Greatek Electronics Inc.

Parent Company Only Financial Statements for the Years Ended December 31, 2023 and 2022 and Independent Auditors' Report

INDEPENDENT AUDITORS' REPORT

The Board of Directors and Shareholders
Greatek Electronics Inc.

Opinion

We have audited the accompanying financial statements of Greatek Electronics Inc. (the "Corporation"), which comprise the balance sheets as of December 31, 2023 and 2022, statements of comprehensive income, changes in equity and cash flows for the years then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Corporation as of December 31, 2023 and 2022, the financial performance and the cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers

Basis for Opinion

We conducted our audits in accordance with the Regulations Governing Financial Statement Audit and Attestation Engagements of 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 Financial Statements section of our report. We are independent of the Corporation in accordance with The Norm of Professional Ethics for Certified Public Accountant of the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. 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 financial statements for the year ended December 31, 2023. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

The key audit matters of the financial statements of the Corporation for the year ended December 31, 2023, are described as follows:

Contract assets and revenue recognition

1. The sales revenue is material to the Corporation. Please refer to Note 21 to the accompanying financial statements for details on sales revenue. The types of transactions include:

    1) Semiconductor assembly

    2) Semiconductor testing

    3) Wafer testing

2. Assembly services: Since the customers have ownership of the assets, assume significant risks and rewards of ownership of the assets, have the right to determine the disposal of the assets and can prevent the Corporation from obtaining the benefits of the assets, revenue should be recognized over time in accordance with the requirements of paragraph 35(b) of International Financial Reporting Standards No. 15.

3. Testing services: In accordance with the requirements of paragraph 35(a) of International Financial Reporting Standards No. 15. As the Corporation conducts testing services, the customers obtain and consume the benefits provided by the Corporation's testing services at the same time. Therefore, revenue should also be recognized over time as well.

4. The Corporation recognizes the contract assets and revenue of assembly and testing services at the end of each month based on the completion schedule. Since the above-mentioned process includes estimates and manual controls, there is a risk that contract assets and revenue may not be recognized correctly as a result of human error.

5. We reviewed the Corporation's revenue recognition policy, assessed the reasonableness of its contract assets and revenue recognition, and confirmed against relevant supporting documents and accounts records to verify the accuracy of the monetary amounts of contract assets and revenue recognition.

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

Management is responsible for the preparation and fair presentation of the company only financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and for such internal control as management determines is necessary to enable the preparation of company only financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

1. Identify and assess the risks of material misstatement of the 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 Corporation'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 Corporation'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 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 Corporation to cease to continue as a going concern.

5. Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

6. Obtain sufficient and appropriate audit evidence regarding the financial information of entities or business activities within the Corporation to express an opinion on the 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 company only 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.

The engagement partners on the audit resulting in this independent auditors' report are Cheng-Chih Lin and Su-Li Fang.

Deloitte & Touche
Taipei, Taiwan
Republic of China

February 23, 2024

Notice to Readers

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

For the convenience of readers, the independent auditors' report and the accompanying financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. The English version have not audited by Deloitte & Touche. If there is any conflict between the English version and the original Chinese version or any difference in the interpretation of the two versions, the Chinese-language independent auditors' report and financial statements shall prevail.

GREATEK ELECTRONICS INC.

PARENT COMPANY ONLY BALANCE SHEETS
DECEMBER 31, 2023 AND 2022
(In Thousands of New Taiwan Dollars)

ASSETS	2023 Amount	2023 %	2022 Amount	2022 %
CURRENT ASSETS				
Cash and cash equivalents (Notes 4 and 6)	$ 4,713,162	19	$ 3,796,761	15
Financial assets at fair value through profit or loss - current (Notes 4, 5 and 7)	1,978	-	29,218	-
Financial assets at amortized cost - current (Notes 4, 5 and 9)	50,000	-	50,000	-
Contract assets - current (Notes 4, 21 and 28)	741,563	3	883,364	4
Notes receivable (Notes 4, 5, 10 and 21)	16,338	-	44,579	-
Accounts receivable (Notes 4, 5, 10 and 21)	2,390,890	10	1,998,096	8
Receivables from related parties (Notes 4, 5, 21 and 28)	397,557	2	169,330	1
Inventories (Notes 4 and 11)	1,003,792	4	1,422,430	6
Prepaid expenses and other current assets (Notes 4, 16 and 28)	128,132	1	209,537	1
Total current assets	9,443,412	39	8,603,315	35
NON-CURRENT ASSETS				
Financial assets at fair value through other comprehensive income - non-current (Notes 4 and 8)	1,663,800	7	934,560	4
Investments accounted for using the equity method (Notes 4, 12 and 25)	145,019	1	164,386	1
Financial assets at amortized cost - noncurrent (Notes 4, 5 and 9)	-	-	50,000	-
Property, plant and equipment (Notes 4 and 13)	13,054,498	53	14,469,804	59
Right-of-use assets (Notes 4 and 14)	10,760	-	12,447	-
Intangible assets (Notes 4 and 15)	27,132	-	39,375	-
Deferred income tax assets (Notes 4 and 23)	14,812	-	2,807	-
Other noncurrent assets (Notes 4, 16 and 29)	115,470	-	115,948	1
Total non-current assets	15,031,491	61	15,789,327	65
TOTAL	$ 24,474,903	100	$ 24,392,642	100

LIABILITIES AND EQUITY	2023 Amount	2023 %	2022 Amount	2022 %
CURRENT LIABILITIES				
Financial liabilities at fair value through profit or loss - current (Notes 4, 5 and 7)	$ 6	-	$ 250	-
Contract liabilities - current (Notes 4 and 21)	112,686	1	200,206	1
Notes payable	3,751	-	6,563	-
Accounts payable (Note 28)	665,352	3	429,141	2
Payables to equipment suppliers	248,335	1	161,826	1
Accrued compensation to employees and remuneration to directors (Notes 4 and 22)	351,971	1	510,689	2
Current income tax liabilities (Notes 4 and 23)	82,063	-	248,310	1
Lease liabilities - current (Notes 4 and 14)	1,521	-	1,627	-
Accrued expenses and other current liabilities (Notes 4, 17 and 28)	1,104,076	5	1,300,969	5
Guarantee deposits - current (Note 18)	70,622	-	70,518	-
Total current liabilities	2,640,383	11	2,930,099	12
NON-CURRENT LIABILITIES				
Deferred income tax liabilities (Notes 4 and 23)	394	-	151	-
Lease liabilities - noncurrent (Notes 4 and 14)	9,517	-	11,038	-
Guarantee deposits - noncurrent (Note 18)	264,846	1	334,977	1
Net defined benefit liability - noncurrent (Notes 4 and 19)	29,597	-	210,628	1
Total non-current liabilities	304,354	1	556,794	2
Total liabilities	2,944,737	12	3,486,893	14
EQUITY (Notes 4, 20 and 26)				
Capital stock				
Common stock	5,688,459	23	5,688,459	23
Capital surplus	2,539	-	2,282	-
Retained earnings				
Legal reserve	4,297,180	18	3,984,926	16
Special reserve	157,984	1	-	-
Unappropriated earnings	10,812,748	44	11,388,066	47
Other equity	571,256	2	(157,984)	-
Total equity	21,530,166	88	20,905,749	86
TOTAL	$ 24,474,903	100	$ 24,392,642	100

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

GREATEK ELECTRONICS INC.

PARENT COMPANY ONLY STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022
(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2023		2022	
	Amount	%	Amount	%
NET SALES (Notes 4, 21, 28 and 33)	$ 13,565,089	100	$ 15,948,963	100
OPERATING COSTS (Notes 11, 19, 22 and 28)	10,723,312	79	11,711,083	73
GROSS PROFIT	2,841,777	21	4,237,880	27
OPERATING EXPENSES (Notes 19, 22 and 28)				
Selling and marketing	53,069	-	66,331	-
General and administrative	240,407	2	267,541	2
Research and development	241,676	2	251,795	2
Total operating expenses	535,152	4	585,667	4
OPERATING INCOME	2,306,625	17	3,652,213	23
NONOPERATING INCOME AND EXPENSES (Notes 4 and 22)				
Interest income	73,422	1	36,467	-
Other income	129,243	1	142,586	1
Other gains and losses	22,933	-	204,803	1
Share of loss of subsidiaries (Notes 4 and 12)	(19,367)	-	(7,137)	-
Total nonoperating income and expenses	206,231	2	376,719	2
INCOME BEFORE INCOME TAX	2,512,856	19	4,028,932	25
INCOME TAX EXPENSE (Notes 4 and 23)	515,732	4	870,762	5
NET INCOME	1,997,124	15	3,158,170	20
OTHER COMPREHENSIVE INCOME (LOSS)				
Items that will not be reclassified subsequently to profit or loss:				
Remeasurement of defined benefit plans (Notes 4 and 19)	2,526	-	(35,628)	-
Unrealized loss on investments in equity instruments designated as at fair value through other comprehensive income (Notes 4 and 20)	729,240	5	(202,468)	(2)
	731,766	5	(238,096)	(2)
TOTAL COMPREHENSIVE INCOME	$ 2,728,890	20	$ 2,920,074	18
EARNINGS PER SHARE (Note 24)				
Basic	$ 3.51		$ 5.55	
Diluted	$ 3.47		$ 5.44	

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

GREATEK ELECTRONICS INC.

PARENT COMPANY ONLY STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022
(In Thousands of New Taiwan Dollars)

	Share Capital Issued and Outstanding			Retained Earnings			Other Equity	
	Share (Thousands)	Amount	Capital Surplus	Legal Reserve	Special Reserve	Unappropriated Earnings	Unrealized Gain (Loss) on Investments in Equity Instruments at Fair Value Through Other Comprehensive Income	Total
BALANCE, JANUARY 1, 2022	568,846	$ 5,688,459	$ 2,282	$ 3,524,620	$ -	$ 11,570,060	$ 44,484	$ 20,829,905
APPROPRIATION OF 2021 EARNINGS								
Legal reserve	-	-	-	460,306	-	(460,306)	-	-
Cash dividends to shareholders - NT$5.0 per share	-	-	-	-	-	(2,844,230)	-	(2,844,230)
Net income for the year ended December 31, 2022	-	-	-	-	-	3,158,170	-	3,158,170
Other comprehensive income (loss) for the year ended December 31, 2022 , net of income tax	-	-	-	-	-	(35,628)	(202,468)	(238,096)
Total comprehensive income (loss) for the year ended December 31, 2022	-	-	-	-	-	3,122,542	(202,468)	2,920,074
BALANCE, DECEMBER 31, 2022	568,846	5,688,459	2,282	3,984,926	-	11,388,066	(157,984)	20,905,749
APPROPRIATION OF 2022 EARNINGS								
Legal reserve	-	-	-	312,254	-	(312,254)	-	-
Special reserve	-	-	-	-	157,984	(157,984)	-	-
Cash dividends to shareholders - NT$3.7 per share	-	-	-	-	-	(2,104,730)	-	(2,104,730)
Capital surplus - donations from shareholders	-	-	257	-	-	-	-	257
Net income for the year ended December 31, 2023	-	-	-	-	-	1,997,124	-	1,997,124
Other comprehensive income (loss) for the year ended December 31, 2023 , net of income tax	-	-	-	-	-	2,526	729,240	731,766
Total comprehensive income (loss) for the year ended December 31, 2023	-	-	-	-	-	1,999,650	729,240	2,728,890
BALANCE, DECEMBER 31, 2023	568,846	$ 5,688,459	$ 2,539	$ 4,297,180	$ 157,984	$ 10,812,748	$ 571,256	$ 21,530,166

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

GREATEK ELECTRONICS INC.

PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022
(In Thousands of New Taiwan Dollars)

	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES		
Current income before income tax	$ 2,512,856	$ 4,028,932
Adjustments to reconcile income before income tax to net cash provided by operating activities:		
Depreciation	3,078,510	3,077,198
Amortization	16,412	25,593
Net (gain) loss on fair value change of financial instruments designated as at fair value through profit or loss	(3,431)	20,727
Finance costs	233	184
Interest income	(73,422)	(36,467)
Dividend income	(82,600)	(75,888)
Share of loss of subsidiaries	19,367	7,137
Net gain on disposal of property, plant and equipment	(5)	(729)
Classification from property, plant and equipment to expenses	-	2
Recognition of inventory valuation and obsolescence losses	-	75,000
Net loss (gain) on foreign currency exchange	19,133	(44,192)
Changes in operating assets and liabilities:		
Decrease in financial assets at fair value through profit or loss	30,427	31,250
Decrease in contract assets	141,801	12,764
Decrease in notes receivable	28,241	110,832
(Increase) decrease in accounts receivable	(437,771)	1,739,533
(Increase) decrease in accounts receivable from related parties	(228,227)	266,468
Decrease (increase) in inventories	418,638	(133,889)
Decrease in prepaid expenses and other current assets	82,571	8,790
(Decrease) increase in contract liabilities	(87,520)	35,382
(Decrease) increase in notes payable	(2,812)	3,217
Increase (decrease) in accounts payable	242,842	(963,555)
Decrease in accrued compensation to employees and remuneration to directors	(158,718)	(247,752)
Decrease in accrued expenses and other accounts payable	(196,893)	(118,470)
Decrease in net defined benefit liability	(178,505)	(76,448)
Cash generated from operations	5,141,127	7,745,619
Interest received	72,256	37,895
Interest paid	(233)	(184)
Income tax paid	(693,741)	(1,409,220)
Net cash provided by operating activities	4,519,409	6,374,110

(Continued)

GREATEK ELECTRONICS INC.

PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022
(In Thousands of New Taiwan Dollars)

	2023	2022
CASH FLOWS FROM INVESTING ACTIVITIES		
Net cash outflow on acquisition of subsidiary	$ -	$ (171,523)
Purchase of financial assets at fair value through other comprehensive income	-	(160,028)
Proceeds from financial assets at amortized cost	50,000	400,000
Acquisition of property, plant and equipment	(1,572,326)	(4,386,077)
Disposal of property, plant and equipment	5	1,037
Decrease (increase) in refundable deposits	478	(95)
Increase in intangible assets	(4,169)	(11,495)
Dividend received	82,600	75,888
Net cash used in investing activities	(1,443,412)	(4,252,293)
CASH FLOWS FROM FINANCING ACTIVITIES		
(Decrease) increase in guarantee deposits	(66,861)	390,164
Repayment of the principal portion of lease liabilities	(1,627)	(1,396)
Cash dividends distributed	(2,104,730)	(2,844,230)
Donations from shareholders	257	-
Net cash used in financing activities	(2,172,961)	(2,455,462)
EFFECTS OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH HELD IN FOREIGN CURRENCIES	13,365	83,277
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	916,401	(250,368)
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	3,796,761	4,047,129
CASH AND CASH EQUIVALENTS, END OF YEAR	$ 4,713,162	$ 3,796,761

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

1. GENERAL INFORMATION

Greatek Electronics Inc. (the "Corporation" or "Greatek") was incorporated in the Republic of China ("ROC") on March 7, 1983. The Corporation mainly provides semiconductor assembly and testing services on a turnkey basis.

The Corporation's shares have been listed on the Taiwan Stock Exchange (TSE) on October 26, 2000.

Powertech Technology Inc. (PTI) acquired Greatek's 44.09% ownership, pursuant to Greatek's board approval on December 21, 2011. On the reelection of the directors and supervisors of Greatek, PTI holds a majority of the directors seats and become parent. PTI has 42.91% ownership of Greatek as of December 31, 2023 and 2022.

The financial statements are presented in the Corporation's functional currency, the New Taiwan dollar.

2. APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved to the Board of Directors and issued on February 23, 2024.

3. APPLICATION OF NEW, AMENDED AND REVISED STANDARDS AND INTERPRETATIONS

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

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

b. The IFRSs endorsed by the FSC for application starting from 2024

New, Amended and Revised Standards and Interpretations	Effective Date Announced 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: Unless stated otherwise, the above IFRSs are effective for annual reporting periods beginning on or after their respective effective dates.

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 amendments provide some transition relief regarding disclosure requirements.

Except for the above impact, as of the date the financial statements were authorized for issue, the Corporation is continuously assessing the possible impact of the application of other standards and interpretations on the Corporation's financial position and financial performance and will disclose the relevant impact when the assessment is completed.

c. The IFRSs in issue but not yet endorsed and issued into effect by the FSC

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

Note 1: Unless stated otherwise, the above IFRSs are effective for annual reporting periods beginning on or after their respective effective dates.

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 entity 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.

Except for the above impact, as of the date the financial statements were authorized for issue, the Corporation is continuously assessing the possible impact of the application of other standards and interpretations on the Corporation's financial position and financial performance and will disclose the relevant impact when the assessment is completed.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICY

a. Statement of compliance

The accompanying parent company only financial statements have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and IFRSs asendorsed and issued into effect by the FSC.

b. Basis of preparation

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

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

1) Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities;

2) Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for an asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

3) Level 3 inputs are unobservable inputs for the asset or liability.

When preparing these parent company only financial statements, the Corporation used the equity method to account for its investments in subsidiaries. In order for the amounts of the net profit for the year, other comprehensive income for the year and total equity in the parent company only financial statements to be the same as the amounts attributable to the owners of the Corporation in its financial statements, adjustments arising from the differences in accounting treatments between the parent company only basis and the basis were made to investments accounted for using the equity method, the share of profit or loss of subsidiaries, the share of other comprehensive income of subsidiaries, and the related equity items, as appropriate, in these parent company only financial statements.

c. Classification of current and non-current assets and liabilities

Current assets include:

1) Assets held primarily for the purpose of trading;

2) Assets expected to be realized within twelve months after the reporting period; and

3) Cash.

Current liabilities include:

1) Liabilities held primarily for the purpose of trading;

2) Liabilities due to be settled within twelve months after the reporting period, and

3) Liabilities for which the Corporation does not have an unconditional right to defer settlement for at least twelve months after the reporting period.

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

d. Foreign currencies

The parent company only financial statements are presented in the Corporation's functional currency, the New Taiwan dollar. In preparing the parent company only financial statements, transactions in currencies other than the Corporation's functional currency (foreign currencies) are recognized at the exchange rates of Customs in every ten days. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. 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 are therefore recognized as profit or loss in the current financial year. Non-monetary items that are measured at historical cost in a foreign currency are not retranslated.

Except for the exchange differences on transactions entered into in hedging against certain foreign currency risks, exchange differences on monetary items arising from settlement or translation are recognized in profit or loss in the period.

e. Inventories

Inventories are stated at the lower of cost or net realizable value. Inventory write-downs are made by item, except where it may be appropriate to Corporation similar or related items. Net realizable value is the estimated selling price of inventories less all estimated costs of completion and costs necessary to make the sale. Inventories are recorded at weighted-average cost.

f. Investments in subsidiaries

The Corporation uses the equity method to account for its investments in subsidiaries.

A subsidiary is an entity that is controlled by the Corporation.

Under the equity method, an investment in a subsidiary is initially recognized at cost and adjusted thereafter to recognize the Corporation's share of the profit or loss and other comprehensive income of the subsidiary. The Corporation also recognizes the changes in the Corporation's share of equity of subsidiaries.

The Corporation assesses its investment for any impairment by comparing the carrying amount with the estimated recoverable amount as assessed based on the investee's financial statements as a whole. Impairment loss is recognized when the carrying amount exceeds the recoverable amount. If the recoverable amount of the investment subsequently increases, the Corporation recognizes a reversal of the impairment loss; the adjusted post-reversal carrying amount should not exceed the carrying amount that would have been recognized (net of amortization or depreciation) had no impairment loss been recognized in prior years. An impairment loss recognized on goodwill cannot be reversed in a subsequent period.

Profits or losses resulting from downstream transactions are eliminated in full in the parent company only financial statements. Profits and losses resulting from upstream transactions and transactions between subsidiaries are recognized in the parent company only financial statements only to the extent of interests in the subsidiaries that are not related to the Corporation.

g. Property, plant, and equipment

Property, plant and equipment are stated at cost, less subsequent accumulated depreciation and subsequent accumulated impairment loss.

Properties in the course of construction for production, supply or administrative purposes are carried at cost, less any recognized impairment loss. Cost includes professional fees and borrowing costs eligible for capitalization. Such properties are depreciated and classified to the appropriate categories of property, plant and equipment when completed and ready for intended use.
Freehold land is not depreciated.

Depreciation is recognized using the straight-line method. Each significant part is depreciated separately. 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 estimate accounted for on a prospective basis.

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

h. Intangible assets

Intangible assets with finite useful lives that are acquired separately are initially measured at cost and subsequently measured at cost less accumulated amortization and accumulated impairment loss. Amortization is recognized on a straight-line basis. The estimated useful life, residual value, and

amortization method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

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

i. Impairment of tangible and intangible assets other than goodwill and assets related to contract costs

At the end of each reporting period, the Corporation reviews the carrying amounts of its tangible and intangible assets, excluding goodwill, 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 Corporation estimates the recoverable amount of the cash-generating unit to which the asset belongs. Corporate assets are allocated to the individual cash-generating units on a reasonable and consistent basis of allocation.

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

Before the Corporation recognizes an impairment loss from assets related to contract costs, any impairment loss on inventories related to the contract applicable under IFRS 15 shall be recognized in accordance with applicable standards. Then, impairment loss from the assets related to the contract costs is recognized to the extent that the carrying amount of the assets exceeds the remaining amount of consideration that the Corporation expects to receive in exchange for related goods or services less the costs which relate directly to providing those goods or services and which have not been recognized as expenses. The assets related to the contract costs are then included in the carrying amount of the cash-generating unit to which they belong for the purpose of evaluating impairment of that cash-generating unit.

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

j. Financial instruments

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

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

1) Financial assets

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

a) Measurement category

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

i. Financial assets at FVTPL

A financial asset is classified as at FVTPL when the financial asset is mandatorily classified as at FVTPL.

Financial assets at FVTPL are subsequently measured at fair value, with any gains or losses arising on remeasurement recognized in profit or loss. The net gain or loss recognized in profit or loss incorporates any dividend or interest earned on the financial asset. Fair value is determined in the manner described in Note 27.

ii. Financial assets at amortized cost

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

i) The financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and

ii) The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Subsequent to initial recognition, financial assets at amortized cost, including cash, debt investments, time deposits with original maturities of more than 3 months, notes and accounts receivable (included related parties), other receivables (included related parties), pledged time deposits and refundable deposits, are measured at amortized cost, which equals the gross carrying amount determined using the effective interest method less any impairment loss. Exchange differences are recognized in profit or loss.

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

i) Purchased or originated credit-impaired financial assets, for which interest income is calculated by applying the credit-adjusted effective interest rate to the amortized cost of such financial assets; and

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

iii. Investments in equity instruments at FVTOCI

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

Investments in equity instruments at FVTOCI are subsequently measured at fair value with gains and losses arising from changes in fair value recognized in other comprehensive income and accumulated in other equity. The cumulative gain or loss will not be reclassified to profit

or loss on disposal of the equity investments, instead, it will be transferred to retained earnings.

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

b) Impairment of financial assets and contract assets

The Corporation recognizes a loss allowance for expected credit losses on financial assets at amortized cost (including accounts receivable) and contract assets.

The Corporation always recognizes lifetime expected credit losses (i.e. ECLs) for accounts receivable and contract assets. For all other financial instruments, the Corporation recognizes lifetime ECLs when there has been a significant increase in credit risk since initial recognition. If, on the other hand, the credit risk on the financial instrument has not increased significantly since initial recognition, the Corporation measures the loss allowance for that financial instrument at an amount equal to 12-month ECLs.

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

The Corporation recognizes an impairment gain or loss in profit or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account.

c) Derecognition of financial assets

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

On derecognition of a financial asset at amortized cost in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognized in profit or loss. On derecognition of an investment in a debt instrument at FVTOCI, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss which had been recognized in other comprehensive income is recognized in profit or loss. However, on derecognition of an investment in an equity instrument at FVTOCI, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognized in profit or loss, and the cumulative gain or loss which had been recognized in other comprehensive income is transferred directly to retained earnings, without recycling through profit or loss.

2) Equity instruments

Equity instruments issued by the Corporation are classified as equity in accordance with the substance of the contractual arrangements and the definitions of an equity instrument.

Equity instruments issued by a Corporation entity are recognized at the proceeds received, net of direct issue costs.

3) Financial liabilities

a) Subsequent measurement

Except the following situation, all the financial liabilities are measured at amortized cost using the effective interest method:

i. Financial liabilities at FVTPL

Financial liabilities are classified as at FVTPL when such financial liabilities are either held for trading or are designated as at FVTPL.

Financial liabilities at fair value through profit or loss are stated at fair value, with any gains or losses arising on remeasurement recognized in profit or loss. The net gain or loss recognized in profit or loss incorporates any interest or dividend paid on the financial liability. Fair value is determined in the manner described in Note 27.

b) Derecognition of financial liabilities

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

4) Derivative financial instruments

The Corporation enters into foreign exchange forward contracts to manage its exposure to foreign exchange rate risks.

Derivatives are initially recognized at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognized in profit or loss immediately. When the fair value of a derivative financial instrument is positive, the derivative is recognized as a financial asset; when the fair value of a derivative financial instrument is negative, the derivative is recognized as a financial liability.

k. Provisions

Provisions, including those arising from contractual obligation specified in service concession arrangement to maintain or restore infrastructure before it is handed over to the grantor, are measured at the best estimate of the discounted cash flows of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

Provisions, including Indemnification payable, are measured at the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

l. Revenue recognition

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

Revenue from services

When the Corporation fulfilled the assembly service contract, the customer controls the goods when they are created or enhanced, the Corporation has the right to perform the collection if partial of the assembly service contract have been fulfilled, and the revenue from assembly service is recognized over time. When the Corporation fulfilled the testing service contract, the customer simultaneously receives and consumes the benefits provided by the Corporation's performance, the Corporation has the right to perform the collection if partial of the testing service contract have been fulfilled, and the revenue from testing service is recognized over time. A contract asset is recognized during the process of semiconductor assembling and testing, and is reclassified to accounts receivable at the point the bills were issued. It is recognized as contract asset until the Corporation satisfies its performance.

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

m. Leasing

At the inception of a contract, the Corporation assesses whether the contract is, or contains, a lease.

1) The Corporation as lessor

Leases are classified as finance leases whenever the terms of a lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Lease payments (less any lease incentives payable) from operating leases are recognized as income on a straight-line basis over the terms of the relevant leases.

2) The Corporation as lessee

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

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

Lease liabilities are initially measured at the present value of the lease payments. The lease payments are discounted using the interest rate implicit in a lease, if that rate can be readily determined. If that rate cannot be readily determined, the Corporation uses the lessee's incremental borrowing rate.

Subsequently, lease liabilities are measured at amortized cost using the effective interest method, with interest expense recognized over the lease terms. When there is a change in a lease term, the Corporation remeasures the lease liabilities with a corresponding adjustment to the right-of-use-assets. However, if the carrying amount of the right-of-use assets is reduced to zero, any remaining amount of the remeasurement is recognized in profit or loss. Lease liabilities are presented on a separate line in the balance sheets.

n. Government grants

Government grants are recognized only when there is reasonable assurance that the entity will comply with any conditions attached to the grant and the grant will be received.

The grants are recognized as other income over the period necessary to match them with the related costs, for which they are intended to compensate, on a systematic basis.

Grant receivable as compensation for costs already incurred or for immediate financial support, with no future related costs, should be recognized as income in the period in which it is receivable.

o. Employee benefits

1) Short-term employee benefits

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

2) Retirement benefits

Payments to defined contribution retirement benefit plans are recognized as an expense when employees have rendered service entitling them to the contributions.

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 and net interest on the net defined benefit liability (asset) are recognized as employee benefits expense in the period they occur, or when the plan amendment or curtailment occurs/when the settlement occurs. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling and the return on plan assets (excluding interest), is recognized in other comprehensive income in the period in which 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 (asset) represents the actual deficit (surplus) in the Corporation’s defined benefit plan. Any surplus resulting from this calculation is limited to the present value of any refunds from the plans or reductions in future contributions to the plans.

p. Taxation

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

1) Current tax

According to the Income Tax Law, an additional tax of unappropriated earnings is provided for as income tax in the year the shareholders approve to retain earnings.

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

2) Deferred tax

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

Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences 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 Corporation 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 and interests 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 asset to be recovered. A previously unrecognized deferred tax asset is also reviewed at the end of each reporting period and recognized to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset 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 Corporation 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 JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

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

Critical Accounting Judgements

a. Business model assessment for financial assets

The Corporation determines the business model at a level that reflects how Corporations of financial assets are managed together to achieve a particular business objective. This assessment includes judgment about all relevant evidence including how the performance of the assets is evaluated, the risks that affect the performance of the assets and how these are managed, and how the managers of the assets are compensated. The Corporation monitors financial assets measured at amortized cost, the Corporation understands the reasons for their disposal and whether the reasons are consistent with the objective of the business for which the assets were held. Monitoring is part of the Corporation's continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and, if it is not appropriate, whether there has been a change in the business model such that a prospective change to the classification of those assets is proper.

Key Sources of Estimation Uncertainty

a. Estimated impairment of financial assets

The provision for impairment of accounts receivable and investments in debt instruments is based on assumptions about risk of default and expected loss rates. The Corporation uses judgment in making these assumptions and in selecting the inputs to the impairment calculation, based on the Corporation's historical experience, existing market conditions as well as forward looking estimates as of the end of each reporting period. Where the actual future cash inflows are less than expected, a material impairment loss may arise.

b. Fair value measurements and valuation processes

For the Corporation's assets and liabilities measured at fair value that have no quoted prices in an active market, the Corporation should determine whether to engage third party qualified valuers and to determine the appropriate valuation techniques for fair value measurement.

Information about the valuation techniques and inputs used in determining the fair values of various assets and liabilities is disclosed in Note 27.

6. CASH

	December 31	
	2023	**2022**
Bank deposits	$ 4,713,162	$ 3,796,761

The market rate intervals at the end of the reporting period were as follows:

	December 31	
	2023	**2022**
Bank deposits	0.55%-5.15%	0.31%-4.35%

7. FINANCIAL INSTRUMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS

	December 31	
	2023	**2022**
Financial assets at FVTPL - current		
Financial assets held for trading - current		
Non-derivative financial assets		
Mutual funds	$ -	$ 28,209
Derivative financial assets (not under hedge accounting)		
Foreign exchange forward contracts	1,978	1,009
	$ 1,978	$ 29,218

(Continued)

	December 31	
	2023	**2022**
Financial liabilities at FVTPL - current		
Financial liabilities held for trading - current		

Derivative financial liabilities (not under hedge accounting)		
Foreign exchange forward contracts	$ 6	$ 250

(Concluded)

At the end of the reporting period, outstanding foreign exchange forward contracts not under hedge accounting were as follows:

	Currency	Maturity Date	Contract Amounts (In Thousands)
December 31, 2023			
Sell forward exchange contracts	USD to NTD	2024.01.11-2024.01.16	USD3,600 / NTD112,236
December 31, 2022			
Sell forward exchange contracts	USD to NTD	2023.01.11-2023.02.13	USD5,000 / NTD153,827

The Corporation entered into foreign exchange forward contracts during the 2023 and 2022 to manage exposures due to exchange rate fluctuations of foreign currency denominated assets and liabilities. However, those contracts did not meet the criteria of hedge effectiveness and therefore were not accounted for by using hedge accounting.

8. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	December 31	
	2023	2022
Noncurrent		
Domestic investments		
Listed shares		
Ordinary shares - Powertech Technology Inc.	$ 1,663,800	$ 934,560

These investments in equity instruments are not held for trading. Instead, they are held for medium to long-term strategic purposes. Accordingly, the management elected to designate these investments in equity instruments as at FVTOCI.

9. FINANCIAL ASSETS AT AMORTIZED COST

	December 31	
	2023	2022
Current		
Domestic investments		
Corporate bonds - P08 Taiwan Power Company 3A Bond	$ 50,000	$ 50,000

(Continued)

	December 31	
	2023	2022
Noncurrent		
Domestic investments		
Corporate bonds - P08 Taiwan Power Company 3A Bond	$ -	$ 50,000
		(Concluded)

On September 12, 2019, the Corporation bought corporate bonds issued by Taiwan Power Company with an effective interest rate of 0.72% at par value $100,000 thousand, and maturity dates of September 12, 2023 and 2024, at par value of $50,000 thousand, respectively.

Refer to Note 27 for information relating to their credit risk management and impairment.

10. NOTES AND ACCOUNTS RECEIVABLE, NET

	December 31	
	2023	2022
Notes receivable		
At amortized cost		
Gross carrying amount	$ 16,338	$ 44,579
Accounts receivable		
At amortized cost		
Gross carrying amount	$ 2,451,059	$ 2,058,265
Less: Allowance for impairment loss	(60,169)	(60,169)
	$ 2,390,890	$ 1,998,096

The average credit period of sales of goods was 60-90 days. No interest was charged on accounts receivables. In order to minimize credit risk, the management of the Company has delegated a team responsible for determining credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue debts. In addition, the Corporation reviews the recoverable amount of each individual trade debt at the end of the reporting period to ensure that adequate allowance is made for possible irrecoverable amounts. In this regard, the management believes the Corporation's credit risk was significantly reduced.

The Corporation applies the simplified approach to providing for expected credit losses prescribed by IFRS 9, which permits the use of lifetime expected loss provision for all accounts receivables. The expected credit losses on accounts receivables are estimated using a provision matrix by reference to past default experience of the debtor and an analysis of the debtor's current financial position, adjusted for general economic conditions of the industry in which the debtors operate and an assessment of both the current as well as the forecast direction of economic conditions at the reporting date. As the Corporation's historical credit loss experience indicates different loss patterns for different customer segments, the provision for loss allowance based on past due status is therefore further distinguished according to the Corporation's different customer base.

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

The following table details the loss allowance of accounts receivables based on the Corporation's provision matrix.

December 31, 2023

	Not Past Due	Less than 60 Days	61 to 90 Days	91 to 120 Days	Over 120 Days	Total
Gross carrying amount	$ 2,442,316	$ 7,206	$ 149	$ 126	$ 1,262	$ 2,451,059
Loss allowance (Lifetime ECL)	(51,426)	(7,206)	(149)	(126)	(1,262)	(60,169)
Amortized cost	$ 2,390,890	$ -	$ -	$ -	$ -	$ 2,390,890

December 31, 2022

	Not Past Due	Less than 60 Days	61 to 90 Days	91 to 120 Days	Over 120 Days	Total
Gross carrying amount	$ 2,003,644	$ 46,853	$ 7,233	$ 535	$ -	$ 2,058,265
Loss allowance (Lifetime ECL)	(5,548)	(46,853)	(7,233)	(535)	-	(60,169)
Amortized cost	$ 1,998,096	$ -	$ -	$ -	$ -	$ 1,998,096

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

	For the Year Ended December 31	
	2023	2022
Balance at January 1 and December 31	$ 60,169	$ 60,169

11. INVENTORIES

	December 31	
	2023	2022
Raw materials	$ 887,483	$ 1,286,983
Supplies	116,309	135,447
	$ 1,003,792	$ 1,422,430

The costs of inventories recognized as cost of goods sold were as follows:

	For the Year Ended December 31	
	2023	2022
Provision of inventory valuation and obsolescence losses	$ -	$ 75,000
Unallocated overheads	$ 898,842	$ 703,356
Sales of scrapes	$ (64,667)	$ (79,034)
Operating Costs	$ 10,723,312	$ 11,711,083

12. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

	December 31	
	2023	2022
Investments in subsidiaries		
Get-Team Tech Corporation	$ 145,019	$ 164,386

	Proportion of Ownership and Voting Rights	
	December 31	
Name of Subsidiaries	2023	2022
Unlisted companies		
Get-Team Tech Corporation	97.46%	97.46%

In October 2022, the Corporation acquired the shares of Get-Team Tech Corporation and obtained 97.46% ownership and disclosed in financial statements (see note 25).

The share of profit or loss and other comprehensive income of those subsidiaries for the years ended December 31, 2023 and 2022 was based on the subsidiaries' financial statements audited by the auditors for the same years.

13. PROPERTY, PLANT AND EQUIPMENT

	For the Year Ended December 31, 2022									
	Land	Building	Machinery and Equipment	Transportation Equipment	Office Equipment	Other Equipment	Equipment under Installation	Construction in Progress	Spare Parts	Total
Cost										
Balance, beginning of year	$ 1,877,336	$ 3,966,175	$19,936,998	$ 20,698	$ 122,402	$ 539,076	$ 875,862	$ 1,501,618	$ 259,407	$29,099,572
Additions	94,973	297,200	1,036,256	4,741	27,819	91,009	724,236	1,027,987	368,939	3,673,160
Disposals	-	-	(1,909,185)	-	-	-	-	-	(369,799)	(2,278,984)
Reclassified	97	546,312	768,402	-	-	11,850	(780,254)	(546,409)	-	(2)
Balance, end of year	1,972,406	4,809,687	19,832,471	25,439	150,221	641,935	819,844	1,983,196	258,547	30,493,746
Accumulated depreciation										
Balance, beginning of year	-	2,236,853	12,504,832	11,592	71,251	402,304	-	-	-	15,226,832
Additions	-	251,485	2,383,883	3,409	17,619	49,591	-	-	369,709	3,075,786
Disposals	-	-	(1,908,877)	-	-	-	-	-	(369,709)	(2,278,676)
Balance, end of year	-	2,488,338	12,979,838	15,001	88,870	451,895	-	-	-	16,023,942
Net book value, end of year	$ 1,972,406	$ 2,321,349	$ 6,852,633	$ 10,438	$ 61,351	$ 190,040	$ 819,844	$ 1,983,196	$ 258,547	$14,469,804

	For the Year Ended December 31, 2023									
	Land	Building	Machinery and Equipment	Transportation Equipment	Office Equipment	Other Equipment	Equipment under Installation	Construction in Progress	Spare Parts	Total
Cost										
Balance, beginning of year	$ 1,972,406	$ 4,809,687	$19,832,471	$ 25,439	$ 150,221	$ 641,935	$ 819,844	$ 1,983,196	$ 258,547	$30,493,746
Additions		234,517	347,082	-	15,383	58,824	285,869	382,624	337,218	1,661,517
Disposals	-	-	(4,896,067)	(810)	(37,645)	(110,320)	-	-	(337,861)	(5,382,703)
Reclassified	-	1,587,691	755,939	-	8,531	32,400	(796,870)	(1,587,691)	-	-
Balance, end of year		6,631,895	16,039,425	24,629	136,490	622,839	308,843	778,129	257,904	26,772,560
Accumulated depreciation										
Balance, beginning of year	-	2,488,338	12,979,838	15,001	88,870	451,895	-	-	-	16,023,942
Additions	-	398,646	2,257,688	3,097	18,490	61,041	-	-	337,861	3,076,823
Disposals	-	-	(4,896,067)	(810)	(37,645)	(110,320)	-	-	(337,861)	(5,382,703)
Balance, end of year	-	2,886,984	10,341,459	17,288	69,715	402,616	-	-	-	13,718,062
Net book value, end of year	$ 1,972,406	$ 3,744,911	$ 5,697,966	$ 7,341	$ 66,775	$ 220,223	$ 308,843	$ 778,129	$ 257,904	$13,054,498

The above items of property, plant and equipment were depreciated on a straight-line basis at the following years:

Buildings	
Main plants	26 years
Mechanical and electrical power equipment	2-11 years
Others	2-51 years
Machinery and equipment	2-10 years
Transportation equipment	6 years
Office equipment	3-7 years
Other equipment	2-16 years
Spare parts	0.5 years

14. LEASE ARRANGEMENTS

a. Right-of-use assets

	December 31	
	2023	**2022**
Carrying amounts		
Machinery and Equipment	$ 10,760	$ 12,447

	For the Year Ended December 31	
	2023	**2022**
Additions to right-of-use assets	$ -	$ 5,750
Depreciation charge for right-of-use assets		
Machinery and Equipment	$ 1,687	$ 1,412

b. Lease liabilities

	December 31	
	2023	**2022**
Carrying amounts		
Current	$ 1,521	$ 1,627
Non-current	$ 9,517	$ 11,038

Range of discount rate for lease liabilities was as follows:

	December 31	
	2023	**2022**
Machinery and equipment	1.695%-2.300%	1.695%-2.300%

c. Material lease-in activities and terms

The Corporation leases certain machinery equipment for the use of assembly and testing service with lease terms of 14 years. The Corporation has no options to purchase the equipment for a nominal amount at the end of the lease terms.

15. INTANGIBLE ASSETS

	For the Year Ended December 31, 2022
	Computer Software
Cost	
Balance, beginning of year	$ 147,155
Additions	11,495
Disposals	(65,958)
Balance, end of year	92,692
Accumulated amortization	
Balance, beginning of year	$ 93,682
Additions	25,593
Disposals	(65,958)
Balance, end of year	53,317
Net book value, end of year	$ 39,375

	For the Year Ended December 31, 2023
	Computer Software
Cost	
Balance, beginning of year	$ 92,692
Additions	4,169
Disposals	(32,349)
Balance, end of year	64,512
Accumulated amortization	
Balance, beginning of year	53,317
Additions	16,412
Disposals	(32,349)
Balance, end of year	37,380
Net book value, end of year	$ 27,132

Computer software was amortized on a straight-line basis at 5 years.

16. OTHER ASSETS

	December 31	
	2023	2022
Current		
Tax overpaid	$ 43,923	$ 131,520
Inventory of supplies	30,524	25,552
Other receivables	19,435	16,786
Tax refund receivables	13,189	17,820
Payment on behalf of others	6,580	4,791
Prepaid insurances	6,464	4,603
Others (a)	8,017	8,465
	$ 128,132	$ 209,537
Non-current		
Pledged deposits (b)	$ 108,700	$ 108,700
Refundable deposits	6,770	7,248
	$ 115,470	$ 115,948

a. Other current assets include prepayments in advance, interest receivable, prepaid rents, and temporary debits.

b. Pledge deposits are guarantee deposits for domestic sales and gas volume in CPC Corporation.

17. OTHER LIABILITIES

	December 31	
	2023	2022
Current		
Accrued expenses		
Bonus	$ 702,264	$ 857,476
Labor and health insurance	60,503	57,869
Utilities	48,622	39,681
Indemnification payable (a)	35,664	131,408
Others (b)	223,615	170,450
	1,070,668	1,256,884
Other current liabilities		
Behalf of the collection	18,604	21,879
Temporary receipts	14,804	22,206
	33,408	44,085
	$ 1,104,076	$ 1,300,969

a. Indemnification payable are measured at the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

b. Other accrued expenses include accrued spare parts, benefit retirement, utilization of the foreign employment security, and services.

18. GUARANTEE DEPOSITS

	December 31	
	2023	2022
Capacity guarantee	$ 335,452	$ 405,479
Others	16	16
	$ 335,468	$ 405,495
Current	$ 70,622	$ 70,518
Non-current	$ 264,846	$ 334,977

19. RETIREMENT BENEFIT PLANS

a. Defined contribution plans

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

b. Defined benefit plans

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

In February 2023, Greatek reached an agreement with part of its employees for terminating their defined benefit pension plans and to settle its defined benefit obligation by relevant regulations.

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

	December 31	
	2023	2022
Present value of funded defined benefit obligation	$ 34,674	$ 501,391
Fair value of plan assets	(5,077)	(290,763)
Net defined benefit liability	$ 29,597	$ 210,628

Movements in net defined benefit liability were as follows:

	Present Value of the Defined Benefit Obligation	Fair Value of the Plan Assets	Net Defined Benefit Liability (Asset)
Balance at January 1, 2022	$ 461,939	$ (210,491)	$ 251,448
Service cost			
Current service cost	827	-	827
Net interest expense (income)	3,234	(1,473)	1,761
Recognized in profit or loss	4,061	(1,473)	2,588
Remeasurement			
Actuarial loss (gain) - experience adjustments	62,756	(15,914)	46,842
Actuarial (gain)- changes in financial assumptions	(11,214)	-	(11,214)
Recognized in other comprehensive income	51,542	(15,914)	35,628
Contributions from the employer	-	(79,036)	(79,036)
Benefits paid	(16,151)	16,151	-
Balance at December 31, 2022	501,391	(290,763)	210,628
Service cost			
Current service cost	851	-	851
Settlement of employee benefit obligations	(79,598)	-	(79,598)
Net interest expense (income)	7,019	(4,070)	2,949
Recognized in profit or loss	(71,728)	(4,070)	(75,798)
Remeasurement			
Actuarial loss (gain) - experience adjustments	(2,010)	(683)	(2,693)
Actuarial (gain)- changes in financial assumptions	167	-	167
Recognized in other comprehensive income	(1,843)	(683)	(2,526)
Contributions from the employer	-	(3,055)	(3,055)
Benefits paid	(293,494)	293,494	-
Payment by Corporation	(99,652)	-	(99,652)
Balance at December 31, 2023	$ 34,674	$ (5,077)	$ 29,597

An analysis by function of the amounts recognized in profit or loss in respect of the defined benefit plans is as follows:

	For the Year Ended December 31	
	2023	2022
Operating costs	$ (67,799)	$ 2,344
Selling and marketing expenses	$ (798)	$ 29
General and administrative expenses	$ (2,307)	$ 72
Research and development expenses	$ (4,894)	$ 143

Through the defined benefit plans under the Labor Standards Law, the Corporation is exposed to the following risks:

1) Investment risk: The plan assets are invested in domestic and foreign equity and debt securities, bank deposits, etc. The investment is conducted at the discretion of the Bureau or under the mandated management. However, in accordance with relevant regulations, the return generated by plan assets should not be below the interest rate for a 2-year time deposit with local banks.

2) Interest risk: A decrease in the government/corporate bond interest rate will increase the present value of the defined benefit obligation; however, this will be partially offset by an increase in the return on the plan's debt investments.

3) Salary risk: The present value of the defined benefit obligation is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the present value of the defined benefit obligation.

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

	December 31	
	2023	**2022**
Discount rates	1.10%	1.40%
Expected rates of salary increase	3.50%	3.50%
Mortality rate	Taiwan's life insurance industry Mining parent 5th round experience life table	Taiwan's life insurance industry Mining parent 5th round experience life table
Return on plan assets	1.10%	1.40%

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

	December 31	
	2023	**2022**
Discount rate(s)		
0.25% increase	$ (139)	$ (12,793)
0.25% decrease	$ 141	$ 13,263
Expected rate(s) of salary increase		
0.25% increase	$ 77	$ 11,741
0.25% decrease	$ (76)	$ (11,407)

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

	December 31	
	2023	**2022**
The expected contributions to the plan for the next year	$ 151	$ 8,163
The average duration of the defined benefit obligation	2 years	11 years

20. EQUITY

a. Ordinary shares

	December 31	
	2023	2022
Numbers of shares authorized (in thousands)	700,000	700,000
Shares authorized	$ 7,000,000	$ 7,000,000
Number of shares issued and fully paid (in thousands)	568,846	568,846
Shares issued	$ 5,688,459	$ 5,688,459

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

There are 20,000 thousand shares reserved for employee stock options.

b. Capital surplus

	December 31	
	2023	2022
May be used to offset a deficit, distributed as cash dividends, or transferred to share capital		
Share premium	$ 1,647	$ 1,647
May be used to offset a deficit only		
Donations from shareholders	892	635
	$ 2,539	$ 2,282

The premium from shares issued in excess of par and donations from shareholders may be used to offset a deficit; in addition, when the Corporation has no deficit, such capital surplus may be distributed as cash dividends or transferred to capital (limited to a certain percentage of the Corporation's capital surplus and once a year). The capital surplus from employee share options and share warrants may not be used for any purpose.

c. Retained earnings and dividend policy

Under the dividend policy as set forth in the amended Articles, the Corporation should make appropriations from its net income in the following order:

1) Deducted for accumulated deficits. (include current year's adjusted undistributed earnings)

2) Appropriate the 10% as the legal reserve. However when the legal reserve amounts to the authorized capital, this shall not apply.

3) Appropriate or reverse the special reserve in accordance with relevant laws or regulations or as requested by the authorities in charge.

4) The board of directors will draft a resolution declaring a dividend equaling the sum of previous years' surpluses and current year's adjusted undistributed earnings, less previous expense balances. The shareholders will ultimately decide whether the amount should be distributed as dividends or retained within the Corporation.

For information on the accrued employees' compensation and remuneration to directors and the actual appropriations, please refer to the employee benefit expense shown in Note 22 (f).

Greatek's dividends policy is accordance with its Articles of incorporation taking into account the current's earnings status. Dividends are distributed in the form of cash, common shares or a combination of cash and common shares. In consideration of the Corporation's being in a capital-intensive industry as well as the long-term development, overall environment, industrial growth characteristics, capital demand, capital budget, shareholders' interests, balanced dividend considerations and long-term financial plans, the Corporation's Articles of Incorporation provide that the total of cash dividends paid in any given year should be at least 30% of total dividends distributed.

Appropriation of earnings to legal reserve shall be made until the legal reserve equals the Corporation's capital surplus. Legal reserve may be used to offset deficit. If the Corporation has no deficit and the legal reserve has exceeded 25% of the Corporation's capital surplus, the excess may be transferred to capital or distributed in cash.

The appropriations of earnings for 2022 and 2021 had been approved in the shareholders' meetings on May 30, 2023 and May 26, 2022, respectively. The appropriations and dividends per share were as follows:

	Appropriation of Earnings		Dividends Per Share ($)	
	For Year 2022	For Year 2021	For Year 2022	For Year 2021
Legal reserve	$ 312,254	$ 460,306	$ -	$ -
Special reserve	157,984	-	-	-
Cash dividends	2,104,730	2,844,230	3.7	5.0

The appropriations of earnings for 2023 had been proposed by the Corporation's board of directors on February 23, 2024. The appropriations and dividends per share were as follows:

	Appropriation of Earnings	Dividends Per Share
Legal reserve	$ 199,965	$ -
Special reserve	(157,984)	-
Cash dividends	1,422,115	2.5

The appropriations of earnings for 2023 are subject to the resolution of the shareholders meeting to be held on May 27, 2024.

d. Special reserve

	For the Three Months Ended December 31, 2023
Balance at January 1	$ -
Appropriation in respect of Debit to other equity items	157,984
Balance at December 31	$ 157,984

e. Other equity items

Unrealized gain (loss) on financial assets at FVTOCI

	For the Year Ended December 31	
	2023	2022
Balance at January 1	$ (157,984)	$ 44,484
Other comprehensive (loss) income recognized during the period		
Unrealized gain - equity instruments	729,240	(202,468)
Balance at December 31	$ 571,256	$ (157,984)

21. REVENUE

a. Contract information

	For the Year Ended December 31	
	2023	2022
Revenue from contracts with customers		
Revenue from assembly service	$ 11,699,209	$ 13,460,044
Revenue from testing service	1,865,880	2,488,919
	$ 13,565,089	$ 15,948,963

When the Corporation fulfilled the assembly service contract, the customer controls the goods when they are created or enhanced, the Corporation has the right to perform the collection if partial of the assembly service contract have been fulfilled, and the revenue from assembly service is recognized over time. When the Corporation fulfilled the testing service contract, the customer simultaneously receives and consumes the benefits provided by the Corporation's performance, the Corporation has the right to perform the collection if partial of the testing service contract have been fulfilled, and the revenue from testing service is recognized over time.

b. Contact balances

	December 31, 2023	December 31, 2022	January 1, 2022
Notes and accounts receivables (Included related parties) (Note 10)	$ 2,804,785	$ 2,212,005	$ 4,346,371
Contract assets-current			
Revenue from services	$ 741,563	$ 883,364	$ 896,128
Less: Allowance for impairment loss	-	-	-
Contract assets-current	$ 741,563	$ 883,364	$ 896,128
Contract liabilities- current			
Revenue from services	$ 112,686	$ 200,206	$ 164,824

The changes in the contract asset and the contract liability balances primarily result from the timing difference between the Corporation's performance and the customer's payment

Revenue of the reporting period recognized from the beginning contract liability and from the performance obligations satisfied in previous periods is as follows:

	For the Year Ended December 31	
	2023	2022
From the beginning contract liability		
Revenue from services	$ 139,895	$ 142,135

c. Disaggregation of revenue

	For the Year Ended December 31	
	2023	2022
Primary geographical markets		
Taiwan (The location of the Corporation)	$ 8,300,704	$ 9,761,936
Asia	2,559,656	2,373,867
America	1,580,045	2,348,108
Europe	1,124,647	1,464,754
Africa	37	298
	$ 13,565,089	$ 15,948,963

22. NET PROFIT

a. Interest income

	For the Year Ended December 31	
	2023	2022
Bank deposits	$ 72,811	$ 34,090
Financial assets measured at amortized cost	611	2,377
	$ 73,422	$ 36,467

b. Other income

	For the Year Ended December 31	
	2023	2022
Dividend income	$ 82,600	$ 75,888
Others	46,643	66,698
	$ 129,243	$ 142,586

c. Other gains and losses

	For the Year Ended December 31	
	2023	2022
Net gain on foreign currency exchange	$ 31,050	$ 255,525
Net loss arising on financial instruments classified as held for trading	(7,436)	(42,309)
Finance costs	(233)	(184)
Others	(448)	(8,229)
	$ 22,933	$ 204,803

d. Depreciation and amortization

	For the Year Ended December 31	
	2023	2022
An analysis of depreciation by function		
Operating costs	$ 3,036,292	$ 3,042,632
Operating expenses	42,218	34,566
	$ 3,078,510	$ 3,077,198
An analysis of amortization by function		
Operating costs	$ 9,476	$ 18,142
Selling and marketing	-	-
General and administrative	1,709	1,484
Research and development	5,227	5,967
	$ 16,412	$ 25,593

e. Employee benefit expense

	For the Year Ended December 31	
	2023	2022
Post-employment benefits (Note 19)		
Defined contribution plans	$ 112,792	$ 119,791
Defined benefit plans	(75,798)	2,588
	36,994	122,379
Other employee benefits	3,408,760	3,828,792
Total employee benefit expense	$ 3,445,754	$ 3,951,171
An analysis of employee benefit expense by function		
Operating costs	$ 3,051,966	$ 3,500,327
Operating expenses	393,788	450,844
	$ 3,445,754	$ 3,951,171

f. Employees' compensation and remuneration to directors

The Corporation accrued employees' compensation and remuneration of directors at the rates between 9% to 15% and no higher than 3%, respectively, of net profit before income tax, employees' compensation, and remuneration of directors. The employees' compensation and remuneration of directors for the years ended December 31, 2023 and 2022 which have been approved by the Company's board of directors on February 23, 2024 and February 24, 2023, respectively, were as follows:

Accrual rate

	For the Year Ended December 31	
	2023	2022
Employees' compensation	10%	10%
Remuneration of directors	2%	2%

Amount

	For the Year Ended December 31			
	2023		2022	
	Cash	Share	Cash	Share
Employees' compensation	$ 293,309	$ -	$ 429,978	$ -
Remuneration of directors	58,662	-	80,711	-

If there is a change in the proposed amounts after the annual financial statements were authorized for issue, the differences are recorded as a change in accounting estimate and adjusted for in the following financial year.

There was no difference between the actual amounts of employees' compensation and remuneration of directors paid and the amounts recognized in the financial statements for the year ended December 31, 2022 and 2021.

Information on the employees' compensation and remuneration of directors resolved by the Corporation's board of directors in 2024 and 2023 is available at the Market Observation Post System website of the Taiwan Stock Exchange.

g. Gain or loss on foreign currency exchange

	For the Year Ended December 31	
	2023	2022
Foreign exchange gains	$ 218,213	$ 438,053
Foreign exchange losses	(187,163)	(182,528)
Net gains	$ 31,050	$ 255,525

23. INCOME TAXES

a. Income tax recognized in profit or loss

The major components of tax expense were as follows:

	For the Year Ended December 31	
	2023	2022
Current tax		
In respect of the current year	$ 489,603	$ 832,274
Income tax on unappropriated earnings	22,500	-
Adjustments for prior periods	15,391	22,294
Deferred tax		
In respect of the current year	(11,762)	16,194
Income tax expenses recognized in profit or loss	$ 515,732	$ 870,762

The income tax for the years ended December 31, 2023 and 2022 can be reconciled to the accounting profit as follows:

	For the Year Ended December 31	
	2023	2022
Profit before income tax	$ 2,512,856	$ 4,028,932
Income tax expense calculated at the statutory rate (20%)	$ 502,571	$ 805,787
Nondeductible expenses in determining taxable income	(12,732)	(16,000)
Temporary differences	(11,998)	58,681
Income tax on unappropriated earnings	22,500	-
Adjustments for prior years' tax	15,391	22,294
Income tax recognized in profit or loss	$ 515,732	$ 870,762

b. Current tax liabilities

	December 31	
	2023	2022
Current tax liabilities		
Tax payable	$ 82,063	$ 248,310

c. Deferred tax assets and liabilities

The movements of deferred tax assets and deferred tax liabilities were follows:

For the year ended December 31, 2023

	Balance, Beginning of Year	The Movements of Year	Balance, End of Year
Deferred Tax Assets			
Temporary difference			
Unrealized foreign exchange losses	$ 2,807	$ 12,005	$ 14,812
Deferred Tax Liabilities			
Temporary difference			
Financial instruments classified as held for trading	$ 151	$ 243	$ 394

For the year ended December 31, 2022

	Balance, Beginning of Year	The Movements of Year	Balance, End of Year
Deferred Tax Assets			
Temporary difference			
Bonus	$ 10,446	$ (10,446)	$ -
Provisions	12,909	(12,909)	-
Depreciation	25	(25)	-
Unrealized foreign exchange losses	1,659	1,148	2,807
	$ 25,039	$ (22,232)	$ 2,807

(Continued)

	Balance, Beginning of Year	The Movements of Year	Balance, End of Year
Deferred Tax Liabilities			
Temporary difference			
Financial instruments classified as held for trading	$ 6,189	$ (6,038)	$ 151

(Concluded)

d. Income tax assessments

Income tax returns through 2021 have been examined and cleared by the tax authorities.

24. EARNINGS PER SHARE

Unit: NT$ Per Share

	For the Year Ended December 31	
	2023	2022
Basic earnings per share	$ 3.51	$ 5.55
Diluted earnings per share	$ 3.47	$ 5.44

The earnings and weighted average number of ordinary shares outstanding in the computation of earnings per share from continuing operations were as follows:

Net Profit for the Periods

	For the Year Ended December 31	
	2023	2022
Net profit attributable to owners of the Corporation	$ 1,997,124	$ 3,158,170
Effect to dilutive potential ordinary shares:		
Employees' compensation	-	-
Earnings used in the computation of diluted earnings per share	$ 1,997,124	$ 3,158,170

Weighted average number of ordinary shares outstanding (in thousand shares):

	For the Year Ended December 31	
	2023	2022
Weighted average number of ordinary shares outstanding in computation of basic earnings per share	568,846	568,846
Effect to dilutive potential ordinary shares:		
Employees' compensation	5,991	11,323
Weighted average number of ordinary shares in outstanding computation of dilutive earnings per share	574,837	580,169

Since the Corporation offered to settle compensation paid to employees in cash or shares, the Corporation assumed the entire amount of the compensation would be settled in shares and the resulting potential shares were included in the weighted average number of shares outstanding used in the computation of diluted earnings per share, as the effect is dilutive. Such dilutive effect of the potential shares is included in the computation of diluted earnings per share until the number of shares to be distributed to employees is resolved in the following year.

25. SUBSIDIARIES ACQUIRED

Subsidiary	Principal Activity	Date of Acquisition	Proportion of Voting Equity Interests Acquired (%)	Consideration Transferred
Get-Team Tech Corporation	Metal plating on semiconductor lead frame	October 5, 2022	97.46	$ 171,523

Get-Team Tech Corporation was acquired in order to continue the expansion of plating service.

26. CAPITAL MANAGEMENT

The Corporation manages its capital to ensure its ability to continue as going concerns while maximizing the return to stakeholders. The Corporation's overall strategy has no significant variations.

The capital structure of the Corporation consists of comprising issued capital, reserves and retained earnings.

Key management personnel of the Corporation review the capital structure on a annual basis. As part of this review, the key management personnel consider the cost of capital and the risks associated with each class of capital. Based on recommendations of the key management personnel, in order to balance the overall capital structure, the Corporation may adjust the amount of dividends paid to shareholders, the number of new shares issued or repurchased, and/or the amount of new debt issued or existing debt redeemed.

27. FINANCIAL INSTRUMENTS

a. Fair value of financial instruments that are not measured at fair value

Except as detailed in the following table, the management considers that the carrying amounts of financial assets and financial liabilities recognized in the financial statements approximate their fair values or their fair values cannot be reliably measured.

December 31, 2023

	Carrying Amount	Fair Value			
		Level 1	Level 2	Level 3	Total
Financial assets					
Financial assets at amortized cost					
Domestic corporate bonds	$ 50,000	$ -	$ 50,000	$ -	$ 50,000

December 31, 2022

	Carrying Amount	Fair Value			
		Level 1	Level 2	Level 3	Total
Financial assets					
Financial assets at amortized cost					
Domestic corporate bonds	$ 100,000	$ -	$ 100,082	$ -	$ 100,082

The fair value of level 2 mentioned above was used quoted price from Taipei Exchange (Taiwan GreTai Securities Market).

b. Fair value of financial instruments that are measured at fair value on a recurring basis

1) Fair value hierarchy

December 31, 2023

	Level 1	Level 2	Level 3	Total
Financial assets at FVTPL				
Mutual funds	$ -	$ 1,978	$ -	$ 1,978
Financial assets at FVTOCI				
Investments in equity instruments				
Domestic Listed shares	$ 1,663,800	$ -	$ -	$ 1,663,800
Financial liabilities at FVTPL				
Forward exchange contracts	$ -	$ 6	$ -	$ 6

December 31, 2022

	Level 1	Level 2	Level 3	Total
Financial assets at FVTPL				
Mutual funds	$ 28,209	$ -	$ -	$ 28,209
Forward exchange contracts	-	1,009	-	1,009
	$ 28,209	$ 1,009	$ -	$ 29,218
Financial assets at FVTOCI				
Investments in equity instruments				
Domestic Listed shares	$ 934,560	$ -	$ -	$ 934,560
Financial liabilities at FVTPL				
Forward exchange contracts	$ -	$ 250	$ -	$ 250

There were no transfers between Level 1 and 2 in the current and prior periods.

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

Financial Instruments	Valuation Techniques and Inputs
Derivatives - foreign currency forward contracts	Discounted cash flow. Future cash flows are estimated based on observable forward exchange rates at the end of the reporting period and contract forward rates, discounted at a rate that reflects the credit risk of various counterparties.

c. Categories of financial instruments

	December 31	
	2023	2022
Financial assets		
Fair value through profit or loss (FVTPL)		
Held for trading	$ 1,978	$ 29,218
Financial assets at amortized cost (Note 1)	7,706,093	6,243,575
Financial assets at FVTOCI		
Equity instruments	1,663,800	934,560
Financial liabilities		
Fair value through profit or loss (FVTPL)		
Held for trading	6	250
Amortized cost (Note 2)	1,411,644	1,119,921

Note 1: The balances include financial assets measured at amortized cost, which comprise cash, debt investments, notes and accounts receivables (included related parties), other receivables, other assets, and refundable deposits.

Note 2: The balances included financial liabilities measured at amortized cost, which comprise notes and accounts payable, payables to equipment suppliers, other payables, and guarantee deposits.

d. Financial risk management objectives and policies

The Corporation’s Corporate Treasury function provides services to the business, coordinates access to domestic and international financial markets, monitors and manages the financial risks relating to the operations of the Corporation through internal risk reports which analyze exposures by degree and magnitude of risks. These risks include foreign currency risk, interest rate risk, credit risk and liquidity risk.

The Corporation sought to minimize the effects of these risks by using derivative financial instruments to hedge risk exposures. The use of financial derivatives was governed by the Corporation's policies approved by the Board of Directors, which provided written principles on foreign exchange risk, interest rate risk, credit risk, the use of financial derivatives and non-derivative financial instruments, and the investment of excess liquidity. Compliance with policies and exposure limits was reviewed by the internal auditors on a continuous basis. The Corporation did not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes.

1) Market risk

The Corporation's activities exposed it primarily to the financial risks of changes in foreign currency exchange rates and interest rates.

There had been no change to the Corporation's exposure to market risks or the manner in which these risks were managed and measured.

a) Foreign currency risk

The Corporation had foreign currency sales and purchases, which exposed the Corporation to foreign currency risk. Approximately 74% and 65% of the Corporation's sales were denominated in currencies other than the functional currency of the Corporation entity making the sale, whilst almost both 15% of costs were denominated in the Corporation entity's non-functional currency for the year ended December 31, 2023 and 2022. Exchange rate exposures were managed within approved policy parameters utilizing forward foreign exchange contracts.

The carrying amounts of the Corporation's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are set out in Note 31.

The Corporation use forward exchange contracts to eliminate currency exposure. It is the Corporation's policy to negotiate the terms of the hedge derivatives to match the terms of the hedged item to maximize hedge effectiveness.

Sensitivity analysis

The Corporation was mainly exposed to the currency USD. The sensitivity analysis included currency USD denominated monetary items at the end of the reporting period. For a 1% strengthening and weakening of New Taiwan dollars against US dollars, the Corporation's pre-tax profit for the year ended December 31, 2023 and 2022 would decrease/increase by $18,602 thousand and $15,296 thousand.

b) Interest rate risk

The carrying amount of the Corporation's financial assets with exposure to interest rates at the end of the reporting period was as follows. The Corporation's interest rate risk also comes from borrowings at floating interest rates.

The carrying amount of the Corporation's financial assets and financial liabilities with exposure to interest rates at the end of the reporting period were as follows.

	December 31	
	2023	**2022**
Fair value interest rate risk		
Financial assets	$ 4,644,417	$ 3,291,303
Cash flow interest rate risk		
Financial assets	177,445	614,158

Sensitivity analysis

If interest rates had been 0.5% higher/lower and all other variables were held constant, the Corporation's pre-tax profit for the year ended December 31, 2023 and 2022 would increase/decrease by $887 thousand and $3,071 thousand, respectively, which was mainly attributable to the Corporation's exposure to interest rates on its variable-rate net assets.

c) Other price risk

The Corporation was exposed to equity price risk through its investments in financial assets classified as fair value through profit or loss (i.e. FVTPL) and fair value through other comprehensive income (i.e. FVTOCI).

Sensitivity analysis

The sensitivity analyses below were determined based on the exposure to equity price risks at the end of the reporting period. If equity prices had been 1% higher/lower, the Corporation's pre-tax profit for the year ended December 31, 2022 would increase/decrease by $282 thousand, respectively, as a result of the changes in fair value of financial instruments classified as FVTPL. If equity prices had been 1% higher/lower, the Corporation's other comprehensive income for the year ended December 31, 2023 and 2022 would increase/decrease by $16,638 thousand and $9,346 thousand, respectively, as a result of the changes in fair value of financial instruments classified as FVTOCI.

2) Credit risk

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Corporation. As at the end of the reporting period, the Corporation's maximum exposure to credit risk which will cause a financial loss to the Corporation due to failure to discharge an obligation by the counterparties is arising from the carrying amount of the respective recognized financial assets as stated in the condensed balance sheets.

In order to minimize credit risk, the management of the Corporation has set credit and accounts receivable management approach to ensure that follow-up action is taken to recover overdue debts. In addition, the Corporation reviews the recoverable amount of each individual trade debt at the end of the reporting period to ensure that adequate impairment losses are made for irrecoverable amounts. In this regard, the directors of the Corporation consider that the Corporation's credit risk was significantly reduced.

The credit risk on liquid funds and derivatives was limited because the counterparties are banks with good credit.

Credit risk management for investments in debt instruments classified as at amortized cost was as follow.

The Corporation only invests in debt instruments that are rated the equivalent of investment grade or higher and have low credit risk for the purpose of impairment assessment. The credit rating information is supplied by independent rating agencies. The Corporation's exposure and the external credit ratings are continuously monitored. The Corporation reviews changes in bond yields and other public information and makes an assessment whether there has been a significant increase in credit risk since the last period to the reporting date.

The Corporation considers the historical default rates of each credit rating supplied by external rating agencies, the current financial condition of debtors, and industry forecast to estimate 12-month or lifetime expected credit losses. The Corporation's current credit risk grading framework comprises the following categories:

Category	Description	Basis for Recognizing Expected Credit Losses	Expected Loss Rate
Performing	The counterparty has a low risk of default and a strong capacity to meet contractual cash flows	12m ECL	0%

3) Liquidity risk

The Corporation manages liquidity risk by monitoring and maintaining a level of cash and cash equivalents deemed, high liquidity securities and reserve borrowing facilities adequate to finance the Corporation's operations and mitigate the effects of fluctuations in cash flows.

a) Liquidity of non-derivative financial liabilities

The following table details the Corporation's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The tables had been drawn up based on the undiscounted cash flows of financial liabilities from the earliest date on which the Corporation can be required to pay.

December 31, 2023

	On Demand or Less than 3 Month	3-6 Months	6 Months to 1 Year	1-5 Years	5+ Years
Non-derivative financial liabilities					
Notes and accounts payable	$ 669,103	$ -	$ -	$ -	$ -
Lease liability	465	420	840	4,980	5,480
Payables to equipment suppliers	248,335	-	-	-	-
Guarantee deposits	17,655	17,655	35,312	264,830	16
Other payables	158,738	-	-	-	-
	$ 1,094,296	$ 18,075	$ 36,152	$ 269,810	$ 5,496

Additional information about the maturity analysis for lease liabilities:

	Less than 1 Year	1-5 Years	5-10 Years	10-15 Years	15-20 Years	20+ Years
Guarantee deposits	$ 70,622	$ 264,830	$ -	$ -	$ -	$ 16
Lease liabilities	1,725	4,980	4,240	1,240	-	-
	$ 72,347	$ 269,810	$ 4,240	$ 1,240	$ -	$ 16

December 31, 2022

	On Demand or Less than 3 Month	3-6 Months	6 Months to 1 Year	1-5 Years	5+ Years
Non-derivative financial liabilities					
Notes and accounts payable	$ 435,704	$ -	$ -	$ -	$ -
Lease liability	465	465	930	5,640	6,545
Payables to equipment suppliers	161,826	-	-	-	-
Guarantee deposits	17,630	17,630	35,258	282,072	52,905
Other payables	108,896	-	-	-	-
	$ 724,521	$ 18,095	$ 36,188	$ 287,712	$ 59,450

Additional information about the maturity analysis for lease liabilities:

	Less than 1 Year	1-5 Years	5-10 Years	10-15 Years	15-20 Years	20+ Years
Guarantee deposits	$ 70,518	$ 282,072	$ 52,889	$ -	$ -	$ 16
Lease liabilities	1,860	5,640	4,825	1,720	-	-
	$ 72,378	$ 287,712	$ 57,714	$ 1,720	$ -	$ 16

b) Liquidity of derivative financial liabilities

The following table detailed the Corporation's liquidity analysis for its derivative financial instruments. The table was based on the undiscounted gross inflows and outflows on those derivatives that require gross settlement.

December 31, 2023

	On Demand or Less than 3 Month	3-6 Months	6 Months to 1 Year	1-5 Years	5+ Years
Gross settled					
Forward exchange contracts					
Inflows	$ 112,236	$ -	$ -	$ -	$ -
Outflows	(110,538)	-	-	-	-
	$ 1,698	$ -	$ -	$ -	$ -

December 31, 2022

	On Demand or Less than 3 Month	3-6 Months	6 Months to 1 Year	1-5 Years	5+ Years
Gross settled					
Forward exchange contracts					
Inflows	$ 153,827	$ -	$ -	$ -	$ -
Outflows	(153,300)	-	-	-	-
	$ 527	$ -	$ -	$ -	$ -

28. TRANSACTIONS WITH RELATED PARTIES

The Corporation's parent is PTI, which held 42.91% of common shares of the Corporation as of December 31, 2023 and 2022, respectively.

Details of transactions between the Corporation and related parties are disclosed below.

a. Related party name and relationship

Related Party Name	Relationship with the Corporation
Powertech Technology Inc.	Parent entity
Get-Team Tech Corporation	Subsidiary (The related party of the Corporation since October 5, 2022.)
Realtek Semiconductor Corp.	Other related parties
Realtek Singapore Private Limited	Other related parties
Raymx Microelectronics Corp.	Other related parties
Powertech Technology (Suzhou) Pte Ltd.	Fellow subsidiaries

b. Revenue

Account Items	Related Parties Types	For the Year Ended December 31 2023	2022
Subcontract revenue	Other related parties	$ 1,238,716	$ 1,041,800
	Parent entity	109,643	104,087
		$ 1,348,359	$ 1,145,887

Sales transactions with related parties were made at the Corporation's usual list prices. The selling prices and collection terms for products sold to related parties were similar to those for products sold to third parties.

c. Purchase

Related Parties Types	December 31 2023	2022
Parent entity	$ -	$ 22,932
Fellow subsidiaries	-	4,547
	$ -	$ 27,479

The prices and payment terms were negotiated and thus not comparable with those in the market.

d. Contract assets

Related Parties Types	December 31 2023	2022
Other related parties	$ 24,977	$ 36,209
Parent entity	6,874	2,153
	$ 31,851	$ 38,362

For the year ended December 31, 2023 and 2022, no impairment loss was recognized for contract assets from related parties.

e. Manufacturing expenses and operating expenses

Account Items	Related Parties Types	For the Year Ended December 31 2023	2022
Manufacturing expenses	Subsidiary	$ 115,220	$ 23,742
	Parent entity	5,946	15,006
		$ 121,166	$ 38,748
Operating expenses	Parent entity	$ 270	$ -

The prices and payment terms were negotiated and thus not comparable with those in the market.

f. Trade receivables from related parties

Account Items	Related Parties Types	December 31 2023	December 31 2022
Trade receivables from related parties	Other related parties	$ 359,053	$ 143,852
	Parent entity	38,504	25,478
		$ 397,557	$ 169,330

g. Other receivables

Account Items	Related Parties Types	December 31 2023	December 31 2022
Prepaid expenses and other current assets	Parent entity	$ 1,988	$ 1,149
	Other related parties	-	328
		$ 1,988	$ 1,477

h. Payables to related parties

Account Items	Related Parties Types	December 31 2023	December 31 2022
Trade payables	Subsidiary	$ 31,552	$ 34,600

i. Accrued expenses and other current liabilities

Account Items	Related Parties Types	December 31 2023	December 31 2022
Accrued expenses and other current liabilities	Parent entity	$ 1,822	$ 1,589
	Subsidiary	697	-
		$ 2,519	$ 1,589

j. Compensation of key management personnel

	For the Year Ended December 31 2023	For the Year Ended December 31 2022
Short-term benefits	$ 98,473	$ 120,256
Post-employment benefits	279	211
	$ 98,752	$ 120,467

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

29. ASSETS PLEDGED AS COLLATERAL OR FOR SECURITY

The following assets had been pledged as collateral mainly for guarantee deposits for domestic sales and gas volume in CPC Corporation.

	December 31	
	2023	2022
Pledge deposits (classified as other asset - noncurrent)	$ 108,700	$ 108,700

30. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNIZED COMMITMENTS

Significant contingencie of the Corporation at December 31,2023 was as follows:

a. Significant unrecognized commitments

1) In April 2022, the Corporation signed a contract worth $414,000 thousand with Jian Ming Contractor Co., Ltd. to set up a dormitory. As of December 31,2023, the Corporation has paid a total of $372,600 thousand.

2) In July 2022, the Corporation signed a contract worth $418,000 thousand with Jiu Han System Technology Co., Ltd. to set up MEP systems of the dormitory. As of December 31,2023, the Corporation has paid a total of $376,200 thousand.

31. EXCHANGE RATE OF FINANCIAL ASSETS AND LIABILITIES DENOMINATED IN FOREIGN CURRENCIES

The following information was aggregated by the foreign currencies other than functional currencies of the Corporation entities and the exchange rates between foreign currencies and respective functional currencies were disclosed. The significant assets and liabilities denominated in foreign currencies were as follows:

	December 31, 2023		
	Foreign Currencies	Exchange Rate	Carrying Amount
Financial assets			
Monetary items			
USD	$ 78,328	30.705 (USD:NTD)	$ 2,405,075
Non-monetary items			
Derivative instruments			
USD	3,300	30.629 (USD:NTD)	$ 1,978
Financial liabilities			
Monetary items			
USD	17,744	30.705 (USD:NTD)	$ 544,838
JPY	119,170	0.2172 (JPY:NTD)	26,001
			$ 570,839
Non-monetary items			
Derivative instruments			
USD	300	30.629 (USD:NTD)	$ 6

	December 31, 2022		
	Foreign Currencies	Exchange Rate	Carrying Amount
Financial assets			
Monetary items			
USD	$ 68,766	30.660 (USD:NTD)	$ 2,108,361
Non-monetary items			
Derivative instruments			
USD	2,500	30.613 (USD:NTD)	$ 1,009
Financial liabilities			
Monetary items			
USD	18,859	30.690 (USD:NTD)	$ 578,784
JPY	171,765	0.2344 (JPY:NTD)	40,262
EUR	34	32.920 (EUR:NTD)	1,103
			$ 620,149
Non-monetary items			
Derivative instruments			
USD	2,500	30.613 (USD:NTD)	$ 250

For the years ended December 31, 2023 and 2022, realized and unrealized net foreign exchange (gains) were $31,050 thousand and $255,525 thousand, respectively. It is impractical to disclose net foreign exchange gains (losses) by each significant foreign currency due to the variety of the foreign currency transactions and functional currencies of the entities.

32. SEPARATELY DISCLOSED ITEMS

Information about significant transactions and investees:

a. Loans provided to other parties: None.

b. Endorsement/guarantee provided: None.

c. Marketable securities held: Table 1 (attached).

d. Purchases or sales of the same marketable securities amounting to at least NT$300 million or 20% of the paid-in capital: None.

e. Acquisition of individual real estate at costs of at least $300 million or 20% of the paid-in capital: None.

f. Disposal of individual real estate at prices of at least $300 million or 20% of the paid-in capital: None.

g. Total purchases from or sales to related parties of at least $100 million or 20% of the paid-in capital: Table 2 (attached).

h. Receivables from related parties amounting to at least NT$100 million or 20% of the paid-in capital: Table 3 (attached)

i. Derivative transactions: Note 7.

j. Names, locations, and related information of investees over which the Corporation exercises significant influence: Table 4 (attached).

k. Information on investment in mainland China: None.

l. Information of major shareholders: Table 5 (attached).

GREATEK ELECTRONICS INC.

MARKETABLE SECURITIES HELD
DECEMBER 31, 2023
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Holding Company Name	Marketable Securities Type and Issuer	Relationship with the Holding Company	Financial Statement Account	December 31, 2023				Note
				Shares (Thousands)	Carrying Value	% of Ownership	Fair Value	
Greatek Electronics Inc.	Bond							
	P08 Taipower 3A	-	Financial assets at amortized cost – current	50	$ 50,000	-	$ 50,000	Note 1
	Stock							
	Powertech Technology Inc.	Parent entity	Financial assets at fair value through other comprehensive profit or loss - noncurrent	11,800	1,663,800	2	1,663,800	Note 2
	SAMHOP Microelectronics Corp.	-	Financial assets at fair value through profit or loss - noncurrent	268	-	3	-	Note 3
	Terawins Inc.	-	Financial assets at fair value through profit or loss - noncurrent	643	-	2	-	Note 3
	Airwave Technologies Inc.	-	Financial assets at fair value through profit or loss - noncurrent	93	-	1	-	Note 3

Note 1: The fair value was based on trading market in hundreds of new Taiwan dollars as of December 31, 2023.

Note 2: The fair value of common shares was based on stock closing price as of December 31, 2023.

Note 3: The fair value was based on the carrying value as of as of December 31, 2023.

Note 4: As of December 31, 2023, the above marketable securities had not been pledged or mortgaged.

GREATEK ELECTRONICS INC.

TOTAL PURCHASE FROM OR SALE TO RELATED PARTIES AMOUNTING TO AT LEAST $100 MILLION OR 20% OF THE PAID-IN CAPITAL
FOR THE YEAR ENDED DECEMBER 31, 2023
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Company Name	Related Party	Nature of Relationship	Transaction Details				Abnormal Transaction		Notes/Accounts (Payable) Receivable		Note
			Purchase/ Sale	Amount	% to Total	Payment Terms	Unit Price	Payment Terms	Ending Balance	% to Total	
Greatek Electronics Inc.	Realtek Semiconductor Corp.	Parent company of the corporate director	Sale	$ 898,007	7	Net 60 days from monthly closing dates	Note	-	$ 305,491	11	-
	Realtek Singapore Private Limited	Same parent company with the corporate director	Sale	338,587	2	Net 60 days from monthly closing dates	Note	-	52,507	2	-
	Powertech Technology Inc.	Parent company	Sale	109,643	1	Net 90 days from monthly closing dates	Note	-	38,504	1	-

Note : Sales transactions with related parties were made at the Corporation's usual list prices.

GREATEK ELECTRONICS INC.

RECEIVABLE FROM RELATED PARTIES AMOUNTING TO AT LEAST $100 MILLION OR 20% OF THE PAID-IN CAPITAL
DECEMBER 31, 2023
(In Thousands of New Taiwan Dollars)

Company Name	Related Party	Nature of Relationship	Ending Balance	Turnover Rate	Overdue		Amounts Received in Subsequent Period	Allowance for Bad Debts
					Amount	Action Taken		
Greatek Electronics Inc.	Realtek Semiconductor Corp.	Parent company of the corporate director	$ 305,491	4.58	$ -	-	$ 97,053	$ -

GREATEK ELECTRONICS INC.

NAMES, LOCATIONS, AND RELATED INFORMATION OF INVESTEES OVER WHICH THE CORPORATION EXERCISES SIGNIFICANT INFLUENCE
DECEMBER 31, 2023
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Investor	Investee	Location	Main Businesses and Products	Investment Amount		Balance as of December 31, 2023			Net Income (Loss) of the Investee	Investment Gain (Loss)	Note
				December 31, 2023	December 31, 2022	Number of Shares	% of Ownership	Carrying Value			
Greatek Electronics Inc.	Get-Team Tech Corporation	Hsinchu	Metal plating on semiconductor lead frame	$ 171,523	$ 171,523	7,796,498	97.46	$ 145,019	$ (13,486)	$ (19,367)	Subsidiary

TABLE 5

GREATEK ELECTRONICS INC.

INFORMATION OF MAJOR SHAREHOLDERS
DECEMBER 31, 2023

Name of Major Shareholder	Shares	
	Number of Shares	Percentage of Ownership (%)
Powertech Technology Inc.	244,064,379	42.91

THE CONTENTS OF STATEMENTS OF MAJOR ACCOUNTING ITEMS

ITEM	STATEMENT INDEX
MAJOR ACCOUNTING ITEMS IN ASSETS, LIABILITIES AND EQUITY	
STATEMENT OF CASH	1
STATEMENT OF FINANCIAL ASSETS AT AMORTIZED COST - CURRENT	Note 9
STATEMENT OF NOTES RECEIVABLE	2
STATEMENT OF ACCOUNTS RECEIVABLE, NET	3
STATEMENT OF INVENTORIES	4
STATEMENT OF PREPAID EXPENSES AND OTHER CURRENT ASSETS	Note 16
STATEMENT OF FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE PROFIT OR LOSS - NONCURRENT	5
STATEMENT OF FINANCIAL ASSETS AT AMORTIZED COST - NONCURRENT	Note 9
STATEMENT OF CHANGES IN INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD	6
STATEMENT OF CHANGES IN PROPERTY, PLANT AND EQUIPMENT	Note 13
STATEMENT OF CHANGES IN INTANGIBLE ASSETS	Note 15
STATEMENT OF DEFERRED INCOME TAX ASSETS	Note 23
STATEMENT OF ACCOUNTS PAYABLE	7
STATEMENT OF PAYABLES TO CONTRACTORS AND EQUIPMENT SUPPLIERS	8
STATEMENT OF ACCRUED EXPENSES AND OTHER CURRENT LIABILITIES	Note 17
MAJOR ACCOUNTING ITEMS IN PROFIT OR LOSS	
STATEMENT OF NET REVENUE	Notes 21
STATEMENT OF COST OF REVENUE	9
STATEMENT OF OPERATING EXPENSES	10
STATEMENT OF OTHER OPERATING INCOME AND EXPENSES, NET	Note 22
STATEMENT OF LABOR, DEPRECIATION AND AMORTIZATION BY FUNCTION	11

GREATEK ELECTRONICS INC.

STATEMENT OF CASH AND CASH EQUIVALENTS
DECEMBER 31, 2023
(In Thousands of New Taiwan Dollars)

Item	Description	Amount
Bank deposits		
Time deposits	Expired by December 2024, interest rate was 0.55%-5.15%	$ 4,685,367
Foreign currency deposits	Including US$2,481 thousand @30.705	76,175
Demand deposits		60,088
Checking accounts		232
Pledge deposits	Pledge deposits are guarantee deposits for domestic sales and gas volume in CPC Corporation.	(108,700)
Total		$ 4,713,162

GREATEK ELECTRONICS INC.

STATEMENT OF NOTES RECEIVABLE
DECEMBER 31, 2023
(In Thousands of New Taiwan Dollars)

Client Name	Amount
Client A	$ 15,717
Others (Note)	621
	$ 16,338

Note: The amount of individual client included in others does not exceed 5% of the account balance.

GREATEK ELECTRONICS INC.

STATEMENT OF ACCOUNTS RECEIVABLE, NET
DECEMBER 31, 2023
(In Thousands of New Taiwan Dollars)

Client Name	Amount
Client B	$ 227,188
Client C	169,057
Client D	166,530
Client E	142,702
Client F	137,622
Client G	122,169
Others (Note)	1,485,791
	2,451,059
Allowance for impairment loss	(60,169)
Total	$ 2,390,890

Note: The amount of individual client included in others does not exceed 5% of the account balance.

GREATEK ELECTRONICS INC.

STATEMENT OF INVENTORIES
DECEMBER 31, 2023
(In Thousands of New Taiwan Dollars)

Item	Amount	
	Cost	Market Value
Raw materials	$ 887,483	$ 1,005,997
Supplies and spare parts	116,309	120,999
Total	$ 1,003,792	$ 1,126,996

GREATEK ELECTRONICS INC.

STATEMENT OF FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE PROFIT OR LOSS - NONCURRENT
DECEMBER 31, 2023
(In Thousands of New Taiwan Dollars)

Marketable Securities Type and Issuer	Balance, January 1, 2023		Additions		Unrealized Gain or (Loss) On Financial Instrument	Balance, December 31, 2023			Collateral
	Shares (In Thousands)	Amount	Shares (In Thousands)	Amount	Amount	Shares (In Thousands)	%	Amount	
Domestic listed common shares									
Powertech Technology Inc.	11,800	$ 934,560	-	$ -	$ 729,240	11,800	2	$ 1,663,800	-

Note: The fair value of common shares was based on stock closing price as of December 31, 2023.

GREATEK ELECTRONICS INC.

STATEMENT OF CHANGES IN INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD
FOR THE YEAR ENDED DECEMBER 31, 2023
(In Thousands of New Taiwan Dollars)

Investees	Balance, January 1, 2023		Increase		Decrease		Gains (Losses) on Investments Accounted for Using the Equity Method (Note)	Balance, December 31, 2022			Carrying Value	Pledged or Mortgaged
	Number of Shares	Amount	Number of Shares	Amount	Number of Shares	Amount		Number of Shares	%	Amount		
Get-Team Tech Corporation	7,796,498	$ 164,386	-	$ -	-	$ -	$ (19,367)	7,796,498	97.46	$ 145,019	$ 84,947	-

Note: Investment loss and carrying value were based on the associates' financial statements audited by the auditors for the same years.

GREATEK ELECTRONICS INC.

STATEMENT OF ACCOUNTS PAYABLE
DECEMBER 31, 2023
(In Thousands of New Taiwan Dollars)

Vendor Name	Amount
Chang Wah Electro materials Inc.	$ 93,877
TAIWAN TANAKA KIKINZOKU KOGYO CO., LTD	37,632
SHINKO ELECTRIC INDUSTRIES CO., LTD	37,316
Others (Note)	496,527
Total	$ 665,352

Note: The amount of individual client included in others does not exceed 5% of the account balance.

GREATEK ELECTRONICS INC.

STATEMENT OF PAYABLES TO CONTRACTORS AND EQUIPMENT SUPPLIERS
DECEMBER 31, 2023
(In Thousands of New Taiwan Dollars)

Vendor Name	Amount
EASY YANG CORPORATION	$ 158,158
Others (Note)	90,177
Total	$ 248,335

Note: The amount of individual client included in others does not exceed 5% of the account balance.

STATEMENT 9

GREATEK ELECTRONICS INC.

STATEMENT OF COST OF REVENUE
FOR THE YEAR ENDED DECEMBER 31, 2023
(In Thousands of New Taiwan Dollars)

Item	Amount
Raw materials used	
Balance, beginning of year	$ 1,286,983
Raw materials purchased	2,124,290
Raw materials, end of year	(887,483)
Others	(13,868)
Subtotal	2,509,922
Direct labor	1,016,929
Supplies used	692,613
Manufacturing expenses	5,670,786
Manufacturing cost	9,890,250
Transferred to manufacturing or operating expenses	(311)
Cost of finished goods	9,889,939
Transferred to manufacturing or operating expenses	(802)
Scraps revenue	(64,667)
Unallocated overhead	898,842
Total	$ 10,723,312

GREATEK ELECTRONICS INC.

STATEMENT OF OPERATING EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2023
(In Thousands of New Taiwan Dollars)

Item	Selling and Marketing Expenses	General and Administrative Expenses	Research and Development Expenses
Payroll expense	$ 31,038	$ 86,939	$ 171,155
Entertainment fee	5,595	95	-
Commission expense	5,361	-	-
Insurance expense	2,426	9,284	14,331
Depreciation expense	415	15,484	26,319
Remuneration of directors	-	64,278	-
Professional service fees	-	22,736	30
Others (Note)	8,234	41,591	29,841
Total	$ 53,069	$ 240,407	$ 241,676

Note: The amount of individual item included in others does not exceed 5% of the account balance.

GREATEK ELECTRONICS INC.

STATEMENT OF LABOR, DEPRECIATION AND AMORTIZATION BY FUNCTION
FOR THE YEAR ENDED DECEMBER 31, 2023 AND 2022
(In Thousands of New Taiwan Dollars)

	Year Ended December 31					
	2023			2022		
	Classified as Cost of Revenue	Classified as Operating Expenses	Total	Classified as Cost of Revenue	Classified as Operating Expenses	Total
Labor cost						
Salary and bonus	$ 2,589,724	$ 289,132	$ 2,878,856	$ 2,918,420	$ 320,505	$ 3,238,925
Labor and health insurance	267,966	22,451	290,417	295,326	20,112	315,438
Pension	33,677	3,318	36,995	112,305	10,074	122,379
Remuneration of directors	-	64,278	64,278	-	86,327	86,327
Others	160,599	14,609	175,208	174,276	13,826	188,102
	$ 3,051,966	$ 393,788	$ 3,445,754	$ 3,500,327	$ 450,844	$ 3,951,171
Depreciation	$ 3,036,292	$ 42,218	$ 3,078,510	$ 3,042,632	$ 34,566	$ 3,077,198
Amortization	$ 9,476	$ 6,936	$ 16,412	$ 18,142	$ 7,451	$ 25,593

Note 1: For the year ended December 31, 2023 and 2022, there were average 4,189 and 4,324 employees in the Corporation, which includes 8 and 7 non-employee directors.

Note 2: Companies whose stocks are listed on the stock exchange or listed on the stock counter trading center should disclose the following information:

1) The average employee welfare expense for the current year is 809 thousand (“Total employee welfare expenses for the current year-Total directors’ remuneration” / “Number of employees for the current year-Number of directors who are not concurrent employees”). The average employee welfare expense for the previous year is 894 thousand (“Total employee welfare expenses for the previous year-Total directors’ remuneration” / “Number of employees for the previous year-Number of non-part-time directors”).

2) The average employee salary expenses for the current year is 688 thousand (the total salary expenses for the current year / “the number of employees in the current year-the number of directors who are not part-time employees”). The average salary of the previous year is 749 thousand (the total salary expenses of the previous year / “the number of employees in the previous year-the number of directors who have not served concurrently as employees”).

3) Changes in the average employee salary expense adjustment -8% (“Average employee salary expense for the current year-Average employee salary expense for the previous year” / Average employee salary expense for the previous year).

4) The Company has established an audit committee on May 29, 2018, so it has no supervisor in 2023 and 2022.

5) The Company’s relevant policies on the salary and compensation of employees are formulated and serve as the basis for the distribution of year-end bonus, performance bonus and employees’ compensation.