Stock Code:4562

YING HAN Technology Co., Ltd. and Subsidiaries

Consolidated Financial Statements for Year 2023 and 2022 and
Independent Auditors' Report

Address: No.50, Keji 1st Rd., Annan Dist., Tainan City 709405, Taiwan
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Consolidated Financial Statements Disclaimer

The entities that are required to be included in the consolidated financial statements of YING HAN Technology Co., Ltd. as of and for the year 2023 (January 1, 2023 - December 31, 2023) under the Criteria Governing the Preparation of Affiliation Reports, Consolidated Business Reports and Consolidated Financial Statements of Affiliated Enterprises are the same as those included in the consolidated financial statements prepared in conformity with the International Financial Reporting Standard 10, “Consolidated Financial Statements”. In addition, all information required to be disclosed in the consolidated financial statements has been included. Consequently, YING HAN Technology Co., Ltd. and Subsidiaries do not prepare a separate set of consolidated financial statements.

Very truly yours,

Company:YING HAN Technology Co., Ltd.

Chairman: HU PING KUN

March 8,2024

INDEPENDENT AUDITORS' REPORT

The Board of Directors and Shareholders
YING HAN Technology Co., Ltd.

Opinion

We have audited the accompanying consolidated financial statements of YING HAN Technology Co., Ltd. And Subsidiaries (the "Company"), which comprise the consolidated balance sheets as of December 31, 2023 and 2022, and the consolidated statements of comprehensive income, changes in equity and cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Company as of December 31, 2023 and 2022 and it’s 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 (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

Basis for Opinion

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

Key Audit Matters

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

Key audit matter for the Company’s consolidated financial statements for the year ended December 31, 2023, is stated as follows:

<u>The revenue authenticity of specific customer</u>

The Company is dedicated in designing, manufacturing, installing and sales of parts for automatic machinery such as intelligent pipe bender, forming machine, vertical working machine. The Company’s major revenue is from the sales of machinery. The machinery is small in quantity but has higher unit price. The revenue for specific customers has significant impact on the Company’s Operating Revenue which is shown on the customer sales report of machineries for year 2023 and 2022. In consequence, we listed the authenticity of the revenue

of specific customers for the Company as a key audit matter.
Our audit procedures based on the key audit matter found above includes:

1. Understand and test the internal control systems of operating procedures related to sales cycle and evaluate the effectiveness of the rationale behind the set up and implementation.
2. Sampling the year sales transaction report of specific customers, review the sales orders, customs declarations, invoices, and shipment or loading certificates with customer's signature. And tally the payment afterwards or notices to verify the revenue authenticity.

Other Matter

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

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

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

In preparing the consolidated financial statements, management is responsible for assessing the Company'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 Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance (including members of the Audit Committee) are responsible for overseeing the Company's financial reporting process.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

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

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

1. Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform

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

2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company'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 Company'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 Company to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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

Deloitte & Touche
Taipei, Taiwan Republic of China

Auditor WU CHANG JUN	Auditor LIAO HUNG JU
No.Financial-Supervisory-Securities-Auditing-1110348898	No.Financial-Supervisory-Securities-Auditing-0990031652

08 March 2024

Notice to Readers

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

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

YING HAN Technology Co., Ltd. and Subsidiaries

CONSOLIDATED BALANCE SHEETS

December 31, 2023 & 2022

Unit: Thousands of New Taiwan Dollars

Code	Assets	December 31, 2023 Amount	%	December 31, 2022 Amount	%
	CURRENT ASSETS				
1100	Cash and cash equivalents (Note 4 and 6)	$ 276,536	12	$ 265,115	11
1150	Note receivable（Note 4, 7 and 20）	85,391	4	107,694	4
1170	Account receivable (Note 4, 7 and 20)	146,640	7	189,762	8
1180	Account receivable from related parties（Note 4, 7, 20 and 27）	13,284	1	44,281	2
1200	Other receivables（Note 4 and 7）	4,865	-	4,188	-
1220	Tax assets (Note 22)	1,586	-	1,329	-
130X	Inventories (Note 4 and 8)	774,497	34	820,034	33
1410	Prepayments (Note 27)	31,754	1	67,681	3
1479	Other current assets	2,777	-	3,316	-
11XX	Total current assets	1,337,330	59	1,503,400	61
	NONCURRENT ASSETS				
1600	Property, plant and equipment (note 4,10, 27and 28)	822,192	36	804,531	33
1755	Right-of-use assets (Note 4 and 11)	73,303	3	83,640	3
1760	Investment properties (Note 4, 12 and 28)	18,147	1	18,694	1
1805	Goodwill (Note 4, 13 and 24)	5,333	-	5,333	-
1821	Other intangible assets (Note 4 and 14)	276	-	350	-
1840	Deferred income tax assets (Note 4 and 22)	20,785	1	27,487	1
1915	Prepayment for equipment	201	-	-	-
1931	Long term Notes receivable (Note 7 and 20)	252	-	7,773	-
1942	Long term Receivables from related parties（Note 7, 20 and 27）	3,157	-	15,917	1
1920	Refundable deposits (Note 4)	3,521	-	6,026	-
1990	Other noncurrent assets	400	-	400	-
15XX	Total noncurrent assets	947,567	41	970,151	39
1XXX	Total Assets	$ 2,284,897	100	$ 2,473,551	100
Code	LIABILITIES AND EQUITY				
	CURRENT LIABILITIES				
2100	Short-term borrowings (Note 15 and 28)	$ 380,000	17	$ 360,000	15
2110	Short-term commercial note (Note 15)	99,550	5	82,058	3
2130	Current contracts liabilities (Note 20)	52,603	2	84,567	4
2150	Note payable	8	-	-	-
2170	Account payable	75,759	3	108,863	5
2180	Account payable from related parties (Note 27)	4,761	-	3,458	-
2219	Other payables (Note 16)	76,565	3	70,730	3
2220	Other payables from related parties (Note 27)	-	-	4,752	-
2230	Current tax liabilities (Note 22)	-	-	72	-
2250	Current Provision for Liabilities (Note 4 and 17)	2,432	-	4,003	-
2280	Current Lease liabilities (Note 4, 11 and 27)	6,712	-	8,605	-
2320	Long-term loans due within one year (Note 15 and 28)	82,698	4	82,902	3
2399	Other current liabilities	2,864	-	3,336	-
21XX	Total current liabilities	783,952	34	813,346	33
	NONCURRENT LIABILITIES				
2540	Long-term bank loans (Note 15 and 28)	337,747	15	414,270	17
2570	Deferred income tax liabilities (Note 4 and 22)	2,564	-	3,275	-
2580	Non-current Lease liability (Note 4, 11 and 27)	67,594	3	75,657	3
2640	Non-current Net defined benefit liability (Note 4 and 18)	9,673	1	10,840	-
2645	Guarantee deposits (Note 27)	25,104	1	25,104	1
25XX	Total noncurrent liabilities	442,682	20	529,146	21
2XXX	Total liabilities	1,226,634	54	1,342,492	54
	Equity attributable to owners (Note 19)				
3110	Common stock	875,460	38	875,460	35
3200	Capital reserve	347,593	15	347,593	14
	Accumulated deficits				
3310	Legal reserve	86,606	4	86,606	3
3320	Special reserve	16,373	1	16,373	1
3350	Accumulated deficit	(287,427)	(13)	(206,732)	(8)
3300	Total accumulated deficit	(184,448)	(8)	(103,753)	(4)
3400	Other interests	10,254	1	(2,601)	-
31XX	Total of owners' equity	1,048,859	46	1,116,699	45
36XX	Non-controlling interest	9,404	-	14,360	1
3XXX	Total equity	1,058,263	46	1,131,059	46
	Total liabilities and equity	$ 2,284,897	100	$ 2,473,551	100

The appended notes are parts of this consolidated financial statements.

Chairman: Manager: Chief Accounting Supervisor:

YING HAN Technology Co., Ltd. and Subsidiaries

Consolidated Statements of Comprehensive Income

January 1 – December 31, 2023 & 2022

Unit: Thousands of New Taiwan Dollars

*The net loss per share is New Taiwan Dollars

		Year 2023		Year 2022	
Code		Amount	%	Amount	%
4100	Operating revenues (Note 4, 20 and 27)	$ 742,197	100	$ 762,235	100
5110	Operating costs (Note 8, 21 and 27)	490,600	66	526,333	69
5900	Operating margin	251,597	34	235,902	31
	Operating expenses (Note 8, 21 and 27)				
6100	Sales and marketing expenses	169,724	23	156,059	21
6200	General and administrative expenses	92,911	12	86,507	11
6300	Research expenses	46,474	6	50,708	7
6450	Expected credit impairment losses(Rotation benefits)	5,830	1	8,095	1
6000	Total of operating expenses	314,939	42	301,369	40
6500	Other non-operating income and expenses (Note 21)	678	-	15	-
6900	Operating Loss	(62,664)	(8)	(65,452)	(9)
	Non-operating revenue and expenses (Note 4, 21 and 27)				
7100	Interest income	7,946	1	4,159	1
7010	Other income	15,862	2	17,333	2
7020	Other gains and losses	(22,615)	(3)	48,001	6
7050	Finance costs	(21,332)	(3)	(19,858)	(2)
7000	Total of Non-operating revenue and expenses	(20,139)	(3)	49,635	7
7900	Loss before tax	(82,803)	(11)	(15,817)	(2)
7950	Income tax expense (Benefit) (Note 4 and 22)	3,038	1	(1,753)	-

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Code		Year 2023 Amount	%	Year 2022 Amount	%
8200	Net loss	($ 85,841)	(12)	($ 14,064)	(2)
	Other comprehensive income				
	Items not classified to profit or loss:				
8311	Remeasurements of the net defined benefit (Note 18)	147	-	3,367	1
8360	Items may be classified to profit or loss:				
8361	Exchange Differences on Translation of Foreign Financial Statements	16,112	2	11,378	1
8399	Income tax related to components of other comprehensive income that will be reclassified to profit or loss. (Note 19)	(3,214)	-	(2,192)	-
		12,898	2	9,186	1
8300	Other comprehensive income (Net of tax)	13,045	2	12,553	2
8500	Total comprehensive income	($ 72,796)	(10)	($ 1,511)	-
	Net losses belongs to:				
8610	Owners	($ 80,842)	(11)	($ 12,325)	(2)
8620	Non-controlling interests	(4,999)	(1)	(1,739)	-
8600		($ 85,841)	(12)	($ 14,064)	(2)
	Comprehensive imcome belongs to:				
8710	Owners	($ 67,840)	(9)	($ 189)	-
8720	Non-controlling interests	(4,956)	(1)	(1,322)	-
8700		($ 72,796)	(10)	($ 1,511)	-
	Net loss per share (Note 23)				
9750	Basic	($ 0.92)		($ 0.14)	
9850	Dilution	(0.92)		(0.14)	

The appended notes are parts of this consolidated financial statements.

Chairman: Manager: Chief Accounting Supervisor:

YING HAN Technology Co., Ltd. and Subsidiaries

Consolidated Statements of Changes in Equity

January 1 – December 31, 2023 & 2022

Unit: Thousands of New Taiwan Dollars

		Equity attributable to owners								
		Stock		Accumulated loss			Other Equity Interest			
Code		Common Stock	Capital Reserve	Legal Reserve	Special Reserve	Accumulated Deficits	Exchange Differences on Translation of Foreign Financial Statements	Total	Non-controlling Interest	Total Equity
A1	Balance as of January 1, 2022	$ 875,460	$ 347,593	$ 86,606	$ 16,373	($ 197,774)	($ 11,370)	$ 1,116,888	$ 6,545	$ 1,123,433
D1	Net Loss of Year 2022	-	-	-	-	(12,325)	-	(12,325)	(1,739)	(14,064)
D3	Other comprehensive income of year 2022 (net of tax)	-	-	-	-	3,367	8,769	12,136	417	12,553
D5	Total comprehensive income of year 2022	-	-	-	-	(8,958)	8,769	(189)	(1,322)	(1,511)
O1	Non-controlling interest (Note 9 and 19)	-	-	-	-	-	-	-	9,137	9,137
Z1	Balance as of December 31, 2022	875,460	347,593	86,606	16,373	(206,732)	(2,601)	1,116,699	14,360	1,131,059
D1	Net Loss of year 2023	-	-	-	-	(80,842)	-	(80,842)	(4,999)	(85,841)
D3	Other comprehensive income of year 2023 (net of tax)	-	-	-	-	147	12,855	13,002	43	13,045
D5	Total comprehensive income of year 2023	-	-	-	-	(80,695)	12,855	(67,840)	(4,956)	(72,796)
Z1	Balance as of December 31, 2023	$ 875,460	$ 347,593	$ 86,606	$ 16,373	($ 287,427)	$ 10,254	$ 1,048,859	$ 9,404	$ 1,058,263

The appended notes are parts of this consolidated financial statements.

Chairman: Manager: Chief Accounting Supervisor:

YING HAN Technology Co., Ltd. and Subsidiaries

Consolidated Statements of Cash Flows

January 1 – December 31, 2023 & 2022

Unit: Thousands of New Taiwan Dollars

Code		Year 2023	Year 2022
	Operating Cash Flow		
A10000	Net loss before tax	($ 82,803)	($ 15,817)
A20010	Adjustments to reconcile profit (loss):		
A20100	Depreciation	47,772	50,253
A20200	Amortization	74	74
A29900	Expected Credit Losses	5,830	8,095
A20900	Finance costs	21,332	19,858
A21100	Profit from lease modification	-	(45)
A21200	Interest income from bank deposits	(7,946)	(4,159)
A22500	Loss (gain) from disposal of fixed assets	(678)	30
A23700	Inventory Valuation and Obsolescence Losses	8,200	507
A30000	Changes in operating assets and liabilities		
A31130	Note receivable	30,257	(29,883)
A31150	Account receivable	37,427	46,170
A31160	Account receivable from related parties	43,757	8,049
A31180	Other receivable	(792)	1,989
A31190	Other receivable from related parties	115	(115)
A31200	Inventory	37,465	3,360
A31230	Prepayments	(1,048)	(47,785)
A31240	Other current assets	539	649
A32130	Note payable	8	(1)
A32150	Account payable	(33,104)	(23,905)
A32160	Account payable from related parties	1,303	(886)
A32180	Other payable	5,811	4,896
A32190	Other payable from related parties	(4,752)	(518)
A32200	Liability reserve	(1,571)	1,124
A32125	Contract liabilities	(31,964)	18,149
A32230	Other current liabilities	(472)	(4,268)
A32240	Liability – defined benefit liability	(1,167)	(3,992)
A33000	Operating cash inflow	73,593	31,829
A33100	Interest chargeable	7,946	4,159
A33300	Interest payment	(21,616)	(19,599)

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Code		Year 2023	Year 2022
A33500	Rebate of income tax	($ 590)	$ 1,995
AAAA	Net cash inflow from operating activities	59,333	18,384
	Cash Flows from Investing Activities		
B00050	Financial assets measured at amortized cost are assets	-	250,739
B02200	Net cash outflow from obtainning subsidiaries	-	(654)
B02700	Purchase of property, plant and equipment	(22,677)	(8,508)
B02800	Price on disposal of property, plant and equipment	678	-
B03700	Increase of refundable deposit	-	(1,934)
B03800	Decrease of refundable deposit	2,529	-
B07100	Increase of prepayments for equipment	(2)	-
BBBB	Net cash inflow(outflow) from investment activities	(19,472)	239,643
	Cash Flows from Financing Activities		
C00100	Increase of short-term borrowings	775,000	852,000
C00200	Decrease of short-term borrowings	(755,000)	(1,056,000)
C00500	Increase of short-term commercial note	738,100	871,600
C00600	Decrease of short-term commercial note	(720,300)	(935,000)
C01700	Repayment of long-term loan	(76,727)	(75,944)
C04020	Payments of lease liabilities	(8,600)	(9,569)
C05800	Change in non-controlling interests	-	6,750
CCCC	Net cash outlow from financing activities	(47,527)	(346,163)
DDDD	Effect of exchange rate changes on cash and cash equivalents	19,087	14,368
EEEE	Net increase (decrease) in cash and cash equivalents	11,421	(73,768)
E00100	Cash and cash equivalents at the beginning of year	265,115	338,883
E00200	Cash and cash equivalents at the end of year	$ 276,536	$ 265,115

The appended notes are parts of this consolidated financial statements.

Chairman: Manager: Chief Accounting Supervisor:

YING HAN Technology Co., Ltd.
Notes to the Consolidated Financial Statements
January 1 – December 31, 2023 & 2022
(Unit: Thousands of New Taiwan Dollars. Unless otherwise stated.)

(1) Company History

Founded in January 2008, YING HAN Technology Co., Ltd. (The 'Company') is a leading and well organized manufacturer in Taiwan, specialized in designing, manufacturing, installing and sales of parts for automatic machinery such as tube & pipe bender, forming machine.

The Company was approved to issue stocks in August 2015 and was allowed to trade on the Taiwan Stock Exchange (TWSE) in November of the same year. In August 2017, the Company was listed on Taiwan Stock Exchange.

The use of currency in this Consolidated Financial Statements is New Taiwan Dollars.

(2) Date and Procedures of Authorization of Financial Statements for Issuance

The accompanying consolidated financial statements were approved and authorized for issue by the Board of Directors on March 8, 2024.

(3) Newly Issued or Revised Standards and Interpretations

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

   The initial application of the amendments to the IFRSs endorsed and issued into effect by the FSC did not have a significant effect on the accounting policies of the Company.

2. The IFRSs issued by International Accounting Standards Board (IASB) and endorsed by the FSC with effective date starting 2024

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

Note 1: The above new, revised or amended standards and interpretations is applicable to annual reporting periods mentioned above. Unless otherwise stated.

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

Note 3: The first time this amendment is applied, some disclosure requirements are exempted.

The rest of the revised standards and interpretations did not have a significant effect on the financial condition and financial performance of the Company as of the release date of this consolidated financial statements.

3. The IFRSs issued by IASB but not yet endorsed and issued into effect by the FSC

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

Note 1: The above new, revised or amended standards and interpretations is applicable to annual reporting periods mentioned above. Unless otherwise stated.

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

As of the release date of this consolidated financial statements, the Company continues to evaluate the impact on its financial condition and financial performance from the initial adoption of the standards or interpretations and related applicable period. The related impact will be disclosed when the Company completes its evaluation.

(4) Summary Explanation of Significant Accounting Policies

1. Statement of Compliance

The accompanying consolidated financial statements have been prepared in conformity with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the IFRSs endorsed by the FSC with the effective dates (collectively, "Taiwan-IFRSs").

2. Basis of Preparation

The accompanying consolidated financial statements have been prepared on the historical cost basis except for financial instruments that are measured at fair values, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for the assets.

Financial assets can be categorized into 3 levels based on the degree of observability and importance of the input value:

1) Level 1:Refers to quoted prices (unadjusted) in active markets for identical assets or liabilities that are available at the measurement date.
2) Level 2:Refers to observable inputs other than quoted prices at level 1, either directly (that is, prices) or indirectly (that is, derived from prices) for the asset or liability.
3) Level 3:An unobservable assets or liabilities.

3. Classification of Current and Noncurrent Assets and Liabilities

Current assets are:

1) Assets held for trading purposes;

2) Assets expected to be converted to cash, sold or consumed within one year from the end of the reporting period;

3) Cash and cash equivalents (but excluding those that subject to restrictions on exchange or settlement of liabilities more than 12 months after the balance sheet date)

Current liabilities are:

1) Liabilities incurred for trading purposes;

2) Liabilities expected to be settled within one year from the end of the reporting period;

3) Liabilities for which settlement cannot be unconditionally deferred for at least 12 months after the balance sheet date.

Assets and liabilities that are not classified as current are noncurrent assets and liabilities, respectively.

4. Basis of Consolidation

The consolidated financial statements incorporate the financial statements of the Company its subsidiaries. Income and expenses of subsidiaries acquired or disposed of are included in the consolidated statement of comprehensive income from the effective date of acquisition and up to the effective date of disposal, as appropriate. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by the Company. All intra-group transactions, balances, income and expenses are eliminated in full on consolidation.

For details of subsidiaries, shareholding ratios and business items, please refer to Note 9 and Schedules 3 and 4.

5. Foreign Currencies

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

At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Such exchange differences are recognized in profit or loss in the year in which they arise.

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

Non-monetary items that are measured in terms of historical cost in foreign currencies are not retranslated.

For the purposes of presenting consolidated financial statements, the assets and liabilities of the Company's foreign operations are translated into NT$ using exchange rates prevailing at the end of each reporting period. Income and expense items are translated at the average exchange rates for the period. Exchange differences arising, if any, are recognized in other comprehensive income and accumulated in equity.

6. Inventories

Inventories include raw materials, work in progress and finished goods, etc. Inventories are stated at the lower of cost or net realizable value. The comparison of cost to net realizable value is done on an individual basis. Net realizable value represents the estimated selling price of inventories less all estimated costs of completion and costs necessary to make the sale. Inventories are adjusted to approximate weighted-average cost at the end of the reporting period.

7. Property, Plant and Equipment

Property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment.

Property, plant and equipment in the course of construction for production, supply or administrative purposes are carried at cost, less any recognized impairment loss. Such assets are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other identical categories of property, plant and equipment, commences when the assets are available for their intended use.

Except for freehold land which is not depreciated, depreciation is recognized so as to write off the cost of the assets less their residual values over their useful lives, and it is computed using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimates accounted for on a prospective basis.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the assets. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in profit or loss.

8. Investment properties

Investment properties is real estate held to earn rentals or for capital appreciation or both. Investment properties also includes land that has not yet been determined for future use.

Owned investment properties is initially measured at cost (including transaction costs), and subsequently measured at the cost minus accumulated depreciation and accumulated impairment losses.

9. Goodwill

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

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

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

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

10. Intangible Assets

(1) Acquired Separately

Other separately acquired intangible assets with finite useful lives are carried at cost less accumulated amortization and accumulated impairment losses. Amortization is recognized using the straight-line method. The company shall review the estimated useful life, residual value and amortization method at least at the end of each year, and postpone the impact of changes in applicable accounting estimates.

(2) Derecognition

When an intangible asset is derecognized, the difference between the net disposal price and the value of the asset is recognized in profit or loss for the year.

11. Impairment of Property, Plant, Equipment, Right-of-use assets, Investment properties and Intangible Assets

At each balance sheet date, the Company reviews the carrying amounts of property, plant, equipment, right-of-use assets, investment properties and intangible assets and other intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss. When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

For intangible assets with undetermined useful lives and not available for use, impairment tests are conducted at least annually and when there is evidence of impairment.

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

When an impairment loss subsequently reverses, the carrying amount of the asset or a cash-generating unit is increased to the revised estimate of its recoverable amount, but the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset or cash-generating unit in prior years. A reversal of an impairment loss is recognized immediately in profit or loss.

12. Financial Instruments

Financial assets and financial liabilities are recognized in the consolidated balance sheet when the Company becomes a party to the contractual terms of the instrument.

If the financial assets and financial liabilities are not recognized by fair values of financial instruments initially, they are measured at fair value plus transaction costs directly attributable to the acquisition or issuance of financial assets or financial liabilities. Transaction costs directly attributable to the acquisition or issue of a financial asset or financial liability at fair value through profit or loss are recognized immediately in profit or loss and included in the originally recognized amounts of the financial asset and financial liability.

(1) Financial Assets

Customary transactions of financial assets are recognized and derecognized by transaction date.

1) Type of measurement

The types of financial assets held by the consolidated company are financial assets measured at amortized cost.

Financial assets measured at amortized cost.

Financial assets invested by the consolidated company should be categorized as financial assets measured at amortized cost if both of the below conditions are met:

A. Held under an operating model whose purpose is to hold financial assets for the purpose of receiving contractual cash flows; and
B. The interest is based on the cash flow on the date agreed in the contract, the principal paid to complete the relevant cash flow, and the principal amount circulated overseas.

Financial assets measured at amortized cost (including cash and cash equivalents, notes receivable and accounts (including related parties) measured at amortized cost, other receivables and deposits) after original recognition is measured at the amortized cost of the gross carrying amount determined by the effective interest method less any impairment losses, and any foreign exchange gains or losses are recognized in profit or loss.

Interest income from bank deposits is calculated by multiplying the effective interest rate and the total amount if the financial asset except for the below 2 situations:

A. Purchased or initial impairment financial assets is calculated by multiplying the credit-adjusted effective interest rate by the amortized cost of the financial asset.

B. Non-purchased or initial impairment financial assets becomes impairment financial assets shall be calculated by multiplying the effective interest rate by the amortized cost of the financial asset from the reporting period following the credit-impairment.

Impairment financial assets means the issuer or debtor had encountered significant financial difficulties, defaulted or the debtor is likely having a bankruptcy or other financial difficulties that will make the active market disappear.
Cash equivalents included deposit and repurchase bonds with high liquidity that is convertible into cash within 3-month and has lower risk of value change. It's to satisfy the short-term cash commitments.

2) Impairment financial assets

The consolidated company evaluates the impairment loss of financial assets (including notes receivable and accounts) measured at amortized cost based on expected credit losses on each balance sheet date.

Notes and accounts receivable are recognized as allowance losses based on expected credit losses during the duration. For other financial assets, first assess whether the credit risk has increased significantly since the original recognition. If there is no significant increase, the loss will be recognized as the 12-month expected credit loss. If there has been a significant increase, it will be recognized as the expected credit loss during the duration Allow for losses.

Expected credit loss is calculated average credit losses weighted by the risk of default. The 12-month expected credit loss represents the expected credit loss arising from possible default events of the financial instrument within 12 months after the reporting date, and the expected credit loss during the duration represents the expected credit loss arising from all possible default events of the financial instrument during the duration.

For the purpose of internal risk control, the consolidated company will regard the below situation as defaulted in financial assets without considering the collateral held:

A. The internal or external indication showing the debtor is unlikely to pay back the debt.
B. Overdue exceeds the days of credit terms without reasonable and supportable information that shows a delayed payment is more appropriate.

Impairment losses on all financial assets are achieved by reducing their carrying amounts through the use of an allowance account.

3) Derecognition of financial assets

A consolidated company derecognized a financial asset only when the contractual rights to the cash flows from the financial asset have lapsed, or when the financial asset has been transferred and substantially all the risks and rewards of ownership of the asset have been transferred to another entity.

When a financial asset is measured at amortized cost as a whole, the difference between its carrying amount and the consideration received is recognized in profit or loss. When an investment in a debt instrument at fair value through other comprehensive profit or loss is derecognized as a whole, the difference between its carrying amount and the sum of the consideration received plus any cumulative gain or loss that has been recognized in other comprehensive profit or loss is recognized in profit or loss. When an equity instrument investment measured at fair value through other comprehensive income is derecognized as a whole, the accumulated gain or loss is transferred directly to retained earnings and is not reclassified as profit or loss.

(2) Financial Liabilities

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

2) Derecognition of financial liabilities

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

13. Preparation for financial liabilities

The amount recognized as a liability reserve is the best estimate of the expenditure required to settle the obligation on the balance sheet date, considering the risks and uncertainties of the obligation. The liability provision is measured at the discounted value of the estimated cash flows of the settlement obligation.

<u>Warranty</u>

The warranty obligation to ensure that the product is compatible to the agreed specifications is recognized when the relevant product is recognized as revenue based on the management's best estimate of the expenditure required to settle the obligations of the consolidated company.

14. Revenue Recognition

The Company recognizes revenue when performance obligations are satisfied. The performance obligations are satisfied when customers obtain control of the promised goods.

Revenue from sale of goods

Revenue from sale of goods is recognized when the Company automatic machinery such as intelligent pipe bender, forming machine, vertical working machine are delivered to designated place or the installation certificate is obtained. The customer has the right to set the price and is responsible for the resales of it. In the meanwhile, customer should bear the risk of obsolete goods. The company recognized the revenue from sale of goods at that point of time. Advance payment is recognized as contract liabilities before shipment or installation certificates are obtained.

15. Leases

The consolidated company assesses whether the contract is (or contains) a lease on the contract inception date.

1. The Company as lessor

   When the term of the lease is transferred to the lessee substantially all the risks and rewards of ownership of the asset, it's categorized as finance lease. All the other leases are categorized as operating leases.

   Under operating leases, lease payments after deducting lease incentives are recognized as income on a straight-line basis over the relevant lease period. The original direct cost incurred in obtaining the operating lease is added to the book amount of the underlying asset and recognized as an expense on a straight-line basis over the lease term.

2. The Company as lessee

   Except for payments for low-value asset leases and short-term leases (leases of machinery and equipment and others) which are recognized as expenses on a straight-line basis, the Company recognizes right-of-use assets and lease liabilities for all leases at the commencement date of the lease.

   Right-of-use assets are measured at cost. The cost of right-of-use assets comprises the initial measurement of lease liabilities adjusted for lease payments and initial direct costs made at or before the commencement date, plus an estimate of costs needed to restore the underlying assets. Subsequent measurement is calculated as cost less accumulated depreciation and accumulated impairment loss and adjusted for changes in lease liabilities as a result of lease term modifications or other related factors. Right-of-use assets are presented separately in the consolidated balance sheets.

   Right-of-use assets are depreciated using the straight-line method from the commencement dates to the earlier of the end of the useful lives of the right-of-use assets or the end of the lease terms. If the lease transfers ownership of the underlying assets to the Company by the end of the lease terms or if the cost of right-of-use assets reflects that the Company will exercise a purchase option, the Company depreciates the right-of-use assets from the commencement dates to the end of the useful lives of the underlying assets.

Lease liabilities are measured at the present value of the lease payments. Lease payments comprise fixed payments, variable lease payments which depend on an index or a rate and the exercise price of a purchase option if the Company is reasonably certain to exercise that option. The lease payments are discounted using the lessee's incremental borrowing rates.

Subsequently, lease liabilities are measured at amortized cost using the effective interest method, with interest expense recognized over the lease terms. When there is a change in a lease term, a change in future lease payments resulting from a change in an index or a rate used to determine those payments, or a change in the assessment of an option to purchase an underlying asset, the Company remeasures the lease liabilities with a corresponding adjustment to the right-of-use assets. Lease liabilities are presented on a separate line in the consolidated balance sheets.

The company has negotiated with the leaser on the rental with regards to Covid-19 situation. The rental before June 30, 2021, has been adjust and reduced. The negotiation has no significant impact on the other part of the contract. The company chooses to adopt a practical expedient approach to deal with the rent negotiation of the factory building and office lease contract that meets the conditions. It does not evaluate whether the negotiation is a lease modification but recognizes the reduction of the lease payment in profit or loss when the concession event or situation occurs (other income and expense), and correspondingly reduce the lease liability.

16. Borrowing Costs

Borrowing costs is the cost to directly obtain, construct or produce the destinated assets. It's considered part of the cost of the assets until the use or sale of the item has been performed.

Investment income earned on the temporary investment of specific borrowings prior to the occurrence of eligible capital expenditures is deducted from the borrowing costs eligible for capitalization.

Except for the above, all other borrowing costs are recognized as profit or loss in the year in which they are incurred.

17. Government Grants

Government grants are not recognized until there is reasonable assurance that the Company will comply with the conditions attaching to them and that the grants will be received.

Government grants related to revenue are recognized in other income on a systematic basis over the period in which they are intended to compensate for the associated costs that are recognized as an expense by the combined company.

Government grants that are receivables as compensation for expenses already incurred are deducted from incurred expenses in the period in which they become receivables.

18. Employee Benefits

1) Short-term employee benefits

Liabilities recognized in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for service rendered by employees.

2) Retirement benefits

For defined contribution retirement benefit plans, payments to the benefit plan are recognized as an expense when the employees have rendered service entitling them to the contribution. For defined benefit retirement benefit plans, the cost of providing benefit is recognized based on actuarial calculations.
Defined benefit costs (including service cost, net interest and remeasurement) under the defined benefit retirement benefit plans are determined using the Projected Unit Credit Method. Service cost (including current service cost), and net interest on the net defined benefit liability (asset) are recognized as employee benefits expense in the period they occur. Remeasurement, comprising actuarial gains and losses and the return on plan assets (excluding interest), is recognized in other comprehensive income in the period in which they occur. Remeasurement recognized in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to profit or loss.
Net defined benefit liability represents the actual deficit in the Company's defined benefit plan.

19. Share-based payment arrangements

<u>Employee Stock Options</u>
Employee stock options are recognized as expenses on a straight-line basis during the vesting period based on the fair value of the equity instrument on the grant date and the best estimated quantity expected to be acquired, and the capital reserve - employee stock options is adjusted at the same time. If it is immediately vested on the grant date, it shall be fully recognized as an expense on the grant date.

At the end of each reporting period, the Company revises its estimate of the number of restricted shares for employees that are expected to vest. The impact from such revision is recognized in profit or loss so that the cumulative expenses reflect the revised estimate, with a corresponding adjustment to capital surplus - restricted shares for employees.

20. Taxation

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

1) Current tax
   Income tax on unappropriated earnings (excluding earnings from foreign consolidated subsidiaries) is expensed in the year the shareholders approved the appropriation of earnings which is the year subsequent to the year the earnings are generated.
   Adjustments of prior years' tax liabilities are added to or deducted from the current year's tax provision.
2) Deferred tax
   Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit.
   Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences, net operating loss carryforwards and tax credits for research and development expenses to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized.

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

   The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the deferred tax asset to be recovered. The deferred tax assets which originally not recognized is also reviewed at the end of each reporting period and recognized to the extent that it is probable that sufficient taxable profits will be available to allow all or part of the deferred tax asset to be recovered.

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

3. Current and deferred tax for the year

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

(5) Critical accounting judgements and key sources of estimation and uncertainty

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

The management of the Group evaluated that there were no critical accounting judgments or estimation uncertainty on the accounting policies, estimates and basic assumptions that were adopted by the Group.

(6) Cash and cash equivalents

	December 31, 2023	December 31, 2022
Cash on hand	$ 1,921	$ 2,187
Cheque and Deposit	130,645	164,566
Cash equivalents (investment with initial due date within 3 month)		
Fixed deposit	143,970	82,917
Repurchase agreements collateralized by bonds	-	15,445
	$ 276,536	$ 265,115

The interest rate range of cash equivalent on the balance sheet date is as follows:

	December 31, 2023	December 31, 2022
Fixed deposit	1.40%～5.40%	3.20%～3.75%
Repurchase agreements collateralized by bonds	-	4%

(7) Note receivable, account receivable (including related parties), other receivable (including related parties), long-term notes receivable and long-term receivable - related parties

	December 31, 2023	December 31, 2022
Note receivable		
Arising from operating activities	$ 85,989	$ 108,725
Less: Allowance to reduce	598	1,031
	$ 85,391	$ 107,694
Account receivable (including related parties)		
Carried at amortized cost		
Total carrying amount	$ 179,140	$ 247,921
Less: Allowance to reduce	19,216	13,521
Less: Unrealized Interest Income	-	357
	$ 159,924	$ 234,043
Other receivable (including related parties)	$ 4,865	$ 4,188
Long-term note receivable	$ 252	$ 7,773
Long-term receivable - related parties		
Total carrying amount	$ 3,227	$ 16,267
Less: Unrealized Interest Income	70	350
	$ 3,157	$ 15,917

Note and account receivable measured at amortized cost

The consolidated company set the credit term based on the financial condition, market region, and trading experience of each client. To management the risk, the consolidated company has assigned a dedicated team to be responsible for the determination and examination of credit term of each client and to ensure all the note receivable have been managed properly. Additionally, on the balance sheet date, the consolidated company will review the recoverable number of receivables one by one to ensure that unrecoverable receivables have been set aside for appropriate derogation losses. Hence the management of the consolidated company believes that the credit risk of consolidated company has been eased significantly.

The consolidated company recognizes the allowance loss of account receivable according to the expected credit loss during the existence period. The expected credit loss during the duration is calculated using the provision matrix, which considers the customer's past default record and current financial situation. As the Group's historical credit loss experience does show significantly different loss patterns for different sales segments, the Group uses different provision matrixes based on sales segments by geographical region, and determines the expected credit loss rate by reference to past due days of accounts receivable.

If there is evidence that shows the counterparty is facing severe financial difficulties and the consolidated company cannot reasonably expect the recoverable amount, for example, the counterparty is undergoing liquidation, the consolidated company will directly write off the relevant accounts receivable, but it will continue with the activities. The amount is recognized in profit or loss.

The consolidated company measures the allowance loss of account receivable based on the reserve matrix as follows:

Note receivable as of December 31, 2023

	Not Overdue	Overdue 0~180 days	Overdue 181 ~ 270 days	Overdue 271 ~ 450 days	Overdue 451 days and above	Total
Expected credit losses ratio	0%	100%	100%	100%	100%	
Total carrying amount	$ 85,391	$ 33	$ 33	$ 40	$ 492	$ 85,989
Allowance to reduce (Expected credit losses during the duration)	-	(33)	(33)	(40)	(492)	(598)
Amortized cost	$ 85,391	$ -	$ -	$ -	$ -	$ 85,391

Account receivable as of December 31, 2023

	0~120 days	121~210 days	211~300 days	301~485 days	485 days and above	Individual recognition	Total
Expected credit losses ratio	1%～18%	15%～31%	17%～68%	18%～100%	100%		
Total carrying amount	$ 26,572	$ 930	$ 66	$ 134	$ 6,768	$ 144,670	$ 179,140
Allowance to reduce (Expected credit losses during the duration)	(427)	(272)	(45)	(134)	(6,768)	(11,570)	(19,216)
Amortized cost	$ 26,145	$ 658	$ 21	$ -	$ -	$ 133,100	$ 159,924

Note receivable as of December 31, 2022

	Note Overdue	Overdue 0~180 days	Overdue 181 ~ 270 days	Overdue 271 ~ 450 days	Overdue 451 days and above	Total
Expected credit losses ratio	0%	100%	100%	100%	100%	
Total carrying amount	$ 107,694	$ 499	$ -	$ -	$ 532	$ 108,725
Allowance to reduce (Expected credit losses during the duration)	-	(499)	-	-	(532)	(1,031)
Amortized cost	$ 107,694	$ -	$ -	$ -	$ -	$ 107,694

Account receivable as of December 31, 2022

	0~120 days	121~210 days	211~300 days	301~485 days	485 days and above	Individual recognition	Total
Expected credit losses ratio	0%～1%	5%～36%	25%～61%	50%～88%	100%		
Total carrying amount	$ 54,502	$ 475	$ 223	$ 1,492	$ 6,758	$ 184,114	$ 247,564
Allowance to reduce (Expected credit losses during the duration)	(142)	(50)	(104)	(1,292)	(6,758)	(5,175)	(13,521)
Amortized cost	$ 54,360	$ 425	$ 119	$ 200	$ -	$ 178,939	$ 234,043

Changes in the provision for losses on receivables are as follows:

Year 2023

	Note receivable	Account receivable	Total
Balance at the start of year	$ 1,031	$ 13,521	$ 14,552
Add: Impairment loss provision for the year	(110)	5,940	5,830
Foreign currency exchange difference	(323)	(245)	(568)
Balance at the end of year	$ 598	$ 19,216	$ 19,814

Year 2022

	Note receivable	Account receivable	Total
Balance at the start of the year	$ 753	$ 5,833	$ 6,586
Add: Provision (reversal) impairment losses for the year	442	7,653	8,095
Foreign currency exchange difference	(164)	35	(129)
Balance at the end of year	$ 1,031	$ 13,521	$ 14,552

Other receivable have not been provisioned for bad debts because past experience shows that the probability of recovery is extremely high.

(8) Inventories

	December 31, 2023	December 31, 2022
Finished product	$ 72,823	$ 94,712
WIP- Work in process	529,335	545,777
Raw material	172,339	179,545
	$ 774,497	$ 820,034

The cost of goods sold related to inventories in 2023 and 2022 was NT $490,600 thousands and NT $526,333 thousands respectively, and the cost of goods sold, including the inventory price loss, was NT $8,200 thousands and NT $507 thousands , respectively.

(9) Subsidiaries

Subsidiaries included in the consolidated financial report

The entities preparing this consolidated financial report are as follows:

			Stock Ratio (%)		
Name of Investment Company	Name of Subsidiaries	Nature of Business	Year 2023 31 December	Year 2022 31 December	Remarks
YING HAN Technology Co., Ltd.	YING HAN TECHNOLOGY Sp. Zo.o. (Poland)	Trading of machinery equipment and parts	100	100	
	YING HANG TEKNOLOJI LTD. STI (Turkey)	Trading of machinery equipment and parts	100	100	
	YING HAN TECHNOLOGY Limited (Russia)	Trading of machinery equipment and parts	100	100	
	HANNSA PRECISION SDN. BHD. (Malaysia)	Trading of machinery equipment and parts	100	100	
	YLM INDUSTRIAL CO., LTD. (Thailand)	Trading of machinery equipment and parts	46	46	
	YING HAN Technology Co., Ltd. (Vietnam)	Trading of machinery equipment and parts	100	100	
	YING HAN Technology Co., Ltd. (Tianjin)	Trading of machinery equipment and parts	100	100	
	YING HAN Technology Co., Ltd. (Shanghai)	Trading of machinery equipment and parts	100	100	

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Name of Investment Company	Name of Subsidiaries	Nature of Business	Stock Ratio (%) Year 2023 31 December	Stock Ratio (%) Year 2022 31 December	Remarks
	YLM TUBE SOLUTIONS AND SERVICE P. LTD.(India)	Trading of machinery equipment and parts	99.99	99.99	
	PT. YING LIN MACHINE AND SERVICE(Indonesia)	Trading of machinery equipment and parts	99	99	
	Rdata System Co., Ltd(Original funding Company)	UAV- Unmanned Aerial Vehicle system testing and sales	55	55	Note 1
	YING HAN TECHNOLOGY (USA), INC.(USA)	Trading of machinery equipment and parts	100	100	Note 2

Note 1: NT $8,250 thousands was agreed by the board of directors of the company on April 1, 2022, with a 55% shareholding of the non-affiliated company. The transfer of the joint venture to the joint venture was approved for the difference of NT $5,333 thousands, please refer to notes 13 and 24. In September 2022, the company increased $8,250 thousands of the shareholding of the orginal company.

Note 2: USD$1,500 thousands was agreed by the board of directors of the company on March 1, 2022 set YING HAN TECHNOLOGY (USA), INC. And increased the investment amount of USD$200 thousands on May 19, 2023.

Note 3: The company increased the investment amount of USD$177 thousands in YING HAN TECHNOLOGY Sp. Z.o.o. (Poland) on Nov. 2023.

(10) Property, plant and equipment

	Land	Building	Machinery	Vehicles	Equipment	Lease	Other Equipment	Property in built	Total
Cost									
Balance as of January 1, 2023	$ 499,064	$ 364,377	$ 87,822	$ 24,966	$ 75,189	$ 8,907	$ 65,212	$ 590	$1,126,127
Addition	862	12,882	3,098	3,564	331	-	1,940	-	22,677
Loss	-	-	-	(270)	(56)	-	-	-	(326)
Re-classified	4,225	32,986	-	-	164	-	-	(599)	36,776
Net foreign exchange difference	(27)	(2,831)	(181)	(1,232)	(63)	(67)	(78)	9	(4,470)
Balance as of December 31, 2023	$ 504,124	$ 407,414	$ 90,739	$ 27,028	$ 75,565	$ 8,840	$ 67,074	$ -	$1,180,784
Accumulated depreciation and reduction									
Balance as of January 1, 2023	$ -	$ 139,943	$ 77,087	$ 22,870	$ 15,768	$ 8,869	$ 57,059	$ -	$ 321,596
Fee of depreciation	-	22,801	4,953	1,390	4,459	24	4,601	-	38,228
Loss	-	-	-	(270)	(56)	-	-	-	(326)
Net foreign exchange difference	-	(199)	(106)	(415)	(56)	(69)	(61)	-	(906)
Balance as of December 31, 2023	$ -	$ 162,545	$ 81,934	$ 23,575	$ 20,115	$ 8,824	$ 61,599	$ -	$ 358,592
Net as of December 31, 2023	$ 504,124	$ 244,869	$ 8,805	$ 3,453	$ 55,450	$ 16	$ 5,475	$ -	$ 822,192
Cost									
Balance as of January 1, 2022	$ 499,064	$ 354,220	$ 87,286	$ 24,859	$ 73,821	$ 8,844	$ 63,650	$ 2,772	$1,114,516
Occurred by merging	-	-	520	-	-	-	-	-	520
Addition	-	5,253	50	-	1,547	-	1,498	3,092	11,440
Loss	-	-	(189)	-	(202)	-	-	-	(391)
Re-classified	-	3,806	-	-	-	-	1	(3,807)	-
Net foreign exchange difference	-	1,098	155	107	23	63	63	(1,467)	42
Balance as of December 31, 2022	$ 499,064	$ 364,377	$ 87,822	$ 24,966	$ 75,189	$ 8,907	$ 65,212	$ 590	$1,126,127
Accumulated depreciation and reduction									
Balance as of January 1, 2022	$ -	$ 118,273	$ 69,827	$ 21,619	$ 11,206	$ 8,717	$ 52,007	$ -	$ 281,649
Occurred by merging	-	-	325	-	-	-	-	-	325
Fee of depreciation	-	21,643	7,046	1,169	4,710	91	5,015	-	39,674
Loss	-	-	(179)	-	(182)	-	-	-	(361)
Net foreign exchange difference	-	27	68	82	34	61	37	-	309
Balance as of December 31, 2022	$ -	$ 139,943	$ 77,087	$ 22,870	$ 15,768	$ 8,869	$ 57,059	$ -	$ 321,596
1 Net as of December 31, 2022	$ 499,064	$ 224,434	$ 10,735	$ 2,096	$ 59,421	$ 38	$ 8,153	$ 590	$ 804,531

Part of the warehouses and extended shelters of the consolidated company's factory buildings have been listed as impairment losses of NT $3,638 thousands in 2015.

Depreciation expense is provided on a straight-line basis over the following useful years:

Building	
Main warehouse	20~50 years
Renovation	10~15 years
Machinery	3~8 years
Vehicles	2~8 years
Equipment	3~15 years
Lease	5~10 years
Other equipment	2~10 years

Please refer to Note 28 for the amount of property, plant and equipment pledged by the consolidated company as a loan guarantee.

(11) Lease

1. Right to use

	December 31, 2023	December 31, 2022
Carrying amount		
Building	$ 71,216	$ 79,988
Vehicles	2,087	3,652
	$ 73,303	$ 83,640

	Year 2023	Year 2022
Addition	$ -	$ 11,136
Depreciation		
Building	$ 7,432	$ 8,989
Vehicles	1,565	1,043
	$ 8,997	$ 10,032

2. Lease liabilities

	December 31, 2023	December 31, 2022
Carrying amount		
Current	$ 6,712	$ 8,605
Non-current	$ 67,594	$ 75,657

The discount rate range for the lease liability is as follows:

	December 31, 2023	December 31, 2022
Building and vehicles	1.30% ~ 1.41%	1.41%

3. Important lease activities and terms

If the consolidated company leases official vehicles, the term is for a period of 3 years. These rental agreements do not have terms of renewal or right of purchase.

The consolidated company also leases buildings as warehouse, and the lease period is 3 to 19 years. When the lease period ends, the consolidated company has no preferential right to purchase the leased building, and it is agreed that the consolidated company shall not sublease or transfer all or part of the leased object without the consent of the lessor.

4. Other lease information

	Year 2023	Year 2022
Short-term Lease	$ 6,927	$ 4,071
Total cash outflow from leases	$ 16,643	$ 14,854

(Continue on the next page)

The consolidated company chooses to apply the recognition exemption to the factory buildings and official vehicles that qualify for short-term leases, and does not recognize the relevant right-of-use assets and lease liabilities for these leases.

(12) Investment Property

	Building
Cost	
Balance as of January 1, 2023, and December 31, 2023.	$ 22,251
Accumulated Depreciation	
Balance as of January 1, 2023	$ 3,557
Depreciation	547
Balance as of December 31, 2023	$ 4,104
Net as of December 31, 2023	$ 18,147

	Building
Cost	
Balance as of January 1, 2022, and December 31, 2022	$ 22,251
Accumulated Depreciation	
Balance as of January 1, 2022	$ 3,010
Depreciation	547
Balance as of December 31, 2022	$ 3,557
Net as of December 31, 2022	$ 18,694

The lease for investment property is 5 years. The lessee does not have the preferential purchase right of investment real estate at the end of the lease period.

The total lease payments to be received in the future for leasing investment property under operating leases are as follows:

	December 31, 2023	December 31, 2022
1st Year	$ 450	$ 1,800
2nd Year	-	1,800
	$ 450	$ 3,600

Investment properties are depreciated on a straight-line basis over a useful life of 41 years.

The fair value of the investment real estate on December 31, 2021 was approximately NT $46,101 thousands respectively. There is no significant change in fair value on December 31, 2023 and 2022 compared with December 31, 2021. The fair value was evaluated by the management of the consolidated company with reference to the transactions in the neighboring housing market.

Please refer to Note 28 for the amount of investment real estate set as loan guarantee.

(13) Goodwill

	December 31, 2023	December 31, 2022
COST		
Balance as of the start of year	$ 5,333	$
Acquired due to merging	-	5,333
Balance as of the end of year		
	$ 5,333	$ 5,333

The consolidated company acquired the original company in April, 2022 and recognized the goodwill of NT$5,333 thousands for the difference between the transfer consideration and the fair value. Please refer to Notes 09 and 24.

(14) Other intangible assets

	Patent	Software	Total
Cost			
Balance as of January 1, 2023, and December 31, 2023	$ 2,610	$ 6,815	$ 9,425
Accumulated depreciation			
Balance as of January 1, 2023	$ 2,307	$ 6,768	$ 9,075
Depreciation	45	29	74
Balance as of December 31, 2023	$ 2,352	$ 6,797	$ 9,149
Net as of December 31, 2023	$ 258	$ 18	$ 276
Cost			
Balance as of January 1 and December 31, 2022	$ 2,610	$ 6,815	$ 9,425
Accumulated depreciation			
Balance as of January 1, 2022	$ 2,262	$ 6,739	$ 9,001
Depreciation	45	29	74
Balance as of December 31, 2022	$ 2,307	$ 6,768	$ 9,075
Net as of December 31, 2022	$ 303	$ 47	$ 350

Amortization charges are calculated on a straight-line basis based on the number of useful years listed below:

Patent	5~14 years
Software	3 years

Other intangible assets of the consolidated company are not mortgaged.

(15) Borrowings

(1) Short-term borrowings

	December 31, 2023	December 31, 2022
Unsecured Loan		
Bank credit loan	$ 380,000	$ 360,000
Annual interest rate on unsecured loan	2.1076%～2.265%	1.7982%～2.1038%

(2) Short-term commercial note

	December 31, 2023	December 31, 2022
Commercial note		
IBFC	$ 49,900	$ 32,100
MEGA BILLS	50,000	50,000
	99,900	82,100
Less: Discount	350	42
	$ 99,550	$ 82,058
The refinancing rate	2.278%～2.678%	2.038%～2.408%

(3) Long-term borrowings

	December 31, 2023	December 31, 2022
Secured Loan		
Borrowings（Note1）	$ 385,757	$ 458,114
Unsecured Loan		
Bank credit loan（Note2）	34,688	39,058
Total	420,445	497,172
Less: Due in one year	82,698	82,902
	$ 337,747	$ 414,270

Note 1:As of December 31, 2023 and 2022, the annual effective interest rate of bank borrowings secured by the the company's freehold land and building (refer to Note 28) was 1.97%-4.3% and 1.85% - 4.3% per annum, respectively. And the aforementioned long-tern borrowings will mature from Novermber 2025 to March 2032, with interest calculated and principal repaid on schedule.

Note 2:The bank credit loan will mature sequentially before October 2028, with interest calculated and principal repaid on schedule. As of December 31, 2023 and 2022, the annual effective interest rate was 2.1%-2.97% and 1.67%-2.84% per annum, respectively.

(16) Other payable

	December 31, 2023	December 31, 2022
Salaries	$ 32,192	$ 31,824
Leave payment	6,190	5,989
Commission payable	4,218	7,069
Labor health insurance	3,144	3,054
Pension	2,247	2,255
Professional service fees	1,925	1,925
Others	26,649	18,614
	$ 76,565	$ 70,730

(17) Liability provision- Current

	December 31, 2023	December 31, 2022
Warranty liability reserve	$ 2,432	$ 4,003

Warranty liability reserve is the current value of the best estimate of future economic benefit outflows caused by warranty obligations by the management of the consolidated company in accordance with the sales contract. This estimate is based on historical warranty experience.

(18) Retirement Benefit

1. Defined contribution plans

   The consolidated Company have made monthly contributions of 6% of each employee’s monthly salary to employees’ pension accounts based on the R.O.C. Labor Pension Act (“the Act”).

   The employees of the consolidated company's local subsidiary in China are members of the retirement benefit plan operated by the local Chinese government. The subsidiary is required to contribute a specified percentage of payroll costs to the retirement benefit plan. The consolidated Company's obligation is only to contribute a specified amount in order to fund the plan.

2. Defined benefit plans

   The Company has defined benefit plans under the R.O.C. Labor Standards Law that provide benefits based on an employee’s length of service and average monthly salary for the six-month period prior to retirement. The Company contributes an amount equal to 2% of salaries paid each month to their respective pension funds, which are administered by the Labor Pension Fund Supervisory and deposited in the Committee’s name in the Bank of Taiwan. Before the end of each year, the Company assesses the balance in the Funds. If the amount of the balance in the Funds is inadequate to pay retirement benefits for employees who conform to retirement requirements in the next year, the Company is required to fund the difference in one appropriation that should be made before the end of March of the next year. The Funds are operated and managed by the government’s designated authorities; as such, the Company does not have any right to intervene in the investments of the Funds.

   Defined benefit plans loans listed in the consolidated balance sheet are listed as follows:

	December 31, 2023	December 31, 2022
Defined benefit obligation	$ 12,939	$ 13,326
Plan assets at fair value	(3,266)	(2,486)
Net defined benefit liability	$ 9,673	$ 10,840

The changes of net defined benefit liability are as follow:

	Defined benefit obligation	Plan assets at fair value	Net defined benefit liability
Balance as of January 1, 2022,	$ 17,399	($ 2,567)	$ 14,832
Interest expense	91	-	91
Recognized in profit or loss	91	-	91
Remeasurement			
Return on planned assets (In addition to the amount included in net interest)	17	(206)	(189)
Actuarial interest－experience adjustment	(893)	-	(893)
Actuarial benefits - changes in financial assumptions	(2,285)	-	(2,285)
Relating to components of other comprehensive income	(3,161)	(206)	(3,367)
Contributions by employer	-	(716)	(716)
Benefit Payment	(1,003)	1,003	-
Balance as of December 31, 2022	13,326	(2,486)	10,840
Interest expense	180	-	180
Recognized in profit or loss	180	-	180
Remeasurement			
Return on planned assets (In addition to the amount included in net interest)	52	(58)	(6)
Actuarial interest－experience adjustment	(357)	-	(357)
Actuarial benefits - changes in financial assumptions	216	-	216
Relating to components of other comprehensive income	(89)	(58)	(147)
Contributions by employer	-	(1,200)	(1,200)
Benefit Payment	(478)	478	-
Balance as of December 31, 2023	$ 12,939	($ 3,266)	$ 9,673

The company is exposed to the following risks due to the pension system of the "Labor Standards Act":

1) Investment risk: The Labor Fund Utilization Bureau of the Ministry of Labor invests labor pension funds in domestic (foreign) equity securities, debt securities, and bank deposits through self-use and entrusted operation methods, but the planned assets of the merged company may be allocated The amount is calculated based on the local bank's 2-year fixed deposit interest rate.

2) Interest rate risk: The decline in the interest rate of government bonds will increase the present value of defined benefit obligations, but the debt investment return on project assets will also increase accordingly, and the impact of the two on net defined benefit liabilities will have a partial offset effect.

3) Salary risk: The calculation of the present value of the defined benefit

obligation refers to the future salary of the plan members. An increase in plan member salaries will therefore increase the present value of the defined benefit obligation.

The present value of the confirmed benefit obligations of the consolidated company is calculated by a qualified actuary, and the major assumptions on the measurement date are as follows:

	December 31, 2023	December 31, 2022
Discount rate	1.625%	1.75%
Expected rate of salary increases	3%	3%

If there are reasonably possible changes in major actuarial assumptions, and all other assumptions remain unchanged, the amount that will increase (decrease) the present value of the defined benefit obligation is as follows:

	December 31, 2023	December 31, 2022
Discount rate		
Increase 0.25%	($ 428)	($ 451)
Decrease 0.25%	$ 446	$ 470
Expected rate of salary increases		
Increase 0.25%	$ 432	$ 456
Decrease 0.25%	($ 417)	($ 440)

Since the actuarial assumptions may be related to each other, the possibility of only a single assumption changing is unlikely, so the above sensitivity analysis may not be able to reflect the actual changes in the present value of the defined benefit obligations.

	December 31, 2023	December 31, 2022
Expected amount allocated within 1 year	$ 1,200	$ 1,200
Determining the weighted average of benefit obligations		
Duration	13.52 years	13.87years

(19) Equity

1. Capital Stock

Common stock

	December 31, 2023	December 31, 2022
Authorized shares (in thousands)	150,000	150,000
Authorized capital	$ 1,500,000	$ 1,500,000
Issued and paid shares (in thousands)	87,546	87,546
Issued capital	$ 875,460	$ 875,460

2. Capital reserve

	December 31, 2023	December 31, 2022
Can be used to make up for losses, distribute cash or allocate capital (Note)		
Additional paid-in capital	$ 347,203	$ 347,203
Lapsed employee stock options	390	390
	$ 347,593	$ 347,593

Note: This kind of capital reserve can be used to make up for losses, and can also be used to distribute cash dividends or transfer capital when the company has no losses.

3. Retained earnings and dividend policy

According to the Company’s Articles of Incorporation, if the Company's annual final accounts have surplus, after paying all taxes and contributions in accordance with the law and making up for previous years' losses, 10% should be allocated as the legal surplus reserve. However, this is not applicable when the total amount of paid-in capital is reached or it is listed or reversed according to the laws and regulations of the competent authority; if there is still a balance, no less than 10% should be allocated as shareholder dividends. The board of directors will submit to the shareholders' meeting for a resolution on the distribution of shareholder dividends and bonuses together with the previous surplus. Please refer to Note 21 (8) Employee Remuneration and Director Remuneration for the distribution policy of employees, directors and supervisors' remuneration after the revision of the Articles of Incorporation.

According to the Company’s Articles of Incorporation, cash dividends shall not be less than 10% of the total dividends distributed in the current year. However, it can be adjusted depends on whether the company has improved its financial structure or major capital expenditure plans in the current year. The ratio of cash dividend distribution can be increased or decreased by the resolution of the shareholders' meeting.

Legal reserve can be used to make up losses. When the Company has no losses, the portion of the legal reserve which exceeding 25% of the total paid-in share capital may be allocated to share capital and distributed in cash.

The Company withdraw and reverse the special reserve according Financial-Supervisory-Securities-Auditing-1010012865, 1010047490 and 1030006415 and IFRSs- Questions and Answers about the Application of Special Reserve.

The company held regular shareholders' meetings on June 07, 2023, and June 14, 2022, and passed resolutions to make up for losses in 2022 and 2021, respectively.

The 2023 loss surplus plan is yet to be resolved at the shareholders' meeting expected to be held in June 2024.

4. Others

Exchange differences arising on translation of foreign operations.

	Year 2023	Year 2022
Balance as of the beginning of the year	($ 2,601)	($ 11,370)
Occurred in the current year		
Exchange differences arising on translation of foreign operations.	16,069	10,961
Income tax arising on translation of foreign operations.	(3,214)	(2,192)
Balance as of the end of the year	$ 10,254	($ 2,601)

5. Non-controlling interests

	Year 2023	Year 2022
Balance as of the beginning of the year	$ 14,360	$ 6,545
Share attributable to non-controlling interests		
Net loss of the year	(4,999)	(1,739)
Exchange differences arising on translation of foreign operations	43	417
Acquisition of non-controlling interests in subsidiaries	-	2,387
Increased of non-controlling interests in cash capital injection	-	6,750
Balance as of the end of the year	$ 9,404	$ 14,360

(20) Revenue

The Company and Subsidiaries are selling a single machinery and parts and the sales department is the same operation unit. The contract revenue breakdown is as below:

	Year 2023	Year 2022
Contract revenue		
Sales of goods	$ 742,197	$ 762,235

1. Description of customer contract

Sales of goods

The Company recognized its revenue and accounts receivable when the automatic machinery such as intelligent pipe bender, forming machine, vertical working machine has been delivered or loading certificates with customer's signature. The consolidated company set the credit term based on the financial condition, market region, and trading experience of each customer. Most of the contracts are regards as accounts receivable when the commodity is transferred and there is an unconditional right to receive the consideration amount. These accounts receivable usually have a short collection period and do not have a significant financial component; only some contracts charge part of the consideration from the customer before transferring the goods, and the Company needs to undertake the obligation to transfer the goods later, so it is recognized as contract liabilities.

2. Contract balance

	2023 December 31	2022 December 31	2022 January 1
Notes receivable(Note 7)	$ 85,391	$ 107,694	$ 78,651
Accounts receivable (Note 7)	$ 146,640	$ 189,762	$ 243,581
Accounts receivable from related parties(Note 7)	13,284	44,281	48,949
	$ 159,924	$ 234,043	$ 292,530
Long-term notes receivable(Note 7)	$ 252	$ 7,773	$ 7,211
Long-term accounts receivable from related parties(Note 7)	$ 3,157	$ 15,917	$ 19,298
Contract Liabilities - Current			
Sales of goods	$ 52,603	$ 84,567	$ 66,418

Revenue from the beginning balance of the contract liability and satisfaction during the year 2023 and 2022 were as follows:

	Year 2023	Year 2022
Revenue from the beginning balance of contract liabilities		
Sales of goods	$ 77,838	$ 64,230

(21) Net loss before income tax

1. Other income and net loss

	Year 2023	Year 2022
Loss (gain) from disposal of property, plant and equipment	$ 678	($ 30)
Lease modification benefit		45
	$ 678	$ 15

2. Interest income from bank deposits

	Year 2023	Year 2022
Bank deposit	$ 7,031	$ 3,157
Long-term account receivable	864	993
Others	51	9
	$ 7,946	$ 4,159

3. Other income

	Year 2023	Year 2022
Solar Power Revenue	$ 12,306	$ 12,559
Lease(Note 27)	1,532	1,820
Subsidies	278	785
Others	1,746	2,169
	$ 15,862	$ 17,333

4. Other benefit and loss

	Year 2023	Year 2022
Net foreign currency exchange gains (Loss)	($ 21,802)	$ 48,047
Others	(813)	(46)
	($ 22,615)	$ 48,001

5. Financial costs

	Year 2023	Year 2022
Interest on borrowings from bank	$ 20,077	$ 18,541
Interest on lease liabilities	1,116	1,214
Less: Interest capitalization	-	(3)
	21,193	19,752
Other financial costs	139	106
	$ 21,332	$ 19,858

Information on interest capitalization:

	Year 2023	Year 2022
Amount	$ -	$ 3
Interest rate	-	1.3%

6. Depreciation and amortization

	Year 2023	Year 2022
Depreciation classified by function		
Operation cost	$ 30,113	$ 34,333
Operation expense	17,659	15,920
	$ 47,772	$ 50,253
Depreciation classified by function		
Operation cost	$ 74	$ 74

7. Employee benefit

	Year 2023	Year 2022
Short-term employee benefit		
Salary	$ 231,317	$ 222,940
Labor health insurance	27,428	27,419
Others	4,535	4,152
	263,280	254,511
Post-employment benefits(Note 18)		
Defined contribution plan	11,551	12,601
Defined benefit plans	180	91
	11,731	12,692
Total	$ 275,011	$ 267,203
Classified by function		
Operation cost	$ 95,956	$ 101,546
Operation expense	179,055	165,657
	$ 275,011	$ 267,203

8. Employee and directors' bonus stock

The company allocates employee remuneration and director remuneration at a rate of 1% to 5% and no more than 5% of the pre-tax profit before deducting the distribution of employee and director remuneration in the current year. The company's 2023 and 2022 years were net losses before tax, so the employee remuneration and director's remuneration were not estimated.

For information on employee remuneration and director remuneration for resolutions of the company's board of directors, please visit the "Public Information Observatory" of the Taiwan Stock Exchange.

9. Foreign currency exchange gain and loss

	Year 2023	Year 2022
Total gains	$ 294,777	$ 480,886
Total losses	(316,579)	(432,839)
Net losses/gains	($ 21,802)	$ 48,047

10. Impairment losses on non-financial assets

	Year 2023	Year 2022
Inventories(Included in the operating cost)	$ 8,200	$ 507

(22) Income Tax

1. Income tax expense (benefit) recognized relating to comprehensive income

The main components of income tax expense (benefit) are as follows:

	Year 2023	Year 2022
Current income tax		
Occurred at current year	$ 261	$ 39
Undistributed retained earnings	-	72
	261	111
Deferred income tax		
Occurred at current year	2,777	(1,864)
Income tax expense (benefit) relating to comprehensive income	$ 3,038	($ 1,753)

The adjustment of accounting income and income tax expense (benefit) is as follows:

	Year 2023	Year 2022
Net loss before tax	($ 82,803)	($ 15,817)
Net loss before tax Income tax benefit calculated at statutory tax rate	($ 16,790)	($ 3,240)
Tax-free income	36	-
Non-deductible expenses	(4)	-
Unrecognized loss deductions and deductible temporary differences	19,796	1,415
Income tax on unappropriated earnings	-	72
Income tax expense (benefit) relating to comprehensive income	$ 3,038	($ 1,753)

2. Income tax recognized in other comprehensive income

	Year 2023	Year 2022
Deferred tax assets		
Occurred at current year		
Conversion of foreign operating units	($ 3,214)	($ 2,192)

3. Current tax asset and liability

	December 31, 2023	December 31, 2022
Current tax asset		
Tax refund receivable	$ 1,586	$ 1,329
Current tax liability		
Income tax payable	$ -	$ 72

4. Deferred tax asset and liability

Changes in deferred tax asset and liability are as follows:

Year 2023

Deferred tax asset	Balance as of the beginning of year	Recognized in profit or loss	Recognized in OCI	Balance as of the end of year
Temporary differences				
Uncollectible accounts	$ 803	$ 14	$ -	$ 817
Inventory depreciation and sluggish loss	8,970	(546)	-	8,424
Leave Payable	1,198	40	-	1,238
Unrealized sales benefit	9,186	(5,055)	-	4,131
Unrealized exchange loss	-	534	-	534
Liabilities provision	739	(254)	-	485
Conversion of foreign operating units	650	-	(650)	-
Others	5,941	(785)	-	5,156
	$ 27,487	($ 6,052)	($ 650)	$ 20,785

Deferred tax liability	Balance as of the beginning of year	Recognized in profit or loss	Recognized in OCI	Balance as of the end of year
Temporary differences				
Exchange balance of foreign operating institutions	$ -	$ -	$ 2,564	$ 2,564
Unrealized exchange loss	3,275	(3,275)	-	-
	$ 3,275	($ 3,275)	$ 2,564	$ 2,564

Year 2022

Deferred tax asset	Balance as of the beginning of year	Recognized in profit or loss	Recognized in OCI	Balance as of the end of year
Temporary differences				
Uncollectible accounts	$ -	$ 803	$ -	$ 803
Inventory depreciation and sluggish loss	9,186	(216)	-	8,970
Leave Payable	1,068	130	-	1,198
Unrealized sales benefit	4,502	4,684	-	9,186
Unrealized exchange loss	1,358	(1,358)	-	-
Liabilities provision	517	222	-	739
Conversion of foreign operating units	2,842	-	(2,192)	650
Others	5,067	874	-	5,941
	$ 24,540	$ 5,139	($ 2,192)	$ 27,487

Deferred tax liability				
Temporary differences				
Unrealized exchange gain	$ -	$ 3,275	$ -	$ 3,275

5. Deductible temporary differences and unused loss deduction amounts not recognized in the balance sheet as deferred tax asset

	December 31, 2023	December 31, 2022
Loss deductions		
Due year 2030	$ 110,483	$ 110,513
Due year 2031	116,568	116,568
	$ 227,051	$ 227,081

Deductible temporary differences		
Net defined benefit liability	$ 15,647	$ 16,667
Impairment loss on property, plant and equipment	2,058	2,255
	$ 17,705	$ 18,922

6. Information about unuse loss deductions and tax exemptions

The information as of December 31, 2023 is as follow:

Balance not yet deducted	Final deduction year
$ 110,483	2030
116,568	2031
$ 227,051	

7. Income tax verification

The year 2020 and 2021 income tax declaration of the Company and subsidiary of Rdata has been approved by the tax collection agency, respectively.

(23) Net loss per share

The loss and weighted average number of common stocks used to calculate the net loss per share are as follows:

Net loss of the year

	Year 2023	Year 2022
Net loss attributable to owners of the company	($ 80,842)	($ 12,325)

Number of shares

Unit: Thousands share

	Year 2023	Year 2022
Weighted average number of common stocks used to calculate diluted net loss per share	87,546	87,546

If the consolidated company can choose to issue employee remuneration in stock or cash, when calculating the diluted net loss per share, it is assumed that the employee remuneration will be issued in the form of stock, and when the potential ordinary shares have a dilutive effect, it will be included in the weighted average number of outstanding shares. Calculate diluted net loss per share. When calculating the diluted net loss per share before deciding on the number of shares issued for employee compensation in the next year, the dilution effect of these potential common stock will also continue to be considered.

(24) Company merger and acquisition

1. Acquisition of a subsidiary

Acquired company	Nature of business	Acquired date	With voting rights ownership interest/ Acquisition ratio (%)	Transfer Pricing
Rdata System Co., Ltd	Unmanned aerial system related business	April 1, 2022	55	$ 8,250

2. Assets acquired, and liabilities assumed on acquisition date

	Rdata System Co., Ltd
Current assets	
Cash	$ 7,596
Inventories	1,313
Accounts receivable	39
Prepayment	274
Non-current assets	
Property, plant and equipment	195
Refundable deposits	286
Current liabilities	
Accounts payable	(184)
Others payable	(733)
Tax liabilities	(575)
Other current liabilities	(201)
Non-current liabilities	
Bank loans	(2,706)
	$ 5,304

3. Non-controlling interest

The non-controlling interest (45% ownership interest) of Rdata System Co., Ltd. is measured by the proportionate share of the recognized amount of the acquiree's identifiable net assets on the acquisition date.

4. Goodwill arising from acquisitions

	Rdata System Co., Ltd
Transfer Pricing	$ 8,250
Add: Non-controlling interest(45% ownership interest in Original Capital Rdata System Co., Ltd)	2,387
Less: Fair value of identifiable net assets acquired	(5,304)
Goodwill arising from acquisitions	$ 5,333

The goodwill arising from the acquisition of Rdata System Co., Ltd. is due to the fact that the merger cost includes a control premium.

5. Net cash outflow from acquisition of subsidiaries

	Rdata System Co., Ltd
Consideration paid	($ 8,250)
Less: Cash	7,596
	($ 654)

6. Effect of business acquisition on operating results

The operating results from the invested company Since the acquisition date are as follows:

	April 1, 2022 to December 31, 2022
	Rdata System Co., Ltd
Operation Income	$ 6,253
Net loss for the period	($ 981)

7. If such a business acquisition occurs on the start date of the accounting year to which the acquisition date falls, the operating income and net profit of the consolidated company are as follows:

	January 1, 2022 to December 31, 2022
Operation Income	$ 762,263
Net loss for the period	($ 14,777)

These amounts cannot reflect the actual income and operating results of the consolidated company if the business acquisition is completed on the beginning date of the acquisition year, and should not be used to predict future operating results.

(25) Capital Risk Management

The capital management of the consolidated company is to optimize the balance of debt and equity to make effective use of capital and ensure the smooth operation of each company. The overall strategy of the consolidated company has not changed. The capital structure of the consolidated company is composed of net debt and equity and does not need to comply with other external capital requirements. The management of the consolidated company re-examines the capital structure on a quarterly basis, including consideration of the cost of various types of capital and related risks. According to the recommendations of the management, the consolidated company will pay dividends or repay liabilities, and invest in financial products to increase the company's income and management capital structure.

(26) Financial instruments

1. Fair value information - financial instruments not measured at fair value

   Financial instruments of the consolidated company that are not measured at fair value, such as cash and cash equivalents, net receivables, other receivables, deposits, long-term and short-term loans The book amounts of , payables, other payables and deposits are reasonable approximations of fair values.

2. Type of financial instruments

	December 31, 2023	December 31, 2022
Financial Assets		
Financial assets measured at amortized cost (Note 1)	$ 533,646	$ 640,756
Financial Liabilities		
Financial assets measured at amortized cost (Note 2)	1,082,192	1,152,137

Note 1: The balance includes cash and cash equivalents, note and account receivable (including related parties), other receivables (including related parties), deposits and long-term notes receivable and long-term receivables - related parties and other financial assets measured at cost after amortization.

Note 2: The balance includes short-term loans, short-term commercial note, note and account payable (including related parties), other payable (including related parties), long-term loans (including long-term loans due within one year) and deposits, etc. Financial liabilities are measured at amortized cost.

3. Objectives and policies on financial risks

The main financial instruments of the consolidated company include equity investment, account and note receivable, loans, account and note payable, etc. The financial management of the consolidated company provides services for each business unit, supervises, and manages the financial risks related to the operation of the consolidated company according to the level of risk. These risks include market risk (including exchange rate risk and interest rate risk), credit risk and liquidity risk.

1) Market risk

a. Foreign currency risk

The consolidated company engages sales activities in foreign currency thus exposing the consolidated company to risk of exchange rate fluctuations.

Please refer to Note 29 for the carrying amount of monetary assets and monetary liabilities denominated in non-functional currency of the consolidated company on the balance sheet date.

Sensitivity Analysis

The consolidated company is mainly affected by fluctuations in foreign exchange rates such as the U.S. dollar and the Chinese Yuan. The table below details the sensitivity analysis of the consolidated company when the exchange rates of the consolidated company's foreign currency to NT change. When the relevant foreign currencies appreciate by 1%, the impact on the profit and loss of the consolidated company is as follows:

	US Dollar	
	Year 2023	Year 2022
Profit and loss	$ 4,983	$ 4,617

	EURO	
	Year 2023	Year 2022
Profit and loss	$ 177	$ 124

	Chinese Yuan	
	Year 2023	Year 2022
Profit and loss	$ 836	$ 953

The above-mentioned exchange rate impact is mainly due to the foreign currency-denominated cash and equivalent cash, receivables and payables of the consolidated company that are still in circulation on the balance sheet date and have not undergone cash flow hedging.

The decline in exchange rate sensitivity of the consolidated company in the current period is mainly due to the decrease in net assets in US dollars.

b. Interest Rate Risk

Because individuals within the consolidated company borrow funds at floating rates, risks arise. The consolidated company manages interest rate risk by maintaining an appropriate mixture of fixed and floating interest rates.

The carrying amounts of the financial assets and financial liabilities of the consolidated company subject to interest rate exposure on the balance sheet date are as follows:

	December 31, 2023	December 31, 2022
Fair value interest rate risk		
Financial Assets	$ 143,970	$ 98,362
Financial Liabilities	173,856	166,320
Cash flow interest rate risk		
Financial Assets	130,625	164,546
Financial Liabilities	800,445	857,172

Sensitivity Analysis

The sensitivity analysis below is based on the interest rate exposure of non-derivative instruments at the balance sheet date. For floating rate liabilities, the analysis method assumes that the amount of liabilities outstanding on the balance sheet date is all outstanding during the reporting period. The rate of change used when reporting interest rates internally to key management within the Group is a 1% increase or decrease in interest rates and represents management's assessment of the range of reasonably possible changes in interest rates.

If the interest rate increases by 1%, and all other variables remain unchanged, the combined company’s net loss before tax in 2023 and 2022 will increase by NT $6,698 thousands and NT $6,926 thousands, respectively, mainly due to the change in interest rates of deposits and loans of the consolidated company.

The sensitivity of the consolidated company to interest rates decreased in the current period, mainly due to the reduction of debt instruments with variable interest rates.

2) Credit risk

Credit risk refers to the risk that the counterparty defaults in contractual obligations and causes financial losses to the Group. As of the balance sheet date, the largest credit risk exposure of the consolidated company that may cause financial losses due to the counterparty's failure to perform its obligations mainly comes from the book value of financial assets recognized in the consolidated balance sheet.

The policy adopted by the consolidated company is to conduct transactions with reputable objects. The consolidated company uses other publicly available financial information and mutual transaction records to evaluate major customers. The consolidated company continues to monitor the credit risk and the credit evaluation of the counterparty, and controls the credit risk through the annual credit limit of the counterparty.

3) Liquidity risk

The consolidated company manages and maintains sufficient cash and equivalent cash to support the group's operations and mitigate the impact of cash flow fluctuations. The management of the consolidated company supervises the use of bank financing facilities and ensures compliance with the terms of the loan contract.

The operating capital of the consolidated company and the amount of bank financing obtained are sufficient to meet future operating needs, so there is no liquidity risk due to inability to raise funds to fulfill contractual obligations

a. Liquidity and interest rate risk table for non-derivative financial liabilities

The remaining contractual maturity analysis of non-derivative financial liabilities is prepared based on the undiscounted cash flows (including principal and estimated interest) of financial liabilities based on the earliest date on which the Company may be required to repay. Therefore, the bank loans that the company can be required to repay immediately are listed in the earliest period in the table below, regardless of the probability of the bank's immediate execution of the right; the maturity analysis of other non-derivative financial liabilities is prepared according to the agreed repayment date.

For interest cash flows paid at floating rates, the undiscounted interest amount is derived based on the yield curve on the balance sheet date.

	Within one year	More than one year
December 31, 2023		
No interest liabilities	$ 157,093	$ 25,104
Lease liability	8,047	73,787
Floating Rate Instrument – Bank Loans 1.97% ~ 4.3%	472,631	353,556
Fixed Rate Instruments - Short-Term Notes Payable 2.278% ~ 2.678%	99,900	-
	$ 737,671	$ 452,447

Further information on the lease liability maturity analysis is as follows:

	Less than one year	1 ~ 5 years	5 ~ 10 years	10 ~ 15 years	15 ~ 20 years
Lease liabilities	$ 8,047	$ 24,533	$ 29,851	$ 19,403	$ -

	Within one year	More than one year
December 31, 2022		
No interest liabilities	$ 187,803	$ 25,104
Lease liability	9,110	76,584
Floating Rate Instrument – Bank Loans 1.7982% ~ 4.3%	453,452	436,167
Fixed Rate Instruments - Short-Term Notes Payable 2.038% ~ 2.408%	82,100	-
	$ 732,465	$ 537,855

Further information on the lease liability maturity analysis is as follows:

	Less than one year	1 ~ 5 years	5 ~ 10 years	10 ~ 15 years	15 ~ 20 years
Lease liability	$ 9,110	$ 24,645	$ 28,075	$ 23,864	$ -

b. Financing amount

	December 31, 2023	December 31, 2022
Unsecured Bank Overdraft Facility		
-Amount used	$ 415,333	$ 399,333
-Amount unused	120,000	90,000
	$ 535,333	$ 489,333
Secured Bank Overdraft Facility		
-Amount used	$ 403,606	$ 469,685
-Amount unused	-	-
	$ 403,606	$ 469,685

(27) Related party transactions

Transactions, account balances, income and expenses between the Company and its subsidiaries (related persons of the Company) are all eliminated upon consolidation, so they are not disclosed in this note. The transactions between the merged company and other related parties are as follows:

1. Name of the related part and relationship

Name of the related party	Relationship
YLM USA, Inc(YLM USA)	Other related party(The director of the Company is the immediate family to this related party's person in charge)
Ying Lin Machine Industrial Co., Ltd.(Ying Lin)	Investors with Significant Influence
Lian Yang (TIAN JIN) Machine Co.,Ltd.(Lian Yang)	Other related party(The chairman of the Company is the second degree family to this related party's person in charge)
Tian Jin Jing Feng Machine Co.,Ltd (Jing Feng)	Other related party(The spouse of the chairman of the Company is the chairman of to this related party's person in charge)
TM Technology, Inc.(TM)	Other related party(The chairman of the Company is also the chairman of this related party's person in charge)
Long-Sing Construction Co., Ltd. (Long-Sing)	Other related party(The chairman of the Company is the immediate family to this related party's person in charge)
Kaixing Energy Co., Ltd.(Kaixing)	Other related party(TM Technology 100% holds this related party)
HPN.LLC（HPN）	Other related party(The chairman of the company and the spouse of the chairman of the company are the same person

2. Operating Revenue

Item	Category	Year 2023	Year 202
Sales Revenue	Other related party		
	YLM USA	$ 43,604	$ 54,628

The sales price of the parts and machinery is negotiated by both parties due to the nature of the product is customization.
The consolidated company set the credit term based on the financial condition, market region, and trading experience of each client.

3. Purchase

Category	Year 2023	Year 2022
Investors with Significant Influence		
Ying Lin	$ 2,232	$ 4,180
Other related party		
Lian Yang	1,024	2,210
YLM USA	287	953
	$ 3,543	$ 7,343

The price of equipment, machines and spare parts and credit terms set for the replated parties is the same as non-related party.

4. Receivables from related parties

Item	Category	December 31 2023	December 31 2022
Account receivable	Other related party		
	YLM USA	$ 13,284	$ 44,281
Long-term account receivable	Other related party		
	YLM USA	$ 3,157	$ 15,917

There is no guarantee for the outstanding receivables from related parties. The amount receivable from related parties in 2023 and 2022 has not been provisioned for loss.

5. Accounts payable – related party

Item	Category	December 31 2023	December 31 2022
Account Payable	Investors with Significant Influence		
	Ying Lin	$ 4,555	$ 3,254
	Other related party		
	YLM USA	143	-
	Lian Yang	63	204
		$ 4,761	$ 3,458
Others Payable	Other related party		
	YLM USA	$ -	$ 4,752

6. Prepayment

Category	December 31 2023	December 31 2022
Other related party	$ -	$ 481

7. Acquisition of property , plant and equipment -Year 2023

Category	Price
Other related party	
HPN.LLC	$ 42,932
TM	1,175
	$ 44,107

8. Guarantee deposit

Item	Category	December 31 2023	December 31 2022
Guarantee deposit	Other related party		
	YLM USA	$ 25,104	$ 25,104

9. Lease Agreement

Item	Category	December 31 2023	December 31 2022
Lease Liabilities	Investors with Significant Influence		
	Ying Lin	$ -	$ 1,561
	Other related party		
	Jing Feng	72,044	78,397
		$ 72,044	$ 79,958

Item	Category	Year 2023	Year 2022
Interest	Investors with Significant Influence	$ -	$ 16
	Other related party	1,075	1,152
		$ 1,075	$ 1,168

10. Rental Agreement

The consolidated company is leased to other related parties under an operating lease with a lease period of 1 to 5 years. The rental income recognized in 2023 and 2022 is NT$ 1,489 thousands and NT $1,820 thousands, respectively.

11. Others

In year 2023 and 2022, the consolidated company recognized the processing fees and business-related expenses of investors with significant influence as NT $6,511 thousands and NT $5,832 thousands, respectively; the business-related expenses recognized as other related party were NT $2,795 thousands and NT $11,097 thousands, respectively; The other income listed in Other related party is NT $390 thousands and NT $301 thousands, respectively.

12. Salary of management

The total amount paid to chairman and management is as follows:

	Year 2023	Year 2022
Short-term employee benefit	$ 12,946	$ 11,805
Post-employment benefits	296	296
	$ 13,242	$ 12,101

The remuneration of directors and other management personnel is determined by the remuneration committee in accordance with individual performance and market trends.

(28) Pledged assets

The following assets were provided as collateral for financing borrowings:

	December 31, 2023	December 31, 2022
Land	$ 499,064	$ 499,064
Building	207,108	223,672
Investment property	18,147	18,694
	$ 724,319	$ 741,430

(29) Foreign currency with significant impact and liabilities

The following information is summarized and expressed in terms of foreign currencies other than the individual functional currencies of the consolidated companies. The disclosed exchange rates refer to the exchange rates converted from these foreign currencies to the functional currencies. Information on foreign currency financial assets with significant impact is as follows:

Unit: Thousands

December 31, 2023

Foreign Currency Assets	Foreign Currency	Exchange Rate	Amount
Monetary items			
USD	$ 16,580	30.705 (USD:TWD)	$ 509,043
EUR	542	33.98 (EUR:TWD)	18,408
CNY	20,105	4.327 (CNY:TWD)	86,993
JPY	894	0.2172 (JYP:TWD)	194
Foreign Currency Liability			
Monetary items			
USD	350	30.705 (USD:TWD)	10,754
EUR	20	33.98 (EUR:TWD)	666
CNY	794	4.327 (CNY:TWD)	3,434

December 31, 2022

Foreign Currency Assets	Foreign Currency	Exchange Rate	Amount
Monetary items			
USD	$ 16,242	30.71 (USD:TWD)	$ 498,839
EUR	506	32.72 (EUR:TWD)	16,561
CNY	22,704	4.408 (CNY:TWD)	100,078
JPY	1,918	0.2201 (JYP:TWD)	422

Foreign Currency Assets	Foreign Currency	Exchange Rate	Amount
Monetary items			
USD	$ 1,210	30.71 (USD:TWD)	$ 37,143
EUR	127	32.72 (EUR:TWD)	4,143
CNY	1,088	4.408 (CNY:TWD)	4,796

(Continue on the next page)

(Continued)

Foreign currency exchange profits and losses with significant impact (realized and unrealized) are as follows:

Monetary items	Year 2023 Functional currency Exchange currency	Net Losses and Profits	Year 2022 Functional currency Exchange currency	Net Losses and Profits
TWD	1(TWD:TWD)	($ 2,331)	1(TWD:TWD)	$ 70,783
CNY	4.3956(CNY:TWD)	21	4.4218(CNY:TWD)	107
PLN	7.4224(PLN:TWD)	3,452	6.6877(PLN:TWD)	(4,008)
TRY	1.3491(TRY:TWD)	(22,579)	1.8131(TRY:TWD)	(18,441)
THB	0.9005(THB:TWD)	(81)	0.8555(THB:TWD)	45
Others		436		(439)
		($ 21,082)		$ 48,047

(30) Other disclosures

1) Major transactions

1. Lending funds to others(Schedule I)
2. Endorsement for others(Schedule II)
3. Securities held at the end of the period(N/A)
4. Accumulated buying or selling of the same securities amounted to NT $300 million or more than 20% of the paid-in capital. (N/A)
5. The amount of property acquired is NT$300 million or more than 20% of the paid-in capital. (N/A)
6. The amount of disposing of property is NT$300 million or more than 20% of the paid-in capital. (N/A)
7. The amount of goods purchased and sold with related parties reaches NT$100 million or more than 20% of the paid-in capital. (N/A)
8. Receivables from related parties amount to NT$100 million or more than 20% of the capital. (VII)
9. Engage in derivative transactions. (N/A)
10. Others: The business relationship between the parent company and the subsidiaries, and the status and amount of important transactions. (Schedule XI)

2) Reinvestment Business (Schedule III)

3) Mainland Investment Information:

1. The name of the mainland invested company, main business items, paid-in capital, investment method, capital remittance, shareholding ratio, investment profit and loss, investment book amount at the end of the period, repatriated investment profit and loss, and investment quota in the mainland. (Schedule IX)
2. The following major transactions, prices, payment terms, and unrealized profits and losses with mainland invested companies directly or indirectly via third regions. (Schedule V)

<1> The purchase amount and percentage and the ending balance and percentage of related payables.
<2> The sales amount and percentage and the closing balance and percentage of related receivables.
<3> The amount of assets transactions and the amount of profits and losses arising therefrom.
<4> Ending balance of bill endorsement or guarantee and its purpose.
<5> Maximum balance of financing, ending balance, interest rate range and total interest of the current period.
<6> Other transactions that have a significant impact on the current profit and loss or financial status, such as the provision or receipt of labor services, etc.

4) Corporate shareholders: The name, amount, and ratio of the shareholding. (Schedule VIII)

(31) Segment Information

The operating decision makers of the consolidated company focus on the financial information of the plant for allocating resources and evaluating departmental performance. Each plant uses similar processes to produce similar products and sells them through a unified sales method of the group. Consolidated companies are aggregated into a single operating segment report. In addition, the departmental information provided by the consolidated company to the operating decision-makers for review is based on the same basis as the consolidated financial report. The departmental income, operating results, and assets and liabilities that should be reported in year 2023 and 2022. Please refer to the merger of year 2023 and 2022 balance sheet and consolidated statement of comprehensive income for more information.

1. Regional Information

The consolidated company has two main operating and production plant in Taiwan and China. Other region is for sales only.

The operating income of the consolidated company from external customers according to the region of operation and the information of non-current assets are listed as follows:

	Income from external customer		Non-current Assets	
	Year 2023	Year 2022	2023 December 31	2022 December 31
Taiwan	$ 461,431	$ 462,184	$ 712,067	$ 744,413
China	94,232	104,512	154,249	162,420
Turkey	67,973	85,989	1,348	-
Poland	46,579	50,759	16	23
Others	71,982	58,791	46,839	5,692
	$ 742,197	$ 762,235	$ 914,519	$ 912,548

Non-current assets exclude financial instruments, goodwill and deferred tax assets.

2. Main customer information

The consolidated company has no revenue from a single customer accounted for more than 10% of the total revenue of the merged company in year 2022 and 2023.

YING HAN Technology Co., Ltd. and Subsidiaries
Funds Lent to Others
January 1 to December 31, 2023

Schedule I

Units: Thousands of New Taiwan Dollars

No. (Note 1)	Company that lent funds	Company lent funds to	Business Objective	If It's Related Party	Highest Balance of the period	Balance at the end of the period (Note4)	Actual spending amount	Ratio (%)	Fund loan nature(Note3)	Business dealings amount	Reasons for short-term financing	Allowance and debt amount	Collateral		Individual fund loan and limit	Loan and total limit
													Item	Value		
0	The Company	YING HAN TECHNOLOGY LIMITED(Russia)	Other accounts payable	Yes	$ 3,674	$ 389	$ -	-	1	$ 389	Business dealings	$ -	-	$ -	$ 389 (Note2)	$ 419,543 (Note2)
		Ying Han Teknoloji Ltd. Ylm Industrial Co., Ltd.(Vietnam)	Other accounts payable	Yes	4,789	4,789	2,222	-	1	4,789	Business dealings	-	-	-	4,789 (Note2)	419,543 (Note2)
		HANNSA PRECISION SDN. BHD.(Malaysia Ying Han)	Other accounts payable	Yes	4,941	4,941	-	-	1	4,941	Business dealings	-	-	-	4,941 (Note2)	419,543 (Note2)
		YING HAN TEKNOLOJI LTD. STI(Turkey Ying Han)	Other accounts payable	Yes	80,996	80,996	65,975	-	1	80,996	Business dealings	-	-	-	80,996 (Note2)	419,543 (Note2)
		YING HAN TECHNOLOGY SP. ZO. O. (Poland Ying Han)	Other accounts payable	Yes	31,260	31,260	22,242	-	1	31,260	Business dealings	-	-	-	31,260 (Note2)	419,543 (Note2)
		YLM TUBE SOLUTIONS AND SERVICE P. LTD(India Ying Han)	Other accounts payable	Yes	502	115	9	-	1	115	Business dealings	-	-	-	115 (Note2)	419,543 (Note2)
		PT.YING LIN MACHINE AND SERVICE(Indonesia Ying Han)	Other accounts payable	Yes	952	903	-	-	1	903	Business dealings	-	-	-	903 (Note2)	419,543 (Note2)
		YLM INDUSTRIAL CO., LTD. (Thailand Ying Han)	Other accounts payable	Yes	22,666	17,551	-	-	1	17,551	Business dealings	-	-	-	17,551 (Note2)	419,543 (Note2)
		Tianjin Yinghan Technology Co., Ltd.	Other accounts payable	Yes	39,052	39,052	27,526	-	1	39,052	Business dealings	-	-	-	39,052 (Note2)	419,543 (Note2)
		Shanghai Yingheng Machinery Technology Co., Ltd.	Other accounts payable	Yes	62,578	36,861	31,050	-	1	36,861	Business dealings	-	-	-	36,861 (Note2)	419,543 (Note2)

Note 1: Number 0 in the number column refers to the issuer. Invested companies are numbered sequentially starting from the Arabic numeral 1 by company.
Note 2: (1) The total amount of the company's funds lent to others shall not exceed 40% of the company's net value at the end of the period.
(2) The limit of the company's capital loan to individual companies or firms is limited to the lower of the business transaction amount and 10% of the company's net value at the end of the period.
Note 3: (1) Business dealings.
(2) There is a need for short-term financing.
Note 4: It is the amount approved by the board of directors for the loan.

YING HAN Technology Co., Ltd. and Subsidiaries
Endorsement for Others
January 1 to December 31, 2023

Schedule II

Units: Thousands of New Taiwan Dollars except for remarks

No. (Note1)	Endorsement guarantor company name	Guaranteed by the endorsement		Quota for a single enterprise endorsement guarantee (Note3)	The highest endorsement in this period guaranteed balance(Note4)	End of term endorsement guaranteed balance(Note4)	Actual spending amount	Guarantee Amount secured by property Endorsement	Cumulative Endorsement Guarantee The amount accounted for the most recent Financial Statement Net Worth ratio of(%)	Endorsement guarantee maximum limit(Note3)	Parent company Subsidiary endorsement guarantee	Subsidiary pair Parent company endorsement guarantee	Mainland China endorsement guarantee
		Name of the company	Relationship (Note2)										
0	The Company	Tianjin Yinghan Technology Co., Ltd.	(2)	$ 209,771	$ 173,080 (RMB 40,000,000)	$ 173,080 (RMB 40,000,000)	$ -	$ -	16.5	$ 524,429	Y	N	Y

Note1: The description of the number column is as follows:
(1) 0 for the issuer.
(2) Invested companies are numbered sequentially starting from the Arabic numeral 1 by company.
Note2: (1) Companies with business deals.
(2) A company in which the company directly and indirectly holds more than 50% of the voting shares.
(3) Inter-companies in which the company directly and indirectly holds 90% of the voting shares.
Note3: The company's endorsement guarantee limit for a single enterprise is 20% of the company's net value at the end of the period, but for subsidiaries that hold more than 50% of the company's shares, it is limited to no more than 50% of the company's net value at the end of the period.
Note4: The relevant amount is converted based on the exchange rate at the end of the period when one RMB equals NT$4.327.

YING HAN Technology Co., Ltd. And Subsidiaries

Invested Company Related Information

January 1 to December 31, 2022

Schedule III

Unit: Share, Thousands of New Taiwan Dollars (Except for foreign currency)

Name of Company	Name of Invested Company	Location	Main business items	Beginning investment amount		Balance at the end of period			Loss and profit of invested company	Loss and profit recognized in this period	Note
				The end of period	The end of last period	Share	Ratio (%)	Booking Amount		(Note1)	
The Company	YING HAN TECHNOLOGY Sp. Z O.O.(Poland Ying Han)	Poland	Trading of machinery equipment and parts	$ 12,016	$ 6,466	500	100	($ 24,722)	($ 835)	($ 1,078)	Note2
	YING HAN TEKNOLOJI LTD. STI.(Turkey Ying Han)	Turkey	Trading of machinery equipment and parts	21,006	21,006	-	100	(50,508)	(29,743)	(29,743)	
	YING HAN TECHNOLOGY(Russia Ying Han)	Russia	Trading of machinery equipment and parts	6,253	6,253	-	100	(230)	1,018	1,018	
	HANNSA PRECISION SDN. BHD.(Malaysia Ying Han)	Malaysia	Trading of machinery equipment and parts	161	161	400,000	100	4,392	2,208	2,208	
	YLM INDUSTRIAL CO., LTD.(Thailand Ying Han)	Thailand	Trading of machinery equipment and parts	4,477	4,477	23,000	46	1,613	(3,278)	(1,308)	Note3
	DING LINH MACHINE INDUSTRIAL TRADING CO ., LTD.	Vietnam	Trading of machinery equipment and parts	6,141 (USD 200,000)	6,454 (USD 200,000)	-	100	(222)	1,099	830	Note4
	YLM TUBE SOLUTIONS AND SERVICE P. LTD.(India Ying Han)	India	Trading of machinery equipment and parts	2,193 (USD 71,434)	2,305 (USD 71,434)	369,999	99.99	1,691	(364)	(364)	
	PT. YING LIN MACHINE AND SERVICE(Indonesia Ying Han)	Indonesia	Trading of machinery equipment and parts	3,344 (USD 108,900)	3,514 (USD 108,900)	108,900	99	3,231	224	224	
	Rdata System Co., Ltd	Taiwan	UAV- Unmanned Aerial Vehicle system testing and sales	16,500	16,500	1,100,000	55	12,010	(7,181)	(3,950)	
	YING HAN TECHNOLOGY(USA), INC.(USA Ying Han)	USA	Trading of machinery equipment and parts	52,199 (USD 1,700,000)	48,408 (USD 1,500,000)	60,000	100	52,025	(82)	(82)	

Note1: It is only necessary to list the profit and loss amount of each subsidiary recognized by the company as a direct transfer investment and each investee company that adopts the equity method, and the rest is not required.
Note2: The investment profit and loss recognized in the current period include the current loss of NT $835 thousands minus the unrealized sales gross profit of NT $2,683 thousands in downstream transactions, plus the realized sales gross profit of NT $2,440 thousands.
Note3: The investment profit and loss recognized in the current period include the current loss of NT $1,508 thousands minus the unrealized sales gross profit of NT $827 thousands in downstream transactions, plus the realized sales gross profit of NT $1,027 thousands.
Note4: The investment profit and loss recognized in the current period include the current profit of NT $1,099 thousands minus the unrealized sales gross profit of NT $398 thousands in downstream transactions, plus the realized sales gross profit of NT $129 thousands.
Note5: Please refer to schedule IX for relevant information on investee companies in mainland China.

YING HAN Technology Co., Ltd. And Subsidiaries
Mainland Investment Information
January 1 to December 31, 2023

Schedule IV

Units: Thousands of New Taiwan Dollars except for remarks

Invested Company in Mainland	Main Business Items	Paid-in capital (Note4)	Investment method (Note1)	Beginning of period Accumulated Remittance from Taiwan Amount(Note4)	Remittance or withdrawal of investment amount in the current period: Export	Remittance or withdrawal of investment amount in the current period: Import	The end of period Accumulated Remittance from Taiwan Amount(Note4)	Loss and profit of invested company this period	The company directly or indirect investment Shareholding %	Recognized in this period Loss and profit of investment (Note2)	Investment at the end of period Booking Value	As of this period Repatriated investment income	Note
Tianjin Yinghan Technology Co., Ltd.	Manufacturing of machinery equipment and parts	$ 175,019 (USD 5,700,000)	(1)	$ 175,019 (USD 5,700,000)	$ -	$ -	$ 175,019 (USD 5,700,000)	($ 33,770)	100	($ 30,168) (2)B.	$ 118,061	$ -	Note3
Shanghai Yingheng Machinery Technology Co., Ltd.	Trading of machinery equipment and parts	113,608 (USD 3,700,000)	(1)	113,608 (USD 3,700,000)	-	-	113,608 (USD 3,700,000)	(26,733)	100	(26,733) (2)B.	61,921	-	-

Accumulated remittances from Taiwan at the end of the current period Amount of investment in mainland China (Note4)	The investment amount approved by the Investment Review Committee of the Ministry of Economic Affairs (Note4)	According to the regulations of the Investment Review Committee of the Ministry of Economic Affairs Investment limit for mainland China (Note5)
$ 288,674 (USD 9,400,000)	$ 288,674 (USD 9,400,000)	$ 629,315

Note1: Investment methods are divided into the following three types, just classify by the category:
(1) Directly engage investment in Mainland.
(2) Reinvest in mainland China through a company in a third area (please specify the investment company in the third area).
(3) Other methods.

Note2: Investment profit and loss column recognized in the current period:
(1) If it is under preparation and there is no investment profit or loss, it should be noted.
(2) The recognition basis of investment profit and loss is divided into the following three types, which should be noted.
A. Financial statements audited by an international accounting firm that has cooperative relations with accounting firms in the Republic of China.
B. Financial statements audited by certified accountants of the parent company in Taiwan.
C. Other.

Note3: The investment gains and losses recognized in the current period include the current loss of NT$33,770 thousands plus the unrealized sales gross profit of NT$2,195 thousands from the downstream transaction, plus the realized sales gross profit of NT$5,797 thousands from the downstream transaction.

Note4: The relevant amount is converted based on the exchange rate at the end of the period, when one U.S. dollar equals NT$30.705.

Note5: The company's NT$1,048,859 thousands × 60% = NT$629,315 thousands.

YING HAN Technology Co., Ltd. And Subsidiaries

Major transactions with mainland investee companies directly or indirectly through the third region, as well as their prices, payment terms, unrealized gains and losses, and other relevant information

January 1 to December 31, 2023

Schedule V

Unit: Thousands of New Taiwan Dollars

			Trading Status				Circumstances and reasons why the transaction amount is different from the general transaction		Notes receivable (payable), accounts		
The company that imports (sells) goods	Trading partners	Relationship	Import (selling) goods	Amount	Accounted for total sales Ratio(%)	Credit terms	Unit Price	Credit period	Balance	Total receivables (payable) notes, Account ratio Ratio(%)	Note
The Company	Tianjin Yinghan Technology Co., Ltd.	Subsidiary(Holding 100% share)	Sales	($ 15,743)	2	To set individually	Fairly	To set individually	$ 14,533	6	
	Ying Han Teknoloji Ltd.	Subsidiary(Holding 100% share)	Sales	(14,047)	2	To set individually	Fairly	To set individually	13,467	5	

YING HAN Technology Co., Ltd. And Subsidiaries

Business relationship and important transactions between the parent company and the subsidiary companies

January 1 to December 31, 2023

Schedule VI

Unit: Thousands of New Taiwan Dollars

No.	Name of trader	Business Dealing Company	Relationship (Note)	Business Dealing Status			
				Subject	Amount	Dealing Conditions	Total consolidated revenue or ratio of total assets (%)
0	YING HAN Technology Co., Ltd.	Tianjin Yinghan Technology Co., Ltd.	1.	Sales revenue	$ 15,743	Pricing is based on the price agreed by both parties, and the credit terms are individually determined	2
			1.	Accounts Receivable	14,533	-	2
		Shanghai Yingheng Machinery Technology Co., Ltd	1.	Sales revenue	14,047	Pricing is based on the price agreed by both parties, and the credit terms are individually determined	2
			1.	Accounts Receivable	13,467	-	2
		Vietnam DING LINH MACHINE INDUSTRIAL TRADING CO ., LTD.	1.	Sales revenue	2,362	Pricing is based on the price agreed by both parties, and the credit terms are individually determined	-
			1.	Other payables	-	-	-
			1.	Operating Costs	2,943	-	-
			1.	Accounts Receivable	2,346		-
		YING HAN TECHNOLOGY Sp. Z O. O.(Poland Ying Han)	1.	Sales revenue	25,186	Pricing is based on the price agreed by both parties, and the credit terms are individually determined	3
			1.	Other payables	3,731	-	-
			1.	Operating Costs	5,043	-	1
				Accounts Receivable	24,014		2
		YING HAN TEKNOLOJI LTD. STI.(Turkey Ying Han)	1.	Sales revenue	61,713	Pricing is based on the price agreed by both parties, and the credit terms are individually determined	8
				Other payables	5,527		-
			1.	Operating Costs	2,815	-	-
			1.	Accounts Receivable	42,659	-	5
		YLM INDUSTRIAL CO., LTD.(Thailand Ying Han)	1.	Sales revenue	25,997	Pricing is based on the price agreed by both parties, and the credit terms are individually determined	4
			1.	Accounts Receivable	13,121	-	1
		YLM TUBE SOLUTIONS AND SERVICE P. LTD.(India Ying Han)	1.	Sales revenue	779	Pricing is based on the price agreed by both parties, and the credit terms are individually determined	-
				Operating Costs	5,043		
			1.	Accounts Receivable	219	-	1
		PT. YING LIN MACHINE AND SERVICE(Indonesia Ying Han)	1.	Sales revenue	705	Pricing is based on the price agreed by both parties, and the credit terms are individually determined	-
			1.				
				Other payables	-		-
			1.	Operating Costs	860	-	-
			1.	Accounts Receivable	450	-	-

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(Continued)

No.	Name of trader	Business Dealing Company	Relationship (Note)	Business Dealing Status			
				Subject	Subject	Subject	Total consolidated revenue or ratio of total assets (%)
		HANNSA PRECISION SDN. BHD.(Malaysia Ying Han)	1.	Sales revenue	14,993	Pricing is based on the price agreed by both parties, and the credit terms are individually determined	2
			1.	Other payables	614	-	-
			1.	Operating Costs	1,072	-	-
			1.	Accounts Receivable	5,895	-	-
		YING HAN TECHNOLOGY LIMITED(Russia Ying Han)	1.	Other payables	7	-	-
				Operating Costs	2,032		-
		YING HAN TECHNOLOGY （USA） INC.	1.	Sales revenue	10,028		1
			1.	Accounts Receivable	9,626		-
							-
1	Rdata System Co., Ltd	YING HAN Technology Co., Ltd.	2.	Sales revenue	555		
	Shanghai Yingheng Machinery Technology Co., Ltd	YING HAN Technology Co., Ltd.	2.	Sales revenue	2,570		
			2.	Accounts Receivable	-		
2	Tianjin Yinghan Technology Co., Ltd.	Shanghai Yingheng Machinery Technology Co., Ltd	3.	Sales revenue	18,997	Pricing is based on the price agreed by both parties, and the credit terms are individually determined	3
			3.	Accounts Receivable	23,637	-	1
3	Shanghai Yingheng Machinery Technology Co., Ltd	Tianjin Yinghan Technology Co., Ltd.	3.	Sales revenue	392	Pricing is based on the price agreed by both parties, and the credit terms are individually determined	-
			3.	Accounts Receivable	431	-	-

Note: There are the following three types of relationship with the trader, and the types of marking are as follows:
1. Parent company to subsidiary company.
2. Subsidiary to parent company.
3. Subsidiary to Subsidiary.

YING HAN Technology Co., Ltd. And Subsidiaries

Receivable from related parties amount to NT$100 million or more than 20% of the capital

January 1 to December 31, 2023

Schedule VII

Unit: Thousands of New Taiwan Dollars

No.	Name of trader	Business Dealing Company	Relationship	Amount of receivable due from related parties (Note 1)	Turnover Rate (Note 2)	Overdue amounts receivable from related parties		Amount recovered in Subsequent period	Amount of provision for losses
						Amount	Processing method		
0	The Company	YING HAN TEKNOLOJI LTD. STI.(Turkey Ying Han)	Subsidiary	Account Receivable $ 42,659 Other Receivable 65,975	0.7129	$ -	NA	$ 11,131	-

Note 1: The account receivable, note receiveable, other receivables, etc. of the related parties are filled in respectively.

Note 2: Turnover rate = sales to the related party/average account receivable, note receiveable and collections receivable from the related party.

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YING HAN Technology Co., Ltd.
Main Shareholder's information
December 31, 2023

Schedule VIII

Name of the main shareholder	Share	
	Number of shares held	Percentage %
YING LIN INVESTMENT CO., LTD	14,678,838	16.76%
XIAO,CAI-YUN INVESTMENT CO., LTD	6,270,000	7.16%
HU CHUN CHIA	5,649,600	6.45%
HU BO XIANG	5,112,600	5.83%

Note 1: The main shareholder information in this table is calculated by CHEP on the last business day at the end of the quarter, and the shareholders hold more than 5% of the company's ordinary shares that have been delivered without physical registration. The capital recorded in the company's consolidated financial report and the actual number of shares delivered without physical registration may be different or different due to the different basis of preparation and calculation.

Note 2: If the above-mentioned information is that the shareholder transfers the holdings to the trust, it is disclosed by the individual account of the trustor who opened the trust account opened by the trustee. As for insider equity declarations for shareholders who hold more than 10% of the shares in accordance with the Securities and Exchange Act, their shareholding includes their own shares plus the shares they have delivered to the trust and have the right to use the trust property, etc. For information on insider equity declarations, please refer to public information Observatory.