

**TA YA ELECTRIC WIRE & CABLE CO., LTD.**

**Parent Company Only**

**Financial Statements with Independent Auditors' Report for the  
Years Ended December 31, 2023 and 2022**

**TA YA ELECTRIC WIRE & CABLE CO., LTD.**

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**INDEPENDENT AUDITORS' REPORT**

English Translation of a Report Originally Issued in Chinese

The Board of Directors and Shareholders  
TA YA ELECTRIC WIRE & CABLE CO., LTD.

**Opinion**

We have audited the accompanying parent company only financial statements of Ta Ya Electric Wire & Cable Co., Ltd (the Company), which comprise the parent company only balance sheets as of December 31, 2023 and 2022, and the parent company only statements of comprehensive income, changes in equity and cash flows for the years then ended, and the notes to the parent company only financial statements, including a summary of significant accounting policies.

In our opinion, based on our audits and the reports of other auditors (as set out in the Other Matter section of our report), the accompanying parent company only financial statements present fairly, in all material respects, the parent company only financial position of the Company as of December 31, 2023 and 2022, and its parent company only financial performance and its parent company only cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

**Basis for Opinion**

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

## **Key Audit Matters**

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

Key audit matters for the Company's parent company only financial statements for the year ended December 31, 2023 are stated as follows:

### Loss allowance of accounts receivable

The recognition of the loss allowance of accounts receivable is based on the customer's credit quality, situation of collecting payments, and future economic conditions. Since the expected credit loss ratio involves subjective judgments and significant estimates of managements, the loss allowance of accounts receivable is identified as a key audit matter.

The book value of accounts receivable please refer to Notes 10 to the parent company's financial statements.

Our audit procedures consisted of obtaining the management's assessment information of expected credit loss ratio and assess that whether such assumptions is reasonable; recalculating the appropriateness of the recognition of expected credit loss of accounts receivable based on the above expected credit loss ratio; and inspecting specific customers which amount is significant and the reason for not receiving payment. We use above procedures to confirm whether the expected credit loss of accounts receivable have recognized sufficiently.

### Inventory evaluation

The company assesses impairment of material based on lower of cost or net realizable value evaluation, and valuation of the inventory is mainly affected by the international copper price, but the international copper market price fluctuations frequently. Since inventory evaluation involves the management's significant judgment, inventory evaluation its assessment is identified as a key audit matter.

The book value of Inventories please refer to Notes 11 to the parent company's financial statements.

Our audit procedures in response to the abovementioned key audit matter were obtaining information pertaining to the lower of cost or net realizable value (LCNRV), sampling projected pricing information and the most recent sales record to assess the reasonableness of the judgment on the LCNRV, and comparing the year-end quantity of inventory items with the inventory count reports to confirm the existence and completeness of the inventory. Moreover, by attending year-end inventory counting, we assessed the condition of inventory and evaluated the adequacy of inventory provisions for obsolete goods.

**Other Matter**

We did not audit the financial statements of certain investments accounted for under the equity method that are included in the parent company only financial statements. Those financial statements were audited by other independent accountants whose reports thereon have been furnished to us, and our opinion expressed herein, insofar as it relates to the amounts included in the parent company only financial statements and the information, is based solely on the audit reports of other independent accountants. Total assets of these subsidiaries and investments amounted to NT \$2,300,870 thousand and NT \$2,181,228 thousand, representing 8.21% and 9.17% of the related totals, as of December 31, 2023 and 2022, respectively, and total operating revenues of NT \$149,382 thousand and NT \$221,378 thousand, constituting 5.09% and 23.94% of the related totals for the years then ended, respectively.

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

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

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

Those charged with governance, including supervisors, are responsible for overseeing the Company's financial reporting process.

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

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

only financial statements.

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

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

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

We also provide those charged with governance with a statement that we have complied

with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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

*Solomon & Co., CPAs*

March 15, 2024

Notice to Readers

*For the convenience of readers, the accompanying parent company only financial statements have been translated into English from the original Chinese version prepared and used in the R.O.C. 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 parent company only financial statements shall prevail.*

**TA YA ELECTRIC WIRE & CABLE CO., LTD.**  
**PARENT COMPANY ONLY BALANCE SHEETS**  
(Expressed in Thousands of New Taiwan Dollars)

<b>ASSETS</b>	<b>December 31,2023</b>		<b>December 31,2022</b>	
	<b>Amount</b>	<b>%</b>	<b>Amount</b>	<b>%</b>
<b>CURRENT ASSETS</b>				
Cash and cash equivalents (notes 4 and 6)	\$ 1,656,829	5.9	\$ 1,983,281	8.3
Financial assets at fair value through profit or loss (notes 4, 7 and 32)	1,287,239	4.6	1,327,885	5.6
Financial assets for hedging - current (notes 8 and 32)	780	—	—	—
Contract assets	1,032,512	3.7	131,873	0.6
Notes receivable, net (notes 4, 10 and 33)	153,754	0.5	212,431	0.9
Accounts receivable, net (notes 4, 10 and 33)	1,512,088	5.4	1,415,883	6.0
Other receivables (note 33)	117,371	0.4	17,756	0.1
Inventories, net (notes 4 and 11)	4,026,918	14.4	3,593,690	15.1
Inventories (Construction),net (notes 4 and 11)	221,027	0.8	221,002	0.9
Prepayments (note 33)	191,113	0.7	134,233	0.5
Other current assets (note 33 and 34)	7,381	—	5,925	—
Total current assets	10,207,012	36.4	9,043,959	38.0
<b>NONCURRENT ASSETS</b>				
Financial assets at fair value through profit or loss (notes 4, 7 and 32)	505,502	1.8	555,243	2.3
Financial assets at fair value through other comprehensive income (notes 4, 9, 32 and 34)	1,199,317	4.3	1,052,454	4.4
Financial assets for hedging - non-current (notes 8 and 32)	345	—	—	—
Investments accounted for using equity method (notes 4, 12 and 34)	11,775,084	42.0	9,417,059	39.6
Property, plant and equipment (notes 4, 13 and 34)	2,973,126	10.6	2,356,207	9.9
Right-of-use assets (notes 4 and 14)	52,893	0.2	45,460	0.2
Investment Property, net (notes 4, 15 and 34)	892,025	3.2	894,656	3.8
Prepayments for equipment	33,967	0.1	97,742	0.4
Refundable deposits (note 34)	30,968	0.1	28,523	0.1
Net defined benefit asset (note 20)	79,273	0.3	69,978	0.3
Other non-current assets (note 34)	267,541	1.0	229,310	1.0
Total noncurrent assets	17,810,041	63.6	14,746,632	62.0
<b>TOTAL</b>	<b>\$ 28,017,053</b>	<b>100.0</b>	<b>\$ 23,790,591</b>	<b>100.0</b>
<b>LIABILITIES AND EQUITY</b>				
<b>CURRENT LIABILITIES</b>				
Short-term loans (note16)	\$ 3,579,622	12.8	\$ 3,367,954	14.2
Short-term notes and bills payable (note17)	600,000	2.1	800,000	3.4
Financial liabilities at fair value through profit or loss (notes 4 and 7)	26,838	0.1	20,108	0.1
Contract liabilities (note 33)	580,300	2.1	327,986	1.4
Notes payable	4,683	—	4,333	—
Accounts payable (note 33)	524,484	1.9	591,027	2.5
Other payables (note 33)	753,134	2.7	392,463	1.6
Income tax payable (note 23)	140,457	0.5	62,495	0.3
Lease liabilities (notes 4 and 12)	11,879	—	7,835	—
Current portion of long-term loans (notes 18 and 19)	917,378	3.3	2,047,352	8.6
Other current liabilities	78,730	0.3	43,838	0.1
Total current liabilities	7,217,505	25.8	7,665,391	32.2
<b>NONCURRENT LIABILITIES</b>				
Financial liabilities for hedging - Non-current (notes 8 and 32)	685	—	—	—
Bonds payable (note 18)	1,400,000	5.0	1,942,664	8.2
Long-term loans (note 19)	4,763,917	17.0	3,271,515	13.8
Deferred income tax liabilities (note 23)	275,967	1.0	308,851	1.3
Lease liabilities (notes 4 and 12)	42,482	0.1	38,476	0.2
Guarantee deposits (note 33)	35,689	0.1	41,918	0.1
Other noncurrent liabilities	1,319	—	712	—
Total noncurrent liabilities	6,520,059	23.2	5,604,136	23.6
Total liabilities	13,737,564	49.0	13,269,527	55.8
<b>EQUITY ATTRIBUTABLE TO SHAREHOLDERS OF THE PARENT (note 21)</b>				
Share capital	7,368,163	26.3	6,846,491	28.8
Capital surplus	1,868,672	6.7	1,151,543	4.8
Retained earnings				
Appropriated as legal capital reserve	440,614	1.6	354,255	1.5
Appropriated as special capital reserve	147,555	0.5	147,555	0.6
Unappropriated earnings	4,390,616	15.7	2,109,323	8.9
Total retained earnings	4,978,785	17.8	2,611,133	11.0
Others	92,788	0.3	(53,778)	(0.2)
Treasury stock (notes 4 and 22)	(28,919)	(0.1)	(34,325)	(0.2)
Total equity	14,279,489	51.0	10,521,064	44.2
<b>TOTAL</b>	<b>\$ 28,017,053</b>	<b>100.0</b>	<b>\$ 23,790,591</b>	<b>100.0</b>

*The accompanying notes are an integral part of the parent company only financial statements  
(With Solomon & Co., audit report dated March 15, 2024)*



**TA YA ELECTRIC WIRE & CABLE CO., LTD.**  
**PARENT COMPANY ONLY STATEMENTS OF COMPREHENSIVE INCOME**  
(Expressed in Thousands of New Taiwan Dollars, Except for Earnings Per Share)

	<b>2023</b>		<b>2022</b>	
	<i>Amount</i>	<i>%</i>	<i>Amount</i>	<i>%</i>
NET REVENUE (notes 25)	\$ 14,675,143	100.0	\$ 14,313,201	100.0
COST OF REVENUE (notes 10, 19, 26, and 33)	13,271,279	90.4	13,429,573	93.8
GROSS PROFIT	1,403,864	9.6	883,628	6.2
UNREALIZED GAIN ON THE TRANSACTIONS WITH SUBSIDIARIES AND ASSOCIATES	20,525	0.1	14,121	0.1
REALIZED GAIN ON THE TRANSACTIONS WITH SUBSIDIARIES	6,367	—	9,051	0.1
REALIZED GROSS PROFIT	1,389,706	9.5	878,558	6.2
OPERATING EXPENSES (notes 19, 26, and 33)				
Sales and marketing	194,483	1.3	165,551	1.2
General and administrative	781,743	5.4	464,448	3.2
Research and development	46,087	0.3	55,379	0.4
Total Operating Expenses	1,022,313	7.0	685,378	4.8
INCOME FROM OPERATIONS	367,393	2.5	193,180	1.4
NON-OPERATING INCOME AND EXPENSES				
Interest income (note 27 and 33)	11,980	0.1	5,913	—
Other income (note 28 and 33)	168,438	1.1	196,459	1.4
Other gains and losses (note 29 and 33)	623,770	4.2	(193,801)	(1.4)
Finance costs (note 30)	(222,650)	(1.5)	(159,289)	(1.1)
Share of profit of subsidiaries and associates (note 12)	1,932,474	13.2	796,125	5.6
Total non-operating Income and expenses	2,514,012	17.1	645,407	4.5
INCOME BEFORE INCOME TAX	2,881,405	19.6	838,587	5.9
INCOME TAX EXPENSE (notes 23)	(119,375)	(0.8)	2,888	—
NET INCOME	\$ 2,762,030	18.8	\$ 841,475	5.9
OTHER COMPREHENSIVE INCOME				
Items that will not be reclassified subsequently to profit or loss:				
Remeasurement of defined benefit plans (note 20)	(12,629)	(0.1)	29,306	0.2
Unrealized gain on investments in equity instruments at fair value through other comprehensive income	216,137	1.5	1,758	—
Share of other comprehensive income (loss) of associates	4,863	—	(7,112)	(0.1)
Income tax relating to items that will not be reclassified subsequently to profit or loss (notes 23)	3,151	—	(5,685)	—
	211,522	1.4	18,267	0.1
Items that may be reclassified subsequently to profit or loss:				
Exchange differences arising on translation of foreign operations	(38,551)	(0.2)	54,934	0.4
Gains (Losses) on hedging instruments	1,125	—	—	—
Share of the other comprehensive income of associates accounted for using the equity method	(9,611)	(0.1)	20,851	0.2
Income tax benefit related to items that will not be reclassified subsequently (notes 23)	7,710	0.1	(10,987)	(0.1)
	(39,327)	(0.2)	64,798	0.5
Other comprehensive income (loss) for the year , net of income tax	172,195	1.2	83,065	0.6
TOTAL COMPREHENSIVE INCOME (LOSS) FOR THE YEAR	\$ 2,934,225	20.0	\$ 924,540	6.5
EARNINGS PER SHARE (NT\$,notes 24)				
Basic	\$ 3.91		\$ 1.23	
Diluted	\$ 3.91		\$ 1.17	

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(With Solomon & Co., audit report dated March 15, 2024)

**TA YA ELECTRIC WIRE & CABLE CO., LTD.**  
**PARENT COMPANY ONLY STATEMENTS OF CHANGES IN EQUITY**  
(Expressed in Thousands of New Taiwan Dollars, Except for Share Data)

	<i>Capital Stock — Common Stock</i>		<i>Retained Earnings</i>				<i>Others</i>				
	<i>Shares</i>	<i>Amount</i>	<i>Capital Surplus</i>	<i>Legal Reserve</i>	<i>Special Reserve</i>	<i>Unappropriated Earnings (Accumulated Deficit)</i>	<i>Foreign Currency Translation Reserve</i>	<i>Unrealized Gain (Loss) on Assets at Fair Value Through Other Comprehensive Income</i>	<i>Gains (Losses) on Hedging Instruments</i>	<i>Treasury Stock</i>	<i>Total Equity</i>
Balance at January 1, 2022	645,895,402	\$ 6,458,954	\$ 1,136,808	\$ 213,846	\$ 147,555	\$ 1,999,744	\$ (225,398)	\$ 114,694	\$ —	\$ (35,565)	\$ 9,810,638
Appropriation of prior year's earnings:											
Legal reserve used to offset accumulated deficit	—	—	—	140,409	—	(140,409)	—	—	—	—	—
Cash dividends to shareholders	—	—	—	—	—	(226,063)	—	—	—	—	(226,063)
Stock dividends	38,753,724	387,537	—	—	—	(387,537)	—	—	—	—	—
Share of changes in net assets of associates accounted for using equity method	—	—	9,784	—	—	(4,011)	—	—	—	—	5,773
Net income in 2022	—	—	—	—	—	841,475	—	—	—	—	841,475
Other comprehensive income in 2022, net of income tax	—	—	—	—	—	26,139	64,798	(7,872)	—	—	83,065
Disposal of the Company's shares held by subsidiaries	—	—	2,371	—	—	—	—	—	—	1,240	3,611
Adjustments for dividends subsidiaries received from parent company	—	—	2,550	—	—	—	—	—	—	—	2,550
Changes in subsidiaries ownership	—	—	30	—	—	(15)	—	—	—	—	15
Balance at December 31, 2022	684,649,126	6,846,491	1,151,543	354,255	147,555	2,109,323	(160,600)	106,822	—	(34,325)	10,521,064
Appropriation of prior year's earnings:											
Legal reserve used to offset accumulated deficit	—	—	—	86,359	—	(86,359)	—	—	—	—	—
Cash dividends to shareholders	—	—	—	—	—	(342,325)	—	—	—	—	(342,325)
Stock dividends	6,846,491	68,465	—	—	—	(68,465)	—	—	—	—	—
Share of changes in net assets of associates accounted for using equity method	—	—	2,714	—	—	(9,217)	—	—	—	—	(6,503)
Net income in 2023	—	—	—	—	—	2,762,030	—	—	—	—	2,762,030
Other comprehensive income in 2023, net of income tax	—	—	—	—	—	(10,403)	(40,452)	221,925	1,125	—	172,195
Conversion of convertible bonds	45,320,657	453,207	691,131	—	—	—	—	—	—	—	1,144,338
Disposal of the Corporation's shares held by subsidiaries	—	—	20,164	—	—	—	—	—	—	5,406	25,570
Adjustments for dividends subsidiaries received from parent company	—	—	3,120	—	—	—	—	—	—	—	3,120
Disposed of investments in equity instruments at fair value through other comprehensvie income	—	—	—	—	—	36,032	—	(36,032)	—	—	—
Balance at December 31, 2023	736,816,274	\$ 7,368,163	\$ 1,868,672	\$ 440,614	\$ 147,555	\$ 4,390,616	\$ (201,052)	\$ 292,715	\$ 1,125	\$ (28,919)	\$ 14,279,489

*The accompanying notes are an integral part of the parent company only financial statements*  
(With Solomon & Co., audit report dated March 15, 2024)

**TA YA ELECTRIC WIRE & CABLE CO., LTD.**  
**PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS**  
**(Expressed in Thousands of New Taiwan Dollars)**

	<u>2023</u>	<u>2022</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax	\$ 2,881,405	\$ 838,587
Adjustments for :		
Depreciation expense	157,366	147,329
Net gain of financial assets and liabilities at fair value through profit or loss	72,009	284,322
Finance costs	222,650	159,289
Net loss upon derecognition of financial assets measured at amortized cost	15	—
Interest income	(11,980)	(5,913)
Dividend income	(39,762)	(77,026)
Share of profits of subsidiaries and associates	(1,932,474)	(796,125)
Gain on disposal of property, plant and equipment	(1,069)	(2,760)
Property, plant and equipment transferred to expenses	3,843	13,969
Gain on disposal of investments	(687,224)	(22,063)
Unrealized gain on the transactions with subsidiaries and associates	20,525	14,121
Realized gain on the transactions with subsidiaries	(6,367)	(9,051)
Income and expense adjustments	<u>(2,202,468)</u>	<u>(293,908)</u>
Changes in operating assets and liabilities:		
Financial assets and liabilities at fair value through profit or loss	706,204	(408,704)
Contract assets	(900,639)	(98,441)
Notes receivable	58,677	(29,927)
Accounts receivable	(96,205)	101,821
Other receivables	796	14,483
Inventories	(433,253)	(1,247,521)
Prepayments	(55,661)	(18,486)
Other current assets	(1,456)	(2,392)
Contract liabilities	252,314	137,744
Notes payable	350	(2,739)
Accounts payable	(66,543)	121,354
Other payables	356,889	(20,317)
Other current liabilities	34,892	(6,166)
Net defined benefit liability	<u>(21,924)</u>	<u>(21,442)</u>
Total changes in operating assets and liabilities	<u>(165,559)</u>	<u>(1,480,733)</u>
Total adjustments	<u>(2,368,027)</u>	<u>(1,774,641)</u>
Cash (used in) generated from operations	513,378	(936,054)
Interest received	11,673	5,877
Interest paid	(210,681)	(141,668)
Income tax paid	<u>(63,436)</u>	<u>(36,929)</u>
Net cash (used in) generated from operating activities	<u>250,934</u>	<u>(1,108,774)</u>

(Continued)

**TA YA ELECTRIC WIRE & CABLE CO., LTD.**  
**PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS**  
**(Expressed in Thousands of New Taiwan Dollars)**

	<u>2023</u>	<u>2022</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Acquisition of financial asset at fair value through other comprehensive income	(11,115)	(138,715)
Proceeds from disposal of financial asset at fair value through other comprehensive income	54,539	—
The capital reduction on financial asset at fair value through other comprehensive income	25,850	—
Purchase of associates under the equity method	(82,120)	(121,717)
Acquisition of property, plant and equipment (including prepayments for equipment)	(701,844)	(260,669)
Proceeds from disposal of property, plant and equipment	1,496	3,454
Decrease (increase) in refundable deposits	(2,445)	3,659
Decrease in other receivables	(100,000)	30,000
Dividend received	173,457	236,270
Increase in mortgage demand deposits	<u>(37,546)</u>	<u>(3,845)</u>
Net cash (used in) generated from investing activities	<u>(679,728)</u>	<u>(251,563)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Increase in short-term loans	211,668	1,254,838
Increase (Decrease) in short-term notes and bills payable	(200,000)	300,000
Issuance of bonds payable	1,000,000	—
Repayments of bonds payable	(700,400)	—
Proceeds from long-term bank loans	3,233,490	786,759
Repayment of long-term bank loans	(2,571,062)	(102,892)
Increase (decrease) in guarantee deposits	(6,229)	(15,255)
Repayment of principal of lease liabilities	(10,300)	(9,041)
Cash dividends	(342,325)	(226,063)
Acquisition of subsidiaries	<u>(512,500)</u>	<u>(689,480)</u>
Net cash (used in) generated from financing activities	<u>102,342</u>	<u>1,298,866</u>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	(326,452)	(61,471)
<b>CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR</b>	<u>1,983,281</u>	<u>2,044,752</u>
<b>CASH AND CASH EQUIVALENTS, ENDING OF YEAR</b>	<u><u>\$ 1,656,829</u></u>	<u><u>\$ 1,983,281</u></u>

(Concluded)

*The accompanying notes are an integral part of the parent company only financial statements*  
*(With Solomon & Co., audit report dated March 15, 2024)*

# **TA YA ELECTRIC WIRE & CABLE CO., LTD.**

## **Notes to Financial Statements**

**December 31, 2023 and 2022**

**(Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)**

### **1. Organization**

TA YA ELECTRIC WIRE & CABLE CO., LTD. (the Company) was incorporated in November, 1962, mainly engages in the manufacturing and sale of electric wire & cable, and constructing, selling and renting of office and house buildings. The authorized capital was NTD 8,000,000 thousand, of which NTD 7,368,163 thousand was issued as of December 31, 2023. In December 1988, its shares were listed on Taiwan Stock Exchange (TSE).

### **2. The Authorization Of Financial Statements**

The financial statements were approved by the Corporation's board of directors on March 5, 2024.

### **3. Application Of New And Revised International Financial Reporting Standards**

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

Except for the following, the initial application of the IFRS Accounting Standards endorsed and issued into effect by the FSC did not have any material impact on the Company's accounting policies.

#### **Amendments to IAS 12 "International Tax Reform - Pillar Two Model Rules"**

The amendments introduce a temporary exception to the requirements in IAS 12 by stipulating that the Company should neither recognize nor disclose information about deferred tax assets and liabilities related to Pillar Two income taxes. The amendments also require the Company to disclose that it has applied the exception and separately disclose its current tax expense (income) related to Pillar Two income taxes. In addition, for periods in which Pillar Two legislation is enacted or substantively enacted but not yet in effect, the Company should disclose qualitative and

quantitative information that helps users of financial statements understand the Company's exposure to Pillar Two income taxes. The requirement that the Company apply the exception and the requirement to disclose that fact are applied immediately and retrospectively upon issuance of the amendments. The remaining disclosure requirements apply for annual reporting periods beginning on or after January 1, 2023, but not for any interim period ending on or before December 31, 2023.

- b. The IFRS Accounting Standards endorsed by the FSC for application starting from 2024

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

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

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

Note 3: The amendments provide some transition relief regarding disclosure requirements.

As of the date the financial statements were authorized for issue, the Company has assessed that the application of other standards and interpretations will not have a material impact on the Company's financial position and financial performance.

- c. The IFRS Accounting Standards in issue but not yet endorsed and issued into effect by the FSC

<b>New, Amended and Revised Standards and Interpretations</b>	<b>Effective Date Announced by IASB (Note 1)</b>
Amendments to IFRS 10 and IAS 28 "Sale or Contribution of Assets between an Investor and its Associate or Joint Venture"	To be determined by IASB
IFRS 17 "Insurance Contracts"	January 1, 2023
Amendments to IFRS 17	January 1, 2023
Amendments to IFRS 17 "Initial Application of IFRS 9 and	January 1, 2023

<b>New, Amended and Revised Standards and Interpretations</b>	<b>Effective Date Announced by IASB (Note 1)</b>
IFRS 17 - Comparative Information”	
Amendments to IAS 21 “Lack of Exchangeability”	January 1, 2025 (Note 2)

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

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

As of the date the financial statements were authorized for issue, the Company is continuously assessing the possible impact of the application of other standards and interpretations on the Company’s financial position and financial performance and will disclose the relevant impact when the assessment is completed.

#### **4. Summary Of Significant Accounting Policies**

For the convenience of readers, the accompanying parent company only financial statements have been translated into English from the original Chinese version prepared and used in the R.O.C. 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 parent company only financial statements shall prevail.

#### **Statement Of Compliance**

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

#### **Basis Of Preparation**

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

exchange for the assets.

When preparing the parent company only financial statements, the Company account for subsidiaries and associates by using the equity method. In order to agree with the amount of net income, other comprehensive income and equity attributable to shareholders of the parent in the financial statements, the differences of the accounting treatment between the parent company only basis and the consolidated basis are adjusted under the heading of investments accounted for using equity method, share of profits of subsidiaries and associates and share of other comprehensive income of subsidiaries and associates in the parent company only financial statements.

### **Operating Cycle**

The operating cycle of manufacturing and sale of electric wire & cable is generally shorter than one year, and the classification of current or non-current is based on one year; the operating cycle of constructing, selling and renting of office and house buildings is generally longer than one year, and the classification of current or non-current is based on the operating cycle.

### **Classification Of Current and Noncurrent Assets And Liabilities**

Current assets are assets expected to be converted to cash within one year from the end of the reporting period. Current liabilities are obligations expected to be settled within one year from the end of the reporting period. Assets and liabilities that are not classified as current are noncurrent assets and liabilities, respectively.

### **Cash Equivalent**

Cash and cash equivalents comprise cash on hand, demand deposits and highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

The time deposits which with original maturities of less than 3 months and are held for the purpose of meeting short-term cash commitments rather than for investment or other purpose are classified as cash equivalents.

### **Financial Instruments**

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



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

a. Financial Assets

Measurement category

All regular way purchases or sales of financial assets are recognized and derecognized on a trade date basis, except derivative financial assets which are recognized and derecognized on settlement date basis.

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

1) Financial asset at FVTPL

Financial asset is classified as at FVTPL when the financial asset is mandatorily classified or designated at FVTPL. Financial assets mandatorily classified as at FVTPL include investments in equity instruments which are not designated at FVTOCI and debt instruments that do not meet the amortized cost criteria or the FVOCI criteria.

Financial assets at FVTPL are subsequently measured at fair value, with any gains or losses arising on remeasurement recognized in profit or loss. The net gain or loss recognized in profit or loss does not incorporate any dividend or interest earned on the financial asset. Fair value is determined in the manner described in Note 32.

2) Financial assets at amortized cost

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

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

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

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

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

Cash equivalents include time deposits with original maturities within 3 months from the date of acquisition or time deposits with original maturities within 3-12 months from the date of acquisition and the interest paid to deposits which are terminated before maturity are higher than demand deposits, which are highly liquid, readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value. These cash equivalents are held for the purpose of meeting short-term cash commitments.

### 3) Investments in debt instruments at FVTOCI

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

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

Dividends on these investments in equity instruments are recognized in profit or loss when the

Company's right to receive the dividends is established, unless the dividends clearly represent a recovery of part of the cost of the investment.

#### Impairment of financial assets

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

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

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

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

#### Derecognition of financial assets

Financial assets are derecognized when the contractual rights to the cash inflow from the asset are terminated, or when the Company transfers substantially all the risks and rewards of ownership of the financial assets.

If the transferred asset is part of a larger financial asset and the part transferred qualifies for derecognition in its entirety, the previous carrying amount of the larger financial asset is allocated between the part that continues to be recognized and the part that is derecognized, based on the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part derecognized and the sum of the consideration received for the part derecognized and any cumulative gain or loss allocated to it that had been recognized in other comprehensive income are recognized in profit or loss. A cumulative gain or loss that had been recognized in other comprehensive income is allocated between the part that continues to be

recognized and the part that is derecognized, based on the relative fair values of those parts.

b. Financial liabilities and equity instruments

1) Classification of debt or equity

Debt or equity instruments issued by the Company are classified as financial liabilities or equity in accordance with the substance of the contractual agreement.

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognized based on the proceeds received, net of direct issue costs.

Interest related to the financial liability is recognized in profit or loss under nonoperating income and expenses.

2) Financial liabilities at FVTPL

At initial recognition, financial liabilities in this category are measured at fair value. Attributable transaction costs are recognized in profit or loss as incurred. Subsequent to initial recognition, financial liabilities at fair value through profit or loss are measured at fair value and changes therein, which take into account any interest expense, are recognized in profit or loss.

3) Other financial liabilities

Except for those held-for-trading or is designated at fair value through profit or loss, financial liabilities which comprise of short-term and long-term loans, and accounts and other payables, are measured at fair value, plus any directly attributable transaction cost at the time of initial recognition. Subsequent to initial recognition, they are measured at amortized cost calculated using the effective interest method. Interest expense not capitalized as capital cost is recognized in profit or loss.

4) Derecognition of financial liabilities

A financial liability is derecognized when the contractual obligation thereon has been discharged or cancelled or expires. The difference between the carrying amount of a financial liability derecognized and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognized in profit or loss.

5) Offsetting of financial assets and liabilities

Financial assets and liabilities are presented on a net basis when the Company has legally

enforceable rights to offset, and intends to settle such financial assets and liabilities on a net basis or to realize the assets and settle the liabilities simultaneously.

#### 6) Convertible bonds

The component parts of compound instruments (i.e., convertible bonds) issued by the Company are classified separately as financial liabilities and equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

On initial recognition, the fair value of the liability component is estimated using the prevailing market interest rate for similar non-convertible instruments. This amount is recorded as a liability on an amortized cost basis using the effective interest method until extinguished upon conversion or the instrument's maturity date. Any embedded derivative liability is measured at fair value.

The conversion option classified as equity is determined by deducting the amount of the liability component from the fair value of the compound instrument as a whole. This is recognized and included in equity, net of income tax effects, and is not subsequently remeasured. In addition, the conversion option classified as equity will remain in equity until the conversion option is exercised, in which case, the balance recognized in equity will be transferred to capital surplus - share premiums. When the conversion option remains unexercised at maturity, the balance recognized in equity will be transferred to capital surplus - share premiums.

Transaction costs that relate to the issuance of the convertible notes are allocated to the liability and equity components in proportion to the allocation of the gross proceeds. Transaction costs relating to the equity component are recognized directly in equity. Transaction costs relating to the liability component are included in the carrying amount of the liability component.

### **Derivative Financial Instruments**

The Company enters into a variety of derivative financial instruments to manage its exposure to interest rate and foreign exchange rate risks, including foreign exchange forward contracts, interest rate swaps and cross currency swaps.

Derivatives are initially recognized at fair value at the date on which the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognized in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship. When the fair value of derivative financial instruments is positive, the derivative is recognized as a financial asset; when the fair value of derivative financial instruments is negative, the derivative is recognized as a financial liability.

Derivatives embedded in hybrid contracts that contain financial asset hosts that is within the scope of IFRS 9 are not separated; instead, the classification is determined in accordance with the entire hybrid contract. Derivatives embedded in non-derivative host contracts that are not financial assets that is within the scope of IFRS 9 (e.g., financial liabilities) are treated as separate derivatives when they meet the definition of a derivative; their risks and characteristics are not closely related to those of the host contracts; and the host contracts are not measured at FVTPL.

### **Hedge accounting**

The Company designates certain hedging instruments, including derivatives, embedded derivatives and non-derivatives in respect of foreign currency risk, as either fair value hedges or cash flow hedges.

#### **1) Fair value hedges**

Gain or losses on derivatives that are designated and qualify as fair value hedges are recognized in profit or loss immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk. The change in the fair value of the hedging instrument and the change in the hedged item attributable to the hedged risk are recognized in profit or loss in the line item relating to the hedged item.

The Company discontinues hedge accounting only when the hedging relationship ceases to meet the qualifying criteria; for instance, when the hedging instrument expires or is sold, terminated or exercised.

#### **2) Cash flow hedges**

The effective portion of gains or losses on derivatives that are designated and qualify as cash flow hedges is recognized in other comprehensive income. The gain or loss relating to the ineffective portion is recognized immediately in profit or loss.

The associated gains or losses that were recognized in other comprehensive income are reclassified from equity to profit or loss as reclassification adjustment in the line item relating to the hedged item in the same period when the hedged item affects profit or loss. If a hedge of a forecast transaction subsequently results in the recognition of a non-financial asset or a non-financial liability, the associated gains and losses that were recognized in other comprehensive income are removed from equity and included in the initial cost of the non-financial asset or non-financial liability.

The Company discontinues hedge accounting only when the hedging relationship ceases to meet the qualifying criteria; for instance, when the hedging instrument expires or is sold, terminated or exercised. The cumulative gain or loss on the hedging instrument that has been previously recognized in other comprehensive income (from the period when the hedge was effective) remains separately in equity until the forecast transaction occurs. When a forecast transaction is no longer expected to occur, the gain or loss accumulated in equity is recognized immediately in profit or loss.

### **Inventories**

Inventories are stated at the lower of cost or net realizable value. Net realizable value represents the estimated selling price of inventories less all estimated costs of completion and costs necessary to make the sale. Inventories are recorded at weighted-average cost at the end of the reporting period.

### **Investments Accounted for Using Equity Method**

Investments accounted for using the equity method include investments in subsidiaries and associates.

#### **a. Investment in subsidiaries**

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

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

The Company's share of its subsidiaries' post-acquisition profits or losses is recognized in profit or loss, and its share of post-acquisition movements in other comprehensive income is recognized in other comprehensive income. When the Company's share of losses in a subsidiary equals or exceeds its interest in the subsidiary, including any other unsecured receivables, the Company does not recognize further losses, unless it has incurred legal or constructive obligations or made

payments on behalf of the subsidiary.

Changes in the Company's ownership interests in subsidiaries that do not result in the Company losing control over the subsidiaries are accounted for as equity transaction. Any difference between the carrying amount of the subsidiary and the fair value of the consideration paid or received is recognized directly in equity.

When the Company loses control of a subsidiary, any retained investment of the former subsidiary is measured at the fair value at that date. A gain or loss is recognized in profit or loss and calculated as the difference between (a) the aggregate of the fair value of consideration received and the fair value of any retained interest at the date when control is lost; and (b) the previous carrying amount of the investments in such subsidiary. In addition, the Company shall account for all amounts previously recognized in other comprehensive income in relation to the subsidiary on the same basis as would be required if the Company had directly disposed of the related assets and liabilities. The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the cost on initial recognition of an investment in an associate.

When the Company transacts with its subsidiaries, profits and losses resulting from the transactions with the subsidiaries are recognized in the Company's parent company only financial statements only to the extent of interests in the subsidiaries that are not owned by the Company.

b. Investment in associates

An associate is an entity over which the Company has significant influence and that is neither a subsidiary nor a joint venture. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

The operating results and assets and liabilities of associates are incorporated in these parent company only financial statements using the equity method of accounting. Under the equity method, an investment in an associate is initially recognized in the statement of financial position at cost and adjusted thereafter to recognize the Company's share of profit or loss and other comprehensive income of the associate as well as the distribution received. The Company also recognized its share in the changes in the equity of associates.

Any excess of the cost of acquisition over the Company's share of the net fair value of the identifiable assets, liabilities and contingent liabilities of an associate recognized at the date of acquisition is recognized as goodwill, which is included within the carrying amount of the



investment. Any excess of the Company's share of the net fair value of the identifiable assets, liabilities and contingent liabilities over the cost of acquisition, after reassessment, is recognized immediately in profit or loss.

When necessary, the entire carrying amount of the investment (including goodwill) is tested for impairment as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs to sell) with its carrying amount. Any impairment loss recognized forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognized to the extent that the recoverable amount of the investment subsequently increases.

When the Company subscribes to additional shares in an associate at a percentage different from its existing ownership percentage, the resulting carrying of the investment differs from the amount of the Company's proportionate interest in the net assets of the associate. The Company records such a difference as an adjustment to investments with the corresponding amount charged or credited to capital surplus. If the Company's ownership interest is reduced due to the additional subscription to the shares of associate, the proportionate amount of the gains or losses previously recognized in other comprehensive income in relation to that associate shall be reclassified to profit or loss on the same basis as would be required if the associate or jointly controlled entity had directly disposed of the related assets or liabilities.

When the Company transacts with an associate, profits and losses resulting from the transactions with the associate are recognized in the Company's parent company only financial statements only to the extent of interests in the associate that are not owned by the Company.

### **Property, Plant and Equipment**

Property, Plant and Equipment are measured at cost less accumulated depreciation and accumulated impairment. Costs include any incremental costs that are directly attributable to the construction or acquisition of the item of property, plant and equipment.

Depreciation is recognized so as to write off the cost of the assets less their residual values over their useful lives, and it is computed using the straight-line method over the following estimated useful lives: land improvements 8 years; buildings 10-55 years; machinery and equipment 8-12 years; transportation equipment 5 years; other 5-12 years. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in

estimates accounted for on a prospective basis. Land is not depreciated.

Any gain or loss arising on the disposal or retirement of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in profit or loss.

## **Leases**

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

### **a. The Company as lessor**

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

Under finance leases, the lease payments comprise fixed payments and variable lease payments which depend on an index or a rate. The net investment in a lease is measured at (a) the present value of the sum of the lease payments receivable by a lessor and any unguaranteed residual value accrued to the lessor plus (b) initial direct costs and is presented as a finance lease receivable. Finance lease income is allocated to the relevant accounting periods so as to reflect a constant, periodic rate of return on the Company's net investment outstanding in respect of leases.

Lease payments less any lease incentives payable from operating leases are recognized as income on a straight-line basis over the terms of the relevant leases. Initial direct costs incurred in obtaining operating leases are added to carrying amounts of the underlying assets and recognized as expenses on a straight-line basis over the lease terms.

### **b. The Company as lessee**

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

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

Right-of-use assets are depreciated using the straight-line method from the commencement dates to the earlier of the end of the useful lives of the right-of-use assets or the end of the lease terms.

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

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

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

### **Investment Properties**

Investment properties are properties held to earn rentals and/or for capital appreciation.

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are measured at cost less accumulated depreciation. Depreciation is recognized using the straight-line method.

### **Impairment Of Tangible Assets**

At the end of each reporting period, the Company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any

such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss. When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset or cash-generating unit is estimated to be less than carrying amount, the carrying amount of the asset or cash-generating unit is reduced to its recoverable amount.

An impairment loss is recognized immediately in profit or loss.

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

### **Retirement Benefits**

For defined contribution retirement benefit plans, payments to the benefit plan are recognized as an expense when the employees have rendered service entitling them to the contribution. For defined benefit retirement benefit plans, the cost of providing benefit is recognized based on actuarial calculation.

For defined benefit retirement benefit plans, the cost of providing benefit is determined using the Projected Unit Credit Method, with actuarial calculations being carried out at year end. Actuarial gains and losses are reported in retained earnings in the period that they are recognized as other comprehensive income.

### **Treasury Stock**

Treasury stock is stated at cost and shown as a deduction in shareholders' equity. When the Company

retires treasury stock, the treasury stock account is reduced and the common stock as well as the capital surplus - additional paid-in capital are reversed on a pro rata basis. When the book value of the treasury stock exceeds the sum of the par value and additional paid-in capital, the difference is charged to capital surplus - treasury stock transactions and to retained earnings for any remaining amount. The Company's stock held by its subsidiaries is treated as treasury stock and reclassified from investments accounted for using equity method to treasury stock. The gains resulted from disposal of the treasury stock held by subsidiaries and cash dividends received by subsidiaries from the Company are recorded under capital surplus - treasury stock transactions.

### **Taxation**

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

a. Current tax

Current taxes include tax payables and tax deduction receivables on taxable gains (losses) for the year calculated using the statutory tax rate on the reporting date or the actual legislative tax rate, as well as tax adjustments related to prior years.

Income tax on unappropriated earnings is expensed in the year the shareholders approved the appropriation of earnings which is the year subsequent to the year the earnings are generated.

b. Deferred tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the parent company only financial statements and the corresponding tax bases used in the computation of taxable profits. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences and unused tax credits to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized.

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

they are expected to reverse in the foreseeable future.

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

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

c. Current and deferred tax for the year

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

### **Foreign Currencies**

In preparing the parent company only financial statements, transactions in currencies other than the entity's functional currency (foreign currencies) are recognized at the rates of exchange prevailing at the dates of the transactions.

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

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

differences are also recognized directly in other comprehensive income.

For the purposes of presenting parent company only financial statements, the assets and liabilities of the Company's foreign operations (including of the subsidiaries and associates in other countries or currencies used different with the Company) are translated into New Taiwan dollars using exchange rates prevailing at the end of each reporting period. Income and expense items are translated at the average exchange rates for the period. Exchange differences arising are recognized in other comprehensive income.

### **Provision**

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

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

### **Revenue Recognition**

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

#### **a. Sale of goods**

Revenues from the sale of goods are recognized when the significant risks and rewards of ownership of the goods are transferred to the customers as follows: domestic sales - when products are move out of the Company's premises for delivery to customers; exports - when products are loaded onto vessels. Revenues are recognized because the earning process is accomplished and revenue is realized or realizable.

Revenues are measured at the fair value, which is the discounted present value of the price (net of commercial discounts and quantity discounts) agreed to by the Company with customers. But if the related receivable is due within one year, the difference between its present value and undiscounted amount is immaterial, and sales transactions are frequent, the fair value of receivables is equivalent to the nominal amount of cash to be received. Transaction price received is recognized as a contract

liability until performance obligations are satisfied.

b. Construction contract revenue

As construction is in progress, the Company recognizes revenue from construction contract over time. The Company measures the progress on the basis of costs incurred relative to the total expected costs or the units produced and installed relative to estimated total units under the contract as there is a direct relationship between the costs incurred and the progress of satisfying the performance obligation. A contract asset is recognized during the construction and is reclassified to accounts receivable at the point at which it is invoiced to the customer. If the milestone payments exceed the revenue recognized to date, then the Company recognizes a contract liability for the difference. Certain amount retained by the customer as specified in the contract is intended to ensure that the subsidiaries adequately complete all their contractual obligations. Such retention receivables are recognized as contract assets until the Company satisfy their performance obligations.

c. Revenue from the rendering of services

Revenue should be recognized over time by measuring the progress toward complete satisfaction of the performance obligation.

## **5. Critical Accounting Judgments And Key Sources Of Estimation And Uncertainty**

In the application of the Company's accounting policies, which are described in Note 4., the directors are required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the year in which the estimate is revised if the revision affects only that year, or in the year of the revision and future years if the revision affects both current and future years.

The following are the critical judgments, apart from those involving estimations, that the directors have made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognized in the parent company only financial statements.



a. Impairment of financial assets

The Company always recognizes lifetime Expected Credit Loss (ECL) on accounts receivable. On all other financial instruments, the Company recognizes lifetime ECL when there has been a significant increase in credit risk since initial recognition. If, on the other hand, the credit risk on the financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month ECL.

b. Valuation of financial instrument

The Company's management uses its judgment in selecting an appropriate valuation technique for financial instruments that do not have quoted market price in an active market. Valuation techniques commonly used by market practitioners are applied. For derivative financial instruments, assumptions were based on quoted market rates adjusted for specific features of the instruments. Debt instruments were valued using a discounted cash flow analysis based on assumptions supported, where possible, by observable market prices or rates. The estimation of fair value of listed equity instruments traded in emerging market and unlisted equity instruments was based on the analysis in relation to the financial position and the operation results of investees, recent transaction prices, prices of same equity instruments not quoted in active markets, quoted prices of similar instruments in active markets, valuation multiples of comparable entities, including assumptions based on unobservable market prices or rates.

c. Bonus to employees and directors' and supervisors' remuneration

After taking into consideration income tax rate and the legal reserve and other factors, the Company accrued the bonus payable to employees and the remuneration payable to directors and supervisors at the end date of reporting period in accordance with the required percentage prescribed in the Articles of Association and based on the estimated full-year pre-tax profit.

d. Realization of deferred income tax assets

Deferred tax assets are recognized to the extent that it is probable that future taxable profits will be available against which those deferred tax assets can be utilized. Assessment of the realization of the deferred tax assets requires the Company's subjective judgment and estimate, including the future revenue growth and profitability, tax holidays, the amount of tax credits can be utilized and feasible tax planning strategies. Any changes in the global economic environment, the industry trends and relevant laws and regulations could result in significant adjustments to the deferred tax

assets.

e. Evaluation of inventories

As inventories are stated at the lower of cost and net realizable value, the Company must determine the net realizable value of inventories on balance sheet date using judgments and estimates. Please refer to Note 10.

As the net realizable value of inventories on balance sheet date is assessed to be lower than cost, the Company writes down the cost of inventories to the net realizable value.

Therefore, there might be material changes to the evaluation.

f. Calculation of net defined benefit liabilities

When calculating the present value of defined pension obligations, the Company must apply judgments and estimates to determine the actuarial assumptions on balance sheet date, including discount rates and return on plan assets. Any changes in these assumptions could significantly impact the carrying amount of defined pension obligations. Please refer to Note 19.

## **6.Cash And Cash Equivalents**

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Petty cash	\$ 6,134	\$ 2,470
Cash in bank		
Checking accounts	448,629	526,497
Demand deposits	1,057,968	787,912
Foreign currency-demand deposits	144,098	666,402
Sub-total	<u>1,650,695</u>	<u>1,980,811</u>
Total	<u>\$ 1,656,829</u>	<u>\$ 1,983,281</u>

## **7.Financial Assets And Liabilities At Fair Value Through Profit Or Loss**

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Financial assets at FVTPL – current		
Listed shares and emerging market shares	\$ 781,396	\$ 877,464
Metal commodities futures contract	125,318	63,247
Foreign exchange forward contracts	—	2,097
	<u>906,714</u>	<u>942,808</u>
Valuation adjustment	<u>380,525</u>	<u>385,077</u>
	<u>\$ 1,287,239</u>	<u>\$ 1,327,885</u>
Financial assets at FVTPL – noncurrent		
Non-listed stock	\$ 234,422	\$ 194,421
Limited partnership	136,040	98,953
Metal commodities futures contract	127,501	279,466
Valuation adjustment	<u>7,539</u>	<u>(17,597)</u>
	<u>\$ 505,502</u>	<u>\$ 555,243</u>

	December 31, 2023	December 31, 2022
Financial liabilities at FVTPL - current		
Metal commodities futures contract	\$ 26,838	\$ 7,508
Redemption options and put options of convertible bonds	—	12,600
	<u>\$ 26,838</u>	<u>\$ 20,108</u>

- a. At the end of the reporting period, outstanding metal commodities futures contract not under hedge accounting were as follows:

	Metric Tons	Maturity Date	Contract Amount	Fair Value	Gain (Loss) on Evaluate
<u>December 31, 2023</u>					
Buy	2,575	2024.01~2026.10	USD 13,971	USD 22,225	USD 8,254
Sell	3,100	2024.01~2024.03	USD 25,504	USD 26,401	(USD 897)
<u>December 31, 2022</u>					
Buy	4,775	2023.01~2026.10	USD 28,626	USD 39,743	USD 11,117
Sell	5,200	2023.02~2023.04	USD 43,353	USD 43,553	(USD 200 )

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

	Currency	Maturity Date	Contract Amounts (Thousand)
<u>December 31, 2022</u>			
Buy	NTD/USD	2022.10~2023.06	NTD 41,598/JPY 180,000

- c. The Company's strategy for metal commodities futures and metal options was to hedge exposures to fluctuations of metal prices. However, those contracts did not meet the criteria of hedge effectiveness and therefore were not accounted for using hedge accounting.

## 8. Derivative Financial Instruments For Hedging

	December 31, 2023	December 31, 2022
Financial assets for hedging - current	<u>\$ 780</u>	<u>\$ —</u>
Financial assets for hedging - non-current	<u>\$ 345</u>	<u>\$ —</u>
Financial liabilities for hedging - Non-current	<u>\$ 685</u>	<u>\$ —</u>

- a. At the end of the reporting period, outstanding metal commodities futures contract under hedge accounting were as follows:

	<u>Metric Tons</u>	<u>Maturity Date</u>	<u>Contract Amount</u>	<u>Fair Value</u>	<u>Gain (Loss) on Evaluate</u>
<u>Sept 30, 2023</u>					
Fair value hedges —					
Buy	75	2025.05~2025.09	USD 673	USD 651	USD (22)
Cash flow hedges —					
Buy	350	2024.03~2025.09	USD 2,985	USD 3,022	USD 37

## **9. Financial Assets At Fair Value Through Other Comprehensive Income**

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Financial assets at fair value through other comprehensive income — non-current		
Listed shares and emerging market shares	\$ 239,816	\$ 246,779
Non-listed stock	692,607	718,757
Valuation adjustment	266,894	86,918
	<u>\$ 1,199,317</u>	<u>\$ 1,052,454</u>

## **10. Notes And Accounts Receivable, Net**

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Notes and accounts receivable	\$ 1,700,383	\$ 1,662,855
Allowance for impairment loss	(34,541 )	(34,541)
Notes and accounts receivable, net	<u>\$ 1,665,842</u>	<u>\$ 1,628,314</u>

The average credit period on the sale of goods was approximately 30~90 days, and no interest was charged on trade receivables. The determination of the collectability of account receivables and note receivable requires the Company to make judgments on any change of credit quality from the beginning to the end of the credit term.

Before taking new customers, the company assesses the customers of credit quality and set their line of credit by Credit Management Method. The management evaluates and confers the line of credit after the Company executes Credit Rating.

The Company applies the simplified approach to estimate expected credit losses prescribed by IFRS9, which permits the use of a lifetime expected losses allowance for all trade receivables. To set the expected credit losses rate, the Company are estimated by reference to past default experience of the debtor, the current financial position of the debtor, and the forecast direction of the future economic conditions.

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

a. The aging of receivables that were past due but not impaired was as follows:

December 31, 2023	Non Past Due	1-30 Days	31-60 Days	61~365 Days	Over 365 Days	Total
Expected credit rate	0%~2%	0%~10%	0%~35%	0%~100%	100%	
Gross carrying amount	\$ 1,553,315	\$ 82,133	\$ 37,681	\$ 22,605	\$ 4,649	\$ 1,700,383
Loss allowance (Lifetime ECL)	(18,414)	(222)	(211)	(11,045)	(4,649)	(34,541)
Amortized cost	<u>\$ 1,534,901</u>	<u>\$ 81,911</u>	<u>\$ 37,470</u>	<u>\$ 11,560</u>	<u>\$ —</u>	<u>\$ 1,665,842</u>

  

December 31, 2022	Non Past Due	1-30 Days	31-60 Days	61~365 Days	Over 365 Days	Total
Expected credit rate	0%~2%	0%~10%	0%~35%	0%~100%	100%	
Gross carrying amount	\$ 1,539,371	\$ 81,685	\$ 27,412	\$ 9,774	\$ 4,613	\$ 1,662,855
Loss allowance (Lifetime ECL)	(15,563)	(3,945)	(6,461)	(3,959)	(4,613)	(34,541)
Amortized cost	<u>\$ 1,523,808</u>	<u>\$ 77,740</u>	<u>\$ 20,951</u>	<u>\$ 5,815</u>	<u>\$ —</u>	<u>\$ 1,628,314</u>

b. The movement of the loss allowance of trade receivables was as follows:

	Years Ended December 31	
	2023	2022
Balance at January 1	\$ 34,541	\$ 34,541
Net measurement of loss allowance	—	—
Balance at December 31	<u>\$ 34,541</u>	<u>\$ 34,541</u>

## **11. Inventories, Net**

### **a. Manufacturing**

	December 31, 2023	December 31, 2022
Raw materials	\$ 892,383	\$ 1,118,183
Supplies	9,976	8,983
Work-in-process	1,011,631	1,027,485
Semi-finished goods	10,651	9,888
Finished goods	1,986,002	1,463,267
Inventory in transit	154,670	4,348
Total	4,065,313	3,632,154
Less: Allowance for inventory valuation losses	(38,395)	(38,464)
	<u>\$ 4,026,918</u>	<u>\$ 3,593,690</u>

### **b. Construction**

	December 31, 2023	December 31, 2022
Land held for sale	\$ —	\$ —
Buildings held for sale	—	—
	<u>—</u>	<u>—</u>
Building and land in progress	217,413	217,413
Construction in progress	3,614	3,589
	<u>221,027</u>	<u>221,002</u>
	221,027	221,002
Less: Allowance for loss on decline in market value and obsolescence	—	—
	<u>\$ 221,027</u>	<u>\$ 221,002</u>

### **c. Expense and losses incurred on inventories recognized for the period :**

	Years Ended December 31	
	2023	2022
Cost of goods sold	\$ 13,254,825	\$ 13,404,914
Loss on physical inventory	16,523	177
(Reversal gain of) Write-down of inventories	(69)	24,482
	<u>\$ 13,271,279</u>	<u>\$ 13,429,573</u>

The reversal gain and loss of write-down of inventories in 2023 and 2022 were mainly because of the rise and fall of the price of copper.

## **12. Investments Accounted For Using Equity Method**

Investments accounted for using the equity method consisted of the following :

	December 31, 2023	December 31, 2022
Subsidiaries	\$ 10,914,869	\$ 8,617,510
Associates	860,215	799,549
	<u>\$ 11,775,084</u>	<u>\$ 9,417,059</u>

a. Investments in subsidiaries

Subsidiaries consisted of the following :

Name of Subsidiaries	Carrying Amount		% of ownership and voting rights held by the Company	
	December 31, 2023	December 31, 2022	December 31, 2023	December 31, 2022
Ta Ya (China) Holding Ltd.	\$ 613,426	\$ 810,659	100.00	100.00
Ta Ya Venture Holdings Ltd.	133,000	216,887	100.00	100.00
Ta Ya (Vietnam) Investment Holding Ltd.	413,624	424,131	100.00	100.00
Ta Ya Innovation Investment Co., Ltd.	899,716	775,967	100.00	100.00
Ta Ya Electric Wire& Cable (H.K.) Co., Ltd.	—	—	99.99	99.99
Ta Ya Venture Capital Co., Ltd.	3,772,400	2,362,823	96.87	96.87
Ta Heng Electric Wire & Cable Co., Ltd.	308,399	266,466	61.36	61.36
Ta Ho Engineering Co., Ltd.	47,056	32,610	48.00	48.00
Ta Yi Plastic Co., Ltd.	37,657	39,840	48.24	48.24
Cuprime Electric Wire & Cable Co., Ltd.	435,795	383,199	54.01	54.01
United Electric Industry Co., Ltd.	594,900	481,595	42.78	42.78
Plastic Technology Investment Holding Ltd.	61,227	64,138	25.60	25.60
TA YA Green Energy Technology Co., Ltd	3,132,244	2,565,174	85.00	85.00
Union Storage Energy System Ltd.	8,320	34,667	70.00	70.00
TA YA GENESIS CAPITAL CO., LTD.	100,045	99,982	100.00	100.00
Ta Ya Energy Storage Technology Co., Ltd.	357,060	59,372	100.00	100.00
	<u>\$ 10,914,869</u>	<u>\$ 8,617,510</u>		

- (1). The Company participated in the capital increase of TA YA GREEN ENERGY TECHNOLOGY CO., LTD. by cash in 2023 and invested 212,500 thousand.
- (2). The Company participated in the capital increase of Ta Ya Energy Storage Technology Co., Ltd. by cash in 2023 and invested 300,000 thousand.
- (3). Except for TA YA Electric Wire & Cable (H.K.) Co., Ltd., investments accounted for by the equity method and the share of profit or loss and other comprehensive income of those investments were calculated based on the financial statements that have been audited.

b. Investments in associates

Associates consisted of the following :

Name of Associates	Carrying Amount		% of ownership and Voting Rights Held by the Company	
	December 31,	December 31,	December31,	December31,
	2023	2022	2023	2022
Ad Engineering Corporation	\$ 129,281	\$ 115,769	27.00	27.00
Jung Shing Wire Co., Ltd.	600,562	587,929	26.16	25.03
AMIT system service Ltd.	6,786	6,122	37.14	29.96
Hengs Technology Co., Ltd.	123,586	89,729	9.06	6.61
	<u>\$ 860,215</u>	<u>\$ 799,549</u>		

The summarized financial information in respect of the Company's associates is set out below. The summarized financial information below represents amounts shown in the associates' financial statements prepared in accordance with the Accounting Standards Used in Preparation of the Parent Company Only Financial Statements, which is also adjusted by the Company using the equity method of accounting.

	December 31, 2023	December 31, 2022
Total assets	\$ 7,959,971	\$ 8,169,602
Total liabilities	(4,229,908)	(4,504,788)
Net assets	<u>\$ 3,730,063</u>	<u>\$ 3,664,814</u>

	Years Ended December 31	
	2023	2022
Net revenue	<u>\$ 4,221,570</u>	<u>\$ 5,964,473</u>
Net income	<u>\$ 72,195</u>	<u>\$ 230,070</u>
The Company's share of profits of associates	<u>\$ 14,851</u>	<u>\$ 24,228</u>

- (1). The Company successively purchased shares of Jung Shing Wire Co., Ltd. since January 2023. and the investment amounted to 1,811 thousand shares .Therefore, the Company's ownership interest in Jung Shing Wire Co., Ltd. increased to 26.16%.
- (2). The Company participated in the capital increase of AMIT system service Ltd. in Q3 2023. Therefore, the Company's ownership interest in AMIT system service Ltd. increased to 37.14%.
- (3). The Company successively purchased shares of HENGST TECHNOLOGY CO., LTD. since January 2023 The investment amounted to 565 thousand shares and participate in Follow-On Offering of 1,443 thousand shares.. Therefore, the Company's ownership interest in HENGST



TECHNOLOGY CO., LTD. increased to 9.06%.

- (4). The company investments Jung Shing Wire Co., Ltd. The closing price represents the quoted price in active markets, the level 1 fair value measurement.

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Fair value	<u>\$ 683,268</u>	<u>\$ 590,137</u>

### **13. Property, Plant And Equipment**

	<u>Year Ended December 31, 2023</u>				
Cost	Balance, Beginning of Year	Additions	Disposals	Reclassification	Balance, End of Year
Land and land improvements	\$ 1,510,662	\$ 277,492	\$ —	\$ 5,982	\$ 1,794,136
Buildings	1,084,567	120,215	—	1,800	1,206,582
Machinery and equipment	2,739,995	10,691	(18,382 )	86,919	2,819,223
Transportation equipment	56,374	4,148	(5,797 )	1,380	56,105
Miscellaneous equipment	1,206,643	21,686	(8,322 )	181,558	1,401,565
Construction in progress and equipment awaiting inspection	87,641	76,893	—	(27,600 )	136,934
	<u>\$ 6,685,882</u>	<u>\$ 511,125</u>	<u>\$ (32,501 )</u>	<u>\$ 250,039</u>	<u>\$ 7,414,545</u>

	<u>Year Ended December 31, 2023</u>				
Accumulated depreciation and impairment	Balance, Beginning of Year	Additions	Impairment losses	Disposals	Balance, End of Year
Land and land improvements	\$ 16,478	\$ 3,234	\$ —	\$ —	\$ 19,712
Buildings	818,544	23,883	—	—	842,427
Machinery and equipment	2,508,798	60,287	(18,382 )	—	2,550,703
Transportation equipment	44,255	3,360	(5,453 )	—	42,162
Miscellaneous equipment	941,600	53,054	(8,239 )	—	986,415
	<u>\$ 4,329,675</u>	<u>\$ 143,818</u>	<u>\$ (32,074 )</u>	<u>\$ —</u>	<u>\$ 4,441,419</u>

Year Ended December 31, 2022					
Cost	Balance, Beginning of Year	Additions	Disposals	Reclassification	Balance, End of Year
Land and land improvements	\$ 1,510,662	\$ —	\$ —	\$ —	\$ 1,510,662
Buildings	1,074,599	5,373	—	4,595	1,084,567
Machinery and equipment	2,743,359	7,523	(47,035 )	36,148	2,739,995
Transportation equipment	50,050	3,428	(690 )	3,586	56,374
Miscellaneous equipment	1,073,098	17,295	(20,589 )	136,839	1,206,643
Construction in progress and equipment awaiting inspection	82,777	17,901	(450 )	(12,587 )	87,641
	<u>\$ 6,534,545</u>	<u>\$ 51,520</u>	<u>\$ (68,764 )</u>	<u>\$ 168,581</u>	<u>\$ 6,685,882</u>

Year Ended December 31, 2022					
Accumulated depreciation and impairment	Balance, Beginning of Year	Additions	Impairment losses	Disposals	Balance, End of Year
Land and land improvements	\$ 13,516	\$ 2,962	\$ —	\$ —	\$ 16,478
Buildings	787,824	30,720	—	—	818,544
Machinery and equipment	2,492,664	63,169	—	(47,035 )	2,508,798
Transportation equipment	42,498	2,402	—	(645 )	44,255
Miscellaneous equipment	926,363	35,627	—	(20,390 )	941,600
	<u>\$ 4,262,865</u>	<u>\$ 134,880</u>	<u>\$ —</u>	<u>\$ (68,070 )</u>	<u>\$ 4,329,675</u>

The carrying amounts of property, plant and equipment pledged as collateral for bank loans were disclosed in Note 34.

## 14 Lease Arrangements

Year Ended December 31, 2023				
Cost	Balance, Beginning of Year	Additions	less	Balance, End of Year
Land	\$ 37,818	\$ 352	\$ —	\$ 38,170
Buildings	598	3,511	—	4,109
Transportation equipment	24,348	14,487	(10,222 )	28,613
	<u>\$ 62,764</u>	<u>\$ 18,350</u>	<u>\$ (10,222 )</u>	<u>\$ 70,892</u>
Accumulated depreciation and impairment	Balance, Beginning of Year	Additions	less	Balance, End of Year
Land	\$ 1,982	\$ 3,730	\$ —	\$ 5,712
Buildings	100	592	—	692
Transportation equipment	15,222	6,595	(10,222 )	11,595
	<u>\$ 17,304</u>	<u>\$ 10,917</u>	<u>\$ (10,222 )</u>	<u>\$ 17,999</u>
Year Ended December 31, 2022				
Cost	Balance, Beginning of Year	Additions	less	Balance, End of Year
Land	\$ 6,886	\$ 30,932	\$ —	\$ 37,818
Buildings	253	598	(253 )	598
Transportation equipment	31,861	3,877	(11,390 )	24,348
	<u>\$ 39,000</u>	<u>\$ 35,407</u>	<u>\$ (11,643 )</u>	<u>\$ 62,764</u>
Accumulated depreciation and impairment	Balance, Beginning of Year	Additions	less	Balance, End of Year
Land	\$ 55	\$ 1,927	\$ —	\$ 1,982
Buildings	126	227	(253 )	100
Transportation equipment	18,948	7,664	(11,390 )	15,222
	<u>\$ 19,129</u>	<u>\$ 9,818</u>	<u>\$ (11,643 )</u>	<u>\$ 17,304</u>

### a. Lease liabilities

	December 31, 2023	December 31, 2022
Carrying amounts		
Current	<u>\$ 11,879</u>	<u>\$ 7,835</u>
Non-current	<u>\$ 42,482</u>	<u>\$ 38,476</u>

Range of discount rate for lease liabilities is as follows:

	December 31, 2023	December 31, 2022
Land	1.45%~2.37%	1.45%~1.84%
Buildings	0.30%~2.42%	0.30%
Transportation equipment	3.54%	3.54%

b. Other lease information

	December 31, 2023	December 31, 2022
Expenses relating to short-term leases	\$ 635	\$ —
Expenses relating to low-value asset leases	\$ —	\$ —
Expenses relating to variable lease payments not included in the measurement of lease liabilities	\$ —	\$ —
Total cash outflow for leases	\$ (12,094 )	\$ (9,813 )

**15. Investment Property**

Year Ended December 31, 2023				
Cost	Balance, Beginning of Year	Additions	Reclassification	Balance, End of Year
Land	\$ 811,805	\$ —	\$ —	\$ 811,805
Buildings and improvements	144,013	—	—	144,013
	<u>\$ 955,818</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 955,818</u>

Year Ended December 31, 2023				
Accumulated depreciation	Balance, Beginning of Year	Additions	Reclassification	Balance, End of Year
Buildings and improvements	\$ 61,162	\$ 2,631	\$ —	\$ 63,793

Year Ended December 31, 2022				
Cost	Balance, Beginning of Year	Additions	Reclassification	Balance, End of Year
Land	\$ 811,805	\$ —	\$ —	\$ 811,805
Buildings and improvements	144,013	—	—	144,013
	<u>\$ 955,818</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 955,818</u>

Year Ended December 31, 2022				
Accumulated depreciation	Balance, Beginning of Year	Additions	Reclassification	Balance, End of Year
Buildings and improvements	\$ 58,531	\$ 2,631	\$ —	\$ 61,162

The fair value of the Company's investment properties was arrived at on the basis of valuation carried out on July 26, 2023 and March 20, 2019 by independent appraisers, who are not related parties. Lands were valued under market approach and income approach, while buildings were valued under cost approach. The important assumptions and fair value were as follows :

	December 31, 2023	December 31, 2022
Fair value	\$ 1,517,660	\$ 1,201,876

The carrying amounts of investment property pledged as collateral for bank loans were disclosed in Note 34.

#### 16. Short-Term Loans

	December 31, 2023	Annual interest rate	Maturity date
Usance L/C loans	\$ 2,604,622	1.75%~6.59%	2024.02~2024.06
Mortgage loans	100,000	1.75%	2024.02
Unsecured loans	875,000	1.90%~2.20%	2024.01~2024.08
Total	\$ 3,579,622		

  

	December 31, 2022	Annual interest rate	Maturity date
Usance L/C loans	\$ 2,437,954	1.50%~6.40%	2023.02~2023.06
Mortgage loans	210,000	1.40%~1.50%	2023.02
Unsecured loans	720,000	1.65%~1.92%	2023.01~2023.09
Total	\$ 3,367,954		

The carrying amounts of short-term loans pledged as collateral for bank loans were disclosed in Note 34.

#### 17. Commercial Papers

	December 31, 2023	December 31, 2022
Commercial Papers	\$ 600,000	\$ 800,000
Less : Discount on commercial papers	—	—
	\$ 600,000	\$ 800,000
Interest rate range	2.19%~2.24%	2.09%~2.19%
Maturity date	2024.01~2024.02	2023.01~2023.03

## 18. Bonds Payable

	December 31, 2023	December 31, 2022
The first domestic secured corporate bonds in 2018	\$ —	\$ 500,000
The first domestic secured corporate bonds in 2020	800,000	1,000,000
The first domestic secured corporate bonds in 2023	1,000,000	—
The fourth domestic unsecured corporate bonds	—	1,200,000
Less : discount on bonds payable	—	(57,336)
	1,800,000	2,642,664
Less : current portion	(400,000)	(700,000)
	<u>\$ 1,400,000</u>	<u>\$ 1,942,664</u>

Related issuance conditions were as follows:

Category	Period	Conditions	Rate(%)
The first domestic secured corporate bonds in 2018	2018.09.25~ 2023.09.25	Principal repayable on due date ; interest payable annually	0.97%
The first domestic secured corporate bonds in 2020	2020.12.02~ 2025.12.02	Principal repayable in five equal payments in 2023~2025 ; interest payable semiannually	0.61%
The first domestic secured corporate bonds in 2023	2023.04.26~ 2030.04.26	Principal repayable in five equal payments in 2028~2030 ; interest payable semiannually	1.68%

On November 22, 2021, TA YA issued five-year domestic unsecured bonds (the 2021 Convertible Bonds) with an aggregate par value of \$1,200,000 thousand, and the issuance price was 108.31% of the par value. Bond settlement is as follows:

1. Lump-sum payment to the holders upon maturity at the par value;
2. Conversion by the holders, before the due date, into TA YA's common shares at the prevailing conversion price;
3. Reselling to TA YA by the holders before maturity.
4. Redemption by TA YA, under certain conditions, at par value before bond maturity.
5. Repurchase and write-off by TA YA from securities dealer office.
  - a. The initial conversion price was \$28.8 as of the date of issuance. The bondholders of convertible bonds may request the Corporation to convert the convertible bonds into the Company's common stock during at any time from the next day after the three months of issuance of the convertible bonds to the maturity date, except for the period of cessation of transfer according to the regulations or laws. The rights and obligations of the converted common stocks are the same as those of the common stocks. From August 6, 2023, the conversion price of bonds was adjusted from \$26.7 to \$26.1 per share.
  - b. The holders can request that the Company repurchase their bonds at 100.75% of the face value on the third anniversary of the offering date. The holders can exercise the right to sell on November 22, 2024.

- c. The Company may redeem the bonds at face value from the next day of three month of the Company's issuance to the forty day before 40 days of the issuance for 5 years under certain conditions.
- d. The convertible bonds contain both liability and equity components. The effective interest rate of the liability component was 1.25% per annum on initial recognition. The equity component was presented in equity under capital surplus - options.

	<u>December 31, 2023</u>
Proceeds from issuance (less transaction costs of \$3,620 thousand)	\$ 1,296,071
Equity components	(163,671 )
Financial liability at fair value through profit and loss - current	<u>(5,520 )</u>
Liability components at the date of issue	1,126,880
Interest charged at an effective interest rate of 1.25%	73,120
Bonds Payable converted into Common Stock	(1,199,600 )
Corporate bonds payable for redemption	<u>(400 )</u>
Liability components at December 31, 2023	<u><u>\$ —</u></u>

#### **19. Long-Term Loans**

	<u>December 31, 2023</u>	<u>Annual interest rate</u>	<u>Maturity date</u>
Mortgage loans	\$ 3,969,703	1.80%~2.48%	2025.05~2043.11
Unsecured loans	1,311,592	1.90%~2.47%	2024.03~2029.08
Less: Current portion	<u>(517,378)</u>		
	<u><u>\$ 4,763,917</u></u>		

  

	<u>December 31, 2022</u>	<u>Annual interest rate</u>	<u>Maturity date</u>
Mortgage loans	\$ 2,631,959	2.05%~2.34%	2023.11~2027.10
Unsecured loans	1,986,908	1.71%~2.34%	2023.07~2027.10
Less: Current portion	<u>(1,347,352)</u>		
	<u><u>\$ 3,271,515</u></u>		

The carrying amounts of long-term loans pledged as collateral for bank loans were disclosed in Note 34.

## **20.Retirement Benefit Plans**

### **a. Defined contribution plans**

The Company adopted a pension plan under the Labor Pension Act (LPA), which is a state-managed defined contribution plan. Under the LPA, an entity makes monthly contributions to employees' individual pension accounts at 6% of monthly salaries and wages. Accordingly, the Company recognized expenses of NT\$16,745 thousand and NT\$ 15,914 thousand for the years ended December 31, 2023 and 2022, respectively.

### **b. Defined benefit plans**

(a) The Company has defined benefit plans under the R.O.C. Labor Standards Law that provide benefits based on an employee's length of service and average monthly salary for the six-month period prior to retirement. The Company contributes an amount equal to 15% of salaries paid each month to their respective pension funds (the Funds), which are administered by the Labor Pension Fund Supervisory Committee (the Committee) and deposited in the Committee's name in the Bank of Taiwan. Before the end of each year, the Company assesses the balance in the Funds. If the amount of the balance in the Funds is inadequate to pay retirement benefits for employees who conform to retirement requirements in the next year, the Company is required to fund the difference in one appropriation that should be made before the end of March of the next year. The Funds are operated and managed by the government's designated authorities; as such, the Company does not have any right to intervene in the investments of the Funds. The amounts arising from the defined benefit obligation of the Company in the parent company only balance sheets were as follows :

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Present value of funded defined benefit obligation	\$ (396,110)	\$ (402,035)
Fair value of plan assets	<u>475,383</u>	<u>472,013</u>
Net defined benefit asset (liability)	<u>\$ 79,273</u>	<u>\$ 69,978</u>



(b) Movement in the present value of the defined benefit obligation were as follows :

	Years Ended December 31	
	2023	2022
Balance, beginning of year	\$ 402,035	\$ 424,874
Current service cost	1,584	1,797
Interest cost	4,481	2,848
Remeasurement:		
Actuarial loss arising from experience adjustments	15,311	13,996
Actuarial loss from changes in demographic assumptions	2	15
Actuarial loss (gain) arising from changes in financial assumptions	1,268	(13,433)
Benefits paid	(28,571)	(28,062)
Balance, end of year	<u>\$ 396,110</u>	<u>\$ 402,035</u>

(c) Movements in the fair value of the plan assets were as follows :

	Years Ended December 31	
	2023	2022
Balance, beginning of year	\$ 472,013	\$ 444,104
Interest income	5,459	3,063
Remeasurement:		
Return on plan assets (excluding amounts included in net interest expense)	3,952	29,884
Contributions from the employer	22,530	23,024
Benefits paid	(28,571)	(28,062)
Balance, end of year	<u>\$ 475,383</u>	<u>\$ 472,013</u>

(d) Amounts of expenses recognized in comprehensive income statements are as follows :

	Years Ended December 31	
	2023	2022
Current service cost	\$ 1,584	\$ 1,797
Net interest cost	(978)	(215)
Recognized in profit or loss	<u>606</u>	<u>1,582</u>
Remeasurement:		
Return on plan assets (excluding amounts included in net interest expense)	(3,952)	(29,884)
Actuarial loss arising from experience adjustments	15,311	13,996
Actuarial loss from changes in demographic assumptions	2	15
Actuarial loss (gain) arising from changes in financial assumptions	1,268	(13,433)
Recognized in other comprehensive income	<u>12,629</u>	<u>(29,306)</u>
Total	<u>\$ 13,235</u>	<u>\$ (27,724)</u>

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

	Years Ended December 31	
	2023	2022
Operating costs	\$ 229	\$ 776
Research and development expenses	2	25
Selling and marketing expenses	14	53
General and administrative expenses	361	728
Total	<u>\$ 606</u>	<u>\$ 1,582</u>

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

	December 31	
	2023	2022
Discount rate	1.15%	1.20%
Future salary increase rate	1.00%	1.00%

Through the defined benefit plans under the R.O.C. Labor Standards Law, the Company is exposed to the following risks:

- (g) Investment risk: The pension funds are invested in equity and debt securities, bank deposits, etc. The investment is conducted at the discretion of the government's designated authorities or under the mandated management. However, under the R.O.C. Labor Standards Law, the rate of return on assets shall not be less than the average interest rate on a two-year time deposit published by the local banks and the government is responsible for any shortfall in the event that the rate of return is less than the required rate of return.
- (h) Interest risk: A decrease in the government bond interest rate will increase the present value of the defined benefit obligation; however, this will be partially offset by an increase in the return on the debt investments of the plan assets.

Assuming a hypothetical decrease in interest rate at the end of the reporting period contributed to a decrease of 0.25% in the discount rate and all other assumptions were held constant, the present value of the defined benefit obligation would increase by NT\$6,455 thousand and NT\$6,619 thousand as of December 31, 2023 and 2022, respectively.

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

Assuming the expected salary rate increases by 0.25% at the end of the reporting period and all other assumptions were held constant, the present value of the defined benefit obligation would increase by NT\$6,448 thousand and NT\$6,616 thousand as of December 31, 2023 and 2022, respectively.

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

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability.

The Company expects to make contributions of NT\$ 22,476 thousand to the defined benefit plans in the next year starting from December 31, 2023.

## **21. Equity**

### **a. Capital stock**

- (1) As of December 31, 2023 and 2022, the Company's authorized capital all were NT\$ 8,000,000 thousand consisting of 736,816,274 shares and 684,649,126 shares of ordinary stock with a par value of NT\$10 per share.
- (2) The Company's shareholders resolved to distribute share dividends of \$68,465 thousand and \$387,537 thousand in May 31, 2023 and June 10, 2022, which were approved by the FSC. The subscription base date were August 6, 2023 and September 4, 2022 as determined by the board of directors.
- (3) For the year ended December 31, 2023, the convertible bonds issued by the Company amounting to NT\$453,207 thousand, were converted into 45,321 thousand ordinary shares.

### **b. Capital surplus**

In accordance with the Company Act, realized capital reserves can only be reclassified as share or be distributed as cash dividends after offsetting against losses. The aforementioned capital

reserves include share premiums and donation gains.

R.O.C SEC regulations also stipulated that a capital increase by transferring paid-in capital in excess of par value can be done only once a year and only in years other than the year in which such excess arose. The amount of such capitalization depends on the Company's operating results and is limited to a certain ratio of paid-in capital in excess of par value in relation to issued capital. As of December 31, 2023 and 2022, the balances of the Company's capital surplus were NT\$1,868,672 thousand and NT\$1,151,543 thousand, mostly obtained from the trade of treasury stock, shares issued at premium and convertible bond.

c. Retained earnings and dividend policy

The Company's articles of incorporation provide that annual earnings are to be appropriated as follows:

- (a) Payment of tax;
- (b) Offset accumulated deficits, if any;
- (c) Of the remaining balance, if any, 10% is to be set aside as legal reserve.
- (d) 20% to 90% as appropriate dividends to stockholders; cash dividend should not be lower than 10% of such dividends.

The appropriation for legal capital reserve shall be made until the reserve equals the Company's paid-in capital. The reserve may be used to offset a deficit, or be distributed as dividends in cash or stocks for the portion in excess of 25% of the paid-in capital if the Company incurs no loss.

Pursuant to existing regulations, the Company is required to set aside additional special capital reserve equivalent to the net debit balance of the other components of stockholders' equity. For the subsequent decrease in the deduction amount to stockholders' equity, any special reserve appropriated may be reversed to the extent that the net debit balance reverses.

Under Rule No. 1090150022 and Rule No. 1030006415 issued by the FSC and the directive titled "Questions and Answers for Special Reserves Appropriated Following Adoption of IFRSs", The Company should appropriate or reverse a special reserve.

The appropriations of earnings for 2022 and 2021 had been approved in the stockholders' meetings on May 31, 2023 and June 10, 2022, respectively. The appropriations and dividends per share were as follows :

	Appropriation of Earnings		Dividends Per Share (NT\$)	
	For Fiscal Year 2022	For Fiscal Year 2021	For Fiscal Year 2022	For Fiscal Year 2021
Legal capital reserve	\$ 86,359	\$ 140,409		
Cash dividends	342,325	226,063	0.50	0.35
Share dividends	68,465	387,537	0.10	0.60
	<u>\$ 497,149</u>	<u>\$ 754,009</u>		

Refer to Note 25 for the policies on the distribution of employees' compensation and remuneration of directors and supervisors.

d. Others

1) Foreign currency translation reserve

	For the Year Ended December 31	
	2023	2022
Balance, beginning of year	\$ (160,600)	\$ (225,398)
Exchange differences arising on translation of foreign operations	(38,551)	54,934
Share of other comprehensive income (loss) of subsidiaries and associates	(9,611)	20,851
Income tax effect	7,710	(10,987)
Balance, end of year	<u>\$ (201,052)</u>	<u>\$ (160,600)</u>

The exchange differences of the Company's foreign operations from their functional currencies to the Company's presentation currency (i.e. New Taiwan dollars) were recognized directly in other comprehensive income and accumulated in the foreign currency translation reserve. The exchange differences that were previously accumulated in the foreign currency translation reserve were reclassified to profit or loss on the disposal of the foreign operation.

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

	For the Year Ended December 31	
	2023	2022
Beginning balance	\$ 106,822	\$ 114,694
Unrealized gain on financial assets at fair value through other comprehensive income	216,137	1,758
Disposal of investments in equity instruments at fair value through other comprehensive income	(36,032 )	—
Share of other comprehensive income of accounted for using the equity method	5,163	(9,806 )
Income tax effect	625	176
Balance, end of year	<u>\$ 292,715</u>	<u>\$ 106,822</u>

Unrealized gain (loss) on financial assets at FVTOCI represents the cumulative gains or losses arising from the fair value measurement on financial assets at FVTOCI that are recognized in other comprehensive income. The cumulative gain or loss will not be reclassified as profit or loss on disposal of the equity investments, instead, they will be transferred to retained earnings.

**22. Treasury Stock**

Purpose of Treasury Shares	For the Year Ended December 31, 2023			
	Beginning of year	Addition	Reduction	end of year
Shares held by subsidiaries reclassified from investments to treasury shares accounted for using equity method	<u>7,721,958</u>	<u>62,398</u>	<u>1,228,000</u>	<u>6,556,356</u>

Purpose of Treasury Shares	For the Year Ended December 31, 2022			
	Beginning of year	Addition	Reduction	end of year
Shares held by subsidiaries reclassified from investments to treasury shares accounted for using equity method	<u>7,546,867</u>	<u>437,091</u>	<u>262,000</u>	<u>7,721,958</u>

a. Common Stock

Treasury stock shall not be pledged, nor does it entitle voting rights or receive dividends, in compliance with Securities and Exchange Law of the R.O.C.

- b. As of December 31, 2023 and 2022, treasury stock held by subsidiaries were 6,556,356 shares and 7,721,958 shares, the market values of the shares held by the subsidiaries were \$34.50 and \$20.30 per share, respectively.

## **23. Income Tax**

a. Income tax expense recognized in profit or loss

Income tax expense consisted of the following :

	Years Ended December 31	
	2023	2022
Current income tax expense (benefit)		
In respect of the current period	\$ 123,041	\$ 40,015
Tax refund on repatriation of overseas funds	(1,141)	—
Adjustments for prior years	975	(4,418)
Income tax on unappropriated earnings	18,523	23,005
	141,398	58,602
Deferred income tax expense (benefit)		
The origination and reversal of temporary differences	(22,023)	(61,490)
Income tax expense (benefit) recognized in profit or loss	<u>\$ 119,375</u>	<u>\$ (2,888)</u>

A reconciliation of accounting profit and income tax expenses recognized in profit or loss was as follows :

	Years Ended December 31	
	2023	2022
Income tax expense at the statutory rate	\$ 576,281	\$ 167,717
Nondeductible (deductible) items in determining taxable income	19,551	64,800
Tax-exempt income	(534,469)	(192,502)
Income tax on unappropriated earnings	18,523	23,005
Regular Income Tax and Basic Tax differences	61,678	—
Tax refund on repatriation of overseas funds	(1,141)	—
The origination and reversal of temporary differences	(22,023)	(61,490)
Adjustments for prior years	975	(4,418)
Income tax expense (benefit) recognized in profit or loss	<u>\$ 119,375</u>	<u>\$ (2,888)</u>

b. Income tax expense recognized in other comprehensive income

	Years Ended December 31	
	2023	2022
Items that will never be reclassified to profit or loss:		
Related to remeasurement of defined benefit obligation	\$ (2,526)	\$ 5,861
Unrealized gain (loss) from investments in equity instruments measured at fair value through other comprehensive income	(625)	(176)
	<u>\$ (3,151)</u>	<u>\$ 5,685</u>
	Years Ended December 31	
	2023	2022
Items that are or may be reclassified subsequently to profit or loss:		
Related to unrealized gain (loss) on translation of foreign operations	\$ (7,710)	\$ 10,987

c. Deferred income tax balance

The analysis of deferred income tax in the parent company only balance sheets was as follows:

	December 31, 2023	December 31, 2022
Deferred income tax assets (liabilities)		
Unrealized loss on inventories	\$ 7,679	\$ 7,693
Expected credit loss	6,908	6,908
Unrealized gross profit	14,356	11,524
Accrued pension cost	(15,855)	(13,996)
Unrealized loss on translation of foreign operations	47,813	40,103
Unrealized loss (gain) from investments in equity instruments measured at fair value through other comprehensive income	(1,180)	(1,805)
Unrealized loss (gain) from investments in equity instruments measured at fair value through profit or loss	(50,223)	(66,044)
Others	(20,979)	(28,748)
	<u>\$ (11,481)</u>	<u>\$ (44,365)</u>
	December 31, 2023	December 31, 2022
Deferred income tax liabilities		
Land value incremental reserve	\$ 264,486	\$ 264,486



- d. Items for which no deferred tax assets have been recognized:

	December 31, 2023	December 31, 2022
Impairment loss	\$ 13,111	\$ 13,111

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

## **24.Earnings Per Share**

	Years Ended December 31	
	2023	2022
Basic EPS	\$ 3.91	\$ 1.23
Diluted EPS	\$ 3.91	\$ 1.17

	Years Ended December 31	
	2023	2022
Basic EPS		
Net income available to common shareholders of the parent	\$ 2,762,030	\$ 841,475
Assumed conversion of all dilutive potential ordinary share : Effect shares on convertible bonds	—	11,416
Net income available to common shareholders plus assumed conversion of dilutive potential ordinary shares	\$ 2,762,030	\$ 852,891

	Years Ended December 31	
	2023	2022
Weighted average number of common shares outstanding used in the computation of basic EPS	706,423	683,583
Weighted average number of ordinary shares of convertible bonds	—	42,941
Weighted average number of common shares used in the computation of diluted EPS	706,423	726,524

## **25.Operating Revenues**

	Years Ended December 31	
	2023	2022
Sales Revenue	\$ 14,418,423	\$ 13,805,680
Construction Revenue	—	29,672
Engineering service revenue	179,730	447,576
Others	76,990	30,273
	\$ 14,675,143	\$ 14,313,201

## **26.Additional Information Of Expenses By Nature**

	Years Ended December 31	
	2023	2022
Depreciation and amortization		
Depreciation of property, plant and equipment	\$ 143,818	\$ 134,880
Depreciation of Right-of-use assets	10,917	9,818
Depreciation of investment property	2,631	2,631
	<u>\$ 157,366</u>	<u>\$ 147,329</u>
Employee benefits expenses		
Salaries and bonus	\$ 981,827	\$ 587,926
Labor and health insurance	48,769	49,522
Pension	17,351	17,496
Remuneration of directors	92,084	28,246
Others	26,914	23,052
	<u>\$ 1,166,945</u>	<u>\$ 706,242</u>

According to the Company's Articles of Incorporation, the Company shall allocate compensation to directors and profit sharing bonus to employees of the Company not more than 3% and 1% of annual profits during the period, respectively.

The employees' compensation and remuneration of directors for the years ended December 31, 2023 and 2022 were as follows:

	Years Ended December 31	
	2023	2022
Employees' compensation	<u>\$ 30,015</u>	<u>\$ 8,735</u>
Remuneration of directors	<u>\$ 90,044</u>	<u>\$ 26,206</u>

The Company accrued profit sharing bonus to employees and compensation to directors based on a percentage of net income before income tax. If there is a change in the proposed amounts after the annual standalone financial statements are authorized for issue, the difference is recorded as a change in accounting estimate.

The employees' compensation and remuneration of directors for the years ended December 31, 2022 and 2021 which have been approved by the Company's board of directors in March 2023 and 2022, respectively, were as follows:

	Years Ended December 31	
	2022	2021
Employees' compensation	<u>\$ 8,735</u>	<u>\$ 15,946</u>
Remuneration of directors	<u>\$ 26,206</u>	<u>\$ 47,838</u>

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

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

## **27. Interest Income**

	Years Ended December 31	
	2023	2022
Bank deposits	\$ 11,532	\$ 4,536
Other interest income	448	1,377
	<u>\$ 11,980</u>	<u>\$ 5,913</u>

## **28. Other Income**

	Years Ended December 31	
	2023	2022
Rental revenue	\$ 22,003	\$ 21,738
Dividend income	39,762	77,026
Other Income		
Technical Service Income	53,075	53,062
Guaranteed Fee Income	6,467	7,192
Utilities and Management Income	5,676	8,368
Subsidy income	6,503	7,088
Others	34,952	21,985
	<u>\$ 168,438</u>	<u>\$ 196,459</u>

## **29. Other Gains and Losses**

	Years Ended December 31	
	2023	2022
Gain on disposal of property, plant and equipment	\$ 1,069	\$ 2,760
Gain (loss) on disposal of investments	687,224	22,063
Net foreign exchange losses	2,527	(51,370)
Net gain arising on financial assets/liabilities at FVTPL	(63,416)	(164,668)
Others	(3,634)	(2,586)
	<u>\$ 623,770</u>	<u>\$ (193,801)</u>

### **30. Finance Costs**

	Years Ended December 31	
	2023	2022
Interest expense		
Bank loans	\$ 190,568	\$ 133,011
Bonds payable	29,192	25,213
Interest of lease liabilities	1,159	772
Other Interest expense	1,731	293
	<u>\$ 222,650</u>	<u>\$ 159,289</u>

### **31. Capital Management**

The Company's strategy for managing the capital structure is to lay out the plan of product development and expand the market share considering the growth and the magnitude of industry and further developing an integral plan founded on the required capacity, capital outlay, and magnitude of assets in long-term development. Ultimately, considering the risk factors such as the fluctuation of the industry cycle and the life cycle of products, the company determines the optimal capital structure by estimating the profitability of products, operating profit ratio, and cash flow based on the competitiveness of products.

The capital structure of the Company consists of net debt (borrowings offset by cash and cash equivalents) and equity of the Company (comprising issued capital, reserves and retained earnings).

The management of the company periodically examines the capital structure and contemplates on the potential costs and risks involved while exerting different financial tools. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders and issue new shares to reduce debt.

There were no changes in the Company's approach to capital management for the year ended December 31, 2023.

### **32. Financial Instruments**

#### **a. Financial risk management objective**

The Company manages its exposure to risks relating to the operations through market risk, credit risk, and liquidity risk with the objective to reduce the potentially adverse effects the market uncertainties may have on its financial performance.

The plans for material treasury activities are reviewed by Board of Directors in accordance with procedures required by relevant regulations or internal controls. During the implementation of such

plans the company must comply with certain treasury procedures that provide guiding principles for overall financial risk management and segregation of duties.

b. Market risk

The Company is exposed to the market risks arising from changes in foreign exchange rates, interest rates and utilizes some derivative financial instruments to reduce the related risks.

(a) Foreign currency risk

Some of the Company's operating activities are denominated in foreign currencies. Consequently, the Company is exposed to foreign currency risk. To protect against reductions in value and the volatility of future cash flows caused by changes in foreign exchange rates, the Company utilizes derivative financial instruments, including currency forward contracts and short-term borrowings in foreign currencies, to hedge its currency exposure.

The Company's significant exposure to foreign currency risk were as follows:

	December 31, 2023			December 31, 2022		
	Foreign currency	Exchange rate	NT\$	Foreign currency	Exchange rate	NT\$
<u>Assets</u>						
<u>Monetary items</u>						
USD	\$ 5,889	30.7150	\$ 180,881	\$ 24,037	30.7050	\$ 738,056
HKD	2,263	3.9333	8,901	2,251	3.9320	8,851
CNY	3,109	4.3277	13,455	3,017	4.4518	13,431
JPY	180,424	0.2155	38,881	6,094	0.2324	1,416
<u>Liabilities</u>						
<u>Monetary items</u>						
USD	\$ 3,406	30.7150	\$ 104,615	\$ 16,786	30.7050	\$ 515,414

Foreign currency sensitivity analysis

The Company's exposure to foreign currency risk arises from the translation of the foreign currency exchange gains and losses on cash and cash equivalents, accounts receivable, financial assets at fair value through profit or loss, loans and borrowings, accounts payable that are denominated in foreign currency. A strengthening (weakening) 1% of appreciation (depreciation) of the NTD against the foreign currency for the years ended December 31, 2023 and 2022 would have increased (decrease) the net profit before tax by NT\$ 1,375 thousand and NT\$ 2,463 thousand, respectively.

(b) Interest rate risk

The Company was exposed to fair value interest rate risk and cash flow interest rate risk because the Company hold assets and liabilities at both fixed and floating interest rates.

Interest rate sensitivity analysis

The following sensitivity analysis is based on the risk exposure to interest rates on the non-derivatives financial instruments on the reporting date. For variable rate instruments, the sensitivity analysis assumes the variable rate liabilities are outstanding for the whole year on the reporting date.

If the interest rate increases (decreases) by 0.1% all other variable factors that remains constant, the Company's net profit before tax would have (decreased) increased by NT\$ 8,561 thousand and NT\$ 8,373 thousand for the years ended December 31, 2023 and 2022, respectively. This is mainly due to the Company's net assets in floating rates.

(c) Other price risk

The Company is exposed to equity price risk arising from equity investments.

Equity price sensitivity analysis

The sensitivity analyses below have been determined based on the exposure to equity price risks at the end of the reporting period.

If equity prices had been 5% higher/lower, the Company's net profit before tax for the years ended December 31, 2023 and 2022 would have been higher/lower by NT\$ 76,996 thousand and NT\$ 76,916 thousand, respectively, as a result of the fair value changes of financial assets at fair value through profit or loss.

If equity prices had been 5% higher/lower, the Company's other comprehensive income for the years ended December 31, 2023 and 2022 would have been higher/lower by NT\$ 59,966 thousand and NT\$ 52,623 thousand, respectively, as the result of the fair value changes of financial assets at fair value through other comprehensive income.

c. Credit risk management

Credit risk refers to the risk that a counter-party will default on its contractual obligations resulting in financial loss to the Company. The Company is exposed to credit risk from operating activities, primarily trade receivables, and from financing activities, primarily deposits, fixed-income investments and other financial instruments with banks. Credit risk is managed separately for business related and financial related exposures.

Business related credit risk

To maintain the quality of receivables, the Company has established operating procedures to manage credit risk.

For individual customers, risk factors considered include the customer's financial position, credit rating agency rating, the Company's internal credit rating, and transaction history as well as current economic conditions that may affect the customer's ability to pay. The Company also has the right to use some credit protection enhancement tools, such as requiring advance payments, to reduce the credit risks involving certain customers.

As of December 31, 2023 and 2022, exceed 5% of accounts receivables from the Company's customer were as follows:

Customer	December 31	
	2023	2022
5110105	\$ 183,143	\$ —
0682000	137,260	88,065
5110100	99,291	4,071
02S0949	78,923	—
7777244	—	142,480
8070300	29,960	93,860
5140600	61,484	83,184

The Company does not expect significant credit risk because the counterparties are creditworthy companies.

#### Financial credit risk

Bank deposits, fixed income investment and other financial instruments are credit risk sources required by the Parent Company's Department of Finance Department to be measured and monitored. However, since the Company's counter-parties are all reputable financial institutions and government agencies, there is no significant financial credit risk.

#### d. Liquidity risk management

The objective of liquidity risk management is to ensure the Company has sufficient liquidity to fund its business requirements associated with existing operations. The Company manages its liquidity risk by maintain adequate cash and banking facilities.

The table below summarizes the maturity profile of the Company's financial liabilities based on contractual undiscounted payments, including principles and interest.

December 31, 2023					
	Carrying amount	Contractual cash flows	Within 1 year	1-5 years	Over 5 years
<u>Non-derivative financial liabilities</u>					
Short-term bank loans	\$ 3,579,622	\$ 3,579,622	\$ 3,579,622	\$ —	\$ —
Notes payable (including related parties)	4,683	4,683	4,683	—	—
Accounts payable (including related parties)	524,484	524,484	524,484	—	—
Commercial papers	600,000	600,000	600,000	—	—
Other payables	753,134	753,134	753,134	—	—
Lease liabilities	54,361	58,206	13,010	29,811	15,385
Bonds payable	1,800,000	1,800,000	400,000	800,000	600,000
Long-term bank loans	5,281,295	5,281,295	517,378	4,495,512	268,405
	<u>\$ 12,597,579</u>	<u>\$ 12,601,424</u>	<u>\$ 6,392,311</u>	<u>\$ 5,325,323</u>	<u>\$ 883,790</u>
 Derivative financial liabilities					
Metal commodities futures contract	<u>\$ 27,523</u>	<u>\$ 829,591</u>	<u>\$ 808,934</u>	<u>\$ 20,657</u>	<u>\$ —</u>
 December 31, 2022					
	Carrying amount	Contractual cash flows	Within 1 year	1-5 years	Over 5 years
<u>Non-derivative financial liabilities</u>					
Short-term bank loans	\$ 3,367,954	\$ 3,367,954	\$ 3,367,954	\$ —	\$ —
Notes payable (including related parties)	4,333	4,333	4,333	—	—
Accounts payable (including related parties)	591,027	591,027	591,027	—	—
Commercial papers	800,000	800,000	800,000	—	—
Other payables	392,463	392,463	392,463	—	—
Lease liabilities	46,311	46,311	7,835	20,427	18,049
Bonds payable	2,642,664	2,642,664	700,000	1,942,664	—
Long-term bank loans	4,618,867	4,618,867	1,347,352	3,271,515	—
	<u>\$ 12,463,619</u>	<u>\$ 12,463,619</u>	<u>\$ 7,210,964</u>	<u>\$ 5,234,606</u>	<u>\$ 18,049</u>
 Derivative financial liabilities					
Metal commodities futures contract	<u>\$ 7,508</u>	<u>\$ 1,278,369</u>	<u>\$ 1,278,369</u>	<u>\$ —</u>	<u>\$ —</u>



e. Fair value of financial instruments

(a) Fair value of financial instruments carried at amortized cost

The Company considers that the carrying amounts of financial assets and financial liabilities recognized in the parent company only financial statements approximate their fair values.

(b) Valuation techniques and assumptions used in Fair value measurement

The Fair value of financial assets and financial liabilities are determined as follows :

- The fair value of financial assets and financial liabilities with standard terms and conditions and traded on active liquid markets are determined with reference to quoted market prices (includes publicly traded stocks).
- Forward exchange contracts and cross currency swap contracts are measured using quoted forward exchange rates and yield curves derived from quoted interest rates matching maturities of the contracts.
- The fair values of other financial assets and financial liabilities in accordance with generally accepted pricing models based on discounted cash flow analysis.

(c) Fair value measurements recognized in the parent company only balance sheets

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 based on the degree to which the fair value is observable :

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities ;
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices) ; and
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

i. Information of fair value hierarchy of financial instruments

December 31, 2023				
	Level 1	Level 2	Level 3	Total
Financial assets at FVTPL – current and noncurrent				
Domestic listed and emerging stocks	\$ 1,143,653	\$ 18,268	\$ —	\$ 1,161,921
Unlisted stocks	—	—	216,825	216,825
limited partnership	—	—	161,176	161,176
Derivative not designated as a hedging instrument	—	252,819	—	252,819
	<u>\$ 1,143,653</u>	<u>\$ 271,087</u>	<u>\$ 378,001</u>	<u>\$ 1,792,741</u>
Financial assets for hedging – current and non-current	<u>\$ —</u>	<u>\$ 1,125</u>	<u>\$ —</u>	<u>\$ 1,125</u>
Financial assets at FVTOCI – current and noncurrent				
Domestic listed and emerging stocks	\$ 389,097	\$ —	\$ —	\$ 389,097
Unlisted stocks	—	17,152	793,068	810,220
	<u>\$ 389,097</u>	<u>\$ 17,152</u>	<u>\$ 793,068</u>	<u>\$ 1,199,317</u>
Financial liabilities at FVTPL – current and noncurrent				
Derivative not designated as a hedging instrument	\$ —	\$ 26,838	\$ —	\$ 26,838
Financial liabilities for hedging – Non-current	<u>\$ —</u>	<u>\$ 685</u>	<u>\$ —</u>	<u>\$ 685</u>

December 31, 2022				
	Level 1	Level 2	Level 3	Total
Financial assets at FVTPL – current and noncurrent				
Domestic listed and emerging stocks	\$ 1,262,541	\$ —	\$ —	\$ 1,262,541
Unlisted stocks	—	—	275,777	275,777
Derivative not designated as a hedging instrument	—	344,810	—	344,810
	<u>\$ 1,262,541</u>	<u>\$ 344,810</u>	<u>\$ 275,777</u>	<u>\$ 1,883,128</u>
Financial assets at FVTOCI – current and noncurrent				
Domestic listed and emerging stocks	\$ 287,476	\$ —	\$ —	\$ 287,476
Unlisted stocks	—	19,640	745,338	764,978
	<u>\$ 287,476</u>	<u>\$ 19,640</u>	<u>\$ 745,338</u>	<u>\$ 1,052,454</u>
Financial liabilities at FVTPL – current and noncurrent				
Derivative not designated as a hedging instrument	\$ —	\$ 7,508	\$ —	\$ 7,508
Put options of convertible bond payables	—	12,600	—	12,600
	<u>\$ —</u>	<u>\$ 20,108</u>	<u>\$ —</u>	<u>\$ 20,108</u>

ii. There were no transfers between Level 1 and 2 for the years ended December 31, 2023 and 2022, respectively.

iii. Reconciliation of Level 3 fair value measurements of financial assets

Reconciliations for the year ended December 31, 2023 and 2022 were as follows:

	Years Ended December 31, 2023		
	Financial assets at FVTOCI	Financial assets at FVTPL	Total
Balance, beginning of year	\$ 745,338	\$ 275,777	\$ 1,021,115
Purchases	—	77,088	77,088
Disposal	—	(1 )	(1 )
Capital reduction	(25,850)	—	(25,850 )
Recognized in income	—	25,137	25,137
Recognized in other comprehensive income	73,580	—	73,580
Balance at December 31, 2023	<u>\$ 793,068</u>	<u>\$ 378,001</u>	<u>\$ 1,171,069</u>

	Years Ended December 31, 2022		
	Financial assets at FVTOCI	Financial assets at FVTPL	Total
Balance, beginning of year	\$ 646,092	\$ 63,804	\$ 709,896
Purchases	50,000	211,973	261,973
Recognized in other comprehensive income	49,246	—	49,246
Balance at December 31, 2022	<u>\$ 745,338</u>	<u>\$ 275,777</u>	<u>\$ 1,021,115</u>

The Company's policy to recognize the transfer into and out of fair value hierarchy levels is based on the event or changes in circumstances that caused the transfer.

iv. Quantitative information of fair value measurement of significant unobservable inputs (level 3)

December 31, 2023	Fair value	Valuation technique	Significant unobservable input	Range (weighted average)	Relationship of inputs to fair value
Financial assets at FVTOCI— noncurrent	\$ 793,068	The latest issue final price and Net asset approach	N/A	N/A	N/A
Financial assets at FVTPL— noncurrent	\$ 378,001	The latest issue final price, issuance of common stock for cash and net asset approach	N/A	N/A	N/A

December 31, 2022	Fair value	Valuation technique	Significant unobservable input	Range (weighted average)	Relationship of inputs to fair value
		The latest issue			
Financial assets at FVTOCI—noncurrent	\$ 745,338	final price and Net asset approach	N/A	N/A	N/A
		The latest issue			
Financial assets at FVTPL—noncurrent	\$ 275,777	final price and Issuance of common stock for cash	N/A	N/A	N/A

Categories of financial instruments:

	Years Ended December 31	
	2023	2022
<u>Financial assets</u>		
Financial assets at amortized cost		
Cash and cash equivalents	\$ 1,656,829	\$ 1,983,281
Notes receivable and trade receivables	1,665,842	1,628,314
Other receivables	117,371	17,756
Refundable deposits	30,968	28,523
Financial assets at FVTPL (current and non-current)	1,792,741	1,883,128
Financial assets at fair value through other comprehensive income (non-current)	1,199,317	1,052,454
Financial assets for hedging (current and non-current)	1,125	—
<u>Financial liabilities</u>		
Financial liabilities at FVTPL (current)	26,838	20,108
Financial liabilities at amortized cost		
Short-term borrowings	3,579,622	3,367,954
Short-term notes and bills payable	600,000	800,000
Notes payable and trade payables	529,167	595,360
Other payables	753,134	392,463
Bonds payable (including current portion)	1,800,000	2,642,664
Long-term borrowings (including current portion)	5,281,295	4,618,867
Guarantee deposits	35,689	41,918
Financial liabilities for hedging (current and non-current)	685	—

### **33.Related Party Transactions**

#### **(a) The name of the company and its relationship with the Corporation.**

Company	Relationship
CUPRIME MATERIAL CO., LTD.	Subsidiaries
TA HO ENGINEERING, CO., LTD.	Subsidiaries
TA HENG ELECTRIC WIRE & CABLE CO., LTD.	Subsidiaries
TA YI PLASTIC CO., LTD.	Subsidiaries
UNITED ELECTRIC INDUSTRY CO., LTD.	Subsidiaries
TA YA VENTURE CAPITAL CO., LTD.	Subsidiaries
TA YA Innovation Investment Co., LTD.	Subsidiaries
TA YA GENESIS CAPITAL CO., LTD.	Subsidiaries
TA YA ENERGY STORAGE TECHNOLOGY CO., LTD.	Subsidiaries
TA YA GREEN ENERGY TECHNOLOGY CO., LTD.	Subsidiaries
UNION STORAGE ENERGY SYSTEM LTD.	Subsidiaries
TA YA (CHINA) HOLDING LTD.	Subsidiaries
BOSI SOLAR ENERGY CO., LTD.	Sub-subsidiary
TOUCH SOLAR POWER CO., LTD.	Sub-subsidiary
SIN JHONG SOLAR POWER CO., LTD.	Sub-subsidiary
BO YAO POWER CO.,LTD.	Sub-subsidiary
JHIH-GUANG ENERGY CO., LTD.	Sub-subsidiary
CUGREEN METAL TECH CO., LTD.	Sub-subsidiary
HENG YA ELECTRIC LIMITED.	Sub-subsidiary
INFINITY ENERGY STORAGE TECHNOLOGY CO., LTD.	Sub-subsidiary
HENG YA ELECTRIC (KUNSHAN) LTD.	third-tier subsidiary
TAYA ZHANGZHOU WIRES CABLE CO., LTD.	third-tier subsidiary
HENG YA ELECTRIC (DONGGUAN) LTD.	third-tier subsidiary
TAYA (Vietnam) ELECTRIC WIRE & CABLE JOINT STOCK COMPANY	third-tier subsidiary
AD ENGINEERING CORPORATION	Associates
HENGs TECHNOLOGY CO., LTD.	Associates
AMIT SYSTEM SERVICE LTD.	Associates
Hong Hua Investment Co., Ltd.	Other related parties
Green inside	Other related parties
Shen Shang Hung	Other related parties
Shen Shang Tao	Other related parties
Shen San Yi	Other related parties
Shen Shang Pang	Other related parties

**(b) Significant related party transactions****Sales**

Related Parties	For the Year Ended December 31	
	2023	2022
Subsidiaries	\$ 1,298,451	\$ 1,192,490
Sub-subsidiary	14	661
third-tier subsidiary	441	1,442
Associates	107,894	312,282
Others	15	—
	<u>\$ 1,406,815</u>	<u>\$ 1,506,875</u>

Prices and credit terms for such sales were similar to those given to third parties.

**Purchases**

Related Parties	For the Year Ended December 31	
	2023	2022
TA HENG CO.	\$ 1,393,122	\$ 1,339,604
Subsidiaries	407,946	224,814
Associates	40,511	159,765
	<u>\$ 1,841,579</u>	<u>\$ 1,724,183</u>

Prices and credit terms for such purchases were generally comparable to those given by other suppliers, except that construction expense paid to Ta Ho Engineering Co., Ltd. was computed by cost plus 5% to 10% mark-up.

**Endorsements and guarantees**

As of December 31, 2023 and 2022, the information of the Company provided endorsements and guarantee for related parties was as follows:

Related Parties	December 31, 2023	December 31, 2022
Subsidiaries	<u>\$ 4,639,092</u>	<u>\$ 5,789,466</u>

**Miscellaneous income**

Related Parties	Description	For the Year Ended December 31	
		2023	2022
TA YA (Vietnam) Co.	Interest, royalty, and other income	\$ 40,464	\$ 38,683
HENG YA LTD.	Interest, technical service, and other income	9,149	9,375
Subsidiaries	Rental, Interest, technical service, and other income	18,146	17,514
Sub-subsidiary	Rental income and other income	6,542	2,117
third-tier subsidiary	Rental, technical service, and other income	3,239	4,474
Associates	Rental income and other income	1,974	1,503
Others	Rental income and other income	17	51
		<u>\$ 79,531</u>	<u>\$ 73,717</u>

**Other expenses**

Related Parties	Description	For the Year Ended December 31	
		2023	2022
Subsidiaries	Rental, outsourcing, and other expenses	\$ 14,175	\$ 3,329
Others	Outsourcing, loan guarantee, and donation expense	16,468	13,902
		<u>\$ 30,643</u>	<u>\$ 17,231</u>

**Leasing arrangements**

	Related Parties	December 31, 2023	December 31, 2022
Lease liabilities - current	Other related parties	<u>\$ 1,741</u>	<u>\$ —</u>
Lease liabilities - noncurrent	Other related parties	<u>\$ 1,483</u>	<u>\$ 66</u>
	Related Parties	For the Year Ended December 31	
		2023	2022
Interest expense on lease liabilities	Other related parties	<u>\$ 14</u>	<u>\$ —</u>



**Property exchange**

Related Parties	Item	For the Year Ended December 31	
		2023	2022
UNION STORAGE ENERGY SYSTEM LTD	Prepayments for equipment	\$ —	\$ 38,286
UNION STORAGE ENERGY SYSTEM LTD	Machinery and Equipment	\$ 102,048	\$ 54,630
Associates	Machinery and Equipment	\$ 15,406	\$ 3,851

(c) Receivables and payables arising from the above transactions were as follows:

**Receivables**

	Related Parties	December 31, 2023	December 31, 2022
(1) Notes receivable	Subsidiaries	\$ 821	\$ 1,024
	Sub-subsidiary	—	37
	Associates	—	749
		<u>\$ 821</u>	<u>\$ 1,810</u>
(2) Accounts receivable	Subsidiaries	\$ 138,765	\$ 101,718
	Sub-subsidiary	548	60,857
	third-tier subsidiary	2,190	1,006
	Associates	27,779	16,705
	Others	2	2
		<u>\$ 169,284</u>	<u>\$ 180,288</u>
(3) Other receivable (excluding financing provided)	Subsidiaries	\$ 692	\$ 578
	Sub-subsidiary	2,566	2,808
	third-tier subsidiary	1,204	1,805
		<u>\$ 4,462</u>	<u>\$ 5,191</u>

**Payables**

	Related Parties	December 31, 2023	December 31, 2022
Accounts payable	TA HENG CO.	\$ 152,872	\$ 121,061
	Subsidiaries	34,274	69,920
		<u>\$ 187,146</u>	<u>\$ 190,981</u>
Other payables	Subsidiaries	\$ 756	\$ 179
	Others	5,526	4,661
		<u>\$ 6,282</u>	<u>\$ 4,840</u>

**Prepaid account**

Related Parties	December 31, 2023	December 31, 2022
HENGST TECHNOLOGY CO., LTD.	\$ —	\$ 7,779
TA HO ENGINEERING, CO., LTD.	84,924	16,939
Subsidiaries	7,943	21,692
	<u>\$ 92,867</u>	<u>\$ 29,471</u>

**Contract liabilities**

Related Parties	December 31, 2023	December 31, 2022
JHIH-GUANG ENERGY CO.	\$ —	\$ 29,634

**Receipts in advance**

Related Parties	December 31, 2023	December 31, 2022
Subsidiaries	\$ 148	\$ 167
Sub-subsidiary	149	238
	<u>\$ 297</u>	<u>\$ 405</u>

**Guarantee deposits**

Related Parties	December 31, 2023	December 31, 2022
Subsidiaries	\$ 478	\$ 478
Associates	100	354
	<u>\$ 578</u>	<u>\$ 832</u>

**Financing provided (classified as other receivables)**

For the Year Ended December 31, 2023				
Related Parties	Highest Balance for the Period	Ending Balance	Interest Rate	Interest Income
UNION STORAGE ENERGY SYSTEM LTD.	<u>\$ 100,000</u>	<u>\$ 100,000</u>	2.5%	<u>\$ 308</u>
TA YA VENTURE CAPITAL CO.	<u>\$ 93,000</u>	<u>\$ —</u>	1%~3%	<u>\$ 678</u>
TA YA INNOVATION INVESTMENT CO.	<u>\$ 51,000</u>	<u>\$ —</u>	1%~3%	<u>\$ 273</u>
UNION STORAGE ENERGY SYSTEM LTD.	<u>\$ 30,000</u>	<u>\$ —</u>	2.5%	<u>\$ 328</u>

**(d) Key management personnel compensation disclosure**

Item	2023	2022
Short-term employee benefits	\$ 380,004	\$ 190,644
Post-employment benefits	4,379	4,342
	<u>\$ 384,383</u>	<u>\$ 194,986</u>

The Company's key management personnel include directors, supervisors, president, general manager and financial director.

Please refer to Annual Report for related information of key management personnel compensation.

**34. Mortgage Assets**

As of December 31, 2023 and 2022, certain assets were pledged as collateral to secure debts and engineering performance bond. The net book value of such assets as of December 31, 2023 and 2022 were summarized as follows:

	December 31, 2023		December 31, 2022	
	Number of shares	Original cost	Number of shares	Original cost
Investments accounted for using equity method —				
Jung Shing Wire Co., Ltd	<u>17,829,000</u>	<u>\$ 242,335</u>	<u>24,329,000</u>	<u>\$ 307,316</u>
Financial assets at fair value through other comprehensive income —				
Sun Ba Power Corporation	<u>45,000,000</u>	<u>\$ 464,250</u>	<u>30,000,000</u>	<u>\$ 464,250</u>
	December 31, 2023		December 31, 2022	
Property, plant and equipment —				
Land (include revaluation increments)	\$	1,212,347	\$	934,855
Buildings, net		208,634		98,932
Miscellaneous equipment		258,298		112,096
	<u>\$</u>	<u>1,679,279</u>	<u>\$</u>	<u>1,145,883</u>
Investment property-land and Buildings	<u>\$</u>	<u>695,835</u>	<u>\$</u>	<u>695,993</u>
Refundable deposits	<u>\$</u>	<u>30,968</u>	<u>\$</u>	<u>28,523</u>
Other non-current assets —				
Mortgage demand deposits	<u>\$</u>	<u>266,856</u>	<u>\$</u>	<u>229,310</u>

### **35.Commitments and Contingent Liabilities**

Significant contingent liabilities and unrecognized commitments of the Company as of the end of the reporting period, excluding those disclosed in other notes, were as follows :

- (a) As of December 31, 2023, the Company had outstanding usance letters of credit amounting to approximately \$64,403 thousand (JPY\$ 298,852 thousand).
- (b) The Company pledged guarantee deposits amounting to \$1,416,912 thousand due to the wire and cable installation project.
- (c) The Company entered into contracts of copper procurement with 29,800 ton.
- (d) The Company entered into contracts of machinery, equipment and construction in progress procurement with the amount of \$ 159,216 thousand. As of December 31, 2023, \$100,298 thousand had not been paid.
- (e) The Company engaged into a contract of wire and cable installation project with the amount of \$ 980,335 thousand. As of December 31, 2023, the portion of the contract not yet recognized was \$ 882,052 thousand.
- (f) Checks of \$3,861 thousand issued for issuing bank loans, draw letter of credit and procurement guarantees.
- (g) The company's lawsuit filed by the land owner for demolition and land return due to the occupation of adjacent land found in the factory boundary verification is now being heard by the Supreme Court. The operations of the Group will not be materially affected by this case.
- (h) Refer to Note33 for information relating to endorsements/guarantees provided.

### **36.Significant Losses From Disasters : N/A**

### **37.Significant Subsequent Events :**

On March 5, 2024, the Board of Directors of the company approved to increase the capital of TA YA ENERGY STORAGE TECHNOLOGY CO., LTD. in the amount of NT 1,800,000 thousand.

### **38.Others : N/A**

### **39.Separately Disclosed Items**

- a. Information about significant transactions and b. information on investees:
  - 1) Financing provided to others (Table 1)

- 2) Endorsements/guarantees provided (Table 2)
  - 3) Marketable securities held (Table 3-1 and 3-2)
  - 4) Marketable securities acquired or disposed of at costs or prices of at least NT\$300 million or 20% of the paid-in capital (Table 4)
  - 5) Acquisition of individual real estate at costs of at least NT\$300 million or 20% of the paid-in capital (Table 5)
  - 6) Disposal of individual real estate at prices of at least NT\$300 million or 20% of the paid-in capital (None)
  - 7) Total purchases from or sales to related parties amounting to at least NT\$100 million or 20% of the paid-in capital (Table 6-1 and 6-2)
  - 8) Information on investees (Table 7)
  - 9) Receivables from related parties amounting to at least NT\$100 million or 20% of the paid-in capital (Table 8)
  - 10) Trading in derivative instrument (Note 8)
- b. Information on investments in mainland China
- 1) Information on any investee company in mainland China, showing the name, principal business activities, paid-in capital, method of investment, inward and outward remittance of funds, ownership percentage, net income of investees, investment income or loss, carrying amount of the investment at the end of the year, repatriations of investment income, and limit on the amount of investment in the mainland China area (Table 9)
  - 2) Any of the following significant transactions with investee companies in mainland China, either directly or indirectly through a third party, and their prices, payment terms, and unrealized gains or losses (Note 33)
- c. Information of major shareholders: List all shareholders with ownership of 5% or greater showing the name of the shareholder, the number of shares owned, and percentage of ownership of each shareholder (None)

#### **40. Segment Information**

Disclosure of the segment information in standalone financial statements is waived.

Table 1 Financing provided to others

2023

Unit: NTD thousands

Serial number	Lending company	Borrower	Transaction Items	Related party	Current maximum amount	Closing balance	The actual amount drawn down	Interest rate range	Nature of loan	Business transaction amount	Reasons for the necessity of short-term financing	Allowance for bad debt	Collateral		Limit of loans to individual borrowers	Total limit of loans
													Name	Value		
0	TA YA ELECRIC WIRE & CABLE CO., LTD.	TA YA Innovation Investment Co., Ltd.	Accounts receivable	Yes	100,000	100,000	—	2.50%	Short-term financing	—	Operating turnover	—	—	—	2,855,897 (Note I)	5,711,795 (Note II)
0	TA YA ELECRIC WIRE & CABLE CO., LTD.	TA YA VENTURE CAPITAL CO., LTD.	Accounts receivable	Yes	100,000	100,000	—	2.50%	Short-term financing	—	Operating turnover	—	—	—	2,855,897 (Note I)	5,711,795 (Note II)
0	TA YA ELECRIC WIRE & CABLE CO., LTD.	JHIH-GUANG ENERGY CO., LTD.	Accounts receivable	Yes	100,000	100,000	100,000	2.50%	Short-term financing	—	Operating turnover	—	—	—	2,855,897 (Note I)	5,711,795 (Note II)
0	TA YA ELECRIC WIRE & CABLE CO., LTD.	UNION STORAGE ENERGY SYSTEM LTD.	Accounts receivable	Yes	30,000	30,000	—	2.50%	Short-term financing	—	Operating turnover	—	—	—	2,855,897 (Note I)	5,711,795 (Note II)
0	TA YA ELECRIC WIRE & CABLE CO., LTD.	CUPRIME MATERIAL CO., LTD.	Accounts receivable	Yes	100,000	—	—	1~3%	Short-term financing	—	Operating turnover	—	—	—	2,855,897 (Note I)	5,711,795 (Note II)
1	SIN JHONG SOLAR POWER CO., LTD.	JHIH-GUANG ENERGY CO., LTD.	Temporary payment	Yes	400,000	200,000	—	2.50%	Short-term financing	—	Operating turnover	—	—	—	409,467 (Note III)	409,467 (Note III)
2	Dongguan Huichang Plastic Material Co., Ltd	Huizhou Dayi Plastic New Material Co., Ltd.	Short-term borrowings	Yes	17,793	10,819	—	3.00%	Short-term financing	—	Operating turnover	—	—	—	33,893 (Note IV)	33,893 (Note IV)
3	TA YA GREEN ENERGY TECHNOLOGY CO., LTD.	JHIH-GUANG ENERGY CO., LTD.	Temporary payment	Yes	400,000	400,000	300,000	2.50%	Short-term financing	—	Operating turnover	—	—	—	1,506,039 (Note V)	1,506,039 (Note V)
4	BOSI SOLAR ENERGY CO., LTD.	JHIH-GUANG ENERGY CO., LTD.	Temporary payment	Yes	50,000	50,000	50,000	2.50%	Short-term financing	—	Operating turnover	—	—	—	161,680 (Note VI)	161,680 (Note VI)
5	TA YI PLASTIC (H.K.) LIMITED	Dongguan Huichang Plastic Material Co., Ltd	Other receivables	Yes	48,629	46,073	46,073	3.00%	Short-term financing	—	Operating turnover	—	—	—	95,617 (Note VII)	95,617 (Note VII)
6	TA YA GREEN ENERGY TECHNOLOGY CO., LTD.	BO-JIN ENERGY CO., LTD.	Temporary payment	Yes	5,000	—	—	2.50%	Short-term financing	—	Operating turnover	—	—	—	1,506,039 (Note V)	1,506,039 (Note V)
7	BO-JIN ENERGY CO., LTD.	JHIH-GUANG ENERGY CO., LTD.	Temporary payment	Yes	50,000	50,000	—	2.50%	Short-term financing	—	Operating turnover	—	—	—	99,926 (Note VIII)	99,926 (Note VIII)

Note I: The limit for the loaning of funds to individual borrowers shall not exceed 20% of the net worth of Ta YA Electronic WIRE & CABLE CO., LTD..

Note II: The limit for the loaning of funds to individual borrowers shall not exceed 40% of the net worth of Ta YA Electronic WIRE & CABLE CO., LTD..

Note III: The limit amount for the lending of funds to individual borrowers and the total limit are capped at 40% of the net worth of SIN JHONG SOLAR POWER CO., LTD..

Note IV: Dongguan Huichang Plastic Material Co., Ltd. Procedures for Loaning Funds to Others are as follows:

1. The amount of funds lending to individual borrowers shall not exceed 40% of the net worth of Dongguan Huichang Plastic Material Co., Ltd..

2. The total amount of loans shall not exceed 40% of the net worth of Dongguan Huichang Plastic Material Co., Ltd..

Note V: The limit amount for the lending of funds to individual borrowers and the total limit are capped at 40% of the net worth of Ta Ya Green Energy Technology Co., Ltd..

Note VI: The limit amount for loans to individual borrowers and the total limit are capped at 40% of the net worth of BOSI SOLAR ENERGY CO., LTD..

Note VII: TA YI PLASTIC (H.K.) LIMITED The operating procedures for lending funds to others are stipulated as follows:

The limit of the loaning of funds to individual borrowers and the total limit are both capped at TA YI PLASTIC (HK) Limited's 40% company net worth.

Note VIII: The limit amount for the lending of funds to individual borrowers and the total limit are capped at 40% of the net worth of BO-JIN ENERGY CO., LTD..

Table 2 Endorsements/guarantees provided

2023

Unit: NTD thousands

Serial number	Endorsing/guaranteeing company name	Counterparty of endorsements/guarantees		The limit of endorsements/guarantees for a single enterprise	Current maximum endorsement/guarantee balance	Ending balance of endorsements/guarantees	The actual amount drawn down	Endorsement/guarantee amount secured by property	Ratio of accumulated endorsement/guarantee amount to net worth as stated in the latest financial statement (%)	Maximum endorsements/guarantees	Endorsements/guarantees made by the parent company to subsidiaries	Endorsement/guarantee provided by the subsidiary to the parent company	Endorsements and guarantees in Mainland China
		Company Name	Relationship with the Company										
0	TA YA ELECRC WIRE & CABLE CO., LTD.	TAYA (CHINA) HOLDING LTD.	Subsidiary	5,711,795 (Note I)	2,042,397	1,935,045	1,028,953	—	13.55	8,567,693 (Note III)	Y	N	N
		TAYA ZHANGZHOU WIRES CABLE CO., LTD.	Third-tier subsidiary	5,711,795 (Note I)	69,701	66,037	—	—	0.46	8,567,693 (Note III)	Y	N	Y
		HENG YA ELECTRIC LTD.	Sub-subsidiary	5,711,795 (Note I)	991,155	92,145	—	—	0.65	8,567,693 (Note III)	Y	N	N
		HENG YA ELECTRIC (KUNSHAN) LTD.	Third-tier subsidiary	5,711,795 (Note I)	1,118,456	1,059,668	341,643	—	7.42	8,567,693 (Note III)	Y	N	Y
		Heng Ya Electric (Dongguan) Ltd.	Third-tier subsidiary	5,711,795 (Note I)	1,496,535	1,446,197	646,399	—	10.13	8,567,693 (Note III)	Y	N	Y
		UNION STORAGE ENERGY SYSTEM LTD.	Subsidiary	4,283,847 (Note II)	220,500	40,000	—	—	0.28	8,567,693 (Note III)	Y	N	N
1	CUPRIME MATERIAL CO., LTD.	CUGREEN METAL TECH CO., LTD.	Subsidiary	413,060 (Note IV)	50,000	50,000	—	—	4.84	619,589 (Note IV)	Y	N	N
2	TA YI PLASTIC (H.K.) LIMITED	Dongguan Huichang Plastic Material Co., Ltd	Subsidiary	143,427 (Note V)	97,257	92,145	48,037	19,136	38.55	167,331 (Note V)	Y	N	Y
3	HENG YA ELECTRIC LTD.	Heng Ya Electric (Dongguan) Ltd.	Subsidiary	1,014,362 (Note VI)	133,449	129,831	129,831	129,831	6.40	1,014,362 (Note VI)	Y	N	Y
		HENG YA ELECTRIC (KUNSHAN) LTD.	Subsidiary	1,014,362 (Note VI)	177,932	173,108	43,277	—	8.53	1,014,362 (Note VI)	Y	N	Y
4	TA YA GREEN ENERGY TECHNOLOGY CO., LTD.	SIN JHONG SOLAR POWER CO., LTD.	Subsidiary	5,647,649 (Note VII)	800,000	800,000	800,000	800,000	21.25	5,647,649 (Note VII)	Y	N	N
		JHHH-GUANG ENERGY CO., LTD.	Subsidiary	5,647,649 (Note VII)	724,200	724,200	724,200	724,200	19.23	5,647,649 (Note VII)	Y	N	N
		BO-JIN ENERGY CO., LTD.	Subsidiary	5,647,649 (Note VII)	500,000	—	—	—	-	5,647,649 (Note VII)	Y	N	N

Note I: For shareholding ratio of more than 90%, it shall not exceed 40% of the net worth of TA YA ELECRC WIRE & CABLE CO., LTD..

Note II: For shareholding ratio of 50% to 90%, it shall not exceed 30% of the net worth of TA YA ELECRC WIRE & CABLE CO., LTD..

Note III: The maximum amount of endorsements/guarantees shall not exceed 60% of the net worth of Ta Ya Electric WIRE & CABLE CO., LTD..

Note IV: The procedures for making endorsements/guarantees for others of CUPRIME MATERIAL CO., LTD. are as follows:

1. For those with a shareholding of more than 90%, it shall not exceed 40% of the net worth of CUPRIME MATERIAL CO., LTD..
2. For those with a shareholding ratio of 50% to 90%, it shall not exceed 20% of the net worth of CUPRIME MATERIAL CO., LTD..
3. The maximum amount of endorsements/guarantees shall not exceed 60% of the net worth of CUPRIME MATERIAL CO., LTD..

Note V: The Procedure for Endorsement/Guarantee for Others is stipulated by TAI-I Plastics (Hong Kong) Co., Ltd. as follows:

1. For those with a shareholding of more than 90%, it shall not exceed 60% of the net worth of TA YI PLASTIC CO., LTD..
2. For those with 50% to 90% shareholding ratio, it shall not exceed 50% of the net worth of TA YI PLASTIC CO., LTD..
3. The maximum amount of endorsements/guarantees shall not exceed 70% of the net worth of TA YI PLASTIC CO., LTD..

Note VI: The procedures for making endorsements/guarantees for others of HENG YA ELECTRIC LTD. are as follows:

1. For those with shareholding ratio of 100%, it shall not exceed 50% of the net worth of HENG YA ELECTRIC LTD..
2. The maximum amount of endorsements/guarantees shall not exceed 50% of the net worth of HENG YA ELECTRIC LTD..
3. The limit of endorsement and guarantee for a single company shall not exceed 50% of the net worth for the current period.

Note VII: The procedures for making endorsements/guarantees for others of TA YA GREEN ENERGY TECHNOLOGY CO., LTD. are as follows:

1. For those with shareholding of more than 90%, it shall not exceed 150% of the net worth of TA YA GREEN ENERGY TECHNOLOGY CO., LTD..
2. If the shareholding ratio is 50% to 90%, it shall not exceed 100% of the net worth of TA YA GREEN ENERGY TECHNOLOGY CO., LTD..
3. The maximum amount of endorsements/guarantees shall not exceed 150% of the net worth of TA YA GREEN ENERGY TECHNOLOGY CO., LTD..
4. The limit of endorsements/guarantees for a single company shall not exceed 150% of the net worth for the current period.

Table 3-1 Marketable securities held (excluding investments in subsidiaries, affiliates and joint ventures)

2023

Unit: NTD thousand, USD thousand and HKD thousand

Companies in possession	Type and name of marketable securities	Relationship with the securities issuer	Presentation Account	End of period				Remarks	
				Shares/Units	Carrying amount	Shareholding ratio (%)	Fair value		
TA YA ELECRIC WIRE & CABLE CO., LTD.	Shares - Taiwan Cogeneration Corporation	None	Financial assets measured at fair value through profit or loss - current	18,009,151	724,868	2.47	724,868		
	Shares - ASIX ELECTRONICS CORPORATION	None	Financial assets measured at fair value through profit or loss - current	20,000	2,660	0.03	2,660		
	Shares - Bora Pharmaceuticals Co., LTD.	None	Financial assets measured at fair value through profit or loss - current	201,374	128,678	0.20	128,678		
	Shares - PixArt Imaging Inc.	None	Financial assets measured at fair value through profit or loss - current	875,000	134,750	0.60	134,750		
	Shares - WinWay Technology Co., Ltd.	None	Financial assets measured at fair value through profit or loss - current	45,000	37,755	0.13	37,755		
	Shares - Tai Ching Technology Co., Ltd.	None	Financial assets measured at fair value through profit or loss - current	320,000	36,480	0.31	36,480		
	Shares - Wei Sheng Technology Co., Ltd.	None	Financial assets measured at fair value through profit or loss - current	208,980	9,185	0.22	9,185		
	Shares - Hua Li Co., Ltd.	None	Financial assets measured at fair value through profit or loss - current	328,000	32,341	0.14	32,341		
	Shares - Actron Technology Corporation	None	Financial assets measured at fair value through profit or loss - current	221,813	41,146	0.22	41,146		
	Shares - Phoenix Pioneer technology Co., Ltd.	None	Financial assets measured at fair value through profit or loss - current	522,000	9,083	0.18	9,083		
	Shares - HONG TAI ELECTRIC INDUSTRIAL CO., LTD.	None	Financial assets measured at fair value through profit or loss - current	100,000	2,830	0.03	2,830		
	Shares - HUA ENG WIRE AND CABLE CO., LTD.	None	Financial assets measured at fair value through profit or loss - current	100,000	2,145	0.02	2,145		
					1,161,921		1,161,921		
	Shares - NOWnews Network Co., Ltd.	None	Financial assets at fair value through profit or loss - non-current	4,895,786	48,327	7.80	48,327		
	Stock - TXOne Networks Inc.	None	Financial assets at fair value through profit or loss - non-current	727,273	128,498	1.30	128,498		
	Shares - Da Jun Venture Capital Co., Ltd.	The Company is a director of the company	Financial assets at fair value through profit or loss - non-current	4,000,000	40,000	10.67	40,000		
	Contribution - Cherubic Ventures Fund V, LP		Financial assets at fair value through profit or loss - non-current	—	115,135	3.18	115,135		
	Contribution - Cherubic Ventures Fund IV, LP		Financial assets at fair value through profit or loss - non-current	—	29,776	1.09	29,776		
	Contribution - Recall Capital Fund I LP		Financial assets at fair value through profit or loss - non-current	—	16,265	22.00	16,265		
					378,001		378,001		
	Shares - Taiwan Semiconductor Manufacturing Co., Ltd.	None	Financial assets measured at fair value through other comprehensive income - non-current	410,000	243,130	—	243,130		
	Shares - RADIANT OPTO-ELECTRONICS CORP.	None	Financial assets measured at fair value through other comprehensive income - non-current	800,000	106,400	0.17	106,400		
	Shares - FORTUNE ELECTRIC CO., LTD	None	Financial assets measured at fair value through other comprehensive income - non-current	121,000	39,567	0.05	39,567		
	Shares - Da Qing Energy Conservation Technology Co., Ltd.	None	Financial assets measured at fair value through other comprehensive income - non-current	3,500,000	17,152	5.00	17,152		
	Shares - TAS - Teleport Access Services	None	Financial assets measured at fair value through other comprehensive income - non-current	1,276,374	12,253	2.98	12,253		
	Shares - DAH CHUNG BILLS FINANCE CORP.	None	Financial assets measured at fair value through other comprehensive income - non-current	6,079,469	74,535	1.32	74,535		
	Shares - Sun Ba Power Corporation	The Company is the supervisor of the company	Financial assets measured at fair value through other comprehensive income - non-current	60,000,000	577,200	5.00	577,200		
	Shares - Yong Chuang Investment Co., Ltd.		Financial assets measured at fair value through other comprehensive income - non-current	2,915,000	29,080	13.92	29,080		
	Contribution - Taishan Buffalo No. 5 Venture Capital Limited Partnership		Financial assets measured at fair value through other comprehensive income - non-current	—	100,000	6.39	100,000		
					1,199,317		1,199,317		
	TA HENG ELECTRIC WIRE & CABLE CO., LTD.	Shares - Taiwan Semiconductor Manufacturing Co., Ltd.	None	Financial assets measured at fair value through other comprehensive income - current	43,000	25,499	—	25,499	
		Shares - Taiwan Cogeneration Corporation	None	Financial assets measured at fair value through other comprehensive income - current	72,226	2,907	0.01	2,907	
		Shares - Fubon Financial Holding Co., Ltd.	None	Financial assets measured at fair value through other comprehensive income - current	37,642	2,439	—	2,439	
		Shares - RADIANT OPTO-ELECTRONICS CORP.	None	Financial assets measured at fair value through other comprehensive income - current	10,000	1,330	—	1,330	
						32,175		32,175	
	TA YA VENTURE HOLDINGS LTD.	Stock - Novel Energy Technologies, Inc.	The Company is a director of the company	Financial assets at fair value through profit or loss - non-current	2,416,783	USD -	15.84	USD -	
		Stock - Theia Medical Technology Co.,Ltd.		Financial assets at fair value through profit or loss - non-current	8,874,433	USD -	14.90	USD -	
		Stock - Korro Bio Inc.		Financial assets at fair value through profit or loss - non-current	359	USD 17	—	USD 17	
		Stock - Regenacy Pharmaceuticals LLC		Financial assets at fair value through profit or loss - non-current	1,640,289	USD -	1.78	USD -	
						17		17	
		Stock - Capital Investment Development Corp.	None	Financial assets at fair value through other comprehensive income - non-current	602,564	USD 893	1.63	USD 893	
		Stock - CNC Distressed Opportunities Limited	None	Financial assets at fair value through other comprehensive income - non-current	1,182	USD 84	2.82	USD 84	
						977		977	
	LUCKY MAX CAPITAL INVESTMENT LIMITED	Capital - Zhen Xiang Management Consulting (Shanghai) Co., Ltd.	None	Financial assets at fair value through profit or loss - non-current	126,386	HKD 19,560	7.39	HKD 19,560	
	TA HO ENGINEERING, CO., LTD.	Stocks - TA YA ELECRIC WIRE & CABLE CO., LTD.	An equity-accounted investment company of TA HO Company	Financial assets measured at fair value through other comprehensive income - non-current	69,580	2,400	0.01	2,400	
		Shares - CATHAY FINANCIAL HOLDING CO., LTD.		Financial assets measured at fair value through other comprehensive income - non-current	7,151	327	—	327	
		Stock - Preferred Share A of Cathay Financial Holding Co., Ltd.		Financial assets measured at fair value through other comprehensive income - non-current	335	20	—	20	
Stock - Preferred share B of Cathay Financial Holding Co., Ltd.		Financial assets measured at fair value through other comprehensive income - non-current		278	17	—	17		
					2,764		2,764		
CUPRIME MATERIAL CO., LTD.	Shares - INNOCOMM MOBILE TECHNOLOGY CORPORATION	None	Financial assets measured at fair value through profit or loss - current	800,000	15,991	2.97	15,991		
	Shares - HONG TAI ELECTRIC INDUSTRIAL CO., LTD.	None	Financial assets measured at fair value through profit or loss - current	50,000	1,415	0.02	1,415		
	Shares - HUA ENG WIRE AND CABLE CO., LTD.	None	Financial assets measured at fair value through profit or loss - current	50,000	1,072	0.01	1,072		
					18,478		18,478		
	Stocks - TA YA ELECRIC WIRE & CABLE CO., LTD.	An investment company using the equity method of CUPRIME MATERIAL CO., LTD.	Financial assets measured at fair value through other comprehensive income - non-current	6,486,776	223,794	0.88	223,794		
	Shares - Taiwan Semiconductor Manufacturing Co., Ltd.		Financial assets measured at fair value through other comprehensive income - non-current	44,000	26,092	—	26,092		
	Shares - Fubon Financial Holding Co., Ltd.		Financial assets measured at fair value through other comprehensive income - non-current	75,286	4,878	—	4,878		
	Shares - Taiwan Cogeneration Corporation		Financial assets measured at fair value through other comprehensive income - non-current	96,301	3,876	0.01	3,876		
	Shares - TAS - Teleport Access Services		Financial assets measured at fair value through other comprehensive income - non-current	373,944	3,590	0.87	3,590		
					262,230		262,230		
	CUPRIME VENTURE HOLDING COMPANY LTD.	Stock - CNC PEP Asia Limited	None	Financial assets measured at fair value through other comprehensive income - non-current	1,489	USD 204	3.57	USD 204	
		Stock - CNC Distressed Opportunities Limited	None	Financial assets measured at fair value through other comprehensive income - non-current	1,182	USD 78	2.82	USD 78	
Stock - Capital Investment Development Corp.		None	Financial assets measured at fair value through other comprehensive income - non-current	200,855	USD 300	0.54	USD 300		
					582		582		
Dongguan Huichang Plastic Material	Contribution - Boluo Hua Xing Huizhou Flame Retardant Material Co., Ltd.	None	Financial assets measured at fair value through other comprehensive income - non-current	—	CNY 5,988	19.00	CNY 5,988		



Table 3-2 Marketable securities held (excluding investments in subsidiaries, affiliates and joint ventures)

Companies in possession	Type and name of marketable securities	Relationship with the securities issuer	Presentation Account	End of period				Remarks
				Shares/Units	Carrying amount	Shareholding ratio (%)	Fair value	
TA YA VENTURE CAPITAL CO., LTD.	Shares - Bora Pharmaceuticals Co., LTD.	The Company is a director of the company	Financial assets at fair value through profit or loss - non-current	3,893,482	2,487,935	3.84	2,487,935	
	Shares - WinWay Technology Co., Ltd.	None	Financial assets at fair value through profit or loss - non-current	326,312	273,776	0.94	273,776	
	Shares - Phoenix Pioneer technology Co., Ltd.	None	Financial assets at fair value through profit or loss - non-current	2,600,000	37,378	0.87	37,378	
	Shares - Eco-home Biotechnology Co., Ltd.	The Company is a director of the company	Financial assets at fair value through profit or loss - non-current	137,268	—	16.04	—	
	Shares - Noisy Incorporation	The Company is a director of the company	Financial assets at fair value through profit or loss - non-current	384,000	—	2.95	—	
	Shares - NUAZURE INNOVATIVE TECHNOLOGY CO., LTD.	The Company is a director of the company	Financial assets at fair value through profit or loss - non-current	335,000	—	4.07	—	
	Shares - Yong Jia Li Medical Technology Co., Ltd.	The Company is the supervisor of the company	Financial assets at fair value through profit or loss - non-current	2,176,815	—	12.28	—	
	Shares - Tsao Da mu Co., Ltd.	The Company is the supervisor of the company	Financial assets at fair value through profit or loss - non-current	1,248,000	—	10.83	—	
	Shares - SUPER MEDIA	The Company is a director of the company	Financial assets at fair value through profit or loss - non-current	124,381	—	5.28	—	
	Shares - FUKUTA ELECTRIC & MACHINERY CO., LTD.	None	Financial assets at fair value through profit or loss - non-current	896,650	84,226	1.76	84,226	
	Shares - Yicai Garden Corporation	The Company is a director of the company	Financial assets at fair value through profit or loss - non-current	270,000	—	14.21	—	
	Stock - iStaging Corp. (Cayman)	The Company is a director of the company	Financial assets at fair value through profit or loss - non-current	4,740,000	—	10.31	—	
	Shares - SAVITECH CORPORATION	The Company is a director of the company	Financial assets at fair value through profit or loss - non-current	962,500	19,718	2.87	19,718	
	Shares - Biodenta Corporation	None	Financial assets at fair value through profit or loss - non-current	5,325	—	0.59	—	
	Shares - FALLOW US. K.K.ORCHARD	None	Financial assets at fair value through profit or loss - non-current	2,500,460	40,635	9.46	40,635	
	Shares - HEALTHY LIVING BIOTECHNOLOGY CO, LTD. TAIWAN	None	Financial assets at fair value through profit or loss - non-current	2,420,000	—	4.03	—	
	Shares - Orient Union Optical Glass Co., Ltd.	None	Financial assets at fair value through profit or loss - non-current	1,107,367	9,898	5.83	9,898	
	Stock - Artluxe Corporation	None	Financial assets at fair value through profit or loss - non-current	392,160	28,110	0.56	28,110	
	Shares - NOWnews Network Co., Ltd.	The Company is a director of the company	Financial assets at fair value through profit or loss - non-current	800,000	5,600	1.27	5,600	
	Stock - T-E Pharma Holding	None	Financial assets at fair value through profit or loss - non-current	6,500,000	73,950	2.44	73,950	
	Stock - Nextdrive Inc. (Cayman)	None	Financial assets at fair value through profit or loss - non-current	185,000	18,500	0.98	18,500	
	Stock - Angiocrine Bioscience, Inc	None	Financial assets at fair value through profit or loss - non-current	651,084	27,875	0.84	27,875	
	Shares - Bora Biologics Co., Ltd.	None	Financial assets at fair value through profit or loss - non-current	2,100,000	58,800	3.50	58,800	
	Stock - TE Meds Holding	None	Financial assets at fair value through profit or loss - non-current	3,000,000	91,470	1.41	91,470	
	Stock - Theia Medical Technology Co.,Ltd.	None	Financial assets at fair value through profit or loss - non-current	30,720	30,720	4.66	30,720	
	Contribution - AMED VENTURES I, LP	None	Financial assets at fair value through profit or loss - non-current	—	36,468	4.56	36,468	
	Contribution - Cobro II, LP	None	Financial assets at fair value through profit or loss - non-current	—	16,354	—	16,354	
	Convertible bonds - JWC Investment & Consulting Ltd	None	Financial assets at fair value through profit or loss - non-current	—	46,230	—	46,230	
	Convertible bonds - Theia Medical Technology Ltd	None	Financial assets at fair value through profit or loss - non-current	—	30,720	—	30,720	
	Convertible bonds - iStaging Corp. (Cayman)	The Company is a director of the company	Financial assets at fair value through profit or loss - non-current	—	4,995	—	4,995	
	Convertible bonds - Syncell Inc.	None	Financial assets at fair value through profit or loss - non-current	—	47,857	—	47,857	
	Simple Agreement for Future Shareholdings - APPAEGIS INC. (DE).	None	Financial assets at fair value through profit or loss - non-current	—	30,945	—	30,945	
	Simple Agreement for Future Shareholdings - ATAYALAN, INC.	None	Financial assets at fair value through profit or loss - non-current	—	23,209	—	23,209	
					3,525,369		3,525,369	
TA YA Innovation Investment Co., Ltd.	Shares - Brightek Optoelectronic Co., Ltd.	None	Financial assets at fair value through profit or loss - non-current	622,200	25,541	0.92	25,541	
	Shares - WinWay Technology Co., Ltd.	None	Financial assets at fair value through profit or loss - non-current	148,199	124,339	0.43	124,339	
	Shares - PixArt Imaging Inc.	None	Financial assets at fair value through profit or loss - non-current	100,000	15,400	0.07	15,400	
	Shares - Wiltrom Co., Ltd.	None	Financial assets at fair value through profit or loss - non-current	143,000	5,155	0.49	5,155	
	Shares - Comtrend Corporation	None	Financial assets at fair value through profit or loss - non-current	68,000	3,795	0.12	3,795	
	Shares - Handa Electronics Belize Co., Ltd.	None	Financial assets at fair value through profit or loss - non-current	199,038	—	0.39	—	
	Shares - Green Rich Technology Co.,Ltd.	None	Financial assets at fair value through profit or loss - non-current	205,811	—	2.06	—	
	Stock - Golden Crown Green Energy Limited	None	Financial assets at fair value through profit or loss - non-current	4,775,000	—	0.90	—	
	Stock - Goldshine Limited	None	Financial assets at fair value through profit or loss - non-current	110,442	—	4.40	—	
	Shares - TRANSTEP TECHNOLOGY CORPORATION	None	Financial assets at fair value through profit or loss - non-current	375,000	—	3.87	—	
	Shares - ELE-CON TECHNOLOGY CO., LTD.	None	Financial assets at fair value through profit or loss - non-current	961,739	—	2.98	—	
	Shares - ASSEM TECHNOLOGY Co., LTD.	None	Financial assets at fair value through profit or loss - non-current	239,580	—	0.58	—	
	Shares - SAVITECH CORPORATION	The Company is the supervisor of the company	Financial assets at fair value through profit or loss - non-current	1,237,500	25,352	3.69	25,352	
	Shares - FullHope Biomedical Co.,Ltd.	The Company is a director of the company	Financial assets at fair value through profit or loss - non-current	2,615,000	45,537	6.76	45,537	
	Shares - INNOCOMM MOBILE TECHNOLOGY CORPORATION	None	Financial assets at fair value through profit or loss - non-current	1,300,000	26,005	4.83	26,005	
	Shares - FUKUTA ELECTRIC & MACHINERY CO., LTD.	None	Financial assets at fair value through profit or loss - non-current	389,031	36,541	0.76	36,541	
	Stock - Achieve Made International Limited	None	Financial assets at fair value through profit or loss - non-current	271,644	5,748	1.59	5,748	
	Shares - Du Qing Energy Conservation Technology Co., Ltd.	The Company is a director of the company	Financial assets at fair value through profit or loss - non-current	3,500,000	17,152	5.00	17,152	
	Stock - Nextdrive Inc. (Cayman)	None	Financial assets at fair value through profit or loss - non-current	165,230	16,523	0.87	16,523	
	Stock - Heroic Faith Medical Science Co., Ltd	None	Financial assets at fair value through profit or loss - non-current	1,255,334	27,727	7.06	27,727	
	Stock - Adona Medical Inc.	None	Financial assets at fair value through profit or loss - non-current	2,633,101	23,609	1.05	23,609	
	Stock - T-E Pharma Holding	None	Financial assets at fair value through profit or loss - non-current	6,000,000	68,488	2.25	68,488	
	Stock - SafeLiShare INC. (DE).	None	Financial assets at fair value through profit or loss - non-current	201,981	27,845	9.51	27,845	
	Shares - Tensor Technology Co., Ltd.	The Company is a director of the company	Financial assets at fair value through profit or loss - non-current	1,530,000	29,835	9.97	29,835	
	Stock - TXOne Networks Inc.	None	Financial assets at fair value through profit or loss - non-current	181,818	32,072	0.33	32,072	
	Stock - SmarterDX Aug 2023, a Series of CGF2021 LLC	None	Financial assets at fair value through profit or loss - non-current	82,904	10,463	0.49	10,463	
	Simple Agreement for Future Shareholding - Heroic Faith Medical Science Co., Ltd	None	Financial assets at fair value through profit or loss - non-current	—	9,585	—	9,585	
	Simple Agreement for the Equity in the Future - Tron Future Tech Co., Ltd.	None	Financial assets at fair value through profit or loss - non-current	—	64,000	—	64,000	
					640,712		640,712	
TA YA GENESIS CAPITAL CO., LTD.	Shares - AcrocYTE Therapeutics Inc.	None	Financial assets at fair value through profit or loss - non-current	2,933,334	44,000	10.11	44,000	
	Stock - 3NETS.IO INC. (DE)	None	Financial assets at fair value through profit or loss - non-current	366,667	16,918	5.29	16,918	
	Contribution - APPAEGIS INC. (DE).	None	Financial assets at fair value through profit or loss - non-current	196,540	6,964	3.08	6,964	
	Contribution - ATAYALAN, INC.	None	Financial assets at fair value through profit or loss - non-current	1,552,795	13,932	7.42	13,932	
	Contribution - TI-0925 Fund I, a series of TN Recall Ventures, LP	None	Financial assets at fair value through profit or loss - non-current	—	6,490	39.22	6,490	
					88,304		88,304	

Table 4 Marketable securities acquired or disposed of at costs or prices of at least NT\$300 million or 20% of the paid-in capital

2023

Unit: NTD thousands; HKD thousands

Buying/selling company	Type and name of marketable securities	Presentation Account	Counterparty of the transaction	Relationship	Beginning of period		Buying		Selling				End of period	
					Shares/Units (in thousands)	Amount	Shares/Units (in thousands)	Amount	Shares/Units (in thousands)	Selling price	Carrying cost	Disposal gain or loss	Shares/Units (in thousands)	Amount
TA YA ELECRIC WIRE & CABLE CO., LTD.	Stocks of listed (OTC) companies - WinWay Technology Co., Ltd.	Financial assets at fair value through profit or loss - current	—	None	509	212,762	127	83,537	591	386,388	229,844	156,544	45	37,755
	Stocks of listed (OTC) companies - Bora Pharmaceuticals Co., LTD.	Financial assets at fair value through profit or loss - current	—	None	1,003	415,766	173	92,079	975	691,820	161,141	530,679	201	128,678
	Equity investment in unlisted companies- TA YA ENERGY STORAGE TECHNOLOGY CO., LTD	Investment under equity method	Invested capital	Subsidiary	6,000	60,000	30,000	300,000	-	-	-	-	36,000	360,000
TA YA VENTURE CAPITAL CO., LTD.	Stocks of listed (OTC) companies - WinWay Technology Co., Ltd.	Financial assets at fair value through profit or loss - non-current	—	None	972	406,426	300	210,678	946	648,584	135,142	513,442	326	273,776
TA YA (KUNSHAN) HOLDING LTD.	Equity investment in unlisted companies- HENG YA ELECTRIC (KUNSHAN) LTD.	Investment under equity method	HENG YA ELECTRIC LTD.	Same parent company	-	-	23,200	HKD 183,300	-	-	-	-	23,200	HKD 183,300
TA YA ENERGY STORAGE TECHNOLOGY CO., LTD	Equity investment in unlisted companies- INFINITY ENERGY STORAGE TECHNOLOGY CO., LTD.	Investment under equity method	Invested capital	Subsidiary	-	-	50	300,000	-	-	-	-	50	300,000

Table 5 Acquisition of individual real estate at costs of at least NTS300 million or 20% of the paid-in capital

2023

Unit: NTD thousands

Real estate acquiring company	Property name	Date of occurrence	Transaction amount	Status of payment	Name of counterparty	Relationship	If the trading counterparty is a related party, the information of the previous transfer				References for price determination	Purpose of Acquisition and Situation of Use	Other covenants
							All owners	Relationship with the issuer	Date of transfer	Amount			
TA YA ELECTRIC WIRE & CABLE CO., LTD	Real estate	2023/07/04	395,880	Paid in accordance with the contract	YUE LAI CONSTRUCTION CO., LTD.	None	Not applicable	Not applicable	Not applicable	Not applicable	Price comparison and negotiation	Parking spaces for the Company's offices and employees	None

Table 6-1 Total purchases from or sales to related parties amounting to at least NT\$100 million or 20% of the paid-in capital

2023

Unit: NTD thousands

Purchasing ( selling ) company	Name of counterparty	Relationship	Transaction status				Circumstances and reasons for the difference between the		Notes/Accounts Receivable ( Payable )		Remarks
			Purchase ( sale ) goods	Amount	Percentage of total purchase ( sales )	Credit period	Unit price	Credit period	Balance	Percentage of total accounts receivable ( payable )	
TA YA ELECTRIC WIRE & CABLE CO., LTD.	TA HENG ELECTRIC WIRE & CABLE CO., LTD.	Subsidiary	Sale of goods	(1,292,545)	8.8%	Monthly Statement Demand Note	Note	Note	137,260	(8.2)%	None
	TA HENG ELECTRIC WIRE & CABLE CO., LTD.	Subsidiary	Purchase of goods	1,393,122	11.0%	Monthly settlement 75 days	Note	Note	(152,872)	(28.9)%	None
	UNITED ELECTRIC INDUSTRY CO., LTD.	Subsidiary	Purchase of goods	216,678	1.7%	From the 30th to the 60th day	Note	Note	(883)	(0.2)%	None
	CUPRIME MATERIAL CO., LTD.	Subsidiary	Purchase of goods	122,855	1.0%	Monthly settlement 30 days	Note	Note	(11,703)	(2.2)%	None

Note: The terms and conditions of the transaction are not significantly different from those with non-related parties.

Table 6-2 Total purchases from or sales to related parties amounting to at least NT\$100 million or 20% of the paid-in capital

2023

Unit: NTD thousands

Purchasing ( selling ) company	Counterparty of the transaction	Relationship	Transaction status				Circumstances and reasons for the difference between the transaction conditions and general transactions		Notes/Accounts Receivable ( Payable )		Remarks
			Purchase ( sale ) goods	Amount	Percentage of total purchase ( sales )	Credit period	Unit price	Credit period	Balance	Percentage of total accounts receivable ( payable )	
TA HENG ELECTRIC WIRE & CABLE CO., LTD.	TA YA ELECRC WIRE & CABLE CO., LTD.	Parent company	Purchase of goods	1,292,545	83.7%	Monthly Statement Demand Note	Note	Note	(137,260)	(72.8)%	
	TA YA ELECRC WIRE & CABLE CO., LTD.	Parent company	Sale of goods	(1,393,122)	(76.2)%	Monthly settlement 75 days	Note	Note	152,872	72.0%	
HENGTS TECHNOLOGY CO., LTD.	JHIH-GUANG ENERGY CO., LTD.	Subsidiary of affiliated enterprise	Contract construction revenue	(1,017,787)	(56.7)%	Payment based on project progress	Note	Note	4,107	0.7%	
	BOSI SOLAR ENERGY CO., LTD.	Subsidiary of affiliated enterprise	Contract construction revenue	(184,573)	(10.3)%	Payment based on project progress	Note	Note	2,627	0.4%	
CUPRIME MATERIAL CO., LTD.	TA YA ELECRC WIRE & CABLE CO., LTD.	Parent company	Sale of goods	(122,855)	(3.7)%	Monthly settlement 30 days	Note	Note	11,703	2.8%	
	JUNG SHING WIRE CO., LTD.	Other related party	Sale of goods	(263,808)	(7.9)%	Monthly settlement 30 days	Note	Note	25,255	6.1%	
TAYA ZHANGZHOU WIRES CABLE CO., LTD.	Heng Ya Electric (Dongguan) Ltd.	Same ultimate parent company	Sale of goods	(187,241)	(99.5)%	Monthly settlement 90 days	Note	Note	3,570	94.4%	
Heng Ya Electric (Dongguan) Ltd.	TAYA ZHANGZHOU WIRES CABLE CO., LTD.	Same ultimate parent company	Purchase of goods	187,241	(7.1)%	Monthly settlement 90 days	Note	Note	(3,570)	11.6%	
UNITED ELECTRIC INDUSTRY CO., LTD.	TA YA ELECRC WIRE & CABLE CO., LTD.	Parent company	Sale of goods	(216,678)	(18.4)%	From the 30th to the 60th day	Note	Note	883	1.1%	
SIN JHONG SOLAR POWER CO., LTD.	BO YAO POWER CO., LTD.	Same parent company	Sale of goods	(210,060)	(37.6)%	Monthly settlement 25 days	Note	Note	25,452	54.6%	
BO YAO POWER CO., LTD.	SIN JHONG SOLAR POWER CO., LTD.	Same parent company	Purchase of goods	210,060	96.6%	Monthly settlement 25 days	Note	Note	(25,452)	97.4%	
UNION STORAGE ENERGY SYSTEM LTD.	TA YA ELECRC WIRE & CABLE CO., LTD.	Parent company	Contract construction revenue	(102,048)	(8.8)%	Payment based on project progress	Note	Note	—	0.0%	
	JHIH-GUANG ENERGY CO., LTD.	Same ultimate parent company	Contract construction revenue	(1,021,200)	(88.2)%	Payment based on project progress	Note	Note	56,700	98.6%	

Note: The terms and conditions of the transaction are not significantly different from those with non-related parties.

Table 7 Names, locations, and related information of investees over which the group exercises significant influence (excluding mainland China investee companies)

2023

Unit: NTD thousand unless otherwise stated														
Name of Investment Company	Name of investee	Location of the area	Main business items	Initial investment amount		Held at end of period		Investee profit or loss for the period		Investment gains and losses recognized by the Company		Remarks		
				End of current period	End of last year	Number of shares	Ratio	Carrying amount						
TA YA ELECTRIC WIRE & CABLE CO., LTD.	TA YA (CHINA) HOLDING LTD.	Tortola British Virgin Islands	Investment	1,727,582	1,727,582	54,400,000	100.00	613,426		(166,562)	(166,562)		Subsidiary	
	TA YA VENTURE HOLDINGS LTD.	Tortola British Virgin Islands	Investment	405,380	405,380	12,520,000	100.00	133,000		(81,952)	(81,952)		Subsidiary	
	TA YA (Vietnam) INVESTMENT HOLDING LTD.	Tortola British Virgin Islands	Investment	291,009	291,009	9,000,000	100.00	413,624		7,546	7,546		Subsidiary	
	TA YA ELECTRIC WIRE & CABLE (H.K.) CO., LTD.	Hong Kong	Sales agency	68	68	19,998	99.99	—		—	—		Subsidiary (Note)	
	PLASTIC TECHNOLOGY INVESTMENT HOLDING LTD.	Tortola British Virgin Islands	Investment	49,420	49,420	7,827,112	25.60	61,227		(9,356)	(2,395)		Subsidiary	
	TA YA Innovation Investment Co., Ltd.	New Taipei City	Investment	600,000	600,000	78,450,000	100.00	899,716			122,437		Subsidiary	
	TA YA VENTURE CAPITAL CO., LTD.	Taipei City	Investment	851,733	851,733	220,278,790	96.87	3,772,400		1,452,525	1,407,067		Subsidiary	
	TA HENG ELECTRIC WIRE & CABLE CO., LTD.	Tainan City	Electronic wire	131,922	131,922	16,688,170	61.36	308,399		135,100	71,358		Subsidiary	
	TA HO ENGINEERING CO., LTD.	Tainan City	Cable design and construction	12,000	12,000	1,199,998	48.00	47,056		30,483	14,599		Subsidiary	
	CUPRIME MATERIAL CO., LTD.	New Taipei City	Copper melting and copper ingot rolling	349,094	349,094	37,729,324	54.01	435,795		73,121	35,597		Subsidiary	
	TA YI PLASTIC CO., LTD.	Tainan City	Plastic materials	29,882	29,882	3,955,421	48.24	37,657		(3,985)	(1,922)		Subsidiary	
	UNITED ELECTRIC INDUSTRY CO., LTD.	New Taipei City	Cable splicing material	133,793	133,793	35,676,521	42.78	594,900		383,812	172,383		Subsidiary	
	TA YA GREEN ENERGY TECHNOLOGY CO., LTD.	Tainan City	Energy Technology	2,404,550	2,192,050	277,625,904	85.00	3,132,244		432,901	368,063		Subsidiary	
	UNION STORAGE ENERGY SYSTEM LTD.	New Taipei City	Other management consulting services	70,316	70,316	5,104,843	70.00	8,320		36,715	(26,347)		Subsidiary	
	TA YA GENESIS CAPITAL CO., LTD.	New Taipei City	Investment	100,000	100,000	10,000,000	100.00	100,045		63	63		Subsidiary	
	TA YA ENERGY STORAGE TECHNOLOGY CO., LTD	Tainan City	Energy technology service	360,000	60,000	36,000,000	100.00	357,060		(2,315)	(2,312)		Subsidiary	
	AMIT SYSTEM SERVICE LTD.	New Taipei City	Information supply service	27,976	23,932	1,016,365	37.14	6,786		(9,090)	(2,943)		Invested company under the equity method	
	AD ENGINEERING CORPORATION	Tainan City	Electrical equipment engineering	47,680	47,680	8,099,952	27.00	129,281		50,137	13,537		Invested company under the equity method	
	JUNG SHING WIRE CO., LTD.	Tainan City	Manufacturing, processing, and sale of Magnet Wire	551,907	522,897	41,285,065	26.16	600,562		14,682	3,764		Invested company under the equity method	
	HENGST TECHNOLOGY CO., LTD.	Tainan City	Photoelectric related	149,341	100,276	6,031,950	9.06	123,586		16,472	493		Invested company under the equity method	
				8,293,653	7,699,034			11,775,004		2,482,728	1,932,474			
TA YA (CHINA) HOLDING LTD.	HENG YA ELECTRIC LTD.	Hong Kong	Electric wire and cable trading	HKD 581,716	HKD 581,716	\$ in thousands 581,716,000	100.00	HKD 515,781	\$ in thousands (11,005)	HKD (11,005)	\$ in thousands (11,005)		Subsidiary	
	TA YA (ZHANGZHOU) HOLDING LTD	Hong Kong	Investment	USD 9,200	USD 9,200	\$ in thousands 9,200,000	100.00	HKD (14,294)	\$ in thousands (7,625)	HKD (8,229)	\$ in thousands (8,229)		Subsidiary (Note)	
	TA YA (KUNSHAN) HOLDING LTD	Hong Kong	Investment	USD 200	USD 200	\$ in thousands 200,000	100.00	HKD (85,033)	\$ in thousands (3,904)	HKD (3,904)	\$ in thousands (3,904)		Subsidiary (Note)	
TA YA (Vietnam) INVESTMENT HOLDING LTD.	TA YA VIETNAM (cayman) HOLDINGS LTD.	Cayman	Investment	USD 7,950	USD 7,950	\$ in thousands 7,950,000	75.00	USD 11,903	\$ in thousands (29)	USD (21)	\$ in thousands (21)		Subsidiary	
	TECO (Vietnam) ELECTRIC & MACHINERY CO., LTD.	Vietnam	Production of various electric motor, converters, and various Home appliances	USD 1,370	USD 1,370	\$ in thousands 5,735,316	20.00	USD 1,548	\$ in thousands 1,346	USD 269	\$ in thousands		Invested company under the equity method	
TA YA VIETNAM (cayman) HOLDINGS LTD.	TA YA (Vietnam) ELECTRIC WIRE & CABLE JOINT STOCK COMPANY	Vietnam	Construction wires	USD 10,505	USD 10,505	\$ in thousands 24,555,172	80.00	USD 15,834	\$ in thousands (23)	USD (18)	\$ in thousands		Third-tier subsidiary	
TA YA VENTURE HOLDINGS LTD.	Ono2 Holdings Corporation	Cayman	Preschool aesthetic education	USD 542	USD 542	\$ in thousands 24,877,296	4.82	USD —	\$ in thousands (14,692)	RMB (14,692)	\$ in thousands	USD —	\$ in thousands	Invested company under the equity method
	LUCKY MAX CAPITAL INVESTMENT LTD.	Hong Kong	Investment	USD 2,549	USD 2,549	\$ in thousands 19,875,000	100.00	USD 2,528	\$ in thousands (3)	USD (3)	\$ in thousands	USD (3)	\$ in thousands	Subsidiary
TA HENG ELECTRIC WIRE & CABLE CO., LTD.	TA YI PLASTIC CO., LTD.	Tainan City	Plastic materials	2,000	2,000	517,895	6.32	4,933	(3,985)	(252)			Subsidiary	
	AD ENGINEERING CORPORATION	Tainan City	Electrical equipment engineering	17	17	1,596	—	26	50,137	3			Invested company under the equity method	
TA YI PLASTIC CO., LTD.	PLASTIC TECHNOLOGY INVESTMENT HOLDING LTD.	Tortola British Virgin Islands	Investment	HKD 10,252	HKD 10,252	\$ in thousands 10,252,294	33.53	80,193	(9,356)	(3,137)			Subsidiary	
PLASTIC TECHNOLOGY INVESTMENT HOLDING LTD.	TA YI PLASTIC (H.K.) LTD.	Hong Kong	Electric wire and cable manufacturing and processing	HKD 37,000	HKD 37,000	\$ in thousands 37,000,000	100.00	HKD 60,775	\$ in thousands (2,354)	HKD (2,354)	\$ in thousands		Third-tier subsidiary	
TA YA GREEN ENERGY TECHNOLOGY CO., LTD.	BOSI SOLAR ENERGY CO., LTD.	Tainan City	Energy technology service	160,000	160,000	33,836,500	100.00	404,201	43,833	43,833			Subsidiary	
	TOUCH SOLAR POWER CO., LTD.	Tainan City	Electric Power Generation	35,000	35,000	3,500,000	100.00	40,890	3,097	3,097			Subsidiary	
	BRAVO SOLAR POWER CO., LTD.	Kaohsiung City	Electric Power Generation	100,597	100,597	10,000,000	100.00	112,703	8,127	8,127			Subsidiary	
	SIN JHONG SOLAR POWER CO., LTD.	Tainan City	Electric Power Generation	800,000	800,000	80,000,000	100.00	1,023,670	182,557	182,557			Subsidiary	
	BO YAO POWER CO., LTD.	Tainan City	Energy technology service	1,000	1,000	100,000	100.00	759	(65)	(65)			Subsidiary	
	JHJH-GUANG ENERGY CO., LTD.	Tainan City	Electric Power Generation	1,415,505	1,415,505	142,000,000	100.00	1,549,798	187,858	187,858			Subsidiary	
	BO-JIN ENERGY CO., LTD.	Tainan City	Energy technology service	250,100	—	25,010,000	100.00	249,815	(285)	(285)			Subsidiary	
				10	10	1,351	—	15	432,901	2			Subsidiary	
TA YA VENTURE CAPITAL CO., LTD.	TA YA GREEN ENERGY TECHNOLOGY CO., LTD.	Tainan City	Energy Technology	10	10	1,351	—	15	432,901	2			Subsidiary	
	Ono2 Holdings Corporation	Cayman	Preschool aesthetic education	29,985	29,985	47,619,048	9.92	—	RMB (14,692)	\$ in thousands			Invested company under the equity method	
	TENART BIOTECH LIMITED.	Taipei City	Cosmetic medicine related	20,000	20,000	1,250,000	21.34	25,279	33,274	7,120			Invested company under the equity method	
	HENGST TECHNOLOGY CO., LTD.	Tainan City	Photoelectric related	88,390	88,390	7,503,422	11.27	154,069	16,472	1,901			Invested company under the equity method	
	UNITED ELECTRIC INDUSTRY CO., LTD.	New Taipei City	Cable splicing material	13	13	1,641	—	28	383,812	8			Subsidiary	
TA YA Innovation Investment Co., Ltd.	Ono2 Holdings Corporation	Cayman	Preschool aesthetic education	32,800	32,800	25,295,740	5.27	—	RMB (14,692)	\$ in thousands			Invested company under the equity method	
	TENART BIOTECH LIMITED.	Taipei City	Cosmetic medicine related	10,625	10,625	187,129	3.19	3,779	33,274	1,065			Invested company under the equity method	
	HENGST TECHNOLOGY CO., LTD.	Tainan City	Photoelectric related	35,363	35,363	3,649,628	5.48	67,082	16,472	924			Invested company under the equity method	
TA YA ENERGY STORAGE TECHNOLOGY CO., LTD	BO FENG ENERGY STORAGE CO., LTD.	Tainan City	Energy technology service	50	—	5,000	100.00	9	(41)	(41)			Subsidiary	
	BO SHENG ENERGY STORAGE CO., LTD.	Tainan City	Energy technology service	50	—	5,000	100.00	9	(41)	(41)			Subsidiary	
	INFINITY ENERGY STORAGE TECHNOLOGY CO., LTD.	Tainan City	Energy technology service	300,000	—	50,000	100.00	300,143	143	143			Subsidiary	
				63,270	63,270	3,255,000	100.00	75,147	1,599	1,599			Subsidiary	
CUPRIME MATERIAL CO., LTD.	CUPRIME MATERIAL PTE LTD.	Singapore	Investment	76,217	76,217	2,400,000	100.00	55,212	2,183	2,183			Subsidiary	
	CUPRIME VENTURE HOLDING COMPANY LTD.	Tortola British Virgin Islands	Investment	97,242	97,242	285	100.00	125,740	(227)	(227)			Subsidiary	
	CUPRIME INVESTMENT HOLDING COMPANY LIMITED	Tortola British Virgin Islands	Investment	27,465	27,465	7,105,263	3.12	121,501	1,452,525	45,319			Subsidiary	
	TA YA VENTURE CAPITAL CO., LTD.	New Taipei City	Investment	6,000	6,000	759,000	2.79	15,387	135,100	3,769			Subsidiary	
	TA HENG ELECTRIC WIRE & CABLE CO., LTD.	Tainan City	Electronic wire	435,891	435,891	14,151,028	98.78	135,935	(7,339)	(7,700)			Subsidiary	
	CUGREEN METAL TECH CO., LTD.	Taoyuan City	OEM production of copper carbonate powder and copper oxide powder										Subsidiary	
				SGD 3,247	SGD 3,247	\$ in thousands 18,000,000	100.00	SGD 3,215	\$ in thousands 78,300	SGD 78,300	\$ in thousands		Third-tier subsidiary	
	CUPRIME MATERIAL PTE LTD.	CUPRIME ELECTRIC WIRE & CABLE(H.K.) CO., LTD.	Hong Kong	Investment	USD 2,650	USD 2,650	\$ in thousands 2,650,000	25.00	USD 3,968	\$ in thousands (29)	USD (8)	\$ in thousands		Subsidiary
CUPRIME INVESTMENT HOLDING COMPANY LIMITED	TA YA VIETNAM (cayman) HOLDINGS LTD.	Cayman	Investment	USD 2,650	USD 2,650	\$ in thousands 2,650,000	25.00	USD 3,968	\$ in thousands (29)	USD (8)	\$ in thousands		Subsidiary	

Note: The investee incurs a loss. The Company recognizes the additional loss within the legal obligation, presumed obligation or the payment on behalf of the affiliated company, so it has been transferred to Other Liabilities - Others.

Table 8 Receivables from related parties amounting to at least NT\$100 million or 20% of the paid-in capital

2023

Unit: NTD thousands

Company with receivables accounted	Counterparty of the transaction	Relationship	Balance of receivables from related parties	Turnover rate	Overdue receivables from related parties		Subsequent recovery amount of receivables from related parties (Note 1)	Allowance for bad debt
					Amount	Processing method		
TA YA ELECRC WIRE & CABLE CO., LTD.	TA HENG ELECTRIC WIRE & CABLE CO., LTD.	Subsidiary	137,260	11.47	—	None	137,260	—
	JHIH-GUANG ENERGY CO., LTD.	Sub-subsidiary	100,308	(Note 2)	—	None	—	—
TA HENG ELECTRIC WIRE & CABLE CO., LTD.	TA YA ELECRC WIRE & CABLE CO., LTD.	Parent company	152,872	10.17	—	None	152,872	—
HENG YA ELECTRIC LTD.	TA YA (KUNSHAN) HOLDING LTD.	Same parent company	720,974	(Note 3)	—	None	—	—
HENG YA ELECTRIC LTD.	TA YA (ZHANGZHOU) HOLDING LIMITED.	Same parent company	276,118	(Note 3)	—	None	—	—
TA YA GREEN ENERGY TECHNOLOGY CO., LTD.	JHIH-GUANG ENERGY CO., LTD.	Subsidiary	304,089	(Note 2)	—	None	—	—

Note 1: Information as of March 5, 2023.

Note 2: It is a loan of funds, so the turnover rate is not calculated.

Note 3: It belongs to equity transaction, so turnover rate is not calculated.

Table 9 Information on investments in mainland China

2023

Unit: Unless otherwise stated, balances are NTD thousand

Name of investee company in Mainland China	Main business items	Paid-in Capital	Investment method (Note I)	Accumulated investment amount remitted from Taiwan at the beginning of current period	Investment amount remitted or recovered in the current period		Accumulated investment amount remitted from Taiwan at the end of the period (Note IV)	Investee profit or loss for the period	The Company's shareholding ratio in direct or	Investment gains and losses recognized in the current period (Note III)	Book value of investment at the end of the period	Investment income repatriated to Taiwan as of current period
					Outward remittance	Recovered						
HENG YA ELECTRIC (KUNSHAN) LTD.	Magnet Wire production and processing	743,757 (USD 23,200,000)	(2)	317,269 (USD 10,000,000)	—	—	317,269 (USD 10,000,000)	(15,187) (RMB(3,460) thousand)	100%	(15,187) (RMB(3,460) thousand)	391,179 (RMB 90,387 thousand)	—
TAYA ZHANGZHOU WIRES CABLE CO., LTD.	Production and sale of precision Magnet wires and triple-layer insulated wires	527,658 (USD 18,000,000)	(2)	363,605 (USD 12,500,000)	—	—	363,605 (USD 12,500,000)	(36,988) (RMB(8,427) thousand)	100%	(36,988) (RMB(8,427) thousand)	216,441 (RMB 50,012 thousand)	—
Heng Ya Electric (Dongguan) Ltd.	Production and sale of precision Magnet wires and triple-layer insulated wires	540,575 (USD 18,200,000)	(2)	187,020 (USD 6,200,000)	—	—	187,020 (USD 6,200,000)	(23,651) (RMB(5,388) thousand)	100%	(24,178) (RMB(5,508) thousand)	448,208 (RMB 103,565 thousand)	—
DONGGUAN HUI CHANG PLASTIC CO., LTD	Production and sale of plastic pellets	10,507 (USD 351,244)	(2)	—	—	—	—	21,301 (RMB 4,853 thousand)	43.11%	9,183 (RMB 2,092 thousand)	36,530 (RMB 8,441 thousand)	—
Boluo Huaxing Flame Retardant Material Co., Ltd.	Production, processing and manufacturing of antimony oxide and flame retardant materials	17,352 (RMB 3,600,000)	(3)	—	—	—	—	13,560 (RMB 3,089 thousand)	8.19%	1,435 (RMB 327 thousand)	11,172 (RMB 2,581 thousand)	—
DONGGUAN HUI JI PLASTIC CO., LTD	Production and sale of plastic pellets	13,726 (USD 442,210)	(2)	—	—	—	—	(29,494) (HKD (7,420) thousand)	43.11%	(12,715) (HKD (3,199) thousand)	6,507 (HKD 1,654 thousand)	—
TA YI PLASTIC LTD.	Production and sale of plastic pellets	67,489 (RMB 14,850,000)	(2)	—	—	—	—	(15,782) (RMB(3,595) thousand)	42.68%	(6,736) (RMB(1,534) thousand)	17,542 (RMB 4,053 thousand)	—
Huizhou Huaxing Intelligent Equipment Co., Ltd.	Production and sale of automated equipment and robots	37,395 (RMB 8,400,000)	(2)	—	—	—	—	— (RMB 0 thousand)	17.93%	— (RMB 0 thousand)	27,860 (RMB 6,302 thousand)	—

Accumulated amount of remittance from Taiwan to Mainland China at the end of the period	Amount of investment approved by the Investment Commission, Ministry of Economic Affairs	Limit of investment in Mainland China stipulated by the Investment Commission, MOEA (Note II)
867,894 US\$28,700,000	2,157,309 US\$70,236,363	8,567,693

Note I: Investment methods are divided into the following three types. It is sufficient to indicate the type of investment:

- (1) Direct investment in Mainland China.
- (2) Reinvest in Mainland China through a company in a third region.
- (3) Other methods.

Note II: Based on the "Principle for the Review of Investment or Technical Cooperation in Mainland China" newly revised on August 29, 2008. Calculated based on the limit of the net worth:  $14,279,489 \times 60\% = 8,567,693$  (60% of the current net worth).

Note III: The investment gains and losses recognized in the current period are based on the financial statements of the parent company in Taiwan and audited by a CPA.

Note IV: The accumulated outward remittance from subsidiaries for investment in Mainland China amounted to US\$45,646,341 at the end of the period.



TA YA ELECRIC WIRE & CABLE CO., LTD.  
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TA YA ELECRIC WIRE & CABLE CO., LTD.

Statement of cash and cash equivalents

December 31, 2023

Statement 1

Unit: Amount unless otherwise specified

, the remainder is in thousands of NTD

Item	Summary		Amount
Cash on hand			\$ 6,134
Check deposits			448,629
Demand deposits			1,057,968
Foreign currency deposits	Original currency (NTD thousand)	Exchange rate	
	USD	2,676.00 30.7150	82,200
	CHF	6.00 36.4855	219
	JPY	180,424.00 0.2155	38,881
	HK	2,263.00 3.9333	8,901
	EUR	13.00 33.9800	442
	CNY	3,109.00 4.3277	13,455
			<u>\$ 1,656,829</u>

TA YA ELECRIE WIRE & CABLE CO., LTD.

Statement of financial instruments at fair value through profit or loss - current

December 31, 2023

Statement 2

Unit: NTD thousand, except for unit prices in NTD

				Fair value	
Name of financial instrument	Summary	Shares/Units	Cost of acquisition	Unit price	Total price
Financial assets measured at fair value through profit or loss					
Listed (OTC) company stocks					
Bora Pharmaceuticals Co., LTD.	Stocks	201,374	\$ 93,413	639.00	\$ 128,678
PixArt Imaging Inc.	Stocks	875,000	151,739	154.00	134,750
Actron Technology Corporation	Stocks	221,813	36,800	185.50	41,146
ASIX ELECTRONICS CORPORATION	Stocks	20,000	1,789	133.00	2,660
TAI-TECH ADVANCED ELECTRONICS CO., LTD.	Stocks	320,000	41,853	114.00	36,480
CUBTEK INC.	Stocks	208,980	17,722	43.95	9,185
WAH LEE INDUSTRIAL CORP.	Stocks	328,000	30,159	98.60	32,341
WinWay Technology Co., Ltd.	Stocks	45,000	29,737	839.00	37,755
Taiwan Cogeneration Corporation	Stocks	18,009,151	363,272	40.25	724,868
Phoenix Pioneer technology Co., Ltd.	Stocks	522,000	10,461	17.40	9,083
HONG TAI ELECTRIC INDUSTRIAL CO., LTD.	Stocks	100,000	2,516	28.30	2,830
HUA ENG WIRE AND CABLE CO., LTD.	Stocks	100,000	1,935	21.45	2,145
			781,396		1,161,921
Metal Commodity	Financial derivatives		125,318		125,318
			906,714		\$ 1,287,239
Valuation adjustment of financial assets measured at fair value through profit or loss			380,525		
			\$ 1,287,239		

TA YA ELECRIC WIRE & CABLE CO., LTD.

Statement of notes receivable

December 31, 2023

Statement 3

Unit: NTD thousands

Customer name	Summary	Amount
5188121	Payment notes	\$ 22,998
5132000	Payment notes	10,870
6320600	Payment notes	13,165
6370505	Payment notes	13,891
7655300	Payment notes	12,270
Others (the balance of each household does not exceed 5% of the value of this item)	Payment notes	80,560
		153,754
Less: Loss allowance		—
Net Amount		\$ 153,754

TA YA ELECRIC WIRE & CABLE CO., LTD.

Statement of trade receivables

December 31, 2023

Statement 4

Unit: NTD thousands

Customer name	Summary	Amount
02S0949	Accounts to be received	78,923
0682000	Accounts to be received	137,260
5110100	Accounts to be received	99,291
5110105	Accounts to be received	183,143
Others (the balance of each household does not exceed 5% of the value of this item)	Accounts to be received	1,048,012
		<u>1,546,629</u>
Less: Loss allowance		<u>(34,541)</u>
Net Amount		<u>\$ 1,512,088</u>

TA YA ELECRIC WIRE & CABLE CO., LTD.

Statement of other receivables

December 31, 2023

Statement 5

Unit: NTD thousands

Item	Summary	Amount
Other	Derivative income	\$ 11,599
Other	Energy technology service	2,950
Other	Dividends receivable	1,230
Other	Loaning of funds	100,000
Other	Other	1,592
		<u>\$ 117,371</u>

TA YA ELECRIC WIRE & CABLE CO., LTD.

Statement of inventories(manufacturing)

December 31, 2023

Statement 6

Unit: NTD thousands

Item	Summary	Cost	Net realizable value
Raw materials	Oxygen-free copper, multilayer lead wire, copper tape, SCR copper wire and various pigments, etc.	\$ 892,383	\$ 904,140
Materials	Eye mold, iron shaft and PE extension tape, etc.	9,976	20,794
Work in process	Various wires and cables in process	1,011,631	2,707,211
Semi-finished product	Plastic pellets	10,651	10,639
Finished goods	PVC wire and cable, rubber cable and XLPE cable, etc.	1,986,002	2,135,095
Inventory in transit	Copper Cathodes	154,670	154,670
		<u>4,065,313</u>	<u>\$ 5,932,549</u>
Less: Allowance for devaluation losses		<u>(38,395)</u>	
Net Amount		<u>\$4,026,918</u>	

TA YA ELECRIC WIRE & CABLE CO., LTD.

Statement of inventories(construction industry)

December 31, 2023

Statement 7

Unit: NTD thousands

Item	Cost	Net realizable value
Buildings and land for sale		
Land held for sale	\$ —	\$ —
Houses for sale	—	—
	—	\$ —
Construction in progress	3,614	
Building and land under construction	217,413	
Subtotal	221,027	
Less: Allowance for devaluation losses	—	
Net Amount	\$ 221,027	



TA YA ELECRCIC WIRE & CABLE CO., LTD.

Statement of financial instruments at fair value through profit or loss -Noncurrent

January 1 to December 31, 2023

Statement 8

Unit: NTD thousands; USD

Name of investee	Opening balance		Increase this year		Decrease this year		Closing balance		
	Number of shares/capital contribution	Amount	Number of shares/capital contribution	Increase investment	Number of shares/capital contribution	Reduce investment	Number of shares/capital contribution	Shareholding /Contribution %	Amount
NOWnews Network Co., Ltd.	4,895,786	\$ 65,924	—	\$ —	—	\$ —	4,895,786	7.80%	\$ 65,924
CHERUBIC VENTURES FUND V, L.P.	USD 2,382,909	69,177	USD 658,638	20,823	USD 19	1	USD 3,041,528	3.18%	89,999
CHERUBIC VENTURES FUND IV, L.P.	USD 1,000,000	29,776	USD -	-	—	—	USD 1,000,000	1.09%	29,776
Da Jun Venture Capital	—	—	4,000,000	40,000	—	—	4,000,000	10.67%	40,000
TXOne Networks Inc.	727,273	128,498	—	-	—	—	727,273	1.30%	128,498
Recall Capital Fund I LP	—	—	USD 500,000	16,265	—	—	USD 500,000	22.00%	16,265
Financial derivatives - metal futures									127,501
Subtotal									497,963
Less: Valuation of financial assets at fair value through profit or loss - non-current									7,539
				\$ 77,088		\$ 1			\$ 505,502

TA YA ELEC RIC WIRE & CABLE CO., LTD.

Statement of Financial assets at fair value through other comprehensive income -Noncurrent

January 1 to December 31, 2023

Statement 9

Unit: NTD thousands

Name of investee	Opening balance		Increase this year (Note 1)		Decrease this year (Note 2)		Closing balance			Guarantee and pledge
	Number of shares/capital contribution	Amount	Number of shares/capital contribution	Increase investment	Number of shares/capital contribution	Reduce investment	Number of shares/capital contribution	Shareholding /Contribution %	Amount	
Taiwan Submarine Cable Co., Ltd.	—	\$ 300	—	\$ —	—	\$ 300	—	—	\$ —	None
Yong Chuang Investment Co., Ltd.	5,500,000	54,930	—	—	2,585,000	25,850	2,915,000	13.92	29,080	None
Daan Precision Co., Ltd.	162,000	1,620	—	—	—	—	162,000	18.00	1,620	None
TAS - Teleport Access Services	1,276,374	15,644	—	—	—	—	1,276,374	2.98	15,644	None
DAH CHUNG BILLS FINANCE CORP.	6,079,469	47,013	—	—	—	—	6,079,469	1.32	47,013	None
Sun Ba Power Corporation	50,000,000	464,250	10,000,000	—	—	—	60,000,000	5.00	464,250	Note 34
Da Qing Energy Conservation Technology Co., Ltd.	3,500,000	35,000	—	—	—	—	3,500,000	5.00	35,000	None
Taiwan Semiconductor Manufacturing Co., Ltd.	410,000	153,102	—	—	—	—	410,000	—	153,102	None
RADIANT OPTO-ELECTRONICS CORP.	700,000	71,242	100,000	11,115	—	—	800,000	0.17	82,357	None
FORTUNE ELECTRIC CO., LTD	623,000	22,435	—	—	502,000	18,078	121,000	0.05	4,357	None
Taishan Buffalo No. 5 Technology Venture Capital Limited Partnership	10,000,000	100,000	—	—	—	—	10,000,000	6.39	100,000	None
		965,536		11,115		44,228			932,423	
Plus: Valuation adjustment measured at fair value through other comprehensive income		86,918		179,976		—			266,894	
		<u>\$ 1,052,454</u>		<u>\$ 191,091</u>		<u>\$ 44,228</u>			<u>\$ 1,199,317</u>	

Note 1: The increase in the current period includes stock dividends issued by the invested company and increased investment amount.

Note 2: The decrease in current period is due to the capital reduction and refund of shares returned by the investee company and disposal of shares.

TA YA ELECRIC WIRE & CABLE CO., LTD.

Statement of investments accounted for using the equity method

January 1 to December 31, 2023

Statement 10

Unit: NTD thousands

Name of investee	Opening balance		Increase this year (Note 1)		Decrease this year (Note 2)		Closing balance			Market price or equity net value	Guarantee and pledge	Remarks
	Number of shares	Amount	Number of shares (thousand)	Amount	Number of shares (thousand)	Amount	Number of shares (thousand)	Shareholding ratio %	Amount			
Long-term equity investment under equity method:												
<b>"Subsidiary"</b>												
TA YA (CHINA) HOLDING LTD.	54,400	\$ 810,659	—	\$ —	—	\$ ( 197,233)	54,400	100.00	\$ 613,426	\$ 613,426	None	(Note 3)
TA YA VENTURE HOLDINGS LTD.	12,520	216,887	—	—	—	( 83,887)	12,520	100.00	133,000	133,000	None	
TA YA (Vietnam) INVESTMENT HOLDING LTD.	9,000	424,131	—	—	—	( 10,507)	9,000	100.00	413,624	413,624	None	
TA YA ELECTRIC WIRE & CABLE(H.K.) CO.,LTD	20	—	—	—	—	—	20	99.99	—	—	None	
PLASTIC TECHNOLOGY INVESTMENT HOLDING I	7,827	64,138	—	—	—	( 2,911)	7,827	25.60	61,227	61,227	None	
TA YA Innovation Investment Co., Ltd.	78,450	775,967	—	123,749	—	—	78,450	100.00	899,716	899,716	None	
TA YA VENTURE CAPITAL CO., LTD.	153,826	2,362,823	66,453	1,409,577	—	—	220,279	96.87	3,772,400	3,772,400	None	
TA HENG ELECTRIC WIRE & CABLE CO., LTD.	14,511	266,466	2,177	73,858	—	( 31,925)	16,688	61.36	308,399	308,399	None	
TA HO ENGINEERING, CO., LTD.	1,200	32,610	—	16,006	—	( 1,560)	1,200	48.00	47,056	47,056	None	
CUPRIME MATERIAL CO., LTD.	35,162	383,199	2,567	66,309	—	( 13,713)	37,729	54.01	435,795	435,795	None	
TA YI PLASTIC CO., LTD.	3,955	39,840	—	—	—	( 2,183)	3,955	48.24	37,657	37,657	None	
UNITED ELECTRIC INDUSTRY CO., LTD.	32,821	481,595	2,855	172,383	—	( 59,078)	35,676	42.78	594,900	594,900	None	
TA YA GREEN ENERGY TECHNOLOGY CO., LTD.	238,934	2,565,174	38,692	567,070	—	—	277,626	85.00	3,132,244	3,132,244	None	
UNION STORAGE ENERGY SYSTEM LTD.	5,105	34,667	—	—	—	( 26,347)	5,105	70.00	8,320	8,320	None	
TA YA GENESIS CAPITAL CO., LTD.	10,000	99,982	—	63	—	—	10,000	100.00	100,045	100,045	None	
TA YA ENERGY STORAGE TECHNOLOGY CO., LTD	6,000	59,372	30,000	300,000	—	( 2,312)	36,000	100.00	357,060	357,060	None	
<b>"Affiliates"</b>												
AMIT SYSTEM SERVICE LTD.	2,393	6,122	404	4,045	1,781	( 3,381)	1,016	37.14	6,786	6,786	See Note 34	(Note 4)
AD ENGINEERING CORPORATION	6,534	115,769	1,566	13,512	—	—	8,100	27.00	129,281	129,281	None	
JUNG SHING WIRE CO., LTD.	39,474	587,929	1,811	29,010	—	( 16,377)	41,285	26.16	600,562	683,267	None	
HENGs TECHNOLOGY CO., LTD.	4,024	89,729	2,008	49,065	—	( 15,208)	6,032	9.06	123,586	123,586	None	
		\$ 9,417,059		\$ 2,824,647		\$ (466,622)			\$ 11,775,084			

Note 1: Increases in the current period include changes in the net equity of the investee companies, stock dividends, exchange differences on the translation of the financial statements of foreign operations, and increased investments.

Note 2: The decrease in current period includes the amount of changes in the net equity of the invested company, capital reduction to make up losses, cash dividends, and exchange differences on the translation of financial statements of foreign operations.

Note 3: TA YA ELECTRIC WIRE & CABLE (HK) CO., LTD. incurs loss, resulting in a credit balance of the subsidiary's long-term equity investment, which is transferred to Other Liabilities - Others.

Note 4: The common shares of the listed company are calculated based on the closing price at the end of 2023.

TA YA ELECRIC WIRE & CABLE CO., LTD.

Statement of Refundable deposits

December 31, 2023

Statement 11

Unit: NTD thousands

Item	Summary	Amount
Golf deposit	Deposit for membership	\$ 17,000
Car rental deposit	Rental deposit	10,936
Other	Lease deposits, etc.	3,032
		<u>\$ 30,968</u>

TA YA ELECRC WIRE & CABLE CO., LTD.

Statement of Bank loan

December 31, 2023

Statement 12

Unit: NTD thousands

Creditors	Type of loan	Closing balance	Expiration date interval	Interest rate range	Financing limit	Collateralization
Yanping Branch of Changhwa Commercial Bank	Borrowings for purchase of materials	\$ 228,000	2024.02 - 2024.03	1.93%	1,700,000	None
HSBC Bank, Kaohsiung Branch	Borrowings for purchase of materials	104,117	2024.03	6.59%	307,150	None
First Bank, Tainan Branch	Borrowings for purchase of materials	183,352	2024.02 - 2024.03	1.75%	700,000	None
Hua Nan Bank, Tainan Branch	Borrowings for purchase of materials	602,864	2024.02 - 2024.05	1.84%~1.85%	1,200,000	None
Taiwan Cooperative Bank Chikan Branch	Borrowings for purchase of materials	494,991	2024.04 - 2024.06	1.85%	850,000	None
Taichung Commercial Bank Tainan Branch	Borrowings for purchase of materials	135,589	2024.04 - 2024.05	2.02%	300,000	None
Bank of Taiwan, Anping Branch	Borrowings for purchase of materials	387,022	2024.02 - 2024.06	1.83%	450,000	None
Land Bank East Tainan Branch	Borrowings for purchase of materials	155,357	2024.06	2.07%	250,000	None
Cathay United Bank, Tainan Branch	Borrowings for purchase of materials	313,330	2024.03	1.98%	368,580	None
		<u>2,604,622</u>				
First Bank, Tainan Branch	Collateralized loan	100,000	2024.02	1.75%	700,000	See Note 34
		<u>100,000</u>				
Yanping Branch of Changhwa Commercial Bank	Credit loans	255,000	2024.08	1.90%	1,700,000	None
Export-Import Bank of China, Tainan Branch	Credit loans	120,000	2024.06	1.90%	120,000	None
Shanghai Commercial and Savings Bank, Tainan Branch	Credit loans	100,000	2024.05	1.98%	300,000	None
Shin Kong Bank, East Tainan Branch	Credit loans	100,000	2024.03	2.07%	200,000	None
Bank SinoPac, South Taipei Branch	Credit loans	200,000	2024.01	1.93%	1,808,000	None
Taiwan Bank for Small and Medium Enterprises, Songjiang Branch	Credit loans	100,000	2024.02	2.20%	350,000	None
		<u>875,000</u>				
		<u>\$ 3,579,622</u>				

TA YA ELECRIC WIRE & CABLE CO., LTD.

Statement of Short-term notes and bills payable

December 31, 2023

Statement 13

Unit: NTD thousands

Item	Guarantee or acceptance institution	Contract period	Interest rate range	Amount of issuance	Unamortized discount	Carrying amount
Commercial paper payable	China Bills Finance Corporation	2023.11.06~2024.01.05	2.24%	\$ 150,000	\$ —	\$ 150,000
	Ta Ching Bulletin	2023.10.06~2024.01.04	2.19%	50,000	—	50,000
	Union Bank of Taiwan, Kaohsiung	2023.11.10 - 2024.01.09	2.19%	100,000	—	100,000
	Mega Bills Finance Co., Ltd.	2023.12.01 - 2024.01.30	2.24%	50,000	—	50,000
	Grand Bills Finance Corporation	2023.11.08~2024.01.05	2.24%	100,000	—	100,000
	International Bills Finance Corporation	2023.12.07~2024.02.05	2.24%	150,000	—	150,000
				<u>\$ 600,000</u>	<u>\$ —</u>	<u>\$ 600,000</u>

TA YA ELECRIC WIRE & CABLE CO., LTD.

Statement of trade payables

December 31, 2023

Statement 14

Unit: NTD thousands

Vendor Name	Summary	Amount
8070300	Payables for purchase	\$ 80,993
0682000	Payables for purchase	152,872
Others (the balance of each household does not exceed 5% of the value of this item)	Payables for purchase	290,619
		<u>\$ 524,484</u>

TA YA ELECRIC WIRE & CABLE CO., LTD.

Statement of other payables

December 31, 2023

Statement 15

Unit: NTD thousands

Item	Summary	Amount
Salaries and bonuses payable	Salary, meal and bonus for December	\$ 709,839
Others (Note)	Other expenses	43,295
		<u>\$ 753,134</u>

Note: The balance of each item did not exceed 5% of the amount of this item.



TA YA ELECRIE WIRE & CABLE CO., LTD.  
Statement of Bonds payable  
December 31, 2023

Statement 16

Unit: NTD thousands

Bond Name	Trustee	Date of issue	Interest payment date	Interest rate	Face value issued	Issuance discount	Converted	Amount already repaid	Repurchased	Amortized	Closing balance	Due within one year	Maturity over one year	Method of repayment	Guarantee status
First tranche of secured corporate bonds, 2018	Chang Hwa Bank	2018.09 - 2023.09	See Note 18	0.97%	\$ 500,000	\$ —	\$ —	\$ 500,000	\$ —	\$ —	\$ —	\$ —	\$ —	See Note VI(XIII)	Guaranteed by Chang Hwa Commercial Bank Co., Ltd.
First batch of secured ordinary corporate bonds, 2020	Bank SinoPac North Tainan Co., Ltd.	2020.12 - 2025.12	See Note 18	0.61%	1,000,000	—	—	200,000	—	—	800,000	400,000	400,000	See Note VI(XIII)	Guaranteed by Bank SinoPac North Tainan Co., Ltd.
2023 1st secured ordinary corporate bonds	E.SUN Bank, Rende Branch	2023.04 - 2030.04	See Note 18	1.68%	1,000,000	—	—	—	—	—	1,000,000	—	1,000,000	See Note VI(XIII)	Guaranteed by E.SUN Bank, Rende Branch
4th issuance of unsecured convertible corporate bonds	KGI Bank (Kaohsiung)	2021.11 - 2026.11	None	—%	1,200,000	73,120	1,150,451	—	400	23,971	—	—	—	See Note VI(XIII)	None
Total					<u>\$ 3,700,000</u>	<u>\$ 73,120</u>	<u>\$ 1,150,451</u>	<u>\$ 700,000</u>	<u>\$ 400</u>	<u>\$ 23,971</u>	<u>\$ 1,800,000</u>	<u>\$ 400,000</u>	<u>\$ 1,400,000</u>		
				#											

## TA YA ELECRIC WIRE &amp; CABLE CO., LTD.

## Statement of long-term borrowings

December 31, 2023

Statement 17

Unit: NTD thousands

Creditors	Contract period		Interest rate	Balance of borrowings	Pledge or guarantee	Remarks
Mega Bank	2021.02	- 2026.02	2.20%	250,000	Note 34	It shall be amortized and repaid in 5 years. The first instalment shall be repaid in 2 years and 6 months from the first drawdown date. The principal instalment shall be repaid in a total of 6 equal installments.
Mega Bank	2021.12	- 2026.12	2.20%	400,000	Note 34	It shall be amortized and repaid in 5 years. The first instalment shall be repaid in 2 years and 6 months from the first drawdown date. The principal instalment shall be repaid in a total of 6 equal installments.
Mega Bank	2021.12	- 2026.12	2.20%	400,000	Note 34	It shall be amortized and repaid in 5 years. The first instalment shall be repaid in 2 years and 6 months from the first drawdown date. The principal instalment shall be repaid in a total of 6 equal installments.
O-Bank	2023.09	- 2026.09	2.37%	360,000	Note 34	2023.6.24 is the first instalment, and every three months is a period, with five equal amortizations, with each amortization of NTD 72 million.
O-Bank	2023.09	- 2026.09	2.37%	340,000	Note 34	2023.6.24 is the first instalment, and every three months is an instalment, and is amortized in five equal installments, with each amortization of NTD 68 million.
O-Bank	2023.09	- 2027.09	2.37%	600,000	Note 34	The first phase was on August 10, 2023, with a repayment of NTD 120 million and a repayment of NTD 80 million on 2023.11.10.
O-Bank	2023.09	- 2027.09	2.48%	100,000	Note 34	2023.10.23 is the first instalment, and every three months is a period, with five equal amortizations, with each amortization of NTD 20 million.
O-Bank	2023.11	- 2026.11	2.43%	200,000	None	2024.11.10 is the first instalment, and every three months is a period, with nine equal amortizations, with each amortization of NTD 22.22 million.
O-Bank	2023.11	- 2027.11	2.48%	100,000	Note 34	2023.10.23 is the first instalment, and every three months is a period, with five equal amortizations, with each amortization of NTD 20 million.
Chang Hwa Bank	2021.03	- 2026.03	1.96%	135,000	None	After the repayment, the amortization will be 20 instalments, three months is one period, with NTD 15 million per instalment.
Chang Hwa Bank	2021.10	- 2026.05	1.96%	100,000	None	After the repayment, the amortization will be 20 instalments, three months is one period, with NTD 10 million per instalment.
Chang Hwa Bank	2023.11	- 2043.11	1.80%	316,700	Note 34	Starting from November 2, 2025, the principal and interest will be raised on the 2nd day of every month.
Taishin Bank	2022.09	- 2025.03	2.08%	200,000	None	Repayment of principal at maturity and interest on a monthly basis.
KGI Bank	2023.05	- 2025.05	2.43%	493,143	Note 34	Repayment of principal at maturity and interest on a monthly basis.
KGI Bank	2023.05	- 2025.05	2.43%	506,857	Note 34	Repayment of principal at maturity and interest on a monthly basis.
The Export-Import Ba	2023.06	- 2026.06	2.05%	350,000	None	Repayment of principal at maturity and interest on a monthly basis.
Business Department,	2023.09	- 2026.05	1.90%	300,000	None	Repayment of principal at maturity and interest on a monthly basis.
BANK SINOPAC	2022.10	- 2027.10	2.47%	49,508	Note 34	The principal is repaid in 60 instalments of NTD 1,076 thousand each. (2022/11/24 Term 1)
BANK SINOPAC	2022.10	- 2027.10	2.47%	12,065	Note 34	The principal is repaid in 60 instalments, and each instalment is repaid at NTD 262 thousand. (2022/11/24 Term 1)
BANK SINOPAC	2022.10	- 2027.10	2.47%	3,591	None	The principal is repaid in 60 instalments of NTD 78 thousand each. (2022/11/24 Term 1)
BANK SINOPAC	2022.10	- 2027.10	2.47%	1,352	None	The principal is repaid in 60 instalments of NTD 29 thousand each. (2022/11/24 Term 1)
BANK SINOPAC	2023.08	- 2029.08	2.47%	41,430	Note 34	The principal is repaid in 60 instalments, and each instalment is repaid at NTD 609 thousand. (2023/9/15 Term 1)
BANK SINOPAC	2023.08	- 2029.08	2.47%	21,649	None	The principal was repaid in 72 instalments of NTD 318 thousand each. (2023/9/15 Term 1)
				5,281,295		
Long-term bank borrowings due within one year				(517,378)		
				<u>\$ 4,763,917</u>		

TA YA ELECRCIC WIRE & CABLE CO., LTD.

Statement of Receipts in advance

December 31, 2023

Statement 18

Unit: NTD thousands

Customer name	Summary	Amount
Customer A	Purchase performance bond	\$ 3,326
Customer B	Purchase performance bond	5,052
Customer C	Purchase performance bond	3,667
Customer D	Purchase performance bond	2,588
Customer E	Purchase performance bond	2,431
Customer G	Purchase performance bond	4,188
Others (the balance of each household does not exceed 5% of the value of this item)	Purchase performance bond and lease deposit	14,437
		<u>\$ 35,689</u>

TA YA ELECRIC WIRE & CABLE CO., LTD.

Statement of operating revenue

January 1 to December 31, 2023

Statement 19

Unit: NTD thousands

Item	Quantity (tons)	Amount
Sales revenue		
Magnet Wires	8,115	\$ 2,635,002
Cross-connecting power cable	16,261	4,451,270
Plastic wire and cable	9,687	2,519,985
26KV~69KV (Excluding cables, auxiliary equipment and construction costs)	65	20,900
69/161/345KV cable (accessory equipment)	6,420	2,178,419
69/161/345KV construction model	—	91,298
Scr copper rod/copper bonding wire	5,718	1,604,476
Telecom cable	629	181,812
Low-smoke, non-toxic, heat-resistant, and flame-retardant wires and cables	1,226	355,051
Optical Fiber Cable	529	138,645
Rubber wires and cables	845	208,198
Triple-layer insulated wire	13	5,950
Palladium-silver-copper alloy	—	437
Sale of semi-finished products	99	5,898
Sale of raw materials	520	175,359
Processing income	959	2,582
Revenue from project construction	—	88,432
		14,663,714
Less: sales returns		(410)
Sales discount		(62,569)
Net sales revenue		14,600,735
Rental income		9,505
Other income		64,903
Net operating revenue		\$ 14,675,143

TA YA ELECRIC WIRE & CABLE CO., LTD.

Statement of operating costs

January 1 to December 31, 2023

Statement 20

Unit: NTD thousands

Item	Amount	
	Subtotal	Total
Direct raw materials		
Materials at the beginning of the year	\$ 1,118,183	
Inventory in transit at the beginning of the year	4,348	
Net purchase of materials this year	9,859,516	
Add: Work in process transferred in	396,467	
Transferred in from outsourced processing	11,804	
Inventory profit	3,075	
Less: Cost of raw materials sold	(339,627)	
Transfer-out of outsourced processing and manufacturing overhead	(489)	
Materials in transit	(154,670)	
Materials at the end of the year	(892,383)	\$ 10,006,224
Direct labor		349,401
Manufacturing overhead		776,933
Manufacturing cost		11,132,558
Work in process, beginning of the year	1,027,485	
Semi-finished goods, beginning of the year	9,888	
Add: Finished goods transferred in	8,006,601	
Net purchase of semi-finished products	56,102	
Inventory profit	85	
Less: Work in process transferred to raw materials and semi-finished goods	(396,467)	
Sale of semi-finished products	(5,389)	
Work in process, year-end	(1,011,631)	
Semi-finished products, year-end	(10,651)	7,676,023
Cost of finished goods		18,808,581
Finished goods, beginning of the year	1,463,267	
Add: Net purchase of goods for the year	2,656,820	
Less: Reclassified to work-in-progress	(8,006,601)	
Transfer expenses	(6,205)	
Inventory deficit	(19,683)	
Prepaid equipment payment	(559)	
Unfinished project	(9)	
Finished goods, year-end	(1,986,002)	(5,898,972)
Cost of goods sold		12,909,609
Add: Cost of raw materials sold		339,827
Cost of semi-finished products sold		5,389
Inventory valuation losses		(69)
Inventory deficit		16,523
Less: Others		—
Operating cost (manufacturing)		13,271,279
Construction cost		—
Total operating cost		\$ 13,271,279

TA YA ELECRIC WIRE & CABLE CO., LTD.

Statement of operating expenses

January 1 to December 31, 2023

Statement 21

Unit: NTD thousands

Item	Sales promotion expenses	Administrative expenses	R&D expenses
Wages and salaries	\$ 101,513	\$ 447,909	\$ 28,660
Pension	1,677	4,522	2,399
Freight charges	41,771	834	—
Advertising expenses	863	86,285	—
Other expenses (Note)	48,659	242,193	15,028
	<u>\$ 194,483</u>	<u>\$ 781,743</u>	<u>\$ 46,087</u>

Note: The balance of each item did not exceed 5% of the amount of this item .

TA YA ELECRIC WIRE & CABLE CO., LTD.

Statement of other gains and losses

January 1 to December 31, 2023

Statement 22

Unit: NTD thousands

Item	Amount
Interest revenue	\$ 11,980
Other income	
Dividend income	39,762
Rental income	22,003
Energy technology service	53,075
Subsidy income	6,503
Guaranteed commission income	6,467
Utility and management income	5,676
Other	34,952
	168,438
Other gains and losses	
Gain (loss) on foreign currency exchange	2,527
Gains (losses) from the disposal of property, plant and equipment	1,069
Gains (losses) on disposal of investment	687,224
Net gains (losses) on financial assets/liabilities measured at fair value through profit or loss	(63,416)
Other losses	(3,634)
	623,770
Financial cost	
Interest on bank borrowings	190,568
Corporate bonds	29,192
Lease liabilities	1,159
Other interest	1,731
	222,650
Share of profit or loss of subsidiaries and associates accounted for using the equity method	1,932,474
Total other gains and losses	\$ 2,514,012

TA YA ELECRIC WIRE & CABLE CO., LTD.  
Statement of employee benefits expenses, depreciation and amortization  
January 1 to December 31, 2023

Statement 23

Unit: NTD thousands

By nature/function	2023			2022		
	Attributable to operating costs	Classified as operating expenses	Total	Attributable to operating costs	Classified as operating expenses	Total
Employee benefit expense						
Salaries, bonuses, and bonuses	\$ 495,829	\$ 485,998	\$ 981,827	\$ 335,673	\$ 252,253	\$ 587,926
Labor and national health insurance expenses	30,807	17,962	48,769	28,670	20,852	49,522
Pension expense	8,753	8,598	17,351	8,882	8,613	17,495
Director's remuneration	—	92,084	92,084	—	28,246	28,246
Other personnel expenses	16,591	10,323	26,914	15,695	7,357	23,052
	<u>\$ 551,980</u>	<u>\$ 614,965</u>	<u>\$ 1,166,945</u>	<u>\$ 388,920</u>	<u>\$ 317,321</u>	<u>\$ 706,241</u>
Depreciation expense	\$ 129,765	\$ 27,601	\$ 157,366	\$ 114,149	\$ 33,180	\$ 147,329

Note 1: As of December 31, 2023 and 2022, the number of employees of the Company was 644 and 622 persons, respectively, of which 5 were directors who did not serve as employees concurrently.

Note 2: The average employee benefit expenses were NTD 1,682 thousand and NTD 1,099 thousand for 2023 and 2022, respectively.

Note 3: The average employee salary expenses were NTD 1,537 thousand and NTD 953 thousand for 2023 and 2022, respectively. Average employee salaries and wages increased by 61% over the two years.

Note 4: The Company's remuneration policy is as follows:

(1) Directors:

The amount of remuneration, which shall be awarded to directors in accordance with the Articles of Incorporation of the Company for carrying out the Company's business, shall be determined by the Board of Directors in accordance with the extent of their participation in the Company's operations and the value of their contributions; and shall appropriate no more than 3% as remuneration to directors and supervisors in accordance with the Articles of Incorporation.

(2) Managers:

The compensation standards for the Company's managerial officers are determined based on their individual performance and their contribution to the Company's overall operations, with reference to the level of payments in the market.

(3) The procedures for setting the remuneration of directors and managers listed above are based on the Company's Performance Evaluation Regulations for Directors and Managers, and the relevant performance evaluation and the reasonableness of the remuneration are reviewed by the Remuneration Committee and the Board of Directors.

(4) Employees:

The overall remuneration of the Company's employees includes fixed remuneration and variable remuneration, which are determined according to their duties, contributions and performance;

In addition, the Company shall, in accordance with the Articles of Incorporation, allocate 1% of profit for the year as employee remuneration.