numbered in sequential order starting from 1.

Note 6: The relationship with the transacting party is classified into the following three categories. It is only necessary to mark the category (It is not necessary to disclose the same transaction between the parent company and its subsidiaries or between the subsidiaries repeatedly. For example, if the parent company has disclosed a transaction with one of its subsidiaries, it is not required for the subsidiary to disclose the transaction again. If a subsidiary has disclosed a transaction with another subsidiary, it is not required for the latter to disclose the transaction again):

(1) Parent to subsidiary.
(2) Subsidiary to parent.
(3) Subsidiary to subsidiary.

Note 7: For asset or liability accounts, the transaction amount as a percentage of total consolidated operating income or assets shall be calculated as the closing balance as a share of the total assets; for profit or loss accounts, the percentage shall be calculated as the accumulated amount as a share of the total consolidated operating income.
Note 8: Transactions over $9,000 shall be disclosed.

SOLOMON Technology Corporation and Subsidiaries
Information Related to Investee Companies (Excluding Those in Mainland China), Their Place of Registration, etc.
January 1 to March 31, 2024

Table 5

Unit: NT$ Thousand

(Unless otherwise specified)

Name of investor company	Name of investee company	Place of registration	Principal business	Initial investment amount		Holding percentage			Profit or loss of investee company in the current period	Investment gain or loss recognized in the current period	Remarks
				End of current period	End of previous year	Number of shares	at end of period	Carrying amount			
SOLOMON	Solomon Cayman	Cayman Islands	Holding company	$ 264,367	$ 264,367	7,232,836	100.00	$ 219,642	($ 1,596)	($ 1,596)	Note 1
SOLOMON	Solomon Smartnet	Taiwan	IC cards	200,000	200,000	20,000,000	100.00	310,866	47,485	4,088	Note 1
SOLOMON	Solomon Goldentek Display	Taiwan	Manufacturing of LCDs	1,359,694	1,359,694	42,871,029	70.77	1,203,253	32,461	22,971	Note 1
SOLOMON	Moredel Investment	Taiwan	Professional investment	457,384	457,384	28,460,900	100.00	539,349	(56,041)	(59,396)	Note 1
SOLOMON	Solomon Wireless Technology	Taiwan	Communication products	599,665	599,665	96,407	96.41	16	-	-	Note 1
SOLOMON	Solomon Data International	Taiwan	Manufacturing of LCD panels	53,375	56,709	5,762,676	27.86	126,270	5,830	1,656	Note 1
SOLOMON	Total Profit	Samoa	Holding company	13,859	13,859	3,088,700	100.00	3,342	(587)	(587)	Note 1
SOLOMON	Cornucopia Innovation	Taiwan	Manufacturing of machines/equipment and electronic parts and components	65,000	65,000	6,100,000	35.06	42,932	(3,288)	(1,153)	Note 1
SOLOMON	Solomon Science Technology (VN)	Vietnam	Supply and sale of intelligence technology	27,200	27,200	-	100.00	5,040	(1,672)	(1,672)	Note 1
SOLOMON	Solomon Robotics (THAI) Ltd.	Thailand	Supply and sale of intelligence technology	8,209	8,209	2,488,000	100.00	5,047	(88)	(88)	Note 1
SOLOMON	Solomon Technology (USA)	United States	Supply and sale of intelligence technology	73,268	73,268	24,500	100.00	9,820	(4,211)	(4,211)	Note 1
SOLOMON	Solomon Technology (Japan) Ltd.	Japan	Supply and sale of intelligence technology	4,844	4,844	22,000	100.00	3,985	(670)	(670)	Note 1
SOLOMON	Solomon Energy	Taiwan	Import and export of electrical power-related products	220,000	220,000	22,000,000	100.00	145,968	(6,058)	(6,058)	Note 1
SOLOMON	Sheng-Peng Technology	Taiwan	Import and export of electrical power-related products	5,100	5,100	510,000	51.00	7,469	(1,235)	(630)	Note 1
Moredel Investment	Solomon Data International	Taiwan	Manufacturing of LCD panels	36,405	40,354	3,374,740	16.31	69,932	5,830	-	Notes 1, 4
Moredel Investment	Solomon Goldentek Display	Taiwan	Manufacturing of LCDs	62,233	62,233	5,610,000	9.26	160,400	32,461	-	Notes 1, 4
Solomon Smartnet	Solomon Data International	Taiwan	Manufacturing of LCD panels	33,972	37,157	3,839,117	18.56	79,047	5,830	-	Notes 1, 4
Solomon Smartnet	Solomon Goldentek Display	Taiwan	Manufacturing of LCDs	62,233	62,233	5,610,000	9.26	160,400	(10,281)	-	Notes 1, 4
Solomon Cayman	Soundtek Ltd.	Seychelles	Professional investment	23,764	23,764	-	30.00	-	-	-	Note 4
Solomon Cayman	Goldentek Display System (BVI) Co., Ltd.	British Virgin Islands	Sale of LCDs and modules	305	305	43,706	0.39	1,256	(2,386)	-	Notes 2, 4
Solomon Energy	Solomon Energy Technology (Singapore) Pte. Ltd	Singapore	Self-usage renewable energy generation equipment	21,835	21,835	1,000,000	100.00	(2,557)	(2,580)	-	Notes 2, 4
Solomon Data International	Cornucopia Innovation	Taiwan	Manufacturing of machines/equipment and electronic parts and components	25,300	25,300	2,300,000	13.22	20,963	(3,288)	-	Notes 1, 4
Solomon Data International	AggrEnergy	Taiwan	Energy technology service	24,532	24,532	23,502,128	18.21	33,857	(14,093)	-	Notes 3, 4
Solomon Data International	Ju Xin Energy	Taiwan	Energy technology service	36,000	36,000	3,600,000	5.00	37,365	(5,218)	-	Notes 3, 4
Solomon Goldentek Display Corp.	Goldentek Display System (BVI) Co., Ltd.	British Virgin Islands	Production and sale of LCDs and modules	360,904	360,904	11,206,699	99.61	320,842	(2,386)	-	Notes 2, 4
Solomon Goldentek Display Corp.	Futek Trading Co., Ltd.	British Virgin Islands	Entrepot trade	14,406	14,406	1,050,000	100.00	-	-	-	Notes 2, 4
Solomon Goldentek Display Corp.	Cornucopia Innovation Corporation	Taiwan	Manufacturing of machines/equipment and electronic parts and components	4,500	4,500	360,000	2.07	2,668	(3,288)	-	Notes 1, 4
Solomon Goldentek Display Corp.	Solomon Goldentek Display (Hong Kong) Corp.	Hong Kong	Entrepot trade	2,175	2,175	499,999	100.00	340	(11)	-	Notes 2, 4

Note 1: A subsidiary.
Note 2: A sub-subsidiary.
Note 3: Associate.
Note 4: The investee company’s profit or loss in the current period was recognized as that of the ultimate parent company.

SOLOMON Technology Corporation and Subsidiaries
Information of Investments in Mainland China – Basic Information
January 1 to March 31, 2024

Table 6

Unit: NT$ Thousand

(Unless otherwise specified)

Name of investee company in Mainland China	Principal business	Paid-in capital	Method of investment (Note 1)	Accumulated amount of investments remitted from Taiwan at beginning of current period	Amount of investments remitted or recovered in the current period		Accumulated amount of investments remitted from Taiwan at end of current period	Profit or loss of investee company in the current period	The Company's shareholding in direct or indirect investments	Investment gain or loss recognized in the current period	Carrying amount of investments at end of period	Investment gain received as of the current period	Remarks
					Remitted	Recovered							
Solomon Goldentek Display (Dong Guan) Ltd.	Production and sale of new types of LCDs and modules	$ 161,760	1	$ 104,891	$ -	$ -	$ 104,891	($ 2,391)	99.61	($ 2,380)	$ 320,784	$ 128,164	Note 3
Solomon Shenzhen	International trade	12,267	1	11,547	-	-	11,547	(587)	100.00	(587)	3,330	-	
Yumon International	International trade	217,600	1	65,956	-	-	65,956	(1,594)	100.00	(1,594)	191,971	-	Notes 2, 3
Zhuhai Wan Jia	Manufacturing and sale of magnetic materials	64,000	1	4,497	-	-	4,497	-	7.65	-	-	-	

Note 1: Investment methods are classified into the following two categories. It is only necessary to mark the category:
(1) Investment in Mainland China companies through an investee company established in a third area.
(2) Investment in Mainland China companies by investing in an existing company in a third area.
(3) Investment in Mainland China companies through an existing investee company established in Mainland China.
Note 2: Solomon Cayman, a 100% owned subsidiary of the Company, increased the capital of Yumon International with US$800 thousand and US$3,000 thousand from its own funds in 2011 and 2013, respectively.
Note 3: Recognized as investment gain or loss based on the financial statements for the same period reviewed by the parent company's CPA.

Company name	Accumulated amount of investments remitted from Taiwan to Mainland China at end of current period	Amount of investments approved by the Investment Commission, MOEA	Limit on the amount of investments in Mainland China set by the Investment Commission, MOEA
SOLOMON Technology Corporation	$ 614,867	$ 912,070	$ 3,332,286

Note: Dong Guan Goldentek is an investment of Solomon Goldentek Display in Mainland China, which has been reported. The listed figure includes the information of Dong Guan Goldentek.

SOLOMON Technology Corporation and Subsidiaries
Information of Major Shareholders
March 31, 2024

Table 7

Name of major shareholders	Shares	
	Number of shares held	Shareholding percentage (%)
Chen Cheng-Lung	15,733,057	9.17
Chen Lu Su-Yue	13,386,843	7.80
Xin Li Investment Corp.	9,235,114	5.38
Chen Jan-Sun	8,909,377	5.19