Stock Code: 3607

Coxon Precise Industrial Co., Ltd.

Parent Company Only Financial Statements and Independent Auditors' Report

For the years ended 2023 and 2022

Address: No. 48, Ln. 1274, Zhongzheng Rd., Zhongli Dist.,
Taoyuan City, Taiwan (R.O.C.)
Tel: (03)4252153

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

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Auditor's Report

To: Coxon Precise Industrial Co., Ltd.

Opinions

We have audited the accompanying parent company only balance sheets of Coxon Precise Industrial Co., Ltd.(the "Company") as of December 31, 2023 and 2022 and the relevant parent company only statements of comprehensive income, changes in equity and cash flows for the years then ended, and relevant notes to the parent company only financial statements (including a summary of significant accounting policies).

In our opinion, the accompanying Parent Company Only Financial Statements present fairly, in all material respects, the parent company only financial position of Coxon Precise Industrial Co., Ltd. as of December 31, 2023 and 2022, and its parent company only financial performance and its parent company only cash flows for January 1 to December 31, 2023 and 2022.

Basis for Opinion

We conducted our audits in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and auditing standards. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Parent Company Only Financial Statements section of our report. We are independent of Coxon Precise Industrial Co., Ltd. in accordance with The Norm of Professional Ethics for Certified Public Accountant of the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. Based on our audit results and other auditor's reports, we believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Parent Company Only Financial Statements of the Company for the year ended December 31, 2023. The matters were addressed in the context of our audit of the Parent Company Only Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on the matters.

The key audit matters of the parent company only financial statements of the Company for 2023 are as follows:

Key Audit Matters: Revenue Recognition of Triangular Trade

The operating revenue of the Company for 2023 was NTD 822,778 thousand. Based on the consideration of the materiality of the financial statements and the auditing standard bulletin, the revenue recognition was preset as a significant risk. The revenue of Coxon Precise Industrial Co., Ltd. was generated from triangular trade occurred when production which manufactured in South China and shipped directly to customers. We considered the occurrence of revenue describes as above as a key audit matter. Please refer to Notes 4 and 19 in the parent company only financial statements.

Our key audit procedures performed in respect of the operating revenue recognition included the following:

1. We understood, evaluated and tested the effectiveness of the design and implementation of internal control system that is related to revenue recognition.
2. We obtained the details of triangular trade for the year ended December 31, 2023 and we sampled and tested the selected transactions with their original purchase orders and delivery orders, and we compared the amounts to their respective accounts; in addition, we also sampled and tested delivery orders and relative authentications in South China within to ensure the occurrence of the sales.
3. We obtained the sales returns details of triangular trade for the subsequent period, sampled and tested the related sales return supporting documents and reviewed the reasonableness of the occurrence of such sales returns.

Responsibilities of Management and Those Charged with Governance for the Parent Company Only Financial Statements

Management is responsible for the preparation and fair presentation of the Parent Company Only Financial Statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and IFRS, IAS, IFRIC and SIC endorsed and issued into effect by the FSC of the Republic of China, and for such internal control as management determines is necessary to enable the preparation of Parent Company Only Financial Statements that are free from material misstatement, whether due to fraud or error.

In preparing the Parent Company Only Financial Statements, management is responsible for assessing the ability of Coxon Precise Industrial Co., Ltd. to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate Coxon Precise Industrial Co., Ltd. or to cease operations, or has no realistic alternative but to do so.

Those charged with governance, including the audit committee, are responsible for overseeing the financial reporting process of Coxon Precise Industrial Co., Ltd.

Auditors' Responsibilities for the Audit of the Parent Company Only Financial Statements

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

As part of an audit in accordance with the auditing standards in the Republic of China, we exercise professional judgment and professional skepticism throughout the audit. We also:

1. Identify and assess the risks of material misstatement of the Parent Company Only Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control of Coxon Precise Industrial Co., Ltd.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of Coxon Precise Industrial Co., Ltd. to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the Parent Company Only Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause Coxon Precise Industrial Co., Ltd. to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the Parent Company Only Financial Statements, including the disclosures, and whether the Parent Company Only Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

6. Obtain sufficient and appropriate audit evidence regarding the financial information of entities or business activities within Coxon Precise Industrial Co., Ltd. to express an opinion on the Parent Company Only Financial Statements. We are responsible for the direction, supervision and performance of the audit of Coxon Precise Industrial Co., Ltd. We remain solely responsible for our audit opinion.

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

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

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

The engagement partners on the audit resulting in this independent auditors' report are Ming-Chung Hsieh and Pan-Fa Wang.

Deloitte & Touche
Taipei, Taiwan
Republic of China
March 14, 2024

Notice to Readers

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

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

(English Translation of Parent Company Only Financial Statements Originally Issued in Chinese)
Coxon Precise Industrial Co., Ltd.
Parent Company Only Balance Sheet
December 31, 2023 and 2022

Units: NT$thousand

Accounting code	Assets	December 31, 2023 Amount	%	December 31, 2022 Amount	%
	Current Asset				
1100	Cash and cash equivalents (Notes 6 and 24)	$ 183,407	8	$ 161,463	7
1120	Financial assets at fair value through other comprehensive income - current (Notes 7 and 24)	30,006	2	35,243	2
1136	Financial assets at amortized cost - current (Notes 8 and 24)	196,305	9	220,720	9
1170	Trade receivables (Notes 9, 19, and 24)	236,596	11	193,954	8
1200	Other receivables (Notes 9, 24, and 25)	3,568	-	3,131	-
1220	Current tax assets (Note 21)	890	-	16	-
130X	Inventory (Note 10)	6,027	-	10,879	-
1479	Other Current Asset	810	-	2,240	-
11XX	Total current assets	657,609	30	627,646	26
	Non-current assets				
1517	Financial assets at fair value through other comprehensive income - non-current (Notes 7 and 24)	8,010	-	14,452	1
1550	Investments accounted for using the equity method (Note 11)	1,454,070	65	1,628,540	69
1600	Property, plant and equipment (Notes 12 and 25)	99,484	5	104,857	4
1780	Intangible assets	1,734	-	1,154	-
1915	Prepaid equipment payment	10	-	1,585	-
15XX	Total non-current assets	1,563,308	70	1,750,588	74
1XXX	Total Assets	$ 2,220,917	100	$ 2,378,234	100
Accounting code	**Liabilities and Equity**				
	Current liabilities				
2130	Contract liabilities - current (Note 19)	$ 15	-	$ 2,574	-
2150	Notes payable (Notes 14 and 24)	-	-	525	-
2170	Trade payables for non-related parties (Notes 14 and 24)	177,476	8	156,041	7
2180	Trade payables for related parties (Notes 14, 24 and 25)	180,057	8	152,962	6
2213	Payables for equipment (Note 24)	42	-	2,752	-
2219	Other payables - others (Notes 15 and 24)	15,308	1	16,815	1
2250	Provisions - current (Note 16)	2,117	-	1,894	-
2300	Other current liabilities	-	-	4	-
21XX	Total current liabilities	375,015	17	333,567	14
	Non-current liabilities				
2570	Deferred tax liabilities (Note 21)	5,945	-	5,805	-
2640	Net defined benefit liabilities (Note 17)	10,960	1	12,046	1
25XX	Total non-current liabilities	16,905	1	17,851	1
2XXX	Total liabilities	391,920	18	351,418	15
	Equity (Note 18)				
	Share capital				
3110	Ordinary shares	1,216,622	55	1,216,622	51
3200	Capital surplus	1,424,762	64	1,806,253	76
3350	Accumulated deficits	(43,642)	(2)	(259,881)	(11)
3490	Other equity	(768,745)	(35)	(736,178)	(31)
3XXX	Total equity	1,828,997	82	2,026,816	85
	Total liabilities and equity	$ 2,220,917	100	$ 2,378,234	100

The accompanying notes are an integral part of the parent company only financial statements.

(English Translation of Parent Company Only Financial Statements Originally Issued in Chinese)
Parent Company Only Statement of Comprehensive Income
January 1 to December 31, 2023 and 2022

Units: NT$thousand, except losses per share

Accounting code		2023 Amount	2023 %	2022 Amount	2022 %
4000	Net operating revenue (Note 19)	$ 822,778	100	$ 617,997	100
5000	Operating costs (Notes 10, 20 and 25)	(787,007)	(95)	(580,957)	(94)
5900	Operating profits	35,771	5	37,040	6
	Operating expenses (Notes 9 and 20)				
6100	Selling and marketing expenses	(4,154)	(1)	(3,537)	(1)
6200	Administrative expenses	(33,299)	(4)	(26,973)	(4)
6300	Research and development expenses	(1,281)	-	(1,712)	-
6450	Expected credit gain	93	-	154	-
6000	Total operating expenses	(38,641)	(5)	(32,068)	(5)
6900	Net operating profit (loss)	(2,870)	-	4,972	1
	Non-operating income and expenses (Notes 20 and 25)				
7100	Interest income	10,795	1	1,742	-
7020	Other gains and losses	4,207	1	(20,730)	(3)
7050	Finance costs	-	-	(1)	-
7070	Share of loss of associates and joint ventures	(56,253)	(7)	(251,817)	(41)
7000	Total non-operating income and expenses	(41,251)	(5)	(270,806)	(44)
7900	Loss before income tax	(44,121)	(5)	(265,834)	(43)
7950	Income tax expense (Note 21)	(94)	-	(5,453)	(1)
8200	Net loss for the year	(44,215)	(5)	(271,287)	(44)

(continued)

(continued)

Accounting code		2023 Amount	2023 %	2022 Amount	2022 %
	Other comprehensive loss (Notes 17 and 18)				
8310	Items that may not be reclassified subsequently to profit or loss:				
8311	Exchange differences on translating foreign operations	$ 573	-	$ 11,406	2
8316	Unrealized Gain (Loss) on Equity Instruments at Fair Value Through Other Comprehensive Income	(11,679)	(1)	(27,761)	(4)
8360	Items that may be reclassified subsequently to profit or loss:				
8361	Exchange differences on translating foreign operations	(20,888)	(3)	56,581	9
8300	Other comprehensive income/loss for the year, net of income tax	(31,994)	(4)	40,226	7
8500	Total Comprehensive Loss for the Year	($ 76,209)	(9)	($ 231,061)	(37)
	Loss Per Share (Note 22)				
	From continuing operations				
9710	Basic	($ 0.36)		($ 2.23)	

The accompanying notes are an integral part of the parent company only financial statements.

(English Translation of Parent Company Only Financial Statements Originally Issued in Chinese)
Coxon Precise Industrial Co., Ltd.
Parent Company Only Statement of Changes in Equity
January 1 to December 31, 2023 and 2022

Units: NT$thousand

		Share capital			Retained earnings	Other equity		
Accounting code		Number of shares (thousand shares)	Ordinary shares	Capital surplus	Accumulated deficits	Exchange differences on translating foreign operations	Unrealized gain (loss) on financial assets at fair value through other comprehensive income	Total equity
A1	Balance at January 1, 2022	121,662	$ 1,216,622	$ 2,161,467	($ 233,552)	($ 721,413)	($ 75,011)	$ 2,348,113
C11	Capital surplus used to compensate deficit	-	-	(233,552)	233,552	-	-	-
C15	Cash dividend distributed from capital surplus	-	-	(121,662)	-	-	-	(121,662)
M3	Disposal of subsidiaries	-	-	-	-	31,426	-	31,426
D1	Net loss for the year ended December 31, 2022	-	-	-	(271,287)	-	-	(271,287)
D3	Other comprehensive income (loss) for the year ended December 31, 2022	-	-	-	11,406	56,581	(27,761)	40,226
D5	Total comprehensive income (loss) for the year ended December 31, 2022	-	-	-	(259,881)	56,581	(27,761)	(231,061)
Z1	Balance at December 31, 2022	121,662	1,216,622	1,806,253	(259,881)	(633,406)	(102,772)	2,026,816
C11	Capital surplus used to compensate deficit	-	-	(259,881)	259,881	-	-	-
C15	Cash dividend distributed from capital surplus	-	-	(121,662)	-	-	-	(121,662)
C17	Profit from exercising the vesting rights	-	-	52	-	-	-	52
D1	2023 net loss	-	-	-	(44,215)	-	-	(44,215)
D3	Other comprehensive income (loss) for the year ended December 31, 2023	-	-	-	573	(20,888)	(11,679)	(31,994)
D5	Total comprehensive income in 2023	-	-	-	(43,642)	(20,888)	(11,679)	(76,209)
Z1	Balance at December 31, 2023	121,662	$ 1,216,622	$ 1,424,762	($ 43,642)	($ 654,294)	($ 114,451)	$ 1,828,997

The accompanying notes are an integral part of the parent company only financial statements.

(English Translation of Parent Company Only Financial Statements Originally Issued in Chinese)
Coxon Precise Industrial Co., Ltd.
Parent Company Only Cash Flow Statement
January 1 to December 31, 2023 and 2022

Units: NT$thousand

Accounting code		2023	2022
	Cash Flows from Operating Activities		
A10000	Loss before income tax	($ 44,121)	($ 265,834)
A20010	Profit/loss		
A20100	Depreciation expenses	9,352	9,461
A20200	Amortization expenses	1,052	1,176
A20300	Profit as a reversal of expected credit losses	(93)	(154)
A20900	Finance costs	-	1
A21200	Interest income	(10,795)	(1,742)
A21300	Dividend income	(643)	(935)
A22400	Share of income/loss of associates and joint ventures	56,253	251,817
A22500	Losses on disposal and scrapping of property, plant and equipment	(1,071)	254
A22600	Impairment loss of property, plant and equipment	-	842
A23200	Loss on disposal of investments accounted for using the equity method	-	31,426
A23700	Loss for market price decline and obsolete (gain from price recovery of inventory)	(1,400)	3,417
A24100	Unrealized foreign currency exchange losses	3,292	2,844
A30000	Changes in operating assets and liabilities		
A31150	Trade receivables	(52,982)	(4,771)
A31180	Other receivables	60	(623)
A31200	Inventory	6,252	653
A31240	Other Current Asset	1,430	(1,648)
A32125	Contract liabilities - current	(2,559)	(2,889)
A32130	Notes payable	(525)	514
A32150	Trade payables	61,815	(76,011)
A32180	Other payables	(1,507)	134
A32200	Provisions	223	(1,933)
A32230	Other current liabilities	(4)	4
A32240	Net defined benefit liabilities	(513)	(9,367)
A33000	Cash generated (outflow) from operations	23,516	(63,364)
A33100	Interest received	10,298	1,677
A33200	Dividends received	643	935

(continued)

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Accounting code		2023	2022
A33300	Interest paid	$ -	($ 1)
A33500	Income tax received	(828)	13
AAAA	Net cash inflow (outflow) from operating activities	33,629	(60,740)
	Cash Flows from Investing Activities		
B00040	Purchase of financial assets at amortized cost	(81,421)	(183,220)
B00050	Proceeds from disposal of financial assets at amortized cost	105,836	2,500
B02300	Net cash inflow on disposal of subsidiaries	-	131,244
B02400	Proceeds from capital reduction in investees using the equity method	91,185	-
B02700	Payments for property, plant and equipment	(5,338)	(311)
B02800	Disposal of property, plant and equipment	1,295	115
B07100	Increase in prepayment of equipment	-	(1,585)
B04500	Payments for intangible assets	(1,632)	(1,474)
BBBB	Net cash inflows (outflows) from investing activities	109,925	(52,731)
	Cash Flows from Financing Activities		
C04020	Repayment of principal of lease liabilities	-	(436)
C04500	Cash distributions from capital surplus	(121,662)	(121,662)
C09900	Exercise of vesting rights	52	-
CCCC	Net cash used in financing activities	(121,610)	(122,098)
EEEE	Net increase (decrease) in cash and cash equivalents	21,944	(235,569)
E00100	Cash and cash equivalents at the beginning of the year	161,463	397,032
E00200	Cash and cash equivalents at the end of the year	$ 183,407	$ 161,463

The accompanying notes are an integral part of the parent company only financial statements.

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

I. General Information

Coxon Precise Industrial Co., Ltd. (the "Company") was incorporated in the Republic of China (ROC) in June 1989. The Company mainly manufactures, packages and sells all kinds of molds, metal and plastic components; develops, manufactures, and sells all kinds of electronics, motors and components, imports and exports the above mentioned products and raw materials, and makes relevant investments. The Company's shares were previously listed on the Taipei Exchange (formerly the Taiwan GreTai Securities Market) since January 2008 and has now been listed on the Taiwan Stock Exchange (TWSE) since October 28, 2009.

The parent company only financial statements of the Company, are presented in the Company's functional currency, New Taiwan dollars.

II. Approval of Dates and Procedures of Financial Statements

The parent company only financial statements were approved by the board of directors and authorized for issue on March 14, 2024.

III. Application of New, Amended and Revised Standards and Interpretations

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

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

(II) The IFRSs endorsed by Financial Supervisory Commission (FSC) for application starting from 2024

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

Note 1: Unless stated otherwise, the above new, amended and revised standards and interpretations are effective for annual reporting periods beginning on or after their respective effective dates.

Note 2: The seller-lessee shall apply the amendments retrospectively to the requirements for sale and leaseback transactions in IFRS 16 after the date of initial application of IFRS 16.

Note 3: Partial exemption from disclosure requirements upon first application of these amendments.

As of the date the parent company only financial statements were reported to the board of directors for issue, the Company has assessed that the application of above standards and interpretations will not have a material impact on the Company's financial position and financial performance.

(III) New IFRSs in issue by IASB but not yet endorsed and issued into effect by the FSC

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

Note 1: Unless stated otherwise, the above new, amended and revised standards and interpretations are effective for annual reporting periods beginning on or after their respective effective dates.

Note 2: Applicable to annual reporting periods beginning on or after January 1, 2025. When the amendment is applied for the first time, the effect is recognized in the retained earnings on the date of initial application. When the Company uses a non-functional currency as the presentation currency, it will affect the exchange differences of foreign operations under equity on the date of initial application.

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

IV. Summary of Significant Accounting Policies

(I) Statement of compliance

The parent company only financial statements have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

(II) Basis of preparation

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

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

1. Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.
2. Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for an asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).
3. Level 3 inputs are unobservable inputs for an asset or liability.

For the preparation of the parent company only financial report, the Company adopts the equity method for investments on subsidiaries, affiliates and joint-venture interests. Taking into account the comparative difference between parent company only and consolidated financials, for the current year's profit and loss, other comprehensive income and equity in this parent company only financial report to be equivalent to those attributable to the owners of the company in the consolidated financial report, the related equity items shall be adjusted, including the "investments using the equity method", "share of profit/loss of subsidiaries, associates and joint ventures using the equity method", "share of other comprehensive income of subsidiaries, associates and joint ventures using the equity method".

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

Current assets include:

1. Assets held primarily for the purpose of trading;
2. Assets expected to be realized within 12 months after the reporting period; and
3. Cash and cash equivalents (unless the asset is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period).

Current liabilities include:

1. Liabilities held primarily for the purpose of trading;
2. Liabilities due to be settled within 12 months after the reporting period (even if an agreement to refinance, or to reschedule payments, on a long-term basis is completed after the reporting period and before the parent company only financial statements are authorized for issue); and
3. Liabilities for which the Company does not have an unconditional right to defer settlement for at least 12 months after the reporting period. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

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

(IV) Foreign currencies

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

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

Assets and liabilities are translated at the exchange rates prevailing at the end of the reporting period; and income and expense items are translated at the average exchange rates for the year. However, where fair value movements are recognized in other comprehensive income, the resulting currency translation differences are also recognized in other comprehensive income.

Non-monetary items that are measured at historical cost in a foreign currency are translated using the exchange rate at the date of the transaction (i.e., not retranslated).

On the disposal of the Company's entire interest in a foreign operation, or a disposal involving the loss of control over a subsidiary that includes a foreign operation, or a partial disposal of an interest in a joint arrangement or an associate that includes a foreign operation of which the retained interest becomes a financial asset, all of the exchange differences accumulated in equity in respect of that operation are reclassified to profit or loss.

In relation to a partial disposal of a subsidiary that does not result in the Company losing control over the subsidiary, the proportionate share of accumulated exchange differences is re-attributed to the non-controlling interests of the subsidiary but is not recognized in profit or loss. For all other partial disposals, the proportionate share of the accumulated exchange differences recognized in other comprehensive income is reclassified to profit or loss.

(V) Inventory

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

(VI) Investments in associates

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

An associate is an entity over which the Company has significant influence.

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

Changes in the Company's ownership interests in subsidiaries that do not result in the Company losing control over the subsidiaries are accounted for as equity transactions. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognized directly in equity.

When the Company's share of losses of an associate equals or exceeds its interest in that associate (which includes any carrying amount of the investment accounted for using the equity method and long-term interests that, in substance, form part of the Company's net investment in the associate), the Company discontinues recognizing its share of further losses.

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

The entire carrying amount of an investment is tested for impairment as a single asset by comparing its recoverable amount with its carrying amount. Any reversal of that impairment loss is recognized to the extent that the recoverable amount of the investment subsequently increases. The increased carrying amount of an asset attributable to a reversal of an impairment loss shall not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset in prior periods. An impairment loss recognized on goodwill cannot be reversed in a subsequent period.

When the Company loses control of a subsidiary, it recognizes the investment retained in the former subsidiary at its fair value at the date when control is lost. The difference between the fair value of the retained investment plus any consideration received and the carrying amount of previous investment at the date when control is lost is recognized as a gain or loss in profit or loss. In addition, the Company accounts for all amounts previously recognized in other comprehensive income in relation to that subsidiary on the same basis as would be required if the Company had directly disposed of the related assets or liabilities.

Unrealized profits or losses on downstream transactions with subsidiaries are eliminated in the parent company only financial statements. Profits and losses on transactions with subsidiaries other than downstream are recognized in parent company only financial statements only to the extent of interests in the subsidiary that are not related to the Company.

(VII) Property, plant and equipment

Property, plant and equipment including assets held under finance leases and bearer plants are measured at cost less accumulated depreciation and accumulated impairment loss.

Depreciation of property, plant and equipment is recognized using the straight-line method. Each significant part is depreciated separately. The Company conducts at least one annual review at the end of each year to assess the estimated useful life, residual value, and depreciation methods, and applies the effect of changes in applicable accounting estimates prospectively.

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

(VIII) Intangible assets

1. Intangible assets acquired separately

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

2. Derecognition of intangible assets

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

(IX) Impairment of property, plant and equipment, right-of-use asset, intangible assets, and assets related to contract costs.

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

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually and whenever there is an indication that the assets may be impaired.

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

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

(X) Financial instruments

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

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

1. Financial assets

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

(1) Measurement categories

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

A. Financial assets at amortized cost

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

a. The financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
b. The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Subsequent to initial recognition, financial assets at amortized cost (including cash and cash equivalents, trade receivables at amortized cost, and financial assets at amortized cost - current) are measured at amortized cost, which equals the gross carrying amount determined using the effective interest method less any impairment loss. Exchange differences are recognized in profit or loss.

Interest income is calculated by applying the effective interest rate to the gross carrying amount of such a financial asset, except for:

a. Purchased or originated credit-impaired financial assets, for which interest income is calculated by applying the credit adjusted effective interest rate to the amortized cost of such financial assets.
b. Financial assets that are not credit impaired on purchase or origination but have subsequently become credit impaired, for which interest income is calculated by applying the effective interest rate to the amortized cost of such financial assets in subsequent reporting periods.

Cash equivalents include time deposits with original maturities within 3 months from the date of acquisition, which are highly liquid, readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value. These cash equivalents are held for the purpose of meeting short-term cash commitments.

B. Investments in Equity Instruments at Fair Value Through Other Comprehensive Income

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

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

Dividends on these investments in equity instruments are recognized in profit or loss when the Company's right to receive the dividends is established, unless the dividends clearly represent a recovery of part of the cost of the investment.

(2) Impairment of financial assets

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

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

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

The impairment loss of all financial assets is recognized in profit or loss by a reduction in their carrying amounts through a loss allowance account.

(3) Derecognition of financial assets

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

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount is recognized in profit or loss. On disposal of the investments in equity instruments at fair value through other comprehensive income, the cumulative gain or loss will not be reclassified to profit or loss on disposal of the equity investments; instead, it will be transferred to retained earnings.

2. Financial liabilities

(1) Subsequent measurement

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

(2) Derecognition of financial liabilities

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

(XI) Provisions

Provisions are measured at the best estimate of the discounted cash flows of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. Provisions are measured at the estimate of the discounted cash flows to settle the present obligation.

(XII) Revenue recognition

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

For contracts where the period between the date on which the Company transfers a promised good or service to a customer and the date on which the customer pays for that good or service is one year or less, the Company does not adjust the promised amount of consideration for the effects of a significant financing component.

<u>Revenue from the sale of goods</u>

Revenue from the sale of goods comes from manufacturing, processing, and sales of molds, a parts and plastic molding fixtures. Sales of goods are recognized as revenue when the goods are shipped since it is the time when the customer has full discretion over the manner of distribution and price to sell the goods, has the primary responsibility for sales to future customers and bears the risks of obsolescence. Trade receivables are recognized concurrently. Receipts in advance are recognized as contract liabilities before the goods are shipped.

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

(XIII) Leases

At the inception of a contract, the Company assesses whether the contract is (or contains) a lease.

For a contract that contains a lease component and non-lease components, the Company allocates the consideration in the contract to each component on the basis of the relative stand-alone price and accounts for each component separately.

<u>The Company as lessor</u>

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

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

Right-of-use assets are depreciated using the straight-line method from the commencement dates to the earlier of the end of the useful lives of the right-of-use assets or the end of the lease terms. If ownership of the underlying asset will be acquired by the end of the lease term, or if the cost of the right-of-use asset reflects the exercising of a purchase option, the right-of-use assets are depreciated from the commencement dates to the end of the useful lives of the right-of-use assets.

Lease liabilities are initially measured at the present value of the lease payments (which comprise fixed payments, in-substance fixed payments, variable lease payments which depend on an index or a rate, residual value guarantees, the exercise price of a purchase option if the Company is reasonably certain to exercise that option, and payments of penalties for terminating a lease if the lease term reflects such termination, less any lease incentives receivable). The lease payments are discounted using the interest rate implicit in a lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses the lessee’s incremental borrowing rate.

Subsequently, lease liabilities are measured at amortized cost using the effective interest method, with interest expense recognized over the lease terms. When there is a change in a lease term, a change in the amounts expected to be payable under a residual value guarantee, a change in the assessment of an option to purchase an underlying asset, or a change in future lease payments resulting from a change in an index or a rate used to determine those payments, the Company remeasures the lease liabilities with a corresponding adjustment to the right-of-use-assets. However, if the carrying amount of the right-of-use assets is reduced to zero, any remaining amount of the remeasurement is recognized in profit or loss. Lease liabilities are presented on a separate line in the parent company only balance sheets.

Variable lease payments that do not depend on an index or a rate are recognized as expenses in the periods in which they are incurred.

(XIV) Borrowing costs

Borrowing costs directly attributable to an acquisition, construction or production of qualifying assets are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

Other than that which is stated above, all other borrowing costs are recognized in profit or loss in the period in which they are incurred.

(XV) Employee benefits

1. Short-term employee benefits

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

2. Retirement benefits

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

Defined benefit costs (including service cost, net interest and remeasurement) under defined benefit retirement benefit plans are determined using the projected unit credit method. Service cost, including current service cost and net interest on the net defined benefit liabilities (assets) are recognized as employee benefits expense in the period in which they occur. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling, and the return on plan assets (excluding interest), is recognized in other comprehensive income in the period in which it occurs.

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

3. Other long-term employee benefits

Other long-term employee benefits are accounted for in the same way as the accounting required for defined benefit plans except that remeasurement is recognized in profit or loss.

4. Termination benefits

A liability for a termination benefit is recognized (at the earlier of) when the Company can no longer withdraw the offer of the termination benefit and when the Company recognizes any related restructuring costs.

(XVI) Taxation

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

1. Current tax

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

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

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

2. Deferred tax

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

Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences or loss deduction to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized.

Deferred tax liabilities are recognized for taxable temporary differences associated with investments in subsidiaries and associates, except where the Company is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

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

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

3. Current and deferred taxes for the year

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

V. Major sources of uncertainty in significant accounting judgments, estimates and assumptions

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

When the Company develops significant accounting estimates, it will be included in the consideration of cash flow estimates, growth rates, discount rates, profitability, and other relevant major estimates. Management will continue to review the estimates and basic assumptions.

VI. Cash and cash equivalents at the end of the year

	December 31, 2023	December 31, 2022
Cash and Cash Equivalents	$ 100	$ 222
Checking accounts and demand deposits	53,271	100,606
Cash equivalents (investments with original maturities of 3 months or less)		
Time deposits	130,036	60,635
	$ 183,407	$ 161,463

As of December 31, 2023 and 2022, the time deposit interest rates ranged from 3.05% to 5.5% and 0.91% to 3.13%, respectively.

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

	December 31, 2023	December 31, 2022
Current		
Foreign investments		
Listed shares and emerging market shares		
Fuji Seiki Co., Ltd.	$ 30,006	$ 35,243
Unlisted shares		
Halo Neuro Inc.	-	-
	$ 30,006	$ 35,243
Non-current		
Domestic investments		
Unlisted shares		
Simpla Biotech Co., Ltd.	$ -	$ 6,535
Cimforce International Limited	-	-
Kin Tin Optotronic Co., Ltd.	-	-
Foreign investments		
Unlisted shares		
CGK International Co., Ltd.	8,010	7,917
Total	$ 8,010	$ 14,452

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

VIII. Financial assets at amortized cost

	December 31, 2023	December 31, 2022
Current		
Domestic investments		
Time deposits with original maturities of more than three months	$ 196,305	$ 220,720

As of December 31, 2023 and 2022, the interest rate ranges for time deposits with original maturities over 3 months were 1.31% to 5% and 0.795% to 3.63% per annum, respectively.

IX. Trade Receivables and Other Receivables

	December 31, 2023	December 31, 2022
Trade receivables		
Trade receivables - unrelated parties	$ 236,608	$ 194,059
Less: Allowance for impairment loss	(12)	(105)
	$ 236,596	$ 193,954
Other receivables		
Others	$ 682	$ 101
Other receivables - related parties	2,886	3,030
	$ 3,568	$ 3,131

(I) Trade receivables at amortized cost

In order to minimize credit risk, the management of the Company has delegated a team responsible for determining credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue debts. In addition, the Company reviews the recoverable amount of each individual trade debt at the end of the reporting period to ensure that adequate allowance is made for possible irrecoverable amounts. In this regard, the management believes the Company's credit risk was significantly reduced.

The Company measures the loss allowance for trade receivables at an amount equal to lifetime ECLs. The expected credit losses on trade receivables are estimated using a provision matrix prepared by reference to the past default experience of the customer, the customer's current financial position, economic condition of the industry in which the customer operates, as well as the GDP forecasts and industry outlook. As the Company's historical credit loss experience does not show significantly different loss patterns for different customer segments, the provision for loss allowance based on past due status is not further distinguished according to the Company's different customer base.

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

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

2023

	Trade receivables					Overdue receivables
	Not past due	Overdue 0 to 30 days	Overdue 31 to 90 days	Overdue 91 to 180 days	Total	Overdue over 180 days
Gross carrying amount	$ 231,546	$ 4,960	$ 102	$ -	$ 236,608	$ -
Loss allowance (lifetime ECL)	-	(6)	(6)	-	(12)	-
Amortized cost	$ 231,546	$ 4,954	$ 96	$ -	$ 236,596	$ -

2022

	Trade receivables					Overdue receivables
	Not past due	Overdue 0 to 30 days	Overdue 31 to 90 days	Overdue 91 to 180 days	Total	Overdue over 180 days
Gross carrying amount	$ 191,345	$ 2,565	$ 149	$ -	$ 194,059	$ -
Loss allowance (lifetime ECL)	(58)	(14)	(33)	-	(105)	-
Amortized cost	$ 191,287	$ 2,551	$ 116	$ -	$ 193,954	$ -

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

	2023	2022
Balance at January 1	$ 105	$ 259
Less: Reversal impairment loss	(93)	(154)
Balance at December 31	$ 12	$ 105

X. Inventory

	December 31, 2023	December 31, 2022
Raw materials	$ 1,414	$ 2,150
Work in progress (including molds)	2,201	5,623
Finished goods	2,412	3,106
	$ 6,027	$ 10,879

The cost of inventories recognized as cost of goods sold for the years ended December 31, 2022 and 2022 was NTD 787,007 thousand and NTD 580,957 thousand, respectively. Cost of goods sold included a gain on reversal of inventories of NTD 1,400 thousand and a loss on inventory valuation of NTD 3,417 thousand, respectively.

As of December 31, 2023 and 2022, the allowance for decline in value of inventories amounted to NTD 2,309 thousand and NTD 7,547 thousand, respectively.

XI. Investments accounted for using the equity method

Investments in associates

	December 31, 2023	December 31, 2022
Unlisted company		
Coxon Industry Ltd.	$ 493,812	$ 38,637
Cheng Yee Enterprise Co. Ltd.	913,427	1,548,825
Plenty Link Technology Co., Ltd.	46,831	41,078
	$ 1,454,070	$ 1,628,540

	Percentage of Ownership Interest and Voting Rights	
Name of Associate	December 31, 2023	December 31, 2022
Unlisted company		
Sun Can International Ltd.	-	-
Coxon Industry Ltd.	100%	100%
Cheng Da Industry Co., Ltd.	-	-
Cheng Yee Enterprise Co. Ltd.	100%	100%
Plenty Link Technology Co., Ltd.	65%	65%

The liquidation of Cheng Da Enterprise Co., Ltd. and Sun Can International Ltd. were resolve by the Company's board of directors on August 25, 2022 and November 15, 2022, respectively.

The indirect investment of the subsidiaries under the equity method referred to above have been disposed of on March 17, 2023. As of December 31, 2022, the carrying value of the investment under the equity method was NTD 2,625 thousand. The share of loss of the associates accounted for under the equity method, were NTD 134 thousand and NTD 203 thousand, respectively. Among the indirectly owned associates of the above-mentioned subsidiaries, the investment of Wuhan Resin-Hill Co., Ltd. in 2023 and 2022 are calculated based on the unaudited financial results. However, the Company's management believes that there will not be any significant adjustments after the above-mentioned financial reports for 2023 and 2022 have been audited by CPAs. Please refer to Notes 12 and 13 in the consolidated financial report for the Company's share of profit or loss and other comprehensive income from investments in associates using the equity method.

XII. Property, plant and equipment

	Freehold Land	Buildings	Machinery	Transportation Equipment	Office Equipment	Other Equipment	Total
Cost							
Balance at January 1, 2023	$ 79,244	$ 101,399	$ 173,805	$ 12,199	$ 29,953	$ 10,509	$ 407,109
Additions	-	-	1,061	-	2,930	212	4,203
Disposals	-	-	(6,945)	(985)	(12,204)	-	(20,134)
Balance at December 31, 2023	$ 79,244	$ 101,399	$ 167,921	$ 11,214	$ 20,679	$ 10,721	$ 391,178
Accumulated depreciation and impairment							
Balance on January 1, 2023	$ 18,812	$ 75,678	$ 157,006	$ 12,199	$ 28,359	$ 10,198	$ 302,252
Depreciation expenses	-	1,144	6,995	-	962	251	9,352
Disposals	-	-	(6,721)	(985)	(12,204)	-	(19,910)
Balance at December 31, 2023	$ 18,812	$ 76,822	$ 157,280	$ 11,214	$ 17,117	$ 10,449	$ 291,694
Net as of December 31, 2023	$ 60,432	$ 24,577	$ 10,641	$ -	$ 3,562	$ 272	$ 99,484
Cost							
Balance at January 1, 2022	$ 79,244	$ 101,399	$ 178,503	$ 17,039	$ 28,388	$ 10,509	$ 415,082
Additions	-	-	2,849	-	84	-	2,933
Disposals	-	-	(7,547)	(4,840)	-	-	(12,387)
Reclassification	-	-	-	-	1,481	-	1,481
Balance at December 31, 2022	$ 79,244	$ 101,399	$ 173,805	$ 12,199	$ 29,953	$ 10,509	$ 407,109

(continued)

(continued)

	Freehold Land	Buildings	Machinery	Transportation Equipment	Office Equipment	Other Equipment	Total
Accumulated depreciation and impairment							
Balance at January 1, 2022	$ 18,812	$ 74,533	$ 156,822	$ 16,656	$ 27,094	$ 9,700	$ 303,617
Depreciation expenses	-	1,145	6,520	383	771	498	9,317
Disposals	-	-	(7,178)	(4,840)	-	-	(12,018)
Impairment loss	-	-	842	-	-	-	842
Reclassification	-	-	-	-	494	-	494
Balance at December 31, 2022	$ 18,812	$ 75,678	$ 157,006	$ 12,199	$ 28,359	$ 10,198	$ 302,252
Net value at December 31, 2022	$ 60,432	$ 25,721	$ 16,799	$ -	$ 1,594	$ 311	$ 104,857

The depreciated expenses are based on a straight-line basis over the estimated useful life of the asset:

Buildings	
Main buildings	10-50 years
Electric equipment	10-20 years
Engineering systems	10-20 years
Machinery	1-9 years
Transportation Equipment	5-6 years
Office Equipment	1-8 years
Other Equipment	2-20 years

XIII. Lease Agreements

(I) Rights-of-use assets

	2023	2022
Reclassification of right-of-use assets	$ -	($ 987)
Depreciation charge for right-of-use assets	$ -	$ 144

(II) Other lease information

	2023	2022
Total cash (outflow) for leases	$ -	($ 437)

XIV. Notes and trade payables

	December 31, 2023	December 31, 2022
Notes payables - unrelated parties		
Operating	$ -	$ 525
Trade payables - operating		
Unrelated party	$ 177,476	$ 156,041
Related party	180,057	152,962
	$ 357,533	$ 309,003

Trade payables were paid according to the condition of contract or billings from the suppliers. The Company has financial risk management policies in place to ensure that all payables are paid within the pre-agreed credit terms.

XV. Other payables

	December 31, 2023	December 31, 2022
Current		
Other payables		
Salaries or bonuses	$ 6,034	$ 6,995
Payable for processing fees	714	377
Others	8,560	9,443
	$ 15,308	$ 16,815

XVI. Provisions - current

	December 31, 2023	December 31, 2022
Employee benefits	$ 2,117	$ 1,894

The provision for employee benefits represents annual vacations taken by employees.

XVII. Retirement benefit plans

(I) Defined contribution plans

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

(II) Defined benefit plans

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

The amounts included in the consolidated balance sheets in respect of the Company's defined benefit plans were as follows:

	December 31, 2023	December 31, 2022
Present value of defined benefit obligation	$ 51,747	$ 51,196
Fair value of plan assets	(40,787)	(39,150)
Deficit	10,960	12,046
Net defined benefit liabilities	$ 10,960	$ 12,046

Movements in net defined benefit liabilities were as follows:

	Present value of defined benefit obligation	Fair value of plan assets	Net defined benefit liabilities
January 1, 2023	$ 51,196	($ 39,150)	$ 12,046
Current service cost	112	-	112
Net interest expense (income)	768	(594)	174
Recognized in profit or loss	880	(594)	286
Remeasurement			
Return on plan assets (excluding amounts included in net interest)	-	(244)	(244)
Actuarial losses - Changes in financial assumptions	1,294	-	1,294
Actuarial gains - experience adjustment	(1,623)	-	(1,623)
Recognized in other comprehensive income	(329)	(244)	(573)
Contributions from the employer	-	(799)	(799)
December 31, 2023	$ 51,747	($ 40,787)	$ 10,960
January 1, 2022	$ 67,266	($ 34,447)	$ 32,819
Current service cost	129	-	129
Net interest expense (income)	420	(219)	201
Recognized in profit or loss	549	(219)	330
Remeasurement			
Return on plan assets (excluding amounts included in net interest)	-	(2,963)	(2,963)
Actuarial gain - changes in financial assumptions	(5,081)	-	(5,081)
Actuarial gains - experience adjustment	(3,362)	-	(3,362)
Recognized in other comprehensive income	(8,443)	(2,963)	(11,406)
Contributions from the employer	-	(9,697)	(9,697)
Benefits paid	(8,176)	8,176	-
December 31, 2022	$ 51,196	($ 39,150)	$ 12,046

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

1. Investment risk: The plan assets are invested in domestic/and foreign/equity and debt securities, bank deposits, etc. The investment is conducted at the discretion of the Bureau or under the mandated management. However, in accordance with relevant regulations, the return generated by plan assets should not be below the interest rate for a 2-year time deposit with local banks.
2. Interest risk: A decrease in the government bond interest rate will increase the present value of the defined benefit obligation; however, this will be partially offset by an increase in the return on the plans' debt investments.
3. Salary risk: The present value of the defined benefit obligation is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the present value of the defined benefit obligation.

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

	December 31, 2023	December 31, 2022
Discount rate	1.250%	1.500%
Expected rate of salary increase	2.000%	2.000%

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

	December 31, 2023	December 31, 2022
Discount rate		
0.25% increase	($ 1,294)	($ 1,337)
0.25% decrease	$ 1,340	$ 1,386
Expected rate of salary increase		
0.25% increase	$ 1,306	$ 1,353
0.25% decrease	($ 1,268)	($ 1,312)

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

	December 31, 2023	December 31, 2022
Expected contributions to the plans for the next year	$ 805	$ 851
Average duration of the defined benefit obligation	10.2 years	10.7 years

XVIII. Equity

(I) Ordinary shares

	December 31, 2023	December 31, 2022
Number of shares authorized (in thousands)	210,000	210,000
Shares authorized	$ 2,100,000	$ 2,100,000
Number of shares issued and fully paid (in thousands)	121,662	121,662
Shares issued	$ 1,216,622	$ 1,216,622

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

There were 12,000 thousand shares of the Company's shares authorized which were reserved for the issuance of employee share options.

(II) Capital surplus

	December 31, 2023	December 31, 2022
May be used to offset a deficit, distributed as cash dividends, or transferred to share capital (Note)		
Issuance of ordinary shares	$ 1,016,466	$ 1,398,009
Conversion of bonds	408,244	408,244
May be used to offset a deficit only		
Profit from exercising the vesting rights	52	-
	$ 1,424,762	$ 1,806,253

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

(III) Retained earnings and dividends policy

Under the dividends policy as set forth in the amended Articles, where the Company made a profit in a fiscal year, the profit shall be first utilized for paying taxes, offsetting losses of previous years, setting aside as a legal reserve 10% of the remaining profit, setting aside or reversing a special reserve in accordance with the laws and regulations, and then any remaining profit together with any undistributed retained earnings shall be used by the Company's board of directors as the basis for proposing a distribution plan, which should be resolved in the shareholders' meeting for the distribution of dividends and bonuses to shareholders. In accordance with Paragraph 5, Article 240 of the Company Act, the Company may authorize the distributable dividends and bonuses in whole or in part may be paid in cash after a resolution has been adopted by a majority vote at a meeting of the board of directors attended by two-thirds of the total number of directors; or distribute its legal reserve and the following capital reserve, in whole or in part by cash according to Paragraph 1, Article 241 of the Company Act; and in addition thereto a report of such distribution shall be submitted to the shareholders' meeting. For the policy on the remuneration of employees and directors as stipulated in the Articles of Incorporation, please refer to Note 20(5) Employees' compensation and remuneration of directors and supervisors.

To ensure that the Company has funds for its present and future expansion plans, the Company prefers to distribute mixed share dividends and cash dividends as shareholders' bonus among which share dividend is distributed from 0% to 50% and cash dividends from 100% to 50%. The distribution policy would be adjusted depending on the operating conditions, industry developments, capital requirement and so forth.

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

When the Company set aside special reserve for the cumulative amount of other equity net ductions in the preceding period, the Company shall set aside corresponding amount of special reserve from the past undistributed retained earnings.

The shareholders' meeting of the Company resolved to offset its deficit from capital surplus of NTD 259,881 thousand on June 27, 2023, and NTD 233,552 thousand on June 14, 2022.

The appropriation of capital surplus to compensate deficit of NTD 43,642 thousand was proposed by the Company's board of directors on March 14, 2024.

The Company's Board of Directors resolved on March 24, 2023 and April 29, 2022 to distribute cash dividends of NTD 121,662 thousand and NTD 121,662 thousand from capital reserves, which were reported at the shareholders meeting on June 27, 2023 and June 14, 2022.

The Company's Board of Directors resolved on March 14, 2024 to distribute cash dividends of NTD 85,164 thousand from capital reserves, which shall be reported at the shareholders meeting on June 27, 2024.

The appropriation of deficit offsetting proposal for 2023 are subject to resolution in the shareholders' meeting to be held on June 27, 2024.

(IV) Other equity

1. Exchange differences on translating foreign operations

	2023	2022
Balance at January 1	($ 633,406)	($ 721,413)
In respect of the current year		
- Exchange differences on translating foreign operations	(20,888)	56,581
Reclassification adjustments		
- Translation of foreign operations	-	31,426
Balance at December 31	($ 654,294)	($ 633,406)

2. Unrealized gain (loss) on financial assets at fair value through other comprehensive income

	2023	2022
Balance at January 1	($ 102,772)	($ 75,011)
Unrealized (loss) gain - equity instruments	(11,679)	(27,761)
Balance at December 31	($ 114,451)	($ 102,772)

XIX. Revenue

	2023	2022
Revenue from contracts with customers		
Plastic components	$ 451,648	$ 284,246
Molds	19,297	38,678
Others	351,833	295,073
	$ 822,778	$ 617,997

Contact Balances

	December 31, 2023	December 31, 2022	January 1, 2022
Trade receivables	$ 236,596	$ 193,954	$ 192,425
Contract liabilities			
Receipts in advance	$ 15	$ 2,574	$ 5,463

For 2023 and 2022, the revenue from contracts with customers transferred from contract liabilities to revenue were NTD 2,574 thousand and NTD 5,463 thousand, respectively.

XX. Net profit from continuing operations

(I) Interest income

	2023	2022
Bank deposits	$ 10,795	$ 1,742

(II) Other (loss) gains

	2023	2022
Net profit (loss) on foreign currency exchange	($ 5,327)	$ 8,499
Miscellaneous income	7,833	2,358
Dividend income	643	935
Losses on disposal and scrapping of property, plant and equipment	1,071	(254)
Impairment loss of property, plant and equipment	-	(842)
Loss on disposal of investments accounted for using the equity method	-	(31,426)
Miscellaneous expenses	(13)	-
	$ 4,207	($ 20,730)

(III) Finance costs

	2023	2022
Interest on lease liabilities	$ -	$ 1

(IV) Depreciation, amortization, and employee benefits expense

	2023			2022		
	Attributable to Operating Costs	Attributable to Operating Expenses	Total	Attributable to Operating Costs	Attributable to Operating Expenses	Total
Short-term employee benefits						
Salary expenses	$ 31,915	$ 14,270	$ 46,185	$ 33,774	$ 13,212	$ 46,986
Employee insurance premiums	3,464	1,769	5,233	3,596	1,774	5,370
Retirement benefits						
Defined contribution plans	1,150	4,691	5,841	1,360	439	1,799
Defined benefit plans (Note 18)	51	235	286	73	257	330
Remuneration for directors	-	1,360	1,360	-	1,180	1,180
Other employee benefits	1,913	878	2,791	1,754	765	2,519
Total employee benefits expense	$ 38,493	$ 23,203	$ 61,696	$ 40,557	$ 17,627	$ 58,184
Depreciation expenses	$ 7,711	$ 1,641	$ 9,352	$ 7,001	$ 2,460	$ 9,461
Amortization expenses	$ -	$ 1,052	$ 1,052	$ -	$ 1,176	$ 1,176

1. As of December 31, 2023 and 2022, there were a total of 76 and 80 employees, respectively, of which there were 4 directors and 4 directors respectively who were non-concurrent employees. The basis of calculation was consistent with the employee benefits expense.
2. The average employee benefits expenses for 2023 and 2022 were NTD 838 thousand and NTD 750 thousand, respectively.
3. The average employee salary expenses for 2023 and 2022 were NTD 641 thousand and NTD 618 thousand, respectively.
4. The average employee salary expenses in 2023 increased by 4% compared to 2022.
5. The remuneration to supervisors in 2022 was NTD 60 thousand. After the Company established the audit committee in June 2022 to replace supervisors' authority and responsibility.
6. Employees' compensation and remuneration of directors and supervisors:
   (1) Directors' Remuneration Policy

   The remuneration for directors shall be distributed by resolution of the board of directors in accordance with Article 30 of the Company's Articles of Incorporation.

   (2) Supervisors' Remuneration Policy

   The remuneration of supervisors is distributed, in accordance with the Company's Articles of Incorporation, by resolution of the board of directors based on the evaluation of the remuneration committee and the remuneration standards of peer companies.

(3) Managerial Officers' Remuneration Policy

The managerial officers' remuneration is based on the Company's Manager Officers' Remuneration Policy and System. In addition to referring to the payment standard of industry peers, the Company also takes into account the individual working hours, the responsibilities the manager undertakes, the achievements of personal goals, and the Company's financial status, as well as evaluating the performance of individual managerial officers for the distribution of managerial officers' remuneration. The remuneration for managerial officers is determined by the Remuneration Committee, and will be distributed by resolution of the board of directors.

(4) Employee compensation policy

The standard for employee compensation is determined with reference to the salary of industry peers, the Company's operating conditions, and organizational structure. It is timely adjusted according to market salary trends, changes in the overall economy and industrial prosperity, and legal compliance.

It also refers to the employee's educational background, professional knowledge and technical skills, seniority and experience, and individual performance.

Bonuses are awarded according to the Company's operating performance and individual employee performance.

(V) Employees' compensation and remuneration of directors and supervisors

The Company accrued employees' compensation and remuneration of directors and supervisors at the rates of between 3% and 12% and no higher than 3%, respectively, of net profit before income tax, employees' compensation and remuneration of directors and supervisors. In 2023 and 2022, losses were incurred. Therefore, the Company estimated the remuneration to employees and the remuneration to directors and supervisors at NTD 0, respectively.

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

There was no difference between the actual amount of remuneration to employees and remuneration to directors and supervisors for 2022 and 2021 and the amount recognized in the parent company only financial statements for 2022 and 2021.

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

XXI. Income Tax Relating to Continuing Operations

(I) Income tax recognized in profit or loss

The major components of tax expense were as follows:

	2023	2022
Current tax		
In respect of the current year	$ -	$ -
Adjustments for prior years' tax	(46)	(3)
Deferred tax		
In respect of the current year	140	5,456
Income tax expense recognized in profit or loss	$ 94	$ 5,453

A reconciliation of accounting income and current income tax expense is as follows:

	2023	2022
Loss before income tax relating to continuing operations	($ 44,121)	($ 265,834)
Loss before income tax based on the income tax benefit at the statutory rate	($ 8,824)	($ 53,167)
Nondeductible expenses and losses	-	35
Investment losses	(2,871)	-
Unrecognized loss carryforwards/ deductible temporary differences	11,815	58,588
Adjustments for prior years' tax	(46)	(3)
Others	20	-
Income tax expense recognized in profit or loss	$ 94	$ 5,453

(II) Current tax assets

	December 31, 2023	December 31, 2022
Current tax assets		
Tax refund receivable	$ 890	$ 16

(III) Deferred tax assets and liabilities

The changes in deferred tax assets and deferred tax liabilities were as follows:

2023

Deferred tax liabilities	Balance at January 1	Recognized in profit or loss	Recognized in other comprehensive income	Balance at December 31
Temporary differences				
Others	$ 5,805	$ 140	$ -	$ 5,945

2022

Deferred tax liabilities	Balance at January 1	Recognized in profit or loss	Recognized in other comprehensive income	Balance at December 31
Temporary differences				
Others	$ 349	$ 5,456	$ -	$ 5,805

(IV) Deductible temporary differences, unused loss carryforwards for which no deferred tax assets have been recognized in the parent company only balance sheets

	December 31, 2023	December 31, 2022
Loss carryforwards		
Expiry in 2029	$ 21,387	$ 22,264
Expiry in 2030	36,428	36,428
Expires in 2031	20,316	20,316
Expires in 2033	24,019	-
	$ 102,150	$ 79,008
Loss carryforwards/ deductible temporary differences	$ 3,505,951	$ 2,528,644

(V) Income tax assessments

The income tax returns of the Company through 2021 had been assessed by the tax authorities.

XXII. Losses per share

Units: NT$ per share

	2023	2022
Basic loss per share		
From continuing operations	($ 0.36)	($ 2.23)

The losses and weighted average number of ordinary shares outstanding in the computation of losses per share were as follows:

Net loss for the year

	2023	2022
Losses used in the computation of basic losses per share	($ 44,215)	($ 271,287)

Number of shares

Units: Thousand shares

	2023	2022
The weighted average number of ordinary shares outstanding in the computation of basic losses per share:	121,662	121,662

XXIII. Capital risk management

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

The Company adopts prudent risk management strategy and performs audit on a regular basis. The capital structure of the Company is determined according to the business development strategies and operational requirements, future growth, development blueprint and capital expenditures required, with subsequent planning for working capital and cash flow.

XXIV. Financial instruments

(I) Fair value of financial instruments that are not measured at fair value: None.

(II) Fair value of financial instruments that are measured at fair value on a recurring basis

1. Fair value hierarchy

December 31, 2023

	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value through other comprehensive income				
Invest in equity instruments				
Listed shares and emerging market shares	$ 30,006	$ -	$ -	$ 30,006
Unlisted shares	-	-	8,010	8,010
	$ 30,006	$ -	$ 8,010	$ 38,016

December 31, 2022

	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value through other comprehensive income				
Invest in equity instruments				
Listed shares and emerging market shares	$ 35,243	$ -	$ -	$ 35,243
Unlisted shares	-	-	14,452	14,452
	$ 35,243	$ -	$ 14,452	$ 49,695

There were no transfers between Level 1 and 2 fair value measurements in 2023 and 2022.

2. Valuation techniques and inputs applied for the purpose of measuring Level 3 fair value measurement

Financial Instrument	Valuation Technique and Inputs
Unlisted ordinary shares - ROC	Measured by market quotations provided by third-party institutions.

3. Reconciliation of Level 3 fair value measurements of financial instruments

2023

	Financial assets measured at fair value through other comprehensive income
Balance at January 1	$ 14,452
Recognized in other comprehensive income	(6,442)
Balance at December 31	$ 8,010

2022

	Financial assets measured at fair value through other comprehensive income
Balance at January 1	$ 24,101
Recognized in other comprehensive income	(9,649)
Balance at December 31	$ 14,452

(III) Categories of financial instruments

	December 31, 2023	December 31, 2022
Financial assets		
Financial assets at amortized cost		
Cash and cash equivalents at the end of the year	$ 183,407	$ 161,463
Financial assets at amortized cost - current	196,305	220,720
Trade receivables	236,596	193,954
Other receivables	3,568	3,131
Financial assets measured at fair value through other comprehensive income		
Invest in equity instruments - current	30,006	35,243
Invest in equity instruments - non-current	8,010	14,452
Financial liabilities		
Financial liabilities at amortized cost		
Notes payable	$ -	$ 525
Trade payables - non-related parties	177,476	156,041
Trade payables - related parties	180,057	152,962
Payables on equipment	42	2,752
Other payables - others	15,308	16,815

(IV) Financial risk management objectives and policies

The Company's main financial instruments include investments in equity and debt instruments, accounts receivable, and accounts payable. The Company’s Corporate Treasury function provides services to the business, coordinates access to domestic and international financial markets, monitors and manages the financial risks relating to the operations of the Company through internal risk reports which analyze exposures by degree and magnitude of risks. These risks include market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk.

1. Market risk

(1) Foreign currency risk

The sensitivity analysis included only outstanding foreign currency denominated monetary items and foreign currency forward contracts designated as cash flow hedges. When there was a 1% unfavorable change in NTD against foreign currency, the Company’s net income would decrease by NTD 2,202 thousand and NTD 1,038 thousand for 2023 and 2022, respectively.

(2) Other price risk

The Company was exposed to equity price risk through its investments in listed equity securities. Equity investments are held for strategic rather than trading purposes. The Company does not actively trade these investments. The Company manages this exposure by maintaining a portfolio of investments with different risks.

Assuming the price of equity instruments on the balance sheet date fell by 5%, the Company's net income after tax for 2023 and 2022 would not be affected as they were classified as financial assets at fair value through other comprehensive income. The Company's other comprehensive income for 2023 and 2022 would decrease by NTD 1,901 thousand and NTD 2,485 thousand, respectively.

2. Credit risk

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company’s credit risk mainly come from accounts receivables generated from operating activities. As at the end of the reporting period, the Company’s maximum exposure to credit risk which will cause a financial loss to the Company due to failure of counterparties to discharge an obligation and financial guarantees provided by the Company could arise from the carrying amount of the respective recognized financial assets as stated in the balance sheets.

In order to minimize credit risk, management of the Company has delegated a team responsible for determining credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue debts. In addition, the Company reviews the recoverable amount of each individual trade debt at the end of the reporting period to ensure that adequate allowance is made for possible irrecoverable amounts. In this regard, the management believes the Company's credit risk was significantly reduced. In addition, the credit risk is limited since the counterparties of liquid funds are all financial institutions and companies with good business credit, and there may be no significant credit risk impacts.

3. Liquidity risk

The Company manages liquidity risk by monitoring and maintaining a level of cash and cash equivalents deemed adequate to finance the Company's operations and mitigate the effects of fluctuations in cash flows. In addition, management monitors the utilization of bank borrowings and ensures compliance with loan covenants. Therefore, with adequate working capital, there is no liquidity risk that arise from inability to raise funding to fulfill contractual obligations.

For the years ended December 31, 2023 and 2022, the unused bank borrowings were NTD 0 thousand and NTD 250,000 thousand, respectively.

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

December 31, 2023

	Less than 1 year	1-2 years	2-3 years	Over 3 years	Total
Non-derivative financial liabilities					
Trade payables - non-related parties	$ 177,476	$ -	$ -	$ -	$ 177,476
Trade payables - related parties	180,057	-	-	-	180,057
Payables on equipment	42	-	-	-	42
Other payables - others	15,308	-	-	-	15,308

December 31, 2022

	Less than 1 year	1-2 years	2-3 years	Over 3 years	Total
Non-derivative financial liabilities					
Notes payable	$ 525	$ -	$ -	$ -	$ 525
Trade payables - non-related parties	156,041	-	-	-	156,041
Trade payables - related parties	152,962	-	-	-	152,962
Payables on equipment	2,752	-	-	-	2,752
Other payables - others	16,815	-	-	-	16,815

XXV. Transactions with Related Parties

Except for those already disclosed in the note, details of transactions between the Company and related parties are disclosed below:

(I) Related party name and categories

Related Party Name	Related Party Categories
Coxon Industry Ltd.	Wholly owned subsidiary
Cheng Da Industry Co., Ltd.	Wholly owned subsidiary (Note 1)
Sun Can International Ltd.	Wholly owned subsidiary (Note 2)
Plenty Link Technology Co., Ltd.	Wholly owned subsidiary
Shuan Yin Technology Co., Ltd.	Wholly owned subsidiary through Wholly owned subsidiary (Note 3)
Dong Guan Shuang-Ying Photoelectric Technology Co., Ltd.	Wholly owned subsidiary through Plenty Link Technology Co., Ltd
Hang Yuan Enterprise Ltd.	Wholly owned subsidiary through Cheng Yi Enterprise Co. Ltd.
Coxon Industry (Changshu) Co., Ltd.	Wholly owned subsidiary through Hang Yuan Enterprise Ltd.
Sinxon Plastic (Dong Guan) Ltd.	Wholly owned subsidiary through Coxon Industry Ltd.
Dong Guan Chensong Plastic Co., Ltd.	Wholly owned subsidiary through Coxon Industry Ltd. (Note 4)
Quanta Computer Inc	Other - the third joint venture party of Plenty Link Technology Co., Ltd.

Note 1: Disposed of in August 2022.

Note 2: Liquidated in November 2022.

Note 3: Liquidated in May 2023.

Note 4: The company was merged with Sinxon Plastic (Dong Guan) Ltd. in October 2023.

(II) Purchases

Related Party Name	2023	2022
Sun Can International Ltd.	$ -	$ 110,588
Coxon Industry Ltd.	347,228	90,988
Sinxon Plastic (Dong Guan) Ltd.	1,490	-
Hang Yuan Enterprise Ltd.	-	2,765
Dong Guan Chensong Plastic Co., Ltd.	-	1,468
Coxon Industry (Changshu) Co., Ltd.	841	-
	$ 349,559	$ 205,809

Terms of purchases and payment policy among related parties were similar to those among other suppliers.

(III) Receivable from related parties (excluding loans and contract assets to related parties)

Line Item	Related Party Name	December 31, 2023	December 31, 2022
Other receivables	Hang Yuan Enterprise Ltd.	$ 926	$ 851
	Coxon Industry Ltd.	1,960	2,179
		$ 2,886	$ 3,030

For the years ended December 31, 2023 and 2022, no impairment loss was recognized for trade receivables from related parties.

(IV) Payable to related parties (excluding loans of related parties)

Line Item	Related Party Name	December 31, 2023	December 31, 2022
Trade payables	Coxon Industry Ltd.	$ 177,955	$ 150,849
	Sinxon Plastic (Dong Guan) Ltd.	1,412	-
	Hang Yuan Enterprise Ltd.	-	2,113
	Coxon Industry (Changshu) Co., Ltd.	690	-
		$ 180,057	$ 152,962

(V) Acquisition of property, plant and equipment

Related Party Name	Payment amount 2023	2022
Dong Guan Chensong Plastic Co., Ltd.	$ -	$ 1,192

(VI) Other transactions with related parties

Line Item	Related Party Name	2023	2022
Other revenue	Sinxon Plastic (Dong Guan) Ltd.	$ 5,400	$ -

(VII) Compensation of key management personnel

	2023	2022
Short-term employee benefits	$ 9,639	$ 9,441
Retirement benefits	533	632
	$ 10,172	$ 10,073

The remuneration of directors and key executives was determined by the remuneration committee with regard to the performance of individuals and market trends.

XXVI. Events after the Reporting Period

In order to supplement the working capital, improve the financial structure, and meet the capital requirements of the Company's future development, the Board of Directors resolved on March 14, 2024 to issue ordinary shares for cash capital increase through a private placement within a limit of 20,000 thousand shares, at NTD 10 per share.

XXVII. Exchange Rate of the Company’s Significant Financial Assets and Liabilities Denominated in Foreign Currencies

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

December 31, 2023

	Foreign Currencies	Exchange Rate		Carrying Amount
Financial assets				
Monetary items				
USD	$ 20,389	30.705	(USD:NTD)	$ 626,046
Non-monetary items				
Investments of associates and joint investments accounted for using equity method				
USD	47,348	30.705	(USD:NTD)	$ 1,454,070
Financial liabilities				
Monetary items				
USD	11,427	30.705	(USD:NTD)	$ 350,856

December 31, 2022

	Foreign Currencies	Exchange Rate		Carrying Amount
Financial assets				
Monetary items				
USD	$ 14,207	30.71	(USD:NTD)	$ 436,306
Non-monetary items				
Investments of associates and joint investments accounted for using equity method				
USD	53,030	30.71	(USD:NTD)	$ 1,628,540
Financial liabilities				
Monetary items				
USD	9,981	30.71	(USD:NTD)	$ 306,609

The Company's foreign currency exchange gains and losses (including realized and unrealized exchange losses) for 2023 and 2022 were a loss of NTD 5,327 thousand and a gain of NTD 8,499 thousand, respectively. Due to the wide variety of foreign currency transactions and the functional currencies of entities, it is impossible to analyze the significant impact of foreign exchange gains and losses are disclosed.

XXVIII. Separately Disclosed Items

(I) Information on significant transactions:

1. Loaning of funds to others: Table 1.
2. Endorsements/guarantees to others: None
3. Marketable securities held (excluding investments in subsidiaries, associates and joint ventures): Table 2.
4. Marketable securities acquired and disposed of at costs or prices of at least NT$300 million or 20% of the paid-in capital: None.
5. Acquisition of individual real estate at costs of at least NT$300 million or 20% of the paid-in capital: None.
6. Disposal of individual real estate at prices of at least NT$300 million or 20% of the paid-in capital: None.
7. Total purchases from or sales to related parties amounting to at least NT$100 million or 20% of the paid-in capital: Table 3.
8. Receivables from related parties amounting to at least NT$100 million or 20% of the paid-in capital: Table 4.
9. Trading in derivative instruments: None.

(II) Information on investees: Table 5.

(III) Information on investments in mainland China:

1. Information on any investee company in mainland China, showing the name, principal business activities, paid-in capital, method of investment, inward and outward remittance of funds, ownership percentage, net income of investees, investment income or loss, carrying amount of the investment at the end of the period, repatriations of investment income, and limit on the amount of investment in the mainland China area: Table 6.
2. Any of the following significant transactions with investee companies in mainland China, either directly or indirectly through a third party, and their prices, payment terms, and unrealized gains or losses: Table 3.
   (1) The amount and percentage of purchases and the balance and percentage of the related payables at the end of the period.
   (2) The amount and percentage of sales and the balance and percentage of the related receivables at the end of the period.
   (3) The amount of property transactions and the amount of the resultant gains or losses.
   (4) The balance of negotiable instrument endorsements or guarantees or pledges of collateral at the end of the period and the purposes.

(5) The highest balance, the end of period balance, the interest rate range, and total current period interest with respect to financing of funds.

(6) Other transactions that have a material effect on the profit or loss for the year or on the financial position, such as the rendering or receipt of services.

(IV) Information of major shareholders: list all shareholders with ownership of 5% or greater showing the name of the shareholder, the number of shares owned, and percentage of ownership of each shareholder: Table 7.

XXIX. Segment Information

Segment information is not required in the parent company only financial report.

Coxon Precise Industrial Co., Ltd.

Loaning of funds to others

2023

Table 1

Units: NT$thousand / US$thousand / RMB$thousand

No.	Lender	Borrower	Financial Statement Account	Related party	Highest Balance for the Year (line of credit)	Ending Balance (line of credit)	Actual Borrowing Amount	Interest rate %	Nature of Financing	Business Transaction Account and Amounts	Reasons for Short-term Financing	Allowance for Impairment Loss	Collateral		Financing Limit for Each Borrower (Note 1)	Aggregate Financing Limits (Note 1)	Note
													Name	Value			
1	Changshu Huaxon Industry Co., Ltd.	Coxon Industry (Changshu) Co., Ltd.	Other receivables	Yes	$ 122,238	$ 118,993	$ 118,993	-	Financing	$ -	Working capital needs	$ -	-	$ -	$ 594,766	$ 594,766	
2	Dong Guan Chensong Plastic Co., Ltd.	Sinxon Plastic (Dong Guan) Ltd.	〃	〃	70,820	-	-	-	〃	-	〃	-	-	-	-	-	Note 2

Note 1: Our company:

I. The total amount of capital loan shall not exceed 40% of the net value of the Company's latest financial statement.

II. If an inter-company or inter-firm short-term financing facility is necessary, the total loan amount shall not exceed 20% of the net value of the Company's latest financial statement; the individual loan amount shall not exceed 10% of the net value of the Company's latest financial statement.

Subsidiaries:

I. The total amount of capital loans shall not exceed 40% of the net value of the Company's latest financial statement.

II. If an inter-company or inter-firm short-term financing facility is necessary, the total loan amount shall not exceed 40% of the net value of the Company's latest financial statement; the individual loan amount shall not exceed 30% of the net value of the Company's latest financial statement.; however, if the borrower is the overseas subsidiary 100%-owned ultimately by the parent company, Coxon Precise Industrial Co., Ltd., the total loan amount could not be limited by 40% of the net value of the Company's latest financial statement mentioned above. However, the individual and the total loan amount cannot exceed 100% of the net value of the Company's latest financial statement.

Note 2: Dong Guan Chensong Plastic Co., Ltd. was merged with Sinxon Plastic (Dong Guan) Ltd. on October 1, 2023.

Coxon Precise Industrial Co., Ltd.

Marketable Securities Held

December 31, 2023

Table 2

Units: NT$thousand

Holding Company Name	Type and Issuer of Marketable Securities (Note 1)	Relationship with the Holding Company	Financial Statement Account	December 31, 2021				Note
				Unit	Carrying Amount	Percentage of Ownership (%)	Fair Value	
Changshu Huaxon Industry Co., Ltd.	Financial commodities							
	Fixed term structured deposit	None	Financial assets measured at fair value through comprehensive income - current	-	$ 58,415	-	$ 58,415	Information on investments
Coxon Industry (Changshu) Co., Ltd.	Shares							
	Unipassion Technology (Shanghai) Co., Ltd.	None	Financial assets at FVTOCI - current	(Note 2)	$ -	5	$ -	Information on investments
Coxon Precise Industrial Co., Ltd.	Shares							
	Halo Neuro Inc.	None	Financial assets at FVTOCI - current	306,720	$ -	-	$ -	
	Fuji Seiki Co., Ltd.	〃	〃	450,000	30,006	-	30,006	
					$ 30,006		$ 30,006	
Coxon Precise Industrial Co., Ltd.	CGK International Co., Ltd.	None	Financial assets at FVTOCI - non-current	1,800,000	$ 8,010	-	$ 8,010	
	Kin Tin Optotronic Co., Ltd.	〃	〃	2,255,193	-	6	-	
	Simpla Biotech Co., Ltd.	〃	〃	782,143	-	11	-	
	Cimforce International Limited	Other related parties	〃	2,273,172	-	7	-	
					$ 8,010		$ 8,010	

Note 1: The Marketable Securities in this table is referred to as shares, bonds, beneficiary certificates, and derivatives related to items mentioned above in scope of IFRS 9 “financial instruments”.

Note 2: As it is a limited company, the shareholding ratio is calculated based on the capital contribution.

Coxon Precise Industrial Co., Ltd.

Total purchases from or sales to related parties amounting to at least NT$100 million or 20% of the paid-in capital

2023

Table 3

Units: NT$thousand

Buyer (Seller)	Related Party	Relationship	Transaction Details				Abnormal Transaction and Reasons		Notes/Trade Receivables (Payables)		Note
			Purchase/Sale	Amount	Percentage of Purchase (Sale)	Payment Terms	Unit Price	Payment Terms	Ending Balance	% of Total Notes/Trade Receivables (Payables)	
Coxon Precise Industrial Co., Ltd.	Coxon Industry Ltd.	Parent and subsidiary	Purchases	$ 347,228	48%	120 days	In accordance with mutual agreements	120 days	Trade payables $ 177,955	50%	
Coxon Industry Ltd.	Sinxon Plastic (Dong Guan) Ltd.	〃	Purchases	336,525	100%	120 days	In accordance with mutual agreements	120 days	Trade payables 125,465	100%	
Coxon Industry Ltd.	Coxon Precise Industrial Co., Ltd.	〃	Sales revenue	347,228	100%	120 days	In accordance with mutual agreements	120 days	Trade receivables 177,955	100%	
Sinxon Plastic (Dong Guan) Ltd.	Coxon Industry Ltd.	〃	Sales revenue	336,525	23%	120 days	In accordance with mutual agreements	120 days	Trade receivables 125,465	25%	

Coxon Precise Industrial Co., Ltd.

Receivables from related parties amounting to at least NT$100 million or 20% of the paid-in capital

2023

Table 4

Units: In Thousands of New Taiwan Dollars or Foreign Currencies

Company Name	Related Party	Relationship	Ending Balance	Turnover Rate	Overdue		Amounts Received in Subsequent Period	Allowance for Impairment Loss
					Amount	Actions Taken		
Coxon Industry Ltd.	Coxon Precise Industrial Co., Ltd.	Parent and subsidiary	$ 177,955	-	$ -	-	$ -	$ -
Changshu Huaxon Industry Co., Ltd.	Coxon Industry (Changshu) Co., Ltd.	Associate	118,993 (Note 1)	-	-	-	-	-
Sinxon Plastic (Dong Guan) Ltd.	Coxon Industry Ltd.	Parent and subsidiary	125,465	-	-	-	-	-

Note 1: Recognized on other receivables.

Coxon Precise Industrial Co., Ltd.

Information on Investees and Location

2023

Table 5

Units: NT$thousand

Investor Company	Investee Company	Location	Main Businesses and Products	Investment Amount		As of December 31, 2021			Net Income (Loss) of the Investee	Share of Profits (Loss)	Note
				December 31, 2021	December 31, 2020	Number of Shares	%	Carrying Amount			
Coxon Precise Industrial Co., Ltd.	Coxon Industry Ltd.	Samoa	Global investing activities	$ 1,596,759	$ 1,630,397	49,731,054	100	$ 493,812	($ 46,061)	($ 46,061)	
	Cheng Yee Enterprise Co. Ltd.	Samoa	Global investing activities	629,586	590,371	9,400,000	100	913,427	(17,067)	(17,067)	
	Plenty Link Technology Co., Ltd.	Cayman Islands	Global investing activities	368,107	368,107	11,700,000	65	46,831	10,577	6,875	
								$ 1,454,070		($ 56,253)	
Cheng Yee Enterprise Co. Ltd.	Hang Yuan Enterprise Ltd.	Samoa	Global investing activities	618,105	714,760	19,000,000	100	$ 912,378	(17,013)	($ 17,013)	
Plenty Link Technology Co., Ltd.	Shuan Yin Technology Co., Ltd.	Taiwan	Manufacturing of optical instrument and electronic components	-	19,500	-	- (Note 2)	-	(23)	(15)	

Note 1: The share of profits and losses of subsidiaries and associates recognized by the equity method of the subsidiaries included in the consolidated financial report, the investment by the equity method in the account of the investing company and the net equity value of the invested company have been fully offset.

Note 2: Liquidated on May 31, 2023.

Coxon Precise Industrial Co., Ltd.

Information on investments in mainland China

2023

Table 6

Units: In Thousands of New Taiwan Dollars or Foreign Currencies

1. Information on any investee company in mainland China, showing the name, principal business activities, paid-in capital, method of investment, inward and outward remittance of funds, ownership percentage, investment income or loss, carrying amount of the investment and repatriations of investment income:

Investee Company in Mainland China	Main Businesses and Products	Paid-in Capital	Method of Investment	Accumulated Outward Remittance for Investment from Taiwan as of January 1, 2021	Remittance of Funds		Accumulated Outward Remittance for Investment from Taiwan as of December 31, 2021	Net Income (Loss) of the Investee	% Ownership of Direct or Indirect Investment	Investment Gain (Loss)	Carrying Amount as of December 31, 2021	Accumulated Repatriation of Investment Income as of December 31, 2021	Note
					Outward	Inward							
Changshu Huaxon Industry Co., Ltd. (Note 1)	Leasehold estate	$ 1,002,998	Investment through third party	$ 64,270	$ -	$ -	$ 64,270	$ 292	100	$ 292	$ 594,766	$ -	
Sinxon Plastic (Dong Guan) Ltd. (Note 2)	Manufacturing and sale of nonmetal molding and automobile parts	3,330,854	〃	792,138	-	-	792,138	433	100	433	515,068	-	
Coxon Industry (Changshu) Co., Ltd. (Note 1)	Manufacturing and sale of nonmetal molding, precision plastic injection parts, related semi-finished goods and components	605,500	〃	863,138	-	-	863,138	(37,152)	100	(37,152)	287,531	-	
Dong Guan Chensong Plastic Co., Ltd. (Note 2)	Manufacturing and sale of metal and nonmetal molding and automobile parts	-	〃	-	-	-	-	(22,210)	100	(22,210)	-	-	
Dong Guan Shuang-Ying Photoelectric Technology Co., Ltd. (Note 3)	Manufacturing of optical instrument and electronic components	469,129	〃	279,595	-	-	279,595	9,826	65	6,387	36,229	-	
Wuhan Resin-Hill Co., Ltd.	Manufacturing of automotive hardware	-	Note 4	-	-	-	-	(335)	-	(134)	-	-	

2. Upper Limit on the Amount of Investment in Mainland China:

Units: In Thousands of New Taiwan Dollars and U.S. Dollars

Accumulated Investment in Mainland China as of December 31, 2021	Investment Amounts Authorized by Investment Commission, MOEA	Upper Limit on the Amount of Investment Stipulated by Investment Commission, MOEA
$ 1,999,141	$ 5,516,602	(Note 5)

Note 1: The Company invested 100% of the ownership of Hang Yuan Enterprise Ltd. through Cheng Yee Enterprise Co. Ltd. in the third region; Hang Yuan Enterprise Ltd. reinvested 100% of ownership of Coxon Industry (Changshu) Co., Ltd. and Changshu Huaxon Industry Co., Ltd..

Note 2: The Company invested in Dong Guan Chensong Plastic Co., Ltd. and Sinxon Plastic (Dong Guan) Ltd. through self-owned funds of Coxon Industry Ltd. and subsidiaries in mainland China. Sinxon Plastic (Dong Guan) Ltd. was merged with Sinxon Plastic (Dong Guan) Ltd on October 1, 2023.

Note 3: The Company invested in Dong Guan Shuang-Ying Photoelectric Technology Co., Ltd. through Plenty Link Technology Co., Ltd. in the third region.

Note 4: Coxon Industry (Changshu) Co., Ltd. invested 40% ownership of Wuhan Resin-hill Co., Ltd. with its own funds. The investment was fully disposed of on March 17, 2023.

Note 5: According to the newly revised “Principles for the Review of Investments or Technical Cooperation in the Mainland Area” on August 29, 2008, since the Company has obtained the certification documents issued by the Industrial Bureau of the Ministry of Economic Affairs that conform to the operation scope of the operating headquarters, there is no need to calculate the investment limit.

3. Significant transactions with investee companies in mainland China, either directly or indirectly through a third party: See Table 3.
4. Endorsements/guarantees provided with investee companies in mainland China, either directly or indirectly through a third party: None.
5. Financing provided with investee companies in mainland China, either directly or indirectly through a third party: Table 1.
6. Other transactions that have a material effect on the profit or loss for the year or on the financial position: None.

Coxon Precise Industrial Co., Ltd.

Information of Major Shareholders

December 31, 2023

Table 7

Name of Major Shareholder	Shares	
	Number of Shares	Percentage of Ownership (%)
No shareholders with ownership of 5% or greater		

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

§ Table of Contents - Detailed List of Important Accounting Items §

Coxon Precise Industrial Co., Ltd.

Details of cash and cash equivalents

December 31, 2023

Statement 1

Units: In Thousands of New Taiwan Dollars, Unless Stated Otherwise

Item	Description	Amount
Cash		
Working capital fund		$ 100
Bank deposits		
Checking accounts and demand deposits		31,051
Time deposits		130,036
Foreign currency demand deposit	Including US$656 thousand @30.7050, JPY9,600 thousand @0.2172, and HK$1 thousand @3.9290	22,220
		$ 183,407

Coxon Precise Industrial Co., Ltd.

Detailed Statement of Trade Receivables

December 31, 2023

Statement 2 Units: NT$thousand

Customer Name	Description	Amount
Unrelated party		
Company A	Purchases	$ 124,536
Company B	〃	62,524
Other (Note)	〃	49,548
		236,608
Less: Allowance for impaired receivables		(12)
		$ 236,596

Note: Each balance does not exceed 5% of the accounting balance.

Coxon Precise Industrial Co., Ltd.

Detailed Statement of Inventories

December 31, 2023

Statement 3

Units: NT$thousand

Item	Description	Cost	Lower of cost or net realizable value - Discount	Lower of cost or net realizable value - Premium
Raw materials		$ 1,530	($ 116)	$ 14
Work In Process		2,892	(691)	-
Finished goods		2,592	(180)	599
Less: Unrealized write-down of inventories		(987)	-	-
		6,027	(987)	613
Inactive inventory				
Raw materials		556	(556)	-
Work In Process		535	(535)	-
Finished goods		231	(231)	-
Less: Unrealized write-down of inventories		(1,322)	-	-
		-	(1,322)	-
		$ 6,027	($ 2,309)	$ 613

Coxon Precise Industrial Co., Ltd.

Statement of Change in Financial Assets at FVTOCI

2023

Statement 4

Units: NT$thousand

Name	Balance at January 1		Net increase for the year		Net decrease for the year		Balance at December 31		Endorsement/ Guarantee
	Number of Shares	Amount	Number of Shares	Amount	Number of Shares	Amount	Number of Shares	Amount	
Kin Tin Optotronic Co., Ltd.	2,255,193	$ -	-	$ -	-	$ -	2,255,193	$ -	None
CGK International	1,800,000	7,917	-	93	-	-	1,800,000	8,010	〃
Simpla Biotech Co., Ltd.	1,500,000	6,535	-	-	(717,587)	(6,535)	782,413	-	〃
Halo Neuro Inc.	306,720	-	-	-	-	-	306,720	-	〃
Fuji Seiki Co., Ltd.	450,000	35,243	-	-	-	(5,237)	450,000	30,006	〃
Cimforce International Limited	2,273,172	-	-	-	-	-	2,273,172	-	〃
		$ 49,695		$ 93		($ 11,772)		$ 38,016	

Coxon Precise Industrial Co., Ltd.

Statement of Change in Investments Accounted for Using the Equity Method

2023

Statement 5

Units: In Thousands of New Taiwan Dollars, Unless Stated Otherwise

	Balance at January 1		Net increase for the year		Net decrease for the year		Balance at December 31			Market price or net worth (Note 1)		
	Number of Shares	Amount	Number of Shares	Amount	Number of Shares	Amount	Number of Shares	Percentage of Ownership (%)	Amount	Unit price (NT$)	Total	Endorsement/ Guarantee
Long-term Equity Investments under Equity Method												
Unlisted company												
Coxon Industry Ltd.	49,731,054	$ 38,637	-	$ 511,967 (Note 2)	-	($ 56,792) (Note 2)	49,731,054	100	$ 493,812	9.93	$ 493,812	None
Cheng Yee Enterprise Co. Ltd.	12,400,000	1,548,825	-	-	(3,000,000)	(635,398) (Note 3)	9,400,000	100	913,427	97.17	913,427	〃
Plenty Link Technology Co., Ltd	11,700,000	41,078	-	6,875 (Note 4)	-	(1,122) (Note 4)	11,700,000	100	46,831	4.00	46,831	〃
		$ 1,628,540		$ 518,842		($ 693,312)			$ 1,454,070		$ 1,454,070	

Note 1: The net equity value is mainly calculated based on the investee’s financial statements in the same reporting period and the Company's percentage of ownership.

Note 2: This includes a decrease of the cumulative translation adjustment by NTD 10,731 thousand, recognized investment loss by NTD 46,061 thousand, and the adjustment on changes in net equity of subsidiaries increased by NTD 511,967 thousand.

Note 3: This includes a decrease in the cumulative translation adjustment by NTD 9,035 thousand, recognized investment loss by NTD 17,067 thousand, the adjustment for repatriation of shares from capital reductions by NTD 97,329 thousand and the adjustment for changes in net equity of subsidiaries decreased by NTD 511,967 thousand.

Note 4: This includes a decrease of NTD 1,122 thousand in cumulative translation adjustments and a recognized investment gain of NTD 6,875 thousand.

Coxon Precise Industrial Co., Ltd.

Detailed Statement of Trade Payables

December 31, 2023

Statement 6

Units: NT$thousand

Name	Description	Amount
Related party		
Coxon Industry Ltd.	Purchases	$ 177,955
Sinxon Plastic (Dong Guan) Ltd.	〃	1,412
Coxon Industry (Changshu) Co., Ltd.	〃	690
		180,057
Unrelated party		
Dongguan Huamao Electronics Group Co., Ltd.	〃	162,698
Other (Note)	〃	14,778
		177,476
		$ 357,533

Note: Each balance does not exceed 5% of the accounting balance.

Coxon Precise Industrial Co., Ltd.

Detailed Statement of Operating Revenue

2023

Statement 7

Units: In Thousands of New Taiwan Dollars, Unless Stated Otherwise

Name	Amount
3C Products	$ 451,649
Molds	17,939
Others	360,704
	830,292
Sales returns	(758)
Sales allowances	(6,756)
	$ 822,778

Coxon Precise Industrial Co., Ltd.

Detailed Statement of Operating Costs

2023

Statement 8 Units: NT$thousand

Item	Amount
Direct raw materials	
Beginning Balance of Raw Materials	$ 3,331
Add: Raw materials purchased	24,671
Add: Transferred in to warehouse	140
Less: Raw materials sold	(321)
Less: Ending Balance of Raw Materials	(1,786)
Less: Others	(638)
	25,397
Materials	
Beginning Balance of Materials	107
Add: Raw materials purchased	3,405
Less: Ending Balance of Materials	(300)
Less: Others	177
	3,389
Direct labor	23,813
Manufacturing expenses	36,750
Manufacturing costs	89,349
Add: Beginning work-in-process inventory	9,699
Less: Ending work-in-process inventory	(3,427)
Less: Others	(23)
Cost of finished goods inventory	95,598
Add: Beginning finished goods inventory	5,289
Add: Finished goods purchased	687,224
Add: Transferred in to warehouse	47
Less: Ending finished goods inventory	(2,823)
Less: Others	(884)
Cost of goods manufactured	784,451
Add: Raw materials sold	321
Less: Gain on reversal of decline in value of inventories	(1,400)
Less: Gain on reversal of inventory obsolescence	(3,838)
Less: Revenue from sale of waste and scrap materials	(396)
Less: Others	7,869
Operating costs	$ 787,007

Coxon Precise Industrial Co., Ltd.

Detailed Statement of Operating Expenses

2023

Statement 9

Units: NT$thousand

Item	Selling and marketing expenses	Management and administration expenses	Research and development expenses	Expected credit loss (reversal gains)	Total
Salary expenses	$ 1,935	$ 11,409	$ 926	$ -	$ 14,270
Labor pensions	116	4,804	6	-	4,926
Labor expenses	-	4,862	-	-	4,862
Miscellaneous expense	314	1,523	231	-	2,068
Other (Note)	1,789	10,701	118	(93)	12,515
	$ 4,154	$ 33,299	$ 1,281	($ 93)	$ 38,641

Note: Each expense item does not exceed 5% of the accounting balance.