FIRICH ENTERPRISES CO., LTD. AND SUBSIDIARIES

CONSOLIDATED FINANCIAL STATEMENTS AND

INDEPENDENT AUDITORS' REPORT

DECEMBER 31, 2023 AND 2022

For the convenience of readers and for information purpose only, the 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. In the event of any discrepancy between the English version and the original Chinese version or any differences in the interpretation of the two versions, the Chinese-language auditors' report and financial statements shall prevail.

INDEPENDENT AUDITORS' REPORT TRANSLATED FROM CHINESE

To the Board of Directors and Shareholders of Firich Enterprises Co., Ltd.

Opinion

We have audited the accompanying consolidated balance sheets of Firich Enterprises Co., Ltd. and its subsidiaries (the "Firich Group") as at December 31, 2023 and 2022, and the related consolidated statements of comprehensive income, of changes in equity and of cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of material accounting policies.

In our opinion, based on our audits and the reports of other auditors (please refer to the *Other matter* section), the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Firich Group as at December 31, 2023 and 2022, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations that came into effect as endorsed by the Financial Supervisory Commission.

Basis for opinion

We conducted our audits of the consolidated financial statements in accordance with the Regulations Governing Financial Statement Audit and Attestation Engagements of Certified Public Accountants and Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the *Auditors' responsibilities for the audit of the consolidated financial statements* section of our report. We are independent of the Group in accordance with the Norm of Professional Ethics for Certified Public Accountant of the Republic of China, and we have fulfilled our other

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ethical responsibilities in accordance with these requirements. Based on our audits and the reports of other auditors, 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 Group's 2023 consolidated financial statements. These matters were addressed in the context of our audit of the consolidated financial statements as a whole and, in forming our opinion thereon, we do not provide a separate opinion on these matters.

Key audit matters for the Group's 2023 consolidated financial statements are stated as follows:

A.Valuation of allowance for inventory valuation losses

Description

For the description of accounting policy on inventory valuation, please refer to Note 4(13). For accounting estimates and assumption uncertainty in relation to inventory valuation, please refer to Note 5(2). For the details of inventory, please refer to Note 6(5). As of December 31, 2023, the Group's inventories and allowance for inventory valuation losses amounted to NT$798,724 thousand and NT$149,764 thousand, respectively.

Since the industry involves rapidly changing technology and was affected by market price, there was higher risk of incurring inventory valuation losses or having obsolete inventory. The Group's inventories were measured at the lower of cost and net realisable value, and measured the net realisable value in accordance with historical data of inventory clearance in order to provide losses for inventories that were over a certain age. The Group's determination of net realisable value for inventories on balance sheet date involves subjective judgements and estimates which have a material effect on the financial statements. As a result, we determined the valuation of allowance for inventory valuation

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losses as one of the key audit matters for this year's audit.

<u>How our audit addressed the matter</u>

We performed the following audit procedures on the above key audit matter:

1. Assessed the reasonableness of provision policies and procedures in relation to allowance for inventory valuation losses based on our understanding of the Group's operation and industry.
2. Verified the appropriateness of system logic in inventory aging analysis report and net realised value report by using the system, and confirmed whether the report information was consistent with its policies.
3. Checked the appropriateness of estimate basis that was adopted for each net realised value, re-verified the information that we obtained like market price, purchase price, and historical information of inventory clearance, and recalculated and evaluated the reasonableness of the information used by management in determining allowance for inventory valuation losses.

B.Impairment assessment of subsidiaries' investmets using the equity method

<u>Description</u>

For the description of accounting policy on investments using the equity method and impairment of non-financial assets, please refer to Note 4 (15). For accounting estimates and assumptions of uncertainty for investments using the equity method, please refer to Note 5. For the details of investments using the equity method, please refer to Note 6(6).

The Group indirectly invested in Oriental Regent Ltd. through its subsidiary Firich International Co., Ltd. and the balance of the investment using the equity method is NT$882,439 thousand, constituting 13.69% of the total assets.In accordance with the provisions of IAS 28 "Investments in Associates and Joint Ventures", management should assess the investment immediately when there are signs of impairment that indicate that an investment using the equity method may have been impaired to the point where the carrying amount cannot be recovered.

The management assessed the recoverable amount based on the prices generated by market transactions of comparable companies. As of December 31,2023, the assessed recoverable amount was less than the book value, and as a result, an impairment loss of NT$252,042 thousand was recognized (classified as "7020 Other gains and losses "). Since these major assumptions involve subjective judgments by management and may be affected by future market or economic climate, the estimates are highly uncertain. Thus, we determined that the estimates of the investment impairment of subsidiaries using the equity method as one of the key audit matters for this year's audit.

How our audit addressed the matter

We performed the following audit procedures on the above key audit matter:

1. Understand management's internal process for asset impairment assessment.
2. Obtain the appraisal report issued by the external expert appointed by the management and perform the following audit procedures.
   - Review the qualifications of experts to assess their independence, objectivity and competence.
   - Assess that the methods used by experts are generally adopted and appropriate.
   - Confirm that there is no significant difference between the comparison target used in the appraisal report and the business of the invested company.
   - Evaluate the relevance and reasonableness of the significant assumptions used by experts.
   - Review the sensitivity analysis performed on the above significant assumptions and parameters to confirm their impact on the impairment assessment results.

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Other matter – Reference to the audits of other independent auditors

We did not audit the financial statements of certain subsidiaries and investments accounted for using the equity method which were audited by other auditors. Therefore, our opinion expressed herein, insofar as it relates to the amounts included in respect of these subsidiaries and associates, is based solely on the reports of the other auditors. Total assets of the subsidiaries and the balances of these investments accounted for under the equity method amounted to NT$802,694 thousand and NT2,304,906 thousand, constituting 12.5% and 33.5% of consolidated total assets as at December 31, 2023 and 2022, respectively, and the operating revenue of NT$375,457 thousand and NT$325,314 thousand, constituting 14.7% and 12.0% of consolidated total operating revenue for the years then ended, respectively. Share of profit(loss) of associates and joint ventures accounted for using the equity method amounted to NT$(7,579) thousand and NT$68,703 thousand, constituting (6.8%) and 11.6% of consolidated total comprehensive income for the years ended December 31, 2023 and 2022, respectively.

Other matter - Parent company only financial statements

We have audited and expressed an unqualified opinion with other matter section on the parent company only financial statements of Firich Enterprises Co., Ltd. as at and for the years ended December 31, 2023 and 2022.

Responsibilities of management and those charged with governance for the consolidated financial statements

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

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

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

Auditors' responsibilities for the audit of the consolidated financial statements

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

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

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

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2. Obtain an understanding of internal controls 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 Firich Group's internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Firich Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Firich Group to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Firich Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

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

Chih, Ping-Chiun Lai, Chung-Hsi

For and on behalf of PricewaterhouseCoopers, Taiwan

March 14, 2024

The accompanying consolidated financial statements are not intended to present the financial position and results of operations and cash flows in accordance with accounting principles generally accepted in countries and jurisdictions other than the Republic of China. The standards, procedures and practices in the Republic of China governing the audit of such financial statements may differ from those generally accepted in countries and jurisdictions other than the Republic of China. Accordingly, the accompanying consolidated financial statements and independent auditors' report are not intended for use by those who are not informed about the accounting principles or auditing standards generally accepted in the Republic of China, and their applications in practice.

As the financial statements are the responsibility of the management, PricewaterhouseCoopers cannot accept any liability for the use of, or reliance on, the English translation or for any errors or misunderstandings that may derive from the translation.

FIRICH ENTERPRISES CO., LTD. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 2023 AND 2022
(Expressed in thousands of New Taiwan dollars)

	Assets	Notes	December 31, 2023 AMOUNT	%	December 31, 2022 AMOUNT	%
	Current assets					
1100	Cash and cash equivalents	6(1)	$ 1,281,892	20	$ 1,220,661	18
1150	Notes receivable, net	6(4)	57	-	557	-
1170	Accounts receivable, net	6(4)	338,559	5	478,570	7
1180	Accounts receivable - related parties	6(4) and 7	347,909	6	33,828	-
1200	Other receivables		15,632	-	26,932	-
1210	Other receivables - related parties	7	12,802	-	24,422	-
1220	Current tax assets	6(29)	516	-	488	-
130X	Inventories, net	6(5)	648,960	10	887,031	13
1410	Prepayments		26,041	-	63,674	1
1460	Non-current assets classified as held for sale, net	6(12)	-	-	36,549	1
1470	Other current assets		440	-	649	-
11XX	**Current Assets**		2,672,808	41	2,773,361	40
	Non-current assets					
1510	Non-current financial assets at fair value through profit or loss	6(2)	761,535	12	500,753	7
1517	Non-current financial assets at fair value through other comprehensive income	6(3)	495,351	8	471,570	7
1550	Investments accounted for using the equity method	6(6)(11)	1,712,238	27	2,371,709	35
1600	Property, plant and equipment, net	6(7) and 8	297,476	5	301,910	4
1755	Right-of-use assets	6(8) and 7	84,710	1	77,123	1
1780	Intangible assets, net	6(10)(11)	167,865	3	177,577	3
1840	Deferred income tax assets	6(29)	222,249	3	160,217	2
1900	Other non-current assets	6(13)	31,787	-	55,705	1
15XX	**Non-current assets**		3,773,211	59	4,116,564	60
1XXX	**Total assets**		$ 6,446,019	100	$ 6,889,925	100

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FIRICH ENTERPRISES CO., LTD. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 2023 AND 2022
(Expressed in thousands of New Taiwan dollars)

	Liabilities and Equity	Notes	December 31, 2023 AMOUNT	%	December 31, 2022 AMOUNT	%
	Current liabilities					
2100	Short-term borrowings	6(14) and 8	$ 1,202,000	19	$ 1,426,271	21
2130	Current contract liabilities	6(22)	52,724	1	42,213	1
2170	Accounts payable		300,062	5	323,913	5
2180	Accounts payable - related parties	7	-	-	150	-
2200	Other payables		146,181	2	155,762	2
2220	Other payables - related parties	7	4,925	-	7,975	-
2230	Current income tax liabilities	6(29)	45,568	1	37,824	-
2280	Current lease liabilities	7	20,102	-	13,003	-
2300	Other current liabilities		38,037	-	153,809	2
21XX	**Current Liabilities**		1,809,599	28	2,160,920	31
	Non-current liabilities					
2530	Bonds payable	6(15)	500,000	8	500,000	8
2570	Deferred income tax liabilities	6(29)	4,502	-	2,471	-
2580	Non-current lease liabilities	7	65,708	1	64,506	1
2600	Other non-current liabilities	6(16)	15,584	-	16,643	-
25XX	**Non-current liabilities**		585,794	9	583,620	9
2XXX	**Total Liabilities**		2,395,393	37	2,744,540	40
	Equity attributable to owners of parent					
	Share capital	6(17)(18)(19)				
3110	Share capital - common stock		3,014,526	47	2,960,915	43
	Capital surplus	6(19)				
3200	Capital surplus		1,013,244	16	1,115,833	16
	Retained earnings	6(20)				
3310	Legal reserve		220,802	3	189,170	3
3320	Special reserve		844,690	13	842,691	12
3350	Unappropriated retained earnings		75,732	1	318,318	5
	Other equity interest	6(21)				
3400	Other equity interest		(893,507)	(14)	(950,227)	(14)
3500	Treasury stocks	6(17)(18)	(277,773)	(4)	(372,478)	(6)
31XX	**Equity attributable to owners of the parent**		3,997,714	62	4,104,222	59
36XX	Non-controlling interest		52,912	1	41,163	1
3XXX	**Total equity**		4,050,626	63	4,145,385	60
	Significant contingent liabilities and unrecognised contract commitments	9				
	Significant events after balance sheet date	11				
3X2X	**Total liabilities and equity**		$ 6,446,019	100	$ 6,889,925	100

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

FIRICH ENTERPRISES CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
YEARS ENDED DECEMBER 31, 2023 AND 2022
(Expressed in thousands of New Taiwan dollars, except earnings per share amounts)

			Year ended December 31			
			2023		2022	
	Items	Notes	AMOUNT	%	AMOUNT	%
4000	Sales revenue	6(22) and 7	$ 2,547,887	100	$ 2,714,971	100
5000	Operating costs	6(5)(7)(10)(17)(27)(28) and 7	(1,795,650)	(71)	(1,921,654)	(71)
5900	Operating margin		752,237	29	793,317	29
5910	Unrealised profit from sales		(31,430)	(1)	(635)	-
5920	Realised profit from sales		635	-	1,300	-
5950	Net operating margin		721,442	28	793,982	29
	Operating expenses	6(7)(8)(9)(10)(16)(17)(27)(28)				
6100	Selling expenses		(188,798)	(7)	(216,969)	(8)
6200	General and administrative expenses		(308,832)	(12)	(348,492)	(13)
6300	Research and development expenses		(67,570)	(3)	(73,815)	(2)
6450	Expected credit impairment losses	12(2)	(17,955)	(1)	(27,306)	(1)
6000	Total operating expenses		(583,155)	(23)	(666,582)	(24)
6900	Operating profit		138,287	5	127,400	5
	Non-operating income and expenses					
7100	Interest income	6(23)	16,901	1	6,509	-
7010	Other income	6(24)	29,437	1	9,120	-
7020	Other gains and losses	6(2)(11)(25)	22,352	1	196,842	7
7050	Finance costs	6(26)	(33,364)	(1)	(31,345)	(1)
7055	Expected credit impairment losses	12(2)	(22,847)	(1)	(3,593)	-
7060	Share of (loss) profit of associates and joint ventures accounted for using the equity method	6(6)	(63,901)	(3)	84,993	3
7000	Total non-operating income and expenses		(51,422)	(2)	262,526	9
7900	**Profit before income tax**		86,865	3	389,926	14
7950	Income tax expense	6(29)	(33,107)	(1)	(64,984)	(2)
8200	**Profit for the year**		$ 53,758	2	$ 324,942	12

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FIRICH ENTERPRISES CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
YEARS ENDED DECEMBER 31, 2023 AND 2022
(Expressed in thousands of New Taiwan dollars, except earnings per share amounts)

	Items	Notes	Year ended December 31					
			2023			2022		
				AMOUNT	%		AMOUNT	%
	Other comprehensive income (loss) (Net)							
	Components of other comprehensive income (loss) that will not be reclassified to profit or loss							
8311	Gains on remeasurements of defined benefit plans	6(16)	$	177	-	$	4,001	-
8316	Unrealised gains from investments in equity instruments measured at fair value through other comprehensive income	6(3)(21)		23,780	1		22,955	1
8349	Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	6(21)(29)		5,438	-	(	2,332)	-
8310	Components of other comprehensive income that will not be reclassified to profit or loss			29,395	1		24,624	1
	Components of other comprehensive income that will be reclassified to profit or loss							
8361	Financial statements translation differences of foreign operations			28,669	1		243,866	9
8360	Components of other comprehensive income that will be reclassified to profit or loss			28,669	1		243,866	9
8300	**Other comprehensive income for the year**		$	58,064	2	$	268,490	10
8500	**Total comprehensive income for the year**		$	111,822	4	$	593,432	22
	Profit , attributable to:							
8610	Owners of the parent		$	42,712	2	$	311,960	12
8620	Non-controlling interest			11,046	-		12,982	-
			$	53,758	2	$	324,942	12
	Comprehensive income attributable to:							
8710	Owners of the parent		$	99,574	4	$	579,522	21
8720	Non-controlling interest			12,248	-		13,910	1
			$	111,822	4	$	593,432	22
	Earnings per share							
9750	Basic earnings per share	6(30)	$		0.15	$		1.07
9850	Diluted earnings per share	6(30)	$		0.15	$		1.06

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

FIRICH ENTERPRISES CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
YEARS ENDED DECEMBER 31, 2023 AND 2022
(Expressed in thousands of New Taiwan dollars)

		Equity attributable to owners of the parent										
				Retained earnings			Other equity interest					
	Notes	Share capital - common stock	Capital surplus, additional paid-in capital	Legal reserve	Special reserve	Unappropriated retained earnings	Financial statements translation differences of foreign operations	Unrealised gains (losses) from financial assets measured at fair value through other comprehensive income	Treasury stocks	Total	Non-controlling interest	Total equity
Year ended December 31, 2022												
Balance at January 1, 2022		$ 2,775,315	$ 1,325,054	$ 174,380	$ 764,600	$ 147,909	($ 721,971)	($ 491,459)	($ 388,632)	$ 3,585,196	$ 26,789	$ 3,611,985
Profit for the year		-	-	-	-	311,960	-	-	-	311,960	12,982	324,942
Other comprehensive income	6(21)	-	-	-	-	3,201	242,938	21,423	-	267,562	928	268,490
Total comprehensive income		-	-	-	-	315,161	242,938	21,423	-	579,522	13,910	593,432
Distribution of 2021 retained earnings	6(20)											
Legal reserve		-	-	14,790	-	(14,790)	-	-	-	-	-	-
Special reserve		-	-	-	78,091	(78,091)	-	-	-	-	-	-
Cash dividends		-	-	-	-	(53,029)	-	-	-	(53,029)	-	(53,029)
Cash dividends from capital surplus	6(19)	-	(26,514)	-	-	-	-	-	-	(26,514)	-	(26,514)
Stock dividends from capital surplus	6(21)	185,600	(185,600)	-	-	-	-	-	-	-	-	-
Treasury stocks transferred to employees	6(19)	-	2,893	-	-	-	-	-	16,154	19,047	464	19,511
Proceeds from disposal of financial assets at fair value through other comprehensive income	6(3)(21)	-	-	-	-	1,158	-	(1,158)	-	-	-	-
Balance at December 31, 2022		$ 2,960,915	$ 1,115,833	$ 189,170	$ 842,691	$ 318,318	($ 479,033)	($ 471,194)	($ 372,478)	$ 4,104,222	$ 41,163	$ 4,145,385
Year ended December 31, 2023												
Balance at January 1, 2023		$ 2,960,915	$ 1,115,833	$ 189,170	$ 842,691	$ 318,318	($ 479,033)	($ 471,194)	($ 372,478)	$ 4,104,222	$ 41,163	$ 4,145,385
Profit for the year		-	-	-	-	42,712	-	-	-	42,712	11,046	53,758
Other comprehensive income	6(21)	-	-	-	-	142	27,467	29,253	-	56,862	1,202	58,064
Total comprehensive income		-	-	-	-	42,854	27,467	29,253	-	99,574	12,248	111,822
Distribution of 2022 retained earnings	6(20)											
Legal reserve		-	-	31,632	-	(31,632)	-	-	-	-	-	-
Special reserve		-	-	-	1,999	(1,999)	-	-	-	-	-	-
Cash dividends		-	-	-	-	(198,592)	-	-	-	(198,592)	-	(198,592)
Stock dividends from capital surplus	6(19)	85,111	(85,111)	-	-	-	-	-	-	-	-	-
Subsidiary issues employee stock option certificates	6(19)(32)	-	28	-	-	-	-	-	-	28	129	157
Changes in net equity value of affiliated companies	6(19)	-	(4,270)	-	-	-	-	-	-	(4,270)	-	(4,270)
Transactions with non-controlling interests	6(32)	-	-	-	-	(3,248)	-	-	-	(3,248)	(628)	(3,876)
Cancellation of treasury shares		(31,500)	(13,236)	-	-	(49,969)	-	-	94,705	-	-	-
Balance at December 31, 2023		$ 3,014,526	$ 1,013,244	$ 220,802	$ 844,690	$ 75,732	($ 451,566)	($ 441,941)	($ 277,773)	$ 3,997,714	$ 52,912	$ 4,050,626

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

FIRICH ENTERPRISES CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2023 AND 2022
(Expressed in thousands of New Taiwan dollars)

	Notes	Year ended December 31 2023	Year ended December 31 2022
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax		$ 86,865	$ 389,926
Adjustments			
Adjustments to reconcile profit (loss)			
Depreciation and amortization	6(7)(8)(9)(10)(27)	63,805	63,448
Expected credit impairment loss	12(2)	40,802	30,899
Provision for decline in market value and obsolescence of inventories	6(5)	72,306	21,941
Share-based payments compensation costs	6(17)	157	3,360
Gains on financial assets at fair value through profit or loss	6(2)(25)	(116,756)	(177,405)
Losses on disposal of investments	6(25)	49,180	-
Share of loss (profit) of associates and joint ventures accounted for using the equity method	6(6)	63,901	(84,993)
(Gain) loss on disposal of property, plant and equipment	6(25)	(197,288)	77
Gain on lease modification	6(8)	-	(471)
Impairment loss	6(6)(11)(25)	252,042	69,703
Interest income	6(23)	(16,901)	(6,509)
Interest expense	6(26)	33,364	31,345
Dividends income	6(24)	(21,306)	(2,201)
Unrealised profit from sales		31,430	635
Realised profit from sales		(635)	(1,300)
Changes in operating assets and liabilities			
Changes in operating assets			
Notes receivable, net		500	(557)
Accounts receivable, net		124,229	15,163
Accounts receivable, net - related parties		(314,542)	17,159
Other receivables		11,300	18,651
Other receivables - related parties		(129)	198
Inventories		202,582	42,777
Prepayments		34,422	(14,720)
Other current assets		209	7,114
Changes in operating liabilities			
Current contract liabilities		10,511	2,914
Accounts payable		(23,851)	(108,947)
Accounts payable - related parties		(150)	(3,164)
Other payables		(9,581)	7,419
Other payables - related parties		(3,050)	(2,965)
Other current liabilities		(278)	93
Cash inflow generated from operations		373,138	319,590
Interest received	6(23)	16,901	6,509
Interest paid		(29,901)	(29,373)
Income tax paid		(80,966)	(13,508)
Net cash flows from operating activities		279,172	283,218

(Continued)

FIRICH ENTERPRISES CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2023 AND 2022
(Expressed in thousands of New Taiwan dollars)

	Notes	Year ended December 31 2023	2022
CASH FLOWS FROM INVESTING ACTIVITIES			
decrease (Increase) in other receivables due from related parties	7	$ 12,301	($ 11,695)
Increase in non-current financial assets at fair value through profit or loss		(144,027)	(7,663)
Proceeds from disposal of non-current financial assets at fair value through profit or loss		-	64,557
Increase in non-current financial assets at fair value through other comprehensive income		-	(768)
Proceeds from disposal of non-current financial assets at fair value through other comprehensive income	6(3)	-	1,668
Acquisition of investments accounted for using the equity method	6(6)	(36,000)	(337,800)
Proceeds from capital reduction or liquidation of investments accounted for using the equity method	6(7)	322,050	-
Acquisition of property, plant and equipment	6(7)	(16,253)	(13,816)
Proceeds from disposal of property, plant and equipment		118,253	2
Acquisition of intangible assets	6(10)	(432)	(1,334)
(Increase) decrease in refundable deposits		3,181	(2,588)
Increase in prepayments for business facilities		(1,770)	-
Increase in advance receipts-disposal of assets		-	115,874
Dividends received		26,914	7,263
Net cash flows from (used in) investing activities		284,217	(186,300)
CASH FLOWS FROM FINANCING ACTIVITIES			
Decrease in short-term borrowings	6(14)(31)	(223,267)	(203,089)
Decrease in lease liabilities	6(31)	(24,315)	(17,587)
Acquisition of ownership interests in subsidiaries	6(32)	(3,876)	-
Proceeds from treasury stocks acquired by employees	6(17)	-	16,151
Cash dividends paid	6(20)	(198,592)	(53,029)
Cash dividends from capital surplus	6(19)	-	(26,514)
(Decrease) increase in other non-current liabilities		(882)	79
Net cash flows used in financing activities		(450,932)	(283,989)
Effect of exchange rate changes on cash and cash equivalents		(51,226)	57,698
Net increase (decrease) in cash and cash equivalents		61,231	(129,373)
Cash and cash equivalents at beginning of year	6(1)	1,220,661	1,350,034
Cash and cash equivalents at end of year	6(1)	$ 1,281,892	$ 1,220,661

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

FIRICH ENTERPRISES CO., LTD AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2023 and 2022
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

1. HISTORY AND ORGANISATION

Firich Enterprises Co., Ltd. (the "Company") was incorporated as a company limited by shares under the provisions of the Company Act of the Republic of China (R.O.C.). The Company and its subsidiaries (collectively referred herein as the "Group") mainly engages in the assembly, manufacture, import and export of business oriented computer and its peripheral equipment.

2. THE DATE OF AUTHORISATION FOR ISSUANCE OF THE CONSOLIDATED FINANCIAL STATEMENTS AND PROCEDURES FOR AUTHORISATION

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

3. APPLICATION OF NEW STANDARDS, AMENDMENTS AND INTERPRETATIONS

(1) Effect of the adoption of new issuances of or amendments to International Financial Reporting Standards ("IFRS®") Accounting Standards that came into effect as endorsed by the Financial Supervisory Commission ("FSC")

New standards, interpretations and amendments endorsed by FSC and became effective from 2023 are as follows:

New Standards, Interpretations and Amendments	Effective date by International Accounting Standards Board
Amendments to IAS 1, 'Disclosure of accounting policies'	January 1, 2023
Amendments to IAS 8, 'Definition of accounting estimates'	January 1, 2023
Amendments to IAS 12, 'Deferred tax related to assets and liabilities arising from a single transaction'	January 1, 2023
Amendments to IAS 12, 'International tax reform - pillar two model rules'	May 23, 2023

The above standards and interpretations have no significant impact to the Group's financial condition and financial performance based on the Group's assessment.

(2) Effect of new issuances of or amendments to IFRS Accounting Standards as endorsed by the FSC but not yet adopted by the Group

New standards, interpretations and amendments endorsed by the FSC and will become effective from 2024 are as follows:

New Standards, Interpretations and Amendments	Effective date by International Accounting Standards Board
Amendments to IFRS 16, 'Lease liability in a sale and leaseback'	January 1, 2024
Amendments to IAS 1, 'Classification of liabilities as current or non-current'	January 1, 2024
Amendments to IAS 1, 'Non-current liabilities with covenants'	January 1, 2024
Amendments to IAS 7 and IFRS 7, 'Supplier finance arrangements'	January 1, 2024

The above standards and interpretations have no significant impact to the Group's financial condition and financial performance based on the Group's assessment.

(3) IFRS Accounting Standards issued by IASB but not yet endorsed by the FSC

New standards, interpretations and amendments issued by IASB but not yet included in the IFRS Accounting Standards as endorsed by the FSC are as follows:

New Standards, Interpretations and Amendments	Effective date by International Accounting Standards Board
Amendments to IFRS 10 and IAS 28, 'Sale or contribution of assets between an investor and its associate or joint venture'	To be determined by International Accounting Standards Board
IFRS 17, 'Insurance contracts'	January 1, 2023
Amendments to IFRS 17, 'Insurance contracts'	January 1, 2023
Amendment to IFRS 17, 'Initial application of IFRS 17 and IFRS 9 – comparative information'	January 1, 2023
Amendments to IAS 21, 'Lack of exchangeability'	January 1, 2025

The above standards and interpretations have no significant impact to the Group's financial condition and financial performance based on the Group's assessment.

4. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated.

(1) Compliance statement

The consolidated financial statements of the Group have been prepared in accordance with the "Regulations Governing the Preparation of Financial Reports by Securities Issuers", International Financial Reporting Standards, International Accounting Standards, IFRIC® Interpretations, and SIC® Interpretations that came into effect as endorsed by the FSC (collectively referred herein as the "IFRS").

(2) Basis of preparation

A. Except for the following items, the consolidated financial statements have been prepared under the historical cost convention:

(a) Financial assets and financial liabilities (including derivative instruments) at fair value through profit or loss.

(b) Financial assets at fair value through other comprehensive income.

(c) Defined benefit liabilities recognised based on the net amount of pension fund assets less present value of defined benefit obligation.

B. The preparation of financial statements in conformity with IFRSs requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 5.

(3) Basis of consolidation

A. Basis for preparation of consolidated financial statements:

(a) All subsidiaries are included in the Group's consolidated financial statements. Subsidiaries are all entities (including structured entities) controlled by the Group. The Group controls an entity when the Group is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Consolidation of subsidiaries begins from the date the Group obtains control of the subsidiaries and ceases when the Group loses control of the subsidiaries.

(b) Inter-company transactions, balances and unrealised gains or losses on transactions between companies within the Group are eliminated. Accounting policies of subsidiaries have been adjusted where necessary to ensure consistency with the policies adopted by the Group.

(c) Profit or loss and each component of other comprehensive income are attributed to the owners of the parent and to the non-controlling interests. Total comprehensive income is attributed to the owners of the parent and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

(d) Changes in a parent's ownership interest in a subsidiary that do not result in the parent losing control of the subsidiary (transactions with non-controlling interests) are accounted for as equity transactions, i.e. transactions with owners in their capacity as owners. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity.

(e) When the Group loses control of a subsidiary, the Group remeasures any investment retained in the former subsidiary at its fair value. That fair value is regarded as the fair value on initial recognition of a financial asset or the cost on initial recognition of the associate or joint venture. Any difference between fair value and carrying amount is recognised in profit or loss. All amounts previously recognised in other comprehensive income in relation to the subsidiary are reclassified to profit or loss on the same basis as would be required if the related assets or liabilities were disposed of. That is, when the Group loses control of a subsidiary, all gains or losses previously recognised in other comprehensive income in relation to the subsidiary should be reclassified from equity to profit or loss, if such gains or losses would be reclassified to profit or loss when the related assets or liabilities are disposed of.

B. Subsidiaries included in the consolidated financial statements:

			Ownership (%)		
Name of investor	Name of subsidiary	Main business activities	December 31, 2023	December 31, 2022	Description
Firich Enterprises Co., Ltd.	Firich International Co., Ltd.	Investment holdings of overseas companies	100	100	
Firich Enterprises Co., Ltd.	AKAM Group B.V.	Supply of information software and electronic information and wholesale of computer and business machinery equipment	100	100	
Firich International Co., Ltd.	Firich (Hong Kong) International Co., Ltd.	Investment holdings of overseas companies	100	100	
Firich (Hong Kong) International Co., Ltd.	Crimson Technology (Shanghai) Inc.	International and entrepot trade	100	100	

			Ownership (%)		
Name of investor	Name of subsidiary	Main business activities	December 31, 2023	December 31, 2022	Description
Crimson Technology (Shanghai) Inc.	Shanghai Lisi Trading Co., Ltd.	Supply of information software and electronic information and wholesale and retail of computer and business machinery equipment	100	100	
Firich International Co., Ltd.	Cai Rui Trading Co., Ltd.	Import and export of inventory, entrepot trade, sale of electronic products and consulting	100	100	
Firich International Co., Ltd.	Firich Investment Ltd.	Investment holdings of overseas companies	100	100	
Firich Investment Ltd.	Firich Information Technologies PVT Ltd.	Research and development of software and sale of computer peripherals	100	100	
AKAM Group B.V.	AKAM Netherlands B.V.	Supply of information software and electronic information and wholesale of computer and business machinery equipment	100	100	
AKAM Group B.V.	AKAM Belgium BVBA	Supply of information software and electronic information and wholesale of computer and business machinery equipment	99	99	
AKAM Netherlands B.V.	AKAM Belgium BVBA	Supply of information software and electronic information and wholesale of computer and business machinery equipment	1	1	

			Ownership (%)		
Name of investor	Name of subsidiary	Main business activities	December 31, 2023	December 31, 2022	Description
Firich Enterprises Co., Ltd.	Firich USA Inc.	International and entrepot trade	100	100	
Firich Enterprises Co., Ltd.	Firich UK Co., Ltd.	Import and export of inventory, entrepot trade, sale of electronic products and consulting	82.50	82.50	
Firich Enterprises Co., Ltd.	TopRich Co., Ltd.	International and entrepot trade	100	100	
Firich Enterprises Co., Ltd.	Tiga Gaming Inc.	Wholesale and retail of information software	53.00	52.22	Note 1
TopRich Co., Ltd.	Tiga Gaming Inc.	Wholesale and retail of information software	1.74	1.74	
Tiga Gaming Inc.	Tiga Rus LLC	Information software service, wholesale and retail of computer and business machinery equipment	-	100	Note 2
Tiga Gaming Inc.	Link Triumph Co., Ltd.	Investment holdings of overseas companies	100	100	
Link Triumph Co., Ltd.	Dazhe Information Technology Co., (Shanghai) Ltd.	Supply of information software and electronic information and wholesale and retail of computer and business machinery equipment	-	100	Note 3
Crimson Technology (Shanghai) Inc.	Shuo Cai Technologies Corp.	Supply of information software and electronic information and wholesale and retail of computer and business machinery equipment	100	100	

Name of investor	Name of subsidiary	Main business activities	Ownership (%) December 31, 2023	Ownership (%) December 31, 2022	Description
Firich Enterprises Co., Ltd.	Firich Korea Co., Ltd.	Import and export of inventory, entrepot trade, sale of electronic products and consulting	100	100	
Firich Enterprises Co., Ltd.	Xiang Ting Entertainment Co., Ltd.	Book publishing industry, audio publishing industry, film production industry and radio program production industry	100	-	Note 4

Note 1: The company purchased an additional 0.78% of the issued shares of Tiga Gaming Inc. in batches from February 8 to April 26, 2023, reducing non-controlling equity by $628 and owner's equity attributable to the parent company by $3,248. Please refer to Note 6(32).

Note 2: Tiga Rus LLC applied for dissolution on September 19, 2023, and the liquidation was completed on February 15, 2024. The Group lost control of the company from the date of dissolution, and stopped including the company in the group's consolidated financial statements.

Note 3: Dazhe Information Technology Co., (Shanghai) Ltd. resolved to dissolve on August 24, 2023, and was liquidated on October 13, 2023. The Group lost control of the company from the date of its dissolution and stopped including the company in the Group's consolidated financial statements.

Note 4: Xiang Ting Entertainment Co., Ltd. is a newly established subsidiary in 2023.

Certain non-significant subsidiaries included in consolidated financial statements were based on the financial statements which were audited by other independent auditors. Total assets of these subsidiaries amounted to $671,122 and $672,148 as of December 31, 2023 and 2022, respectively, and net operating revenue of these subsidiaries amounted to $375,457 and $325,314 for the years then ended, respectively.

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

D. Adjustments for subsidiaries with different balance sheet dates: None.

E. Significant restrictions: None.

F. Subsidiaries that have non-controlling interests that are material to the Group:

As of December 31, 2023 and 2022, the non-controlling interest amounted to $52,913 and $41,163, respectively. The information of non-controlling interest and respective subsidiaries is as follows:

		Non-controlling interest		Non-controlling interest	
		December 31, 2023		December 31, 2022	
Name of subsidiary	Principal place of business	Amount	Ownership(%)	Amount	Ownership(%)
Tiga Gaming Inc.	Taiwan	$ 45,126	45.26	$ 34,441	46.04

Summarised financial information of the subsidiaries:

Balance sheets

	Tiga Gaming Inc.	
	December 31, 2023	December 31, 2022
Current assets	$ 126,618	$ 101,854
Non-current assets	9,960	7,764
Current liabilities	(34,847)	(34,088)
Non-current liabilities	(2,028)	(723)
Total net assets	$ 99,703	$ 74,807

Statements of comprehensive income

	Tiga Gaming Inc.	
	Year ended December 31, 2023	Year ended December 31, 2022
Revenue	$ 96,240	$ 99,567
Profit before income tax	$ 23,029	$ 26,725
Profit for the year	$ 22,977	$ 26,723
Other comprehensive (loss) income, net of tax	($ 328)	$ 2,077
Total comprehensive income for the year	$ 22,649	$ 28,800

Statements of cash flows

	Tiga Gaming Inc.	
	Year ended December 31, 2023	Year ended December 31, 2022
Net cash provided by operating activities	$ 27,098	$ 30,447
Net cash provided by (used in) investing activities	6	(71)
Net cash used in financing activities	(787)	(905)
Effect of exchange rates on cash and cash equivalents	(1,043)	2,074
Increase in cash and cash equivalents	25,274	31,545
Cash and cash equivalents, beginning of year	82,688	51,143
Cash and cash equivalents, end of year	$ 107,962	$ 82,688

(4) Foreign currency translation

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The consolidated financial statements are presented in New Taiwan Dollars, which is the Company's functional and the Group's presentation currency.

A. Foreign currency transactions and balances

(a) Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are remeasured. Foreign exchange gains and losses resulting from the settlement of such transactions are recognised in profit or loss in the period in which they arise.

(b) Monetary assets and liabilities denominated in foreign currencies at the period end are re-translated at the exchange rates prevailing at the balance sheet date. Exchange differences arising upon re-translation at the balance sheet date are recognised in profit or loss.

(c) Non-monetary assets and liabilities denominated in foreign currencies held at fair value through profit or loss are re-translated at the exchange rates prevailing at the balance sheet date; their translation differences are recognised in profit or loss. Non-monetary assets and liabilities denominated in foreign currencies held at fair value through other comprehensive income are re-translated at the exchange rates prevailing at the balance sheet date; their translation differences are recognised in other comprehensive income. However, non-monetary assets and liabilities denominated in foreign currencies that are not measured at fair value are translated using the historical exchange rates at the dates of the initial transactions.

(d) All foreign exchange gains and losses are presented in the statement of comprehensive income within 'other gains and losses'.

B. Translation of foreign operations

(a) The operating results and financial position of all the group entities, associates and joint arrangements that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

i. Assets and liabilities for each balance sheet presented are translated at the closing exchange rate at the date of that balance sheet;

ii. Income and expenses for each statement of comprehensive income are translated at average exchange rates of that period; and

iii. All resulting exchange differences are recognised in other comprehensive income.

(b) When the foreign operation partially disposed of or sold is an associate or joint arrangement, exchange differences that were recorded in other comprehensive income are proportionately reclassified to profit or loss as part of the gain or loss on sale. In addition, even when the Group retains partial interest in the former foreign associate or joint arrangement after losing significant influence over the former foreign associate, or losing joint control of the former joint arrangement, such transactions should be accounted for as disposal of all interest in these foreign operations.

(c) When the foreign operation partially disposed of or sold is a subsidiary, cumulative exchange differences that were recorded in other comprehensive income are proportionately transferred to the non-controlling interest in this foreign operation. In addition, even when the Group retains partial interest in the former foreign subsidiary after losing control of the former foreign subsidiary, such transactions should be accounted for as disposal of all interest in the foreign operation.

(d) Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing exchange rates at the balance sheet date.

(5) Classification of current and non-current items

A. Assets that meet one of the following criteria are classified as current assets; otherwise they are classified as non-current assets:

(a) Assets arising from operating activities that are expected to be realised, or are intended to be sold or consumed within the normal operating cycle;

(b) Assets held mainly for trading purposes;

(c) Assets that are expected to be realised within twelve months from the balance sheet date;

(d) Cash and cash equivalents, excluding restricted cash and cash equivalents and those that are to be exchanged or used to settle liabilities more than twelve months after the balance sheet date.

B. Liabilities that meet one of the following criteria are classified as current liabilities; otherwise they are classified as non-current liabilities:

(a) Liabilities that are expected to be settled within the normal operating cycle;

(b) Liabilities arising mainly from trading activities;

(c) Liabilities that are to be settled within twelve months from the balance sheet date;

(d) Liabilities for which the repayment date cannot be extended unconditionally to more than twelve months after the balance sheet date. 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.

(6) Cash equivalents

Cash equivalents refer to short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Time deposits that meet the definition above and are held for the purpose of meeting short-term cash commitments in operations are classified as cash equivalents.

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

A. Financial assets at fair value through profit or loss are financial assets that are not measured at amortised cost or fair value through other comprehensive income.

B. On a regular way purchase or sale basis, financial assets at fair value through profit or loss are recognised and derecognised using trade date accounting.

C. At initial recognition, the Group measures the financial assets at fair value and recognises the transaction costs in profit or loss. The Group subsequently measures the financial assets at fair value, and recognises the gain or loss in profit or loss.

D. The Group recognises the dividend income when the right to receive payment is established, future economic benefits associated with the dividend will flow to the Group and the amount of the dividend can be measured reliably.

(8) Financial assets at fair value through other comprehensive income

A. Financial assets at fair value through other comprehensive income comprise equity securities which are not held for trading, and for which the Group has made an irrevocable election at initial recognition to recognise changes in fair value in other comprehensive income.

B. On a regular way purchase or sale basis, financial assets at fair value through other comprehensive income are recognised and derecognised using trade date accounting.

C. At initial recognition, the Group measures the financial assets at fair value plus transaction costs. The Group subsequently measures the financial assets at fair value.

The changes in fair value of equity investments that were recognised in other comprehensive income are reclassified to retained earnings and are not reclassified to profit or loss following the derecognition of the investment. Dividends are recognised as revenue when the right to receive payment is established, future economic benefits associated with the dividend will flow to the Group and the amount of the dividend can be measured reliably.

(9) Accounts and notes receivable

A. Accounts and notes receivable entitle the Group a legal right to receive consideration in exchange for transferred goods or rendered services.

B. The short-term accounts and notes receivable without bearing interest are subsequently measured at initial invoice amount as the effect of discounting is immaterial.

(10) Impairment of financial assets

For accounts receivable that do not contain a significant financing component, the Group recognises the impairment provision for lifetime expected credit losses at each reporting date.

(11) Derecognition of financial assets

The Group derecognises a financial asset when the contractual rights to receive the cash flows from the financial asset expire.

(12) Leasing arrangements (lessor)-operating leases

Lease income from an operating lease (net of any incentives given to the lessee) is recognised in profit or loss on a straight-line basis over the lease term.

(13) Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined using the weighted-average method. The cost of finished goods and work in progress comprises raw materials, direct labour, other direct costs and related production overheads (allocated based on normal operating capacity). It excludes borrowing costs. The item by item approach is used in applying the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated cost of completion and the estimated costs necessary to make the sale.

(14) Non-current assets held for sale

Non-current assets are classified as assets held for sale when their carrying amount is to be recovered principally through a sale transaction rather than through continuing use, and a sale is considered highly probable. They are stated at the lower of carrying amount and fair value less costs to sell.

(15) Investments accounted for using the equity method - associates

A. Associates are all entities over which the Group has significant influence but not control. In general, it is presumed that the investor has significant influence, if an investor holds, directly or indirectly 20 percent or more of the voting power of the investee. Investments in associates are accounted for using the equity method and are initially recognised at cost.

B. The Group's share of its associates' post-acquisition profits or losses is recognised in profit or loss, and its share of post-acquisition movements in other comprehensive income is recognised in other comprehensive income. When the Group's share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured receivables, the Group does not recognise further losses, unless it has incurred legal or constructive obligations or made payments on behalf of the associate.

C. When changes in an associate's equity do not arise from profit or loss or other comprehensive income of the associate and such changes do not affect the Group's ownership percentage of the associate, the Group recognises the Group's share of change in equity of the associate in 'capital surplus' in proportion to its ownership.

D. Unrealised gains on transactions between the Group and its associates are eliminated to the extent of the Group's interest in the associates. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of associates have been adjusted where necessary to ensure consistency with the policies adopted by the Group.

E. In the case that an associate issues new shares and the Group does not subscribe or acquire new shares proportionately, which results in a change in the Group's ownership percentage of the associate but maintains significant influence on the associate, then 'capital surplus' and 'investments accounted for using the equity method' shall be adjusted for the increase or decrease of its share of equity interest. If the above condition causes a decrease in the Group's ownership percentage of the associate, in addition to the above adjustment, the amounts previously recognised in other comprehensive income in relation to the associate are reclassified to profit or loss proportionately on the same basis as would be required if the relevant assets or liabilities were disposed of.

F. Upon loss of significant influence over an associate, the Group remeasures any investment retained in the former associate at its fair value. Any difference between fair value and carrying amount is recognised in profit or loss.

G. When the Group disposes its investment in an associate and loses significant influence over this associate, the amounts previously recognised in other comprehensive income in relation to the associate, are reclassified to profit or loss, on the same basis as would be required if the relevant assets or liabilities were disposed of. If it retains significant influence over this associate, the amounts previously recognised in other comprehensive income in relation to the associate are reclassified to profit or loss proportionately in accordance with the aforementioned approach.

H. When the Group disposes its investment in an associate and loses significant influence over this associate, the amounts previously recognised as capital surplus in relation to the associate are transferred to profit or loss. If it retains significant influence over this associate, the amounts previously recognised as capital surplus in relation to the associate are transferred to profit or loss proportionately.

I. When assessing impairment, the Company treats the entire carrying amount of the investment as a single asset, compares the recoverable amount (the higher of value in use or fair value less costs of sale) and the carrying amount, conducts impairment testing, and recognizes impairment losses that will be included in the carrying amount of the investment. The reversal of any impairment loss is recognized to the extent that the recoverable amount of the investment subsequently increases.

(16) Property, plant and equipment

A. Property, plant and equipment are initially recorded at cost.

B. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to profit or loss during the financial period in which they are incurred.

C. Land is not depreciated. Other property, plant and equipment apply cost model and are depreciated using the straight-line method to allocate their cost over their estimated useful lives. Each part of an item of property, plant, and equipment with a cost that is significant in relation to the total cost of the item must be depreciated separately.

D. The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each balance sheet date. If expectations for the assets' residual values and useful lives differ from previous estimates or the patterns of consumption of the assets' future economic benefits embodied in the assets have changed significantly, any change is accounted for as a change in estimate under IAS 8, 'Accounting Policies, Changes in Accounting Estimates and Errors', from the date of the change. The estimated useful lives of property, plant and equipment are as follows:

Buildings and structures	30 ~ 50 years
Machinery and equipment	2 ~ 7 years
Office equipment	2 ~ 5 years
Others	2 ~ 8 years

(17) Leasing arrangements (lessee)－right-of-use assets/ lease liabilities

A. Leases are recognised as a right-of-use asset and a corresponding lease liability at the date at which the leased asset is available for use by the Group. For short-term leases or leases of low-value assets, lease payments are recognised as an expense on a straight-line basis over the lease term.

B. Lease liabilities include the net present value of the remaining lease payments at the commencement date, discounted using the incremental borrowing interest rate. Lease payments are comprised of fixed payments, less any lease incentives receivable.

The Group subsequently measures the lease liability at amortised cost using the interest method and recognises interest expense over the lease term. The lease liability is remeasured and the amount of remeasurement is recognised as an adjustment to the right-of-use asset when there are changes in the lease term or lease payments and such changes do not arise from contract modifications.

C. At the commencement date, the right-of-use asset is stated at cost comprising the amount of the initial measurement of lease liability.

The right-of-use asset is measured subsequently using the cost model and is depreciated from the commencement date to the earlier of the end of the asset's useful life or the end of the lease term. When the lease liability is remeasured, the amount of remeasurement is recognised as an adjustment to the right-of-use asset.

(18) Investment property

An investment property is stated initially at its cost and measured subsequently using the cost model. Except for land, investment property is depreciated on a straight-line basis over its estimated useful life of 20 years.

(19) Intangible assets

A. Computer software is stated at cost and amortised on a straight-line basis over its estimated useful life of 3~5 years.

B. Customer relationship acquired in a business combination are recognised at fair value at acquisition date. Customer relationship is an assets with useful life, and are amortised on a straight-line basis over their finite useful lives of 5 years.

C. Goodwill arises in a business combination accounted for by applying the acquisition method.

(20) Impairment of non-financial assets

A. The Group assesses at each balance sheet date the recoverable amounts of those assets where there is an indication that they are impaired. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell or value in use. Except for goodwill, when the circumstances or reasons for recognising impairment loss for an asset in prior years no longer exist or diminish, the impairment loss is reversed. The increased carrying amount due to reversal should not be more than what the depreciated or amortised historical cost would have been if the impairment had not been recognised.

B. The recoverable amounts of goodwill are evaluated periodically. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. Impairment loss of goodwill previously recognised in profit or loss shall not be reversed in the following years.

C. For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the cash-generating units, or groups of cash-generating units, that is/are expected to benefit from the synergies of the business combination. Each unit or group of units to which the goodwill is allocated represents the lowest level within the entity at which the goodwill is monitored for internal management purposes. Goodwill is monitored at the operating segment level.

(21) Borrowings

Borrowings comprise long-term and short-term bank borrowings. Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in profit or loss over the period of the borrowings using the effective interest method.

(22) Accounts payable

A. Accounts payable are liabilities for purchases of raw materials, goods or services and those resulting from operating and non-operating activities.

B. The short-term accounts payable without bearing interest are subsequently measured at initial invoice amount as the effect of discounting is immaterial.

(23) Bonds payable

Ordinary corporate bonds issued by the Group are initially recognised at fair value less transaction costs. Any difference between the proceeds (net of transaction costs) and the redemption value is presented as an addition to or deduction from bonds payable, which is amortised to profit or loss over the period of bond circulation using the effective interest method as an adjustment to 'finance costs'.

(24) Derecognition of financial liabilities

A financial liability is derecognised when the obligation specified in the contract is either discharged or cancelled or expires.

(25) Provisions

Provisions (including warranties, etc.) are recognised when the Group has a present legal or constructive obligation as a result of past events, and it is probable that an outflow of economic resources will be required to settle the obligation and the amount of the obligation can be reliably estimated.

(26) Employee benefits

A. Short-term employee benefits

Short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in respect of service rendered by employees in a period and should be recognised as expense in that period when the employees render service.

B. Pensions

(a) Defined contribution plans

For defined contribution plans, the contributions are recognised as pension expense when they are due on an accrual basis. Prepaid contributions are recognised as an asset to the extent of a cash refund or a reduction in the future payments.

(b) Defined benefit plans

i. Net obligation under a defined benefit plan is defined as the present value of an amount of pension benefits that employees will receive on retirement for their services with the Group in current period or prior periods. The liability recognised in the balance sheet in respect of defined benefit pension plans is the present value of the defined benefit obligation at the balance sheet date less the fair value of plan assets. The net defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The rate used to discount is determined by using interest rates of government bonds (at the balance sheet date) of a currency and term consistent with the currency and term of the employment benefit obligations.

ii. Remeasurements arising on defined benefit plans are recognised in other comprehensive income in the period in which they arise and are recorded as retained earnings.

C. Employees' compensation and directors' remuneration

Employees' compensation and directors' remuneration are recognised as expenses and liabilities, provided that such recognition is required under legal or constructive obligation and those amounts can be reliably estimated. Any difference between the resolved amounts and the subsequently actual distributed amounts is accounted for as changes in estimates. If employee compensation is paid by shares, the Group calculates the number of shares based on the closing price at the previous day of the board meeting resolution.

(27) Employee share-based payment

For the equity-settled share-based payment arrangements, the employee services received are measured at the fair value of the equity instruments granted at the grant date, and are recognised as compensation cost over the vesting period, with a corresponding adjustment to equity. The fair value of the equity instruments granted shall reflect the impact of market vesting conditions and non-vesting conditions. Compensation cost is subject to adjustment based on the service conditions that are expected to be satisfied and the estimates of the number of equity instruments that are expected to vest under the non-market vesting conditions at each balance sheet date. Ultimately, the amount of compensation cost recognised is based on the number of equity instruments that eventually vest.

(28) Income tax

A. The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or items recognised directly in equity, in which cases the tax is recognised in other comprehensive income or equity.

B. The current income tax expense is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the Company and its subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in accordance with applicable tax regulations. It establishes provisions where appropriate based on the amounts expected to be paid to the tax authorities. The Company and its domestic subsidiaries' additional tax is levied on the unappropriated retained earnings and is recorded as income tax expense in the year the stockholders resolve to retain the earnings.

C. Deferred income tax is recognised, using the balance sheet liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated balance sheet. However, the deferred income tax is not accounted for if it arises from initial recognition of goodwill or of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences. Deferred income tax is provided on temporary differences arising on investments in subsidiaries and associates, except where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

D. Deferred income tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised. At each balance sheet date, unrecognised and recognised deferred income tax assets are reassessed.

(29) Share capital

A. Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or stock options are shown in equity as a deduction, net of tax, from the proceeds.

B. Where the Company repurchases the Company's equity share capital that has been issued, the consideration paid, including any directly attributable incremental costs (net of income taxes) is deducted from equity attributable to the Company's equity holders. Where such shares are subsequently reissued, the difference between their book value and any consideration received, net of any directly attributable incremental transaction costs and the related income tax effects, is included in equity attributable to the Company's equity holders.

(30) Dividends

Cash dividends are recorded as liabilities resolved by the Board of Directors in accordance with Article 240 of the amended Company Act and the Articles of Incorporation. Stock dividends are recorded in the Company's financial statements in the period in which they are resolved by the Company's shareholders and are reclassified to ordinary shares on the effective date of new shares issuance.

(31) Revenue recognition

A. Sales of goods

(a) The Group manufactures and sells business oriented computer and peripherals and wholesale and retail of liquor. Sales are recognised when control of the products has transferred, being when the products are delivered to the wholesaler, the wholesaler has full discretion over the channel and price to sell the products, and there is no unfulfilled obligation that could affect the wholesaler's acceptance of the products. Delivery occurs when the products have been shipped to the specific location, the risks of obsolescence and loss have been transferred to the wholesaler, and either the wholesaler has accepted the products in accordance with the sales contract, or the Group has objective evidence that all criteria for acceptance have been satisfied.

(b) The Group's obligation to provide a refund for faulty products under the standard warranty terms is recognised as a provision.

(c) A receivable is recognised when the goods are delivered as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

B. Services providing

(a) The Group provides services relating to business oriented computer support and maintenance, information software and electronic information supply. Revenue from providing services is recognised in the accounting period in which the services are rendered. For fixed-price contracts, revenue is recognised based on the actual service provided to the end of the reporting period as a proportion of the total services to be provided. This is determined based on the period of actual service used relative to the total period of service to be provided. The customer pays at the time specified in the payment schedule. If the services rendered exceed the payment, a contract asset is recognised. If the payments exceed the services rendered, a contract liability is recognised.

(b) Some contracts include multiple deliverables, such as the installation of hardware and software. In most cases, the installation is simple, does not include an integration service and could be performed by another supplier. It is therefore accounted for as a separate performance obligation. In this case, the transaction price will be allocated to each performance obligation based on the stand-alone selling prices. Where these are not directly observable, they are estimated based on expected cost plus margin. If contracts include the sales of hardware, revenue for the hardware is recognised at a point in time when the hardware is delivered, the legal title has passed and the customer has accepted the hardware.

(c) The Group's estimate about revenue, costs and progress towards complete satisfaction of a performance obligation is subject to a revision whenever there is a change in circumstances. Any increase or decrease in revenue or costs due to an estimate revision is reflected in profit or loss during the period when the management become aware of the changes in circumstances.

(32) Operating segments

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision-Maker. The Group's Chief Operating Decision-Maker, who is responsibl -e for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors that makes strategic decisions.

5. CRITICAL ACCOUNTING JUDGEMENTS, ESTIMATES AND KEY SOURCES OF ASSUMPTION UNCERTAINTY

The preparation of these consolidated financial statements requires management to make critical judgements in applying the Group's accounting policies and make critical assumptions and estimates concerning future events. Assumptions and estimates may differ from the actual results and are continually evaluated and adjusted based on historical experience and other factors. Such assumptions and estimates have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year; and the related information is addressed below:

(1) Critical judgements in applying the Group's accounting policies

None.

(2) Critical accounting estimates and assumptions

A. Evaluation of inventories

Inventories are stated at the lower of cost and net realizable value. For inventory which is saleable and obsolete inventory that is checked item by item, the net realizable value are determined based on past experience on industry. Management's judgement on determining net realizable value involves material judgement.

B. Impairment assessment of investments accounted for using equity method

The Group assesses the impairment of an investment accounted for using equity method as soon as there is any indication that it might have been impaired and its carrying amount cannot be recovered. The Group assesses the recoverable amounts of an investment accounted for under the equity method based on prices generated by market transactions of comparable companies and analyses the reasonableness of related assumptions.

6. DETAILS OF SIGNIFICANT ACCOUNTS

(1) Cash and cash equivalents

	December 31, 2023	December 31, 2022
Cash on hand	$ 4,281	$ 4,345
Checking accounts and demand deposits	1,203,370	1,176,777
Time deposits	54,702	39,539
Deposit in transit	19,539	-
	$ 1,281,892	$ 1,220,661

A. The Group transacts with a variety of financial institutions all with high credit quality to disperse credit risk, so it expects that the probability of counterparty default is remote.

B. The Group has no cash and cash equivalents pledged to others.

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

Items	December 31, 2023	December 31, 2022
Non-current items:		
Financial assets mandatorily measured at fair value through profit or loss		
Listed stocks	$ 122,850	$ -
Emerging stocks	-	97,422
Unlisted stocks	82,598	-
Open-end fund	36,000	-
	241,448	97,422
Valuation adjustment	520,087	403,331
	$ 761,535	$ 500,753

A. Amounts recognised in profit or loss in relation to financial assets at fair value through profit or loss are listed below:

	For the year ended December 31, 2023	For the year ended December 31, 2022
Financial assets mandatorily measured at fair value through profit or loss		
Equity instruments	$ 116,756	$ 177,405

B. The Group has no financial assets at fair value through profit or loss pledged to others as collateral.

(3) Financial assets at fair value through other comprehensive income

Items	December 31, 2023	December 31, 2022
Non-current items:		
Equity instruments		
Listed stocks	$ 705,882	$ 651,119
Emerging stocks	5,979	60,742
Unlisted and unemerging stocks	299,132	299,132
	1,010,993	1,010,993
Valuation adjustment	(515,642)	(539,423)
	$ 495,351	$ 471,570

A. The Group has elected to classify Summit Ascent Holding Limited and other equity instruments that are considered to be strategic investments as financial assets at fair value through other comprehensive income. The fair value of such investments amounted to $495,351 and $471,570 as at December 31, 2023 and 2022, respectively.

B. Aiming to satisfy the operating capital needs, the Group sold $0 and $1,668, respectively, of equity instruments at fair value and resulted in cumulative gains on disposal of $0 and $1,158, respectively, during the years ended December 31, 2023 and 2022.

C. Amounts recognised in profit or loss and other comprehensive income in relation to the financial assets at fair value through other comprehensive income are listed below:

Equity instruments at fair value through other comprehensive income

	For the year ended December 31, 2023	For the year ended December 31, 2022
Fair value change recognised in other comprehensive income	$ 23,780	$ 22,955
Cumulative gains reclassified to retaind earnings due to derecognition	$ -	$ 1,158
Dividend income recognised in profit or loss held at end of period	$ 8,400	$ 840

D. The Group has no financial assets at fair value through other comprehensive income pledged to others as collateral.

(4) Notes and accounts receivable

A. Non-related parties

	December 31, 2023	December 31, 2022
Notes receivable	$ 57	$ 557
Less: Allowance for doubtful accounts	-	-
	$ 57	$ 557

	December 31, 2023	December 31, 2022
Accounts receivable	$ 522,326	$ 653,292
Less: Allowance for doubtful accounts	(183,767)	(174,722)
	$ 338,559	$ 478,570

B. Related parties

	December 31, 2023	December 31, 2022
Accounts receivable - related parties	$ 348,454	$ 33,912
Less: Allowance for doubtful accounts	(545)	(84)
	$ 347,909	$ 33,828

C. The ageing analysis of notes and accounts receivable (including related parties) that were past due but not impaired is as follows:

	December 31, 2023	December 31, 2022
Not past due	$ 544,058	$ 331,915
Past due		
Up to 30 days	65,731	74,017
31 to 90 days	20,483	8,304
91 to 180 days	7,458	9,350
Over 181 days	48,795	89,369
	$ 686,525	$ 512,955

The above ageing analysis was based on past due date.

D. As of December 31, 2023 and 2022, accounts receivable (including related parties) and notes receivable were all from contracts with customers. And as of January 1, 2022, the balance of receivables (including related parties) from contracts with customers and notes receivable amounted to $572,235.

E. As at December 31, 2023 and 2022, without taking into account any collateral held or other credit enhancements, the maximum exposure to credit risk in respect of the amount that best represents are notes and accounts receivable (including related parties) by the Group was $686,525 and $512,955, respectively.

F. The Group does not hold any collateral as security.

G. Information relating to credit risk of accounts receivable is provided in Note 12(2).

(5) Inventories

	December 31, 2023		
	Cost	Allowance for valuation loss	Book value
Raw materials	$ 417,660	($ 47,895)	$ 369,765
Finished goods	381,064	(101,869)	279,195
	$ 798,724	($ 149,764)	$ 648,960

	December 31, 2022		
	Cost	Allowance for valuation loss	Book value
Raw materials	$ 627,233	($ 46,846)	$ 580,387
Finished goods	465,864	(159,220)	306,644
	$ 1,093,097	($ 206,066)	$ 887,031

Allowance for inventory valuation loss had decreased as the Group continued to dispose obsolete inventories.

The cost of inventories recognised as expense for the period:

	For the year ended December 31, 2023	For the year ended December 31, 2022
Cost of goods sold	$ 1,715,194	$ 1,892,591
Loss on decline in market value	72,306	21,941
Loss(gain) on physical inventory	120	(228)
Cost of goods sold	$ 1,787,620	$ 1,914,304

(6) Investments accounted for using the equity method

	December 31, 2023	December 31, 2022
Associates:		
Oriental Regent Ltd.	$ 1,045,231	$ 1,121,078
Mcorporation Co., Ltd.(Note)	409,156	430,000
Beijing Intradak Systems Technology Co., Ltd.	190,356	183,378
LotRich Information Co., Ltd.	133,029	163,859
JIA HUA KANG JIAN Co., Ltd.	124,753	97,022
FEC Italia S.r.l.	17,515	14,418
FEC Deutschland Gmbh	6,007	5,870
FEC Japan Co., Ltd.	5,492	5,492
AquaLab Inc.	6,819	6,755
Grab and Go Solutions, Inc.	193	690
	1,938,551	2,028,562
Receivables for investments in associates -		
Associates :		
Oriental Regent Ltd.	259,561	582,058
	2,198,112	2,610,620
Less: Accumulated impairment	(485,874)	(238,911)
	$ 1,712,238	$ 2,371,709

Note : The Group originally held 18% equity interest of Mcorporation Co., Ltd. and recorded as non-current financial assets at fair value through profit or loss. The Group additionally purchased 18.75% equity interest in the fourth quarter of 2022 and therefore directly held 36.75% equity interest. The Group is the single largest shareholder of Mcorporation Co., Ltd. Given that two other large shareholders (non-related parties) hold more shares than the Group, which indicates that the Group has no current ability to direct the relevant activities of Mcorporation Co., Ltd., the Group has no control, but only has significant influence, over the investee and accounted for the investee using the equity method.

For the years ended December 31, 2023 and 2022, share of profit (loss) of associates and joint ventures accounted for using the equity method is as follows:

	For the year ended December 31, 2023	For the year ended December 31, 2022
Associates:		
Oriental Regent Ltd.	($ 75,264)	$ 71,517
Mcorporation Co., Ltd.	(3,644)	-
Beijing Intradak Systems Technology Co., Ltd.	10,995	10,273
LotRich Information Co., Ltd.	5,804	6,231
JIA HUA KANG JIAN Co., Ltd.	(3,999)	(2,978)
FEC Italia S.r.l.	2,397	2,815
FEC Deutschland GmbH	243	(2,719)
FEC Japan Co., Ltd.	-	-
AquaLab Inc.	64	164
Grab and Go Solutions, Inc.	(497)	(310)
	($ 63,901)	$ 84,993

A. Associates

(a) The basic information of the associates that are material to the Group is as follows:

Company name	Principal place of business	Shareholding ratio December 31, 2023	Shareholding ratio December 31, 2022	Nature of relationship	Method of measurement
Oriental Regent Ltd.	Hong Kong	20%	20%	Financial investment	Equity method
Mcorporation Co., Ltd.	Korea	36.75%	36.75%	〃	〃
LotRich Information Co., Ltd.	Taiwan	30%	30%	Financial investment and lottery machine distributor	〃
Beijing Intradak Systems Technology Co., Ltd.	Mainland China	20%	20%	〃	〃

(b) The summarised financial information of the associates that are material to the Group is as follows:

Balance sheet

	Oriental Regent Ltd.	
	December 31, 2023	December 31, 2022
Current assets	$ 244,616	$ 3,111,661
Non-current assets	3,537,137	2,862,465
Current liabilities	(348,069)	(185,520)
Non-current liabilities	-	(101,710)
Non-controlling interests	-	(8,874)
Total net assets	$ 3,433,684	$ 5,678,022
Share in associate's net assets	$ 822,439	$ 1,252,188
Concession	422,353	450,948
Accumulated impairment	(422,353)	(174,155)
Carrying amount of the associate	$ 822,439	$ 1,528,981

	Mcorporation Co., Ltd.	
	December 31, 2023	December 31, 2022
Current assets	$ 147,313	$ 260,147
Non-current assets	529,045	133,851
Current liabilities	(51,551)	(14,442)
Non-current liabilities	(316,622)	(59,909)
Total net assets	$ 308,185	$ 319,647
Share in associate's net assets	$ 113,258	$ 121,363
Intangible assets	15,989	21,746
Goodwill	279,909	286,891
Carrying amount of the associate	$ 409,156	$ 430,000

	LotRich Information Co., Ltd.	
	December 31, 2023	December 31, 2022
Current assets	$ 1,299,737	$ 436,343
Non-current assets	201,283	201,185
Current liabilities	(953,227)	(91,331)
Non-current assets	(943)	-
Total net assets	$ 546,850	$ 546,197
Share in associate's net assets	$ 164,055	$ 163,859
Unrealized gain from sale	(31,026)	-
Carrying amount of the associate	$ 133,029	$ 163,859

	Beijing Intradak Systems Technology Co., Ltd.	
	December 31, 2023	December 31, 2022
Current assets	$ 511,929	$ 426,434
Non-current assets	24,613	19,638
Current liabilities	(126,018)	(86,544)
Non-current liabilities	(4,811)	(333)
Total net assets	$ 405,713	$ 359,195
Share in associate's net assets	$ 81,143	$ 71,839
Goodwill	109,213	111,539
Accumulated impairment	(58,029)	(59,264)
Carrying amount of the associate	$ 132,327	$ 124,114

Statement of comprehensive income

	Oriental Regent Ltd.	
	For the year ended December 31, 2023	For the year ended December 31, 2022
Revenue	$ 1,469,955	$ 1,418,916
(Loss) profit for the year from continuing operations	($ 231,518)	$ 496,215
Total comprehensive (loss) income	($ 231,518)	$ 496,215

	Mcorporation Co., Ltd.	
	For the year ended December 31, 2023	For the year ended December 31, 2022
Revenue	$ 361,897	$ 209,437
Profit for the year from continuing operations	$ 1,324	$ 41,056
Total comprehensive income	$ 1,324	$ 41,056

	LotRich Information Co., Ltd.	
	For the year ended December 31, 2023	For the year ended December 31, 2022
Revenue	$ 211,445	$ 215,202
Profit for the year from continuing operations	$ 19,347	$ 20,770
Total comprehensive income	$ 19,347	$ 20,770
Dividends received from the associate	$ 5,608	$ 5,062

	Beijing Intradak Systems Technology Co., Ltd.	
	For the year ended December 31, 2023	For the year ended December 31, 2022
Revenue	$ 395,882	$ 398,591
Profit for the year from continuing operations	$ 54,976	$ 51,366
Total comprehensive income	$ 54,976	$ 51,366

(c) The carrying amount of the Group’s interests in all individually immaterial associates and the Group’s share of the operating results are summarised below:

As of December 31, 2023 and 2022, the carrying amount of the Group’s individually immaterial associates amounted to $155,287 and $124,755, respectively.

	For the year ended December 31, 2023	For the year ended December 31, 2022
Loss for the year from continuing operations	($ 1,792)	($ 3,028)
Other comprehensive income (net value after tax)	362	895
Total comprehensive loss	($ 1,430)	($ 2,133)

(d) Receivables for investments in associates are based on investment agreements. Loans to Oriental Regent Ltd. are based on the shareholding ratio of each shareholder and do not bear interest. The duration of the loans are 3 years and are renewable for another 3 years at the end of the term. If loans are not repaid at the end of the term, they are converted to ordinary shares based on the shareholding ratio of each shareholder. The conversion price is based on the consolidated net asset of the financial statements after adoption of IFRS. If shares are transferred during the life of loans, the loans should be transferred to the transferee based on the transfer ratio. Thus, the loans are considered as part of the long-term equity investments. As of December 31, 2023, the ratio of shareholder loans issued by Oriental Regent Ltd. that is held by the Group is 25%.

(e) For the years ended December 31, 2023 and 2022, the Group’s associate, Oriental Regent Ltd., recognised assumed interest expense amounting to HK$15,920 thousand and HK$26,970 thousand for the abovementioned borrowings from shareholders, respectively. Nevertheless, the Group did not recognise interest expense given that the borrowings from shareholders were part of long-term equity investment. Meanwhile, the Group made adjustments to decrease relevant interest expense based on the Group’s accounting policies when recognising the share of profit (loss) of associates and joint ventures accounted for using the equity method of Oriental Regent Ltd. A total of $322,050 (US$10,500 thousand) was recovered in 2023. As of December 31, 2023, the Group had received those borrowings lent to shareholders amounting to $810,602 (US$ 26,000 thousand).

(f) The Group acquired the licence which is recognised by the associate, Oriental Regent Ltd., amounting to US$21,364 thousand, and the Group amortised the licence over the casino licence's estimated useful life. For the years ended December 31, 2023 and 2022, amortisation on licence both amounted to US$929 thousand.

(g) The Group has assessed the value of its investee accounted for using the equity method, FEC Japan Co., Ltd. for the prior year, as impaired and the possibility for recovery was remote. Thus, accumulated impairment loss both of $5,492 was recognised as of December 31, 2023 and 2022.

(h) The Group has assessed the value of its investee accounted for using equity method, Beijing Intradak Systems Technology Co., Ltd. for the years ended December 31, 2023 and 2022. As the recoverable amount is less than the carrying amount, an impairment loss was recognised. As of December 31, 2023 and 2022, the accumulated impairment loss of $58,029 and $59,264 was recognised, respectively.

(i) The Group's associate - Oriental Regent Ltd., decided to dispose of its main business in December 2023. The Group assessed that its recoverable amount was less than its carrying amount, so it recognized an impairment loss of $252,042 (shown as "7020 Other benefits and losses"), for the year ended December 31, 2023. As of December 31, 2023, the accumulated impairment amount was $422,353.

(j) The Group has assessed the value of its investee accounted for using equity method, Oriental Regent Ltd. for the year ended December 31, 2022. As the recoverable amount is less than the carrying amount, an impairment loss was recognised. As of December 31, 2023 and 2022, the accumulated impairment loss of $55,533 (shown as "7020 Other benefits and losses") and $174,155 was recognised, respectively.

B. For the years ended December 31, 2023 and 2022, the Group's investee company accounted for using the equity method was based on the investee's financial statements audited by other independent auditors. The share of profit of associates and joint ventures accounted for using the equity method for the years ended December 31, 2023 and 2022 amounted to ($7,579) and $68,703, respectively. As of December 31, 2023 and 2022, the related investment balance accounted for under the equity method was stated at $540,728 and $2,062,758, respectively.

(7) Property, plant and equipment

	Land	Buildings and structures	Machinery	Office equipment	Others		
	Owner-occupied	Owner-occupied	Owner-occupied	Owner-occupied	Owner-occupied	Lease	Total
At January 1, 2023							
Cost	$ 129,839	$ 189,263	$ 231,215	$ 87,579	$ 68,475	$ 4,044	$ 710,415
Accumulated depreciation	-	(63,285)	(214,712)	(71,862)	(55,178)	(3,468)	(408,505)
	$ 129,839	$ 125,978	$ 16,503	$ 15,717	$ 13,297	$ 576	$ 301,910
2023							
Opening net book amount as at January 1	$ 129,839	$ 125,978	$ 16,503	$ 15,717	$ 13,297	$ 576	$ 301,910
Additions	-	-	6,532	5,074	4,647	-	16,253
Disposals - cost	-	-	(53,156)	(1,254)	(398)	(1,358)	(56,166)
Disposals - accumulated depreciation	-	-	53,156	1,201	398	1,358	56,113
Reclassifications	-	-	-	-	3,400	1,458	4,858
Reclassification - accumulated depreciation	-	-	-	-	(189)	-	(189)
Depreciation charge	-	(4,205)	(9,150)	(7,182)	(2,860)	(783)	(24,180)
Net exchange differences	(734)	(764)	179	8	188	-	(1,123)
Closing net book amount as at December 31	$ 129,105	$ 121,009	$ 14,064	$ 13,564	$ 18,483	$ 1,251	$ 297,476
At December 31, 2023							
Cost	$ 129,105	$ 188,148	$ 185,625	$ 91,200	$ 76,286	$ 4,144	$ 674,508
Accumulated depreciation	-	(67,139)	(171,561)	(77,636)	(57,803)	(2,893)	(377,032)
	$ 129,105	$ 121,009	$ 14,064	$ 13,564	$ 18,483	$ 1,251	$ 297,476

	Land	Buildings and structures	Machinery	Office equipment	Others		
	Owner-occupied	Owner-occupied	Owner-occupied	Owner-occupied	Owner-occupied	Lease	Total
At January 1, 2022							
Cost	$ 129,105	$ 271,285	$ 216,081	$ 82,655	$ 68,289	$ 4,021	$ 771,436
Accumulated depreciation	-	(111,209)	(199,249)	(64,036)	(54,038)	(2,871)	(431,403)
	$ 129,105	$ 160,076	$ 16,832	$ 18,619	$ 14,251	$ 1,150	$ 340,033
2022							
Opening net book amount as at January 1	$ 129,105	$ 160,076	$ 16,832	$ 18,619	$ 14,251	$ 1,150	$ 340,033
Additions	-	-	9,799	3,382	635	-	13,816
Disposals - cost	-	-	-	(648)	(542)	(255)	(1,445)
Disposals - accumulated depreciation	-	-	-	623	488	255	1,366
Reclassifications(Note)	-	(28,636)	-	-	-	278	(28,358)
Depreciation charge	-	(6,794)	(10,330)	(6,634)	(1,528)	(852)	(26,138)
Net exchange differences	734	1,332	202	375	(7)	-	2,636
Closing net book amount as at December 31	$ 129,839	$ 125,978	$ 16,503	$ 15,717	$ 13,297	$ 576	$ 301,910
At December 31, 2022							
Cost	$ 129,839	$ 189,263	$ 231,215	$ 87,579	$ 68,475	$ 4,044	$ 710,415
Accumulated depreciation	-	(63,285)	(214,712)	(71,862)	(55,178)	(3,468)	(408,505)
	$ 129,839	$ 125,978	$ 16,503	$ 15,717	$ 13,297	$ 576	$ 301,910

Note : The reclassifications of buildings and structures refer to transfers to non-current assets held for sale.

Information about the property, plant and equipment that were pledged to others as collaterals is provided in Note 8.

(8) Leasing arrangements－lessee

A. The Group leases various assets including buildings and business vehicles. Rental contracts are typically made for periods of 24 to 120 months. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose covenants, but leased assets may not be used as security for borrowing purposes.

B. Short-term leases with a lease term of 12 months or less comprise of office premises. On December 31, 2023 and 2022, the Group had no payments of lease commitments for short-term leases.

C. The carrying amount of right-of-use assets and depreciation charge are as follows:

	December 31, 2023	December 31, 2022
	Carrying amount	Carrying amount
Buildings	$ 78,626	$ 77,123
Transportation equipment (Business vehicles)	6,084	-
Total	$ 84,710	$ 77,123

	For the year ended December 31, 2023	For the year ended December 31, 2022
	Depreciation charge	Depreciation charge
Buildings	$ 20,824	$ 17,448
Transportation equipment (Business vehicles)	3,082	-
	$ 23,906	$ 17,448

D. For the years ended December 31, 2023 and 2022, the addition to right-of-use assets was $29,262 and $64,594, respectively.

E. The information on profit and loss accounts relating to lease contracts is as follows:

	For the year ended December 31, 2023	For the year ended December 31, 2022
Items affecting profit or loss		
Interest expense on lease liabilities	$ 3,463	$ 1,972
Expense on short-term lease contracts	$ 12,947	$ 16,760
Profit from lease modification	$ -	$ 471

F. For the years ended December 31, 2023 and 2022, the Group's total cash outflow for leases was $37,490 and $34,347, respectively.

(9) Investment property

		Buildings and structures
At January 1, 2023		
Cost	$	-
Accumulated depreciation		-
	$	-
2023		
Opening net book amount as at January 1	$	-
Reclassifications(Note)		-
Depreciation charge		-
Net exchange differences		-
Closing net book amount as at December 31	$	-
At December 31, 2023		
Cost	$	-
Accumulated depreciation		-
	$	-

		Buildings and structures
At January 1, 2022		
Cost	$	23,245
Accumulated depreciation	(	14,646)
	$	8,599
2022		
Opening net book amount as at January 1	$	8,599
Reclassifications(Note)	(	8,032)
Depreciation charge	(	739)
Net exchange differences		172
Closing net book amount as at December 31	$	-
At December 31, 2022		
Cost	$	-
Accumulated depreciation		-
	$	-

Note: The reclassifications refer to transfers to non-current assets held for sale.

Rental income from the investment property and direct operating expenses arising from the investment property are shown below:

	For the year ended December 31, 2023	For the year ended December 31, 2022
Rental income from the investment property	$ -	$ 1,658
Direct operating expenses arising from the investment property that generated rental income during the year	$ -	$ 739

(10) Intangible assets

	Software	Goodwill	Customer relationship	Total
At January 1, 2023				
Cost	$ 132,689	$ 152,908	$ -	$ 285,597
Accumulated amortisation	(108,020)	-	-	(108,020)
	$ 24,669	$ 152,908	$ -	$ 177,577
2023				
Opening net book amount as at January 1	$ 24,669	$ 152,908	$ -	$ 177,577
Additions	432	-	-	432
Disposals - cost	(40,412)	-	-	(40,412)
Disposals - accumulated amortisation	40,412	-	-	40,412
Amortisation charge	(15,719)	-	-	(15,719)
Net exchange differences	(81)	5,656	-	5,575
Closing net book amount as at December 31	$ 9,301	$ 158,564	$ -	$ 167,865
At December 31, 2023				
Cost	$ 91,674	$ 158,564	$ -	$ 250,238
Accumulated amortisation	(82,373)	-	-	(82,373)
	$ 9,301	$ 158,564	$ -	$ 167,865

	Software	Goodwill	Customer relationship	Total
At January 1, 2022				
Cost	$ 181,373	$ 146,686	$ 31,624	$ 359,683
Accumulated amortisation	(144,818)	-	(28,064)	(172,882)
	$ 36,555	$ 146,686	$ 3,560	$ 186,801
2022				
Opening net book amount as at January 1	$ 36,555	$ 146,686	$ 3,560	$ 186,801
Additions	1,334	-	-	1,334
Disposals - cost	(59,698)	-	-	(59,698)
Disposals - accumulated amortisation	59,698	-	-	59,698
Amortisation charge	(15,561)	-	(3,562)	(19,123)
Net exchange differences	2,341	6,222	2	8,565
Closing net book amount as at December 31	$ 24,669	$ 152,908	$ -	$ 177,577
At December 31, 2022				
Cost	$ 132,689	$ 152,908	$ -	$ 285,597
Accumulated amortisation	(108,020)	-	-	(108,020)
	$ 24,669	$ 152,908	$ -	$ 177,577

Details of amortisation on intangible assets are as follows:

	For the year ended December 31, 2023	For the year ended December 31, 2022
Operating costs	$ 950	$ 995
Selling expenses	3,801	3,673
General and administrative expenses	4,959	8,346
Research and development expenses	6,009	6,109
	$ 15,719	$ 19,123

Goodwill is allocated as follows to the Group's cash-generating units identified according to operating segment:

	December 31, 2023	December 31, 2022
Computers and its peripherals	$ 158,564	$ 152,908

(11) Impairment of assets

A. The Group recognised impairment loss for the years ended December 31, 2023 and 2022. Details of such loss are as follows:

	For the year ended December 31, 2023	For the year ended December 31, 2022
	Recognised in profit or loss	Recognised in profit or loss
Impairment loss - investments accounted for using the equity method	$ 252,042	$ 69,703

B. The impairment loss reported by operating segments is as follows:

	For the year ended December 31, 2023	For the year ended December 31, 2022
	Recognised in profit or loss	Recognised in profit or loss
Computers and its peripherals	$ 252,042	$ 69,703

C. The recoverable amounts of the Group's investments accounted for using the equity method, Oriental Regent Ltd. was lower than their carrying amounts under the Group's assessment, therefore, the Group recognised impairment loss amounting to $252,042 and $69,703, respectively, for the years ended December 31, 2023 and 2022.

D. For the years ended December 31, 2023 and 2022, the above recoverable amount was determined based on the fair value. The calculation was based on the income approach and considered using pre-tax cash flow projections based on financial budgets approved by the management covering a five-year period. Cash flows beyond the five-year period are extrapolated using the estimated growth rates of 2.00% and 20.31% , respectively.

E. The recoverable amount on December 31, 2023 is measured based on fair value and calculated using the market method. The main assumption used to calculate the recoverable amount is that the enterprise value to pre-tax, interest, depreciation, amortization and advance benefit ratio multiplier is 5.50.

F. The Group's goodwill is allocated to cash-generating units identified according to operating segment and tested annually for impairment. The recoverable amount was determined based on value-in-use calculations. These calculations use pre-tax cash flow projections based on financial budgets approved by the management covering a five-year period. The recoverable amount of all cash-generating units calculated using the value-in-use on December 31, 2023 and 2022 exceeded their carrying amount, so goodwill was not impaired. The key assumptions used for value-in-use calculations are as follows:

	For the year ended December 31, 2023	For the year ended December 31, 2022
	Discount rate	Discount rate
Computers and its peripherals	9.18%	8.79%

(12) Non-current assets held for sale

On September 9, 2022, the Group's Board of Directors approved to sell property, plant and equipment and investment property. The transaction was expected to be completed on January 10, 2023. Please refer to Note 6(25) for details on the disposal benefits. The carrying amount of the non-current assets held for sale on December 31, 2023 and 2022 amounted to $0 and $36,549, respectively.

A. Non-current assets held for sale:

	December 31, 2023	December 31, 2022
Property, plant and equipment	$ -	$ 28,543
Investment property	-	8,006
	$ -	$ 36,549

B. There was no impairment loss that was recognised as a result of the remeasurement of the non-current assets held for sale at the lower of it's carrying amount or fair value less costs to sell.

(13) Other non-current assets

	December 31, 2023	December 31, 2022
Overdue receivables	$ 13,921	$ 36,428
Refundable deposits	16,096	19,277
Prepayments for equipment	1,770	-
	$ 31,787	$ 55,705

A. The Group's subsidiary, Firich International Co., Ltd., sold its 100% reinvested subsidiary, Global Crossing Holding Ltd. to Crystal Advantage Co., Ltd. in September 2011 at an estimated selling price based on Global Crossing's latest financial statements audited by other independent auditors and appraisal reports by valuation experts. Based on the transaction price, the selling price was US$24 million and loss on disposal of US$360 thousand was recognised. Starting from December 15, 2012 to December 15, 2017, the proceeds from the sale shall be collected in 6 installments and is recorded as 'other non-current assets' and 'other receivables'. As of December 31, 2023, Firich International Co., Ltd. had collected US$19,700 thousand, and outstanding balance was US$4,300 thousand.

B. The uncollected accounts receivable mentioned in item B was US$4,300 thousand. On March 20, 2017 and December 20, 2018, the Group signed supplementary agreements with Crystal Advantage Co., Ltd through the subsidiary, Firich International Co., Ltd. The agreements stated that both parties agreed to extend to collect the balance of aforementioned accounts receivable before December 31, 2020. Crystal Advantage Co., Ltd. provided foreign listed stocks as collaterals for the accounts receivable in full amount, and the Group shall sell the collateral in separate times to recover the remaining accounts receivable. As of December 31, 2023, the Group had assessed the outstanding amount of $132,032, which was reclassified to overdue receivables to collect and manage continuously and recorded an allowance for loss of $118,111. The remaining amount of $13,921 was secured by full collateral.

C. Details of installment accounts receivable incurred from aforementioned disposal are as follows:

	December 31, 2023	December 31, 2022
Overdue receivables	$ 132,032	$ 132,053
Less: Allowance for uncollectible accounts (shown as "other non-current assets")	(118,111)	(95,625)
	$ 13,921	$ 36,428

D. Information relating to credit risk on long-term installment accounts receivable is provided in Note 12(2).

(14) Short-term borrowings

Type of borrowings	December 31, 2023	Interest rate range	Collateral
Bank borrowings			
Unsecured borrowings			
Taiwan	$ 900,000	1.750%~2.304%	None
Others	12,000	5.629%	〃
Secured borrowings			
Taiwan	290,000	1.750%~1.800%	Note
	$ 1,202,000		

Type of borrowings	December 31, 2022	Interest rate range	Collateral
Bank borrowings			
Unsecured borrowings			
Taiwan	$ 790,000	1.601%~2.164%	None
Others	166,271	3.038%~6.606%	〃
Secured borrowings			
Taiwan	470,000	1.775%~1.990%	Note
	$ 1,426,271		

Note ：Property, plant and equipment - land and buildings.

(15) Bonds payable

	December 31, 2023	December 31, 2022
Bonds payable	$ 500,000	$ 500,000
Less：Discount on bonds payable	-	-
	$ 500,000	$ 500,000

The terms of the first-time secured corporate bond in 2021 issued by the Company are as follows: The Company issued $500,000, 0.62% first domestic secured corporate bonds, as approved by the regulatory authority. The bonds mature five years from the issue date (June 15, 2021 ~ June 15, 2026) and will be redeemed in cash at face value at the maturity date.

(16) Pensions

A. (a) The Company and its domestic subsidiaries have a defined benefit pension plan in accordance with the Labor Standards Act, covering all regular employees' service years prior to the enforcement of the Labor Pension Act on July 1, 2005 and service years thereafter of employees who chose to continue to be subject to the pension mechanism under the Labor Pension Act. Under the defined benefit pension plan, two units are accrued for each year of service for the first 15 years and one unit for each additional year thereafter, subject to a maximum of 45 units. Pension benefits are based on the number of units accrued and the average monthly salaries and wages of the last 6 months prior to retirement. The Company and its domestic subsidiaries contribute monthly an amount equal to 2% of the employees' monthly salaries and wages to the retirement fund deposited with Bank of Taiwan, the trustee, under the name of the independent retirement fund committee. Also, the Company and its domestic subsidiaries would assess the balance in the aforementioned labor pension reserve account by December 31, every year. If the account balance is insufficient to pay the pension calculated by the aforementioned method to the employees expected to qualify for retirement in the following year, the Company and its domestic subsidiaries will make contributions for the deficit by next March.

(b) The amounts recognised in the balance sheet are as follows:

	December 31, 2023	December 31, 2022
Present value of defined benefit obligations	($ 25,468)	($ 26,418)
Fair value of plan assets	17,469	18,242
Net defind benefit liability	($ 7,999)	($ 8,176)

(c) Movements in net defined benefit liabilities are as follows:

	Present value of defined benefit obligations	Fair value of plan assets	Net defined benefit liability
2023			
Balance at January 1	($ 26,418)	$ 18,242	($ 8,176)
Current service cost	(73)	-	(73)
Interest (expense) income	(321)	219	(102)
	(26,812)	18,461	(8,351)
Remeasurements:			
Return on plan assets	-	163	163
Change in demographic assumptions	9	-	9
Change in financial assumptions	(239)	-	(239)
Experience adjustments	244	-	244
	14	163	177
Pension fund contribution	-	175	175
Paid pension	1,330	(1,330)	-
Balance at December 31	($ 25,468)	$ 17,469	($ 7,999)

	Present value of defined benefit obligations	Fair value of plan assets	Net defined benefit liability
2022			
Balance at January 1	($ 28,791)	$ 16,614	($ 12,177)
Current service cost	(72)	-	(72)
Interest (expense) income	(190)	107	(83)
	(29,053)	16,721	(12,332)
Remeasurements:			
Return on plan assets	-	1,366	1,366
Change in demographic assumptions	2	-	2
Change in financial assumptions	1,608	-	1,608
Experience adjustments	1,025	-	1,025
	2,635	1,366	4,001
Pension fund contribution	-	155	155
Balance at December 31	($ 26,418)	$ 18,242	($ 8,176)

(d) The Bank of Taiwan was commissioned to manage the Fund of the Company's and domestic subsidiaries' defined benefit pension plan in accordance with the Fund's annual investment and utilisation plan and the "Regulations for Revenues, Expenditures, Safeguard and Utilisation of the Labor Retirement Fund" (Article 6: The scope of utilisation for the Fund includes deposit in domestic or foreign financial institutions, investment in domestic or foreign listed, over-the-counter, or private placement equity securities, investment in domestic or foreign real estate securitization products, etc.). With regard to the utilisation of the Fund, its minimum earnings in the annual distributions on the final financial statements shall be no less than the earnings attainable from the amounts accrued from two-year time deposits with the interest rates offered by local banks. If the earnings is less than aforementioned rates, government shall make payment for the deficit after being authorised by the Regulator. The Company and its domestic subsidiaries have no right to participate in managing and operating that fund and hence the Company and its domestic subsidiaries are unable to disclose the classification of plan assets fair value in accordance with IAS 19 paragraph 142. The composition of fair value of plan assets as of December 31, 2023 and 2022 is given in the Annual Labor Retirement Fund Utilisation Report announced by the government.

(e) The principal actuarial assumptions used were as follows:

	For the year ended December 31, 2023	For the year ended December 31, 2022
Discount rate	1.20%	1.30%
Future salary increases	3.00%	3.00%

Assumptions regarding future mortality experience are set based on the 6th Taiwan Standard Ordinary Experience Mortality Table for the years ended December 31, 2023 and 2022. Because the main actuarial assumption changed, the present value of defined benefit obligation is affected. The analysis was as follows:

	Discount rate		Future salary increases	
	Increase by 0.25%	Decrease by 0.25%	Increase by 0.25%	Decrease by 0.25%
December 31, 2023				
Effect on present value of defined benefit obligation	($ 589)	$ 609	$ 597	($ 580)
December 31, 2022				
Effect on present value of defined benefit obligation	($ 630)	$ 653	$ 640	($ 621)

The sensitivity analysis above is based on one assumption which changed while the other conditions remain unchanged. In practice, more than one assumption may change all at once. The method of analysing sensitivity and the method of calculating net pension liability in the balance sheet are the same.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the previous period.

(f) Expected contributions to the defined benefit pension plans of the Group for the year ending December 31, 2024 amount to $584.

(g) As of December 31, 2023, the weighted average duration of the retirement plan is 9 years. The analysis of timing of the future pension payment was as follows:

Within 1 year	$	619
1-2 year(s)		892
2-5 years		6,196
Over 5 years		20,705
	$	28,412

B. (a) Effective July 1, 2005, the Company and its domestic subsidiaries have established a defined contribution pension plan (the “New Plan”) under the Labor Pension Act (the “Act”), covering all regular employees with R.O.C. nationality. Under the New Plan, the Company and its domestic subsidiaries contribute monthly an amount based on 6% of the employees’ monthly salaries and wages to the employees’ individual pension accounts at the Bureau of Labor Insurance. The benefits accrued are paid monthly or in lump sum upon termination of employment.

(b) Crimson Technology (Shanghai) Inc., Cai Rui Trading Co., Ltd., Dazhe Information Technology Co., (Shanghai) Ltd. and Shuo Cai Technologies Corp. have a defined contribution plan. Monthly contributions to an independent fund administered by the government in accordance with the pension regulations in the People’s Republic of China (PRC) are based on certain percentage of employees’ monthly salaries and wages. The contribution percentage for the years ended December 31, 2023 and 2022 were both 16%~20%. Other than the monthly contributions, the Group has no further obligations.

(c) Firich Korea Co., Ltd., FEC UK CO., Ltd., AKAM Group B.V., AKAM Netherlands B.V., Firich USA Inc. and Tiga Rus LLC have a defined contribution plan. Monthly contributions to an independent fund administered by The National Pension Service of Korea, Aviva plc, Nationale-Nederlanden Levensverzekering Maatschappij N.V., Automatic Data Processing Inc. and Government of the Russian Federation in accordance with local pension regulations are based on certain percentage of employees’ monthly salaries and wages. Other than the monthly contributions, the Group has no further obligations.

(d) The pension costs under the defined contribution pension plan of the Group for the years ended December 31, 2023 and 2022 were $17,152 and $15,856, respectively.

(17) Share-based payment

A. For the year ended December 31, 2023 and 2022, the Company's share-based payment arrangements were as follows:

Type of arrangement	Grant date	Quantity granted	Contract period	Vesting conditions
Treasury stocks transferred to employees	January 14, 2022	600,000	Not applicable	Vested immediately
Employee share purchase plan of Tiga Gaming Inc.	June 19, 2024	1,000,000	7 years	50% vested after two years of service 100% vested after three years of service

(a) Tiga Gaming Inc. a subsidiary of the Company, issued employee stock option certificates to the company's employees. The share-based payment arrangements above are settled by equity.

(b) The Company's share-based payment agreement in 2023 was settled by equity.

B. Details of the share-based payment arrangements are as follows:

	2023	
	No. of options	Weighted-average exercise price (in dollars)
Options outstanding at January 1	-	$ -
Options granted	1,000	21
Options exercised	-	-
Options outstanding at December 31	1,000	$ 21
Options exercisable at December 31	-	$ 21

	2022	
	No. of options	Weighted-average exercise price (in dollars)
Options outstanding at January 1	-	$ -
Options granted	600,000	27
Options exercised	(600,000)	27
Options outstanding at December 31	-	$ -
Options exercisable at December 31	-	$ -

C. The weighted-average stock price of stock options at exercise dates for the year ended December 31, 2022 was $32.34 (in dollars). There were no stock options that have been exercised in 2023.

D. The expiry date and exercise price of stock options outstanding at balance sheet date are as follows:

		December 31, 2023		December 31, 2022	
Issue date approved	Expiry date	No. of shares (in thousands)	Exercise price (in dollars)	No. of shares (in thousands)	Exercise price (in dollars)
June 19, 2023	June 18, 2030	1,000	$ 21	-	$ -

E. The fair value of stock options granted on grant date is measured using the Black-Scholes option-pricing model. Relevant information is as follows:

Type of arrangement	Grant date	Stock price (in dollars)	Exercise price (in dollars)	Expected price volatility	Expected option life	Expected dividends	Risk-free interest rate	Fair value per unit (in dollars)
Treasury stocks transferred to employees	January 14, 2022	$ 33	$ 27	34.97%	0.09 year	-	0.02%	$ 5.60
Employee share purchase plan of Tiga Gaming Inc.	June 19, 2023	$ 12.91	$ 21	33.26%	2.5 years	-	1.03%	$0.8714

Note: Expected price volatility rate was estimated by using the stock prices of the most recent period with length of this period approximate to the length of the stock options' expected life, and the standard deviation of return on the stock during this period.

F. Expenses incurred on share-based payment transactions are shown below:

	Year ended December 31, 2023	Year ended December 31, 2022
Equity-settled	$ 157	$ 3,360

(18) Share capital

A. As of December 31, 2023, the Company's authorised capital was $4,000,000, consisting of 400 million shares of ordinary stock, and the paid-in capital was $3,014,256 with a par value of $10 (in dollars) per share.

Movements in the number of the Company's ordinary shares outstanding are as follows:

	2023 (Note)	2022 (Note)
At January 1	283,703	264,543
Treasury stocks transferred to employees	-	600
Capitalisation of capital surplus	8,511	18,560
At December 31	292,214	283,703

Note: Each unit refers to one thousand shares.

B. Treasury stock

(a) Reason for share reacquisition and movements in the number of the Company's treasury shares are as follows:

		December 31, 2023	
Name of company holding the shares	Reason for reacquisition	Number of shares	Carrying amount
The Company	To be reissued to employees	9,239 thousand	$ 277,773

		December 31, 2022	
Name of company holding the shares	Reason for reacquisition	Number of shares	Carrying amount
The Company	To be reissued to employees	12,389 thousand	$ 372,478

(b) Pursuant to the R.O.C. Securities and Exchange Act, the number of shares bought back as treasury shares should not exceed 10% of the number of the Company's issued and outstanding shares and the amount bought back should not exceed the sum of retained earnings, paid-in capital in excess of par value and realised capital surplus.

(c) Pursuant to the R.O.C. Securities and Exchange Act, treasury shares should not be pledged as collateral and is not entitled to dividends before it is reissued.

(d) Pursuant to the R.O.C. Securities and Exchange Act, treasury shares should be reissued to the employees within five years from the reacquisition date and shares not reissued within the five-year period are to be retired.

(e) The Company has canceled 3,150 thousand treasury shares that have not been transferred to employees and completed the change registration on January 16, 2024.

(19) Capital surplus

Pursuant to the R.O.C. Company Act, capital surplus arising from paid-in capital in excess of par value on issuance of common stocks and donations can be used to cover accumulated deficit or to issue new stocks or cash to shareholders in proportion to their share ownership, provided that the Company has no accumulated deficit. Further, the R.O.C. Securities and Exchange Act requires that the amount of capital surplus to be capitalised mentioned above should not exceed 10% of the paid-in capital each year. Capital surplus should not be used to cover accumulated deficit unless the legal reserve is insufficient.

	For the year ended December 31, 2023						
	Share premium	Expired stock options	Treasury share transactions	Recognition of ownership changes in subsidiaries	Net change in equity of associates	Other	Total
At January 1	$ 1,090,875	$ 14,534	$ 2,893	-	$ 7,215	$ 316	$ 1,115,833
Capitalisation of capital surplus	(85,111)	-	-	-	-	-	(85,111)
Subsidiary issues employee stock options	-	-	-	28	-	-	28
Recognition of changes in equity of affiliated enterprises based on shareholding ratio	-	-	-	-	(4,270)	-	(4,270)
Cancellation the treasury stock	(10,343)	-	(2,893)	-	-	-	(13,236)
At December 31	$ 995,421	$ 14,534	$ -	$ 28	$ 2,945	$ 316	$ 1,013,244

	For the year ended December 31, 2022						
	Share premium	Expired stock options	Treasury share transactions	Recognition of ownership changes in subsidiaries	Net change in equity of associates	Other	Total
At January 1	$ 1,302,989	$ 14,534	$ -	$ -	$ 7,215	$ 316	$ 1,325,054
Treasury stocks transferred to employees	-	-	2,893	-	-	-	$ 2,893
Capitalisation of capital surplus	(185,600)	-	-	-	-	-	(185,600)
Capital surplus used to issue cash to shareholders	(26,514)	-	-	-	-	-	(26,514)
At December 31	$ 1,090,875	$ 14,534	$ 2,893	$ -	$ 7,215	$ 316	$ 1,115,833

On June 29, 2023, the shareholders of the Company during their meeting resolved to issue 8,511 thousand common shares from capital surplus in the amount of $85,111 ($0.3 (in dollars) per share). On June 29, 2022, the shareholders of the Company during their meeting resolved to issue 18,560 thousand common shares from capital surplus in the amount of $26,514 ($0.1 (in dollars) per share) and convert capital surplus of $185,600 into capital to issue 18,560 thousand new shares (0.7 (in dollars) per share).

(20) Retained earnings

A. The Company is currently in the stage of corporate growth. In the future, in accordance with its business expansion and capital needs, the Board of Directors will draw up a distribution plan, which will be distributed after the resolution at the shareholders' meeting.

In accordance with Article 240 paragraph 5 of the Company Act, the Company authorized that 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; and in addition thereto a report of such distribution shall be submitted to the shareholders' meeting. The aforesaid requirement that resolution shall be resolved at the shareholders' meeting is not applicable.

The annual net earnings after final account, if any, shall be apportioned in the following order:

(a) Payment of taxes and duties;

(b) Covering prior years' accumulated deficit, if any;

(c) Set aside 10% of the remaining amount as legal reserve and

(d) Set aside a certain amount as special reserve, if any.

The remaining amount plus prior years' retained earnings shall be distributed as stockholders' bonus for 10% to 100% (including cash dividends that shall account for at least 10%), taking into account the capital budget and financial plan.

B. Except for covering accumulated deficit or issuing new stocks or cash to shareholders in proportion to their share ownership, the legal reserve shall not be used for any other purpose. The use of legal reserve for the issuance of stocks or cash to shareholders in proportion to their share ownership is permitted, provided that the distribution of the reserve is limited to the portion in excess of 25% of the Company's paid-in capital.

C. (a) In accordance with the regulations, the Company shall set aside special reserve from the debit balance on other equity items at the balance sheet date before distributing earnings. When debit balance on other equity items is reversed subsequently, the reversed amount could be included in the distributable earnings.

(b) The amounts previously set aside by the Company as special reserve on initial application of IFRSs in accordance with Financial-Supervisory-Securities-Corporate-1010012865, dated April 6, 2012, shall be reversed proportionately when the relevant assets are used, disposed of or reclassified subsequently. Such amounts are reversed upon disposal or reclassified if the assets are investment property of land, and reversed over the use period if the assets are investment property other than land.

D. On June 29, 2023, the shareholders have resolved the appropriation of earnings for the year ended December 31, 2022 as follows:

	For the year ended December 31, 2022	
	Amount	Dividends per share (in dollars)
Appropriation of legal reserve	$ 31,632	
Appropriation of special reserve	1,999	
Cash dividends	198,592	$ 0.70
	$ 232,223	

C. On June 29, 2022, the shareholders have resolved the appropriation of earnings for the year ended December 31, 2021 as follows:

	For the year ended December 31, 2021	
	Amount	Dividends per share (in dollars)
Appropriation of legal reserve	$ 14,790	
Appropriation of special reserve	78,091	
Cash dividends	53,029	$ 0.20
	$ 145,910	

(21) Other equity interest

	For the year ended December 31, 2023		
	Unrealised (losses) gains on valuation	Currency translation	Total
At January 1	($ 471,194)	($ 479,033)	($ 950,227)
Revaluation	23,780	-	23,780
Revaluation - tax	5,473	-	5,473
Currency translation differences	-	(19,464)	(19,464)
Revaluation transferred to retained earnings, net	-	46,931	46,931
At December 31	($ 441,941)	($ 451,566)	($ 893,507)

	For the year ended December 31, 2022		
	Unrealised (losses) gains on valuation	Currency translation	Total
At January 1	($ 491,459)	($ 721,971)	($ 1,213,430)
Revaluation	22,955	-	22,955
Revaluation - tax	(1,532)	-	(1,532)
Revaluation transferred to retained earnings, net	(1,158)	-	(1,158)
Currency translation differences	-	242,938	242,938
At December 31	($ 471,194)	($ 479,033)	($ 950,227)

(22) Operating revenue

	For the year ended December 31, 2023	For the year ended December 31, 2022
Revenue from contracts with customers	$ 2,547,887	$ 2,714,971

A. Disaggregation of revenue from contracts with customers

The Group derives revenue from the transfer of goods and services over time and at a point in time in the following major product lines and geographical regions：

	Taiwan	Europe and America region	Mainland China and other Asia region			
	Computers and its peripherals	Computers and its peripherals	Computers and its peripherals	Liquor wholesale	Eliminated by consolidation	Total
2023						
Revenue from external customer contracts	$ 348,611	$ 1,296,200	$ 1,001,017	$ 17,078	($ 115,019)	$ 2,547,887
Inter-segment revenue	63,980	272,798	12,952	11,696	(361,426)	-
Total segment revenue	$ 412,591	$ 1,568,998	$ 1,013,969	$ 28,774	($ 476,445)	$ 2,547,887
Timing of revenue recognition						
At a point in time	$ 357,724	$ 1,550,687	$ 1,005,033	$ 28,774	($ 442,407)	$ 2,499,811
Over time	54,867	18,311	8,936	-	(34,038)	48,076
	$ 412,591	$ 1,568,998	$ 1,013,969	$ 28,774	($ 476,445)	$ 2,547,887

	Taiwan	Europe and America region	Mainland China and other Asia region			
	Computers and its peripherals	Computers and its peripherals	Computers and its peripherals	Liquor wholesale	Eliminated by consolidation	Total
2022						
Revenue from external customer contracts	$ 49,986	$ 1,685,652	$ 1,055,803	$ 5,433	($ 81,903)	$ 2,714,971
Inter-segment revenue	69,358	328,507	50,910	5,432	(454,207)	-
Total segment revenue	$ 119,344	$ 2,014,159	$ 1,106,713	$ 10,865	($ 536,110)	$ 2,714,971
Timing of revenue recognition						
At a point in time	$ 63,811	$ 1,986,694	$ 1,094,833	$ 10,865	($ 494,890)	$ 2,661,313
Over time	55,533	27,465	11,880	-	(41,220)	53,658
	$ 119,344	$ 2,014,159	$ 1,106,713	$ 10,865	($ 536,110)	$ 2,714,971

B. Contract liabilities

(a) Revenue recognised that was included in the contract liability balance at the beginning of the year

	For the year ended December 31, 2023	For the year ended December 31, 2022
Contract liabilities - advanced sales receipts	$ 40,542	$ 38,566

(b) The Group has recognised the following revenue-related contract liabilities:

	December 31, 2023	December 31, 2022	January 1, 2022
Contract liabilities - advanced sales receipts	$ 52,724	$ 42,213	$ 39,299

(23) Interest income

	For the year ended December 31, 2023	For the year ended December 31, 2022
Interest income from bank deposits	$ 16,894	$ 6,212
Other interest income	7	297
	$ 16,901	$ 6,509

(24) Other income

	For the year ended December 31, 2023	For the year ended December 31, 2022
Dividend income	$ 21,306	$ 2,201
Rental revenue	-	1,658
Other income	8,131	5,261
	$ 29,437	$ 9,120

(25) Other gains and losses

	For the year ended December 31, 2023	For the year ended December 31, 2022
Gains on financial assets at fair value through profit	$ 116,756	$ 177,405
Foreign exchange gains	10,760	90,601
Gain(losses) on disposal of property, plant and equipment	197,288	(77)
Impairment losses	(252,042)	(69,703)
Losses on disposal of investments	(49,180)	-
Other losses	(1,230)	(1,384)
	$ 22,352	$ 196,842

(26) Finance costs

	For the year ended December 31, 2023	For the year ended December 31, 2022
Interest expense :		
Bank borrowings	$ 26,801	$ 26,273
Corporate bonds	3,100	3,100
Lease liabilities	3,463	1,972
	$ 33,364	$ 31,345

(27) Expenses by nature

	For the year ended December 31, 2023	For the year ended December 31, 2022
Employee benefit expenses	$ 394,650	$ 419,091
Depreciation charges on property, plant and equipment	24,180	26,138
Depreciation charges on right-of-use assets	23,906	17,448
Amortisation charges on intangible assets	15,719	19,123
Depreciation expense of investment property	-	739

(28) Employee benefit expense

	For the year ended December 31, 2023	For the year ended December 31, 2022
Wages and salaries	$ 335,528	$ 364,484
Labor and health insurance fees	29,619	29,229
Pension costs	17,327	16,011
Other personnel expenses	12,176	9,367
	$ 394,650	$ 419,091

A. In accordance with the Articles of Incorporation of the Company, when distributing earnings, the Company shall distribute bonus to the employees and pay remuneration to the directors and supervisors. The ratio shall not be lower than 5% for employees' compensation and shall not be higher than 1% for directors' remuneration. If the Company has accumulated deficit, earnings should be reserved.

B. For the years ended December 31, 2023 and 2022, employees' compensation was accrued at $2,458 and $19,418, respectively; while directors' remuneration was accrued at $246 and $1,942, respectively. The aforementioned amounts were recognised in salary expenses.

For the year ended December 31, 2023, the employees' compensation and directors' remuneration were estimated and accrued based on 5% and 0.5% of distributable profit of current year as of the end of reporting period. The employees' compensation and directors' remuneration resolved by the Board of Directors were $2,458 and $246, and the employees' compensation will be distributed in the form of cash.

Employees' compensation and directors' remuneration of 2022 as resolved by the Board of Directors were in agreement with those amounts recognised in the 2022 financial statements.

Information about employees' compensation and directors' remuneration of the Company as resolved by the meeting of Board of Directors will be posted in the "Market Observation Post System" at the website of the Taiwan Stock Exchange.

(29) Income tax

A. Income tax expense

(a) Components of income tax expense:

	For the year ended December 31, 2023	For the year ended December 31, 2022
Current tax:		
Current tax on profits for the year	$ 66,642	$ 50,313
Tax on undistributed surplus earnings	3,815	-
Prior year income tax (over)underestimation	(611)	4,954
Land value added tax	17,824	-
Total current tax	$ 87,670	$ 55,267
Deferred tax:		
Origination and reversal of temporary differences	(54,563)	9,717
Income tax expense	$ 33,107	$ 64,984

(b) The income tax (charge)/credit relating to components of other comprehensive income is as follows:

	For the year ended December 31, 2023	For the year ended December 31, 2022
Changes in fair value of financial assets at fair value through other comprehensive income	($ 5,473)	$ 1,532
Remeasurement of defined benefit obligations	35	800
	($ 5,438)	$ 2,332

B. Reconciliation between income tax expense and accounting profit or loss

	For the year ended December 31, 2023	For the year ended December 31, 2022
Tax calculated based on profit or loss before tax and statutory tax rate (Note)	$ 39,341	$ 58,859
Effects from items disallowed by tax regulation	(5,531)	1,752
Tax exempt income by tax regulation	(28,497)	(21,513)
Prior year income tax (over)underestimation	(611)	4,954
Assessment of realisation of deferred tax assets	(22,427)	(8,705)
Separate taxation	17,824	-
Temporary differences not recognised as deferred tax assets	11,472	4,729
Taxable loss not recognised as deferred tax assets	14,423	24,803
Tax on undistributed surplus earnings	3,815	-
Effect from Alternative Minimum Tax		
Impact of change in the tax rate on temporary differences between current year and the year realised	-	105
others	3,298	-
Income tax expense	$ 33,107	$ 64,984

Note: The basis for computing the applicable tax rate are the rates applicable in the respective countries where the Group entities operate.

C. Amounts of deferred tax assets or liabilities as a result of temporary differences are as follows:

	For the year ended December 31, 2023				
	January 1	Recognised in profit or loss	Recognised in other comprehensive income	Effect of exchange rate changes	December 31
Temporary differences:					
-Deferred tax assets:					
Allowance for obsolescence and market value decline	$ 2,630	$ 426	$ -	$ -	$ 3,056
Over provision of allowance for doubtful accounts	14,374	(499)	-	-	13,875
Unrealised gross profit - Group	1,806	(761)	-	-	1,045
Unrealised gross profit - Subsidiaries	11,651	2,481	-	-	14,132
Unrealised expenses	3,812	4	(35)	-	3,781
Unrealised foreign exchange loss	-	2,450	-	-	2,450
Overseas investment losses	13,667	52,507	-	-	66,174
Unrealised loss on financial instruments	108,226	-	5,473	-	113,699
Deferred revenue	3,209	(14)	-	-	3,195
Others	842	-	-	-	842
	160,217	56,594	5,438	-	222,249
	$ 160,217	$ 56,594	$ 5,438	$ -	$ 222,249
-Deferred tax assets:					
Unrealised foreign exchange gain	($ 2,471)	($ 2,031)	$ -	$ -	($ 4,502)

	For the year ended December 31, 2022				
	January 1	Recognised in profit or loss	Recognised in other comprehensive income	Recognised in equity	December 31
Temporary differences:					
-Deferred tax assets:					
Allowance for obsolescence and market value decline	$ 6,097	($ 3,467)	$ -	$ -	$ 2,630
Over provision of allowance for doubtful accounts	18,773	(4,399)	-	-	14,374
Unrealised gross profit - Group	-	1,806	-	-	1,806
Unrealised gross profit - Subsidiaries	11,178	473	-	-	11,651
Unrealised expenses	4,603	10	(800)	(1)	3,812
Unrealised foreign exchange loss	1,877	(1,877)	-	-	-
Overseas investment losses	12,761	906	-	-	13,667
Unrealised loss on financial instruments	109,758	-	(1,532)	-	108,226
Deferred revenue	3,907	(698)	-	-	3,209
Others	842	-	-	-	842
	169,796	(7,246)	(2,332)	(1)	160,217
	$ 169,796	($ 7,246)	($ 2,332)	($ 1)	$ 160,217
Unrealised gain on financial instruments (valuation adjustment)	$ -	($ 2,471)	$ -	$ -	($ 2,471)

D. Expiration dates of unused tax losses are as follows:

	December 31, 2023			
Year incurred	Amount filed / assessed	Unused amount	Unrecognised deferred tax assets	Expiry year
2014	28,334	28,334	28,334	2024
2015	62,338	62,338	62,338	2025
2016	15,080	15,080	15,080	2026
2017	278	278	278	2027
2020	52,003	21,112	21,112	2030
2021	34,899	34,899	34,899	2031

December 31, 2022				
Year incurred	Amount filed / assessed	Unused amount	Unrecognised deferred tax assets	Expiry year
2014	28,334	28,334	28,334	2024
2015	62,338	62,338	62,338	2025
2016	15,080	15,080	15,080	2026
2017	278	278	278	2027
2020	52,003	21,112	21,112	2030
2021	34,899	34,899	34,899	2031

E. The Company's income tax returns through 2021 have been assessed and approved by the Tax Authority.

F. The amounts of deductible temporary difference that are not recognised as deferred tax assets are as follows:

	December 31, 2023	December 31, 2022
Deductible temporary differences	$ 528,566	$ 509,618

(30) Earnings per share

	For the year ended December 31, 2023		
	Amount after tax	Weighted-average number of ordinary shares outstanding (shares in thousands)	Earnings per share (in dollars)
Basic earnings per share			
Profit attributable to ordinary shareholders of the parent	$ 42,712	292,214	$ 0.15
Diluted earnings per share			
Profit attributable to ordinary shareholders of the parent	$ 42,712	292,214	
Assumed conversion of all dilutive potential ordinary shares			
Employees' compensation	-	218	
Profit attributable to ordinary shareholders of the parent plus assumed conversion of all dilutive potential ordinary shares	$ 42,712	292,432	$ 0.15

	For the year ended December 31, 2022		
	Amount after tax	Weighted-average number of ordinary shares outstanding (shares in thousands)	Earnings per share (in dollars)
Basic earnings per share			
Profit attributable to ordinary shareholders of the parent	$ 311,960	292,185	$ 1.07
Diluted earnings per share			
Profit attributable to ordinary shareholders of the parent	$ 311,960	292,185	
Assumed conversion of all dilutive potential ordinary shares			
Employees' compensation	-	764	
Profit attributable to ordinary shareholders of the parent plus assumed conversion of all dilutive potential ordinary shares	$ 311,960	292,949	$ 1.06

(31) Changes in liabilities from financing activities

	For the year ended December 31, 2023			
	Short-term borrowings	Bonds payable	Lease liabilities	Liabilities from financing activities-gross
At January 1	$ 1,426,271	$ 500,000	$ 77,509	$ 2,003,780
Changes in cash flow from financing activities	(223,267)	-	(24,315)	(247,582)
Impact of changes in foreign exchange rate	(1,004)	-	947	(57)
Interest expense	-	-	3,463	3,463
Additions	-	-	28,206	28,206
Profit from lease modification	-	-	-	-
At December 31	$ 1,202,000	$ 500,000	$ 85,810	$ 1,787,810

	For the year ended December 31, 2022			
	Short-term borrowings	Bonds payable	Lease liabilities	Liabilities from financing activities-gross
At January 1	$ 1,625,528	$ 500,000	$ 25,392	$ 2,150,920
Changes in cash flow from financing activities	(203,089)	-	(17,587)	(220,676)
Impact of changes in foreign exchange rate	3,832	-	3,609	7,441
Interest expense	-	-	1,972	1,972
Additions	-	-	64,594	64,594
Profit from lease modification	-	-	(471)	(471)
At December 31	$ 1,426,271	$ 500,000	$ 77,509	$ 2,003,780

(32) Transactions with non-controlling interest

A. Acquisition of additional equity interest in a subsidiary

On February 8 to April 26, 2023, the Group acquired an additional 0.78% of shares of its subsidiary— Tiga Gaming Inc. for a total cash consideration of $3,876. This transaction resulted in a decrease in the non-controlling interest by $628 and a decrease in the equity attributable to owners of the parent by $3,248. The effect of changes in interests in Tiga Gaming Inc. on the equity attributable to owners of the parent for the year ended December 31, 2023 is shown below:

	Year ended December 31, 2023
Carrying amount of non-controlling interest acquired	$ 628
Consideration paid to non-controlling interest	(3,876)
Difference between proceeds on actual acquisition of or disposal of equity interest in a subsidiary and its carrying amount shown as retained earnings	($ 3,248)

B. Subsidiary employee stock option plan

The Group's Tiga Gaming Inc. issued employee stock options on June 19, 2023. This transaction increased non-controlling equity by $129; in addition, because the employee stock options included employees of the company, the capital surplus recognized changes in all equity in subsidiaries increased by $28.

C. The Group did not conduct any transaction with non-controlling interest in 2022.

7. RELATED PARTY TRANSACTIONS

(1) Names of related parties and relationship

Names of related parties	Relationship with the Group
LotRich Information Co., Ltd. (LotRich)	Associate
AquaLab Inc. (AquaLab)	〃
FEC Deutschland GmbH (FEC Deutschland)	〃
FEC Japan Co., Ltd. (FEC Japan)	〃
FEC ITALIA S.r.l. (FEC ITALIA)	〃
Oriental Regent Ltd. (ORL)	〃
G1 Entertainment LLC (G1)	〃
Beijing Intradak Systems Technology Co., Ltd. (Intradak)	〃
Grab and Go Solutions, Inc.(Grab)	〃
Jia Hua Kang Jian Co., Ltd. (Jia Hua)	〃
Zenii Information System Co., Ltd. (Zenii)	Other related party
FANA Management B.V. (FANA)	〃
Software Solution Systems Ltd. (3S)	〃

(2) Significant related party transactions and balances

A. Operating revenue

	For the year ended December 31, 2023	For the year ended December 31, 2022
Sales of goods:		
Associates		
LotRich	$ 299,713	$ 1,977
Other	75,430	90,755
Other related parties	12,699	19,025
Sales of services:		
Associates	1,145	707
Other:		
Associates	95	49
	$ 389,082	$ 112,513

The sales prices of goods and services for LotRich have no similar transactions to compare with. The sales prices of goods and services are approximately the same as those with third-parites. The collection terms are determined in accordance with mutual agreement.

B. Purchases

	For the year ended December 31, 2023	For the year ended December 31, 2022
Purchases of goods:		
Associates	$ 87	$ 730
Purchases of services:		
Other related parties	17,615	-
	$ 17,702	$ 730

Goods purchased arise from lottery machine and peripheral products. Transaction price has no similar transaction to compare with. Payment period is based on mutual agreement.

C. Receivables from related parties

	December 31, 2023	December 31, 2022
Accounts receivable:		
Associates		
LotRich	$ 312,816	$ 296
FEC Deutschland	16,877	11,954
FEC ITALIA	10,794	13,275
Other	4,305	6,265
Other related parties		
3S	3,662	2,122
Less: Allowance for doubtful accounts	(545)	(84)
	347,909	33,828
Other receivables - others:		
Other related parties	598	469
Other receivables - transferred from accounts receivable		
Associates		
FEC Deutschland	12,682	24,983
Less: Allowance for doubtful accounts	(478)	(1,030)
	12,204	23,953
	$ 360,711	$ 58,250

(a) Receivables due from related parties arise mainly from sale transactions, receipts under custody and payment on behalf of others. The receivables are unsecured in nature and bear no interest, and the receivables due from related parties have no provisions.

(b) On December 31, 2023 and 2022, the Group reclassified overdue accounts receivable to other receivables in the amount of $12,204 and $23,953, respectively. The amounts of ageing past due that were 121~180 days and 181 days over the credit terms of non-related parties amounted to $0, $12,204, $1,018 and $22,935, respectively.

D. Payables to related parties

	December 31, 2023		December 31, 2022	
Accounts payable:				
Associates				
Grab	$	-	$	143
Other		-		7
		-		150
Other payables:				
Other related parties:				
FANA		4,925		7,975
		4,925		7,975
	$	4,925	$	8,125

The accounts payable to related parties arise mainly from purchase transactions which were based on the agreed contracts, and the payables bear no interest. Other payables arise mainly from management service fees payable.

E. Lease transactions-lessee

(a) The Group leases buildings from 3S. Rental contracts are made for periods from September 2022 to September 2032. Rents are paid every quarter.

(b) Lease liability

i. Outstanding balance:

	December 31, 2023		December 31, 2022	
Other related parties	$	17,460	$	18,208

ii. Interest expense:

	For the year ended December 31, 2023		For the year ended December 31, 2022	
Other related parties	$	584	$	200

F. Endorsements and guarantees provided by related parties

Financing guarantee provided by related parties

As of December 31, 2023 and 2022, financing guarantees provided by key management were $2,070,000 and $2,120,000, respectively.

G. Property transactions:

(a) The Group had no related property transactions in 2022.

(b) The Group's financial asset transactions from related parties in 2023 are as follows:

			Year ended December 31, 2023	
	Accounts	No. of shares	Objects	Consideration
Associates				
Jia Hua	Investments accounted for using the equity method	3,000 thousand	Common shares of Jia Hua	$ 36,000

(3) Key management compensation

	For the year ended December 31, 2023	For the year ended December 31, 2022
Short-term employee benefits	$ 17,333	$ 20,436

8. PLEDGED ASSETS

The Group’s assets pledged as collateral are as follows:

	Book value		
Pledged asset	December 31, 2023	December 31, 2022	Purpose
Property, plant and equipment:			
Land	$ 111,478	$ 111,478	Note
Buildings and structures	103,602	106,898	〃
	$ 215,080	$ 218,376	

Note: Short-term loan guarantee

9. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNISED CONTRACT COMMITMENTS

	December 31, 2023	December 31, 2022
Property, plant and equipment	$ 3,361	$ -

10. SIGNIFICANT DISASTER LOSS

None.

11. SIGNIFICANT EVENTS AFTER THE BALANCE SHEET DATE

On January 10, 2024, the Group approved the sale of its main business through the indirect investment of the Group through its subsidiary Firich International Co., Ltd. - Oriental Regent Ltd.; however, on February 20, 2024, the Group received notification from the buyer of the aforementioned transaction, that the transaction was unilaterally canceled. Please refer to Note 6(6) for related information.

12. OTHERS

(1) Capital management

The Group’s objectives when managing capital are to safeguard the Group’s ability to continue as a going concern in order to provide returns for shareholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, issue new shares or sell assets to reduce debt. The Group monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings (including 'current and non-current borrowings' as shown in the consolidated balance sheet) less cash and cash equivalents. Total capital is calculated as 'equity' as shown in the consolidated balance sheet plus net debt.

During 2023, the Group's strategy, which was unchanged from 2022, was to collectively consider the environment the Group was in, the growth stage, capital needs for future significant investment plans and the long-term financial plan.

The gearing ratios at December 31, 2023 and 2022 were as follows:

	December 31, 2023	December 31, 2022
Total borrowings	$ 1,702,000	$ 1,926,271
Less: Cash and cash equivalents	(1,281,892)	(1,220,661)
Net debt	420,108	705,610
Total equity	4,050,626	4,145,385
Total capital	$ 4,470,734	$ 4,850,995
Gearing ratio	9.4%	14.55%

(2) Financial instruments

A. Financial instruments by category

	December 31, 2023	December 31, 2022
Financial assets		
Financial assets at fair value through profit or loss		
Finance assets mandatorily measured at fair value through profit or loss	$ 761,535	$ 500,753
Financial assets at fair value through other comprehensive income		
Designation of equity instrument	495,351	471,570
Financial assets at amortised cost		
Cash and cash equivalents	1,281,892	1,220,661
Notes receivable	57	557
Accounts receivable (including related parties)	686,468	512,398
Other receivables (including related parties)	28,434	51,354
Overdue receivables	13,921	36,428
Guarantee deposits paid	16,096	19,277
	$ 3,283,754	$ 2,812,998

	December 31, 2023	December 31, 2022
Financial liabilities		
Financial assets at amortised cost		
Short-term borrowings	$ 1,202,000	$ 1,426,271
Accounts payable (including related parties)	300,062	324,063
Other payables (including related parties)	151,106	163,737
Corporate bonds payable	500,000	500,000
Guarantee deposits received	7,585	8,467
	$ 2,160,753	$ 2,422,538
Lease liabilities	$ 85,810	$ 77,509

B. Financial risk management policies

(a) The Group's activities expose it to a variety of financial risks: market risk (including foreign exchange risk, interest rate risk and price risk), credit risk and liquidity risk.

(b) Risk management is carried out by a central treasury department (Group treasury) under policies approved by the Board of Directors. Group treasury identifies, evaluates and hedges financial risks in close cooperation with the Group's operating units. The Board of Directors provides written principles for overall risk management, as well as written policies covering specific areas and matters, such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments, and investment of excess liquidity.

C. Significant financial risks and degrees of financial risks

(a) Market risk

Foreign exchange risk

i. The Group operates internationally and is exposed to foreign exchange risk arising from the transactions of the Company and its subsidiaries used in various functional currency, primarily with respect to the USD and RMB. Foreign exchange risk arises from recognised assets and liabilities.

ii. The Group has certain investments in foreign operations, whose net assets are exposed to foreign currency translation risk. Currency exposure arising from the net assets of the Group's foreign operations.

iii. The Group's businesses involve some non-functional currency operations (the Company's and certain subsidiaries' functional currency: NTD; other certain subsidiaries' functional currency: USD, KRW, RMB, RUB, INR, GBP and EUR). The information on assets and liabilities denominated in foreign currencies whose values would be materially affected by the exchange rate fluctuations are as follows:

	December 31, 2023		
	Foreign currency amount (In thousands)	Exchange rate	Book value (NTD)
(Foreign currency: functional currency)			
Financial assets			
Monetary items			
USD: NTD	19,843	30.705	$ 609,279
KRW: NTD	5,476,038	0.024	131,425
GBP: NTD	159	39.150	6,225
RMB: NTD	15,197	4.327	65,757
HKD: USD	398	0.128	1,564
RMB: USD	1,658	0.141	7,178
GBP: USD	304	1.275	11,901
USD: EUR	133	0.903	4,081
USD: GBP	25	0.784	767
Non-monetary items			
SGD: NTD	4	23.290	88
HKD: NTD	3,600	3.929	14,145
KRW: NTD	23,068,500	0.024	553,644
HKD: USD	1,585,334	0.128	622,878
USD: NTD	42,265	30.705	1,297,740
EUR：NTD	8,593	33.980	291,991
GBP：NTD	762	39.150	29,821
INR：USD	55,450	0.012	20,431
RMB：USD	85,432	0.141	369,869
Financial liabilities			
Monetary items			
USD: NTD	2,577	30.705	79,127
USD: RMB	4,500	7.104	138,326
USD: EUR	860	0.903	26,388
USD: GBP	429	0.784	13,168

	December 31, 2022		
	Foreign currency amount (In thousands)	Exchange rate	Book value (NTD)
(Foreign currency: functional currency)			
Financial assets			
Monetary items			
USD: NTD	20,954	30.710	$ 643,497
KRW: NTD	5,342,023	0.025	133,551
HKD: NTD	710	3.938	2,796
GBP: NTD	128	37.090	4,748
RMB: NTD	16,032	4.408	70,669
EUR: USD	99	1.065	3,238
HKD: USD	396	0.128	1,557
RMB: USD	1,657	0.144	7,328
GBP: USD	301	1.208	11,166
USD: GBP	49	0.828	1,505
Non-monetary items			
SGD: NTD	24	22.880	543
HKD: NTD	11,333	3.938	44,628
KRW: NTD	22,494,120	0.025	562,353
HKD: USD	170,162	0.128	670,130
USD: NTD	75,126	30.710	2,307,121
EUR：NTD	7,703	32.720	252,148
GBP：NTD	761	37.090	28,232
RUB：NTD	18,117	0.437	7,917
INR：USD	56,068	0.012	20,662
RMB：USD	76,669	0.014	313,219
Financial liabilities			
Monetary items			
USD: NTD	3,508	30.710	107,731
USD: RMB	8,000	6.957	245,332
USD: EUR	1,142	0.939	35,087

iv. The total exchange (loss) gain, including realised and unrealised arising from significant foreign exchange variation on the monetary items held by the Group for the years ended December 31, 2023 and 2022, amounted to $10,760 and $90,601, respectively.

v. Analysis of foreign currency market risk arising from significant foreign exchange variation:

	For the year ended December 31, 2023		
	Sensitivity analysis		
(Foreign currency: functional currency)	Degree of variation	Effect on profit or loss	Effect on other comprehensive income
Financial assets			
Monetary items			
USD: NTD	1%	$ 4,874	$ -
KRW: NTD	1%	1,051	-
GBP: NTD	1%	50	-
RMB: NTD	1%	526	-
HKD: USD	1%	13	-
RMB: USD	1%	57	-
GBP: USD	1%	95	-
USD: EUR	1%	31	-
USD: GBP	1%	6	-
Non-monetary items			
USD: NTD	1%	633	-
USD: RMB	1%	1,037	-
USD: EUR	1%	198	-
USD: GBP	1%	105	-

	For the year ended December 31, 2022		
	Sensitivity analysis		
	Degree of variation	Effect on profit or loss	Effect on other comprehensive income
(Foreign currency: functional currency)			
Financial assets			
Monetary items			
USD: NTD	1%	$ 5,148	$ -
KRW: NTD	1%	1,068	-
HKD: NTD	1%	22	-
GBP: NTD	1%	38	-
RMB: NTD	1%	565	-
EUR: USD	1%	26	-
HKD: USD	1%	12	-
RMB: USD	1%	59	-
GBP: USD	1%	89	-
USD: GBP	1%	12	-
Financial liabilities			
Monetary items			
USD: NTD	1%	862	-
USD: RMB	1%	1,840	-
USD: EUR	1%	263	-

Price risk

i. The Group's equity securities, which are exposed to price risk, are the held financial assets at fair value through profit or loss and financial assets at fair value through other comprehensive income. To manage its price risk arising from investments in equity securities, the Group diversifies its portfolio. Diversification of the portfolio is done according to the limits set by the Group. The Group is not exposed to the commodity price risk.

ii. The Group's investments in equity securities comprise of shares issued by the domestic listed and emerging companies and open-end funds. The prices of financial instruments would be effected by the changes of the future value of investee companies. If the prices of these financial instruments had increased/decreased by 5% with all other variables held constant, post-tax profit for the years ended December 31, 2023 and 2022 would have increased/decreased by $31,942 and $25,038 respectively, as a result of gains/losses on equity securities classified as at fair value through profit or loss. Other components of equity would have increased/decreased by $20,941 and $18,685, respectively, as a result of other comprehensive income classified as equity investment at fair value through other comprehensive income.

Cash flow and fair value interest rate risk

i. The Group’s interest rate risk arises from long-term and short-term borrowings. Borrowings issued at variable rates expose the Group to cash flow interest rate risk which is partially offset by cash and cash equivalents held at variable rates. Borrowings issued at fixed rates expose the Group to fair value interest rate risk. During the years ended December 31, 2023 and 2022, the Group’s borrowings at variable rate were denominated in NTD, USD and KRW.

ii. If the borrowing interest rate of NTD, USD, RMB and KRW dollars had increased/decreased by 0.1% with all other variables held constant, profit, net of tax for the years ended December 31, 2023 and 2022 would have increased/decreased by $961 and $1,133, respectively. The main factor is that changes in interest expense result in floating-rate borrowings.

(b) Credit risk

i. Credit risk refers to the risk of financial loss to the Group arising from default by the clients or counterparties of financial instruments on the contract obligations. The main factor is that counterparties could not repay in full the accounts receivable based on the agreed terms.

ii. The Group manages their credit risk taking into consideration the entire group’s concern. For banks and financial institutions, only independently rated parties with a minimum rating of 'A' are accepted. According to the Group’s credit policy, each local entity in the Group is responsible for managing and analysing the credit risk for each of their new clients before standard payment and delivery terms and conditions are offered. Internal risk control assesses the credit quality of the customers, taking into account their financial position, past experience and other factors. Individual risk limits are set based on internal or external ratings in accordance with limits set by the Board of Directors. The utilisation of credit limits is regularly monitored.

iii. The Group adopts the assumptions under IFRS 9, whereby the default occurs when the contract payments are past due over 90 days.

iv. The Group adopts following assumptions under IFRS 9 to assess whether there has been a significant increase in credit risk on that instrument since initial recognition:
If the contract payments were past due over 30 days based on the terms, there has been a significant increase in credit risk on that instrument since initial recognition.

v. The Group classifies customers’ accounts receivable in accordance with credit rating of customer. The Group applies the simplified approach using provision matrix, loss rate methodology to estimate expected credit loss under the provision matrix basis.

vi. The following indicators are used to determine whether the credit impairment of debt instruments has occurred:

(i) It becomes probable that the issuer will enter bankruptcy or other financial reorganization due to their financial difficulties;

(ii) Default or delinquency in interest or principal repayments;

(iii) Adverse changes in national or regional economic conditions that are expected to cause a default.

vii. The Group used the forecastability to adjust historical and timely information to assess the default possibility of notes receivable, accounts receivable and other receivables (including related parties). On December 31, 2023 and 2022, the provision matrix is as follows:

	December 31, 2023		
Notes and accounts receivable (including related parties)	Expected loss rate	Total book value	Loss allowance
Not past due	0.09%~0.35%	$ 545,104	$ 1,046
Past due			
Up to 30 days	0.05%~10%	69,215	3,484
31 to 90 days	2%~30%	22,542	2,059
91 to 180 days	2%~50%	10,196	2,738
Over 181 days	2%~100%	223,780	174,985
		$ 870,837	$ 184,312

	December 31, 2023		
Other receivables (including related parties) (Note)	Expected loss rate	Total book value	Loss allowance
Up to 120 days	0.09%~100%	$ 16,230	$ -
Over 120 days	0.09%~100%	152,102	125,977
		$ 168,332	$ 125,977

Notes and accounts receivable (including related parties)	Expected loss rate	December 31, 2022 Total book value	Loss allowance
Not past due	0.08%~0.35%	$ 332,168	$ 253
Past due			
Up to 30 days	0.05%~10%	77,543	3,526
31 to 90 days	2%~30%	8,829	525
91 to 180 days	2%~50%	11,799	2,449
Over 181 days	2%~100%	257,422	168,053
		$ 687,761	$ 174,806

Other receivables (including related parties) (Note)	Expected loss rate	December 31, 2022 Total book value	Loss allowance
Up to 120 days	0.08%~100%	$ 27,401	$ -
Over 120 days	0.08%~100%	164,455	104,074
		$ 191,856	$ 104,074

Note : Overdue receivables.

viii. Movements in relation to the Group applying the simplified approach to provide loss allowance for notes receivable, accounts receivable and other receivables (including related parties) are as follows:

	For the year ended December 31, 2023	
	Notes and accounts receivable (including related parties)	Other receivables (including related parties) (Note)
At January 1	$ 174,806	$ 104,074
Provision for impairment	17,955	22,847
Accounts receivable transferred to other receivables	552	(552)
Write-offs	(6,737)	-
Effect of foreign exchange	(2,264)	(392)
At December 31	$ 184,312	$ 125,977

	For the year ended December 31, 2022	
	Notes and accounts receivable (including related parties)	Other receivables (including related parties) (Note)
At January 1	$ 148,723	$ 92,079
Provision for impairment	27,306	3,593
Accounts receivable transferred to other receivables	(1,030)	1,030
Write-offs	(1,432)	(2,353)
Effect of foreign exchange	1,239	9,725
At December 31	$ 174,806	$ 104,074

Note: include overdue receivables

(c) Liquidity risk

i. Surplus cash held by the operating entities over and above balance required for working capital management are transferred to the Group treasury. Group treasury invests surplus cash in interest bearing current accounts and money market deposits, choosing instruments with appropriate maturities or sufficient liquidity to provide sufficient headroom as determined by the abovementioned forecasts. As at December 31, 2023 and 2022, the Group held money market positions of $1,281,892 and $1,220,661, respectively, that are expected to readily generate cash inflows for managing liquidity risk.

ii. The Group has the following undrawn borrowing facilities:

	December 31, 2023	December 31, 2022
Floating rate:		
Expiring within one year	$ 370,000	$ 350,000

iii. The table below analyses the Group’s non-derivative financial liabilities and net-settled or gross-settled derivative financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date for non-derivative financial liabilities. The amounts disclosed in the table are the contractual undiscounted cash flows:

Non-derivative financial liabilities:

December 31, 2023	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years	Total
Short-term borrowings	$ 1,202,000	$ -	$ -	$ -	$ 1,202,000
Accounts payable	300,062	-	-	-	300,062
Other payables (including related parties)	151,106	-	-	-	151,106
Lease liabilities (including current and non-current)	20,102	19,320	22,955	23,433	85,810
Bonds payable	3,100	3,100	503,100	-	509,300

December 31, 2022	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years	Total
Short-term borrowings	$ 1,426,271	$ -	$ -	$ -	$ 1,426,271
Accounts payable (including related parties)	324,063	-	-	-	324,063
Other payables (including related parties)	163,738	-	-	-	163,738
Lease liabilities (including current and non-current)	14,928	12,936	27,580	31,194	86,638
Bonds payable	3,100	3,100	506,200	-	512,400

(3) Fair value information

A. The different levels that the inputs to valuation techniques are used to measure fair value of financial and non-financial instruments have been defined as follows:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date. A market is regarded as active where a market in which transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis. The fair value of the Group’s investment in listed stocks is included in Level 1.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. The fair value of the Group's investment in convertible bonds and most derivative instruments is included in Level 2.

Level 3: Unobservable inputs for the asset or liability. The fair value of the Group's investment in equity investment without active market is included in Level 3.

B. Fair value information of investment property at cost is provided in Note 6(9).

C. Financial instruments not measured at fair value

The carrying amounts of cash and cash equivalents, notes receivable, accounts receivable (including related parties), other receivables (including related parties), short-term borrowings, accounts payable (including related parties), other payables (including related parties), lease liabilities and bonds payable are approximate to their fair values.

D. The related information of financial and non-financial instruments measured at fair value by level on the basis of the nature, characteristics and risks of the assets and liabilities at December 31, 2023 and 2022 is as follows:

(a) The related information of natures of the assets and liabilities is as follows:

	Level 1	Level 2	Level 3	Total
December 31, 2023				
Assets				
Recurring fair value measurements				
Financial assets at fair value through profit or loss - Equity securities	$ 638,834	$ -	$ 122,701	$ 761,535
Financial assets at fair value through other comprehensive income - Equity securities	421,665	-	73,686	495,351
	$ 1,060,499	$ -	$ 196,387	$ 1,256,886

	Level 1	Level 2	Level 3	Total
December 31, 2022				
Assets:				
Recurring fair value measurements				
Financial assets at fair value through profit or loss -Equity securities	$ 500,753	$ -	$ -	$ 500,753
Financial assets at fair value through other comprehensive income - Equity securities	382,739	-	88,831	471,570
	$ 883,492	$ -	$ 88,831	$ 972,323

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

i. The instruments the Group used market quoted prices as their fair values (that is, Level 1) are listed below by characteristics:

	Listed shares and emerging stocks	Open-end fund
Market quoted price	Closing price	Net asset value

ii. Except for financial instruments with active markets, the fair value of other financial instruments is measured by using valuation techniques or by reference to counterparty quotes. The fair value of financial instruments measured by using valuation techniques can be referred to current fair value of instruments with similar terms and characteristics in substance, discounted cash flow method or other valuation methods, including calculated by applying model using market information available at the consolidated balance sheet date (i.e. yield curves on the Taipei Exchange, average commercial paper interest rates quoted from Reuters).

iii. When assessing non-standard and low-complexity financial instruments, for example, interest rate swap contracts, foreign exchange swap contracts and options, the Group adopts valuation technique that is widely used by market participants. The inputs used in the valuation method to measure these financial instruments are normally observable in the market.

iv. For high-complexity financial instruments, the fair value is measured by using self-developed valuation model based on the valuation method and technique widely used within the same industry. The valuation model is normally applied to derivative financial instruments, debt instruments with embedded derivatives or securitised instruments. Certain inputs used in the valuation model are not observable at market, and the Group must make reasonable estimates based on its assumptions. The effect of unobservable inputs to the valuation of financial instruments is provided in Note 12(3)J.

v. The output of valuation model is an estimated value and the valuation technique may not be able to capture all relevant factors of the Group's financial and non-financial instruments. Therefore, the estimated value derived using valuation model is adjusted accordingly with additional inputs, for example, model risk or liquidity risk and etc. In accordance with the Group's management policies and relevant control procedures relating to the valuation models used for fair value measurement, management believes adjustment to valuation is necessary in order to reasonably represent the fair value of financial and non-financial instruments at the consolidated balance sheet. The inputs and pricing information used during valuation are carefully assessed and adjusted based on current market conditions.

vi. The Group takes into account adjustments for credit risks to measure the fair value of financial and non-financial instruments to reflect credit risk of the counterparty and the Group's credit quality.

E. As the stocks of Summit Ascent Holding Ltd. were temporarily suspended for trading in the HKEX market during the period from May 12, 2022 to July 7, 2022, the Company transferred the fair value from Level 1 to Level 2 for the period when the event occurred and transferred the fair value from Level 2 back to Level 1 after the stocks were traded in the market again. For the year ended December 31, 2023, there was no transfer between Level 1 and Level 2.

F. The following chart is the movement of level 3 for the years ended December 31, 2023 and 2022.

	For the years ended December 31	
	2023	2022
	Non-Derivative equity instrument	Non-Derivative equity instrument
At January 1	$ 88,831	$ 941,405
Gains recognised in profit or loss (Note 1)	4,103	82,074
Gains recognised in other comprehensive income or loss (Note 2)	(15,145)	(35,586)
Acquired in the year	118,598	-
Transfers out from Level 3	-	(909,829)
Effect of exchange rate changes	-	10,767
At December 31	$ 196,387	$ 88,831

Note 1: Recorded as other gains and losses.

Note 2: Recorded as unrealised valuation gain or loss of financial assets.

G. As the stocks of J&V Energy Technology Co., Ltd. has been traded in the emerging stock market in January 2022, the Company transferred the fair value from Level 3 to Level 1 for the period when the event occurred. For the year ended December 31, 2023, there was no transfer into or out from Level 3.

H. The Group originally held 18% equity interest of Mcorporation Co., Ltd. and recorded as non-current financial assets at fair value through profit or loss. The Group additionally purchased 18.75% equity interest in the fourth quarter of 2022 and therefore directly held 36.75% equity interest and accounted for using the equity method.

I. Treasury department is in charge of valuation procedures for fair value measurements being categorised within Level 3, which is to verify independent fair value of financial instruments. Such assessment is to ensure the valuation results are reasonable by applying independent information to make results close to current market conditions, confirming the resource of information is independent, reliable and in line with other resources and represented as the exercisable price, and frequently calibrating valuation model, performing back-testing, updating inputs used to the valuation model and making any other necessary adjustments to the fair value.

J. The following is the qualitative information of significant unobservable inputs and sensitivity analysis of changes in significant unobservable inputs to valuation model used in Level 3 fair value measurement:

	Fair value at December 31, 2023	Valuation technique	Significant unobservable input	Range (weighted average)	Relationship of inputs to fair value
Non-derivative equity instrument:					
Unlisted shares					
Lealeahotel Co., Ltd.	$ 68,036	Market comparable companies	Price to book ratio multiple	1.01	The higher the multiple, the higher the fair value
			Discount for lack of marketability	30%	The higher the discount for lack of marketability the lower the fair value
Asia Renewable Energy (Cayman) Ltd.	5,404	〃	Price to book ratio multiple	1.43	〃
			Discount for lack of marketability	40%	
Sanhe Health Co., Ltd.	81,251	〃	Price to book ratio multiple	1.19	〃
			Discount for lack of marketability	40%	
Weisheng Environmental Technology Co., Ltd.	5,450	〃	Price to book ratio multiple	2.61	〃
			Discount for lack of marketability	20%	
Others	36,246				

		Fair value at December 31, 2022	Valuation technique	Significant unobservable input	Range (weighted average)	Relationship of inputs to fair value
Non-derivative equity instrument:						
Unlisted shares						
Lealeahotel Co., Ltd.	$	82,651	Market comparable companies	Price to book ratio multiple	1.14	The higher the multiple, the higher the fair value
				Discount for lack of marketability	30%	The higher the discount for lack of marketability the lower the fair value
Asia Renewable Energy (Cayman) Ltd.		5,934	〃	Price to book ratio multiple	1.56	〃
				Discount for lack of marketability	40%	
Others		246				

K. The Group has carefully assessed the valuation models and assumptions used to measure fair value; therefore, the fair value measurement is reasonable. However, use of different valuation models or assumptions may result in different measurements. The following is the effect of profit or loss or of other comprehensive income from financial assets and liabilities categorised within Level 3 if the inputs used to valuation models have changed:

			December 31, 2023			
			Recognised in profit or loss		Recognised in other comprehensive income	
	Input	Change	Favourable change	Unfavourable change	Favourable change	Unfavourable change
Financial assets						
Equity instrument	Discount for lack of marketability	±1%	$ 1,227	($ 1,227)	$ 737	($ 737)

			December 31, 2022			
			Recognised in profit or loss		Recognised in other comprehensive income	
	Input	Change	Favourable change	Unfavourable change	Favourable change	Unfavourable change
Financial assets						
Equity instrument	Discount for lack of marketability	±1%	$ -	$ -	$ 888	($ 888)

13. SUPPLEMENTARY DISCLOSURES

(1) Significant transactions information

A. Loans to others: Please refer to table 1.

B. Provision of endorsements and guarantees to others: Please refer to table 2.

C. Holding of marketable securities at the end of the period (not including subsidiaries, associates and joint ventures): Please refer to table 3.

D. Acquisition or sale of the same security with the accumulated cost exceeding $300 million or 20% of the Company’s paid-in capital: None.

E. Acquisition of real estate reaching NT$300 million or 20% of paid-in capital or more: None.

F. Disposal of real estate reaching NT$300 million or 20% of paid-in capital or more: None.

G. Purchases or sales of goods from or to related parties reaching NT$100 million or 20% of paid-in capital or more: Please refer to table 4.

H. Receivables from related parties reaching NT$100 million or 20% of paid-in capital or more: Please refer to table 5.

I. Derivative financial instruments undertaken during the reporting periods: None.

J. Significant inter-company transactions during the reporting periods: Please refer to table 6.

(2) Information on investees

Names, locations and other information of investee companies (not including investees in Mainland China)：Please refer to table 7.

(3) Information on investments in Mainland China

A. Basic information: Please refer to table 8.

B. Significant transactions, either directly or indirectly through a third area, with investee companies in the Mainland Area: Please refer to table 9.

(4) Major shareholders information

Major shareholders information: Please refer to table 10.

14. SEGMENT INFORMATION

(1) General information

Management has determined the reportable operating segments based on the reports reviewed by the Chief Operating Decision-Maker that are used to make strategic decisions.

The Chief Operating Decision-Maker considers the business from product type perspective; the reportable operating segments are as follows:

A. Computers and its peripherals：Mainly engaged in POS system hardware and software developments, manufacturing, sales and related after-sales services and maintenance services.

B. Other segments：Mainly engaged in wholesale of liquor, etc.

The Group’s organisation, basis of department segmentation and principles for measurement of segment information for the period were not significantly changed.

(2) Measurement of segment information

The Group’s operating segment profit or loss is measured by post-tax and is used as the basis for performance evaluation.

The Group does not provide the information about segment assets and liabilities to the Chief Operating Decision-Maker, thus, the amounts are disclosed as zero.

(3) Information about segment profit or loss, assets and liabilities

The segment information provided to the Chief Operating Decision-Maker for the reportable segments is as follows:

For the year ended December 31, 2023	Computers and its peripherals	Other operating segments	Eliminated by consolidation (Note)	Total
Revenue from external customers	$ 2,645,828	$ 17,078	($ 115,019)	$ 2,547,887
Inter-segment revenue	349,730	11,696	(361,426)	-
Total segment revenue	$ 2,995,558	$ 28,774	($ 476,445)	$ 2,547,887
Segment income (loss)	$ 58,170	($ 4,012)	($ 400)	$ 53,758
Segment (loss) income included:				
Interest income	$ 16,880	$ 21	$ -	$ 16,901
Interest expense	(33,035)	(329)	-	(33,364)
Impairment loss	(252,042)	-	-	(252,042)
Depreciation and amortisation	(57,101)	(6,704)	-	(63,805)
Income tax expense	(33,107)	-	-	(33,107)
Investment (loss) income under the equity method	(406,047)	-	342,146	(63,901)

For the year ended December 31, 2022	Computers and its peripherals	Other operating segments	Eliminated by consolidation (Note)	Total
Revenue from external customers	$ 2,791,441	$ 5,433	($ 81,903)	$ 2,714,971
Inter-segment revenue	448,775	5,432	(454,207)	-
Total segment revenue	$ 3,240,216	$ 10,865	($ 536,110)	$ 2,714,971
Segment income (loss)	$ 356,714	($ 6,725)	($ 25,047)	$ 324,942
Segment (loss) income included:				
Interest income	$ 6,472	$ 37	$ -	$ 6,509
Interest expense	(31,170)	(175)	-	(31,345)
Impairment loss	(69,703)	-	-	(69,703)
Depreciation and amortisation	(57,618)	(5,830)	-	(63,448)
Income tax expense	(64,984)	-	-	(64,984)
Investment (loss) income under the equity method	106,478	-	(21,485)	84,993

Note: Inter-segment revenue and profit (loss) are offset.

(4) Information on products and services

	For the year ended December 31, 2023		For the year ended December 31, 2022	
Computers and its peripherals revenue	$	2,530,809	$	2,709,538
Liquor wholesale revenue		17,078		5,433
	$	2,547,887	$	2,714,971

(5) Geographical information

Geographical information for the years ended December 31, 2023 and 2022 are as follows:

	For the year ended December 31, 2023				For the year ended December 31, 2022			
	Revenue		Non-current assets		Revenue		Non-current assets	
Taiwan	$	348,611	$	406,183	$	49,986	$	394,777
European and American regions		1,296,200		77,719		1,685,652		88,357
China and other regions		903,076		67,920		979,333		73,476
	$	2,547,887	$	551,822	$	2,714,971	$	556,610

(6) Major customer information

Major customer information of the Group for the years ended December 31, 2023 and 2022 is as follows:

	Year ended December 31, 2023			Year ended December 31, 2022		
	Revenue		Segment	Revenue		Segment
A	$	300,839	Taiwan	$	2,634	Taiwan
B		241,850	Taiwan		279,211	Taiwan
	$	542,689		$	281,845	

FIRICH ENTERPRISES CO., LTD.AND SUBSIDIARIES
Loans to others
For the year ended December 31, 2023

Table 1

Expressed in thousands of NTD
(Except as otherwise indicated)

No. (Note 1)	Creditor	Borrower	General ledger account	Related party	Maximum outstanding balance during the year ended December 31, 2023	Balance at December 31, 2023 (Note 7)	Actual amount drawn down (Note 6)	Interest rate (%)	Nature of loans (Note 4)	Amount of transactions with the borrower (Note 3)	Reason for short-term financing	Allowance for doubtful accounts	Collateral		Limit on loans granted to a single party (Note 4)	Ceiling on total loans granted (Note 5)	Footnote
													Item	Value			
0	Firich Enterprises Co., Ltd.	Firich USA Inc.	Other receivables	Yes	$ 33,115	$ -	$ -	-	2	$ 44,884	Operational needs	$ -	-	$ -	$ 851,037	$ 1,702,074	Note 2、8
0	Firich Enterprises Co., Ltd.	Crimson Technology (Shanghai) Inc.	Other receivables	Yes	3,489	-	-	-	2	14,398	Operational needs	-	-	-	851,037	1,702,074	Note 2、8
0	Firich Enterprises Co., Ltd.	Firich Korea Co., Ltd.	Other receivables	Yes	7,850	7,850	4,357	-	2	17,648	Operational needs	-	-	-	851,037	1,702,074	Note 2、8
0	Firich Enterprises Co., Ltd.	Firich UK Co., Ltd.	Other receivables	Yes	9,291	1,861	-	-	2	80,443	Operational needs	-	-	-	851,037	1,702,074	Note 2、8
0	Firich Enterprises Co., Ltd.	FEC Deutschland GmbH	Other receivables	Yes	25,053	18,567	12,682	-	2	31,281	Operational needs	478	-	-	851,037	1,702,074	Note 2
1	Firich International Co., Ltd.	Crimson Technology (Shanghai) Inc.	Other receivables	Yes	161,350 (USD5,000 thousand)	153,525 (USD5,000 thousand)	138,173 (USD4,500 thousand)	-	2	-	Operational needs	-	-	-	343,452	686,904	Note 8

Note 1: The numbers filled in for the loans provided by the Company or subsidiaries are as follows:
(1) The Company is '0'.
(2) The subsidiaries are numbered in order starting from '1'.
Note 2: In accordance with Accounting Research and Development Foundation Interpretation 93-167, accounts receivable that pass the regular terms of third parties should be transferred to other receivables and the nature of receivables is considered as financing.
The credit line is approved by the Company's Board of Directors.
Note 3: It is the amount of sales for the year ended December 31, 2023.
Note 4: (1) The limit on loans provided by the Company to a single party which trades with the Company shall not exceed the total transaction amount during the most recent year and the total transaction amount for the year until the date of financing, whichever is higher.
(2) The limit on loans provided by the Company to a single party for short-term financing shall not exceed 20% of the Company's net assets based on the latest audited or reviewed financial statements of the Company (as of September 30, 2023).
Note 5: Accumulated amount of loans to others shall not be more than 40% of the Company's net asset based on the latest audited or reviewed financial statements of the Company (as of September 30, 2023).
Note 6: Amounts denominated in foreign currencies are translated into New Taiwan dollars at the exchange rate of USD$1: NTD$30.705 and RMB$1: NTD$4.327 prevailing on December 31, 2023.
Note 7: The authorised limit approved by the Company's Board of Directors.
Note 8: The transactions were written off when preparing the consolidated financial statements.

FIRICH ENTERPRISES CO., LTD.AND SUBSIDIARIES
Provision of endorsements and guarantees to others
For the year ended December 31, 2023

Table 2

Expressed in thousands of NTD
(Except as otherwise indicated)

Number (Note 1)	Endorser/ guarantor	Party being endorsed/guaranteed: Company name	Relationship with the endorser/ guarantor (Note 2)	Limit on endorsements/ guarantees provided for a single party	Maximum outstanding endorsement/ guarantee amount as of December 31, 2023	Outstanding endorsement/ guarantee amount at December 31, 2023 (Note 5)	Actual amount drawn down	Amount of endorsements/ guarantees secured with collateral	Ratio of accumulated endorsement/ guarantee amount to net asset value of the endorser/guarantor company (%)	Ceiling on total amount of endorsements/ guarantees provided	Provision of endorsements/ guarantees by parent company to subsidiary (Note 6)	Provision of endorsements/ guarantees by subsidiary to parent company (Note 6)	Provision of endorsements/ guarantees to the party in Mainland China (Note 6)	Footnote
0	Firich Enterprises Co., Ltd.	Crimson Technology (Shanghai) Inc.	(2)	$ 851,037	$ 153,550	$ -	$ -	$ -	-	$ 2,085,041	Y	N	Y	Note 3, 4

Note 1: The numbers filled in for the endorsements/guarantees provided by the Company or subsidiaries are as follows:
(1) The Company is '0'.
(2) The subsidiaries are numbered in order starting from '1'.
Note 2: Relationship between the endorser/guarantor and the party being endorsed/guaranteed is classified into the following seven categories:
(1) Having business relationship.
(2) The endorser/guarantor company owns directly more than 50% voting shares of the endorsed/guaranteed company.
(3) The endorsed/guaranteed company that directly or indirectly holds more than 50% of the voting shares of the endorser/guarantor company.
(4) The endorser/guarantor company directly or indirectly owns more than 90% voting shares of the endorsed/guaranteed company.
(5) Mutual guarantee of the trade as required by the construction contract.
(6) Due to joint venture, all shareholder provides endorsements/guarantees to the endorsed/guaranteed company in proportion to its ownership.
(7) Joint guarantee of the performance guarantee for pre-sold home sales contract as required under the Consumer Protection Act.
Note 3: The endorsement/guarantee amount provided by the Company to a single party shall not exceed 20% of the Company's net assets based on the latest audited or reviewed financial statements of the Company (as of September 30, 2023).
Note 4: The ceiling of endorsement/guarantee provided by the Company shall not exceed 49% of the Company's net assets based on the latest audited or reviewed financial statements of the Company (as of September 30, 2023).
Note 5: Amounts denominated in foreign currencies are translated into New Taiwan dollars at the exchange rate of USD$1: NTD$30.705 and RMB$1: NTD$4.327 prevailing on December 31, 2023.
Note 6:'Y'represents cases of provision of endorsements/guarantees by listed parent company to subsidiary and provision by subsidiary to listed parent company, and provision to the party in Mainland China.

FIRICH ENTERPRISES CO., LTD.AND SUBSIDIARIES
Holding of marketable securities at the end of the period
December 31, 2023

Table 3

Expressed in thousands of NTD
(Except as otherwise indicated)

Securities held by	Marketable securities (Note 1)	Relationship with the securities issuer (Note 2)	General ledger account	As of December 31, 2023				Footnote
				Number of shares (Note 4)	Book value (Note 3)	Ownership (%)	Fair value	
Firich Enterprises Co., Ltd.	Stock SinoCloud Group Limited	Not applicable	Financial assets at fair value through other comprehensive income - non-current	238	$ 88	0.11	$ 88	None
Firich Enterprises Co., Ltd.	Stock Summit Ascent Holdings Ltd.	Not applicable	Financial assets at fair value through other comprehensive income - non-current	41,398	7,482	0.92	7,482	None
Firich Enterprises Co., Ltd.	Stock Crypto Flow Technology Limited	Not applicable	Financial assets at fair value through other comprehensive income - non-current	5,399	4,306	0.98	4,306	None
Firich Enterprises Co., Ltd.	Stock Cai Hua Technology Co., Ltd.	Not applicable	Financial assets at fair value through other comprehensive income - non-current	87	-	0.26	-	Note 5
Firich Enterprises Co., Ltd.	Stock Rich Forest Leisure Development Co., Ltd.	Related party in substance	Financial assets at fair value through other comprehensive income-non-current	4,160	-	5.10	-	None
Firich Enterprises Co., Ltd.	Stock Platinum Drink Co., Ltd.	Related party in substance	Financial assets at fair value through other comprehensive income - non-current	950	-	19.00	-	None
Firich Enterprises Co., Ltd.	Stock Lealeahotel Co., Ltd.	Related party in substance	Financial assets at fair value through other comprehensive income - non-current	7,676	42,899	9.25	42,899	None
Firich Enterprises Co., Ltd.	Stock Darwish Investments Ltd.	Not applicable	Financial assets at fair value through other comprehensive income - non-current	288	-	1.22	-	None

				As of December 31, 2023				
Securities held by	Marketable securities (Note 1)	Relationship with the securities issuer (Note 2)	General ledger account	Number of shares (Note 4)	Book value (Note 3)	Ownership (%)	Fair value	Footnote
Firich Enterprises Co., Ltd.	Stock Asia Renewable Energy (Cayman) Ltd.	Not applicable	Financial assets at fair value through other comprehensive income - non-current	445	$ 5,404	0.56	$ 5,404	None
Firich Enterprises Co., Ltd.	Stock TIEN LI OFFSHORE WIND TECHNOLOGY CO., LTD.	Not applicable	Financial assets at fair value through other comprehensive income - non-current	199	10,112	0.28	10,112	None
Firich Enterprises Co., Ltd.	Stock J&V Energy Technology Co., Ltd.	Not applicable	Financial assets at fair value through other comprehensive income - non-current	4,200	397,320	3.61	397,320	None
Firich Enterprises Co., Ltd.	Stock J&V Energy Technology Co., Ltd.	Not applicable	Financial assets at fair value through profit or loss - non-current	6,663	630,320	5.73	630,320	None
Firich Enterprises Co., Ltd.	Stock Sanhe Health Co., Ltd.	Not applicable	Financial assets at fair value through profit or loss - non-current	4,662	81,251	14.35	81,251	None
Firich Enterprises Co., Ltd.	Stock Weisheng Environmental Technology Co., Ltd.	Not applicable	Financial assets at fair value through profit or loss - non-current	200	5,450	0.58	5,450	None
Firich International Co., Ltd.	Stock Pointsoft Japan Ltd.	Not applicable	Financial assets at fair value through other comprehensive income - non-current	20	246	10.00	246	None
Firich International Co., Ltd.	Stock CSSB Limited.	Not applicable	Financial assets at fair value through other comprehensive income - non-current	20	-	1.91	-	None
Crimson Technology (Shanghai) Inc.	Stock Shanghai Han League Management Consultants Ltd.	Not applicable	Financial assets at fair value through other comprehensive income - non-current	-	-	18.18	-	None

Securities held by	Marketable securities (Note 1)	Relationship with the securities issuer (Note 2)	General ledger account	As of December 31, 2023 Number of shares (Note 4)	Book value (Note 3)	Ownership (%)	Fair value	Footnote
TopRich Co., Ltd.	Stock Crypto Flow Technology Limited	Not applicable	Financial assets at fair value through other comprehensive income - non-current	2,580	2,058	0.47	2,058	None
TopRich Co., Ltd.	Stock Summit Ascent Holdings Ltd.	Not applicable	Financial assets at fair value through other comprehensive income - non-current	1,656	299	0.04	299	None
TopRich Co., Ltd.	Stock Zenii Information System Co., Ltd.	Related party in substance	Financial assets at fair value through other comprehensive income - non-current	1,845	$ -	13.09	$ -	None
TopRich Co., Ltd.	Stock Lealeahotel Co., Ltd.	Related party in substance	Financial assets at fair value through other comprehensive income - non-current	4,500	25,137	5.42	25,137	None
TopRich Co., Ltd.	Stock J&V Energy Technology Co., Ltd.	Not applicable	Financial assets at fair value through profit or loss - non-current	90	8,514	0.08	8,514	None
TopRich Co., Ltd.	Stock Rich Forest Leisure Development Co., Ltd.	Related party in substance	Financial assets at fair value through other comprehensive income - non-current	3,521	-	4.32	-	None
Firich Korea Co.,Ltd	Stock Leading MB Fund 1	Not applicable	Financial assets at fair value through profit or loss - non-current	-	36,000	0.00	36,000	None

Note 1: Marketable securities in the table refer to stocks, bonds, beneficiary certificates and other related derivative securities within the scope of IAS 9 'Financial instruments'.
Note 2: Leave the column blank if the issuer of marketable securities is non-related party.
Note 3: Represents fair value less accumulated impairment for marketable securities measured at fair value; represents acquisition cost or amortized cost less accumulated impairment for marketable securities not measured at fair value.
Note 4: In thousands of shares.
Note 5: The business of Chi Hua Technology Co., Ltd. has been deregistered.

FIRICH ENTERPRISES CO., LTD.AND SUBSIDIARIES
Purchases or sales of goods from or to related parties reaching NT$100 million or 20% of paid-in capital or more
For the year ended December 31, 2023

Table 4

Expressed in thousands of NTD
(Except as otherwise indicated)

			Transaction				Differences in transaction terms compared to third party transactions		Notes/accounts receivable (payable)		
Purchaser/seller	Counterparty	Relationship with the counterparty	Purchases (sales)	Amount	Percentage of total purchases (sales)	Credit term	Unit price	Credit term	Balance	Percentage of total notes/accounts receivable (payable)	Footnote
Firich Enterprises Co., Ltd.	LotRich Information Co., Ltd.	Associates	Sales	$ (300,839)	(15.94%)	Note1	Note 2	Note 2	$ 312,816	49.56%	None
Firich Enterprises Co., Ltd.	AKAM Netherlands B.V.	Subsidiary	Sales	(147,457)	(7.81%)	Within 60 days	Note 2	Note 2	24,979	3.96%	None
AKAM Netherlands B.V.	Firich Enterprises Co., Ltd.	Parent company	Purchases	147,457	63.24%	Within 60 days	Note 3	Note 3	(24,979)	(87.5%)	None

Note 1: Payment in installments as agreed in the contract.
Note 2: The sales price is similar with general sales price. Transaction terms are determined in accordance with mutual agreement.
Note 3: The purchase price is similar with general purchase price. Transaction terms are determined in accordance with mutual agreement.

FIRICH ENTERPRISES CO., LTD. AND SUBSIDIARIES

Receivables from related parties reaching NT$100 million or 20% of paid-in capital or more

Year ended December 31, 2023

Table 5

Expressed in thousands of NTD

(Except as otherwise indicated)

Creditor	Counterparty	Relationship with the counterparty	Balance as at December 31, 2023	Turnover rate	Overdue receivables: Amount	Overdue receivables: Action taken	Amount collected subsequent to the balance sheet date	Allowance for doubtful accounts
Firich Enterprises Co., Ltd.	LotRich Information Co., Ltd.	Associates	$ 312,816	1.91	$ -	None	$ 94,159	$ -

FIRICH ENTERPRISES CO., LTD.AND SUBSIDIARIES
Significant inter-company transactions during the reporting period
For the year ended December 31, 2023

Table 6

Expressed in thousands of NTD
(Except as otherwise indicated)

				Transaction			
Number (Note 1)	Company name	Counterparty	Relationship (Note 2)	General ledger account	Amount	Transaction terms	Percentage of consolidated total operating revenues or total assets (Note 3)
0	Firich Enterprises Co., Ltd.	AKAM Netherlands B.V.	1	Operating revenue	$ 147,418	Note 4	5.79
0	Firich Enterprises Co., Ltd.	AKAM Netherlands B.V.	1	Accounts receivable	24,979	Note 4	0.39

Note 1: The numbers filled in for the transaction company in respect of inter-company transactions are as follows:
(1) Parent company is ‘0’.
(2) The subsidiaries are numbered in order starting from ‘1’.
Note 2: Relationship between transaction company and counterparty is classified into the following three categories:
(1) Parent company to subsidiary.
(2) Subsidiary to parent company.
(3) Subsidiary to subsidiary.
Note 3: Regarding percentage of transaction amount to consolidated total operating revenues or total assets, it is computed based on period-end balance of transaction to consolidated total assets for balance sheet accounts and based on accumulated transaction amount for the period to consolidated total operating revenues for income statement accounts.
Note 4: Transaction terms are determined in accordance with mutual agreement.
Note 5: Transaction amounts that are not significant are not disclosed.

FIRICH ENTERPRISES CO., LTD.AND SUBSIDIARIES
Information on investees
For the year ended December 31, 2023

Table 7

Expressed in thousands of NTD
(Except as otherwise indicated)

				Initial investment amount		Shares held as at December 31, 2023					
Investor	Investee	Location	Main business activities	Balance as at December 31, 20233	Balance as at December 31, 2022	Number of shares (thousands of shares)	Ownership (%)	Book value	Net profit (loss) of the investee for the year ended December 31, 2023	Investment income (loss) recognised by the Company for the year ended December 31, 2023	Footnote
Firich Enterprises Co., Ltd.	Firich International Co., Ltd.	Mauritius	Investment holdings of overseas companies	$ 2,078,089	$ 2,828,015	68,377	100.00	$ 1,280,660	($ 339,972)	($ 339,972)	Note 3,6
Firich Enterprises Co., Ltd.	AKAM Group B.V.	Netherlands	Information software and electronic information supply and wholesale of computer and business machinery equipment	234,116	234,116	18	100.00	268,469	21,938	21,938	Note 3, 6
Firich Enterprises Co., Ltd.	Firich Korea Co., Ltd.	South Korea	Information software and electronic information supply and retail of electronic materials, computer and business machinery equipment	491,691	456,352	4,018	100.00	553,644	(22,191)	(22,191)	Note 1, 3,6
Firich Enterprises Co., Ltd.	Firich USA Inc.	U.S.A	International trade and sales of computer and its peripherals	168,493	153,211	5,500	100.00	17,071	(17,963)	(17,963)	Note 3,6
Firich Enterprises Co., Ltd.	Firich UK Co., Ltd.	England	Import and export of inventory, enterpot trade, sale of electronic products and consulting	32,862	32,862	825	82.50	29,821	3,429	2,829	Note 3,6
Firich Enterprises Co., Ltd.	LotRich Information Co., Ltd.	Taiwan	Information process and wholesale and retail of electronic software and computer equipment	150,300	150,300	15,030	30.00	133,029	19,347	5,804	None
Firich Enterprises Co., Ltd.	TopRich Co., Ltd.	Taiwan	International and entrepot trade	108,000	108,000	10,800	100.00	46,758	681	681	Note 6
Firich Enterprises Co., Ltd.	AquaLab Inc.	Taiwan	Sewage disposal and wholesale and retail of pollution control	50,970	50,970	5,483	24.89	5,652	212	53	Note 1
Firich Enterprises Co., Ltd.	Tiga Gaming Inc.	Taiwan	Design, production and process of computer and peripherals, development and manufacturing of computer software and sale of product	180,898	177,021	13,952	53.00	52,718	22,977	12,132	Note 3,6
Firich Enterprises Co., Ltd.	FEC Deutschland GmbH	Germany	Import and export of inventory, enterpot trade, sale of electronic products and consulting	18,445	18,445	9	35.00	6,007	695	243	None 3
Firich Enterprises Co., Ltd.	FEC ITALIA S.r.l.	Italy	Import and export of inventory, enterpot trade, sale of electronic products and consulting	7,008	7,008	90	24.50	17,515	9,785	2,397	None 3
Firich Enterprises Co., Ltd.	FEC Japan Co., Ltd.	Japan	Import and export of inventory, enterpot trade, sale of electronic products and consulting	5,340	5,340	0.40	26.67	-	-	-	Note 4

Investor	Investee	Location	Main business activities	Initial investment amount: Balance as at December 31, 20233	Initial investment amount: Balance as at December 31, 2022	Shares held as at December 31, 2023: Number of shares (thousands of shares)	Shares held as at December 31, 2023: Ownership (%)	Shares held as at December 31, 2023: Book value	Net profit (loss) of the investee for the year ended December 31, 2023	Investment income (loss) recognised by the Company for the year ended December 31, 2023	Footnote
Firich Enterprises Co., Ltd.	Grab and Go Solutions, Inc.	Taiwan	Information software data processing service industry, electronic component manufacturing industry and research and development service industry	$ 1,000	$ 1,000	100	33.22	$ 193	($ 1,496)	$ 497	None
Firich Enterprises Co., Ltd.	Jia Hua Kang Jian Co., Ltd	Taiwan	International trade, general investment, venture capital industry, residential and building development, leasing and sales, factory development lease and sale business, real estate sale and lease business, investment consulting and management consulting	136,000	100,000	13,000	39.39	124,753	(10,384)	(3,999)	Note 1
Firich Enterprises Co., Ltd.	Xiang Ting Entertainment Co., Ltd.	Taiwan	Book publishing industry, audio publishing industry, film production industry and radio program production industry	1,000	-	100	100.00	1,000	-	-	Note 6
Firich International Co., Ltd.	Firich (Hong Kong) International Co., Ltd.	Hong Kong	Investment holdings of overseas companies	759,658	759,658	15,500	100.00	288,811	68,571	68,571	Note 6
Firich International Co., Ltd.	Firich Investment Ltd.	Mauritius	Investment holdings of overseas companies	1,520,054	2,044,376	51,700	100.00	719,279	(371,796)	(371,796)	Note 6
Firich Investment Ltd.	Oriental Regent Ltd.	Hong Kong	Investment holdings of overseas companies	1,661,885	1,983,935	85	20.00	882,439	(231,518)	(327,306)	Note 2
Firich Investment Ltd.	Firich Information Technologies PVT Ltd.	India	Research and development of software and sales of computer and its peripherals	39,451	39,451	8,159	100.00	20,431	(150)	(150)	Note 6
AKAM Group B.V.	AKAM Netherlands B.V.	Netherlands	Information software and electronic information supply and wholesale of computer and business machinery equipment	643	643	18	100.00	127,343	21,560	21,560	Note 6
AKAM Group B.V.	AKAM Belgium BVBA	Belgium	Information software and electronic information supply and wholesale of computer and business machinery equipment	722	722	20	99.00	667	(1,024)	(1,014)	Note 6
AKAM Netherlands B.V.	AKAM Belgium BVBA	Belgium	Information software and electronic information supply and wholesale of computer and business machinery equipment	7	7	0.20	1.00	7	(1,024)	(10)	Note 6

Investor	Investee	Location	Main business activities	Initial investment amount: Balance as at December 31, 20233	Initial investment amount: Balance as at December 31, 2022	Shares held as at December 31, 2023: Number of shares (thousands of shares)	Shares held as at December 31, 2023: Ownership (%)	Shares held as at December 31, 2023: Book value	Net profit (loss) of the investee for the year ended December 31, 2023	Investment income (loss) recognised by the Company for the year ended December 31, 2023	Footnote
TopRich Co., Ltd.	AquaLab Inc.	Taiwan	Sewage disposal and wholesale and retail of pollution control equipment	$ 15,203	$ 15,203	1,132	5.14	$ 1,167	$ 212	$ 11	Note 1
TopRich Co., Ltd.	Tiga Gaming Inc.	Taiwan	Design, production and process of computer and peripherals, development and manufacturing of computer software and sale of product	4,590	4,590	459	1.74	1,732	22,977	400	Note 6
Tiga Gaming Inc.	Tiga Rus LLC	Russia	Information software and wholesale and retail of computer and business machinery	-	57,413	-	0.00	-	(659)	(659)	Note 5
Tiga Gaming Inc.	Link Triumph Co., Ltd.	Samoa	Investment holdings of overseas companies	4,691	4,691	-	100.00	9	(290)	(290)	Note 6
Firich Korea Co., Ltd.	Mcorporation Co., Ltd.	South Korea	Providing big data and online advertisement platform	289,450	289,450	43	36.75	409,156	1,324	(3,644)	Note 1

Note 1: The information is based on the investees' financial statements audited by the investees' appointed other auditors.

Note 2: Net profit (loss) of the investee for the year ended December 31, 2022 was valued based on the investees' financial statements audited by other auditors, and deducted its relevant imputed interest expenses based on the Company's accounting policies. Investment income (loss) recognised by the Company for the year ended December 31, 2022 was calculated based on the aforementioned adjusted net profit (loss) for the year ended December 31, 2022 and considering amortisation of license for the year ended December 31, 2022. Share of profit or loss of associates recognised by the Company amounted to $71,517 and included the impairment loss recognised by the Company for the year ended December 31, 2022 amounting to ($55,533). As of December 31, 2022, the carrying amount of the investee company included the accumulated impairment provisioned by the Company amounting to $174,155.

Note 3: The carrying amount of investment at the end of the year included unrealised profit from sales at the end of the year.

Note 4: As of December 31, 2022, the accumulated impairment had been provided by the Company amounting to $5,492.

Note 5: Tiga Rus LLC applied for the dissolution on September 19, 2023, and the liquidation was completed on February 15, 2024

Note 6: Transaction amounts that are not significant are not disclosed.

FIRICH ENTERPRISES CO., LTD.AND SUBSIDIARIES
Information on investments in Mainland China
For the year ended December 31, 2023

Table 8

Expressed in thousands of NTD
(Except as otherwise indicated)

Investee in Mainland China	Main business activities	Paid-in capital (Note 5)	Investment method	Accumulated amount of remittance from Taiwan to Mainland China as of January 1, 2023 (Note 5)	Amount remitted from Taiwan to Mainland China/ Amount remitted back to Taiwan for the year ended December 31, 2023 (Note 5)		Accumulated amount of remittance from Taiwan to Mainland China as of December 31, 2023 (Note 5)	Net income (loss) of investee as of December 31, 2023	Ownership held by the Company (direct or indirect)	Investment income (loss) recognised by the Company for the year ended December 31, 2023	Book value of investments in Mainland China as of December 31, 2023 (Note 2)	Accumulated amount of investment income remitted back to Taiwan as of December 31, 2023	Footnote
					Remitted to Mainland China	Remitted back to Taiwan							
Crimson Technology (Shanghai) Inc.	International and entrepot trade	$ 513,452	Note 1(2)	$ 475,928	$ -	$ -	$ 475,928	$ 68,571	100.00	$ 68,571	$ 288,811	$ -	Note 3, 9(1),12
Shanghai Han League Management Consultants Ltd.	Consulting	28,588	Note 1(3)	-	-	-	-	-	18.18	-	-	-	Note 4, 10
Cai Rui Trading Co., Ltd.	Import and export of inventory, entrepot trade, sale of electronic products and business consulting	173,080	Note 1(2)	196,581	-	-	196,581	(4,012)	100.00	(4,012)	81,058	-	Note 3, 9(2),12
Beijing Intradak Systems Technology Co., Ltd.	Information software and electronic information supply and wholesale and retail of computer and business machinery equipment	259,620	Note 1(3)	-	-	-	-	54,976	20.00	10,995	132,327	-	Note 3, 8, 10
Dazhe Information Technology Co., (Shanghai) Ltd.	Information software and electronic information supply and wholesale and retail of computer and business machinery equipment	4,327	Note 1(2)	4,569	-	-	4,569	(182)	-	(182)	-	-	Note 3, 9(3),11
Shuo Cai Technologies Corp.	Information software and electronic information supply and wholesale and retail of computer and business machinery equipment	25,962	Note 1(3)	-	-	-	-	(10,368)	100.00	(10,368)	5,035	-	Note 3, 10,12

Note1: The investment methods are classified as follows:
(1)Direct indirect investment in Mainland China.
(2)Through investing in an existing company in the third area, which then invested in the investee in Mainland China, please refer to Note 9.
(3) Other methods, please refer to Note10.

Note 2: Book value of investments as of December 31, 2022 is the disclosure of profit or loss of investment amount recognised by investors and balance of long-term equity investment.

Note 3: Investment income (loss) recognised by the Company for the year ended December 31, 2023is based on the financial statements audited by the Taiwan parent company's appointed independent accountants.

Note 4: Recorded as Financial assets at fair value through other comprehensive income - non - current. As of December 31, 2023, the recorded accumulated impairment was ($5,623).

Note 5: Amounts denominated in foreign currencies are translated into New Taiwan dollars at the exchange rate of USD$1: NTD$30.705 and RMB$1: NTD$4.327 prevailing on December 31, 2023.

Note 6: The registration for the retirment of Bejing Bestinfo Technology Co., Ltd. was completed, and the investment amount had been returned to Firich International Co., Ltd.
However, the Company has not received the returned investment as of December 31, 2023, the accumulated amount remitted from Taiwan amounted to $40,715.

Note 7: (1) The Group reinvested in the China companies: Suzhou Licang Win-Power Equipment Co., Ltd, Red Blades Wind Power Equipment (Ying Kou) Limited and Red Blades Wind Power Equipment (China) Co., Ltd., through financial assets at fair value through other comprehensive income-non-current-investee, Darwish Investments Ltd. As of December 31, 2022, the balance of the accumulated amount of remittance from Taiwan was $61,410.
(2) Financial assets at fair value through other comprehensive income-non-current-investee, Darwish Investments Ltd. reorganised in 2018 and acquired 0.81% of shares in Red Windtek (Cayman) Holdings Company Limited through a share swap.
In addition, the company acquired 0.81% of shares in TIEN LI OFFSHORE WIND TECHNOLOGY CO., LTD. due to Redblades Windtek (Cayman) Holdings Company Limited had a recognisation in 2019.
As of December 31, 2023, the company own 0.28% of share in TIEN LI OFFSHORE WIND TECHNOLOGY CO., LTD.

Note 8: As of December 31, 2022, accumulated impairment amounted to $58,029.

Note 9: Through investing in an existing company in the third area, which then invested in the investee in Mainland China.
(1) Through reinvesting in Firich International Co., Ltd. in a third area to invest in Firich (Hong Kong) International Co., Ltd., then invested in Mainland China through Firich (Hong Kong) International Co., Ltd.
(2) Through reinvesting in Firich International Co., Ltd. in a third area to invest in Mainland China.
(3) Through reinvesting in Link Triumph Co., Ltd. in a third area to invest in Mainland China.

Note 10: The investment amount was remitted from the own funds of Crimson Technology (Shanghai) Inc..

Note 11: Dazhe Information Technology Co., (Shanghai) Ltd. was dissolved on August 24, 2023. As of October 13, 2023, the liquidation has been completed.

Note 12: Transaction amounts that are not significant are not disclosed.

FIRICH ENTERPRISES CO., LTD.AND SUBSIDIARIES
Information on investments in Mainland China
For the year ended December 31, 2023

Table 8

Expressed in thousands of NTD
(Except as otherwise indicated)

Company name	Accumulated amount of remittance from Taiwan to Mainland China as of December 31, 2023	Investment amount approved by the Investment Commission of the Ministry of Economic Affairs (MOEA) (Note 2)	Ceiling on investments in Mainland China imposed by the Investment Commission of MOEA (Note 1)
Firich Enterprises Co., Ltd.	$ 774,634	$ 932,971	$ 2,430,376
Tiga Gaming Inc.	4,569	4,885	59,822

Note 1: In accordance with ‘Regulations Governing the Approval of Investment or Technical Cooperation in Mainland China’ and ‘Rules on Review of 2008, Investment and Technology Cooperation in Mainland China’ amended by Investment Commission, Ministry of Economic Affairs effective on August 29, the ceiling of investment of investors (not as personal and small and medium enterprise) in Mainland China is the net assets of the investors or 60% of consolidated net assets, whichever is higher.

Note 2: Amounts denominated in foreign currencies are translated into New Taiwan dollars at the exchange rate of USD$1: NTD$30.705 and RMB$1: NTD$4.327 prevailing on December 31, 2023.

FIRICH ENTERPRISES CO., LTD.AND SUBSIDIARIES

Significant transactions , either directly or indirectly through a third area, with investee companies in the Mainland Area

For the year ended December 31, 2023

Table 9

Expressed in thousands of NTD
(Except as otherwise indicated)

	Sale (purchase)		Property transaction		Accounts receivable (payable) (Note 1)		Provision of endorsements/guarantees or collaterals		Financing				
Investee in Mainland China	Amount	%	Amount	%	Balance as at December 31, 2023	%	Balance as at December 31, 2023	Purpose	Maximum balance during the year ended December 31, 2023	Balance as at December 31, 2023	Interest rate	Interest during the year ended December 31, 2023	Others
Crimson Technology (Shanghai) Inc.	$ 14,398	0.76	$ -	-	$ 4,310	0.68	Note 1	Note 1	$ 164,839	$ 153,525	-	$ -	Note2

Note 1: Please refer to Note 13(1) B. - Provision of endorsements and guarantees to others.

Note 2: Transaction amounts that are not significant are not disclosed.

FIRICH ENTERPRISES CO., LTD.AND SUBSIDIARIES
Major shareholders information
December 31, 2023

Table 10

	Shares	
Name of major shareholders	Number of shares held	Ownership (%)
Hsu, Ming-Jer	27,041,065	8.97%