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TAIWAN GLASS INDUSTRIAL CORPORATION
PARENT COMPANY ONLY FINANCIAL STATEMENTS
WITH INDEPENDENT AUDITORS' REPORT
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022

Address: 11th Floor, No. 261, Sec. 3, Nanjing E. Rd., Taipei, Taiwan, R.O.C.
Telephone: 886-2-2713-0333

The reader is advised that these parent company only financial statements have been prepared originally in Chinese. In the event of a conflict between these financial statements and the original Chinese version or difference in interpretation between the two versions, the Chinese language financial statements shall prevail.

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Independent Auditors' Report Translated from Chinese

To Taiwan Glass Industrial Corporation

Opinion

We have audited the accompanying balance sheets of Taiwan Glass Industrial Corporation (the "Company") as of December 31, 2023 and 2022, and the related statements of comprehensive income, changes in equity and cash flows for the years ended December 31, 2023 and 2022, and notes to the financial statements, including the summary of material accounting policies (collectively "the financial statements").

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Company as of December 31, 2023 and 2022, and their financial performance and cash flows for the years ended December 31, 2023 and 2022, in conformity with the requirements of the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

Basis for Opinion

We conducted our audits in accordance with the Regulations Governing Financial Statement Audit and Attestation Engagements of Certified Public Accountants and the Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the Norm of Professional Ethics for Certified Public Accountant of the Republic of China (the "Norm"), and we have fulfilled our other ethical responsibilities in accordance with the Norm. Based on our audits, 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 2023 financial statements. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Impairment Valuation of Non-financial assets

As of December 31, 2023, the Company's property, plant and equipment amounted to NT$13,876,546 thousand, which accounted for 20% of its total assets, which is relatively material for the financial statements. Due to the market and economic outlook fluctuations in recent years, some operating units operated in losses which indicated that assets may be impaired. Therefore, the management performed impairment test on related cash-generating units and value in use was adopted for the recoverable amounts of different cash generating units. As the estimation of the recoverable amount of the related cash-generating unit requires significant management judgment, we determined this a key audit matter.

Our audit procedures included, but not limited to, analyzing the rationality of recoverable amounts used by management, obtaining underlying data of the recoverable amount provided by management (including cash flow forecast, growth rate, real estate and equipment valuation report) and related assumptions and discussing with management; assessing the appraiser's professional competency, experience and reputation in the related field; using the work of internal expert to assist us in considering the discount rate used by management and to account for the recoverable amounts for impairment assessment used by management.

We also assessed the adequacy of disclosures of property, plant and equipment. Please refer to Notes 4, 5 and 6 to the Company's financial statements.

Valuation of Inventories

As of December 31, 2023, the Company's net inventories amounted to NT$3,925,202 thousand, which is relatively material for the financial statements. The Company is engaged in the manufacturing, processing and sale of various glasses which have a wide range of applications in various sectors such as construction, electronics and consumer products industries. Considering the fact that identification of slow-moving inventories and the assessment of the amount of inventory write-downs require significant management judgement based on market demands, we determined this a key audit matter.

Our audit procedures included, but not limited to, assessing the appropriateness of the accounting policies of evaluating slow-moving and obsolete inventories, including analyzing slow-moving inventory allowance ratio and the net realizable value adopted; understanding and testing the internal controls established by management with respect to the valuation of inventories, including the calculation of net realizable value; examining to relevant documentation and recalculating the loss from price decline to ensure inventories appropriately valuated at lower of cost and net realizable value. Vouching samples against related certificates to verify accuracy of inventory aging.

We also assessed the adequacy of disclosures of inventories. Please refer to Notes 4, 5 and 6 to the Company's financial statements.

Revenue Recognition

Operating revenues recognized by the Company amounted to NT$12,278,353 thousand for the year ended December 31, 2023. Reflecting different market demands, trade terms of different contracts varied, along with the fact that some of the sales orders included delivery services, management needed to review the sales orders or contracts to determine the performance obligations and the time of their satisfaction, there is a significant risk in revenue recognition. Therefore, we considered this a key audit matter.

Our audit procedures included, but not limited to, assessing the appropriateness of the accounting policy of revenue recognition; evaluating and testing the operating effectiveness of internal controls with respect to revenue recognition; selecting samples to perform tests of details and reviewing related transaction certificates and the significant terms and conditions of contracts to verify the accuracy of the timing of performance obligation satisfaction; confirming significant account receivable balance by sending confirmation letters; selecting samples of transactions from either side of balance sheet date, vouching samples against related certificates and reviewing significant subsequent sales return or discounts transactions to ensure revenue was recognized at appropriate timing.

We also assessed the adequacy of disclosures of operating revenues. Please refer to Notes 4 and 6 to the Company's financial statements.

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

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

In preparing the financial statements, management is responsible for assessing the ability to continue as a going concern of the Company, 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 audit committee, are responsible for overseeing the financial reporting process of the Company.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the 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 financial statements.

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

1. Identify and assess the risks of material misstatement of the 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 internal control of the Company.

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 ability to continue as a going concern of the Company. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.

5. Evaluate the overall presentation, structure and content of the financial statements, including the accompanying notes, and whether the 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 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 2023 financial statements and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Lee, Yu-Ju

Huang, Chien-Che

Ernst & Young, Taiwan
March 11 , 2024

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

Accordingly, the accompanying parent company only financial statements and report of independent accountants are not intended for use by those who are not informed about the accounting principles or Standards on Auditing of the Republic of China, and their applications in practice. As the financial statements are the responsibility of the management, Ernst & Young cannot accept any liability for the use of, or reliance on, the English translation or for any errors or misunderstandings that may derive from the translation.

English Translation of Financial Statements Originally Issued in Chinese

TAIWAN GLASS INDUSTRIAL CORPORATION

PARENT COMPANY ONLY BALANCE SHEETS

31, December 2023 and 2022

(Expressed in Thousands of New Taiwan Dollars)

		As of December 31,			
ASSETS	NOTE	2023	%	2022	%
Current assets					
Cash and cash equivalents	4, 6(1)	$1,285,792	2	$1,163,319	2
Notes receivable, net	4, 6(2), 6(18)	195,083	-	180,704	-
Accounts receivable, net	4, 6(3), 6(18), 7, 12(11)	1,463,106	2	1,415,848	2
Other receivables, net	4, 6(4), 6(18)	12,790	-	41,728	-
Other receivables–related parties	4, 6(4), 6(18), 7	348,023	-	2,185,857	3
Current tax assets	4	2,263	-	-	-
Inventories, net	4, 6(5)	3,925,202	6	4,737,730	6
Prepayments		499,314	1	548,424	1
Non-current assets or disposal groups classified as held for sale, net	4 ,6(6)	5,978	-	-	-
Other current financial assets	8	1,979	-	90,898	-
Total current assets		7,739,530	11	10,364,508	14
Non-current assets					
Non-current financial assets at fair value through other comprehensive income	4, 6(7)	339,553	1	326,033	1
Investments accounted for using the equity method	4, 6(8)	47,166,228	67	46,990,541	64
Property, plant and equipment	4, 6(9), 8	13,876,546	20	14,563,014	20
Right-of-use assets	4, 6(10), 6(20), 7	145,380	-	65,773	-
Deferred tax assets	4, 6(24)	302,921	-	300,284	-
Net defined benefit non-current assets	4, 6(15)	493,285	1	449,436	1
Other non-current assets	4, 6(11), 6(18)	76,792	-	59,684	-
Total non-current assets		62,400,705	89	62,754,765	86
Total assets		$70,140,235	100	$73,119,273	100

		As of December 31,			
LIABILITIES AND EQUITY	NOTE	2023	%	2022	%
Current liabilities					
Short-term loans	6(12)	$1,950,000	3	$2,250,000	3
Short-term bills payable	6(13)	4,064,560	6	4,087,800	6
Current contract liabilities	6(17)	426,359	1	427,122	1
Accounts payable	7	585,793	1	833,998	1
Other payables	7	717,982	1	1,201,094	2
Current tax liabilities	4	-	-	238,247	-
Current lease liabilities	4, 6(20), 7	43,219	-	24,993	-
Current portion of long-term loans	6(14)	4,091,818	5	7,736,818	10
Other current liabilities		36,921	-	35,598	-
Total current liabilities		11,916,652	17	16,835,670	23
Non-current liabilities					
Long-term loans	6(14)	10,190,152	15	7,411,970	10
Deferred tax liabilities	4, 6(24)	382,643	1	393,574	1
Non-current lease liabilities	4, 6(20), 7	92,637	-	37,046	-
Deposits-in		3,094	-	2,839	-
Total non-current liabilities		10,668,526	16	7,845,429	11
Total liabilities		22,585,178	33	24,681,099	34
Capital	6(16)				
Common stock		29,080,608	40	29,080,608	39
Additional paid-in capital	6(16)	1,925,218	3	1,925,218	3
Retained earnings	6(16)				
Legal reserve		7,383,663	11	7,383,663	10
Special reserve		5,102,550	7	5,102,550	7
Unappropriated retained earnings		7,930,305	11	7,965,324	11
Total retained earnings		20,416,518	29	20,451,537	28
Other components of equity					
Exchange differences on translation of foreign operations	4	(3,828,884)	(5)	(2,967,266)	(4)
Unrealized gains and losses on financial assets at fair value through other comprehensive income		(38,403)	-	(51,923)	-
Total other components of equity		(3,867,287)	(5)	(3,019,189)	(4)
Total equity		47,555,057	67	48,438,174	66
Total liabilities and equity		$70,140,235	100	$73,119,273	100

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

English Translation of Financial Statements Originally Issued in Chinese

TAIWAN GLASS INDUSTRIAL CORPORATION

PARENT COMPANY ONLY STATEMENTS OF COMPREHENSIVE INCOME

For the years ended December 31, 2023 and 2022

(Expressed in Thousands of New Taiwan Dollars Except Earnings Per Share Information)

		For the years ended December 31,			
		2023		2022	
	Note	Amount	%	Amount	%
Operating revenues	4, 6(17), 7	$12,278,353	100	$12,595,543	100
Operating costs	6(5), 6(11), 6(15), 6(20), 6(21), 7	(11,028,041)	(90)	(10,611,170)	(84)
Gross profit		1,250,312	10	1,984,373	16
Unrealized intercompany profit		60,908	1	(10,390)	-
Realized intercompany profit		10,390	-	12,780	-
Net gross profit		1,321,610	11	1,986,763	16
Operating expenses	6(11), 6(15), 6(18), 6(20), 6(21), 7				
Selling and marketing expenses		(1,580,152)	(13)	(1,772,514)	(14)
General and administrative expenses		(210,012)	(2)	(268,908)	(2)
Research and development expenses		(49,930)	-	(42,068)	-
Expected credit losses and gains		(3,926)	-	(549)	-
Subtotal		(1,844,020)	(15)	(2,084,039)	(16)
Net amount of other revenues and gains and expenses and losses	6(19), 7	7,753	-	77,707	-
Operating (loss)		(514,657)	(4)	(19,569)	-
Non-operating income and expenses					
Interest income	6(22)	7,830	-	4,580	-
Other income	6(22), 7	135,650	1	197,812	2
Other gains and losses	6(22), 7	(55,745)	-	185,782	1
Finance costs	4, 6(22), 7	(487,056)	(4)	(351,014)	(3)
Share of (loss) income of subsidiaries, associates and joint ventures for under equity method	4	956,093	8	(503,627)	(4)
Subtotal		556,772	5	(466,467)	(4)
income (Loss) from continuing operations before income tax		42,115	1	(486,036)	(4)
Income tax (expense)	4, 6(24)	(7,521)	-	(234,540)	(2)
Net income (Loss) from continuing operations		34,594	1	(720,576)	(6)
Other comprehensive income	4, 6(23), 6(24)				
Other comprehensive income that will not be reclassified subsequently:					
Remeasurement of defined benefit obligation		(87,226)	(1)	(119,102)	(1)
Unrealized (losses) gains on equity instruments investments at fair value through other comprehensive income		13,520	-	(105,797)	(1)
Share of other comprehensive income of subsidiaries, associates and joint ventures for under equity method		168	-	193	-
Income tax related to components of other comprehensive income that will not be reclassified subsequently		17,445	-	23,821	-
Other comprehensive income that will be reclassified subsequently:					
Share of other comprehensive gains (losses) of subsidiaries, associates and joint ventures for under equity method		(861,618)	(7)	608,194	5
Income tax related to components of other comprehensive income that will be reclassified subsequently		-	-	-	-
Total other comprehensive income, net of tax		(917,711)	(8)	407,309	3
Total comprehensive (loss) income		$(883,117)	(7)	$(313,267)	(3)
Earnings per share (NT$)	6(25)				
Earnings per share-basic		$0.01		$(0.25)	
Diluted earnings per share		$0.01			

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

English Translation of Financial Statements Originally Issued in Chinese

TAIWAN GLASS INDUSTRIAL CORPORATION

PARENT COMPANY ONLY STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY

For the years ended December 31, 2023 and 2022

(Expressed in Thousands of New Taiwan Dollars)

	Capital	Additional Paid-in Capital	Legal Reserve	Special Reserve	Unappropriated Retained Earnings	Exchange Differences on Translation of Foreign Operations	Unrealized Gains and Losses on Financial Assets at Fair Value through Other Comprehensive Income	Total Equity
Balance as of January 1, 2022	$29,080,608	$1,925,218	$6,207,565	$5,102,550	$15,249,757	$(3,575,460)	$53,874	$54,044,112
Appropriations and distributions of 2021 earnings:								
Legal reserve			1,176,098		(1,176,098)			-
Cash dividends					(5,292,671)			(5,292,671)
Net (loss) in 2022					(720,576)			(720,576)
Other comprehensive income, net of tax in 2022					(95,088)	608,194	(105,797)	407,309
Total comprehensive income	-	-	-	-	(815,664)	608,194	(105,797)	(313,267)
Balance as of December 31, 2022	$29,080,608	$1,925,218	$7,383,663	$5,102,550	$7,965,324	$(2,967,266)	$(51,923)	$48,438,174
Balance as of January 1, 2023	$29,080,608	$1,925,218	$7,383,663	$5,102,550	$7,965,324	$(2,967,266)	$(51,923)	$48,438,174
Net income in 2023					34,594			34,594
Other comprehensive income, net of tax in 2023					(69,613)	(861,618)	13,520	(917,711)
Total comprehensive income	-	-	-	-	(35,019)	(861,618)	13,520	(883,117)
Balance as of December 31, 2023	$29,080,608	$1,925,218	$7,383,663	$5,102,550	$7,930,305	$(3,828,884)	$(38,403)	$47,555,057

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

English Translation of Financial Statements Originally Issued in Chinese

TAIWAN GLASS INDUSTRIAL CORPORATION

PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS

For the years ended December 31, 2023 and 2022

(Expressed in Thousands of New Taiwan Dollars)

	For the years ended December 31,	
	2023	2022
Cash flows from operating activities:		
Income (Loss) before income tax	$42,115	$(486,036)
Adjustments:		
Depreciation (including investment property)	1,256,004	1,262,426
Amortization	1,387	1,536
Expected credit losses and gains	3,926	549
Interest expense	487,056	351,014
Interest income	(7,830)	(4,580)
Dividend income	(1,318)	(23,001)
Share of (income) loss of subsidiaries, associates and joint ventures	(956,093)	503,627
Gains on disposal of property, plant and equipment	(7,747)	(77,707)
Gains on disposal of other assets	(6)	-
Gains on disposal of investment	17	-
Unrealized intercompany (loss) profit	(60,908)	10,390
Realized intercompany (profit)	(10,390)	(12,780)
Changes in assets and liabilities:		
Notes receivable	(14,379)	22,174
Accounts receivable	(185,796)	168,204
Other receivables	82,311	(28,512)
Inventories	812,528	(1,447,100)
Prepayments	49,110	(131,352)
Other current assets	88,919	(89,603)
Contract liabilities	(763)	25,784
Accounts payable	(248,205)	197,051
Other payable	(9,045)	(502,499)
Advanced receipts	(467)	266
Other current liabilities	1,790	1,902
Net defined benefit liability	(131,075)	(250,010)
Cash inflow (outflow)generated from operations	1,191,141	(508,257)
Interests received	7,830	4,580
Dividends received	1,318	23,001
Interests paid	(490,231)	(350,280)
Income tax paid	(244,154)	(45,756)
Net cash flows provided by (used in) operating activities	465,904	(876,712)
Cash flows from investing activities:		
Proceeds from capital reduction of investments accounted for using equity method	1,922,617	3,116,779
Acquisition of property, plant and equipment, excluding capitalized borrowing costs	(571,519)	(652,056)
Capitalized borrowing costs from self-constructed assets	(13,570)	(14,889)
Proceeds from disposal of property, plant and equipment	4,827	75,094
Increase in refundable deposits	-	(6,933)
Decrease in refundable deposits	2,328	-
Acquisition of intangible assets	(1,118)	(1,543)
Increase in other non-current assets	(3,561)	-
Net cash flows provided by investing activities	1,340,004	2,516,452
Cash flows from financing activities:		
Increase in short-term loans	8,850,000	4,450,000
Decrease in short-term loans	(9,150,000)	(3,100,000)
Increase in short-term bills payable	18,520,000	17,400,000
Decrease in short-term bills payable	(18,540,000)	(16,400,000)
Proceeds from long-term loans	400,000	2,900,000
Repayments of long-term loans	(1,266,818)	(2,625,152)
Increase in deposits-in	255	1,459
Payments of lease liabilities	(48,572)	(49,858)
Cash dividends paid	(448,300)	(4,782,942)
Net cash flows (used in) financing activities	(1,683,435)	(2,206,493)
Net increase (decrease) in cash and cash equivalents	122,473	(566,753)
Cash and cash equivalents at the beginning of the year	1,163,319	1,730,072
Cash and cash equivalents at the end of the year	$1,285,792	$1,163,319

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

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

1. History and organization

Taiwan Glass Industrial Corporation ("the Company") was incorporated on 5 September 1964 and commenced operations in 1967. The main activities of the Company are manufacturing, processing and selling of various glass products. The Company's common shares were publicly listed on the Taiwan Stock Exchange (TWSE) in July 1973. The Company's registered office and the main business location is at 11F, No. 261, Section 3, Nanjing E. Rd., Taipei, Republic of China (R.O.C.).

2. Date and procedures of authorization of financial statements for issue

The parent company only financial statements of the Company for the years ended December 31, 2023 and 2022 were authorized for issue by the Board of Directors on March 11, 2024.

3. Newly issued or revised standards and interpretations

(1) Changes in accounting policies resulting from applying for the first time certain standards and amendments

The Company applied for the first time International Financial Reporting Standards, International Accounting Standards, and Interpretations issued, revised or amended which are recognized by Financial Supervisory Commission ("FSC") and become effective for annual periods beginning on or after January 1, 2023. The adoption of these new standards and amendments had no material impact on the Company.

(2) Standards or interpretations issued, revised or amended, by International Accounting Standards Board ("IASB") which are endorsed by FSC, and not yet adopted by the Group as at the end of the reporting period are listed below.

Items	New, Revised or Amended Standards and Interpretations	Effective Date issued by IASB
a	Classification of Liabilities as Current or Non-current – Amendments to IAS 1	1 January 2024
b	Lease Liability in a Sale and Leaseback – Amendments to IFRS 16	1 January 2024
c	Non-current Liabilities with Covenants – Amendments to IAS 1	1 January 2024
d	Supplier Finance Arrangements – Amendments to IAS 7 and IFRS 7	1 January 2024

(a) Classification of Liabilities as Current or Non-current – Amendments to IAS 1

These are the amendments to paragraphs 69-76 of IAS 1 Presentation of Financial statements and the amended paragraphs related to the classification of liabilities as current or non-current.

(b) Lease Liability in a Sale and Leaseback – Amendments to IFRS 16

The amendments add seller-lessees additional requirements for the sale and leaseback transactions in IFRS 16, thereby supporting the consistent application of the standard.

(c) Non-current Liabilities with Covenants – Amendments to IAS 1

The amendments improved the information companies provide about long-term debt with covenants. The amendments specify that covenants to be complied within twelve months after the reporting period do not affect the classification of debt as current or non-current at the end of the reporting period.

(d) Supplier Finance Arrangements – Amendments to IAS 7 and IFRS 7

The amendments introduced additional information of supplier finance arrangements and added disclosure requirements for such arrangements.

The abovementioned standards and interpretations were issued by IASB and endorsed by FSC so that they are applicable for annual periods beginning on or after January 1, 2024. The remaining standards and interpretations have no material impact on the Company.

(3) Standards or interpretations issued, revised or amended, by IASB which are not endorsed by FSC, and not yet adopted by the Group as at the end of the reporting period are listed below.

Items	New, Revised or Amended Standards and Interpretations	Effective Date issued by IASB
a	IFRS 10 "Consolidated Financial Statements" and IAS 28 "Investments in Associates and Joint Ventures" — Sale or Contribution of Assets between an Investor and its Associate or Joint Ventures	To be determined by IASB
b	IFRS 17 "Insurance Contracts"	1 January 2023
c	Lack of Exchangeability – Amendments to IAS 21	1 January 2025

(a) IFRS 10"Consolidated Financial Statements" and IAS 28"Investments in Associates and Joint Ventures" — Sale or Contribution of Assets between an Investor and its Associate or Joint Ventures

The amendments address the inconsistency between the requirements in IFRS 10 *Consolidated Financial Statements and IAS 28 Investments in Associates and Joint Ventures*, in dealing with the loss of control of a subsidiary that is contributed to an associate or a joint venture. IAS 28 restricts gains and losses arising from contributions of non-monetary assets to an associate or a joint venture to the extent of the interest attributable to the other equity holders in the associate or joint ventures. IFRS 10 requires full profit or loss recognition on the loss of control of the subsidiary. IAS 28 was amended so that the gain or loss resulting from the sale or contribution of assets that constitute a business as defined in IFRS 3 between an investor and its associate or joint venture is recognized in full.

IFRS 10 was also amended so that the gains or loss resulting from the sale or contribution of a subsidiary that does not constitute a business as defined in IFRS 3 between an investor and its associate or joint venture is recognized only to the extent of the unrelated investors' interests in the associate or joint venture.

(b) IFRS 17 "Insurance Contracts"

IFRS 17 provides a comprehensive model for insurance contracts, covering all relevant accounting aspects (including recognition, measurement, presentation and disclosure requirements). The core of IFRS 17 is the General (building block) Model, under this model, on initial recognition, an entity shall measure a group of insurance contracts at the total of the fulfilment cash flows and the contractual service margin. The carrying amount of a group of insurance contracts at the end of each reporting period shall be the sum of the liability for remaining coverage and the liability for incurred claims.

Other than the General Model, the standard also provides a specific adaptation for contracts with direct participation features (the Variable Fee Approach) and a simplified approach (Premium Allocation Approach) mainly for short-duration contracts.

IFRS 17 was issued in May 2017 and it was amended in 2020 and 2021. The amendments include deferral of the date of initial application of IFRS 17 by two years to annual beginning on or after 1 January 2023 (from the original effective date of 1 January 2021); provide additional transition reliefs; simplify some requirements to reduce the costs of applying IFRS 17 and revise some requirements to make the results easier to explain. IFRS 17 replaces an interim Standard – IFRS 4 Insurance Contracts – from annual reporting periods beginning on or after 1 January 2023.

(c) Lack of Exchangeability – Amendments to IAS 21

These amendments specify whether a currency is exchangeable into another currency and, when it is not, to determining the exchange rate to use and the disclosures to provide. The amendments apply for annual reporting periods beginning on or after 1 January 2025.

The abovementioned standards and interpretations issued by IASB have not yet endorsed by FSC at the date when the Company's financial statements were authorized for issue, the local effective dates are to be determined by FSC. As the Company is still currently determining the potential impact of the standards and interpretations listed under (a) , it is not practicable to estimate their impact on the Company at this point in time. The remaining new or amended standards and interpretations have no material impact on the Company.

4. Summary of material accounting policies

(1) Statement of compliance

The parent company only financial statements of the Company for the years ended December 31, 2023 and 2022 have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers ("the Regulations").

(2) Basis of preparation

The Company prepared parent company only financial statements in accordance with Article 21 of the Regulations, which provided that the profit or loss and other comprehensive income for the period presented in the parent company only financial statements shall be the same as the profit or loss and other comprehensive income attributable to stockholders of the parent presented in the consolidated financial statements for the period, and the total equity presented in the parent company only financial statements shall be the same as the equity attributable to the parent company presented in the consolidated financial statements. Therefore, the Company accounted for its investments in subsidiaries using equity method and, accordingly, made necessary adjustments.

The parent company only financial statements have been prepared on a historical cost basis, except for financial instruments measured at fair value.

The only financial statements are expressed in thousands of New Taiwan Dollars ("NT$") unless otherwise stated.

(3) Foreign currency transactions

The Company's parent company only financial statements are presented in NT dollars, which is also the Company's functional currency.

Transactions in foreign currencies are initially recorded by the Company at its respective functional currency rates prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the functional currency closing rate of exchange ruling at the reporting date. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. Non-monetary items that are measured at historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions.

All exchange differences arising on the settlement of monetary items or on translating monetary items are taken to profit or loss in the period in which they arise except for the following:

A. Exchange differences arising from foreign currency borrowings for an acquisition of a qualifying asset to the extent that they are regarded as an adjustment to interest costs are included in the borrowing costs that are eligible for capitalization.
B. Foreign currency items within the scope of IFRS 9 *Financial Instruments* are accounted for based on the accounting policy for financial instruments.
C. Exchange differences arising on a monetary item that forms part of a reporting entity's net investment in a foreign operation is recognized initially in other comprehensive income and reclassified from equity to profit or loss on disposal of the net investment.

When a gain or loss on a non-monetary item is recognized in other comprehensive income, any exchange component of that gain or loss is recognized in other comprehensive income. When a gain or loss on a non-monetary item is recognized in profit or loss, any exchange component of that gain or loss is recognized in profit or loss.

(4) Translation of financial statements in foreign currency

Each foreign operations of the Company determines its own functional currency and items included in the financial statements of each foreign operations are measured using that functional currency. The assets and liabilities of foreign operations are translated into NT$ at the closing rate of exchange prevailing at the reporting date and their income and expenses are translated at an average rate for the period. The exchange differences arising on the translation are recognized in other comprehensive income. On the disposal of a foreign operation, the cumulative amount of the exchange differences relating to that foreign operation, recognized in other comprehensive income and accumulated in the separate component of equity, is reclassified from equity to profit or loss when the gain or loss on disposal is recognized. The following are accounted for as disposals even if an interest in the foreign operation is retained by the Company: the loss of control over a foreign operation, the loss of significant influence over a foreign operation, or the loss of joint control over a foreign operation.

On the partial disposal of a subsidiary that includes a foreign operation that does not result in a loss of control, the proportionate share of the cumulative amount of the exchange differences recognized in other comprehensive income is re-attributed to the non-controlling interests in that foreign operation. In partial disposal of an associate or jointly controlled entity that includes a foreign operation that does not result in a loss of significant influence or joint control, only the proportionate share of the cumulative amount of the exchange differences recognized in other comprehensive income is reclassified to profit or loss.

(5) Current and non-current distinction

An asset is classified as current when:

A. The Company expects to realize the asset, or intends to sell or consume it, in its normal operating cycle;
B. The Company holds the asset primarily for the purpose of trading;
C. The Company expects to realize the asset within twelve months after the reporting period, or
D. The asset is cash or cash equivalent unless the asset is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is classified as current when:

A. The Company expects to settle the liability in its normal operating cycle; or
B. The Company holds the liability primarily for the purpose of trading; or
C. The liability is due to be settled within twelve months after the reporting period; or
D. The Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting period. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

All other liabilities are classified as non-current.

(6) Cash and cash equivalents

Cash and cash equivalents comprises cash on hand, demand deposits and short-term, highly liquid investments that are readily convertible to known amounts of cash and subject to an insignificant risk of changes in value (include fixed-term deposits that have maturities of 3 months from the date of acquisition).

(7) Financial instruments

Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities within the scope of IFRS 9 *Financial Instruments* are recognized initially at fair value plus or minus, in the case of investments not at fair value through profit or loss, directly attributable transaction costs.

A. Financial instruments: Recognition and Measurement

The Company accounts for regular way purchase or sales of financial assets on the trade date.

The Company classified financial assets as subsequently measured at amortized cost, fair value through other comprehensive income or fair value through profit or loss considering both factors below:

a. the Company's business model for managing the financial assets and
b. the contractual cash flow characteristics of the financial asset.

Financial asset measured at amortized cost

A financial asset is measured at amortized cost if both of the following conditions are met and presented as note receivables, accounts receivables, financial assets measured at amortized cost and other receivables etc., on balance sheet as at the reporting date:

a. the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and
b. 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.

Such financial assets are subsequently measured at amortized cost (the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus or minus the cumulative amortization using the effective interest method of any difference between the initial amount and the maturity amount and adjusted for any loss allowance) and is not part of a hedging relationship. A gain or loss is recognized in profit or loss when the financial asset is derecognized, through the amortization process or in order to recognize the impairment gains or losses.

Interest revenue is calculated by using the effective interest method. This is calculated by applying the effective interest rate to the gross carrying amount of a financial asset except for:

a. purchased or originated credit-impaired financial assets. For those financial assets, the Company applies the credit-adjusted effective interest rate to the amortized cost of the financial asset from initial recognition.
b. financial assets that are not purchased or originated credit-impaired financial assets but subsequently have become credit-impaired financial assets. For those financial assets, the Company applies the effective interest rate to the amortized cost of the financial asset in subsequent reporting periods.

Financial asset measured at fair value through other comprehensive income

A financial asset is measured at fair value through other comprehensive income if both of the following conditions are met:

a. the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and
b. 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.

Recognition of gain or loss on a financial asset measured at fair value through other comprehensive income are described as below:

a. A gain or loss on a financial asset measured at fair value through other comprehensive income recognized in other comprehensive income, except for impairment gains or losses and foreign exchange gains and losses, until the financial asset is derecognized or reclassified.
b. When the financial asset is derecognized the cumulative gain or loss previously recognized in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment.
c. Interest revenue is calculated by using the effective interest method. This is calculated by applying the effective interest rate to the gross carrying amount of a financial asset except for:
   (a) Purchased or originated credit-impaired financial assets. For those financial assets, the Company applies the credit-adjusted effective interest rate to the amortized cost of the financial asset from initial recognition.
   (b) Financial assets that are not purchased or originated credit-impaired financial assets but subsequently have become credit-impaired financial assets. For those financial assets, the Company applies the effective interest rate to the amortized cost of the financial asset in subsequent reporting periods.

Besides, for certain equity investments within the scope of IFRS 9 that is neither held for trading nor contingent consideration recognized by an acquirer in a business combination to which IFRS 3 applies, the Company made an irrevocable election to present the changes of the fair value in other comprehensive income at initial recognition. Amounts presented in other comprehensive income shall not be subsequently transferred to profit or loss (when disposal of such equity instrument, its cumulated amount included in other components of equity is transferred directly to the retained earnings) and these investments should be presented as financial assets measured at fair value through other comprehensive income on the balance sheet. Dividends on such investment are recognized in profit or loss unless the dividends clearly represents a recovery of part of the cost of investment.

Financial asset measured at fair value through profit or loss

Financial assets were classified as measured at amortized cost or measured at fair value through other comprehensive income based on aforementioned criteria. All other financial assets were measured at fair value through profit or loss and presented on the balance sheet as financial assets measured at fair value through profit or loss.

Such financial assets are measured at fair value, the gains or losses resulting from remeasurement is recognized in profit or loss which includes any dividend or interest received on such financial assets.

B. Impairment of financial assets

The Company recognizes a loss allowance for expected credit losses on debt instrument investments measured at fair value through other comprehensive income and financial asset measured at amortized cost. The loss allowance on debt instrument investments measured at fair value through other comprehensive income is recognized in other comprehensive income and not reduce the carrying amount in the balance sheet.

The Company measures expected credit losses of a financial instrument in a way that reflects:

a. an unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes;
b. the time value of money; and
c. reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

The loss allowance is measured as follows:

a. At an amount equal to 12-month expected credit losses: the credit risk on a financial asset has not increased significantly since initial recognition or the financial asset is determined to have low credit risk at the reporting date. In addition, the Company measures the loss allowance at an amount equal to lifetime expected credit losses in the previous reporting period, but determines at the current reporting date that the credit risk on a financial asset has increased significantly since initial recognition is no longer met.
b. At an amount equal to the lifetime expected credit losses: the credit risk on a financial asset has increased significantly since initial recognition or financial asset that is purchased or originated credit-impaired financial asset.
c. For accounts receivables or contract assets arising from transactions within the scope of IFRS 15, the Company measures the loss allowance at an amount equal to lifetime expected credit losses.
d. For lease receivables arising from transactions within the scope of IFRS 16, the Company measures the loss allowance at an amount equal to lifetime expected credit losses.

At each reporting date, the Company needs to assess whether the credit risk on a financial asset has increased significantly since initial recognition by comparing the risk of a default occurring at the reporting date and the risk of default occurring at initial recognition. Please refer to Note 12 for further details on credit risk.

C. Derecognition of financial assets

A financial asset is derecognized when:

a. The rights to receive cash flows from the asset have expired
b. The Company has transferred the asset and substantially all the risks and rewards of the asset have been transferred
c. The Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

On derecognition of a financial asset in its entirety, the difference between the carrying amount and the consideration received or receivable including any cumulative gain or loss that had been recognized in other comprehensive income, is recognized in profit or loss.

D. Financial liabilities and equity

Classification between liabilities or equity

The Company classifies the instrument issued as a financial liability or an equity instrument in accordance with the substance of the contractual arrangement and the definitions of a financial liability, and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. The transaction costs of an equity transaction are accounted for as a deduction from equity (net of any related income tax benefit) to the extent they are incremental costs directly attributable to the equity transaction that otherwise would have been avoided.

Financial liabilities

Financial liabilities within the scope of IFRS 9 *Financial Instruments* are classified as financial liabilities at fair value through profit or loss or financial liabilities measured at amortized cost upon initial recognition.

Financial liabilities at amortized cost

Financial liabilities measured at amortized cost include interest bearing loans and borrowings that are subsequently measured using the effective interest rate method after initial recognition. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the effective interest rate method amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or transaction costs.

Derecognition of financial liabilities

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified (whether or not attributable to the financial difficulty of the debtor), such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognized in profit or loss.

E. Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount reported in the balance sheet if, and only if, there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the assets and settle the liabilities simultaneously.

(8) Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

A. In the principal market for the asset or liability, or
B. In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible to by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

(9) Inventories

Inventories are valued at lower of cost and net realizable value item by item.

Costs incurred in bringing each inventory to its present location and conditions are accounted for as follows:

Raw materials – Purchase cost on a weighted average cost basis.

Finished goods and work in progress – Cost of direct materials and labor and a proportion of manufacturing overheads based on normal operating capacity but excluding borrowing costs.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

(10) Non-current assets held for sale and discontinued operations

Non-current assets and disposal groups are classified as held for sale if their carrying amounts will be recovered through a sale transaction that is highly probable within one year from the date of classification and the asset or disposal group is available for immediate sale in its present condition. Non-current assets and disposal groups classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell.

In the consolidated statement of comprehensive income of the reporting period, and of the comparable period of the previous year, income and expenses from discontinued operations are reported separately from income and expenses from continuing operations, down to the level of profit after taxes, even when the Group retains a non-controlling interest in the subsidiary after the sale. The resulting profit or loss (after taxes) is reported separately in the statement of comprehensive income.

Property, plant and equipment and intangible assets once classified as held for sale are not depreciated or amortized.

(11) Investments accounted for using the equity method

The Company accounted for its investments in subsidiaries using equity method and made necessary adjustments in accordance with Article 21 of the Regulations. Such adjustments were made after the Company considered the different accounting treatments to account for its investments in subsidiaries in the consolidated financial statements under IFRS 10 "Consolidated and Separate Financial Statements" and the different IFRSs adopted from different reporting entity's perspectives, and the Company recorded such adjustments by crediting or debiting to investments accounted for under the equity method, share of profit or loss of subsidiaries, associates and joint ventures and share of other comprehensive income of subsidiaries, associates and joint ventures.

The Company's investment in its associate is accounted for using the equity method other than those that meet the criteria to be classified as held for sale. An associate is an entity over which the Company has significant influence. A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture.

Under the equity method, the investment in the associate or a joint venture is carried in the balance sheet at cost and adjusted thereafter for the post-acquisition change in the Company's share of net assets of the associate or a joint venture. After the interest in the associate or a joint venture is reduced to zero, additional losses are provided for, and a liability is recognized, only to the extent that the Company has incurred legal or constructive obligations or made payments on behalf of the associate or a joint venture. Unrealized gains and losses resulting from transactions between the Company and the associate or joint venture are eliminated to the extent of the Company's related interest in the associate or joint venture.

When changes in the net assets of an associate or a joint venture occur and not those that are recognized in profit or loss or other comprehensive income and do not affects the Company's percentage of ownership interests in the associate or joint venture, the Company recognizes such changes in equity based on its percentage of ownership interests. The resulting capital surplus recognized will be reclassified to profit or loss at the time of disposing the associate or joint venture on a prorate basis.

When the associate or joint venture issues new stock, and the Company's interest in an associate or a joint venture is reduced or increased as the Company fails to acquire shares newly issued in the associate or joint venture proportionately to its original ownership interest, the increase or decrease in the interest in the associate or joint venture is recognized in Additional Paid in Capital and Investment accounted for using the equity method. When the interest in the associate or joint venture is reduced, the cumulative amounts previously recognized in other comprehensive income are reclassified to profit or loss or other appropriate items. The aforementioned capital surplus recognized is reclassified to profit or loss on a pro rata basis when the Company disposes the associate or joint venture.

The financial statements of the associate or a joint venture are prepared for the same reporting period as the Company. Where necessary, adjustments are made to bring the accounting policies in line with those of the Company.

The Company determines at each reporting date whether there is any objective evidence that the investment in the associate or an investment in a joint venture is impaired in accordance with IAS 28 *Investments in Associates and Joint Ventures*. If there is any objective evidence, the Company calculates the amount of impairment as the difference between the recoverable amount of the associate or a joint venture and its carrying value and recognizes the amount in the 'share of profit or loss of an associate' in the statement of comprehensive income in the scope of IAS 36 *Impairment of Assets.* In determining the value in use of the investment, the Group estimates:

A. The Company's right on the estimated future cash flow from its associate or a joint venture includes associate or a joint venture's cash flow from operation and the capital gain on the final settlement, or
B. The Company's expected present value of the dividend from the investment and the capital gain on the final settlement.

Upon loss of significant influence over the associate or joint venture, the Company measures and recognizes any retaining investment at its fair value. Any difference between the carrying amount of the associate or joint venture upon loss of significant influence and the fair value of the retaining investment and proceeds from disposal is recognized in profit or loss. Furthermore, if an investment in an associate becomes an investment in a joint venture or an investment in a joint venture becomes an investment in an associate, the entity continues to apply the equity method and does not remeasure the retained interest.

(12) Property, plant and equipment

Property, plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of dismantling and removing the item and restoring the site on which it is located and borrowing costs for construction in progress if the recognition criteria are met. Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately. When significant parts of property, plant and equipment are required to be replaced in intervals, the Company recognized such parts as individual assets with specific useful lives and depreciation, respectively. The carrying amount of those parts that are replaced is derecognized in accordance with the derecognition provisions of IAS 16 *Property, plant and equipment*. When a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in profit or loss as incurred.

Depreciation is calculated on a straight-line method basis over the estimated economic lives of the following assets:

Buildings	5~55 years
Machinery and equipment	1~20 years
Transportation equipment	5~10 years
Leasehold improvements	5 years
Office equipment	3~20 years

An item of property, plant and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset is recognized in profit or loss.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

(13) Leases

The Company assesses whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset for a period of time, the Company assesses whether, throughout the period of use, has both of the following:

A. the right to obtain substantially all of the economic benefits from use of the identified asset; and
B. the right to direct the use of the identified asset.

For a contract that is, or contains, a lease, the Company accounts for each lease component within the contract as a lease separately from non-lease components of the contract. For a contract that contains a lease component and one or more additional lease or non-lease components, the Company allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components. The relative stand-alone price of lease and non-lease components shall be determined on the basis of the price the lessor, or a similar supplier, would charge the Company for that component, or a similar component, separately. If an observable stand-alone price is not readily available, the Company estimates the stand-alone price, maximising the use of observable information.

Company as a lessee

Except for leases that meet and elect short-term leases or leases of low-value assets, the Company recognizes right-of-use asset and lease liability for all leases which the Company is the lessee of those lease contracts.

At the commencement date, the Company measures the lease liability at the present value of the lease payments that are not paid at that date. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses its incremental borrowing rate. At the commencement date, the lease payments included in the measurement of the lease liability comprise the following payments for the right to use the underlying asset during the lease term that are not paid at the commencement date:

A. fixed payments (including in-substance fixed payments), less any lease incentives receivable;
B. variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;

C. amounts expected to be payable by the lessee under residual value guarantees;
D. the exercise price of a purchase option if the Company is reasonably certain to exercise that option; and
E. payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease.

After the commencement date, the Company measures the lease liability on an amortised cost basis, which increases the carrying amount to reflect interest on the lease liability by using an effective interest method; and reduces the carrying amount to reflect the lease payments made.

At the commencement date, the Company measures the right-of-use asset at cost. The cost of the right-of-use asset comprises:

A. the amount of the initial measurement of the lease liability;
B. any lease payments made at or before the commencement date, less any lease incentives received;
C. any initial direct costs incurred by the lessee; and
D. an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease.

For subsequent measurement of the right-of-use asset, the Company measures the right-of-use asset at cost less any accumulated depreciation and any accumulated impairment losses. That is, the Company measures the right-of-use applying a cost model.

If the lease transfers ownership of the underlying asset to the Company by the end of the lease term or if the cost of the right-of-use asset reflects that the Company will exercise a purchase option, the Company depreciates the right-of-use asset from the commencement date to the end of the useful life of the underlying asset. Otherwise, the Company depreciates the right-of-use asset from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term.

The Company applies IAS 36 “Impairment of Assets” to determine whether the right-of-use asset is impaired and to account for any impairment loss identified.

Except for those leases that the Company accounted for as short-term leases or leases of low-value assets, the Company presents right-of-use assets and lease liabilities in the balance sheet and separately presents lease-related interest expense and depreciation charge in the statements comprehensive income.

For short-term leases or leases of low-value assets, the Company elects to recognize the lease payments associated with those leases as an expense on either a straight-line basis over the lease term or another systematic basis.

Company as a lessor

At inception of a contract, the Company classifies each of its leases as either an operating lease or a finance lease. A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of an underlying asset. A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership of an underlying asset. At the commencement date, the Company recognizes assets held under a finance lease in its balance sheet and present them as a receivable at an amount equal to the net investment in the lease.

For a contract that contains lease components and non-lease components, the Group allocates the consideration in the contract applying IFRS 15.

The Company recognizes lease payments from operating leases as rental income on either a straight-line basis or another systematic basis. Variable lease payments for operating leases that do not depend on an index or a rate are recognized as rental income when incurred.

(14) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is its fair value as at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses, if any. Internally generated intangible assets, excluding capitalized development costs, are not capitalized and expenditure is reflected in profit or loss for the year in which the expenditure is incurred.

Intangible assets are all finite.

Intangible assets with finite lives are amortized over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at the end of each financial year. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is accounted for by changing the amortization period or method, as appropriate, and are treated as changes in accounting estimates.

Gains or losses arising from derecognition of an intangible asset are recognized in profit or loss.

Accounting policies information applied to the Company's intangible assets is as follows:

	Computer software
Useful lives	Finite
Amortization method used	Amortized on a straight- line basis over the estimated useful life
Internally generated or acquired	Acquired

(15) Impairment of non-financial assets

The Company assesses at the end of each reporting period whether there is any indication that an asset in the scope of IAS 36 *Impairment of Assets* may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's ("CGU") fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

For assets excluding goodwill, an assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the Company estimates the asset's or cash-generating unit's recoverable amount. A previously recognized impairment loss is reversed only if there has been an increase in the estimated service potential of an asset which in turn increases the recoverable amount. However, the reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years.

An impairment loss of continuing operations or a reversal of such impairment loss is recognized in profit or loss.

(16) Revenue recognition

The Company's revenue arising from contracts with customers are primarily related to sale of goods and rendering of services. The accounting policies are explained as follows:

Sale of goods

The Company manufactures and sells machinery. Sales are recognized when control of the goods is transferred to the customer and the goods are delivered to the customers. The main product of the Company is glass (flat glass, glass fiber, and glass container) and revenue is recognized based on the consideration stated in the contract. For certain sales of goods transactions, they are usually accompanied by volume discounts (based on the accumulated total sales amount for a specified period). Therefore, revenue from these sales is recognized based on the price specified in the contract, net of the estimated volume discounts. to the Company estimates the discounts using the expected value method based on historical experiences. Revenue is only recognized to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognized will not occur and when the uncertainty associated with the variable consideration is subsequently resolved. During the period specified in the contract, refund liability is recognized for the expected volume discounts.

The credit period of the Company's sale of goods is generally from 30 to 180 days. For most of the contracts, when the Company transfers the goods to customers and has a right to an amount of consideration that is unconditional, these contracts are recognized as accounts receivables. The Company usually collects the payments shortly after transfer of goods to customers; therefore, there is no significant financing component to the contract. For other services contracts, part of the consideration was received from customers upon signing the contract, and the Company has the obligation to provide the services subsequently; accordingly, these amounts are recognized as advance receipts or temporary receipts.

The period between the transfers of contract liabilities to revenue is usually within one year, thus, no significant financing component arose.

(17) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective assets. All other borrowing costs are expensed in the period they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

(18) Post-employment benefits

All regular employees of the Company are entitled to a pension plan that is managed by an independently administered pension fund committee. Fund assets are deposited under the committee's name in the specific bank account and hence, not associated with the Company. Therefore, fund assets are not included in the Company's parent company only financial statements.

For the defined contribution plan, the Company will make a monthly contribution of no less than 6% of the monthly wages of the employees subject to the plan. The Company recognizes expenses for the defined contribution plan in the period in which the contribution becomes due.

Post-employment benefit plan that is classified as a defined benefit plan uses the Projected Unit Credit Method to measure its obligations and costs based on actuarial assumptions. Re-measurements, comprising of the effect of the actuarial gains and losses, the effect of the asset ceiling (excluding net interest) and the return on plan assets, excluding net interest, are recognized as other comprehensive income with a corresponding debit or credit to retained earnings in the period in which they occur. Past service costs are recognized in profit or loss on the earlier of:

A. the date of the plan amendment or curtailment, and
B. the date that the Company recognizes restructuring-related costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset, both as determined at the start of the annual reporting period, taking account of any changes in the net defined benefit liability (asset) during the period as a result of contribution and benefit payment.

(19) Income taxes

Income tax expense (benefit) is the aggregate amount included in the determination of profit or loss for the period in respect of current tax and deferred tax.

Current income tax

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period. Current income tax relating to items recognized in other comprehensive income or directly in equity is recognized in other comprehensive income or equity and not in profit or loss.

The income tax on undistributed retained earnings is recognized as income tax expense in the subsequent year when the distribution proposal is approved by the Stockholders' meeting.

Deferred income tax

Deferred tax is provided on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognized for all taxable temporary differences, except:

A. where the deferred tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss ; and at the time of the transaction, dose not give rise to equal taxable and deductible temporary difference.
B. in respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognized for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized, except:

A. where the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination ; at the time of the transaction, affects neither the accounting profit nor taxable profit or loss ; and at the time of the transaction, does not give rise to equal taxable and deductible temporary differences.

B. in respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognized only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the reporting date. The measurement of deferred tax assets and deferred tax liabilities 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. Deferred tax relating to items recognized outside profit or loss is recognized outside profit or loss. Deferred tax items are recognized in correlation to the underlying transaction either in other comprehensive income or directly in equity. Deferred tax assets are reassessed at each reporting date and are recognized accordingly.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current income tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

5. Significant accounting judgments, estimates and assumptions

The preparation of the Company's parent company only financial statements require management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities, at the end of the reporting period. However, uncertainty about these assumption and estimate could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

A. Fair value of financial instruments

Where the fair value of financial assets and financial liabilities recorded in the balance sheet cannot be derived from active markets, they are determined using valuation techniques including the income approach (for example the discounted cash flow model) or market approach. Changes in assumptions about these factors could affect the reported fair value of the financial instruments. Please refer to Note 12 for more details.

B. Inventories

The Company estimates the net realizable value of inventory for damage, obsolescence and price decline. The net realizable value of the inventory is mainly determined based on reliable evidence of expected cash flow. Please refer to Note 6.

C. Impairment of non-financial assets

An impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs to sell and its value in use. The fair value less costs to sell calculation is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date less incremental costs that would be directly attributable to the disposal of the asset or cash generating unit. The value in use calculation is based on a discounted cash flow model. The cash flows projections are derived from the budget for the next five years and do not include restructuring activities that the Company is not yet committed to or significant future investments that will enhance the asset's performance of the cash generating unit being tested. The recoverable amount is most sensitive to the discount rate used for the discounted cash flow model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes. The key assumptions used to determine the recoverable amount for the different cash generating units, including a sensitivity analysis, are further explained in Note 6.

D. Pension benefits

The cost of post-employment benefit and the present value of the pension obligation under defined benefit pension plans are determined using actuarial valuations. An actuarial valuation involves making various assumptions. These include the determination of the discount rate and expected rate of salary increases.

E. Revenue recognition – sales returns and allowance

The Company estimates sales returns and allowance based on historical experience and other known factors at the time of sale, which reduces the operating revenue. In assessing the aforementioned sales returns and allowance, revenue is recognized to the extent it is highly probable that a significant reversal in the amount of cumulative revenue recognized will not occur. Please refer to Note 6 for more details.

F. Income tax

Uncertainties exist with respect to the interpretation of complex tax regulations and the amount and timing of future taxable income. Given the wide range of international business relationships and the long-term nature and complexity of existing contractual agreements, differences arising between the actual results and the assumptions made, or future changes to such assumptions, could necessitate future adjustments to tax income and expense already recorded. The Company establishes provisions, based on reasonable estimates, for possible consequences of audits by the tax authorities of the respective counties in which it operates. The amount of such provisions is based on various factors, such as experience of previous tax audits and differing interpretations of tax regulations by the taxable entity and the responsible tax authority. Such differences of interpretation may arise on a wide variety of issues depending on the conditions prevailing in the respective Company's domicile.

Deferred tax assets are recognized for all carryforward of unused tax losses and unused tax credits and deductible temporary differences to the extent that it is probable that taxable profit will be available or there are sufficient taxable temporary differences against which the unused tax losses, unused tax credits or deductible temporary differences can be utilized. The amount of deferred tax assets determined to be recognized is based upon the likely timing and the level of future taxable profits and taxable temporary differences together with future tax planning strategies. Please refer to Note 6 for more details on unrecognized deferred tax assets.

G. Trade receivables–estimation of impairment loss

The Company estimates the impairment loss of trade receivables at an amount equal to lifetime expected credit losses. The credit loss is the present value of the difference between the contractual cash flows that are due under the contract (carrying amount) and the cash flows that expects to receive (evaluate forward looking information). However, as the impact from the discounting of short-term receivables is not material, the credit loss is measured by the undiscounted cash flows. Where the actual future cash flows are lower than expected, a material impairment loss may arise. Please refer to Note 6 for more details.

6. Contents of significant accounts

(1) Cash and cash equivalents

	As of December 31,	
	2023	2022
Cash on hand	$343	$353
Checking and savings accounts	1,285,449	1,162,966
Total	$1,285,792	$1,163,319

(2) Notes receivables, net

	As of December 31,	
	2023	2022
Notes receivables arising from operating activities	$195,083	$180,704
Less: loss allowance	-	-
Total	$195,083	$180,704

Notes receivables were not pledged.

The Company assesses impairments according to IFRS 9 to assess the impairment. Please refer to Note 6. (18) for more details on loss allowance and Note 12 for details on credit risk.

(3) Accounts receivables and accounts receivable – related parties

	As of December 31,	
	2023	2022
Accounts receivables	$1,259,431	$1,177,578
Less: loss allowance	(1,299)	(992)
Subtotal	1,258,132	1,176,586
Accounts receivable from related parties	204,974	239,262
Less: loss allowance	-	-
Subtotal	204,974	239,262
Total	$1,463,106	$1,415,848

Accounts receivables were not pledged.

Please refer to Note 12. (11) for disclosure on information of accounts receivables transfer.

Trade receivables are generally on 30-180 days terms. The total carrying amount as of December 31, 2023 and 2022 were NT$1,464,405 thousand and NT$1,416,840 thousand, respectively. Please refer to Note 6. (18) for more details on loss allowance of trade receivables for the years ended December 31, 2023 and 2022. Please refer to Note 12 for more details on credit risk management.

(4) Other receivables and other receivable – related parties

	As of December 31,	
	2023	2022
Other receivables	$12,790	$41,728
Less: loss allowance	-	-
Subtotal	12,790	41,728
Other receivable from related parties	348,023	2,185,857
Less: loss allowance	-	-
Subtotal	348,023	2,185,857
Total	$360,813	$2,227,585

Please refer to Note 6. (18) for more details on loss allowance of other receivables for the years ended December 31, 2023 and 2022. Please refer to Note 12 for more details on credit risk management.

(5) Inventories, net

	As of December 31,	
	2023	2022
Raw materials	$710,702	$1,250,560
Supplies	66,587	54,203
Work in progress	268,598	399,189
Finished goods	2,879,315	3,033,778
Total	$3,925,202	$4,737,730

The cost of inventories recognized in expenses amounts to NT$11,028,041 thousand and NT$10,611,170 thousand for the years ended December 31, 2023 and 2022, respectively, including:

	For the years ended December 31,	
	2023	2022
Losses for market price decline of inventories	$13,324	$398,069
Loss on work stoppage	172,800	51,115
Revenue from sale of scraps	(85,615)	(86,473)
Others	12,447	(12,625)
Additions (less) to operating costs	$112,956	$350,086

No inventories were pledged.

(6) Non-current assets or disposal groups classified as held for sale,net

On September 28, 2023, the Company entered into a contract with Tangban Mineral Corp. and Ching-Lun Chiu to sell the land located in Touwu Township, Gongguan Township and Tongluo Township, Miaoli County, with a total transaction amount of NT$160,000 thousand. As of December 31, 2023, the related assets transferred was reclassified from investment property to net non-current assets held for sale (or disposal groups) in the amount of NT$5,978 thousand, which were measured at the lower of their carrying amount and fair value less costs to sell without impairment loss.

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

	As of December 31,	
	2023	2022
Debt instrument investments measured at fair value through other comprehensive income – non-current:		
Listed companies stocks	$272,111	$273,194
Unlisted companies stocks	67,442	52,839
Total	$339,553	$326,033

Financial assets at fair value through other comprehensive income were not pledged.

(8) Investments accounted for using the equity method

	As of December 31,			
	2023		2022	
Investees	Carrying amount	Percentage of Ownership	Carrying amount	Percentage of Ownership
Taiwan Glass USA Sales Corp.	$471,530	100.00%	$389,199	100.00%
Taiwan Glass China Holding Ltd.	46,612,229	93.98%	46,521,926	93.98%
Taiwan Autoglass Ind. Corp.	82,469	87.00%	79,416	87.00%
Total	$47,166,228		$46,990,541	

The Company accounted for its investments in subsidiaries using equity method and made necessary adjustments on the parent company only financial statements.

No investment accounted for using the equity method was pledged.

(9) Property, plant and equipment

	Land	Buildings	Machinery and equipment	Transportation equipment	Leasehold improvements	Other equipment	Construction in progress and equipment awaiting examination	Total
Cost:								
As of January 1, 2022	$3,796,048	$8,644,812	$24,722,570	$267,735	$22,079	$383,088	$1,079,758	$38,916,090
Additions	-	19,565	64,561	790	-	19,975	429,224	534,115
Disposals	-	(6,239)	(211,064)	(4,149)	-	(8,780)	-	(230,232)
Transfers	-	32,267	974,682	6,900	1,452	4,912	(1,020,213)	-
Other changes	-	-	-	-	-	-	191,480	191,480
As of December 31, 2022	3,796,048	8,690,405	25,550,749	271,276	23,531	399,195	680,249	39,411,453
Additions	-	4,645	59,107	235	-	28,566	341,496	434,049
Disposals	-	-	(161,762)	(6,139)	-	(5,300)	-	(173,201)
Transfers	-	10,522	360,822	3,701	-	1,557	(376,602)	-
Other changes	-	-	(28,303)	-	-	-	124,172	95,869
As of December 31, 2023	$3,796,048	$8,705,572	$25,780,613	$269,073	$23,531	$424,018	$769,315	$39,768,170
Depreciation and impairment:								
As of January 1, 2022	$-	$6,354,273	$16,954,212	$237,104	$3,708	$309,848	$-	$23,859,145
Depreciation	-	233,322	946,924	11,131	5,302	16,538	-	1,213,217
Disposals	-	(6,113)	(205,135)	(4,149)	-	(8,526)	-	(223,923)
Transfers	-	-	-	-	-	-	-	-
Other changes	-	-	-	-	-	-	-	-
As of December 31, 2022	-	6,581,482	17,696,001	244,086	9,010	317,860	-	24,848,439
Depreciation	-	232,633	946,489	10,818	5,383	17,893	-	1,213,216
Disposals	-	-	(155,465)	(6,140)	-	(4,770)	-	(166,375)
Transfers	-	-	-	-	-	-	-	-
Other changes	-	-	(3,656)	-	-	-	-	(3,656)
As of December 31, 2023	$-	$6,814,115	$18,483,369	$248,764	$14,393	$330,983	$-	$25,891,624
Net carrying amount as of:								
December 31, 2023	$3,796,048	$1,891,457	$7,297,244	$20,309	$9,138	$93,035	$769,315	$13,876,546
December 31, 2022	$3,796,048	$2,108,923	$7,854,748	$27,190	$14,521	$81,335	$680,249	$14,563,014

Capitalized borrowing costs of property, plant and equipment are as follows:

Item	For the years ended December 31, 2023	2022
Construction in progress	$13,570	$14,889
Capitalization rate of borrowing costs	1.880%~2.307%	1.276%~2.102%

Components of machinery and equipment that have different useful lives are furnace and platinum, which are depreciated over 12 years and 20 years, respectively.

No property, plant and equipment was pledged.

(10) Right-of-use assets

	Land	Buildings	Other equipment	Total
Cost:				
As of January 1, 2022	$122,688	$73,044	$41,702	$237,434
Additions	-	1,669	3,709	5,378
Disposals	-	(595)	(1,105)	(1,700)
Transfers	-	-	-	-
Other changes	-	-	-	-
As of December 31, 2022	122,688	74,118	44,306	241,112
Additions	123,031	-	542	123,573
Disposals	.(119,931)	(3,258)	-	(123,189)
Transfers	-	-	-	-
Other changes	-	-	-	-
As of December 31, 2023	$125,788	$70,860	$44,848	$241,496
Depreciation and impairment:				
As of January 1, 2022	$97,599	$15,743	$14,488	$127,830
Additions	24,538	15,689	8,982	49,209
Disposals	-	(595)	(1,105)	(1,700)
Transfers	-	-	-	-
Other changes	-	-	-	-
As of December 31, 2022	122,137	30,837	22,365	175,339
Additions	19,005	14,537	9,246	42,788
Disposals	(119,931)	(2,080)	-	(122,011)
Transfers	-	-	-	-
Other changes	-	-	-	-
As of December 31, 2023	$21,211	$43,294	$31,611	$96,116
Net carrying amount as at:				
December 31, 2023	$104,577	$27,566	$13,237	$145,380
December 31, 2022	$551	$43,281	$21,941	$65,773

(11) Other non-current assets

	As of December 31,	
	2023	2022
Investment property	$-	$5,978
Advance payments in equipment	66,505	40,822
Intangible assets	1,906	2,175
Overdue receivables	775,771	772,210
Less: loss allowance	(775,771)	(772,210)
Overdue receivables, net	-	-
Refundable deposits	8,381	10,709
Net	$76,792	$59,684

No investment property was pledged.

The Company signed a contract to sell its investment property on September 28, 2023. Please refer to Note 6.(6) for more details.

Investment properties held by the Company are not measured at fair value but for which the fair value is disclosed. The fair value measurements of the investment properties are categorized within Level 3. The fair value of investment properties is NT$116,682 thousand, as of December 31, 2022. The fair value has been determined based on valuations performed by an independent appraiser. The valuation method used is direct capitalized method and market approach, and the inputs used are as follows:

Direct capitalization method:

	As of December 31,
	2022
Income capitalization rate	1.71%~2.38%

Please refer to Note 6.18 for the Company's loss allowance for impairment related information as of December 31 ,2023 and 2022. For information related to credit risk, please refer to Note 12.

Amortization expense of intangible assets under the statement of comprehensive income:

	For the years ended December 31,	
	2023	2022
Operating costs	$184	$31
General and administrative expense	1,203	1,505
Total	$1,387	$1,536

(12) Short-term loans

Details of short-term loans as of December 31, 2023 and 2022 are as follows:

	As of December 31,	
	2023	2022
Unsecured bank loans	$1,950,000	$2,250,000
Unsecured interest rates	1.896%~2.530%	1.587%~2.235%

The Company's unused short-term lines of credits amounted to NT$0 thousand and NT$100,000 thousand as of December 31, 2023 and 2022, respectively.

(13) Short-term bills payable

	As of	
	December 31, 2023	December 31, 2022
Short-term bills payable	$4,080,000	$4,100,000
Less: unamortized discount	(15,440)	(12,200)
Net	$4,064,560	$4,087,800
Interest rates	2.208%~ 2.368%	2.138%~ 2.338%

(14) Long-term loans

Details of long-term loans as of December 31, 2023 and 2022 are as follows:

				As of December 31,		
Lenders	Terms	Type of loans	Interest Rate	2023	2022	Redemption
Chang-Hwa Bank	2021.09.30-2024.09.30	credit of loans	Floating interest rate	$250,000	$500,000	Repayable semiannually every 6 months from March 30, 2023.
Hua-Nan Bank	2021.05.27-2023.05.27	〃	〃	-	1,000,000	Principal repaid at maturity
Hua-Nan Bank	2023.05.26-2025.05.26	〃	〃	1,000,000	-	Principal repaid at maturity
Hua-Nan Bank	2021.12.27-2023.12.27	〃	〃	-	1,000,000	Principal repaid at maturity
Hua-Nan Bank	2023.12.29-2025.12.29	〃	〃	1,000,000	-	Principal repaid at maturity
King's Town Bank	2020.06.29-2027.12.28	〃	〃	1,040,000	1,300,000	Repayable semiannually every 6 months from December 29, 2020.

Lenders	Terms	Type of loans	Interest Rate	As of December 31, 2023	2022	Redemption
O-Bank	2022.12.19-2025.12.19	credit of loans	Floating interest rate	$1,000,000	$1,000,000	Principal repaid at maturity
Union Bank of Taiwan	2022.06.22-2023.12.22	〃	〃	-	600,000	Principal repaid at maturity
Union Bank of Taiwan	2023.12.22-2025.06.22	〃	〃	600,000	-	Principal repaid at maturity
Far Eastern International Bank	2021.12.06-2023.12.06	〃	〃	-	800,000	Principal repaid at maturity
Far Eastern International Bank	2023.12.06-2025.12.05	〃	〃	800,000	-	Principal repaid at maturity
Bank of Kaohsiung	2021.12.22-2023.12.22	〃	〃	-	300,000	Principal repaid at maturity
Bank of Kaohsiung	2023.12.22-2025.12.22	〃	〃	300,000	-	Principal repaid at maturity
Mega Bank	2021.12.17-2024.12.17	〃	〃	600,000	600,000	Principal repaid at maturity
KGI Bank	2021.11.04-2023.11.04	〃	〃	-	300,000	Principal repaid at maturity
KGI Bank	2023.11.09-2025.11.09	〃	〃	300,000	-	Principal repaid at maturity
KGI Bank	2021.12.06-2024.12.06	〃	〃	150,000	250,000	Repaid in 5 installments of $50,000 thousand each in the first 4 installments and $100,000 thousand in the 5th installment from December 6, 2022, with 6 months as one installment.
Taiwan Cooperative Bank	2022.08.23-2025.08.23	〃	〃	700,000	700,000	Repayable monthly from August 23, 2024.
Bank of China	2022.02.01-2024.01.31	〃	〃	-	400,000	Principal repaid at maturity
Bank of China	2023.02.01-2025.01.31	〃	〃	400,000	-	Principal repaid at maturity
Taichung Commercial Bank	2020.12.30-2023.12.30	〃	〃	-	500,000	Principal repaid at maturity
Taichung Commercial Bank	2023.10.16-2026.10.16	〃	〃	500,000	-	Principal repaid at maturity

Lenders	Terms	Type of loans	Interest Rate	As of December 31, 2023	2022	Redemption
EnTie Commercial Bank	2021.09.16-2023.12.15	credit of loans	Floating interest rate	$-	$700,000	Principal repaid at maturity
EnTie Commercial Bank	2023.09.22-2025.09.22	〃	〃	700,000	-	Principal repaid at maturity
Shin Kong Commercial Bank	2021.09.28-2023.10.18	〃	〃	-	300,000	Principal repaid at maturity
Shin Kong Commercial Bank	2023.10.25-2025.10.25	〃	〃	300,000	-	Principal repaid at maturity
The Export-Import Bank of the Republic of China	2018.08.01-2023.08.01	〃	〃	-	133,333	Repayable semiannually every 6 months from August 1, 2019.
Shanghai Commercial & Savings Bank	2022.07.21-2025.07.21	〃	〃	400,000	400,000	Principal repaid at maturity
Taiwan Business Bank	2018.10.18-2025.10.18	〃	〃	363,637	545,455	Repayable semiannually every 6 months from October 18, 2020.
Agricultural Bank of Taiwan	2021.11.15-2024.11.15	〃	〃	458,333	500,000	Repayable monthly from December 15, 2023.
Mizuho Bank	2021.11.10-2023.11.10	〃	〃	-	970,000	Principal repaid at maturity
Mizuho Bank	2023.11.10-2025.11.10	〃	〃	970,000	-	Principal repaid at maturity
Bank SinoPac	2022.02.17-2024.02.17	〃	〃	500,000	500,000	Principal repaid at maturity
Bank SinoPac	2022.03.07-2024.02.17	〃	〃	600,000	600,000	Principal repaid at maturity
Bank of PanShin	2022.04.25-2024.04.25	〃	〃	200,000	200,000	Principal repaid at maturity
First Commercial Bank	2022.07.25-2024.07.25	〃	〃	300,000	300,000	Principal repaid at maturity
First Commercial Bank	2023.12.12-2025.12.12	〃	〃	400,000	-	Principal repaid at maturity
Hua-Nan Bank	2020.06.23-2025.06.23	guaranteed loan	〃	450,000	750,000	Repayable semiannually every 6 months from December 23, 2020.
Subtotal				14,281,970	15,148,788	
Less: current portion of long-term loans				(4,091,818)	(7,736,818)	
Total				$10,190,152	$7,411,970	

Part of the above loans were secured by real estate provided by other related parties. Please refer to Note 7.(13) for more details.

As of December 31, 2023 and 2022, part of long-term loans contained covenants that required the Company to maintain certain financial ratios such as (1) the current ratio, (2) the ratio of the total liabilities to the net tangible assets, (3) the ratio of EBITDA to interest expense and (4) the tangible assets net worth amount.

(15) Post-employment benefits

Defined contribution plan

The Company adopts a defined contribution plan in accordance with the Labor Pension Act of the R.O.C. Under the Labor Pension Act, the Company will make monthly contributions of no less than 6% of the employees' monthly wages to the employees' individual pension accounts. The Company has made monthly contributions of 6% of each individual employee's salaries or wages to employees' pension accounts.

Pension expenses under the defined contribution plan for the years ended December 31, 2023 and 2022 were NT$96,854 thousand and NT$97,907 thousand, respectively.

Defined benefits plan

The Company adopts a defined benefit plan in accordance with the Labor Standards Act of the R.O.C. The pension benefits are disbursed based on the units of service years and the average salaries in the last month of the service year. Two units per year are awarded for the first 15 years of services while one unit per year is awarded after the completion of the 15th year. The total units shall not exceed 45 units. Under the Labor Standards Act, the Company contributes an amount equivalent to 2% of the employees' total salaries and wages on a monthly basis to the pension fund deposited at the Bank of Taiwan in the name of the administered pension fund committee. Before the end of each year, the Company assesses the balance in the designated labor pension fund. If the amount is inadequate to pay pensions calculated for workers retiring in the same year, the Company will make up the difference in one appropriation before the end of March the following year.

The Ministry of Labor is in charge of establishing and implementing the fund utilization plan in accordance with the Regulations for Revenues, Expenditures, Safeguard and Utilization of the Labor Retirement Fund. The pension fund is managed in-house or under a mandate, based on a passive-aggressive investment strategy for long-term profitability. The Ministry of Labor establishes checks and risk management mechanism based on the assessment of risk factors including market risk, credit risk and liquidity risk, in order to maintain adequate manager flexibility to achieve targeted return without over-exposure of risk. With regard to utilization of the pension fund, the minimum earnings in the annual distributions on the final financial statement shall not be less than the earnings attainable from the amounts accrued from two-year time deposits with the interest rates offered by local banks. Treasury Funds can be used to cover the deficits after the approval of the competent authority. As the Company does not participate in the operation and management of the pension fund, no disclosure on the fair value of the plan assets categorized in different classes could be made in accordance with paragraph 142 of IAS 19. The Company expects to contribute NT$144,000 thousand to its defined benefit plan during the 12 months beginning after December 31, 2023.

Apart from the above-mentioned pension funds, the Company has another fund managed by the pension fund management committee, and the plan is categorized as follows:

	As of December 31,	
	2023	2022
Investments with quoted prices in an active market		
Equity instruments－domestic	85%	87%
Debt instruments－domestic	15%	13%
Other	0%	0%

The durations of the defined benefits plan obligation as of December 31, 2023 and 2022 are 1 and 2 years, respectively.

Pension costs recognized in profit or loss for the years ended December 31, 2023 and 2022:

	For the years ended December 31,	
	2023	2022
Current period service costs	$19,368	$21,616
Interest income or expense	(4,944)	(2,198)
Past service cost	-	-
Payments from the plan	-	-
Total	$14,424	$19,418

Changes in the defined benefit obligation and fair value of plan assets are as follows:

	As of		
	December 31, 2023	December 31, 2022	January 1, 2022
Defined benefit obligation at January 1,	$1,411,002	$1,537,506	$1,589,968
Plan assets at fair value	(1,904,287)	(1,986,942)	(1,908,496)
Other non-current liabilities - Accrued pension liabilities recognized on the balance sheets	$(493,285)	$(449,436)	$(318,528)

Reconciliation of liability (asset) of the defined benefit plan is as follows:

	Defined benefit obligation	Fair value of plan assets	Benefit liability (asset)
As of January 1, 2022	$1,589,968	$1,908,496	$(318,528)
Current period service costs	21,616	-	21,616
Net interest expense (income)	10,971	13,169	(2,198)
Subtotal	1,622,555	1,921,665	(299,110)
Remeasurements of the net defined benefit liability (asset):			
Actuarial gains and losses arising from changes in demographic assumptions	13	-	13
Actuarial gains and losses arising from changes in financial assumptions	(5,625)	-	(5,625)
Experience adjustments	40,128	-	40,128
Return on plan assets	-	(84,586)	84,586
Subtotal	34,516	(84,586)	119,102
Payments from the plan	(119,565)	(119,565)	-
Contributions by employer	-	269,428	(269,428)
Effect of changes in foreign exchange rates	-	-	-
As of December 31, 2022	1,537,506	1,986,942	(449,436)
Current period service costs	19,368	-	19,368
Net interest expense (income)	16,912	21,856	(4,944)
Subtotal	1,573,786	2,008,798	(435,012)
Remeasurements of the net defined benefit liability (asset):			
Actuarial gains and losses arising from changes in demographic assumptions	(79)	-	(79)
Actuarial gains and losses arising from changes in financial assumptions	31	-	31
Experience adjustments	(2,056)	-	(2,056)
Return on plan assets	-	(89,330)	89,330
Subtotal	(2,104)	(89,330)	87,226
Payments from the plan	(160,680)	(160,680)	-
Contributions by employer	-	145,499	(145,499)
Effect of changes in foreign exchange rates	-	-	-
As of December 31, 2023	$1,411,002	$1,904,287	$(493,285)

The following significant actuarial assumptions are used to determine the present value of the defined benefit obligation:

	As of December 31,	
	2023	2022
Discount rate	1.09%	1.10%
Expected rate of salary increases	1.00%	1.00%

A sensitivity analysis for significant assumption:

	Effect on the defined benefit obligation			
	2023		2022	
	Increase in defined benefit obligation	Decrease in defined benefit obligation	Increase in defined benefit obligation	Decrease in defined benefit obligation
Discount rate increase by 0.5%	$-	$1,483	$-	$3,659
Discount rate decrease by 0.5%	15,742	-	20,550	-
Future salary increase by 0.5%	15,413	-	20,180	-
Future salary decrease by 0.5%	-	1,491	-	3,680

The sensitivity analyses above are based on a change in a significant assumption (for example: change in discount rate or future salary), keeping all other assumptions constant. The sensitivity analyses may not be representative of an actual change in the defined benefit obligation as it is unlikely that changes in assumptions would occur in isolation of one another.

There was no change in the methods and assumptions used in preparing the sensitivity analyses compared to the previous period.

(16) Equities

A. Common stock

The Company's authorized capital were both NT$30,000,000 thousand as of December 31, 2023 and 2022. The Company's issued capital were both NT$29,080,608 thousand as of December 31, 2023 and 2022, each at a par value of NT$10. The Company has issued both 2,908,061 thousand common shares as of December 31, 2023 and 2022. Each share has one voting right and a right to receive dividends.

B. Capital surplus

	As of December 31,	
	2023	2022
Additional paid-in capital	$1,540,300	$1,540,300
Increase through changes in ownership interests in subsidiaries	258,091	258,091
Expired employee stock warrants	23,661	23,661
Gains on disposal of assets	103,166	103,166
Total	$1,925,218	$1,925,218

According to the Company Act, the capital reserve shall not be used except for making good the deficit of the company. When a company incurs no loss, it may distribute the capital reserves related to the income derived from the issuance of new shares at a premium or income from endowments received by the company. The distribution could be made in cash or in the form of dividend shares to its stockholders in proportion to the number of shares being held by each of them.

C. Earnings distribution and dividend policies

According to the Company's Articles of Incorporation, the Company's annual earnings, if any, shall first set aside 1.5% as employee bonuses and no higher than 1.5% as directors and supervisor's remunerations. Nevertheless, the Company shall first make up for losses if there are accumulated losses. The Company shall make distributions from its net income (less any deficit) in the following order:

a. Offset an accumulated deficit.
b. Set aside 10% as legal reserve.
c. Set aside or reverse special reserve.
d. Following distributions of items "a" to "c" indicated above, the remaining amount, if any, shall be proposed by the board of directors at a board meeting to be distributed as shareholders dividends and bonuses.

Based on the Company's plan to achieve healthy financial standing, whether to distribute the beginning undistributed earnings should consider the actual operation of the year and the budget planning for the following year, to evaluate the necessity of providing funding via earnings distribution so as to determine the most appropriate dividend policy for sustainable business development. The said shareholders dividend and bonus distribution shall not be less than 50% of the distributable earnings after deducting the above items "a" to "c" from current net income. However, if the shareholders dividends and bonuses account for are less than 1% of the paid-in capital, the Company may resolve to transfer it to retained earnings without making distribution. At least 20% of the dividends must be paid in the form of cash.

According to the Company Act, the Company needs to set aside amount to legal reserve unless where such legal reserve amounts to the total authorized capital. The legal reserve can be used to make good the deficit of the Company. When the Company incurs no loss, it may distribute the portion of legal serve which exceeds 25% of the paid-in capital by issuing new shares or by cash in proportion to the number of shares being held by each of the stockholders.

When the Company distributes distributable earnings, it shall set aside to special reserve, an amount equal to “other net deductions from shareholders” equity for the current fiscal year, provided that if the company has already set aside special reserve according to the requirements for the adoption of IFRS, it shall set aside supplemental special reserve based on the difference between the amount already set aside and other net deductions from shareholders’ equity. For any subsequent reversal of other net deductions from shareholders’ equity, the amount reversed may be distributed from the special reserve.

Following the adoption of TIFRS, the FSC on March 31, 2021 issued Order No. Jin-Guan-Cheng-Fa-Zi-1090150022, which sets out the following provisions for compliance:

On a public company's first-time adoption of the TIFRS, for any unrealized revaluation gains and cumulative translation adjustments (gains) recorded to shareholders’ equity that the company elects to transfer to retained earnings by application of the exemption under IFRS 1, the company shall set aside an equal amount of special reserve. Following a company’s adoption of the TIFRS for the preparation of its financial reports, when distributing distributable earnings, it shall set aside to special reserve, from the profit/loss of the current period and the undistributed earnings from the previous period, an amount equal to “other net deductions from shareholders’ equity for the current fiscal year, provided that if the company has already set aside special reserve according to the requirements in the preceding point, it shall set aside supplemental special reserve based on the difference between the amount already set aside and other net deductions from shareholders’ equity. For any subsequent reversal of other net deductions from shareholders’ equity, the amount reversed may be distributed. The special reserves booked from first-time adoption of International Financial Reporting Standards were both NT$3,232,749 thousand as of December 31, 2023 and 2022. The Company did not reverse special reserve to retained earnings for using, disposing of or reclassifying relevant assets in 2023 and 2022.

The Company has reversed special reserve to retained earnings for the years ended December 31, 2023 and 2022 as results of the use, disposal or reclassification of related assets in the amounts set out below:

	For the years ended December 31,	
	2023	2022
Beginning balance	$3,232,749	$3,232,749
Disposal of subsidiaries/associates	-	-
Reclassification of investment properties/property, plant and equipment	-	-
Ending balance	$3,232,749	$3,232,749

Details of the 2023 and 2022 earnings distribution and dividends per share as approved by Board of Directors' meeting on March 11, 2024 and by the stockholders' meeting on June 14, 2023, respectively, are as follows:

	Appropriation of earnings		Dividend per share (NT$)	
	2023	2022	2023	2022
Legal reserve	$-	$-	$-	$-
Common stock -cash dividend	-	-	-	-

Please refer to Note 6. (21) for further details on employees' compensation and remuneration to directors.

(17) Operating revenue

	For the years ended December 31,	
	2023	2022
Sale of goods	$12,278,353	$12,595,543

Analysis of revenue from contracts with customers during the periods ended December 31, 2023 and 2022 are as follows:

A. Disaggregation of revenue

		Flat glass	Container	Fiber glass	Other	Total
2023	Sale of goods	$4,698,928	$3,828,165	$3,633,093	$118,167	$12,278,353
2022	Sale of goods	$4,681,391	$3,279,956	$4,455,499	$178,697	$12,595,543

The timing of revenue recognition was at a point in time.

B. Contract balances

Contract liabilities – current

	As of		
	December 31, 2023	December 31, 2022	January 1, 2022
Sales of goods	$426,359	$427,122	$401,338

The significant changes in the Company's balances of contract liabilities for the years ended December 31, 2023 and 2022 are as follows:

	For the years ended December 31,	
	2023	2022
The opening balance transferred to revenue	$427,122	$401,338
Increase in receipts in advance during the period (excluding the amount incurred and transferred to revenue during the period)	426,359	427,122

C. Assets recognized from costs to obtain or fulfil a contract: None.

(18) Expected credit losses/ (gains)

	For the years ended December 31,	
	2023	2022
Operating expenses – Expected credit losses/(gains)		
Accounts receivables	$(307)	$(549)
Debt Collection	(3,619)	-
Total	$(3,926)	$(549)

Please refer to Note 12 for more details on credit risk.

The Company measures the loss allowance of its contract assets and accounts receivables (including note receivables, accounts receivables, other receivables and overdue receivables) at an amount equal to lifetime expected credit losses. The assessment of the Company's loss allowance as of December 31, 2023 and 2022 is as follows:

The Company considered the grouping of accounts receivables by counterparties' credit rating, by geographical region and by industry sector and its loss allowance is measured by using a provision matrix, details are as follows:

As of December 31, 2023

Group 1		Overdue			
	Not yet due	31-90 days	91-365 days	>=366 days	Total
Gross carrying amount	$-	$-	$-	$775,771	$775,771
Loss ratio	-	-	-	100%	
Lifetime expected credit losses	-	-	-	(775,771)	(775,771)
Subtotal	-	-	-	-	-

Group 2		Overdue			
	Not yet due	31-90 days	91-365 days	>=366 days	Total
Gross carrying amount	$1,215,118	$34,799	$9,513	$-	$1,259,430
Loss ratio	0%	1%	10%	-	
Lifetime expected credit losses	-	(348)	(951)	-	(1,299)
Subtotal	1,215,118	34,451	8,562	-	1,258,131

Group 3		Overdue			
	Not yet due	31-90 days	91-365 days	>=366 days	Total
Gross carrying amount	$760,871	$-	$-	$-	$760,871
Loss ratio	0%	-	-	-	
Lifetime expected credit losses	-	-	-	-	-
Subtotal	760,871	-	-	-	760,871
Total					$2,019,002

As of December 31, 2022

Group 1		Overdue			
	Not yet due	31-90 days	91-365 days	>=366 days	Total
Gross carrying amount	$-	$-	$-	$772,210	$772,210
Loss ratio	-	-	-	100%	
Lifetime expected credit losses	-	-	-	(772,210)	(772,210)
Subtotal	-	-	-	-	-

Group 2

	Not yet due	Overdue 31-90 days	91-365 days	>=366 days	Total
Gross carrying amount	$1,154,955	$14,116	$8,507	$-	$1,177,578
Loss ratio	0%	1%	10%	-	
Lifetime expected credit losses	-	(141)	(851)	-	(992)
Subtotal	1,154,955	13,975	7,656	-	1,176,586

Group 3

	Not yet due	Overdue 31-90 days	91-365 days	>=366 days	Total
Gross carrying amount	$2,647,551	$-	$-	$-	$2,647,551
Loss ratio	0%	-	-	-	
Lifetime expected credit losses	-	-	-	-	-
Subtotal	2,647,551	-	-	-	2,647,551
Total					$3,824,137

Group 1: The Company has exercised recourse against the individual assessment of accounts receivables, other receivables and overdue receivables.

Group 2: The Company's accounts receivables are overdue but not for more than one year.

Group 3: The Company's notes receivables, accounts receivables- related parties and other receivables are not yet due.

The movement in the provision for impairment of note receivables, accounts receivables, other receivables and overdue receivables during 2023 and 2022 was as follows:

	Notes receivables	Accounts receivables	Other receivables	Overdue receivables
As of January 1, 2023	$-	$992	$-	$772,210
Reversal for the current period	-	307	-	3,619
Write off	-	-	-	(58)
As of December 31, 2023	$-	$1,299	$-	$775,771
As of January 1, 2022	$-	$443	$-	$772,210
Reversal for the current period	-	549	-	-
Write off	-	-	-	-
As of December 31, 2022	$-	$992	$-	$772,210

(19) Net amount of other revenues and gains and expenses and losses

	For the years ended December 31,	
	2023	2022
Gains on disposal of property, plant, and equipment	$7,747	$77,707
Gains on disposal of other assets	6	-
Total	$7,753	$77,707

(20) Leases

A. Company as a lessee

The Company has entered into commercial leases on certain offices and plants. These leases have an average life of three to five years with no renewal option included in the contracts. There are no restrictions placed upon the Company by entering into these leases.

The Company's leases effect on the financial position, financial performance and cash flows are as follows:

1. Amounts recognized in the balance sheet

i. Right-of-use assets

The carrying amount of right-of-use assets

	As of December 31,	
	2023	2022
Land	$104,577	$551
Buildings	27,566	43,281
Other equipment	13,237	21,941
Total	$145,380	$65,773

During the years period ended December 31, 2023 and 2022, the Company's additions to right-of-use assets amounting to NT$123,573 thousand and NT$5,378 thousand, respectively.

ii. Lease liabilities

	As of December 31,	
	2023	2022
Current	$43,219	$24,993
Non-current	92,637	37,046
Lease liabilities	$135,856	$62,039

Please refer to Note 6. (22)(d) for the interest on lease liabilities recognized during the years ended December 31, 2023 and refer to Note 12. (5) Liquidity Risk Management for the maturity analysis for lease liabilities as of December 31, 2023.

2. Amounts recognized in the statement of profit or loss

Depreciation charge for right-of-use assets

	For the years ended December 31,	
	2023	2022
Land	$19,005	$24,538
Buildings	14,537	15,689
Other equipment	9,246	8,982
Total	$42,788	$49,209

3. Income and costs relating to leasing activities

	For the years ended December 31,	
	2023	2022
The expenses relating to short-term leases	$8,082	$1,313
The expenses relating to leases of low-value assets (Not including the expenses relating to short-term leases of low-value assets)	3,742	4,333

4. Cash outflow relating to leasing activities

During the year ended December 31, 2023 and 2022, the Company's total cash outflows for leases amounting to NT$62,791 thousand and NT$56,585 thousand, respectively.

(21) Summary statement of employee benefits, depreciation and amortization expenses by function:

	For the years ended December 31,					
	2023			2022		
	Operating costs	Operating expenses	Total	Operating costs	Operating expenses	Total
Employee benefits expense						
Salaries	$2,032,341	$262,481	$2,294,822	$2,231,889	$341,164	$2,573,053
Labor and health insurance	251,960	20,559	272,519	256,974	23,385	280,359
Pension	91,543	19,735	111,278	97,273	20,052	117,325
Directors' remuneration	-	9,608	9,608	-	8,533	8,533
Other employee benefits expense	77,653	12,626	90,279	81,673	12,319	93,992
Depreciation	1,209,181	46,823	1,256,004	1,216,462	45,964	1,262,426
Amortization	184	1,203	1,387	31	1,505	1,536

The number of employees as of December 31, 2023 and 2022 was 3,889 and 3,956, both including 8 non-employee directors.

For the years ended December 31, 2023 and 2022, the Company's average employee benefits expense amounted to NT$713 thousand and NT$776 thousand, respectively; the average salaries amounted to NT$591 thousand and NT$652 thousand, respectively. The adjustment of the average salaries was (9)%; the Company did not estimate supervisor compensation because it did not set up a supervisor position.

The remuneration of directors and managers of the Company shall be proposed by the Remuneration Committee in accordance with the law, taking into account the Company's operating conditions, profitability, and the prevailing inter-industry remuneration levels, and shall be decided by the Board of Directors. The remuneration of employees shall be fairly and reasonably determined with reference to educational background, professional skills, and the salary levels within the industry. In addition, performance-based bonuses will be awarded to employees based on the overall operational situation, individual performance, and their actual contribution, in line with the established compensation framework.

According to the Company's Articles of Incorporation, when there is profit of the current year, the Company shall distribute 1.5% of profit of the current year as employees' compensation and no higher than 1.5% of profit of the current year as remuneration to directors. However, the Company's accumulated losses shall have been covered. Information on the Board of Directors' resolution regarding the employees' compensation and remuneration to directors can be obtained from the "Market Observation Post System" on the website of the TWSE.

Based on the profit for the current year, the Company shall separately estimate 1.5% of profit for employees' compensation and directors' remuneration. The employees' compensation and remuneration to directors for the year ended December 31, 2023 amounted to NT$651 thousand, recognized as salaries expense. Accordingly the Company did not estimate the amounts of the employees' compensation and remuneration to directors for the year ended December 31, 2022.

A resolution was approved at the board meeting held on March 11, 2024 to distribute employees' compensation and remuneration to directors for the year ended December 31, 2023 amounted to NT$651 which did not differ from the amount recorded as expenses in the financial statements for the year ended December 31, 2023.

The actual amount of employees' compensation and remuneration to directors for the year ended December 31, 2023 was $0 thousand, which did not differ from the amount recorded as expenses in the financial statements for the year ended December 31, 2022.

(22) Non-operating income and expenses

A. Interest income

	For the years ended December 31,	
	2023	2022
Interest income		
Financial assets measured at amortized cost	$7,830	$4,580

B. Other income

	For the years ended December 31,	
	2023	2022
Rental income	$29,531	$30,213
Dividend income	1,318	23,001
Others	104,801	144,598
Total	$135,650	$197,812

C. Other gains and losses

	For the years ended December 31,	
	2023	2022
Foreign exchange gains (losses), net	$29,583	$248,668
Disposal of investment loss	(17)	-
Others	(85,311)	(62,886)
Total	$(55,745)	$185,782

D. Finance costs

	For the years ended December 31,	
	2023	2022
Interest on borrowings from bank	$481,863	$347,051
Interest on lease liabilities	2,395	1,081
Interest on factoring of accounts receivable	2,798	2,882
Total	$487,056	$351,014

(23) Components of other comprehensive income

Year ended December 31, 2023

	Arising during the period	Reclassification adjustments during the period	Other comprehensive income, before tax	Income tax relating to components of other comprehensive income	Other comprehensive income, net of tax
Not to be reclassified to profit or loss in subsequent periods:					
Remeasurements of defined benefit plans	$(87,226)	$-	$(87,226)	$17,445	$(69,781)
Unrealized losses from equity instruments investments measured at fair value through other comprehensive income	13,520	-	13,520	-	13,520
Share of other comprehensive income of subsidiaries, associates and joint ventures accounted for using the equity method	168	-	168	-	168
To be reclassified to profit or loss in subsequent periods:					
Share of other comprehensive income of subsidiaries, associates and joint ventures accounted for using the equity method	(861,618)	-	(861,618)	-	(861,618)
Total	$(935,156)	$-	$(935,156)	$17,445	$(917,711)

Year ended December 31, 2022

	Arising during the period	Reclassification adjustments during the period	Other comprehensive income, before tax	Income tax relating to components of other comprehensive income	Other comprehensive income, net of tax
Not to be reclassified to profit or loss in subsequent periods:					
Remeasurements of defined benefit plans	$(119,102)	$-	$(119,102)	$23,821	$(95,281)
Unrealized losses from equity instruments investments measured at fair value through other comprehensive income	(105,797)	-	(105,797)	-	(105,797)
Share of other comprehensive income of subsidiaries, associates and joint ventures accounted for using the equity method	193	-	193	-	193
To be reclassified to profit or loss in subsequent periods:					
Share of other comprehensive income of subsidiaries, associates and joint ventures accounted for using the equity method	608,194	-	608,194	-	608,194
Total	$383,488	$-	$383,488	$23,821	$407,309

(24) Income tax

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

Income tax expense (benefit) recognized in profit or loss

	For the years ended December 31,	
	2023	2022
Current income tax expense (benefit):		
Current income tax charge	$4,484	$243,640
Adjustments in respect of current income tax of prior periods	(840)	7,173
Deferred tax expense (benefit):		
Deferred tax expense (benefit) relating to origination and reversal of temporary differences	3,877	(16,273)
Total income tax (benefit) expense	$7,521	$234,540

Income tax relating to components of other comprehensive income

	For the years ended December 31,	
	2023	2022
Deferred tax expense (benefit):		
Remeasurements of defined benefit plans	$(17,445)	$(23,821)

Reconciliation between tax expense and the product of accounting profit multiplied by applicable tax rates is as follows:

	For the years ended December 31,	
	2023	2022
Accounting profit before tax from continuing operations	$42,115	$(486,036)
Tax at the domestic rates applicable to profits in the country concerned	$8,423	$(97,207)
Net investment loss (income) accounted for using the equity method	(191,219)	100,725
Tax effect of revenues exempt from taxation	(210)	(17,693)
Tax effect of expenses not deductible for tax purposes	4,638	8,025
Adjustments in respect of current income tax of prior periods	(840)	7,173
Tax on undistributed earnings	-	238,649
Non-deductible offshore tax	4,484	4,991
Tax effect of deferred tax assets/liabilities	198,453	(7,861)
Other	(16,208)	(2,262)
Total income tax expense recognized in profit or loss	$7,521	$234,540

Deferred tax assets (liabilities) relate to the following:

For the year ended December 31, 2023

	Beginning balance as of January 1, 2023	Recognized in profit or loss	Recognized in other comprehensive income	Ending balance as of December 31, 2023
Temporary differences				
Depreciation difference for tax purpose	$(64,872)	$1,330	$-	$(63,542)
Net defined benefit liability - noncurrent	(89,887)	(26,215)	17,445	(98,657)
Unrealized loss due to market price decline of inventories	275,248	2,665	-	277,913
Capitalization of interest	321	(321)	-	-
Provisions of employee benefit obligations	21,478	(407)	-	21,071
Unrealized gain on foreign exchange	(34,670)	18,371	-	(16,299)
Others	3,237	700	-	3,937
Land value increment tax	(204,145)	-	-	(204,145)
Deferred tax (expense)/income		$(3,877)	$17,445	
Net deferred tax assets/(liabilities)	$(93,290)			$(79,722)
Reflected in balance sheet as follows:				
Deferred tax assets	$300,284			$302,921
Deferred tax liabilities	$(393,574)			$(382,643)

For the year ended December 31, 2022

	Beginning balance as of January 1, 2022	Recognized in profit or loss	Recognized in other comprehensive income	Ending balance as of December 31, 2022
Temporary differences				
Depreciation difference for tax purpose	$(64,731)	$(141)	$-	$(64,872)
Net defined benefit liability - noncurrent	(63,705)	(50,003)	23,821	(89,887)
Unrealized loss due to market price decline of inventories	195,634	79,614	-	275,248
Capitalization of interest	849	(528)	-	321
Provisions of employee benefit obligations	20,715	763	-	21,478
Unrealized gain on foreign exchange	(20,414)	(14,256)	-	(34,670)
Others	2,413	824	-	3,237
Land value increment tax	(204,145)	-	-	(204,145)
Deferred tax (expense)/income		$16,273	$23,821	
Net deferred tax assets/(liabilities)	$(133,384)			$(93,290)
Reflected in balance sheet as follows:				
Deferred tax assets	$219,611			$300,284
Deferred tax liabilities	$(352,995)			$(393,574)

Unrecognized deferred tax assets

As of December 31, 2023 and 2022, deferred tax assets that have not been recognized as they may not be used to offset taxable profits amount to NT$938,298 thousand and NT$735,627 thousand, respectively.

Unrecognized deferred tax liabilities relating to the investment in subsidiaries

The Company did not recognize any deferred tax liability for taxes that would be payable on the unremitted earnings of the Company's overseas subsidiaries, as The Company has determined that undistributed profits of its subsidiaries will not be distributed in the foreseeable future. As of December 31, 2023 and 2022, the taxable temporary differences associated with investment in subsidiaries, for which deferred tax liability has not been recognized, aggregated to NT$17,682,741 thousand and NT$16,711,803 thousand, respectively.

The assessment of income tax returns

As of December 31, 2023, the assessment of the income tax returns of the Company is to 2021.

(25) Earnings per share

Basic earnings per share amounts are calculated by dividing net (loss) profit for the year attributable to ordinary equity holders of the parent entity by the weighted average number of ordinary shares outstanding during the year.

Diluted earnings per share amounts are calculated by dividing the net (loss) profit attributable to ordinary equity holders of the parent entity (after adjusting for interest on the convertible preference shares) by the weighted average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares.

	For the years ended December 31,	
	2023	2022
Basic earnings per share		
Profit attributable to ordinary equity holders of the Company (in thousands)	$34,594	$(720,576)
Weighted average number of ordinary shares outstanding for basic earnings per share (in thousands)	2,908,061	2,908,061
Basic earnings per share (NT$)	$0.01	$(0.25)

	For the years ended December 31,	
	2023	2022(Note)
Diluted earnings per share		
Profit attributable to ordinary equity holders of the Company (in thousands)	$34,594	
Weighted average number of ordinary shares outstanding for basic earnings per share (in thousands)	2,908,061	
Effect of dilution:		
Employees' compensation	34	
Weighted average number of ordinary shares outstanding after dilution (in thousands)	2,908,095	
Diluted earnings per share (NT$)	$0.01	

Note： There were not potential ordinary shares as of year ended December 31, 2022, hence not necessary to calculate diluted earnings per share.

There have been no other transactions involving ordinary shares or potential ordinary shares between the reporting date and the date of completion of the financial statements.

7. Related party transactions

The significant transactions for 2023 and 2022 are summarized below:

Name and relationship of related parties

Name of related parties	Relationship with the Company
Taiwan Autoglass Ind. Corp. (TAG)	Subsidiaries
TG Teco Vacuum Insulated Glass Corp. (TVIG)(Note)	〃
Taiwan Glass USA Sales Corp. (TGUS)	〃
Taiwan Glass China Holding Ltd. (TGCH)	〃
TG Qingdao Glass Co., Ltd. (QFG)	〃
TG Changjiang Glass Co., Ltd. (CFG)	〃
TG Chengdu Glass Co., Ltd. (CDG)	〃
TG Huanan Glass Co., Ltd. (HNG)	〃
TG Tianjin Glass Co., Ltd. (TJG)	〃
TG Fujian Photovoltaic Glass Co., Ltd. (FPG) (Note)	〃
Taichia Glass Fiber Co., Ltd. (TGF)	〃
TG Xianyang Glass Co., Ltd. (TXY)	〃

Name of related parties	Relationship with the Company
TG Taicang Architectural Glass Co., Ltd. (TTAR)	Subsidiaries
TG Yueda Autoglass Co., Ltd. (TYAU)	〃
TG Anhui Glass Co., Ltd. (TAH)	〃
TG Wuhan Architectural Glass Co., Ltd. (TWAR)	〃
TG Yueda Solar Glass Co., Ltd. (TYSM)	〃
Taichia Chengdu Glass Fiber Co., Ltd. (TCD)	〃
Taichia Bengbu Glass Fiber Co., Ltd. (TBF)	〃
Shihlien Chemical Industrial (Jiangsu) Co., Ltd. (SCJ)	Associate
Tai Fong Investment Co., Ltd.	Other related parties
Tai Cheng Investment Co., Ltd.	〃
Tai Yu Investment Co., Ltd.	〃
Tai Jian Investment Co., Ltd.	〃
Tai Chia Investment Co., Ltd.	〃
Tai Fong Golf Club	〃
Shihlien International Investment Co., Ltd.	〃
Shihlien Fine Chemical Co., Ltd.	〃
TECO Electric & Machinery Co., Ltd. (Note)	〃
Information Technology Total Services Corp. (Note)	〃
XUE XUE INSTITUTE CO., LTD.	〃
Kah Hung Corp.	〃
Hong Jing Investment Co., Ltd.	〃
Teng Yue Investment Corp.	〃
Tex-Ray Industrial Co., Ltd.	〃
SHEN YUN LIMITED	〃
TransGlobe Life Insurance Inc.	〃

Note: Since December 31, 2022 it was not the Company's related party.

Significant transactions with related parties

(1) Sales

	For the years ended December 31,	
	2023	2022
Subsidiaries	$515,019	$516,953
Other related parties	1,126	1,828
Total	$516,145	$518,781

The sales price to the above related parties was determined through mutual agreement based on the market rates. The collection period for related parties was month-end 90 days. The outstanding balance at December 31, 2023 and 2022 was unsecured, non-interest bearing and must be settled in cash. The receivables from the related parties were not guaranteed.

(2) Purchases

	For the years ended December 31,	
	2023	2022
Subsidiaries	$4,334	$89,553
Associate	6,872	7,518
Other related parties	1,084	841
Total	$12,290	$97,912

The purchase price to the above related parties was determined through mutual agreement based on the market rates. The payment terms from the related party suppliers are comparable with third party suppliers and are paid within three months after delivery.

(3) Lease

Rental expense

	For the years ended December 31,	
	2023	2022
Other related parties	$6,941	$100

The Company has leased offices and land for the years ended December 31, 2023; no such occurrence in 2022.

Rental income

	For the years ended December 31,	
	2023	2022
Subsidiaries	$17,850	$21,172

The rental income is due to a lease of plant, equipment and warehouse and the rent was based on local market price.

Other receivables

	As of December 31,	
	2023	2022
Subsidiaries	$317	$1,623

Other payables

	As of December 31,	
	2023	2022
Other related parties	$959	$990

Right-of-use asset

	As of December 31,	
	2023	2022
Other related parties		
Tai Cheng Investment Co., Ltd.	$104,577	$-
Tai Fong Investment Co., Ltd.	17,905	27,804
Others	-	1,178
Total	$122,482	$28,982

Current lease liabilities

	As of December 31,	
	2023	2022
Other related parties		
Tai Cheng Investment Co., Ltd.	$23,900	$-
Tai Fong Investment Co., Ltd.	9,948	9,924
Others	-	588
Total	$33,848	$10,512

Non-current lease liabilities

	As of December 31,	
	2023	2022
Other related parties		
Tai Cheng Investment Co., Ltd.	$75,074	$-
Tai Fong Investment Co., Ltd.	8,412	18,360
Others	-	596
Total	$83,486	$18,956

Interest expense

	For the years ended December 31,	
	2023	2022
Other related parties	$2,022	$513

Acquisition and Disposal

The Company acquired the right-of-use assets from other related parties in the amount of NT$123,031 thousand and NT$1,669 thousand for the years ended December 31, 2023 and 2022, respectively.

The Company terminated the lease contract with other related parties and derecognized the right-of-use assets and lease liabilities, resulting in profit on disposal of right-of-use assets in the amount of NT$6 thousand for the year ended December 31, 2023. No such occurrence in 2022.

(4) Other income (Guarantee income and technical service etc.)

	For the years ended December 31,	
	2023	2022
Subsidiaries	$73,617	$86,083
Associate	5,442	3,048
Other related parties	5,902	5,902
Total	$84,961	$95,033

(5) Accounts receivable

	As of December 31,	
	2023	2022
Subsidiaries		
QFG	$133,460	$220,251
TBF	52,606	-
Others	18,895	18,852
Subtotal	204,961	239,103
Other related parties	13	159
Total	204,974	239,262
Less: loss allowance	-	-
Net	$204,974	$239,262

(6) Other receivables (Guarantee fee, technical service fee and capital reduction fee etc.)

	As of December 31,	
	2023	2022
Subsidiaries		
QFG(Note 1)	$138,475	$5,267
TCD	73,137	38,922
TGCH(Note 2)	69,092	2,051,096
TBF	20,893	22,944
Others	40,726	62,873
Subtotal	342,323	2,181,102
Associate	5,375	3,114
Other related parties	8	18
Total	$347,706	$2,184,234

Note 1: The aforementioned QFG primarily converted overdue accounts receivable into a fund lending on December 31, 2023.

Note 2: The amount for TGCH was mainly the capital reduction fee.

(7) Accounts payable

	As of December 31,	
	2023	2022
Subsidiaries	$2,109	$551
Associate	-	1,096
Other related parties	239	215
Total	$2,348	$1,862

(8) Other payables(entertainment fee and Consultant fees)

	As of December 31,	
	2023	2022
Other related parties	$923	$702

(9) Others

The Company's other transactions with subsidiaries and other related parties is as follows:

	For the years ended December 31,	
Operating expenses	2023	2022
Other related parties	$3,438	$3,952

(10) The payment term to related parties has no significant difference to other third parties. The outstanding balance at December 31, 2023 and 2022 was unsecured, non-interest bearing and must be settled in cash. The receivables from and the payables to the related parties were not guaranteed.

(11) The Company sold property, plant and equipment to the subsidiaries in the amount of NT$3,697 thousand and NT$1,277 thousand for the year ended December 31, 2023 and 2022, respectively.

(12) The Group purchased property, plant and equipment from the subsidiaries and other related parties in the amount of NT$45,598 thousand and NT$28,844 thousand for the years ended December 31, 2023 and 2022, respectively.

(13) As of December 31, 2023 and 2022, other related parties of the Group have provided real estate collateral for the secured loans of the company.

(14) Key management personnel compensation

	For the years ended December 31,	
	2023	2022
Short-term employee benefits	$35,047	$34,711
Post-employment benefits	1,715	1,679
Total	$36,762	$36,390

8. Assets pledged as security

Assets pledged for security	December 31, 2023	December 31, 2022	Obligee	Secured liabilities
Bank savings			Mizuho Bank	Performance bond
(other financial assets - current)	$327	$314		
Machinery and equipment	18,757	18,757	OC NL INVEST COOPERATIEF U.A	〃
Total	$19,084	$19,071		

9. Commitments and contingencies

As of December 31, 2023, the contingency and off balance sheet commitments are as follows:

(1) As of December 31, 2023, the outstanding promissory notes signed for business needs, including importing equipment, purchase of equipment, performance bond, and loan guarantee, totaled NT$21,755,989 thousand.

(2) Commodity tax and export tariff were NT$12,699 thousand.

(3) Unsecured balance of letters of credit is as follows:

Currency	Unused Balance (in thousands)
USD	20,970
JPY	5,432
EUR	1,997

(4) Significant contracts of construction in progress and equipment are as follows:

Items	Contract amount	Amount paid	Amount unpaid
Significant contracts of construction in progress and equipment	$618,653	$241,588	$377,065

The above amount paid was recognized as construction in progress under property, plant and equipment and prepayment for equipment under noncurrent assets.

(5) The Company signed the promissory notes in amount of NT$750,000 thousand, USD74,000 thousand and RMB172,560 thousand for its subsidiaries' secured loans.

(6) As of December 31, 2023 the Company issued a letter of support to Shihlin China Holding Co., Ltd, to negotiate a loan of USD569,150 thousand from the bank according to the credit contract. The commitments are as follows:

A. It shall hold and maintain at least (including) 30% of the issued shares of the borrower with the related parties of the company at any time. The scope and target of the "related party" shall be determined in accordance with the International Financial Reporting Standards (IFRS) that apply to the Company.

B. The Company shall ensure that the borrower maintains a good financial standing at all times and has the ability to perform the credit granting and related document obligations in this case; if the borrower is unable to perform the related obligations, the Company will try its best to provide assistance and urge the borrower to perform the obligations in accordance with the agreement.

10. Losses due to major disasters

None.

11. Significant subsequent events

None.

12. Others

Financial Instruments

(1) Categories of financial instruments

Financial assets	As of December 31, 2023	As of December 31, 2022
Financial assets at fair value through other comprehensive income	$339,553	$326,033
Financial assets measured at amortized cost		
Cash and cash equivalents (excluding cash on hand)	1,285,449	1,162,966
Receivables	2,019,002	3,824,137
Refundable deposits	8,381	10,709
Subtotal	3,312,832	4,997,812
Total	$3,652,385	$5,323,845

Financial liabilities	As of December 31, 2023	As of December 31, 2022
Financial liabilities at amortized cost:		
Short-term loans	$1,950,000	$2,250,000
Short-term bills payable	4,064,560	4,087,800
Payables	1,303,775	2,035,092
Long-term loans (including current portion)	14,281,970	15,148,788
Lease liabilities (including current and non-current)	135,856	62,039
Deposits-in	3,094	2,839
Total	$21,739,255	$23,586,558

(2) Financial risk management objectives and policies

The Company's principal financial risk management objective is to manage the market risk, credit risk and liquidity risk related to its operating activates. The Company identifies, measures and manages the aforementioned risks based on the Company's policy and risk appetite.

The Company has established appropriate policies, procedures and internal controls for financial risk management. Before entering into significant transactions, due approval process by the Board of Directors must be carried out based on related protocols and internal control procedures. The Company complies with its financial risk management policies at all times.

(3) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of the changes in market prices. Market prices comprise currency risk, interest rate risk and equity risk.

In practice, it is rarely the case that a single risk variable changes independently from other risk variables, there are usually interdependencies between risk variables. The sensitivity analysis disclosed below does not take into account the interdependencies between risk variables.

Foreign currency risk

The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense are denominated in a different currency from the Company's functional currency).

The Company has certain foreign currency receivables to be denominated in the same foreign currency with certain foreign currency payables, therefore natural hedge is received.

The foreign currency sensitivity analysis of the possible change in foreign exchange rates on the Company's profit is performed on significant monetary items denominated in foreign currencies as at the end of the reporting period. The Company's foreign currency risk is mainly related to the volatility in the exchange rates for US dollars. The information of the sensitivity analysis is as follows:

When NTD weakens/strengthens against US dollars by 1%, the profit for the years ended of December 31, 2023 and 2022 is decreased/increased by NT$12,698 thousand and NT$29,116 thousand, respectively.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's debt instrument investments and receivables at variable interest rates, bank borrowings with fixed interest rates and variable interest rates.

The interest rate sensitivity analysis is performed on items exposed to interest rate risk as at the end of the reporting period, including investments and borrowings with variable interest rates and interest rate swaps. At the reporting date, a change of 10 basis points of interest rate in a reporting period could cause the profit for the years ended December 31, 2023 and 2022 to be decreased/increased by NT$9,419 thousand and NT$13,634 thousand, respectively.

Equity price risk

The fair value of the Company's listed and unlisted equity securities are susceptible to market price risk arising from uncertainties about future values of the investment securities. The Company's listed and unlisted equity securities are classified under financial assets measured at fair value through other comprehensive income. The Company manages the equity price risk through diversification and placing limits on individual and total equity instruments. Reports on the equity portfolio are submitted to the Company's senior management on a regular basis. The Company's Board of Directors reviews and approves all equity investment decisions.

As of December 31,2023 and 2022, a change of 10% in the price of the listed equity securities measured at fair value through profit or loss could increase/decrease the Company's profit by NT$27,211 thousand and NT$27,319 thousand, respectively.

(4) Credit risk management

Credit risk is the risk that a counter party will not meet its obligations under a contract, leading to a financial loss. The Company is exposed to credit risk from operating activities (primarily for accounts receivables and notes receivables) and from its financing activities, including bank deposits and other financial instruments.

Customer credit risk is managed by each business unit subject to The Company's established policy, procedures and control relating to customer credit risk management. Credit limits are established for all customers based on their financial position, rating from credit rating agencies, historical experience, prevailing economic condition and the Company's internal rating criteria etc. Certain customer's credit risk will also be managed by taking credit enhancing procedures, such as requesting for prepayment or insurance.

As of December 31, 2023, only 21% of the company's total receivable were from customers whose receivable accounted for 10% or more of the total receivable of the company. As of December 31, 2022, none of the customer's receivables reached 10% of the company's total receivable, indicating the credit concentration risk of accounts receivables is insignificant.

Credit risk from balances with banks, fixed income securities and other financial instruments is managed by the Company's treasury in accordance with the Company's policy. The Company only transacts with counterparties approved by the internal control procedures, which are banks and financial institutions, companies and government entities with good credit rating and with no significant default risk. Consequently, there is no significant credit risk for these counter parties.

The Company adopted IFRS 9 to assess the expected credit losses. Except for trade receivables, the remaining debt instrument investments which are not measured at fair value through profit or loss, low credit risk for these investments is a prerequisite upon acquisition and makes an assessment at each reporting date as to whether the expected credit losses increase significantly, and then further determines the method of measuring the loss allowance and the loss rates. The details of the assessment for the credit risk of the Company are described as follows:

			Total carrying amount as at	
		Measurement method for	As of December 31,	
Level of credit risk	Indicator	expected credit losses	2023	2022
Credit-impaired	Other impaired evidence	Lifetime expected credit losses	$775,771	$772,210
Simplified approach (Note)	(Note)	Lifetime expected credit losses	2,020,301	3,825,129

Note: By using simplified approach (loss allowance is measured at lifetime expected credit losses), including accounts and notes receivables and other receivables.

Financial assets are written off when there is no realistic prospect of future recovery (the issuer or the debtor is in financial difficulties or bankruptcy).

(5) Liquidity risk management

The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of cash and cash equivalents, highly liquid equity investments and bank borrowings. The table below summarizes the maturity profile of the Company's financial liabilities based on the contractual undiscounted payments and contractual maturity. The payment amount includes the contractual interest. The undiscounted payment relating to borrowings with variable interest rates is extrapolated based on the estimated interest rate yield curve as of the end of the reporting period.

Non-derivative financial liabilities

	Less than 1 year	2 to 3 years	4 to 5 years	> 5 years	Total
As of December 31, 2023					
Short-term loans	$1,977,852	$-	$-	$-	$1,977,852
Short-term bills payable	4,080,000	-	-	-	4,080,000
Payables	1,303,775	-	-	-	1,303,775
Long-term loans	4,368,266	10,126,203	265,407	-	14,759,876
Lease liabilities	44,222	70,300	25,827	-	140,349

	Less than 1 year	2 to 3 years	4 to 5 years	> 5 years	Total
As of December 31, 2022					
Short-term loans	$2,278,402	$-	$-	$-	$2,278,402
Short-term bills payable	4,100,000	-	-	-	4,100,000
Payables	2,035,092	-	-	-	2,035,092
Long-term loans	8,006,627	7,050,972	537,253	-	15,594,852
Lease liabilities	22,680	39,315	1,385	-	63,380

As of December 31, 2023, there was liquidity risk that the Company's current liability exceeded current asset. However, the Company expects to maintain certain financial financing plans to respond to this risk. The Company's management considers that the measures mentioned above could reduce the liquidity risk significantly as of December 31, 2023.

(6) Reconciliation of liabilities arising from financing activities

Reconciliation of liabilities for the year ended December 31, 2023:

	Short-term loans	Short-term bills payable	Long-term loans	Lease liabilities	Total liabilities from financing activities
As of January 1, 2023	$2,250,000	$4,087,800	$15,148,788	$62,039	$21,548,627
Cash flows	(300,000)	(20,000)	(866,818)	(50,967)	(1,237,785)
Non-cash changes:	-	(3,240)	-	124,784	121,544
As at 31 December 2023	$1,950,000	$4,064,560	$14,281,970	$135,856	$20,432,386

Reconciliation of liabilities for the year ended December 31, 2022:

	Short-term loans	Short-term bills payable	Long-term loans	Lease liabilities	Total liabilities from financing activities
As of January 1, 2022	$900,000	$3,090,314	$14,873,940	$106,519	$18,970,773
Cash flows	1,350,000	1,000,000	274,848	(50,939)	2,573,909
Non-cash changes:	-	(2,514)	-	6,459	3,945
As at 31 December 2022	$2,250,000	$4,087,800	$15,148,788	$62,039	$21,548,627

(7) Fair values of financial instruments

A. The methods and assumptions applied in determining the fair value of financial instruments:

The fair value of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

a. The carrying amount of cash and cash equivalents, trade receivables, accounts payable and other current liabilities approximate their fair value due to their short maturities.

b. For financial assets and liabilities traded in an active market with standard terms and conditions, their fair value is determined based on market quotation price (including listed equity securities、beneficiary certification、bonds and futures).

c. Fair value of equity instruments without market quotations (including private placement of listed equity securities, unquoted public company and private company equity securities) are estimated using the market method valuation techniques based on parameters such as prices based on market transactions of equity instruments of identical or comparable entities and other relevant information (for example, inputs such as discount for lack of marketability, P/E ratio of similar entities and Price-Book ratio of similar entities).

d. Fair value of debt instruments without market quotations, bank loans, bonds payable and other non-current liabilities are determined based on the counterparty prices or valuation method. The valuation method uses DCF method as a basis, and the assumptions such as the interest rate and discount rate are primarily based on relevant information of similar instrument (such as yield curves published by the GreTai Securities Market, average prices for Fixed Rate Commercial Paper published by Reuters and credit risk, etc.)

B. Fair value of financial instruments measured at amortized cost

The carrying amount of the Company's financial instruments measured at amortized cost approximate their fair value.

C. Fair value measurement hierarchy for financial instruments

Please refer to Note 12. (8) for fair value measurement hierarchy for financial instruments of the Company.

(8) Assets measured at fair value

A. Fair value measurement hierarchy

All asset and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, based on the lowest level input that is significant to the fair value measurement as a whole. Level 1, 2 and 3 inputs are described as follows:

Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities that the entity can access at the measurement date.

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3 – Unobservable inputs for the asset or liability

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Company determines whether transfers have occurred between Levels in the hierarchy by re-assessing categorization at the end of each reporting period.

B. Fair value measurement hierarchy of the Company's assets and liabilities

The Company does not have assets that are measured at fair value on a non-recurring basis. Fair value measurement hierarchy of the Company's assets and liabilities measured at fair value on a recurring basis is as follows:

As of December 31, 2023

	Level 1	Level 2	Level 3	Total
Financial assets:				
Financial assets at fair value through other comprehensive income	$272,111	$-	$67,442	$339,553

As of December 31, 2022

	Level 1	Level 2	Level 3	Total
Financial assets:				
Financial assets at fair value through other comprehensive income	$273,194	$-	$52,839	$326,033

During the years ended December 31, 2023 and 2022, there were no transfers between Level 1 and Level 2 fair value measurements.

Reconciliation for fair value measurements in Level 3 of the fair value hierarchy is as follows:

	Assets
	At fair value through other comprehensive income
	Stocks
Beginning balances As of January 1, 2022	$52,397
Total gains and losses recognized for the year ended December 31, 2022:	
Amount recognized in profit or loss	-
Amount recognized in OCI	442
Ending balances as of December 31, 2022	52,839
Total gains and losses recognized for the year ended December 31, 2023:	
Amount recognized in profit or loss	-
Amount recognized in OCI	14,603
Ending balances as of December 31, 2023	$67,442

Total gains and losses recognized for the years ended December 31, 2023 and 2022 contained gains and losses related to such assets on hand as of December 31, 2023 and 2022 in the amount of NT$0 thousand.

Information on significant unobservable inputs to valuation

Description of significant unobservable inputs to valuation of recurring fair value measurements categorized within Level 3 of the fair value hierarchy is as follows:

As of December 31, 2023

	Valuation techniques	Significant unobservable inputs	Quantitative information	Relationship between inputs and fair value	Sensitivity of the input to fair value
Financial assets at fair value through other comprehensive income					
Stocks	Market approach	Discount for lack of marketability	-	The higher the discount for lack of marketability, the lower the fair value of the stocks	1% increase (decrease) in the discount for lack of marketability would result in (decrease) increase in the Company's equity by NT$674 thousand

As of December 31, 2022

	Valuation techniques	Significant unobservable inputs	Quantitative information	Relationship between inputs and fair value	Sensitivity of the input to fair value
Financial assets at fair value through other comprehensive income					
Stocks	Market approach	Discount for lack of marketability	-	The higher the discount for lack of marketability, the lower the fair value of the stocks	1% increase (decrease) in the discount for lack of marketability would result in (decrease) increase in the Company's equity by NT$528 thousand

Valuation process used for fair value measurements categorized within Level 3 of the fair value hierarchy

The Company is responsible for validating the fair value measurements and ensuring that the results of the valuation are in line with market conditions, based on independent and reliable inputs which are consistent with other information, and represent exercisable prices. The Department analyses the movements in the values of assets and liabilities which are required to be re-measured or re-assessed as per the Company's accounting policies at each reporting date.

C. Fair value measurement hierarchy of the Company's assets and liabilities not measured at fair value but for which the fair value is disclosed

As of December 31, 2022

	Level 1	Level 2	Level 3	Total
Financial assets not measured at fair value but for which the fair value is disclosed:				
Investment properties (please refer to Note 6.(11))	$-	$-	$116,682	$116,682

(9) Significant assets and liabilities denominated in foreign currencies

Information regarding the significant assets and liabilities denominated in foreign currencies is listed below:

(in thousands)

	As of December 31,					
	2023			2022		
	Foreign currencies	Foreign exchange rate	NTD	Foreign currencies	Foreign exchange rate	NTD
Financial assets						
Monetary items:						
USD	$41,402	30.705	$1,271,258	$94,809	30.71	$2,911,597
Non-Monetary items:						
USD	15,357	30.705	471,530	12,673	30.71	389,199

The above information is disclosed based on the carrying amount of foreign currency (after conversion to functional currency).

Since there were various functional currencies used, the Company was unable to disclose foreign exchange gains (losses) towards each foreign currency with significant impact. The realized and unrealized foreign exchange gains was NT$29,583 thousand and NT$248,668 thousand for the years ended December 31, 2023 and 2022, respectively.

(10) Capital management

The primary objective of the Company's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximize stockholder value. The Company manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, The Company may adjust dividend payment to stockholders, return capital to stockholders or issue new shares.

(11) Information of finance assets transfer

Transferred financial assets that are partially-derecognized in their entirety

The Company entered into a factoring agreement with a financial institution, which is partly with recourse and partly non-recourse. The Company has transferred the right on those non-recourse factoring, and in accordance with the contract, the Company shall not be liable for the credit risks associated with uncollectable receivables (except for commercial disputes), which met the requirements for derecognizing financial assets. The related information is as follows:

As of December 31, 2023:

Transferee	Amount transferred	Amount	Advanced amount	Interest rate range	Credit
O-Bank	$51,859	$46,673	$47,559	1.97%	$525,000

As of December 31, 2022:

Transferee	Amount transferred	Amount	Advanced amount	Interest rate range	Credit
O-Bank	$206,638	$185,974	$187,204	1%-2%	$525,000

13. Other disclosure

(1) Information at significant transactions

A. Lending fund to others: Please refer to Attachment 1.
B. Endorsement/guarantee provided to others: Please refer to Attachment 2.
C. Securities held at the end of the period: Please refer to Attachment 3.
D. Individual securities acquired or disposed of with accumulated amount exceeding NT$300 million or 20 percent of the capital stock or more: Please refer to Attachment 4.
E. Acquisition of real estate with amount exceeding NT$300 million or 20 percent of the capital stock or more: None.
F. Disposal of real estate with amount exceeding NT$300 million or 20 percent of the capital stock or more: None.
G. Related party transactions for purchases and sales amounts exceeding NT$100 million or 20 percent of the capital stock or more: Please refer to Attachment 5.
H. Receivables from related parties with amounts exceeding NT$100 million or 20 percent of capital stock or more: Please refer to Attachment 6.
I. Financial instruments and derivative transactions: None.
J. Business relationship between the parent and the subsidiaries and between each subsidiary, and the circumstances and accounts of any significant transactions between them: Please refer to Attachment 7.

(2) Information on investees

Information of the investees in which the Company directly or indirectly has significant influence or control: Please refer to Attachment 8.

(3) Information on investments in Mainland China

A. Investee's name, main businesses and products, total amount of capital, method of investment, accumulated inflow and outflow of investments from Taiwan, percentage of ownership, investment income or loss, carrying value of the investments, inward remittance of earnings and limits on investments in Mainland China: Please refer to Attachment 9.

B. Directly or indirectly significant transactions through other regions with the investees in Mainland China, including price, payment terms, unrealized gain or loss, and other events with significant effects on the operating results and financial condition are disclosed as follows:

a. Accumulated amount and percentage of purchase and related payables at the end of the period: Please refer to Note 7 and Attachment 5.
b. Accumulated amount and percentage of sales and related receivables at the end of the period: Please refer to Note 7 and Attachment 5.
c. Amount of property transaction and related gain or loss: Note 7.
d. Endorsement/guarantee provided to others at the end of the period: Please refer to Attachment 2.
e. Financing provided to others at the end of the period: Note 7.
f. Other significant transactions, such as service provided or received: Please refer to Note 7.

C. Information of main stockholders:

Shares / Name	Common Shares	Preferred Shares	Total Shares Owned	Percentage of Ownership (%)
Tai Fong Investment Co., Ltd.	420,137,922	-	420,137,922	14.44%
HO-HO Investment Co., Ltd.	402,748,231	-	402,748,231	13.84%
Tai-Jian Investment Co., Ltd.	249,002,246	-	249,002,246	8.56%
Tai Yu Investment Co., Ltd.	245,538,788	-	245,538,788	8.44%
Tai Cheng Investment Co., Ltd.	228,213,247	-	228,213,247	7.84%
Tai Chia Investment Co., Ltd.	157,795,282	-	157,795,282	5.42%

Attachment 1

Financing provided to others for the year ended December 31, 2023

(Dollar amount expressed in thousands of NTD unless otherwise specified)

No. (Note 1)	Financing Company	Counterparty	Financial Statement Account(Note 2)	Related Party	Maximum Balance for the Period (Note 3)	Ending Balance (In Thousands) (Note 8)	Actual Amount provided	Interest Rate	Nature of Financing (Note 4)	Transaction Amounts (Note 5)	Reason for Financing (Note 6)	Allowance for Bad Debt	Collateral		Amount for Individual Counterparty (Note 7)	Financial Amount for Financing Company (Note 7)
													Item	Value		
0	TGI	QFG	Other receivables	Yes	$162,125	$138,173	$138,173	-	2	$-	Need for operating	$-	None	$-	47,555,057 × 10%= 4,755,506(in thousand)	47,555,057 × 20%= 9,511,011(in thousand)
1	CDG	TYAU	〃	Yes	675,342	648,114	648,114	6.00%	2	-	Need for operating	-	None	-	8,598,146 × 50%= 4,299,073(in thousand)	8,598,146 × 100%= 8,598,146(in thousand)
1	CDG	TCD	〃	Yes	2,491,312	2,390,869	1,957,348	4.13%	2	-	Need for operating	-	None	-	〃	〃
1	CDG	TBF	〃	Yes	1,355,201	1,300,563	1,300,563	4.13%	2	-	Need for operating	-	None	-	〃	〃
1	CDG	HZSS	〃	Yes	121,965	117,048	117,048	0.35%	2	-	Need for operating	-	None	-	〃	〃
2	DHG	QFG	〃	Yes	549,228	549,228	549,228	4.00%	2	-	Need for operating	-	None	-	3,924,080 × 50%= 1,962,040(in thousand)	3,924,080 × 100%= 3,924,080(in thousand)
2	DHG	TJG	〃	Yes	346,537	173,408	173,408	4.00%	2	-	Need for operating	-	None	-	〃	〃
3	CFG	TYAU	〃	Yes	63,243	52,023	52,023	6.00%	2	-	Need for operating	-	None	-	3,319,012 × 50%= 1,659,506(in thousand)	3,319,012 × 100%= 3,319,012(in thousand)
3	CFG	TCD	〃	Yes	490,131	470,370	470,370	4.13%	2	-	Need for operating	-	None	-	〃	〃
3	CFG	TBF	〃	Yes	216,761	216,761	216,761	4.13%	2	-	Need for operating	-	None	-	〃	〃
4	HNG	TJG	〃	Yes	1,291,959	1,239,870	1,131,490	4.00%	2	-	Need for operating	-	None	-	4,106,081 × 50%= 2,053,041(in thousand)	4,106,081 × 100%= 4,106,081(in thousand)
5	QFG	QRG	〃	Yes	206,122	197,812	197,812	-	2	-	Need for operating	-	None	-	1,125,623 × 50%= 562,812(in thousand)	1,125,623 × 100%= 1,125,623(in thousand)
5	QFG	TQPT	〃	Yes	261,680	192,917	192,917	4.00%	2	-	Need for operating	-	None	-	〃	〃
6	TXY	TYAU	〃	Yes	48,787	46,821	46,821	6.00%	2	-	Need for operating	-	None	-	4,684,160 × 50%= 2,342,080(in thousand)	4,684,160 × 100%= 4,684,160(in thousand)
6	TXY	TCD	〃	Yes	451,734	433,521	433,521	4.13%	2	-	Need for operating	-	None	-	〃	〃
6	TXY	TBF	〃	Yes	650,282	650,282	650,282	3.40%~4.13%	2	-	Need for operating	-	None	-	〃	〃
7	TGF	TCD	〃	Yes	133,189	130,056	130,056	3.70%	2	-	Need for operating	-	None	-	4,867,988 × 50%= 2,433,994(in thousand)	4,867,988 × 100%= 4,867,988(in thousand)
7	TGF	TBF	〃	Yes	1,174,508	1,127,155	1,127,155	3.40%~3.70%	2	-	Need for operating	-	None	-	〃	〃
Total							$9,533,090									

Note 1: The Company and its subsidiaries are coded as follows:

1. The Company is coded "0".
2. The subsidiaries are coded starting from "1" in numerical order.

Note 2: If the economic substance of transactions are financing to others, regardless of which component they recognized as in the financial statements, certain transactions are included herein.

Note 3: Maximum balance of the Company and its subsidiaries' financing to others for the year ended December 31, 2023.

Note 4: Nature of financing is coded as follows:

1. The financing occurred due to business transactions is coded "1".
2. The financing occurred due to short-term financing is coded "2".

Note 5: Total amount of the financing is disclosed herein if the financing was related to business transactions. The amount shall mean the transaction amount between the lending entity and the borrower within the most recent year.

Note 6: The reasons and counterparties of the financing are addressed herein as the financing associated with short-term capital needs, for example : Refund liability、Purchase equipment、Need for operating, etc.

Note 7: The process of providing finance to others, the limits to individual counterparties and the total financing limit for the company should be noted, as well as the computations.

Note 8: If a listed company brings the financing proposal to the board of directors according to Paragraph 1, Article 1 of the Regulations Governing Loaning of Funds and Making of Endorsements/Guarantees by Public Companies, the company still needs to disclose the resolution amount of the board in the balance to disclose the risk, even if the funds are not appropriated yet.

With the return of the funds afterward, the company should disclose the amount returned to reflect the adjusted risk.

If a listed company authorizes the chairman of the board of directors to appropriate or use certain limits of the funds several times in the period of a year according to Paragraph 2, Article 14 of Regulations Governing Loaning of Funds and Making of Endorsements/Guarantees by Public Companies, the company still needs to disclose the amount approved by the board.

Note 9: All transactions listed above are eliminated in the consolidated financial statements.

Attachment 2

Endorsement/guarantee provided to others for the year ended December 31, 2023

(Dollar amount expressed in thousands of NTD unless otherwise specified)

No. (Note 1)	Endorser/ Guarantor	Endorsee		Limits of Endorsement /Guarantee Amount for receiving Party (Note 3)	Maximum Balance for the Period (Note 4)	Ending Balance (Note 5)	Actual Amount drawn (Note 6)	Amount of Endorsement/ Guarantee collateralized	Percentage of Accumulated Endorsement/Guarantee to Net Equity per latest Financial statements	Limit on the Endorsement/Guarantee Amount (Note 3)	Parent Company Endorsed or Guaranteed for the Subsidiaries. (Note 7)	Subsidiaries Endorsed or Guaranteed for the Parent Company. (Note 7)	Endorsement or Guarantee for Entities in China. (Note 7)
		Company Name	Relationship (Note 2)										
0	TGI	TAG	2	$23,777,529	$450,000	$280,705	$146,141	$ -	1%	1. In accordance with Article 4 of the Procedures for Endorsement and Guarantee, the Company may provide endorsement/guarantee to others but shall not exceed 120% of its net assets. For endorsement/guarantee to an individual entity, the amount is limited to 50% of the Company's net assets. 2. Subsidiaries may provide endorsement/guarantee to others in the amount which shall not exceed 100% of their net assets. For endorsement/ guarantee to an individual entity, the amount is limited to 60% of the subsidiary's net assets. 3.TGI： 47,555,057x120%= 57,066,068(in thousand) 4.CDG： 8,598,146x100%= 8,598,146(in thousand) 5.DHG： 3,924,080x100%= 3,924,080(in thousand) 6.CFG： 3,319,012x100%= 3,319,012(in thousand) 7.QFG： 1,125,623x100%= 1,125,623(in thousand) 8.TXY： 4,684,160x100%= 4,684,160(in thousand) 9.TGF： 4,867,988x100%= 4,867,988(in thousand) 10.TGCH： 49,562,429x100%= 49,562,429(in thousand)	Y		
0	TGI	TGCH	2	〃	3,424,780	2,587,940	-	-	5%		Y		
0	TGI	TYAU	2	〃	40,656	39,017	21,676	-	0%		Y		Y
0	TGI	TCD	2	〃	1,846,309	1,367,677	98,984	-	3%		Y		Y
0	TGI	TBF	2	〃	812,625	132,484	132,484	-	0%		Y		Y
0	TGI	HNG	2	〃	296,187	268,229	107,643	-	1%		Y		Y
1	CDG	TXY	4	5,158,888	451,734	433,521	-	-	5%				Y
2	DHG	QFG	4	2,354,448	916,463	916,463	487,819	-	23%				Y
3	CFG	TTAR	4	1,991,407	587,254	563,577	193,823	-	17%				Y
3	CFG	TGF	4	〃	632,427	606,929	260,475	-	18%				Y
4	QFG	TQPT	2	675,374	154,035	151,732	108,380	-	13%		Y		Y
5	TXY	CDG	4	2,810,496	903,468	867,042	393,996	-	19%				Y
6	TGF	CFG	4	2,920,793	90,347	86,704	-	-	2%				Y
6	TGF	TCD	4	〃	1,038,988	997,099	563,578	-	20%				Y
6	TGF	TBF	4	〃	406,561	390,169	220,228	-	8%				Y
7	TGCH	TGI	3	29,737,457	500,000	500,000	-	-	1%			Y	

Note 1: The Company and its subsidiaries are coded as follows:

1. The Company is coded "0".
2. The subsidiaries are coded starting from "1" in numerical order.

Note 2: Endorsees are disclosed as one of the following:

1. A company with which it does business.
2. A company in which the public company directly and indirectly holds more than 50% of the voting shares.
3. A company that directly and indirectly holds more than 50% of the voting shares in the public company.
4. A company in which the public company holds, directly or indirectly, 90% or more of the voting shares.
5. A company that fulfills its contractual obligations by providing mutual endorsements/ guarantees fot their jointly invested company in proportion to their shareholding percentages.
6. A company that all capital contributing shareholders make endorsements/ guarantees for their jointly invested company in proportion to their shareholding percentages.
7. Companies in the same industry provide among themselves joint and several security for a performance guarantee of a sales contract for pre-construction homes pursuant to the Consumer Protection Act for each other.

Note 3: The process of providing finance to others, the limits to individual counterparties and the total financing limit for the company should be noted, as well as the computations.

Note 4: The maximum amount of the Company and its subsidiaries' endorsement or guarantee to others for the year ended December 31, 2023.

Note 5: The Company bears the responsibility of endorsements or guarantees as long as the ceilings on the amount of guarantees or endorsements are approved by banks.

Other occurrences related to endorsement or guarantee shall be included in the balance.

Note 6: Fill in the actual amount drawn from the balance.

Note 7: Fill in "Y" if it belongs to "Parent Company Endorsement or Guarantee for the Subsidiaries", "Subsidiaries Endorsement or Guarantee for the Parent Company", or "Endorsement or Guarantee for Entities in China".

Note 8: All transactions listed above are eliminated in the consolidated financial statements.

Attachment 3

Securities held as of December 31, 2023

(Dollar amount expressed in thousands of NTD unless otherwise specified)

Company	Type and Name of the Securities (Note 1)	Relationship (Note 2)	Financial Statement Account	As of December 31 2023				Remark
				Shares	Carrying Value (Note 3)	Percentage of Ownership	Fair Value	(Note 4)
	Securities—							
TGI	China Development Financial Holdings	-	Available-for-sale financial assets - non-current	21,681,340	$272,101	0.13%	$272,101	
	Chi-Ye Chemical Corp.	-	〃	659,000	67,442	3.30%	67,442	
	Chang Hwa Commercial Bank, Ltd.	-	〃	340	6	0.00%	6	
	Hua Nan Financial Holdings Co., Ltd.	-	〃	165	4	0.00%	4	
	Total				$339,553			
	Structured deposit—							
CDG	Bank of China Sichuan Branch	-	Financial assets at fair value through profit or loss - current	-	$953,747	-	$953,747	
CDG	Bank of Chengdu, Qingbaijiang Branch	-	〃	-	1,257,211	-	1,257,211	
TXY	Bank of Chengdu, Xian Branch	-	〃	-	1,170,507	-	1,170,507	
CFG	Bank of Ningbo, Suzhou Kunshan Branch	-	〃	-	130,056	-	130,056	
TTAR	Shanghai Pudong Development Bank, Taicang Branch	-	〃	-	86,704	-	86,704	
TYSM	Bank of China Yancheng Development Zone Branch	-	〃	-	162,570	-	162,570	
TWAR	Bank of Chengdu, Qingbaijiang Branch	-	〃	-	260,113	-	260,113	
	Subtotal				4,020,908			
	Mutual Funds—							
TGUS	WELLS FARGO BANK	-	〃	-	614	-	614	
	Subtotal				614			
	Total				$4,021,522			

Note 1: The securities herein shall refer to stocks, bonds, beneficiary certificates and other marketable securities derived from the above items in the scope of IFRS 9-Financial Instruments.

Note 2: Securities issued by non-related parties are not required to fill in this column.

Note 3: For items measured at fair value, the carrying value is the balance of the book value adjusted by fair value valuation deducting accumulated impairment.
For items not measured at fair value, the carrying value is the book value balance of the historical cost or amortized cost after deducting accumulated impairment.

Note 4: Securities with restrictions because of being provided for security, as pledge or under other covenants should state the number of shares or dollar amount provided for security or pledge and the restriction terms.

Attachment 4

Individual securities acquired or disposed of with accumulated amount exceeding NT$300 million or 20 percent of the capital stock for the year ended December 31, 2023

(Dollar amount expressed in thousands of NTD unless otherwise specified)

Company	Type and Name of the Securities (Note 1)	Financial Statement Account	Counterparty (Note 2)	Relationship (Note 2)	Beginning Balance		Acquisition (Note 3)		Disposal (Note 3)				Ending Balance	
					Shares	Amount	Shares	Amount	Shares	Selling Amount	Carrying Value	Gain or Loss on Disposal	Shares	Amount
CDG	Structured deposit – Bank of Chengdu, Qingbaijiang Branch	Financial assets at fair value through profit or loss - current	-	-	-	$1,940,154	-	$3,185,266 (19,346) (Note 5)	-	$3,903,932	$3,848,863	$55,069	-	$1,257,211
CDG	Structured deposit – Bank of China, Sichuan Province Branch	Financial assets at fair value through profit or loss - current	-	-	-	-	-	1,459,914 (19,529) (Note 5)	-	491,016	486,638	4,378	-	953,747
CDG	Structured deposit – Nanyang Commercial Bank, Chengdu Branch	Financial assets at fair value through profit or loss - current	-	-	-	-	-	663,597 - (Note 5)	-	669,099	663,597	5,502	-	-
TXY	Structured deposit – Bank of Chengdu, Xian Branch	Financial assets at fair value through profit or loss - current	-	-	-	617,322	-	3,450,705 (21,932) (Note 5)	-	2,898,318	2,875,588	22,730	-	1,170,507
TXY	Structured deposit – Industrial and Commercial Bank of China Xingping Branch	Financial assets at fair value through profit or loss - current	-	-	-	440,944	-	- 1,454 (Note 5)	-	446,027	442,398	3,629	-	-
CFG	Structured deposit – Kunshan Rural Commercial Bank, Nankang Branch	Financial assets at fair value through profit or loss - current	-	-	-	308,661	-	530,878 1,017 (Note 5)	-	846,678	840,556	6,122	-	-
CFG	Structured deposit – Industrial and Commercial Bank of China Limited, Kunshanzhangpu Branch	Financial assets at fair value through profit or loss - current	-	-	-	-	-	309,679 - (Note 5)	-	311,798	309,679	2,119	-	-
TTAR	Structured deposit – Shanghai Pudong Development Bank, Taicang Branch	Financial assets at fair value through profit or loss - current	-	-	-	-	-	309,679 (1,776) (Note 5)	-	222,230	221,199	1,031	-	86,704

Attachment 4

Individual securities acquired or disposed of with accumulated amount exceeding NT$300 million or 20 percent of the capital stock for the year ended December 31, 2023

(Dollar amount expressed in thousands of NTD unless otherwise specified)

Company	Type and Name of the Securities (Note 1)	Financial Statement Account	Counterparty (Note 2)	Relationship (Note 2)	Beginning Balance		Acquisition (Note 3)		Disposal (Note 3)				Ending Balance	
					Shares	Amount	Shares	Amount	Shares	Selling Amount	Carrying Value	Gain or Loss on Disposal	Shares	Amount
TYSM	Structured deposit— Bank of China, Yancheng Development Zone Branch	Financial assets at fair value through profit or loss - current	-	-	-	$-	-	$449,034 (3,329) (Note 5)	-	$284,489	$283,135	$1,354	-	$162,570
TWAR	Structured deposit— Bank of Chengdu, Qingbaijiang Branch	Financial assets at fair value through profit or loss - current	-	-	-	-	-	464,518 (5,326) (Note 5)	-	202,360	199,079	3,281	-	260,113
TWAR	Structured deposit— China Merchants Bank, Wuhan Branch	Financial assets at fair value through profit or loss - current	-	-	-	176,378	-	199,079 581 (Note 5)	-	377,726	376,038	1,688	-	-

Note 1: The securities herein shall refer to stocks, bonds, beneficiary certificates and other securities derived from the above items.

Note 2: These columns are filled only if securities are investments accounted for using the equity method.

Note 3: Accumulated amount of securities purchased or sold are calculated at market value to determine whether they exceed NT$300 million or 20% of the capital stock.

Note 4: Paid-in Capital shall refer to the paid-in capital of parent company.If the issuer's stock is not denominated or the denomination is not NT$10,the transaction amount of 20% of the paid-up capital shall be calculated as 10% of the equity of the parent company on the balance sheet.

Note 5 : The amount includes foreign exchange adjustments.

Attachment 5

Related party transactions for purchases and sales amounts exceeding NT$100 million or 20 percent of capital stock as at for the year ended December 31, 2023

(Dollar amount expressed in thousands of NTD unless otherwise specified)

Company	Counterparty	Relationship	Transaction Details				Details Different from Non-arm's Length Transactions (Note 1)		Notes and Accounts Receivable (Payable)		Remark (Note 2)
			Sale/Purchase	Amount	Percentage of Total Sales or Purchases	Term	Unit Price	Terms	Balance	Percentage of Total Receivable (Payable)	
TGI	QFG	Parent-subsidiary	Sales	($254,233)	(2)%	150days	-	-	$133,460	8%	
TGI	TBF	Parent-subsidiary	Sales	(131,444)	(1)%	150days	-	-	52,606	3%	
TAH	CFG	Affiliate Company	Sales	(530,674)	(17)%	3 months	-	-	352,136	29%	
TAH	TTAR	Affiliate Company	Sales	(750,670)	(24)%	3 months	-	-	511,265	43%	
TAH	TWAR	Affiliate Company	Sales	(248,749)	(8)%	3 months	-	-	108,176	9%	
HNG	TGUS	Affiliate Company	Sales	(121,457)	(3)%	3 months	-	-	24,645	2%	
QFG	TGUS	Affiliate Company	Sales	(267,376)	(16)%	3 months	-	-	10,380	2%	
DHG	CFG	Affiliate Company	Sales	(129,870)	(4)%	3 months	-	-	124,458	7%	
TYAU	PILKINGTON AUTOMOTIVE DEUTSCHLAND GMBH	Other related party	Sales	(188,895)	(18)%	3 months	-	-	47,256	12%	
TYAU	DYK	Other related party	Sales	(111,352)	(11)%	3 months	-	-	56,453	14 %	
QFG	TGI	Parent-subsidiary	Purchases	254,233	17 %	150days	-	-	(133,460)	(12)%	
TBF	TGI	Parent-subsidiary	Purchases	131,444	11 %	150days	-	-	(52,606)	(27)%	
CFG	TAH	Affiliate Company	Purchases	530,674	24 %	3 months	-	-	(352,136)	(30)%	
TTAR	TAH	Affiliate Company	Purchases	750,670	54 %	3 months	-	-	(511,265)	(54)%	

Attachment 5

Related party transactions for purchases and sales amounts exceeding NT$100 million
or 20 percent of capital stock as at for the year ended December 31, 2023

(Dollar amount expressed in thousands of NTD unless otherwise specified)

Company	Counterparty	Relationship	Transaction Details				Details Different from Non-arm's Length Transactions (Note 1)		Notes and Accounts Receivable (Payable)		Remark (Note 2)
			Sale/Purchase	Amount	Percentage of Total Sales or Purchases	Term	Unit Price	Terms	Balance	Percentage of Total Receivable (Payable)	
TWAR	TAH	Affiliate Company	Purchases	$248,749	24 %	3 months	-	-	($108,176)	(30)%	
TGUS	HNG	Affiliate Company	Purchases	121,457	18 %	3 months	-	-	(24,645)	(98)%	
TGUS	QFG	Affiliate Company	Purchases	267,376	40 %	3 months	-	-	(10,380)	(41)%	
CFG	DHG	Affiliate Company	Purchases	129,870	6 %	3 months	-	-	(124,458)	(11)%	
CFG	SCJ	Affiliate Company	Purchases	289,788	13 %	3 months	-	-	(245,783)	(21)%	
DHG	SCJ	Affiliate Company	Purchases	811,229	34 %	3 months	-	-	(563,686)	(44)%	
HNG	SCJ	Affiliate Company	Purchases	742,287	27 %	3 months	-	-	(400,225)	(50)%	
QFG	SCJ	Affiliate Company	Purchases	241,188	16 %	3 months	-	-	(292,218)	(26)%	
TAH	SCJ	Affiliate Company	Purchases	624,596	25 %	3 months	-	-	(337,635)	(43)%	

Note 1: If the related parties' trading terms are different from the general trading terms, the differences and reasons for such differences should be stated in the "Unit price" and "Terms" columns.

Note 2: Transactions with advance receipts and prepayments should state the reasons, the terms of agreements, the amount and the difference from general transactions in the Remark column.

Note 3: Paid-in Capital shall refer to the paid-in capital of parent company.If the issuer's stock is not denominated or the denomination is not NT$10,
the transaction amount of 20% of the paid-up capital shall be calculated as 10% of the equity of the parent company on the balance sheet.

Note 4: All transactions listed above are eliminated in the consolidated financial statements except for SCJ, DYK and PILKINGTON AUTOMOTIVE DEUTSCHLAND GMBH .

Attachment 6

Receivables from related parties with amounts exceeding NT$100 million

or 20 percent of capital stock as at for the year ended December 31, 2023

(Dollar amount expressed in thousands of NTD unless otherwise specified)

Company	Counterparty	Relationship	Ending Balance (Note 1)	Turnover	Overdue Receivables		Received in Subsequent Period	Allowance for Bad Debts
					Amount	Collection		
TGI	QFG	Parent-subsidiary	Accounts receivables $133,460	-	$35,220	debt collection	$49,967	$-
TGI	QFG	Parent-subsidiary	Other receivables 138,475	-	-	-	-	-
CDG	TBF	Affiliate Company	Other receivables 1,300,563	-	-	-	-	-
CDG	HZSS	Affiliate Company	Other receivables 117,462	-	-	-	-	-
CDG	TCD	Affiliate Company	Other receivables 1,958,169	-	-	-	-	-
CDG	TYAU	Affiliate Company	Other receivables 661,141	-	-	-	-	-
CFG	TCD	Affiliate Company	Other receivables 470,370	-	-	-	-	-
CFG	TBF	Affiliate Company	Other receivables 216,761	-	-	-	-	-
TGF	TCD	Affiliate Company	Other receivables 130,056	-	-	-	-	-
TGF	TBF	Affiliate Company	Other receivables 1,134,587	-	-	-	-	-
DHG	CFG	Affiliate Company	Accounts receivables 124,458	-	-	-	-	-
DHG	QFG	Affiliate Company	Other receivables 558,732	-	-	-	-	-
DHG	TJG	Affiliate Company	Other receivables 178,534	-	-	-	-	-

Attachment 6

Receivables from related parties with amounts exceeding NT$100 million

or 20 percent of capital stock as at for the year ended December 31, 2023

(Dollar amount expressed in thousands of NTD unless otherwise specified)

Company	Counterparty	Relationship	Ending Balance (Note 1)	Turnover	Overdue Receivables		Received in Subsequent Period	Allowance for Bad Debts
					Amount	Collection		
QFG	QRG	Parent-subsidiary	Other receivables $209,588	-	-	-	-	-
QFG	TQPT	Parent-subsidiary	Other receivables 229,301	-	-	-	-	-
HNG	TJG	Affiliate Company	Other receivables 1,158,892	-	-	-	-	-
TXY	TBF	Affiliate Company	Other receivables 650,282	-	-	-	-	-
TXY	TCD	Affiliate Company	Other receivables 433,521	-	-	-	-	-
TTAR	CFG	Affiliate Company	Accounts receivables 107,068	-	-	-	-	-
TAH	CFG	Affiliate Company	Accounts receivables 352,136	-	-	-	-	-
TAH	TTAR	Affiliate Company	Accounts receivables 511,265	-	-	-	-	-
TAH	TWAR	Affiliate Company	Accounts receivables 108,176	-	-	-	-	-

Note 1: Fill in information such as related parties accounts receivables, notes receivable, other receivables, etc.

Note 2: Paid-in Capital shall refer to the paid-in capital of parent company.If the issuer's stock is not denominated or the denomination is not NT$10, the transaction amount of 20% of the paid-up capital shall be calculated as 10% of the equity of the parent company on the balance sheet.

Note 3: All transactions listed above are eliminated in the consolidated financial statements.

Attachment 7

Significant intercompany transactions for the year ended December 31, 2023

(Dollar amount expressed in thousands of NTD unless otherwise specified)

No. (Note 1)	Related Party	Counterparty	Relationship with the Company (Note 2)	Transaction Details			
				Account	Amount	Terms	Percentage (Note 3)
0	TGI	QFG	1	Sales revenues	$254,233	The same as export sales	1%
〃	〃	TBF	1	〃	131,444	〃	0%
1	TAH	CFG	3	〃	530,674	The same as domestic sales	1%
〃	〃	TTAR	3	〃	750,670	〃	2%
〃	〃	TWAR	3	〃	248,749	〃	1%
2	HNG	TGUS	3	〃	121,457	The same as export sales	0%
3	QFG	TGUS	3	〃	267,376	〃	1%
4	DHG	CFG	3	〃	129,870	The same as domestic sales	0%
0	TGI	QFG	1	Other receivables - related parties	138,475		0%
5	CDG	TBF	3	〃	1,300,563		1%
〃	〃	HZSS	3	〃	117,462		0%
〃	〃	TCD	3	〃	1,958,169		2%
〃	〃	TYAU	3	〃	661,141		1%
6	CFG	TCD	3	〃	470,370		1%
〃	〃	TBF	3	〃	216,761		0%
7	TGF	TCD	3	〃	130,056		0%
〃	〃	TBF	3	〃	1,134,587		1%
4	DHG	QFG	3	〃	558,732		1%
〃	〃	TJG	3	〃	178,534		0%
3	QFG	QRG	1	〃	209,588		0%
〃	〃	TQPT	1	〃	229,301		0%
2	HNG	TJG	3	〃	1,158,892		1%
8	TXY	TBF	3	〃	650,282		1%
〃	〃	TCD	3	〃	433,521		0%
0	TGI	QFG	1	Accounts receivables - related parties	133,460		0%
9	TTAR	CFG	3	〃	107,068		0%
4	DHG	CFG	3	〃	124,458		0%
1	TAH	CFG	3	〃	352,136		0%
1	〃	TTAR	3	〃	511,265		1%
1	〃	TWAR	3	〃	108,176		0%

Note 1: The Company and its subsidiaries are coded as follows:

1 The Company is coded "0".

2 Subsidiaries are coded consecutively starting from "1" in the order presented in the table above.

Note 2: Transactions are categorized as follows:

1. Parent company to subsidiary
2. Subsidiary to parent company
3. Subsidiary to subsidiary

Note 3: The percentage is determined by the ratio of the transaction amount to the consolidated revenues or the total assets. Items on the balance sheet are calculated by the ending balance to total consolidated assets; items on the income statement are calculated by their cumulative balance to the total consolidated income.

Note 4: The disclosure of significant intercompany transactions in this attachment is determined by the company based on the materiality.

Attachment 8

Names, locations and related information of investee companies as of December 31, 2023

(Dollar amount expressed in thousands of NTD unless otherwise specified)

Company	Investee (Note 1,2)	Investee (Note 1,2)	Nature of Business	Initial Investment		Investment as of December 31, 2023			Profit or Loss of Investee (Note 2(2))	Gain or Loss on Investment (Note 2(3))	Remark
				Ending Balance	Beginning Balance	Shares	Percentage of Ownership	Carrying Value			
TGI	TGUS	US	Investment in QRG and selling of glasses.	$17,676 USD 461	$17,676 USD 461	4,612	100.00%	$471,530	$83,624	$83,624	Subsidiary
〃	TGCH	Bermuda	Investment in QRG, QFG, TGF, CFG, CDG, DHG, HZSS, HNG, TJG, TXY, TTAR, TYAU, TAH, TYSM, TWAR, TCD, TBF, SCH and CFG-HK.	32,800,414 USD 1,041,702	32,800,414 USD 1,041,702	1,052,584,651	93.98%	46,612,229	944,151	870,384	Subsidiary
〃	TAG	Taiwan	Investment in TAGH and selling of auto glasses.	263,582	263,582	26,100,000	87.00%	82,469	2,756	2,085	Subsidiary
TGCH	SCH	Hong Kong	Investment in Shihlien Chemical Industrial (Jiangsu) Co., Ltd. (SCJ) and Huaian Shihyuan Brine Co., Ltd. (HSB).	7,861,681 USD 252,088	7,861,681 USD 252,088	1,904,445,986	43.99%	7,210,719	1,847,993	(Note3)	Affiliated Company
〃	CFG-HK	Hong Kong	Investment in holding company.	28 USD 1	28 USD 1	1,000	100.00%	31	-	(Note3)	Subsidiary
TAG	TAGH	Bermuda	Investment in TYAU.	188,571 USD 6,000	188,571 USD 6,000	6,000,000	100.00%	9,156	(13,360)	(Note3)	Subsidiary

Note 1: A listed company which has a foreign holding company that uses the consolidated financial statements as the master financial report according to its local regulations may disclose information regarding foreign investees only to the extent of the holding company.

Note 2: Fill in information following the instruction below for matters not applied in Note 1 indicated above:

(1) The columns of "Name of investee", "Area Within", "Nature of Business", "Initial Investment" and "Investment as of December 31, 2023" should fill in information of the reinvestment of the listed company, reinvestment of every direct or indirect reinvestment of the investee, and disclose the relationship of the investees with the Company in the Remark column. (Such as subsidiary or sub-subsidiary)

(2) The column of "Profit or Loss of Investee" should fill in the current profit or loss of the investees.

(3) The column of "Gain or Loss on Investment" only require profit / loss of the direct investees and all investees accounted for under the equity method When filling in the above items, make sure the profit / loss of direct investee subsidiaries include the profit or loss of their reinvestments that are required to be recognized.

Note 3: According to regulations, the amount of investment income (loss) recognized by the Company can be exempted from disclosure.

Note 4: All transactions listed above are eliminated in the consolidated financial statements except for SCH and its investments in mainland China.

Attachment 9

Investment in Mainland China as of December 31, 2023

(Dollar amount expressed in thousands of NTD unless otherwise specified)

Investee	Nature of Business	Total Amount of Paid-in Capital	Investment Method (Note 1)	Accumulated Outflows of Investment from	Investment Flows		Accumulated Outflows of Investment from Taiwan as of December	Profit or Loss of Investee company	Percentage of Ownership	Profit or Loss on Investment (Note 2(ii)c.)	Carrying Value as of December 31, 2023	Accumulated Inward Remittance of Earnings as of December 31, 2023
					Outflow	Inflow						
QRG	Manufacturing of photovoltaic glass	$899,442 USD 29,293 (Note 19)	(i)	$32,977 USD 1,074	$ - -	$ - -	$32,977 USD 1,074	$(19,114)	94.96%	$(18,150)	$(4,237)	$ -
QFG	Manufacturing of flat glasses	2,695,899 USD 87,800 (Note 13、Note 21)	(ii)	1,455,079 USD 47,389	- -	- -	1,455,079 USD 47,389	(282,159)	93.98%	(265,173)	1,057,860	-
CFG	Manufacturing of flat glasses & low-emission glasses	2,886,270 USD 94,000 (Note 7、Note 25)	(ii)	2,333,580 USD 76,000	- -	- -	2,333,580 USD 76,000 2,333,580	(49,730)	93.98%	(46,737)	3,119,208	-
FYSS	Manufacturing of silica sand	- - (Note 27)	(ii)	64,481 USD 2,100	- -	- -	USD 76,000 USD 2,100	-	0.00%	-	-	-
TGF	Manufacturing of glass fabric	3,377,550 USD 110,000 (Note 12)	(ii)	2,797,717 USD 91,116	- -	- -	2,797,717 USD 91,116	43,969	93.98%	41,322	4,574,935	-
CDG	Manufacturing of flat glasses & low-emission glasses	2,149,350 USD 70,000 (Note 11)	(ii)	1,501,321 USD 48,895	- -	- -	1,501,321 USD 48,895	1,062,234	93.98%	998,288	8,080,538	-
HZSS	Manufacturing of silica sand	322,403 USD 10,500	(ii)	322,403 USD 10,500	- -	- -	322,403 USD 10,500	(16,915)	93.98%	(15,896)	24,131	-
HNG	Manufacturing of flat glasses & low-emission glasses	3,254,730 USD 106,000 (Note 10)	(ii)	2,717,393 USD 88,500	- -	- -	2,717,393 USD 88,500	19,140	93.98%	17,988	3,858,895	-
DHG	Manufacturing of flat glasses	2,456,400 USD 80,000 (Note 8、Note 13、Note 20)	(ii)	1,535,250 USD 50,000	- -	- -	1,535,250 USD 50,000	458,646	93.98%	431,035	3,687,851	-
TJG	Manufacturing of flat glasses & low-emission glasses	2,947,680 USD 96,000 (Note 9、Note 22)	(ii)	1,811,595 USD 59,000	- -	- -	1,811,595 USD 59,000	(374,431)	93.98%	(351,890)	172,172	-
SCJ	Manufacturing of soda ash	24,564,000 USD 800,000 (Note 14)	(ii)	4,900,272 USD 159,592	- -	- -	4,900,272 USD 159,592	2,897,282	41.34%	1,197,736	10,422,767	-
HSB	Manufacturing Brine	982,560 USD 32,000 (Note 15)	(ii)	184,230 USD 6,000	- -	- -	184,230 USD 6,000	410,921	41.34%	169,875	737,658	-
TXY	Manufacturing of flat glasses & low-emission glasses	3,070,500 USD 100,000 (Note 16)	(ii)	1,995,825 USD 65,000	- -	- -	1,995,825 USD 65,000	374,659	93.98%	352,105	4,402,174	-
TTAR	Manufacturing of low-emission glasses	1,074,675 USD 35,000	(ii)	1,074,675 USD 35,000	- -	- -	1,074,675 USD 35,000	180,445	93.98%	169,582	1,168,242	-
TAH	Manufacturing of flat glasses	2,609,925 USD 85,000	(ii)	2,609,925 USD 85,000	- -	- -	2,609,925 USD 85,000	103,931	93.98%	97,674	2,716,745	-
TYSM	Manufacturing of solar glasses	1,519,898 USD 49,500 (Note 17)	(ii)	1,139,923 USD 37,125	- -	- -	1,139,923 USD 37,125	29,186	70.49%	20,574	115,678	-
TWAR	Manufacturing of low-emission glasses	2,266,183 USD 73,805 (Note 23)	(ii)	1,074,675 USD 35,000	- -	- -	1,074,675 USD 35,000	12,288	93.98%	11,549	1,340,330	-
TYAU	Manufacturing of auto glasses	$2,087,940 USD 68,000 (Note 18)	(ii)	$1,068,534 USD 34,800	- -	- -	1,068,534 USD 34,800	(151,479)	55.77%	(84,480)	57,894	-
TBF	Manufacturing of glass fabric	1,842,300 USD 60,000	(ii)	1,842,300 USD 60,000	- -	- -	1,842,300 USD 60,000	(575,621)	93.98%	(540,969)	987,498	-
TCD	Manufacturing of glass fabric	4,697,865 USD 153,000 (Note 6、Note28)	(ii)	2,855,565 USD 93,000	- -	- -	2,855,565 USD 93,000	(707,916)	93.98%	(665,300)	3,693,107	-
YNSS	Manufacturing of silica sand	- - (Note 26)	(ii)	59,537 USD 1,939	- -	- -	59,537 USD 1,939	-	0%	-	-	-

Accumulated Investment in Mainland China as at 31 December 2023	Investment Amount Authorized by Investment Commission, Ministry of Economic Affairs (Note 4)	Limit on Investment Amount to Mainland China
34,973,916 USD 1,139,030 (Note 24)	41,058,215 USD 1,256,681 and CNY570,174	(Note 5)

Note 1: The methods for engaging in investment in Mainland China include the following:
(i) Direct investment in Mainland China companies.
(ii) Investment in Mainland China companies through a company invested and established in a third region
(iii) Other methods
Note 2: In the column of profit or loss on investment:
(i) The investment still in preparation and not generating profit or loss yet should be noted.
(ii) The gain or loss on investment were determined based on the following:
a. The financial report was audited and certified by an international accounting firm in cooperation with an R.O.C. accounting firm
b. The financial statements certificated by the CPA of the parent company in Taiwan
c. Others
Note 3: The amount of this attachment are expressed in New Taiwan Dollars.
Note 4: The investment amount was authorized by Investment Commission, Ministry of Economic Affairs.
Note 5: The Company does not have a limit on investment in Mainland China since it qualified as operation headquarter approved by the Industrial Development Bureau, Ministry of Economic Affairs.
Note 6: The TGCH invested the other USD 5,000 thousand to the entity with its own capital.
Note 7: The other USD 12,000 thousand was invested by third party through the TGCH.
Note 8: Third party invested USD 3,000 thousand to the entity through the TGCH.
Note 9: Third party invested USD 12,000 thousand to the entity through the TGCH.
Note 10: Third party invested USD 17,000 thousand to the entity through the TGCH; TGCH also invested to the entity USD 500 thousand with its own capital.
Note 11: Third party invested USD 21,000 thousand to the entity through the TGCH.
Note 12: Third party invested USD 17,000 thousand to the entity through the TGCH.
Note 13: The QFG, and DHG invested USD 27,800 thousand, and USD13,000 thousand, their unappropriated earnings, respectively to the subsidiary.
Note 14: The SCH, the investee of the TGCH, invested USD 640,408 thousand to the entity with its and third party's capital.
Note 15: The SCH invested USD 26,000 thousand to the entity with third party's capital.
Note 16: The USD 35,000 thousand earnings distributed by CFG and CDG was invested by TGCH. The Company did not provide any funding.
Note 17: The amount of USD 16,250 thousand was invested by the third party. The Company did not provide any funding.
On July 6, 2022, TYSM carried out capital reduction of USD15,500 thousand, and the paid-in capital after the capital reduction amounted to USD49,500 thousand. USD11,625 thousand was remitted to the Company based on the shareholding ratio of 75%.
Note 18: The TAGH and third party invested additional USD 6,000 thousand and USD 27,200 thousand to the entity, respectively.
Note 19: The QFG and TGUS invested USD 23,319 thousand and USD 4,774 thousand to the entity, respectively.
Note 20: The DHG raised capital of USD 14,000 thousand through debt for equity swap. The Company did not provide any funding.
Note 21: The QFG raised capital of USD 5,000 thousand through debt for equity swap. The Company did not provide any funding.
Note 22: The TJG raised capital of USD 25,000 thousand through debt for equity swap. The Company did not provide any funding.
Note 23: The USD 38,805 thousand earnings distributed by CDG was invested by TGCH. The Company did not provide any funding.
Note 24: The difference of USD52,000 thousand between the total accumulated investment amount from Taiwan and the accumulated investment amount from Taiwan to Mainland China at the end of the period was due to the adjustment of the investment structure of the Group.
TG Fujian Photovoltaic Glass Co., Ltd. was adjusted to be directly invested by TG Donghai Glass Co., Ltd. as of October 29, 2021. On October 31, 2022 the Company disposed of 100% equity in TG Fujian Photovoltaic Glass Co., Ltd.
Note 25: For the period ended September 30, 2019, the Company was merged with TKG. CFG is the surving company, and TKG is the dissolved company.
Note 26: The third-region invested entity: TGCH lost control of Yinan Silica Sand Co., Ltd. as of October 23, 2020. Accordingly, it was excluded from the consolidated financial statements since the date.
Note 27: The third-region invested entity: TGCH lost control of TG Fengyang Holding Co., Ltd. and indirectly transferred TG Fengyang Silica Sand Co., Ltd. as of October 15, 2021. Accordingly, it was excluded from the consolidated financial statements since the date.
Note 28:The USD 55,000 thousand earnings distributed by TGF was invested by TGCH. The Company did not provide any funding.
Note 29: All amount listed above are eliminated in the consolidated financial statements except for SCJ and HSB.