Stock Code: 1312

Grand Pacific Petrochemical Corporation and Its Subsidiaries

Consolidated Financial Statements
and Independent Auditors' Report

For the Years Ended December 31, 2023 and 2022

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Grand Pacific Petrochemical Corporation and Its Subsidiaries

2023 Consolidated Financial Statements

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Declaration on the Consolidated Financial Statement of Associates

The entities that should be included in the compiled Consolidated Financial Statements of the Associates of Grand Pacific Petrochemical Corporation as of and for the year ended December 31, 2023 under the "Criteria Governing the Preparation of Affiliation Reports, Consolidated Business Reports and Consolidated Financial Statements of the Associates" are identical to those that should be compiled in the Consolidated Financial Statements of Parent Company and Subsidiaries in accordance with International Financial Reporting Standard (IFRS) 10 endorsed and issued to take effect by Financial Supervisory Commission (FSC) and all the information that should be disclosed in the Consolidated Financial Statements of the Associates has been disclosed in the Consolidated Financial Statement of Parent Company and Subsidiaries. Therefore, the Consolidated Financial Statement of Associates is not prepared separately.

Please take note of the above declaration

Name of Company: Grand Pacific Petrochemical Corporation

Responsible Person: Teh Hsin Chiu

March 12, 2024

Grand Pacific Petrochemical Corporation and Subsidiaries

Independent Auditors' Report

To: The Board of Directors and Shareholders of Grand Pacific Petrochemical Corporation

Audit Opinions

We, as the CPAs, have completed the audit of the consolidated balance sheets dated December 31 of 2023 and 2022 and the consolidated comprehensive income statement, consolidated statement of changes in equity, consolidated statement of cash flows, and notes of consolidated financial statement from January 1 to December 31 of 2023 and 2022, including summaries of major accounting policies of Grand Pacific Petrochemical Corporation and its subsidiaries.

As CPAs, according to the audit results from us and those from other CPAs (please refer to the paragraph about other matters), the above-mentioned consolidated financial statement, in all major respects, was prepared in compliance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and international financial reporting standards, international accounting standards, interpretations, and interpretation announcements approved and released to take effect by the Financial Supervisory Commission and hence are sufficient to show the consolidated financial standing of Grand Pacific Petrochemical Corporation and its subsidiaries as of December 31, 2023 and 2022 and the consolidated financial performance and consolidated cash flows for the years ended December 31, 2023 and 2022.

Bases for the Audit Opinions

We followed the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountant and auditing standards while performing the audit. The responsibilities of the CPAs under the said standards will be explained further in the section about responsibilities in auditing the consolidated financial statement. Independently governed staff in the accounting firm that the CPAs belong to have followed moral regulations in honor of the profession of CPA and have remained independent of the Grand Pacific Petrochemical Corporation and its subsidiaries and fulfilled other responsibilities under the said regulations. Based on the audit results from us and those from other CPAs, we believe that sufficient and adequate evidence has been obtained for the audit to serve as the basis for expressing the audit opinions.

Key Matters Being Audited

Key matters being audited refer to the most important matters based on the professional judgment of the CPAs to be included in the audit of the 2023 consolidated financial statement of Grand Pacific Petrochemical Corporation and its subsidiaries. Such matters were addressed throughout the audit of the consolidated financial statement and during the formation of audit opinions. The CPAs do not express separate opinions regarding these matters.

Key matters being audited of the 2023 consolidated financial statement of Grand Pacific Petrochemical Corporation and its subsidiaries are specified as follows:

Recognition of Income

Income is the basic operational activities for the sustainable management of an enterprise and concerns its operational performance and the management generally is faced with the pressure of fulfilling the expected financial or business performance goals. Therefore, it is pre-established that income recognition is associated with significant risk and we consider that the recognition of income from various types of transactions as one of the key matters being audited.

For the accounting policy on the recognition of income, please refer to Note 4 (32) of the consolidated financial statement. For information on accounting items for income, please refer to the disclosure in Note 6 (41) of the consolidated financial statement. Major audit procedures that are already carried out by the CPAs for the above-mentioned matters are as follows:

1. Test the validity of income from various types of transactions and the internal control for the payment collection cycle in terms of its design and implementation and evaluate by random sampling if the recognition of income is adequate.
2. Understand the type of sale and items involved in the sale with Top 10 customers in respective transaction patterns and evaluate the legitimacy of the income and the number of days involved in the turnover of accounts receivable and analyze if there is any abnormal variation among the customers.
3. Select samples from transactions in the respective patterns that take place before and after the balance sheet date and verify them against related certificates in order to evaluate the accuracy of the timing when income is recognized.

Cash and cash equivalents

As of December 31, 2023, the book value of cash and cash equivalents and time deposits with the original expiration date more than three months away (under other financial assets - current in the statement) held by Grand Pacific Petrochemical Corporation and its subsidiaries totaled $9,468,974 thousand, accounting for around 16% of the consolidated total asset value. The value is significant for the overall consolidated financial statement. Due to the fact that congenital risk exists for cash and cash equivalents and time deposits and callable bonds with the original expiration date more than three months away, we list them as part of the key matters being audited.

For the accounting policy on cash and cash equivalents, please refer to Note 4 (6) of the consolidated financial statement. For information on the accounting items for cash and cash equivalents and time deposits with the original expiration date more than three months away, please refer to the disclosure in Note 6 (1) and (8) of the consolidated financial statement. Major audit procedures that are already carried out by the CPAs for the above-mentioned matters are as follows:

1. Evaluate and test the validity of the internal control system for cash and cash equivalents and time deposits with the original expiration date more than three months away in terms of its design and implementation.
2. Randomly inspect and verify related transaction certificates for major income and payments in cash and review the adequacy of the approval power.
3. Obtain the statement of the balance of cash and cash equivalents and time deposits with the original expiration date more than three months away and verify against the bank reconciliation statement and related transaction certificates in order to confirm the presence. In addition, for external confirmations from current financial institutions, verify the value included in the confirmations and check if there are restrictions and they are adequately disclosed.

Impairment evaluation of property, plant, and equipment, right-of-use asset, investment-oriented property and intangible assets (including good will)

As of December 31, 2023, the book value of property, plant, and equipment, right-of-use asset, investment-oriented property and intangible assets owned by Grand Pacific Petrochemical Corporation and Its subsidiaries totaled $27,503,191 thousand, accounting for around 44% of the total consolidated asset value and the value is significant for the overall consolidated financial statement. In addition, the overall economic trends, market competition, and technical development can all affect the future operations of the company and accordingly affect the expected economic benefits and the recoverable amount that may be generated in the future by the cash generating units for the assets estimated and determined by the management in order to evaluate if impairment exists. Therefore, the evaluation of impairment of property, plant, and equipment, right-of-use asset, investment-oriented property and intangible assets (including goodwill) is listed by the CPAs as part of the key matters being audited.

For the accounting policy of property, plant, and equipment, right-of-use asset, investment-oriented property and intangible assets (including goodwill) and impairment loss on non-financial assets, refer to Note 4 (17), (18), (19), (20) and (22) of the consolidated financial statement. For information on accounting items for property, plant, and equipment, right-of-use asset, investment-oriented property and intangible assets (including goodwill), please refer to the disclosure in Note 6 (13), (14), (15) and (16) of the consolidated financial statement. Major audit procedures that are already carried out by the CPAs for the above-mentioned matters are as follows:

1. Obtain the asset impairment assessment form for respective cash generating units that have been evaluated spontaneously by the Company.
2. Evaluate the legitimacy of impairment signs identified by the management and the assumption and sensitivity adopted, including whether the differentiation of cash-generating units, forecast of cash flows, and discount rate are appropriate or not.
3. Ask the management and review audit evidence obtained from the subsequent audit procedure for verification of absence of any matter related to impairment testing after the reporting date.

<u>Valuation of balance of investments accounted for using equity method</u>

The balance of investments accounted for using equity method Grand Pacific Petrochemical Corporation and its subsidiaries as of December 31, 2023 totaled $8,709,741 thousand, accounted for around 14% of the total consolidated asset value. The net comprehensive income recognized with the equity method came to ($1,009,367) thousand, accounting for around 52% of the total consolidated income. The impacted value is significant to the overall consolidated financial statement. Therefore, the CPAs include valuation of balance of investments accounted for using equity method as part of the key matters being audited.

For the accounting policy on investments accounted for using equity method, please refer to Note 4 (16) of the consolidated financial statement. For information on accounting items for investments accounted for using equity method, please refer to the disclosure in Note 6 (12) of the consolidated financial statement. Major audit procedures that are already carried out by the CPAs for the above-mentioned matters are as follows:

1. Evaluate the accuracy of calculation during valuation adopting the equity method and the adopted accounting policy.
2. Read the financial statements of underlying entities and audit reports from other CPAs and review important findings and issues identified during audit to facilitate communication and understanding and accordingly evaluate the audit task performed by and audit results from other CPAs of underlying entities.
3. Evaluate the legitimacy of impairment signs of investments accounted for using equity method as identified by the management and the assumption and sensitivity adopted, including whether or not the forecast of profitability of companies invested in it in the future or the discount rate is appropriate.

Other Matters－Mentioning Audits by other CPAs

As is stated in Note 4 (3)-2 and Note 6 (12) of the consolidated financial statement, those subsidiaries covered into the consolidated financial statements of Year 2023 and 2022 of Grand Pacific Petrochemical Corporation and its subsidiaries—the financial statements of Videoland International Limited, Citiesocial Co., Ltd., Citiesocial Holding Cayman Co., Ltd. and the reinvestee of KK Enterprise Co., Ltd. in equity method－KK Enterprise (Malaysia) Sdn. Bhd. and Zhenjiang

Chimei Chemical Co., Ltd. and Zhangzhou Chimei Chemical Co., Ltd. as investees in equity methods, have not been audited by the Undersigned certified public accountants but have been audited by other certified public accountant(s) instead. Among the opinions we expressed on the above-mentioned consolidated financial statement, the amount listed in the above-mentioned financial statement of the Company and the above-mentioned information about the Company in Note 13 of the consolidated financial statement are completed based on audit reports from other CPAs. The total asset values of the said subsidiaries mentioned above as of December 31, 2023 and 2022, were $333,220 thousand and $210,521 thousand, accounting for 0.54% and 0.35% of the total consolidated asset value, respectively. The net worth of operating income for the years ended December 31, 2023 and 2022, was $127,394 thousand and $93,476 thousand, accounting for 0.81% and 0.51% of the net worth of consolidated operating income, respectively. In addition, the related investment balance of invested companies adopting the equity method as mentioned above as of December 31, 2023 and 2022, was $8,709,741 thousand and $9,772,430 thousand, accounting for 14.06% and 16.19% of the total consolidated asset value, respectively. The net worth of comprehensive income for the years ended December 31, 2023 and 2022, was ($1,009,367) thousand and ($1,035,136) thousand, accounting for 52.16% and 91.40% of the total consolidated comprehensive income, respectively.

Other Matters - Parent company only financial statement

Parent company only financial statements of 2023 and 2022 have been prepared by Grand Pacific Petrochemical Corporation and have been documented in the Audit Report without reservation in the opinions expressed issued by the CPAs; they are submitted for your reference.

Responsibilities of Management and Governance Unit for Consolidated Financial Statement

The management is responsible for preparing an adequately expressed consolidated financial statement in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and international financial reporting standards, international accounting standards, interpretations, and interpretation announcements approved and released to take effect by the Financial Supervisory Commission and maintaining necessary internal control relevant to the compilation of the consolidated financial statement in order to ensure that no significant untruthful expressions caused by frauds or errors exist in the consolidated financial statement.

While preparing the consolidated financial statement, the management is responsible for also evaluating the ability of Grand Pacific Petrochemical Corporation and its subsidiaries to continue with the operation and disclosing related matters and adopting the accounting basis for continued operation, among others. Unless the management intends to liquidate Grand Pacific Petrochemical Corporation and its subsidiaries or discontinue operation or there are no other actually feasible solutions than liquidation or discontinued operation.

The governance unit (including the Audit Committee) of Grand Pacific Petrochemical Corporation and its subsidiaries is responsible for supervising the financial reporting process.

Responsibilities of CPAs in Inspecting Consolidated Financial Statement

We audit the consolidated financial statement in order to be reasonably convinced as to whether the consolidated financial statement as a whole contains major untruthful expressions due to frauds or errors and to issue the audit report. Reasonably convinced is highly convinced. There is no guarantee, however, that the existence of significant untruthful expressions in the consolidated financial statement will be detected according to auditing standards. Untruthful expressions might have been caused by frauds or errors. If individual values or an overview of untruthful expressions can be reasonably expected to affect economic decisions made by users of the consolidated financial statement, they are considered significant.

We apply our professional judgment and our professional doubts while performing the audit according to auditing standards. The CPAs also perform the following tasks:

1. Identify and evaluate the risk of significant untruthful expressions in the consolidated financial statement due to frauds or errors, design and enforce appropriate responsive policies for determined risks; and collect sufficient and adequate evidence from the audit in order to render audit opinions. Due to the fact that frauds might involve collusion, forgery, intentional omission, untruthful statement, or non-compliance with internal control, the risk associated with undetected significant untruthful expressions caused by frauds is higher than that caused by errors.
2. Obtain a necessary understanding of internal control concerning the audit in order to design appropriate audit procedures reflective of then-current situation. The purpose, however, is not to effectively express opinions on the internal control of Grand Pacific Petrochemical Corporation.
3. Evaluate the adequacy of accounting policies adopted by the management and the legitimacy of accounting estimates and related disclosures made.
4. Reach a conclusion with regard to the adequacy of the accounting basis adopted to continue with operation by the management and whether significant uncertainties of events or conditions that might result in significant concerns about the ability of Grand Pacific Petrochemical Corporation and its subsidiaries to continue with operation exist or not according to the evidence obtained from the audit. In the event that it is determined that significant uncertainties exist with such events or conditions, on the other hand, the CPAs must remind users of the consolidated financial statement in their audit report that they should pay attention to related disclosures included in the statement or modify their audit opinions if such disclosures are inappropriate. Conclusions made by the CPAs are based on the evidence from the audit obtained as of the date of the audit report. Future events or conditions, however, are likely to result in Grand Pacific Petrochemical Corporation and its subsidiaries no longer capable of continuing with operation.
5. Evaluate the overall expression, structure, and contents of the consolidated financial statement (including related notes) and whether or not the consolidated financial statement has fairly expressed related transactions and events.
6. Obtain sufficient and adequate evidence from the audit regarding the financial information of entities comprising Grand Pacific Petrochemical Corporation and its subsidiaries and express opinions about the consolidated financial statement. The CPAs are responsible for providing guidance on, supervising and implementing audits and for coming up with audit opinions for the Group.

Communications made by the CPAs with governance units include the planned scope and timing of the audit and significant audit findings (including significant deficiencies found with internal control during the audit).

The CPAs have also provided the governance units with the declaration on independence that independently governed staff in the accounting firm that the CPAs belong to have followed moral regulations in honor of the profession of CPA and have communicated with the governance units all relationships and other matters considered to be likely undermining the independence of CPAs (including related safeguard measures).

The CPAs, from the matters communicated with the governance units, decided key matters to be included in the 2023 consolidated financial statement audit of Grand Pacific Petrochemical Corporation and its subsidiaries. The CPAs specify such matters in the audit report unless it is disallowed by law to disclose to the public specific matters or under rare circumstances, the CPAs decide not to communicate specific matters in the audit report as it can be reasonably expected that negative impacts from such communication would be greater than the public interest that will be enhanced.

Crowe (TW) CPAs

CPA: Wang, Wu-Chang

CPA: Chih Lung Lin

Approval document number: FSC Review No. 10200032833

March 12, 2024

Notice to Readers

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

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

Grand Pacific Petrochemical Corporation and Subsidiaries

CONSOLIDATED BALANCE SHEETS

For the years ended December 31, 2023 and 2022

Expressed in Thousands of New Taiwan Dollars

		December 31, 2023		December 31, 2022	
Codes	Assets	Amount	%	Amount	%
11xx	Current assets	$ 16,107,111	26	$ 17,409,343	29
1100	Cash & cash equivalents (Note 6 (1))	4,726,354	8	6,279,477	10
1110	Financial assets at fair value through profit or loss - current (Note 6 (2))	216,288	-	196,611	-
1140	Contract assets - current (Note 6 (41))	15,861	-	8,126	-
1150	Net notes receivable (Note 6 (3))	297,589	1	309,704	1
1170	Net accounts receivable (Note 6 (4))	1,372,695	2	1,570,910	3
1180	Accounts receivable - related parties (Note 6 (4) and 7)	1,507	-	-	-
1200	Other receivables (Note 6 (5))	100,340	-	88,157	-
1220	Current income tax assets (Note 6 (50))	549	-	-	-
1310	Net inventories (Note 6 (6))	2,073,662	3	1,614,917	3
1410	Prepayments (Note 6 (7) and 7)	2,454,739	4	2,048,212	3
1476	Other financial assets – current (Note 6 (8) and 8)	4,742,620	8	5,240,172	9
1479	Other current assets - other (Note 6 (9))	104,907	-	53,057	-
15xx	Noncurrent assets	45,861,296	74	42,962,202	71
1510	Financial assets at fair value through profit or loss – noncurrent (Note 6 (10))	15,157	-	7,200	-
1517	Financial assets at fair value through other comprehensive income - noncurrent (Note 6 (11))	4,297,847	7	4,141,941	7
1550	Investments accounted for using equity method (Note 6 (12))	8,709,741	14	9,772,430	16
1600	Property, plant and equipment (Note 6 (13) and 8)	21,658,256	35	18,822,036	31
1755	Right-of-use assets (Note 6 (14))	3,830,333	6	3,597,868	6
1760	Investment property, net (Note 6 (15) and 8)	716,204	1	721,133	1
1780	Intangible assets (Note 6 (16))	1,298,398	2	1,062,228	2
1840	Deferred income tax assets (Note 6 (50))	436,061	1	88,369	-
1915	Prepayments for business facilities (Note 6 (17))	4,750,586	8	4,526,844	8
1920	Refundable deposits (Note 6 (18))	28,774	-	25,867	-
1975	Net defined benefit assets – noncurrent (Note 6 (31))	78,449	-	69,111	-
1980	Other financial assets – noncurrent (Note 6 (19) and 8)	1,000	-	-	-
1990	Other noncurrent assets - other (Note 6 (20))	40,490	-	127,175	-
1xxx	Total assets	$ 61,968,407	100	$ 60,371,545	100

(Continued on the next page)

Grand Pacific Petrochemical Corporation and Subsidiaries
CONSOLIDATED BALANCE SHEETS
For the years ended December 31, 2023 and 2022

Expressed in Thousands of New Taiwan Dollars

Codes	Liabilities and Equity	December 31, 2023 Amount	%	December 31, 2022 Amount	%
21xx	Current liabilities	$ 8,612,164	14	$ 4,735,298	8
2100	Short-term loans (Note 6 (21))	1,900,000	3	1,931,000	3
2110	Short-term notes payable (Note 6 (22))	699,695	1	299,312	1
2130	Contract liabilities- current (Note 6 (41))	33,558	-	42,263	-
2150	Notes payable (Note 6 (23))	68,984	-	79,803	-
2170	Accounts payable (Note 6 (23))	1,729,359	3	1,048,655	2
2200	Other payable (Note 6 (24))	848,132	2	660,896	1
2220	Other payable - related parties (Note 7)	320	-	4,724	-
2230	Current income tax liabilities (Note 6 (50))	42,988	-	450,576	1
2250	Provisions - current (Note 6 (25))	18,870	-	32,063	-
2280	Lease liabilities - current (Note 6 (14))	224,521	-	178,240	-
2310	Advances receipts (Note 6 (26))	993	-	972	-
2320	Current portion of long-term liabilities (Note 6 (28))	3,004,810	5	-	-
2399	Other current liabilities - other (Note 6 (27))	39,934	-	6,794	-
25xx	Noncurrent liabilities	16,840,642	27	19,528,406	32
2540	Long-term loans (Note 6 (28))	12,715,509	20	15,733,290	26
2550	Provisions - noncurrent (Note 6 (29))	81,759	-	80,475	-
2570	Deferred income tax liabilities (Note 6 (50))	1,089,449	2	1,149,584	2
2580	Lease liabilities - noncurrent (Note 6 (14))	2,913,652	5	2,527,252	4
2630	Long-term deferred revenue (Note 6 (30))	4,302	-	-	-
2640	Net defined benefit liabilities - noncurrent (Note 6 (31))	9,287	-	9,705	-
2645	Guarantee deposits received (Note 6 (32))	4,492	-	5,783	-
2670	Other noncurrent liabilities - other (Note 6 (33))	22,192	-	22,317	-
2xxx	Total liabilities	25,452,806	41	24,263,704	40
31xx	Equity attributable to owners of the parent company				
3100	Share capital (Note 6 (34) and (35))	11,266,203	18	9,266,203	15
3110	Common shares capital	11,066,203	18	9,066,203	15
3120	Preferred shares capital	200,000	-	200,000	-
3200	Capital surplus (Note 6 (34) and (36))	1,071,541	2	201,866	-
3300	Retained earnings (Note 6 (37))	22,049,110	36	23,976,823	40
3310	Legal reserve	3,170,794	5	3,170,794	5
3320	Special reserve	1,642,556	3	1,640,828	3
3350	Unappropriated earnings	17,235,760	28	19,165,201	32
3400	Other equity (Note 6 (38))	(1,095,724)	(2)	(642,804)	(1)
3410	Exchange differences on translating financial statements of foreign operations	(716,522)	(1)	(213,390)	-
3420	Unrealized valuation gain/loss of financial assets at fair value through other comprehensive income	(379,202)	(1)	(429,414)	(1)
3500	Treasury stocks (Note 6 (39))	(49,858)	-	(49,858)	-
31xx	Total equity attributable to owners of the parent company	33,241,272	54	32,752,230	54
36xx	Non-controlling interests (Note 6 (40))	3,274,329	5	3,355,611	6
3xxx	Total equity	36,515,601	59	36,107,841	60
3x2x	Total liabilities and equity	$ 61,968,407	100	$ 60,371,545	100

(The accompanying notes are an integral part of the consolidated financial statements)

Chairman of Board: Teh Hsin Chiu   Manager: Chia Hsiung Tseng   Chief Accountant: Ling Chu Chen

Grand Pacific Petrochemical Corporation and Subsidiaries
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
For the years ended December 31, 2023 and 2022

Expressed in Thousands of New Taiwan Dollars

Codes	Items	Year Ended December 31, 2023 Amount	%	Year Ended December 31, 2022 Amount	%
4000	Operating revenues (Note 6 (41))	$ 15,719,189	100	$ 18,176,626	100
5000	Operating costs (Note 6 (6) and (46))	(15,270,890)	(97)	(17,305,359)	(95)
5900	Gross operating profit	448,299	3	871,267	5
6000	Operating expenses (Note 6 (46))	(1,540,303)	(10)	(1,658,353)	(9)
6100	Selling expenses	(290,964)	(2)	(365,829)	(2)
6200	Administrative expenses	(1,237,074)	(8)	(1,229,326)	(7)
6300	Research and development expenses	(31,907)	-	(34,136)	-
6450	Reversal gain of expected impairment in credit (loss) (Note 6 (4))	19,642	-	(29,062)	-
6900	Net operating loss	(1,092,004)	(7)	(787,086)	(4)
	Non-operating revenues and expenses				
7100	Interest revenue (Note 6 (42))	211,784	1	161,715	1
7010	Other revenues (Note 6 (43))	127,044	1	368,657	2
7020	Other gains and losses (Note 6 (44))	(74,468)	-	116,821	1
7050	Finance costs (Note 6 (45))	(153,201)	(1)	(76,005)	(1)
7060	Share of profit or loss of associates & joint ventures accounted for using equity method (Note 6 (12))	(774,135)	(5)	200,288	1
7000	Total non-operating revenues and expenses	(662,976)	(4)	771,476	4
7900	Net loss before tax from continuing operations unit	(1,754,980)	(11)	(15,610)	-
7950	(Expenses) Income tax expenses (Note 6 (50))	298,104	2	(438,778)	(2)
8200	Net loss for the year	(1,456,876)	(9)	(454,388)	(2)
	Other comprehensive income				
	Items that will not be reclassified subsequently to profit or loss				
8311	Remeasurements of the defined benefit plan (Note 6 (31))	(2,405)	-	102,167	1
8316	Unrealized valuation gain/loss of investment in equity instrument at fair value through other comprehensive income (Note 6 (11))	33,366	-	(1,230,456)	(7)
8349	Income tax related to items that will not be reclassified subsequently (Note 6 (50))	766	-	(19,971)	-
8310	Total Items that will not be reclassified subsequently to profit or loss	31,727	-	(1,148,260)	(6)
	Items that may be reclassified subsequently to profit or loss				
8361	Exchange differences on translating financial statements of foreign operations	(321,948)	(2)	1,582,024	8
8370	Share of other comprehensive income of associates & joint ventures accounted for using equity method - Items that may be reclassified to profit or loss (Note 6 (12))	(235,232)	(1)	(1,235,424)	(7)
8399	Income tax related to items that may be reclassified subsequently (Note 6 (50))	47,046	-	123,543	1
8360	Items that may be reclassified subsequently to profit or loss	(510,134)	(3)	470,143	2
8300	Current other comprehensive income (net after tax)	(478,407)	(3)	(678,117)	(4)
8500	Total amount of comprehensive income for the year	($ 1,935,283)	(12)	($ 1,132,505)	(6)
8600	Net profit (loss) attributable to:				
8610	Owners of the parent company	($ 1,438,027)	(9)	($ 493,812)	(2)
8620	Non-controlling interests (Note 6 (40))	(18,849)	-	39,424	-
		($ 1,456,876)	(9)	($ 454,388)	(2)
8700	Total amount of comprehensive income attributable to:				
8710	Owners of the parent company	($ 1,891,225)	(12)	($ 843,371)	(5)
8720	Non-controlling interests (Note 6 (40))	(44,058)	-	(289,134)	(1)
		($ 1,935,283)	(12)	($ 1,132,505)	(6)
	Losses per share in common shares: (NT$) (Note 6 (51))				
9750	Basic losses per share	($ 1.59)		($ 0.56)	

(The accompanying notes are an integral part of the consolidated financial statements)

Chairman of Board: Teh Hsin Chiu   Manager: Chia Hsiung Tseng   Chief Accountant: Ling Chu Chen

Grand Pacific Petrochemical Corporation and Subsidiaries

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

For the years ended December 31, 2023 and 2022

Expressed in Thousands of New Taiwan Dollars

		Share capital			Retained earnings			Other equity					
Codes	Items	Common shares capital	Preferred shares capital	Capital surplus	Legal reserve	Special reserve	Unappropriated earnings	Exchange differences on translating financial statements of foreign operations	Unrealized valuation gain/loss of financial assets at fair value through other comprehensive income	Treasury stocks	Equity attributable to owners of the parent	Non-controlling interests	Total equity
A1	Balance at January 1, 2022	$9,066,203	$200,000	$186,459	$2,411,833	$1,640,828	$22,230,181	($672,627)	$453,236	($49,858)	$35,466,255	$3,764,285	$39,230,540
	Appropriation & distribution of earnings for fiscal year 2021:												
B1	Provision of legal reserve	-	-	-	758,961	-	(758,961)	-	-	-	-	-	-
B5	Cash dividends to common shares	-	-	-	-	-	(1,813,241)	-	-	-	(1,813,241)	(129,570)	(1,942,811)
B7	Cash dividends and stock dividends to preferred shares	-	-	-	-	-	(52,000)	-	-	-	(52,000)	-	(52,000)
D1	Net loss for the year ended December 31, 2022	-	-	-	-	-	(493,812)	-	-	-	(493,812)	39,424	(454,388)
D3	Other comprehensive income after tax for the year ended December 31, 2022	-	-	-	-	-	73,854	459,237	(882,650)	-	(349,559)	(328,558)	(678,117)
M1	Adjustment to capital surplus for distribution of dividends to subsidiary	-	-	4,617	-	-	-	-	-	-	4,617	-	4,617
M7	Change in equity to subsidiaries (Note 6 (48))	-	-	10,790	-	-	(20,820)	-	-	-	(10,030)	10,030	-
Z1	Balance at December 31, 2022	$9,066,203	$200,000	$201,866	$3,170,794	$1,640,828	$19,165,201	($213,390)	($429,414)	($49,858)	$32,752,230	$3,355,611	$36,107,841
A1	Balance at January 1, 2023	$9,066,203	$200,000	$201,866	$3,170,794	$1,640,828	$19,165,201	($213,390)	($429,414)	($49,858)	$32,752,230	$3,355,611	$36,107,841
	Appropriation & distribution of earnings for fiscal year 2022:												
B1	Provision of legal reserve	-	-	-	-	1,728	(1,728)	-	-	-	-	-	-
B5	Cash dividends to common shares	-	-	-	-	-	(453,310)	-	-	-	(453,310)	(46,855)	(500,165)
B7	Cash dividends and stock dividends to preferred shares	-	-	-	-	-	(22,000)	-	-	-	(22,000)	-	(22,000)
C17	Dividends not collected by shareholders post deadline	-	-	17	-	-	-	-	-	-	17	-	17
D1	Net profit for the year ended December 31, 2023	-	-	-	-	-	(1,438,027)	-	-	-	(1,438,027)	(18,849)	(1,456,876)
D3	Other comprehensive income after tax for the year ended December 31, 2023	-	-	-	-	-	(1,123)	(502,287)	50,212	-	(453,198)	(25,209)	(478,407)
E1	Capital increase	2,000,000	-	830,345	-	-	-	-	-	-	2,830,345	-	2,830,345

M1	Adjustment to capital surplus for distribution of dividends to subsidiary	-	-	1,954	-	-	-	-	-	-	1,954	-	1,954
M5	Difference between consideration and carrying amount of subsidiaries acquired or disposed	-	-	845	-	-	-	(845)	-	-	-	-	-
M7	Change in equity to subsidiaries (Note 6 (48))	-	-	(10,902)	-	-	(13,253)	-	-	-	(24,155)	24,155	-
N1	Shares reserved for subscriptions by shareholders and share-based payments to employees (Note 6 (34))	-	-	47,200	-	-	-	-	-	-	47,200	-	47,200
N1	Share-based payments – subsidiaries	-	-	216	-	-	-	-	-	-	216	219	435
O1	Change in non-controlling interest (Note 6 (40))	-	-	-	-	-	-	-	-	-	-	(14,743)	(14,743)
Z1	Balance at December 31, 2023	$11,066,203	$200,000	$1,071,541	$3,170,794	$1,642,556	$17,235,760	($716,522)	($379,202)	($49,858)	$33,241,272	$3,274,329	$36,515,601

(The accompanying notes are an integral part of the consolidated financial statements)

Chairman of Board: Teh Hsin Chiu　　Manager: Chia Hsiung Tseng　　Chief Accountant: Ling Chu Chen

Grand Pacific Petrochemical Corporation and Subsidiaries
CONSOLIDATED STATEMENTS OF CASH FLOWS
For the years ended December 31, 2023 and 2022

Expressed in Thousands of New Taiwan Dollars

Codes	Items	Year ended December 31, 2023	Year ended December 31, 2022
AAAA	CASH FLOWS FROM OPERATING ACTIVITIES:		
A00010	Net loss before tax from continuing operations unit	($ 1,754,980)	($ 15,610)
A20000	Adjustments:		
A20010	Gain and expense not resulting influence on cash flows:		
A20100	Depreciation expenses (including depreciations in provision of right-of-use assets and investment property)	811,872	800,040
A20200	Amortization expenses	460,075	451,133
A20400	Net (gain) loss on financial assets at fair value through profit or loss	1,357	(90)
A20900	Interest expenses	153,201	76,005
A21200	Interest income	(211,784)	(161,715)
A21300	Dividend revenue	(4,528)	(194,872)
A21900	Share-based compensation (Note 6 (34))	47,635	-
A22300	Share of gains of associates & joint ventures accounted for using equity method	774,135	(200,288)
A22500	Net profit on disposal of property, plant and equipment	(3,097)	(1,218)
A22600	Property, plant and equipment transferred to expenses	21,155	21,134
A23100	Gain on disposal of investment	(1,178)	(638)
A23700	Impairment loss on non-financial assets	25,520	-
A29900	(Gains) Loss on lease modification	560	(1,383)
A20010	Total gain and expense loss not result influence on cash flows	2,074,923	788,108
A30000	Changes in assets/liabilities relating to operation activities		
A31115	Increase of financial assets mandatorily measured at fair value through profit or loss	(17,613)	(15,356)
A31125	(Increase) decrease in contract assets	(7,735)	55,975
A31130	Decrease in notes receivable	12,115	30,320
A31150	Decrease in accounts receivable	201,116	541,339
A31160	(Increase) decrease in accounts receivable - related parties	(1,507)	69
A31180	Decrease in other receivables	9,561	24,806
A31200	(Increase) decrease in inventories	(455,388)	686,561
A31230	Increase in prepayments	(403,859)	(1,524,967)
A31240	(Increase) decrease in other current assets - other	55	(55)
A31990	Increase in other operating assets	(11,743)	(11,345)
A32125	Increase in contract liabilities	(14,484)	(18,267)
A32130	Increase (decrease) in notes payable	(10,819)	19,775
A32150	Increase (decrease) in accounts payable	664,603	(661,250)
A32160	Increase in accounts payable - related parties	(17)	-
A32180	Decrease in other payables	(4,996)	(366,031)
A32190	Decrease in other payables - related parties	(4,404)	(3,826)
A32200	Increase (decrease) in provisions	(12,290)	14,799
A32210	Increase in advance receipts	21	888
A32230	Increase in other current liabilities - other	33,052	569
A32240	Increase (decrease) in net defined benefit liabilities	(418)	1,678
A30000	Total net changes in assets/liabilities relating to operating activities	(24,750)	(1,224,318)
A33000	Cash provided (used) generated from operations	295,193	(451,820)
A33100	Interest received	190,229	125,486
A33200	Dividend received	41,144	3,419,618
A33300	Interest paid	(152,075)	(73,642)
A33500	Income tax paid	(449,314)	(875,701)
AAAA	Net cash provided (used) in operating activities	(74,823)	2,143,941

(Continued on the next page)

(Brought Forward)

Codes	Items	Year ended December 31, 2023	Year ended December 31, 2022
BBBB	CASH FLOWS FROM INVESTING ACTIVITIES:		
B00010	Acquisition of financial assets at fair value through other comprehensive income	(238,099)	(209,750)
B00030	Capital distribution of financial assets at fair value through other comprehensive income	58,615	88,060
B00100	Acquisition of financial assets designated as measured at fair value through profit or loss	(10,200)	(7,200)
B02200	Acquisition of subsidiaries – net of cash (Note 6 (47))	(63,962)	-
B02700	Acquisition of property, plant and equipment	(3,586,015)	(10,550,390)
B02800	Disposal of property, plant and equipment	3,287	3,603
B03700	(Increase) decrease in refundable deposits	(2,907)	235
B04500	Acquisition of intangible assets	(57,828)	(326)
B05350	Acquisition of Right-of-use assets	-	(32,638)
B05400	Acquisition of investment property	-	(489,690)
B06600	Decrease in other financial assets-other	499,334	(2,303,633)
B06700	Increase in other noncurrent assets	(424,617)	(446,826)
B07100	Increase in prepayments for business facilities	(332,850)	(1,470,396)
BBBB	Net cash used in investing activities	(4,155,242)	(15,418,951)
CCCC	CASH FLOWS FROM FINANCING ACTIVITIES: (Note 6 (49))		
C00200	Increase (decrease) in short-term loans	(31,000)	805,125
C00500	Increase in short-term notes payable	400,000	300,000
C01600	Proceeds from long-term loans	1,511,700	13,206,520
C01700	Repayments of long-term loans	(1,213,340)	-
C03100	Increase (decrease) in guarantee deposits received	(1,362)	(408)
C04020	Repayment of lease principal	(53,545)	(60,810)
C04500	Payout of cash dividends	(475,310)	(1,865,241)
C04600	Capital increase	2,830,345	-
C05800	Non-controlling interest - Subscription of shares issued by subsidiaries	7,000	-
C09900	Cash dividends obtained by subsidiaries from the parent company	1,954	4,617
C09900	Cash dividend distributed by a subsidiary toward non-controlling interests	(46,855)	(129,570)
C09900	Increase in other payables (overpayments by shareholders and share issuance costs payable at the end of the period)	15,323	-
C09900	Increase in other payables (dividends payable to non-controlling interest)	18,444	-
C09900	Constructive retirement of the subsidiary’s preferred shares	(84,425)	-
C09900	Transfer of dividends not collected after deadline to capital surplus	17	-
CCCC	Net cash provided in financing activities	2,878,946	12,260,233
DDDD	Effect of exchange rate changes on cash and cash equivalents	(202,004)	256,059
EEEE	Net decrease in cash and cash equivalents for the year	(1,553,123)	(758,718)
E00100	Cash and cash equivalents, beginning of year	6,279,477	7,038,195
E00200	Cash and cash equivalents, end of year	$ 4,726,354	$ 6,279,477
E00210	Cash & cash equivalents recorded in consolidated balance sheets	$ 4,726,354	$ 6,279,477

(The accompanying notes are an integral part of the consolidated financial statements)

Chairman of Board: Teh Hsin Chiu Manager: Chia Hsiung Tseng Chief Accountant: Ling Chu Chen

1. Company History

Grand Pacific Petrochemical Corporation (hereinafter referred to as the Company) was officially incorporated on September 25, 1973 in accordance with the Company Act and other laws and ordinances concerned and was formerly known as Delta Petrochemical Corporation until rechristened Grand Pacific Petrochemical Corporation in 1985. The Company's head office registered address and factory are located in Dashe District, Kaohsiung City, and the Taipei office address is 8F, No. 135, Dunhua North Road, Songshan District, Taipei City. The Company primarily engages in the business lines as below:

(1) Petrochemical Manufacturing

(2) Synthetic Resin & Plastic Manufacturing

(3) Other Chemical Products Manufacturing

(4) Steam and Electricity Paragenesis, Heat Energy Supplying and international trade

(5) All business items that are not prohibited or restricted by law, except those that are subject to special approval

The Company's stocks were officially listed on Taiwan Stock Exchange Corporation (TWSC) starting from December 21, 1988.

The Company is free of the ultimate parent company.

The Company takes New Taiwan Dollars as its functional currency. While the Company is a public company listed in Taiwan, the consolidated financial statements are expressed in New Taiwan Dollars to bring added comparison and consistency.

Except for otherwise specified, the Company and all subsidiaries covered within these consolidated financial statements are collectively referred to as the Group hereinafter.

2. The Date of Authorization for Issuance of Financial Statements and Procedures for Authorization

These consolidated financial statements were authorized for issuance by the Board of Directors on March 12, 2024.

3. Application of New Issuance, Amendments and Interpretations

(1) Effect of the adoption of new issuances of or amendments to International Financial Reporting Standards (IFRS) as endorsed by the Financial Supervisory Commission (hereinafter referred to as the FSC):

In accordance with Decree FSC Review No. 1110382957 issued by the FSC on July 18, 2022, the Group should, in 2023, adopt the International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), Interpretations of IFRS (IFRIC), and Interpretations of IAS (SIC) (collectively referred to as IFRSs) issued by the International Accounting Standards Board (IASB), endorsed by the FSC and effective in 2023, and the amended Regulations Governing the Preparation of Financial Reports by Securities Issuers.

The following Table assembles the new issuance, revised and amended standards and interpretations endorsed by FSC as applicable to IFRSs starting from 2023:

New issuance, revised and amended standards and interpretations	Effective date issued by IASB
Amendments to IASB 1 "Disclosure of Accounting Policies"	January 1, 2023
Amendments to IASB 8 "Definition of Accounting Estimates"	January 1, 2023
Amendment to IFRS 12 "Deferred Tax Related to Assets and Liabilities Arising from a Single Transaction"	January 1, 2023
Amendment to IAS 12 "International Tax Reform Pillar Two Model Rule"	May 23, 2023 (Note)

Note: Decree FSC Review No. 1120383437 issued by the FSC on August 16, 2023 acknowledged that the amendment was immediately applicable upon announcement.

As evaluation by the Group, the aforementioned standards and interpretations would not come into material impact upon the consolidated financial conditions and consolidated financial performance of the Group at all.

(2) The impact upon the International Financial Reporting Standards (IFRSs) by the new issuance, amendment without endorsed by FSC:

The following Table assembles the new issuance, revised and amended standards and interpretations endorsed by FSC as applicable to IFRSs starting from 2024:

New issuance, revised and amended standards and interpretations	Effective date issued by IASB
Amendments to IASB 1 "Classification of Liabilities as Current or Noncurrent"	January 1, 2024
Amendments to IASB 1 "Non-current Liabilities with Contractual Terms "	January 1, 2024
Amendment to IFRS 16 "Lease liability in a sale and leaseback"	January 1, 2024
Amendment to IASB 7 and IFRS 7 "Supplier Finance Arrangements"	January 1, 2024

As of the date on which the Group's financial statements were authorized and issued, the Group evaluated that the relevant standards, amendments and interpretations would not have a material impact upon the consolidated financial conditions and the consolidated financial performance.

(3) The impact brought by IFRS having been issued by IASB but have not been endorsed by the FSC:

The Group has not adopted the following IFRSs which have been issued by IASB but have not been endorsed by the FSC. The actual effective date applied shall be pursuant to provision of FSC.

New issuance, revised and amended standards and interpretations	Effective date issued by IASB
IFRS 17 "Insurance Contracts"	January 1, 2023
Amendments to IFRS 17 "Insurance Contracts"	January 1, 2023
Amendments to IFRS 17 "Initial Application of IFRS 17 and IFRS 9—Comparative Information"	January 1, 2023
Amendments to IASB 21 "Lack of Exchangeability"	January 1, 2025
Amendments to IFRS 10 and IAS 28 "Sale or Contribution of Assets Between an Investor and Its Associate or Joint Venture"	Pending for resolution by IASB

The preliminary evaluation result indicates that the aforementioned standards and interpretations would not cast a material impact upon the Group's consolidated financial conditions and the consolidated financial performance. The Group will continually evaluate the amounts with the relevant impact which would be disclosed in full upon completion of the evaluation process.

4. Summary of Significant Accounting Policies

The principal accounting policies applied in the preparation of the consolidated financial statements are explained below. Unless otherwise specified, these policies have been consistently applied to all the periods presented.

(1) Statement of compliance

The consolidated financial statements have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and IFRSs endorsed, issued to take effect by FSC.

(2) Basis of preparation

1) Except for the following significant items, the consolidated financial statements have been prepared under the historical cost convention:

1) Financial assets and liabilities (including derivative instruments) at fair value through profit or loss measured based on the fair value.

2) Financial assets at fair values through other comprehensive income.

3) The liabilities on the shares-based payment agreement with cash settlement measured based on the fair value.

4) Defined benefit liabilities recognized based on the net amount of pension fund assets less present value of defined benefit obligation.

2) The preparation of financial statements in compliance with IFRSs requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Group’s accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements, please refer to Note 5.

(3) Consolidated base

1) Basis for preparation of consolidated financial statements:

A. All subsidiaries are included as the entities in the preparation of the consolidated financial statements by the Group. Subsidiaries are all entities (including structured entities) controlled by the Group. The Group controls an entity when the Group is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries included in the consolidated financial statements begin from the date the Group obtains control of the subsidiaries and ceases consolidation starting from the date of forfeiture of control.

B. Inter-company transactions, balances and unrealized gains or losses within the Group are eliminated. Accounting policies of subsidiaries have been adjusted where necessary to ensure consistency with the policies adopted by the Group.

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

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

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

2) Subsidiaries included in the consolidated financial statements are as follows:

Name of investor	Name of subsidiary	Attributes of business lines	Shares held or capital attribution (%) December 31, 2023	Shares held or capital attribution (%) December 31, 2022
Grand Pacific Petrochemical Corporation	GPPC Chemical Corporation	Production and sale of impact-resistant and flame-resistant polystyrene	100.00%	100.00%
Grand Pacific Petrochemical Corporation	GPPC Investment Corp.	General investment business	81.60%	81.60%
Grand Pacific Petrochemical Corporation	GPPC Development Co., Ltd.	General hotel business	42.86%	30.43%
Grand Pacific Petrochemical Corporation	Land & Sea Capital Corp.	Investment business	100.00%	100.00%
Grand Pacific Petrochemical Corporation	Goldenpacific Equities Ltd.	Investment business	100.00%	100.00%
Grand Pacific Petrochemical Corporation	Videoland Inc.	General import and export trade, radio and television program production, domestic and foreign film copying, domestic film production, distribution, trading and other services	62.29%	62.29%
Grand Pacific Petrochemical Corporation	KK Enterprise Co., Ltd.	Engaging in manufacturing and sales, wholesale, packaging materials, various stationery and paper products	15.73%	15.73%
Grand Pacific Petrochemical Corporation	QuanZhou Grand Pacific Chemical Co., Ltd.	Propane dehydrogenation, propylene, polypropylene and hydrogen products	100.00%	100.00%
GPPC Investment Corp.	GPPC Hospitality And Leisure Inc.	Catering service business	100.00%	100.00%
GPPC Development Co., Ltd.	Perfect Meat Co., Ltd.	Meat import & sales	100.00%	100.00%
Videoland Inc.	Videoland International Limited	Engaged in the business of wine-based liquor trading	100.00%	100.00%
Videoland Inc.	ZW ENM Co., Ltd.	Film and program production and distribution	100.00%	100.00%

Name of investor	Name of subsidiary	Attributes of business lines	Shares held or capital attribution (%) December 31, 2023	December 31, 2022
Videoland Inc.	KK Enterprise Co., Ltd.	Engaging in manufacturing and sales, wholesale, packaging materials, various stationery and paper products	33.79%	33.79%
Videoland Inc.	GPPC Investment Corp.	General investment business	18.40%	18.40%
Videoland Inc.	GPPC Development Co., Ltd.	General hotel business	42.86%	47.83%
Videoland Inc.	Citiesocial Co., Ltd.	Multimedia ecommerce, wholesale and retail of consumer goods	31.28%	-
Videoland Inc.	Citiesocial Holding Cayman Co., Ltd.	Investment	76.69%	-
Citiesocial Holding Cayman Co., Ltd.	Citiesocial Co., Ltd.	Multimedia ecommerce, wholesale and retail of consumer goods	62.96%	-
KK Enterprise Co., Ltd.	K.K. Chemical Company Limited	Trademark paper, glue paper and such business	49.90%	49.90%
KK Enterprise Co., Ltd.	KK Enterprise (Zhongshan) Co., Ltd.	Trademark paper, glue paper and such business	50.00%	50.00%
KK Enterprise Co., Ltd.	KK Enterprise (Kunshan) Co., Ltd.	Trademark paper, glue paper and such business	100.00%	100.00%
KK Enterprise Co., Ltd.	Dragon King Inc.	Outward Investment business	100.00%	100.00%
KK Enterprise Co., Ltd.	KK Enterprise (Malaysia) Sdn. Bhd.	Trademark paper, glue paper and such business	70.00%	70.00%

Note: (1) Where the Company's direct and indirect shareholdings in subsidiaries are more than 50% or have substantial control capabilities, these companies are included in the consolidated financial statements.

(2) Among the aforementioned consolidated entities, the financial statements of Videoland International Limited, Citiesocial Co., Ltd., Citiesocial Holding Cayman Co., Ltd., and KK Enterprise (Malaysia) Sdn. Bhd. and of KK Enterprise (Malaysia) Sdn. Bhd. had been audited and endorsed by other certified public accountants.

3) Increase/decrease changes of the companies included in the entities within the consolidated financial statements for the current year:

In pursuit of business diversification, Videoland International Limited entered into ecommerce to expand operational footprint. In January 2023, Videoland International Limited acquired 76.69% of ordinary shares in Citiesocial Holding Cayman Co., Ltd. and after the completion of this transaction, Citiesocial Holding Cayman Co., Ltd. and its subsidiary - Citiesocial Co., Ltd. became the Group’s subsidiaries and were consolidated into the Group’s financial statements from the date of acquisition of control.

4) Subsidiaries not included in the consolidated financial statements: Nil

5) Adjustments and processing method for subsidiaries with different balance sheet date: Nil

6) Where the subsidiary's ability to transfer funds to its parent company is subject to significant restrictions, the nature and extent of the restriction:

The cash and bank deposits and other financial assets －current amounting to

NT$1,698,460 thousand and NT$3,330,931 thousand for the years ended December 31, 2023 and 2022 were deposited in China and subject to local foreign exchange controls. Such foreign exchange controls restrict the remittance of funds out of China (Except normal dividends and business transactions).

7) Subsidiaries with significant non-controlling interests over the Group:

A. December 31, 2023 and the year ended December 31, 2023:

Name of subsidiary	Non-controlling shareholding ratio	Non- controlling interests	Profit/loss distributed to non-controlling interests
Videoland Inc. and its subsidiaries	37.71%	$ 2,754,583	($ 4,888)
KK Enterprise Co., Ltd. and its subsidiaries	50.48%	514,913	15,945
GPPC Development Co., Ltd. and its subsidiaries	21.74%	4,833	(29,906)
Total		$ 3,274,329	($ 18,849)

B. December 31, 2022 and the year ended December 31, 2022:

Name of subsidiary	Non-controlling shareholding ratio	Non- controlling interests	Profit/loss distributed to non-controlling interests
Videoland Inc. and its subsidiaries	37.71%	$ 2,796,364	$ 95,957
KK Enterprise Co., Ltd. and its subsidiaries	50.48%	541,214	(5,377)
GPPC Development Co., Ltd. and its subsidiaries	21.74%	18,033	(51,156)
Total		$ 3,355,611	$ 39,424

C. For more details regarding the major business premises of the aforementioned subsidiaries and the countries where the subsidiaries had been registered, please refer to Note 13(1) (2)-10 and Note 13(3).

D. Summary financial information of subsidiaries:

① Balance sheets

Items	Videoland Inc. and its subsidiaries	
	December 31, 2023	December 31, 2022
Current assets	$ 3,864,184	$ 3,893,765
Noncurrent assets	4,603,396	4,302,572
Current liabilities	(679,682)	(596,586)
Noncurrent liabilities	(460,887)	(184,307)
Equity	$ 7,327,011	$ 7,415,444

Items	KK Enterprise Co., Ltd. and its Subsidiaries	
	December 31, 2023	December 31, 2022
Current assets	$ 837,310	$ 934,705
Noncurrent assets	435,658	482,731
Current liabilities	(187,970)	(292,119)
Noncurrent liabilities	(116,401)	(130,430)
Equity	$ 968,597	$ 994,887

Items	GPPC Development Co., Ltd. and its Subsidiaries December 31, 2023	December 31, 2022
Current assets	$ 149,690	$ 131,482
Noncurrent assets	2,224,360	2,137,411
Current liabilities	(241,330)	(94,579)
Noncurrent liabilities	(2,098,876)	(2,091,364)
Equity	$ 33,844	$ 82,950

② Statements of comprehensive income

Items	Videoland Inc. and its subsidiaries Year Ended December 31, 2023	Year Ended December 31, 2022
Operating revenues	$ 1,848,529	$ 1,858,764
Net profit for the year	(4,162)	254,459
Other comprehensive income	(46,868)	(891,167)
Total comprehensive income	($ 51,030)	($ 636,708)
Total comprehensive income attributable to non-controlling interests	($ 21,796)	($ 240,103)
Dividend paid to non-controlling interests	$ 12,912	$ 86,078

Items	KK Enterprise Co., Ltd. and its Subsidiaries Year Ended December 31, 2023	Year Ended December 31, 2022
Operating revenues	$ 814,714	$ 1,150,822
Net profit for the year	32,419	7,202
Other comprehensive income	(12,275)	12,372
Total comprehensive income	$ 20,144	$ 19,574
Total comprehensive income attributable to non-controlling interests	$ 7,644	$ 2,125
Dividend paid to non-controlling interests	$ 33,943	$ 43,492

Items	GPPC Development Co., Ltd. and its Subsidiaries Year Ended December 31, 2023	Year Ended December 31, 2022
Operating revenues	$ -	$ -
Net loss for the year	(169,106)	(137,939)
Other comprehensive income	-	-
Total comprehensive income	($ 169,106)	($ 137,939)
Total comprehensive income attributable to non-controlling interests	($ 29,906)	($ 51,156)
Dividend paid to non-controlling interests	$ -	$ -

③ Statements of Cash Flows

Videoland Inc. and its subsidiaries

Items	Year Ended December 31, 2023	Year Ended December 31, 2022
Net cash provided in operating activities	$ 620,469	$ 955,329
Net cash provided (used) in investing activities	428,610	(1,624,796)
Net cash used in financing activities	(70,903)	(278,945)
Effect of exchange rate changes	(1,169)	9,580
Increase (decrease) in cash & cash equivalents for the year	977,007	(938,832)
Cash & cash equivalents, beginning of year	877,212	1,816,044
Cash & cash equivalents, end of year	$ 1,854,219	$ 877,212

	KK Enterprise Co., Ltd. and its Subsidiaries	
Items	Year Ended December 31, 2023	Year Ended December 31, 2022
Net cash provided in operating activities	$ 109,200	$ 226,856
Net cash used in investing activities	(7,038)	(17,414)
Net cash used in financing activities	(104,432)	(30,063)
Effect of exchange rate changes	(9,899)	8,428
Increase (decrease) in cash & cash equivalents for the year	(12,169)	187,807
Cash & cash equivalents, beginning of year	443,669	255,862
Cash & cash equivalents, end of year	$ 431,500	$ 443,669

	GPPC Development Co., Ltd. and its Subsidiaries	
Items	Year Ended December 31, 2023	Year Ended December 31, 2022
Net cash used in operating activities	($ 16,190)	($ 44,832)
Net cash used in investing activities	(79,748)	(54,698)
Net cash provided in financing activities	113,523	100,000
Effect of exchange rate changes	-	-
Increase in cash & cash equivalents for the year	17,585	470
Cash & cash equivalents, beginning of year	2,891	2,421
Cash & cash equivalents, end of year	$ 20,476	$ 2,891

(4) Foreign currency translation

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

2) When preparing financial statements for each entity using currencies other than the entity's functional currency (foreign currency) converted into functional currency at the spot exchange rate on the transaction day or measurement date, and the exchange difference resulting from the translation of these transactions

was recognized as current profit and loss. At the end of the financial statement period, the balance of foreign currency monetary assets and liabilities were evaluated and adjusted at the spot exchange rate on the balance sheet date, and translation differences arising from the adjustment were recognized as current profit and loss. In case of foreign currency non-monetary assets and liabilities, the balance was evaluated and adjusted at the spot exchange rate quoted on the balance sheet date as measured at fair value through profit or loss, and the exchange difference arising from the adjustment was recognized as current profit and loss as measured at fair value through comprehensive income. The resulting exchange differences resulting from the adjustment were recognized in other comprehensive income items; where they were not measured at fair value, they were measured at the historical exchange rate on the initial trading day. All gains and losses on exchange were reported according to the attribute of the transaction and other gains and losses in the comprehensive income.

3) When preparing the consolidated financial statements, assets and liabilities of the foreign operations of the Group in merger (including the subsidiaries, associates, joint ventures or branches of the Company in the countries of business operation or those using different currencies) were translated into New Taiwan Dollars at the spot exchange rate quoted on the balance sheet date. The income and expense items were translated using the exchange rates average in that period. All exchange differences arising from the translation were recognized as other comprehensive income.

4) When the foreign operations were disposed of and constituting a loss of control, joint control or significant influence on the foreign operations, all and the relevant interests of the foreign operations would be reclassified into profit or loss. In some cases where the disposal of subsidiaries in foreign operations did not constitute a loss of control of the subsidiary, the cumulative exchange difference recognized in other comprehensive income was calculated into the equity transaction on a *pro rata* basis, but it was not recognized as profit or loss. In some cases where the interests of the disposal of associates or joint venture in foreign operations did not constitute a significant impact of loss on the associates or joint venture or joint control in interests, the cumulative exchange difference recognized in other comprehensive income was reclassified into profit or loss based on the disposal ratio.

(5) Criteria of classification of current and noncurrent assets and liabilities

1) Assets that meet one of the following criteria are classified as current assets:

A. Assets arising from operating activities that are expected to be realized, or are intended to be sold or consumed within the normal operating cycle;

B. Assets arising mainly from trading activities;

C. Assets that are expected to be realized within twelve months from the balance sheet date;

D. Cash & cash equivalents unless the asset is restricted from being used for an exchange or used to settle a liability for more than twelve months after the balance sheet date.

The Group classifies the assets that do not satisfy the above conditions as noncurrent.

2) Liabilities that meet one of the following criteria are classified as current liabilities:

A. Liabilities that are expected to be paid off within the normal operating cycle;

B. Liabilities arising mainly from trading activities;

C. Liabilities that are to be paid off within twelve months from the balance sheet date;

D. Liabilities for which the Company does not have an unconditional right to defer settlement for at least twelve (12) months after the balance sheet date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

The Group classifies the liabilities that do not satisfy the above conditions as noncurrent.

(6) Cash & cash equivalents

Cash & cash equivalents include cash on hand, bank deposits, and short-term and highly liquidity investments that could be converted into cash in fixed amounts at any time with little change in value risk. Time deposits that meet the aforementioned definitions and are held for short-term operations cash promise are classified as cash equivalent.

(7) Financial instruments

Financial assets and financial liabilities should be recognized when the Group became a party to the terms of the financial instruments contract.

When financial assets and financial liabilities were initially recognized, they were measured at the fair value. At the time of initial recognition, the transaction costs acquired or issued directly attributable to financial assets and financial liabilities (unless classified as financial assets and financial liabilities at fair value through profit or loss), shall be added or subtracted from the fair value of the financial assets or financial liabilities. The transaction costs directly attributable to financial assets and financial liabilities at fair value through profit or loss should be recognized immediately as profit or loss.

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

1) Financial assets at fair value through profit or loss include financial assets mandatorily measured at fair value through profit or loss and designation as financial assets at fair value through profit or loss. The financial assets mandatorily measured at fair value through profit or loss include investments in equity instruments that the Group does not specify at fair value through other comprehensive income, and investments in debt instruments that did not qualify as being measured at amortized cost or at fair value through other comprehensive income.
2) In a case carried at amortized costs or financial assets at fair values through other comprehensive income, when measurement or recognition inconsistency could be eliminated or significantly reduced, the Group designated the case as financial assets at fair value through profit or loss at the time of initial recognition.
3) The Group adopts transaction day accounting for financial assets at fair value through profit or loss consistent with transaction customs.
4) The Group measured at fair value at the time of initial recognition, and recognized related transaction costs in profit or loss and subsequently measured at fair value and the gains or losses were recognized in profit or loss.
5) When the right to receive dividends was ascertained and the economic benefits related to dividends were likely to flow inward while the amount of dividends could be reliably measured, the Group recognized the dividend income in profit or loss.

(9) Financial assets at fair values through other comprehensive income

1) Referring to an irrevocable option at the time of initial recognition to report changes in the fair value of investments in equity instruments that were not held for trading in other comprehensive income; or the investment in debt instrument

simultaneously met the following conditions:

A. The financial asset held under the business model of collecting cash flows under contracts and for the purposes of selling.

B. The cash flow generated on a specific date under the contract terms for the financial assets were completely intended to pay off the principal and the interest of the outstanding principals.

2) The Group adopts transaction day accounting for financial assets at fair value through comprehensive income consistent with transaction customs.

3) The Group measured at fair value plus transaction costs at initial recognition, and subsequently at fair value:

A. Changes in the fair value of equity instruments were recognized in other comprehensive income. When derecognized, the cumulative gains or losses previously recognized in other comprehensive income would not be reclassified to profit or loss and would be transferred to retained earnings instead. When the right to receive dividends was ascertained and the economic benefits related to dividends were likely to flow inward while the amount of dividends could be reliably measured, the Group recognized the dividend income in profit or loss.

B. Changes in the fair value of debt instruments were recognized in other comprehensive income, impairment losses before derecognition, interest income and gains and losses in foreign currency exchange were recognized in profit or loss, and at the time of derecognition, the cumulative gains or losses previously recognized in other comprehensive income were reclassified from the equity into profit or loss.

(10) Financial assets carried at amortized cost

1) Referring to the events that conform with the conditions as below simultaneously:

A. The financial assets held under the business model for the purposes of collecting cash flows under contracts.

B. The cash flow generated on a specific date under the contract terms for the financial assets were completely intended to pay off the principal and the interest of the outstanding principals.

2) The Group adopts transaction day accounting for financial assets carried at amortized cost consistent with transaction customs.

3) The Group measured at fair value plus transaction costs at initial recognition, and subsequently used the effective interest method to recognize interest income during the circulation period based on the amortization process, and recognized impairment losses, and when derecognized, the gains or losses were recognized in profit or loss.

4) The Group held time deposits that were not eligible for cash equivalent. As the holding period was short, the effect of discounting was insignificant, which was measured by the amount of investment.

(11) Accounts & notes receivable

Referring to the contract which had been received unconditionally for the accounts and notes for the right to consideration exchanged due to the transfer of products or labor services. As short-term accounts & notes receivable were paid without bearing interest, the impact of the discounting was insignificant, therefore, the Group measured at the initial amount.

(12) Impairment of financial assets

For investment in debt instruments at fair value through other comprehensive income, and financial assets carried at amortized cost and accounts receivable or contract assets that contain significant financial components, rent receivables, lending commitments and financial guarantee contracts, The Group, after considering all reasonable and corroborable information (including forward-looking perspectives) on each balance sheet date, measured by the amount of expected credit loss in 12 months toward an insignificant increase in credit risk since initial recognition. For the credit risk has increased significantly since the original recognition, the allowance for loss was measured by the amount of expected credit loss during the existence period. For accounts or contract assets that do not include significant financial components, the allowance for losses measured by the amount of expected credit loss during the existence period.

(13) Derecognition of financial assets

The Group will derecognize financial assets when one of the following conditions is met:

1) When rights to contract of receiving cash flow from financial asset has expired.

2) Transfer of right to contract of receiving cash flow from financial asset, and when nearly all risk and reward associated with the said financial assets have been transferred.

3) Transfer of rights to contract of receiving cash flow from financial asset, and excluding control over the financial assets.

(14) Lease transaction of the lessor - rent receivables/operating leases

1) Pursuant to the terms and conditions under the lease agreements, when almost all the risks and rewards of lease ownership were borne by the lessee, they are classified as finance leases.

A. As the lease started up, the net lease investment (including the original direct cost) was recognized as "rent receivables", and the difference between the total lease receivables and the present value was recognized as "unearned financing income from finance leases".

B. Subsequent adoption of a systematic and reasonable basis to distribute financing income over the lease period to reflect a fixed rate of return on the net lease investment held by the lessor.

C. The period related lease payments (excluding service costs) offset the total lease investment to reduce the principal and unearned financing income.

2) Lease income from operating leases, net of any incentives given to the lessee, was recognized as a current profit or loss and amortized on a straight line basis during the lease period.

(15) Inventory

Inventories were measured at the lower of cost and net realizable value, whichever is the lower under the perpetual inventory system adopted, and the cost was determined by the weighted average method. The cost of finished goods and work in progress includes raw materials, direct labor, other direct costs, and production-related manufacturing overhead (as normal capacity distribution), but excludes borrowing costs. Upon comparison of cost and the net realizable value, whichever was the lower, the itemized comparison method was adopted. The net realizable value refers to the balance of the estimated selling price in the ordinary course of business less the estimated costs remaining to be invested to completion and the estimated costs necessary to complete the sale.

(16) Investments accounted for using the equity method/associates

1) Associates are all entities over which the Group has significant influence but not control. In general, it is presumed that the investor has significant influence, if an investor holds, directly or indirectly 20 percent or more of the voting power of the investee. Investments in associates are accounted for using the equity method and are initially recognized at cost, including the goodwill already identified upon acquisition, with any accumulated impairment loss estimated to occur subsequently deducted.

2) The share of profit or loss for the Group after acquisition of an associate is recognized as current profit and loss and the share of other comprehensive income after acquisition is recognized as other comprehensive income. When the Group's share of loss in an associate is equal to or exceeds the equity in the associate, including any other unsecured receivables, the Group does not recognize further losses, unless it has incurred legal or constructive obligations or made payments on behalf of the associate.

3) The profits and losses generated from the fair current, countercurrent and side stream transactions between the Group and associates were recognized in the financial statements only to the extent that the Group has no interest in the associates. The accounting policies of associates have been adjusted as necessary, and the policies adopted by the Group have been consistent.

4) When changes in an associate's equity are not recognized in profit or loss and other comprehensive income of the associate and such changes do not affect the Group's shareholding ratio of the associate, the Group recognizes the Group's share of change in equity of the associate in 'capital surplus' in shareholding ratio.

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

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

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

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

(17) Property, plant and equipment

1) Property, plant and equipment are initially recorded at cost. Loans costs incurred during the construction period are capitalized. For property, plant and equipment under construction, samples produced while testing the proper functioning of these assets before they reach their intended use are measured at the lower of cost or net realizable value, and the selling price and cost are recognized in profit or loss.

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

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

4) The assets' residual values, useful lives and depreciation methods are reviewed by the Group at each financial year-end. If expectations for the assets' residual values and useful lives differ from previous estimates or the patterns of consumption of the assets' future economic benefits embodied in the assets have changed significantly, any change is accounted for as a change in estimate under IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors', from the date of the change. The estimated useful lives of various assets are as follows:

A.	Buildings & constructions	4 - 46 years
B.	Machinery & equipment	5 - 25 years
C.	Transportation facilities	2 - 7 years
D.	Other equipment	3 - 15 years

5) Property, plant and equipment is derecognized when disposed or with no economic benefit expected via utilization or disposal. The gain or loss from derecognizing property, plant and equipment recognized as profit or loss during the year at the difference between the proceeds and the carrying amount of the asset.

6) The Group's depreciable assets were originally used in the rate-decreasing method at the time of tax declaration; however, the Group has switched to use the average method in Year 1998. This change was already approved by the National Taxation Bureau of the Southern Area, Ministry of Finance with Letter (1998) Nan-Qu-Guo-Shui-Shen-I-Zi 87051967.

(18) Lease agreements of the lessee - right-of-use assets/lease liabilities

1) Lease assets were recognized as right-of-use assets and lease liabilities on the date when they became available for use by the Group. When the lease agreement was a short-term lease or lease of a low-value underlying asset, the lease payment was recognized as expense by straight-line method.

2) In lease liabilities, the Group recognized the unpaid lease payments at the lease starting date at the present value of the Group’s incremental loan rate discounted. The lease payments include fixed payments, less any incentives that could be received for the lease. Subsequently the Group measure at the amortized cost method under the interest method and recorded as interest expenses during the lease period. When the non-contract modification caused a change in the lease period or lease payment, the lease liabilities would be reassessed, and the

remeasurements would be adjusted to right-of-use assets.

3) The right-of-use assets were recognized at cost on the lease starting date and the cost includes the original measured amount of lease liabilities. The subsequent measurement using cost model which were earlier at the end of the useful life of the right-of-use assets or at the end of the lease period while depreciation expenses were recorded. When lease liabilities were reassessed, right-of-use assets would adjust any remeasurement of the lease liabilities.

(19) Investment property

The investment property was real property held to earn either rent or capital appreciation or both, and also included real property held for which the future use has not yet been determined. The investment property was originally measured by acquisition cost, and was subsequently reduced by cost except for accumulated depreciation and accumulated impairment loss where the amount was measured. Except for land, depreciation was provided on the straight-line method according to the estimated useful life which was 40 ~ 56 years. While the investment property was derecognized, the difference between the net disposal price and the carrying amount of such assets was recognized in current profit or loss.

(20) Intangible assets

1) Obtained separately

The intangible assets acquired separately for a limited useful life were originally measured at cost and subsequently at the amount of the costs deducted with the accumulated amortization and accumulated impairment losses. Intangible assets were amortized on a straight-line basis over the useful life. All such facts of the estimated useful life, residual value and amortization method should be reassessed at end of every fiscal year as the minimum to postpone the impact of changes in applicable accounting estimates. When Intangible assets derecognized, the difference between the net disposal price and the carrying amount of the asset was recognized in the profit or loss of the current year.

2) Goodwill

The goodwill obtained from the business combination was based on the amount of goodwill recognized on the acquisition date as the cost, which was subsequently measured by the amount of the cost after subtracting the accumulated impairment losses. For the purpose of impairment testing, goodwill needs to be allocated to each cash-generating unit or cash-generating units that the Group expects to benefit from the merger concerted performance.

(21) Cost of program broadcasting

The cost of program broadcasting includes the proceeds acquired on outsourcing film broadcasting rights outsourced investment in filming or self-made programs, and the production costs with future economic benefits which were entered into accounts at the substantial costs. The outsourcing film broadcasting rights depends on individual programs and was transferred to the amortization of the film under the current operating cost during actual playback. The sub-authorized film broadcasting right was transferred into the film sub-authorization cost under the current operating cost when actually delivered. The outsourced investment in filming and the self-made ribbon-type program would be converted into the production cost and filming cost under the current operating cost during the actual broadcast. The cost of the broadcast program was recorded under other noncurrent assets, and was expected to be amortized within one year as other current assets. For other current assets, if the fair value at the end of the year was estimated to be lower than the accounted unamortized cost, the impairment loss would be recognized as the loss of the current year.

(22) Impairment loss on non-financial assets

The Group estimates the recoverable amount of assets with signs of impairment on the balance sheet date. When the recoverable amount was lower than its carrying amount, the impairment loss would be recognized. The recoverable amount refers to the fair value of an asset less disposal cost or its value in use, whichever is higher. Except for goodwill, when the impairment of assets recognized in previous years did not exist or decrease, the impairment loss would be reversed, but the asset carrying amount increased by the impairment loss should not exceed the carrying amount after depreciation or amortization of the asset if no impairment loss was recognized.

(23) Loans

Loans are recognized initially at fair value, net of transaction costs incurred. Loans are subsequently stated at amortized cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognized in profit or loss over the period of the loans using the effective interest method.

(24) Notes and accounts payable

Notes and accounts payable are obligations to pay for products or labor services that have been acquired in the ordinary course of business from suppliers. They are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method. However, short-term accounts payable without bearing interest are subsequently measured at initial invoice amount as the effect of discounting is immaterial.

(25) Financial liabilities at fair value through profit or loss

1) Referring to the main purpose of the sale or repurchase in the latest period, and financial liabilities held for trading except for derivatives instruments that are designated as hedging instruments under hedge accounting. The financial liabilities at fair value through profit or loss were designated on the Initial recognition. When a financial liability meets one of the following conditions, the Group measured at fair value through profit loss on the initial recognition:

   A. Including hybrid contracts with embedded derivatives and the main contracts not an asset defined by IFRS 9; or

   B. Where the inconsistency in significant decrease measurement or recognition could be eliminated; or

   C. Pursuant to the documented risk management policies, the instruments with performance evaluated in fair value based management.

2) The Group measured at fair value at the time of initial recognition, and recognized the related transaction costs in profit or loss and subsequently measured at fair value and the gains or losses were recognized in profit or loss.

3) In case of a financial liability designated to be measured at fair value through profit or loss where the amount of change in fair value resulted from credit risk, except for avoiding improper accounting ratios or loan commitments and financial guarantee contracts, the Group recognized the same in other comprehensive income.

(26) Provisions

The Group is under current statutory or constructive obligation due to past events, very likely that economically efficient resources would need to be discharged to settle such obligation and the amount of the obligation could be reliably estimated when the provisions were recognized. The measurement of provisions is based on optimal estimated present value of the expenditure required to settle the obligation on the balance sheet date. The discount rate uses the pre-tax discount rate that reflects the current market assessment of the time value of currency and the specific risk of the liability. The amortization discounted is recognized as interest expenses. The future loss in operations should not be recognized as provisions.

(27) Employee benefits

1) Short-term employee benefits

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

2) Post-employment benefits

A. Defined contribution plans

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

B. Defined benefit plans

① Net obligation under a defined benefit plans is defined as the present value of an amount of future benefits that employees will receive for their services with the Company in the current year or prior periods, and the present value of the defined benefit obligation at the balance sheet date less the fair value of plan assets. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The discount rate is determined by reference to the balance sheet date, the currency of defined benefit plans and the market yield of high-quality corporate bonds that were consistent during the period. The countries of such bonds without in-depth market adopt the market yield of government bonds (as of the balance sheet date).

② Remeasurement arising on defined benefit plans is recognized in other comprehensive income in the current year in which they arise, and expressed in the retained earnings.

③ The expenses related to the service cost of the prior period were immediately recognized into profit or loss.

3) Termination benefits

Termination benefits refers to the benefits provided by the termination of the employment before the normal retirement date or when the employee decides to accept the Company's benefits offer in exchange for termination of the employment. The cost of restructuring was not recognized until the moment while the Group could no longer revoke a contract for termination benefits or the restructuring cost was recognized, whichever came the earlier. Termination benefits that were not expected to be fully settled 12 months after the balance sheet date should be discounted.

4) Compensation to employees and remuneration to directors and supervisors

Compensation to employees and remuneration to directors and supervisors are recognized as expenses and liabilities, provided that such recognition is required under legal or constructive obligation and those amounts can be reliably estimated. Subsequently, any difference between actual distributed amounts as resolved and estimated mounts is accounted for as changes in estimates.

(28) Financial liabilities & equity instruments

1) Classification of financial liabilities or equity instruments

The liability and equity instruments issued by the Group were classified as financial liabilities or equity according to the substance of the contract agreement and the definition of financial liabilities & equity instruments.

2) Equity instruments

The "equity instruments" refers to any contract that recognizes the remaining equity of an enterprise after the assets are deducted from all its liabilities. The equity instruments issued by the Group are recognized at the price obtained after deducting the direct issue cost.

3) Financial liabilities

In case of financial liabilities that were not held for trading purposes and were not designated as measured at fair value through profit or loss, such financial liabilities were measured at amortized cost at the end of the subsequent accounting period.

4) Derecognition of financial liabilities

The Group did not derecognize financial liabilities until the obligations were lifted, cancelled or lapsed. When financial liabilities were derecognized, the difference between their carrying amount and total consideration paid or payable (including any transferred non-cash assets or liabilities assumed) was recognized into profit or loss.

5) Inter-offset of financial assets and liabilities

The financial assets and financial liabilities were not offset against each other and expressed in net in balance sheet until there was a legally enforceable right to offset the recognized amount of financial assets and liabilities with an intention to deliver on a net basis or achieve assets and liquidate liabilities at the same time.

(29) Share capital & treasury stocks

1) Share capital

Common shares were classified as equity. The classification of preferred shares refers to the definition of substantial contractual agreement, financial liabilities and equity instruments, and evaluates the specific rights attached to preferred shares. When the basic characteristics of financial liabilities were exhibited, they were classified as liabilities; otherwise they would be an equity. The net of increase in costs directly attributable to issuance of new share or share warrants after deducting income tax is recorded as the deduction of share prices.

2) Treasury stocks

The Group withdrew the issued outstanding shares and recognized them as "treasury stocks" based on the consideration paid at the time of purchase (including direct attributable costs) as a deduction of equity. Where the price of the disposal of treasury stocks is higher than the carrying amount, the difference was listed as capital surplus-treasury stocks transactions. Where the disposal price is lower than the carrying amount, the difference is offset against the asset surplus generated by the exchange of the same type of treasury stocks. In case of a shortfall, the surplus is debited in the retained earnings. The carrying amount of treasury stocks is taken weighted average and calculated separately according to the reason for recovery.

When treasury stocks are cancelled, the capital surplus is debited according to the proportion of equity - share certificates issuance premium and share capital, where the carrying amount is higher than the face value and the total value of the stock issuance premium, the difference would be offset against the capital generated by the exchange of the same type of treasury stocks. In case of a shortfall, it would be offset against the retained earnings. Where the carrying amount is lower than the face value and the total of the stock issuance premium, the capital surplus generated by the same type of treasury stocks exchanges would be credited.

Where subsidiary held the Group's stocks using the equity method to recognize the share of profit and loss and prepare financial statements, the subsidiary's stocks of the Group should be dealt with as treasury stocks.

(30) Shares-based payment

1) The shares-based payment agreement upon equity settlement was pursuant to the employee service acquired at fair value of the given equity commodities on the given day, and was recognized as compensation costs during the vesting period, and the equity was relatively adjusted. The fair value of equity commodities should be reflected with the influence of the market price vested conditions and the non-vested conditions. The recognized compensation cost was adjusted according to the expected amount of incentive rewards that meet the service condition and the non-market price vested condition until the final recognition amount was recognized in the vested amount.

2) The shares-based payment agreement settled in cash was based on the fair value of the liabilities assumed, recognized as compensation costs and liabilities within the vesting period, and was based on the fair value of the equity commodities given on each balance sheet date and settlement date to measure, any change recognized as profit or loss of the current year.

(31) Income tax

1) The income tax expenses comprise current and deferred income tax. Income tax is recognized in profit or loss, except to the extent that it relates to items recognized in other comprehensive income or items recognized directly in equity, in which cases the income tax is recognized in other comprehensive income or directly in equity, respectively.

2) The Group calculates the income tax payable for the current term exactly in accordance with the tax rates that had been enacted or substantially enacted in the countries for the income tax as of the balance sheet date. Management periodically evaluates positions taken in tax returns with respect to situations in accordance with applicable relevant laws of income tax, and under the fact of situations, the income tax liabilities estimated shall be paid to tax collection authority. The unappropriated earnings having been consolidated were charged for the income tax. The income tax expense of unappropriated earnings was recognized based on the actual distribution of the earning as resolved in the shareholders' meeting in the year ensuing the year in which the earnings were yielded.

3) Deferred income tax is recognized, using the balance sheet liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amount in the balance sheets. However, the deferred income tax liability is not accounted for if it arises from initial recognition of goodwill. If a deferred income tax arises from the initial recognition of an asset or a liability in a transaction (excluding business combinations), does not affect accounting profits or taxable incomes (losses) at the time of the transaction, and no corresponding taxable incomes or elimination of temporary differences has been incurred, it will not be recognized. Deferred income tax is provided on temporary differences arising on investments in subsidiaries and associates, except where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted as of the balance sheet date and are expected to apply when the related deferred income tax asset is realized or the

deferred income tax liability is settled.

4) Deferred income tax assets are recognized only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilized. At each balance sheet date, unrecognized and recognized deferred income tax assets are reassessed.

5) Current income tax assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. Deferred tax assets and liabilities are offset on the balance sheet when the entity has the legally enforceable right to offset current tax assets against current tax liabilities and they are levied by the same taxation authority on either the same entity or different entities that intend to settle on a net basis or realize the asset and settle the liability simultaneously.

6) The Group's tax incentives oriented expenditures that comply with the statutory incentives were accounted with use of income tax deduction accounting. The unused income tax credit was transferred into the latter period of time within the scope as the credit ready for future use, duly recognized deferred income tax assets.

7) The difference between the previous year's estimated income tax of the Group and the adjustment difference approved by the tax collection authority was recognized as the adjustment items of the income tax of the current year.

(32) Recognition of revenues

After identifying the performance obligations under a customer contract, the Group allocated the transaction price to each performance obligation and recognized revenue when the performance obligations were fulfilled.

1) Sales revenues

A. All products manufactured by the Group and sold into the market were recognized as revenue when the control over the product was transferred to the customers. To put it in more understandable terms, when the products were delivered to the customers, the customers have discretion on the channel and price of product sales, and the Group was not in any outstanding performance obligations that might affect the customers’ acceptance of the products. When the products were shipped to a designated location, the risk of obsolescence and loss has been transferred to the customers and the customers would accept the products according to the sales contract. The delivery of the products did not occur until there was objective evidence to prove all standards/criteria for acceptance have been met.

B. Where the Group provides standard warranty on the products sold and is obliged to refund for defective products, the provisions were recognized at the moment of sales.

C. Accounts receivable were recognized at the moment when the goods were delivered to the customers. At that timepoint, the Group was entitled to the unconditional rights to the contract price and the price could be received from the customers only after the time elapsed. The advance receipts before the arrival of the products was recognized as a contract liability.

D. The control of the ownership of the processed products was not transferred upon processing of the materials so that the income was not recognized when the material was forwarded.

2) Labor service revenues

A. Advertising revenues

The Group and the customers signed advertising broadcast contracts and recognized the revenues when the actual broadcast was completed based on the degree of fulfillment of the performance obligation. The degree of completion of the performance obligation was determined based on the percentage of the actual performance of the required services to the entire labor service under this Agreement.

B. Video revenues

The Group and the customers signed fundamental channel agency contracts to provide cable TV operators and other public broadcasters with self-made programs or transmission on behalf of channels through satellites for viewers through cable TV system or network platforms. Throughout the duration of the labor service contracts, the Group continually fulfilled the obligations to provide users with TV channel viewing rights and network bandwidth usage rights as well as other performance obligations. All revenues so received were recognized as income on a straight-line basis during the period of contract services.

C. Licensing revenues

The Group and the customers signed contracts to license the Group's film broadcasting rights and program copyrights to the customers. Where the licensing authorization was distinguishable, the licensing income was recognized during the licensing period according to the nature of the licensing authorization, or the timepoint of control of the right as transferred to the customers. When the Group intended to carry out events that would significantly affect the film broadcasting rights and program copyrights which would, in turn, directly affect the licensed customers and such events would not result in the transfer of labor services to customers, the nature of the licensing authorization was to provide access for the rights of intellectual property rights. The relevant royalties were recognized as income on a straight-line basis during the licensing period. In an event where the licensing did not meet the foregoing conditions and its nature was to provide customers with the right to use intellectual property rights, the income was recognized at the time of licensing transfer.

D. The customers fulfilled payment obligations in accordance with the payment schedule agreed in a contract. When the service provided by the Group exceeded the customers’ payment value, the payment was recognized as a contract asset. If the customer payable exceeds the labor service provided by the Group, it was recognized as a contract liability.

3) Refund liabilities

Sales and labor service revenues were recognized at the contract price net of estimated discounts and other similar discounts. The amounts recognized as revenues would be limited to the portion of the future height that was unlikely to undergo a major turnaround, and was included in each asset estimates updated on the balance sheet date. Sales and labor service estimated discounts payable to customers and other similar discounts as of the balance sheet date were recognized as refund liabilities.

4) Financing component

Under the contracts signed by and between the Group and the customers, the collection conditions of the sales and labor service transactions were consistent with the market practice. It was, therefore, judged that the contracts did not contain a significant financing component. In addition, the time interval for transferring the promised goods or labor services and receiving the consideration amidst the contracts was within one year. The significant financing component would not adjust the transaction price to reflect the time value of the currency.

5) Costs to acquire contracts from customers

Although the incremental costs incurred by the Group in obtaining a customer contract were expected to be recoverable, the relevant contract period was shorter than one year. These costs were, therefore, recognized as current operating costs or expenses at the moment of occurrence.

(33) Government grants

Government grants are recognized at their fair value only when there is reasonable assurance that the Group will comply with any conditions attached to the grants and the grants will be received. Government grants are recognized in profit or loss on a systematic basis over the periods in which the Group recognizes expenses for the related costs for which the grants are intended to compensate. If it is intended for the purpose of providing immediate financial support to the Group and there is no future related cost, it got the profit or loss recognized during the period when such could be received. Such government grants related to property, plant and equipment were recognized as noncurrent liabilities, and were recognized as current profit or loss using the straight-line method based on the estimated useful life of the relevant assets.

5. Major Sources Leading to Material Accounting Judgments, Estimates and Assumption Uncertainties

The results of the Group's consolidated financial statements would be affected by the adoption of accounting policies, accounting estimates and assumptions. Therefore, when the Group adopted the significant accounting policies under Note 4, the acquisition of assets from other sources would result in the carrying amount of assets and liabilities in the next information on significant adjustment risks in the consolidated financial statements that would require management to use appropriate professional judgment, estimates and assumption uncertainties. The Group's estimates and relevant assumptions were based on the optimal estimates pursuant to the requirements of IFRS endorsed and issued to take effect by the FSC. Estimates and assumptions would be based on historical experience and other factors considered to be relevant, but actual results and estimates might differ. The Group continues to review the estimates and assumptions. Where the revision of the estimate would only affect the current year, the accounting estimate would be recognized in the current year. Where the estimation affects both the current year and the future period, then it would be recognized in the estimated and amended current year and future period.

(1) Major judgments to adopt accounting policies

In addition to an involvement in judgments related to and estimates (see (2) below), the management's judgments in the process of adopting accounting policies that have the most significant impact on the recognized amounts of the financial statements are as follows:

1) Judgment of business model of financial asset classification

The Group evaluates the business model of financial assets based on the level of financial assets that are jointly managed to achieve a specific business purpose. This evaluation calls for consideration of all relevant evidence, including asset performance measurement methods, risks affecting performance, and the salary determination method of relevant managers, salary determination method where the judgment was required. The Group continuously assesses whether its business model judgment is appropriate, and monitors the financial assets carried at amortized cost and investment in debts instruments at fair value through other comprehensive income to look into the reasons for its disposition to assess whether the disposition would be consistent with the business model's objectives. Whenever the business model was found to have changed, the Group would postpone the adjustment of the subsequent classification of financial assets.

2) Commitment to operating lease - the Group is the Lessor

The Group has signed commercial property agreements toward some property portfolios. Based on its evaluation of the agreed terms, the Group still retains significant risks and rewards of ownership of these properties and treats these leases as operating leases.

3) Investment property

The purpose of part of the property held by the Group was intended to earn rent or capital appreciation. It also includes property held for the purpose of which the future has not yet been determined. Other parts were used by the Group itself. When the respective parts could be solely sold, such property would not be classified under the investment property only the portion in the Group's own use accounted for a not significant portion of the respective property.

4) Leased term

In determining the lease term of the leased assets, the Group takes into account all relevant facts and circumstances that might generate economic incentives to exercise (or not to exercise) the option, including all facts and circumstances from the start of the lease to the day when the option is exercised with expected changes. The main factors taken into account include the contract terms and conditions during the period covered within the option, significant lease interest improvements during the contract period, and the importance of the underlying assets to the lessee's operations and the like. Significant changes in such matters or circumstances within the control of the Group when it occurred while the Group reassessed the lease term anew.

(2) Major accounting estimation & assumptions

The accounting estimates conducted by the Group were based on the reasonable expectations of future events on the grounds of the situation on a specific day, but the actual results might differ from the estimates, and the assets and liabilities of the next financial year might have significant adjustments to the risk of carrying amount and assumptions. Please note the following instructions:

1) Estimated impairment of financial assets

The impairment of accounts receivable and contract assets was estimated based on the Group's assumptions about the default rate and the expected loss rate. The Group took into account historical experience, current market conditions and forward-looking information to work out assumptions and select input values for impairment assessment. For more details regarding the important assumptions and input values please refer to Note 6 (4). In the event that the actual future cash flow is below expected, it might cause significant impairment losses. The carrying amount of the Group's receivables and contract assets was NT$1,787,992 thousand and NT$1,976,897 thousand, respectively, as of December 31, 2023 and 2022 (After deducting allowance losses at NT$13,295 thousand and NT$33,013 thousand, respectively)

2) Evaluation of inventory

Since inventory should be measured at the lower of cost or net realizable value, the Group shall use judgment and estimation to decide the net realizable value at the balance sheet date. Due to the rapid changes of the industrial environment, the Group assesses the amount of inventory on the balance sheet date that has undergone normal wear and tear, obsolescence or no market sales value, and will mark down the cost of inventories to the net realizable value. This assessment of inventories primarily uses product need within a certain period in the future as the basis of estimation, and thus material changes could occur. As of December 31, 2023 and 2022, the carrying amount of the Group's inventories was NT$2,073,662 thousand and NT$1,614,917 thousand, respectively. (After deducting loss on allowance for obsolescence and market price decline of inventories of NT$131,737 thousand and NT$100,125 thousand, respectively)

3) Fair value measurement and evaluation process

Where the assets and liabilities measured at fair value were not quoted in the active market, the Group would decide whether to outsource the valuation and determine the appropriate fair value technology according to relevant laws or judgments. Where the fair value was estimated, Level 1 input value could not be obtained for the value, the Group would refer to the analysis of the financial status and operating results of the investee, the latest transaction price, the quote of the same equity instrument in the non-active market, the quote of similar instruments in the active market, and the comparable company evaluation multiplier to determine the input value. If the actual changes in future input values and expectations would differ, fair value changes might occur. The Group regularly updated each input value according to market conditions to monitor whether fair value measurement was appropriate. For more details regarding the fair value evaluation techniques and input value, please refer to the descriptions of Note 12 (4). As of December 31, 2023 and 2022, the Group's holdings of unlisted company stocks and limited partnership investments showed the carrying amounts of NT$1,374,161 thousand and NT$1,150,882 thousand, respectively.

4) Evaluation on impairment of investment accounted for using the equity method

Whenever there was an indication of impairment that an investment accounted for using the equity method might have been impaired while the carrying amount could not be recovered, the Group immediately assessed the impairment of the investment. The Group assessed the impairment based on the discounted value of the expected future cash flow of the investee or cash dividends receivable to be expected and disposal of the discounted value of future cash flows from the investment to assess the recoverable amount and analyze the reasonableness of its related assumptions. As of December 31, 2023 and 2022 after the Group’s prudent assessment of the results, there showed no significant impairment loss.

5) Assessment onto the impairment of tangible assets, intangible assets (except goodwill) and other noncurrent assets

In the process of asset impairment assessment, the Group was required to rely on subjective judgment and asset usage patterns and industry characteristics to determine the independent cash flow of a particular asset group, years of useful life, the future revenue and expenses that might be cause significant impairment in the future due to economic condition changes or estimated changes caused by strategies. As of December 31, 2023 and 2022, the accumulated impairment of tangible assets, intangible assets (except goodwill) and other noncurrent assets recognized by the Group was NT$45,107 thousand and NT$43,310 thousand, respectively.

6) Evaluation on impairment in goodwill

Upon determination whether goodwill has been impaired, the use value of the cash-generating unit allocated to goodwill needs to be estimated. To calculate the use value, the management should estimate the future cash flows expected to be generated from the cash-generating unit and decide on appropriate discount rate of the use of the present value. If the actual cash flow became less than expected, significant impairment losses might occur. As of December 31, 2023 and 2022, the amount of goodwill impairment recognized by the Group amounted to NT$22,000 thousand and NT$15,155 thousand, respectively.

7) Realizability of deferred income tax assets

Deferred income tax assets are recognized when there is a possibility in the future that there would be sufficient taxable income for the purpose of deducting temporary differences. Upon assessment of the realizability of deferred income tax assets, significant accounting judgments and estimations of the management must be involved including expected future sales revenue growth and profit margins, usable income tax credits, tax planning and other assumptions. Any changes in the global economic environment, industrial environment and changes in laws and regulations might cause significant adjustment of deferred income tax assets. As of December 31, 2023 and 2022, the deferred income tax assets recognized by the Group were NT$436,061 thousand and NT$88,369 thousand, respectively. The deferred income tax assets not recognized by the Group due to non-probable taxable income were to NT$105,741 thousand and NT$38,607 thousand, respectively.

8) Calculation of long-term employee benefits liabilities

Upon calculation of the present value of the benefit obligations, the Group must use judgments and estimates to determine the relevant actuarial hypotheses on the balance sheet date, including the discount rate and future salary growth rate. Any changes in actuarial assumptions should significantly affect the Group's amount of defined benefit obligations. As of December 31, 2023 and 2022, the carrying amounts of the Group's long-term employee benefits liabilities (including net defined benefit liabilities and provisions - noncurrent) were NT$23,667 thousand and NT$23,182 thousand, respectively; the carrying amounts of the net defined benefit assets - noncurrent were NT$78,449 thousand and NT$69,111 thousand, respectively.

9) Lessee's incremental loan interest rate

When determining the interest rate of the lessees' incremental loan used for discounting lease payments, the Group used the risk-free interest rate of the equivalent duration and currency as the reference interest rate, and discounted the estimated lessee's credit risk allowance and lease specific adjustments (e.g., asset characteristics and factors such as guarantees) to be taken into account.

6. Summary of Important Accounting Items

(1) Cash & cash equivalents

Items	December 31, 2023		December 31, 2022	
Cash and petty cash	$	1,710	$	1,979
Checking deposits		16,520		19,742
Demand deposits		2,279,192		3,978,700
Time deposits with original maturity within three months		2,380,455		2,147,559
Bills & bonds under Repurchase Agreements		48,477		131,497
Total	$	4,726,354	$	6,279,477

1) The Group's cash & cash equivalents have not been used for collateral or pledge.

2) As of December 31, 2023 and 2022, the interest rate range in the market for the Group's time deposit with original maturity within three months was 1.10%～5.60% and 0.90%～5.20% per annum, respectively.

3) As of December 31, 2023 and 2022, the interest rate range in the market for the bills & bonds under Repurchase Agreements within three months undertaken by the Group was 1.33%～2.70% and 2.00%～4.75%, respectively.

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

Items	December 31, 2023	December 31, 2022
Beneficiary certificates for mutual funds designated at fair value through profit or loss	$ 214,542	$ 195,751
Plus: Evaluation adjustment	1,746	860
Total	$ 216,288	$ 196,611

1) For more details regarding financial assets at fair value through profit or loss - current, please see Notes 13 (1) (2)-3.

2) For the years ended December 31, 2023 and 2022, the net gains recognized in the current profit or loss by the Group were NT$2,064 thousand and NT$728 thousand, respectively.

3) The financial assets at fair value through profit or loss - current held by the Group have not been used for collateral or pledge.

(3) Notes receivable

Items	December 31, 2023	December 31, 2022
Total notes receivable	$ 297,589	$ 309,704
Less: Allowance loss	-	-
Net	$ 297,589	$ 309,704

1) The Group's notes receivable have not been overdue and the expected credit loss rate was 0%.

2) The Group’s notes receivable have not been used for collateral or pledge.

(4) Accounts receivable (including related parties)

Items	December 31, 2023	December 31, 2022
Total accounts of receivable	$ 1,385,990	$ 1,603,923
Less: Allowance loss	(13,295)	(33,013)
Subtotal	1,372,695	1,570,910
Total accounts receivable - related parties	1,507	-
Less: Allowance loss	-	-
Subtotal	1,507	-
Net	$ 1,374,202	$ 1,570,910

1) The age analysis of accounts receivable (including related parties) and the allowance loss measured by the preparation matrix are as follows:

Account aging interval	December 31, 2023 Total amount	December 31, 2023 Allowance loss	December 31, 2023 Net	December 31, 2022 Total amount	December 31, 2022 Allowance loss	December 31, 2022 Net
Not overdue	$ 1,337,440	$ -	$ 1,337,440	$ 1,487,299	$ -	$ 1,487,299
1 - 30 days overdue	38,474	1,712	36,762	54,842	2,065	52,777
31 - 90 days overdue	-	-	-	49	24	25
91 - 180 days overdue	-	-	-	26,836	13,423	13,413
181 - 365 days overdue	373	373	-	34,807	17,411	17,396
More than 365 days overdue	11,210	11,210	-	90	90	-
Total	$ 1,387,497	$ 13,295	$ 1,374,202	$ 1,603,923	$ 33,013	$ 1,570,910

The above analysis is based on the number of days past due.

The Group measures the expected credit losses separately based on the accounting estimate policies applicable to each component. The expected credit loss rate of the Group's aforementioned account aging intervals (excluding abnormal amounts which should be recorded at 100%): except the impairment losses recognized for individual customers according to actual credit losses, accounts non-overdue and overdue within 90 days from 0% to 50%; 91 to 365 days overdue from 40.54% to 100%, more than 365 days overdue 100%.

The Group's accounts receivable not overdue were expected to have a very low risk of credit loss; For other accounts receivable which had been overdue as of the balance sheet date, the Group has taken into account other credit enhancement protection, post-period collection, and deductions and the like. After reasonable and corroborable information, it is assessed that there was no significant change in its credit quality, and the credit risk has not increased significantly since the initial recognition. Therefore, the management of the Group expects that no credit loss of accounts receivable will be caused by default of transaction counterparties.

2) The Group adopted the simplified method of IFRS 9, and recognized the expected credit loss during the existence in the accounts receivable allowance loss. The expected credit loss during the existence was calculated using the reserve matrix, with consideration of the customers' past default record and historical experience of collection, increase in delayed payments beyond the average credit period, and at the same time with consideration of the current financial status of customers, and observable national or regional industrial economic situation changes related to the arrears of receivables and future prospects such as outlook considerations. As the Group's historical experience of credit losses indicates that there would be no significant differences in the loss patterns of different customer bases, the preparation matrix did not further distinguish the customer bases, only the accounts receivable days past due and actual conditions would determine the expected credit loss rate. The Group did not hold any collateral for these accounts receivable.

If there was evidence indicating that the counterparty was facing serious financial difficulties and the Group could not reasonably anticipate the recoverable amount, the Group would recognize 100% allowance loss or directly write off the related accounts receivable, but would, meanwhile, continue to recourse the activities due to the amount recovered and recognized in profit or loss.

3) Analysis of changes in allowance loss for accounts receivable (including related parties)

Items	Year Ended December 31, 2023	Year Ended December 31, 2022
Beginning balance	$ 33,013	$ 3,558
Plus: Provision of impairment loss	-	29,062
Less: Reversal of impairment loss	(19,642)	-
Less: Actual write-off not yet been collected	-	-
Plus: amount collected after write-offs	-	-
Effect of exchange rate changes	(76)	393
Ending balance	$ 13,295	$ 33,013

4) The Group's accounts receivable (including related parties) have not been used for collateral or pledge.

(5) Other receivables

Items	December 31, 2023		December 31, 2022	
Interest receivable	$	60,770	$	39,215
Tax refund receivable		26,758		40,705
Allowance receivable		-		2,181
Disbursements receivable		6,296		-
Others		6,516		6,056
Total	$	100,340	$	88,157

(6) Inventories

	December 31, 2023						December 31, 2022					
Items	Cost		Valuation allowance		Carrying amount		Cost		Valuation allowance		Carrying amount	
Raw materials	$	528,701	$	9,754	$	518,947	$	419,618	$	29,630	$	389,988
Supplies		227,743		13,623		214,120		226,335		9,490		216,845
Work in process		153,473		17,493		135,980		150,079		18,423		131,656
Partly-finished goods		565,113		56,829		508,284		420,625		20,244		400,381
Finished goods		322,670		30,868		291,802		253,734		21,950		231,784
By-products		2,802		223		2,579		2,571		388		2,183
Commodities		93,820		2,947		90,873		96,077		-		96,077
Inventory in transit		311,077		-		311,077		146,003		-		146,003
Total	$	2,205,399	$	131,737	$	2,073,662	$	1,715,042	$	100,125	$	1,614,917

1) The amounts of sales costs linked up with inventory are as follows:

Items	Year Ended December 31, 2023		Year Ended December 31, 2022	
Inventory sales transferred to cost of sales	$	14,037,735	$	16,130,487
Plus: Labor service costs		999,366		949,899
Plus: Unamortized labor and manufacturing overhead		210,075		250,017
Plus: Loss on net realizable value of inventory		28,942		7,875
Less: Profit on Inventories(net)		(291)		(26,179)
Less: income of off-grades & scrap material sold		(4,937)		(6,740)
Account recorded in operating costs	$	15,270,890	$	17,305,359

2) The Group’s operating costs, including the loss in net realizable value of inventory for the years ended December 31, 2023 and 2022 were NT$28,942 thousand and NT$7,875 thousand, respectively. The loss in net realizable value of inventories was due to the decrease in selling prices of products in certain markets and the increase of slow-moving inventories.

3) The Group’s inventory has not been used for collateral or pledge.

(7) Prepayments

Items	December 31, 2023	December 31, 2022
Prepayment on sales	$ 156,543	$ 38,911
Prepayment of short-term lease agreement fees/ rent	163	115
Prepayment of insurance premium	23,281	16,442
Prepaid service fees	321	1,500
Prepayment of production fees	2,651	1,744
Supplies inventory	5,204	2,192
Advertising exchange commodities and giveaways	1,010	954
Input tax	170,867	19,055
Tax credit	2,086,904	1,962,177
Others	7,795	5,122
Total	$ 2,454,739	$ 2,048,212

(8) Other financial assets - current

Items	December 31, 2023	December 31, 2022
Bank deposits with restricted use	$ 6,300	$ 1,437
Time deposits with original maturity more than three months	4,736,320	5,238,735
Total	$ 4,742,620	$ 5,240,172

1) The "bank deposits with restricted use" refers to fixed deposits for renovation construction guarantee and pledge and a reserve account and guarantee accounts for designated purposes. Please see Note 8 (3) for more details.

2) The time deposits with original maturity more than three months held by the Group did not meet the definition of cash equivalents. They are, therefore, classified under other financial assets - current, as the effect of discounts during the short holding period was insignificant, which was measured by the amount of investment. The interest rate range in the market for time deposits with original maturity more than three months as of December 31, 2023 and 2022 were 1.52%～5.16% and 1.15%～4.00%, respectively.

3) The Group assessed that the expected credit risk of the above financial assets was not high, and the credit risk has not increased after the initial recognition.

4) None of the Group's fixed-term deposits with an original maturity of over three months was collateralized or pledged.

(9) Other current assets - other

Items	December 31, 2023	December 31, 2022
Cost of program broadcasting - current	$ 104,907	$ 53,002
Others	-	55
Total	$ 104,907	$ 53,057

Cost of program broadcasting - current, please see Notes 6 (20)-1 for more details.

(10) Financial assets measured at fair value through profit or loss - noncurrent

Items	December 31, 2023	December 31, 2022
Film investment agreement designated as measured at fair value through profit or loss	$ 17,400	$ 7,200
Less: valuation adjustment	(2,243)	-
Total	$ 15,157	$ 7,200

1) The Group has entered into film investment agreements with different production companies. In accordance with these investment agreements, if there is any surplus after the settlement, the Group is entitled to net income distributions of the film pro rata to its investment. As of December 31, 2023 and 2022, some of the invested films were not yet released to cinemas or were still in the stage of post-production.

2) The net losses recognized in the profit or loss during the periods from January 1 to December 31, 2023, and 2022 were NT$2,243 thousand and NT$0, respectively.

3) The film investment agreement entered into by the Company does not provide any guarantee or pledge.

(11) Financial assets at fair value through other comprehensive income - noncurrent

Items	December 31, 2023	December 31, 2022
Listed company stocks in Taiwan		
China Development Financial Holding Corporation		
－Common shares	$ 2,788,877	$ 2,788,877
－Preferred shares	832,587	832,587
Unlisted company stocks in Taiwan and abroad		
He Xin Venture Investment Enterprise Co., Ltd.	18,412	18,412
Kuo Tsung Development Co., Ltd.	5,000	5,000
Kuo Tsung Construction Development Co., Ltd.	5,000	5,000
YODN Lighting Corp.	9,754	9,754
Bridgestone Taiwan Co., Ltd.	77,104	77,104
Jeoutai Technology Co., Ltd.	26,604	26,604
Global Mobile Corp.	14,400	14,400
Great Dream Pictures, Inc.	10,000	10,000
Ruei-Guang Broadcasting Co., Ltd.	100	100
21st Digital Technology Co., Ltd.	105,258	105,258
Citiesocial Holding Cayman Co., Ltd.	-	55,958
Com2B Corp.	8,961	8,961
Limited partnership interest in Taiwan and abroad		
CDIB Capital Asia Partners L.P.	305,666	310,959
CDIB Capital Global Opportunities Fund L.P.	607,397	385,606
China Development Asset Management Corporation's advantageous venture capital limited partnership	134,967	172,967
Subtotal	4,950,087	4,827,547
Less: Evaluation adjustment	(652,240)	(685,606)
Total	$ 4,297,847	$ 4,141,941

1) The aforementioned investments held by the Group were not in a short-term profitable operating mode. The management believes that if the short-term fair value fluctuations of these investments were included in the profit or loss, and the aforementioned investment plans were inconsistent, they chose to designate these investments at fair value through other comprehensive income.

2) For the investments before June 30, 2023, in limited partnerships with a definite life which can only be extended by agreements and resolution by the partners, the Group chose not to retroactively apply the IFRS Q&A issued by the Accounting Research and Development Foundation on June 15, 2023, regarding "Classification of Financial Assets for Investments in Limited Partnerships", in accordance with the Q&A issued by the Financial Supervisory Commission. Instead, the Group continued to classify them as equity instrument investments measured at fair value through other comprehensive income.

3) In pursuit of business diversification, the Group entered into ecommerce to expand operational footprint by acquiring Citiesocial Holding Cayman Co., Ltd. in January 2023. After the completion of this transaction, Citiesocial Holding Cayman Co., Ltd. became the Group's subsidiary and was consolidated into the Group's financial statements from the date of acquisition of control.

4) The Group newly invested limited partnership interest of the CDIB Capital Asia Partners L.P. for the years ended December 31, 2023 and 2022 in amounts of USD131 thousand (equivalent to NT$4,078 thousand) and USD289 thousand (equivalent to NT$8,843 thousand). Besides, the capital distribution of limited partnership interest for the years ended December 31, 2023 and 2022 amounted to USD291 thousand (equivalent to NT$9,076 thousand) and USD1,737 thousand (equivalent to NT$53,918 thousand); as of December 31, 2023 and 2022, the Group's cumulative investment in CDIB Capital Asia Partners L.P.'s limited partnership interest amounted to USD9,833 thousand and USD9,993 thousand respectively, and the Group's estimated total investment amount was USD13,000 thousand.

5) The Group newly invested CDIB Capital Global Opportunities Fund L.P.'s limited partnership interest of USD7,634 thousand (equivalent to NT$234,021 thousand) and USD5,773 thousand (equivalent to NT$177,306 thousand) for the years ended December 31, 2023 and 2022; in addition, the limited partnership interest distributed capital for the years ended December 31, 2023 and 2022 amounted to USD376 thousand (equivalent to NT$11,539 thousand) and USD579 thousand (equivalent to NT$17,785 thousand), respectively; as of December 31, 2023 and 2022, the Group's cumulative investment in CDIB Capital Global Opportunities Fund L.P.'s limited partnership interest was USD19,814 thousand and USD12,556 thousand, respectively, and the estimated total investment amount of the Group was USD30,000 thousand.

6) The Group's newly invested in China Development Asset Management Corporation's advantageous venture capital limited partnership interest for the years ended December 31, 2023 and 2022 in amounts of NT$0 thousand and NT$23,601 thousand, respectively; the limited partnership equity distributed capital for the years ended December 31, 2023 and 2022 amounted to NT$38,000 thousand and NT$16,357 thousand, respectively; as of December 31, 2023 and 2022, the Group's cumulative investment in China Development Asset Management Corporation's advantageous venture capital limited partnership interest were NT$134,967 thousand and NT$172,967 thousand, respectively, and the Group's estimated total investment amount was to NT$200,000 thousand.

7) The Group held investment in structured entity equity as a limited partnership interest, so there was no transaction volume and unit transaction price, and it only bore the rights and obligations within the scope of the investment contract which

had no significant influence on such investment. Accordingly, the maximum exposure amount on the balance sheet date was just the carrying amount of these financial assets.

8) The Group's net profit (loss) recognized in other comprehensive income for the years ended December 31, 2023 and 2022 due to changes in fair value were NT$33,366 thousand and (NT$1,230,456) thousand, respectively and accumulated in other equity; in addition, the amount of accumulative gain (loss) due to disposal of investment transferred directly to the retained earnings were NT$0 thousand for both.

9) The financial assets at fair values through other comprehensive income - noncurrent held by the Group have not been used for collateral or pledge.

(12) Investments accounted for using the equity method

1) Investments in associates

	December 31, 2023			December 31, 2022		
Name of associate	Carrying amount		Shareholding %	Carrying amount		Shareholding %
Zhenjiang Chimei Chemical Co., Ltd.	$	4,366,649	30.40%	$	4,814,748	30.40%
Zhangzhou Chimei Chemical Co., Ltd.		4,343,092	30.40%		4,957,682	30.40%
Total	$	8,709,741		$	9,772,430	

2) In August 2022, the Group transferred the surplus distributed from Zhenjiang Chimei Chemical Co., Ltd. for capital injection into Zhangzhou Chimei Chemical Co., Ltd. in a total amount of CNY273,600 thousand (equivalent to USD40,554 thousand / NT$1,183,985 thousand). This investment was already approved by Investment Commission, Ministry of Economic Affairs on October 26, 2022 with its Letter Jing-Shen-II-Zi 11100151980. Zhangzhou Chimei Chemical Co., Ltd. has set December 21, 2022 as the base date for the capital increase and has completed the capital verification process on December 23, 2022.

3) In October 2021, the Group transferred the surplus distributed from Zhenjiang Chimei Chemical Co., Ltd. for capital injection into Zhangzhou Chimei Chemical Co., Ltd. in a total amount of CNY167,808 thousand (equivalent to USD26,015 thousand / NT$720,099 thousand). This investment was already approved by Investment Commission, Ministry of Economic Affairs on February 22, 2022 with its Letter Jing-Shen-II-Zi 11100012630. Zhangzhou Chimei Chemical Co., Ltd. has set January 20, 2022 as the base date for the capital increase and has completed the capital verification process on January 21, 2022.

4) To strengthen its working capital, Zhenjiang Chimei Chemical Co., Ltd. conducted a capitalization of earnings in October 2023 after the resolution by the shareholders' meeting. The Group transferred the surplus distributed from Zhenjiang Chimei Chemical Co., Ltd. for the year 2022 as capital injection into Zhangzhou Chimei Chemical Co., Ltd. in a total amount of CNY13,094 thousand (equivalent to USD1,824 thousand). This investment was approved by Investment Commission, Ministry of Economic Affairs on December 27, 2023 with its Letter Jing-Shou-Shen-Zi 11256132690. Zhenjiang Chimei Chemical Co., Ltd. set January 23, 2024 as the base date for the capital increase and completed the capital verification process on January 29, 2024.

5) The shares of profits or losses and other comprehensive income of associates accounted for using the equity method for the years ended December 31, 2023 and 2022 were recognized based on the financial statements audited by other certified

public accountants of international CPA firms in the cooperation relationship with the CPA firms of the Republic of China during the same period of associates.

6) Shares of profits or losses of associates accounted for using the equity method and other comprehensive income are as follows:

Names of associates	Year Ended December 31, 2023 Recognized in current profit/loss	Year Ended December 31, 2023 Recognized in other comprehensive income	Year Ended December 31, 2022 Recognized in current profit/loss	Year Ended December 31, 2022 Recognized in other comprehensive income
Zhenjiang Chimei Chemical Co., Ltd.	($ 272,322)	($ 124,512)	$ 347,998	($ 848,340)
Zhangzhou Chimei Chemical Co., Ltd.	(501,813)	(110,720)	(147,710)	(387,084)
Total	($ 774,135)	($ 235,232)	$ 200,288	($ 1,235,424)

7) Investment accounted for using the equity method held by the Group has not been used for collateral or pledge.

8) For more details regarding the attribute in business of the aforementioned associates, their major business premises and country of incorporation registration, please see Note 13 (3), information of investment in Mainland China.

9) The summarized financial information in respect of the Group's key associates are as follows: (The summarized financial information of the Group’s key associates hereunder was prepared on the grounds of IFRSs financial statements by the associates with the adjustment already reflected at the time of equity method).

A. Zhenjiang Chimei Chemical Co., Ltd.

① Balance Sheets

Items	December 31, 2023	December 31, 2022
Current assets	$ 19,620,787	$ 20,062,320
Noncurrent assets	9,330,502	9,839,746
Current liabilities	(11,900,178)	(11,375,455)
Noncurrent liabilities	(30,861)	(27,587)
Equity	17,020,250	18,499,024
The Company’s shareholding ratio	30.40%	30.40%
The interests bestowed to the Company	5,174,156	5,623,703
Unrealized profit or loss	(807,507)	(808,955)
Carrying amount of investment in associates	$ 4,366,649	$ 4,814,748

② Statements of Comprehensive Income

Items	Year Ended December 31, 2023	Year Ended December 31, 2022
Operating revenues	$ 53,542,203	$ 62,423,170
Net profit (loss) for the year	(895,796)	1,144,728
Other comprehensive income	-	-
Total comprehensive income	($ 895,796)	$ 1,144,728
Cash dividends from associates	$ 36,616	$ 3,469,472
Plus: dividends payable at the beginning of the period (Note 7)	-	939,259
Less: dividends payable at the end of the period	-	-
Less: subscription of associate shares (Note)	-	(1,183,985)
Stock dividends from associates (after tax)	$ 36,616	$ 3,224,746

Note: Direct remittances to Zhangzhou Chimei Chemical Co., Ltd. for the rights issue

B. Zhangzhou Chimei Chemical Co., Ltd.

① Balance Sheets

Items	December 31, 2023	December 31, 2022
Current assets	$ 8,983,030	$ 14,518,043
Noncurrent assets	24,283,112	20,014,483
Current liabilities	(11,185,590)	(8,015,844)
Noncurrent liabilities	(7,794,067)	(10,208,517)
Equity	14,286,485	16,308,165
The Company's shareholding ratio	30.40%	30.40%
Interests bestowed to the Company	4,343,092	4,957,682
Unrealized profit or loss	-	-
Carrying amount of investment in associates	$ 4,343,092	$ 4,957,682

② Statements of Comprehensive Income

Items	Year Ended December 31, 2023	Year Ended December 31, 2022
Operating revenues	$ 21,404,906	$ 19,143,746
Net profit (loss) for the year	(1,650,701)	(485,887)
Other comprehensive income	-	-
Total comprehensive income	($ 1,650,701)	($ 485,887)
Dividend received from associates (After-tax)	$ -	$ -

(13) Property, plant and equipment

Items	December 31, 2023	December 31, 2022
Land	$ 3,279,861	$ 3,276,815
Buildings & constructions	1,625,093	1,636,321
Machinery & equipment	13,558,666	13,509,340
Transportation facilities	77,618	92,566
Other equipment	1,728,262	1,674,923
Construction in progress and Equipment to be inspected	16,385,814	13,209,249
Total costs	36,655,314	33,399,214
Less: Accumulated depreciation	(14,953,493)	(14,535,002)
Less: Accumulated impairment	(43,565)	(42,176)
Net	$ 21,658,256	$ 18,822,036

Items	Land	Buildings & constructions	Machinery & equipment	Transportation facilities	Other equipment	Construction in progress and equipment to be inspected	Total
Cost:							
Balance at January 1, 2023	$ 3,276,815	$ 1,636,321	$ 13,509,340	$ 92,566	$ 1,674,923	$ 13,209,249	$ 33,399,214
Obtained via business combination	-	-	-	-	873	-	873
Addition	3,046	14,711	105,794	2,753	109,931	3,520,847	3,757,082
Disposal	-	(33,226)	(64,791)	(16,884)	(35,269)	-	(150,170)
Reclassification (Note)	-	13,928	14,364	-	(19,836)	(29,361)	(20,905)
Effects of exchange rate	-	(6,641)	(6,041)	(817)	(2,360)	(314,921)	(330,780)
Balance at December 31, 2023	$ 3,279,861	$ 1,625,093	$ 13,558,666	$ 77,618	$ 1,728,262	$ 16,385,814	$ 36,655,314
Accumulated depreciation and impairment:							
Balance at January 1, 2023	$ -	$ 1,084,845	$ 12,421,312	$ 86,006	$ 985,015	$ -	$ 14,577,178
Obtained via business combination	-	-	-	-	732	-	732
Depreciation expenses	-	46,001	365,991	2,733	162,168	-	576,893
Impairment loss	-	-	1,512	-	1,600	-	3,112
Disposal	-	(33,226)	(65,297)	(16,220)	(35,237)	-	(149,980)
Reclassification (Note)	-	-	-	-	-	-	-
Effects of exchange rate	-	(2,813)	(5,696)	(784)	(1,584)	-	(10,877)
Balance at December 31, 2023	$ -	$ 1,094,807	$ 12,717,822	$ 71,735	$ 1,112,694	$ -	$ 14,997,058

Items	Land	Buildings & constructions	Machinery & equipment	Transportation facilities	Other equipment	Construction in progress and equipment to be inspected	Total
Cost:							
Balance at January 1, 2022	$ 3,276,815	$ 1,630,667	$ 13,441,811	$ 96,906	$ 1,648,584	$ 2,859,430	$ 22,954,213
Addition	-	1,744	112,521	1,802	252,456	10,350,187	10,718,710
Disposal	-	-	(89,667)	(6,540)	(199,047)	-	(295,254)
Reclassification (Note)	-	766	41,272	-	(27,808)	(41,564)	(27,334)
Effects of exchange rate	-	3,144	3,403	398	738	41,196	48,879
Balance at December 31, 2022	$ 3,276,815	$ 1,636,321	$ 13,509,340	$ 92,566	$ 1,674,923	$ 13,209,249	$ 33,399,214
Accumulated depreciation and impairment:							
Balance at January 1, 2022	$ -	$ 1,037,442	$ 12,117,986	$ 88,174	$ 1,040,718	$ -	$ 14,284,320
Depreciation expenses	-	45,956	387,867	3,902	148,833	-	586,558
Impairment loss	-	-	-	-	-	-	-
Disposal	-	-	(87,448)	(6,436)	(198,985)	-	(292,869)
Reclassification (Note)	-	-	-	-	(6,200)	-	(6,200)
Effects of exchange rate	-	1,447	2,907	366	649	-	5,369
Balance at December 31, 2022	$ -	$ 1,084,845	$ 12,421,312	$ 86,006	$ 985,015	$ -	$ 14,577,178

Note: The net decreases in reclassification from January 1 to December 31, 2023 and 2022 were for the reclassification of were due to transfer from equipment prepayments by NT$250 thousand and NT$0, respectively, and as a result of reclassification of property, plant and equipment into expenses by NT$21,155 thousand and NT$21,134 thousand, respectively.

1) The Group’s property, plant and equipment is primarily for internal use. Some property and equipment owned is rented out via operating leases. Please refer to the breakdown of items for internal use and for let.

Items	Year Ended December 31, 2023	Year Ended December 31, 2022
Internal use	$ 21,650,742	$ 18,822,036
For let — other equipment	7,514	-
Total	$ 21,658,256	$ 18,822,036

2) The additions for the current period include non-cash items, which are reconciled to the acquisition of property, plant and equipment in the statement of cash flows as follows:

Items	Year Ended December 31, 2023	Year Ended December 31, 2022
Increase in property, plant and equipment	$ 3,757,082	$ 10,718,710
Less: Increase in the payables for equipment	(146,685)	(158,189)
Less: Amortization of capitalized issuance cost of syndicated loans	(20,080)	(10,131)
Less: Increase in deferred subsidies	(4,302)	-
Amounts paid in cash	$ 3,586,015	$ 10,550,390

3) Capitalized amount of the costs and interest rate range of the property, plant and equipment based loans:

Items	Year Ended December 31, 2023	Year Ended December 31, 2022
Amount capitalized	$ 607,495	$ 355,218
Interest rate range	3.95%～4.05%	4.05%～4.40%

4) The major composition items of the Group's property, plant and equipment were depreciated in the straight-line method based on the useful life as follows:

A. Buildings & constructions

Buildings, plants and main constructions	26 - 46 years	Building affiliated equipment	11 - 21 years
Air conditioning equipment	5 - 8 years	Fire protection equipment	4 - 6 years
Road greening	4 - 11 years		

B. Machinery equipment

Chemical equipment	8 - 25 years	Steam and electricity equipment	16 years
Gas supply equipment	10 years	Broadcasting equipment	5 - 6 years
Others	7 years		

C. Transportation facilities

SNG Van	5 - 7 years	OB outside Broadcasting Van	6 - 7 years
Others	2 - 6 years		

D. Other equipment

Furniture & office equipment	4 - 7 years	Leasehold improvement	10 - 15 years
Catering equipment	3 years	Others	3 - 8 years

5) For the years ended December 31, 2023 and 2022, while some equipment capacity was not fully utilized, the Group expected that the future cash inflow of such equipment would decrease, and, in turn, estimated that recoverable amount was NT$0 less than the carrying amount so that it would recognize the impairment loss of this equipment amounting to NT$3,122 thousand and NT$0 thousand, respectively. Such impairment loss was already included in the consolidated statements of comprehensive income under other gains and losses. The Group used the value in use to determine the recoverable amount of such equipment. The discount rate adopted for the years ended December 31, 2023 and 2022 were 1.25%. In addition, based on the results of the Group's prudent assessment, as of December 31, 2023 and 2022, the Group recognized that the accumulated impairment amounts for property, plant and equipment were NT$43,565 thousand and NT$42,176 thousand, respectively.

6) For information regarding the collateral provided with property, plant and equipment, please see Note 8 (1) for more details.

(14) Lease agreement

1) Right-of-use assets

Items	December 31, 2023	December 31, 2022
Land	$ 1,003,439	$ 1,028,164
Buildings & constructions	3,244,718	2,952,338
Machinery & equipment	163,023	35,377
Transportation facilities	17,760	9,952
Total costs	4,428,940	4,025,831
Less: Accumulated depreciation	(598,607)	(427,963)
Less: Accumulated impairment	-	-
Net	$ 3,830,333	$ 3,597,868

Items	Land	Buildings & constructions	Machinery & equipment	Transportation facilities	Total
Cost:					
Balance at January 1, 2023	$ 1,028,164	$ 2,952,338	$ 35,377	$ 9,952	$ 4,025,831
Obtained via business combination	-	9,010	-	-	9,010
Addition/Remeasurement	-	317,507	165,129	10,785	493,421
Addition/decommissioning costs	-	(592)	-	-	(592)
Disposal/Derecognition	-	(26,746)	(37,483)	(2,894)	(67,123)
Effects of exchange rate	(24,725)	(6,799)	-	(83)	(31,607)
Balance at December 31, 2023	$ 1,003,439	$ 3,244,718	$ 163,023	$ 17,760	$ 4,428,940
Accumulated depreciation and impairment:					
Balance at January 1, 2023	$ 45,040	$ 344,246	$ 33,296	$ 5,381	$ 427,963
Obtained via business combination	-	1,502	-	-	1,502
Depreciation expenses	20,131	195,854	10,388	3,677	230,050
Disposal/Derecognition	-	(16,818)	(37,483)	(2,894)	(57,195)
Effects of exchange rate	(1,339)	(2,312)	(20)	(42)	(3,713)
Balance at December 31, 2023	$ 63,832	$ 522,472	$ 6,181	$ 6,122	$ 598,607

Items	Land	Buildings & constructions	Machinery & equipment	Transportation facilities	Total
Cost:					
Balance at January 1, 2022	$ 981,071	$ 853,184	$ 35,377	$ 13,196	$ 1,882,828
Addition－Individual origin	32,638	-	-	-	32,638
Addition/Remeasurement (Note)	-	2,120,369	-	1,066	2,121,435
Addition/decommissioning costs (Note)	-	44,679	-	-	44,679
Disposal/Derecognition	-	(67,667)	-	(4,360)	(72,027)
Effects of exchange rate	14,455	1,773	-	50	16,278
Balance at December 31, 2022	$ 1,028,164	$ 2,952,338	$ 35,377	$ 9,952	$ 4,025,831
Accumulated depreciation and impairment:					
Balance at January 1, 2022	$ 24,899	$ 193,936	$ 24,972	$ 6,374	$ 250,181
Depreciation expenses	19,632	179,059	8,324	3,352	210,367
Disposal/Derecognition	-	(28,918)	-	(4,360)	(33,278)
Effects of exchange rate	509	169	-	15	693
Balance at December 31, 2022	$ 45,040	$ 344,246	$ 33,296	$ 5,381	$ 427,963

Note: To operate its hotel brand “Capella”, the Group leased from China Life Insurance Co., Ltd. for properties, at Dunhua North Road, Songshan District, Taipei City starting on March 1, 2022. The lease is for a total of 20 years until February 28, 2042. The right-of-use asset (including decommissioning costs) is valued at NT$2,138,853 thousand based on the present value of future lease payments, less the amount of the leasing incentives receivable (renovation construction grants) of NT$1,000,000 thousand.

2) Lease liabilities

Items	December 31, 2023		December 31, 2022	
	Current	Noncurrent	Current	Noncurrent
Land	$ -	$ -	$ -	$ -
Buildings & constructions	193,346	2,772,324	172,678	2,525,497
Machinery & equipment	27,285	133,579	2,817	-
Transportation facilities	3,890	7,749	2,745	1,755
Total	$ 224,521	$ 2,913,652	$ 178,240	$ 2,527,252

Items	Land	Buildings & constructions	Machinery & equipment	Transportation facilities	Total
Lease liabilities:					
Balance at January 1, 2023	$ -	$ 2,698,175	$ 2,817	$ 4,500	$ 2,705,492
Obtained via business combination	-	7,293	-	-	7,293
Addition/Remeasurement	-	317,507	165,129	10,785	493,421
Disposal/Derecognition	-	(9,368)	-	-	(9,368)
Repayment of principal of lease liabilities	-	(42,866)	(7,074)	(3,605)	(53,545)
Effects of exchange rate	-	(5,071)	(8)	(41)	(5,120)
Balance at December 31, 2023	$ -	$ 2,965,670	$ 160,864	$ 11,639	$ 3,138,173

Items	Land	Buildings & constructions	Machinery & equipment	Transportation facilities	Total
Lease liabilities:					
Balance at January 1, 2022	$ -	$ 665,171	$ 11,227	$ 6,752	$ 683,150
Addition/Remeasurement	-	2,120,369	-	1,066	2,121,435
Disposal/Derecognition	-	(40,132)	-	-	(40,132)
Repayment of principal of lease liabilities	-	(49,047)	(8,410)	(3,353)	(60,810)
Effects of exchange rate	-	1,814	-	35	1,849
Balance at December 31, 2022	$ -	$ 2,698,175	$ 2,817	$ 4,500	$ 2,705,492

A. The lease term of lease liabilities and the range of discount rate are as follows:

Items	Estimated lease term (including lease renewal rights)	December 31, 2023	December 31, 2022
Land	50 years	-	-
Buildings & constructions	2 - 29 years	0.32%～4.35%	0.32%～4.35%
Machinery & equipment	5 years	1.75%	0.75%
Transportation facilities	3 - 7 years	0.28%～2.67%	0.28%～1.20%

B. The maturity of the Company's lease liabilities are analyzed below:

Items	December 31, 2023	December 31, 2022
Within 1 year	$ 282,657	$ 225,277
1 to 5 years	1,104,068	924,624
5 to 10 years	1,334,615	1,024,200
10 to 15 years	1,096,147	1,096,147
15 to 20 years	710,987	924,795
Over 20 years	8,307	11,536
Subtotal	4,536,781	4,206,579
Less: Receivable lease incentives	(872,555)	(1,000,000)
Total undiscounted lease payments	$ 3,664,226	$ 3,206,579

3) Major lease events and clauses

A. The Group leased the land in the People’s Republic of China for use as a production plants and office spaces for land use right in 50 years. The entire rents should be paid up in a lump-sum at the time of execution of this Lease Agreement. The Group was not entitled to procure the land upon expiry of the duration of land use right. The Group was entitled to the act of disposition such as land use right, income right, transfer and lease within the land use limit, and the Group is responsible to pay a variety of taxes as required.

In addition, the subject assets leased by the Group include buildings & constructions, machinery equipment and transportation facilities, and the like. At the end of the lease term, the Group held no preferential acquisition rights for the leased target assets, and some leases were attached to lease term renewal right after expiration. The lease agreement was negotiated individually and contained various terms and conditions. Some lease agreements stipulate that the lease payment may be adjusted according to the consumer price index. Assets other than leases should not be used as loan collateral, and it was agreed that unless with the consent of the lessor, the Group should not sublet or transfer the Subject Premises either in whole or in part. Except these facts, the lease agreement was free of any other restrictions.

B. Option to extend the lease

The part of the Subject Premises covered within the Group's lease agreement includes the extension option entitled to the Group. Under the general practice for the lease agreement, the Group was bestowed with the maximum possible operating flexibility and effective use of assets. While the Group resolved to enter into the lease term, the Group already took into account all the facts and circumstances that will result in the economic incentives generated from the exercise of extension option. The lease term will be reassessed when a major event occurs regarding the assessment whether to exercise the extension right or not to excise the termination option.

C. Impact of variable lease payments on lease liabilities

The Group has lease agreements with variable lease payment terms linked to storage volume/usage and operating revenues/net operating profits. The variable payments depend on the actual usage or operating performance of the underlying assets. Variable payment terms are used for many reasons, mainly to control profits and operational flexibility while minimizing fixed costs. Variable lease payments (or profit-sharing rents) related to the abovementioned indicators are recognized as expenses during the periods when the payment conditions are triggered.

4) Sublet

The Group sub-leases the right to use part of the leased spaces under a short-term operating lease. The rent has been collected in accordance with the lease agreements. Most lease agreements could be renewed at the market price at the end of the lease term. Those lease agreements include clauses that can adjust the rent according to the market environments every year. For the years ended December 31, 2023 and 2022, the proceeds from sublease of right-of-use assets amounted to NT$1,190 thousand and NT$1,009 thousand, respectively.

5) Other lease related information

For the years ended December 31, 2023 and 2022, the Group recognized rental income of NT$19,028 thousand and NT$17,529 thousand respectively based on operating lease agreements. Among them, there was no income from variable lease payments.

The Group's agreement to lease investment property by means of operating lease is detailed in Note 6 (15)-6.

A. The profit or loss details related to the lease agreement are as follows:

Items	Year Ended December 31, 2023	Year Ended December 31, 2022
Expenses attributable to short-term lease agreement	$ 6,815	$ 6,503
Expenses attributable to low-value assets lease	21	2
Expenses paid under variable lease	1,097	414
Total	$ 7,933	$ 6,919
Interest expense for lease liabilities	$ 55,505	$ 41,963
Profit (loss) generated from back-lease transaction after sales	$ -	$ -
Profit (loss) generated from amendment to lease transaction	($ 560)	$ 1,383

The Group chose to apply recognition exemptions for short-term leases and low-value asset leases, and did not recognize related right-of-use assets and lease liabilities for these leases.

B. The total lease cash outflow of the Group for the years ended December 31, 2023 and 2022 at NT$116,983 thousand and NT$109,692 thousand, respectively.

C. The right-of-use assets prove no impairment as indicated by the result of the Group's prudential evaluation.

D. The Group's right-of-use assets do not provide any guarantee or pledge.

(15) Investment property

Items	December 31, 2023	December 31, 2022
Land	$ 519,432	$ 519,432
Buildings & constructions	292,446	292,446
Subtotal	811,878	811,878
Less: Accumulated depreciation	(95,674)	(90,745)
Less: Accumulated impairment	-	-
Net	$ 716,204	$ 721,133

Items	Land	Buildings & constructions	Total
Cost:			
Balance at January 1, 2023	$ 519,432	$ 292,446	$ 811,878
Additions	-	-	-
Disposal	-	-	-
Balance at December 31, 2023	$ 519,432	$ 292,446	$ 811,878
Accumulated depreciation and impairment:			
Balance at January 1, 2023	$ -	$ 90,745	$ 90,745
Depreciation expenses	-	4,929	4,929
Disposal	-	-	-
Balance at December 31, 2023	$ -	$ 95,674	$ 95,674

Items	Land	Buildings & constructions	Total
Cost:			
Balance at January 1, 2022	$ 192,610	$ 129,578	$ 322,188
Additions	326,822	162,868	489,690
Disposal	-	-	-
Balance at December 31, 2022	$ 519,432	$ 292,446	$ 811,878
Accumulated depreciation and impairment:			
Balance at January 1, 2022	$ -	$ 87,630	$ 87,630
Depreciation expenses	-	3,115	3,115
Disposal	-	-	-
Balance at December 31, 2022	$ -	$ 90,745	$ 90,745

1) Capitalized amount of the costs and interest rate range of investment property based loans: Nil

2) The Group's investment property, except for land, is depreciated on a straight-line basis over a useful life of 40 to 56 years.

3) Rent revenues from investment property and direct operating expenses:

Items	Year Ended December 31, 2023	Year Ended December 31, 2022
Rent revenues from investment property	$ 16,578	$ 16,520
Direct operating expenses arising from investment property that generated rental income in the current year	$ 2,759	$ 2,847
Direct operating expenses arising from investment property that did not generate rental income in the current year	$ 4,297	$ 1,438

4) In order to revitalize the use of capital, the Group's board of directors approved the purchase of the real estate located at Dunhua South Road, Daan District, Taipei on June 23, 2022, and the contract has been entered into on June 29, 2022. The transaction price was determined with reference to the real estate valuation report issued by Cushman & Wakefield, the property valuation firm. The total transaction price (before taxes; including the related expenses such as land administration agent fees and deed taxes) was NT$489,690 thousand, of which the land price was NT$326,822 thousand and the building price was NT$162,868 thousand, and the transfer of ownership was completed on July 26, 2022.

5) The fair value of the Group's investment property in Songshan District and Daan District, Taipei City were NT$757,924 thousand and NT$835,714 thousand, respectively, on December 31, 2023 and 2022. This above-mentioned fair value was based on the comparable properties in proximity and within the primary market area, as indicated by the most recent real estate transaction registration data of the Ministry of the Interior’s Actual Price Registration System. As this fair value is estimated with historical quantitative data and the transactions may vary due to the property and the surrounding conditions, it may differ from the future transaction price. In addition, the Group has an investment property in Dali District, Taichung City. It is located in a software industry park, where the comparable transactions are infrequent and reliable alternative fair value estimates would be impractical, so the fair value cannot be determined reliably.

6) Lease agreements - The Group is the Lessee.

The investment property leased outward by the Group includes land and buildings & constructions, and the like. The lease agreement period is 1~2 years. At the end of the lease term, the lessee is not entitled to preferential privilege to renew the leasehold. At the end of the duration, the most of lease agreement could be renewed according to the market price, and include terms that could adjust the rent according to the annual market environment. The Group leases outward the investment property under the operating lease. The total future lease payments are as follows:

Items	December 31, 2023	December 31, 2022
The first year	$ 15,456	$ 14,856
The second year	7,200	-
The third year	-	-
The fourth year	-	-
The fifth year	-	-
Over 5 years	-	-
Total	$ 22,656	$ 14,856

7) The investment property has no impairment as indicated by the result of the Group’s prudential evaluation.

8) The information about the pledges on the Group's investment properties are provided in Note 8 (2).

(16) Intangible assets

Items	December 31, 2023	December 31, 2022
Goodwill	$ 816,099	$ 674,070
Expertise	436,788	403,313
Pollution rights	14,654	-
Online platform membership relationships	76,111	-
Sub-total	1,343,652	1,077,383
Less: Accumulated amortization	(8,099)	-
Less: Accumulated impairment	(37,155)	(15,155)
Net	$ 1,298,398	$ 1,062,228

Items	Goodwill	Expertise	Pollution rights	Online platform membership relationships	Total
Cost:					
Balance at January 1, 2023	$ 674,070	$ 403,313	$ -	$ -	$ 1,077,383
Obtained via business combination	142,029	-	-	76,111	218,140
Addition－Individual origin	-	43,174	14,654	-	57,828
Disposal/Derecognition	-	-	-	-	-
Effects of exchange rate	-	(9,699)	-	-	(9,699)
Balance at December 31, 2023	$ 816,099	$ 436,788	$ 14,654	$ 76,111	$ 1,343,652
Accumulated amortization and impairment:					
Balance at January 1, 2023	$ 15,155	$ -	$ -	$ -	$ 15,155
Amortized expenses	-	-	495	7,611	8,106
Disposal/Derecognition	-	-	-	-	-
Loss in impairment	22,000	-	-	-	22,000
Effects of exchange rate	-	-	(7)	-	(7)
Balance at December 31, 2023	$ 37,155	$ -	$ 488	$ 7,611	$ 45,254

Items	Goodwill	Expertise	Pollution rights	Online platform membership relationships	Total
Cost:					
Balance at January 1, 2022	$ 674,070	$ 397,832	$ -	$ -	$ 1,071,902
Addition－Individual origin	-	326	-	-	326
Disposal/Derecognition	-	-	-	-	-
Effects of exchange rate	-	5,155	-	-	5,155
Balance at December 31, 2022	$ 674,070	$ 403,313	$ -	$ -	$ 1,077,383
Accumulated amortization and impairment:					
Balance at January 1, 2022	$ 15,155	$ -	$ -	$ -	$ 15,155
Amortized expenses	-	-	-	-	-
Disposal/Derecognition	-	-	-	-	-
Effects of exchange rate	-	-	-	-	-
Balance at December 31, 2022	$ 15,155	$ -	$ -	$ -	$ 15,155

1) Capitalized amount of the costs and interest rate range of intangible assets:

None.

2) In pursuit of business diversification, the Group entered into ecommerce to expand operational footprint by acquiring Citiesocial Holding Cayman Co., Ltd. and its subsidiary Citiesocial Co., Ltd. in January 2023. In accordance with the purchase price allocation report, a goodwill of NT$142,029 thousand and online platform membership relationships of NT$76,111 thousand were recognized. Please refer to Note 6 (47) for details.

3) The proprietary technology is the license for the Spheripol process and the Oleflex propane dehydrogenation plant used by the Group to produce polymers such as propylene and polypropylene. Since the licensor's performance obligations have not yet been completed and the patented technologies are not yet ready for use, they are expected to be amortized over the benefit period from the completion of the plant construction and mass production.

4) Pollution rights are permits obtained by the Group through monetary transactions to emit pollutants of specified types and quantities over a defined period. The allowances of pollution rights acquired by companies are identifiable non-physical non-monetary assets that are individually identifiable, controllable by companies, and have future economic benefits in the form of offsetting emission-related obligations. Therefore, they meet the definition of intangible assets under the IAS 38. Consequently, the Group capitalizes these allowances and amortizes them over the approved permit period.

5) The online platform membership relationships operated by the Group via a membership system to sell exclusive and selected merchandise through its website to enhance customer loyalty. After the evaluation, it is deemed that such relationships have future economic value and meets the definition and recognition criteria of an intangible asset under the IAS 38. Online platform membership relationships are amortized on a straight-line basis over the useful life of ten years.

6) The amortized amounts of intangible assets for the Group were NT$8,106 thousand and NT$0 for the years from January 1 to December 31, 2023 and 2022, respectively, and presented as a single line item by function under operating expenses.

7) The intangible assets (except goodwill) have no significant impairment as indicated by the result of the Group’s prudential evaluation.

8) The Group’s intangible assets have not been used for collateral or pledge.

9) Goodwill (less accumulated amortization and impairment) has been allocated to the Group's cash-generating units identified by the operating segment:

Items	December 31, 2023	December 31, 2022
Goodwill		
Digital Media Department	$ 778,944	$ 658,915

10) The Group performs an impairment assessment on the recoverable amount of goodwill annually on the balance sheet date by using the value in use as the basis for the calculation of the recoverable amount. The calculation of the value in use is based on the pretax cash flow projections derived from the five-year financial budgets approved by management. Cash flows beyond the five-year period are extrapolated using a steady growth rate. Management determines the budgeted gross margin based on past performance and their expectations of market development. The weighted

average growth rates adopted are consistent with the forecasts from industry reports. Pre-tax discount rates of 6.44%-12.08% and 4.18% were used in the years ended December 31, 2023 and 2022, respectively, to reflect the specific risks of the relevant cash-generating units. Based on the above key assumptions, the recoverable amount calculated for the period from January 1 to December 31, 2022 showed no sign for significant impairment of goodwill after careful evaluation.

11) In January 2023, the Group acquired Citiesocial Holding Cayman Co., Ltd. and its subsidiary Citiesocial Co., Ltd. After the acquisition, proactive organizational adjustments and operational restructuring were undertaken. However, the sales of merchandise during retail holidays were lower than expected, the increase in the number of new customers slowed down, and the revenue from existing customers declined due to global inflation. As a result, the operational performance to date fell short of expectations at the time of acquisition. The Group performed an impairment test on goodwill based on the key assumptions described in (10) above. After careful evaluation, the recoverable amount of the cash-generating unit was found to be less than the carrying amount. Consequently, an impairment loss on goodwill of NT$22,000 thousand was recognized for the period from January 1 to December 31, 2023 and included in other gains and losses in the consolidated statement of comprehensive income.

(17) Prepayments for equipment

Items	December 31, 2023		December 31, 2022	
QuanZhou Grand Pacific Chemical Co., Ltd. prepaid for equipment of the plant.	$	4,748,533	$	4,526,844
Others		2,053		-
Total	$	4,750,586	$	4,526,844

(18) Refundable deposits

Items	December 31, 2023		December 31, 2022	
Performance bond	$	476	$	487
Lease security deposit - as a lessee		26,981		24,489
Others		1,317		891
Total	$	28,774	$	25,867

(19) Other financial assets－non-current

Items	December 31, 2023		December 31, 2022	
Restricted bank deposits	$	1,000	$	-

1) The restricted bank deposits refer to time deposits pledged as customs import duty guarantees. Please refer to Note 8 (3) for more details.

2) The Group has evaluated that the above financial assets have low credit risk and the credit risk has not increased significantly since initial recognition.

(20) Other noncurrent assets - other

Items	December 31, 2023		December 31, 2022	
Cost of program broadcasting - noncurrent	$	35,731	$	113,205
Long-term prepaid expenses		4,759		6,817
Long-term receivables		-		210
Issuance cost of syndicated loan		-		6,943
Total	$	40,490	$	127,175

1) The cost of program broadcasting included the cost of outsourcing film broadcasting rights, outsourcing filming or self-made programs and the like. The relevant details are as follows:

Items	December 31, 2023		December 31, 2022	
Movie film library	$	109,850	$	116,403
Film purchase paid in advance		32,330		47,872
Film production paid in advance		-		3,066
Subtotal		142,180		167,341
Less: Accumulated impairment - cost of program broadcasting		(1,542)		(1,134)
Less: Portion expected to be amortized within one year		(104,907)		(53,002)
Cost of program broadcasting - noncurrent	$	35,731	$	113,205

The portion expected to be amortized within one year was recorded in other current assets - others. Please see Note 6 (9) for more details.

2) While some of the Group's broadcast programs were sold not well in the market at the box office or were not broadcast at all or a long period of time, the Group expected that the future cash inflow of these broadcast programs would drop, resulting in the estimated recoverable amounts, respectively below the carrying amounts. The Group, as a result, recognized the impairment loss of these broadcasts for the year ended December 31, 2023 at NT$408 thousand. The Group adopted the value in use to determine the recoverable amounts at NT$3,695 thousand of these broadcasts. The adopted discount rate was 4.79% for the year ended December 31, 2023. Such impairment loss has been recorded under non-operating income and expenditures - other gains and losses in the statements of comprehensive income. As of December 31, 2023 and 2022, the amount of accumulated impairment recognized by the Group for broadcasting programs were NT$1,542 thousand and NT$1,134 thousand, respectively.

3) The program broadcasting held by the Group has not been used for collateral or pledge.

4) The single-line items for all amortization of the cost of program broadcasting and long-term prepaid expenses are as follows:

Items	Year Ended December 31, 2023		Year Ended December 31, 2022	
Operating costs	$	448,732	$	447,213
Operating expenses		3,237		3,920
Total	$	451,969	$	451,133

5) The long-term receivables were loans granted employees without interest for vehicular purchase.

6) The issuance cost for the syndicated loan refers to syndicated loan fee for the Group's CNY3.5 billion syndicated loan from 17 banks. The total fee was

CNY15,750 thousand based on a rate of 0.45%. When the loan facility is utilized, the Group converts the issuance cost of the syndicated loan pro rata into the contra account for long-term loans and recognizes an interest expense for the transaction cost of the financial liability with amortization based on the effective interest rate method. The syndicated fee paid for the portion of yet-to-be-utilized loan facility is recognized as an asset (other non-current assets – others).

(21) Short-term loan

Items	December 31, 2023	December 31, 2022
Credit loans	$ 1,830,000	$ 1,681,000
Secured loans	70,000	250,000
Total	$ 1,900,000	$ 1,931,000
Interest rate range	1.795%～2.625%	1.53%～1.95%

The Group and the banks have signed Comprehensive credit line contract for which the Group provided a promissory note as a commitment to repay the loan. For more details regarding pledge provided for short-term loans, please see Note 8 (1) and Note 9-1-(1).

(22) Short-term notes payable

Items	December 31, 2023	December 31, 2022
Commercial paper payable	$ 700,000	$ 300,000
Less: discount on short-term notes payable	(305)	(688)
Net	$ 699,695	$ 299,312
Interest Rate Range	1.45%～1.61%	1.61%

The Group's commercial paper payable is issued under the guarantee of a Bills Finance Company or a bank, and a promissory note is provided as a commitment to repay the loan. Please refer to Note 9-1-(1) for the details of the pledge and guarantee of short-term notes payable.

(23) Notes and accounts payable

Notes and accounts payable are recognized for operating activities. The Group has established a financial risk management policy to ensure all the payables are paid within the predetermined credit period.

(24) Other payables

Items	December 31, 2023	December 31, 2022
Salaries and bonuses payable	$ 303,619	$ 298,387
Compensation to employee payable	3,110	14,282
Remuneration to directors and supervisors payable	2,101	1,009
Interest payable	2,425	2,666
Freight payable	16,668	18,140
Taxes payable	3,842	10,782
Advertising fees payable	16,485	-
Insurance premium payable	12,213	11,095
Utilities payable	6,273	4,957
Repair & maintenance expenses payable	13,855	21,792
Service charge payable	8,066	10,171
Labor service cost payable	13,625	6,352
Business tax payable	9,026	10,530
Equipment payable	349,858	203,173
Anticipated refund of overpayments from shareholders in capital increase	11,281	-
Share issuance cost payable	4,042	-
Dividends payable to non-controlling interest	18,444	-
Output tax	11,307	11,307
Others	41,892	36,253
Total	$ 848,132	$ 660,896

(25) Provisions - current

Items	December 31, 2023	December 31, 2022
Employee benefits - payment on leave	$ 18,870	$ 18,063
Restructuring plan	-	14,000
Total	$ 18,870	$ 32,063

Items	Employee benefits	Restructuring plan	Total
Balance at January 1, 2023	$ 18,063	$ 14,000	$ 32,063
Additional amount for the year	22,162	-	22,162
Utilized amount for the year	(14,279)	(14,000)	(28,279)
Reversal of unutilized amount for the year	(7,043)	-	(7,043)
Effects of exchange rate	(33)	-	(33)
Balance at December 31, 2023	$ 18,870	$ -	$ 18,870

Items	Employee benefits	Restructuring plan	Total
Balance at January 1, 2022	$ 18,957	$ -	$ 18,957
Additional amount for the year	25,190	39,314	64,504
Utilized amount for the year	(17,305)	(25,314)	(42,619)
Reversal of unutilized amount for the year	(8,319)	-	(8,319)
Effects of exchange rate	(460)	-	(460)
Balance at December 31, 2022	$ 18,063	$ 14,000	$ 32,063

1) The provisions of employee benefits - current refer to an estimate of the employee's vested right for service leave. In most cases, sick leave and maternity leave or paternity leave are contingent in attribute, depending on future events and instead of being accumulated so such costs would be recognized only when the fact of leave takes place.

2) On November 10, 2022, the Group's board of directors resolved to close the production line of the packaging materials division at the Zhongshan plant in Guangdong Province, China. The Group has proposed and announced to the public a detailed formal restructuring plan, which includes the termination of employment contracts and the disposal of assets, so that the affected parties have a valid expectation that the Group will be restructured and therefore have a constructive obligation to restructure. The Group recognized a provision for liabilities based on the best estimate of the expenses required to settle the constructive obligation of the reorganization.

(26) Advance receipts

Items	December 31, 2023	December 31, 2022
Rents collected in advance	$ 993	$ 972

(27) Other current liabilities - other

Items	December 31, 2023	December 31, 2022
All collections	$ 7,673	$ 6,794
Materials borrowed from industry peers	22,228	-
Collected fees on behalf of others for TV program co-production	10,033	-
Total	$ 39,934	$ 6,794

1) The materials borrowed from industry peers refer to the raw materials that the Group borrowed from other companies in the industry during November and December 2023 to meet the production schedules. A borrowing agreement was signed, which states that the borrowed materials will be returned after the imported materials arrive.

2) The fees collected on behalf of others for TV program co-production refer to the funds collected by the Group by applying to and from the Taiwan Creative Content Agency for the investment in television program co-production projects. According to the investment agreement, the Group is obligated to distribute the project profits pro-rata to investments after deducting the subsidies or grants provided by the government from all incomes generated by this project.

(28) Long-term loans

Items	December 31, 2023	December 31, 2022
Syndicated loan	$ 15,057,000	$ 13,885,200
Credit loan (I)	700,000	700,000
Credit loan (II)	933	-
Guaranteed loan	-	1,200,000
Subtotal	15,757,933	15,785,200
Less: issuance cost of syndicated loan	(37,614)	(51,910)
Less: due within one year	(3,004,810)	-
Total	$ 12,715,509	$ 15,733,290

1) Long-term loans:

A. Syndicated loan

To fund the capital required for the construction an annual capacity of 660,000 metric tons of propane dehydrogenation (PDH) and an annual capacity 450,000 metric tons of polypropylene (PP) at Quangang Petrochemical Industrial Park in China, the Group signed with 17 banks for a syndicated loan of CNY3.5 billion on March 31, 2021. The credit term is five years after the first utilization of the loan facility. The interest rate is floating, based on ≥5-year Loan Prime Rate (LPR) published by National Inter-bank Funding Center on the 20th of each month. Interests are paid every six months. The grace period is three years and the level repayments for the principal are due every six months until September 2026. The Company serves as the joint guarantor for this loan and maintains a specific current ratio, debt ratio and interest coverage ratio as required by the covenant. Please refer to Note 9 (12) for the financial ratio restrictions during the contract period of this syndicated loan. As of December 31, 2023 and 2022, the Group has utilized CNY3,500,000 thousand and CNY3,150,000 thousand, respectively. Effective annual interest rates of 3.95%-4.05% and 4.05%-4.40% were applied for the years ended 31 December 2023 and 2022, respectively.

B. Credit loan (I)

The credit term of this contract is 2 years with monthly interest repayments, and after the contract renewal, the principal is due for repayment in March 2025. Based on the available and revolving bank credit facility under the contract, the Group has the discretion and capacity to refinance or roll over its liabilities beyond 12 months from the balance sheet date. The effective interest rate ranges were 1.70%-2.08% and 0.73%-1.70% for the years ended December 31, 2023 and 2022, respectively.

C. Credit loan (II)

The credit term of this contract is 2 years, due in November 2024. Monthly amortized repayments under the annuity method are required from the borrowing date. The effective annualized interest rate range was 2.88%-3.31% for the period from January 1 to December 31, 2023.

D. Guaranteed loan

The credit term of this contract is 2 years with monthly interest payments, and after the contract renewal, the principal is expected to be repaid in December 2024. The Group has the capacity to refinance or roll over its liabilities for more than 12 months after the balance sheet date based on the available bank borrowing line, which can be utilized within the credit line in accordance with the contract. The credit facilities are secured by the

Group's own property, plant and equipment, as described in Note 8 (1). The Group has repaid in December 2023 all the borrowings not yet due. The effective annualized interest rate ranges were1.93%-2.055% and 1.93% for the year ended December 31 (or up to repayment date), 2023 and 2022, respectively.

2) The Group enters loan facility contracts with banks and provides promissory notes or debit notes corresponding to the credit lines as a promise for repayments. Please refer to Note 8 (1) and Note 9-1-(1) for pledges and collaterals of long-term loans.

3) The maturity analysis of the Group’s long-term loan is detailed in Note 12 (3)-3-(3).

(29) Provisions - noncurrent

Items	December 31, 2023	December 31, 2022
Other long-term employee benefits plans	$ 14,380	$ 13,477
Decommissioning liabilities	67,379	66,998
Total	$ 81,759	$ 80,475

1) Other long-term employee benefits plans

A. The other long-term employee benefits plans of the Group are the seniority service bonuses and consolation money for employees. The payment criteria for long-term bonuses and consolation money were calculated based on the basis of the service seniority acquired and accumulated.

B. The Group has recognized other long-term employee benefits obligations. The composition of obligatory liabilities is as follows:

Items	December 31, 2023	December 31, 2022
Present value of other long-term employee benefits obligations	$ 14,380	$ 13,477
Fair value of plan assets	-	-
Other long-term employee benefits liabilities, net	$ 14,380	$ 13,477

C. Change in other long-term employee benefits liabilities, net is as follows:

Items	Year Ended December 31, 2023	Year Ended December 31, 2022
Beginning balance	$ 13,477	$ 11,784
Other long-term employee benefits costs:		
Current service cost	1,260	1,184
Interest cost of defined benefits obligation	168	74
Remeasurements:		
Actuarial losses (gains) - change in demographic assumptions	-	-
Actuarial losses (gains) - change in financial assumptions	9	(666)
Actuarial losses (gains) - experience adjustment	(534)	1,101
Recognized in profit or loss	903	1,693
Payments of benefit	-	-
Ending balance	$ 14,380	$ 13,477

D. The amount of the benefit costs in aforementioned other long-term employee benefits plans were recognized in profit or loss under the administrative expenses based on the single-line items by functional category.

E. Composition of the plan assets

The Group did not allocate related assets, the effected payment based on actual occurrence.

F. The present value of other long-term employee benefits obligations of the Group was actuarially counted by a qualified actuary. The main assumptions of the actuarial evaluation on the measurement date are as follows:

Items	2023	2022
Discount rate	1.125%～1.25%	1.125%～1.375%
Future salary growth rate	1.75%～2.00%	1.75%～2.00%

The assumption of future mortality rate is estimated based on the sixth life experience table of life insurance industry in Taiwan.

G. Because changes in the main actuarial assumption used, the present value of other long-term employee benefits obligations is affected. The analysis was as follows:

① Interest rate risks

The decline in the interest rate of government bonds would increase the present value of other long-term employee benefits obligations, but the returns on debt investment of the plan assets would also increase accordingly. Both would have a partial offset effect on other long-term employee benefits liabilities.

② Salary related risks

The calculation of the present value of other long-term employee benefits obligations refers to the future salary of the plan members. Therefore, the increase in the salary of plan members would increase the present value of other long-term employee benefits obligations.

H. In the event that the significant actuarial assumptions were subject to a combination of possible changes, and if other assumptions remained unchanged, the amount of increase (decrease) in present value of other long-term employee benefits obligations would be as follows:

	Discount rate		Future salary growth rate	
Items	Increase 0.25%	Decrease 0.25%	Increase 0.25%	Decrease 0.25%
December 31, 2023:				
Effect on present value of other long-term employee benefits obligations	($ 267)	$ 278	$ 201	($ 194)
December 31, 2022：				
Effect on present value of other long-term employee benefits obligations	($ 246)	$ 255	$ 176	($ 171)

Practically, since actuarial assumptions might relate to each other, it would be unlikely to have a single assumption in change. The aforementioned sensitivity analysis, therefore, might not reflect the actual change in the present value of other long-term employee benefits obligations. In addition, in the aforementioned sensitivity analysis, the present value of other long-term employee benefits obligations at the end date of the reporting period would be based on the actuarial calculation of the projected unit credit method and the defined benefit liabilities included in the balance sheet would be measured on the same basis. The method assumptions used in preparing the sensitivity analysis in the current year was exactly same as that used in the prior one.

I. The Group expected to pay to other long-term employee benefit plans in Year 2024 in the amount of attribution and the amount of payment at NT$0 for both.

2) Decommissioning liabilities

A. Under promulgated policies and applicable contracts or regulatory requirements, the Group is obligated to dismantle, remove or restore the location of some right-of-use assets. Accordingly, the present value of the cost expected to be incurred dismantling, removal or restoration of the location is recognized as a liability reserve. The Group expects that this liability reserve will occur over the years before the end of leases.

B. Changes in decommissioning provision-non-current is as follows:

Items	Year Ended December 31, 2023	Year Ended December 31, 2022
Beginning balance	$ 66,998	$ 21,609
Additional amount for the year	(592)	44,679
Utilized amount for the year	-	-
Discounted amortization	984	707
Effects of exchange rate	(11)	3
Ending balance	$ 67,379	$ 66,998

(30) Long-term deferred income

Items	December 31, 2023	December 31, 2022
Deferred subsidy income	$ 4,302	$ -

The Group obtained the first phase of subsidies amounting to NT$4,302 thousand for the infrastructure construction of electrical conduit facilities. These subsidies related to property, plant and equipment were recognized as a deferred subsidy income. Once the plant has been completed and commences mass production, the subsidy income will be recognized on a straight-line basis over the useful lives of the corresponding depreciable assets.

(31) Post-employment benefit plans

Items	December 31, 2023	December 31, 2022
Net defined benefit assets and provisions - noncurrent		
Defined benefit plans	$ 78,449	$ 69,111

Items	December 31, 2023	December 31, 2022
Net defined benefit liabilities and provisions - noncurrent		
Defined benefit plans	$ 3,660	$ 4,565
Defined contribution plans	5,627	5,140
Total	$ 9,287	$ 9,705

1) Defined benefit plans

A. In accordance with the “Labor Standards Act”, the Company and the domestic subsidiaries in the Group have established retirement methods to define benefits. Under the “Labor Pension Act” applicable on July 1, 2005, the service seniority accumulated by employees prior to enforcement of the “Labor Pension Act” and subsequently accumulated by employees who chose subject to “Labor Standards Act” after enforcement of the “Labor Pension Act” as entitled to retirement would be taken to count pension which would be calculated number of years in the service seniority accumulated and the salary amounts averaged in the six (6) months prior to retirement. Each year of service seniority accumulated in full within fifteen (15) years (inclusive) would be entitled to two base units and each year the period of service seniority accumulated beyond fifteen (15) years would be entitled to one base unit. The cumulative base units shall not exceed the maximum limit of 45 base units. The Company and its domestic subsidiaries attributed retirement funds on a monthly basis to the specified ratio of total salary, and deposited the funds in the bank account designated for pension fund opened with the Bank of Taiwan under the name of the Labor Retirement Reserve Supervision Committee. Besides, in response to the retirement needs of senior managers, the Company set up the “Manager’s Retirement Fund Management Committee” in September 2004 and attributed on a monthly basis for a certain ratio (currently about 40%) of the total salary of managers into the management of the Manager’s Retirement Fund Management Committee and deposited in a special account of a financial institution opened in the name of the Manager’s Retirement Reserve Fund. The Company and its domestic subsidiaries estimate the balance of the retirement fund mentioned in the preceding item before the end of each year. In the event that the balance is found not enough to pay off the pension amount calculated according to the foregoing for the employees who meet the retirement requirements in the next year, the Company and the domestic subsidiaries would make up the difference in a lump-sum before the end of March of the following year.

B. The amounts of the defined benefit plans were recognized in the balance sheet as follows:

Items	December 31, 2023	December 31, 2022
Fair value of plan assets	$ 830,214	$ 883,653
Present value of defined benefit obligations	(755,425)	(819,107)
Net	$ 74,789	$ 64,546
Attributable to:		
Net defined benefit assets and provisions - noncurrent	$ 78,449	$ 69,111
Net defined benefit liabilities and provisions - noncurrent	(3,660)	(4,565)
Net	$ 74,789	$ 64,546

C. Change in fair value of plan assets is as follows:

Items	Year Ended December 31, 2023	Year Ended December 31, 2022
Fair value of plan assets, beginning of year	$ 883,653	$ 839,019
Interest income of plan assets	11,027	5,179
Remeasurements:		
Gains (losses) on plan assets	7,152	64,856
Fund attributed by employer	18,287	18,463
Payments of benefit on plan assets	(89,905)	(43,864)
Fair value of plan assets, end of year	$ 830,214	$ 883,653

D. Change in present value of defined benefit obligations is as follows:

Items	Year Ended December 31, 2023	Year Ended December 31, 2022
Present value of defined benefit obligation, beginning of year	$ 819,107	$ 887,411
Service cost of the current year	6,574	7,475
Interest cost of defined benefits obligation	10,092	5,396
Remeasurements:		
Actuarial losses (gains) - change in demographic assumptions	-	-
Actuarial losses (gains) - change in financial assumptions	985	(39,781)
Actuarial losses (gains) - experience adjustment	8,572	2,470
Contribution to plan asset	(89,905)	(43,864)
Contribution to company benefits	-	-
Present value of defined benefit obligation, end of year	$ 755,425	$ 819,107

E. Relevant defined benefit plans recognized in the statement of comprehensive income, the amount of the defined benefit costs are as follows:

Items	Year Ended December 31, 2023	Year Ended December 31, 2022
Current service cost	$ 6,574	$ 7,475
Interest cost of defined benefit obligations	10,092	5,396
interest income of plan assets	(11,027)	(5,179)
Recognized in profit or loss	$ 5,639	$ 7,692

Items	Year Ended December 31, 2023	Year Ended December 31, 2022
Remeasurements:		
Actuarial losses (gains) - change in demographic assumptions	$ -	$ -
Actuarial losses (gains) - change in financial assumptions	985	(39,781)
Actuarial losses (gains) - experience adjustment	8,572	2,470
Losses (gains) on plan assets	(7,152)	(64,856)
Recognized in other comprehensive income	$ 2,405	($ 102,167)

F. The aforementioned defined benefit plans recognized in the net defined benefit costs of profit or loss. The single-line items by functional category are as follows:

Items	Year Ended December 31, 2023	Year Ended December 31, 2022
Operating costs	$ 2,842	$ 3,552
Operating expenses		
Selling expenses	134	169
Administrative expenses	2,603	3,887
Research and development expenses	60	84
Subtotal	2,797	4,140
Total	$ 5,639	$ 7,692

H. The defined benefit retirement plan assets of the Company and the domestic subsidiaries were commissioned into business management through Bank of Taiwan according to the proportion of the items of commissioned management as specified under the annual investment utilization plans of the funds and within the specified amounts within the items as per Article 6 of Regulations for Revenues, Expenditures, Safeguard and Utilization of the Labor Retirement Fund (i.e., to be deposited into financial institutions in Taiwan and abroad, to be invested in the TWSE/TPEx listed companies or private placement equity securities and to be invested into securitized commodities of real property in Taiwan and abroad). The relevant utilization was under supervision by the Labor Pension Fund Supervisory Committee. In the utilization of the Fund, the minimum gain distributed amidst final account settlement in every fiscal year should not be lower than the income calculated by the local banks' two-year fixed term deposit interest rate. The shortfall, if any, should be supplemented by the national treasury after approval by the competent authority. Where the Group was not entitled to participate in the operation and management of the fund, the Company could not classify the plan assets at the fair value disclosed under IAS 19 Paragraph 142. For more details of the fair value of the total assets of the Fund as of December 31, 2023 and 2022, please refer to reports of the Labor Pension Fund Utilization promulgated by the government in the respective years.

I. The present value of defined benefit obligations of the Company and the domestic subsidiaries was counted actuarially by a qualified actuary. The main assumptions of the actuarial evaluation on the measurement date are listed below:

Items	2023	2022
Discount rate	1.125%～1.375%	1.125%～1.50%
Future salary growth rate	1.75%～2.00%	1.75%～2.00%
Average period of existence of defined benefit obligations	5.9 years - 10.5 years	4.7 years - 11.2 years

The assumption of future mortality rate is estimated based on the sixth life experience table of life insurance industry in Taiwan.

J. The Company and the domestic subsidiaries have been exposed to the following risks due to the pension system under the Labor Standards Act:

① Interest rate risks

The decline in the interest rate of government bonds would increase the present value of defined benefit obligations, but the returns on debt investment of the plan assets would also increase accordingly. Both have a partial offset effect on the net defined benefit liabilities.

② Salary related risks

The calculation of the present value of defined benefit obligation refers to the future salary of the plan members. Therefore, the increase in the salary of plan members would increase the present value of defined benefit obligations.

K. In the event that the significant actuarial assumptions were subject to a combination of possible changes, and if other assumptions remained unchanged, the amount of increase (decrease) in present value of the defined benefit obligations would be as follows:

Items	Discount rate		Future salary growth rate	
	Increase of 0.25%	Decrease of 0.25%	Increase of 0.25%	Decrease of 0.25%
December 31, 2023:				
Effect to present value of defined benefit obligations	($ 13,534)	$ 13,927	$ 13,581	($ 13,266)
December 31, 2022：				
Effect to present value of defined benefit obligations	($ 15,018)	$ 15,470	$ 15,090	($ 14,724)

Practically, since actuarial assumptions might relate to each other, it would be unlikely to have a single assumption in change. The aforementioned sensitivity analysis, therefore, might not reflect the actual change in the present value of defined benefit obligations. In addition, in the aforementioned sensitivity analysis, the present value of defined benefit obligations at the end date of the reporting period would be based on the actuarial calculation of the projected unit credit method and the defined benefit liabilities included in the balance sheet would be measured on the same basis. The method assumptions used in preparing the sensitivity analysis in the current year was exactly same as that used in the prior one.

L. The Company and the domestic subsidiaries expected to pay the aforesaid defined benefit plans in Year 2024 in the amount of contribution and the amount of payment NT$19,752 thousand and NT$61,507 thousand, respectively. Payment in the Company's account was NT$0.

2) Defined contribution plans

A. The Company and the domestic subsidiaries of the Group have established the regulations on defined contribution retirement in accordance with the "Labor Pension Act", which are applicable to employees of ROC (Taiwan) nationality. The Company and the domestic subsidiaries withheld 6% of the salary as labor pension into the employees' personal pension accounts of Bureau of Labor Insurance for the employee who chose to apply the labor pension system specified under the "Labor Pension Act" and the payment of pension was granted based on the employees' personal pension accounts and the amount of accumulated income either on a monthly basis or in one-time pension payment. Under such plan, after the Company and the domestic subsidiary contributed a fixed amount to the Bureau of Labor Insurance, the Company and the subsidiaries would no longer be subject to statutory or presumed obligations extra.

B. The foreign subsidiaries of the Group have contributed old-age insurance fund or reserve of retirement allowance in accordance with the retirement regulations promulgated by the local governments. The pension for every employee has been managed under packaged arrangement by the local government authorities. Those companies have not been subject to further obligations except contribution of the pension on a monthly basis or on an annual basis as required by the Local Government Authorities. In addition, employees of subsidiaries in China are members of a retirement benefit plan operated by the Chinese government. The subsidiaries in this region are required to contribute a specific percentage of salary costs to the retirement benefit plan in order to fund the plan. The Group's obligation to this government-operated retirement benefit plan is only to contribute to the specified amount.

C. The Group recognized the pension costs in accordance with the aforementioned defined contribution plans for the years ended December 31, 2023 and 2022 amounted to NT$29,587 thousand and NT$27,039 thousand, respectively. The net defined benefit liabilities recognized by the Company in accordance with the aforementioned defined contribution plans as of December 31, 2023 and 2022 amounted to NT$5,627 thousand and NT$5,140 thousand, respectively.

D. The amounts of pension costs recognized in profit or loss in accordance with the aforementioned defined contribution plans are as follows based on the single-line items of functional category:

Items	Year Ended December 31, 2023	Year Ended December 31, 2022
Operating costs	$ 10,901	$ 11,103
Operating expenses		
Selling expenses	1,644	1,208
Administrative expenses	16,392	14,073
Research and development expenses	650	655
Subtotal	18,686	15,936
Total	$ 29,587	$ 27,039

(32) Guarantee deposits received

Items	December 31, 2023	December 31, 2022
Lease security deposit – lease	$ 3,306	$ 2,834
Pickup guarantee bond	720	2,483
Others	466	466
Total	$ 4,492	$ 5,783

(33) Other noncurrent liabilities - other

Items	December 31, 2023	December 31, 2022
Unrealized deferment revenues with disposal of investment	$ 22,192	$ 22,317

(34) Share-based payments

1) Shares issued for equity raise and reserved for subscription by employees

A. On August 11, 2023, the Group's Board of Directors resolved an equity raise via the issuance of 200,000 thousand new shares and this was subsequently approved by the Financial Supervisory Commission on

October 11, 2023. In accordance with Paragraph 1, Article 267 of the Company Act, the Group reserved 10% of the shares issued in secondary offerings for subscription by employees. Hence, employees have the option to subscribe for a total of 20,000 thousand shares. Any shares not subscribed for by employees or undersubscribed will be authorized to Chairman to contact specific persons to subscribe at the issue price. This offer is limited to full-time employees of the Group, and the vesting condition is immediate vesting.

B. The Group set the grant date to be November 21, 2023 for the determination of the employee subscription prices and the number of shares. The subscription price was NT$14.20 per share. The Group recognized share-based payments of NT$47,200 thousand arising from the fair value of the employees' option to subscribe for shares issued in the capital increase. This item was recorded as part of capital surplus under equity.

C. The Company uses the Black-Scholes option pricing model to estimate the fair value of the stock options on the grant date. The parameters used in the valuation model are as follows:

Items	November 21, 2023
Market price on grant date	$16.55
Exercise price	$14.20
Expected volatility of the share price	19.09%
Expected time to expiration	24 days
Expected dividend yield	-
Risk-free interest rate	0.94%
Fair value per unit	$2.36

The expected volatility is based on the historical annualized standard deviation of daily stock returns over an equivalent period. The risk-free interest rate is based on the zero-coupon rate on the grant date for the period equivalent to the time to expiration. The expected dividend yield is based on the dividends expected to be distributed during the expected time to expiration. The expected time to expiration is the period from the grant date associated with the capital increase to the payment deadline for employee subscription shares. The determination of the fair value does not consider services or non-market performance conditions associated with the transaction.

2) Employee stock options

A. To attract and retain the professional talent required by the Group and to motivate and enhance employee commitment for the mutual benefit of the company and shareholders, Citiesocial Holding Cayman Co., Ltd., acquired by the Group in January 2023, previously issued an employee stock option plan approved by the Board of Directors on April 20, 2017. The plan granted employees of its subsidiary, Citiesocial Co., Ltd., the right to acquire shares of the parent company. A total of 1,514,285 units were issued, with each unit entitling the holder to subscribe for one ordinary share of and issued by Citiesocial Holding Cayman Co., Ltd. The stock option certificates are valid for eight years. Certificate holders may exercise a certain proportion of the granted stock options starting from the second anniversary of the issuance date. Employment service conditions must be met for vesting in each vesting period. The maximum percentage of shares that can be vested each year is: 50% after two years, the remaining 25% after three years, and the final 25% after four years from issuance. In case of changes in the ordinary shares after the stock option issuance, the exercise price of the stock options will be adjusted according to the prescribed formula.

B. Employee stock options issued by the Group are detailed below:

Employee stock option	January 1 to December 31, 2023 Unit	Weighted average exercise price
Beginning number of options outstanding (obtained via business combination)	913,691	USD0.05238
Granted during the year	-	-
Exercised during the year	-	-
Expired during the year	(255,036)	USD0.05238
Ending number of options outstanding	658,655	USD0.05238
Exercisable at the end of the period	518,304	USD0.05238
Weighted average fair value of granted options during the year	$ -	
Weighted average time to expiration	5.55 years	

C. The Group recognized share-based compensation costs via equity-settled transactions amounting to NT$435 thousand for the period from January 1 to December 31, 2023.

D. The employee stock option issued by the Group on April 20, 2017 was valued with the binomial tree model, with the following inputs:

Item	April 20, 2017
Reference share price on the grant date	USD0.00～0.31
Exercise price	USD0.05238
Expected volatility	15.32%～19.21%
Expected time to expiration	8 years
Expected dividend yield	0.00%
Risk-free interest rate	0.75%～3.9333%
Fair value per unit	USD0.00～0.27

As Citiesocial Holding Cayman Co., Ltd. is a not a TWSE/TPEx-listed company, the expected volatility was estimated based on the average eight-year historical volatility of similar companies listed on TWSE/TPEx as of the valuation date.

(35) Share capital

1) Common shares and preferred shares

Items	December 31, 2023	December 31, 2022
Authorized number of shares (in thousand shares)	2,000,000	2,000,000
Authorized share capital	$ 20,000,000	$ 20,000,000
Number of issued shares and received the shares payment in full (in thousand shares)		
－Common shares	1,106,620	906,620
－Preferred shares	20,000	20,000
Total number of issued shares (in thousand shares)	1,126,620	926,620

Items	December 31, 2023	December 31, 2022
Issued share capital - common shares	$ 11,066,203	$ 9,066,203
Issued share capital - preferred shares	200,000	200,000
Total Issued share capital	$ 11,266,203	$ 9,266,203

The issued common shares and preferred shares have been in a denomination NT$10 per share, and each share was entitled to one voting right and the right to receive dividends.

2) Upon rights issues launched by the Company in August 1984, the Company issued 20,000 thousand preferred shares with rights & obligations as enumerated below:

A. The earnings, if any, upon annual account settlement, the dividend of 6% for preferred shares should be distributed first. The balance shall be the distributable earnings which will be distributed at the shareholding ratio for common shares and preferred shares as proposed by the board of directors and finally resolved in the shareholders' meeting.

B. Preferential distribution of the Company's remaining properties.

C. Other entitlement would be same as the common shares.

3) On August 11, 2023, the Company's Board of Directors resolved a capital increase by NT$2,000,000 thousand through the issuance of 200,000 thousand ordinary shares at a par value of NT$10 per share. This capital increase was approved by the Financial Supervisory Commission in Letter FSC-Securities-Issuance No. 1120356785 dated October 11, 2023. The record date for the cash capital increase was set on December 20, 2023, and the shares were issued at a premium price of NT$14.20 per share with the record date on December 20, 2023. The related share issuance costs were NT$9,655 thousand in total, recorded under capital surplus as a reduction of additional paid-in capital. On January 8, 2024, the Ministry of Economic Affairs approved the change in the Company's registration for the new shares issued from this capital increase.

(36) Capital surplus

Items	December 31, 2023	December 31, 2022
Additional paid-in capital	$ 844,989	$ -
Treasury stocks transaction premium	190,118	188,164
Expired stock options	32,556	-
Dividend unclaimed within the term by shareholders	2,817	2,800
Recognized changes in the ownership interests of subsidiaries	216	10,902
Difference between consideration and carrying amount of the equity in subsidiaries acquired or disposed	845	-
Total	$ 1,071,541	$ 201,866

Capital surplus can only be used to offset the company's losses. Unless the retained earnings are insufficient to cover the accumulated losses, it is not allowed to use capital surplus to offset the losses. However, according to Article 241 of the Company Act and the explanations by the Ministry of Economic Affairs in Letter Jing-Shang-Zi No. 10300532520 dated March 31, 2014, the proceeds from the issuance of shares in excess of the par value, and the capital surplus received as gifts and the difference between consideration and carrying amount of the equity in subsidiaries acquired or disposed may be used to offset accumulated losses. If the company has no accumulated losses, the capital surplus may be distributed as new shares or cash to shareholders pro rata to their existing shareholdings. In addition, according to the relevant provisions of the Securities and Exchange Act, when the aforementioned capital surplus is used for capital replenishment, a total amount of the capital surplus shall not exceed 10% of the paid-in capital in a year.

(37) Retained earnings

1) Pursuant to the requirements set forth under the Articles of Incorporation, the earnings after settlement of annual accounts, if any, shall be pay tax, make up previous loss, if any, and amortize 10% for legal reserve and after provision or reversal of special reserve based on the reduction of shareholders' equity incurred in the current year, the balance would be the distributable earnings for the current year. Such distributable earnings in combination with the unappropriated earnings of the preceding year would be the accumulated distributable earnings. With such accumulated unappropriated earnings, the sum to distribute preferred share dividend of Grand Pacific for 1984 at 6% should be distributed first. The shortfall, if any, should be preferentially made up with the distributable earnings of the ensuing year. The balance of the unappropriated earnings should be distributed at the ratios proposed by the board of directors according to law, dividend policy and status of working capital. Where the balance of such unappropriated earnings is used to issue new shares, approval from the shareholders' meeting should be obtained beforehand. Where the balance of such unappropriated earnings is distributed in cash, the decision should be resolved in the board of directors beforehand.

   According to Paragraph 5 of Article 240 of the Company Act, the Company authorizes the board to resolve the distribution of stock dividends and cash dividends or the distribution of cash from all or part of the legal reserve and capital surplus according to Paragraph 1 of Article 241 of the Company Act with the attendance of at least two thirds of directors and resolution from more than half of the attending directors and then report to the shareholders' meeting. This is not applicable to the aforesaid requirement for resolutions by shareholders' meetings.

2) The Company's dividend policies are as follows:

   The Company has been under a highly changeable industrial environment and is within a life cycle of stable and growing period. The Company should grasp the economic environment for sustainable operation. With the Company's long-term financial planning, future capital needs, and protect the interests of shareholders taken into account, ,unless there is a need for capital to improve the financial structure, to support investment, production capacity expansion, or other major capital expenditures, the Company's dividends shall not be less than 10% of the net income after deducting the amount of loss compensation, legal reserve, special reserve, and 6% of the dividend of preferred share of Grand Pacific in Year 1984. The cash dividend distributed by the Company in every year should not be less than 10% of the total cash stock dividends in the current year (excluding 6% as the dividend of preferred share of Grand Pacific in Year 1984).

3) The legal reserve should not be put into any use except a use to make good previous loss of the Company, if any, and distribution through issuance of new shares or in cash to shareholders *pro rata* to original shareholding ratios. The total amount used to issue new shares or to distribute in cash, nevertheless, shall not exceed the maximum limit of 25% of the paid-in capital.

4) Upon allocating earnings, the Company should amortize and reverse special reserve in accordance with Letter Jin-Guan-Zheng-Fa-Zi 1090150022 dated March 31, 2021 and Letter Jin-Guan-Zheng-Fa-Zi 10901500221 dated March 31,

2021 of FSC and after adoption under IFRSs in the Q&A of Provision of Special Reserve. Where the net deduction of other equity is reversed subsequently, the part so reversal could be taken to appropriate the earnings.

5) In the shareholders' regular meeting convened by the Company on June 28, 2023 and May 20, 2022 respectively, the earnings of Year 2022 and Year 2021 would be distributed in the following manners:

Items of distribution	Distributions of earnings 2022	Distributions of earnings 2021	Dividend per share (NT$) 2022	Dividend per share (NT$) 2021
Provision of legal reserve	$ -	$ 758,961	-	-
Provision (reversal) of special reserve	1,728	-	-	-
Dividends on preferred shares - cash	12,000	12,000	$ 0.60	$ 0.60
Bonuses to shareholders on preferred shares - cash	10,000	40,000	0.50	2.00
Bonuses to shareholders on common shares -cash	453,310	1,813,241	0.50	2.00
Bonuses to shareholders on common shares - stock	-	-	-	-

The aforesaid cash dividends were resoled on May 11, 2023 and March 29, 2022 by the board of directors under the authorization of the Articles of Incorporation. Since the Company's present obligation due to past events is reasonably certain and the amount can be measured reliably, dividends payable shall be recorded when the conditions for liability recognition are met. In addition, the provision of legal reserve and special reserve is consistent with the recognition of dividends payable mentioned above.

For details regarding decisions resolved in the board of directors and the shareholders’ meeting on distributions of earnings, please inquire into Market Observation Post System (MOPS).

6) The proposed distribution of earnings for 2023 is subject to the approval of the Board of Directors and the shareholders' meeting. Please inquire into the Market Observation Post System (MOPS) for related information after the relevant meetings have been held.

(38) Items of other equity

Items	Exchange differences on translating financial statements of foreign operations	Unrealized valuation gain/loss of financial assets at fair value through other comprehensive income	Total
Balance at January 1, 2023	($ 213,390)	($ 429,414)	($ 642,804)
Items directly recognized as other equity adjustment	(321,948)	33,366	(288,582)
Share attributable to non-controlling interests	7,847	16,846	24,693
Transferred to item of profit and loss	-	-	-
Transferred to capital surplus	(845)	-	(845)
Transferred to retained earnings	-	-	-
Share accounted for using the equity method	(235,232)	-	(235,232)
Income tax related to items of other equity	47,046	-	47,046
Balance at December 31, 2023	($ 716,522)	($ 379,202)	($ 1,095,724)

Items	Exchange differences on translating financial statements of foreign operations	Unrealized valuation gain/loss of financial assets at fair value through other comprehensive income	Total
Balance at January 1, 2022	($ 672,627)	$ 453,236	($ 219,391)
Items directly recognized as other equity adjustment	1,582,024	(1,230,456)	351,568
Share attributable to non-controlling interests	(10,906)	347,806	336,900
Transferred to item of profit and loss	-	-	-
Transferred to retained earnings	-	-	-
Share accounted for using the equity method	(1,235,424)	-	(1,235,424)
Income tax related to items of other equity	123,543	-	123,543
Balance at December 31, 2022	($ 213,390)	($ 429,414)	($ 642,804)

The related exchange difference incurred by the foreign operations' net assets converted from functional currency into the Group's expressed currency (i.e., New Taiwan Dollars) was directly recognized as exchange differences on translating financial statements of foreign operations under the other comprehensive income.

(39) Treasury stocks

1) As of December 31, 2023 and 2022, the amount of treasury stocks repurchased by the Company was NT$0 for both.

2) The changes in the current year of the Company's stocks held by subsidiaries deemed as treasury stocks are as follows:

		Year Ended December 31, 2023							
		Beginning balance		Increase in this year		Decrease in this year		Ending balance	
Name of subsidiary	Kind	Shares	Amount	Shares	Amount	Shares	Amount	Shares	Amount
GPPC Chemical Corporation	Preferred shares	1,776	$ 49,858	-	$ -	-	$ -	1,776	$ 49,858

		Year Ended December 31, 2022							
		Beginning balance		Increase in this year		Decrease in this year		Ending balance	
Name of subsidiary	Kind	Shares	Amount	Shares	Amount	Shares	Amount	Shares	Amount
GPPC Chemical Corporation	Preferred shares	1,776	49,858	-	-	-	-	1,776	49,858

A. The transaction amounts with cash dividends of the parent company received by the subsidiaries converted into capital surplus - treasury stocks for the years ended December 31, 2023 and 2022 were NT$1,954 thousand and NT$4,617 thousand, respectively.

B. The fair values of the Company's stocks held by the subsidiaries as of December 31, 2023 and 2022 were NT$46,265 thousand and NT$48,130 thousand and NT$48,130 thousand, respectively.

C. The Company's stocks held by the subsidiaries were disposed as the treasury stocks. Such stocks were not entitled to participate in the Company's rights issues and voting power but were entitled to the rights exactly same as shareholders’ equity.

(40) Non-controlling interests

Items	Year Ended December 31, 2023	Year Ended December 31, 2022
Beginning balance	$ 3,355,611	$ 3,764,285
Comprehensive income attributable to non-controlling interests:		
Net profit for the year	(18,849)	39,424
Exchange differences on translating financial statements of foreign operations	(7,847)	10,906
Unrealized valuation gain/loss of financial assets at fair value through other comprehensive income	(16,846)	(347,806)
Remeasurement of defined benefit plans	(870)	10,062
Income tax related to items of other comprehensive income	354	(1,720)
Share-based payments	219	-
Cash dividend distributed by subsidiaries	(46,855)	(129,570)
Increase in non-controlling interest due to acquisition of subsidiaries	(21,743)	-
Non-controlling interest - Subscription of shares issued by subsidiaries	7,000	-
Equity transactions with non-controlling interest (Note)	24,155	10,030
Ending balance	$ 3,274,329	$ 3,355,611

Note: Please refer to Note 6 (48) for details of equity transactions with non-controlling interest.

(41) Operating revenues

Items	Year Ended December 31, 2023	Year Ended December 31, 2022
Revenues under customer contracts		
Sales revenues	$ 13,908,163	$ 16,308,253
Labor service revenues	1,811,026	1,868,373
Total	$ 15,719,189	$ 18,176,626

1) Detailed classification of revenues under customer contracts

The Group's revenues were from the transfer of a certain point in time and the provision of product (commodities) and labor services gradually transferred over time. The revenues could be broken down into the following main product (commodities) lines and service types:

Main product (Commodities) lines and service types	Year Ended December 31, 2023		Year Ended December 31, 2022	
Sales revenues				
Petrochemical products	$	7,714,543	$	7,500,496
Plastic products		3,659,775		5,891,425
Hydrogen products		157,723		173,453
Steam and electricity products		398,613		210,493
Nylon products		1,122,528		1,341,194
Packaging material products		814,714		1,150,822
Department store merchandise		26,744		-
Alcoholic beverages		11,669		-
Plastic material resale		1,854		40,370
Subtotal		13,908,163		16,308,253
Labor service revenues				
Advertising services		978,768		1,028,564
Video services		678,436		678,436
Licensing and other services		132,138		151,764
Networking and hosting services		20,774		-
Catering services		910		9,609
Subtotal		1,811,026		1,868,373
Total	$	15,719,189	$	18,176,626

2) Balances of contracts

The Group recognized contract assets and contract liabilities related to revenues under customer contracts as follows:

Items	December 31, 2023		December 31, 2022	
Contract assets - current				
Advertising contracts	$	6,847	$	6,270
Licensing contracts		9,014		1,856
Total	$	15,861	$	8,126

In terms of the Group's contract assets, the credit risks have not at all increased after the initial recognition. The expected credit loss rate is 0%.

Items	December 31, 2023		December 31, 2022	
Contract liabilities - current				
Advertising contracts	$	10,352	$	25,592
Licensing contracts		868		-
Commodity sales		17,960		16,603
Ecommerce		4,378		-
Catering services		-		68
Total	$	33,558	$	42,263

A. Significant changes in contract assets and contract liabilities

As of December 31, 2023, the changes in the Group's contract liabilities as compared with the preceding year primarily originated in the difference between the timepoint to satisfy the contract obligations and the timepoint for customers to make payment.

B. The beginning contract liabilities recognized as revenues in the current year

Items	Year Ended December 31, 2023		Year Ended December 31, 2022	
Beginning balance of contract liabilities recognized as revenues in the current year				
Advertising contracts	$	25,592	$	8,783
Licensing contracts		-		26,936
Commodity sales		15,465		24,811
Catering services		68		-
Total	$	41,125	$	60,530

C. The performance of contract obligations of the prior period recognized as revenues in the current year

The Group did not have any obligations for contract performance (or partial performance) in the prior period, but due to changes in transaction prices, or changes in the recognition restrictions on the price for the years ended December 31, 2023 and 2022, the recognition income was adjusted in the current year.

D. Unfulfilled customer contracts

For customer contracts unfulfilled by the Group as of December 31, 2023 and 2022, except for the following descriptions, the remaining contracts were expected to last for less than one year, and were expected to be fulfilled and recognized as revenues within the ensuing year. The Group has not yet fully fulfilled its contract obligations with the transaction price of the obligation to be amortized and the expected timepoint to be recognized as revenues as follows:

	December 31, 2023					
Timepoint expected to fulfill the contracts and to recognize the revenues	Video contracts (Note)		Licensing contracts		Total	
Jan. 1, 2024 to Dec. 31, 2024	$	-	$	7,857	$	7,857
Jan. 1, 2025 to Dec. 31, 2025		-		8,333		8,333
Jan. 1, 2026 to Dec. 31, 2026		-		-		-
Jan. 1, 2027 to Dec. 31, 2027		-		-		-
Jan. 1, 2028 to Dec. 31, 2028		-		-		-
Total	$	-	$	16,190	$	16,190

	December 31, 2022					
Timepoint expected to fulfill the contracts and to recognize the revenues	Video contracts (Note)		Licensing contracts		Total	
Jan. 1, 2023 to Dec. 31, 2023	$	678,436	$	-	$	678,436
Jan. 1, 2024 to Dec. 31, 2024		-		-		-
Jan. 1, 2025 to Dec. 31, 2025		-		-		-
Jan. 1, 2026 to Dec. 31, 2026		-		-		-
Jan. 1, 2027 to Dec. 31, 2027		-		-		-
Total	$	678,436	$	-	$	678,436

3) Contract cost related assets: Nil.

(42) Interest income

Items	Year Ended December 31, 2023	Year Ended December 31, 2022
Interest from deposit in banks	$ 210,131	$ 161,157
Interest from bills & bonds under Repurchase Agreements	1,638	551
Other interest income	15	7
Total	$ 211,784	$ 161,715

(43) Other revenues

Items	Year Ended December 31, 2023	Year Ended December 31, 2022
Rent revenues	$ 19,028	$ 17,529
Dividend income	4,528	194,872
Subsidy revenues	68,714	96,050
Scrap sales revenues	1,092	1,819
Revenues of remuneration to directors and supervisors and traffic allowance	25,329	51,675
Others	8,353	6,712
Total	$ 127,044	$ 368,657

The subsidy income mainly consists of incentives and provincial supporting funds granted by Quanzhou City, Fujian Province, China under the policy to stabilize foreign investment. The subsidies are proportional to the amount of capital inflow into the foreign-invested enterprises. These were immediate financial support to the Group and without future costs and hence recognized in profit and loss during the periods when subsidies were available.

(44) Other gains and losses

Items	Year Ended December 31, 2023	Year Ended December 31, 2022
Net gain (loss) on financial assets at fair value through profit or loss	($ 1,357)	$ 90
Net gain on disposal of property, plant and equipment	3,097	1,218
Gain on disposal of investment	1,178	638
Net gain (loss) on foreign currency exchange	(33,355)	170,265
Loss on spare part obsolescence	-	(484)
Impairment loss on non-financial assets	(25,520)	-
Direct operating expenses of the investment property	(7,056)	(4,285)
Gain (loss) on leasehold amendment	(560)	1,383
Loss on restructuring plan	-	(39,314)
Loss due to withhold and remit tax	(7,812)	(5,401)
Loss on default and penalty	(285)	(6,890)
Others	(2,798)	(399)
Total	($ 74,468)	$ 116,821

(45) Finance costs

Items	Year Ended December 31, 2023	Year Ended December 31, 2022
Interest expense		
Loan interest for financial institutions	$ 684,098	$ 378,409
Interest counted upon security deposit	29	13
Lease liabilities interest	55,505	41,963
Decommissioning liability interest	984	707
Amortization of issuance cost of syndicated loan	20,080	10,131
Subtotal	760,696	431,223
Less: Capitalized amount consistent with prerequisite constituents	(607,495)	(355,218)
Total	$ 153,201	$ 76,005

(46) Employee benefits, depreciation, depletion and amortization expenses

Attribute	Year Ended December 31, 2023			Year Ended December 31, 2022		
	Operating Cost	Operating Expense	Total	Operating Cost	Operating Expense	Total
Employee benefits expenses						
Salaries	$ 389,063	$ 630,910	$ 1,019,973	$ 383,587	$ 640,304	$ 1,023,891
Labor and health insurance	37,727	50,093	87,820	45,086	57,179	102,265
Pension	13,743	21,483	35,226	14,655	20,076	34,731
Other employee benefits	13,252	25,646	38,898	14,172	33,030	47,202
Depreciation expenses (Note)	521,009	285,488	806,497	526,334	270,591	796,925
Amortization expenses	448,732	11,343	460,075	447,213	3,920	451,133
Total	$ 1,423,526	$ 1,024,963	$ 2,448,489	$ 1,431,047	$ 1,025,100	$ 2,456,147

Note: The depreciation expenses of NT$4,929 thousand and NT$3,115 thousand were recognized for the investment property on the consolidated financial statements for the years ended December 31, 2023 and 2022, respectively. The depreciation expenses of NT$446 thousand and NT$0, respectively, were recognized for the property, plant and equipment for let as other gains and losses under non-operating incomes and expenses.

1) Pursuant to the requirements set forth under the Articles of Incorporation, with the profits earned by the Company in the current year, a sum 1% shall be distributed for compensation to employees and a sum within 2% maximum as remuneration to the directors. Where the Company remains in accumulated loss, nevertheless, such loss should be made up. The term “the profits earned by the Company in the current year” denotes the profits earned in the current year before tax after deducting compensation to employees and remuneration to directors.

2) The Company's management estimated compensation to employees and remuneration to directors based on the profitability of the current year, and taking account the amounts expected for the payment and factors of the minimum and maximum limits set forth under the Articles of Incorporation to estimate the amount of net profit before tax and before deduction of the compensation to employees and remuneration to directors. The Company has a net loss before tax for the periods from January 1 to December 31, 2023 and 2022; therefore, no

compensations to employees and no remuneration to directors payable have been recognized. therefore, no compensation payable to employees and remuneration to directors have been recognized. However, there is a significant change in the amount distributed by the resolution of the board of directors taking place before the date of authorization and issuance of the annual financial statements, such adjustment of change provided as annual expenses; if the amount still changes after the date of authorization and issuance of the annual financial statements, such change shall be handled as a change in accounting estimation and would be entered into account in the ensuing fiscal year.

3) As resolved by the Company's Board of Directors on March 12, 2024 and March 14, 2023, no compensation to employees and no remuneration to directors would be recognized for the years 2023 and 2022. The amounts resolved show no difference from the expenses recognized on the financial statements for the years 2023 and 2022.

4) For information relating to the compensation to employees and remuneration to directors and supervisors of the Company, please inquire through the "Market Observation Post System (MOPS)" of Taiwan Stock Exchange Corporation (TWSE).

(47) Business combination

1) Acquisition

In pursuit of business diversification, the Group entered into ecommerce to expand operational footprint by acquiring 76.69% of ordinary shares in and control of Citiesocial Holding Cayman Co., Ltd. on January 5, 2023, with a consideration of NT$70,475 thousand in cash. Citiesocial Co., Ltd., the only operating entity of Citiesocial Holding Cayman Co., Ltd., is primarily engaged in multimedia ecommerce and wholesale/retail of consumer goods.

2) Assets obtained and liabilities assumed on the acquisition date

The consideration paid and the fair value of assets acquired and liabilities assumed on the acquisition date, and the fair value of the non-controlling interest on the acquisition date for Citiesocial Holding Cayman Co., Ltd. are as follows:

Item	Amount
Consideration	
Cash	$ 70,475
Fair value of non-controlling interest	(21,743)
Subtotal	48,732
Fair value of identifiable assets obtained and liabilities assumed	
Current assets	
Cash and cash equivalents	6,513
Net accounts receivable	2,901
Other receivables	189
Inventory	3,357
Prepayments	2,668
Other financial assets – current	1,228
Non-current assets	
Property and equipment	141
Right-of-use asset	7,508
Identified intangible asset – online platform membership relationships	76,111
Other financial assets- non-currents	1,554
Total identifiable assets	$ 102,170

(Continued on next page)

Item	Amount
(Continued from previous page)	
Fair value of identifiable assets obtained and liabilities assumed	
Current liabilities	
Contract liabilities	($ 5,779)
Accounts payable	(16,101)
Accounts payable – related parties	(17)
Other payables	(12,021)
Current portion (due within one year) of long-term liabilities	(4,986)
Lease liability – current	(2,968)
Other current liabilities	(88)
Non-current liabilities	
Preferred shares	(145,825)
Long-term loans	(3,286)
Lease liability – non-current	(4,325)
Guarantee deposits received	(71)
Total identifiable liabilities	(195,467)
Total identifiable net assets	(93,297)
Goodwill arising from acquisition	$ 142,029

The fair value of the identifiable intangible assets acquired from the business combination - the online platform membership relationships - was NT$76,111 thousand. In addition, the goodwill arising from the acquisition is not expected to be deductible for tax purposes.

3) Net cash outflow on acquisition of subsidiary

Item	Amount
Cash and cash equivalent acquired	$ 6,513
Less: cash consideration	(70,475)
Net cash outflow on acquisition of subsidiary	($ 63,962)

4) Impact of business combination on operating results

The operating results of the acquired company since the acquisition date are as follows:

Item	Amount
Revenue	$ 47,973
Net income (loss) during the year	($ 37,790)

The Group's business combination was close to the beginning of the accounting year that the acquisition date belonged to. Therefore, if these business combinations had occurred at the beginning of the accounting year that the acquisition date belonged to, management estimates that the pro forma revenue and net profit from January 1 to December 31, 2023 would not have differed materially from the actual revenue and operating results, and thus could be used to forecast future operating results.

(48) Equity transactions with non-controlling interests

1) In January 2023, the Group increased its shareholding in Citiesocial Co., Ltd. by 17.55%, directly and indirectly, from 76.69% to 94.24%. Since the above transactions did not change the Group's control over the subsidiary, these transactions were accounted for as equity transactions. The difference of NT$3,247 thousand arising from these equity transactions was deducted from retained earnings, and the same amount was transferred to non-controlling

interests.

2) The Group increased its shareholding in GPPC Development Co., Ltd. by 7.46% in June 2023, resulting in an increase in the shareholding ratio from 78.26% to 85.72%. As the aforesaid transaction did not change the Group's control over the subsidiary, the Group treated it as an equity transaction. The difference of this equity transaction amounted to NT$20,908 thousand, which decreased capital surplus - recognized change in ownership interest in subsidiaries by NT$10,902 thousand and decreased retained earnings by NT$10,006 thousand, respectively, and transferred the same amount to non-controlling interest based on the relative change in equity.

(49) Changes in liabilities coming from financing activities

Items	Short-term loans	Short-term notes payable	(including those due within one year) Long-term loans	Lease liabilities	Guarantee deposits received
January 1, 2023	$ 1,931,000	$ 299,312	$ 15,733,290	$ 2,705,492	$ 5,783
Net change in financing cash flows	(31,000)	400,000	298,360	(53,545)	(1,362)
Change in non-cash - Obtained via business combination	-	-	8,272	7,293	71
Change in non-cash - lease addition/remeasurement	-	-	-	493,421	-
Change in non-cash - Lease disposal/decommissioning	-	-	-	(9,368)	-
Non-cash change – conversion of issuance cost of syndicated loan	-	-	(6,776)	-	-
Non-cash change – amortization of issuance of syndicated loan	-	-	20,080	-	-
Non-cash change –discount on notes and bills	-	383	-	-	-
Effects of exchange rate	-	-	(332,907)	(5,120)	-
December 31, 2023	$ 1,900,000	$ 699,695	$ 15,720,319	$ 3,138,173	$ 4,492

Items	Short-term loans	Short-term notes payable	Long-term loans	Lease liabilities	Guarantee deposits received
January 1, 2022	$ 1,125,875	$ -	$ 2,530,168	$ 683,150	$ 6,191
Net change in financing cash flows	805,125	300,000	13,206,520	(60,810)	(408)
Change in non-cash - lease addition/remeasurement	-	-	-	2,121,435	-
Change in non-cash - Lease disposal/decommissioning	-	-	-	(40,132)	-
Non-cash change – conversion of issuance cost of syndicated loan	-	-	(50,879)	-	-
Non-cash change – amortization of issuance of syndicated loan	-	-	10,131	-	-
Non-cash change –discount on notes and bills	-	(688)	-	-	-
Effects of exchange rate	-	-	37,350	1,849	-
December 31, 2022	$ 1,931,000	$ 299,312	$ 15,733,290	$ 2,705,492	$ 5,783

(50) Income tax

1) Composition of income tax expense (gain):

A. Income tax recognized in profit or loss

Items	Year Ended December 31, 2023	Year Ended December 31, 2022
Current income tax expense payable	$ 67,462	$ 841,936
Deferred income tax expenses (gains)		
Origination and reversal of temporary differences	(360,099)	(398,685)
Effect of exchange rate	84	(4)
Net change in deferred income tax decrease (increase)	(360,015)	(398,689)
Adjustment to income taxes in previous year	(5,467)	(4,473)
Effects of exchange rate	(84)	4
Income tax expenses (gains) recognized in profit or loss	($ 298,104)	$ 438,778

B. Recognized in income tax related to other comprehensive income

Items	Year Ended December 31, 2023	Year Ended December 31, 2022
Deferred income tax		
Exchange difference resulting from translating the financial statements of foreign operations	($ 47,046)	($ 123,543)
Remeasurements of defined benefit plan	(766)	19,971
Net change in deferred income tax decrease (increase)	(47,812)	(103,572)
Income tax expenses (gains) recognized in other comprehensive income	($ 47,812)	($ 103,572)

2) Reconciliation of income in the current fiscal year and the income tax expense recognized into profit or loss.

Items	Year Ended December 31, 2023	Year Ended December 31, 2022
Net profit (loss) before tax from continuing operations unit	($ 1,754,980)	($ 15,610)
Income tax with (profit) loss before tax at statutory tax rate	(350,996)	(3,122)
Effects of income tax upon adjustments		
Effects not counted into the items upon determination of the taxable income	160,331	438,607
Controlled foreign corporation (CFC) income tax effects	8,655	-
Tax to be made up under the minimum taxation system	-	-
Income tax levied additionally on unappropriated earnings	-	352,069
Loss carry-forward incurred in the current year	250,339	56,673
Loss carry-forward for offset in the current year	-	(72)
Deduction of investment tax credit for the current year	-	-
Impact subject to different tax rates among entities in combination	(867)	(2,219)
Current income tax expense payable	67,462	841,936
Net change in deferred income tax decrease (increase) －recognized in profit or loss	(360,015)	(398,689)
Adjustment to income taxes in previous year	(5,467)	(4,473)
Effects of exchange rate	(84)	4
Income tax expenses (gains) recognized in profit or loss	($ 298,104)	$ 438,778

The Group applies 20% statutory tax rate applied for the entities under the Income Tax Act prevalent in the Republic of China. The tax rate applicable to subsidiaries in Mainland China was 25%. Taxes incurred in other regions would be counted based on the respective tax rates.

3) Balance of the income tax assets (liabilities) in the year

Items	December 31, 2023	December 31, 2022
Income tax assets for the year		
Income tax paid in advance	$ 549	$ -

Items	December 31, 2023	December 31, 2022
Income liabilities for the year		
Current income tax expense payable	$ 67,462	$ 841,936
Less: Credit for the income tax paid in advance in the year	(24,474)	(391,360)
Total	$ 42,988	$ 450,576

4) Balance of deferred income tax assets (liabilities)

	Year Ended December 31, 2023			
Items	Beginning balance	Recognized in profit or loss	Recognized in other comprehensive income	Ending balance
Deferred income tax assets				
Unrealized exchange loss	$ 930	$ 1,360	$ -	$ 2,290
Losses on obsolescence and market value decline in inventories	14,432	9,445	-	23,877
Employee leave payment obligations	3,678	537	-	4,215
Defined employee benefits plans	1,526	276	9	1,811
Loss on impairment of tangible assets	7,894	697	-	8,591
Lease decommissioning obligations	13,400	(83)	-	13,317
Unrealized accrued expense	15,946	(3,360)	-	12,586
Investment in associates	-	115,322	47,046	162,368
Temporary differences from start-up period	-	3,402	-	3,402
Transition to the new financial reporting framework	-	409	-	409
Loss carry-forward (Note)	29,242	171,977	-	201,219
Others	1,321	655	-	1,976
Total	$ 88,369	300,637	47,055	$ 436,061

Deferred income tax liabilities				
Unrealized exchange gain	$ 1,609	(1,609)	-	$ -
Unrealized loss of sales	272	634	-	906
Defined employee benefits plans	13,823	2,625	(757)	15,691
Investment in Associates	60,239	(60,239)	-	-
Financial & taxation difference in depreciation expenses	151	(31)	-	120
Lease decommissioning costs	11,294	(1,057)	-	10,237
Reserve for land value increment tax	1,062,196	-	-	1,062,196
Others	-	299	-	299
Total	$ 1,149,584	(59,378)	(757)	$ 1,089,449
Changes in net increase (decrease)		$ 360,015	$ 47,812	

	Year Ended December 31, 2022			
Items	Beginning balance	Recognized in profit or loss	Recognized in other comprehensive income	Ending balance
Deferred income tax assets				
Unrealized exchange loss	$ 2,329	($ 1,399)	$ -	$ 930
Losses on obsolescence and market value decline in inventories	14,723	(291)	-	14,432
Employee leave payment obligations	4,056	(378)	-	3,678
Defined employee benefits plans	12,386	(9,000)	(1,860)	1,526
Loss on impairment of tangible assets	13,603	(5,709)	-	7,894
Lease decommissioning obligations	4,322	9,078	-	13,400
Unrealized accrued expense	7,000	8,946	-	15,946
Loss carry-forward (Note)	130	29,112	-	29,242
Others	1,257	64	-	1,321
Total	$ 59,806	30,423	(1,860)	$ 88,369
Deferred income tax liabilities				
Unrealized exchange gain	$ 53	1,556	-	$ 1,609
Unrealized loss of sales	1,207	(935)	-	272
Defined employee benefits plans	-	(4,288)	18,111	13,823
Investment in associates	556,380	(372,598)	(123,543)	60,239
Financial & taxation difference in depreciation expenses	187	(36)	-	151
Lease decommissioning costs	3,259	8,035	-	11,294
Reserve for land value increment tax	1,062,196	-	-	1,062,196
Total	$ 1,623,282	(368,266)	(105,432)	$ 1,149,584
Changes in net increase (decrease)		$ 398,689	$ 103,572	

Note: Amount of loss carry-forward recognized in profit or loss included the amounts incurred/used in the current year and adjustment for changes estimated in previous year deducted with the amounts recognized as not likely to be realized.

5) The items of the deferred income tax assets not recognized by the Group because

of being not very likely to be realized are as follows:

Items	December 31, 2023		December 31, 2022	
Deferred income tax assets				
Loss on impairment of financial assets	$	686	$	686
Loss carry-forward		105,055		37,921
Total	$	105,741	$	38,607

6) The unrecognized deferred income tax liabilities related to investment

The temporary difference related to investment in subsidiaries, while the Group could control the very timepoint of reversal of that temporary difference and was very likely not to dispose and reverse within the foreseeable future, the Group did not recognize the deferred income tax liabilities. As of December 31, 2023 and 2022, the aggregate total amounts of the temporary differences of investment in subsidiaries which had not been recognized for the deferred income tax liabilities amounted to NT$2,488,829 thousand and NT$2,633,439 thousand, respectively.

7) As of December 31, 2023, the Group applied the provisions of the Income Tax Act, which the aggregate total of the deferred income tax assets with income tax payable in the year after credit was summarized as follows:

Last credit-use year	Recognized loss carry-forward		Unrecognized loss carry-forward		Total	
Year 2024	$	-	$	130	$	130
Year 2025		-		663		663
Year 2027		-		4,522		4,522
Year 2028		-		4,310		4,310
Year 2029		-		5,238		5,238
Year 2030		92		6,302		6,394
Year 2031		38		7,717		7,755
Year 2032		25,580		34,501		60,081
Year 2033		175,509		41,672		217,181
Total	$	201,219	$	105,055	$	306,274

8) As of December 31, 2023, the income tax returns of the Company as well as its domestic subsidiaries within the Group have been assessed and approved by the tax authority up to Year 2021.

9) Where the distribution of earnings for Year 2024 to be resolved in the shareholders' meeting remains uncertain, the unappropriated earnings added with the very outcome of the potential income tax in Year 2023 could not be determined in a reliable way.

10) Pillar Two Rules

As of December 31, 2023, the countries where the Group's constituent entities are registered had not yet substantively enacted or implemented legislation related to the Pillar Two income tax rules. Therefore, there are currently no major jurisdictions that the Group may be exposed to for such income taxes. However, the Group continues to monitor the potential impact of the Pillar Two Rules on its future financial performance.

(51) Earnings per share (EPS)

The basic earnings per share (EPS) of the Company was calculated by dividing the current year's net profit (loss) by the weighted average number of common shares outstanding; the shares added by unappropriated earnings or capital surplus conversion to rights issues, then with retroactive adjustment calculation.

If the Company was entitled to the option to distribute compensation to employee in stocks or cash, then upon calculating the diluted earnings per share (EPS), it was assumed that the compensation to employee would be distributed by stocks and would be included in the weighted average number of outstanding shares when the potential common stocks were entitled to dilution effect so as to calculate the diluted earnings per share (EPS). When calculating the diluted earnings per share (EPS) before the resolution of distributing compensation to employee in the following year, the Company also continues to take into account the dilution effect of these potential common shares.

	Year Ended December 31, 2023			Year Ended December 31, 2022		
	Amount after tax	Weighted average number of outstanding shares (in thousand shares)	Losses per share (EPS) (NT$)	Amount after tax	Weighted average number of outstanding shares (in thousand shares)	Losses per share (EPS) (NT$)
Basic losses per share:						
Net loss attributable to owners of the parent	($1,438,027)			($ 493,812)		
Less: Dividends on preferred shares	(12,000)			(12,000)		
Net loss attributable to shareholders of common shares of the parent	($1,450,027)	912,176	($ 1.59)	($ 505,812)	906,620	($ 0.56)

7. Related Party Transactions

(1) Parent company and ultimate controller

The Company is the ultimate controller of the Group.

(2) Names of the related parties and relationship thereof

Name of related party	Relationship with the Group
Zhenjiang Chimei Chemical Co., Ltd.	Associate
Zhangzhou Chimei Chemical Co., Ltd.	Associate
China Development Financial Holding Corporation	The subsidiary is the legal person director of the company (other related party)
China Development Asset Management Corporation	The subsidiary is the legal person director of the parent company (other related party)
CDIB Capital International Corporation	The subsidiary is the legal person director of the parent company (other related party)
China Development Asset Management Corporation	The subsidiary is the legal person director of the parent company (other related party)
CDIB Venture Capital Corporation	The subsidiary is the legal person director of the parent company (other related party)
KGI Life Insurance Co., Ltd.	The subsidiary is the legal person director of the parent company (other related party)
KGI Securities Co., Ltd.	The subsidiary is the legal person director of the parent company (other related party)
KGI Securities Investment Trust Co. Ltd.	The subsidiary is the legal person director of the parent company (other related party)
Ruihui Japanese Food & Beverage Co., Ltd.	Other related party
Ku Chung-Ying	Other related party
Lin Jui-Hui	Other related party
Chung Pei Li	Other related party
All directors, general manager and deputy general managers	Main management

(3) Significant transactions with related parties

All such major transactions, account balances, income and expenses by and between the Company and the subsidiaries (as the related parties of the Company) were eliminated in full during the preparation of the consolidated financial statements, so they were not disclosed in this Note. Please see Note 13 (1) (2)-11. The transactions between the Group and other related parties are as follows:

1) Sales revenue

Type of the related party	Year Ended December 31, 2023	Year Ended December 31, 2022
Associate	$ 10,386	$ 30,124

There are no significant differences in the selling price and sales trading conditions for related parties and those for ordinary customers of the Group.

2) Services revenue

Type of the related party	Year Ended December 31, 2023	Year Ended December 31, 2022
Other related party	$ 4,008	$ 2,507

There are no significant differences in the selling price and services trading conditions for related parties and those for ordinary customers of the Group.

3) Purchases

Type of the related party	Year Ended December 31, 2023	Year Ended December 31, 2022
Other related party	$ -	$ 86

The Group's purchase prices and terms of purchase transactions with related parties are not significantly different from those of ordinary suppliers.

4) Operating expense

Type of the related party	Year Ended December 31, 2023	Year Ended December 31, 2022
Other related party	$ 12,798	$ 24,804
Main management	1,500	1,800
Total	$ 14,298	$ 26,604

5) Other revenue

Type of the related party	Year Ended December 31, 2023	Year Ended December 31, 2022
Other related party	$ -	$ 271

6) Lease agreement

A. Right-of-use assets

Type of related party	December 31, 2023	December 31, 2022
China Life Insurance Co., Ltd.	$ 2,165,857	$ 2,291,394

B. Refundable deposits

Type of related party	December 31, 2023	December 31, 2022
China Life Insurance Co., Ltd.	$ 5,766	$ 5,766

C. Lease liabilities - current

Type of related party	December 31, 2023	December 31, 2022
China Life Insurance Co., Ltd.	$ 140,065	$ 111,372

D. Lease liabilities - noncurrent

Type of related party	December 31, 2023	December 31, 2022
China Life Insurance Co., Ltd.	$ 2,309,230	$ 2,321,850

E. Interest expenses

Type of related party	Year Ended December 31, 2023	Year Ended December 31, 2022
China Life Insurance Co., Ltd.	$ 44,645	$ 37,915
Other related party	-	136
Total	$ 44,645	$ 38,051

F. Lease payments

Type of related party	Year Ended December 31, 2023	Year Ended December 31, 2022
China Life Insurance Co., Ltd.	$ 156,018	$ 22,095
Other related party	-	3,023
Total	$ 156,018	$ 25,118

G. Subsidies for refurbishment (lease incentives)

Type of related party	Year Ended December 31, 2023	Year Ended December 31, 2022
China Life Insurance Co., Ltd.	$ 127,445	$ -

H. Lease payments

Type of related party	Year Ended December 31, 2023	Year Ended December 31, 2022
Other related party	$ -	$ 406

I. The rents of the lease agreements are based on market prices and negotiations between both parties. Rents are paid per month or via issuance of forward notes.

7) Lease agreements

A. Rent revenues

Type of related party	Year Ended December 31, 2023	Year Ended December 31, 2022
China Development Financial Holding Corporation	$ 9,932	$ 9,920

B. Rents collected in advance

Type of related party	December 31, 2023	December 31, 2022
China Development Financial Holding Corporation	$ 867	$ 867

C. Guarantee deposits received

Type of related party	December 31, 2023	December 31, 2022
China Development Financial Holding Corporation	$ 1,734	$ 1,734

D. The abovementioned leases are for the Group to let out its own properties and some office spaces. The lease agreements calculate rents based on market prices and negotiations between both parties. Rents are collected each month.

8) The creditor's rights and debts between the Group and related parties (all without including the interest) are as follows:

A. Accounts receivable

Type of related party	December 31, 2023	December 31, 2022
Associate	$ 1,507	$ -

B. Other receivables

Type of related party	December 31, 2023	December 31, 2022
Main management	$ -	$ 1,500
Other related party	131	131
Total	$ 131	$ 1,631

C. Other payables

Type of related party	December 31, 2023	December 31, 2022
Other related party	$ 320	$ 4,724

9) Property transactions

1) On January 5, 2023, the Group paid NT$15,352 thousand in cash to CDIB Venture Capital Corporation as the consideration for 480 thousand Series A shares of Citiesocial Holding Cayman Co., Ltd.

2) On June 29, 2022, the Group entered into a real estate transaction agreement with China Development Asset Management Corporation to purchase real estate located at Dunhua South Road, Daan District, Taipei City. The transaction price was determined with reference to the real estate valuation report issued by Cushman & Wakefield, the property valuation firm. The total transaction price was NT$494,984 thousand (including tax), and the transfer of ownership was completed on July 26, 2022. Please refer to Note 6 (15) for details.

10). The Group's participation in rights issues and increase in investments in related parties:

(A) Year ended December 31, 2023: Nil

(B) Year ended December 31, 2022

Type of related party/ Target	Entry	Increase in No. of shares (1,000)	Amount	Holding before rights issue	Holding after rights issue
Zhangzhou Chimei Chemical Co., Ltd.	Investment under equity method	-	$ 2,007,700	30.40%	30.40%

(4) Information of compensation for main management

Items	Year Ended December 31, 2023	Year Ended December 31, 2022
Salaries and other short-term employee benefits	$ 184,880	$ 151,876
Termination benefits	-	-
Post-employment benefits	4,684	11,513
Other long-term benefits	-	-
Shares-based payment	1,534	-
Total	$ 191,098	$ 163,389

8. Pledged Assets

(1) Facts of pledge in property, plant and equipment

Items	Purposes of pledge (mortgage)	December 31, 2023	December 31, 2022
Land	Guarantee for comprehensive facility of credit extension	$ 3,077,553	$ 3,077,553
Buildings & constructions	Guarantee for comprehensive facility of credit extension	262,812	276,490
Machinery & equipment	Guarantee for comprehensive facility of credit extension	326,177	466,066
Total		$ 3,666,542	$ 3,820,109

(2) Pledges on investment properties

Items	Purposes of pledge (mortgage)	December 31, 2023	December 31, 2022
Land	Security for purchase	$ 132,247	$ 132,247
Buildings & constructions	Security for purchase	22,728	23,717
Total		$ 154,975	$ 155,964

(3) Facts of other assets pledged

Items	Purposes of pledge (mortgage)	December 31, 2023	December 31, 2022
Bank deposits	Reserve and guarantee accounts	$ -	$ 437
Bank deposits	Renovation construction guarantee	6,300	1,000
Bank deposits	Import duty guarantee	1,000	-
Total		$ 7,300	$ 1,437

9. Significant Contingent Liabilities and Unrecognized Contract Commitments

In addition to those disclosed in other notes, the Group had the following significant contingent liabilities and unrecognized contractual commitments as of the end of the reporting period:

(1) Refundable deposit guarantee notes and debit notes

1) The Group issued guaranteed promissory notes with facility and debit notes lent them to financial institutions as a commitment to repay the loan. As of December 31, 2023 and 2022, the guaranteed promissory notes were USD18,000 thousand, NTD15,322,000 thousand and USD41,000 thousand, NTD9,292,000 thousand, respectively.

2) To apply for the government subsidies, the Group issued performance guarantee

notes to subsidy management agencies for both NT$25,000 thousand as of December 30, 2023 and 2022.

(2) Deposited guarantee notes and collateral

The Group collected deposited guarantee notes and collateral as its performance guarantee. As of December 31, 2023 and 2022, the deposited guarantee notes were NTD78,520 thousand, EUR760 thousand, USD165 thousand, CNY213,825 thousand and NTD176,572 thousand, SGD208 thousand, EUR730 thousand, USD2,909 thousand, JPY1,850 thousand, respectively.

(3) To apply for the government subsidies, the Group requested financial institutions to provide performance guarantees for NT$6,200 thousand and NT$7,000 thousand as of December 30, 2023 and 2022, respectively.

(4) Amidst the need for material procurement and other purposes, the Group commissioned the financial institutions to provide performance bonds. As of December 31, 2023 and 2022, the performance bonds were NT$1,500 thousand and NT$2,500 thousand, respectively.

(5) The Group requested financial institutions to provide performance guarantees for the lease purposes amounting to NT$84,371 thousand for the years ended December 31, 2023 and 2022.

(6) The balance of L/C opened but not used by the Group as of December 31, 2023 and 2022 were USD11,346 thousand, NTD851,000 thousand and USD6,470 thousand, NTD704,171 thousand, respectively.

(7) The property, plant and equipment and other major capital expenditures for which the Group had executed contracts but had not paid off as of December 31, 2023 and 2022 were NT$3,190,849 thousand and NT$4,844,912 thousand, respectively.

(8) As of December 31, 2023 and 2022, the Group had signed contracts for film procurement and for outsourced production of programs for which the Group had not yet paid for the contracts as the contract films had not been delivered in the amounts of NT$320,348 thousand and NT$36,555 thousand, respectively.

(9) Under the agreement duly executed by and between the Group and CPC Corporation, Taiwan (CPC), the Group has been required to procure from CPC specified volumes of ethylene, benzene and butadiene from every year. If the annual purchase volume of the Group did not reach the minimum contract amount, CPC may reduce the supply in the following year as appropriate. In addition, the Group committed to purchase CPC's ethylene, benzene and butadiene as raw materials for factory-made styrene and acrylonitrile-butadiene-styrene copolymer resin (ABS), unless approved by government authorities, or in case of the internal dispatch for petrochemical feedstock, the Group should not transfer into other uses or resell the quotas (Where required for petrochemical scheduling, and with the prior written consent of CPC, the Group was allowed to transfer the ethylene, benzene and butadiene to petrochemical users of CPC as petrochemical feedstock either in whole or in part), otherwise CPC may would stop supplying ethylene, benzene and butadiene at any time and terminate the agreement.

(10) In order to manufacture ABS and other products, the Group purchased butadiene from Formosa Petrochemical Corporation as a raw material for which the Group signed a transaction agreement. Under the agreement, the Group committed itself to purchase at least 100 metric tons of butadiene from Formosa Petrochemical Corporation every month as the raw material for the production of ABS and other products.

(11) In order to manufacture ABS and other products, the Group purchased acrylonitrile from China Petrochemical Development Corporation as a raw material for which the Group signed a transaction agreement. Under the agreement, the Group committed itself to purchase 3,600 metric tons to 7,200 metric tons of acrylonitrile every quarter

as a raw material for the production of ABS and other products.

(12) The Group signed a syndicated loan contract with 17 banks and is committed to maintain the following financial ratios during the syndicated loan contract period:

1) Current ratio: ratio of current assets to current liabilities, no less than 100%

2) Liability ratio: ratio of total liabilities to tangible book value, no more than 150%

3) Interest coverage ratio: ratio of EBITDA (earnings before interest, taxes, depreciation, and amortization) to interest expenses, to lower than 3x

The aforesaid financial ratios and requirements are based on International Financial Reporting Standards (IFRS) and consolidated financial statements audited by certified public accountants.

Beginning in the second half of 2022, the petrochemical industry was impacted by new production capacities in China, geopolitical uncertainties, inflation, and other economic factors that led to a significant global economic downturn. As a result, the Group expected that certain financial ratios in its 2023 financial statements would not meet the financial ratio covenant required by its syndicated loan agreement. On September 11, 2023, the Group applied to the syndicated banks for a waiver of the financial ratio covenants. On December 5, 2023, the Group obtained consent letters from a majority of the syndicated loan lenders for wavier of the financial ratio covenants.

(13) As of December 31, 2023, the Group's subsidiary - QuanZhou Grand Pacific Chemical Co., Ltd. - arranged credit facilities with various banks for a total of USD 145,000 thousand and RMB 250,000 thousand for operational needs. As required by the lending banks, the Group provided commitment letters and support letters. The Group committed that during the credit period with the banks, it will maintain 100% ownership of QuanZhou Grand Pacific Chemical Co., Ltd. and continue to have significant influence and control over QuanZhou Grand Pacific Chemical Co., Ltd to assist in its normal operations and maintain its financial health.

(14) Significant business agreements

A. Revenues

The important long-term contracts that have already taken effect and were signed by the Group based on operational needs, such as the exclusive distribution contracts for basic channels and broadcasting contracts for home game seasons, are significant non-cancellable operating agreements. The Group expected that the amounts of the authorization fee to be received in the respective coming years would be as follows:

Items	December 31, 2023	December 31, 2022
Within 1 year	$ 7,857	$ 678,436
1 to 5 years	8,333	-
Over 5 years	-	-
Total	$ 16,190	$ 678,436

B. Expenditures

In line with the substantial need in business operation, the Group had executed licensing contracts, music and recording works public broadcasting license agreements and advertising opening buyback contracts and agreements. Such important long-term contracts that have become effective are a sort of non-cancellable major business agreement. The details of the amount of authorization fund payable by the Group in the respective coming years are as follows:

Items	December 31, 2023		December 31, 2022	
Within 1 year	$	6,774	$	64,093
1 to 5 years		6,259		514
Over 5 years		-		-
Total	$	13,033	$	64,607

10. Significant Disaster Loss: Nil

11. Significant Events after the Balance Sheet Date: Nil

12. Other Events

(1) Seasonal or cyclical interpretation of interim operations

All sorts of business operations inside the Group have been free of any potential impact in reasonable or cyclical factors.

(2) Capital risk management

The Group carries out capital management to assure a sound capital base, and maximizes shareholder compensation by means of optimizing debt and equity balances. After regularly reviewing and measuring related costs, risks and returns, the Group ensures a good profitability level and financial ratio. Where necessary, the Group would balance its overall capital structure through various financing methods to live up to the needs of various capital expenditures, working capital, debt repayment, and dividend expenditures in the future period.

(3) Financial instruments

1) Type of financial instruments

Financial assets	December 31, 2023		December 31, 2022	
Financial assets at fair value through profit or loss				
Mandatorily measured at fair value through profit or loss	$	216,288	$	196,611
Designated as measured at fair value through profit or loss		15,157		7,200
Investment in equity instrument designated as financial assets measured at fair value through other comprehensive income		4,297,847		4,141,941
Financial assets carried at amortized cost				
Cash & cash equivalents		4,726,354		6,279,477
Contract assets - current		15,861		8,126
Notes and accounts receivable (including related parties)		1,671,791		1,880,614
Other receivables		100,340		88,157
Other financial assets – current and non-current		4,743,620		5,240,172
Refundable deposits		28,774		25,867

Financial liabilities		
Financial liabilities carried at amortized cost		
Short-term loans	1,900,000	1,931,000
Short-term notes payable	699,695	299,312
Notes and accounts payable	1,798,343	1,128,458
Other payables (including related parties)	848,452	665,620
Long-term loans (including those due within one year)	15,720,319	15,733,290
Lease liabilities (Current and Noncurrent)	3,138,173	2,705,492
Guarantee deposits received	4,492	5,783

2) Financial risk management policies

In terms of routine business operation, the Group has been subject to impact from a variety of financial risks, including market risks (including exchange rate risks, interest rate risks and price risks), credit risks and liquidity risks. In an attempt to minimize relevant financial risks, the Group has put forth maximum possible efforts to identify, evaluate and evade the uncertainty in the markets to minimize the negative impact of market variation upon the Company's financial performance.

The Group has set up appropriate policies, procedures and internal controls in response to the aforementioned financial risk management in accordance with relevant regulations, and all important financial activities must be reviewed by the Board of Directors in accordance with relevant regulations and internal control systems. During the implementation of the financial plan, the Group must comply with the relevant financial operation procedures for overall financial risk management and division of powers and responsibilities.

3) The attribute and level of significant financial risks

A. Market risks

Here at the Group, the market risk has notably been the risk in financial instruments' fair value or cash flow fluctuations due to changes in market prices. Such market risks mainly include exchange rate risks, interest rate risks and price risks.

① Exchange rate risks

The Group's business involves certain non-functional currencies (the functional currency of the Company and some subsidiaries has been the New Taiwan Dollars and the functional currencies of some subsidiaries have been U. S. Dollars, Hong Kong dollars, Malaysian Ringgit and Renminbi) so it is subject to exchange rate fluctuations impact. Information on foreign currency assets and liabilities with significant exchange rate fluctuations is as follows: (including non-functional currency-denominated monetary items that have been written off in the consolidated financial statements).

Items (Foreign currencies: Functional currency)	December 31, 2023			December 31, 2022		
	Foreign currencies	Exchange rate foreign currencies vs. functional currency	New Taiwan Dollars	Foreign currencies	Exchange rate foreign currencies vs. functional currency	New Taiwan Dollars
Financial assets						
Monetary items						
USD: NTD	$ 25,086	30.655	$ 769,011	$ 41,711	30.71	$ 1,280,945
USD: CNY	118	7.1257	3,617	241	6.9669	7,401
USD: MYR	120	5.4247	3,679	102	4.5843	3,132
USD: HKD	63	7.8623	1,931	71	7.7984	2,180
CNY: NTD	6,229	4.3020	26,797	9,901	4.4080	43,644
CNY: USD	683,323	0.1403	2,939,656	660,022	0.1435	2,909,377
CNY: HKD	4,080	1.1034	17,552	1,425	1.1193	6,281
SGD: MYR	65	4.1055	1,508	52	3.4154	1,190
JPY: NTD	6,752	0.2152	1,453	4,600	0.2324	1,069
GBP: HKD	314	3.9897	12,230	-	-	-
Non-monetary items						
CNY: USD	2,212,286	0.1403	9,517,254	2,400,503	0.1435	10,581,417
Financial liabilities						
Monetary items						
USD: NTD	18,253	30.655	559,546	9,257	30.71	284,282
USD: MYR	57	5.4247	1,747	27	4.5843	829
SGD: NTD	-	-	-	6	22.88	137
JPY: NTD	13,130	0.2152	2,826	42,825	0.2324	9,953
EUR: NTD	25	33.78	845	28	32.72	916

Note: The foreign currency related non-monetary assets measured at the historical exchange rate on the transaction date have not been disclosed because they have no significant impact on the consolidated financial statements.

Here at the Group, the sensitivity analysis on the exchange rate risks mainly focuses on the major foreign currency monetary items and non-monetary items at the end of the financial statement period, and the related foreign currency appreciation or depreciation impact on the Group's profit and loss as well as equity. All other risk factors being equal, any 1% movement in exchange rates of the Group’s foreign currency position would result in NT$25,700 thousand and NT$31,673 thousand change in profit and loss and NT$76,138 thousand and NT$95,233 thousand change in equity on December 31, 2023 and 2022, respectively. The sensitivity ratio with which the management reports exchange rate risks is based on 1%. It also represents the management’s assessment on the possible and reasonable range of changes in exchange rates.

In addition, the net gain (loss) with exchange in foreign currency (including realization and un-realization) under the Group's monetary items for the years ended December 31, 2023 and 2022 were NT$(33,355) thousand and NT$170,265 thousand, respectively. Due to multiple currency types of foreign currency transactions, practically, it was impossible to clearly distinguish the types of exchange gains and losses and their exposure separately according to each foreign currency, so they are expressed in a summary amount.

② Interest rate risks

The interest rate related risks refer to the risks of financial instruments' fair value or future cash flow fluctuations due to changes in market interest rates. The Group's interest rate risks mainly come from floating rate in loans where some of the risks would be held with floating rates through cash & cash equivalents offset. Where the Group regularly assesses the trend of interest rate changes and responds to it, it is not expected that there would be a significant risk of market interest rate changes. All other risk factors being equal, a 10% basis point movement in yields of the position exposed to interest rate risks would result in NT$15,287 thousand and NT$8,848 thousand change in the Group's profit and loss on December 31, 2023 and 2022, respectively (without taking into account the eligible capitalization amount).

③ Price risks

The investments in equity instruments held by the Group as shown through the balance sheet has been primarily classified as financial assets at fair value through profit and loss and financial assets at fair values through other comprehensive income. The Group has been, therefore, exposed to pricing risks of equity instruments. In an effort to manage the pricing risks of equity instruments, the Group virtually diversifies its investment portfolio in a manner that was based on the limits set by the Group. The Group has invested in financial assets at fair value through profit or loss and financial assets at fair value through other comprehensive income with the price of equity instruments such as profit or loss affected by the uncertainty of the future value of the investment target. All other risk factors being equal, a 1% movement in spot prices of the position in equity instruments would result in NT$2,163 thousand and NT$1,966 thousand change in the Group's profit and loss and NT$42,978 thousand and NT$41,419 thousand change in the Group's equity on December 31, 2023 and 2022, respectively.

B. Credit risks

Credit risks refer to such risks in financial losses incurred in an event where a customer of the Group or financial instrument transaction counterparty fails to perform the contract. The credit risks of the Group primarily resulted from operating activities (primarily as accounts & notes receivable) and financial activities (primarily as bank deposits and a variety of financial instruments). The credit risks related to business operation and financial credit risks have been managed respectively.

① Credit risks related to business operation

The business department faithfully complies with the Group's customer credit risk policies, procedures and controls to manage customer credit risk. The credit risks assessment of all customers is a comprehensive consideration such as the financial status of the customers, the rating of the credit rating agency, past historical transaction experience, the current economic environment and the internal rating criteria of the Group. In addition, the Group also uses certain credit enhancement instruments (such as payments collected in advance, etc.) at appropriate times to minimize the credit risk of specific customers.

② Financial credit risks

Here at the Group, the Finance Department manages credit risks of bank deposits and other financial instruments in accordance with company policies. Since the Group's transaction objects have been determined by internal control procedures as banks with good credit and an investment grade and above in the forms of institutions, company organizations. Where all such entities prove free of major performance doubts, there have been no major credit risks upon the Group.

③ Information of credit-related risks in accounts receivable

The Group adopted the assumption provided under IFRS 9. As the payment was more than 30 days overdue from schedule in the provision of contracts, the financial asset was deemed to have significantly increased in credit risks from the initial recognition. In an event where a contract payment was more than 365 days overdue or where the loanee would be highly unlikely to fulfill the credit obligations to pay amount in full to the Group, the Group deemed that financial asset in default.

In an effort to minimize credit risks, the management of the Group would assign the special team to assume the responsibility to determine the facility of credit extension, approve of credit extension or other supervisory procedures with actions to be taken as appropriate to assure successful retrieval of receivables. Besides, on the balance sheet date, the Group would, on one-by-one basis, recheck the reclaimable amounts of receivables to assure that appropriate allowance would have been provided against the potential loss. The concentration of credit risk is limited because the Group's customer base is broad and unrelated. Accordingly, the management believes that the Group's credit risk has been significantly reduced. For facts of changes regarding aging analysis of accounts receivables and allowance loss, please see Note 6(3) & (4).

④ Exposure to credit risks

The Group has been well known for the sound quality of credit standing with financial institutions and has tried to profoundly diversify potential credit risks with multiple financial institutions. As natural result, the Group has seen very low potential default. Besides, the Group has been in transactions with only third parties of very fine credit standing and would grant credit lines toward customers exactly based on the credit facility procedures. Meanwhile, with continued efforts to look into customers' credit standing and with evaluation of the possibility to retrieve accounts receivable on a regular basis, the Group has amortized adequate allowance against loss. The management has, therefore, firmly believed that the Group's receivables would not have been significantly concentrated in the credit risks. As of the balance sheet date in terms of cash & cash equivalents, contract assets, receivables and other financial assets, the maximum possible exposure to credit risks would be exactly the carrying amounts of such financial assets.

Financial instruments	December 31, 2023 Carrying amount	December 31, 2023 Maximum credit exposure to risks	December 31, 2022 Carrying amount	December 31, 2022 Maximum credit exposure to risks
Cash & cash equivalents	$ 4,726,354	$ 4,726,354	$ 6,279,477	$ 6,279,477
Contract assets - current	15,861	15,861	8,126	8,126
Notes receivable	297,589	297,589	309,704	309,704
Accounts receivable (including related parties)	1,374,202	1,374,202	1,570,910	1,570,910
Other receivables	100,340	100,340	88,157	88,157
Other financial assets - current	4,742,620	4,742,620	5,240,172	5,240,172
Other financial assets – non-current	1,000	1,000	-	-

C. Liquidity risk

The liquidity risk refers to the risk that the position could not be settled as expected. The Group mainly used financial institutions to use loans, and cash & cash equivalents and other instruments to adjust funds, and achieve the goal of flexible use of funds and stable funds. The share capital and working capital of the Group were sufficient to meet all contract obligations, so there would be no liquidity risk due to the inability to raise funds to fulfill contract obligations.

The table below summarizes the Group's non-derivative financial liabilities, grouped by the relevant maturity date based on the earliest possible date of repayment and compiled with its undiscounted cash flow. The Group did not expect that the time when the cash flow of the analysis of the due date occurred would be significantly earlier or the actual amount would be significantly different. The interest cash flow paid at floating interest rates, the undiscounted interest amount derived based on the yield curve on the balance sheet date which was the amount of floating interest rate instrument of a non-derivative financial liability. The amount of the floating interest rate instrument would change according to the different interest rate and the estimated interest rate on the balance sheet date. For more details regarding the analysis of the due date of lease liabilities, please see Note 6 (14)-2-(2).

Items	December 31, 2023 Within 6 months	6-12 months	1-2 years	2-5 years	Over 5 years	Contract cash flow	Carrying amount
Non-derivative financial liabilities							
Short-term loans	$ 1,886,418	$ 20,017	$ -	$ -	$ -	$ 1,906,435	$ 1,900,000
Short-term notes payable	700,000	-	-	-	-	700,000	699,695
Notes payable	68,984	-	-	-	-	68,984	68,984
Accounts payable	1,729,359	-	-	-	-	1,729,359	1,729,359
Other payables (including related parties)	845,976	1,238	1,238	-	-	848,452	848,452
Long-term loans (including those due within one year)	305,166	3,286,755	7,083,291	6,141,750	-	16,816,962	15,720,319

Items	December 31, 2022						
	Within 6 months	6-12 months	1-2 years	2-5 years	Over 5 years	Contract cash flow	Carrying amount
Non-derivative financial liabilities							
Short-term loans	$ 1,934,167	$ -	$ -	$ -	$ -	$ 1,934,167	$ 1,931,000
Short-term notes payable	300,000	-	-	-	-	300,000	299,312
Notes payable	79,803	-	-	-	-	79,803	79,803
Accounts payable	1,048,655	-	-	-	-	1,048,655	1,048,655
Other payables (including related parties)	663,602	1,009	1,009	-	-	665,620	665,620
Long-term loans	298,705	298,705	5,237,408	11,558,041	-	17,392,859	15,733,290

(4) Information of fair value

1) Fair value hierarchy

The evaluation technique used to measure the fair value of financial and non-financial instruments divided the fair value into the first to the third level based on the observable degrees. Each fair value hierarchy was defined as follows:

Level 1: Referring to the public quotation (unadjusted) from the same asset or liability in the active market.

Level 2: In addition to the public quotation of Level 1, the fair value is derived using observable input parameters that belong to the asset or liability directly (i.e., the price) or indirectly (i.e., derived from price).

Level 3: Referring to the input parameters (non-observable parameters) of the valuation techniques for assets or liabilities that are not based on observable market data to derive fair value.

2) Financial instruments not measured at fair values

The Group's financial instruments not measured at fair values (including cash & cash equivalents, contract assets - current, notes receivable, accounts receivable (including related parties), other receivables, other financial assets - current, short-term loans, short-term notes payable, notes payable, accounts payable, other payables (including related parties) and the like) refer to rational approximate values in the carrying amounts at fair values. Where refundable deposits, guarantee deposits received and other financial assets – non-current would not be subject to significant impact in the cash flow discounting, their carrying amounts should be the very rational grounds to estimate the fair values. The long-term loan contracts bore an agreed floating interest rate. Since the floating interest rates were mostly close to the market interest rates, the discounted value of its expected cash flow is used to estimate its fair value to approximate its book value.

3) As of December 31, 2023 and 2022 for financial and non-financial instruments at fair values were classified by the Group based on the attributes, characteristics, risks and fair value hierarchy of assets and liabilities, with the relevant information as follows:

Financial and non-financial instruments	December 31, 2023 Level 1	Level 2	Level 3	Total
Assets				
Recurring fair value				
Financial assets at fair value through profit or loss - current				
Mutual fund beneficiary certificates	$ 216,288	$ -	$ -	$ 216,288
Financial assets at fair value through profit or loss - noncurrent				
Film investment agreement	$ -	$ -	$ 15,157	$ 15,157
Financial assets at fair values through other comprehensive income - noncurrent				
Listed stocks in Taiwan	$ 2,923,686	$ -	$ -	$ 2,923,686
Domestic and foreign unlisted stocks and limited partnerships	-	-	1,374,161	1,374,161
Total	$ 2,923,686	$ -	$ 1,374,161	$ 4,297,847

Financial and non-financial instruments	December 31, 2022 Level 1	Level 2	Level 3	Total
Assets				
Recurring fair value				
Financial assets at fair value through profit or loss - current				
Mutual fund beneficiary certificates	$ 196,611	$ -	$ -	$ 196,611
Financial assets at fair value through profit or loss - noncurrent				
Film investment agreement	$ -	$ -	$ 7,200	$ 7,200
Financial assets at fair values through other comprehensive income - noncurrent				
Listed stocks in Taiwan	$ 2,991,059	$ -	$ -	$ 2,991,059
Domestic and foreign unlisted stocks and limited partnerships	-	-	1,150,882	1,150,882
Total	$ 2,991,059	$ -	$ 1,150,882	$ 4,141,941

4) Evaluation technology and assumptions adopted to measure fair values:

The fair values of the financial and non-financial instruments refer to the amounts of current transaction of the said instruments with the interested counterparties (instead of mandatory means or liquidation). Here at the Group, the methods and assumptions used for the financial and non-financial instruments to measure the fair values are as follows:

A. In case of financial instruments with standard terms and conditions and traded in the active market, the fair value was determined by referring to the market quotation. The listed stocks were counted based on the closing price as fair value. Open end mutual fund beneficiary certificates were counted based on net worth as fair values.

B. For financial instruments with higher complexity, the Group measured the fair value based on the evaluation model developed using evaluation method and technology which were widely used between the fellow traders. Some of the parameters used in such evaluation models were not market observable information. The Group must make appropriate estimates based on assumptions. The Company's unlisted stocks held by the Group and the limited partnership were counted based on the market approach or the asset approach to estimate the fair value. The judgment was conducted with reference to the same type company evaluation, third-party quotation, the Company's net worth and business performance. The film investment agreement is made using the income method, which is based on discounted cash flows, to calculate the present value of the expected income from holding this investment. In addition, the significant non-observable input value was mainly current discount, discount for lack of control and discount rate. For more details regarding the impact of non-market observable parameters on the evaluation of financial instruments please see Note 12 (4)-10.

C. The output of the evaluation model was the approximate value of the estimate and the evaluation technology might not reflect all relevant factors of the Group’s holding of financial instruments and non-financial instruments. Therefore, the estimated value of the evaluation model would be appropriately adjusted according to additional parameters, e.g., the model risk or liquidity risk. According to the Group’s fair value evaluation model management policy and related control procedures, the management believes that the fair value of financial instruments and non-financial instruments as shown in the balance sheet should be expressed in a fair way. The evaluation adjustment is appropriate and essential. The price information and parameters used in the evaluation process have been carefully evaluated and appropriately adjusted according to the current market conditions.

D. The Group took credit risks evaluation adjustment into consideration of calculation in fair value of the financial instruments and non-financial instruments to respectively reflect the credit risk of the transaction counterparties and credit quality of the Group.

5) Transfer of fair values between Level 1 and Level 2 for the years ended December 31, 2023 and 2022: Nil

6) Change in the financial instruments of Level 3

A. Year ended December 31, 2023

Items	Financial assets at fair value through profit or loss	Financial assets at fair values through other comprehensive income
Beginning balance	$ 7,200	$ 1,150,882
Acquisition this year	10,200	238,099
Disposal this year	-	-
Capital distribution this year	-	(58,615)
Inward (outward) transfer of Level 3	-	-
Recognized in income	(2,243)	-
Recognized in other comprehensive income	-	100,739
Constructive retirement	-	(55,958)
Effects of exchange rate	-	(986)
Ending balance	$ 15,157	$ 1,374,161

B. Year ended December 31, 2022

Items	Financial assets at fair value through profit or loss	Financial assets at fair values through other comprehensive income
Beginning balance	$ -	$ 1,156,198
Acquisition this year	7,200	209,750
Disposal this year	-	-
Capital distribution this year	-	(88,060)
Inward (Outward) transfer of Level 3	-	-
Recognized in income	-	-
Recognized in other comprehensive income	-	(167,978)
Effects of exchange rate	-	40,972
Ending balance	$ 7,200	$ 1,150,882

7) The Group had no outward transfer from Level 3 and inward transfer into Level 3 for the years ended December 31, 2023 and 2022.

8) The Group's evaluation process for the fair value classified in Level 3 was the independent fair value verification of financial instruments conducted by the Company's Financial Department in collaboration with an outsourced professional evaluation agency. The independent sources of data were used to bring the evaluation results closer to the market status as independent, reliable, and other resources consistent with and represent the executable price, and regularly update the required input values and data, and any other necessary fair value adjustments to ensure that the evaluation results would be rational.

9) The quantitative information about the significant unobservable input value of the evaluation model used in Level 3 fair value measurement items and the sensitivity analysis of the significant unobservable input value change are explained as follows:

Items	Fair value as of December 31, 2023	Evaluation technology	Significant unobservable input value	Range (Weighted average)	Relationship between input value and fair value
Non-derivative equity instruments:					
Film investment agreement	$ 15,157	Income method	Discount rate	16.78%	The higher the discount rate, the lower the fair value
Unlisted stocks	252,260	Market approach	Liquidity discount	13.68%～32.84%	The higher the liquidity discount, the lower the fair value
Unlisted stocks	4,625	Asset approach	Discount for lack of control	22.06%～25.00%	The higher the discount for lack of the control, the lower the fair value
Limited partnership’s equity	1,117,276	Asset approach	N/A	N/A	N/A
Total	$ 1,389,318				

Items	Fair value as of December 31, 2022	Evaluation technology	Significant unobservable input value	Range (Weighted average)	Relationship between input value and fair value
Non-derivative equity instruments:					
Film investment agreement	$ 7,200	Income method	Discount rate	N/A	The higher the discount rate, the lower the fair value
Unlisted stocks	354,046	Market approach	Liquidity discount	20.73%～32.73%	The higher the liquidity discount, the lower the fair value
Unlisted stocks	4,725	Asset approach	Discount for lack of control	21.63%～25.00%	The higher the discount for lack of the control, the lower the fair value
Limited partnership's equity	792,111	Asset approach	N/A	N/A	N/A
Total	$ 1,158,082				

10) The Group selected the evaluation model and evaluation parameters used after prudential evaluation so it was reasonable to measure the fair value but the use of different evaluation models or evaluation parameters might lead to different evaluation results. For financial assets classified as Level 3 and financial liabilities, if the evaluation parameter changes by 1% basis point, the impact on the current profit/loss or other comprehensive income would be as follows:

			Year Ended December 31, 2023			
			Recognized in profit or loss		Recognized in other comprehensive income	
Items	Input value	Change	Favorable change	Adverse change	Favorable change	Adverse change
Non-derivative financial instruments:						
Unlisted stocks	Liquidity discount and Discount for lack of control	±1%	$ -	$ -	$ 3,327	($ 3,160)
Film investment agreement	Discount rate	±1%	$ 500	($ 485)	$ -	$ -

			Year Ended December 31, 2022			
			Recognized in profit or loss		Recognized in other comprehensive income	
Items	Input value	Change	Favorable change	Adverse change	Favorable change	Adverse change
Non-derivative financial instruments:						
Unlisted stocks	Liquidity discount and Discount for lack of control	±1%	$ -	$ -	$ 4,772	($ 4,754)
Film investment agreement	Discount rate	±1%	$ 72	($ 72)	$ -	$ -

13. Additional Disclosure in the Notes

(1) Information relating to significant transactions and (2) Information relating to investee companies (Before consolidated write-off)

1) Funds loaned to others:

The company lending the funds	The company borrowing the funds	Transaction item	Related party or not	Maximum balance for the period	Balance at the end of the period	Actual use amount	Interest rate range	Nature of loans	Transaction amount	Reasons for short-term financing	Allowance for losses	Collaterals		Limit on loans to individual party	Limit on the total amount of loans to others
												Type	Amount		
Land & Sea Capital Corp.	Grand Pacific Petrochemical Corporation	Other receivables - related parties	Yes	$602,280 (CNY140,000)	–	–	1.53%	For short-term financing needs	–	The working capital	–	–	–	For each company with short-term financing needs, the amount of the loan shall be limited to 10% of the Company's net worth. (NT$1,263,951)	The total amount of the Company's lending funds shall be limited to 20% of the Company's net worth. (NT$2,527,902)
	Goldenpacific Equities Ltd.	Other receivables - related parties	Yes	245,240 (USD8,000)	245,240 (USD8,000)	$42,917 (USD1,400)	4.40%	For short-term financing needs	–	The working capital	–	Promissory Notes	$245,240 (USD8,000)		
Citiesocial Holding Cayman Co., Ltd.	Citiesocial Co., Ltd.	Other receivables - related parties	Yes	79,806 (USD2,603)	–	–	–	For short-term financing needs	–	The working capital	–	–	–	For each company with short-term financing needs, the amount of the loan shall be limited to 10% of the Company's net worth. (NT$0)	The total amount of the Company's lending funds shall be limited to 20% of the Company's net worth. (NT$0)

2) Provision of endorsements and guarantees to others

Name of endorsers and guarantors	Subject on endorsees and Guarantees: Name of company	Subject on endorsees and Guarantees: Relationship	Endorsement and guarantee limit for a single entity	Highest balance of endorsement and guarantee for the year	Balance of endorsement /guarantee at the end of year	Actual amount drawn down	Amount endorsement and guarantee collated by property	Ratio of accumulated amount of endorsement and guarantee to net worth in the financial statements of the company in the latest year	Maximum amount of endorsement and guarantee	Provision of endorsement and guarantee by parent company to subsidiary	Provision of endorsement and guarantee by subsidiary to parent company	Provision of endorsement and guarantee to the party in Mainland China
Grand Pacific Petrochemical Corporation	QuanZhou Grand Pacific Chemical Co., Ltd.	A subsidiary with direct shareholding in equity up to 100%	No more than 100% of the company's net value according to the most recent financial statements ($33,241,272)	$15,057,500 (CNY3,500,000)	$15,057,500 (CNY3,500,000)	$15,057,500 (CNY3,500,000)	–	45.30%	The total endorsement/guarantee of the Company shall not exceed 100% of the net worth as shown through the latest financial statements of the Company ($33,241,272)	Yes	No	Yes
	GPPC Development Co., Ltd.	A subsidiary with direct and indirect shareholding in equity up to 85.72%		1,084,371	1,084,371	84,371	–	3.26%		Yes	No	No
KK Enterprise Co., Ltd.	KK Enterprise (Malaysia) Sdn. Bhd.	A subsidiary with direct shareholding in equity up to 70%	Within the maximum limit not in excess of 50% of the total endorsement/guarantee of the Company. ($229,040)	19,614 (RM2,940)	–	–)	–	–	The total endorsement/guarantee of the Company shall not exceed 50% of the net worth as shown through the latest financial statements of the Company ($458,081)	Yes	No	No
Videoland Inc.	Citiesocial Co., Ltd.	A subsidiary with direct and indirect shareholding in equity up to 94.24%	No more than 20% of the company's net value according to the most recent financial statements ($1,468,110)	180,000	180,000	100,000	–	2.45%	The total endorsement/guarantee of the Company shall not exceed 40% of the net worth as shown through the latest financial statements of the Company ($2,936,220)	Yes	No	No

3) Holding of marketable securities at the end of year (excluding equity ownership in subsidiaries, associates and joint ventures)

Securities held by	Type and name of marketable securities		Relationship with the marketable securities issuer	General ledger account	At the end of year			
					Unit expressed in thousand shares	Carrying amount	Shareholding ratio (%)	Fair value
Grand Pacific Petrochemical Corporation	Stock	He Xin Venture Investment Enterprise Co., Ltd.	Other related party	Financial assets at fair values through other comprehensive income - noncurrent	37	$1,528	2.85	$1,528
		YODN Lighting Corp.	_	Financial assets at fair values through other comprehensive income - noncurrent	165	363	0.93	363
		Bridgestone Taiwan Co., Ltd.	_	Financial assets at fair values through other comprehensive income - noncurrent	1,151	54,450	1.42	54,450
		China Development Financial Holding Corporation	Other related party	Financial assets at fair values through other comprehensive income - noncurrent	21,297	267,283	0.13	267,283
GPPC Chemical Corporation	Stock	He Xin Venture Investment Enterprise Co., Ltd.	Other related party	Financial assets at fair values through other comprehensive income - noncurrent	49	2,044	3.80	2,044
		YODN Lighting Corp.	_	Financial assets at fair values through other comprehensive income - noncurrent	64	142	0.36	142
		Kuo Tsung Development Co., Ltd.	_	Financial assets at fair values through other comprehensive income - noncurrent	200	-	1.06	-
		Kuo Tsung Construction Development Co., Ltd.	_	Financial assets at fair values through other comprehensive income - noncurrent	200	-	1.31	-
		Bridgestone Taiwan Co., Ltd.	_	Financial assets at fair values through other comprehensive income - noncurrent	934	44,193	1.15	44,193
		Com2B Corporation	_	Financial assets at fair values through other comprehensive income - noncurrent	750	-	1.67	-
		Grand Pacific Petrochemical Corporation - preferred shares	The Company’s parent company	Financial assets at fair values through other comprehensive income - noncurrent	1,776	46,265	8.88	46,265
		China Development Financial Holding Corporation	The Company is that company’s legal person director	Financial assets at fair values through other comprehensive income - noncurrent	12,110	151,980	0.07	151,980
GPPC Investment Corp.	Stock	YODN Lighting Corp.	_	Financial assets at fair values through other comprehensive income - noncurrent	631	1,388	3.54	1,388
	Partnership	China Development Asset Management Corporation's advantageous venture capital limited partnership	_	Financial assets at fair values through other comprehensive income - noncurrent	-	221,684	-	221,684
	Fund	KGI Victory Money Market Fund	_	Financial assets at fair value through profit or loss - current	7,791	92,693	-	92,693
GPPC Hospitality And Leisure Inc.	Fund	KGI Victory Money Market Fund	_	Financial assets at fair value through profit or loss - current	1,025	12,198	-	12,198
GPPC Development Co., Ltd.	Fund	KGI Victory Money Market Fund	_	Financial assets at fair value through profit or loss - current	8,677	103,231	-	103,231

Securities held by	Type and name of marketable securities		Relationship with the marketable securities issuer	General ledger account	At the end of year			
					Unit expressed in thousand shares	Carrying amount	Shareholding ratio (%)	Fair value
Perfect Meat Co., Ltd.	Fund	KGI Victory Money Market Fund	_	Financial assets at fair value through profit or loss - current	686	8,166	-	8,166
Goldenpacific Equities Ltd.	Partnership	CDIB Capital Asia Partners L.P.	_	Financial assets at fair values through other comprehensive income - noncurrent	-	137,777	-	137,777
		CDIB Capital Global Opportunities Fund L.P.	_	Financial assets at fair values through other comprehensive income - noncurrent	-	639,693	-	639,693
Videoland Inc.	Partnership	CDIB Capital Asia Partners L.P.	_	Financial assets at fair values through other comprehensive income - noncurrent	-	118,122	-	118,122
	Stock	China Development Financial Holding Corporation - common shares	Other related party	Financial assets at fair values through other comprehensive income - noncurrent	150,647	1,890,618	0.89	1,890,618
		China Development Financial Holding Corporation - preferred shares	Other related party	Financial assets at fair values through other comprehensive income - noncurrent	86,818	613,805	5.49	613,805
	Stock	Jeoutai Technology Co., Ltd.	_	Financial assets at fair values through other comprehensive income - noncurrent	2,007	48,470	5.96	48,470
		Global Mobile Corp.	_	Financial assets at fair values through other comprehensive income - noncurrent	1,440	-	0.52	-
		Great Dream Pictures, Inc.	_	Financial assets at fair values through other comprehensive income - noncurrent	100	-	9.98	-
		Ruei-Guang Broadcasting Co., Ltd.	_	Financial assets at fair values through other comprehensive income - noncurrent	10	1,053	10.00	1,053
		21st Digital Technology Co., Ltd.	_	Financial assets at fair values through other comprehensive income - noncurrent	1,582	103,254	2.31	103,254
		Citiesocial Series A and B Preferred shares	_	Financial assets at fair values through other comprehensive income - noncurrent	4,407	102,912	-	102,912

4) Purchase or sale of the same marketable security with the accumulated amount reaching NT$300 million or 20% of paid-in capital or more

Company of purchase/sale	Type and Name of securities	General ledger account	Transaction party	Relationship	At beginning of year		Purchase		Sale				At end of year	
					1,000 shares	Amount	1,000 shares	Amount	1,000 shares	Selling price	Carrying cost	Disposal of gain (loss)	1,000 shares	Amount
Grand Pacific Petrochemical Corporation	QuanZhou Grand Pacific Chemical Co., Ltd.	Investments accounted for using the equity method	Rights issue	Subsidiary	-	$10,058,425	-	$1,144,464	-	-	- $312,214 (Note)	-	-	$10,890,675

Note: Evaluation adjustments accounted and impact upon exchange rates for using the equity method.

5) Acquisition of property reaching NT$300 million or 20% of paid-in capital or more: Nil

6) Disposal of property reaching NT$300 million or 20% of paid-in capital or more: Nil

7) Purchases or sales of goods from or to related parties reaching NT$100 million or 20% of paid-in capital or more

Purchase (sale) company	Name of transaction party	Relationship	Descriptions of transaction				Description and reasons for difference in transaction terms compared to general transaction		Notes or accounts receivable (payable)	
			Purchase (sales of goods)	Amount	Percentage of total purchases (sales)	Credit term	Unit price	Credit term	Balance	Percentage of total notes or accounts receivable (payable)
Grand Pacific Petrochemical Corporation	GPPC Chemical Corporation	The Company's subsidiaries	Sales	$838,406	6.56%	Based on sales contracts	The purchase or selling price under the contract is based on the mean price in the three regions, that is, FOB Korea, CFR Taiwan, and CFR SE Asia, in the respective issues of Styrene intelligence reports for the month according to Platt's Far East Petrochemical Scan.	To be settled at the end of each month and paid off 45 days following settlement, if the payment is not received as scheduled, the interest will be calculated at the one-year time deposit annual rate of the Bank of Taiwan as of January 1 of the specific year, however, is limited to 3 months at maximum.	$8,915	0.89%
GPPC Chemical Corporation	Grand Pacific Petrochemical Corporation	The Company's parent company	Purchase	838,406	82.00%	Based on purchase contracts	The purchase or selling price under the contract is based on the mean price in the three regions, that is, FOB Korea, CFR Taiwan, and CFR SE Asia, in the respective issues of Styrene intelligence reports for the month according to Platt's Far East Petrochemical Scan.	To be settled at the end of each month and paid off 45 days following settlement, if the payment is not received as scheduled, the interest will be calculated at the one-year time deposit annual rate of the Bank of Taiwan as of January 1 of the specific year, however, is limited to 3 months at maximum.	(8,915)	(77.54%)

8) Receivable from related parties reaching NT$100 million or 20% of paid-in capital or more: Nil

9) Trading in derivative instruments: Nil

10) Significant impact either directly or indirectly; names, locations and relevant information of investees under control or joint ventures (excluding investment in Mainland China)

Name of investor	Name of investee	Location	Main business	Original investments		Holding status at end of year			Current profit/loss of the investee	Profit/loss recognized by the Company	Notes
				Ending balance of current year	Ending balance of prior period	Shares in thousands	Shareholding ratio (%)	Carrying amount			
Grand Pacific Petrochemical Corporation	GPPC Chemical Corporation	No.66, Changxing Rd., Luzhu Dist., Kaohsiung City	Production and sale of impact-resistant and flame-resistant polystyrene	$262,953	$262,953	34,200	100.00	$473,147	$($11,278)	$($13,866)	The recognized investment income/loss includes a deduction of $1,954 for cash dividends received from the parent company and a deduction of $634 due to the difference in income/loss perspectives between the individual basis and the consolidated basis.
	GPPC Investment Corp.	8F, No.135, Dunhua N. Rd., Taipei City	Investment business	170,307	170,307	22,032	81.60	308,208	(2,977)	(2,429)	
	GPPC Development Co., Ltd.	10F, No.1, Sec. 4, Nanjing E. Rd., Taipei City	General hotel business	150,000	70,000	15,000	42.86	14,505	(169,106)	(62,887)	Comprehensive shareholding up to control force
	Videoland Inc.	3F, No.480, Ruiguang Rd., Neihu Dist., Taipei City	Radio and television program production, domestic and foreign film copying, domestic film production, distribution, trading and other services	1,536,404	1,536,404	71,093	62.29	5,231,344	1,166	726	
	KK Enterprise Co., Ltd.	No.1, Ziqiang 3rd Rd., Nangang Industrial Zone, Nantou City	Manufacture, wholesale and retail of various trademark paper, glue paper and PU Resin	110,190	110,190	7,934	15.73	144,112	33,267	5,233	Comprehensive shareholding up to control force
	Goldenpacific Equities Ltd.	British Virgin Islands	Investment business	10,510	10,510	75	100.00	737,167	2,616	2,616	
	Land & Sea Capital Corp.	British Virgin Islands	Investment business	1,139,923	1,139,923	26,319	100.00	12,818,132	(743,844)	(568,283)	An increase of $175,561 due to the difference in income/loss perspectives between the individual basis and the consolidated basis.
GPPC Investment Corp.	GPPC Hospitality And Leisure Inc.	10F, No.1, Sec. 4,Nanjing E. Rd., Taipei City	Catering service business	40,000	40,000	4,000	100.00	12,795	(3,946)	(3,946)	
GPPC Development Co., Ltd.	Perfect Meat Co., Ltd.	8F, No.135, Dunhua N. Rd., Taipei City	Meat import sales	10,000	10,000	1,000	100.00	9,360	(33)	(33)	
Videoland Inc.	Videoland International Limited	Hongkong	Engaged in the business of trading wine related alcohol products	97,800	97,800	25,000	100.00	99,750	4,198	4,198	
	ZW ENM Co., Ltd.	1F, No. 480, Ruiguang Rd., Neihu District, Taipei City	Film and program production and distribution	5,000	5,000	500	100.00	4,981	2	2	

Name of investor	Name of investee	Location	Main business	Original investments		Holding status at end of year			Current profit/loss of the investee	Profit/loss recognized by the Company	Notes
				Ending balance of current year	Ending balance of prior period	Shares in thousands	Shareholding ratio (%)	Carrying amount			
	Citiesocial Holding Cayman Co., Ltd.	British Cayman Islands	Investment business	70,475	-	7,205	76.69	98,235	(37,790)	(6,081)	Investment profit & loss includes gains from constructive retirement of preferred shares and amortization of intangible assets acquired
	Citiesocial Co., Ltd.	11F, No. 6, Sec. 1, Heping E. Rd., Daan District, Taipei City	Multimedia ecommerce and wholesale/retail of consumer goods	38,000	-	3,800	31.28	(37,967)	(60,999)	(19,080)	
	KK Enterprise Co., Ltd.	No.1, Ziqiang 3rd Rd., Nangang Industrial Zone, Nantou City	Manufacture, wholesale and retail of various trademark paper, glue paper and PU Resin	238,248	238,248	17,046	33.79	309,571	33,267	11,240	
	GPPC Investment Corp.	8F, No.135, Dunhua N. Rd., Taipei City	Investment business	35,372	35,372	4,968	18.40	69,498	(2,977)	(548)	Comprehensive shareholding with significant power of influence
	GPPC Development Co., Ltd.	10F, No.1, Sec. 4, Nanjing E. Rd., Taipei City	General hotel business	149,873	109,873	15,000	42.86	14,505	(169,106)	(76,315)	
KK Enterprise Co., Ltd.	KK Enterprise (Malaysia) Sdn.Bhd.	Malaysia	Trademark paper, glue paper and such business	15,995	15,995	1,680	70.00	44,736	1,241	869	Recognition of investment gains and losses include realized and unrealized net gains and losses from forward and reverse side-current transaction
	K.K. Chemical Company Limited	Hong Kong	Trademark paper, glue paper and such business	5,255	5,255	125	49.90	4,069	122	61	With control force
	Dragon King Inc.	Samoa	Outward investment business	3,258	3,258	100	100.00	4,331	(43)	(43)	
Citiesocial Holding Cayman Co., Ltd.	Citiesocial Co., Ltd.	11F, No. 6, Sec. 1, Heping E. Rd., Daan District, Taipei City	Multimedia ecommerce and wholesale/retail of consumer goods	76,500	-	7,650	62.96	(75,963)	(60,999)	(38,403)	

11) Business relation and important transaction details between parent company and subsidiary and between subsidiaries

Name of counterparty	Name of transaction party	Relationship with counterparty	Transaction conditions			
			Account name	Amount	Transaction terms	Ratio to consolidated total revenues or total assets
Grand Pacific Petrochemical Corporation	GPPC Chemical Corporation	Parent company vs. subsidiary	Sales revenues	$838,406	The purchase or selling price under the contract is based on the mean price in the three regions, that is, FOB Korea, CFR Taiwan, and CFR SE Asia, in the respective issues of Styrene intelligence reports for the month according to Platt's Far East Petrochemical Scan.	5.33%
			Accounts receivable	8,915	The collection method is month-end settlement and the payment shall be received 45 days after the settlement. If the payment is not received as scheduled, the sale shall be treated as a sale on account and interest shall be charged at the Bank of Taiwan's annual interest rate for one-year fixed deposits as of January 1 of that year, but the credit period shall be limited to 3 months.	0.01%
			Other revenues	1	Based on market prevalent prices	
			Other revenues	8,400	To be counted based on general transaction prices	0.05%
			Technical support revenues	2,621	As per the requirements in the contract (Entered as deduction of expense)	0.02%
			Unrealized loss of sales	4,529	—	0.03%
			Realized loss of sales	1,358	—	0.01%
	GPPC Development Co., Ltd.	Parent company vs. subsidiary	Rent revenues	23	As per the requirements in the lease agreement	—
			Other revenues	253	As per the requirements in the contract	—
			Investment under the equity method	80,000	Follow-On Offering	0.13%
			Endorsements/ guarantees	1,084,371	As per endorsements/guarantee operating procedures	1.75%
	GPPC Investment Corp.	Parent company vs. subsidiary	Rent revenues	40	As per the requirements in the lease agreement	—

Name of counterparty	Name of transaction party	Relationship with counterparty	Transaction conditions			
			Account name	Amount	Transaction terms	Ratio to consolidated total revenues or total assets
Grand Pacific Petrochemical Corporation	Perfect Meat Co., Ltd.	Parent company vs. subsidiary	Rent revenues	$40	As per the requirements in the lease agreement	—
	GPPC Hospitality And Leisure Inc.	Parent company vs. subsidiary	Rent revenues	23	As per the requirements in the lease agreement	—
	KK Enterprise Co., Ltd.	Parent company vs. subsidiary	Other revenues	224	As per the requirements in the Articles of Incorporation	—
	QuanZhou Grand Pacific Chemical Co., Ltd.	Parent company vs. subsidiary	Technical support revenues	21,436	As per the requirements in the contract (Entered as deduction of expense)	0.14%
			Other revenues	14,425	As per the requirements in the contract	0.09%
			Other receivables	14,425	Within 45 days on a monthly basis	0.02%
			Investment under the equity method	1,144,464	Follow-On Offering	1.85%
			Endorsements/ guarantees	15,057,000	As per endorsements/guarantee operating procedures	24.30%
GPPC Chemical Corporation	Grand Pacific Petrochemical Corporation	Subsidiary vs. parent company	Sales revenues	1,126	To be counted based on general transaction prices	0.01%
			Rent revenues	72	As per the requirements in the lease agreement	—
			Accounts receivable	3	Within 45 days on a monthly basis	—
GPPC Hospitality And Leisure Inc.	Grand Pacific Petrochemical Corporation	Subsidiary vs. parent company	Catering revenues	125	To be counted based on general transaction prices	—
Videoland Inc.	Citiesocial Co., Ltd.	Parent company vs. subsidiary	Investment under the equity method	38,000	Follow-On Offering	0.06%
			Endorsements/ guarantees	180,000	As per endorsements/guarantee operating procedures	0.29%
			Service revenue	330	To be counted based on general transaction prices	—
			Financial lease payments receivable – net	2,256	As per the requirements in the lease agreement	—
			Long-term financial lease payments receivable – net	22,016	As per the requirements in the lease agreement	0.04%
			Interest income (earned financial lease incomes)	383	As per the requirements in the lease agreement	—
			Unrealized sublease gains of right-of-use assets	226	—	—
			Realized sublease gains of right-of-use assets	16	—	—

Name of counterparty	Name of transaction party	Relationship with counterparty	Transaction conditions			
			Account name	Amount	Transaction terms	Ratio to consolidated total revenues or total assets
	ZW ENM Co., Ltd.	Parent company vs. subsidiary	Rent revenues	60	As per the requirements in the lease agreement	—
	GPPC Development Co., Ltd.	Subsidiary vs. subsidiary	Investment under the equity method	40,000	Follow-On Offering	0.06%
	KK Enterprise Co., Ltd.	Subsidiary vs. subsidiary	Other revenues	224	As per the requirements in the Articles of Incorporation	—
Citiesocial Co., Ltd.	Videoland Inc.	Subsidiary vs. parent company	Sales revenues	273	To be counted based on general transaction prices	—
			Service revenue	182	To be counted based on general transaction prices	—
			Other receivables	20	Within 45 days on a monthly basis	—
			Refundable deposits	739	As per the requirements in the lease agreement	—
Land & Sea Capital Corp.	Grand Pacific Petrochemical Corporation	Subsidiary vs. parent company	Interest income	7,404	As stipulated in the loan agreement	0.05%
KK Enterprise Co., Ltd.	KK Enterprise (Malaysia) Sdn Bhd.	Parent company vs. subsidiary	Sales revenues	9,004	To be counted based on general transaction prices	0.06%
			Accounts receivable	1,556	Within 90 days on a monthly basis	—
	KK Enterprise (Kunshan) Co., Ltd.	Parent company vs. subsidiary	Sales revenues	4,156	To be counted based on general transaction prices	0.03%
KK Enterprise (Kunshan) Co., Ltd.	KK Enterprise (Malaysia) Sdn Bhd.	Parent company vs. subsidiary	Sales revenues	1,849	To be counted based on general transaction prices	0.01%
			Accounts receivable	588	Within 90 days on a monthly basis	—
KK Enterprise (Zhongshan) Co., Ltd.	KK Enterprise (Kunshan) Co., Ltd.	Subsidiary vs. subsidiary	Sales revenues	4,697	To be counted based on general transaction prices	0.03%

Note:

(1) In case of the same transaction between parent and subsidiary companies or among subsidiaries, there is no need for repeated disclosure. For example, if the parent company has disclosed the transaction between the parent company and the subsidiary, the subsidiary part does not need to disclose repeatedly; if the transaction among the subsidiaries has been disclosed by one of its subsidiaries, the other subsidiary need not be disclosed repeatedly.

(2) The calculation of the ratio of the transaction amount to the consolidated total revenue or total assets. If it is a balance sheet item, it should be calculated as the ending balance of the consolidated total assets; if it is a profit or loss item, it is calculated as the cumulative amount in the period as a percentage to the total consolidated revenue.

(3) Information on investments in Mainland China

Name of investors	Name of investee in China	Main business lines	Paid-in capital	Method of investment	Beginning amount of accumulated investment with outward remittance from Taiwan this year	Amount of investment remitted outward or retrieved this year		Ending amount of accumulated investment with outward remittance from Taiwan this year	Profit or loss of investees this year Note (5)	The Company's shareholding ratio either directly or indirectly investment Note (4)	Investment gain /loss recognized in the year Note (5)	Carrying amount of investment at end of year Note (4)	Investment gains having been received at end of year
						Outward remittance	Retrieval						
Grand Pacific Petrochemical Corporation	Zhenjiang Chimei Chemical Co., Ltd.	Production and sales of series products and their products using styrene as raw materials and various chemical raw materials and fuel oil handling, storage and transportation and operation	USD384,850	Note (2)	$1,652,206 (USD52,830)	–	–	$1,652,206 (USD52,830)	$($895,796)	30.40%	$($272,322)	$4,366,649	$473,318 (USD15,496)
	Zhangzhou Chimei Chemical Co., Ltd.	Primary form plastics and synthetic resin manufacturing	CNY3,760,000	Note (2)	716,901 (USD23,340)	–	–	716,901 (USD23,340)	(1,650,701)	30.40%	(501,813)	4,343,092	–
	QuanZhou Grand Pacific Chemical Co., Ltd.	Propane dehydrogenation to propylene, polypropylene and hydrogen products	CNY2,532,000	Note (1)	10,019,124 (CNY2,278,800)	$1,144,464 (CNY253,200)	–	11,163,588 (CNY2,532,000)	(15,336)	100.00%	(15,336)	10,890,675	–
KK Enterprise Co., Ltd.	KK Enterprise (Zhongshan) Co., Ltd.	Trademark paper, glue paper and such business	HKD12,300	Note (3)	21,509 (HKD6,150)	—	—	21,509 (HKD6,150)	(2,563)	50.00%	(1,304) Note(6)	30,973	72,181
	KK Enterprise (Kunshan) Co., Ltd.	Trademark paper, glue paper and such business	USD6,100	Note (1)	206,958 (USD5,168) (Machine USD827)	—	—	206,958 (USD5,168) (Machine USD827)	(1,110)	100.00%	(1,079) Note (6)	191,616	41,010

Name of investor	Amount of accumulated investment remitted from Taiwan to the Mainland China at the end of year	Amounts of investment approved by Investment Commission, Ministry of Economic Affairs	Maximum limit of investment in Mainland China as promulgated by Investment Commission, Ministry of Economic Affairs (Note 7)
Grand Pacific Petrochemical Corporation	$13,532,695(USD76,170, CNY2,532,000)	$13,999,492 (USD453,743) (Note 8)	$21,909,361
KK Enterprise Co., Ltd.	$228,467(USD5,168, HKD6,150 and Machine USD827)	$228,467 (USD6,100, HKD6,150)	$581,158

Note: (1) As direct investment.

(2) Investment in the Mainland China based firm through a company incorporated in a third territory after being approved by the government.

(3) Investment in the Mainland China based firm by outsourcing a company incorporated in a third territory after being approved by the government.

(4) As the shareholding ratio of direct investment, reinvestment, or direct and indirect investment of a third-region company entrusted to it, and the book value of the investment at the end of the period.

(5) Investment gains and losses are accounted for using the equity method to the equity ownership, directly and indirectly, and based on the financial statements audited/certified by other certified public accountants of the international accounting firms in cooperation with the accounting firms of the Republic of China and other certified public accountants of the accounting firm that audits for the parent company in Taiwan.

(6) The investment gains and losses recognized in this current year including the realized, unrealized net gains and losses generated by the forward, countercurrent and side stream exchanges.

(7) Under the provisions of the Investment Commission, Ministry of Economic Affairs, the maximum limit for the amounts or percentages of accumulated investment toward Mainland China shall be 60% of the Company's net worth or the consolidated net worth (whichever was the higher).

(8) As of December 31, 2023, the amount of accumulated investment by the Company toward Mainland China as approved by the Investment Commission, Ministry of Economic Affairs totaled at USD672,914 thousand. Pursuant to Article 3 of "Principles for Investment or Technical Cooperation Review in the Mainland China", the amount of capital increase with earnings into Mainland China would not be counted into the accumulated investment. Besides, where the share capital or earnings of investment in Mainland China were remitted back to Taiwan by investor, the accumulated amount of investment could be deducted accordingly. The Company's earnings used for capital increase (additional investment) in Mainland China as approved by the Investment Commission, Ministry of Economic Affairs came to USD203,675 thousand and the surplus remitted back amounted to USD15,496 thousand, which had both been deducted from the cumulative amounts of approved investment in Mainland China.

(9) The foreign currency amounts in this Table are converted to New Taiwan Dollars the exchange rate quoted on the balance sheet date, except that the amount of investment remitted outward from Taiwan which was measured at historical exchange rates.

2) Significant transactions occurring with Mainland China based investees via a third territory directly or indirectly:

QuanZhou Grand Pacific Chemical Co., Ltd., KK Enterprise (Zhongshan) Co., Ltd. and KK Enterprise (Kunshan) Co., Ltd. as included in the preparation of the consolidated financial statements because the Group's direct and indirect investment with more than 50% of comprehensive shareholding ratio. Those by and between the Group and QuanZhou Grand Pacific Chemical Co., Ltd., KK Enterprise (Zhongshan) Co., Ltd. and KK Enterprise (Kunshan) Co., Ltd. either directly or indirectly through the business in the third territory were eliminated in full upon preparation of the consolidated financial statements. For more detail regarding major transactions by and between the Group and the Mainland China based investees, please refer to Note 13 (1) (2)-11.

In addition, the Group's major transactions with Zhenjiang Chimei Chemical Co., Ltd. and Zhangzhou Chimei Chemical Co., Ltd. via a third territory based enterprises either directly or indirectly for the years ended December 31, 2023 and 2022 are as follows:

A. Ending balance and percentage of payables regarding purchase amounts & percentage: Nil

B. Ending balance and percentage of receivables regarding sales amounts & percentage:

① For the Year Ended December 31, 2023 & December 31, 2023

Company name of sales	Name of transaction object	Sales revenues		Accounts receivable	
		Amount	Percentage of net sales	Amount	Percentage of total accounts receivable
Grand Pacific Petrochemical Corporation	Zhenjiang Chimei Chemical Co., Ltd.	$10,386	0.08%	$1,507	0.15%

② For the Year Ended December 31, 2022 & December 31, 2022

Company name of sales	Name of transaction object	Sales revenues		Accounts receivable	
		Amount	Percentage of net sales	Amount	Percentage of total accounts receivable
Grand Pacific Petrochemical Corporation	Zhenjiang Chimei Chemical Co., Ltd.	$30,124	0.20%	$ -	-

③ The transactions terms and conditions had been conducted as per the specified selling prices. The payments were collected 30 days maturity after account settlement on a monthly basis.

C. Amounts in property transaction and amount of profit or loss so incurred: Nil

D. Ending balance of the endorsements/guarantees of notes or the collateral provided: Nil

E. The highest balance of fund financing, ending balance, interest rate range and total amount of interest in the current year: Nil

F. Other transactions that had a significant impact on the current profit/loss or financial status:

Acquisition of financial assets (capital increase in cash)

① January 1 to December 31, 2023: Nil

② January 1 to December 31, 2022

Type of related party/Target of transaction	Item	Increase in investment		Percentage of shareholding	
		Number of shares (in thousands)	Amount	Before capital increase	After capital increase
Zhangzhou Chimei Chemical Co., Ltd.	Investment under the equity method	-	$ 2,007,700	30.40%	30.40%

(4) Information of Major Shareholders

December 31, 2023

Shares / Name of major shareholders	Number of shares held	Percentage of shareholding
KGI Securities Co., Ltd.	100,076,992	8.88%

Note: 1. The information on major shareholders in this table is based on the total number of common shares and preferred shares held by the shareholders of the Company that have been delivered by book-entry operation (including treasury shares) of at least 5% on the last business day of each quarter, as indicated by Taiwan Depositary and Clearing Corporation. The number of shares recorded in the Company's financial statements and the actual number of shares delivered by book-entry operation may differ due to different bases of calculation.

2. The above information is shown by the trustor's individual sub-account of the trustee's trust account if the shareholding is delivered to the trust by the shareholder. As for the shareholder's shareholding of more than 10% of insider shares reported under the Securities and Exchange Act, the shareholding includes his or her own shares plus the shares delivered to the trust for which he or she has the right to decide the use of the trust property, etc. Please refer to the Market Observation Post System for information on insider shareholding reporting.

14. Information of Operating Segments

(1) The “operating segments” as set forth herein were business composing units which would comport with the following characteristics:

1) The operating activities to obtain revenues and incur expenses.

2) Where the operating results would be regularly rechecked by the enterprise’s decision-makers to formulate decisions to allocate resources of the segments and to evaluate the performance of the segments

3) With individual and separable financial information.

(2) Based on the view of the operating decision-makers, the Group would recheck the link up with various managerial departments and the products and labor services. The operating units were classified into three reportable operating segments:

1) Petrochemistry Department: That department was responsible for the production,

processing and trading of products with petrochemical raw materials.

2) Digital Media Department: That department was responsible for TV program production; import/export and distribution of cable TV programs; advertising agency services, advertising planning and production; and creation of new business value via synergistic contents and ecommerce.

3) Packaging Materials Department: That department was responsible for manufacturing, processing and trading of various packaging materials such as trademark paper and release paper.

Other operating activities not reported by the Group and related information of the operating segments are consolidated and disclosed under "Other Departments".

(3) The departments required to be reported to the Group were strategic business units to provide different products and labor services. Each strategic business unit would call for different technologies and marketing strategies, so they must be managed separately.

(4) Here in the Group, the management individually monitored the operating results of the business units to formulate resource distribution and performance evaluation decisions. The performance of the operating segment was measured based on operating profit or loss, and the amount so measured was provided to the chief operating decision maker to allocate resources to the department and evaluate its performance and, in turn, adopted the consistent method of operating profit or loss in the consolidated financial report. The operating cost of the headquarters in the consolidated financial report, income tax expense (gain) and non-recurring profit or loss (non-operating income and expenditure) were, nevertheless, based on the management of the parent company, and was not distributed to the reportable department. The reported amount and the report used by the operating decision maker proved consistent. The transfer price between the operating segments was based on the regular transactions as similar to external third parties. The operating segment's accounting policies were roughly the same as those shown in Note 4 to Consolidated Financial Statements.

(5) Financial information of the operating segments

1) For the Year Ended December 31, 2023 & December 31, 2023

Items	Petrochemistry Dept.	Digital Media Department	Packaging Material Dept.	Other Departments	Adjustment (reconciliation) and elimination	Total
Revenues						
Revenues from external customers	$ 13,055,036	$ 1,848,529	$ 814,714	$ 910	$ -	$ 15,719,189
Revenues between segments	839,532	785	19,706	125	(860,148)	-
Total revenues	$ 13,894,568	$ 1,849,314	$ 834,420	$ 1,035	($ 860,148)	$ 15,719,189
Segment profit or loss	($ 1,056,226)	$ 84,717	$ 29,626	($ 145,251)	($ 4,870)	($ 1,092,004)
Non-operating revenues and expenditures						(662,976)
Net profit before tax from continuing operations unit						($ 1,754,980)
Segment profit or loss include:						
Depreciation & amortization	$ 558,924	$ 548,626	$ 43,949	$ 107,427	$ 7,646	$ 1,266,572
Segment assets	$ -	$ -	$ -	$ -	$ 61,968,407	$ 61,968,407
Segment liabilities	$ -	$ -	$ -	$ -	$ 25,452,806	$ 25,452,806

2) For the Year Ended December 31, 2022 & December 31, 2022

Items	Petrochemistry Dept.	Digital Media Department	Packaging Material Dept.	Other Departments	Adjustment (reconciliation) and elimination	Total
Revenues						
Revenues from external customers	$ 15,157,431	$ 1,858,764	$ 1,150,822	$ 9,609	$ -	$ 18,176,626
Revenues between segments	1,247,751	-	32,382	216	(1,280,349)	-
Total revenues	$ 16,405,182	$ 1,858,764	$ 1,183,204	$ 9,825	($ 1,280,349)	$ 18,176,626
Segment profit or loss	($ 952,376)	$ 303,905	$ 10,125	($ 158,907)	$ 10,167	($ 787,086)
Non-operating revenues and expenditures						771,476
Net profit before tax from continuing operations unit						($ 15,610)
Segment profit or loss include:						
Depreciation & amortization	$ 559,966	$ 544,720	$ 51,951	$ 91,421	$ -	$ 1,248,058
Segment assets	$ -	$ -	$ -	$ -	$ 60,371,545	$ 60,371,545
Segment liabilities	$ -	$ -	$ -	$ -	$ 24,263,704	$ 24,263,704

3) Descriptions on adjustment (reconciliation) and elimination

A. The revenues between segments were eliminated upon consolidation.

B. The adjustment (reconciliation) and elimination of segment profit or loss were primarily subject to the elimination of profit or loss between the segments at the moment of consolidation.

C. Where the amounts to be measured amidst assets and liabilities between segments were not the indications for measurement by decision-makers, the amount to measure assets and liabilities to be disclosed was NT$0. The amounts of unamortized assets and liabilities were recorded under items of adjustment (reconciliation).

(6) Revenues of main products and labor services

Please see descriptions of Note 6 (41)

(7) Territories information

The Group's revenues coming from external customers have been classified based on the locations where the sales or labor services were provided, and the noncurrent assets were classified based on the locations where the assets were in, the territories information is as follows:

	Revenues from external customers		Noncurrent assets	
Territory	For the Year Ended December 31, 2023	For the Year Ended December 31, 2022	December 31, 2023	December 31, 2022
Taiwan	$ 11,904,442	$ 12,183,076	$ 9,903,989	$ 9,723,124
Mainland China	2,445,888	4,349,454	22,381,457	19,112,028
Asia	1,033,882	1,088,706	38,595	47,999
Americas	112,305	299,618	-	-
Africa	165,920	230,436	-	-
Europe	54,713	18,171	-	-
Oceania	2,039	7,165	-	-
Total	$ 15,719,189	$ 18,176,626	$ 32,324,041	$ 28,883,151

Note: Noncurrent assets exclude noncurrent assets held for sale, financial instruments, deferred income tax assets, post-employment benefits assets as well as assets generated by insurance contracts.

(8) Information on key customers

A single customer with revenues reaching for over 10% of the net consolidated operating revenues of the Group for the years ended December 31, 2023 and 2022, the details were as follows:

	Year Ended December 31, 2023				Year Ended December 31, 2022		
Customers	Amount	% to net operating revenues	Segment to be reported	Customers	Amount	% to net operating revenues	Segment to be reported
Company A	$ 3,839,743	24.43%	Petrochemistry Department	Company A	$ 3,332,952	18.34%	Petrochemistry Department