SOLOMON Technology Corporation and Subsidiaries

Consolidated Financial Statements and Independent Auditors' Report

2022 and 2021

(Stock Code 2359)

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SOLOMON Technology Corporation and Subsidiaries
2022 and 2021 Consolidated Financial Statements and Independent Auditors' Report
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SOLOMON Technology Corporation
Declaration of Consolidated Financial Statements of Affiliates

The Company hereby declares that considering that the companies to be included into the consolidated financial statements of affiliates under the "Criteria Governing Preparation of Affiliation Reports, Consolidated Business Reports and Consolidated Financial Statements of Affiliated Enterprises" were the same as those to be included into the consolidated financial statements of the parent and subsidiaries under IFRS 10 in 2022 (from January 1 to December 31, 2022), and the related information to be disclosed in the consolidated financial statements of affiliates were already disclosed in the said consolidated financial statements of the parent and subsidiaries, no consolidated financial statements of affiliates were prepared separately.

Company Name: SOLOMON Technology Corporation

Person in Charge: Chen Cheng-Lung

March 17, 2023

Independent Auditors' Report

(2023) Letter Cai-Shen-Bao-Zi No. 22004862

To SOLOMON Technology Corporation:

Audit Opinions

We audited the consolidated balance sheets of SOLOMON Technology Corporation and its subsidiaries (hereinafter referred to as "Solomon Group") as of December 31, 2022 and 2021, 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 December 31, 2022 and 2021 and the notes to the consolidated financial statements (including the summary of material accounting policies).

In our opinion, based on our audit results and other independent auditors' reports (Please refer to Other Matters paragraphs), with respect to all material aspects, the foregoing consolidated financial statements were prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the International Financial Reporting Standards, International Accounting Standards, interpretations and interpretation pronouncements endorsed, published and put in force by the Financial Supervisory Commission, and thus provided a fair presentation of the consolidated financial positions of Solomon Group on December 31, 2022 and 2021 and the consolidated financial performance and cash flows for the periods from January 1 to December 31, 2022 and 2021.

Basis for Audit Opinions

We conducted the audit in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and the auditing standards in the Republic of China. Our responsibilities under such standards are further described in the paragraph of Responsibilities of CPAs for the Audit of the Consolidated Financial Statements. As CPAs who are subject to independence requirements, we have, in accordance with the Standards of Professional Ethics for Certified Public Accountants of the Republic of China, remained independent from Solomon Group and fulfilled all other responsibilities under the requirements. According to our audit results and other independent auditors' reports, we believe that we have acquired sufficient and appropriate audit evidence as the basis of our audit opinions.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in the audit of the consolidated financial statements of Solomon Group for 2022. Such matters were addressed in the context of our audit of the consolidated financial statements as a whole and, in forming our opinions thereon, we have not provided any separate opinions on these matters.

The key audit matters for Solomon Group's consolidated financial statements for 2022 are described as follows:

Impairment Assessment of Accounts Receivable

Matter description

Please refer to Notes 4 (9) and 4 (10) to the consolidated financial statements for the accounting policies for accounts receivable. Please refer to Note 5 (2) to the consolidated financial statements for the uncertainty of important judgments, accounting estimates and assumptions for the accounting policies adopted for the valuation of accounts receivable. Please refer to Note 6 (4) to the consolidated financial statements for the description of the accounts receivable account. Solomon Group's accounts receivable and loss allowance as of December 31, 2022, were NT$767,678 thousand and NT$14,900 thousand, respectively.

Solomon Group recognized payments receivable from customers for sale of goods in the ordinary course of business and collected the payments over the loan period set based on the individual customers' credit quality under the credit standard. The reasonableness of estimated losses was regularly reviewed by the companies. The loss allowance was based on the estimated irrecoverable amount of expected credit losses which involved the subjective judgment of the management. Therefore, we deem the assessment of loss allowance for accounts receivable to be one of the most important matters in our audit.

Responsive audit procedures

The responsive procedures that we implemented are listed as follows:

1. Reviewing and assessing the assumption factors for expected credit losses adopted by the companies; the process involved assessing the reasonableness of the determination of aging ranges. Randomly auditing source documents to check their accuracy based on the aging schedule and randomly auditing loan conditions to verify the reasonableness of the account receivable age. Conducting a review to see if there were uncovered accounts receivable that had not been settled for a long period of time in order to determine if the loss allowance for accounts receivable was sufficient.
2. Understanding the reason for failure to collect material accounts receivable after the normal loan period expired or reviewing the subsequent collection of the accounts receivable.

Assessment of Allowance for Inventory Devaluation Losses

Matter description

Please refer to Note 4 (13) to the consolidated financial statements for the accounting policies for inventory valuation. Please refer to Note 5 (2) to the consolidated financial statements for the uncertainty of important judgments, accounting estimates and assumptions for the accounting policies adopted for inventory valuation. Please refer to Note 6 (5) to the consolidated financial statements for the description of the inventory account. Solomon Group's inventory and allowance for devaluation losses as of December 31, 2022, were NT$1,366,887 thousand and NT$94,113 thousand, respectively.

Solomon Group is mainly engaged in the manufacturing and sale of generators, semiconductors, electronic parts and LCDs. As the life cycle of electronic products is short and there is fierce competition in the market, there is a higher risk of inventory devaluation losses or obsolescence. Solomon Group's inventory was measured at the lower of cost or net realizable value. As the inventory amount was material with plenty of items and the accounting estimate relied on the subjective judgment of the management, we deem the valuation of allowance for inventory devaluation losses to be one of the most important matters in our audit.

Responsive audit procedures

The responsive procedures that we implemented are listed as follows:

1. Assessing the consistency of Solomon Group's adoption of policies for allowance for inventory devaluation losses throughout the comparative financial statement period according to our understanding of its business and the industry that it is in and performing an assessment to check the reasonableness of the assumptions for inventory classification made by the management to determine the net realizable value.
2. Understanding Solomon Group's inventory management procedure, reviewing its annual inventory plan, and participating in its annual inventory to assess the effectiveness of the management's separation and control of obsolete inventory.
3. Verifying the appropriateness of the logic of the inventory aging reporting system used by the management for valuation to make sure the information in the financial statements was consistent with Solomon Group's policies for allowance for inventory devaluation losses.
4. Testing the carrying value of inventory at the end of the period and conducting a random check to confirm the accuracy of the selling price and sales expense rate used to calculate the net realizable value.

Other Matters – Reference to the Audits of Other CPAs

The financial statements of some subsidiaries of Solomon Group included in its consolidated financial statements and of its investee companies accounted for using the equity method were audited by other CPAs instead of us. Therefore, our opinions expressed on the foregoing consolidated financial statements with respect to the amounts in the financial statements of such companies were based on the CPAs' reports. The subsidiaries' total assets on December 31, 2022 and 2021, were NT$500,333 thousand and NT$345,054 thousand, respectively, accounting for 5.92% and 4.38% of the total consolidated assets. Their operating income for the periods from January 1 to December 31, 2022 and 2021, was NT$109,174 thousand and NT$59,884 thousand, respectively, accounting for 2.08% and 1.54% of the consolidated net operating income. The balance of investments in the investee companies accounted for using the equity method on December 31, 2022 and 2021, amounted to NT$64,872 thousand and NT$14,781 thousand, respectively, accounting for 0.77% and 0.19% of the total consolidated assets. Their comprehensive income for the periods from January 1 to December 31, 2022 and 2021, amounted to NT$4,265 thousand and NT$1,745 thousand, respectively, accounting for 0.85% and 0.92% of the total consolidated comprehensive income.

Other Matters – Parent-only Financial Statements

SOLOMON Technology Corporation prepared its parent-only financial statements for 2022 and 2021. For the parent-only financial statements, we have issued an audit report with an unqualified opinion and Other Matters paragraphs for reference.

Responsibilities of the Management and Governance Unit for the Consolidated Financial Statements

The management was responsible for preparing the consolidated financial statements with fair presentation in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the International Financial Reporting Standards, International Accounting Standards, interpretations and interpretation pronouncements endorsed, published and put in force by the Financial Supervisory Commission and maintaining necessary internal control related to preparation of the consolidated financial statements to ensure that the consolidated financial statements were free of material misstatements due to fraud or error.

In preparing the consolidated financial statements, the management was also responsible for evaluating Solomon Group's going concern ability, disclosure of relevant matters and use of the going concern basis of accounting, unless the management intended to liquidate or cease the operation of Solomon Group, or there were no actual feasible solutions other than liquidation or cessation of operation.

The governance unit of Solomon Group was responsible for supervising the financial reporting process.

Responsibilities of CPAs for the Audit of the Consolidated Financial Statements

The purpose of our audit of the consolidated financial statements was to obtain reasonable assurance about whether or not the consolidated financial statements were free of material misstatements due to fraud or error, with an audit report issued thereafter. Reasonable assurance means a high degree of assurance. However, there was no guarantee that any material misstatement contained in the consolidated financial statements could be discovered during the audit conducted in accordance with the auditing standards in the Republic of China. A misstatement may be due to fraud or error. A misstatement was deemed material if the individual or aggregate amount misstated was reasonably expected to affect the economic decisions made by the users of the consolidated financial statements.

We relied on our professional judgment and maintained our professional skepticism during the audit conducted pursuant to the auditing standards in the Republic of China. We also performed the following tasks:

1. Identifying and assessing the risk of misstatements in the consolidated financial statements due to fraud or error; designing and implementing appropriate measures in response to the assessed risk; and acquiring sufficient and appropriate audit evidence as the basis of our audit opinions. Since fraud may involve collusion, forgery, intentional omission, fraudulent statement or violation of internal control, the risk of not detecting a material misstatement resulting from fraud is higher than that resulting from error.
2. Acquiring necessary understanding of the internal control related to the audit to design audit procedures appropriate for the current circumstances, provided that the purpose of the foregoing was not to express opinions regarding the effectiveness of the internal control of Solomon Group.

3. Assessing the appropriateness of the accounting policies adopted by the management and the reasonableness of the accounting estimates and relevant disclosures made by the management.
4. Drawing a conclusion about the appropriateness of the management's use of the going concern basis of accounting and whether there was material uncertainty in an event or circumstance which might cast a significant doubt about the ability of Solomon Group to remain as a going concern. If any material uncertainty was deemed to exist in such event or circumstance, we must provide a reminder in the audit report for the users of the consolidated financial statements to pay attention to the relevant disclosures therein, or revise our audit opinions when any such disclosure was inappropriate. Our conclusion was based on the audit evidence obtained as of the date of this audit report. However, future events or circumstances could result in a situation where Solomon Group is no longer able to remain as a going concern.
5. Assessing the overall presentation, structure and contents of the consolidated financial statements (including relevant notes) and whether or not the consolidated financial statements provided a fair presentation of the relevant transactions and events.
6. Acquiring sufficient and appropriate audit evidence of the financial information of the entities forming Solomon Group to provide opinions regarding the consolidated financial statements. We are responsible for guidance, supervision and implementation in relation to Solomon Group's audit cases and for the formation of audit opinions for Solomon Group.

The matters for which we communicated with the governance unit include the planned scope and time of the audit and our material audit findings (including significant internal control deficiencies identified during the audit).

We also provided a declaration to the governance unit stating that as CPAs who are subject to independence requirements, we have complied with the independence requirements in the Standards of Professional Ethics for Certified Public Accountants of the Republic of China. We also communicated with the governance unit regarding all relationships and other matters (including relevant safeguard measures) which were deemed likely to affect the independence of CPAs.

The key audit matters in the audit of the consolidated financial statements of Solomon Group for 2022 were determined by us from the matters regarding which we communicated with the governance unit. We shall specify such matters in the audit report, except where public disclosure of certain matters is prohibited by applicable laws or regulations or where, under very exceptional circumstances, we have decided not to communicate certain matters in the audit report due to the reasonable expectation that any negative effect arising from such communication would be greater than the public interest enhanced.

PricewaterhouseCoopers Taiwan

Liang Yi-Chang

CPA

Chen Hsien-Cheng

Financial Supervisory Commission
Approval No.: Jin-Guan-Zheng-Shen-Zi No. 1070303009
Jin-Guan-Zheng-Shen-Zi No. 1060025060

March 17, 2023

SOLOMON Technology Corporation and Subsidiaries
Consolidated Balance Sheet
December 31, 2022 and 2021

Unit: NT$ Thousand

	Assets	Note	December 31, 2022 Amount	%	December 31, 2021 Amount	%
	Current assets					
1100	Cash and cash equivalents	6 (1)	$ 2,450,357	29	$ 1,379,390	18
1110	Financial assets measured at fair value through profit or loss – current	6 (2)	237,933	3	350,215	4
1136	Financial assets measured at amortized cost – current	6 (3)	35,610	1	729,204	9
1150	Net notes receivable	6 (4)	93,369	1	59,553	1
1170	Net accounts receivable	6 (4)	752,778	9	740,323	9
1200	Other receivables		23,422	-	9,847	-
1220	Income tax assets in the current period		235	-	235	-
130X	Inventory	6 (5)	1,272,774	15	1,181,374	15
1410	Prepayments	6 (6)	520,941	6	518,738	7
1470	Other current assets	8	308	-	4,745	-
11XX	**Total current assets**		5,387,727	64	4,973,624	63
	Non-current assets					
1510	Financial assets measured at fair value through profit or loss – non-current	6 (2)	93,523	1	92,089	1
1535	Financial assets measured at amortized cost – non-current	6 (3)	1,381,950	16	1,245,600	16
1550	Investments accounted for using the equity method	6 (7)	64,872	1	14,781	-
1600	Property, plant and equipment	6 (8) and 8	436,016	5	440,103	6
1755	Right-of-use assets	6 (9)	31,709	-	57,020	1
1760	Net investment property	6 (11) and 8	882,428	11	893,635	11
1780	Intangible assets		2,920	-	1,200	-
1840	Deferred income tax assets	6 (17)	14,046	-	39,976	-
1900	Other non-current assets	6 (12) and 8	155,772	2	127,954	2
15XX	**Total non-current assets**		3,063,236	36	2,912,358	37
1XXX	**Total assets**		$ 8,450,963	100	$ 7,885,982	100

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SOLOMON Technology Corporation and Subsidiaries
Consolidated Balance Sheet
December 31, 2022 and 2021

Unit: NT$ Thousand

	Liabilities and equity	Note	December 31, 2022 Amount	%	December 31, 2021 Amount	%
	Current liabilities					
2100	Short-term loans	6 (13)	$ 994,000	12	$ 1,307,264	17
2120	Financial liabilities measured at fair value through profit or loss – current	6 (2)	-	-	1,555	-
2130	Contractual liabilities – current	6 (22)	1,150,020	14	722,153	9
2150	Notes payable		11,185	-	756	-
2170	Accounts payable		512,754	6	517,393	7
2200	Other payables	6 (14)	204,031	2	214,377	3
2230	Income tax liabilities in the current period	6 (17)	74,870	1	30,789	-
2250	Liability provisions – current	6 (15)	3,592	-	1,623	-
2280	Lease liabilities – current	6 (9)	28,688	-	35,230	-
2300	Other current liabilities		51,589	1	35,447	-
21XX	**Total current liabilities**		3,030,729	36	2,866,587	36
	Non-current liabilities					
2570	Deferred income tax liabilities	6 (17)	80,976	1	14,168	-
2580	Lease liabilities – non-current	6 (9)	2,758	-	22,515	1
2600	Other non-current liabilities		7,943	-	7,412	-
25XX	**Total non-current liabilities**		91,677	1	44,095	1
2XXX	**Total liabilities**		3,122,406	37	2,910,682	37
	Share capital	6 (18)				
3110	Common share capital		1,714,711	20	1,714,711	22
	Capital reserves	6 (19)				
3200	Capital reserves		215,138	2	215,138	2
	Retained earnings	6 (20)				
3310	Legal reserves		417,135	5	397,012	5
3320	Special reserves		147,260	2	133,468	2
3350	Undistributed earnings		2,536,828	30	2,262,892	29
	Other equity	6 (21)				
3400	Other equity		(116,320)	(1)	(147,260)	(2)
3500	Treasury stocks	6 (18)	(6,042)	-	(6,042)	-
31XX	**Total equity attributable to owners of the parent company**		4,908,710	58	4,569,919	58
36XX	**Non-controlling interests**		419,847	5	405,381	5
3XXX	**Total equity**		5,328,557	63	4,975,300	63
	Material contingent liabilities and unrecognized contractual commitments	9				
	Material subsequent events	11				
3X2X	**Total liabilities and equity**		$ 8,450,963	100	$ 7,885,982	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 December 31, 2022 and 2021

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

	Item	Note	2022 Amount	2022 %	2021 Amount	2021 %
4000	Operating income	6 (22)	$ 5,249,928	100	$ 3,899,210	100
5000	Operating costs	6 (5) (27) (28)	(4,166,414)	(79)	(3,105,248)	(80)
5950	Net gross operating profit		1,083,514	21	793,962	20
	Operating expenses	6 (27) (28)				
6100	Marketing expense		(343,415)	(7)	(333,669)	(9)
6200	Management expense		(360,311)	(7)	(322,455)	(8)
6300	R&D expense		(114,261)	(2)	(94,100)	(2)
6450	Expected credit impairment (loss) gain	12 (2)	(999)	-	5,553	-
6000	Total operating expenses		(818,986)	(16)	(744,671)	(19)
6900	Operating profit		264,528	5	49,291	1
	Non-operating income and expenses					
7100	Interest income	6 (23)	133,435	2	88,526	2
7010	Other income	6 (24)	98,157	2	67,815	2
7020	Other profits and losses	6 (25)	172,384	3	61,818	2
7050	Financial costs	6 (26)	(16,932)	-	(10,514)	-
7060	Share of profits/losses of associates and joint ventures under the equity method	6 (7)	4,265	-	1,745	-
7000	Total non-operating income and expenses		391,309	7	209,390	6
7900	**Pre-tax profit**		655,837	12	258,681	7
7950	Income tax expense	6 (17)	(179,894)	(3)	(42,317)	(1)
8200	**Net profit in the current period**		$ 475,943	9	$ 216,364	6

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SOLOMON Technology Corporation and Subsidiaries
Consolidated Statement of Comprehensive Income
January 1 to December 31, 2022 and 2021

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

	Item	Note	2022 Amount	2022 %	2021 Amount	2021 %
	Other comprehensive income (net)					
8311	Remeasurement of defined benefit plan		$ 6,760	-	$ 3,510	-
8349	Income tax related to items not reclassified	6 (17)	(1,177)	-	(611)	-
8310	Total amount of items not reclassified as profit or loss		5,583	-	2,899	-
	Items likely to be subsequently reclassified as profit or loss					
8361	Exchange differences on translation of financial statements of foreign operations		21,155	1	(30,526)	(1)
8360	Total items likely to be subsequently reclassified as profit and loss		21,155	1	(30,526)	(1)
8300	**Other comprehensive income (net)**		$ 26,738	1	($ 27,627)	(1)
8500	**Total comprehensive income in the current period**		$ 502,681	10	$ 188,737	5
	Net profit attributable to:					
8610	Owners of the parent company		$ 458,232	9	$ 198,514	6
8620	Non-controlling interests		$ 17,711	-	$ 17,850	-
	Total comprehensive income attributable to:					
8710	Owners of the parent company		$ 493,115	10	$ 187,439	5
8720	Non-controlling interests		$ 9,566	-	$ 1,298	-
	Basic earnings per share	6 (29)				
9750	Total basic earnings per share		$	2.67	$	1.16
	Diluted earnings per share	6 (29)				
9850	Total diluted earnings per share		$	2.67	$	1.16

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 December 31, 2022 and 2021

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		
2021											
Balance on January 1, 2021		$ 1,714,711	$ 212,085	$ 394,894	$ 136,904	$ 2,146,080	($ 133,469)	($ 6,042)	$ 4,465,163	$ 403,991	$ 4,869,154
Net profit in the current period		-	-	-	-	198,514	-	-	198,514	17,850	216,364
Other comprehensive income in the current period	6 (21)	-	-	-	-	2,716	(13,791)	-	(11,075)	(16,552)	(27,627)
Total comprehensive income in the current period		-	-	-	-	201,230	(13,791)	-	187,439	1,298	188,737
Allocation and distribution of earnings:	6 (20)										
Legal reserves		-	-	2,118	-	(2,118)	-	-	-	-	-
Special reserves		-	-	-	(3,436)	3,436	-	-	-	-	-
Cash dividends		-	-	-	-	(85,736)	-	-	(85,736)	-	(85,736)
Difference between the consideration and carrying amount of subsidiaries acquired or disposed of	6 (19)	-	912	-	-	-	-	-	912	33	945
Changes in ownership interests in subsidiaries and associates		-	2,141	-	-	-	-	-	2,141	59	2,200
Balance on December 31, 2021		$ 1,714,711	$ 215,138	$ 397,012	$ 133,468	$ 2,262,892	($ 147,260)	($ 6,042)	$ 4,569,919	$ 405,381	$ 4,975,300
2022											
Balance on January 1, 2022		$ 1,714,711	$ 215,138	$ 397,012	$ 133,468	$ 2,262,892	($ 147,260)	($ 6,042)	$ 4,569,919	$ 405,381	$ 4,975,300
Net profit in the current period		-	-	-	-	458,232	-	-	458,232	17,711	475,943
Other comprehensive income in the current period	6 (21)	-	-	-	-	3,943	30,940	-	34,883	(8,145)	26,738
Total comprehensive income in the current period		-	-	-	-	462,175	30,940	-	493,115	9,566	502,681
Allocation and distribution of earnings:	6 (20)										
Legal reserves		-	-	20,123	-	(20,123)	-	-	-	-	-
Special reserves		-	-	-	13,792	(13,792)	-	-	-	-	-
Cash dividends		-	-	-	-	(154,324)	-	-	(154,324)	-	(154,324)
Non-controlling interests	6 (30)	-	-	-	-	-	-	-	-	4,900	4,900
Balance on December 31, 2022		$ 1,714,711	$ 215,138	$ 417,135	$ 147,260	$ 2,536,828	($ 116,320)	($ 6,042)	$ 4,908,710	$ 419,847	$ 5,328,557

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 December 31, 2022 and 2021

Unit: NT$ Thousand

	Note	January 1 to December 31, 2022	January 1 to December 31, 2021
Cash flows from operating activities			
Pre-tax profit in the current period		$ 655,837	$ 258,681
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)	78,378	83,184
Amortization expense	6 (27)	3,397	3,636
Expected credit impairment loss (gain from recovery)	12 (2)	999	(5,553)
Net loss (gain) from financial assets and liabilities measured at fair value through profit or loss	6 (2)(25)	112,420	(96,979)
Interest expense	6 (26)	16,932	10,514
Interest income	6 (23)	(133,435)	(88,526)
Dividend income	6 (24)	(19,553)	(6,713)
Share of profits of associates and joint ventures under the equity method	6 (7)	(4,265)	(1,745)
Loss (gain) from disposal of property, plant and equipment	6 (25)	2,427	(3,190)
Gain from disposal of investments accounted for using the equity method	6 (25)	(1,256)	-
Gain from disposal of investment property	6 (25)	-	(32,860)
Gain from recovery of impairment losses on investment property	6 (11) (25)	-	(3,195)
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		(15,007)	(207,180)
Net notes receivable		(33,816)	4,544
Accounts receivable		(13,454)	(105,814)
Other receivables		(9,284)	10,040
Inventory		(91,578)	(468,244)
Prepayments		(2,203)	(92,992)
Other non-current assets		-	2,401
Net changes in liabilities related to operating activities			
Contractual liabilities		427,867	352,221
Notes payable		10,429	(1,707)
Accounts payable		(4,639)	11,856
Other payables		(10,540)	32,779
Liability provisions – current	6 (15)	1,969	770
Other current liabilities	6 (31)	16,142	14,652
Cash inflow (outflow) from operations		987,767	(329,420)
Interest received		129,144	85,218
Interest paid		(16,738)	(10,070)
Dividends received		19,553	6,713
Income tax paid		(44,155)	(34,153)
Net cash inflow (outflow) from operating activities		1,075,571	(281,712)

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SOLOMON Technology Corporation and Subsidiaries
Consolidated Statement of Cash Flows
January 1 to December 31, 2022 and 2021

Unit: NT$ Thousand

	Note	January 1 to December 31, 2022	January 1 to December 31, 2021
Cash flows from investing activities			
Decrease (Increase) in financial assets measured at amortized cost		$ 557,244	($ 502,613)
Disposal of investments accounted for using the equity method		15,962	-
Acquisition of investments accounted for using the equity method		(48,652)	-
Acquisition of property, plant and equipment	6 (8)	(27,352)	(22,007)
Disposal of property, plant and equipment		32	4,887
Acquisition of subsidiaries (after deduction of cash acquired)		14,995	-
Acquisition of intangible assets		(3,440)	(768)
Increase (Decrease) in other current assets		4,437	(3)
Proceeds from disposal of investment property		-	133,848
Increase in other non-current assets		(29,545)	-
Net cash inflow (outflow) from investing activities		483,681	(386,656)
Cash flows from financing activities			
Repayment of short-term loans		(1,444,825)	(709,205)
Borrowing of short-term loans		1,131,561	1,619,092
Repayment of principal of lease liabilities	6 (31)	(34,798)	(33,897)
Distribution of cash dividends	6 (20)	(154,324)	(85,736)
Disposal of interests in subsidiaries	6 (30)	-	945
Cash capital increase by subsidiaries	6 (30)	-	2,200
Decrease (Increase) in other non-current liabilities		531	(278)
Net cash inflow (outflow) from financing activities		(501,855)	793,121
Effect of exchange rate		13,570	(28,468)
Increase in cash and cash equivalents in the current period		1,070,967	96,285
Opening balance of cash and cash equivalents		1,379,390	1,283,105
Closing balance of cash and cash equivalents		$ 2,450,357	$ 1,379,390

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
2022 and 2021

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 March 17, 2023.

3. Application of new and amended standards and interpretations

(1) Effect of adopting the newly promulgated or revised IFRSs endorsed, published and put in force by the Financial Supervisory Commission (hereinafter referred to as the "FSC")

The newly promulgated, amended and revised standards and interpretations of IFRSs endorsed, published and put in force by the FSC and applicable in 2022 are listed in the following table:

New, revised or amended standards and interpretations	Effective date per IASB
Amendment to IFRS 3 "Reference to the Conceptual Framework"	January 1, 2022
Amendment to IAS 16 "Property, Plant and Equipment: Proceeds before Intended Use"	January 1, 2022
Amendment to IAS 37 "Onerous Contracts – Cost of Fulfilling a Contract"	January 1, 2022
Annual Improvements to 2018-2020 Cycle	January 1, 2022

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

The newly promulgated, amended and revised standards and interpretations of IFRSs endorsed by the FSC and applicable in 2023 are listed in the following table:

New, revised or amended standards and interpretations	Effective date per IASB
Amendment to IAS 1 "Disclosure of Accounting Policies"	January 1, 2023
Amendment to IAS 8 "Definition of Accounting Estimates"	January 1, 2023
Amendment to IAS 12 "Deferred Tax related to Assets and Liabilities Arising from a Single Transaction"	January 1, 2023

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

(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
Amendment to IFRS 16 "Lease Liability in a Sale and Leaseback"	January 1, 2024
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
Amendment to IAS 1 "Classification of Liabilities as Current or Non-current"	January 1, 2024
Amendment to IAS 1 "Non-current Liabilities with Covenants"	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.

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 the International Financial Reporting Standards, International Accounting Standards, interpretations and interpretation pronouncements endorsed, published and put in force by the FSC (IFRSs).

(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 liabilities recognized as the net amount calculated as pension fund assets less the present value of defined benefit obligations.

B. Preparing financial statements in accordance with 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 (including structured 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 gains 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 Company'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, profits 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 profits 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 December 31, 2022	Shareholding percentage December 31, 2021	Description
The Company	Moredel Investment Corp. (Moredel Investment)	Professional investment	100.00	100.00	
The Company	Solomon Goldentek Display Corp. (Solomon Goldentek Display)	Manufacturing and sale of LCDs	70.77	70.77	Note 1
The Company	Solomon Cayman International Corporation (Solomon Cayman)	Holding company	100.00	100.00	
The Company	Solomon Smartnet Corp. (Solomon Smartnet)	Manufacturing and sale of IC cards	100.00	100.00	
The Company	Solomon Wireless Technology Corp. (Solomon Wireless Technology)	Manufacturing and sale of communication products	96.41	96.41	Note 1
The Company	Total Profit Holdings Ltd. (Total Profit)	Holding company	100.00	100.00	
The Company	Solomon Data International Corporation (Solomon Data International)	Manufacturing and sale of LCD panels	30.45	30.45	Notes 1, 3
The Company	GD Investment Corp. (GD Investment)	Professional investment	100.00	100.00	
The Company	Cornucopia Innovation Corporation (Cornucopia Innovation)	Manufacturing of electronic parts and components	35.06	35.06	Notes 1, 2
The Company	Solomon Science Technology(VN) Company Limited(Solomon Science)	Supply and sale of intelligence technology	100.00	100.00	
The Company	Solomon Robotics(THAI) Ltd.(Solomon Robotics)	Supply and sale of intelligence technology	100.00	100.00	
The Company	Solomon Technology(USA) Corporation (Solomon USA)	Supply and sale of intelligence technology	100.00	100.00	
The Company	Fast Energy Corporation (Fast Energy)	Self-usage renewable energy generation equipment	-	100.00	Note 6
The Company	Solomon Energy Technology Corporation (Solomon Energy)	Self-usage renewable energy generation equipment	100.00	100.00	
The Company	Sheng-Peng Technology Corp. (Sheng-Peng Technology)	Import and export of electrical power-related products	51.00	-	Note 4
Moredel Investment	Solomon Data International Corporation (Solomon Data International)	Manufacturing and sale of LCD panels	18.87	18.87	Notes 1, 3
Moredel Investment	Solomon Goldentek Display Corp. (Solomon Goldentek Display)	Manufacturing and sale of LCDs	9.26	9.26	Note 1
Solomon Cayman	Yumon International Trade Shanghai Limited Corporation (Yumon International)	International trade	100.00	100.00	
Solomon Cayman	Goldentek Display System (B.V.I.) Co., Ltd. (Goldentek (B.V.I.))	Sale of LCDs and modules	0.39	0.39	Note 1
Solomon Cayman	GD Power Ltd. (GD Power)	Holding company	-	100.00	

Name of investor company	Name of subsidiary	Nature of business	Shareholding percentage December 31, 2022	Shareholding percentage December 31, 2021	Description
Solomon Smartnet	Solomon Data International Corporation (Solomon Data International)	Manufacturing and sale of LCD panels	21.11	21.11	Notes 1, 3
Solomon Smartnet	Solomon Goldentek Display Corp. (Solomon Goldentek Display)	Manufacturing and sale of LCDs	9.26	9.26	Note 1
Total Profit	Solomon Trading (Shenzhen) Ltd. (Solomon Shenzhen)	International trade	100.00	100.00	
Solomon Energy	Solomon Energy Technology (Singapore) Pte. Ltd (Solomon Energy (Singapore))	Self-usage renewable energy generation equipment	100.00	100.00	
Solomon Goldentek Display	Goldentek Display System (B.V.I.) Co., Ltd. (Goldentek (B.V.I.))	Sale of LCDs and modules	99.61	99.61	Note 1
Solomon Goldentek Display	Futek Trading Co., Ltd. (Futek Trading)	Entrepot trade	100.00	100.00	
Solomon Goldentek Display	Cornucopia Innovation Corporation (Cornucopia Innovation)	Manufacturing of electronic parts and components	2.07	2.07	Notes 1, 2
Futek Trading	Solomon Goldentek Display (Hong Kong) Corp. (Hong Kong Goldentek)	Entrepot trade	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	
Dong Guan Goldentek	Goldentek Smart International Limited (Goldentek Smart International)	Production and sale of LCDs and modules and investment business	-	100.00	Note 5
Solomon Data International	Cornucopia Innovation Corporation (Cornucopia Innovation)	Self-usage renewable energy generation equipment	13.22	13.22	Notes 1, 2

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

Note 2: The Company holds 50.35% of equity in Cornucopia Innovation. As the Group has acquired a majority of the voting rights in the shareholders' meeting of Cornucopia Innovation, the Group plays a key role in its related activities. Hence, Cornucopia Innovation is listed as a subsidiary and was included in the consolidated statements on the date when the Group acquired control over it.

Note 3: The subsidiary was originally named "Data International Co., Ltd." and was renamed "Solomon Data International Corporation" upon the approval of the Taipei City Government on August 9, 2021.

Note 4: The Company participated in a cash capital increase by the company in March 2022 and held 51.00% of equity in the company after the capital increase.

Note 5: The subsidiary was liquidated and wound up in February 2022.

Note 6: The subsidiary was liquidated and wound up in December 2022.

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 December 31, 2022 and 2021, were $419,847 and $405,381, respectively. The following is information on non-controlling interests and subsidiaries that are of materiality to the Group:

		Non-controlling interests			
		December 31, 2022		December 31, 2021	
Name of subsidiary	Principal place of business	Amount	Shareholding percentage	Amount	Shareholding percentage
Solomon Goldentek Display	Taiwan	$ 251,556	10.71%	$ 234,759	10.71%

Summary of subsidiaries' financial information:

Consolidated Balance Sheet

	Solomon Goldentek Display	
	December 31, 2022	December 31, 2021
Current assets	$ 1,805,501	$ 1,675,883
Non-current assets	371,154	359,802
Current liabilities	(335,663)	(327,841)
Non-current liabilities	(2,030)	(24,322)
Total net assets	$ 1,838,962	$ 1,683,522

Consolidated Statement of Comprehensive Income

	Solomon Goldentek Display	
	2022	2021
Income	$ 1,335,778	$ 1,277,123
Pre-tax profit	332,149	179,300
Income tax expense	(94,483)	(21,664)
Net profit from continuing operations in the current period	237,666	157,636
Other comprehensive income (after tax, net)	24,680	(10,893)
Total comprehensive income in the current period	$ 262,346	$ 146,743
Total comprehensive income attributable to non-controlling interests	($ 1,423)	($ 35)

Consolidated Statement of Cash Flows

	Solomon Goldentek Display	
	2022	2021
Net cash inflow (outflow) from operating activities	$ 464,426	($ 90,774)
Net cash inflow (outflow) from investing activities	459,314	245,835
Net cash outflow from financing activities	(133,302)	(51,946)
Effect of changes in exchange rate on cash and cash equivalents	20,038	(3,468)
Increase in cash and cash equivalents in the current period	810,476	99,647
Opening balance of cash and cash equivalents	462,638	362,991
Closing balance of cash and cash equivalents	$ 1,273,114	$ 462,638

(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 profits 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 an associate, the exchange difference recognized as other comprehensive income is reclassified proportionally to profit or loss in the current period as part of gains or losses on sale. However, when the Group retains partial interest in the former foreign associate after losing significant influence over it, such transactions should be accounted for as disposal of all interest in the foreign operation.

(C) 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. The due date of the liability cannot be unconditionally extended for at least 12 months after the balance sheet date. The terms of the liability that may, at the option of the counterparty, result in settlement of the liability by issuance of equity instruments do not affect the classification of the liability.

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. Derecognition gains or losses are then 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 increased 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

In case of any of the following circumstances, the Group derecognizes financial assets:

A. The contractual rights to receive the cash flows from financial assets become invalid.

B. The contractual rights to receive the cash flows from financial assets are transferred and substantially all of the risks and rewards from ownership of the financial assets have been transferred.

C. The contractual rights to receive the cash flows from financial assets are transferred and control of the financial assets is not retained.

(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 profits 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, profits 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 profits 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 and relevant interest during construction is capitalized.

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	0.5-12 years
Office equipment	0.5-12 years
Other equipment	1-20 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 48-55 years.

(18) Intangible assets

Computer software is recognized at acquisition cost and amortized using the straight-line method over an estimated useful life of 3-5 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 value, 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 long-term and 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) Financial liabilities measured at fair value through profit or loss

A. Financial liabilities measured at fair value through profit or loss refer to financial liabilities incurred primarily for the purpose of repurchase in the near term and held for trading, excluding derivatives designated under hedge accounting.

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

(23) Derecognition of financial liabilities

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

(24) Non-hedging derivatives and embedded derivatives

Non-hedging derivatives are measured at fair value on the date on which the contract is entered into at the initial recognition, stated as financial assets or liabilities measured at fair value through profit or loss, and subsequently measured at fair value. The profit or loss arising therefrom is recognized as profit or loss.

(25) 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 to have economic benefits flow in 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.

(26) 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 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 past service costs are immediately recognized as profit or loss.

C. Remuneration to employees and to directors and supervisors

Remuneration to employees and to directors and supervisors 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, directors and supervisors 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.

(27) 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 temporary difference between the carrying amounts of assets and liabilities on 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 will not 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 will 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.

(28) 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 value 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.

(29) Distribution of dividends

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

(30) Recognition of income

A. Sale of goods

(A) Sales revenue 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 is 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.

(31) 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.

(32) 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. Main sources of uncertainty of material accounting judgments, estimates and assumptions

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 made 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

When there is objective evidence suggesting a sign of impairment, future cash flow estimates are taken into consideration. The amount of impairment losses is measured based on the difference between the carrying value of the asset and the present value of the estimated future cash flow discounted at the initial effective interest rate of the financial asset. If the actual cash flow in the future is less than estimated, significant impairment losses may occur. Please refer to the description in Note 6 (4).

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. The valuation of inventory is mainly estimated according to the product demand within a certain period in the future, therefore, significant changes may occur. Please refer to the description in Note 6 (5).

6. Description of major accounts

(1) Cash and cash equivalents

Cash:	December 31, 2022	December 31, 2021
Cash on hand and working capital	$ 798	$ 1,098
Check deposits and demand deposits	915,413	665,189
Cash equivalents:		
Time deposits	1,466,239	625,030

Bonds under repurchase agreements	67,907	88,073
	$ 2,450,357	$ 1,379,390

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

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

Assets	December 31, 2022	December 31, 2021
Current items:		
Financial assets measured at fair value through profit or loss on a mandatory basis		
Listed/OTC stocks	$ 209,937	$ 238,464
Domestic and foreign funds	110,000	74,751
	319,937	313,215
Valuation adjustments	(82,004)	37,000
	$ 237,933	$ 350,215
Non-current items:		
Financial assets measured at fair value through profit or loss on a mandatory basis		
Listed/OTC stocks	198,344	198,998
Non-listed/non-OTC stocks	93,629	107,058
Limited partnership	15,000	-
	306,973	306,056
Valuation adjustments	(213,450)	(213,967)
	$ 93,523	$ 92,089
Liabilities	December 31, 2022	December 31, 2021
Current items:		
Financial liabilities held for trading		
Foreign exchange transaction contract	$ -	$ 1,555

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

	2022	2021
Financial assets measured at fair value through profit or loss on a mandatory basis		
- Equity instruments	($ 122,782)	$ 99,029
- Foreign exchange transaction contracts	10,362	(2,050)
	($ 112,420)	$ 96,979

B. The foreign exchange transaction contracts that the Group entered into were for the forward purchase of foreign currencies. Although this aimed to avoid exchange rate risk, hedge accounting was not applicable. A summary of information on the unexpired contracts undertaken by the Group is as follows:

	December 31, 2021		
	Currency	Contract period	Contract amount
Foreign exchange transaction contract	USD buying/NTD selling	2021/07-2022/04	USD 1,500 thousand
Foreign exchange transaction contract	USD buying/NTD selling	2021/07-2022/04	USD 3,500 thousand

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

(3) Financial assets measured at amortized cost

	December 31, 2022	December 31, 2021
Current items:		
Time deposit with an initial maturity date over three months	$ 35,610	$ 729,204
Non-current items:		
Common corporate bonds	$ 1,381,950	$ 1,245,600

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

	2022	2021
Interest income	$ 117,729	$ 78,123

B. The Group did not pledge the financial assets measured at amortized cost as collateral.

C. Please refer to Note 12 (2) for information on the credit risk of the financial assets measured at amortized cost. 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.

(4) Notes and accounts receivable

	December 31, 2022	December 31, 2021
Notes receivable	$ 93,369	$ 59,553
Accounts receivable	$ 767,678	$ 754,348
Less: Loss allowance	(14,900)	(14,025)
	$ 752,778	$ 740,323

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

B. The balances of the accounts and notes receivable on December 31, 2022 and 2021, were derived from customers contracts. The balance of the accounts receivable from customer contracts on January 1, 2021, was $713,441.

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

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

(5) Inventory

	December 31, 2022		
	Cost	Allowance for devaluation loss	Carrying amount
Raw materials	$ 123,210	($ 46,172)	$ 77,038
Work in process	103,685	(6,143)	97,542
Finished goods	4,445	(1,957)	2,488
Inventory of goods	1,135,547	(39,841)	1,095,706
	$ 1,366,887	($ 94,113)	$ 1,272,774

	December 31, 2021		
	Cost	Allowance for devaluation loss	Carrying amount
Raw materials	$ 190,735	($ 35,088)	$ 155,647
Work in process	64,870	(1,192)	63,678
Finished goods	55,104	(9,151)	45,953
Inventory of goods	951,690	(35,594)	916,096
	$ 1,262,399	($ 81,025)	$ 1,181,374

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

	2022	2021
Cost of sold inventory	$ 4,159,327	$ 3,100,590
Inventory overage	(6)	(4)
Loss on inventory devaluation	7,093	4,662
	$ 4,166,414	$ 3,105,248

(6) Prepayments

	December 31, 2022	December 31, 2021
Prepayment for purchase	$ 427,536	$ 443,513
Others	93,405	75,225
	$ 520,941	$ 518,738

(7) Investments accounted for using the equity method

	December 31, 2022	December 31, 2021
INGA NANO Technology Co., Ltd.	$ -	$ 14,781
AggrEnergy Inc.	28,896	-
Ju Xin Energy Inc.	35,976	-
	$ 64,872	$ 14,781

A. Associate

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

Company name	Principal place of business	Shareholding percentage 2022 December 31	Shareholding percentage 2021 December 31	Nature of relationship	Measurement method
INGA NANO Technology Co., Ltd.	Taiwan	-	19.00%	With significant influence	Equity method
AggrEnergy Inc.	Taiwan	18.21%	-	With significant influence	Equity method
Ju Xin Energy Inc.	Taiwan	5.00%	-	With significant influence	Equity method

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

Balance Sheet

	AggrEnergy Inc. December 31, 2022	Ju Xin Energy Inc. December 31, 2022
Current assets	$ 59,466	$ 2
Non-current assets	98,681	720,005
Current liabilities	(42,981)	(528)
Total net assets	$ 115,166	$ 719,479
Share in the net assets of the associate	$ 19,562	$ 35,974
Goodwill	9,334	2
Carrying value of the associate	$ 28,896	$ 35,976

Statement of Comprehensive Income

	AggrEnergy Inc. 2022	Ju Xin Energy Inc. 2022
Income	$ 83,076	$ 11,707
Net profit from continuing operations in the current period	$ 23,963	($ 521)

Balance Sheet

	INGA NANO Technology Co., Ltd. December 31, 2021
Current assets	$ 88,681
Non-current assets	19,251
Current liabilities	(30,137)
Total net assets	$ 77,795
Carrying value of the associate	$ 14,781

Statement of Comprehensive Income

	INGA NANO Technology Co., Ltd. 2021
Income	$ 44,392
Net profit from continuing operations in the current period	9,147

B. The Group recognized $4,265 and $1,745, respectively, as share of profits (losses) on investments with respect to investments accounted for using the equity method in 2022 and 2021, which were derived from financial statement valuations audited by CPAs commissioned by the investee companies.

C. The Group was a director of INGA NANO Technology Co., Ltd. holding 19.00% of equity in the company as of December 31, 2021. It was thus determined that the Group had significant influence over the company.

D. The Group participated in a cash capital increase of $12,652 with 11,502,128 shares by AggrEnergy Inc. in February 2022. In addition, in view of the fact that the Group held nearly 20% of shares in the company and energy industry management services will be offered, the Group had significant influence over the company.

E. The Group participated in a cash capital increase of $36,000 with 3,600,000 shares by Ju Xin Energy Inc. in March 2022 and was a director of the company. It was thus determined that the Group had significant influence over the company.

F. The Group sold all its shares in NANO Technology Co., Ltd. in January 2022, resulting in the Group losing its significant influence over the company.

(8) Property, plant and equipment

	2022						
	Land	Premises and buildings	Machines/equipment	Office equipment	Unfinished construction and equipment pending for inspection	Others	Total
January 1							
Cost	$ 261,233	$ 201,152	$ 477,737	$ 43,786	$ 1,057	$ 44,082	$ 1,029,047
Accumulated depreciation	-	(75,937)	(440,752)	(39,807)	-	(32,448)	(588,944)
	$ 261,233	$ 125,215	$ 36,985	$ 3,979	$ 1,057	$ 11,634	$ 440,103
January 1	$ 261,233	$ 125,215	$ 36,985	$ 3,979	$ 1,057	$ 11,634	$ 440,103
Addition	-	-	23,273	1,974	732	1,373	27,352
Disposal	-	-	(2,991)	(2,873)	-	(678)	(6,542)
Disposal - accumulated depreciation	-	-	575	2,873		635	4,083
Reclassification	-	-	1,988	-	(1,810)	-	178
Depreciation expense	-	(3,715)	(17,575)	(2,144)		(6,143)	(29,577)
Net exchange differences	-	-	346	38	21	14	419
December 31	$ 261,233	$ 121,500	$ 42,601	$ 3,847	$ -	$ 6,835	$ 436,016
December 31							
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

2021	Land	Premises and buildings	Machines/equipment	Office equipment	Unfinished construction and equipment pending for inspection	Others	Total
January 1							
Cost	$ 292,325	$ 224,795	$ 511,506	$ 48,445	$ -	$ 48,251	$ 1,125,322
Accumulated depreciation	-	(80,822)	(466,908)	(41,043)	-	(30,869)	(619,642)
	$ 292,325	$ 143,973	$ 44,598	$ 7,402	$ -	$ 17,382	$ 505,680
January 1	$ 292,325	$ 143,973	$ 44,598	$ 7,402	$ -	$ 17,382	$ 505,680
Addition	-	3,735	15,231	1,266	1,057	718	22,007
Disposal	-	-	(46,617)	-	-	(218)	(46,835)
Disposal - accumulated depreciation	-	-	45,138	-	-	-	45,138
Reclassification	(31,092)	(18,782)	1,227	33	-	(33)	(48,647)
Depreciation expense	-	(3,711)	(22,393)	(4,714)	-	(6,202)	(37,020)
Net exchange differences	-	-	(199)	(8)	-	(13)	(220)
December 31	$ 261,233	$ 125,215	$ 36,985	$ 3,979	$ 1,057	$ 11,634	$ 440,103
December 31							
Cost	$ 261,233	$ 201,152	$ 477,737	$ 43,786	$ 1,057	$ 44,082	$ 1,029,047
Accumulated depreciation	-	(75,937)	(440,752)	(39,807)	-	(32,448)	(588,944)
	$ 261,233	$ 125,215	$ 36,985	$ 3,979	$ 1,057	$ 11,634	$ 440,103

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 1 to 5 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. Information on the carrying value of right-of-use assets and the depreciation expense recognized is as follows:

	December 31, 2022 Carrying amount	December 31, 2021 Carrying amount
Premises	$ 29,420	$ 52,422
Transportation equipment (company vehicles)	2,289	4,598
	$ 31,709	$ 57,020

	2022 Depreciation expense	2021 Depreciation expense
Premises	$ 35,285	$ 33,051
Transportation equipment (company vehicles)	2,309	2,147
	$ 37,594	$ 35,198

C. The Company recognized $9,131 and $14,858 as an addition to right-of-use assets in 2022 and 2021, respectively.

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

	2022	2021
Items that affect profit or loss in the current period		
Interest expense on lease liabilities	$ 457	$ 618
Short-term lease expense	$ 10,784	$ 7,304
Low-value asset lease expense	$ 2,365	$ 2,425

E. The total cash outflow for leases of the Group in 2022 and 2021 was $48,404 and $44,244, 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 6 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 $42,918 and $41,088 as rental income pursuant to operating leases in 2022 and 2021, respectively. There were no variable lease payments included.

C. The Group's rent received in advance as of December 31, 2022 and 2021, was $8,528 and $5,187, respectively, and stated as other current liabilities.

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

	December 31, 2022	December 31, 2021
2022	$ -	$ 33,139
2023	33,476	15,946
2024	21,065	5,215
2025	5,544	-
	$ 60,085	$ 54,300

(11) Investment property

	2022		
	Land	Premises and buildings	Total
January 1			
Cost	$ 584,517	$ 593,765	$ 1,178,282
Accumulated depreciation and impairment	(17,590)	(267,057)	(284,647)
	$ 566,927	$ 326,708	$ 893,635
January 1	$ 566,927	$ 326,708	$ 893,635
Depreciation expense	-	(11,207)	(11,207)
December 31	$ 566,927	$ 315,501	$ 882,428
December 31			
Cost	$ 584,517	$ 593,765	$ 1,178,282
Accumulated depreciation and impairment	(17,590)	(278,264)	(295,854)
	$ 566,927	$ 315,501	$ 882,428

	2021		
	Land	Premises and buildings	Total
January 1			
Cost	$ 658,791	$ 566,387	$ 1,225,178
Accumulated depreciation and impairment	(25,163)	(247,495)	(272,658)
	$ 633,628	$ 318,892	$ 952,520
January 1	$ 633,628	$ 318,892	$ 952,520
Disposal	(100,988)	-	(100,988)
Reclassification	31,092	18,782	49,874
Depreciation expense	-	(10,966)	(10,966)
Reversal of impairment losses	3,195	-	3,195
December 31	$ 566,927	$ 326,708	$ 893,635
December 31			
Cost	$ 584,517	$ 593,765	$ 1,178,282

Accumulated depreciation and impairment	(17,590)	(267,057)	(284,647)
	$ 566,927	$ 326,708	$ 893,635

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

	2022	2021
Rental income on investment property	$ 42,918	$ 41,088
Direct operating expenses incurred from investment property generating rental income in the current period	$ 11,764	$ 10,959
Direct operating expenses incurred from investment property not generating rental income in the current period	$ 5,906	$ 5,499

B. The fair value of investment property held by the Group on December 31, 2022 and 2021, was $1,640,115 and $1,552,185, respectively. The above fair values were determined based on the valuation results provided by independent valuation experts using the income approach. The main assumptions are shown below:

	December 31, 2022	December 31, 2021
Income capitalization rate	1.55%~4.35%	1.79%~2.60%

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

	December 31, 2022	December 31, 2021
Receivables on demand	$ 200,644	$ 199,930
Less: Loss allowance – receivables on demand	(200,644)	(199,930)
Deposits paid	64,758	71,722
Net defined benefit assets	43,661	36,639
Restricted assets – time deposits	31,001	2,984
Others	16,352	16,609
	$ 155,772	$ 127,954

(13) Short-term loans

	December 31, 2022	December 31, 2021
Bank loans		
Credit loans	$ 80,000	$ 470,264
Secured loans	914,000	837,000
	$ 994,000	$ 1,307,264
Range of interest rates	1.36%~2.15%	0.80%~1.11%

Note: Please refer to the description in Note 8 for information on pledged collateral.

(14) Other payables

	December 31, 2022	December 31, 2021
Salaries and bonuses payable	$ 110,540	$ 100,547
Employee remuneration payable	6,659	2,193
Remuneration to directors and supervisors payable	11,570	4,387
Rent payable	672	2,627
Service expense payable	8,410	3,047
Land value tax and house tax payable	3,433	4,363
Processing fee payable	941	4,251
Freight payable	3,383	2,752
Utilities expenses payable	1,596	1,914
Others	56,827	88,296
	$ 204,031	$ 214,377

(15) Liability provisions – current

	2022 Warranty provision	2021 Warranty provision
Balance on January 1	$ 1,623	$ 853
Added liability provisions in the current period	2,548	1,140
Liability provisions used in the current period	(574)	(352)
Unused amount reversed in the current period	(5)	(18)
Balance on December 31	$ 3,592	$ 1,623

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 liabilities

A. Defined benefit plan

(A) The Company and its domestic subsidiaries have established defined benefit pension 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 calculated 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 makes 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 will make and deposit full contributions into the account by the end of March of the next fiscal year.

(B) The amounts recognized in the balance sheet are as follows:

	December 31, 2022	December 31, 2021
Present value of defined benefit obligations	$ 60,440	$ 65,261
Fair value of plan assets	(104,101)	(101,900)
	($ 43,661)	($ 36,639)
Net defined benefit assets (stated as "other non-current assets")	$ 43,661	$ 36,639

(C) The changes in net defined benefit liabilities are as follows:

	Present value of defined benefit obligations	Fair value of plan assets	Net defined benefit liabilities
2022			
Balance on January 1	$ 65,261	($ 101,900)	($ 36,639)
Service costs in the current period	152	-	152
Interest expense (income)	456	(713)	(257)
	65,869	(102,613)	(36,744)
Remeasurement:			
Return on plan assets (excluding any amount included in interest income or expense)	-	(7,522)	(7,522)
Effect of changes in financial assumptions	(3,336)	-	(3,336)
Experience adjustments	4,891	(793)	4,098

	1,555	(8,315)	(6,760)
Pension contributions made	-	(157)	(157)
Pension paid	(6,984)	6,984	-
Balance on December 31	$ 60,440	($ 104,101)	($ 43,661)

	Present value of defined benefit obligations	Fair value of plan assets	Net defined benefit liabilities
2021			
Balance on January 1	$ 79,776	($ 111,989)	($ 32,213)
Service costs in the current period	452	-	452
Interest expense (income)	254	(355)	(101)
	80,482	(112,344)	(31,862)
Remeasurement:			
Return on plan assets (excluding any amount included in interest income or expense)	52	(1,578)	(1,526)
Effect of changes in financial assumptions	(2,080)	-	(2,080)
Experience adjustments	249	(153)	96
	(1,779)	(1,731)	(3,510)
Pension contributions made	-	(308)	(308)
Pension paid	(13,442)	12,483	(959)
Balance on December 31	$ 65,261	($ 101,900)	($ 36,639)

(D) The Company’s defined retirement benefit plan fund assets are entrusted by the Bank of Taiwan through contracted management according to the proportion and amount for contracted management items set forth in the annual investment/utilization plan of the fund and within the scope as defined in Article 6 of the Regulations for Management, Utilization and Supervision of the National Pension Insurance Fund (i.e. being deposited in domestic or foreign financial institutions, invested in domestic/foreign listed, OTC, or privately offered equity securities and in domestic/foreign real estate-related securitized products, etc.) The relevant utilization is supervised by the Labor Pension Fund Supervisory Committee. Regarding the utilization of the fund, the minimum earnings approved to be distributed every year shall not be less than the attainable earnings calculated based on the 2-year time deposit interest rates offered by local banks. Any deficit shall be made up for with the money from the national treasury upon the approval of the competent authority. As the Company has no right to participate in the utilization and management of the fund, the classification of the fair value of plan assets cannot be disclosed in accordance with Paragraph 142 of IAS 19. Please refer to the labor pension fund utilization report for each year published by the government for the fair value of all assets constituting the fund on December 31, 2022 and 2021.

(E) A summary of pension-related actuarial assumptions is shown below:

	2022	2021
Discount rate	1.30%	0.70%
Future salary increase rate	2.50%~3.00%	2.50%~3.00%

Future mortality assumptions are based on the statistics and experiential estimates announced by countries.
The present value of defined benefit obligations that has been affected due to changes in the main adopted actuarial assumptions is analyzed as follows:

	Discount rate		Future salary increase rate	
	Increase by 0.25%	Decrease by 0.25%	Increase by 0.25%	Decrease by 0.25%
December 31, 2022				
Effect on the present value of defined benefit obligations	($ 1,306)	$ 1,354	$ 1,181	$ 1,148
December 31, 2021				
Effect on the present value of defined benefit obligations	($ 1,332)	$ 1,374	$ 1,182	($ 1,154)

The above sensitivity analysis was conducted to analyze the effect of changes in a single assumption, with all other assumptions remaining unchanged. Changes in many assumptions could be correlated with each other in practice. The sensitivity analysis used the same method as that for calculating the net pension liabilities in the balance sheet.
The method and assumptions used for the sensitivity analysis in the current period are the same as those in the previous period.

(F) The Group expects to pay a defined benefit plan contribution of $3,954 in 2023.

(G) As of December 31, 2022, the weighted average lifetime of the defined benefit plan was 9~10 years. A maturity analysis of pension payments is as follows:

Less than 1 year	$ 4,329
2-5 years	18,210
Over 5 years	21,454
	$ 43,993

B. Defined contribution plan

(A) Since July 1, 2005, the Company and its 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 in 2022 and 2021 was $40,321 and $37,481, respectively.

(17) Income tax

A. The income tax expenses comprise the following:

(A) The income tax expenses comprise the following:

	2022	2021
Income tax in the current period:		
Income tax incurred from income in the current period	$ 83,374	$ 33,874
Income tax levied on undistributed earnings	2,147	14
Underestimation of income tax in prior years	2,813	458
Total income tax in the current period	88,334	34,346
Deferred income tax:		
Initial generation and reversal of temporary differences	91,560	7,971
Income tax expense	$ 179,894	$ 42,317

(B) Income tax related to other comprehensive income:

	2022	2021
Remeasurement of defined benefit obligations	($ 1,177)	($ 611)

B. The relationship between the income tax expenses and the accounting profit is as follows:

	2022	2021
Income tax on pre-tax profit calculated at the statutory tax rate	$ 221,057	$ 92,824
Income tax effect of adjustment items as per law	(28,995)	(42,985)
Income tax effect of loss deductions	-	(6,009)
Temporary difference with respect to unrecognized deferred income tax liabilities	(8,300)	(617)
Taxable loss with respect to unrecognized deferred income tax assets	(8,828)	(1,354)
Income tax effect of investment deductions	-	(14)

Underestimation of income tax in prior years	2,813	458
Income tax levied on undistributed earnings	2,147	14
Income tax expense	$ 179,894	$ 42,317

C. The amount of the deferred income tax assets or liabilities resulting from temporary differences is shown below:

	2022			
	January 1	Recognized as profit or loss	Recognized as other comprehensive income	December 31
Deferred income tax assets:				
- Temporary difference:				
Loss allowance in excess of limit	$ 4,077	$ 57	$ -	$ 4,134
Allowance for inventory devaluation losses	3,621	1,946	-	5,567
Unrealized exchange loss	24,761	(24,749)	-	12
Unrealized installation expense	4,756	(3,474)	-	1,282
Others	2,761	290	-	3,051
	$ 39,976	($ 25,930)	$ -	$ 14,046
- Deferred income tax liabilities:				
Unrealized exchange gain	$ -	($ 17,742)	$ -	($ 17,742)
Remeasurement of defined benefit plan	(12,863)	-	(1,177)	(14,040)
Realized installation expense	-	(47,865)	-	(47,865)
Others	(1,305)	(24)	-	(1,329)
	($ 14,168)	($ 65,631)	($ 1,177)	($ 80,976)

	2021			
	January 1	Recognized as profit or loss	Recognized as other comprehensive income	December 31
Deferred income tax assets:				
- Temporary difference:				
Loss allowance in excess of limit	$ 3,649	$ 428	$ -	$ 4,077
Allowance for inventory	5,771	(2,150)	-	3,621

devaluation losses				
Unrealized exchange loss	15,317	9,444	-	24,761
Unrealized installation expense	20,807	(16,051)	-	4,756
Others	2,354	407	-	2,761
	$ 47,898	($ 7,922)	$ -	$ 39,976
- Deferred income tax liabilities:				
Remeasurement of defined benefit plan	($ 12,252)	$ -	($ 611)	($ 12,863)
Others	(1,256)	(49)	-	(1,305)
	($ 13,508)	($ 49)	($ 611)	($ 14,168)

D. The expiry dates of the Group's unused taxable losses and the amount of unrecognized deferred income tax assets are as follows:

December 31, 2022

Year of occurrence	Reported amount/approved amount	Amount of unused taxable losses	Amount of unrecognized deferred income tax assets	Year of expiration
2014	254,057	225,446	225,446	2024
2018	124	124	124	2028
2019	151,688	151,688	151,688	2029
2020	65,761	452	452	2030

December 31, 2021

Year of occurrence	Reported amount/approved amount	Amount of unused taxable losses	Amount of unrecognized deferred income tax assets	Year of expiration
2014	254,057	251,631	251,631	2024
2018	124	124	124	2028
2019	78,082	78,082	78,082	2029
2020	76,042	45,990	45,990	2030

E. Deductible temporary differences not recognized as deferred income tax assets:

	December 31, 2022	December 31, 2021
Deductible temporary difference	$ 464,647	$ 482,294

F. The Group's subsidiary - Solomon Goldentek Display did not recognize deferred income tax liabilities with respect to taxable temporary differences related to investments in several subsidiaries. The amount of temporary differences with respect to unrecognized deferred income tax liabilities as of December 31, 2022 and 2021, was $57,778 and $14,274.

G. The Company's profit-seeking business income taxes filed have been certified by the tax authority up until 2020.

(18) Common share capital

A. As of both December 31, 2022 and 2021, 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.

B. Treasury stocks

(A) Details on changes in the Company's shares held by its subsidiaries are as follows:

	Moredel Investment Corp. Number of shares (thousand shares)	Carrying value	Market price
Balance on January 1, 2022	100	$ 6,042	$ 2,400
Balance on December 31, 2022	100	$ 6,042	$ 2,621

	Moredel Investment Corp. Number of shares (thousand shares)	Carrying value	Market price
Balance on January 1, 2021	100	$ 6,042	$ 1,928
Balance on December 31, 2021	100	$ 6,042	$ 2,400

(B) The Company's subsidiary Moredel Investment Corp. held the Company's shares to ensure financial operations before the Company Act was amended on November 12, 2001.

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

(19) 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 Group's capital reserve are shown in the following table:

	2022				
	Trading of treasury stocks	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	-	-	-	-	-
December 31	$ 32,683	$ 142,666	$ 9,473	$ 30,316	$ 215,138

	2021				
	Trading of treasury stocks	Changes in ownership interests in subsidiaries	Consolidated excess	Others	Total
January 1	$ 32,683	$ 140,525	$ 9,473	$ 29,404	$ 212,085
Changes in the current period	-	2,141	-	912	3,053
December 31	$ 32,683	$ 142,666	$ 9,473	$ 30,316	$ 215,138

(20) 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 abovementioned 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 2021 and 2020 earning distribution proposals approved at the shareholders' meeting held on June 8, 2022, and July 15, 2021, respectively, are stated as follows:

	2021		2020	
	Amount	Dividend per share (NT$)	Amount	Dividend per share (NT$)
Legal reserves	$ 20,123		$ 2,118	
Special reserves (reversed)	13,792		(3,436)	
Cash dividends to shareholders	154,324	$ 0.90	85,736	$ 0.50

E. The 2022 earning distribution proposal presented by the Board of Directors on March 16, 2023, is as follows:

	2022	
	Amount	Dividend per share (NT$)
Legal reserves	$ 46,217	
Reversed special reserves	(30,939)	
Cash dividends to shareholders	257,207	$ 1.50

The Company's 2022 earning distribution proposal has not been approved at the shareholders' meeting as of March 17, 2023. For the earning distribution approved by the Board of Directors and resolved at the shareholders' meeting, please visit the "Market Observation Post System."

(21) Other equity items

	2022	2021
	Foreign currency translation	Foreign currency translation
January 1	($ 147,260)	($ 133,469)
Difference from foreign currency translation – the Group	30,940	(13,791)
December 31	($ 116,320)	($ 147,260)

(22) Operating income

	2022	2021
Income from contracts with customers	$ 5,249,928	$ 3,899,210

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 XIV (III) for relevant information.

B. Contractual liabilities

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

	December 31, 2022	December 31, 2021	January 1, 2021
Advance sale receipts	$ 1,150,020	$ 722,153	$ 369,932

C. The opening balance of the Group's contractual liabilities recognized as income in 2022 and 2021 was $588,044 and $312,416, respectively.

(23) Interest income

	2022	2021
Bank deposit interest	$ 15,706	$ 10,403
Interest income from financial assets measured at amortized cost	117,729	78,123
	$ 133,435	$ 88,526

(24) Other income

	2022	2021
Rental income	$ 42,918	$ 41,088
Dividend income	19,553	6,713
Government subsidy income	15,443	5,279
Other income – others	20,243	14,735
	$ 98,157	$ 67,815

(25) Other profits and losses

	2022	2021
Gain (loss) from disposal of property, plant and equipment	($ 2,427)	$ 3,190
Gain from disposal of investment property	-	32,860
Gain from disposal of investments	806	-
Net gain (loss) from foreign currency exchange	327,428	(53,045)
Gain (loss) from financial assets and liabilities measured at fair value through profit or loss	(112,420)	96,979
Gain from reversal of impairment losses on investment property	-	3,195
Others	(41,003)	(21,361)
	$ 172,384	$ 61,818

(26) Financial costs

	2022	2021
Interest expense	$ 16,932	$ 10,514

(27) Additional information on the nature of expense

	2022	2021
Changes in the inventory of finished goods, work in process, and raw materials	$ 3,964,514	$ 2,923,773
Employee benefit expense	711,704	675,440
Depreciation expense of property, plant and equipment (including right-of-use assets)	67,171	72,218
Amortization expense	3,397	3,636
Transportation expense	15,478	9,459
Service expense	84,643	42,931
Operating rent	13,149	9,729
Other expenses	125,344	112,733
Operating costs and expenses	$ 4,985,400	$ 3,849,919

(28) Employee benefit expense

	2022	2021
Salary expense	$ 584,919	$ 562,693
Labor and health insurance expenses	39,691	39,161
Pension expense	40,216	37,832
Remuneration to directors	15,527	6,799
Other employment expenses	31,351	28,955
	$ 711,704	$ 675,440

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. In 2022 and 2021, the Company's estimated amount of remuneration to employees was $5,600 and $2,193, respectively, and the estimated amount of remuneration to directors and supervisors was $11,202 and $4,387, respectively. The above amounts were stated as remuneration expense.

C. There is consistency between the amounts of remuneration to employees and to directors for 2021 resolved by the Board of Directors and the amounts recognized in the financial statements for 2021. Please visit the Market Observation Post System for information on the remuneration to employees and to directors approved by the Board of Directors.

(29) Earnings (losses) per share

	2022		
	Amount after tax	Weighted average outstanding shares (thousand shares)	Earnings per share (NT$)
Basic earnings per share			
Net profit attributable to the common shareholders of the parent company in the current period	$ 458,232	171,371	$ 2.67
Diluted earnings per share			
Net profit attributable to the common shareholders of the parent company in the current period	458,232	171,371	
Effect of dilutive potential common shares - remuneration to employees	-	215	
Net profit attributable to the common shareholders of the parent company in the current period plus the effect of potential common shares	$ 458,232	171,586	$ 2.67

	2021		
	Amount after tax	Weighted average outstanding shares (thousand shares)	Earnings per share (NT$)
Basic earnings per share			
Net profit attributable to the common shareholders of the parent company in the current period	$ 198,514	171,371	$ 1.16
Diluted earnings per share			
Net profit attributable to the common shareholders of the parent company in the current period	198,514	171,371	
Effect of dilutive potential common shares	-	92	

- remuneration to employees			
Net profit attributable to the common shareholders of the parent company in the current period plus the effect of potential common shares	$ 198,514	171,463	$ 1.16

(30) Transactions with non-controlling interests

A. Acquisition of interests in subsidiaries

The Group acquired 51% of the issued shares of Sheng-Peng Technology Corp. with $5,100 in cash in March 2022. The carrying amount of the non-controlling interests of the subsidiary on the acquisition date was $4,900. The transaction increased the non-controlling interests by $4,900 and the equity attributable to owners of the parent company by $5,100.

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

The Group sold 0.12% of its interest in its subsidiary, Solomon Data International, for a consideration of $945 in July 2021. The carrying amount of the non-controlling interests of Solomon Data International on the sale date was $95,129. The transaction increased the non-controlling interests by $33 and the capital reserve by $912.

C. The Group did not subscribe for shares in proportion to its shareholding in the cash capital increases of its subsidiaries

The Group did not subscribe for shares in proportion to its shareholding in the cash capital increase of Cornucopia Innovation Corporation:

Cornucopia Innovation Corporation issued new shares for cash capital increase on June 3, 2021. The Group did not subscribe for the shares in proportion to its shareholding, thereby increasing its shareholding by 6.99%. The transaction increased the non-controlling interests by $59, reduced the equity attributable to owners of the parent company by $25,359, and increased the capital reserves by $2,141.

(31) Changes in liabilities from financing activities

	2022				
	Short-term loans	Other current liabilities	Other non-current liabilities	Lease liabilities	Total liabilities from financing activities
January 1	$1,307,264	$ 35,447	$ 7,412	$57,745	$ 1,407,868
Changes in cash flows from financing activities	(313,264)	16,142	531	(34,798)	(331,389)
Interest expenses paid (Note)	-	-	-	(457)	(457)
Effect of exchange rate changes	-	-	-	841	841
Other non-cash changes	-	-	-	8,115	8,115
December 31	$ 994,000	$ 51,589	$ 7,943	$31,446	$ 1,084,978

Note: Recognized as cash flows from operating activities

2021

	Short-term loans	Other current liabilities	Other non-current liabilities	Lease liabilities	Total liabilities from financing activities
January 1	$ 397,377	$ 20,795	$ 7,690	$77,800	$ 503,662
Changes in cash flows from financing activities	909,887	14,652	(278)	(33,897)	890,364
Interest expenses paid (Note)	-	-	-	(618)	(618)
Effect of exchange rate changes	-	-	-	(686)	(686)
Other non-cash changes	-	-	-	15,146	15,146
December 31	$1,307,264	$ 35,447	$ 7,412	$57,745	$ 1,407,868

Note: Recognized 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

	2022	2021
Salaries and other short-term employee benefits	$ 77,809	$ 61,216
Post-employment benefits	654	623
	$ 78,463	$ 61,839

8. Pledged assets

Details on assets	December 31, 2022	December 31, 2021	Purpose of collateral
Pledged demand deposits and reserve accounts (stated as "other current assets")	$ -	$ 303	Collateral for short-term loans from financial institutions and customs bonds
Property, plant and equipment and investment property	1,240,837	1,255,667	Collateral for short-term loans from

			financial institutions
Deposits paid (stated as "other non-current assets")	64,758	71,722	Collateral for subsidiaries' short-term loans from financial institutions and provision for deposits under compulsory enforcement
Time deposits (stated as "other non-current assets")	31,001	2,984	Collateral for importing goods through customs
	$ 1,336,596	$ 1,330,676	

9. Material contingent liabilities and unrecognized contractual commitments

   (1) As of December 31, 2022, the Group's letter of credit issued but not yet used was $317,689.

   (2) As of December 31, 2022, the Group's promissory notes issued as security for the performance of sales contracts amounted to $65,735.

   (3) As of December 31, 2022, the Group's promissory notes issued to implement government-subsidized plans amounted to $51,870.

   (4) Please refer to the description in Note 13 for the Group's funds loaned and endorsements/guarantees provided.

10. Material losses from disasters

    None.

11. Material subsequent events

    Please refer to Note 6 (20) for the 2022 earning distribution proposal.

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

	December 31, 2022	December 31, 2021
Financial assets		
Financial assets measured at fair value through profit or loss		
Financial assets measured at fair value	$ 331,456	$ 442,304

through profit or loss		
Financial assets measured at amortized cost		
Cash and cash equivalents	2,450,357	1,379,390
Financial assets measured at amortized cost	1,417,560	1,974,804
Notes receivable	93,369	59,553
Accounts receivable	752,778	740,323
Other receivables	23,422	9,847
Deposits paid (stated as "other non-current assets")	64,758	71,722
	$ 5,133,700	$ 4,677,943

	December 31, 2022	December 31, 2021
Financial liabilities		
Financial liabilities measured at fair value through profit or loss		
Financial liabilities measured at fair value through profit or loss	$ -	$ 1,555
Financial liabilities measured at amortized cost		
Short-term loans	994,000	1,307,264
Notes payable	11,185	756
Accounts payable	512,754	517,393
Other accounts payables	204,031	214,377
Deposits received	7,943	7,412
	$ 1,729,913	$ 2,047,202
Lease liabilities	$ 31,446	$ 57,745

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 closing 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 transnationally and thus incurs exchange rate risk generated from transactions using functional currencies different from those 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:

	December 31, 2022		December 31, 2021	
	Foreign currency (thousand dollars)	Exchange rate	Foreign currency (thousand dollars)	Exchange rate
(Foreign currency: functional currency)				
Financial assets				
Monetary items				
USD : NTD	$ 99,326	30.71	$ 174,179	27.68
EUR : NTD	1,395	32.72	975	31.32
HKD : NTD	13,476	3.94	12,934	3.55
JPY : NTD	2,454	0.23	1,697	0.24
USD : CNY	3,606	6.97	5,221	6.37
Financial liabilities				
Monetary items				
USD : NTD	$ 2,375	30.71	$ 8,809	27.68
EUR : NTD	70	32.72	3,338	31.32
HKD : NTD	710	3.94	1,113	3.55
JPY : NTD	7,345	0.23	12,296	0.24

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 in 2022 and 2021 were $327,428 and ($53,045), 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 an 1% appreciation or depreciation of the NT dollar against the aforesaid foreign currencies, the profit or loss was increased or reduced by $31,025 and $45,744 in 2022 and 2021, respectively, provided that all the other factors remained the same.

Price risk

a. The Group's equity instruments exposed to price risk are financial assets measured at fair value through profit or loss. 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 the other factors remained the same, the net profit after tax was increased or reduced by $3,315 and $4,423 in 2022 and 2021, respectively, due to the gain or loss from equity instruments measured at fair value through profit or loss.

Cash flow and fair value interest rate risks

a. The Group's short-term loans for the purchase of materials are fixed interest rate debts. The risk of the loans is contingent on changes in market interest rates. However, as they will fall due within one year, no significant market risk is expected to occur.

b. When the loan interest rate rose or dropped by 1% and all the other factors remained the same, the profit after tax was reduced or increased by $9,940 and $13,073 in 2022 and 2021, 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 and at fair value through profit or loss.

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 overdue over 180 days according to the agreed payment terms, a default is considered to have occurred.

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

e. The credit impairment indicators used by the Group to identify 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 December 31, 2022 and 2021, respectively, is as follows:

	Not overdue	Overdue 30 days	Overdue 31-90 days	Overdue 91-180 days	Overdue over 181 days	Total
December 31, 2022						
Expected loss rate	0.03%-3.78%	3.30%-	5.72%-100%	64.24%-	100%	

		86.10%		100%		
Total carrying value	$ 705,545	$ 30,674	$ 22,675	$ 1,843	$ 6,941	$ 767,678
Loss allowance	$ 1,799	$ 2,251	$ 3,466	$ 443	$ 6,941	$ 14,900

December 31, 2021	Not overdue	Overdue 30 days	Overdue 31-90 days	Overdue 91-180 days	Overdue over 181 days	Total
Expected loss rate	0.03%-2.14%	0.03%-47.13%	4.88%-88.64%	46.05%-100%	100%	
Total carrying value	$ 666,009	$ 56,598	$ 21,886	$ 3,677	$ 6,178	$ 754,348
Loss allowance	$ 1,763	$ 1,042	$ 3,522	$ 1,520	$ 6,178	$ 14,025

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

	2022
January 1	$ 14,025
Impairment losses set aside	999
Effect of exchange rate	563
Transferred to receivables on demand	(687)
December 31	$ 14,900

	2021
January 1	$ 20,388
Gain from recovery of impairment losses	(5,553)
Effect of exchange rate	(366)
Transferred to receivables on demand	(444)
December 31	$ 14,025

i. The Group places investments in debt instruments measured at amortized cost with high-credit-quality counterparties. As assessed, there are no significant expected credit impairment losses.

(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 financial liabilities measured at fair value through profit or loss, 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: December 31, 2022	Within 1 year	1 to 2 years	2 to 5 years	Over 5 years
Short-term loans	$ 994,000	$ -	$ -	$ -
Accounts payable	457,932	54,822	-	-
Lease liabilities	28,122	3,179	228	-

Non-derivative financial liabilities: December 31, 2021	Within 1 year	1 to 2 years	2 to 5 years	Over 5 years
Short-term loans	$ 1,307,943	$ -	$ -	$ -
Accounts payable	462,571	54,822	-	-
Lease liabilities	35,625	22,017	583	-

(3) Fair value information

A. The levels of the valuation technique 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: Level 2 inputs are 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: Level 3 inputs are 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, and other payables 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:

December 31, 2022	Level 1	Level 2	Level 3	Total
Assets				
Recurring fair value				
Financial assets measured at fair value through profit or loss				
Equity securities	$ 239,964	$ -	$ 76,492	$ 316,456
Limited partnership	-	-	15,000	15,000
	$ 239,964	$ -	$ 91,492	$ 331,456

December 31, 2021	Level 1	Level 2	Level 3	Total
Assets				
Recurring fair value				
Financial assets measured at fair value through profit or loss				
Equity securities	$ 352,913	$ -	$ 89,391	$ 442,304
Liabilities				
Recurring fair value				
Financial liabilities measured at fair value through profit or loss				
Forward exchange contracts	$ -	$ 1,555	$ -	$ 1,555

(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 fair value inputs (i.e. Level 1 inputs) 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 in the active market, is acquired using the valuation technique or with reference to the quotation of the counterparty. When the valuation technique is used for acquisition of the fair value, 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 and Reuters average interest rate quote of commercial paper).

c. Generally, forward exchange contracts are valuated at the current forward exchange rate.

d. The valuation model is created based on the estimated approximation 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 was no transfer between Level 1 and Level 2 in 2022 and 2021.

F. Movements in Level 3 equity instruments in 2022 and 2021 are listed in the following table:

	2022 Equity instruments	2021 Equity instruments
January 1	$ 89,391	$ 67,540
Profits recognized as profit or loss	2,055	(3,927)
Purchase in the current period	20,000	31,500
Sale in the current period	(14,495)	(2,000)
Share capital returned from capital reduction	(6,476)	(3,404)
Effect of exchange rate	1,017	(318)
December 31	$ 91,492	$ 89,391

G. There was no transfer-in/transfer-out to/from Level 3 in 2022 and 2021.

H. The Group's Finance Department is responsible for verifying the independent fair value of 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:

Fair value on December 31, 2022	Valuation technique	Significant unobservable inputs	Relationship between the input

				and the fair value
Non-derivative equity instruments:				
Non-listed/non-OTC stocks	$ 76,492	Comparable company method	PE multiplier, PB multiplier, corporate value-to-operating profit ratio multiplier, corporate value-to-profit before tax, interest, depreciation and amortization ratio multiplier, discount for lack of marketability, control premium.	The higher the multipliers and control premium, the higher the fair value. The higher the discount for lack of marketability, the lower the fair value. The higher the weighted average funding cost and discount for minority interest, the lower the fair value. The higher the long-term revenue growth rate and long-term pre-tax operating income, the higher the fair value.
Limited partnership	15,000	Net asset value method	N/A	N/A

	Fair value on December 31, 2021	Valuation technique	Significant unobservable inputs	Relationship between the input and the fair value
Non-derivative equity instruments:				
Non-listed/non-OTC stocks	$ 89,391	Comparable company method	PE multiplier, PB multiplier, corporate value-to-operating profit ratio multiplier, corporate value-to-profit before tax, interest, depreciation and amortization ratio multiplier, discount for lack of marketability, control premium.	The higher the multipliers and control premium, the higher the fair value. The higher the discount for lack of marketability, the lower the fair value. The higher the weighted average funding cost and discount for minority interest, the lower the fair value. The higher the long-term revenue growth rate and long-term pre-tax operating income, the higher the fair value.

(4) Other information

As of December 31, 2022, the Group's operations were not significantly affected by the spread of COVID-19 and the government's multiple pandemic prevention measures after assessment. The Group has also implemented response measures and made relevant matters under continuous management to prevent the spread of the pandemic from causing impact on the companies' operations.

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: Please refer to Table 4.

H. Accounts receivable from related parties amounting to NT$100 million or more than 20% of the paid-in capital: Please refer to Table 5.

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 6.

(2) Information of investee companies

Information related to investee companies (excluding those in Mainland China), their place of registration, etc.: Please refer to Table 7.

(3) Information of investments in Mainland China

A. Basic information: Please refer to Table 8.

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 Tables 4, 5, 6.

(4) Information of major shareholders

Please refer to Table 9.

(The End)

14. Operating segment information

(1) General information

A. The management of the Group had identified the reportable segments according to the reporting package that the operating decision maker uses to formulate policies.

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

(2) Measurement of segment information

The Group's operating decision maker evaluates the performance of the operating segments based on the profit or loss of the segments. Segment profit or loss means the profit earned or the loss incurred by each segment and is used as a basis for the chief operating decision maker to allocate resources to the segments and evaluate their performance.

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

Information on the reportable segments in 2022 provided to the chief operating decision maker is as follows:

	Electronic channel industry	Optoelectronic manufacturing industry	Electromechanical Business Group	Intelligent Business Group	Others	Adjustment and write-off	Consolidated
External income	$ 344,042	$ 1,317,624	$ 1,795,648	$ 1,683,439	$ 109,175	$ -	$ 5,249,928
Internal segment income	-	84,300	437,689	6,630	2,684	(531,303)	-
Segment income	$ 344,042	$ 1,401,924	$ 2,233,337	$ 1,690,069	$ 111,859	($ 531,303)	$ 5,249,928
After-tax segment profit (loss)	$ 6,931	$ 262,283	$ 75,657	$ 64,306	$ 306,514	($ 239,748)	$ 475,943
Depreciation and amortization	$ 572	$ 34,927	$ 14,820	$ 17,404	$ 20,486	($ 6,434)	$ 81,775
Gain from investments accounted for using the equity method	$ -	$ -	$ -	$ -	$ 4,265	$ -	$ 4,265
Segment assets	$ 1,000,352	$ 2,603,562	$ 2,616,571	$ 1,221,890	$ 3,902,506	($ 2,893,918)	$ 8,450,963

Information on the reportable segments in 2021 provided to the chief operating decision maker is as follows:

	Electronic channel industry	Optoelectronic manufacturing industry	Electromechanical Business Group	Intelligent Business Group	Others	Adjustment and write-off	Consolidated
External income	$ 457,853	$ 1,254,960	$ 948,313	$ 1,178,199	$ 59,885	$ -	$ 3,899,210
Internal segment income	-	122,643	253,572	1,092	6	(377,313)	-
Segment income	$ 457,853	$ 1,377,603	$ 1,201,885	$ 1,179,291	$ 59,891	($ 377,313)	$ 3,899,210
After-tax segment profit (loss)	$ 18,395	$ 164,074	($ 9,682)	($ 35,309)	$ 224,231	($ 145,345)	$ 216,364
Depreciation and amortization	$ 192	$ 40,265	$ 13,930	$ 17,880	$ 22,631	($ 8,078)	$ 86,820
Gain from investments accounted for using the equity method	$ -	$ -	$ -	$ -	$ 1,745	$ -	$ 1,745
Segment assets	$ 973,784	$ 2,407,773	$ 2,334,244	$ 1,168,883	$ 3,756,819	($ 2,755,521)	$ 7,885,982

(4) Information on the reconciliations of segment profit or loss

A. The external income reported to the chief operating decision maker used the same measurement approach as that for the income presented in the income statement.

B. The performance of the reportable operating segments was evaluated based on their after-tax profit or loss. The total profit or loss was consistent with the after-tax profit or loss from continuing operations. Thus, there was no need for reconciliation.

C. The total asset amount provided to the chief operating decision maker was measured using the same approach as that for the assets presented in the financial statements. Please refer to the description in Note 14 (3) for information on the reconciliation and write-off of reportable segment assets in the current period.

(5) Information by product and service

The Group is mainly engaged in the sale, manufacture, agency, and import of generators, semiconductors, electronic parts and LCDs. Details on the balance of income are shown below:

	2022	2021
Income from sale of goods	$ 5,239,651	$ 3,887,776
Maintenance income	10,277	11,434
	$ 5,249,928	$ 3,899,210

(6) Information by region

The following is information on the Group's income from external customers and non-current assets, listed by the region where the customers and assets are located:

	2022		2021	
	Income	Non-current assets	Income	Non-current assets
Taiwan	$ 2,921,039	$ 1,473,046	$ 1,927,670	$ 1,398,181
Mainland China and Hong Kong	1,323,871	33,779	1,047,565	62,072
Others	1,005,018	2,134	923,975	2,718
	$ 5,249,928	$ 1,508,959	$ 3,899,210	$ 1,462,971

Note: Non-current assets do not include financial assets and deferred income tax assets.

(7) Information of important customers

The Group had no customers accounting for 10% or more of operating income in 2022 and 2021.

SOLOMON Technology Corporation and Subsidiaries
Loaning Funds to Others
January 1 to December 31, 2022

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 Name	Collateral Value	Limit on loans to individual borrowers (Note 2)	Limit on total loans (Note 3)	Remarks
1	Moredel Investment	Solomon Energy	Other receivables	Y	$ 4,000	-	-	1%	2	-	Working capital	-	-	-	$ 128,894	$ 257,789	

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 Company’s lending procedure, the amount of loans to a single enterprise with short-term financing needs is limited to 40% of the Company’s net worth. The amount of loans to companies having business dealings with the Company is limited to the higher of the amount of purchases and sales between both parties. The amounts of the subsidiaries’ loans to a single enterprise and their total loans given for short-term financing needs shall not exceed 40% of the net worth of the Company (However, the amount of Dong Guan Goldentek’s total loans given is limited to 80%).

Note 3: According to the Company’s lending procedure, the amount of the Company’s total loans given is limited to 80% of the net worth of the 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 December 31, 2022

Table 2

Unit: NT$ Thousand
(Unless otherwise specified)

No. (Note 1)	Endorser/ guarantor	Endorsee/guarantee: Company name	Endorsee/guarantee: Relationship (Note 2)	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
0	SOLOMON	Solomon Energy	2	$ 981,742	$ 157,000	$ 157,000	$ 37,900	$ -	3.20	$ 2,454,354	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 type:
(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 endorsement/guarantee procedure, 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)
December 31, 2022

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	-	Financial assets measured at fair value through profit or loss – current	6,669,817	110,000	-	110,000	Note
	Raydium	-	Financial assets measured at fair value through profit or loss – current	39,000	11,876	0.05%	11,876	〃
	Evergreen	-	Financial assets measured at fair value through profit or loss – current	84,000	13,692	-	13,692	〃
	Unimicron	-	Financial assets measured at fair value through profit or loss – current	128,000	15,360	0.01%	15,360	〃
	IROC	-	Financial assets measured at fair value through profit or loss – non-current	70,745	2,030	0.27%	2,030	〃
	Chenfeng	-	Financial assets measured at fair value through profit or loss – non-current	1,500,000	16,146	1.60%	16,146	〃
	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	-	0.09%	-	〃
	Taiwan Truewin Technology	-	Financial assets measured at fair value through profit or loss – non-current	200,000	12,417	0.66%	12,417	〃
	Liwatt X		Financial assets measured at fair value through profit or loss – non-current	500,000	5,000	7.14%	5,000	〃
	Lion Best Global Limited-Tranche A Notes	-	Financial assets measured at amortized cost – non-current	-	614,200	-	614,200	〃
	Lion Best Global Limited-Tranche B Notes	-	Financial assets measured at amortized cost – non-current	-	460,650	-	460,650	〃
Moredel Investment	SOLOMON	Parent company of the Company	Financial assets measured at fair value through profit or loss – current	100,432	2,621	0.06%	2,621	〃
	Hwa Fong Rubber Ind.	-	Financial assets measured at fair value through profit or loss – current	1,327,556	19,249	0.48%	19,249	〃
	Raydium	-	Financial assets measured at fair value through profit or loss – current	80,000	24,360	0.11%	24,360	〃
	Integrated Solutions	-	Financial assets measured at fair value through profit or loss – non-current	1,522,659	23,418	4.03%	23,418	〃
	Airbag Packing	-	Financial assets measured at fair value through profit or loss – non-current	400,000	3,085	1.60%	3,085	〃
	Keystone Tech	-	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	330,000	10,134	0.77%	10,134	〃
	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	CENZ Automation	-	Financial assets measured at fair value through profit or loss – non-current	80,000	-	1.36%	-	〃
	Taiwan Truewin Technology	-	Financial assets measured at fair value through profit or loss – non-current	100,000	6,208	0.37%	6,208	〃
	Cerulean Asset Management Venture Capital Limited Partnership	-	Financial assets measured at fair value through profit or loss – non-current	3,000	3,000	3.22%	3,000	〃
	Meng-Lue Corporate Venture Fund Limited Partnership	-	Financial assets measured at fair value through profit or loss – non-current	1,875	1,875	2.08%	1,875	〃
Solomon Goldentek Display	United Microelectronics Corporation	-	Financial assets measured at fair value through profit or loss – current	105,000	4,273	0.00	4,273	〃
	Unimicron Technology Corp.	-	Financial assets measured at fair value through profit or loss – current	90,000	10,800	0.01%	10,800	〃
	Giant Manufacturing Co., Ltd.	-	Financial assets measured at fair value through profit or loss – current	15,000	3,008	0.00	3,008	〃
	CENZ Automation Co., Ltd.	-	Financial assets measured at fair value through profit or loss – non-current	250,000	85	4.25%	85	〃
	Lion Best Global Limited	-	Financial assets measured at amortized cost – non-current	-	307,100	-	307,100	〃
	Meng-Lue Venture Capital Limited Partnership	-	Financial assets measured at fair value through profit or loss – non-current	4,500	4,500	4.82%	4,500	〃
	Cerulean Asset Management Venture Capital Limited Partnership	-	Financial assets measured at fair value through profit or loss – non-current	3,750	3,750	4.17%	3,750	〃
Solomon Smartnet	Raydium	-	Financial assets measured at fair value through profit or loss – current	22,000	10,471	0.03%	10,471	〃
	United Microelectronics	-	Financial assets measured at fair value through profit or loss – current	40,000	1,628	-	1,628	〃
Cornucopia Innovation	Weltrend	-	Financial assets measured at fair value through profit or loss – current	320,000	13,216	0.18%	13,216	〃
	Meng-Lue Corporate Venture Fund Limited Partnership	-	Financial assets measured at fair value through profit or loss – non-current	1,875	1,875	2.08%	1,875	〃

Note: Not pledged.

SOLOMON Technology Corporation and Subsidiaries
Purchases and Sales with Related Parties Amounting to NT$100 Million or More Than 20% of the Paid-in Capital
January 1 to December 31, 2022

Table 4

Unit: NT$ Thousand
(Unless otherwise specified)

				Transaction			Differences of transaction terms from those of regular transactions and reasons for such differences		Notes/accounts receivable (payable)		
Purchasing (selling) company	Name of counterparty	Relationship	Purchase (sale)	Amount	Percentage in total purchases (sales)	Loan period	Unit price	Loan period	Balance	Percentage in total accounts/notes receivable (payable)	Remarks
SOLOMON	Yumon International	Parent-subsidiary	(Sale)	(432,746)	(13)	Note 1	Agreed by both parties	Note 2	708	-	
Yumon International	SOLOMON	Parent-subsidiary	Purchase	432,746	54	Note 1	Agreed by both parties	Note 2	(708)	-	
Solomon Goldentek Display	Dong Guan Goldentek	Parent-subsidiary	Purchase	731,592	78	Note 3	Note 3	Note 3	(142,644)	(90)	
Solomon Goldentek Display	Dong Guan Goldentek	Parent-subsidiary	Note 4	(278,524)	-	Note 4	Note 4	Note 4	-	-	
Dong Guan Goldentek	Solomon Goldentek Display	Parent-subsidiary	(Sale)	(731,592)	(88)	Note 3	Note 3	Note 3	142,644	88	
Dong Guan Goldentek	Solomon Goldentek Display	Parent-subsidiary	Note 4	278,524	-	Note 4	Note 4	Note 4	-	-	

Note 1: The payment was collected after being offset against the accounts receivable based on the funding status of Yumon International.
Note 2: The loan period for regular customers ranges from 90-120 days.
Note 3: It was an entrusted procurement transaction. The payment was collected after being offset against the accounts payable based on the funding status on a monthly basis.
Note 4: It was an entrusted procurement transaction. The payment was collected after being offset against the accounts payable based on the funding status on a monthly basis.

SOLOMON Technology Corporation and Subsidiaries
Accounts Receivable from Related Parties Amounting to NT$100 Million or More Than 20% of the Paid-in Capital
December 31, 2022

Table 5

Unit: NT$ Thousand
(Unless otherwise specified)

Company from which payments accounted for are receivable	Name of counterparty	Relationship	Balance of payments receivable from the related party	Turnover	Overdue payments receivable from the related party		Subsequently recovered amount of payments receivable from the related party	Allowance set aside for bad debts
					Amount	Treatment		
Dong Guan Goldentek	Solomon Goldentek Display	Parent-subsidiary	$ 142,644	3.83	-	Active collection	$ 85,562.00	-

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 December 31, 2022

Table 6

Unit: NT$ Thousand
(Unless otherwise specified)

No. (Note 4)	Name of transacting party	Counterparty	Relationship with transacting party (Note 5)	Transaction: Account	Transaction: Amount	Transaction: Transaction terms	Transaction: Percentage of total consolidated operating income or assets (Note 6)
0	SOLOMON	Yumon International	1	Sale	$ 432,746	Note 1	8%
0	SOLOMON	Solomon Goldentek Display	1	Sale	72,510	Note 2	1%
1	Solomon Goldentek Display	Dong Guan Goldentek	1	Purchase	731,592	Note 2	14%
1	Solomon Goldentek Display	Dong Guan Goldentek	1	Accounts payable	142,644	Note 2	2%
1	Solomon Goldentek Display	Dong Guan Goldentek	1	Other receivables	278,524	Note 4	3%

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: The payment term was 90-180 days after the payments receivable and payable were offset against each other.

Note 3: The receivables were the procurement payments made by the parent company on behalf of the subsidiary.

Note 4: 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 5: The relationship with the transacting party is classified into the following three categories. It is only necessary to mark the type (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 6: For asset or liability accounts, the transaction amount's 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.

SOLOMON Technology Corporation and Subsidiaries
Information Related to Investee Companies (Excluding Those in Mainland China), Their Place of Registration, etc.
January 1 to December 31, 2022

Table 7

Unit: NT$ Thousand
(Unless otherwise specified)

Name of investor company	Name of investee company	Place of registration	Principal business	Initial investment amount: End of current period	Initial investment amount: End of previous year	Holding percentage at end of period: Number of shares	Holding percentage at end of period: Percentage	Holding percentage at end of period: Carrying amount	Gain or loss of investee company in the current period	Investment gain or loss recognized in the current period	Remarks
SOLOMON	Solomon Cayman	Cayman Islands	Holding company	$ 264,367	$ 315,607	14,736,130	100.00	$ 201,432	$ 20,622	$ 20,622	1
SOLOMON	Solomon Smartnet	Taiwan	IC cards	200,000	200,000	20,000,000	100.00	257,521	27,185	27,185	1
SOLOMON	Solomon Goldentek Display	Taiwan	Manufacturing of LCDs	1,359,694	1,359,694	42,030,186	70.77	1,252,153	237,465	168,055	1
SOLOMON	Moredel Investment	Taiwan	Professional investment	457,384	457,384	28,460,900	100.00	308,039	11,758	11,537	1
SOLOMON	Solomon Wireless Technology	Taiwan	Communication products	599,665	599,665	96,407	96.41	16	-	-	1
SOLOMON	Solomon Data International	Taiwan	Manufacturing of LCD panels	58,339	58,339	6,507,676	30.45	138,500	41,992	12,862	1
SOLOMON	Total Profit	Samoa	Holding company	13,859	13,859	3,088,700	100.00	6,472	(1,456)	(1,456)	1
SOLOMON	GD Investment	Taiwan	Installation and sale of generators	434	434	43,400	100.00	82	(264)	(264)	1
SOLOMON	Cornucopia Innovation	Taiwan	Manufacturing of machines/equipment and electronic parts and components	65,000	65,000	6,100,000	35.06	40,032	(40,831)	(14,316)	1
SOLOMON	Solomon Science Technology (VN)	Vietnam	Supply and sale of intelligence technology	27,200	15,288	-	100.00	11,358	(4,143)	(4,143)	1
SOLOMON	Solomon Robotics (THAI) Ltd.	Thailand	Supply and sale of intelligence technology	8,209	8,209	2,488,000	100.00	5,719	(340)	(340)	1
SOLOMON	Solomon Technology (USA)	United States	Supply and sale of intelligence technology	54,074	37,505	12,500	100.00	11,913	(9,081)	(9,081)	1
SOLOMON	Fast Energy	Taiwan	Self-usage renewable energy generation equipment	-	300	-	-	-	(1)	(1)	1
SOLOMON	Solomon Energy	Taiwan	Import and export of electrical power-related products	180,000	120,000	18,000,000	100.00	121,744	(26,713)	(26,713)	1
SOLOMON	Sheng-Peng Technology	Taiwan	Import and export of electrical power-related products	5,100	-	510,000	51.00	5,801	1,061	701	1
Moredel Investment	Solomon Data International	Taiwan	Manufacturing of LCD panels	41,883	41,883	3,902,740	18.87	81,478	41,992	-	1、3
Moredel Investment	Solomon Goldentek Display	Taiwan	Manufacturing of LCDs	62,233	62,233	5,500,000	9.26	166,798	237,465	-	1、3
Moredel Investment	INGA NANO Technology	Taiwan	Installation of computer equipment and retail and wholesale of electronic materials	-	24,700	-	-	-	(393)	-	3、4
Solomon Smartnet	Solomon Data International	Taiwan	Manufacturing of LCD panels	38,418	38,418	4,368,117	21.11	90,351	41,992	-	1、3
Solomon Smartnet	Solomon Goldentek Display	Taiwan	Manufacturing of LCDs	62,233	62,233	5,610,000	9.26	166,798	237,465	-	1、3

Solomon Cayman	Solomon Group	United States	Holding company	3,183	3,183	150,000	100.00	-	-	-	3、4
Solomon Cayman	Soundtek Ltd.	Seychelles	Professional investment	23,764	23,764	-	30.00	-	-	-	3、4
Solomon Cayman	Goldentek (B.V.I.)	British Virgin Islands	Sale of LCDs and modules	452	2,175	48,501	0.39	1,658	52,640	-	2、3
Solomon Cayman	GD Power Ltd.	Seychelles	Holding company	-	25,586	-	-	-	-	-	2、3
Solomon Energy	Solomon Energy Technology (Singapore) PTE. LTD	Singapore	Self-usage renewable energy generation equipment	14,752	10,644	700,000	100.00	88	(6,485)	-	2、3
Solomon Data International	Cornucopia Innovation	Taiwan	Manufacturing of machines/equipment and electronic parts and components	25,268	25,300	2,300,000	13.22	20,037	(40,155)	-	1、3
Solomon Data International	AggrEnergy	Taiwan	Energy technology service	24,532	-	23,502,128	18.21	25,776	7,747	-	1、3
Solomon Data International	Ju Xin Energy	Taiwan	Energy technology service	36,000	-	3,600,000	5.00	36,522	10,397	-	1、3
Solomon Goldentek Display Corp.	Goldentek Display System (BVI) Co., Ltd.	British Virgin Islands	Production and sale of LCDs and modules	423,146	863,143	12,387,686	99.61	423,535	52,640	-	2、3
Solomon Goldentek Display Corp.	Futek Trading Co., Ltd.	British Virgin Islands	Entrepot trade	14,406	14,406	1,050,000	100.00	384	(8,081)	-	2、3
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	3,355	(35,068)	-	1、3
Solomon Goldentek Display Corp.	Solomon Goldentek Display (Hong Kong) Corp.	Hong Kong	Entrepot trade	2,175	2,175	500,000	100.00	384	(8,081)	-	1、3
Solomon Goldentek Display (Dong Guan) Ltd.	Goldentek Smart International Limited	Hong Kong	Production and sale of LCDs and modules and investment business	-	162,125	-	-	-	-	-	1、3

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

SOLOMON Technology Corporation and Subsidiaries
Information of Investments in Mainland China – Basic Information
January 1 to December 31, 2022

Table 8

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: Remitted	Amount of investments remitted or recovered in the current period: Recovered	Accumulated amount of investments remitted from Taiwan at end of current period	Gain 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 (Note 3)	Carrying amount of investments at end of period	Investment gain received as of the current period	Remarks
Solomon Goldentek Display (Dong Guan) Ltd.	Production and sale of new types of LCDs and modules	$ 161,760	1	$ 563,976	$ -	$459,085	$ 104,891	$ 23,283	99.61	$ 23,192	$ 423,489	$ -	
Solomon Shenzhen	International trade	11,814	1	11,547	-	-	11,547	(1,456)	100.00	(1,456)	6,461	-	
Yumon International	International trade	208,828	1	65,956	-	-	65,956	20,337	100.00	20,337	179,768	-	
Zhuhai Wan Jia	Manufacturing and sale of magnetic materials	61,420	1	4,497	-	-	4,497	-	7.65	-	-	-	
Tien Yun Technology (Suzhou)	Microphones, LCD cables	9,213	2	-	-	-	-	-	30.00	-	-	-	Note 2

Note 1: Investment methods are classified into the following two categories. It is only necessary to mark the type:
(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: The subsidiary Solomon Cayman invested US$90 thousand from its own funds in Soundtek Ltd. in Mainland China.
Note 3: The gain or loss was valuated based on the financial statements for the same period reviewed by the parent company's CPA.
Note 4: 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.

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 as required by the Investment Commission, MOEA
SOLOMON Technology Corporation	$ 614,867	$ 912,070	$ 3,197,134

Note 1: The data of Dong Guan Goldentek was reported by Solomon Goldentek Display. The listed figure includes the information of the company.
Note 2: The limit was calculated based on the Company's net equity value without consideration of the investments of Solomon Goldentek Display.

SOLOMON Technology Corporation and Subsidiaries
Information of Major Shareholders
December 31, 2022

Table 9

	Shares	
Name of major shareholders	Number of shares held	Shareholding percentage
Chen Cheng-Lung	15,733,057	9.17
Chen Lu Su-Yue	13,958,843	8.14
Chen Jan-Sun	9,481,377	5.52
Xin Li Investment Corp.	9,235,114	5.38