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FIC Global, Inc.

2023

Annual Report

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FIC Global, Inc.

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Letter to Shareholders

Ladies and gentlemen,

The main operating profit and loss of FIC Global, Inc. mainly came from the recognition of net investment profit and loss of relevant reinvestment enterprises of FIC Group. To improve performance and industry competitiveness, continually adjust the industries invested by the Group and integrate them per their characteristics, keep what is valuable and reject what is worthless, and strictly control each important subsidiary and affiliate, the Company strived to increase revenue and reduce expenditure, lower costs, and improve profits to adjust the Group's constitution. When looking back to 2023, we have found that the consolidated net profit of the Company in 2022 reached NT$723,053K, while this figure was NT$626,727K in 2023. Despite the influence of the epidemic, the Company returned to the profiting track again this year, and each enterprise in the Group realized favorable development. The operating status of the Company in 2023 is hereby compared with that last year, and the specific indicators are summarized as follows:

Analytical Statement of Operating Status

Unit: NT$1,000

Item	2023	2022
Operating income	13,283,396	12,448,435
Operating cost	(11,227,876)	(10,781,900)
Operating expenses	(1,401,644)	(1,241,674)
Operating profit	653,876	424,861
Current profit	626,727	723,053
Current (net loss) profit (attributed to the owner(s) of parent company)	332,140	476,470

Note: The statement above is prepared in accordance with the Company's consolidated financial statements.

Analytical Statement of Profitability

Item	2023	2022
Return on assets (%)	5.99	7.74
Return on equity (%)	9.95	14.65
Ratio of operating (loss) profit in paid-in capital (%)	27.86	19.75
Ratio of before-tax (net loss) profit in paid-in capital (%)	33.27	35.53
Net profit ratio (%)	4.72	5.81
Basic (loss) earnings per share (NT$)	1.49	2.23
Diluted (loss) earnings per share (NT$)	1.42	2.10

In order to execute the strategies of industry holdings and separate business operations, FIC Global Inc. sticks to industry resource orientation as principle, while First International Computer, Inc., 3CEMS Corp. and Ubiqconn Technology, Inc. are important subsidiaries of FIC Global, Inc. In 2023, under the efforts of all supervisors and employees, the Company continually lowered cost, improved business flexibility, and continuously dedicated to automotive electronics related systems, electronic OEM services, R&D and designs, system assembly and industrial computer production and sales.

Under the management policy of continuous adjustment of strategy, review and reform, First International Computer, Inc. (FIC) has already clarified its business operation direction and gradually achieved its transformation goals. Software and hardware platforms with ARM structure are adopted to develop products in fields of A (Automotive), A (Automation) and M (Medical) which are the main development axis. In the field of G (Green), Honeywell, Tridium, and Niagara are applied as development platforms to develop self-owned AI algorithm which is applied in the markets of Smart City, Smart Energy Management, Smart Building, Smart Retail and ITS. FIC seeks niche products and markets with professional R&D technology. It is expected that AR HUD, the automotive augmented reality head-up display independently developed and manufactured by FIC, will drive FIC Global Inc. to enter a crucial period for its development of factory-installed products in the field of new energy vehicle/electric vehicle.

In recent years, 3CEMS Corp. has actively engaged in the organizational reform and product structural adjustment. When the original computer related business volume remains stable, 3CEMS has continuously developed new products (e.g., electronic sports computer, AIOT computer and peripherals), and its business in communication products (including optical fibers) has also realized gradual growth. Furthermore, 3CEMS has also expanded its business in industries with high added value such as automotive electronics, industrial control electronics and precision SMT products. 3CEMS focuses on the OEM of advanced electronic products applied in the fields of aerospace, navigation, automobile, and semiconductor.

Ubiqconn pays equal attention to ODM and brand and aims to realize 50% of profit contribution rate for ODM and brand respectively. Ubiqconn is committed to developing industrial personal computer (IPC) related business and taking the rugged tablet computers of its self-owned brand of RuggON as well as 6G devices as the main axis. Based on the vision of “Connection Everywhere”, Ubiqconn focuses on the linking technology related to rugged portable computers, the establishment of ecosystem of each vertical market and solidly linked supply chains and digital collaboration platform, as well as its core values (Curiosity, Empathy, Agility, Can-do Attitude and Discipline) to connect all its employees. Expectedly, Ubiqconn will strive to become a TWSE/TPEx listed company and offer shareholders better rewards given the continuous bettering of its corporate constitution.

Each reinvestment company will adjust their product structures in consideration of industrial demands, and their products will be integrated and complement with each other, thus brining bigger space and markets for their products. Also, relevant sales, purchasing, R&D, management and information platforms are provided to share the resources and facilitate the overall operation performance of FIC Global, Inc. and its reinvestment companies.

Shareholders’ ceaseless support is highly appreciated. Our operation teams will exert continual efforts this year to earn rewards for shareholders. All the operation teams of the Company will work harder and spare no effort to improve enterprise value so as to pay back to shareholders’ support and encouragement.

I. Company Profile

1. Date of incorporation: August 30, 2004
2. History

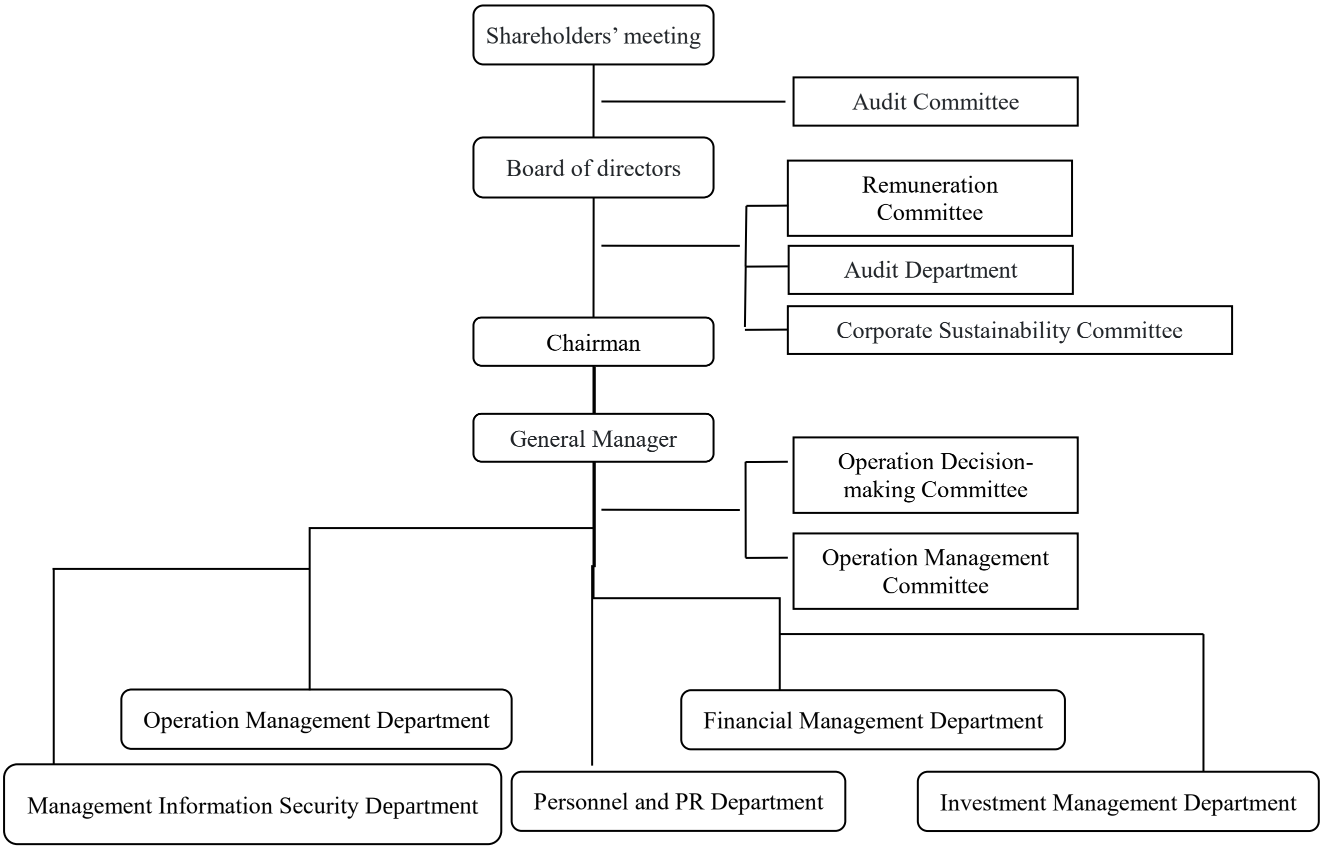
2004	· In order to execute the industry holdings and separate business operations to achieve comprehensive benefit and independent development policies, and to expand the operation flexibility of the group enterprise and diversify investment risks, First International Computer, Inc. incorporated FIC Global, Inc. in form of share conversion by passing a resolution in the regular shareholders' meeting in 2004, and included Zhongdian System Co., Ltd. to the group's system integration industry on December 30 that year.
2005	· The Company issues 412,667,000 class-A registered preferred shares with warrants in form of private placement in order to cover a due type of registered special share; at the same time, in order to respond to the new trend of combination of telecommunication service with enterprise network applications, the Company increased seven companies, i.e., Uprise Technology Co., Ltd., First International Telecom Corp., FICTA Technology, Inc., GeoIntelligence Systems, Inc., Hulian Telecommunication Co., Ltd., CEMS and 3CEMS, as its affiliates.
2006	· In order to expand the operation flexibility of the group enterprise, diversify investment risks, develop multiple interdisciplinary wireless communication interface services especially for financial information, and establish a complete product, operation and service platform, the Company increased five companies, i.e., FoneStock Technology Inc, Formosa21 Inc., Zhenyu Communication Inc., First Communication Inc., Super Network Technology Co., Ltd., as its affiliates.
2007	· In order to invest in subsidiaries and enrich working capital, the Company issued 120,000,000 ordinary shares in form of private placement.
2008	· Subsidiaries included in the company's system integration, including Zhongdian System Co., Ltd., Uprise Technology Co., Ltd. and Super Network Technology Co., Ltd. were incorporated to LEO Systems, Inc. on January 1 in form of merger by stock exchange. · New Industrial Control Technology Inc., a subsidiary of the Company specialized in industrial computers, was incorporated to First International Computer, Inc. in form of merger by stock exchange since December 25.
2009	· In order to expand the operation of overseas factory and improve production capacity, First International Computer continually made a new investment of USD 47 million in High Standard Global Corporation in 2009 and reinvested in First International Computer (Suzhou) Inc.
2010	· Zhongwang Information Technology Co., Ltd., a subsidiary of the Company specialized in software design, was incorporated to First International Computer, Inc. in form of short-form merger on May 10. · In order to handle the redemption upon maturity of class-A registered preferred shares with warrants and enrich the operating capacity, the Company issued 40,000,000 ordinary shares in form of private placement.
2011	· The Company issues 110,000,000 ordinary shares in March and 50,000,000 ordinary shares in April respectively in form of private placement. · In order to further develop and sell industrial computer related products, the Company established a subsidiary of Ubiqconn Technology, Inc. which was formally put into operation on June 28.
2012	· In order to expand the production capacity of PCBA, 3CEMS Corp., a subsidiary of the Company, established Jinchuan Factory in Chang'an Town, Dongguan and the factory was formally put into operation; besides, in order

	to expand the production capacity of processes including PCB drilling, automated optical inspection (AOI) and molding, 3CEMS Corp. built Guangzhou Guangyuan Third Factory, and the production capacity of this new factory would help a lot for the improvement of the Group's production capacity.
2013	· In order to better the overall operation performance and strengthen competitiveness, 3CEMS Corp. adjusted its organizational structure. In addition to the former 3CEMS Corp. that operated EMS business group, Broad Corp. was established to operate PCB business group as labor division.
2014	· In order to diversify investments, strategically ally with other industries and expand green energy industry, First International Computer, Inc., a subsidiary of the Company, established City Smarter Technologies Corporation and put into formal operation on May 19.
2016	· In order to expand production capacity, Ubiqconn Technology, Inc. established Zhonghe Assembly Factory and put it into formal operation on July 1. · The Company issued 60,000,000 ordinary shares in December by means of capital increase in cash with face value per share of NT$10. The issue price per share is NT$7. The total amount raised is NT$420,000,000.
2017	· In order to complete the working capital, First International Computer, Inc. issued 35,000,000 new shares in October by means of capital increase in cash with face value per share of NT$10. The issue price per share is NT$12. The total amount raised is NT$420,000,000. Besides, in order to improve the company's financial structure and make up for losses, this subsidiary handled capital decrease of 132,390,000 shares in the same month.
2018	· In order to make up for the losses and improve the financial structure, the Company passed a resolution in its regular shareholders' meeting in 2018 and obtained approval from the Financial Supervisory Commission to handle the capital decrease and cancellation of some shares. To be specific, the Company decreased its capital of NT$1,903,445,550 and cancelled 190,344,555 issued shares (including 142,000,000 privately placed ordinary shares), presenting a capital decrease ratio of 50%. After capital decrease, the total number of exchanged shares reached 190,344,554 (including 142,000,000 privately placed ordinary shares). The face value per share is NT$10, and the paid-in capital was NT$1,903,445,540.
2019	· In order to improve the equity circulation, the Company applied for the supplemental public offering of privately placed ordinary shares (121,000,000 shares) and the circulation ratio of listed ordinary shares was increased from 25.40% to 88.97%.
2021	· The Company issued first unsecured convertible corporate bond in Taiwan and completed the fundraising of NT$707,000,000 only of working capital. Also, the Company traded this corporate bond at the counter of business premises of relevant securities dealer since September 10.
2022	· Shares of its subsidiary, Ubiqconn Technology, Inc., were publicly offered in Taiwan in October. The Company holds 65.79% equity interest in Ubiqconn Technology, Inc.
2023	· Shares of its subsidiary, Ubiqconn Technology, Inc., has been listed on the emerging market since May 3. · The Company issued the second unsecured convertible corporate bonds in China, and completed the raising of working capital of NT$606 million, which will be traded over the counter at the business premises of securities companies since May 31.

II. Corporate Governance Report

1. Organization system

(1) Organization structure



(2) Business of main departments

Main department	Work responsibilities
Audit Committee	Supervise the Company's financial statements and internal control system.
Remuneration Committee	Assist the Board of Directors in evaluating performance and remuneration system of directors, supervisors, and senior managers.
Audit Department	Execute auditing work for the Company's internal control and rules, and come up with relevant handling measures or improvement plans.
Corporate Sustainability Committee	Implement diversified and significant management procedures for corporate sustainability, and entrust the Sustainability Office to implement the management of various internal sustainability projects.
Operation Decision-making Committee	Formulate the Company's operation decisions.
Operation Management Committee	Formulate the Company's operation management goals.
Operation Management Department	Comprehensively handle the Company's operation management.
Personnel and PR Department	Execute and plan each management system and take charge of recruitment, education, and training of human resources.
Financial Management Department	Comprehensively handle the Company's financial business management.
Investment Management Department	Comprehensively handle the Company's management of each investment business.
Management Information Security Department	Formulate information security policies, information security standards and the introduction of information security products, implement and promote information security mechanisms, and enhance the awareness of salary security of employees.

2. Information of directors and principal managers

(1) 1. Information of directors

April 08, 2024

Title (Note 1)	Nationality or place of registration	Name	Gender and age	Date appointed Date (Note 2)	Term	Date first elected	Shares held when elected		Shares currently held		Shares held by spouse and underage children		Shares held in the name of others		Education/work experience (Note 3)	Other positions at the Company or elsewhere	Other officer, director or supervisor who is the spouse or a relative within second degree			Note
							Number of shares	Shareholding ratio	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio			Title	Name	Relationship	
Chairman	R.O.C.	Chia Chao Investment Inc. (Representative: CHIEN LEO MING TZ	Male 41-50	June 15.2023	3	June 9, 2020 July 15, 2020	45,723,836 6,150,000	21.17 2.85	45,723,836 6,375,575	19.48 2.72	0 150,000	0 0.06	0 0	0 0	Ph.D., Department of Electrical Engineering, University of California, Berkeley	(Note 5)	Director representative	CHIEN, MING-JEH	Son and Daughter	(Note 4)
Director	R.O.C.	Chia Chao Investment Inc. Representative: CHIEN, MING-JEH	Male 71-80	June 15.2023	3	June 9, 2020 June 25, 2004	45,723,836 3,717,672	21.17 1.72	45,723,836 3,854,032	19.48 1.64	0 0	0 0	0 0	0 0	Master of Electrical Engineering, University of California	(Note 5)	Chairman	CHIEN LEO MING TZ	Son and Daughter	(Note 4)
Director	R.O.C.	WYC God-loving Foundation for Charity (Representative: LEE, KAI-TIEN)	Male 61-70	June 15.2023	3	June 15.2023 June 26, 2004	35,292,065 117	16.34 0	35,292,065 117	15.04 0	0 0	0 0	0 0	0 0	Ph.D., Department of Civil Engineering, Virginia Polytechnic Institute and State University	(Note 5)	-	-	-	
Director	R.O.C.	WYC God-loving Foundation for Charity (Representative: WU, SHUN-I)	Male 61-70	June 15.2023	3	June 15.2023 June 10, 2009	35,292,065 0	16.34 0	35,292,065 0	15.04 0	0 0	0 0	0 0	0 0	Department of Engineering, Vanung University/Chairman of LAMBERT NEWMEDIA, INC.	(Note 5)	-	-	-	
Independent Director	R.O.C.	CHEN, MIN-PEN	Male 71-80	June 15.2023	3	June 10, 2009	0	0	0	0	1,055	0	0	0	Ph.D., Geological Oceanography, Texas A&M University/Professor of Institute of Oceanography, National Taiwan University/Supervisor of Far East Evangelistic Association/Chairman of MMA Global Aqua Co., Ltd.	-	-	-	-	
Independent Director	R.O.C.	KAO, TIEN-CHING	Male 61-70	June 15.2023	3	June 7, 2017	0	0	0	0	3	0	0	0	Master's degree, MBA Program, National Chengchi University/Finance Vice President of First International Computer, Inc.	-	-	-	-	
Independent Director	R.O.C.	WANG, CHENG-WEI	Male 41-50	June 15.2023	3	June 5, 2019	0	0	0	0	0	0	0	0	Department of Accounting, Tamkang University/Master of Divinity Curriculum, China Evangelical Seminary	-	-	-	-	
Independent Director	R.O.C.	TUNG, SHENG-FENG	Male 41-50	June 15.2023		June 15.2023	0	0	0	0	0	0	0	0	Master's degree, Institute of Electrical and Control Engineering, National Yang Ming Chiao Tung University	-	-	-	-	

Note 1: For a corporate shareholder, name of the shareholder and its representative shall be presented separately (as for representative of corporate shareholder, the name of the corporate shareholder shall be specified), and the following Table 1 shall be filled out at the same time.

Note 2: Time when a person served as director or supervisor of the Company for the first time shall be filled out. In case of any interruption, relevant note shall be attached for clarification. Director WANG, HSUEH-LING, representative of Chia Chao Investment Inc.., resigned on July 10, 2020. Director CHIEN LEO MING TZ, representative of Chia Chao Investment Inc., was reassigned on July 15, 2020.

Note 3: As for experience related to the current position, e.g., employment to accounting firm in charge of audit and certification or affiliate in the preceding period, title and duties served shall be explained.

Note 4: If the chairman and the general manager of the Company or a person with equivalent position (top manager) are a same person, are spouse to each other, or relatives within first degree, relevant information regarding the reason, rationality, necessity and responsive measures shall be explained (e.g., increasing the seats of independent directors and ensuring that more than half number of directors haven't held a concurrent post of employee or manager). Chairman CHIEN, MING-JEH and General Manager CHIEN LEO MING TZ were first-degree relatives, and an independent director was added in 112.Please refer to "Information of principal managers".

Note 5: Please refer to "Table of Concurrent Positions in Affiliates or Other Companies".

Table 1: Major Shareholders of Corporate Shareholders

April 08, 2024

Name of corporate shareholder (Note 1)	Major shareholder(s) of corporate shareholder (Note 2)
Chia Chao Investment Inc.	CHIEN, MING-JEH (30%) LI, PENG-HSUAN (35%) CHEN, HUEI JYUN (35%)
WYC God-loving Foundation for Charity.	CHIEN, MING-JEH (71.43%) WANG YANG,JIAO (23.5%) WANG,SYUE-LING (1.67%) WANG,GUEI-YUN (1.67%) CHEN,CHE (1.67%)

Note 1: If director and supervisor are representatives of corporate shareholder, the name of this corporate shareholder shall be filled out.

Note 2: Fill out names of major shareholders of this corporate shareholder (top 10 shareholders in terms of shareholding ratio) and their shareholding ratios. If any major shareholder is a legal person, the following Table 2 shall also be filled out.

Note 3: If the corporate shareholder is an unincorporated organization, names and shareholding ratios of shareholders disclosed above shall be the names and contribution or donation ratios of contributors or donors (relevant announcements of Judicial Yuan can be queried as reference). If a donor has already passed away, “Deceased” shall be marked.

Table 2: Major Shareholders of Major Shareholders in Table 1 as Legal Persons: None (April 08, 2024)

2. Information disclosure of professional qualifications of directors and supervisors and independence of independent directors

March 31, 2024

Condition / Name	With more than five years' work experience and the following professional qualifications or not			Independence status (Note)												Number of other public companies where the director holds a concurrent post of independent director
	Lecturer or above in department of commerce, legal affairs, finance, accounting or corporate business of public or private university and junior college	Judge, procurator, lawyer, accountant or any other professional vocational and technical personnel passing the examination of national examinations needed for corporate business.	Work experience needed for commerce, legal affairs, finance, accounting or corporate business	1	2	3	4	5	6	7	8	9	10	11	12	
Jiazhao Investment Co., Ltd. Chairman: CHIEN LEO MING TZ	-	-	√	-	-	-	-	-	-	-	-	-	-	√	-	2
Jiazhao Investment Co., Ltd. Chairman: CHIEN, MING-JEH	√	-	√	-	-	-	-	-	-	-	-	-	-	√	-	0
WYC God-loving Foundation for Charity. Chairman: WU, SHUN-I	-	-	√	√	-	√	√	-	-	√	√	√	√	√	-	0
WYC God-loving Foundation for Charity. Chairman: LEE, KAI-TIEN	√	-	√	√	-	√	√	-	-	√	√	√	√	√	-	0
KAO, TIEN-CHING	-	-	√	√	√	√	√	√	√	√	√	√	√	√	√	0
CHEN, MIN-PEN	-	-	√	√	√	√	√	√	√	√	√	√	√	√	√	0
WANG, CHENG-WEI	-	-	√	√	√	√	√	√	√	√	√	√	√	√	√	0
TUNG, SHENG-FENG	-	-	√	√	√	√	√	√	√	√	√	√	√	√	√	0

Note: If each director complies with the following conditions two years before being elected and appointed and during tenure, please mark "√" in the blank under each condition code.

(1) Not an employee of the Company or its affiliate.

(2) Not a director or supervisor of the Company or its affiliate (however, it does not apply to the concurrent office holding of an independent director in the Company and its parent company or subsidiary or subsidiaries belonging to a same parent company according to this law or local laws and regulations).

(3) Not an individual shareholder holding or with his/her spouse, underage children or others holding more than 1% of total shares already issued by the Company or ranking the top 10 in terms of shareholding ratio.

(4) Not a manager listed in (1), or the spouse, a relative within second degree, or direct relative within third degree of the personnel listed in (2) and (3).

(5) Not a director, supervisor or employee of a corporate shareholder directly holding more than 5% of total shares issued by the Company, ranking the top 5 in terms of shareholding ratio, or assigning a representative to serve as the director or supervisor of the Company according to Article 27-1 or Article 27-2 of the Company Act (however, it does not apply to the concurrent office holding of an independent director in the Company and its parent company or subsidiary or subsidiaries belonging to a same parent company according to this law or local laws and regulations).

(6) Not a director, supervisor or employee of another company with the director seats of the Company or shares with voting rights controlled by a same person (however, it does not apply to the concurrent office holding of an independent director in the Company and its parent company or subsidiary or subsidiaries belonging to a same parent company according to this law or local laws and regulations).

(7) Not a director (council member), supervisor or employee of another company or institution who is same as or the spouse to the chairman, general manager or person with an equivalent position of the Company (however, it does not apply to the concurrent office holding of an independent director in the Company and its parent company or subsidiary or subsidiaries belonging to a same parent company according to this law or local laws and regulations).

(8) Not a director (council member), supervisor or manager or shareholder with shareholding ratio above 5% of a specific company or institution that has financial or business contact with the Company (however, it does not apply to the situation in which the specific company or institution holds more than 20% but less than 50% of total shares already issued by the company, and concurrently serving as an independent director in the Company and its parent company or subsidiary or subsidiaries belonging to a same parent company according to this law or local laws and regulations).

(9) Not a professional, or owner, partner, director (council member), supervisor, or manager of sole proprietorship, partnership, company or institution providing auditing service for the Company or its affiliate or relevant commercial, legal, financial and accounting services with the accumulated reward amount not exceeding NT$500,000 in recent two years, as well as their spouses. However, it does not apply to members of remuneration committee, public acquisition deliberation committee or M&A special committee that performs its duties in accordance with relevant laws and regulations including the Securities and Exchange Act or the Business Mergers and Acquisitions Act.

(10) Not the spouse or a relative within second degree to any other director.

(11) Not having any of the circumstances stipulated in Article 30 of the Company Act.

(12) Not elected as government, legal person or its representative according to Article 27 of the Company Act.

3. Diversity and Independence of the Board of Directors:

(1) Diversity of the Board of Directors

The Company has a diversification policy for the board of directors. According to this policy, the Rules for Election of Directors, candidate nomination system is adopted to elect Board of Directors in a fair, justice, and open procedure. The "Rules for Election of Directors" is stipulated and the Company's board of directors should be diversified. According to the Company's operations, business models and development needs, the selection of members with diversified backgrounds and perspectives includes but it is not limited to gender, age, nationality, culture, education background, professional background (such as law, accounting, industry, finance, marketing or technology), professional skills and industry experience, etc.

In addition, the consideration factors for the nomination of board members also include that the director candidates should have a reputation for integrity, outstanding achievements, experience and reputation in various professional fields, and promise to invest sufficient time to participate in the supervision of the Company's business, and have the ability to assist in operation and management abilities, and contribute to the Company's success. In the case of independent directors, their qualifications shall meet the requirements of laws and regulations. As a specific management goal, at least one director of a different gender should be appointed when the directors are re-elected according to the regulations in the future.

(2) Independence of the Board of Directors

The 8th term Board of Directors consists of 8 members including 4 Independent Directors. The company expressly stipulated in Article 12 of the Management of Operation of Board Meeting, For any proposal in which a Director or the legal person he or she represents is an interested party, the Director shall explain the important aspects of his/her interest at the Board meeting. When his/her interest is likely to compromise the interest of the Company, the Director shall not participate in the discussion and voting on the proposal and the Director shall abstain him or herself from discussion and voting on the proposal and cannot exercise the voting right for and on behalf of another Director.

(2)Data of general manager, deputy general managers, assistant managers, and heads of each department and branch

April 08, 2024

Title (Note 1)	Nationality	Name	Gender	Date appointed	Shares held		Shares held by the spouse and underage children		Shares held under others' name		Main experience (education) (Note 2)	Concurrent position in other companies	Manager who is the spouse or a relative within second degree			Remark End of full text (Note 3)
					Number of shares	Shareholding ratio	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio			Title	Name	Relation	
Chairman(Founder)	R.O.C.	CHIEN, MING-JEH	Male	August 30, 2004	3,854,032	1.72%	0	0	0	0	Ph.D., UC Berkeley (Electrical Engineering & Computer Science)	Note 4	Chairman (General Manager)	CHIEN LEO MING TZ	Father-son	(Note 3)
Chairman (General Manager)	U.S.A.	CHIEN LEO MING TZ	Male	August 31, 2016	6,375,575	2.72%	150,000	0.06%	0	0	UCLA (Electrical & Electronics Engineering)	Note 4	Founder	CHIEN, MING-JEH	Father-son	(Note 3)
Deputy General Manager	R.O.C.	LO, AN-TI	Male	August 31, 2012	12,000	0	0	0	0	0	Bradley University (Computer Science)	Note 4	-	-	-	-
Assistant Manager (concurrent)	R.O.C.	LI, YU-HUA	Female	May 1, 2020	0	0	0	0	0	0	Department of Accounting, Tamkang University	Note 4	-	-	-	-
Assistant Manager (concurrent)	R.O.C.	LIN, TUNG-HSING	Male	October 1, 2013	0	0	0	0	0	0	CA State University, San Bernardino (Business Administration)	Note 4	-	-	-	(Note 5)

Note 1: The data of general manager, deputy general managers, assistant managers and heads of each department and branch shall be included. Also, those with positions equivalent to general manager, deputy general manager or assistant manager shall also be disclosed regardless of their titles.
Note 2: As for experience related to the current position, e.g., employment to accounting firm in charge of audit and certification or affiliate in the preceding period, title and duties served shall be explained.
Note 3: If the chairman and the general manager of the Company or a person with equivalent position (top manager) are a same person, are spouse to each other, or relatives within first degree, relevant information regarding the reason, rationality, necessity and responsive measures shall be explained (e.g., increasing the seats of independent directors and ensuring that more than half number of directors haven't held a concurrent post of employee or manager).Since the chairman and the general manager have a father-son relationship, in consideration of experience inheritance, the seats of independent directors will be increased within a time limit stipulated in relevant laws and regulations.
Note 4: Please refer to "Table of Concurrent Positions in Affiliates or Other Companies".
Note 5: CHIEN, MING-JEH resigned as chairman of the board of directors from June 15, 2023, and the board of directors approved the reappointment of CHIEN LEO MING TZ as the new chairman, and CHIEN LEO MING TZ inauguration date was June 15, 2023

(3) Table of Concurrent Positions in Affiliates or Other Companies

March 31, 2024

Name of enterprise	Title	Name or representative
First International Computer, Inc.	Chairman	FIC Global, Inc. (CHIEN LEO MING TZ)
First International Computer, Inc.	General Manager	CHIEN LEO MING TZ
First International Computer, Inc.	Director	FIC Global, Inc. (LO, AN-TI)
First International Computer, Inc.	Director	FIC Global, Inc. (WU, SHUN-I)
First International Computer, Inc.	Supervisor	FIC Global, Inc. (LEE, KAI-TIEN)
First International Computer, Inc.	Accounting Manager	LI, YU-HUA
University Venture Co., Ltd.	Director	CHIEN, MING-JEH
Ubiqconn Technology, Inc.	Chairman	FIC Global, Inc. (CHIEN LEO MING TZ)
Ho Mon Investment Inc.	Director	CHIEN, MING-JEH
Geointelligence Systems, Inc.	Supervisor	FIC Global, Inc. (LI, KAI-TIEN)
City Smarter Technologies Corporation	Director	FIC (CHIEN LEO MING TZ)
King's Sports Co. Ltd.	Director	Kings Blessed Investment. (CHIEN LEO MING TZ)
FICTA Technology, Inc.	Chairman	FIC Global, Inc. (LIN, TUNG-HSING)
FICTA Technology, Inc.	Director	FIC Global, Inc. (LO, AN-TI)
GloryMakeup Inc.	Chairman	Chia Chao Investment Inc. (CHIEN, MING-JEH)
RuggON Corporation	Chairman	Ubiqconn Technology (CHIEN LEO MING TZ)
LOHAS Biotech Development Corp.	Chairman	LEE, KAI-TIEN
LAMBERT NEWMEDIA, INC.	Chairman	WU, SHUN-I
LAMBERT NEWMEDIA, INC.	Director	Point Space Technology (LEE, KAI-TIEN)
AGARI PHARMA CO., LTD.	Supervisor	CHIEN, MING-JEH
Witology Technology Company Limited	Director	FICTA(CHIEN LEO MING TZ)
Promate Electronic Co.,Ltd.	Independent Director	CHIEN LEO MING TZ
CyberLink Corp.	Independent Director	CHIEN LEO MING TZ
Brilliant World Limited	Director	Ming-Jeh Chien
FIC (First International) Holding B.V.	Director	Ming-Jeh Chien
3CEMS EUROPE B.V.	Director	Ming-Jeh Chien
High Standard Global Corporation	Director	Ming-Jeh Chien
Access Trend Limited.	Director	Ming-Jeh Chien
Broad Technology Inc.	Director	Ming-Jeh Chien
Broad Technology Inc.	Director	An-Ti Lo
Danriver, Inc.	Director	Ming-Jeh Chien
Danriver, Inc.	Director	An-Ti Lo
Prime Foundation Inc.	Director	Ming-Jeh Chien
Prime Foundation Inc.	Director	An-Ti Lo
Perfect Union Global Inc.	Director	Ming-Jeh Chien
Perfect Union Global Inc.	Director	An-Ti Lo
Danriver System Inc.	Director	Ming-Jeh Chien
Danriver System Inc.	Director	An-Ti Lo

Name of enterprise	Title	Name or representative
3CEMS Corp.	Director	Ming-Jeh Chien
3CEMS Corp.	Director	Chien Leo Ming Tz
3CEMS Corp.	Director	An-Ti Lo
First International Computer (Suzhou) Inc.	Director	CHIEN, MING-JEH
Broad Technology (Guangzhou) Inc.	Supervisor	LIN, TUNG-HSING
Prime Technology (Guangzhou) Inc.	Director	LO, AN-TI
3CEMS Investment Management Limited	Director	CHIEN LEO MING TZ

3. Information of remuneration of directors and managers

(1) Remuneration of directors (including independent directors) (names and remuneration method of some directors are individually disclosed)

December 31, 2022
Unit: NT$1,000

Title	Name (Note 1)	Director's remuneration								Total of items A, B, C and D and ratios over net income after tax (Note 10)		Relevant remuneration received by concurrent employees								Total of items A, B, C, D, E, F and G and ratios over net income after tax (Note 10)		Remuneration received from reinvestment enterprises other than subsidiaries (Note 11)
		Salary (A) (Note 2)		Severance pay and pensions (B)		Director reward (C) (Note 3)		Business execution fees (D) (Note 4)				Remuneration, bonus and allowances (E) (Note 5)		Severance pay and pensions (F)		Employee reward (G) (Note 6)						
																The Company		All companies in financial report (Note 7)				
		The Company	All companies in financial report (Note 7)	The Company	All companies in financial report (Note 7)	The Company	All companies in financial report (Note 7)	The Company	All companies in financial report (Note 7)	The Company	All companies in financial report (Note 7)	The Company	All companies in financial report (Note 7)	The Company	All companies in financial report (Note 7)	Cash amount	Stock amount	Cash amount	Stock amount	The Company	All companies in financial report (Note 7)	
Director	Chia Chao Investment Inc.	0	0	0	0	5	5	0	0	0.002%	0.002%	0	0	0	0	0	0	0	0	0.002%	0.002%	0
Representative	CHIEN, MING-JEH	0	0	0	0	0	0	25	25	0.008%	0.008%	0	7,735	0	0	3,780	0	4,030	0	1.146%	3.550%	0
Representative Chairman	CHIEN LEO MING TZ	0	0	0	0	0	0	10	10	0.003%	0.003%	0	404	0	0	0	0	0	0	0.003%	0.125%	0
Director	University Venture Capital Co., Ltd. (until June 14, 2023)	0	0	0	0	0	0	0	0	0.000%	0.000%	0	0	0	0	0	0	0	0	0.000%	0.000%	0
Director	WYC God-loving Foundation for Charity. (since June 15, 2023)	0	0	0	0	5	5	0	0	0.002%	0.002%	0	0	0	0	0	0	0	0	0.002%	0.002%	0
Representative	LEE, KAI-TIEN	0	0	0	0	0	0	10	10	0.003%	0.003%	0	0	0	0	0	0	0	0	0.003%	0.003%	0
Representative	WU, SHUN-YI	0	0	0	0	0	0	10	10	0.003%	0.003%	0	0	0	0	0	0	0	0	0.003%	0.003%	0
Independent director	CHEN, MIN-PEN	0	0	0	0	350	350	60	60	0.071%	0.071%	0	0	0	0	0	0	0	0	0.071%	0.071%	0
Independent director	KAO, TIEN-CHING	0	0	0	0	350	350	60	60	0.071%	0.071%	0	0	0	0	0	0	0	0	0.071%	0.071%	0
Independent director	WANG, CHENG-WEI	0	0	0	0	350	350	65	65	0.072%	0.072%	0	0	0	0	0	0	0	0	0.072%	0.072%	0
Independent director	TUNG, SHENG-FENG	0	0	0	0	350	350	30	30	0.062%	0.062%	0	0	0	0	0	0	0	0	0.062%	0.062%	0

Note 1: Directors' names shall be presented separately (names and representatives of corporate shareholders shall be presented separately). Also, general directors and independent directors shall be presented separately and each payment amount is disclosed by means of summarization. If a director holds a concurrent post of general manager or deputy general manager, this Table and following Table (3-1), or Table (3-2-1) and (3-2-2) shall be filled out.

Note 2: Refer to the salary of director in recent year (including directors' salary, position bonus, severance pay, various bonuses, rewards, etc.).

Note 3: Refer to the amount of director reward distributed by the Board of Directors in recent year. The Company already made a resolution to approve the employee reward and director reward in 2022 on March 29, 2023, and this resolution must be reported to the shareholders' meeting.

Note 4: Refer to relevant business execution fees in recent year (including traffic allowance, special reimbursement, various allowances, dormitory, car service and other in kind). When housing, car and other means of transportation or exclusive individual expenditure is provided, the nature and cost of assets provided, actual rent or rent calculated per fair market price, oil cost and other payments shall be disclosed. If a driver is provided, please indicate relevant reward paid by the Company to this driver, but it is not included in remuneration.

Note 5: Refer to salary, position bonus, severance pay, various bonuses, rewards, traffic allowance, special reimbursement, various allowances, dormitory, car service and other in kind received by directors who hold concurrent posts of employees in recent year (including general manager, deputy general manager, other managers, and employees). When housing, car, and other means of transportation or exclusive individual expenditure is provided, the nature and cost of assets provided, actual rent or rent calculated per fair market price, oil cost and other payments shall be disclosed. If a driver is provided, please indicate relevant reward paid by the Company to this driver, but it is not included in remuneration. Besides, salary expenses recognized in IFRS 2 “Share-based Payment”, including employee stock option certificate, new share that restricts employees’ rights, and share subscription by capital increase in cash, etc., shall also be included in remuneration.

Note 6: Refer to employee reward (including stock and cash) received by directors who hold concurrent posts of employees (including general manager, deputy general manager, other managers, and employees). The amount of employee reward distributed with the approval of the Board of Directors in recent year shall be disclosed. If the amount is impossible to predict, the amount proposed to be distributed this year shall be calculated according to the actual amount distribution ratio, and Addendum 1-3 shall be filled out.

Note 7: The total amount of each remuneration paid by all companies in the consolidated report (including the Company) to the directors of the Company shall be disclosed and reported.

Note 8: Names of directors shall be disclosed in their respective remuneration scale regarding the total amount of remuneration paid by the Company to each director.

Note 9: The total amount of each remuneration paid by all companies in the consolidated report (including the Company) to each director of the Company shall be disclosed, and names of directors shall be disclosed in relevant scales.

Note 10: Net income after tax refers to the net income after tax of individual or independent financial report in recent year.

Note 11: a. The amount of relevant remuneration received by directors of the Company from reinvestment enterprises other than subsidiaries or parent company shall be filled out in this column clearly (please fill out “None” if no).

b. If directors of the Company have received relevant remuneration from reinvestment enterprises other than subsidiaries or parent company, such remuneration shall be included in column I of the remuneration scale and the domain name shall be changed to “Parent company and all reinvestment enterprises”.

c. Remuneration refers to relevant remuneration received by directors of the Company for their office holding of director, supervisor, or manager or other relevant identity in reinvestment enterprises other than subsidiaries or parent company, including salary, reward (including employee reward, director reward and supervisor reward) and business execution fees.

*The content of remuneration disclosed in this table is different from the concept of income tax in the income tax law. Therefore, the purpose of this table is for information disclosure instead of taxation.

(2) Remuneration of general manager and deputy general managers (summarization of remuneration scale and name disclosing method)

December 31, 2023
Unit: NT$1,000

Title	Name (Note 1)	Salary (A) (Note 2)		Severance pay and pensions (B)		Bonus and special reimbursement (C) (Note 3)		Amount of employee reward (D) (Note 4)				Total of items A, B, C and D and ratios over net income after tax (%) (Note 8)		Remuneration received from reinvestment enterprises other than subsidiaries (Note 9)
		The Company	All companies in the financial report (Note 5)	The Company	All companies in the financial report (Note 5)	The Company	All companies in the financial report (Note 5)	The Company		All companies in the financial report (Note 5)		The Company	All companies in the financial report (Note 5)	
								Cash amount	Stock amount	Cash amount	Stock amount			
Chairman (General Manager)	CHIEN LEO MING TZ	0	4,655	0	0	0	3,080	3,780	0	4,030	0	1.14%	3.54%	None
Deputy general manager	LO, AN-TI	1,877	1,877	0	0	325	325	584	0	584	0	0.84%	0.84%	None

*Those with positions equivalent to general manager and deputy general manager (e.g., president, CEO, director, etc.) shall be disclosed regardless of their titles.
*The Company didn't have labor under the old system, and therefore it was not required to withdraw retirement pension on a monthly basis.
*The employee reward in 2023 is only an estimated value (it is planned to verify and pay it in the second half of 2024).

(3) Remuneration scale of general manager and deputy general managers

Scale of remuneration paid to each general manager and deputy general manager of the Company	Names of general manager and deputy general managers	
	The Company (Note 6)	All companies in the financial report (Note 7) E
Below NT$1,000,000	-	-
NT$1,000,000(included)~NT$2,000,000 (excluded)	-	-
NT$2,000,000(included)~NT$3,500,000 (excluded)	1 person (LO, AN-TI)	1 person (LO, AN-TI)
NT$3,500,000(included)~NT$5,000,000 (excluded)	1 person (CHIEN LEO MING TZ) (Note 10)	-
NT$5,000,000(included)~NT$10,000,000 (excluded)	-	1 person (CHIEN LEO MING TZ)
NT$10,000,000(included)~NT$15,000,000 (excluded)	-	-
NT$15,000,000(included)~NT$30,000,000 (excluded)	-	-
NT$30,000,000(included)~NT$50,000,000 (excluded)	-	-
NT$50,000,000(included)~NT$100,000,000 (excluded)	-	-
Above NT$100,000,000	-	-
Total	2 persons	2 persons

*The general manager didn't receive remuneration from the Company.

Note 1: The names of general manager and deputy general managers shall be presented separately and each payment amount shall be disclosed by means of summarization. If a director holds a concurrent post of general manager or deputy general manager, this Table and Table (1-1), or (1-2-1) and (1-2-2) above shall be filled out.

Note 2: The salary, position bonus and severance pay of general manager and deputy general manager in recent year shall be filled out.

Note 3: Various bonuses, rewards, traffic allowance, special reimbursement, various allowances, dormitory, car service and other in kind of general manager and deputy general managers shall be filled out. When housing, car and other means of transportation or exclusive individual expenditure is provided, the nature and cost of assets provided, actual rent or rent calculated per fair market price, oil cost and other payments shall be disclosed. If a driver is provided, please indicate relevant reward paid by the Company to this driver, but it is not included in remuneration. Besides, salary expenses recognized in IFRS 2 "Share-based Payment", including employee stock option certificate, new share that restricts employees' rights, and share subscription by capital increase in cash, etc., shall also be included in remuneration.

Note 4: The amount of employee reward (including stock and cash) distributed to the general manager and deputy general managers by the Board of Directors in recent year shall be filled out. If the amount is impossible to predict, the amount proposed to be distributed this year shall be calculated according to the actual amount distribution ratio, and Addendum 1-3 shall be filled out.

Note 5: The total amount of each remuneration paid by all companies in the consolidated report (including the Company) to the general manager and deputy

general managers of the Company shall be disclosed.
Note 6: Names of general manager and deputy general managers shall be disclosed in their respective remuneration scale regarding the total amount of each remuneration paid by the Company to each general manager and deputy general manager.
Note 7: The total amount of each remuneration paid by all companies in the consolidated report (including the Company) to each general manager and deputy general manager shall be disclosed, together with their names in their respective remuneration scale.
Note 8: Net income after tax refers to the net income after tax of individual or independent financial report in recent year.
Note 9: a. The amount of relevant remuneration received by general manager and deputy general managers of the Company from reinvestment enterprises other than subsidiaries or parent company shall be filled out in this column clearly (please fill out "None" if no).
b. If the general manager and deputy general managers of the Company have received relevant remuneration from reinvestment enterprises other than subsidiaries or parent company, such remuneration shall be included in column E of the Remuneration Scale and the domain name shall be changed to "Parent company and all reinvestment enterprises".
c. Remuneration refers to salary, reward (including employee reward, director reward, and supervisor reward) and business execution fees, etc. received by general manager and deputy general managers of the Company for their office holding of director, supervisor, or manager or other identity in reinvestment enterprises other than subsidiaries or parent company.
Note10: The manager does not receive a salary from the company, and this is only an estimate of the company's employee remuneration of 2023.
* The content of remuneration disclosed in this table is different from the concept of income tax in the income tax law. Therefore, the purpose of this table is for information disclosure instead of taxation.

(4)The individual remuneration paid to each of its top five management personnel (Individual disclosure of names and remuneration methods)

December 31, 2022
Unit: NT$1,000

Title	Name (Note 1)	Salary (A) (Note 2)		Severance pay and pensions (B)		Bonus and special reimbursement (C) (Note 3)		Amount of employee reward (D) (Note 4)				Total of items A, B, C and D and ratios over net income after tax (%) (Note 8)		Remuneration received from reinvestment enterprises other than subsidiaries (Note 9)
		The Company	All companies in the financial report (Note 5)	The Company	All companies in the financial report (Note 5)	The Company	All companies in the financial report (Note 5)	The Company		All companies in the financial report (Note 5)		The Company	All companies in the financial report (Note 5)	
								Cash amount	Stock amount	Cash amount	Stock amount			
Chairman (General Manager)	CHIEN LEO MING TZ	0	4,655	0	0	0	3,080	3,780	0	4,030	0	1.14%	3.54%	None
Deputy general manager	LO, AN-TI	1,877	1,877	0	0	325	325	584	0	584	0	0.84%	0.84%	None
Assistant manager (concurrent)	LIN, TUNG-HSING	0	1,303	0	0	0	55	111	0	111	0	0.03%	0.44%	None
Assistant manager (concurrent)	LI, YU-HUA	0	1,030	0	0	0	48	331	0	331	0	0.10%	0.42%	None

*The employee reward in 2023 is only an estimated value (it is planned to verify and pay it in the second half of 2023).
Note 1: According to the provisions of the Commission's T.C.Z.S.Zi No. 0920001301 Order on March 27, 2003, the applicable scope of managers the company manager applies scope management to the top five managers whose personal remuneration reaches the standards for the identification of managers of concern. As for the calculation and determination principle of "the top five highest remuneration", it is determined by the sum of salaries, retirement pensions, bonuses and special expenses, etc., as well as the amount of employee remuneration (i.e. the total of the four items A+B+C+D) received by the managers of the company from all companies in the consolidated financial report, and the top five highest remuneration are determined after ranking. If a director is also a former officer, he or she should complete this form and the above table (directors' remuneration including independent directors).
Note 2: The salary, position bonus and severance pay of the individual remuneration paid to each of its top five management personnel in recent year shall be filled out.
Note 3: Various bonuses, rewards, traffic allowance, special reimbursement, various allowances, dormitory, car service and other in kind of the individual remuneration paid to each of its top five management personnel shall be filled out. When housing, car and other means of transportation or exclusive individual expenditure is provided, the nature and cost of assets provided, actual rent or rent calculated per fair market price, oil cost and other payments shall be disclosed. If a driver is provided, please indicate relevant reward paid by the Company to this driver, but it is not included in remuneration. Besides, salary expenses recognized in IFRS 2 "Share-based Payment", including employee stock option certificate, new share that restricts employees' rights, and share subscription by capital increase in cash, etc., shall also be included in remuneration.
Note 4: The amount of employee reward (including stock and cash) distributed to the individual remuneration paid to each of its top five management personnel by the Board of Directors in recent year shall be filled out. If the amount is impossible to predict, the amount proposed

to be distributed this year shall be calculated according to the actual amount distribution ratio, and Addendum 1-3 shall be filled out.
Note 5: The total amount of each remuneration paid by all companies in the consolidated report (including the Company) to the individual remuneration paid to each of its top five management personnel of the Company shall be disclosed.
Note 6: Net income after tax refers to the net income after tax of individual or independent financial report in recent year.
Note 7: a. The amount of relevant remuneration received by the individual remuneration paid to each of its top five management personnel of the Company from reinvestment enterprises other than subsidiaries or parent company shall be filled out in this column clearly (please fill out "None" if no).
b. Remuneration refers to salary, reward (including employee reward, director reward, and supervisor reward) and business execution fees, etc. received by the individual remuneration paid to each of its top five management personnel of the Company for their office holding of director, supervisor, or manager or other identity in reinvestment enterprises other than subsidiaries or parent company.
* The content of remuneration disclosed in this table is different from the concept of income tax in the income tax law. Therefore, the purpose of this table is for information disclosure instead of taxation.

(5) Respectively compare and depict the analyses of the aggregate total remuneration paid to the Company's directors, general manager and vice general managers to the net profit after tax shown through the individual financial statements over the past two years in the Company and all companies covered in the consolidated financial reports:

Unit: NT$1,000

Item	2022		2023	
	The Company	Consolidated financial report	The Company	Consolidated financial report
Net income after tax (Note 1)	476,470	476,470	332,140	332,140
The aggregate total of remuneration paid to the directors (Note 2)	1,263	1,263	1,717	1,717
Ratio of director remuneration	0.2653%	0.2653%	0.5170%	0.5170%
The aggregate total of remuneration paid to the general manager and vice general managers	2,625	10,407	6,567	14,553
Ratio of remuneration of general manager and deputy general managers	0.3851%	1.2985%	1.9773%	4.3816%

Note 1: Net income after tax/net loss refers to the net income after tax/net loss indicated in the individual or independent financial reports in recent year.
Note 2: The aforesaid director remuneration includes salary, severance pay and pensions, bonus, special reimbursement (traffic allowance) and dividends from profit distribution, etc.

The Company has formulated the "Regulations on Remuneration Assessment and Payment of Directors and Supervisors" and the "Standard Operating Procedures for Performance Assessment and Remuneration of Managers" as the basis for the appointment, dismissal, remuneration assessment and performance assessment of managers. These regulations and standard operating procedures have been reviewed by the company's remuneration committee and reported to the board of directors for approval and implementation. They are reviewed and evaluated regularly to ensure that the company's remuneration complies with regulations of relevant laws and regulations. At the same time, combined with the company's goal achievement and financial status, a rational assessment and evaluation of the correlation between personal performance, company operating performance and future risks are carried out and explained as follows.

1. Compensations to directors:

The compensations to directors are comprised of salaries, director remunerations and allowances.

I. Salaries: According to our Articles of Incorporation, regardless of profit or loss each year, the board of directors may be authorized to set its own payment standards within a total of NT$20,000.

II. Director remunerations: According to our Articles of Incorporation, the company's annual profits are determined by the board of directors to be distributed as shareholder remuneration at a rate of no more than 1.5%, and a report is submitted to the shareholders' meeting. However, if the company still has accumulated losses, it shall first retain them to make up for the losses, and then distribute shareholder remuneration in accordance with the proportions stipulated in the preceding paragraph. The Directors' Remuneration Industry in 2023 was proposed by the Remuneration Committee held on 25 March ,2024 and approved by the Board of Directors to allocate 0.4% of the net profit before tax as Director's remuneration (including independent directors' remuneration), totaling NT$1,422K.

III. Business execution expenses include transportation expenses for attending meetings of the Board of Directors and functional committees. In accordance with the Articles of Association of the Company, the Board of Directors of the Company shall attend a meeting of the Company with an attendance fee of NT$2,500 per person per attendance and an independent director shall have an attendance fee of NT$5,000 per attendance. The total cost of transportation expenses for directors and independent directors of the Company in 2023 is NT$295K.

2. Compensations to general managers and vice general managers:

The remuneration of the general manager and deputy general manager of the Company includes basic salary, bonus and employee remuneration. Bonuses and employee remuneration are distributed according to the company's overall business performance, and are implemented after deliberation by the Salary and Remuneration Committee and approved by the Board of Directors in accordance with the company's articles of association, individual performance, performance appraisal operation methods, and various bonus payment methods.

I. Pensions: The Company shall pay 6% of the monthly amount of the salary of senior managers under the Labor Pension Ordinance Pension System (New Labor Retirement System) to the Labor Individual Pension Account in accordance with the law.

II. Bonuses: It includes various bonuses, incentive payments and various allowances. The Company has formulated the "Standard Operating Standards for Performance Appraisal and Remuneration for Managers". Through regular performance appraisal and linkage with the company's business performance, it is reviewed by the Remuneration Committee and implemented after approval by the Board of Directors. The Remuneration Committee shall propose bonuses and shall be approved by the Board of Directors.

III. Employee remuneration: According to the articles of association of the company, if the company makes a profit in the year, the board of directors will resolve to allocate 2%~10% as employee remuneration, and submit it to the shareholders' meeting for approval. If the company still has accumulated losses, it should first retain to cover the losses, and then allocate directors' remuneration according to the proportion of the preceding paragraph. Employee remuneration for 2022 was proposed by the Remuneration Committee held on 25 March 2024 and approved by the Board of Directors, and 4% of the net profit before tax was allocated as employee remuneration, totaling NT$14,222,000.

(6) Names of managers distributed with employee reward and distribution conditions

December 31, 2023

	Title (Note 1)	Name (Note 1)	Stock amount	Cash amount	Total	Ratio of total amount in net income after tax (%)
Managers	General manager	CHIEN LEO MING TZ	－	NT$4,807K	NT$4,807K	1.45%
	Deputy general manager	LO, AN-TI				
	Assistant manager (concurrent)	LI, YU-HUA				
	Assistant manager (concurrent)	LIN, TUNG-HSING				

*The employee reward in 2022 is only an estimated value (it is planned to verify and pay it in the second half of 2023).

Note 1: Individual names and titles shall be disclosed. However, it is allowed to disclose the profit distribution by means of summarization.

Note 2: The amount of employee reward (including stock and cash) distributed to managers by the Board of Directors in recent year shall be filled out. If the amount is impossible to predict, the amount proposed to be distributed this year shall be calculated according to the actual amount distribution ratio. The net income after tax refers to the net income after tax in recent year; if IFRS is adopted, the net income after tax refers to the net income after tax indicated in individual or independent financial report in recent year.

Note 3: According to the provisions of the Commission's T.C.Z.S.Zi No. 0920001301 Order on March 27, 2003, the applicable scope of managers is as follows:

(1) General manager and equivalents
(2) Deputy general manager and equivalents
(3) Assistant manager and equivalents
(4) Head of financial department
(5) Head of accounting department
(6) Other persons managing affairs for the Company and entitled to sign.

Note 4: If directors, general manager and deputy general managers have received employee reward (including stock and cash), this Table shall be filled out in addition to Table 1-2.

4. Corporate governance

(1) Operation of the Board of Directors

1. In 2023 and as of the publication date of the annual report, the Board of Directors convened 12 meetings (A) and the attendance status of directors (independent directors) as a voting or nonvoting party is shown as follows:

March 31, 2024

Title	Name (Note 1)	Actual attendance (as a voting or nonvoting party) B	Attendance by proxy	Actual attendance rate as a voting or nonvoting party (%) [B/A] (Note 2)	Remark
Chairman	Chia Chao Investment Inc. Representative: CHIEN LEO MING TZ	12	0	100%	Date of new appointment: June 15, 2023
Director	Chia Chao Investment Inc. Representative: CHIEN, MING-JEH	3	9	25%	Date of reassignment: June 15, 2023
Director	WYC God-loving Foundation for Charity. Representative: WU, SHUN-I	12	0	100%	Date of new appointment: June 15, 2023
Director	WYC God-loving Foundation for Charity. Representative: LEE, KAI-TIEN	12	0	100%	Date of new appointment: June 15, 2023
Independent director	CHEN, MIN-PEN	12	0	100%	Date of reappointment: June 15, 2023
Independent director	KAO, TIEN-CHING	11	1	91.67%	Date of reappointment: June 15, 2023
Independent director	WANG, CHENG-WEI	12	0	100%	Date of reappointment: June 15, 2023
Independent director	TUNG, SHENG-FENG	12	0	100%	Date of new appointment: June 15, 2023

Other matters to be recorded:

I. If any of the following circumstances exists in the operation of the Board of Directors, date and stage of board meeting, content of proposals, all independent directors' opinions, and the Company's handling of these opinions shall be explained:

(1) Matters listed in Article 14-3 of the Securities and Exchange Act.

Since the Company has set up its Audit Committee; the provisions of Article 14-3 shall not apply according to Article 14-5 of the Securities and Exchange Act.

(2) Other matters resolved by the Board of Directors with independent directors' opposing or reserved opinions and relevant record or written statement beyond the preceding matters. **Not involved.**

II. As for the execution of recusal of any director from any proposal where this director is a stakeholder, name of director, content of proposal, reason for recusal due to conflict of interest and voting status shall be explained. Please refer to 2. Execution status of recusal of directors as an interested party in relevant proposals for details.

Date of the board of directors	**Issue**	**Avoidance**
March 23,2023	Remuneration distribution of employees and directors of the Company of 2022.	When discussing the remuneration of an individual director, the director recuses his or her interests.
	Nominate and review the list of candidates for directors (including independent directors).	When the director discussed his qualifications to be listed as a director and independent director of the eighth session of the board of directors, the director recused from interests.
	Proposed lifting of the non-compete restriction on newly elected directors and their representatives.	Each director and independent director shall leave the meeting and abstain from voting on the dissolution of the non-compete details of the respective Company and its subsidiaries or other companies that directly or indirectly hold 100% of the shares and their own non-compete details.

May 11,2023	The re-election of the second session of the Corporate Sustainability Committee of the Company.	When discussing the remuneration of an individual director, the director recuses his or her interests.
June 15,2023	Election of the 8th Chairman of the Board.	Director CHIEN LEO MING TZ is the nominee, so he does not participate in the discussion and voting.
	Appointment of members of the 5th Remuneration Committee of the Company	When discussing the remuneration of an individual director, the director recuses his or her interests.
	Case of capital loan and affiliated enterprise First International Computer, Inc.	Director CHIEN, MING-JEH is an interested party in this case, so he recused himself from participating in the discussion and voting.
March 29,2024	Remuneration distribution of employees and directors of the Company.	When discussing the remuneration of an individual director, the director recuses his or her interests.

III. A TWSE/TPEx listed company shall disclose information regarding cycle, period, scope, method, and content of self (or peer) evaluation of the Board of Directors, and fill out the execution status of evaluation of the Board of Directors in Table (2) below.

Evaluation cycle (Note 1)	**Evaluation period (Note 2)**	**Evaluation scope (Note 3)**	**Evaluation method (Note 4)**	**Evaluation content (Note 5)**
Once every year	January 1, 2023-December 31, 2023	Performance evaluation of the Board of Directors, individual directors and functional committees	Internal self-evaluation and self-evaluation by directors	(1) Performance evaluation of the Board of Directors: Degree of participation in corporate operation, improvement of decision-making quality of the Board of Directors, composition and structure of the Board of Directors, election and appointment of directors and their further education, and internal control. (2) Performance evaluation of individual directors: Mastery of the Company’s objectives and tasks, recognition of directors’ responsibilities, degree of participation in corporate operation, operation and communication of internal relations, directors’ expertise and further education and internal control. (3) Performance evaluation of functional committees: Degree of participation in corporate operation, recognition of responsibilities of functional committees, improvement of decision-making quality of functional committees, composition of functional committees and election and appointment of their members, and internal control.

Note 1: The execution cycle of evaluation of the Board of Directors, e.g., once every year, shall be filled out.

Note 2: The period covered by the evaluation of the Board of Directors shall be filled out. For example, the performance of the Board of Directors from January 1, 2023 to December 31, 2023 is evaluated.

Note 3: The evaluation scope includes the performance evaluation of the Board of Directors, individual directors and functional committees.

Note 4: The evaluation method includes internal self-evaluation of the Board of Directors, self-evaluation of directors, peer evaluation, and performance evaluation through entrustment of external professional agency or experts or by other appropriate means.

Note 5: The evaluation content shall at least include the following items according to the evaluation scope:

(1) Performance evaluation of the Board of Directors: At least including degree of participation in corporate operation, decision-making quality of the Board of Directors, composition and structure of the Board of Directors, election and appointment of directors and their further education, and internal control.

(2) Performance evaluation of individual directors: At least including mastery of the Company’s objectives and tasks, recognition of directors’ responsibilities, degree of participation in corporate operation, operation and communication of internal relations, directors’ expertise and further education and internal control.

(3) Performance evaluation of functional committees: Degree of participation in corporate operation, recognition of responsibilities of functional committees, improvement of decision-making quality of functional committees, composition of functional committees and election and appointment of their members, and internal control.

*The Company has already established a system for the performance of the Board of Directors. The Board of Directors passed the Regulation on Performance Evaluation of the Board of Directors on November 10, 2020 to give play to the self-promotion of members of the Board of Directors and improve the operational functions of the Board of Directors. The performance evaluation of the Board of Directors is executed once every year. Internal self-evaluation of the Board of Directors and self-evaluation of directors shall be handled after end of each year. The evaluation results will be summarized before the end of the first quarter of next year, and a report of results will be presented to the directors for reference.

IV. Objectives for the strengthening of functions of the Board of Directors (e.g., establishment of Audit Committee, improvement of information transparency, etc.) in current year and recent years as well as evaluation of execution status of these objectives: **In order to improve corporate governance and strengthen the relevant functions of the Board of Directors, the Company has established the Audit Committee and the Remuneration Committee to assist the Board in performing the salary and remuneration management functions, and established the Corporate Sustainability Committee at the end of 2022 to assist the Board in relevant operational norms.**

Note 1: If directors and supervisors are legal persons, names of corporate shareholders and their representatives shall be disclosed.

Note 2: (1) If a director or supervisor resigns before the ending date of the year, the date of resignation shall be specified in the remark column, and the actual attendance rate as a voting or nonvoting party (%) shall be calculated according to the number of meetings of the Board of Directors convened during his/her tenure as well as meetings actually attended by this director or supervisor as a voting or nonvoting party.

(2) If a director or supervisor is reelected before the ending date of the year, both new and former directors or supervisors shall be filled out and information regarding previous appointment, new appointment, or reappointment or date of reelection of this director or supervisor shall be specified in the remark column. The actual attendance rate as a voting or nonvoting party (%) shall be calculated according to the number of meetings of the Board of Directors convened during his/her tenure as well as meetings actually attended by this director or supervisor as a voting or nonvoting party.

(3) Operation of the Audit Committee:

In 2023 and as of the publication date of the annual report, the Audit Committee convened 12 meetings (A) and the attendance status of independent directors as a nonvoting party is shown as follows:

March 31, 2023

Title	Name	Actual attendance as a nonvoting party (B)	Attendance by proxy	Actual attendance rate as a nonvoting party (%) (B/A) (Note)	Remark
Independent director	KAO, TIEN-CHING	11	1	91.67%	Date of reappointment: June 15, 2023
Independent director	CHEN, MIN-PEN	12	0	100%	Date of reappointment: June 15, 2023
Independent director	WANG, CHENG-WEI	12	0	100%	Date of reappointment: June 15, 2023
Independent director	TUNG, SHENG-FENG	12	0	100%	Date of new appointment: June 15, 2023

Other matters to be recorded:

I. If any of the following circumstances exists in the operation of the Audit Committee, date and stage of meeting of the committee, content of proposals, independent directors' opposing or reserved opinions or content of major suggestions, resolution results of the Audit Committee, and the Company's handling of these opinions shall be explained: **The independent directors attending the meetings as a nonvoting party didn't express any opinion.**

(1) Matters listed in Article 14-5 of the Securities and Exchange Act.

(2) Other resolved matters not approved by the Audit Committee but approved by more than two thirds of all directors beyond the preceding matters. **Not involved.**

II. As for the execution status of recusal of any independent director from any proposal where this director is a stakeholder, name of independent director, content of proposal, and reason for recusal due to conflict of interest and voting status shall be explained: **Not involved.**

III. Communication of independent directors with internal audit officer and accountant (major events, methods, and results regarding communication of finance and business status of the Company shall be included): **Communicate with the financial manager, business manager and accountants at any time regarding issues needed to learn directly through interview, telephone and email.**

Date	Mode	Object	Issues to communicate	Comment from the independent directors
2023.03.15	Audit Committee	Auditor-General	1. Report on performance in internal audit. 2. Discussion on representation of internal control system for 2021.	The Chairperson stated that overdue follow-up matters should continue to be tracked and improved.
2023.03.15	Forum	CPA and Auditor-General	Communications with CPA about the audit plan for 2022.	Noted.
2023.03.29	Audit Committee	Auditor-General	Report on performance in internal audit.	The Chairperson stated that overdue follow-up matters should continue to be tracked and improved.

		CPA and Auditor-General	Compilation of consolidated financial statements and individual financial statements of 2023.	The proposal was passed after the Chairperson consulted all the members present without any other opinion, and then was proposed to the Board of Directors for resolution.
2023.05.11	Audit Committee	Auditor-General	Report on performance in internal audit.	The Chairperson stated that overdue follow-up matters should continue to be tracked and improved.
		CPA and Auditor-General	Report the results of audit report for the first quarter of 2023.	The certified public accountant attended and reported the proposed conclusion of reviewing the consolidated financial statements of the first quarter of 2023. This proposal was approved by the chairperson after consulting all the attending members who responded with no any other opinions and the proposal should be submitted to the Board of Directors for final decision.
2023.08.10	Audit Committee	Auditor-General	Report on performance in internal audit.	The Chairperson stated that overdue follow-up matters should continue to be tracked and improved.
		CPA and Auditor-General	Consolidated financial statements for the 2nd quarter of 2023.	The certified public accountant attended and reported the proposed conclusion of reviewing the consolidated financial statements of the second quarter of 2023. This proposal was approved by the chairperson after consulting all the attending members who responded with no any other opinions and the proposal should be submitted to the Board of Directors for final decision.
2023.11.09	Audit Committee	Auditor-General	Report on performance in internal audit.	The Chairperson stated that overdue follow-up matters should continue to be tracked and improved.
		CPA and Auditor-General	Consolidated financial statements for the 3rd quarter of 2023	The certified public accountant attended and reported the review conclusion of the consolidated financial report for the third quarter of 2023. The proposal was approved after the chairperson consulted all the members present and had no other opinions, and was proposed to the board of directors for resolution.

Notes: *If an independent director resigns before the ending date of the year, the date of resignation shall be specified in the remark column, and the actual attendance rate (%) shall be calculated according to the number of meetings of the Audit Committee convened during his/her tenure as well as the meetings actually attended by this independent director.

*If an independent director is reelected before the ending date of the year, both new and former independent directors shall be filled out, and information regarding previous appointment, new appointment, or reappointment or date of reelection of this independent director shall be specified in the remark column. The actual attendance rate (%) shall be calculated according to the number of meetings of the Audit Committee convened during his/her tenure as well as meetings actually attended by this independent director.

(4) Execution status of corporate governance, deviations from Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and reasons thereof:

Assessment item	Execution status (Note 1)			Deviations from Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and reasons thereof
	Yes	No	Summary	
1. Has the Company followed "Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies" to establish and disclose its corporate governance best practice principles?	V		The Company has established "Audit Committee", but A Code of Corporate Governance Practice has not yet and the exercising of authorities of directors and independent directors and internal control are handled according to the spirits and provisions of "Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies".	None.
2. Shareholding Structure & Shareholders' Rights				None.
(1) Has the Company established Internal Operation Procedures for handling shareholders' suggestions, concerns, disputes, and litigation matters? If yes, have these procedures been implemented accordingly?	V		(1) The Company has appointed a spokesperson to handle shareholders' suggestions, concerns, disputes, and litigation matters, and implement them per the procedure.	
(2) Has the Company possessed a list of major shareholders of actually controlled companies and beneficial owners of these major shareholders?	V		(2) The Company masters the shareholding of directors, independent directors, managers and top-10 major shareholders with shareholding ratio above ten percent at any time and disclose such information periodically according to the law.	
(3) Has the Company built and executed a risk management system and firewall between the Company and its affiliates?	V		(3) The Company has legally established relevant systems in its internal control system, e.g., "Regulation on Supervision of Subsidiaries" and "Management Procedure for Related Party Transactions".	
(4) Has the Company established internal rules prohibiting insider trading on undisclosed information?	V		(4) The Company has legally established relevant system in its internal control system.	
3. Composition and Responsibilities of the Board of Directors				
(1) Has the Board of Directors established and implemented a diversification policy for its composition?		V	(1) This policy hasn't been established yet. The members of the Board of Directors have the professional qualifications and work experience stipulated in relevant laws and regulations.	It will be handled at the right moment in the future based on actual needs or statutory and regulatory provisions.
(2) Other than the Remuneration Committee and the Audit Committee set up by the Company according to law, is the Company willing to set up other various kinds of functional committees?	V		(2) The Company set up a sustainable development committee, and will set up various functional committees in consideration of the economic situation and appropriate timing on June 9, 2023.	
(3) Has the Company established methodology for evaluating the performance of its Board of Directors, on an annual basis?	V		(3) The Company has formulated the "Measures for the Performance Evaluation of the Board of Directors" in accordance with the law. The items to measure the performance evaluation of the board of directors, individual directors and functional committees include at least the following aspects or other items required or adjusted by law: 1. Performance evaluation of the board of directors: Participation in the company's operations, improvement of the quality of decision-making of the board of directors, composition and structure of the	

			board of directors, selection and continuous education of directors, and internal control. 2. Performance evaluation of individual directors: Mastery of the company's goals and tasks, awareness of directors' responsibilities, degree of participation in the company's operations, internal relationship management and communication, directors' professional and continuing education, and internal control. 3.Performance evaluation of functional committees: Participation in the company's operations, awareness of the responsibilities of functional committees, decision-making quality of functional committees, composition and selection of members of functional committees, and internal control. The indicators of the performance evaluation of the Board of Directors shall be in accordance with the operation and needs of the Company and shall be in line with and suitable for the Company to carry out the performance evaluation. The results of the annual performance evaluation of the Board of Directors shall be reported to the Board of Directors before the first quarter of the following year, and improvements shall be made to areas that can be strengthened. This year's internal performance evaluation was based on a questionnaire internal self-assessment of the performance of the overall board of directors, functional committees and individual directors, and the evaluation results were all excellent. The performance evaluation report was submitted to the Board of Directors on March 28, 2024, and the relevant performance evaluation methods of the Company will continue to be reviewed and refined accordingly	
(4) Has the Company regularly evaluated the independence of its certified public accountants?	V		(4) The Company reviews the independence of its certified public accountants before June each year according to “Statement of Independence” provided by the CPAs (not against Code of Ethics for Professional Accountants No. 10). Through deliberation and approval by the Audit Committee and the Board of Directors on February 24, 2021, the Company confirmed that all its CPAs complied with the requirements for independence.	

Independence	Conforming
Are the CPAs not directors or independent directors of the Company or its affiliates?	V
Are the CPAs not shareholders of the Company or its affiliates?	V
Are the CPAs not receiving salaries from the Company or its affiliates?	V
Have the CPAs not provided auditing services for the Company for seven consecutive years?	V
Have the CPAs confirmed that their joint accounting firm has already followed relevant code of independence?	V
Has any co-practicing CPA in the joint accounting firm where the CPAs belong served	V

			as director or manager of the Company or held a position that have a major influence on the audited case within one year after resignation? It is confirmed after evaluation that the appointed CPAs haven't been involved in the situations of independence evaluation project mentioned above and complied with the provisions of independence. Therefore, these CPAs may be appointed.	
4. Has the Company appointed competent and appropriate corporate governance personnel and corporate officer to be in charge of corporate governance affairs (including but not limited to furnishing information required for business execution by directors, assisting directors' compliance of law, handling matters related to meetings of the Board of Directors and the Shareholder's Meeting according to law, and recording minutes of board)?	V		The Board of Directors approved the appointment of a Head of Corporate Governance, who is responsible for matters related to corporate governance on March 29, 2023,	None
5. Has the Company established channels of communicating with its stakeholders (including but not limited to shareholders, employees, customers, suppliers, etc.) or created a special zone for stakeholders on its official website, and properly responded to the issues of important corporate social responsibilities concerned by its stakeholders?	V		The Company has established channels of communicating with different subjects (including stakeholders) in consideration of different circumstances.	None.
6. Has the Company appointed a professional registrar for its Shareholders' Meetings?	V		The Company has already appointed Stock Agency Department of Grand Fortune Securities to handle the affairs of its Shareholders' Meeting.	None.
7. Information disclosure				None.
(1) Has the Company established a corporate website to disclose information regarding its finance, business, and corporate governance?	V		(1) The Company discloses relevant information at any time through its website (www.ficg.com.tw).	
(2) Has the Company used any other information disclosure channels (e.g., maintaining an English-language website, designating staff to handle information collection and disclosure, appointing spokespersons, webcasting investors' conferences, etc.)?	V		(2) The subsidiaries have already maintained an English-language website, implemented spokesperson system and designated relevant department to handle information collection and disclosure of the Company.	
(3) Has the Company announced and reported the annual financial statements within two months after the end of the fiscal year, and announced and reported the first, second, and third quarter financial statements as well as the operating status of month before the prescribed deadline?		V	(3) The Company announces and reports its annual financial statements within the stipulated period.	

8. Has the Company disclosed other important information to facilitate a better understanding of its corporate governance practices (e.g. including but not limited to employees' rights and care, investor relations, supplier relations, rights of stakeholders, records of further education of directors and supervisors, the implementation of risk management policies and risk evaluation measures, the implementation of customer relations policies, and the Company's purchasing of liability insurance for directors and supervisors)?	V		Please refer to the content of (9) on P.36 in this annual report as well as other important information that are adequate to facilitate the understanding of the operation of the corporate governance.	None.

9. Please describe the improvements based on the results of corporate governance evaluation announced by the Corporate Governance Center of Taiwan Stock Exchange Corporation in recent year and indicate matters and measures of priority for those not improved yet. (Those not included as evaluated companies are not required to fill out this item):
(1) The Company will discuss the direction of follow-up improvement on matters that have not been scored.
(2) Priority enhancements: The company's website discloses the policy and implementation of human rights protection, the company's website discloses various employee welfare measures, retirement system and its implementation, personal safety and working environment protection measures and their implementation, and the board of directors supervises the promotion of sustainable development.

Note 1: The operation status shall be explained in the field of summary no matter if it is checked as "Yes" or "No".

Note 2: The self-evaluation report of corporate governance mentioned refers to a report in which the Company evaluates and explains the current operation and execution status of the Company according to the corporate governance self-evaluation items.

(5) Composition and operation of the Remuneration Committee

1. Information of members of the Remuneration Committee

Identity (Note 1)	Condition / Name	With more than five years' work experience and the following professional qualifications or not: Lecturer or above in department of commerce, legal affairs, finance, accounting or corporate business of public or private university and junior college	Judge, procurator, lawyer, accountant or any other professional vocational and technical personnel passing the examination of national examinations needed for corporate business.	Work experience needed for commerce, legal affairs, finance, accounting or corporate business	Independence status (Note 2): 1	2	3	4	5	6	7	8	9	10	11	12	Number of other public companies where the director holds a concurrent post of independent director	Remark
Independent director	CHEN, MIN-PEN	-	-	V	V	V	V	V	V	V	V	V	V	V	V	V	-	
Independent director	KAO, TIEN-CHING	-	-	V	V	V	V	V	V	V	V	V	V	V	V	V	-	
Independent director	WANG, CHENG-WEI	-	-	V	V	V	V	V	V	V	V	V	V	V	V	V	-	

Note 1: Please fill out the identity as director, independent director or others respectively.

Note 2: If each member complies with the following conditions two years before being elected and appointed and during tenure, please mark "√" in the blank under each condition code.

(1) Not an employee of the Company or its affiliate.

(2) Not a director or supervisor of the Company or its affiliate (however, it does not apply to the concurrent office holding of an independent director in the Company and its parent company or subsidiary or subsidiaries belonging to a same parent company according to this law or local laws and regulations).

(3) Not an individual shareholder holding or with his/her spouse, underage children or others holding more than 1% of total shares already issued by the Company or ranking the top 10 in terms of shareholding ratio.

(4) Not a manager listed in (1), or the spouse, a relative within second degree, or direct relative within third degree of the personnel listed in (2) and (3).

(5) Not a director, supervisor or employee of a corporate shareholder directly holding more than 5% of total shares issued by the Company, ranking the top 5 in terms of shareholding ratio, or assigning a representative to serve as the director or supervisor of the Company according to Article 27-1 or Article 27-2 of the Company Act (however, it does not apply to the concurrent office holding of an independent director in the Company and its parent company or subsidiary or subsidiaries belonging to a same parent company according to this law or local laws and regulations).

(6) Not a director, supervisor or employee of another company with the director seats of the Company or shares with voting rights controlled by a same person (however, it does not apply to the concurrent office holding of an independent director in the Company and its parent company or subsidiary or subsidiaries belonging to a same parent company according to this law or local laws and regulations).

(7) Not a director (council member), supervisor or employee of another company or institution who is same as or the spouse to the chairman, general manager or person with an equivalent position of the Company (however, it does not apply to the concurrent office holding of an independent director in the Company and its parent company or subsidiary or subsidiaries belonging to a same parent company according to this law or local laws and regulations).

(8) Not a director (council member), supervisor or manager or shareholder with shareholding ratio above 5% of a specific company or institution that has financial or business contact with the Company (however, it does not apply to the situation in which the specific company or institution holds more than 20% but less than 50% of total shares already issued by the company, and concurrently serving as an independent director in the Company and its parent company or subsidiary or subsidiaries belonging to a same parent company according to this law or local laws and regulations).

(9) Not a professional, or owner, partner, director (council member), supervisor, or manager of sole proprietorship, partnership, company or institution providing auditing service for the Company or its affiliate or relevant commercial, legal, financial and accounting services with the accumulated reward amount not exceeding NT$500,000 in recent two years, as well as their spouses. However, it does not apply to members of remuneration committee, public acquisition deliberation committee or M&A special committee that performs its duties in accordance with relevant laws and regulations including the Securities and Exchange Act or the Business Mergers and Acquisitions Act.

(10) Not the spouse or a relative within second degree to any other director.

(11) Not having any of the circumstances stipulated in Article 30 of the Company Act.

Not elected as government, legal person or its representative according to Article 27 of the Company Act.

2. Information of operation status of the Remuneration Committee

(1) The Remuneration Committee of the Company comprises 3 members.

(2) Tenure of members of this Remuneration Committee: June 15, 2023-June 14, 2026. In recent year (2023), the Remuneration Committee convened 2 meetings (A) and the committee members' qualifications and attendance are shown as follows:

Title	Name	Actual attendance as a nonvoting party (B)	Attendance by proxy	Actual attendance rate (%) as a nonvoting party (B/A) (Note)	Remark
Convener	CHEN, MIN-PEN	2	0	100%	
Member	KAO, TIEN-CHING	2	0	100%	
Member	WANG, CHENG-WEI	2	0	100%	
Other matters to be recorded:					
I. If the Board of Directors does not adopt or amend the suggestions made by the Remuneration Committee, it shall explain date and stage of board meeting, content of proposals, results of resolutions of the Board of Director and the Company's handling of the opinions from the Remuneration Committee (if the remuneration passed by the Board of Directors is superior to that suggested by the Remuneration Committee, the deviations and reasons thereof shall be explained: **The Company is not involved in this situation.**					
II. In case that matters resolved by the Remuneration Committee are with members' opposing or reserved opinions and relevant record or written statement, the date and stage of meeting of the Remuneration Committee, content of proposals, all members' opinions and handling of these opinions: **The Company is not involved in this situation.**					

Notes: (1) If a member of the Remuneration Committee resigns before the ending date of the year, the date of resignation shall be specified in the remark column, and the actual attendance rate (%) shall be calculated according to the number of meetings of the Remuneration Committee convened during his/her tenure as well as the meetings actually attended by this member.

(2) If a member of the Remuneration Committee is reelected before the ending date of the year, both new and former members of the Remuneration Committee shall be filled out, and information regarding previous employment, new appointment or reappointment and date of reelection of this member shall be specified in the remark column. The actual attendance rate (%) shall be calculated according to the number of meetings of the Remuneration Committee convened during his/her tenure as well as the meetings actually attended by this member.

(6) Execution status of promotion of sustainable development, deviations from Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and reasons thereof:

Promotion item	Execution status (Note 1)			Deviations from Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and reasons thereof
	Yes	No	Summary	
1. Has the Company established a governance structure to promote sustainable development and set up full-time (part-time) unit to promote sustainable development which is handled by senior management authorized by the Board of Directors and supervised and guided by the Board of Directors?	V		In 2022, VW Investment Holdings established the "Corporate Sustainability Development Committee", chaired by Chairman CHIEN LEO MING TZ, and appointed the "Sustainable Development Office" to implement five major projects, including corporate governance, happy workplace, partnership, green sustainability and social care. Set targets according to its important disclosure issues every year, and hold quarterly meetings to report the implementation progress to the board of directors, so as to implement the short, medium and long-term goals of corporate sustainability.	No significant deviation
2. Has the Company implemented risk evaluation of issues related to corporate operation including environment, society and corporate governance according to materiality principle and established relevant risk management policies or strategies? (Note 2)	V		(1) The Company has established its corporate structure and relevant moral standards in accordance with the management concepts of honest operation and service and innovation as well as materiality principle to complete and improve its corporate governance and internal control system and lower operating risks. (2) The Group actively promotes green energy business, implements energy-saving and carbon reduction measures and dedicates to achieving the goal of environmental maintenance. (3) When pursuing profits, the Company is also performing its corporate social responsibility so as to build a sustainable enterprise group and create sustainable value for economy, society and environment. (4) The Sustainable Development Committee conducts analysis based on the materiality principles of the globally recognized Global Reporting Initiative (GRI) guidelines to identify stakeholders and sustainability issues, and to formulate risk management policies and take specific action plans to effectively identify, measure, monitor and control ESG issues on the basis of which materiality is assessed and to take specific action plans to reduce the impact of related risks. Based on the assessed risks, formulate relevant risk management policies or strategies, and the relevant contents will be disclosed in the 2023 FIC Global, Inc. Sustainability Report. In order to ensure that the content disclosed in the "2023 FIC Global, Inc. Sustainability Report" complies with the AA1000 principle of responsibility and obtains the assurance standard guarantee opinion verified by the three-party verification unit, the company will announce on the company's official website after the date of the guarantee pass, and the exact guarantee adoption date shall be subject to the records in the perpetual report. The Company's first sustainability report, the 2023 FIC Global, Inc. Sustainability Report, is expected to be issued in August 2024.	The details will be disclosed in the Company's first sustainability report, the 2023 FIC Global, Inc. Sustainability Report, which is expected to be issued in August 2024.
3. Environmental issues (1) Has the Company established an environmental management system as appropriate for its industrial features?	V		The Company has established a complete environmental management system and passed ISO14001 certification (effective term: December 19, 2019-Decemebr 18, 2022). The company introduced ISO 14064-1 certification in FY2023 and expects to obtain a declaration in the second quarter of 2024, please refer to the 2023 Sustainability Report for details. The exact certification date and issuance date are subject to the records in the sustainability report.	No significant deviation

Promotion item	Execution status (Note 1)			Deviations from Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and reasons thereof
	Yes	No	Summary	
(2) Is the Company dedicated to improving the energy utilization efficiency and using recycled materials with a low impact on environmental burden?	V		The recycled materials used in the products of some of the Company's investment subsidiaries are used as environmentally friendly packaging materials. The Company advocates education on environmental protection, strengthens resource recovery (e.g., paper, PET bottles and other relevant articles), and avoids wasting paper to lower the impact on environment burden.	No significant deviation
(3) Has the Company evaluated the potential risks and opportunities brought by climate change at present and in the future and has it taken relevant responsive measures?	V		Regarding climate change response strategies, the Company refers to the international standard Task Force on Climate-Related Financial Disclosures (TCFD) to make climate-related financial disclosures in accordance with the core elements of its structure, such as governance, strategy, risk management, and targets and targets. For details, please refer to the Company's Sustainability Report.	No significant deviation
(4) Has the Company gathered statistics of greenhouse gas emission, water consumption and total weight of wastes in the past two years and established policies for the reduction of greenhouse gas emissions and water consumption or administration of other wastes?	V		The Company introduced ISO 14064-1 certification in FY2023 and expects to obtain a statement in the second quarter of 2024, and the results of greenhouse gas emissions, water consumption and total waste weight can be found in the 2023 Sustainability Report for details. The exact certification date and issuance date are subject to the records in the sustainability report.	No significant deviation
4. Social issues (1) Has the Company established relevant management policies and procedures based on relevant laws, regulations, and international conventions on human rights?	V		The Company follows relevant labor regulations and international conventions on human rights, and has established relevant work rules, regulations on personnel management, and relevant provisions on gender equality.	No significant deviation
(2) Has the Company established and implemented reasonable employee welfare measures (include salary and compensation, leave and others), and appropriately linked operational performance or achievements with employee salary and compensation?	V		The Company has established a training handbook for new employees and relevant regulations on personnel management with content covering its salary payment standards, working hours, leave, payment of pensions, and payment of labor insurance, health insurance, endowment insurance and occupational hazard insurance which comply with relevant provisions of the Labor Standards Act. The Company has established an Employee Welfare Committee to handle various welfare matters and activities. The remuneration policy of the Company is formulated based on nature of work, and personal experience, ability and performance, and equivalent employee remuneration is paid based on its operational performance.	No significant deviation
(3) Has the Company provided a safe and healthy work environment to its employees and periodically implemented safety and health education to employees?	V		The Company provides its employees with a safe workplace environment, and implements "Occupational Safety and Health Education" upon registration of new employees. Also, it assigns personnel to participate in the training of "Safety and Health On-the-job Education of Occupational Safety and Health Business Officer" once every two years, implements disaster emergency response drills periodically, provides all employees with health checkups once every three years, hold health lectures on an irregular basis, and organize activities including tourism for employees.	No significant deviation

Promotion item	Execution status (Note 1)			Deviations from Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and reasons thereof
	Yes	No	Summary	
(4) Has the Company established an effective career competence training program for its employees?	V		The Company establishes education and training programs every year, and plans and arranges the implementation of internal and external training programs based on the requirements of the organization and relevant departments to improve employees' professional knowledge and skills.	No significant deviation
(5) Has the Company followed relevant regulations and international rules and formulated relevant policies and appeal procedures to protect consumers' or customers' interests regarding issues like customer health and safety, customer privacy, marketing and labeling concerning products and services?	V		The Company follows relevant regulations and international rules related to marketing and labeling of products and services, and issues self-declaration statement for the products sold according to customer requirements. As for customers' privacy, the Company abides by relevant confidentiality agreement and privacy protection policy (including relevant provisions of Personal Information Protection Act (PIPA) and General Data Protection Regulation (GDPR) regarding website visitors), and sets up relevant email and special stakeholder zone as appealing channels.	No significant deviation
(6) Has the Company established supplier management policy and requested the suppliers to comply with related standards on the topics of environmental, occupational safety and health or labor rights, and what is the execution status?	V		The Company has established regulations on supplier evaluation (QP-PR-001 and QW-PR-001~004) in ISO9001. The Company requires vendors selected to fill out "Vendor System Evaluation Form" and "Vendor Environmental Protection Questionnaire". After a vendor becomes an eligible supplier, the purchasing, quality and R&D departments of the Company will conduct an audit at this supplier once every year to ensure that this supplier complies with relevant specifications. The Company also discloses detailed information about supplier management, environmental and human rights assessments in the Sustainability Report.	No significant deviation
5. Has the Company prepared reports that disclose its non-financial information like sustainability report with reference to the international universal report preparation criteria or guidelines? Have the preceding reports acquired confirmation or guarantee opinion from third-party verification unit?	V		A corporate social responsibility report has been prepared. However, the first report, "2022 FIC Global, Inc. Sustainable Report", has been verified by a third-party verification unit and obtained the guarantee opinion of AA1000 assurance standard and is expected to be issued in August 2024. Prepared in accordance with the globally recognized Global Reporting Initiative (GRI) standards, and verified by a third-party verification unit, the AA1000 assurance standard assurance opinion is disclosed in the company's official website, and the exact guarantee pass date and issuance date are subject to the records in the sustainability report. In addition, the company announced the implementation of sustainable development information on environmental maintenance, green energy business development measures and social welfare activities, and disclosed relevant information on the company's website (www.ficg.com.tw).	The first report, 2022 FIC Global, Inc. Sustainability Report, is expected to be issued in September 2023. The AA1000 assurance standard assurance opinion prepared in accordance with the globally recognized Global Reporting Initiative (GRI) standards and verified by a third-party verification unit, and disclosed on the company's official website, the exact guarantee approval date and issuance date shall

<table>
<tr><th rowspan="2">Promotion item</th><th colspan="3">Execution status (Note 1)</th><th rowspan="2">Deviations from Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and reasons thereof</th></tr>
<tr><th>Yes</th><th>No</th><th>Summary</th></tr>
<tr><td></td><td></td><td></td><td></td><td>be subject to the perpetual report.</td></tr>
<tr><td colspan="5">6. If the Company has established Sustainable Development Best Practice Principles according to “Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies”, please explain its operation and deviations from the principles formulated: The Company hasn’t established relevant principles yet.</td></tr>
<tr><td colspan="5">7. Other important information that facilities a better understanding of the Company’s implementation of promotion of sustainable development:
(1) The Company continuously promotes green energy/energy-saving monitoring, smart building, smart transportation, and smart city related solutions to reduce energy consumption and improve energy control and management.
(2) Please refer to relevant information on social public welfare on our website (www.ficg.com.tw).
(3) The first report, 2022 FIC Global, Inc. Sustainability Report, is expected to be issued in August 2024. The AA1000 assurance standard assurance opinion prepared in accordance with the globally recognized Global Reporting Initiative (GRI) standards and verified by a third-party verification unit, and disclosed on the company's official website, the exact guarantee approval date and issuance date shall be subject to the perpetual report</td></tr>
</table>

Note 1: If the execution status is checked as “Yes”, please specifically explain the important policies, strategies and measures taken as well as execution status; if the execution status is checked as “No”, please explain the deviations and reasons thereof in the column in “Deviations from Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and reasons thereof” and explain the future plans for adoption of relevant policies, strategies and measures.

Note 2: Materiality principle refers to the material influence of issues related to environment, society and corporate governance on the investors and other stakeholders of the Company.

Note 3: Please refer to the examples of best practices regarding disclosure method on the website of the Corporate Governance Center of the Taiwan Stock Exchange.

Climate Related Information of The Company

Implementation of climate-related information

<table>
<tr><th>Item</th><th>Implementation status</th></tr>
<tr><td>1. Describe the board's oversight of climate-related risks and opportunities.</td><td rowspan="8">In order to achieve consistency in information disclosure, the details will be disclosed in the Company's sustainability report "2023 Sustainability Report of Volkswagen Global Investment Holdings Co., Ltd.", which will be verified by a third-party verification unit and is expected to be issued in August 2024.</td></tr>
<tr><td>2. Describe how the identified climate risks and opportunities will affect the company's business, strategy and finances (short, medium and long term).</td></tr>
<tr><td>3. Describe the financial impact of extreme climate events and transformational actions.</td></tr>
<tr><td>4. Describe how the identification, assessment and management of climate risks are integrated into the overall risk management system.</td></tr>
<tr><td>5. If scenario analysis is used to assess resilience to climate change risks, the scenarios, parameters, assumptions, analysis factors and major financial impacts used should be explained.</td></tr>
<tr><td>6. If there is a transition plan for managing climate-related risks, explain the content of the plan, and the indicators and goals used to identify and manage physical risks and transition risks.</td></tr>
<tr><td>7. If internal carbon pricing is used as a planning tool, the basis for setting the price should be stated.</td></tr>
<tr><td>8. If there are climate-related goals set, the covered activities, scope of greenhouse gas emissions, planning schedule, annual progress and other information should be explained; if carbon offsets or renewable energy certificates (RECs) are used to achieve relevant goals, it should be explained The source and quantity of carbon reduction credits to be exchanged or the quantity of renewable energy certificates (RECs).</td></tr>
</table>

(7) Performance status of business integrity management, deviations from Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies and reasons thereof

Assessment item	Execution status (Note 1)			Deviations from Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies and reason thereof
	Yes	No	Summary	
1. Establishment of integrity policies and solutions.				
(1) Has the Company established integrity policies approved by the Board of Directors and disclosed, in a memorandum or external correspondence, the policies and practices it has in place to maintain business integrity? Are its Board of Directors and senior management actively implementing these policies and practices?	V		(1) The Company has already formulated "Procedures for Ethical Management and Guidelines for Conduct" according to the Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies and the content of the clauses of this document cover the preventive measures for relevant conducts stipulated in the Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies. Also, the advocacy of incorruption culture and workplace ethics is strengthened irregularly according to the instructions of the Board of Directors.	No significant deviation
(2) Has the Company established an evaluation mechanism for the risks of dishonest conduct to periodically analyze and evaluate business activities that have a relatively high risk of dishonest conduct and established plans for prevention of such dishonest conduct accordingly that at least covers the preventive measures indicated in in Paragraph 2 of Article 7 of the Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies?	V		(2) Relevant management rules and regulations have been clearly stipulated and no one is allowed to utilize the name of the Company to swindle outside, embezzle public funds and properties, appear opportunistic, hide and conceal relevant information, or seek private interests. Otherwise, a demerit will be recorded or relevant personnel will be handed over for legal punishment based on the severity of the situation.	
(3) Has the Company clearly established, implemented, and executed operating procedures, guidelines for conduct and actions to punish and appeal violations in the plans for prevention of dishonest conduct, and periodically reviewed and corrected the preceding plans?	V		(3) It is clearly stipulated in the regulations on personnel management that no employee may take advantage of their positions to engage in jobbery, accept bestowal or commission, etc. Also, the Company has established relevant punitive measures.	
2. Implementation of ethical corporate management				
(1) Has the Company evaluated the integrity records of counterparties with which it has business relationship and clearly stipulated integrity clauses in the contracts signed with these counterparties?	V		(1) Clauses regarding incorruption and integrity have already been clearly specified in the notice of employment of new employees, and each new employee is required to read these clauses in detail and then sign them. In case of violation of relevant provisions, relevant employees will be subject to serious punishment.	No significant deviation
(2) Has the Company established a unit specializing in the promotion of ethical corporate management and subordinate to the Board of Directors, and has this unit reported its integrity policies, plans for prevention of dishonest conduct and implementation supervision conditions to the Board of Directors periodically (at least once a year)?	V		(2) The Company has designated the General Manager's Office as a dedicated unit and is subordinate to the Board of Directors to handle the revision, execution, interpretation and consulting services of Procedures for Ethical Management and Guidelines for Conduct as well as implement and supervise the execution of relevant work including registration and documentation of notified content.	

Assessment item	Execution status (Note 1)			Deviations from Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies and reason thereof
	Yes	No	Summary	
(3) Has the Company adopted any policy for the prevention of conflicts of interest, provided proper statement channels, and implemented and executed them? (4) Has the Company established effective accounting system and internal control system to implement ethical corporate management, and had the internal audit unit drafted relevant audit plan based on the evaluation results of the risk of dishonest conduct to check the abidance by the plans for prevention of dishonest conduct, or entrusted accountants to execute the audit? (5) Has the Company organized internal and external education and training on a regular basis to maintain its ethical corporate management?	V V V		(3) The Company continually advocates the management concepts of "outwardly gentle but inwardly stern and down-to-earth" in each internal training program or meeting to cultivate the right concept of workplace ethics. (4) It has been clearly specified in the internal reward and punishment measures that no one may accept illegitimate rights due to business relations. In case of violation with a serious situation, relevant personnel will be removed from office or even handed over to judicial authority for handling. The verification and reimbursement of entertainment expenses are strictly reviewed, and it is clearly revealed and specified in the reward and punishment measures that no one may accept articles from vendors. (5) In addition to advocating the integrity management policy from time to time, the general manager's office unit of the company also cooperates with the promotion and training activities of important business meetings.	
3. Operation of the Company's whistleblowing system (1) Has the Company established specific whistleblowing and rewarding systems, set up channels that facilitate whistleblowing, and assigned proper dedicated personnel for the reported objects? (2) Has the Company established any standard operating procedures for the investigation of reports accepted as well as subsequent measures and relevant confidentiality mechanism after completion of investigation? (3) Has the Company taken measures to protect whistleblower from improperly disposal due to whistleblowing?	V V V		(1) The company designates the general manager's office as a special unit to supervise the implementation, policy advocacy and planning reporting system. Additionally, the Company also coordinates with the stock exchange to select relevant cases for spot check periodically and disclose the execution results to the special chapter of corporate governance in the annual report. It becomes an important indicator for the reference of competent authorities and investors. Those who have conduct in violation of integrity will be seriously punished by the Company, and if the situation is serious, relevant personnel will be removed from office or subject to various civil and criminal lawsuits. (2) The Company has established "Procedures for Ethical Management and Guidelines for Conduct" and "Regulation on Appeals". The dedicated unit will handle the proposing, investigation and closure of cases according to the operating procedure and confidentiality principles. (3) The Company strictly protects relevant investigational processes that involve the whistleblowers or the accused to avoid relevant personnel from being treated unfairly or adversely.	No significant deviation
4. Enhancement of information disclosure Has the Company disclosed the contents and promotion	V		1. In addition to requiring employees to sign and abide by each incorruption clause, the right workplace ethics has been continuously advocated in each	No significant deviation

<table>
<tr><th rowspan="2">Assessment item</th><th colspan="3">Execution status (Note 1)</th><th rowspan="2">Deviations from Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies and reason thereof</th></tr>
<tr><th>Yes</th><th>No</th><th>Summary</th></tr>
<tr><td>effect of its Ethical Corporate Management Best Practice Principles on its website and MOPS?</td><td></td><td></td><td>training program or meeting, and it has been announced on the internal website irregularly that illegitimate interests or gifts shall not be accepted.
2. The Company has established and announced internal independent whistleblowing mailbox and dedicated line on its website and internal website, or entrusts another external independent agency to provide such mailbox and dedicated line for the internal and external personnel of the Company to use.</td><td></td></tr>
<tr><td colspan="5">5. If the Company has established Ethical Corporate Management Best Practice Principles in accordance with “Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies), please explain its operation as well as deviations from the principles established: No deviation</td></tr>
<tr><td colspan="5">6. Other important information that facilities a better understanding of the Company’s implementation of ethical corporate management: (e.g., details of the Company’s review and correction of its Ethical Corporate Management Best Practice Principles): None.</td></tr>
</table>

Note 1: The operation status shall be explained in the field of summary no matter if it is checked as “Yes” or “No”.

(8) Rules and regulations on corporate governance and query method

As for operation of corporate governance of the Company, relevant internal management systems have been established according to the relevant specifications formulated by the Financial Supervisory Commission, including Procedure for Lending and Disposing Funds, Procedure for Acquisition or Disposal of Assets, Procedure for Endorsement Guarantee and Procedure for Management of Related Party Transactions, etc. The aforesaid provisions are announced on the Company's internal website, or included in the meeting handbooks of regular Shareholders' Meetings over the years.

(9) Other important information to facilitate a better understanding of the Company's corporate governance

1. First International Computer, Inc. and Ubiqconn Technology, Inc., two important subsidiaries of the Company, treat their employees in accordance with the Labor Standards Act and other relevant laws and regulations, and have established an employee welfare committee to provide various subsidies and activities. Also, they provide their employees with appropriate appealing channels and attach great importance to employees' education and training. Supervisors and employees in the Group are included in the training. To be specific, 3,350 person-times participated in education and training courses (including internal organizing and expatriate training) in 2023, and the total training hours reached 7,182.8h.
2. The Company stipulates the honest disclosure of its information according to the provisions of relevant laws and regulations, implements a spokesperson system to handle relevant matters, duly performs the responsibility for responding to the shareholders' queries by telephone calls, and thus maintains a good relationship with investors.
3. The Company keeps smooth communication channels with suppliers, customers and stakeholders (including banks, other creditors, employees, etc.) and maintains good relationships with them by sticking to the management concept of integrity and steadiness.
4. The directors and independent directors of the Company have professional industry background and practical operation management experience. The Company provides relevant regulatory information that shall draw attention from directors and independent directors at any time, and notifies or arranges directors and independent directors to participate in seminars or further education courses related to corporate governance as well as relevant internal training organized by the Company regarding financial business. At the same time, the further education courses provided for the directors and independent directors of the Company have already been disclosed in MOPS every month according to the actual conditions of the courses.
5. The establishment and revision of all management rules, regulations and measures of the Company regarding internal control shall be verified and determined by the Board of Directors. Relevant investment projects, endorsement guarantee, lending of funds, bank financing and other major proposals are evaluated and analyzed by appropriate responsible departments and executed in accordance with the resolutions of the Board of Directors. The Audit Department also drafts its annual audit plan based on the results of risk evaluation so as to implement the supervision mechanism and manage and control the execution of each risk management measure.
6. The Company has established "Procedure for Processing of Major Internal Information and Prevention of Insider Trading" as the basis for the processing and disclosure mechanism of the Company's major information. This procedure is also announced in the internal document management system so that managers and employees may check it at any time.
7. The Company already purchased liability insurance for directors and independent directors in 2023.

(10) Execution status of internal control system

1. Statement of Internal Control System

FIC Global, Inc.

Statement of Internal Control System

Date: March 28, 2024

Based on the findings of self-assessment, the Company states the following regarding its internal control system in 2023:

1. The Company knows clearly that its Board of Directors and management are responsible for establishing, implementing, and maintaining an adequate internal control system, and it has already established this system. The purpose of the internal control system is to provide reasonable assurance of the effectiveness and efficiency of our operations (including profitability, performance, and safeguarding of assets), reliability, timeliness, transparency of our reporting, and compliance with applicable rulings, laws, and regulations.

2. An internal control system has inherent limitations. No matter how perfectly designed, an effective internal control system can provide only reasonable assurance of accomplishing its stated objectives. Furthermore, the effectiveness of an internal control system may be subject to change due to extenuating circumstances beyond our control. Nevertheless, our internal control system contains self-monitoring mechanisms, and the Company takes immediate remedial actions in response to any identified deficiencies.

3. The Company evaluates the design and operating effectiveness of its internal control system based on the criteria provided in the "Regulations Governing the Establishment of Internal Control Systems by Public Companies" (hereinafter referred to as the "Regulations"). The criteria adopted by the Regulations identify five key components of managerial internal control: (1) control environment, (2) risk assessment, (3) control activities, (4) information and communication, and (5) monitoring activities. Each component covers certain items. Please refer to the "Regulations" for the preceding items.

4. The Company has evaluated the design and operating effectiveness of its internal control system according to the aforesaid Regulations.

5. Based on the findings of such evaluation, the Company believes that, as of December 31, 2022, it has maintained an effective internal control system in all material aspects (including the supervision and management of our subsidiaries) to provide reasonable assurance over our operational effectiveness and efficiency, reliability, timeliness, transparency of reporting, and compliance with applicable rulings, laws, and regulations.

6. This Statement is an integral part of the Company's annual report and prospectus, and will be made public. Any falsehood, concealment, or other illegality in the content made public will entail legal liability under Articles 20, 32, 171, and 174 of Securities and Exchange Act.

7. This Statement was passed by the Board of Directors in their meeting held on March 28, 2024, and all 8 directors attending the meeting approved the content of this statement and hereby made this statement.

FIC Global, Inc.
Chairman: CHIEN LEO MING TZ
General Manager: CHIEN LEO MING TZ

2. CPAs' audit report shall be disclosed if CPAs are assigned for project review of the internal control system: **None**.

(11) Legal penalties imposed to the Company and its internal personnel, punishments of the Company on its internal personnel due to their violation of provisions of the internal control system, principal deficiencies, and improvements: **None**.

(12) Important resolutions of the Shareholders' Meeting and the Board of Directors

1. Execution status of resolutions of the regular Shareholders' Meeting in 2023:

Date	Resolution of the regular Shareholders' Meeting	Execution status
June 15, 2023	I. Proposal for Business Report and Financial Statements of 2022	Resolution passed.
	II. Proposal for Profit Distribution of 2022	The general shareholders' meeting had approved cash dividend of NT$0.5 per share. On March 29, 2023, the Chairperson had resolved July 19, 2023 as the ex-dividend date and distributed cash dividends on August 31, 2023.
	III. Election of the directors the Company's 8th term board of directors.	It was approved and registered by the Ministry of Economic Affairs on July 11, 2023
	IV. Approval on releasing the restriction on directors of the 8th term board of directors (including its representatives) from participating in competitive business.	Resolution passed.

1. The Board of Directors convened 12 meetings in 2023 and as of the publication date of the annual report. The summary of important resolutions is as follows:

Date	Name of meeting	Resolved matter
March 15,2023	25th meeting of the 7th Board of Directors	**Report matters** 1. Important financial business report: The company prepares its own financial reporting capability progress report 2. Internal audit report: progress report on the implementation of the audit plan from October to December in 2022 **Recognition and discussion of the case** 1. Proposal for Financial Statements of the Company in Q1 of the Company in 2023 2. Proposal for "Effectiveness Assessment of Internal Control System" and "Statement of Internal Control System" of the Company in 2022 3. Assessment and appointment of the independence and suitability of the Company's certified public accountants. 4. The company of this year self-consolidation and financial report in 2022. 5. Establishment of Proposal for Base Date of Capital Increase of Newly Issued Convertible Ordinary Shares of the First Unsecured Corporate Bond in Taiwan in Q4 of 2022 6. Proposal for Establishment of Relevant Matters Including Date of Convening of Regular Shareholders' Meeting of the Company in 2023.
March 29,2023	26th meeting of the 7th Board of Directors	**Report matters** 1. The implementation results of the performance evaluation of the board of directors of this year in 2022. 2. Progress report of the Company's Corporate Sustainable Development Committee on greenhouse gas inventory and verification timeline planning. **Recognition and discussion of the case** 1. Proposal for Business Report and Financial Statements of the Company in 2022. 2. Proposal for Profit Distribution of the Company in 2021 3. Proposal for Reward Distribution of Employees and Directors of the Company in 2021 4. The Company has set up a governance supervisor. 5. The company intends to handle the cash capital increase issuance of

Date	Name of meeting	Resolved matter
		new shares in 2023 and the second unsecured conversion of corporate bonds. 6. Nominate and review the list of candidates for directors (including independent directors) 7. Proposed lifting of the restriction on non-compete for newly elected directors and their representatives.
May 11,2023	27th meeting of the 7th Board of Directors	**Report matters** 1. Important financial business report: The company prepares its own financial reporting capability progress report 2. Internal audit report: progress report on the implementation of the audit plan from January to March in 2023 **Recognition and discussion of matters** 1. Proposal for Financial Statements of the Company in Q1 of the Company in 2023 2. Proposal for Recognition of Disposal of Long-term Investment Equity 3. Establishment of Proposal for Base Date of Capital Increase of Newly Issued Convertible Ordinary Shares of the First and Second Unsecured Corporate Bond in Taiwan in Q1 of 2023 4. The re-election of the second corporate sustainability development committee of the company.
June 15,2023	first meeting of the 8th Board of Directors	1. Discussion on the candidate for the Company's 8th board of directors. 2. Appointment of members of the 5th Remuneration Committee of the Company 3. Approval of the Company's borrowings from its subsidiary First International Computer.
July 13,2023	2nd meeting of the 8th Board of Directors	**Report matters** 1. The Company renewed the liability insurance for directors, supervisors and key employees. **Recognition and discussion of the case** 1. The Company's cash capital increase and employee subscription of ordinary shares will be proposed in 2023. 2. Establishment of Proposal for Base Date of Capital Increase of Newly Issued Convertible Ordinary Shares of the First Unsecured Corporate Bond in Taiwan in Q2 of 2023.
August 10,2023	3rd meeting of the 8th Board of Directors	**Report matters** 1. Proposal for Business Plan of the Company in 2023. 2. Proposal for “Effectiveness Assessment of Internal Control System” and “Statement of Internal Control System” of the Company in 2023. **Recognition and discussion of the case** 1. The Company re-formulated the "Code of Practice for Financial Business Related to Related Parties". 2. Amendments to some provisions of the Company's "Procedures for Lending and Handling Funds". 3. Establishment of Proposal for Base Date of Capital Increase of Newly Issued Convertible Ordinary Shares of the First Unsecured Corporate Bond in Taiwan in Q2 of 2023. 4. Case of the Company's capital loan to its subsidiary, First International Computer.
September 14,2023	4th meeting of the 8th Board of Directors	**Report matters** 1. Other important reporting matters: Progress report on the implementation of the Committee on Sustainable Development. **Recognition and discussion of the case** 1. The Company provided an endorsement guarantee for its subsidiary, First International Computer. 2. The company's audit report document signing.

Date	Name of meeting	Resolved matter
		3. The Company intends to approve the case of the visa accounting firm and its affiliates providing non-convicular services to the Company and its subsidiaries.
November 09,2023	5th meeting of the 8th Board of Directors	**Report matters** 1. Important financial business report: The company prepares its own financial reporting capability progress report. 2. Internal audit report: progress report on the implementation of the audit plan from July to September in 2023. 3. Other important reporting matters: Implementation of the Sustainable Development Committee. **Recognition and discussion of the case** 1. The company of annual audit plan in 2024. 2. Establishment of Proposal for Base Date of Capital Increase of Newly Issued Convertible Ordinary Shares of the First Unsecured Corporate Bond in Taiwan in Q3 of 2023. 3. The Company's proposed consolidated comprehensive income statement for the last four quarters. 4. Establishment of Proposal for Base Date of Capital Increase of Newly Issued Convertible Ordinary Shares of the First and Second Unsecured Corporate Bond in Taiwan in Q1 of 2023 5. Proposed to issue a letter of support (LOS) to the subsidiary PRIME BASE INC. and Taichung Commercial Bank. 6. Proposed to issue a Letter of Support (LOS) to the subsidiary PRIME BASE INC. and its subsidiary, Prime Base Inc. Taiwan Branch (Cayman) Taiwan Branch, and Taiwan Shin Kong Commercial Bank
December 07,2023	6th meeting of the 8th Board of Directors	**Report matters** 1. Other important reporting matters: Progress report on the implementation of the Sustainable Development Committee. **Recognition and discussion of the case** 1. The company's managers and supervisors at or above the associate level were involved in 2022 employee remuneration and the end of 2023 bonus base.
February 01,2024	7th meeting of the 8th Board of Directors	1.Acquired long-term investment equity of a subsidiary, First International Computer 2. Establishment of Proposal for Base Date of Capital Increase of Newly Issued Convertible Ordinary Shares of the First and Second Unsecured Corporate Bond in Taiwan in Q4 of 2023. 3. The company's audit supervisor change case.
March 14,2024	8th meeting of the 8th Board of Directors	**Report matters** 1. Internal audit report: progress report on the implementation of the audit plan from October to December in 2023. **Recognition and discussion of the case** 1. Proposal for Business Plan of the Company in 2024. 2. Proposal for Financial Statements of the Company in 2023. 3. Amendments to the Articles of Association of the Company. 4. Amendments to some provisions of the Company's "Board of Directors Deliberation Guidelines" 5. Revise some provisions of the Organizational Rules of the Audit Committee of the Company. 6. Proposal for Establishment of Relevant Matters Including Date of Convening of Regular Shareholders' Meeting of the Company in 2023.
March 28,2024	9th meeting of the 8th Board of Directors	**Report matters** 1. Proposal for Business Plan of the Company in 2023 **Recognition and discussion of the case** 1. Proposal for "Effectiveness Assessment of Internal Control System" and "Statement of Internal Control System" of the Company in 2022. 2. Proposal for Business Report and Financial Statements of the Company in 2023.

Date	Name of meeting	Resolved matter
		3. Proposal for Profit Distribution of the Company in 2022. 4. Proposal for Reward Distribution of Employees and Directors of the Company in 2022. 5. Assessment of the independence and competency of the company's visa accountants, appointment and remuneration. 6. The Company authorizes the audit committees of the subsidiaries listed on the domestic and foreign stock markets to approve the provision of non-conclusive services by the visa accounting firm to the subsidiary group.

(13) Major contents of record or written statement regarding different opinions of directors or independent directors on the important resolutions passed by the Board of Directors: **None**.

(14) Resignation and removal of relevant personnel of the Company:

Position	Name	Date of employment	dismissal date	Reason for dismissal
Chairmen	CHIEN, MING-JEH	August 30,2004	June 15,2023	Re-election of directors

5. Information of CPAs' fees

Unit of amount: NT$1,000

Name of accounting firm	Name of CPA	CPAs' audit period	Audit fee	Non-audit fee	Total	Remark
PRICEWATERHOUSECOOPERS TAIWAN	LIN, PO-CHUAN	January 1, 2023-December 31, 2023	1,460	531	1,991	Traffic expenses for accounts checking and typewriting and printing fees
	CHANG, SHU-CHIUNG	January 1, 2023-December 31, 2023				

Note 1: If the Company replaced its CPAs or accounting firm in current year, the audit period shall be presented separately and the reason for replacement shall be explained in the remark column. Also, information including the audit and non-audit fees paid shall be disclosed in order.
Note 2: Non-audit fee shall be presented separately per service items. If item "Other" of non-audit fee reaches 25% of the total amount of the non-audit fee, its corresponding service content shall be presented in the remark column.

6. Information of replacement of CPAs: **None.**

7. No employment of chairman, general manager, and financial or accounting manager to PRICEWATERHOUSECOOPERS TAIWAN or its affiliates in 2023.

8. Equity transfer and pledge of directors, supervisors, managers and shareholders with shareholding ratio exceeding ten percent in recent year and as of the publication date of the annual report

(1) Changes of equity of directors, supervisors, managers, and major shareholders:

Title (Note1)	Name	2023		As of March 31, 2024	
		Increase (decrease) in shares held	Increase (decrease) in shares pledged	Increase (decrease) in shares held	Increase (decrease) in shares pledged
Chairman	CHIEN LEO MING TZ	225,575		225,575	
Director	CHIEN, MING-JEH	136,360		136,360	

Note 1: Shareholders holding more than 10% of the total shares of the company should be indicated as major shareholders and listed separately.
Note 2: If the counterparty of the equity transfer or equity pledge is a related party, the following table should be filled.

(2) Information of equity transfer: **None.**

(3) Information of equity pledge: **None**.

9. Information of relations between top-10 shareholders in terms of shareholding ratio

April 08, 2024

Name (Note 1)	Shares held by shareholder itself		Shares held by shareholder's spouse and underage children		Total shares held in the name of others		Name or designation and relation of top-10 shareholders who are related parties or have kinship including spouses and relative within second degree (Note 3)		Remark
	Number	Ratio	Number	Ratio	Number	Ratio	Name (or designation)	Relation	
Chia Chao Investment Inc. Person in charge: LI, CHIEN-FA	45,723,836 4,000	19.48 0	0 0	0 0	0 0	0 0	Zong Jing Investment Ltd.	A same person in charge	
WYC God-loving Foundation for Charity Legal agent: WANG, HSUEH-LING	35,292,065 0	15.04 0	0 0	0 0	0 0	0 0	-	-	
CGCH Education Charitable Trust Fund Legal agent: LU, CHIEH-CHENG	32,000,000 0	13.63 0	0 0	0 0	0 0	0 0	-	-	
Zong Jing Investment Inc. Person in charge: LI, CHIEN-FA	16,860,376 4,000	7.18 0	0 0	0 0	0 0	0 0	Chia Chao Investment Inc.	A same person in charge	
Chi Hsin Investment Inc. Person in charge: LIN, CHIU-CHIN	15,021,646 0	7.18 0	0 0	0 0	0 0	0 0	-	-	
CHIEN LEO MING TZ	6,375,575	2.72	0	0	0	0	WANG, HSUEH-LING	Relative within second degree	
			3,854,032	1.64	0	0	CHIEN, MING-JEH	Relative within second degree	
			150,000	0.06	0	0	CHEN, HUEI-JYUN	Spouse	
LI,PENG-SYUAN	4,605,000	1.96	0	0	0	0	-	-	
CGCH Foundation for Education Legal agent: CHIEN, MING-JEH	4,000,000 3,854,032	1.70 1.64	0 0	0 0	0 0	0 0	-	-	
CHIEN, MING-JEH	3,854,032	1.64	0	0	0	0	WANG, HSUEH-LING	Spouse	
			6,375,575	2.72	0	0	CHIEN LEO MING TZ	Relative within second degree	
Ho Mon Investment Inc.: LYU,HUEI-RU	2,735,174 0	1.73 0	0 0	0 0	0 0	0 0	-	-	

Note 1: All the top-10 shareholders shall be presented. As for corporate shareholders, their names and names of their representatives shall be presented separately.

Note 2: Calculation of shareholding ratios refers to the calculation of shareholding ratios in the name of shareholders themselves, spouses, underage children, or others.

Note 3: Shareholders presented above include legal persons and natural persons, and their mutual relations shall be disclosed according to the criteria for preparation of the issuer's financial report.

10. Consolidated shareholding ratios of the Company, directors, supervisors, managers and affiliates

December 31, 2024
Unit: 1,000 shares; %

Reinvestment enterprise (Note)	The Company's investment		Investments of directors, supervisors, managers, and directly or indirectly controlled enterprises		Consolidated investment	
	Number	Ratio	Number	Ratio	Number of shares	Shareholding ratio
First International Computer, Inc.	188,874	100%	0	0%	188,874	100.00%
FICTA Technology, Inc.	41,496	69.16%	13	0.02%	41,509	69.18%
Geointelligence Systems, Inc.	44	1.04%	0	0	44	1.04%
Formosa21 Inc.	1	0.01%	2,039	29.13%	2,040	29.14%
3CEMS Corporation	317,609	36.16%	219,212	24.96%	536,821	61.12%
LEO Systems, Inc.	1,787	2.01%	3,381	3.79%	5,168	5.80%
Ubiqconn Technology, Inc.	37,827	50.44%	14,751	19.67%	52,578	70.10%
Witology Technology Company Limited	0	0	1000	20.00%	1000	20.00%

Note: Investments made by the Company using equity method.

III. Fundraising Status

1. Capital and shares

(1) Sources of share capital

Month/ Year	Issue price	Authorized share capital		Paid-in share capital				Remark		
		Number of shares (1,000 shares)	Amount (NT$1,000)	Number of shares (1,000 shares)		Amount (NT$1,000)		Source of share capital	Stock capital paid with properties other than cash	Date of commencement (approval) and document number
				Ordinary share	Special share	Ordinary share	Special share			
Aug.2004	10	2,500,000	25,000,000	548,827	170,000	5,488,274	1,700,000	Share conversion		J.S.S.Zi No. 09301164390
Oct.2005	7.5	2,500,000	25,000,000	548,827	396,667	5,488,274	3,966,670	Privately placement of NT$2,266,670,000 of class-A registered preferred shares with warrants		J.S.S.Zi No. 09401200360
Dec.2005	7.5	2,500,000	25,000,000	548,827	412,667	5,488,274	4,126,670	Recovery of NT$1,700,000,000 of due class-B registered special shares Private placement of NT$1,860,000,000 of class-A registered preferred shares with warrants		J.S.S.Zi No. 09401241680
Aug.2006	-	2,500,000	25,000,000	209,652	157,639	2,096,520	1,576,388	Capital decrease of NT$5,942,035,000 for loss compensation (NT$3,391,753,000 of ordinary shares; NT$2,550,282,000 of special shares)		J.S.S.Zi No. 09501189630
Aug.2007	10	2,500,000	25,000,000	224,826	78,819	2,248,260	788,194	Capital decrease of NT$1,836,454,000 for loss compensation (NT$1,048,260,000 of ordinary shares; NT$788,194,000 of special shares) Private placement of NT$1,200,000,000 of ordinary shares	Payment of stock capital using creditor's rights of NT$1,130,000,000	J.S.S.Zi No. 09601208750
Nov.2009	10	2,500,000	25,000,000	344,826	78,819	3,448,260	788,194	Private placement of NT$1,200,000,000 of ordinary shares		J.S.S.Zi No. 09801280340
Sep.2010	10	2,500,000	25,000,000	120,689	27,587	1,206,891	275,868	Capital decrease of NT$2,753,695,000		J.S.S.Zi No. 09901221480
Nov.2010	10	2,500,000	25,000,000	160,689	0	1,606,891	0	Private placement of NT$400,000,000 of ordinary shares and recovery of NT$275,868,000 of special shares		J.S.S.Zi No. 09901268640
Feb.2011	10	2,500,000	25,000,000	270,689	0	2,706,891	0	Private placement of NT$1,100,000,000 of ordinary shares		J.S.S.Zi No. 10001048180
Apr.2011	10	2,500,000	25,000,000	320,689	0	3,206,891	0	Private placement of NT$500,000,000 of ordinary shares		J.S.S.Zi No. 10001080400
Dec.2016	7.0	2,500,000	25,000,000	60,000	0	3,806,891	0	Issuance of 60,000,000 ordinary shares by capital increase in cash with face value per share of NT$10		J.S.S.Zi No. 10501296590

Month/ Year	Issue price	Authorized share capital		Paid-in share capital				Remark		
		Number of shares (1,000 shares)	Amount (NT$1,000)	Number of shares (1,000 shares)		Amount (NT$1,000)		Source of share capital	Stock capital paid with properties other than cash	Date of commencement (approval) and document number
				Ordinary share	Special share	Ordinary share	Special share			
Nov.2018	10	2,500,000	25,000,000	190,344	0	1,903,445	0	Capital decrease of NT$1,903,445,000		J.S.S.Zi No. 10701123170
Mar.2022	10	2,500,000	25,000,000	210,930	0	2,109,305	0	Conversion of 20,585,000 shares of the first series unsecured convertible corporate bond		J.S.S.Zi No. 11101036340
May.2022	10	2,500,000	25,000,000	213,388	0	2,133,880	0	Conversion of 2,457,555 shares of the first series unsecured convertible corporate bond		J.S.S.Zi No. 11101086740
Aug.2022	10	2,500,000	25,000,000	213,634	0	2,136,348	0	Conversion of 246,784 shares of the first series unsecured convertible corporate bond		J.S.S.Zi No. 11101148240
Nov.2022	10	2,500,000	25,000,000	215,120	0	2,151,207	0	Conversion of 1,485,853 shares of the first series unsecured convertible corporate bond		J.S.S.Zi No. 11101209220
Apr.2023	10	2,500,000	25,000,000	215,172	0	2,151,721	0	Conversion of 51,413shares of the first series unsecured convertible corporate bond		J.S.S.ZI NO. 11230054100
May.2023	10	2,500,000	25,000,000	215,583	0	2,155,834	0	Conversion of 411,310shares of the first series unsecured convertible corporate bond		J.S.S.ZI NO. 11230085240
Aug.2023	10	2,500,000	25,000,000	218,102	0	2,181,027	0	Conversion of 2,519,276shares of the first series unsecured convertible corporate bond		J.S.S.ZI NO. 11230142980
Sep.2023	10	2,500,000	25,000,000	228,102	0	2,281,027	0	Issued 10,000,000 ordinary shares with a par value of NT$10 per share in a cash capital increase.		J.S.S.ZI NO. 11230157490
Dec.2023	10	2,500,000	25,000,000	229,420	0	2,294,207	0	Conversion of 1,318,054shares of the first and Second series unsecured convertible corporate bond		J.S.S.ZI NO. 11230225590
Mar.2024	10	2,500,000	25,000,000	234,676	0	2,346,758	0	Conversion of 52,550,520shares of the first and Second series unsecured convertible corporate bond		J.S.S.ZI NO. 1130024690

Note 1: The information of current year as of the publication date of the annual report shall be filled out.
Note 2: Date of commencement (approval) and document number shall be added in the part of capital increase.
Note 3: As for stock issued at a price lower than its face value, it shall be marked in an eye-catching way.
Note 4: If the stock capital is paid using monetary creditor's rights and technology, it shall be explained, and type and amount of such rights and technology shall be specified.
Note 5: Private placements shall be marked in an eye-catching way if any.

Until the most recent change of company registration

Type of share	Authorized share capital					Remark
	Outstanding shares			Unissued shares	Total	
	TWSE listed	Not TWSE/TPEx listed	Total			
Ordinary share	213,675,841	21,000,000	234,675,841	2,265,324,159	2,500,000,000	
Special share	0	0	0	0	0	
Total	213,675,841	21,000,000	234,675,841	2,265,324,159	2,500,000,000	

Note: Please specify if this stock is the stock of a TWSE or TPEx listed company (restriction of TWSE or TPEx trading shall be specified if any).

(2)Relevant information of categorical reporting system: **None**.

(3) Shareholder structure

April 08, 2024

	Government agency	**Financial institution**	**Other legal person**	**Foreign institution and foreigner**	**Individual**	**Total**
Number of shareholders	0	5	88	71	56,890	57,054
Number of shares held	0	32,000,197	124,198,982	7,192,183	71,322,851	234,714,213
Shareholding ratio	0.00	13.63	52.92	3.06	30.39	100.00

Note: The first TWSE/TPEx listed company and company in emerging stock market shall disclose their shareholding ratios in Mainland investments; Mainland investments refer to companies invested by individuals, judicial persons, groups, and other institutions in Chinese mainland or other third area as stipulated in Article 3 of the Measures Governing Investment Permit to the People of Mainland Area

(4) Equity separation status:

NT$10 as face value per share April 08, 2024

3Shareholding ratio	Number of shareholders	Number of shares held	Shareholding ratio (%)
1-999	46,635	2,213,057	0.94
1,000-5,000	8,350	16,042,199	6.83
5,001-10,000	1,043	8,227,280	3.51
10,001-15,000	362	4,668,015	1.99
15,001-20,000	195	3,617,946	1.54
20,001-30,000	164	4,204,680	1.79
30,001-40,000	77	2,788,130	1.19
40,001-50,000	51	2,358,361	1.00
50,001-100,000	94	6,685,472	2.85
100,001-200,000	49	6,774,629	2.89
200,001-400,000	16	4,169,274	1.78
400,001-600,000	3	1,341,058	0.57
600,001-800,000	2	1,429,495	0.61
800,001-1,000,000	2	1,860,897	0.79
Above 1,000,001	11	168,333,720	71.72
Total	57,054	234,714,213	100.00

(5) List of major shareholders

April 08, 2024

Name of major shareholder	Number of shares held	Shareholding ratio (%)
Chia Chao Investment Inc.	45,723,836	19.48
WYC God-loving Foundation for Charity	35,292,065	15.04
CGCH Education Charitable Trust Fund	32,000,000	13.63
Zong Jing Investment Co., Ltd.	16,860,370	7.18
Chi Hsin Investment Inc.	15,021,646	6.40
CHIEN LEO MING TZ	6,375,575	2.72
LI,PENG-SYUAN	4,605,000	1.96
CGCH Foundation For Education	4,000,000	1.70
CHIEN, MING-JEH	3,854,032	1.64
Ho Mon Investment Inc.	2,735,174	1.17

(6) Information of market value per share, net worth, earnings, and dividends

Item			2022	2023	As of March 31, 2024 in current year (Note 8)
Market value per share (Note 1)	Max		81.00	79.80	70.80
	Min		31.40	36.20	56.40
	Average		49.93	58.76	64.37
Net worth per share (Note 2)	Before distribution		15.02	18.13	18.71
	After distribution		(Note 9)	(Note 9)	(Note 9)
Earnings per share	Weighted average number of shares		214,106,000 shares	222,536,000 shares	234,688,000 shares
	Earnings per share (Note 3)		2.23	1.49	0.21
Dividend per share	Cash dividends		0.49	(Note 9)	(Note 9)
	Stock grants	Stock grants with earnings	-	(Note 9)	(Note 9)
		Stock grants with capital reserve	-	(Note 9)	(Note 9)
	Accumulated unpaid dividends (Note 4)		-	-	-
Analysis of return on investment	Price-to-earnings ratio (Note 5)		22.39	39.44	307
	Price-to-dividend ratio (Note 6)		102	NA	NA
	Dividend yield (Note 7)		0.98%	NA	NA

*If earnings or capital reserve are converted to increase stock grants, information of market prices and cash dividends retroactively adjusted according to the number of shares issued shall be disclosed.

Note 1: The maximum and minimum market prices of ordinary share in each year are presented, and the average market price of each year is calculated according to the transaction value and volume in each year.

Note 2: Please follow the number of shares already issued at the end of year, and fill out relevant information according to the situation of stock grants specified in relevant resolution passed by the Board of Directors or the Shareholders' Meeting in next year.

Note 3: If retroactive adjustment is needed due to conditions such as stock grants, the EPS before and after adjustment shall be presented.

Note 4: If it is stipulated in the conditions for issuance of equity securities that the dividends not granted in current year shall be accumulated and granted in a year with earnings, the dividends accumulatively unpaid as of the current year shall be disclosed separately.

Note 5: Price-to-earnings ratio = Average closing price per share in current year/Earnings per share

Note 6: Price-to-dividend ratio = Average closing price per share in current year/Cash dividends per share

Note 7: Dividend yield = Cash dividends per share/Average closing price per share in current year

Note 8: The financial data of the Company as of March 31, 2024 in current year has been audited and reviewed by PRICEWATERHOUSECOOPERS TAIWAN.

Note 9: The proposal for retained earnings in 2023 hasn't been provided with a resolution from the Shareholders' Meeting.

(7) Dividend policy of the Company and execution status:

1. Dividend policy

The company shall appropriate 2%-10% of its annual profits as employee reward if any. The Board of Directors may pass a resolution to distribute and pay the employee reward in form of stock or cash. The objects may include eligible employees from subordinate companies; the Company may have its Board of Directors make a resolution to appropriate no more than 1.5% of the amount of the preceding profits as director reward and supervisor reward. The proposal for distribution of employee reward, director reward, and supervisor reward shall be reported to the Shareholders' Meeting. However, if the Company still has accumulated losses, an amount for loss compensation shall be retained first, and then the aforesaid rewards may be appropriated according to the preceding ratios.

In case of any earnings in the annual general final accounts, the Company shall draw relevant amount to pay taxes and make up accumulated losses first and then draw 10% of the remaining earnings as statutory surplus reserve. However, when the statutory surplus reserve already reaches the paid-in capital of the Company, it may not be drawn, and the remaining amount may be used to draw or reverse special reserve according to the provisions of relevant laws and regulations; the Board of Directors will draft a profit distribution proposal for any remaining amount of the earnings if any together with the accumulated undistributed earnings, and then request the Shareholders' Meeting to make a resolution for the distribution of shareholders' dividends and bonuses. To consider the capital demand, strengthen the financial structure, and moderately satisfy shareholders' requirements for cash inflows, the Company shall think over the principle of maintenance of stability of dividends during dividend distribution and distribute the dividends in form of cash and stock with appropriate ratios.

2. Status of distribution of dividends proposed in this Shareholders' Meeting:
   For allocation of earnings of 2023, as officially approved by the Board of Directors Meeting on March 28, 2024, the cash dividend is determined to be NT$164,299,949 dollars. As calculated by actual outstanding share number of 234,714,213 shares of the Company as of March 20, 2024, each share will be distributed for cash dividend of NT$0.7 (the dividends which each stockholder receives will be rounded to dollar; total amount for fractional shares is recorded as other income of the Company).

(8) Influence of stock grants proposed in this Shareholders' Meeting on the Company's operational performance and earnings per share: **N/A**

(9) Employee reward, director reward and supervisor reward

1. Percentage or scope of employee reward, director reward and supervisor reward specified in the Articles of Association:
   The Company shall appropriate 2%-10% of its annual profits as employee reward if any. The Board of Directors may pass a resolution to distribute and pay the employee reward in form of stock or cash. The objects may include eligible employees from subordinate companies; the Company may have its Board of Directors make a resolution to appropriate no more than 1.5% of the amount of the preceding profits as director reward and supervisor reward. The proposal for distribution of employee reward, director reward, and supervisor reward shall be reported to the Shareholders' Meeting.
2. Estimation basis of employee reward, director reward, and supervisor reward in current period, basis for calculation of shares distributed for employee reward as well as accounting treatment in case of deviation of amount actually distributed from the estimated amount: When a major change occurs to the payment amount specified in relevant resolution of the Board of Directors before the date when the annual financial report is passed and released, this change shall be used to adjust the annual expenses originally drawn; if the amount is still changed after the date when the annual financial report is passed and released, it will be handled as accounting estimate change and will be adjusted and entered into accounts next year.
3. Distribution of rewards approved by the Board of Directors:
   In 2023, the net income before tax of the Company reached NT$14,222K before estimation and recognition of employee reward, director reward and supervisor reward. Since the Company profited in 2022, it planned to draw 4% of its net income before tax, i.e., NT$1,422K, as employee reward, and 0.4% of its net income before tax, as director reward and supervisor reward respectively. However, it must be reported to the Shareholders' Meeting first.
4. If the actual distribution status (including distributed shares, amount and share price) of employee reward, director reward, and director reward in the previous year was deviated from those recognized, the amount deviated, and reason and handling status shall be disclosed: N/A since no distribution was involved.

(10) Repurchase of corporate shares by the Company: **None.**

2. Handling status of corporate bond

(1) Corporate bond: **None**.

(2) Convertible corporate bond

Handling Status of Corporate Bond

<table>
<tr><th colspan="2">Type of corporate bond (Note 2)</th><th>First unsecured convertible corporate bond in Taiwan (Note 5)</th></tr>
<tr><td colspan="2">Date of issuance (handling)</td><td>September 10, 2021</td></tr>
<tr><td colspan="2">Face value</td><td>NT$100,000</td></tr>
<tr><td colspan="2">Place of issuance and trading (Note 3)</td><td>Taipei Exchange</td></tr>
<tr><td colspan="2">Issue price</td><td>NT$101</td></tr>
<tr><td colspan="2">Total amount</td><td>Total face value: NT$700 million
Paid-in total amount: NT$707 million</td></tr>
<tr><td colspan="2">Interest rate</td><td>Nominal interest rate as 0%</td></tr>
<tr><td colspan="2">Term</td><td>3-year term with due date of September 10, 2024</td></tr>
<tr><td colspan="2">Guarantor</td><td>N/A</td></tr>
<tr><td colspan="2">Trustee</td><td>Trust Department of Hua Nan Bank</td></tr>
<tr><td colspan="2">Underwriter</td><td>Taichung Bank Securities Co., Ltd.</td></tr>
<tr><td colspan="2">Certificate lawyer</td><td>CHIU, SHIH-FANG</td></tr>
<tr><td colspan="2">CPAs</td><td>CHANG, SHU-CHIUNG, LIN, BO-JYUN</td></tr>
<tr><td colspan="2">Repayment method</td><td>Lump-sum repayment in cash upon maturity according to the face value of the bond</td></tr>
<tr><td colspan="2">Unpaid principal</td><td>NT$34,300,000 as of March 31, 2024</td></tr>
<tr><td colspan="2">Clause of redemption or premature repayment</td><td>Please refer to Measures of the Company for Issuance and Conversion of First Unsecured Convertible Corporate Bond in Taiwan</td></tr>
<tr><td colspan="2">Qualifying clause (Note 4)</td><td>N/A</td></tr>
<tr><td colspan="2">Name of credit rating agency, date of rating, and corporate bond rating result</td><td>N/A</td></tr>
<tr><td rowspan="2">Attached other rights</td><td>Amount of converted (swap or share subscription) ordinary shares, overseas depositary receipts or other valuable securities as of the publication date of the annual report</td><td>The amount of number of converted ordinary shares as of March 31, 2024 are as follows:
NT$343,297,530
Number of shares: 34,329,753 shares</td></tr>
<tr><td>Measures for issuance and conversion (swap or share subscription)</td><td>Please refer to Measures of the Company for Issuance and Conversion of First Unsecured Convertible Corporate Bond in Taiwan.</td></tr>
<tr><td colspan="2">Possible dilution of equity due to measures for issuance and conversion, swap or share subscription and issue conditions as well as influence on existing shareholders' equity</td><td>NT$700,000,000 of convertible corporate bond was issued this time. According to the calculated conversion price of NT$19.45 upon issuance, there were approximately 35,989,000 convertible ordinary shares of the Company at most. If calculated according to 1,903,000 issued or outstanding shares of the Company upon issuance, the maximum dilution ratio would be approximately 18.91%. As for shareholders' equity, with the convertible corporate bond converted to the Company's ordinary shares, not only the liabilities can be reduced, but also shareholders' rights and interests can be improved so as to increase the net worth per share. Therefore, for a long run, shareholders' equity can be guaranteed in a relatively favorable way.</td></tr>
<tr><td colspan="2">Name of agency entrusted for custody of swap object</td><td>N/A</td></tr>
</table>

Note 1: The handling status of corporate bond includes the publicly placed and privately placed corporate bonds being handled. The publicly placed corporate bond being handled refers to that already enforced (approved) by this board; the privately placed corporate bond being handled refers to that already approved by the Board of Directors with relevant resolution.

Note 2: The number of fields is adjusted according to the actual number of handling times.

Note 3: Fill it out if overseas corporate bond is involved.

Note 4: For example, restriction of granting of cash dividends or external investment, or requirement for maintaining a certain asset ratio, etc.

Note 5: Private placement shall be marked in an eye-catching way if any.

Note 6: As for convertible corporate bond, exchangeable corporate bond, or categorical reporting of issuance of corporate bond or corporate bond with warrants, the relevant data of the convertible corporate bond and exchangeable corporate bond, the condition of the categorical reporting of issuance of corporate bond, and data regarding corporate bond with warrants shall be further disclosed with a tabular format and according to their nature.

Handling Status of Corporate Bond

Type of corporate bond (Note 2)		Second unsecured convertible corporate bond in Taiwan (Note 5)
Date of issuance (handling)		May 31, 2023
Face value		NT$100,000
Place of issuance and trading (Note 3)		Taipei Exchange
Issue price		NT$101
Total amount		Total face value: NT$600 million Paid-in total amount: NT$606 million
Interest rate		Nominal interest rate as 0%
Term		3-year term with due date of May 31, 2026
Guarantor		N/A
Trustee		Trust Department of Hua Nan Bank
Underwriter		Taichung Bank Securities Co., Ltd.
Certificate lawyer		CHIU, SHIH-FANG
CPAs		CHANG, SHU-CHIUNG, LIN, BO-JYUN
Repayment method		Lump-sum repayment in cash upon maturity according to the face value of the bond
Unpaid principal		NT$597,400,000 as of March 31, 2024
Clause of redemption or premature repayment		Please refer to Measures of the Company for Issuance and Conversion of Second Unsecured Convertible Corporate Bond in Taiwan
Qualifying clause (Note 4)		N/A
Name of credit rating agency, date of rating, and corporate bond rating result		N/A
Attached other rights	Amount of converted (swap or share subscription) ordinary shares, overseas depositary receipts or other valuable securities as of the publication date of the annual report	The amount of number of converted ordinary shares as of March 31, 2024 are as follows: NT$399,060 Number of shares: 39,906 shares
	Measures for issuance and conversion (swap or share subscription)	Please refer to Measures of the Company for Issuance and Conversion of Second Unsecured Convertible Corporate Bond in Taiwan.
Possible dilution of equity due to measures for issuance and conversion, swap or share subscription and issue conditions as well as influence on existing shareholders' equity		NT$600,000,000 of convertible corporate bond was issued this time. According to the calculated conversion price of NT$66.25 upon issuance, there were approximately 9,057,000 convertible ordinary shares of the Company at most. If calculated according to 215,995 issued or outstanding shares of the Company upon issuance, the maximum dilution ratio would be approximately 4.02%. As for shareholders' equity, with the convertible corporate bond converted to the Company's ordinary shares, not only the liabilities can be reduced, but also shareholders' rights and interests can be improved so as to increase the net worth per share. Therefore, for a long run, shareholders' equity can be guaranteed in a relatively favorable way.
Name of agency entrusted for custody of swap object		N/A

Note 1: The handling status of corporate bond includes the publicly placed and privately placed corporate bonds being handled. The publicly placed corporate bond being handled refers to that already enforced (approved) by this board; the privately placed corporate bond being handled refers to that already approved by the Board of Directors with relevant resolution.
Note 2: The number of fields is adjusted according to the actual number of handling times.
Note 3: Fill it out if overseas corporate bond is involved.
Note 4: For example, restriction of granting of cash dividends or external investment, or requirement for maintaining a certain asset ratio, etc.
Note 5: Private placement shall be marked in an eye-catching way if any.
Note 6: As for convertible corporate bond, exchangeable corporate bond, or categorical reporting of issuance of corporate bond or corporate bond with warrants, the relevant data of the convertible corporate bond and exchangeable corporate bond, the condition of the categorical reporting of issuance of corporate bond, and data regarding corporate bond with warrants shall be further disclosed with a tabular format and according to their nature.

Information of Convertible Corporate Bond

Type of corporate bond (Note 1)		First unsecured convertible corporate bond in Taiwan	
Item \ Year		2023	As of April 30, 2024 (Note 4)
Market price of convertible corporate bond (Note 2)	Max	406.00	0.00
	Min	366.00	0.00
	Average	395.07	0.00
Conversion price		NT$19.13	NT$19.13
Date of issuance (handling) and conversion price upon issuance		Date of issuance (handling): September 10, 2021 Conversion price upon issuance: NT$19.45	
Way to perform conversion obligation (Note 3)		The ordinary shares of the Company were used as conversion objective, and conversion obligation was performed by means of issuance of new shares. The bond holders handled conversion through TDCC by means of accounting book appropriation.	

Note 1: The number of fields is adjusted according to the actual number of handling times.
Note 2: If overseas corporate bond involves multiple places of trading, it shall be presented separately according to these places of trading.
Note 3: Delivery of issued shares or issuance of new shares.
Note 4: The information of current year as of the publication date of the annual report shall be filled out.

Type of corporate bond (Note 1)		Second unsecured convertible corporate bond in Taiwan	
Item \ Year		2023	As of April 30, 2023 (Note 4)
Market price of convertible corporate bond (Note 2)	Max	128.90	115.00
	Min	106.00	106.00
	Average	120.42	109.13
Conversion price		NT$65.15	NT$65.15
Date of issuance (handling) and conversion price upon issuance		Date of issuance (handling): May 31, 2023 Conversion price upon issuance: NT$66.25	
Way to perform conversion obligation (Note 3)		The ordinary shares of the Company were used as conversion objective, and conversion obligation was performed by means of issuance of new shares. The bond holders handled conversion through TDCC by means of accounting book appropriation.	

Note 1: The number of fields is adjusted according to the actual number of handling times.
Note 2: If overseas corporate bond involves multiple places of trading, it shall be presented separately according to these places of trading.
Note 3: Delivery of issued shares or issuance of new shares.
Note 4: The information of current year as of the publication date of the annual report shall be filled out.

(3) Exchangeable corporate bond: **None**.
(4) Categorical reporting of issuance of corporate bond: **None**.
(5) Corporate bond with warrants: **None.**

3. Handling status of special share: None.
4. Handling status of overseas depository receipts: None.
5. Handling status of employee stock option certificate: None.
6. Handling status of new share that restricts employees' rights: None.
7. Handling status of new shares issued by other companies merged or accepted: None:
8. Execution status of capital application plans:

All capital application plans below were already executed:

1. First unsecured convertible corporate bond in Taiwan in 2021, total amount raised in this program is NT$707,000,000.
   1. Repayment of bank loans:
      NT$235,000,000 was already used to repay the bank loans of FIC Global, Inc. and subsidiary Ubiqconn Technology, Inc. in Q3 of 2021 according to the estimated progress.
   2. Expansion of working capital:
      (1) NT$372,000,000 was already used to expand the working capital of subsidiary Ubiqconn Technology, Inc. in Q3 of 2021 according to the estimated progress.
      (2) NT$100,000,000 was already used to expand the working capital of subsidiary Ubiqconn Technology, Inc. in Q4 of 2021 according to the estimated progress.

2. Second unsecured convertible corporate bond in Taiwan in 2023, total amount raised in this program is NT$1,106,000,000.
   1. Repayment of bank loans:
      NT$563,260,000 was already used to repay the bank loans of subsidiary First International Computer, Inc. in Q2 of 2023 according to the estimated progress.
   2. Expansion of working capital:
      (1) NT$542,740,000 was already used to enrich working capital, but it adjusts working capital in accordance with the company's capital scheduling and the actual capital needs of its subsidiary, First International Computer, Inc. in Q3 of 2023 according to the estimated progress.
      (2) NT$78,877,000 was already used to expand the working capital of subsidiary First International Computer, Inc. in Q4 of 2023 according to the estimated progress.

IV. Overview of Operation

1. Business content

The operational priority of the Company is to supervise and guide the management of First International Computer, Inc. (FIC), 3CEMS Corp., Ubiqconn Technology, Inc. and other reinvestment companies.

The Company (FICG) and its main subsidiaries, including FIC, 3CEMS and Ubiqconn are hereby introduced as follows.

(I) Business scope

1. FICG: General investment business

2. FIC

Focusing on R&D and design, and under the management policy of continuous adjustment of strategy, review and reform, FIC has executed its established operation direction and gradually achieved its transformation goals. In responding to the development and market trends of information communication products focusing on automotive, artificial Internet of Things (AIoT), enterprise green energy conservation and carbon emission and ESG sustainable management, FIC will provide customers with product solutions boasting distinctive sales features and high added value through the combination with its advantages in R&D and manufacturing with the market trends. Additionally, the software and hardware platforms of NXP/ANDROID/LINUX/QNX /HONYWELL NIAGARA are adopted by FIC to spare no effort to develop the products in the fields of A (Automotive), A (Automation, IOT/Green Energy) as its main axis and develop niche products that fulfill the customer requirements relying on its professional R&D technologies.

(1) Main business content and business proportions

As for automotive electronics, with the increase of the market demand of the industry, the business proportions of automotive information communication products will be raised, and special attention has been paid to the business proportions of IoV (Internet of Vehicles) software and hardware products during the development of high-threshold vehicle factory-installed product technologies, e.g., AR head-up display (AR-HUD), automotive laser advertisement system (ADD), intelligent full digital LCD dashboard (Digital Cluster), smart automotive entertainment navigator (IVI), intelligent automotive display (IVD), automotive intelligent terminal (T-Box), fleet management system (Fleet Management), etc. FIC will invest in a German vehicle design company in 2023, which will not only shorten the supply chain time for European and American car manufacturers, but also not rule out entering the development and operation of commercial vehicle systems with vehicle design experience.

As for automation, FIC will focus on the green smart IoT management as its main axis and provides complete solutions regarding energy creation, energy storage and energy conservation of green energy. Also, HONEYWELL TRIDIUM NIAGARA is adopted as the development platform of AIoT to develop self-owned cloud monitoring platform (Cloud Management Platform) and artificial intelligent algorithm (AI Algorithm) which will be then used in the markets of Smart City, Smart Energy Management, Smart Building, ITIS and Smart Agriculture-Fishery-Electricity Symbiosis so as to import smart management and energy-saving and carbon-reducing green electricity application for enterprises.

(2) Current strategies of the company:

A. Mobile platforms:

①ARM hardware architecture platform:

continue to use NXP, ITE (Lianyang Semiconductor), developed multi-core ARM platform, improve the existing product line, and actively develop and continue the self-contained AI accelerator multi-core platform, with artificial intelligence/AI algorithms, add more automation/intelligent elements to automotive products, add AI elements to the IoT solution to transform into AIoT intelligent solutions, energy management combined with big data/intelligent analysis, to develop related industry application markets, Actively enter the vertical market of special enterprises such as transportation, automotive, energy, and industrial control.

②Software Strategy Alignment:

Continue to deepen the application and development of Android/Linux/QNX/Honeywell Niagara software platform, and actively seek to align with international software manufacturers to execute strategies, in addition to QNX, Basemark、Thundersoft, Sysgo. In addition to the continuous cooperation of software manufacturers, and the introduction of software information security solutions, it has cooperated with the Israeli information security company Cybellum, the introduction of Binary code's vulnerability scanning mechanism, so that the software itself from structure to development design to completion, with self-protection mechanism, product solutions can reduce information security risks in line with international future needs, increase the value of products, and continue to seek software cross-industry combination and alliance business, continue to develop the soft power of public computers. Increase international visibility and deepen software capabilities.

③Overall solution services:

In addition to continuing to focus on the software and hardware development of system terminal equipment, in addition to providing customers with a more stable and efficient core platform, and actively seeking domestic and foreign system integration and developer cooperation, combining enterprise market customers and operator customers, based on terminal equipment, combined with big data application, AI artificial intelligence and 5G mature technology application, expand the search for Internet of Things, algorithms, application layer cloud software companies, in order to be from the original terminal equipment provider (Device Provider) Upgrading to a service provider becomes a part of the supply chain of the enterprise and promotes the service of a complete overall solution.

B. Automotive

① Factory-installed products

The business and R&D direction of FIC focus on automotive factory-installed products (online important guarantee parts of auto factories) and Tier 1 market. Since the market of factory-installed products features high technological content, it shall be planned, designed and development synchronously with new vehicles. The R&D cycle and the testing and certification cost a long time. Therefore, the human resources and cost required are higher. The high-threshold technologies and relations with auto factories discourage general electronics industries.

Thanks to over 40 years’ experience in IT design and manufacturing and supply chain management and after years' engagement and efforts, FIC has already obtained approval from auto factories in terms of technology and quality. Besides the role of supplier, FIC has established strategic partnership with its cooperative auto factories with a common goal of marching towards the auto factory-installed electronics integration system market and developing from Taiwan to the world market.

In addition, FIC will invest in a German vehicle design company in 2023, which will not only shorten the supply chain time of European and American car manufacturers, but also assist existing brands in the development and operation of commercial vehicle systems with vehicle design experience.

② Automotive standard certification

The automotive factory-installed equipment cannot be accomplished in an action. Market planning, product design planning and installation verification planning in the early development stage are needed. Also, laboratory testing and verification, actual vehicle testing and verification, and verification by national authority are needed in the development stage. Particularly, manufacturers shall also have automotive certification standards. Therefore, at least one and half a year are needed for marketing. Furthermore, after the equipment is marked, more than 10 years of quality quenching still need to be provided. Currently, the company has already acquired actual long-term shipment performance in multiple auto factories, and it has been certified with the qualification for factory-installed important guarantee online parts, and its products have been marked not only in Taiwan but also the international market.

C. Green energy system

① FIC popularizes IIoT, AIoT and green system and positions itself as a solution/product provider. The customers of FIC are system integrators (SI), and FIC cooperates with Honeywell/Tridium. In 2020, FIC already launched volume production. Relying on a complete Niagara platform, FIC integrates the applications of IoT and smart city project, and combines information integration of smart building, intelligent energy management, data-oriented image identification management, security protection platform and access control, smart city information integration platform, and smart traffic integration system, etc. to provide comprehensive, complete and intelligent solutions (AI solutions).

② The business continuously promoted by FIC includes IoT, green energy/energy conservation monitoring, smart building, smart traffic, smart city and other relevant applications. Besides the continual development of solar monitoring system and building energy-saving automation system, the IoT integrated image identification solution has also been included in the actual implementation stage and it has obtained a favorable reception in terms of vehicle flow detection of smart traffic. In recent years, with the emerging of BIM (Building Information Modeling), FIC has added the elements of BIM on the existing basis to make the smart building/smart management solutions closer to the integration needs of smart city and green energy, which will become one of the development priorities of the company in 2022.

③ Partners are an indispensable, important element in the growth of an enterprise. Therefore, FIC is continuously enhancing its cooperation with local and foreign partners at present, and has actively participated in the discussion of issues regarding green energy, green building, energy conservation and carbon reduction, and ESG. Currently, FIC has already become a quality supplier of TECLAST and imported architectures of DNP3.0 and Open ADR for the product solutions. As a result, the energy management system becomes fuller and more competitive in the market. Also, more value-added services can be provided. At the same time, FIC keeps path with the international community, and implements strategic cooperation with Mitsubishi Electric in terms of smart city and smart grid to set an example for ESG enterprises to build smart energy management system (EMS) and carry out sustainable investment and management. As for intelligent transportation system (ITS), FIC has also conducted strategic cooperation with ST Engineering, a Singaporean company, and exerted collective efforts for the establishment of smart city based on its traffic technology management system.

3. 3CEMS

Targeting at improving customer satisfaction and pursuing quality, 3CEMS enhances its relations with existing customers, optimizes the existing customer and product portfolios, increases new quality customers, improves the investment and establishment of automatic equipment in the factory, and continually better its operation efficiency and utilization rate of production capacity through organizational rejuvenation adjustment, to ensure the continual growth and reasonable profits of the company. The main operational highlights of 3CEMS this year are PC and server product cause, expansion of emerging business including automotive, shipborne and aerospace industries, and automation of production lines.

We have been striving for high quality and customer satisfaction. In marketing, with the purpose of maximizing the interests of the factory, we optimize the products and portfolios of existing customers internally, and develop new high-quality customers externally. In terms of management, cultivate new key members of each department and increase management innovation and diversification. Increase investment in automation equipment in production, optimize labor costs, improve capacity efficiency, and improve quality error tolerance. In the future, the cloud and artificial intelligence development industry is showing a growth trend, in personal computers, server systems, and new AIoT products, through close integration with customers, to obtain the latest trends and production technologies in the industry, to provide competitive one-stop satisfaction services, in the EMS industry will occupy a place, we will continue to strengthen quality, continue to learn new technologies, provide new services and optimize operational performance, to achieve stable growth in revenue and profit.

(1) In terms of graphics cards, PCs, gaming and server products, it will mainly be opportunities to enhance business growth, continue to adjust customers and products, increase investment in new technologies and production line automation to improve gross margin, and provide relevant departments with real-time and effective information by increasing the data application of automation equipment to optimize decision-making quality and speed, so as to enhance operational efficiency and competitiveness.

(2) In terms of expanding emerging businesses, Talent will invest in new fields. Increase the production investment of IoT, edge computer and server workstation motherboards, and continue to develop new products for domestic customers at the same time. In addition, the Group also finds new partners through investment, creates a niche for the sustainable development of talents, and stabilizes the horizontal and vertical development layout.

(3) Production line automation is to gradually introduce Industry 4.0, through big data analysis, so that talents in manufacturing, quality, production and marketing management to use more data to help decision-making quality and speed, but also can gradually solve the problem of Chinese decline in lip dividends, affecting factory operation performance.

4. Ubiqconn Technology

Ubiqconn is a rugged mobile solution provider, engaged in the design, production and sales of rugged industrial computers and embedded boards, and its subsidiary, RuggOn Co., Ltd. (hereinafter referred to as RuggOn), promotes its products in domestic and foreign markets under its own brand RuggON.

Ubiqconn – Ubiquitous Connectivity – Ubiquitous Connectivity. Breaking away from the framework of most IPC companies in Taiwan that focus mainly on hardware, the focus group has expanded to cover all topics related to connectivity, including peripheral connections required for each vertical market, ecological chain connections of various vertical markets, cloud connections, and connections between different platforms. Internally, Ubiqconn Core Value is implemented to link the work culture of the company's colleagues, Core Values are: Curiosity, Empathy, Agility, Can-do Attitude Discipline. In addition, in 2020, the establishment of a digital work platform was started to establish efficient collaboration.

In response to the market trend of strong, environmentally friendly and energy-saving concepts in the future, Ubiqconn will continue to expand the global market with its R&D advantages. Rugged mobile computers are attacking the vertical market under the RuggOn brand, providing a variety of solutions to provide specialized machines that meet the needs of different vertical markets. The main vertical markets are mainly focused on the four major application markets of agriculture, mass transportation, government solutions and logistics, with the United States and Europe as the main sales bases. In the ODM segment, the main focus areas include maritime, government solutions, office automation, voting machines, satellite communications and other markets.

(II) Overview of industry

1. FICG: The Company takes comprehensive charge of the operation of the Group by means of investment holding and actively responds to the enterprise operation headquarters policy promoted by the government.
2. FIC

(1) Status quo and development of the industry

With the coming era of “Cloud Intelligence and Mobile”, the information industry has already been developed towards the direction of IIOT and AIoT. With the marketing of convenient products, fundamental changes will be brought to people’s lives. Under this market trend, manufacturers in the information industry, network industry and communication industry have successively invested in relevant industries including automotive, green energy and energy conservation, IoT, control, etc. with their powerful and abundant technologies and integrated architectures.

In addition, with the swift development of wireless broadband network, various wireless network applications and information services become closer to consumers. Any portable devices can be used to acquire information at any time, and they have entered the operation management of each enterprise and the lives of individuals. “Era of Smart IoT” has already emerged, and with the matching of new technologies, communication and network development, another wave of business opportunities is bound to be created.

(2) Market development trends

Automotive, IoT and green energy system have been three major fields developed and profoundly cultivated by the company for a long term. Since the mobile broadband network formally entered the era of 5G in 2021, high-threshold and high-profit niches will be further improved pertaining to the wireless 5G connection.

The development trends of the industry are introduced as follows:

A. The products are more accessible and stable, and emphasis is placed on environmental protection and energy conservation.

B. The intelligent computing capacity of the products are enhanced, the transmission rate of wireless network is improved, and the delay is much lowered.

C. Trend of contracted R&D, design and production

Based on the foundation of years’ R&D, design and production, FIC has cooperated with customers from Europe, the United States, Chinese mainland and Taiwan in the fields of automotive, auto factory, IoT and green energy system to develop multiple innovative and actually implemented new commodities in recent years. With the flourishing of markets in these fields, the company continuously seeks products and markets in this niche, and it really has the strength the continually create profits.

3. 3CEMS

(1) System assembly:

A. Due to the fact that Intel and AMD have not been updated for two years from 2022 to 2023, the overstock of existing products has led to a decline in PC demand, and in 2024, with the release of new platforms from Intel and AMD, the main market demand will also be reactivated to usher in a rebound, Gaitner expects total PC shipments to grow by 3.5% annually in 2024. Microsoft expects to strengthen the integration of AI technology in the new operating system of Windows 12 released in 2024, which is compatible with emerging AI applications such as ChatGPT and DALL-E2, and this trend of digital transformation will also have a positive impact on the leapfrog development of PCs.

B. Server shipment growth will continue to be stable in 2024. With the all-round digital transformation of Cloud+AI+5G+IoT, the server market continues to rise. Intel and AMD will also release new server platforms in the second half of 2024, and global shipments are expected to double as demand for digital infrastructure workloads continues to rise, and AI server capacity with high-end AI GPUs (Nvidia H-series or AMD MI series) is in short supply.

(2) Motherboard production:

Intel and AMD will release new platforms powered by AI in 2024, Nvidia will release new NVIDIA RTX500 and 1000Ada consumer-grade GPU acceleration chips with built-in AIGC technology in 2024, and AMD will also release RDNA4 RX 8000 series graphics cards later this year. IoT and Edge Computers: According to IoT Analytics' newly released IoT enterprise spending dashboard and tracker update, the global IoT market is expected to grow by 19% in 2023, and edge computer shipments will increase in tandem next year.

(3) AIoT Smart Internet of Things:

AIoT has entered the 2.0 era of communication, perception, intelligence, and value integration from the 1.0 era of interconnection, the system architecture 3.0 is superimposed on AIoT 2.0, the commercial use of cellular 5G-A is about to begin, the non-cellular satellite Internet will gradually enter a period of rapid development, generative AI has ushered in an explosion, and services such as value distribution technologies such as DePIN/Web3 and data element transactions have gradually become an important infrastructure and driving force for AIoT. The Internet of Things terminal industry will start a new round of strong growth

4. Ubiqconn Technology

(1) Satellite communication:

The satellite communication industry refers to the industry that uses artificial satellites to carry out communication transmission in earth orbit, including four major sub-industries: satellite ontology manufacturing, launch services, ground equipment, and satellite services. The satellite communication industry has the advantages of wide coverage, fast transmission speed and high security, and is widely used in government programs, telemetry, scientific research, television image transmission, telecommunications and other fields. Satellite communication technology continues to evolve, from the initial high-orbit communication satellite (GEO), to the medium-orbit communication satellite (MEO), and then to the low-orbit communication satellite (LEO) that has risen in recent years. Low-orbit communication satellites are satellites that operate in orbits between 500 and 2,000 kilometers above the earth's surface. Since 2014, emerging satellite operators SpaceX and OneWeb have proposed plans to deploy low-orbit satellite galaxies, which has led to Amazon, Telesat and other companies to join the competition for low-orbit satellites. According to SIA data, the total output value of the global satellite industry in 2022 reached US$384 billion, of which ground receiving equipment and satellite services accounted for about 67% of the total output value, while satellite body manufacturing and satellite launch services accounted for 6%. It is estimated that by 2032, the global satellite industry will reach US$615.7 billion, with a compound annual growth rate of 8.1%.

According to a report by the International Telecommunications Union (ITU), more than 3 billion people worldwide do not have access to fibre networks, and broadband network coverage is insufficient. With the technological progress of satellite miniaturization and payload system, the cost of low-orbit rocket delivery has decreased, and the area covered by a single satellite is wider and the bandwidth is larger, low-orbit satellites are rapidly developing from the past government program to commercial applications. According to the statistics of the International Institute of Obstetrics of the Industrial Technology Research Institute, 1,715 satellites were launched worldwide in 2021, an annual increase of 30%, of which low-orbit satellites (LEO) accounted for 98%, and the industrial output value increased from US$268.5 billion in 2017 to US$279.4 billion, of which the output value of satellite ground equipment accounted for 51% of the total.

For Taiwan, the business opportunities in the satellite communication industry are mainly concentrated in the two major blocks of ground equipment and satellite manufacturing, and the hardware manufacturing and parts supply are the mainstay. In terms of ground equipment, a number of manufacturers in Taiwan have the technical capabilities of microwave/millimeter wave passive communication components and antennas, and have entered the supply chain of international satellite communication system manufacturers. In terms of satellite manufacturing, although Taiwan has focused on scientific research in the past, it still has a certain research and development foundation, such as the Formosa satellite program and the Space Science and Technology Research Institute. In the future, Taiwan can accelerate the development of high-end technologies through government policy

support and international cooperation, and enhance its competitiveness and added value in the satellite communications industry.
Since its inception, Ubiqconn has been focusing on industrial computers, deeply engaged in precision agriculture, maritime, logistics and transportation fields that are highly dependent on satellite applications, and since 2021, Ubiqconn has transformed from focusing on one-way satellite communication applications of Global Navigation Satellite System (GNSS) to more advanced two-way communication (Satellite communications, SATCOM). In the context of the Taiwan government's active promotion of the satellite industry, Ubiqconn has established a solid industrial ecological chain in Taiwan to provide customers with more comprehensive and complete solutions and services.

(2)Maritime affairs:

The maritime industry refers to the use of information, communication, electronics, sensing and other technologies to provide maritime related solutions to the industry, covering ships, ports, shipping, maritime security, marine environment, marine resources and other fields, is an important part of the marine economy. According to the Transprarency Market Research report in the United States, the global maritime digitalization market is valued at US$167.7 billion in 2022 and is expected to increase at a CAGR of 9.3% from 2023~2031 to US$367.7 billion.

The main products and services of the global maritime industry include maritime satellite communications, maritime software, maritime hardware and maritime services. Maritime satellite communication refers to the use of artificial satellites as relay stations to transmit voice, data, image and other information communication methods, which are widely used in ships, ports, shipping, maritime security and other fields; Maritime software refers to software used for maritime-related information systems, management systems, intelligent solutions, etc., such as ship management systems, ship tracking systems, port management systems, maritime management systems, maritime security systems, etc.; Maritime hardware refers to the hardware used for maritime-related information equipment, sensing equipment, communication equipment, etc., such as satellite terminals, ship computers, ship sensors, ship communication equipment, etc.; Maritime services refer to the provision of maritime-related information services, consulting services, training services, maintenance services, etc., such as maritime information services, maritime consulting services, maritime training services, maritime maintenance services, etc. The development of the global maritime industry has benefited from technological progress and innovation, as well as market demand and competition; In terms of technology, the application and integration of emerging technologies such as 5G, Internet of Things, and big data have provided the maritime industry with higher speed, wider coverage, richer data, smarter analysis, and safer transactions. On the market side, the growth and recovery of global trade, as well as the increasing consumer demand for quality, safety and diversity of maritime services, have created more demand and opportunities for the maritime industry.

The future development of the maritime industry includes the rise of low-orbit satellite communications and smart port innovation. Low-orbit satellite communication provides high-speed, low-latency, and high-reliability communication services, improves the quality and efficiency of communication, reduces the cost and energy consumption of communication, expands the coverage and accessibility of communication, and increases the security and privacy of communication. The smart port is a port management mode that uses information, communication, electronics, sensing and other technologies to monitor, control, predict, optimize and make decisions on the operation, management, service and safety of the port, so as to improve the efficiency, quality, environmental friendliness and economic benefits of the port, and the main application fields include port management system, port logistics system, port security system and port environment system.

Since 2015, Ubiqconn has been actively involved in the maritime digitalization industry, initially focusing on the field of fish detection, and over time, further expanding its business scope to cover several key areas such as port digitalization and onboard management systems. Looking forward to the future, Utech plans to combine advanced SATCOM technology to further enrich and expand the coverage of the maritime digital industry, and is committed to promoting the digitalization process in the maritime field.

(3)**Agriculture**:

According to the survey report of GVR, the market scale of the global precision agriculture will grow from USD 7.96 billion in 2022 to USD 20.8 billion by 2030. The company entered this market in 2020 with a brand of RuggON and has now achieved fruitful results. To be specific, it has not only obtained numerous orders in the North American market, but also expanded relevant applications to the markets in South America, East Europe and Central Asia. RuggON has a self-developed high-precision GPS module with centimeter-level positioning accuracy. Strategic partners in relevant countries may utilize this GPS function as well as various wired and wireless communication technologies provided by RuggON to provide all-around precision agriculture information system and field operation solutions in six major cycles, namely, water resource management, soil preparation, seed sowing, fertilization and pest management, and irrigation and harvesting.

The main products and services of the global precision agriculture market include hardware (such as sensors, drones, satellites, GPS, etc.), software (such as data management, analysis, forecasting, etc.), services (such as consultants, training, maintenance, etc.), and the main application fields include crop management (such as irrigation, fertilization, pest control, etc.), livestock management (such as health monitoring, reproductive control, feed management, etc.), aquatic product management (such as water quality monitoring, breeding optimization, fish catch prediction, etc.). The development of the global precision agriculture market has benefited from technological advancement and innovation, as well as the support and encouragement of the government. The application and integration of emerging technologies such as 5G, the Internet of Things, and big data have provided precision agriculture with higher speed, wider coverage, richer data, smarter analytics, and safer transactions.

Since entering the market in 2020 under the brand name RuggON, Ubiqconn 's business has expanded from the North American market to South America, Eastern Europe and Central Asia. RuggON has a self-developed high-precision GPS module, the positioning accuracy can reach the centimeter level, and strategic partners from all over the world can use this GPS function, and then use the various wired and wireless communication technologies provided by RuggON to propose a full range of precision agricultural information systems and field operation solutions in the six cycles of water resource management, land preparation, sowing, fertilization and pest management, irrigation and harvesting.

(4)Public transportation and Logistics:

RuggON has been in the mass transportation market for many years, and has won many bids in the South American railway market, Europe and the Middle East bus transportation market. According to Precedence Research, the global transportation services market reached US$7.31 trillion in 2022 and is expected to grow to about US$15.94 trillion in 2032, with a compound growth rate of 8.11% in 2023~2032. RuggON will work with major transportation service system integrators in Europe to continuously upgrade and customize vehicle computers and peripherals based on system requirements such as ticketing, in-cabin advertising, driver assistance, vehicle pre-shift inspection, and 5G transmission..

(III) Overview of technology and R&D

1. FICG: N/A

2. FIC

(1) R&D expenses invested in 2023 reached NT$37,161,000.

(2) Technologies or products successfully developed

A. FIC has mastered key capability and technology to march towards the vertical application markets and IoT equipment: Heat dissipation and power source technical capacity, panel and display technology, and mechanism and enclosure manufacturing capacity.

B. FIC has developed various kinds of software platforms on NXP,i.MX6MX/i.MX8,S32V234.

- Android 2.3,3.0,4.3,4.4,6.0,9,10.0
- Linux
- Java SE Embedded 6/7/8 + FX8
- QNX

C. FIC has established a complete software system.

- FIC has cooperated with major international software integration companies, e.g., QNX, Oracle, Greenhill, Sysgo, etc., to expand product extensibility.
- FIC has developed AR head-up display (AR-HUD), intelligent full digital **LCD** dashboard (Digital Cluster), smart automotive entertainment navigator (IVI), intelligent automotive display (IVD), automotive intelligent terminal (T-Box), fleet management system (Fleet Management), automotive laser advertisement system (ADD), advanced driver assistant system (ADAS), driver monitoring system (DMS) and driving behavior monitoring system (DBSM).

D. In addition to the core software technology mastered, FIC will successively develop local and foreign software third parties, integrate relevant manufacturers' software platforms, and provide vertical market integration solutions.

In order to respond to the market trend and customer demand for electric vehicles, we will add the elements of information security to the product planning, and have sought strategic cooperation with foreign company solutions, adding the factors of information security into the consideration of product research and development, in addition to the subsequent product planning and use of the introduction of Volkswagen Computer, but also assist partners to improve the quality of products in software and information security solutions.

E. FIC has developed a Slim NiagaraAX platform focusing on Honeywell/Tridium-NiagaraAX platform and successfully combined the urban energy management system of Mitsubishi Electric and the large SCADA software system of the Singaporean technology company to provide relevant software and hardware devices for the building environment, energy control, and energy conservation and carbon reduction of enterprises, factories, and buildings. Also, FIC has human and material resources for the integration and computing of AI system. In addition to the supply of devices needed in the market, FIC also provides system integration services.

3. 3CEMS

(1) R&D expenses invested in 2022 reached NT$112,910,000.

(2) System assembly (PCBA)

A. The company imported high-speed, precision SMT placement machine, improved the production capacity per unit hour and the placing efficiency of high-precision components, and installed 3D-AOI automatic optical detection technology behind the furnace to improve the yield of SMT placement.

B. Introduce automatic dispensing technology and correlate its results with SFIS to improve the accuracy of dispensing operations and reduce the proportion of errors.

C. According to the actual needs of the factory and the cooperation factory, the double-sided AOI of the final inspection of packaging is jointly developed, which will cause the positive and negative defects in the process in the factory and improve the shipment yield.

D. According to the actual needs of the factory, the AOI in front of the furnace is introduced to improve the straight-through rate of the plug-in.

E. Introduce capacitor automatic plug-in machine to improve plug-in yield.

F. Jointly work with the cooperative factory to develop a washing board brush cleaning water equipment to improve the appearance problems caused by the manual brush cleaning water flowing into the front.

G. SMT production introduces nitrogen equipment to increase the activity of solder paste and reduce SMT empty soldering and less tin defects.

H. The company continuously deepened the expert detection system (DFM) for product R&D and assisted customers in controlling product design cost, manufacturing and testing as well as promoting the quick marketing of new products.

I. AXI detection technology is introduced to inspect the welding quality of parts that cannot be detected by AOI, such as server DDR5, QFN, BGA, CPU SOCKET and SLMPCIE.

J. The electric batch torque control system was developed, and the electric batch would not work if the electric batch torque was incorrect and there was no quantity test.

K. Develop the workshop temperature and humidity control system, upload the temperature and humidity data of the workshop to the SFIS system, and the system will give an alarm reminder for the temperature and humidity exceeding the standard.

L. The FT test billboard system is developed, and the test data of each station is counted in time for on-site management and maintenance personnel to refer to and deal with abnormal stations.

M. Develop an automatic control system for MSD components, which should realize the controllable unpacking and loading timeout.

N. Development of a part temperature resistance management system, which can automatically identify which parts are not suitable for the DIP welding process and generate corresponding reports.

4. Ubiqconn Technology

(1) R&D expenses invested by the company in 2023 reached NT$197,157,000, taking up 5.28% of business turnover.

(2) Retch is committed to the most challenging mobile application market in the field of industrial computing, and its technology and research development directions include rugged mechanical structure, intelligent battery management, wide-range in-vehicle power supply, software services, to achieve seamless wireless connectivity, optimize and deepen the technology capabilities of Uttech, and establish a solid competitive advantage in this industry.

A. Robust Mechanics:

Providing rugged equipment in harsh environments is critical for specific applications. The robust mechanical structure technology of U-Tech Technology provides reliable and comprehensive solutions without affecting the user's operating habits and working conditions, including structures designed for high and low temperature environments and mobility, including waterproof, dustproof, drop-proof, vibration-proof, etc.

B. Display technology:

High-brightness screen, anti-glare and anti-reflective layers ensure clear reading in sunlight.

C. Touchscreen technology:

Support glove mode or wet hand operation, suitable for a variety of environments.

D. Smart Battery Management: Maintaining high mobility and providing a constant power supply in extreme environments is key for any mobile device. U-Tech Technology's intelligent battery management technology eliminates power-related downtime and safely controls the charging and discharging current of the battery at various ambient temperatures to ensure uninterrupted power supply.

E. Wide range of on-board power supplies:

For in-vehicle applications, a stable and efficient power supply is essential in the face of irregular on-board power supply voltages and noise interference from on-board power network devices. The wide-range on-board power supply technology provides the best anti-noise capability and the most stable on-board power supply, which is the most important technology for on-board power supply design, and is also the ultimate solution to ensure the best noise immunity and stable power supply for on-board computing equipment.

F. Software Services:

The software team of Youtai Technology has professional knowledge of Linux, Android and Windows platforms, and provides operating system porting services and customized CMOS/BIOS settings. Utech provides comprehensive board-level software services, intuitive dashboard utilities, and APIs to meet the unique needs of different customers.

G. Seamless Wireless Connectivity:

Uttech Seamless Wireless Connectivity Technology supports a wide range of wireless applications, providing comprehensive solutions for high/low data rates and different distances. Utech technology not only optimizes wireless design and deployment, but also improves signal sensitivity and enables customized antenna solutions for optimal transmission and reception performance. (IV) Long-term and short-term business development plans

1. FICG

(1) Short-term plans: Implement separate business operations and execute the goal of industry holdings.

Non-core business is released from FIC and transferred to FICG. At the same time, FICG plans its subsidiaries to engage in three major industries, namely, EMS Services, IT and System Integration, according to the types of customers. Each business division and each subsidiary under FICG form a matrix-type organizational structure to realize resource sharing and selling activities among different business units for the purpose of providing integrated computer product services for customers. Also, the cooperation among reinvestment companies has been reinforced:

Each reinvestment company will adjust their product structures in consideration of industrial demands, and their products will be integrated and complement with each other, thus brining bigger space and markets for their products. Also, relevant sales, purchasing, R&D, management and information platforms are provided to share the resources and facilitate the overall operation performance of FICG and its reinvestment companies.

(2) Long-term plans: Implement the comprehensive benefits of the Group and encourage intrapreneurship.

FICG will dedicate to strengthening its quality and cost efficiency, including review, evaluation and adjustment of invested industries, so that the integration strategies can be fully implemented in the actual business, and the corporate operation can create a new situation of profitability and growth.

2. FIC

(1) Short-term plans:

Provide product solutions to customers with distinctive sales features and high added value based on market trends.

A. Marketing plan

①In responding to the trend of intelligence and mobility and the increasingly competitive and swiftly changing regional markets in the world, FIC will provide a complete operation network from product design, manufacturing and distribution to after-sales services based on industrial demands.

②Promote the R&D strategy of single platform and diversified product lines.

③Execute service performance and establish a flexible and effective management mechanism to achieve comprehensive sales services in terms of technical support service, integrity of technical documents and global shipping capacity.

B. Production plan

FIC has continuously adjusted its strategies and clarified its business operation direction and gradually achieved its transformation goals. The products of FIC will be entrusted to 3CEMS, another important subsidiary of FICG, for contract manufacturing. 3CEMS has absolute experience and competitive advantage in production cost control and flexible manufacturing capacity. The expertise of these two companies can be combined, and they can be strategically allied to become the best providers of Total Solution for customers.

C. Product development plan

①Provision of total solutions

FIC will strategically ally with 3CEMS to provide total solutions featuring DMS (Design, Manufacturing, Service) to the customers through the integration of their R&D and design, software and hardware manufacturing engineering, and logistics supporting services.

②Single platform and diversified products

FIC will form a strategic alliance with NXP/Android, major international CPU manufacturers, to provide Total Solution to customers with complete integration solutions, and actively developed and expanded the markets of A (Automotive) and A (Automation).

③Strengthening of R&D characteristics and entry to green energy industry

FIC will develop customized solutions needed by customers relying on the integrity, integration and commercial use of Honeywell Niagara platform, and ally with Mitsubishi Electric to provide total solutions for smart buildings, including but not limited to cooling air conditioning, cooling water host, full-heat air conditioning, building lighting system, energy creation and storage, charging, 5G base station, and energy management.

As for intelligent transportation system (ITS), FIC will ally with ST Engineering, a Singaporean company, to provide intelligent traffic management, intelligent transportation, and green traffic solutions.

D. Operation plan

FIC will continue to actively expand the product market of single platform and diversified products, and seek for active growth when maintaining its stability. The main operational highlights of FIC are listed as follows:

①Increase the business proportions of automotive, control and green energy products based on the industrial demands.

②Strengthen the material purchasing efficiency, lower purchasing cost, retrench each expenditure, and effectively control the operational cost.

E. Financial plan

①Reinforce the mastery of credit extension information of customers, implement continuous monitoring and management, and lower operational risks.

②Properly apply each fundraising instrument, properly plan fundraising cost, and respond to each capital investment demand to strengthen financial capacity.

(2) Long-term plans:

Target at the improvement of product creativity and design quality, the saving of cost, and the development of commodities with higher added value.

A. Marketing plan

①Strengthen strategic alliance, ally strategically with major computer system manufacturers with excellent marketing and technical capacity, and acquire advanced product development technologies and stable orders to maintain competitive advantages.

②Participate in major international exhibitions, and actively look for potential customers, or partners for strategic alliance to expand overall business.

③Participate in relevant automotive and green energy associations to improve the corporate image and business.

B. Production plan

The production of FIC will be entrusted to 3CEMS for contract manufacturing, and the emphasis will be placed on the following aspects:

①Master the development trends of product and manufacturing technologies in Taiwan and other places, and actively develop new process technologies to respond to the fierce market competition.

② Strengthen automation capacity and hierarchical management to improve product quality.

C. Product development plan

①Respond to the market trends of products becoming lighter, thinner, shorter and smaller in the future and continuously focus on heat-removing and energy-saving system development technologies.

②Improve the quality of industrial design (ID) of products to assist customers in establishing better product identification and marketing.

③ Actively research and develop relevant intelligent management solutions regarding green energy, energy conservation and carbon reduction, and assist customers in achieving ESG sustainable management.

D. Operation plan

①Stick to the core business and continue to increase new overseas bases and actively expand business in form of strategic alliance.

②Continue to actively engage in the fields of vertical field embedded product platform and wireless communication and develop products towards the direction of commodities with high added value.

E. Financial plan

①Adopt a method of borrowing or capital increase moderately to raise funds to enlarge the operational scale and satisfy the capital demand for operation in principle of balance between operational performance and financial risks.

②Respond to the risk management of international business and adopt proper new financial commodity operations as instruments for risk avoidance for sales profits.

3. 3CEMS

(1) Short-term plans: Provide product solutions to customers with distinctive sales features and high added value based on market trends.

A. Marketing plan

①Maintain integrated production of computer motherboards, PCs and server system assemblies..

②Deeply engaged in the production of IoT, computer graphics cards, and gaming accessories..

③Establish a market image of a professional contract manufacturing factory.

B. Production plan

①Increase investment in automation equipment, integrate production resources of the two plants, and improve efficiency.

②Reduce production wastage and control nonconforming processes , and reduce customer complaints.

③ Focus on the improvement and management of saving of raw materials, reduction of wastes, saving of water and electricity, utilization of usable products and cost control of external failure.

C. Financial plan

①The cost increase caused by customer reasons, find customers to reasonably strive for part of the subsidy.

② Transform and upgrade the industry to obtain more opportunities for government subsidies.

(1) Long-term plans: Combine the needs of emerging markets and industries, introduce talents, improve factory automation, save costs, and develop new high-quality customers.

A. Marketing plan

①Increase the proportion of high-profit products such as industrial computers, edge computers, gaming accessories, and server products in the Chinese market.

②Continue to explore new products from existing customers.

③Develop new quality customers and increase monetization channels.

B. Production plan

①Increase reasonable investment in automation equipment, reduce costs and increase efficiency.

②Cultivate and promote the backbone of engineering manufacturing, manage innovation and diversification..

③Flexible capacity planning and integration of different types of order needs of multiple customers.

C. Financial plan

Adopt methods like borrowing or fundraising in capital market or the combination of the two to lower the cost of working capital and maximize shareholders' value in principle of balance between operational performance and financial risks.

4. Ubiqconn Technology

(1) Short-term development plans

Provide product solutions to customers with distinctive sales features and high added value based on market trends.

A. Marketing and product development plans

- Provide comprehensive customization services: From proof-of-concept (POC) to mass production, we provide one-stop customization services including product design, manufacturing, marketing strategy and follow-up product support services, with a special focus on maritime, satellite communications and government solutions markets to meet the growing needs of these fields.
- Strengthen the presence of the RuggON brand in key markets: By penetrating into the four key markets of agriculture, mass transportation, logistics, and government solutions, RuggON will enhance the brand's recognition and influence, and ensure that RuggON becomes the brand of choice in the industry.
- Establish a technology-leading market position: Through continuous innovation and technology upgrades, RuggON will strengthen RuggON's image as a technology leader in the market, including investing in R&D, partnering with leading technology companies, and actively participating in the development of industry standards.

- •Expand global operation network: Youtai Technology continues to expand its operations in various key regions to provide faster and more convenient localized services by being closer to customers.
- • Improve the level of after-sales service: Establish a more professional and responsive after-sales service system, including regular training of the service team, the establishment of customer service hotlines and local service centers to ensure that customers receive timely and efficient support and services.

B. Production and operation planning

- • Fully integrated supply chain: Enhance bargaining power by integrating the supply chain to optimize cost control and supply chain management, and establish strong relationships with key suppliers while maintaining a second supplier to ensure that Uttech maintains sufficient price elasticity in the face of market volatility.
- • Improve the production efficiency of the neutralization plant: Youtai Technology uses the existing technology and equipment to strengthen the production capacity of the neutralization plant, including the optimization of production processes, the introduction of advanced manufacturing technology and automation solutions to reduce production costs, improve product quality and output.
- • Strengthen ecosystem cooperation: Collaborate with industry partners to develop new products, expand market coverage, leverage group strategic thinking to jointly solve industry challenges, and promote overall business growth by building a better ecosystem and attracting more business opportunities.
- • Promote a digital collaborative work environment and adopt an agile organizational structure: Continuously invest in digital tools and platforms to facilitate more effective collaboration across departments and teams; encourage collaboration across functional teams and adopt agile working methods to increase efficiency and innovation.

(2) Long-term development plans

With satellite communication technology as the core, it has become a leading brand of mobile satellite communication ground equipment and services.A. Marketing plan.

A. Marketing & Product Development Plan

- • Consolidating the RuggON brand's leading position in the field of satellite communications: providing value-added services in the four major markets of agriculture, mass transportation, logistics, and government solutions, and becoming a major provider of mobile satellite solutions in these fields over the next decade.
- • Mobile satellite communications applications as a major revenue source: Grow mobile satellite communications applications as a major revenue contributor over the next decade.
- • Establishment of regional commercial units: Establishment of regional commercial units in key markets to deepen market penetration and customer relationships.
- • Product innovation with satellite communication technology at the core: Continue to develop and optimize mobile rugged applications with satellite communication technology at the core to meet the needs of various vertical markets.
- • Become an industry leader in drone controllers: Through technological innovation and market strategy, we aim to become a leading brand in the field of drone controllers.

B. Production and operation plan

- •Establishment of regional production bases: It is planned to set up production bases in major regions in the next ten years to provide one-stop services from sample production to mass production, while diversifying supply chain risks.

- Supply Chain Optimization and Localization: Continuously shorten and optimize the supply chain, and promote the supply chain localization strategy to improve efficiency and flexibility Integrated application of artificial intelligence: Introduce artificial intelligence technology to improve the efficiency and accuracy of material management, thereby reducing inventory costs.
- Ongoing operation and optimization of the ecosystem: Continuously strengthen relationships with suppliers and partners to create greater synergies.
- Continue to promote digital transformation and optimize agile organizations: improve the efficiency and flexibility of business processes through the application of digital technologies; strengthen your agile organizational structure to respond to market changes and quickly adapt to new challenges.

2. Overview of market, production and sales

(I) Market analysis

1. FICG: N/A

2. FIC

(1) Main regions of product sales and market share

The main products of FIC are independently developed, designed, and manufactured embedded platform related products, including smart automotive entertainment navigator (IVI) of automotive IoV, intelligent full digital LCD dashboard (Digital Cluster), AR head-up display (AR-HUD), advanced driver assistant system (ADAS), automotive intelligent terminal (T-Box), fleet management system (Fleet Management) and automotive laser advertisement system (ADD). Most products are sold overseas and the markets are spread all over China, Europe, South America, South East Asia, the United States, etc.

Through cooperation with Honeywell/Tridium and relying on a complete Niagara platform, FIC has launched complete smart IoT platform related platforms, including intelligent building management system (IBMS), intelligent building comprehensive management system (BIM+IBMS+FMS), solar intelligent energy management system (SIEMS), intelligent energy storage management system (EMS), and enterprise factory energy management system (FEMS), etc., and provided complete smart solutions (AI Solution) to smart city, smart building and enterprise. The company will keep a foothold in Taiwan market first, then expand to the markets in Southeast Asia and Chinese mainland, and finally march towards the European and U.S. markets.

(2) Future market supply and demand

With the gradual recovery of the economy, the products of FIC have entered a new intelligent structure. In addition to the strengthening of the local demand of Taiwan and the deepening of the business development with large international customers, FIC is trying to enlarging the vertical markets of diversified products.

In consideration of the future industry trends, FIC believes that the development of the diversified product market will become a mainstream. Besides, with the improvement of the awareness of environmental protection and energy conservation, relevant green energy control products have become increasingly important. This company provides green energy, rugged and mobile products based on the niches of major international manufacturers, provides complete system solutions, and expand sales revenue and profits.

(3) Business goals

FIC aims to make innovations in design, launch multiple new models of commodities to actively expand markets, and strengthen its R&D power. Also, FIC is dedicated to pursuing product differentiation with a view to enhancing the added value of products; as for business operation, FIC will actively look for strategic alliance partners for the purposes of accumulating the vertical integration capacity and establishing a complete channel from production to sales.

(4) Favorable and unfavorable factors of development prospect and responsive measures

A. Favorable factors

FIC and its affiliates have good enterprise image and credit as well as strong marketing capacity. Therefore, it is easy for the company to win the trust from customers all around the world and benefit the acquisition of orders. FIC has managed to become an Alpha Partner of major foreign manufacturers so that it can master the advantaged market opportunities and realize common marketing with these partners to acquire customers. With the social development trends that involve automotive, smart IoT, energy conservation and carbon emission, the Company will engage in the research and development of new products such as A (Automotive) and A (Automation, IOT/Green Energy) in a more actively way in the hope that its diversified product operation capacity can be expanded and reinforced.

B. Unfavorable factors and responsive measures

The technological change of information products is extremely swift, resulting in smaller product differences and shorter product life cycle. FIC will speed up product development and lower its cost to respond to the market changes.

3. 3CEMS

(1) Main regions of product sales and market share

The products of 3CEMS are mainly sold in Asia, followed by Europe, the United States, and other regions. The products mainly include optical communication and photoelectric conversion modules, automotive MCU, ADAS, automotive digital instruments, ship bridge central controller board, broadcasting transmission system control board, multifunction printer board, air-conditioning variable frequency control board, commercial computer and Mini PC, server host, mainboard, computer graphics card, water-cooled fan.

(2) Future market supply and demand

The market demand for PC products is picking up, and looking forward to 2024, with the release of new platforms from Intel and AMD, ushering in the replacement of end customers, PC products are expected to grow strongly in the second half of 2014, and Gaitner expects total PC shipments to grow by 3.5% annually in 2024. The company's PC product revenue will also increase.

According to TrendForce's latest research, global server shipments are expected to grow by 2.05% annually in 2024, with AI servers accounting for about 12.1%, and the company's server product orders are bound to grow and bring more profits.

The AIoT product market continues to grow, and according to data released by researchand Markets, the global AIoT market size is expected to reach $83.6 billion by 2027, with a compound growth rate of 39.1%. The total global Internet of Things expenditure is expected to be close to 1.2 trillion US dollars in 2017, with a compound growth rate of 16.4%, the Internet of Things industry is still in the growth stage, and there is still a certain distance from the rapid development and industry maturity.

(3) Business goals

3CEMS will carefully maintain existing customers, improve service quality, introduce new products and new customers, and provide the most swiftly responding team and customized services with high gross margin to satisfy customers’ future demands. Also, the company will produce different products, strengthen the training of relevant personnel, include professional automatic equipment into benefit evaluation, embrace the coming of the era of big data, continue to implement data-oriented, systematic cost analysis, and finally better its competitiveness.

4. Ubiqconn Technology

(1) Sales (Provision) of Major Commodities (Services)

The United States is the largest sales area of Ubiqconn Technology's products, followed by Europe, Asia and the Middle East.

(2) The future supply and demand situation and growth of the market

According to the statistics of the industrial production statistics of the Statistics Department of the Ministry of Economic Affairs, the total production of Taiwan's industrial computer supply in 111 years was 5.72 million units, and the total production value was 59.8 billion yuan; On the demand side, the total sales volume was 6.32 million units and the total sales value was 66.5 billion yuan, mainly in the European and American markets. In 112, due to the failure of the Ukrainian-Russian war, the continued geopolitical impact of the US-China technology and trade conflict, and the accompanying global inflation, central banks of various countries continued to tighten monetary policies and raise interest rates in order to control inflation, which slowed down the global economic growth momentum, resulting in an increase in corporate financing costs, and a reduction in capital expenditures by enterprises, so that the downstream terminal market of industrial computers is facing the pressure of slowing demand growth and clearing inventory. As of the third quarter of 112, the sales value of Taiwan's IPC manufacturing industry was 14.6 billion yuan, a decrease of 20.04% from the same period of 111. However, according to the World Economic Outlook released by the International Monetary Fund (IMF) in October 2023, the global inflation rate is expected to decline steadily from 8.7% in 2022 to 6.9% in 2023 and 5.8% in 2024 as the effects of global monetary tightening policy and international commodity prices fall, to accelerate the transformation of various industries around the world, drive the growth of industrial computer market demand, traditional manufacturing industries such as semiconductors, transportation, infrastructure and other industries began to replace the old equipment to increase capital expenditure; At the same time, it has also driven the demand for new application fields such as artificial intelligence Internet of Things (AIoT), smart healthcare, smart finance and other industries to emerge, and with the completion of inventory adjustment in the downstream terminal market, the growth momentum of market demand is expected to improve. Therefore, according to the report of Markets and Markets, the global industrial computer market is expected to grow from US$5 billion in 2023 to US$6.6 billion by 2028.

(3) Market growth

(A) Satellite communication:

The satellite communication industry is developing rapidly and changing, and low-orbit satellite communication technology provides the advantages of low latency, high bandwidth and low cost, which has become an emerging business opportunity in the satellite communication industry. The market size was US$81.26 billion in 2022 and is expected to grow to US$211.34 billion in 2032, at a CAGR of 10.03%, mainly due to the innovation and application expansion of satellite communication technology, especially in the fields of government solutions, telemetry, scientific research and telecommunications.

(B) Maritime:

The digitalization of the maritime industry is driving the rapid growth of this sector, with the global maritime digitalization market valued at US$167.7 billion in 2022 and expected to reach US$367.7 billion in 2031, at a CAGR of 9.3%.

(C) Agriculture:

The precision agriculture market reached $9.8 billion in 2022 and is expected to grow to $34 billion by 2032, growing at a CAGR of 13.3%, driven by hardware such as sensors, drones, satellites, and GPS, as well as the application of data management and analytics software.

(D) Mass Transport & Logistics:

The mass transport and logistics market is driving market growth due to global trade growth and technological innovation. The transportation services market reached $7.31 trillion in 2022 and is expected to grow to $15.94 trillion in 2032, with a compound annual growth rate of 8.11%; the global logistics market was valued at $7.98 trillion in 2022 and is expected to grow to $18.23 trillion by 2030 at a CAGR of 10.7%.

(4) Niche market competition

Since its establishment, the company has established a complete service system from market research to design and production to supply chain management with the strategy of "do not do it with low threshold", and has established a complete service system from market research to design and production to supply chain management, becoming a benchmark for rugged mobile computer suppliers in Taiwan.

(5) Favorable and unfavorable factors and countermeasures for the development prospect

A. Favorable factors:

The company has established a reputation in the rugged mobile computer market, attracting international manufacturers who need difficult services to cooperate opportunities, which is the company's future growth momentum.

B. Adverse factors and countermeasures:

With the increasing demand for services, human resources will be our main challenge in the future, and the declining birthrate and the shortage of professional manpower in Taiwan are the problems we will face. The company established ESG in 2022, and the first important task is how to recruit, retain and nurture talents.

(II) Important usage and production process of main products

1. FICG: General investment industry

2. FIC

Main product	Main usage and functions
Embedded system products	Automotive: Multi-core automotive factory-installed smart entertainment navigator (IVI) Automotive factory-installed intelligent full **LCD** dashboard (Digital Cluster) Intelligent automotive display (IVD) Advanced driver assistant system (ADAS) AR head-up display (AR-HUD) Truck dispatching and patrolling condition fleet management system tablet computer (Smart Fleet) Automotive intelligent terminal (T-Box) Automotive laser advertisement system (ADD) Services: Through the application of 5G infrastructure and PND navigation and positioning function, FIC provides real-time information services, including real-time traffic information, weather data, network connection, broadcasting, delicacy, film, and other added-value services of life intelligence. Also, Location Based Service (LBS) combining GPS positioning technology and mobile information becomes an important link in the navigation application.
IoT/Green energy	1. The AIoT intelligent monitoring platform application software integration system and Niagara Light commodities of lean, low-cost, and high-efficiency control devices developed through cooperation with Honeywell/Tridium are provided for the markets of smart city, smart building, smart home and environmental monitoring in Europe, the United States and the Asia-Pacific Region. 2. A complete smart IoT platform is constructed based on Niagara platform with complete and powerful communication interface integration functions so as to develop relevant products, including: Intelligent building management system (IBMS) Intelligent building comprehensive management system (BIM+IBMS+FMS) Solar intelligent energy management system (SIEMS) Intelligent energy storage system (ESS) Intelligent transportation integration system (ITIS) Enterprise factory energy management system (FEMS) Enterprise AIoT integration system 3. Customized communication interface can better completely integrate data and images and implement real-time monitoring and control.
Automotive tablet computer	1. FIC has developed small-size automotive tablet computers (**5"/7"/10"**) and actively searched customers with application service content to provide them with complete user requirement solutions. 2. FIC has integrated **5G** communication solutions and elevated automotive tablet devices and management devices to communication integrated networking devices to provide good services of people, vehicles and roads to auto factories.

3. 3CEMS

(1) The main products of 3CEMS are used in desktop, MB, all-in-one machine, electronics sports product, IPC, server, optical communication and photoelectric conversion modules, automotive MCU, ADAS, automotive digital instruments, ship bridge central controller board, multifunction printer board, air-conditioning variable frequency control board and mini motor encoder, etc.

(2) Factory 1 and Factory 2 are divided according to different processes: Factory 1 is specialized in system assembly. It provides contract manufacturing of computer host and server through assembly and manufacturing; Factory 2 is specialized in PCBA. It provides contract manufacturing of computer mainboard, server mainboard, computer graphics card, AIoT and other relevant products through SMT manufacturing technology.

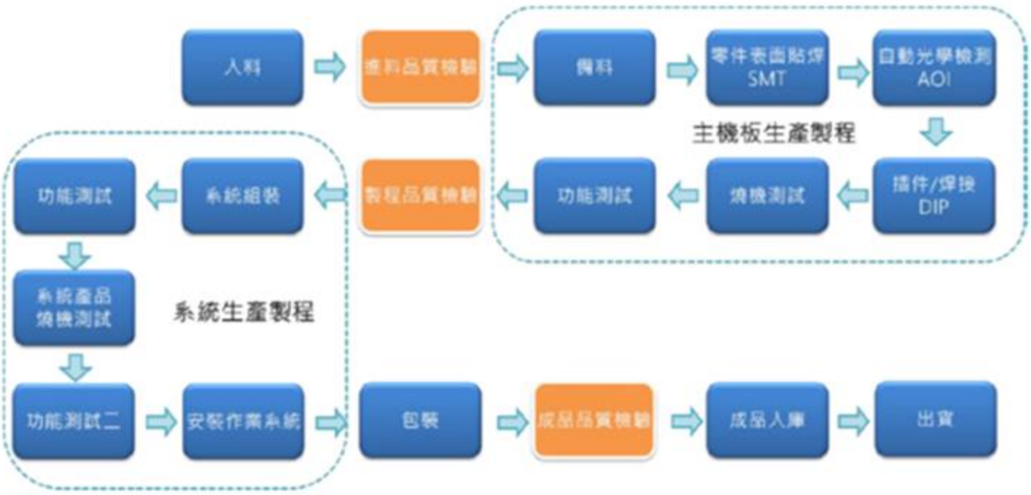
(3) Manufacturing process: Automatic SMT equipment is adopted for production of electronic circuit boards, and relevant materials including metal or plastics are used for assembly. The products are finally packed and shipped based on the requirements for product appearance and quality and through electric functional tests.

4. Ubiqconn Technology

(1) Important usage of main products

Main product	Usage
Rugged mobile multifunctional display	maritime affairs, logistics, wharf, mining, transportation, and agriculture, Government Programs
Rugged tablet computer	Government Programs , Barracks, maritime affairs, logistics, wharf, mining, agriculture, public transportation, and automobile industry
Rugged mobile computer	Maritime, Satellite Transceiver, Government Programs

(2) Production processes of products



(III) Supply of main raw materials

1. FICG: N/A

2. FIC

The main raw materials of the products of FIC come from major foreign and local computer parts manufacturers. The foreign raw materials are mainly supplied from major manufacturers in the United States, the Netherlands and Japan. For example, chip companies like NXP and TI supply computer CPU & CHIPSET; as for optical parts, four major Japanese optical manufacturers have established partnership with FIC for the provision of galvanometers, diffusers and laser diodes. Also, FIC cooperates with local lens suppliers for the provision of various lens, mirrors and light composition assemblies; eligible manufacturers with IATF16949 certification are selected to provide automotive electronic products.

The domestic and foreign suppliers of the raw materials mentioned above are all famous manufacturers in relevant industries, and have established long-term business relationships with FIC. These suppliers feature good supply quality, stable sources and competitive prices. At the same time, the Company also emphasizes on the supply chain relations with these manufacturers in the hope that the interaction between FIC and the suppliers can be closer and quicker, and the supply of raw materials can be always sufficient.

3. 3CEMS

The main raw materials of the products of 3CEMS are mainly supplied by major parts manufacturers. The main suppliers of raw materials in Taiwan and Chinese mainland are as follows: ASUS supplies CPU, DIMM, HDD, IC, PCB, capacitance and resistance, etc.; Casing Macron Technology Co., Ltd. and Chenming Electronic Tech. Corp. supply case; Delta supplies fan; ACT-RX Technology Corporation supplies cooler; Luxshare Precision Industry Co., Ltd. supplies wire rods; Doking supplies KB.

The domestic and foreign suppliers of the above raw materials are all well-known manufacturers in the industry, and have long-term trading relations with the company, with good supply quality, stable sources and competitive prices. At the same time, the company also emphasizes the supply chain relationship with manufacturers, so that the company's interaction with suppliers is closer and faster, and the supply of raw materials is not scarce.

4. Ubiqconn Technology

MAIN INGREDIENT	SUPPLIER NAME	AVAILABILITY
LCM/TP	P-01	GOOD
Electronic parts such as ICs, memory, processors, etc.	P-02	GOOD
PCB（Printed circuit board）/PWB（Printed wire board）	P-03	GOOD

(IV) Information regarding main goods purchasing (selling) in recent two years.

1. Information of main suppliers in in recent two years

Unit: NT$1,000

Item	2022				2023				As of the previous quarter of 2024			
	Name	Amount	Ratio in the net purchasing amount in the previous quarter of current year (%)	Relation with the issuer	Name	Amount	Ratio in the net purchasing amount in the previous quarter of current year (%)	Relation with the issuer	Name	Amount	Ratio in the net purchasing amount in the previous quarter of current year (%)	Relation with the issuer
1	Manufacturer A	1,318,562	16.00	None	Manufacturer A	1,834,052	22.51	None	Manufacturer A	989,696	48.30	None
	Other	6,923,022	84.00	-	Other	6,314,763	77.49	-	Other	1,059,512	31.70	-
	Net purchasing amount	8,241,584	100.00		Net purchasing amount	8,148,815	100.00		Net purchasing amount	2,049,208	100.00	

Note 1: Specify the names of suppliers with purchasing amount above 10% in the total purchasing amount in the recent two years as well as their purchasing amount and ratios. However, it is agreed in relevant contract that the names of suppliers shall not be disclosed, or counterparties who are individuals and not related parties may be indicated using codes.

Note 2: As of the publication date of the annual report, the financial statements of listed companies or companies with stock already traded at the business premises of relevant securities dealer as recently audited, certified, or verified by CPAs shall be disclosed if any.

2. Information of main customers for sales in recent two years

Unit: NT$1,000

Item	2022				2023				As of the previous quarter of 2024			
	Name	Amount	Ratio in net selling amount in current year (%)	Relation with the issuer	Name	Amount	Ratio in net selling amount in current year (%)	Relation with the issuer	Name	Amount	Ratio in net selling amount as of the previous quarter of current year	Relation with the issuer
1	Customer A	3,032,721	24.36	None	Customer A	2,795,591	21.05	None	Customer A	1,063,268	33.28	None
2	Customer B	2,483,369	19.95	None	Customer C	2,369,389	17.84	None	Customer B	459,511	14.38	None
3	Customer C	2,356,471	18.93	None	Customer D	2,072,814	15.60	None	Customer C	238,474	7.46	None
	Other	4,575,874	36.76	None	Other	6,045,602	45.51	None	Other	1,434,115	44.88	None
	Net selling amount	12,448,435	100.00		Net selling amount	13,283,396	100.00		Net selling amount	3,195,368	100.00	

Note 1: Specify the names of suppliers with selling amount above 10% in the total selling amount in the recent two years as well as their purchasing amount and ratios. However, it is agreed in relevant contract that the names of suppliers shall not be disclosed, or counterparties who are individuals and not related parties may be indicated using codes.

Note 2: As of the publication date of the annual report, the financial statements of listed companies or companies with stock already traded at the business premises of relevant securities dealer as recently audited, certified, or verified by CPAs shall be disclosed if any.

(V) Production value in recent two years

Unit:SQFT; Unit: 1,000PCS; NT$1,000

Production value / Year / Main commodity (or department)	2022			2023		
	production capacity	Production output	Production value	production capacity	Production output	Production value
Professional electronics manufacturing services (EMS)	24,705	18,929	6,539,283	25,189	18,099	6,788,666
Industrial personal computer (IPC) parts manufacturing services	238	174	2,396,636	214	158	2,651,323
Total	24,943	19,103	8,935,919	25,403	18,257	9,439,989

Note1: Capacity refers to the quantity that a company can produce under normal operation after weighing the necessary shutdowns, holidays and other factors, using existing production equipment.
Note2: If the production of each product is substitutable, the production capacity may be calculated together and explained with a note.

(VI) Table of sales volume and value in recent two years

Unit: 1,000PCS; NT$1,000

Sales volume and value / Year / Main commodity	2022				2023			
	Domestic sale		Overseas sale		Domestic sale		Overseas sale	
	Volume	Value	Volume	Value	Volume	Value	Volume	Value
Professional electronics manufacturing services (EMS)	8,224	3,193,529	11,576	5,605,280	9,434	3,272,495	9,379	5,967,101
Industrial personal computer (IPC) parts manufacturing services	1	62,316	178	3,110,841	13.919	92,948	323	3,096,242
Other	-	108,018	-	368,451	-	140,157	-	714,453
Total	8,225	3,363,863	11,754	9,084,572	9,448	3,505,600	9,702	9,777,796

3. Information of employees in recent two years and as of the publication date of the annual report

March 31, 2024

Year		2022	2023	As of March 31, 2023 in 2024 (Note)
Number of employees	Management personnel	423	390	422
	Professional personnel	815	973	963
	Administration personnel	394	435	436
	Operators	3,547	3,290	3,664
	Total	5,179	5,088	5,485
Average age		39.83	39.45	39.75
Average service seniority		8.44	5.82	5.52
Education distribution ratio	Doctorate	0.02%	0.04%	0.02%
	Master	1.72%	2.22%	2.15%
	Junior college	15.73%	17.14%	16.34%
	High school	50.63%	49.90%	41.19%
	Below	31.90%	30.70%	40.30%

Note: The information of current year as of the publication date of the annual report shall be filled out.

4. Information of environmental protection expenditure in recent year and as of the publication date of the annual report

1. Pollution facility establishment license or pollution discharge/emission license shall be applied, or pollution prevention and control fees shall be paid, or dedicated unit and personnel responsible for environmental protection shall be allocated according to the provisions of relevant laws and regulations. Instructions to application for receipt of the aforesaid license, payment of the aforesaid fees, or allocation of the aforesaid personnel are shown as follows:

(1) Status of application for receipt of pollution facility establishment license or pollution discharge/emission license:

December 31, 2022

Item	License number	Effective term of license
All pollutants	Receipt of fixed pollutant discharge/emission license Registration number: 9144116708263340R001Y License number:4401162011001031	November 13, 2023- November 12, 2028
Waste gases, wastewater and noise	Environmental Protection and Water Conservancy Bureau of Yantian District License number: 2015800080	October 26, 2015 (indefinite)
Sewage drainage license	Guangzhou Development Area Administrative Approval Bureau License number: S.K.S.P.P.S. (2020) No. 349	November 17, 2020- November 16, 2025

(2) Status of pollution prevention and control fees payable: The environmental protection tax : RMB551,000.

(3) Status of allocation of dedicated unit and personnel responsible for environmental protection:

Item	Name
Environmental protection	Tao Tianhai
Environmental protection	Zhang Kejing

2. Presentation of investment of the Company in the main equipment for prevention and control of environmental pollution, usage of such equipment, and possible benefits:

Date: December 31, 2022; unit: RMB 1,000

Name of equipment	Qty	Date of acquisition	Investment cost	Undiscounted balance	Usage and estimated possible benefits
Industrial waste gas treatment works of 30# and 5# buildings	1	February 20, 2019	1,280	363	Usage: Industrial waste gas treatment Benefit: Reaching the statutory standard
Roof noise reduction works of 5# building	1	July 15, 2021	73	-	Usage: Industrial waste gas treatment Benefit: Reaching the statutory standard
Environmental protection tower of 20# building	1	July 29, 2021	205	43	Usage: Industrial waste gas treatment Benefit: Reaching the statutory standard
Environmental protection tower of 30# building	1	May31, 2022	160	77	Usage: Industrial waste gas treatment Benefit: Reaching the statutory standard
Environmental protection tower of 16# building	1	January 9, 2022	257	117	Usage: Industrial waste gas treatment Benefit: Reaching the statutory standard
Environmental protection tower of 20#,4F building	1	January 9, 2020	229	86	Usage: Industrial waste gas treatment Benefit: Reaching the statutory standard
Waste gas treatment purifying machine	1	December 25, 2020	1,100	550	Usage: Collect and purify VOC. Benefit: Reaching the statutory standard
Activated carbon nitrogen desorption regenerative system equipment ZL-500	1	June 14, 2021	494	288	Usage: It is a kind of activated carbon equipment used for treatment, regeneration and absorption of VOC, and it can save activated carbon for the treatment of solid carbon wastes. Benefit: Reaching the statutory standard
Activated carbon canister AC-450/400 processing output	1	December 14, 2022	33	22	Usage: Exhaust gas treatment Benefit: Reaching the statutory standard

3. Clarification of experience of the Company for the improvement of environmental pollution in recent two years and as of the publication date of the prospectus: **Not involved**.

4. Clarification of total amount of losses caused to the Company due to environmental protection (including compensation) and penalties imposed and disclosure of the Company's future responsive measures (including improving measures) and possible expenditure (including estimated amount of losses, penalties and compensations possibly incurred due to its failure to take solutions. If such amount is impossible to estimate reasonably, the fact of the Company's failure to give a reasonable estimate shall be explained): **Not involved**.

5. Clarification of the influence of current pollution status and its improvement on the Company's earnings, competition position and capital spending as well as estimated major expenditure of environmental protection expenditure: **Not involved**.

5. Information of labor-capital relationship in recent year and as of the publication date of the annual report

(I)Each employee welfare measure and retirement system of the Company have been implemented according to law.

1. Employee welfare measures and implementation status:
   (1) Marriage and funeral subsidies, maternity allowance, employee travel allowance, arts and cultural activities, and health checkup. Also, coupons for three festivals are provided, and irregular company holiday activities are also held.
   (2) The Company and its subsidiaries have purchased labor insurance and universal health insurance and withdrawn and paid labor pensions. Besides, in order to improve employees' safety guarantee, they have also planned employee group insurance and business travel safety insurance.
   (3) Shareholding of employees with capital increase in cash and employee reward system: When handling capital increase in cash, the Company legally retains 10%-15% of the amount involved for employees to subscribe for shares, and employee reward is verified and distributed according to its Articles of Association.
2. Employees' further education and training: In addition to the provision of training for new employees, the Company also irregularly organizes training programs for the development of employees' expertise and management talents so as to improve their professional skills and cultivate talents needed by the Company in the future.
3. Retirement system and implementation status: The Company legally appropriates relevant amount to the special account of pensions for employees who joined the Company prior to July 1, 2005 according to the provisions of "Labor Standards Act" so that it can be used to pay employees' pensions in the future. As for employees included in the new pension system, the Company also legally withdraws 6% of employees' insurance premium to their individuals' special accounts opened at the labor bureau on a monthly basis.

(II) The Company has always attached great importance to labor-capital harmony since its incorporation, and hasn't suffered from any loss resulting from labor-capital dispute so far.

6. Information Security Management:

(1).Information Security Risk Management Framework、Information security policy、specific management plans and resources invested in information security management

1. Information security risk management framework

In 2023, the Company established the "Information Security Management Committee", which is divided into a document team, a risk team and an audit team according to its functions, which is responsible for planning the overall information security management structure and development of the Company, formulating information security policies, objectives and systems, and implementing and auditing information asset risk management and information security systems in accordance with the ISO 27001 framework. In addition, on December 25, 2023, the "Information Security Management Department" was established, which is responsible for the promotion of the company's information security policy, the implementation of the information security mechanism and the enhancement of the company's employees' awareness of salary security, and leads the operation of the "Information Security Management Committee", and reports the results of the promotion and implementation to the top executive of the General Management Office and the chairman of the board.

The Audit Office is the audit unit of the Company's system supervision and concurrently serves as the audit team of the "Information Security Management Committee", which includes the information and communication security management inspection in the annual audit plan every year, and reports the audit results to the Board of Directors on a regular basis (at least once a year) to track the improvement results on a regular basis.

The Information Security Management Committee (CSMC) conducts an annual management review meeting to review the status of past resolutions, analyze and audit the information security risks, ensure the continuous operation and implementation of information security management, and assess opportunities for improvement.

In addition, in order to enhance the security of information and improve operational risks, the Company entrusts the professional audit team of the computer audit department of an accounting firm and an external professional verification organization to conduct regular audits on information security management every year, and report the audit results and put forward relevant improvement suggestions.

Information Security Management Committee

2. Information Security Policy

In accordance with the standards of "Computerized Information System Processing" in Article 9 of the "Guidelines for the Establishment of Internal Control Systems by Public Companies" and the management framework of the ISO 27001 information security management system, we have established a compliant information security policy.

The Company's information security objectives are to ensure the confidentiality, integrity, availability and compliance of the core system management business, and to define and measure quantitative indicators of information security performance according to each level and function to confirm the implementation status of the information security management system and whether the information security objectives are achieved.

(1) Formulate information security management specifications and regularly review relevant regulations, and hold information security education and training to strengthen employees' awareness of information security and their awareness of relevant responsibilities.

(2) Protect information related to the Company's business activities, strengthen data security, and prevent unauthorized access and falsification and other improper use.

(3) To ensure that the Company's important information management system remains stable and available for use in the Services.

(4) Establish information security monitoring automation and strengthen defense and early warning capabilities to reduce information from unauthorized intrusion, malicious destruction or leakage and other attacks.

(5) Implement the standardized operating procedures for daily operation and maintenance, and conduct internal audits and external audits on a regular basis to ensure the effectiveness of the internal control system and related operating procedures.

(6) Comply with the relevant laws of China (such as the Personal Information Protection Act, the Trade Secret Act, and the Law on Intellectual Property Rights) to avoid infringement of the rights and interests of the Company or third parties.

3. Specific management plan

(1) In accordance with the international standard of ISO 27001 information security management, we will formulate guidelines for the architecture, implementation, maintenance and continuous improvement of the company's information security management system.

(2) Identify all information assets, make an inventory of important information assets and assign special personnel to manage them, and regularly conduct risk assessment and deal with risks every year.

(3) Improve network and application system security, introduce endpoint protection mechanism, application system vulnerability scanning and source code scanning, improve backup equipment and management, and introduce two-factor authentication.

(4) Formulate business continuity plans and test drills, and plan in advance the recovery steps in the event of disruption for the Company's key operational processes or activities, so that the Company can resume normal operations in the shortest possible time when the Company's operations are affected by information security incidents.

(5) Establish information security incident management procedures, and set grading standards for information security incidents/accidents, so as to respond quickly and effectively to reduce or eliminate the impact and damage that may be caused by information security incidents.

(6) Regularly hold social engineering phishing email drills to provide all employees with salary security awareness, and conduct information security education and training for successful phishing employees to strengthen advocacy.

(7) Join TWCERT/CC "Taiwan Information Security Alliance" to exchange information security information and share important information security issues through the alliance, so as to achieve the purpose of information security joint defense and enhance the company's information security protection capabilities.

4. Resources invested in information security management

(1) The resources invested by the Company in information security management mainly include the salary expenses of the personnel of the Information Department, and the expenses for the

purchase and maintenance of software and hardware related to information security required by the Company's operation, which have been budgeted and implemented year by year.
(2) Complete the firewall upgrade and optimization project and complete the HA architecture.
(3) Introduce MDR products, monitor abnormal conditions at any time with the professional assistance of information security companies, and deal with them in a timely manner to enhance information security defense capabilities.
(4) Build a log server to integrate and save a large number of collected records.
(5) Conduct social engineering phishing email drills twice a year.
(6) Establish an information security management system and publish information security-related policies and procedures so that all colleagues can follow them; In addition, relevant information will be released in the [Information Security Learning Zone], including information security awareness training briefings and basic courses on personal information law.
(7) Strengthen the information security system through the guidance of professional consulting companies, and hold information asset risk assessment meetings and management review meetings every year (at least once) to ensure that the risks are understood and improved.
(8) In Q4 2023, it passed ISO 27001 certification, which is valid until October 31, 2025, and there are no major deficiencies in relevant information security audits.

(2). In the most recent year and as of the date of printing of the annual report, if the losses, possible impacts and countermeasures suffered due to major information security incidents cannot be reasonably estimated, the facts that cannot be reasonably estimated shall be stated.

In the most recent year and as of the date of printing of the annual newspaper, FIC GLOBAL, INC. has not suffered any losses due to major information security incidents

7. Important contracts as of the publication date of the annual report

V. Financial Status

1. Condensed balance sheet and consolidated income statement in recent five years

(1) Condensed consolidated balance sheet and consolidated income statement

1. Condensed consolidated balance sheet

Unit: NT$1,000

Item \ Year		Financial data in recent five years (Note 1)					As of March 31, 2024 (Note 1)
		2019	2020	2021	2022	2023	
Current assets		4,238,774	5,337,569	6,967,900	7,826,633	9,052,370	9,099,654
Real estate, plant, and equipment		683,284	635,861	603,109	530,6161	618,177	775,584
Intangible assets		865	12,618	35,445	31,616	30,565	28,094
Other assets		1,853,348	1,702,141	1,651,325	1,856,697	2,127,709	2,132,001
Total assets		6,776,271	7,688,189	9,257,779	10,245,681	11,828,821	12,036,333
Current liabilities	Before distribution	1,771,964	2,653,201	3,162,973	3,530,301	3,533,805	3,518,837
	After distribution	1,771,964	2,653,201	3,162,973	(Note)	(Note)	Not Applicable
Noncurrent liabilities		1,496,481	1,371,103	1,571,998	1,366,840	1,046,941	1,010,141
Total liabilities	Before distribution	3,268,445	4,024,304	4,734,971	4,897,141	4,580,746	4,528,978
	After distribution	3,268,445	4,024,304	4,734,971	(Note)	(Note)	Not Applicable
Equity attributable to owners of the parent company		2,031,552	2,122,012	2,745,842	3,231,355	4,253,654	4,390,769
Share capital		1,903,446	1,903,446	2,109,305	2,151,721	2,346,758	2,347,142
Capital reserve		164,869	189,853	393,596	439,563,	1,090,188	1,115,989
Retained earnings	Before distribution	331,088	298,258	533,711	1,019,961	1,244,260	1,293,799
	After distribution	331,088	298,258	533,711	(Note)	(Note)	Not Applicable
Other equity		(367,851)	(269,545)	(290,770)	(379,890)	(427,552)	(366,161)
Treasury stock		-	-	-	-	-	-
Non-controlling equity		1,476,274	1,541,873	1,776,966	2,117,185	2,994,421	3,116,586
Total equity	Before distribution	3,507,826	3,663,885	4,522,808	5,348,540	7,248,075	7,507,355
	After distribution	3,507826	3,663,885	4,522,808	(Note)	(Note)	Not Applicable

Note 1: The financial statements of each year above were already audited and certified by CPAs and the financial statements of the first quarter of 2023 was verified and reviewed by CPAs.

Note 2: It is filled out according to the resolution made by the Board of Directors or the Shareholders' Meeting in the next year. The regular Shareholders' Meeting of 2023 hasn't been convened yet.

Note 3: As the amendments to IAS 12 apply in early 2023, all deductible and taxable temporary differences relating to right-of-use assets and lease liabilities in 2023 need to be retroactively adjusted to recognize deferred tax assets and liabilities.

2. Condensed consolidated income statement

Unit: NT$1,000

Item \ Year	Financial data in recent five years (Note 1)					As of March 31, 2024 (Note 1)
	2019	2020	2021	2022	2023	
Operating income	7,116,028	7,404,268	10,039,991	12,448,435	13,283,396	3,195,368
Gross operating profit	1,146,089	935,325	1,214,576	1,666,535	2,055,520	454,667
Operating profit and loss	65,438	(58,784)	160,443	424,861	653,876	93,163
Non-operating revenue and expenditure	113,141	77,743	238,359	339,631	126,993	73,715
Net profit (loss) before tax	178,579	18,959	398,802	764,492	780,869	166,878
Net profit (loss) of continuing operation units for the current period	178,579	18,959	398,802	723,053	626,727	129,466
Loss of closed units	-	-	-	-	—	-
Net profit (loss) for the current period	102,695	(12,689)	407,920	723,053	626,727	129,466
Other comprehensive profit and loss (net amount after tax) for the current period	(173,308)	125,764	(21,326)	(29,239)	(97,840)	97,281
Total comprehensive profit (loss) for the current period	(70,613)	113,075	386,594	693,814	528,887	226,747
Net profit (loss) attributable to owners of parent company	42,458	(39,547)	251,978	476,470	332,140	49,539
Net profit (loss) attributable to non-controlling equity	60,237	26,858	155,942	246,583	294,587	79,927
Total comprehensive profit (loss) attributable to owners of the parent company	(73,429)	36,358	233,947	473,985	284,429	110,930
Total comprehensive profit (loss) attributable to non-controlling equity	2,816	76,717	152,647	219,829	244,458	115,817
Earnings (losses) per share)	0.22	(0.21)	1.32	2.23	1.49	0.21

Source: Certified financial report of the visa.

Note: The financial statements for the first quarter of 2024 were reviewed by accountants.

3. Condensed individual balance sheet

Unit: NT$1,000

Item \ Year		Financial data in recent five years (Note 1)				
		2019	2020	2021	2022	2023
Current assets		10,977	157,148	470,543	240,332	904,579
Real estate, plant, and equipment		0	0	0	24	18
Intangible assets		0	0	0	1,944	1,278
Other assets		2,288,570	2,324,485	2,770,757	3,356,897	3,994,471
Total assets		2,299,547	2,481,633	3,241,300	3,599,197	4,900,346
Current liabilities	Before distribution	173,494	308,621	158,724	367,842	76,081
	After distribution	173,494	308,621	158,734	475,634	(Note)
Noncurrent liabilities		94,501	51,000	336,734	0	570,611
Total liabilities	Before distribution	267,995	359,621	495,458	367,842	646,692
	After distribution	267,955	359,621	495,458	475,634	(Note)
Equity attributable to owners of the parent company		0	0	0	0	0
Share capital		1,903,446	1,903,446	2,109,305	2,151,721	2,346,758
Capital reserve		164,869	189,853	393,596	439,563	1,090,188
Retained earnings	Before distribution	331,088	298,258	533,711	1,019,961	1,244,260
	After distribution	331,088	298,258	533,711	912,169	(Note)
Other equity		(367,851)	(269,545)	(290,770)	(379,890)	(427,522)
Treasury stock		0	0	0	0	0
Non-controlling equity		0	0	0	0	0
Total equity	Before distribution	2,031,552	2,122,012	2,745,842	3,231,355	4,253,654
	After distribution	2,031,552	2,122,012	2,745,842	3,123,563	(Note)

Note 1: The financial statements of each year above were already audited and certified by CPAs.

Note 2: It is filled out according to the resolution made by the Board of Directors or the Shareholders' Meeting in the next year. The regular Shareholders' Meeting of 2022 hasn't been convened yet.

4. Condensed individual income statement

Unit: NT$1,000

Year / Item	Financial data in recent five years (Note 1)				
	2019	2020	2021	2022	2023
Operating income	58,487	(27,117)	266,759	503,080	363,195
Gross operating profit	58,487	(27,117)	266,759	503,080	363,195
Net operating profit (loss)	45,073	(36,779)	251,046	483,734	345,246
Non-operating revenue and expenditure	(2,615)	(2,768)	928	2,265	(1,071)
Net profit (loss) before tax	42,458	(39,547)	251,974	485,999	344,175
Net profit (loss) of continuing operation units for the current period	42,458	(39,547)	251,978	476,470	332,140
Loss of closed units	0	0	0	0	0
Net profit (loss) for the current period	42,458	(39,547)	251,978	476,470	331,140
Other comprehensive profit and loss (net amount after tax) for the current period	(115,887)	75,905	(18,031)	(2,485)	(47,711)
Total comprehensive profit (loss) for the current period	(73,429)	36,358	233,947	473,985	284,429
Earnings (losses) per share	0.22	(0.21)	1.32	2.23	1.49

Note 1: The financial statements of each year above were already audited and certified by CPAs.

(2) CPAs in recent five years and their audit opinions

Year	Name of accounting firm	Name of CPA	Audit opinion
2023	PRICEWATERHOUSECOOPERS TAIWAN	LIN, PO-CHUAN, CHANG, SHU-CHIUNG	Unqualified opinion (emphasis of matter or other matter)
2022	PRICEWATERHOUSECOOPERS TAIWAN	CHANG, SHU-CHIUNG, LIN, PO-CHUAN	Unqualified opinion (emphasis of matter or other matter)
2021	PRICEWATERHOUSECOOPERS TAIWAN	CHANG, SHU-CHIUNG, LIN, CHUN-YAO	Unqualified opinion (emphasis of matter or other matter)
2020	PRICEWATERHOUSECOOPERS TAIWAN	CHANG, SHU-CHIUNG, LIN, CHUN-YAO	Unqualified opinion (emphasis of matter or other matter)
2019	Deloitte & Touche, Taiwan	HSU, WEN-YA, CHENG, TE-CHEN	Unqualified opinion (emphasis of matter or other matter)

2. Financial analysis in recent five years

(1) Consolidated financial analysis-IFRS

Unit: NT$1,000

Analysis item		Financial analysis in recent years (Note 1) 2019	2020	2021	2022	2023	As of March 31, 2024 (Note 1)
Financial structure	Debt ratio	48.23	52.34	51.15	47.42	38.73	37.63
	Ratio of long-term capital to property, plant and equipment	732.39	791.84	1,010.56	1,251.62	1,341.85	1,096.79
Debt paying ability	Current ratio	239.21	201.17	220.30	221.70	256.16	258.60
	Quick ratio	155.35	132.88	123.68	126.94	169.71	169.33
	Times interest earned ratio	595.00	141.00	1,187.00	2,210.00	1,943.00	2,169.00
Operating capacity	Accounts receivable turnover rate (times)	4.83	4.32	4.34	4.48	4.47	4.52
	Average days for cash receipts	75	84	84	82	82	81
	Inventory turnover rate (times)	3.79	3.73	3.42	3.16	3.18	3.16
	Payables turnover rate (times)	6.21	5.56	4.65	5.40	5.90	1.36
	Average days for sale of goods	96	98	107	116	115	116
	Turnover rate for property, plant and equipment (times)	9.48	11.23	16.21	21.96	23.12	18.32
	Total asset turnover rate (times)	1.05	1.02	1.18	1.28	1.20	0.27
Profitability	Return on assets (%)	1.93	0.33	5.16	7.74	5.99	4.56
	Return on equity (%)	2.9	(0.35)	9.97	14.65	9.95	7.00
	Ratio of income before tax to paid-in capital (%)	9.38	1.00	18.91	35.53	33.27	28.44
	Net profit margin (%)	1.44	(0.17)	4.06	5.81	4.72	4.05
	Basic earnings per share (NT$)	0.22	(0.21)	1.32	2.23	1.49	0.21
Cash flows	Cash flow ratio (%)	24.4	10.14	(Note 2)	13.00	42.71	12.17
	Cash flow adequacy ratio (%)	53.39	57.39	33.87	20.55	75.82	73
	Cash reinvestment ratio (%)	7.13	4.24	(Note 2)	5.43	14.52	3.06
Leverage	Operating leverage	5.53	(Note 3)	3.63	2.25	1.77	2.34
	Financial leverage	2.23	(Note 3)	1.30	1.09	1.07	1.09

Reasons for change of each financial ratio in recent two years: (Those whose changes do not reach more than 20% are exempt from analysis.)

1. Ratio of long-term capital to property, plant and equipment: Cash and approximate cash and net accounts receivable at the end of 2022 increased compared to FY110, respectively, due to an increase in total assets due to the increase in the Company's stocking level in response to a significant increase in operating income.
2. Times interest earned ratio: This was mainly due to the increase in net profit before interest expense in 2022.
3. Turnover rate for property, plant and equipment (times): This was mainly due to a significant increase in operating income and no significant capital expenditures.
4. Return on assets: Significant growth in operating income, increased operating profit due to proper cost control, and increased after-tax profit due to foreign currency exchange benefits due to the depreciation of the New Taiwan dollar against the US dollar in 2022.
5. Return on equity: Significant growth in operating income, increased operating profit due to proper cost control, and increased after-tax profit due to foreign currency exchange benefits due to the depreciation of the New Taiwan dollar against the US dollar in 2022.
6. Ratio of income before tax to paid-in capital: The increase in overall operating income in 2022 was due to the increase in operating gross profit and operating profit.
7. Net profit margin: The increase in overall operating income in 2022 was due to the increase in operating gross profit and operating profit.
8. Earnings per share: The increase in overall operating income in 2022 was due to the increase in operating gross profit and operating profit.

9. Cash flow adequacy ratio: The increase in net profit for the period was due to an increase in net cash inflow from operating activities in 2022.

10. Cash reinvestment ratio: increased net cash inflow from operating activities in 2022 due to an increase in net profit for the current period.

11. Operating leverage: The increase in overall operating income in 2022 was caused by an increase in operating gross profit and operating profit.

Note 1: The financial statements of each year above were already audited and certified by CPAs and the financial statements was verified and reviewed by CPAs.

Note 2: The net cash flows from operating activities were negative and thus not calculated.

Note 3: The operating income was negative and thus not calculated.

Note 4: As the amendments to IAS 12 apply in early 2023, all deductible and taxable temporary differences relating to right-of-use assets and leasehold liabilities in 2022 need to be retroactively adjusted to recognize deferred tax assets and liabilities.

(2) Individual financial analysis-IFRS

Unit: NT$1,000

Analysis item / Year		Financial analysis in recent years (Note 1)				
		2019	2020	2021	2022	2023
Financial structure	Debt ratio	11.65	14.49	15.29	10.22	13.2
	Ratio of long-term capital to property, plant and equipment	0	0	0	Note 2	Note 2
Debt paying ability	Current ratio	6.33	50.92	296.45	65.34	1,188.97
	Quick ratio	6.33	50.92	296.45	65.34	1,188.97
	Times interest earned ratio	1,697.37	(1,236.95)	4,106.58	10,721	2,984
Operating capacity	Accounts receivable turnover rate (times)	123.78	(54.34)	510.54	967.46	705.23
	Average days for cash receipts	2.95	(6.72)	0.71	0.38	0.52
	Inventory turnover rate (times)	Note 2	Note 2	Note 2	Note 2	Note 2
	Payables turnover rate (times)	Note 2	Note 2	Note 2	Note 2	Note 2
	Average days for sale of goods	Note 2	Note 2	Note 2	Note 2	Note 2
	Turnover rate for property, plant and equipment (times)	Note 2	Note 2	Note 2	Note 2	Note 2
	Total asset turnover rate (times)	Note 2	Note 2	Note 2	Note 2	Note 2
Profitability	Return on assets (%)	1.90	(1.56)	8.98	14.04	8.04
	Return on equity (%)	2.04	(1.90)	10.35	15.94	8.87
	Ratio of income before tax to paid-in capital (%)	2.23	(2.08)	11.95	22.59	14.67
	Net profit margin (%)	73	146	94	95	91
	Earnings per share (NT$)	0.22	(0.21)	1.32	2.23	1.49
Cash flows	Cash flow ratio (%)	1.47	1.16	7.26	2.37	19.45
	Cash flow adequacy ratio (%)	0	0	0	0	38.20
	Cash reinvestment ratio (%)	0	0	0.37	0.27	(1.93)
Leverage	Operating leverage	Note 2	Note 2	Note 2	Note 2	Note 2
	Financial leverage	1.06	Note 3	1.03	1.01	1.04

Reasons for change of each financial ratio in recent two years: (Those whose changes do not reach more than 20% are exempt from analysis.)

1. Current ratio: This was mainly due to a decrease in short-term borrowings in 2023.
2. Quick ratio: This was mainly due to a decrease in short-term borrowings in 2023.
3. Times interest earned ratio: This was mainly due to a decrease in short-term borrowings in 2023.
4. Accounts receivable turnover rate: This was mainly due to the increase in net profit before interest expense in 2023..
5. Average days for cash receipts: This is mainly due to the increase in the profit of the reinvested company in 2023.
6. Return on assets: This is mainly due to the increase in the profit of the reinvested company in 2023.
7. Return on equity: This was mainly due to the increase in net profit for the current period in 2023.
8. Ratio of income before tax to paid-in capital: This was mainly due to the increase in net profit for the current period in 2023.
9. Net profit margin: This was mainly due to the increase in net profit for the current period in 2023.
10. Earnings per share: This is mainly due to the increase in the profit of the reinvested company in 2023.
11. Cash flow ratio: This was mainly due to the increase in current liabilities in 2023.
12. Cash to investment ratio: mainly due to the increase in current liabilities in 2023.

Note 1: The financial statements of each year above were already audited and certified by CPAs

Note 2: The Company is an investment holding company specialized in investments, and therefore this ratio is not applicable.

Note 3: The operating income was negative and thus not calculated.

*If the Company has prepared an individual financial report, it shall prepare its analysis of individual financial ratios.

*If the period of financial data prepared using IFRS is less than 5 years, the financial data in Table (2) below shall be prepared according to the enterprise accounting standards of Taiwan.

Note 1: The year in which the financial data is not audited and certified by CPAs shall be specified.

Note 2: As of the publication date of the annual report, the financial statements of listed companies or companies with stock already traded at the business premises of relevant securities dealer as recently audited, certified, or verified by CPAs shall be analyzed if any.

Note 3: The following calculation formula shall be presented at the end of this table in the annual report.

1. Financial structure
   (1) Debt ratio = Total liabilities/Total assets
   (2) Ratio of long-term capital to property, plant and equipment = (Total equity + Noncurrent liabilities)/Net amount of property, plant and equipment
2. Debt paying ability
   (1) Current ratio = Current assets/Current liabilities
   (2) Quick ratio = (Current assets - Inventories - Prepayments)/Current liabilities
   (3) Times interest earned ratio = Net income before income tax and interest cost/Interest expenditure for the current period
3. Operating capacity
   (1) Accounts receivable turnover rate (including accounts receivable and notes receivable from operation) = Net amount of sale/Balance of average receivables in each period (including accounts receivable and notes receivable from operation)
   (2) Average days for cash receipts = 365/Turnover rate of receivables
   (3) Inventory turnover rate = Cost of selling/Average inventory amount
   (4) Payables turnover rate (including accounts payable and notes payable from operation) = Cost of selling/Balance of average payables in each period (including accounts payable and notes payable from operation)
   (5) Average days for sale of goods = 365/Inventory turnover rate
   (6) Turnover rate for property, plant and equipment = Net amount of sale/Average net amount of property, plant and equipment
   (7) Total asset turnover rate = Net amount of sale/Average total assets
4. Profitability
   (1) Return on assets = (Profit and loss after tax + Interest cost × (1 - Tax rate)/Average total assets
   (2) Return on equity = Profit and loss after tax/Average total equity
   (3) Net profit margin = Profit and loss after tax/Net amount of sale
   (4) Earnings per share = (Profit or loss attributable to the owners of the parent company = Special dividends/Weighted average shares already issued (Note 4)
5. Cash flows
   (1) Cash flow ratio = Net cash flows from operating activities/Current liabilities
   (2) Cash flow adequacy ratio = Net cash flows from operating activities in recent five years/(Capital expenditure + Increase in inventory + Cash dividends) in recent five years
   (3) Cash reinvestment ratio = (Net cash flows from operating activities - Cash dividends)/(Gross amount of property, plant and equipment + Long-term investments + Other noncurrent assets + Operating capital) (Note 5)
6. Leverage:
   (1) Operating leverage = (Net amount of operating income - Change in operating cost and expenses)/Operating income
   (2) Financial leverage = Operating income/(Operating interest - Interest cost)

Note 4: As for the preceding calculation formula of earnings per share, special attention shall be paid to the following matters upon measurement:

1. The weighted average number of ordinary shares shall be adopted as the basis instead of the number of shares already issued at the end of year.
2. If capital increase in cash or transaction of treasury stock is involved, the weighted average number of shares shall be calculated during its circulation.
3. If earnings or capital reserve are transferred to increase capital, retroactive adjustment shall be carried out per ratio of capital increase during the calculation of earnings per share of previous years and half a year. It is not required to consider the issuance period of this capital increase.
4. If the special share is inconvertible cumulative special share, the dividends in current year (granted or not) shall be the net profit after tax after deduction or increase of net loss after tax. If the special share has a non-cumulative nature, the dividends of special share shall be deducted from the net profit after tax if any; no adjustment is needed in case of loss.

Note 5: Special attention shall be paid to the following matters upon measurement during analysis of cash use:

1. Net cash flows from operating activities refer to the net cash inflows from operating activities as indicated in the cash flow statement.
2. Capital expenditure refers to cash outflows of annual capital investments.
3. Increased amount of inventories is included only when the ending balance is greater than the beginning balance. If the inventories are decreased at the end of year, it will be calculated as zero.
4. Cash dividends include cash dividends from ordinary and special shares.
5. The gross amount of property, plant and equipment refers to the total amount of property, plant and equipment before deduction of accumulated depreciation.

Note 6: The issuer shall classify each operating cost and operating expense to fixed and variable based on their nature. If estimation or subjective judgment is involved, its reasonableness and consistency shall be noticed.

Note 7: If the corporate stock has no face value or the face value per share is not NT$10, the preceding paid-in capital ratio calculated shall be calculated as the ratio of equity attributable to owners of parent company in the balance sheet.

Audit Committee's Auditor Report

The Board of Directors has already submitted the Company's business report, financial statements (including consolidated financial statements) and proposal for profit distribution in the year of 2023. The financial statements (including consolidated financial statements) have already been audited and certified by CPAs LIN, PO-CHUAN and CHANG, SHU-CHIUNG from PRICEWATERHOUSECOOPERS TAIWAN and relevant audit report has been issued. The aforesaid business report, financial statements (including consolidated financial statements) and proposal for profit distribution have already been audited by the Audit Committee which concludes that no inconsistency has existed and reports as above in accordance with the provisions of Article 14-4 of the Securities and Exchange Act and Article 219 of the Company Act. Please check and verify.

FIC Global, Inc.
Convener of the Audit Committee:

KAO, TIEN-CHING

March 28, 2024

FIC GLOBAL, INC.

Declaration of Consolidated Financial Statements of Affiliated Enterprises

For the year ended December 31, 2023, pursuant to the "Criteria Governing Preparation of Affiliation Reports, Consolidated Business Reports and Consolidated Financial Statements of Affiliated Enterprises," the company that is required to be included in the consolidated financial statements of affiliates, is the same as the company required to be included in the consolidated financial statements of parent and subsidiary companies under International Financial Reporting Standard 10. Also, if relevant information that should be disclosed in the consolidated financial statements of affiliates has all been disclosed in the consolidated financial statements of parent and subsidiary companies, it shall not be required to prepare separate consolidated financial statements of affiliates.

Hereby declare,
FIC Global, Inc.
Chien Ming-Chih, Chairman
March 28, 2024

INDEPENDENT AUDITORS' REPORT TRANSLATED FROM CHINESE

To the Board of Directors and Shareholders of FIC Global, Inc.

Opinion

We have audited the accompanying consolidated balance sheets of FIC Global, Inc. and subsidiaries (the "Group") as at December 31, 2023 and 2022, and the related consolidated statements of comprehensive income, of changes in equity and of cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of material accounting policies.

In our opinion, based on our audits and the reports of other auditors (refer to the Other matter section), the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at December 31, 2023 and 2022, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations that came into effect as endorsed by the Financial Supervisory Commission.

Basis for opinion

We conducted our audits in accordance with the Regulations Governing Financial Statement Audit and Attestation Engagements of Certified Public Accountants and Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the consolidated financial statements section of our report. We are independent of the Group in accordance with the Norm of Professional Ethics for Certified Public Accountant of the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. Based on our audits and the reports of the other independent auditors, we believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

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

Key audit matters for the consolidated financial statements for the year ended December 31, 2023 are stated as follows:

Existence of sales revenue

Description

Refer to Note 4(34) for accounting policies on revenue recognition, and Note 6(23) for the details of operating revenue.

The Group is primarily engaged in the research and development, production and sales of automotive electronics, surveillance products and industrial computers, electronic contract manufacturing of computers and server products. Since product orders are affected by project cycles, the Group will have to focus on accepting orders of new projects, which has a significant impact on the consolidated operating revenue. Thus, the existence of sales revenue has been identified as one of the key audit matters.

How our audit addressed the matter

We performed the following audit procedures in respect of the above key audit matter:

1. Obtained an understanding of, and assessed the Group's internal controls over sales transactions.

2. Selected samples of sales transactions from sales customers and verified against related vouchers to ascertain existence of sales revenue.

Evaluation of inventories

Description

Refer to Note 4(14) for the accounting policies on the evaluation of inventories. Note 5(2) for the uncertainty of accounting estimates and assumptions for evaluation of inventories, and Note 6(6) for the details of inventory.

Due to the rapid technological innovations and competition within the industry, frequent releases of new products result in potential price fluctuations and product marginalization in the market. Additionally, it also affects the estimation of net realizable values of inventories. In response to changing markets and its development strategies, the Group adjusts its inventory levels. As a result, the related inventory levels for the product line as mentioned above are significant. Inventories are stated at the lower of cost and net realizable value. Since the evaluation of inventories is subject to management's judgement and the accounting estimations will have significant influence on the inventory values, the evaluation of inventories has been identified as one of the key audit matters.

How our audit addressed the matter

We performed the following audit procedures on the above key audit matter:

1. Assessed the policy on allowance for inventory valuation loss based on our understanding of the operations and industry of the Group.

2. Inspected the management's individually identified out-of-date inventory list and checked the related supporting documents.

3. Tested the basis of market value used in calculating the net realizable values of inventory and validated the accuracy of net realizable value calculation of selected samples.

Other matter - Reference to the audits of other auditors

We did not audit the financial statements of certain consolidated subsidiaries and investments accounted for under the equity method, which statements reflect total assets of $145,604 thousand and $103,155 thousand, both constituting 1% of consolidated total assets as of December 31, 2023 and 2022, respectively, total operating revenues of $0, constituting 0% of consolidated total operating revenues for both years then ended, the balance of investments accounted for under the equity method amounted of $381,956 thousand and $114,008 thousand, constituting 3% and 1% of consolidated total assets as at December 31, 2023 and 2022, respectively, and the share of profit and other comprehensive income of associates and joint ventures accounted for under the equity method of ($4,938) thousand and $14,629 thousand, constituting (1%) and 2% of consolidated total comprehensive income for the years then ended, respectively. The financial statements of these investee companies were audited by other independent auditors whose reports thereon have been furnished to us and our opinion expressed herein, insofar as it relates to the amounts included in the consolidated financial statements and information disclosed relative to these consolidated subsidiaries and investments accounted for under the equity method, is based solely on the reports of other independent auditors.

Other matter – Parent company only financial reports

We have audited and expressed an unmodified opinion with an Other matter section on the parent company only financial statements of FIC Global, Inc. as of and for the years ended December 31, 2023 and 2022.

Responsibilities of management and those charged with governance for the consolidated statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Regulations Governing the Preparation of

Financial Reports by Securities Issuers and the International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations that came into effect as endorsed by the Financial Supervisory Commission, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Auditors' responsibilities for the audit of the consolidated financial statements

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

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

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

2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

6. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period 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.

LIN, PO-CHUAN	Chang, Shu-Chiung

For and on Behalf of PricewaterhouseCoopers, Taiwan

March 28, 2024

The accompanying consolidated financial statements are not intended to present the financial position and results of operations and cash flows in accordance with accounting principles generally accepted in countries and jurisdictions other than the Republic of China. The standards, procedures and practices in the Republic of China governing the audit of such financial statements may differ from those generally accepted in countries and jurisdictions other than the Republic of China. Accordingly, the accompanying consolidated financial statements and independent auditors' report are not intended for use by those who are not informed about the accounting principles or auditing standards generally accepted in the Republic of China, and their applications in practice.

FIC GLOBAL, INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 2023, DECEMBER 31, 2022 AND JANUARY 01, 2022
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

	Assets	Notes	December 31, 2023 AMOUNT	%	(adjusted) December 31, 2022 AMOUNT	%	(adjusted) January 1, 2022 AMOUNT	%
	Current assets							
1100	Cash and cash equivalents	6(1)	$ 2,782,947	24	$ 1,347,873	13	$ 1,153,318	13
1110	Financial assets at fair value through profit or loss - current	6(2)	92,785	1	4,493	-	20,931	-
1136	Current financial assets at amortised cost	6(3) and 8	101,265	1	106,510	1	98,869	1
1140	Current contract assets	6(23)	5,487	-	6,879	-	7,162	-
1150	Notes receivable, net	6(4) and 8	72,676	1	89,587	1	82,342	1
1170	Accounts receivable, net	6(4)	2,781,225	23	2,804,466	27	2,427,041	26
1180	Accounts receivable - related parties	7	35,234	-	12,782	-	25,029	-
1199	Finance lease receivable due from related parties, net	6(11) and 7	14,063	-	15,278	-	13,936	-
1200	Other receivables	6(5)	80,771	1	65,420	1	53,300	1
1210	Other receivables due from related parties	7	8,114	-	3,987	-	21,844	-
1220	Current tax assets		20,651	-	1,765	-	5,614	-
130X	Inventories	6(6)	2,994,368	25	3,250,615	32	2,951,637	32
1410	Prepayments		60,941	1	94,522	1	104,274	1
1460	Non-current assets or disposal groups classified as held for sale, net	6(13)	-	-	20,336	-	-	-
1479	Other current assets, others		1,843	-	2,120	-	2,603	-
11XX	**Total current assets**		9,052,370	77	7,826,633	76	6,967,900	75
	Non-current assets							
1517	Non-current financial assets at fair value through other comprehensive income	6(7)	38,090	-	21,251	-	19,372	-
1550	Investments accounted for under equity method	6(8)	430,070	4	200,577	2	181,186	2
1600	Property, plant and equipment	6(9), 7 and 8	618,177	5	530,735	5	603,109	6
1755	Right-of-use assets	6(10) and 8	505,516	4	412,379	4	372,799	4
1760	Investment property, net	6(12) and 8	891,810	8	936,675	9	950,874	10
1780	Intangible assets		30,565	-	31,616	-	35,445	-
1840	Deferred income tax assets	6(29)	158,001	1	156,922	2	77,208	1
1920	Guarantee deposits paid	8	68,730	1	82,754	1	48,527	1
194K	Long-term finance lease receivable due from related parties, net	6(11) and 7	27,796	-	39,821	1	56,316	1
1990	Other non-current assets		7,696	-	6,318	-	2,556	-
15XX	**Total non-current assets**		2,776,451	23	2,419,048	24	2,347,392	25
1XXX	**Total assets**		$ 11,828,821	100	$ 10,245,681	100	$ 9,315,292	100

(Continued)

FIC GLOBAL, INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 2023, DECEMBER 31, 2022 AND JANUARY 01, 2022
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

			December 31, 2023		(adjusted) December 31, 2022		(adjusted) January 1, 2022	
	Liabilities and Equity	Notes	AMOUNT	%	AMOUNT	%	AMOUNT	%
	Current liabilities							
2100	Short-term borrowings	6(14)	$ 35,233	-	$ 189,891	2	$ 99,383	1
2120	Current financial liabilities at fair value through profit or loss	6(2)	5,039	-	-	-	-	-
2130	Current contract liabilities	6(23) and 7	284,726	2	255,945	3	187,433	2
2150	Notes payable		307	-	307	-	2,002	-
2170	Accounts payable		1,969,577	17	1,816,000	18	2,156,884	23
2180	Accounts payable - related parties	7	8,518	-	12,219	-	3,263	-
2200	Other payables	6(4)(15)	556,588	5	557,891	6	501,972	6
2220	Other payables - related parties	7	345,238	3	130,709	1	4,799	-
2230	Current income tax liabilities		81,836	1	82,959	1	17,032	-
2250	Current provisions		8,013	-	3,589	-	5,909	-
2280	Current lease liabilities	6(10)	193,540	2	229,192	2	171,344	2
2310	Advance receipts		1,732	-	4,068	-	7,526	-
2320	Long-term liabilities, current portion	6(16)(17)	33,884	-	242,418	2	-	-
2399	Other current liabilities		9,574	-	5,113	-	5,426	-
21XX	**Total current liabilities**		3,533,805	30	3,530,301	35	3,162,973	34
	Non-current liabilities							
2530	Bonds payable	6(16)	570,611	5	-	-	285,734	3
2540	Long-term borrowings	6(17)	-	-	38,511	-	-	-
2550	Non-current provisions		2,381	-	2,113	-	2,328	-
2570	Deferred tax liabilities	6(29)	85,285	1	92,841	1	71,773	1
2580	Non-current lease liabilities	6(10)	349,334	3	231,461	2	256,986	3
2620	Long-term notes and accounts payable to related parties	7	-	-	965,741	10	961,800	10
2640	Net detined benefit liabilities	6(18)	97	-	448	-	13,582	-
2670	Other non-current liabilities		39,233	-	35,725	-	37,308	-
25XX	**Total non-current liabilities**		1,046,941	9	1,366,840	13	1,629,511	17
2XXX	**Total liabilities**		4,580,746	39	4,897,141	48	4,792,484	51
	Equity							
	Equity attributable to owners of parent							
	Share capital	6(20)						
3110	Common stock		2,346,758	20	2,151,721	21	2,109,305	23
	Capital surplus	6(21)						
3200	Capital surplus		1,090,188	10	439,563	4	393,596	4
	Retained earnings	6(22)						
3310	Legal reserve		100,986	1	52,361	-	28,827	-
3320	Special reserve		379,890	3	290,770	3	269,545	3
3350	Unappropriated retained earnings		763,384	6	676,830	7	235,339	3
	Other equity interest							
3400	Other equity interest		(427,552)	(4)	(379,890)	(4)	(290,770)	(3)
31XX	**Total Equity attributable to owners of the parent**		4,253,654	36	3,231,355	31	2,745,842	30
36XX	**Non-controlling interests**	4(3)	2,994,421	25	2,117,185	21	1,776,966	19
3XXX	**Total equity**		7,248,075	61	5,348,540	52	4,522,808	49
	Significant Events after the Balance Sheet Date	11						
3X2X	**Total liabilities and equity**		$ 11,828,821	100	$ 10,245,681	100	$ 9,315,292	100

The accompanying notes are an integral part of these consolidated financial statements.

FIC GLOBAL, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
YEARS ENDED DECEMBER 31, 2023 AND 2022
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

			Year ended December 31			
			2023		2022 (adjusted)	
	Items	Notes	AMOUNT	%	AMOUNT	%
4000	Operating revenue	6(23) and 7	$ 13,283,396	100	$ 12,448,435	100
5000	Operating costs	6(6)(28) and 7	(11,227,876)	(84)	(10,781,900)	(87)
5900	Gross profit		2,055,520	16	1,666,535	13
	Operating expenses	6(28) and 7				
6100	Sales and marketing expenses		(516,922)	(4)	(357,033)	(3)
6200	General and administrative expenses		(553,753)	(4)	(525,462)	(4)
6300	Research and development expenses		(344,949)	(3)	(320,813)	(3)
6450	Expected credit gain (loss)		13,980	-	(38,366)	-
6000	Total operating expenses		(1,401,644)	(11)	(1,241,674)	(10)
6900	Operating profit		653,876	5	424,861	3
	Non-operating income and expenses					
7100	Interest income	6(24)	45,957	-	14,351	-
7010	Other income	6(25) and 7	50,185	-	82,531	1
7020	Other gains and losses	6(26)	75,797	1	244,962	2
7050	Finance costs	6(27) and 7	(42,358)	-	(36,228)	-
7055	Expected credit gain		-	-	14,688	-
7060	Share of (loss) profit of associates and joint ventures accounted for using equity method	6(8)	(2,588)	-	19,327	-
7000	Total non-operating income and expenses		126,993	1	339,631	3
7900	**Profit before income tax**		780,869	6	764,492	6
7950	Income tax expense	6(29)	(154,142)	(1)	(41,439)	-
8200	**Profit for the year**		$ 626,727	5	$ 723,053	6
	Other comprehensive income					
	Components of other comprehensive income that will not be reclassified to profit or loss					
8311	Gains on remeasurements of defined benefit plans	6(18)	$ 235	-	$ 11,104	-
8316	Unrealized gains from investments in equity instruments at fair value through other comprehensive income	6(7)	16,839	-	1,879	-
8320	Share of other comprehensive income (loss) of associates and joint ventures accounted for using equity method, that will not be reclassified to profit or loss		1,237	-	(778)	-
8310	Other comprehensive income that will not be reclassified to profit or loss		18,311	-	12,205	-
	Components of other comprehensive income that will be reclassified to profit or loss					
8361	Exchange differences on translation of foreign financial statements		(122,654)	(1)	(42,672)	-
8370	Share of other comprehensive income of associates and joint ventures accounted for using equity method, that will be reclassified to profit or loss		6,503	-	1,228	-
8360	Other comprehensive loss that will be reclassified to profit or loss		(116,151)	(1)	(41,444)	-
8300	**Other comprehensive loss for the year**		($ 97,840)	(1)	($ 29,239)	-
8500	**Total comprehensive income for the year**		$ 528,887	4	$ 693,814	6
	Profit attributable to:					
8610	Shareholders of the parent		$ 332,140	3	$ 476,470	4
8620	Non-controlling interests		294,587	2	246,583	2
			$ 626,727	5	$ 723,053	6
	Comprehensive income attributable to:					
8710	Shareholders of the parent		$ 284,429	2	$ 473,985	4
8720	Non-controlling interests		244,458	2	219,829	2
			$ 528,887	4	$ 693,814	6
	Earnings per share (in dollars)	6(30)				
9750	Basic earnings per share		$	1.49	$	2.23
9850	Diluted earnings per share		$	1.42	$	2.10

The accompanying notes are an integral part of these consolidated financial statements.

FIC GLOBAL, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
YEARS ENDED DECEMBER 31, 2023 AND 2022
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

		Equity attributable to owners of the parent									
				Retained Earnings			Other equity interest				
	Notes	Share capital - common stock	Capital surplus	Legal reserve	Special reserve	Unappropriated retained earnings	Financial statements translation differences of foreign operations	Unrealised gains (losses) from financial assets measured at fair value through other comprehensive income	Total	Non-controlling interests	Total equity
Year ended December 31, 2022											
Balance at January 1, 2022		$ 2,109,305	$ 393,596	$ 28,827	$ 269,545	$ 235,339	($ 286,465)	($ 4,305)	$ 2,745,842	$ 1,776,966	$ 4,522,808
Profit for the year		-	-	-	-	476,470	-	-	476,470	246,583	723,053
Other comprehensive income (loss) for the year		-	-	-	-	9,780	(13,447)	1,182	(2,485)	(26,754)	(29,239)
Total comprehensive income (loss)		-	-	-	-	486,250	(13,447)	1,182	473,985	219,829	693,814
Appropriations of 2021 earnings :	6(22)										
Legal reserve		-	-	23,534	-	(23,534)	-	-	-	-	-
Special reserve		-	-	-	21,225	(21,225)	-	-	-	-	-
Changes in ownership interests in subsidiaries	6(21)(31)	-	8,311	-	-	-	-	-	8,311	(7,848)	463
Conversion of convertible bonds	6(20)(21)	42,416	35,950	-	-	-	-	-	78,366	-	78,366
Changes in equity of associates and joint ventures accounted for using equity method	6(21)	-	(4)	-	-	-	-	-	(4)	-	(4)
Difference between consideration and carrying amount of subsidiaries acquired or disposed	6(21)(31)	-	1,710	-	-	-	-	-	1,710	(1,710)	-
Disposal of subsidiaries		-	-	-	-	-	(76,855)	-	(76,855)	-	(76,855)
Changes in non-controlling interests	6(31)	-	-	-	-	-	-	-	-	129,948	129,948
Balance at December 31, 2022		$ 2,151,721	$ 439,563	$ 52,361	$ 290,770	$ 676,830	($ 376,767)	($ 3,123)	$ 3,231,355	$ 2,117,185	$ 5,348,540
Year ended December 31, 2022											
Balance at January 1, 2023		$ 2,151,721	$ 439,563	$ 52,361	$ 290,770	$ 676,830	($ 376,767)	($ 3,123)	$ 3,231,355	$ 2,117,185	$ 5,348,540
Profit for the year		-	-	-	-	332,140	-	-	332,140	294,587	626,727
Other comprehensive income (loss) for the year		-	-	-	-	(49)	(65,662)	18,000	(47,711)	(50,129)	(97,840)
Total comprehensive income (loss)		-	-	-	-	332,091	(65,662)	18,000	284,429	244,458	528,887
Appropriations of 2022 earnings :	6(22)										
Legal reserve		-	-	48,625	-	(48,625)	-	-	-	-	-
Special reserve		-	-	-	89,120	(89,120)	-	-	-	-	-
Cash dividends of ordinary share		-	-	-	-	(107,792)	-	-	(107,792)	-	(107,792)
Issue of shares	6(19)(20)(21)	100,000	415,407	-	-	-	-	-	515,407	-	515,407
Changes in ownership interests in subsidiaries	6(19)(21)(31)	-	72,630	-	-	-	-	-	72,630	623,298	695,928
Due to recognition of equity component of convertible bonds issued	6(16)(21)	-	33,711	-	-	-	-	-	33,711	-	33,711
Conversion of convertible bonds	6(20)(21)	95,037	84,347	-	-	-	-	-	179,384	-	179,384
Changes in equity of associates and joint ventures accounted for using equity method	6(21)	-	12,420	-	-	-	-	-	12,420	201	12,621
Difference between consideration and carrying amount of subsidiaries acquired or disposed	6(21)(31)	-	32,110	-	-	-	-	-	32,110	20,490	52,600
Changes in non-controlling interests	6(31)	-	-	-	-	-	-	-	-	(11,211)	(11,211)
Balance at December 31, 2023		$ 2,346,758	$ 1,090,188	$ 100,986	$ 379,890	$ 763,384	($ 442,429)	$ 14,877	$ 4,253,654	$ 2,994,421	$ 7,248,075

The accompanying notes are an integral part of these consolidated financial statements.

FIC GLOBAL, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2023 AND 2022
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

	Notes	Year ended December 31 2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax		$ 780,869	$ 764,492
Adjustments			
Adjustments to reconcile profit (loss)			
Depreciation	6(28)	491,104	520,499
Amortization	6(28)	12,531	9,770
Expected credit (loss) gain		(13,980)	23,678
Net loss on financial assets or liabilities at fair value through profit or loss	6(26)	28	847
Interest expense	6(27)	42,358	36,228
Interest income	6(24)	(45,957)	(14,351)
Dividend income	6(25)	(1,194)	(1,050)
Share-based payments	6(19)	21,101	463
Gains on write-off of past due payable	6(25)	(4,464)	(16,577)
Share of loss (profit) of associates and joint ventures accounted for using equity method	6(8)	2,588	(19,327)
Loss on disposal of property, plant and equipment	6(26)	2,723	3,612
Gains on disposals of investments	6(26)	-	(76,812)
Gain from lease modification	6(10)(26)	(1,880)	-
Amortization of government grant income related to assets		(4,873)	(8,991)
Changes in operating assets and liabilities			
Changes in operating assets			
Financial assets at fair value through profit or loss		(87,492)	14,928
Contract assets		1,392	283
Notes receivable		16,911	(7,245)
Accounts receivable		4,914	(418,197)
Accounts receivable due from related parties		(22,452)	12,247
Other receivables		7,655	(1,482)
Other receivables due from related parties		(4,127)	17,857
Inventories		256,247	(298,978)
Prepayments		35,511	15,645
Other current assets		278	482
Changes in operating liabilities			
Contract liabilities		28,781	68,512
Notes payable		-	(1,695)
Accounts payable		153,577	(340,884)
Accounts payable - related parties		(3,701)	8,956
Other payables		(22,930)	81,023
Other payables - related parties		(2,997)	125,754
Provisions		4,692	(2,535)
Advance receipts		(2,336)	(3,458)
Other current liabilities		4,461	(313)
Net defined benefit liabilities		(116)	(2,030)
Cash inflow generated from operations		1,649,222	491,351
Interest received		45,124	13,641
Dividends received		14,166	10,666
Interest paid		(33,946)	(28,117)
Income taxes paid		(165,385)	(28,662)
Net cash flows from operating activities		1,509,181	458,879

(Continued)

FIC GLOBAL, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2023 AND 2022
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

	Notes	Year ended December 31 2023	2022
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisition of financial assets at amortised cost		($ 5,062)	($ 7,641)
Proceeds from disposal of financial assets at amortised cost		10,307	-
Acquisition of investments accounted for using equity method	6(8)	(273,240)	(10,000)
Proceeds from disposal of investments accounted for using equity method	6(8)	46,515	736
Acquisition of property, plant and equipment	6(32)	(314,598)	(220,139)
Proceeds from disposal of property, plant and equipment		2,325	3,739
Decrease in finance lease receivable		13,240	11,111
Acquisition of intangible assets		(11,034)	(5,955)
Decrease (Increase) in refundable deposits		14,024	(39,667)
Increase in other non-current assets		(7,696)	(3,762)
Receipt of government grants related to assets		8,545	4,248
Net cash flows used in investing activities		(516,674)	(267,330)
CASH FLOWS FROM FINANCING ACTIVITIES			
(Decrease) increase in short-term borrowings	6(33)	(153,863)	90,644
Proceeds from issurance of bonds	6(33)	601,583	-
Decrease in long-term borrowings	6(33)	(162,903)	(28,014)
Increase in long-term borrowings	6(33)	92,000	96,337
Repayments of lease liabilities	6(33)	(235,862)	(232,381)
Decrease in financing payables - related parties	6(33)	(123,200)	-
Decrease in long-term notes and accounts payable due from related parties	6(33)	(642,231)	(5,184)
(Decrease)increase in guarantee deposits received	6(33)	(2)	2,988
Cash dividends paid	6(22)	(107,729)	-
Proceeds from issuing shares	6(20)	500,000	-
Change in non-controlling interests	6(19)(31)	733,579	129,948
Net cash flows from financing activities		501,372	54,338
Effect of exchange rate changes		(58,805)	(51,332)
Net increase in cash and cash equivalents		1,435,074	194,555
Cash and cash equivalents at beginning of year		1,347,873	1,153,318
Cash and cash equivalents at end of year		$ 2,782,947	$ 1,347,873

The accompanying notes are an integral part of these consolidated financial statements.

(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

1. History and Organization

FIC Global, Inc. (referred herein as ‘FICG’) is a holding company for investment established by First International Computer, Inc. through a share conversion on August 30, 2004. FICG is primarily engaged in investment holdings. The consolidated subsidiaries are primarily engaged in research and development, manufacturing and sales of automobile products, monitoring products and industrial computers; electronics manufacturing services for computers and servers; and leases of property. FICG and the consolidated subsidiaries are collectively referred herein as the “Group”. The stocks of FICG were listed on the Taiwan Stock Exchange on August 30, 2004.

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

These consolidated financial statements were authorized for issuance by the Board of Directors on March 28, 2024.

3. Application of New Standards, Amendments and Interpretations

(1) Effect of the adoption of new issuances of or amendments to International Financial Reporting Standards (“IFRS®”) Accounting Standards that came into effect as endorsed by the Financial Supervisory Commission (“FSC”)

New standards, interpretations and amendments endorsed by the FSC and became effective from 2023 are as follows:

New Standards, Interpretations and Amendments	Effective date by International Accounting Standards Board
Amendments to IAS 1, ‘Disclosure of accounting policies’	January 1, 2023
Amendments to IAS 8, ‘Definition of accounting estimates’	January 1, 2023
Amendments to IAS 12, ‘Deferred tax related to assets and liabilities arising from a single transaction’	January 1, 2023
Amendments to IAS 12, ‘International tax reform - pillar two model rules’	May 23, 2023

Except for the following, the above standards and interpretations have no significant impact to the Group’s financial condition and financial performance based on the Group’s assessment.

Amendments to IAS 12, ‘Deferred tax related to assets and liabilities arising from a single transaction’
The amendments require an entity to recognize deferred tax on particular transactions that, on initial recognition, give rise to equal amounts of taxable and deductible temporary differences.

Upon adoption, the Group recognize a deferred tax asset and liability for all deductible and taxable temporary differences associated with right-of-use assets and lease liabilities respectively as of January 1, 2022. These amendments resulted to an increase in deferred tax assets and deferred tax liabilities by $71,712, $57,513 and $72,591 as of December 31, 2023, January 1, 2022 and December 31, 2022, respectively.

(2) Effect of new issuances of or amendments to IFRS Accounting Standards as endorsed by the FSC but not yet adopted by the Group

New standards, interpretations and amendments endorsed by the FSC and will become effective from 2024 are as follows:

New Standards, Interpretations and Amendments	Effective date by International Accounting Standards Board
Amendments to IFRS 16, 'Lease liability in a sale and leaseback'	January 1, 2024
Amendments to IAS 1, 'Classification of liabilities as current or non-current'	January 1, 2024
Amendments to IAS 1, 'Non-current liabilities with covenants'	January 1, 2024
Amendments to IAS 7 and IFRS 7, 'Supplier finance arrangements'	January 1, 2024

The above standards and interpretations have no significant impact to the Group's financial condition and financial performance based on the Group's assessment.

(3) IFRS Accounting Standards issued by IASB but not yet endorsed by the FSC

New standards, interpretations and amendments issued by IASB but not yet included in the IFRSs Accounting Standards as endorsed by the FSC are as follows:

New Standards, Interpretations and Amendments	Effective date by International Accounting Standards Board
Amendments to IFRS 10 and IAS 28, 'Sale or contribution of assets between an investor and its associate or joint venture'	To be determined by International Accounting Standards Board
IFRS 17, 'Insurance contracts'	January 1, 2023
Amendments to IFRS 17, 'Insurance contracts'	January 1, 2023
Amendment to IFRS 17, 'Initial application of IFRS 17 and IFRS 9 – comparative information'	January 1, 2023
Amendments to IAS 21, 'Lack of exchangeability'	January 1, 2025

The above standards and interpretations have no significant impact to the Group's financial condition and financial performance based on the Group's assessment.

4. Summary of Material Accounting Policies

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated.

(1) Compliance statement

The consolidated financial statements of the Group have been prepared in accordance with the "Regulations Governing the Preparation of Financial Reports by Securities Issuers", International Financial Reporting Standards, International Accounting Standards, IFRIC® Interpretations, and SIC® Interpretations that came into effect as endorsed by the FSC (collectively referred herein as the "IFRSs").

(2) Basis of preparation

A. Except for the following items, the consolidated financial statements have been prepared under the historical cost convention:

(a) Financial assets and financial liabilities (including derivative instruments) at fair value through profit or loss.

(b) Financial assets at fair value through other comprehensive income.

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

B. The preparation of financial statements in conformity with IFRSs Accounting Standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 5.

(3) Basis of consolidation

A. Basis for preparation of consolidated financial statements:

(a) All subsidiaries are included in the Group's consolidated financial statements. Subsidiaries are all entities (including structured entities) controlled by the Group. The Group controls an entity when the Group is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Consolidation of subsidiaries begins from the date the Group obtains control of the subsidiaries and ceases when the Group loses control of the subsidiaries.

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

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

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

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

B. Subsidiaries included in the consolidated financial statements:

Name of investor	Name of subsidiary	Main business activities	Ownership (%)		Description
			December 31, 2023	December 31, 2022	
FIC Global, Inc.	First International Computer, Inc. (FIC, Inc.)	Computer system analysis, planning and maintenance, EMS and import and export trade business	100%	100%	
	FICTA Technology Inc. (FICTA)	Communication product business	69%	69%	
	3CEMS Corp. (3CEMS)	Investment	36%	36%	
	Ubiqconn Technology, Inc. (Ubiqconn)	Manufacturing and sales of industrial computers, automotive electronics, electronic components and peripheral equipment	50%	52%	Notes 1 and 2
FIC, Inc.	FIC First International Holding B.V. (FIC Holding)	Investment	100%	100%	
	High Standard Global Corp. (High Standard)	Investment	100%	100%	
	Access Trend Limited (Access)	International trade business	100%	100%	
	Brilliant World Limited (Brilliant)	Investment	100%	100%	

Name of investor	Name of subsidiary	Main business activities	Ownership (%)		Description
			December 31, 2023	December 31, 2022	
FIC, Inc.	3CEMS	Investment	22%	22%	
FICTA	Ubiqconn	Manufacturing and sales of industrial computers, automotive electronics, electronic components and peripheral equipment	20%	20%	
Ubiqconn	Ruggon Corporation (Ruggon)	Manufacturing and sales of industrial computers, automotive electronics, electronic components and peripheral equipment	100%	100%	
	Ubiqconn Technology (USA) Inc. (Ubiqconn USA)	Manufacturing and sales of industrial computers, automotive electronics, electronic components and peripheral equipment	100%	100%	
3CEMS	Prime Foundation Inc. (Prime)	Investment	100%	100%	
	Danriver System Inc. (Danriver System)	Investment	100%	100%	
	Broad Technology Inc. (Broad)	Investment	100%	100%	
	Danriver Inc. (Danriver)	Investment	100%	100%	
	3CEMS Investiment Management Limited (3CEMS HK)	Investment	100%	100%	

Name of investor	Name of subsidiary	Main business activities	Ownership (%)		Description
			December 31, 2023	December 31, 2022	
High Standard	Fic (Suzhou) Inc. (FIC SZ)	Real estate leasing business	100%	100%	
FIC Holding	3CEMS Europe B.V. (3CEMS Europe)	Import and export of electronic products and after-sale service	100%	100%	
Danriver System	Danriver System (Guangzhou) Inc. (Danriver System GZ)	Manufacturing of smart equipment for sports consumption, software development and sales	100%	100%	
Broad	Broad Technology (Guangzhou) Inc. (Broad GZ)	Real estate leasing business	100%	100%	
Danriver	Danriver Technology (Guangzhou) Inc. (Danriver GZ)	Real estate leasing business	100%	100%	
Prime	Perfect Union Global Inc. (PUG)	Investment	100%	100%	
Danriver GZ	Guangshang Advanced Technology (Guangzhou) Ltd.(Prime GZ)	Production and sales of main board	0.01%	0.01%	
PUG	Prime GZ	Production and sales of main board	87.45%	99.99%	Note 3

Name of investor	Name of subsidiary	Main business activities	Ownership (%)		Description
			December 31, 2023	December 31, 2022	
Prime GZ	Prime Base Inc. (Prime Base)	Investment, assembly service and trading of printed circuit board and electronic parts and components	100%	100%	
Prime GZ	Amertek Computer (Shenzhen) Co., Ltd. (Amertek)	Production and sales of desk personal computers and main board	100%	100%	
Amertek	Amerwis Technology (Shenzhen) Co., Ltd. (Amerwis)	Research and development and the trading	100%	100%	

Note 1: In January 2022 and March 2023, the Company sold part of the shares held in Ubiqconn to non-controlling interests. Since the transaction did not change the control over the subsidiary, it was regarded as an equity transaction. Refer to Note 6(31) for details.

Note 2: Ubiqconn increased cash capital in August 2022. FICG and FICTA did not acquire shares proportionally to their interest. As a result, the shareholding ratio of FICG and FICTA in Ubiqconn changed from 51% and 25% to 52% and 20%, respectively. As the transaction did not change the Group's control over these subsidiaries, it was regarded as an equity transaction. Refer to Note 6(31) for details.

Note 3: Prime GZ increased cash capital in December 2023. PUG did not acquire shares proportionally to their interest. As a result, the shareholding ratio of PUG in Prime GZ was changed from 99.99% to 87.45%, respectively. As the transaction did not change the Group's control over these subsidiaries, it was regarded as an equity transaction.

C. Subsidiaries not included in the consolidated financial statements: None.

D. Adjustments for subsidiaries with different balance sheet dates: None.

E. Significant restrictions: None.

F. Subsidiaries that have non-controlling interests that are material to the Group:

As of December 31, 2023 and 2022, the non-controlling interest amounted to $2,994,421 and $2,117,185, respectively. The information on non-controlling interest and respective subsidiaries is as follows:

		Non-controlling interest			
		December 31, 2023		December 31, 2022	
Name of subsidiary	Principal place of business	Amount	Ownership (%)	Amount	Ownership (%)
3CEMS	Mainland China	$ 2,383,110	42%	$ 1,616,356	42%

Summarized financial information of the subsidiaries:

Balance sheets

	3CEMS	
	December 31, 2023	December 31, 2022
Current assets	$ 6,669,506	$ 5,505,296
Non-current assets	1,254,083	1,123,988
Current liabilities	(2,651,408)	(2,218,213)
Non-current liabilities	(338,072)	(538,078)
Total net assets	$ 4,934,109	$ 3,872,993

Statements of comprehensive income

	3CEMS	
	Year ended December 31	
	2023	2022
Revenue	$ 9,387,595	$ 8,932,538
Profit before income tax	561,271	434,448
Income tax expense	(79,291)	(18,952)
Profit for the year	481,980	415,496
Other comprehensive loss, net of tax	(112,216)	(64,199)
Total comprehensive income for the year	$ 369,764	$ 351,297
Comprehensive income attributable to non-controlling interest	$ 154,317	$ 146,610

Statements of cash flows

	3CEMS	
	Year ended December 31	
	2023	2022
Net cash provided by (used in) operating activities	$ 759,735	($ 272,476)
Net cash used in investing activities	(204,129)	(201,833)
Net cash provided by financing activities	865,020	290,299
Effect of exchange rate changes	(112,428)	(68,010)
Increase (Decrease) in cash and cash equivalents	1,308,198	(252,020)
Cash and cash equivalents, beginning of year	358,897	610,917
Cash and cash equivalents, end of year	$ 1,667,095	$ 358,897

(4) Foreign currency translation

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

A. Foreign currency transactions and balances

(a) Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are remeasured. Foreign exchange gains and losses resulting from the settlement of such transactions are recognized in profit or loss in the period in which they arise.

(b) Monetary assets and liabilities denominated in foreign currencies at the period end are re-translated at the exchange rates prevailing at the balance sheet date. Exchange differences arising upon re-translation at the balance sheet date are recognized in profit or loss.

(c) Non-monetary assets and liabilities denominated in foreign currencies held at fair value through profit or loss are re-translated at the exchange rates prevailing at the balance sheet date; their translation differences are recognized in profit or loss. Non-monetary assets and liabilities denominated in foreign currencies held at fair value through other comprehensive income are re-translated at the exchange rates prevailing at the balance sheet date; their translation differences are recognized in other comprehensive income. However, non-monetary assets and liabilities denominated in foreign currencies that are not measured at fair value are translated using the historical exchange rates at the dates of the initial transactions.

(d) All foreign exchange gains and losses are presented in the statement of comprehensive income within 'other gains and losses'.

B. Translation of foreign operations

(a) The operating results and financial position of all the group entities, associates and joint arrangements that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

i. Assets and liabilities for each balance sheet presented are translated at the closing exchange rate at the date of that balance sheet;

ii. Income and expenses for each statement of comprehensive income are translated at average exchange rates of that period; and

iii. All resulting exchange differences are recognized in other comprehensive income.

(b) When the foreign operation partially disposed of or sold is an associate, exchange differences that were recorded in other comprehensive income are proportionately reclassified to profit or loss as part of the gain or loss on sale. In addition, even when the Group retains partial interest in the former foreign associate after losing significant influence over the former foreign associate, such transactions should be accounted for as disposal of all interest in these foreign operations.

(c) When the foreign operation partially disposed of or sold is a subsidiary, cumulative exchange differences that were recorded in other comprehensive income are proportionately transferred to the non-controlling interest in this foreign operation. In addition, even when the Group retains partial interest in the former foreign subsidiary after losing control of the former foreign subsidiary, such transactions should be accounted for as disposal of all interest in the foreign operation.

(d) Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing exchange rates at the balance sheet date.

(5) <u>Classification of current and non-current items</u>

A. Assets that meet one of the following criteria are classified as current assets; otherwise they are classified as non-current assets:

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

(b) Assets held mainly for trading purposes;

(c) Assets that are expected to be realized within twelve months from the balance sheet date;

(d) Cash and cash equivalents, excluding restricted cash and cash equivalents and those that are to be exchanged or used to settle liabilities more than twelve months after the balance sheet date.

B. Liabilities that meet one of the following criteria are classified as current liabilities; otherwise they are classified as non-current liabilities:

(a) Liabilities that are expected to be settled within the normal operating cycle;

(b) Liabilities arising mainly from trading activities;

(c) Liabilities that are to be settled within twelve months from the balance sheet date;

(d) Liabilities for which the repayment date cannot be extended unconditionally to more than twelve months after the balance sheet date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

(6) Cash equivalents

Cash equivalents refer to short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Time deposits that meet the definition above and are held for the purpose of meeting short-term cash commitments in operations are classified as cash equivalents.

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

A. Financial assets at fair value through profit or loss are financial assets that are not measured at amortized cost or fair value through other comprehensive income.

B. On a regular way purchase or sale basis, financial assets at fair value through profit or loss are recognized and derecognized using trade date accounting.

C. At initial recognition, the Group measures the financial assets at fair value and recognizes the transaction costs in profit or loss. The Group subsequently measures the financial assets at fair value, and recognizes the gain or loss in profit or loss.

D. The Group recognizes the dividend income when the right to receive payment is established, future economic benefits associated with the dividend will flow to the Group and the amount of the dividend can be measured reliably.

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

A. Financial assets at fair value through other comprehensive income comprise equity securities which are not held for trading, and for which the Group has made an irrevocable election at initial recognition to recognize changes in fair value in other comprehensive income and debt instruments which meet all of the following criteria:

(a) The objective of the Group’s business model is achieved both by collecting contractual cash flows and selling financial assets; and

(b) The assets’ contractual cash flows represent solely payments of principal and interest.

B. On a regular way purchase or sale basis, financial assets at fair value through other comprehensive income are recognized and derecognized using trade date accounting.

C. At initial recognition, the Group measures the financial assets at fair value plus transaction costs. The Group subsequently measures the financial assets at fair value:

The changes in fair value of equity investments that were recognized in other comprehensive income are reclassified to retained earnings and are not reclassified to profit or loss following the derecognition of the investment. Dividends are recognized as revenue when the right to receive payment is established, future economic benefits associated with the dividend will flow to the Group and the amount of the dividend can be measured reliably.

(9) Financial assets at amortized cost

The Group’s time deposits which do not fall under cash equivalents are those with a short maturity period and are measured at initial investment amount as the effect of discounting is immaterial.

(10) Accounts and notes receivable

A. Accounts and notes receivable entitle the Group a legal right to receive consideration in exchange for transferred goods or rendered services.

B. The short-term accounts and notes receivable without bearing interest are subsequently measured at initial invoice amount as the effect of discounting is immaterial.

(11) Impairment of financial assets

For financial assets at amortized cost including accounts receivable that have a significant financing component, at each reporting date, the Group recognizes the impairment provision for 12 months expected credit losses if there has not been a significant increase in credit risk since initial recognition or recognizes the impairment provision for the lifetime expected credit losses (ECLs) if such credit risk has increased since initial recognition after taking into consideration all reasonable and verifiable information that includes forecasts. On the other hand, for accounts receivable that do not contain a significant financing component, the Group recognizes the impairment provision for lifetime ECLs.

(12) Derecognition of financial assets

The Group derecognizes a financial asset when one of the following conditions is met:

A. The contractual rights to receive the cash flows from the financial asset expire.

B. The contractual rights to receive cash flows of the financial asset have been transferred and the Group has transferred substantially all risks and rewards of ownership of the financial asset.

C. The contractual rights to receive cash flows of the financial asset have been transferred; however, the Group has not retained control of the financial asset.

(13) Leasing arrangements (lessor) - operating leases

A. Based on the terms of a lease contract, a lease is classified as a finance lease if the lessee assumes substantially all the risks and rewards incidental to ownership of the leased asset.

(a) At commencement of the lease term, the lessor should record a finance lease in the balance sheet as 'lease receivables' at an amount equal to the gross investment in the lease (including initial direct costs). The difference between gross lease receivable and the present value of the receivable is recognized as 'unearned finance income of finance lease'.

(b) The lessor should allocate finance income over the lease term based on a systematic and rational basis reflecting a constant periodic rate of return on the lessor's net investment in the finance lease.

(c) Lease payments (excluding costs for services) during the lease term are applied against the gross investment in the lease to reduce both the principal and the unearned finance income.

B. Lease income from an operating lease (net of any incentives given to the lessee) is recognized in profit or loss on a straight-line basis over the lease term.

(14) Inventories

Inventories are stated at the lower of cost and net realizable value. Cost is determined using the weighted-average method. The cost of finished goods and work in progress comprises raw materials, direct labor, other direct costs and related production overheads (allocated based on normal operating capacity). It excludes borrowing costs. The item by item approach is used in applying the lower of cost and net realizable value. Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

(15) Non-current assets held for sale

Non-current assets are classified as assets held for sale when their carrying amount is to be recovered principally through a sale transaction rather than through continuing use, and a sale is considered highly probable. They are stated at the lower of carrying amount and fair value less costs to sell.

(16) Investments accounted for using equity method / associates

A. Associates are all entities over which the Group has significant influence but not control. In general, it is presumed that the investor has significant influence, if an investor holds, directly or indirectly 20 percent or more of the voting power of the investee. Investments in associates are accounted for using the equity method and are initially recognized at cost.

B. The Group's share of its associates' post-acquisition profits or losses is recognized in profit or loss, and its share of post-acquisition movements in other comprehensive income is recognized in other comprehensive income. When the Group's share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured receivables, the Group does not recognize further losses, unless it has incurred legal or constructive obligations or made payments on behalf of the associate.

C. When changes in an associate's equity do not arise from profit or loss or other comprehensive income of the associate and such changes do not affect the Group's ownership percentage of the associate, the Group recognizes change in ownership interests in the associate in 'capital surplus' in proportion to its ownership.

D. Unrealized gains on transactions between the Group and its associates are eliminated to the extent of the Group's interest in the associates. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of associates have been adjusted where necessary to ensure consistency with the policies adopted by the Group.

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

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

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

(17) Property, plant and equipment

A. Property, plant and equipment are initially recorded at cost. Borrowing costs incurred during the construction period are capitalised.

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

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

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

Buildings and structures	
- Main buildings of the plant	48 ~ 50 years
- Air conditioning system	5 ~ 10 years
- Sewage treatment system	5 ~ 10 years
Machinery and equipment	3 ~ 10 years
Transportation equipment	2 ~ 10 years
Office equipment	2 ~ 10 years
Leasehold improvements	2 ~ 3 years
Other equipment	3 ~ 6 years

(18) Leasing arrangements (lessee) - right-of-use assets/ lease liabilities

A. Leases are recognized as a right-of-use asset and a corresponding lease liability at the date at which the leased asset is available for use by the Group. For short-term leases or leases of low-value assets, lease payments are recognized as an expense on a straight-line basis over the lease term.

B. Lease liabilities include the net present value of the remaining lease payments at the commencement date, discounted using the incremental borrowing interest rate. Lease payments are comprised of fixed payments, less any lease incentives receivable.

The Group subsequently measures the lease liability at amortized cost using the interest method and recognizes interest expense over the lease term. The lease liability is remeasured and the amount of remeasurement is recognized as an adjustment to the right-of-use asset when there are changes in the lease term or lease payments and such changes do not arise from contract modifications.

C. At the commencement date, the right-of-use asset is stated at cost comprising the following:

(a) The amount of the initial measurement of lease liability;

(b) Any lease payments made at or before the commencement date;

(c) Any initial direct costs incurred by the lessee.

The right-of-use asset is measured subsequently using the cost model and is depreciated from the commencement date to the earlier of the end of the asset's useful life or the end of the lease term. When the lease liability is remeasured, the amount of remeasurement is recognized as an adjustment to the right-of-use asset.

(19) Investment property

An investment property is stated initially at its cost and measured subsequently using the cost model. Except for land, investment property is depreciated on a straight-line basis over its estimated useful life of 48 ~ 50 years.

(20) Intangible assets

Computer software is stated at cost and amortized on a straight-line basis over its estimated useful life of 3 to 10 years.

(21) Impairment of non-financial assets

The Group assesses at each balance sheet date the recoverable amounts of those assets where there is an indication that they are impaired. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell or value in use. When the circumstances or reasons for recognizing impairment loss for an asset in prior years no longer exist or diminish, the impairment loss is reversed. The increased carrying amount due to reversal should not be more than what the depreciated or amortized historical cost would have been if the impairment had not been recognized.

(22) Borrowings

Borrowings comprise long-term and short-term bank borrowings and other long-term and short-term loans. Borrowings are recognized initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortized cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognized in profit or loss over the period of the borrowings using the effective interest method.

(23) Notes and accounts payable

A. Accounts payable are liabilities for purchases of raw materials, goods or services and notes payable are those resulting from operating and non-operating activities.

B. The short-term notes and accounts payable without bearing interest are subsequently measured at initial invoice amount as the effect of discounting is immaterial.

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

A. Financial liabilities are classified in this category of held for trading if acquired principally for the purpose of repurchasing in the short-term. Derivatives are also categorized as financial liabilities held for trading unless they are designated as hedges.

B. At initial recognition, the Group measures the financial liabilities at fair value. All related transaction costs are recognized in profit or loss. The Group subsequently measures these financial liabilities at fair value with any gain or loss recognized in profit or loss.

(25) Convertible bonds payable

Convertible bonds issued by the Group contain conversion options (that is, the bondholders have the right to convert the bonds into the Group's common shares by exchanging a fixed amount of cash for a fixed number of common shares), call options and put options. The Group classifies the bonds payable upon issuance as a financial asset, a financial liability or an equity instrument ('capital surplus - share options') in accordance with the contract terms. They are accounted for as follows:

A. The embedded call options and put options are recognized initially at net fair value as 'financial assets at fair value through profit or loss'. They are subsequently remeasured and stated at fair value on each balance sheet date; the gain or loss is recognized as 'gain or loss on valuation of financial assets or financial liabilities at fair value through profit or loss'.

B. The host contracts of bonds are initially recognized at fair value. Any difference between the initial recognition and the redemption value is accounted for as the discount on bonds payable and subsequently is amortized in profit or loss as an adjustment to 'finance costs' over the period of circulation using the effective interest method.

C. The embedded conversion options which meet the definition of an equity instrument are initially recognized in 'capital surplus - share options' at the residual amount of total issue price less the amount of financial assets at fair value through profit or loss and net bonds payable as stated above. Conversion options are not subsequently remeasured.

D. Any transaction costs directly attributable to the issuance are allocated to each liability or equity component in proportion to the initial carrying amount of each abovementioned item.

E. When bondholders exercise conversion options, the liability component of the bonds (including bonds payable and 'financial assets or financial liabilities at fair value through profit or loss') shall be remeasured on the conversion date. The issuance cost of converted common shares is the total book value of the abovementioned liability component and 'capital surplus - share options'.

(26) Derecognition of financial liabilities

A financial liability is derecognized when the obligation specified in the contract is either discharged or cancelled or expires.

(27) Offsetting financial instruments

Financial assets and liabilities are offset and reported in the net amount in the balance sheet when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously.

(28) Provisions

Provisions (including warranties) are recognized when the Group has a present legal or constructive obligation as a result of past events, and it is probable that an outflow of economic resources will be required to settle the obligation and the amount of the obligation can be reliably estimated. Provisions are measured at the present value of the expenditures expected to be required to settle the obligation on the balance sheet date, which is discounted using a pre-tax discount rate that reflects the current market assessments of the time value of money and the risks specific to the obligation. When discounting is used, the increase in the provision due to passage of time is recognized as interest expense. Provisions are not recognized for future operating losses.

(29) Employee benefits

A. Salaries and other short-term employee benefits

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

B. Pensions

(a) Defined contribution plan

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

(b) Defined benefit plans

i. Net obligation under a defined benefit plan is defined as the present value of an amount of pension benefits that employees will receive on retirement for their services with the Group in current period or prior periods. The liability recognized in the balance sheet in respect of defined benefit pension plans is the present value of the defined benefit obligation at the balance sheet date less the fair value of plan assets. The net defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The rate used to discount is determined by using interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related pension liability; when there is no deep market in high-quality corporate bonds, the Group uses interest rates of government bonds (at the balance sheet date) instead.

ii. Remeasurements arising on defined benefit plans are recognized in other comprehensive income in the period in which they arise and are recorded as retained earnings.

iii. Past service costs are recognized immediately in profit or loss.

C. Employees' compensation and directors' and supervisors' remuneration

Employees' compensation and directors' and supervisors' remuneration are recognized as expense and liability, provided that such recognition is required under legal or constructive obligation and those amounts can be reliably estimated. Any difference between the resolved amounts and the subsequently actual distributed amounts is accounted for as changes in estimates. If employee compensation is paid by shares, the Group calculates the number of shares based on the closing price at the previous day of the board meeting resolution.

(30) Employee share-based payment

A. For the equity-settled share-based payment arrangements, the employee services received are measured at the fair value of the equity instruments granted at the grant date, and are recognized as compensation cost over the vesting period, with a corresponding adjustment to equity. The fair value of the equity instruments granted shall reflect the impact of market vesting conditions and non-vesting conditions. Compensation cost is subject to adjustment based on the service conditions that are expected to be satisfied and the estimates of the number of equity instruments that are expected to vest under the non-market vesting conditions at each balance sheet date. Ultimately, the amount of compensation cost recognized is based on the number of equity instruments that eventually vest.

B. Restricted stocks:

(a) Restricted stocks issued to employees are measured at the fair value of the equity instruments granted at the grant date, and are recognized as compensation cost over the vesting period.

(b) For restricted stocks where those stocks do not restrict distribution of dividends to employees but employees must return the dividends received if they resign during the vesting period, when the Group receives dividends from employees resigning during the vesting period, the Group credits related amounts that were previously debited from retained earnings, legal reserve or capital surplus at the date of dividends declared.

(c) For restricted stocks where employees have to pay to acquire those stocks, if employees resign during the vesting period, they must return the stocks to the Group and the Group must refund their payments on the stocks, the Group recognizes the payments from the employees who are expected to resign during the vesting period as liabilities at the grant date, and recognizes the payments from the employees who are expected to be eventually vested with the stocks in 'capital surplus – others'.

(31) Income tax

A. The tax expense for the period comprises current and deferred tax. Tax is recognized in profit or loss, except to the extent that it relates to items recognized in other comprehensive income or items recognized directly in equity, in which cases the tax is recognized in other comprehensive income or equity.

B. The current income tax expense is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the Company and its subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in accordance with applicable tax regulations. It establishes provisions where appropriate based on the amounts expected to be paid to the tax authorities. An additional tax is levied on the unappropriated retained earnings and is recorded as income tax expense in the year the stockholders resolve to retain the earnings.

C. Deferred tax is recognized, using the balance sheet liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated balance sheet. However, the deferred tax is not accounted for if it arises from initial recognition of goodwill or of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred tax is provided on temporary differences arising on investments in subsidiaries and associates, except where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred tax asset is realized or the deferred tax liability is settled.

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

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

(32) Share Capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or stock options are shown in equity as a deduction, net of tax, from the proceeds.

(33) Dividends

Dividends are recorded in the Company's financial statements in the period in which they are resolved by the Company's shareholders. Cash dividends are recorded as liabilities; stock dividends are recorded as stock dividends to be distributed and are reclassified to ordinary shares on the effective date of new shares issuance.

(34) Revenue recognition

A. Sales revenue and electronics manufacturing services revenue

(a) The Group manufactures and sells automobile products, monitoring products and industrial computer; and engages in electronics manufacturing services for computers and servers. Sales are recognized when control of the products has transferred, being when the products are delivered to the customer, the customer has full discretion over the channel and price to sell the products, and there is no unfulfilled obligation that could affect the customer's acceptance of the products. Delivery occurs when the products have been shipped to the specific location, the risks of obsolescence and loss have been transferred to the customer, and either the customer has accepted the products in accordance with the sales contract, or the Group has objective evidence that all criteria for acceptance have been satisfied.

(b) A receivable is recognized when the goods are delivered as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

B. Service revenue

(a) The Group provides technology development services. Revenue from providing services is recognized in the accounting period in which the services are rendered. For fixed-price contracts, revenue is recognized based on the actual service provided to the end of the reporting period as a proportion of the total services to be provided. This is determined based on the actual costs incurred relative to the total expected costs. The customer pays at the time specified in the payment schedule. If the services rendered exceed the payment, a contract asset is recognized. If the payments exceed the services rendered, a contract liability is recognized.

(b) The Group's estimate about revenue, costs and progress towards complete satisfaction of a performance obligation is subject to a revision whenever there is a change in circumstances. Any increase or decrease in revenue or costs due to an estimate revision is reflected in profit or loss during the period when the management become aware of the changes in circumstances.

(c) Revenue from a consulting service contract in which the Group bills a fixed amount for service provided is recognized at the amount to which the Group has the right to invoice.

C. Rental revenue

Refer to Note 4(13) for accounting policies of rental revenue.

(35) <u>Government grants</u>

Government grants are recognized at their fair value only when there is reasonable assurance that the Group will comply with any conditions attached to the grants and the grants will be received. Government grants are recognized in profit or loss on a systematic basis over the periods in which the Group recognizes expenses for the related costs for which the grants are intended to compensate. Government grants related to property, plant and equipment are recognized as non-current liabilities and are amortized to profit or loss over the estimated useful lives of the related assets using the straight-line method.

(36) <u>Operating segments</u>

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Group's chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors that makes strategic decisions.

5. Critical Accounting Judgements, Estimates and Key Sources of Assumption Uncertainty

The preparation of these consolidated financial statements requires management to make critical judgements in applying the Group's accounting policies and make critical assumptions and estimates concerning future events. Assumptions and estimates may differ from the actual results and are continually evaluated and adjusted based on historical experience and other factors. Such assumptions and estimates have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year; and the related information is addressed below:

(1) Critical judgements in applying the Group's accounting policies

None.

(2) Critical accounting estimates and assumptions

Evaluation of inventories

As inventories are stated at the lower of cost and net realizable value, the Group must determine the net realizable value of inventories on balance sheet date using judgements and estimates. Due to the rapid technology innovation, the Group evaluates the amounts of normal inventory consumption, obsolete inventories or inventories without market selling value on balance sheet date, and writes down the cost of inventories to the net realizable value. Such an evaluation of inventories is principally based on the demand for the products within the specified period in the future. Therefore, there might be material changes to the evaluation.

As of December 31, 2023, the carrying amount of inventories was $2,994,368.

6. Details of Significant Accounts

(1) Cash and cash equivalents

	December 31, 2023	December 31, 2022
Cash on hand and petty cash	$ 989	$ 1,644
Checking accounts and demand deposits	2,224,990	978,323
Time deposits	556,968	367,906
	$ 2,782,947	$ 1,347,873

A. The Group transacts with a variety of financial institutions all with high credit quality to disperse credit risk, so it expects that the probability of counterparty default is remote.

B. The Group classified cash and cash equivalents that was pledged to others as current financial assets at amortized cost. Refer to Note 8.

(2) Financial assets and liabilities at fair value through profit or loss

Items	December 31, 2023	December 31, 2022
Current items:		
Financial assets mandatorily measured at fair value through profit or loss		
Listed stocks	$ 2,388	$ 3,364
Beneficiany cerificates	90,397	-
Derivative instruments		
- Call/put options of convertible bonds	-	1,129
	$ 92,785	$ 4,493
Financial liability held for trading		
Derivative instruments		
- Call/put options of convertible bonds	$ 5,039	$ -

Amounts recognized in profit or loss in relation to financial assets and liabilities at fair value through profit or loss are listed below:

	Year ended December 31	
	2023	2022
Financial assets and liabilities mandatorily measured at fair value through profit or loss		
Equity instruments	$ 1,814	($ 752)
Beneficiary certificates	397	-
Derivative instruments	(1,957)	(95)
	$ 254	($ 847)

(3) Financial assets at amortized cost

Items	December 31, 2023	December 31, 2022
Current items:		
Time deposits with original maturity over three months	$ 6,755	$ 16,124
Restricted bank deposits	94,510	90,386
	$ 101,265	$ 106,510

A. Amounts recognized in profit or loss in relation to financial assets at amortized cost are listed below:

	Year ended December 31	
	2023	2022
Interest income	$ 2,167	$ 2,043

B. As at December 31, 2023 and 2022, without taking into account any collateral held or other credit enhancements, the maximum exposure to credit risk in respect of the amount that best represents the financial assets at amortized cost held by the Group was $101,265 and $106,510, respectively.

C. Details of the Group's financial assets at amortized cost pledged to others as collateral are provided in Note 8.

D. Information relating to credit risk of financial assets at amortized cost is provided in Note 12(2). The counterparties of the Group's investments in certificates of deposits are financial institutions with high credit quality, so the Group expects that the probability of counterparty default is remote.

(4) Notes and accounts receivable

	December 31, 2023	December 31, 2022
Notes receivable	$ 72,676	$ 91,864
Less: Allowance for uncollectible accounts	-	(2,277)
	$ 72,676	$ 89,587
Accounts receivable	$ 2,845,913	$ 2,883,615
Less: Allowance for uncollectible accounts	(64,688)	(79,149)
	$ 2,781,225	$ 2,804,466

A. The ageing analysis of notes and accounts receivable (including related parties) that were past due but not impaired is as follows:

	December 31, 2023		December 31, 2022	
	Accounts receivable	Notes receivable	Accounts receivable	Notes receivable
Not past due	$ 2,297,538	$ 72,676	$ 2,299,804	$ 91,864
Up to 30 days	509,296	-	517,719	-
31 to 90 days	27,403	-	36,399	-
91 to 180 days	30,316	-	25,111	-
Over 180 days	16,594	-	17,364	-
	$ 2,881,147	$ 72,676	$ 2,896,397	$ 91,864

The above ageing analysis was based on past due date.

B. As of December 31, 2023 and 2022, accounts receivable and notes receivable were all from contracts with customers. As of January 1, 2022, the balance of receivables from contracts with customers and allowance for uncollectible accounts amounted to $2,575,066 and $40,654, respectively.

C. As at December 31, 2023 and 2022, without taking into account any collateral held or other credit enhancements, the maximum exposure to credit risk in respect of the amount that best represents the Group's notes and accounts receivable (including related parties) was $2,889,135 and $2,906,835, respectively.

D. Details of the Group's notes and accounts receivable pledged to others as collateral are provided in Note 8.

E. As of December 31, 2023 and 2022, the Group had outstanding discounted notes receivable amounting to $32,788 and $54,129, respectively. The Group has payment obligation when the drawers of the notes refuse to pay for the notes at maturity. However, in general, the Group does not expect that the drawers of the notes would refuse to pay for the notes at maturity. The liabilities arising on discounted notes receivable were presented as other payables.

F. Information relating to credit risk of notes and accounts receivable is provided in Note 12(2).

(5) Other receivables

Other receivables	December 31, 2023	December 31, 2022
Interest receivable	$ 1,652	$ 819
Tax refund receivable	15,222	27,842
Receivables for payments on behalf of others	17,454	17,653
Receivables on property, plant and equipment	18,967	-
Investment receivables for disposal	9,195	-
Others	18,281	19,106
	$ 80,771	$ 65,420

(6) Inventories

	December 31, 2023		
	Cost	Allowance for valuation loss	Book value
Raw materials	$ 1,995,972	($ 399,235)	$ 1,596,737
Work in progress	281,353	(17,327)	264,026
Finished goods	1,091,438	(11,610)	1,079,828
Inventory in transit	53,777	-	53,777
	$ 3,422,540	($ 428,172)	$ 2,994,368

	December 31, 2022		
	Cost	Allowance for valuation loss	Book value
Raw materials	$ 2,617,768	($ 332,872)	$ 2,284,896
Work in progress	364,812	(27,400)	337,412
Finished goods	626,678	(9,188)	617,490
Inventory in transit	10,817	-	10,817
	$ 3,620,075	($ 369,460)	$ 3,250,615

Operating costs that the Group recognized for the year:

	Year ended December 31	
	2023	2022
The cost of inventories recognized as expense for the year		
Cost of goods sold	$ 11,103,626	$ 10,607,921
Loss on decline in market value	63,722	104,349
Cost of goods	11,167,348	10,712,270
Cost of rental sales	60,528	69,630
Total operating costs	$ 11,227,876	$ 10,781,900

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

	December 31, 2023	December 31, 2022
Non-current items:		
Equity instruments		
Unlisted stocks	$ 38,090	$ 21,251

A. The Group has elected to classify equity instruments investments that are considered to be strategic investment as financial assets at fair value through other comprehensive income. The fair value of such investments amounted to $38,090 and $21,251 as at December 31, 2023 and 2022, respectively.

B. Amounts recognized in profit or loss and other comprehensive income in relation to the financial assets at fair value through other comprehensive income are listed below:

	Year ended December 31	
	2023	2022
Equity instruments at fair value through other comprehensive income		
Fair value change recognized in other comprehensive income	$ 16,839	$ 1,879
Dividend income recognized in profit or loss		
Held at the end of the year	$ 912	$ 988

(8) Investments accounted for using equity method / associates

A. Details are as follows:

	December 31, 2023	December 31, 2022
LEO Systems, Inc.	$ 83,342	$ 84,163
Formosa21 Inc.	22,033	21,055
Amerwave Technology (Shenzhen) Co., Ltd.	47,602	85,924
City Smarter Technologies Co.	512	645
Geointelligence Systems, Inc.	704	626
Web Information Technology Inc.	-	-
Venture Gain Developments Ltd.	-	-
FIC do Brasil Ltda.	-	-
Lambert Newmedia, Inc.	-	-
Witology Technology Co., Ltd.	7,223	8,164
Mobility Technology Group Inc.	268,654	-
	$ 430,070	$ 200,577

B. The basic information of the Group’s associates is as follows:

	Shareholding ratio	
	December 31, 2023	December 31, 2022
LEO Systems, Inc.	6%	6%
Formosa21 Inc.	29%	29%
Amerwave Technology (Shenzhen) Co., Ltd.	19%	39%
City Smarter Technologies Co.	19%	19%
Geointelligence Systems, Inc.	1%	1%
Web Information Technology Inc.	42%	42%
Venture Gain Developments Ltd.	20%	20%
FIC do Brasil Ltda.	45%	45%
Lambert Newmedia, Inc.	24%	24%
Witology Technology Co., Ltd.	20%	25%
Mobility Technology Group Inc.	35%	-

Investment profit or loss that the Group recognized are listed below:

	Year ended December 31	
	2023	2022
LEO Systems, Inc.	$ 10,946	$ 16,750
Formosa21 Inc.	978	356
Amerwave Technology (Shenzhen) Co., Ltd.	11,376	4,908
Prihot Electronic (M) SDN. BHD.	-	(1,024)
City Smarter Technologies Co.	(133)	64
Geointelligence Systems, Inc.	166	109
Web Information Technology Inc.	-	-
Venture Gain Developments Ltd.	-	-
FIC do Brasil Ltda.	-	-
Lambert Newmedia, Inc.	-	-
Witology Technology Co., Ltd.	(1,636)	(1,836)
Mobility Technology Group Inc.	(24,285)	-
	($ 2,588)	$ 19,327

(a) As the Group has significant influence over LEO Systems, Inc., Amerwave Technology (Shenzhen) Co., Ltd., City Smarter Technologies Corporation and Geointelligence Systems, Inc., these associates are accounted for under equity method although its shareholding ratios in these associates are less than 20%.

(b) Prihot Electronic (M) SDN. BHD. was liquidated as resolved by the Board of Directors in September 2022, and then the Group discontinued using the equity method.

(c) The Group acquired a 25% equity interest in Witology Technology Co., Ltd. for a consideration of $10,000 in August 2022. In addition, the associate increased its capital to issue new shares in December 2023. The Group did not acquire shares proportionally to its interest. As a result, the shareholding ratio decreased to 20%.

(d) The Group acquired a 32% equity interest in Mobility Technology Group Inc. for a consideration of $273,240 in March 2023. In addition, the associate increased its capital in August 2023. The Group did not acquire shares proportionally to its interest. As a result, the shareholding ratio decreased from 32% to 31%. In November 2023, Mobility Technology Group exercises the repurchase right to repurchase the number of outstanding shares not held by the Group. As a result, the shareholding ratio increased from 31% to 35%.

(e) The Group sold part of the shares that it held in Amerwave Technology (Shenzhen) Co., Ltd. for a consideration of $46,515 in November 2023. As a result, the shareholding ratio decreased to 19%.

C. The carrying amount of the Group's interests in all individually immaterial associates and the Group's share of the operating results are summarized below:

As of December 31, 2023 and 2022, the carrying amount of the Group's individually immaterial associates amounted to $430,070 and $200,577, respectively.

	Year ended December 31	
	2023	2022
(Loss) Profit for the year	($ 2,588)	$ 19,327
Other comprehensive income, net of tax	7,740	450
Total comprehensive income for the year	$ 5,152	$ 19,777

The above-mentioned share of profit or loss and other comprehensive income of associates accounted for under equity method was recognized based on each associate's financial statements of the same period that were audited by auditors, except for Web Information Technology Inc., Venture Gain Developments Ltd., FIC do Brasil Ltda., Lambert Newmedia, Inc., Prihot Electronic(M) SDN. BHD. and City Smarter Technologies Corporation for the years ended December 31, 2023 and 2022. The management believed there will be no significant influence although the above-mentioned financial statements of the invested companies were not audited by auditors.

D. The fair value of the Group's associates with quoted market prices is as follows:

	December 31, 2023	December 31, 2022
LEO Systems, Inc.	$ 177,776	$ 168,990

(9) Property, plant and equipment

	2023							
	Buildings and structures	Machinery and equipment	Transportation equipment	Office equipment	Leasehold improvements	Other equipment	Construction in progress and equipment under installation	Total
January 1, 2023								
Cost	$ 208,481	$ 1,528,455	$ 7,135	$ 134,076	$ 75,514	$ 280,316	$ 28,439	$ 2,262,416
Accumulated depreciation and impairment	(187,632)	(1,120,431)	(5,220)	(98,975)	(55,837)	(263,586)	-	(1,731,681)
	$ 20,849	$ 408,024	$ 1,915	$ 35,101	$ 19,677	$ 16,730	$ 28,439	$ 530,735
January 1, 2023	$ 20,849	$ 408,024	$ 1,915	$ 35,101	$ 19,677	$ 16,730	$ 28,439	$ 530,735
Additions	-	58,797	-	19,176	42,789	1,899	219,595	342,256
Disposals	-	(6,468)	-	(169)	(351)	(13)	-	(7,001)
Reclassifications	-	155,877	-	11,135	3,453	507	(173,656)	(2,684)
Depreciation	(6,858)	(176,479)	(598)	(19,729)	(25,726)	(6,059)	-	(235,449)
Net exchange differences	(297)	(7,196)	(27)	(563)	(482)	(98)	(1,017)	(9,680)
December 31, 2023	$ 13,694	$ 432,555	$ 1,290	$ 44,951	$ 39,360	$ 12,966	$ 73,361	$ 618,177
December 31, 2023								
Cost	$ 204,652	$ 1,496,411	$ 6,757	$ 154,438	$ 66,551	$ 128,607	$ 73,361	$ 2,130,777
Accumulated depreciation and impairment	(190,958)	(1,063,856)	(5,467)	(109,487)	(27,191)	(115,641)	-	(1,512,600)
	$ 13,694	$ 432,555	$ 1,290	$ 44,951	$ 39,360	$ 12,966	$ 73,361	$ 618,177

	2022							
	Buildings and structures	Machinery and equipment	Transportation equipment	Office equipment	Leasehold improvements	Other equipment	Construction in progress and equipment under installation	Total
January 1, 2022								
Cost	$ 264,540	$ 1,443,147	$ 7,088	$ 121,211	$ 1,472	$ 261,802	$ 20,770	$ 2,120,030
Accumulated depreciation and impairment	(226,341)	(952,803)	(4,667)	(85,364)	(463)	(247,283)	-	(1,516,921)
	$ 38,199	$ 490,344	$ 2,421	$ 35,847	$ 1,009	$ 14,519	$ 20,770	$ 603,109
January 1, 2022	$ 38,199	$ 490,344	$ 2,421	$ 35,847	$ 1,009	$ 14,519	$ 20,770	$ 603,109
Additions	-	72,208	-	10,567	15,795	12,575	108,002	219,147
Disposals	-	(5,270)	-	(200)	(1,681)	(200)	-	(7,351)
Effect due to disposal of subsidiaries	-	-	-	(14)	-	-	-	(14)
Reclassifications	(17,758)	69,099	-	2,386	17,758	4,512	(100,622)	(24,625)
Depreciation	(197)	(225,110)	(540)	(13,882)	(13,162)	(14,869)	-	(267,760)
Net exchange differences	605	6,753	34	397	(42)	193	289	8,229
December 31, 2022	$ 20,849	$ 408,024	$ 1,915	$ 35,101	$ 19,677	$ 16,730	$ 28,439	$ 530,735
December 31, 2022								
Cost	$ 208,481	$ 1,528,455	$ 7,135	$ 134,076	$ 75,514	$ 280,316	$ 28,439	$ 2,262,416
Accumulated depreciation and impairment	(187,632)	(1,120,431)	(5,220)	(98,975)	(55,837)	(263,586)	-	(1,731,681)
	$ 20,849	$ 408,024	$ 1,915	$ 35,101	$ 19,677	$ 16,730	$ 28,439	$ 530,735

A. The Group has no interest capitalized as part of property, plant and equipment.

B. Property, plant and equipment of the Group are all assets for its own use.

C. Information about the property, plant and equipment that were pledged to others as collateral is provided in Note 8.

(10) Leasing arrangements - lessee

Right-of-use assets

A. The Group leases various assets including land, buildings and structures and transportation equipment. Rental contract of land use right is made for a period of 50 years and the remaining assets are 2 to 5 years. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose covenants.

B. Short-term leases with a lease term of 12 months or less comprise warehouse and equipment.

C. The carrying amount of right-of-use assets and the depreciation charge are as follows:

	December 31, 2023	December 31, 2022
	Carrying amount	Carrying amount
Land	$ 11,512	$ 12,192
Buildings and structures	492,609	399,447
Others	1,395	740
	$ 505,516	$ 412,379

	Year ended December 31	
	2023	2022
	Depreciation charge	Depreciation charge
Land	$ 462	$ 466
Buildings and structures	225,236	224,130
Others	1,063	610
	$ 226,761	$ 225,206

D. For the years ended December 31, 2023 and 2022, the additions to right-of-use assets were $426,700 and $261,343, respectively.

E. Except for depreciation, the remaining information on profit or loss in relation to lease contracts is as follows:

	Year ended December 31	
	2023	2022
Items affecting profit or loss		
Interest expense on lease liabilities	$ 16,523	$ 14,273
Expense on short-term lease contracts	130,138	93,751
Gain on lease modification	1,880	-
Gain from subleasing right-of-use assets	2,389	2,971

F. For the years ended December 31, 2023 and 2022, the Group's total cash outflow for leases were $382,523 and $340,405, respectively.

Lease liabilities

Carrying amount of the lease liabilities	December 31, 2023	December 31, 2022
Current	$ 193,540	$ 229,192
Non-current	$ 349,334	$ 231,461

G. Information about the land use right that were pledged to others as collateral is provided in Note 8.

(11) Leasing arrangements – lessor

A. The Group leases various assets including land, buildings and land use right. Rental contracts are typically made for periods of 1 and 12 years. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions.

B. The Group leases land and buildings under a finance lease. Based on the terms of the lease contract, the lease period covers the main part of the leased assets' economic life. Information on profit or loss in relation to lease contracts is as follows:

	Year ended December 31	
	2023	2022
Finance income from the net investment in the finance lease	$ 2,389	$ 2,971

C. The maturity analysis of the undiscounted lease payments in the finance lease is as follows:

	December 31, 2023	December 31, 2022
Less than 1 year	$ 14,358	$ 15,630
Between 1 and 5 years	30,575	44,933
	$ 44,933	$ 60,563

D. Reconciliation of the undiscounted lease payments and the net investment in the finance lease is provided as follows:

	December 31, 2023	
	Current	Non-current
Undiscounted lease payments	$ 14,358	$ 30,575
Unearned finance income	(295)	(2,779)
Net investment in the lease	$ 14,063	$ 27,796

	December 31, 2022	
	Current	Non-current
Undiscounted lease payments	$ 15,630	$ 44,933
Unearned finance income	(352)	(5,112)
Net investment in the lease	$ 15,278	$ 39,821

E. Gain arising from operating lease agreements for the years ended December 31, 2023 and 2022 are as follows:

	Year ended December 31	
	2023	2022
Operating revenue - rent revenue	$ 123,744	$ 142,421
Non-operating income - other income	18,872	17,171
	$ 142,616	$ 159,592

F. The maturity analysis of the lease payments under the operating leases is as follows:

	December 31, 2023	December 31, 2022
Less than 1 year	$ 48,236	$ 100,783
Between 1 and 5 years	61,102	29,463
Over 5 years	870	1,297
	$ 110,208	$ 131,543

(12) Investment property

	2023			
	Land	Land use right	Buildings and structures	Total
January 1, 2023				
Cost	$ 19,772	$ 160,174	$ 1,611,434	$ 1,791,380
Accumulated depreciation	-	(59,064)	(795,641)	(854,705)
	$ 19,772	$ 101,110	$ 815,793	$ 936,675
January 1, 2023	$ 19,772	$ 101,110	$ 815,793	$ 936,675
Depreciation charge	-	(3,276)	(25,618)	(28,894)
Net exchange differences	-	(1,816)	(14,155)	(15,971)
December 31, 2023	$ 19,772	$ 96,018	$ 776,020	$ 891,810
December 31, 2023				
Cost	$ 19,772	$ 157,232	$ 1,583,174	$ 1,760,178
Accumulated depreciation	-	(61,214)	(807,154)	(868,368)
	$ 19,772	$ 96,018	$ 776,020	$ 891,810

	2022			
	Land	Land use right	Buildings and structures	Total
January 1, 2022				
Cost	$ 19,772	$ 151,126	$ 1,589,100	$ 1,759,998
Accumulated depreciation	-	(48,237)	(760,887)	(809,124)
	$ 19,772	$ 102,889	$ 828,213	$ 950,874
January 1, 2022	$ 19,772	$ 102,889	$ 828,213	$ 950,874
Depreciation charge	-	(3,302)	(24,231)	(27,533)
Net exchange differences	-	1,523	11,811	13,334
December 31, 2022	$ 19,772	$ 101,110	$ 815,793	$ 936,675
December 31, 2022				
Cost	$ 19,772	$ 160,174	$ 1,611,434	$ 1,791,380
Accumulated depreciation	-	(59,064)	(795,641)	(854,705)
	$ 19,772	$ 101,110	$ 815,793	$ 936,675

A. Rental income from investment property and direct operating expenses arising from investment property are shown below:

	Year ended December 31	
	2023	2022
Rental income from investment property	$ 126,945	$ 145,883
Direct operating expenses arising from the investment property that generated rental income during the year	$ 61,944	$ 71,046
Direct operating expenses arising from the investment property that did not generate rental income during the year	$ 23,618	$ 22,600

B. The fair value of the investment property and the land use right attributable to it held by the Group as at December 31, 2023 and 2022 was $3,273,577 and $3,331,291, respectively, which was valued by independent valuers and referred to market evidence on transaction price of similar property.

C. Information about the investment property that was pledged to others as collateral is provided in Note 8.

(13) Non-current assets held for sale

In December 2022, the Group was approved to sell machinery and equipment, which were reclassified as non-current assets held for sale. They were stated at the lower of its carrying amount and fair value less costs to sell. The transaction has been completed in November 2023.

Assets held for sale:

	December 31, 2022
Property, plant and equipment	$ 20,336

(14) Short-term borrowings

	December 31, 2023	December 31, 2022
Secured bank borrowings	$ 35,233	$ 129,878
Unsecured bank borrowings	-	60,013
	$ 35,233	$ 189,891
Interest rate range	3.00%~4.09%	1.49%~5.85%

Refer to Note 8 for details of collateral that the Group provided for short-term borrowings.

(15) Other payables

	December 31, 2023	December 31, 2022
Wages, salaries and bonuses payable	$ 283,718	$ 286,422
Compensation due to directors and employees	19,783	17,424
VAT payable	17,552	30,357
Freight payable	17,471	17,149
Payable on machinery and equipment	47,400	19,642
Payable on shares	14,649	14,660
Insurance expense payable	9,638	9,000
Material processing fees payable	18,170	13,929
Others	128,207	149,308
	$ 556,588	$ 557,891

(16) Bonds payable

	December 31, 2023	December 31, 2022
Bonds payable	$ 634,200	$ 217,100
Less: Discount on bonds payable	(29,705)	(6,374)
	604,495	210,726
Less: Current portion or exercise of put options	(33,884)	(210,726)
	$ 570,611	$ -

1. A. FICG issued the first domestic unsecured convertible bonds (referred herein as the 'first convertible bonds') for a total issue amount of $700,000 based on 101% of the face value on September 10, 2021. The issuance terms are as follows:

   (a) Issuance period: 3 years (September 10, 2021 to September 10, 2024)

   (b) Coupon rate: 0% fixed per annum

   (c) Repayment term:

   The first convertible bonds will be redeemed in cash at face value at the maturity date by the Group, except for those which had been repurchased in advance and repurchased and retired through a securities firm by FICG or the bondholders had exercised conversion of options and put options.

   (d) Conversion period:

   The bondholders have the right to ask FICG for conversion of the convertible bonds into common shares of FICG during the period from the date after three months of the first convertible bonds issue, except for those which had been repurchased in advance and repurchased and retired through a securities firm by FICG or the stop transfer period as specified in the laws and regulations or the consignment contract.

   (e) Conversion price:

   The conversion price of the first convertible bonds is $19.45 (in dollars) which is 105.36% of the reference price. The reference price was based on one of the simple arithmetic average of the closing prices of FICG's common shares on the Taiwan Stock Exchange for one business day, three business days and five business days before the effective date set by FICG. The conversion price of the bonds is subject to adjustments if the condition of the anti-dilution provisions occurs subsequently. The conversion price will be reset based on the pricing model specified in the terms of the bonds on each effective date regulated by the terms. The conversion price is $19.13 (in dollars) on December 31, 2023.

   (f) Put options:

   The bondholders have the right to require FICG to redeem the first convertible bonds at the price of the bonds' face value plus 1.0025% of the face value as interests upon two years from the issue date.

   (g) Call options:

   FICG may repurchase the first convertible bonds in advance after the following events occur:

   i. The closing price of FICG common shares is above the then conversion price by 30% for 30 consecutive trading days during the period from the date after three months of the bonds issue to 40 days before the maturity date.

   ii. FICG may repurchase all the bonds outstanding in cash at the bonds' face value at any time after the outstanding balance of the bonds is less than 10% of total initial issue amount during the period from the date after three months of the bonds issue to 40 days before the maturity date.

B. For the year ended December 31, 2023, the first convertible bonds totaling $182,800 had been converted into 9,502 thousand shares of common stock. As of December 31, 2023, the first convertible bonds totaling $665,700 had been converted into 34,329 thousand shares of common stock.

C. Regarding the issuance of convertible bonds, the equity conversion options amounting to $38,198 were separated from the liability component and were recognized in 'capital surplus - share options' in accordance with IAS 32. The call options and put options embedded in bonds payable were separated from their host contracts and were recognized in 'financial assets at fair value through profit or loss' in net amount in accordance with IFRS 9 because the economic characteristics and risks of the embedded derivatives were not closely related to those of the host contracts. The effective interest rate of the bonds payable after such separation was 1.77%.

2. A. FICG issued the second domestic unsecured convertible bonds (referred herein as the 'second convertible bonds') for a total issue amount of $600,000 based on 101% of the face value on May 31, 2023. The issuance terms are as follows:

(a) Issuance period: 3 years (May 31, 2023 to May 31, 2026)

(b) Coupon rate: 0% fixed per annum

(c) Repayment term:

The second convertible bonds will be redeemed in cash at face value at the maturity date by the Group, except for those which had been repurchased in advance and repurchased and retired through a securities firm by FICG or the bondholders had exercised conversion of options and put options.

(d) Conversion period:

The bondholders have the right to ask FICG for conversion of the convertible bonds into common shares of FICG during the period from the date after three months of the second convertible bonds issue, except for those which had been repurchased in advance and repurchased and retired through a securities firm by FICG or the stop transfer period as specified in the laws and regulations or the consignment contract.

(e) Conversion price:

The conversion price of the second convertible bonds is $66.25 (in dollars) which is 105.13% of the reference price. The reference price was based on one of the simple arithmetic average of the closing prices of FICG's common shares on the Taiwan Stock Exchange for one business day, three business days and five business days before the effective date set by FICG. The conversion price of the bonds is subject to adjustments if the condition of the anti-dilution provisions occurs subsequently. The conversion price will be reset based on the pricing model specified in the terms of the bonds on each effective date regulated by the terms. The conversion price is $65.15 (in dollars) on December 31, 2023.

(f) Put options:

The bondholders have the right to require FICG to redeem the second convertible bonds at the price of the bonds' face value plus 2.01% of the face value as interests upon two years from the issue date.

(g) Call options:

FICG may repurchase the second convertible bonds in advance after the following events occur:

i. The closing price of FICG common shares is above the then conversion price by 30%

for 30 consecutive trading days during the period from the date after three months of the bonds issue to 40 days before the maturity date.

ii. FICG may repurchase all the bonds outstanding in cash at the bonds' face value at any time after the outstanding balance of the bonds is less than 10% of total initial issue amount during the period from the date after three months of the bonds issue to 40 days before the maturity date.

B. For the year ended December 31, 2023, the second convertible bonds totaling $100 had been converted into 2,000 thousand shares of common stock.

C. Regarding the issuance of convertible bonds, the equity conversion options amounting to $33,711 were separated from the liability component and were recognized in 'capital surplus - share options' in accordance with IAS 32. The call options and put options embedded in bonds payable were separated from their host contracts and were recognized in 'financial assets at fair value through profit or loss' in net amount in accordance with IFRS 9 because the economic characteristics and risks of the embedded derivatives were not closely related to those of the host contracts. The effective interest rate of the bonds payable after such separation was 2.09%.

(17) Long-term borrowings

Type of borrowings	Borrowing period and repayment term	Interest rate	Collateral	December 31, 2023
Borrowings from non-financial institutions				
Secured borrowings	Borrowing period is from March 8, 2022 to March 8, 2025, interest is payable quarterly, the principal is payable in 12 installments starting from June 8, 2022	6.835%	Guarantee deposits paid	$ 70,203
Less: Current portion				(31,692)
				$ 38,511

A. As of December 31, 2023, the Group had no long-term borrowings.

B. The Group's borrowings from non-financial institutions pertain to the borrowing from Chailease International Financial Service (Singapore) Pte. Ltd., which is one of the subsidiaries of Chailease Finance Co., Ltd. Information about the guaranteed amount is provided in Note 8.

(18) Pensions

A. (a) The Company and its domestic subsidiaries have a defined benefit pension plan in accordance with the Labor Standards Act, covering all regular employees' service years prior to the enforcement of the Labor Pension Act on July 1, 2005 and service years thereafter of employees who chose to continue to be subject to the pension mechanism under the Law. Under the defined benefit pension plan, two units are accrued for each year of service for the first 15 years and one unit for each additional year thereafter, subject to a maximum of 45 units. Pension benefits are based on the number of units accrued and the average monthly salaries and wages of the last 6 months prior to retirement. The Company and its domestic subsidiaries contribute monthly an amount equal to 2%~10% of the employees' monthly salaries and wages to the retirement fund deposited with Bank of Taiwan, the trustee, under the name of the independent retirement fund committee. Also, the Company and its domestic subsidiaries would assess the balance in the aforementioned labor pension reserve account by the end of December 31, every year. If the account balance is insufficient to pay the pension calculated by the aforementioned method to the employees expected to qualify for retirement in the following year, the Company and its domestic subsidiaries will make contributions for the deficit by next March.

(b) The amounts recognized in the balance sheet are as follows:

	December 31, 2023	December 31, 2022
Present value of defined benefit obligations	($ 87,324)	($ 88,132)
Fair value of plan assets	87,227	87,684
Net defined benefit liability	($ 97)	($ 448)

(c) Movements in net defined benefit liabilities are as follows:

	2023		
	Present value of defined benefit obligations	Fair value of plan assets	Net defined benefit liability
At January 1	($ 88,132)	$ 87,684	($ 448)
Current service cost	(416)	-	(416)
Interest (expense) income	(1,229)	1,168	(61)
	(89,777)	88,852	(925)
Remeasurements:			
Return on plan assets (excluding amounts included in interest income or expense)	-	644	644
Change in financial assumptions	(1,036)	-	(1,036)
Experience adjustments	627	-	627
	(409)	644	235
Pension fund contribution	-	593	593
Paid pension	2,862	(2,862)	-
At December 31	($ 87,324)	$ 87,227	($ 97)

	2022		
	Present value of defined benefit obligations	Fair value of plan assets	Net defined benefit liability
At January 1	($ 96,476)	$ 82,895	($ 13,581)
Current service cost	(343)	-	(343)
Interest (expense) income	(581)	496	(85)
	(97,400)	83,391	(14,009)
Remeasurements:			
Return on plan assets (excluding amounts included in interest income or expense)	-	6,370	6,370
Change in financial assumptions	7,116	-	7,116
Experience adjustments	(2,382)	-	(2,382)
	4,734	6,370	11,104
Pension fund contribution	-	2,457	2,457
Paid pension	4,534	(4,534)	-
At December 31	($ 88,132)	$ 87,684	($ 448)

(d) The Bank of Taiwan was commissioned to manage the Fund of the Company's and domestic subsidiaries' defined benefit pension plan in accordance with the Fund's annual investment and utilisation plan and the "Regulations for Revenues, Expenditures, Safeguard and Utilisation of the Labor Retirement Fund" (Article 6: The scope of utilisation for the Fund includes deposit in domestic or foreign financial institutions, investment in domestic or foreign listed, over-the-counter, or private placement equity securities, investment in domestic or foreign real estate securitisation products, etc.). With regard to the utilisation of the Fund, its minimum earnings in the annual distributions on the final financial statements shall be no less than the earnings attainable from the amounts accrued from two-year time deposits with the interest rates offered by local banks. If the earnings is less than aforementioned rates, government shall make payment for the deficit after being authorized by the Regulator. The Company and domestic subsidiaries have no right to participate in managing and operating that fund and hence the Company and domestic subsidiaries are unable to disclose the classification of plan assets fair value in accordance with IAS 19 paragraph 142. The composition of fair value of plan assets as of December 31, 2023 and 2022 is given in the Annual Labor Retirement Fund Utilisation Report announced by the government.

(e) The principal actuarial assumptions used were as follows:

	Year ended December 31	
	2023	2022
Discount rate	1.25%	1.125%~1.5%
Future salary increases	2.0%~2.5%	2.0%~2.5%

Assumptions regarding future mortality experience are set based on the 6th Taiwan Standard Ordinary Experience Mortality Table.

Because the main actuarial assumption changed, the present value of defined benefit obligation is affected. The analysis was as follows:

	Discount rate		Future salary increases	
	Increase 0.25%	Decrease 0.25%	Increase 0.25%	Decrease 0.25%
December 31, 2023				
Effect on present value of defined benefit obligation	$ 2,037	($ 2,112)	($ 2,058)	$ 1,995
December 31, 2022				
Effect on present value of defined benefit obligation	$ 2,136	($ 2,212)	($ 2,517)	$ 2,094

The sensitivity analysis above is based on one assumption which changed while the other conditions remain unchanged. In practice, more than one assumption may change all at once. The method of analysing sensitivity and the method of calculating net pension liability in the balance sheet are the same.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the previous period.

(f) Expected contributions to the defined benefit pension plans of the Group for the year ending December 31, 2024 amount to $598.

(g) As of December 31, 2023, the weighted average duration of the retirement plan is 7.2~14.1 years.

B. (a) Effective July 1, 2005, the Company and its domestic subsidiaries have established a defined contribution pension plan (the "New Plan") under the Labor Pension Act (the "Act"), covering all regular employees with R.O.C. nationality. Under the New Plan, the Company and its domestic subsidiaries contribute monthly an amount based on 6% of the employees' monthly salaries and wages to the employees' individual pension accounts at the Bureau of Labor Insurance. The benefits accrued are paid monthly or in lump sum upon termination of employment.

(b) The Company's mainland China subsidiaries have a defined contribution plan. Monthly contributions to an independent fund administered by the government in accordance with the pension regulations in the People's Republic of China (PRC) are based on certain percentage of employees' monthly salaries and wages. Other than the monthly contributions, the Group has no further obligations.

(c) The pension costs under the defined contribution pension plan of the Group for the years ended December 31, 2023 and 2022 were $147,756 and $106,536, respectively.

(19) Share-based payment

A. For the years ended December 31, 2023 and 2022, FICG's share-based payment arrangements were as follows:

Type of arrangement	Grant date	Quantity granted (in thousands)	Vesting conditions
Cash capital increase reserved for employee preemption	2022.07.18	750	Vested immediately
Cash capital increase reserved for employee preemption	2023.07.13	997	Vested immediately
Restricted stocks to employees	2023.07.06	3,993	Note

Note: Employees who have served for three years can obtained 60% of the quantity granted; employees who have served for five years, the cumulative vested share ratio will be 100%. The shares cannot be transferred during the vesting period, and the remaining rights are the same as those of ordinary shares. In addition, the vested shares cannot be transferred within one year after the initial public offering of the company.

B. The fair value of stock options granted on grant date is measured using the Black-Scholes option-pricing model. Relevant information is as follows:

Type of arrangement	Grant date	Share price (in dollars)	Exercise price (in dollars)	Expected price volatility	Expected option life	Risk-free interest rate	Fair value per unit (in dollars)
Cash capital increase reserved for employee	2022.07.18	NTD 20.57	NTD 20	27.94% (Note 1)	0.01 year	1.10%	NTD 0.619
Cash capital increase reserved for employee	2023.07.13	NTD 65.40	NTD 50	52.74% (Note 2)	0.05 year	1.09%	NTD 15.4533
Restricted stocks to employees	2023.07.06	RMB 7.33	RMB 4.7	-	-	-	RMB 2.37

Note 1: Expected price volatility rate was estimated by using the annualized implied volatility for comparable properties in thirty trade days before the grant date.

Note 2: Expected price volatility rate was estimated by using the Company's daily historical stock price volatility in the last three months before the grant date.

C. Expenses incurred on share-based payment transactions are shown below:

	Year ended December 31	
	2023	2022
Equity-settled	$ 21,101	$ 463

(20) Share capital

A. As of December 31, 2023, the Company’s authorized capital was $25,000,000 and the paid-in capital was $2,346,758 with a par value of $10 (in dollars) per share. All proceeds from shares issued have been collected.

Movements in the number of the Company’s ordinary shares (in thousands) outstanding are as follows:

	2023	2022
At January 1	215,172	210,931
Cash capital increase	10,000	-
Conversion of convertible bonds	9,504	4,241
At December 31	234,676	215,172

B. As of March 29, 2023, the Company issued 10,000 thousand shares through cash capital increase as approved by the board of directors, with a par value of $10 (in dollars) per share. The total issuance price is $500,000. As of May 10, 2023, the application became effective. The registration was completed on September 1, 2023.

C. The Company converted the convertible bonds for the year ended December 31, 2022 totaling $82,500 into 4,241 thousand shares of common stock. The registration was completed on April 7, 2023.

D. The Company converted the convertible bonds for the year ended December 31, 2023 totaling $182,900 into 9,504 thousand shares of common stock. $100,600 of $182,900 converting into 5,255 thousand shares of common stock, the registration procedure is still in process.

E. 21,000 thousand shares of the share capital issued as of December 31, 2023 and 2022 were private placement marketable securities that the Company conducted in 2007. The transfer of such marketable securities shall be restricted by Article 43-8 of the Securities and Exchange Act. After three full years have elapsed since the delivery date, a letter of approval issued by the Taiwan Stock Exchange that meets the listing standards must be obtained before applying to the Securities and Futures Bureau of the Financial Supervisory Commission for supplemental public issuance.

(21) Capital surplus

Pursuant to the R.O.C. Company Act, capital surplus arising from paid-in capital in excess of par value on issuance of common stocks and donations can be used to cover accumulated deficit or to issue new stocks or cash to shareholders in proportion to their share ownership, provided that the Company has no accumulated deficit. Further, the R.O.C. Securities and Exchange Act requires that the amount of capital surplus to be capitalized mentioned above should not exceed 10% of the paid-in capital each year. However, capital surplus should not be used to cover accumulated deficit unless the legal reserve is insufficient.

	2023						
	Share premium	Difference between consideration and carrying amount of subsidiaries acquired or disposed	Changes in ownership interests in subsidiaries	Net change in equity of associates	Options	Other	Total
At January 1	$ 256,391	$ 162,398	$ 8,311	$ 616	$ 11,847	$ -	$ 439,563
Cash capital increase	414,974	-				433	415,407
Difference between consideration and carrying amount of subsidiaries acquired or disposed	-	32,110	-	-	-	-	32,110
Changes in ownership interests in subsidiaries	-	-	72,630	-	-	-	72,630
Recognition of equity items due to issuance of convertible	-	-	-	-	33,711	-	33,711
Conversion of convertible bonds	94,328	-	-	-	(9,981)	-	84,347
Changes in equity of associates and joint ventures accounted for using equity method	-	-	-	12,420	-	-	12,420
At December 31	$ 765,693	$ 194,508	$ 80,941	$ 13,036	$ 35,577	$ 433	$ 1,090,188

	2022					
	Share premium	Difference between consideration and carrying amount of subsidiaries acquired or disposed	Changes in ownership interests in subsidiaries	Net change in equity of associates	Options	Total
At January 1	$ 215,939	$ 160,688	$ -	$ 620	$ 16,349	$ 393,596
Difference between consideration and carrying amount of subsidiaries acquired or disposed	-	1,710	-	-	-	1,710
Changes in ownership interests in subsidiaries	-	-	8,311	-	-	8,311
Conversion of convertible bonds	40,452	-	-	-	(4,502)	35,950
Changes in equity of associates and joint ventures accounted for using equity method	-	-	-	(4)	-	(4)
At December 31	$ 256,391	$ 162,398	$ 8,311	$ 616	$ 11,847	$ 439,563

(22) Retained earnings

A. Under FICG's Articles of Incorporation, the current year's earnings, if any, shall first be used to pay all taxes and offset prior years' operating losses and then 10% of the remaining amount shall be set aside as legal reserve until the legal reserve equals the paid-in capital. After that, special reserve shall be set aside or reverse in accordance with Article 41 of Securities and Exchange Act. The remainder, if any, along with accumulated undistributed earnings shall be proposed by the Board of Directors and resolved by the shareholders.

B. In order to take the capital needs into account, strengthen the financial structure and appropriately meet the shareholders' demand for cash inflow, FICG shall consider the principle of maintaining the stability of dividends for the distribution of dividends and distribute cash and stocks in an appropriate proportion.

C. Except for covering accumulated deficit or issuing new stocks or cash to shareholders in proportion to their share ownership, the legal reserve shall not be used for any other purpose. The use of legal reserve for the issuance of stocks or cash to shareholders in proportion to their share ownership is permitted, provided that the distribution of the reserve is limited to the portion in excess of 25% of FICG's paid-in capital.

D. In accordance with the regulations, FICG shall set aside special reserve from the debit balance on other equity items at the balance sheet date before distributing earnings. When debit balance on other equity items is reversed subsequently, the reversed amount could be included in the distributable earnings.

E. The appropriations of 2022 earnings as resolved by the shareholders on June 15, 2023,and the interest rate will be revised on June 28, 2023; and the appropriations of 2021 earnings as resolved by the shareholders on June 23, 2022, are as follows:

	Year ended December 31			
	2022		2021	
	Amount	Dividend per share (in dollars)	Amount	Dividend per share (in dollars)
Legal reserve	$ 48,625		$ 23,534	
Special reserve	89,120		21,225	
Cash dividends	107,792	$ 0.49	-	$ -

F. The appropriations of FICG's 2023 earnings as resolved by the Board of Directors on March 28, 2024 are as follows:

	Year ended December 31, 2023	
	Amount	Dividend per share (in dollars)
Legal reserve	$ 33,209	
Special reserve	47,662	
Cash dividends	164,300	$ 0.70

The appropriations of 2023 earnings have not yet been resolved by the shareholders.

(23) Operating revenue

	Year ended December 31	
	2023	2022
Revenue from contracts with customers	$ 13,159,652	$ 12,306,014
Revenue from leasing real estate	123,744	142,421
	$ 13,283,396	$ 12,448,435

A. Disaggregation of revenue from contracts with customers

The Group derives revenue from the transfer of goods and services over time and at a point in time in the following major product lines:

Year ended December 31, 2023	Sales revenue	Service revenue	Total
Revenue from external customer contracts	$ 12,983,791	$ 175,861	$ 13,159,652
Timing of revenue recognition			
At a point in time	$ 12,983,791	$ -	$ 12,983,791
Over time	-	175,861	175,861
	$ 12,983,791	$ 175,861	$ 13,159,652

Year ended December 31, 2022	Sales revenue	Service revenue	Total
Revenue from external customer contracts	$ 12,189,785	$ 116,229	$ 12,306,014
Timing of revenue recognition			
At a point in time	$ 12,189,785	$ -	$ 12,189,785
Over time	-	116,229	116,229
	$ 12,189,785	$ 116,229	$ 12,306,014

B. Contract assets and liabilities

(a) The Group has recognized the following revenue-related contract assets and liabilities:

	December 31, 2023	December 31, 2022	January 1, 2022
Contract assets:			
Contract assets – Service contract	$ 5,487	$ 6,879	$ 7,162
Contract liabilities:			
Contract liabilities – Sales contract	$ 266,978	$ 239,564	$ 170,969
Contract liabilities – Service contract	17,748	16,381	16,464
	$ 284,726	$ 255,945	$ 187,433

(b) Revenue recognized that was included in the contract liability balance at the beginning of the year

	Year ended December 31	
	2023	2022
Revenue recognized that was included in the contract liability balance at the beginning of the year		
Sales contracts	$ 144,056	$ 141,590
Service contracts	15,097	12,314
	$ 159,153	$ 153,904

C. Revenue from leasing real estate for the years ended December 31, 2023 and 2022 are provided in Note 6(11).

(24) Interest income

	Year ended December 31	
	2023	2022
Interest income from bank deposits	$ 43,368	$ 11,013
Other interest income	2,589	3,338
	$ 45,957	$ 14,351

(25) Other income

	Year ended December 31	
	2023	2022
Rental revenue	$ 18,872	$ 17,171
Dividend income	1,194	1,050
Gains on write-off of past due payable	4,464	16,577
Other income	25,655	47,733
	$ 50,185	$ 82,531

Rental income for the years ended December 31, 2023 and 2022 are provided in Note 6(11).

(26) Other gains and losses

	Year ended December 31	
	2023	2022
Losses on disposals of property, plant and equipment	($ 2,723)	($ 3,612)
Gains on disposal of investments (Note 1)	-	76,812
Gains on lease modification	1,880	-
Net currency exchange gains	40,514	107,204
Net losses on financial assets and liabilities at fair value through profit or loss	(28)	(847)
Grant revenue (Note 2)	40,628	72,571
Other losses	(4,474)	(7,166)
	$ 75,797	$ 244,962

Note 1: In March 2022, FIC, Inc. disposed all the shares held in Zircon. The gain on disposal of investment related to the aforementioned disposal was $76,841, which was transferred from other equity - exchange differences on translation of foreign financial statements previously recognized.

Note 2: The grant revenue arose from government subsidies for vocational training and value growth. The grant revenue which is related to property, plant and equipment is recognized on a straight-line basis over their estimated useful life.

(27) Finance costs

	Year ended December 31	
	2023	2022
Interest expense	$ 16,305	$ 17,914
Lease liabilities	16,523	14,273
Bonds payable	9,492	4,021
Others	38	20
	$ 42,358	$ 36,228

(28) Employee benefit expense and expenses by nature

	Year ended December 31	
	2023	2022
Short-term employee benefits	$ 2,507,684	$ 2,431,452
Post-employment benefits	148,233	106,964
Depreciation	491,104	520,499
Amortization	12,531	9,770

A. In accordance with the Articles of Incorporation of the Company, a ratio of distributable profit of the current year, if any, shall be distributed as employees ’compensation and directors’ remuneration. The ratio shall be 2%~10% for employees’ compensation and shall not be higher than 1.5% for directors’ remuneration. However, if the Company has accumulated deficit, earnings shall be first reserved to cover accumulated losses.

B. Employees' compensation and directors' remuneration of the Company were accrued as follows:

	Year ended December 31	
	2023	2022
Employees' compensation	$ 10,667	$ 9,939
Directors' remuneration	711	994
	$ 11,378	$ 10,933

The employees' compensation and directors' remuneration were estimated and accrued based on 3%, 0.2%, 2% and 0.2% of distributable profit of current year as of the end of reporting period, respectively. The aforementioned amounts were recognized in salary expenses.

The employees' compensation and directors' remuneration for 2023 as resolved by the Board of Directors on March 28, 2024 were $14,222 and $1,422, respectively, and the employees' compensation will be distributed in the form of cash.

For 2023, the employees' compensation and directors' remuneration as resolved by the Board of Directors amounted to $14,222 and $1,422, respectively. The difference of $4,266 between the amounts resolved by the Board of Directors and the amounts recognized in the 2023 financial statements, due to changes in accounting estimates, will be adjusted in the profit or loss for 2024.

For 2022, the employees' compensation and directors' remuneration resolved by the Board of Directors amounted to $14,908 and $994, respectively. The difference of $4,969 between the amounts resolved by the Board of Directors and the amounts recognized in the 2022 financial statements, due to changes in accounting estimates, had been adjusted in the profit or loss for 2023.

For 2021, the employees' compensation and directors' remuneration resolved by the Board of Directors amounted to $7,710 and $514, respectively. The difference of $3,083 between the amounts resolved by the Board of Directors and the amounts recognized in the 2022 financial statements, due to changes in accounting estimates, had been adjusted in the profit or loss for 2022.

The above employees' compensation in 2022 and 2021 includes employees of subsidiaries who meet certain conditions.

C. Information about employees' compensation and directors' remuneration of FICG as resolved at the meeting of Board of Directors will be posted in the "Market Observation Post System" at the website of the Taiwan Stock Exchange.

(29) <u>Income taxes</u>

A. Income tax expense

	Year ended December 31	
	2023	2022
Current tax:		
Current tax on profits for the year	$ 150,387	$ 88,654
Tax on undistributed surplus earnings	14,084	9,529
Prior year income tax (over) under estimation	(1,052)	1,880
Total current tax	163,419	100,063
Deferred tax:		
Origination and reversal of temporary differences	(9,277)	(58,624)
Total deferred tax	(9,277)	(58,624)
Income tax expense	$ 154,142	$ 41,439

B. Reconciliation between income tax expense and accounting profit

	Year ended December 31	
	2023	2022
Income tax calculated by applying statutory rate to the profit before tax	$ 271,745	$ 290,078
Expenses disallowed by tax regulation	43,244	16,551
Tax exempt income by tax regulation	(78,382)	(103,450)
Temporary differences not recognized as deferred tax assets	856	2,111
Temporary differences not recognized as deferred tax liabilities	(53,652)	(122,177)
Tax losses not recognized as deferred tax assets	20,371	64,216
Effect from investment tax credits	(22,180)	(43,267)
Change in assessment of realization of deferred tax assets	(40,892)	(49,093)
Prior year taxable loss not recognized as deferred tax assets	-	(24,939)
Prior year income tax (over) under estimation	(1,052)	1,880
Tax on undistributed surplus earnings	14,084	9,529
Income tax expense	$ 154,142	$ 41,439

C. Amounts of deferred tax assets or liabilities as a result of temporary differences and tax losses are as follows:

	2023				
	January 1	Adjustments applicable to new standards	Recognized in profit or loss	Recognized in other comprehensive income	December 31
Deferred tax assets:					
Temporary differences:					
Loss on inventories	$ 56,339	$ -	$ 8,505	($ 699)	$ 64,145
Unrealised exchange loss	-	-	3,965	(36)	3,929
Book-tax differences of assets	9,704	-	(9,648)	(56)	-
Book-tax differences of lease liabilities	2,003	72,591	560	(1,377)	73,777
Others	12,508	-	(2,589)	(83)	9,836
Taxable loss	3,777	-	2,537	-	6,314
	$ 84,331	$ 72,591	$ 3,330	($ 2,251)	$ 158,001
Deferred tax liabilities:					
Temporary differences:					
Unrealised exchange gain	(19,000)	-	5,802	262	(12,936)
Book-tax differences of rights-of- use assets	-	(72,591)	(460)	1,339	(71,712)
Others	(1,250)	-	605	8	(637)
	($ 20,250)	($ 72,591)	$ 5,947	$ 1,609	($ 85,285)
	$ 64,081	$ -	$ 9,277	($ 642)	$ 72,716

	2022				
	January 1	Adjustments applicable to new standards	Recognized in profit or loss	Recognized in other comprehensive income	December 31
Deferred tax assets:					
Temporary differences:					
Loss on inventories	$ 16,682	$ -	$ 39,446	$ 211	$ 56,339
Unrealised exchange loss	689	-	(694)	5	-
Book-tax differences of assets	-	-	9,727	(23)	9,704
Book-tax differences of lease liabilities	-	57,513	16,271	810	74,594
Others	2,324	-	10,158	26	12,508
Taxable loss	-	-	3,777	-	3,777
	$ 19,695	$ 57,513	$ 78,685	$ 1,029	$ 156,922
Deferred tax liabilities:					
Temporary differences:					
Unrealised exchange gain	(14,034)	-	(4,771)	(195)	(19,000)
Book-tax differences of rights-of- use assets	-	(57,513)	(14,264)	(814)	(72,591)
Others	(226)	-	(1,026)	2	(1,250)
	($ 14,260)	($ 57,513)	($ 20,061)	($ 1,007)	($ 92,841)
	$ 5,435	$ -	$ 58,624	$ 22	$ 64,081

D. The Group Expiration dates of unused tax losses and amounts of unrecognized deferred tax assets domestically are as follows:

December 31, 2023				
Year incurred	Amount filed/ assessed	Unused amount	Unrecognized deferred tax assets	Expiry year
2014	10,699	8,507	8,507	2024
2017	1,933,258	1,862,030	1,862,030	2027
2018	46,637	41,652	41,652	2028
2019	41,301	29,346	29,346	2029
2020	86,197	68,480	68,480	2030
2021	55,691	54,737	54,737	2031
2022	321,081	318,338	318,338	2032
2023	101,854	101,854	101,854	2033

December 31, 2022							
Year incurred		Amount filed/ assessed		Unused amount		Unrecognized deferred tax assets	Expiry year
2013	$	22,186	$	21,340	$	21,340	2023
2014		10,699		8,507		8,507	2024
2016		11,222		10,369		10,369	2026
2017		1,933,258		1,885,885		1,885,885	2027
2018		46,637		44,737		44,737	2028
2019		41,301		40,572		40,572	2029
2020		86,197		85,370		85,370	2030
2021		55,691		54,737		54,737	2031
2022		321,081		321,081		321,081	2032

E. The amounts of deductible temporary differences that were not recognized as deferred tax assets are as follows:

		December 31, 2023		December 31, 2022
Deductible temporary differences	$	2,876,595	$	3,152,712

F. The Company has not recognized taxable temporary differences associated with investment in subsidiaries as deferred tax liabilities. As of December 31, 2023 and 2022, the amounts of temporary differences unrecognized as deferred tax liabilities were $268,260 and $610,885, respectively.

G. The Company’s and domestic subsidiaries’ income tax returns which were assessed and approved by the Tax Authority are as follows:

The company	Assessed year
FICG	2021
FIC	2021
FICTA	2021
Ubiqconn	2020
Ruggon	2021

(30) Earnings per share

	Year ended December 31, 2023		
	Amount after tax	Weighted average number of ordinary shares outstanding (shares in thousands)	Earnings per share (in dollars)
Basic earnings per share			
Profit attributable to ordinary shareholders of the parent	$ 332,140	222,536	$ 1.49
Diluted earnings per share			
Profit attributable to ordinary shareholders of the parent	$ 332,140	222,536	
Assumed conversion of all dilutive potential ordinary shares			
Convertible bonds	9,159	16,891	
Employees' compensation	-	258	
Profit attributable to ordinary shareholders of the parent plus assumed conversion of all dilutive potential ordinary shares	$ 341,299	239,685	$ 1.42

	Year ended December 31, 2022		
	Amount after tax	Weighted average number of ordinary shares outstanding (shares in thousands)	Earnings per share (in dollars)
<u>Basic earnings per share</u>			
Profit attributable to ordinary shareholders of the parent	$ 476,470	214,106	$ 2.23
<u>Diluted earnings per share</u>			
Profit attributable to ordinary shareholders of the parent	$ 476,470	214,106	
Assumed conversion of all dilutive potential ordinary shares			
Convertible bonds	3,293	14,346	
Employees' compensation	-	301	
Profit attributable to ordinary shareholders of the parent plus assumed conversion of all dilutive potential ordinary shares	$ 479,763	228,753	$ 2.10

(31) <u>Transactions with non-controlling interest</u>

A. <u>Disposal of equity interest in a subsidiary (that did not result in a loss of control)</u>

1) In March 2022, the Group sold 1,315 thousand shares of its subsidiary, Ubiqconn Technology, Inc., to non-related parties at a price of $52,600. Book value of non-controlling interest on the selling date is $20,490. This transaction resulted in an increase in the controlling interest and Equity attributable to owners of parent by $20,490 and $32,110.

2) Disposal of equity interest in a subsidiary (that did not result in a loss of control)
In January 2022, the Group sold 232 thousand shares of its subsidiary, Ubiqconn Technology, Inc., to 13 employees of the Group at a price of $4,176 for the Company's operation needs and the Group's operating plan requirements, and it was ratified and approved by the Board of Directors on March 24, 2022. The carrying amount of non-controlling interest in Ubiqconn Technology, Inc. was $2,466 at the disposal date. This transaction resulted in an increase in the non-controlling interest by $2,466 and an increase in the equity attributable to owners of the parent by $1,710.

B. The effect of changes in interests in Ubiqconn Technology, Inc. on the equity attributable to owners of the parent for the year ended December 31, 2023 and 2022 are shown below:

	Year ended December 31, 2023	Year ended December 31, 2022
Carrying amount of non-controlling interest disposed	($ 20,490)	($ 2,466)
Consideration received from non-controlling interest	52,600	4,176
Capital surplus	$ 32,110	$ 1,710

3) The Group did not participate in the capital increase raised by a subsidiary proportionally to its interest to the subsidiary

(1) In August 2022, the Group's subsidiary, Ubiqconn Technology, Inc., increased its cash capital by issuing new shares, and the issuing price is $20 (in dollars) per share. The Company used $74,228 in cash and $100,000 of monetary claims to pay for the shares. As the Group did not acquire shares proportionately to its interest, the comprehensive shareholding ratio decreased from 68% to 67%. This transaction resulted in a decrease in the non-controlling interest by $8,311 and an increase in the equity attributable to owners of the parent by $8,311. The effects of changes in interests in Ubiqconn on the equity attributable to owners of the parent for the years ended December 31, 2022 are shown below：

	Year ended December 31 2022
Cash	$ 125,772
Increase in the carrying amount of non-controlling interest	(117,461)
Increase in capital surplus	$ 8,311

(2) In December 2023, the Group's subsidiary, Prime GZ, increased its cash capital by issuing new shares, and the issurance price is $7.33 (in RMB) per share. As the Group did not acquire shares proportionately to its interest, the comprehensive shareholding ratio decreased from 58% to 50%. This transaction resulted in a decrease in the non-controlling interest by $112,555 and an increase in the equity attributable to owners of the parent by $112,555. The effects of changes in interests in Prime GZ on the equity attributable to owners of the parent for the year ended December 31, 2023 is shown below：

	Year ended December 31 2023
Cash	$ 612,920
Increase in the carrying amount of non-controlling interest	(500,365)
Increase in capital surplus	$ 112,555

(32) Supplemental cash flow information

A. Investing activities with partial cash payments

	Year ended December 31	
	2023	2022
Purchase of property, plant and equipment	$ 342,256	$ 219,147
Add: Opening balance of payable on equipment (including related parties)	19,798	20,790
Less: Ending balance of payable on equipment (including related parties)	(47,456)	(19,798)
Cash paid during the year	$ 314,598	$ 220,139

B. Financing activities with no cash flow effects

	Year ended December 31	
	2023	2022
Convertible bonds being converted to capital stocks	$ 179,384	$ 78,366

(33) Changes in liabilities from financing activities

			Non-cash changes		
	January 1, 2023	Cash flows	Foreign exchange change	Others	December 31, 2023
Short-term borrowings	$ 189,891	($ 153,863)	($ 795)	$ -	$ 35,233
Other payables - related parties	123,200	(123,200)	-	340,826	340,826
Long-term borrowings (including current portion)	70,203	(70,903)	700	-	-
Bonds payable (including current portion)	210,726	601,583	-	(207,814)	604,495
Lease liabilities	460,653	(235,862)	(5,511)	323,594	542,874
Guarantee deposits received	29,368	(2)	-	-	29,366
Long-term accounts payable	965,741	(642,231)	-	(323,510)	-
	$ 2,049,782	($ 624,478)	($ 5,606)	$ 133,096	$ 1,552,794

	January 1, 2022	Cash flows	Non-cash changes: Foreign exchange change	Non-cash changes: Others	December 31, 2022
Short-term borrowings	$ 99,383	$ 90,644	($ 136)	$ -	$ 189,891
Other payables - related parties	-	-	-	123,200	123,200
Long-term borrowings (including current portion)	-	68,323	(979)	2,859	70,203
Bonds payable (including current portion)	285,734	-	-	(75,008)	210,726
Lease liabilities	428,330	(232,381)	3,361	261,343	460,653
Guarantee deposits received	26,380	2,988	-	-	29,368
Long-term accounts payable	961,800	(5,184)	9,125	-	965,741
	$ 1,801,627	($ 75,610)	$ 11,371	$ 312,394	$ 2,049,782

7. Related Party Transactions

(1) Names of related parties and relationship

Names of related parties	Relationship with the Group
LEO Systems, Inc. (LEO Systems)	Associate
FIC Do Brasil Ltd. (FIC Do Brasil)	"
Amerwave Technology (Shenzhen) Co., Ltd. (Amerwave)	"
Geointelligence Systems, Inc. (Geointelligence)	"
Prihot Electronic (Malaysia) SDN. BHD. (Prihot)	"
Formosa21 Inc. (Formosa21)	"
Mobility Technology Group Inc. (MTGI)	"
University Venture Co., Ltd. (University Venture) (Note)	Other related party (substantial related party)
eCommunications, Inc. (eCommunications)	"
Supreme Image Limited (Supreme)	"
Lohas Biotech Development Corp. (Lohas)	"
GloryMakeup Inc. (GloryMakeup)	"
Wang Yi De etc.	"

Names of related parties	Relationship with the Group
Zong Jing Investment Inc. (Zong Jing)	Other related party (major shareholder)
Ho Mon Investment Inc. (Ho Mon)	"
Chia Chao Investment Inc. (Chia Chao)	"
WYC God-loving Foundation for Charity (GLF)	"
CGCH Foundation for Education (CGCHF)	Other related party (The company’s directors and the Company’s chairman are within second degree of kinship)
Via Technologies, Inc. (Via)	"
Xander International Corp. (Xander)	"
King's Sports Co. Ltd. (Kings)	"

Note: University Venture Co., Ltd. was originally the Group’s main management. The Group’s Directors re-elected in June 2023, which became the Group’s other related party (substantial related party).

(2) Significant related party transactions

A. Operating revenue

	Year ended December 31	
	2023	2022
Sales of goods:		
-Other related parties	$ 196,566	$ 144,366
-Associates	3,150	152
	$ 199,716	$ 144,518
Service revenue:		
-Associates	$ 5,640	$ 5,640
-Other related parties	88,576	36,248
	$ 94,216	$ 41,888

(a) Due to the diversity of the Group's product specifications, the specifications of the products sold to related parties may not be the same as those sold to non-related parties, thus, the sales prices cannot be compared. The terms of transactions with related parties are the same as those with non-related parties.

(b) The Group entered into consulting contracts with the above-mentioned related parties, and transaction prices and terms are made based on agreements.

B. Purchases

	Year ended December 31	
	2023	2022
Purchases of goods		
-Associates	$ 4,475	$ 325
-Other related parties	5	1,952
	$ 4,480	$ 2,277

Purchases based on the price lists in force and terms that would be available to third parties.

C. Receivables from related parties

	December 31, 2023	December 31, 2022
Accounts receivable:		
-Associates	$ 3,822	$ 515
-Other related parties	31,412	12,267
	$ 35,234	$ 12,782
Finance lease receivable, net:		
-Associates		
LEO Systems	$ 7,801	$ 8,480
Formosa21	1,695	1,838
-Other related parties		
GloryMakeup	2,143	2,333
Lohas	1,875	2,035
Others	549	592
	$ 14,063	$ 15,278
Long-term finance lease receivable, net:		
-Associates		
LEO Systems	$ 15,423	$ 22,094
Formosa21	3,345	4,794
-Other related parties		
GloryMakeup	4,243	6,076
Lohas	3,703	5,307
Others	1,082	1,550
	$ 27,796	$ 39,821

	December 31, 2023	December 31, 2022
Other receivables:		
-Associates	$ 7,850	$ 2,781
-Other related parties	264	1,206
	$ 8,114	$ 3,987

Other receivables from related parties arise mainly from service receivables related to the logistics human resources.

As the credit term of accounts receivable from related parties exceeds normal terms, the accounts receivable were reclassified as other receivables.

	December 31, 2023	December 31, 2022
Other receivables:		
-Associate		
FIC Do Brasil	$ -	$ 138,758
Less: Allowance for uncollectible accounts	-	(138,758)
	$ -	$ -

D. Payables to related parties:

	December 31, 2023	December 31, 2022
Accounts payable:		
-Other related parties	$ 8,518	$ 11,878
-Associates	-	341
	$ 8,518	$ 12,219
Other payables:		
-Other related parties	$ 4,258	$ 7,045
-Associates	154	464
	$ 4,412	$ 7,509

E. Contract liability

	December 31, 2023	December 31, 2022
-Other related parties		
eCommunications	$ -	$ 10,763
Others	3,412	10,700
	$ 3,412	$ 21,463

F. Property transaction

(a) Acquisition of property, plant and equipment

	Year ended December 31	
	2023	2022
-Associates	$ 637	$ 1,128
-Other related parties	2,488	2,741
	$ 3,125	$ 3,869

(b) Disposal of property, plant and equipment

	December 31, 2023	
	Disposal price	Gains and losses on disposal
-Other related parties	$ 23	$ -

G. Loans to/from related parties:

Loans from related parties

	December 31, 2023	December 31, 2022
Other payables		
-Other related parties		
Ho Mon	-	123,200
Supreme	340,826	-
	$ 340,826	$ 123,200
Long-term accounts payable		
-Other related parties		
Ho Mon	$ -	$ 267,860
Zong Jing	-	201,000
Chia Chao	-	156,000
Supreme	-	340,881
	$ -	$ 965,741

	Year ended December 31			
	2023		2022	
	Interest income	Rate	Interest income	Rate
Other payables				
-Other related parties				
Ho Mon	2,444	2.0%	41	2.0%
Supreme	-	0.0%	-	0.0%
	$ 2,444		$ 41	
Long-term accounts payable				
-Other related parties				
Ho Mon	$ 508	0.5%	$ 2,395	0.5%
Zong Jing	493	0.5%	1,068	0.5%
Chia Chao	383	0.5%	780	0.5%
Supreme	-	0.0%	-	0.0%
	$ 1,384		$ 4,243	

H. Rent income

	Year ended December 31	
	2023	2022
Associates		
Amerwave	$ 13,277	$ 11,502
LEO Systems	3,948	3,878
Others	251	248
Other related parties	714	678
The Group's major management	36	72
	$ 18,226	$ 16,378

The rental prices of the Group and its related parties are based on the rental rates in the neighbourhood, and the rent is receivable monthly.

I. Other income

	Year ended December 31	
	2023	2022
-Associates	$ 5,448	$ 2,168
-Other related parties	78	86
	$ 5,526	$ 2,254

Other income is mainly from the service revenue related to the logistics human resources.

J. Operating expenses

	Year ended December 31	
	2023	2022
-Other related parties	$ 122,840	$ 27,614
-Associates	123	190
	$ 122,963	$ 27,804

Operating expenses are mainly from the sales commission and miscellaneous.

K. Equity transactions

In January 2022, the Group sold 232 thousand shares of its subsidiary, UBIQCONN TECHNOLOGY, INC., to the employees for the Company's operation needs and the Group's operating plan requirements. Refer to Note 6(31) for details.

(3) Key management compensation

	Year ended December 31	
	2023	2022
Salaries and other short-term employee benefits	$ 64,871	$ 43,408
Post-employment benefits	1,401	247
	$ 66,272	$ 43,655

8. Pledged Assets

The Group's assets pledged as collateral are as follows:

Pledged assets	Book value December 31, 2023	Book value December 31, 2022	Purpose
Financial assets measured at amortised cost - current	$ 94,510	$ 90,386	Bank borrowings and endorsements/ guarantees and guarantee for foreign exchange forward contract
Notes receivable	32,788	54,129	Discounted notes receivable
Guarantee deposits paid	-	19,654	Guarantee of borrowings from non-financial institutions
Property, plant and equipment	13,694	20,849	Bank borrowings
Land (shown as 'right-of-use assets')	11,512	12,192	Bank borrowings
Investment property	38,714	39,986	Bank borrowings
	$ 191,218	$ 237,196	

9. Significant Contingent Liabilities and Unrecognized Contract Commitments

(a) Contingencies

None.

(b) Commitments

None.

10. Significant Disaster Loss

None.

11. Significant Events after the Balance Sheet Date

(1) The Company subscribe for increasing its capital to issue 85,000 new shares in FIC, Inc., as resolved by the Board of Directors in February 1, 2023. The issuance price per share is NT$10. The Company use its' monetary claims to offset the payment of shares.

(2) In February, 2023, the Company's subsidiary, FIC, Inc., acquired Zhongtengbao Co., Ltd.'s capital by issuing new ordinary shares. Accordingly, the subsidiary's shareholding ratio increase to 51.02%.

(3) Due to the reduction in business scale, the board of directors of the Company's subsidiary, Broad GZ, passed to reduce capital. The amount of capital reduction was USD$13,000, and the capital reduction ratio was 56.52%.

(4) The appropriations of 2023 earnings as submitted by the Broad of Directors on March 28, 2024. Information about it is provided on Note 6(22).

(5) Due to operational needs and company diversification, the Company's subsidiary, FIC, Inc., established

FICG JAPAN Inc. in Japan with a 100% equity interest of ¥75,000, as proposed by the board of directors on March 28, 2024.

12. Others

(1) Capital management

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximizing the return to shareholders through the optimization of the debt and equity balance.

The Group's capital structure comprises net debt (pertaining to borrowings, net of cash and cash equivalents) and equity attributable to owners of parent (pertaining to share capital, capital surplus, retained earnings and other equity items).

(2) Financial instruments

A. Financial instruments by category

	December 31, 2023	December 31, 2022
Financial assets		
Financial assets at fair value through profit or loss		
Financial assets mandatorily measured at fair value through profit or loss	$ 92,785	$ 4,493
Financial assets measured at fair value through other comprehensive income Designation of equity instrument	$ 38,090	$ 21,251
Financial assets at amortised cost		
Cash and cash equivalents	$ 2,782,947	$ 1,347,873
Financial assets at amortised cost	101,265	106,510
Notes receivable	72,676	89,587
Accounts receivable	2,781,225	2,804,466
Accounts receivable-related parties	35,234	12,782
Finance lease receivable -related parties	14,063	15,278
Other receivables	80,771	65,420
Other receivables-related parties	8,114	3,987
Long-term finance lease receivable-related parties	27,796	39,821
Guarantee deposits paid	68,730	82,754
	$ 5,972,821	$ 4,568,478

	December 31, 2023	December 31, 2022
Financial liabilities		
Financial liabilities at fair value through profit or loss		
Financial liabilities held for trading	$ 5,039	$ -
Financial liabilities at amortised cost		
Short-term borrowings	$ 35,233	$ 189,891
Notes payable	307	307
Accounts payable	1,969,577	1,816,000
Accounts payable-related parties	8,518	12,219
Other payables	556,588	557,891
Other payables-related parties	345,238	130,709
Bond payables (including current portion)	604,495	210,726
Long-term borrowings (including current portion)	-	70,203
Guarantee deposits received	29,366	29,368
Long-term notes and accounts payable	-	965,741
	$ 3,549,322	$ 3,983,055
Lease liabilities-current	$ 193,540	$ 229,192
Lease liabilities-non-current	349,334	231,461
	$ 542,874	$ 460,653

B. Financial risk management policies

(a) The Group's activities expose it to a variety of financial risks: market risk (including foreign exchange risk, interest rate risk and price risk), credit risk and liquidity risk.

(b) Group treasury identifies, evaluates and hedges financial risks in close cooperation with the Group's operating units.

C. Significant financial risks and degrees of financial risks

(a) Market risk

Exchange rate risk

i. The Group operates internationally and is exposed to exchange rate risk arising from the transactions of the Company and its subsidiaries used in various functional currency, primarily with respect to the USD and RMB. Foreign exchange rate risk arises from future commercial transactions and recognized assets and liabilities.

ii. The Group is required to hedge its' entire foreign exchange risk exposure with Group treasury. Exchange rate risk is measured through a forecast of highly probable USD and RMB expenditures.

iii. The Group's businesses involve some non-functional currency operations (the Company's and certain subsidiaries' functional currency: NTD; other certain subsidiaries' functional currency: USD and RMB). The information on assets and liabilities denominated in foreign currencies whose values would be materially affected by the exchange rate fluctuations is as follows:

	December 31, 2023		
(Foreign currency: functional currency)	Foreign currency amount (In thousands)	Exchange rate	Book value (NTD) (in thousand)
Financial assets			
Monetary items			
USD : NTD	$ 141,448	30.7050	$ 4,343,161
USD : RMB	147,181	30.7050	4,519,193
RMB : NTD	115	4.3270	498
RMB : USD	13,510	4.3270	58,458
Financial liabilities			
Monetary items			
USD : NTD	$ 129,884	30.7050	$ 3,988,088
USD : RMB	116,791	30.7050	3,586,068
RMB : USD	228,921	4.3270	990,541

(Foreign currency: functional currency)	December 31, 2022 Foreign currency amount (In thousands)	Exchange rate	Book value (NTD) (in thousand)
Financial assets			
Monetary items			
USD : NTD	$ 122,689	30.7100	$ 3,767,779
USD : RMB	124,162	30.7100	3,813,015
RMB : NTD	3,146	4.4080	13,868
RMB : USD	13,188	4.4080	58,133
Financial liabilities			
Monetary items			
USD : NTD	$ 117,982	30.7100	$ 3,623,227
USD : RMB	89,744	30.7100	2,756,038
RMB : USD	227,407	4.4080	1,002,410

iv. The unrealized total exchange gain, including realized and unrealized, arising from significant foreign exchange variation on the monetary items held by the Group for the years ended December 31, 2023 and 2022, amounted to $40,514 and $107,204, respectively.

v. Analysis of foreign currency market risk arising from significant foreign exchange variation:

(Foreign currency: functional currency)	Year ended December 31, 2023 Degree of variation	Effect on profit or loss	Effect on other comprehensive income
Financial assets			
Monetary items			
USD:NTD	1%	$ 43,432	$ -
USD:RMB	1%	45,192	-
RMB:NTD	1%	5	-
RMB:USD	1%	585	-
Financial liabilities			
Monetary items			
USD:NTD	1%	$ 39,881	$ -
USD:RMB	1%	35,861	-
RMB:USD	1%	9,905	-

(Foreign currency: functional currency)	Year ended December 31, 2022		
	Degree of variation	Effect on profit or loss	Effect on other comprehensive income
Financial assets			
Monetary items			
USD:NTD	1%	$ 37,678	$ -
USD:RMB	1%	38,130	-
RMB:NTD	1%	139	-
RMB:USD	1%	581	-
Financial liabilities			
Monetary items			
USD:NTD	1%	$ 36,232	$ -
USD:RMB	1%	27,560	-
RMB:USD	1%	10,024	-

Price risk

i. The Group's equity securities, which are exposed to price risk, are the held financial assets at fair value through profit or loss and financial assets at fair value through other comprehensive income. To manage its price risk arising from investments in equity securities, the Group diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the Group.

ii. The Group's investments in equity securities comprise shares issued by the domestic companies. The prices of equity securities would change due to the change of the future value of investee companies. If the prices of these equity securities had increased/decreased by 1% with all other variables held constant, post-tax profit for the years ended December 31, 2023 and 2022 would have increased/decreased by $928 and $45, respectively, as a result of gains/losses on equity securities classified as at fair value through profit or loss. Other components of equity would have increased/decreased by $381 and $213, respectively, as a result of other comprehensive income classified as available-for-sale equity investment and equity investment at fair value through other comprehensive income.

Cash flow and fair value interest rate risk

i. The Group's main interest rate risk arises from long-term borrowings with variable rates, which expose the Group to cash flow interest rate risk. During 2023 and 2022, the Group's borrowings at variable rate were mainly denominated in New Taiwan dollars, US Dollars and Chinese Yuan.

ii. The Group's borrowings are measured at amortized cost. The borrowings are periodically contractually repriced and to that extent are also exposed to the risk of future changes in market interest rates.

iii. If the borrowing interest rate had increased/decreased by 1% with all other variables held constant, profit after tax for the years ended December 31, 2023 and 2022 would have increased/decreased by $352 and $2,601, respectively. Changes in interest expense mainly results from floating rate borrowings.

(b) Credit risk

i. Credit risk refers to the risk of financial loss to the Group arising from default by the clients or counterparties of financial instruments on the contract obligations. The main factor is that counterparties could not repay in full the contract cash flows of accounts receivable based on the agreed terms.

ii. The Group manages its credit risk taking into consideration the entire group's concern. According to the Group's credit policy, each local entity in the Group is responsible for managing and analysing the credit risk for each of their new clients before standard payment and delivery terms and conditions are offered. Internal risk control assesses the credit quality of the customers, taking into account their financial position, past experience and other factors. Individual risk limits are set based on internal or external ratings in accordance with limits set by the Board of Directors. The utilisation of credit limits is regularly monitored.

iii. The Group adopts the assumptions under IFRS 9, that is, the default occurs when the contract payments are past due over 90 days.

iv. The Group adopts following assumptions under IFRS 9 to assess whether there has been a significant increase in credit risk on that instrument since initial recognition:

If the contract payments were past due over 30 days based on the terms, there has been a significant increase in credit risk on that instrument since initial recognition.

v. The Group classifies customer's accounts receivable in accordance with credit risk on trade. The Group applies the modified approach using a provision matrix based on the loss rate methodology to estimate expected credit loss.

vi. The Group wrote-off the financial assets, which cannot be reasonably expected to be recovered, after initiating recourse procedures. However, the Group will continue executing the recourse procedures to secure their rights. On December 31, 2023 and 2022, the Group had no written-off financial assets that are still under recourse procedures.

vii. The expected loss rate for well-reputed customers of group A is 0.2%. For the years ended December 31, 2023 and 2022, the total book value of accounts receivable amounted to \$1,606,406 and \$1,591,767, and loss allowance amounted to \$3,491 and \$2,738, respectively.

viii. The expected loss rate for well-reputed customers of group B is 0.2%~7%. For the years ended December 31, 2023 and 2022, the total book value of accounts receivable amounted to \$5,272 and \$0, and loss allowance amounted to \$11 and \$0, respectively.

ix. The Group used the forecastability of Business Indicators Database and Basel Committee on Banking Supervision to adjust historical and timely information to assess the default possibility of notes and accounts receivable (including related parties) from the fair credit condition customers of the group C and D. On December 31, 2023 and 2022, the provision matrix is as follows:

(i) Group C

December 31, 2023	Expected loss rate	Total book value	Loss allowance
Not past due	0.2%~8.77%	$ 985,126	$ 7,747
Up to 30 days	0.2%~49.13%	155,733	4,939
31 to 90 days	0.2%~65.14%	7,978	98
61 to 90 days	0.2%~100%	2,912	1,205
91 to 180 days	100%	30,316	30,316
Over 180 days	100%	16,594	16,594
		$ 1,198,659	$ 60,899

December 31, 2022	Expected loss rate	Total book value	Loss allowance
Not past due	0.2%~0.55%	$ 744,157	$ 5,281
Up to 30 days	0.2%~2.15%	137,680	7,128
31 to 90 days	0.2%~39.24%	13,608	3,361
61 to 90 days	0.2%~100%	2,454	1,843
91 to 180 days	100%	23,922	23,884
Over 180 days	100%	17,364	17,331
		$ 939,185	$ 58,828

(ii) Group D

December 31, 2023	Expected loss rate	Total book value	Loss allowance
Not past due	0.20%	$ 91,898	$ 184
Up to 30 days	0.20%	51,588	103
31 to 90 days	0.20%	-	-
61 to 90 days	0.20%	-	-
91 to 180 days	100%	-	-
Over 180 days	100%	-	-
		$ 143,486	$ 287

December 31, 2022	Expected loss rate	Total book value	Loss allowance
Not past due	2.43%	$ 306,598	$ 7,859
Up to 30 days	7.29%	148,434	9,724
31 to 90 days	22.38%	-	-
61 to 90 days	36.03%	-	-
91 to 180 days	100%	-	-
Over 180 days	100%	-	-
		$ 455,032	$ 17,583

x. Based on historical experience, the Group applies individual assessment to evaluate expected credit loss of the high-credit risk customers from group E. On December 31, 2023 and 2022, accounts receivable amounted to $0 and $2,277 and loss allowance amounted to $0 and $2,277, respectively.

xi. Movements in relation to the Group applying the modified approach to provide loss allowance for notes and accounts receivable (including related parties) are as follows:

	2023	
	Notes and accounts receivable (including related parties)	
At January 1	$	81,426
Reversal of impairment	(	13,980)
Write-offs	(	2,277)
Effect of foreign exchange	(	481)
At December 31	$	64,688

	2022	
	Notes and accounts receivable (including related parties)	
At January 1	$	40,654
Provision for impairment loss		38,366
Effect of foreign exchange		2,406
At December 31	$	81,426

For provisioned loss in 2023 and 2022, the reversal of (impairment loss) arising from customers' contracts are $13,980 and ($38,366), respectively.

xii. The financial assets at amortized cost and other financial assets held by the Group are the bank deposits and restricted bank deposits with maturity term of over three months, and no material issues of credit rating levels were incurred. Further, there was no material expected credit loss.

xiii. The amount of other receivables and expected credit gains on December 31, 2023 and 2022 after the recoverability assessment were $80,771 and $0, $65,420 and $14,688, respectively.

(c) Liquidity risk

i. Cash flow forecasting is performed in the operating entities of the Group and aggregated by Group treasury. Group treasury monitors rolling forecasts of the Group's liquidity requirements to ensure it has sufficient cash to meet operational needs.

ii. The table below analyses the Group's non-derivative financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

December 31, 2023	Less than 1 year	Between 1 and 5 years	Over 5 years
Non-derivative financial liabilities			
Short-term borrowings	$ 35,233	$ -	$ -
Notes payable	307	-	-
Accounts payable (including related parties)	1,978,095	-	-
Other payables (including related parties)	901,826	-	-
Bonds payable (including current portion)	34,300	599,900	-
Lease liabilities	207,362	360,804	-

December 31, 2022	Less than 1 year	Between 1 and 5 years	Over 5 years
Non-derivative financial liabilities			
Short-term borrowings	$ 190,396	$ -	$ -
Notes payable	307	-	-
Accounts payable (including related parties)	1,828,219	-	-
Other payables (including related parties)	688,600	-	-
Bonds payable (including current portion)	217,100	-	-
Lease liabilities	239,693	237,575	-
Long-term borrowings (including current portion)	33,167	40,230	-
Long-term notes and accounts payable	-	976,430	-

(3) Fair value information

A. The different levels that the inputs to valuation techniques are used to measure fair value of financial and non-financial instruments have been defined as follows:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date. A market is regarded as active where a market in which transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis. The fair value of the Group's investment in listed stocks is included in Level 1.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. The fair value of the Group's investment in derivative instruments is included in Level 1.

Level 3: Unobservable inputs for the asset or liability. The fair value of the Group's investment in equity investment without active market is included in Level 3.

B. Financial instruments not measured at fair value

The carrying amounts of cash and cash equivalents, notes receivable, accounts receivable (including related parties), other receivables (including related parties), long-term notes and accounts receivable, short-term borrowings, notes payable, other payables (including related parties), other payables (including related parties), bonds payable, lease liabilities and long-term notes and accounts payable are approximate to their fair values.

C. The related information on financial and non-financial instruments measured at fair value by level on the basis of the nature, characteristics and risks of the assets and liabilities at December 31, 2023 and 2022 are as follows:

(a) The related information on the nature of the assets and liabilities is as follows:

December 31, 2023	Level 1	Level 2	Level 3	Total
Assets				
Recurring fair value measurements				
Financial assets at fair value through profit or loss				
Equity securities	$ 2,388	$ -	$ -	$ 2,388
Beneficiary certificates	90,397	-	-	90,397
Financial assets at fair value through other comprehensive income				
Equity securities	23,669	-	14,421	38,090
	$ 116,454	$ -	$ 14,421	$ 130,875

December 31, 2022	Level 1	Level 2	Level 3	Total
Assets				
Recurring fair value measurements				
Financial assets at fair value through profit or loss				
Equity securities	$ 3,364	$ -	$ -	$ 3,364
Derivative instruments -Call/put options of bonds	-	-	1,129	1,129
Financial assets at fair value through other comprehensive income				
Equity securities	-	-	21,251	21,251
	$ 3,364	$ -	$ 22,380	$ 25,744

(b) The methods and assumptions the Group used to measure fair value are as follows:

i. The instruments the Group used market quoted prices as their fair values (that is, Level 1) are listed below by characteristics:

	Listed stocks
Market quoted price	Closing price

ii. Except for financial instruments with active markets, the fair value of other financial instruments is measured by using valuation techniques or by reference to counterparty quotes.

iii. When assessing non-standard and low-complexity financial instruments, the Group adopts valuation technique that is widely used by market participants. The inputs used in the valuation method to measure these financial instruments are normally observable in the market.

iv. The valuation of derivative financial instruments is based on valuation model widely accepted by market participants, such as present value techniques.

v. The output of valuation model is an estimated value and the valuation technique may not be able to capture all relevant factors of the Group's financial and non-financial instruments. As a result, the estimate generated by valuation model will be slightly adjusted based on additional inputs, such as model risk or liquidity risk . In accordance with the Group's management policies and relevant control procedures relating to the valuation models used for fair value measurement, management believes adjustment to valuation is necessary in order to reasonably represent the fair value of financial and non-financial instruments at the consolidated balance sheet. The inputs and pricing information used during valuation are carefully assessed and adjusted based on current market conditions.

D. For the years ended December 31, 2023 and 2022, there was no transfer between Level 1 and Level 2.

E. The following chart is the movement of Level 3 for the years ended December 31, 2023 and 2022:

	2023		
	Equity instruments	Call/put options of bonds	Total
At January 1	$ 21,251	$ 1,129	$ 22,380
Gains and losses recognized in profit or loss			
Recorded as non-operating income and expenses	-	(1,957)	(1,957)
Gains and losses recognized in other comprehensive income			
Recorded as unrealised gains (losses) on valuation of investments in equity instruments measured at fair value through other comprehensive income	16,839	-	16,839
Issued during this year	-	(4,020)	(4,020)
Converted during the year	-	(191)	(191)
Transfer out from Level 3	(23,669)	-	(23,669)
At December 31	$ 14,421	($ 5,039)	$ 9,382

	2022		
	Equity instruments	Call/put options of bonds	Total
At January 1	$ 19,372	$ 1,887	$ 21,259
Gains and losses recognized in profit or loss			
Recorded as non-operating income and expenses	-	(95)	(95)
Gains and losses recognized in other comprehensive income			
Recorded as unrealized gains (losses) on valuation of investments in equity instruments measured at fair value through other comprehensive income	1,879	-	1,879
Converted during the year	-	(663)	(663)
At December 31	$ 21,251	$ 1,129	$ 22,380

F. For the years ended December 31, 2023 and 2022, there was no transfer into or out from Level 3.

G. Treasury segment is in charge of valuation procedures for fair value measurements being categorised within Level 3, which is to verify independent fair value of financial instruments. Such assessment is to ensure the valuation results are reasonable by applying independent information to make results close to current market conditions, confirming the resource of information is independent, reliable and in line with other resources and making any other necessary adjustments to the fair value.

Treasury segment set up valuation policies, valuation processes and rules for measuring fair value of financial instruments and ensure compliance with the related requirements in IFRS.

H. The following is the qualitative information of significant unobservable inputs and sensitivity analysis of changes in significant unobservable inputs to valuation model used in Level 3 fair value measurement:

	Fair value at December 31, 2023	Valuation technique	Significant unobservable input	Range (weighted average)	Relationship of inputs to fair value
Non-derivative equity instrument:					
Unlisted shares	$ 14,421	Market comparable companies	Price to book ratio multiple, discount for lack of marketability	4.33 ~ 29.55	The higher the multiple, the higher the fair value; the higher the discount for lack of marketability, the lower the
Derivative instrument:					
Call/put options of bonds	($ 5,039)	The Binomial-Tree approach to convertible bonds	Volatility rate	44.12%	The higher the price volatility, the higher the fair value

	Fair value at December 31, 2022	Valuation technique	Significant unobservable input	Range (weighted average)	Relationship of inputs to fair value
Non-derivative equity instrument:					
Unlisted shares	$ 21,251	Market comparable companies	Price to book ratio multiple, discount for lack of marketability	3.88 ~ 26.13	The higher the multiple, the higher the fair value; the higher the discount for lack of marketability, the lower the
Derivative instrument:					
Call/put options of bonds	$ 1,129	The Binomial-Tree approach to convertible bonds	Volatility rate	57.68%	The higher the price volatility, the higher the fair value

I. The Group has carefully assessed the valuation models and assumptions used to measure fair value. However, use of different valuation models or assumptions may result in different measurement.

13. Supplementary Disclosures

(1) Significant transactions information

A. Loans to others: Refer to table 1.

B. Provision of endorsements and guarantees to others: Refer to table 2.

C. Holding of marketable securities at the end of the period (not including subsidiaries, associates and joint ventures): Refer to table 3.

D. Acquisition or sale of the same security with the accumulated cost exceeding $300 million or 20% of FICG 's paid-in capital: None.

E. Acquisition of real estate reaching NT$300 million or 20% of paid-in capital or more: None.

F. Disposal of real estate reaching NT$300 million or 20% of paid-in capital or more: None.

G. Purchases or sales of goods from or to related parties reaching $100 million or 20% of paid-in capital or more: Refer to table 4.

H. Receivables from related parties reaching $100 million or 20% of paid-in capital or more: Refer to table 5.

I. Trading in derivative instruments undertaken during the reporting periods: Refer to Note 6(2).

J. Significant inter-company transactions during the reporting periods: Refer to table 6.

(2) Information on investees

Names, locations and other information of investee companies (not including investees in Mainland China): Refer to table 7.

(3) Information on investments in Mainland China

A. Basic information: Refer to table 8.

B. Significant transactions, either directly or indirectly through a third area, with investee companies in the Mainland Area: Refer to table 6.

(4) Major shareholders information

Major shareholders information: Refer to table 9.

14. Segment Information

(1) General information

The Group is engaged in research and development, production and sales of automotive electronics, surveillance product and the industrial computers, electronic contract manufacturing of computers and server products and leasing real estate, which was the information reported to the chief operating decision-maker for the purpose of resource allocation and the assessment of segment performance. The Group focused on the differences in law and regulation in different countries which required different marketing strategies.

The reportable segments are as follows:

A. 3CEMS and its subsidiaries

B. Ubiqconn and its subsidiaries

C. FIC Inc. and its subsidiaries

D. Other companies

(2) Measurement of segment information

The Group's segment is measured with revenue and the operating profit, which is used as a basis for the Group in assessing the performance of operating segments. The accounting policies of the operating segments are in agreement with the significant accounting policies Summarized in Note 4. The Group did not provide the amounts of total assets and total liabilities to chief operating decision-maker.

(3) Information about segment profit or loss, assets and liabilities

The segment information provided to the chief operating decision-maker for the reportable segments is as follows:

Year ended December 31, 2023	3CEMS and its subsidiaries	Ubiqconn and its subsidiaries	FIC Inc. and its subsidiaries	Other companies	Adjustments and write-offs	Total
Revenue from external customers	$ 9,221,814	$ 3,657,350	$ 104,627	$ -	$ -	$ 12,983,791
Service revenue from external customers	-	63,205	107,016	5,640	-	175,861
Rental income from external customers	60,546	-	63,198	-	-	123,744
Inter-segment revenue	105,235	785	1,479	15,736	(123,235)	-
Segment revenue	$ 9,387,595	$ 3,721,340	$ 276,320	$ 21,376	($ 123,235)	$ 13,283,396
Segment income (loss)	$ 414,292	$ 313,648	($ 82,707)	$ 2,596	$ 6,047	$ 653,876
Segment income (loss) including:						
Depreciation and amortisation	$ 423,789	$ 58,015	$ 23,096	$ 673	($ 1,938)	$ 503,635

Year ended December 31, 2022	3CEMS and its subsidiaries	Ubiqconn and its subsidiaries	FIC Inc. and its subsidiaries	Other companies	Adjustments and write-offs	Total
Revenue from external customers	$ 7,460,072	$ 3,243,179	$ 1,486,534	$ -	$ -	$ 12,189,785
Service revenue from external customers	-	71,132	39,457	5,640	-	116,229
Rental income from external customers	60,949	-	81,472	-	-	142,421
Inter-segment revenue	1,411,517	724	13,144	14,327	(1,439,712)	-
Segment revenue	$ 8,932,538	$ 3,315,035	$ 1,620,607	$ 19,967	($ 1,439,712)	$ 12,448,435
Segment income (loss)	$ 248,731	$ 192,990	($ 26,945)	($ 209)	$ 10,294	$ 424,861
Segment income (loss) including:						
Depreciation and amortisation	$ 442,046	$ 48,346	$ 41,758	$ 58	($ 1,939)	$ 530,269

(4) Reconciliation for segment income (loss)

A. Sales between segments are carried out at arm's length. The revenue from external customers reported to the chief operating decision-maker is measured in a manner consistent with that in the statement of comprehensive income.

B. A reconciliation of reportable segment income or loss to the income/(loss) before tax from continuing operations is provided as follows:

	Year ended December 31	
	2023	2022
Segments income/(loss)	$ 653,876	$ 424,861
Non-operating income and expenses	126,993	339,631
operations	$ 780,869	$ 764,492

(5) Information on products and services

Details of revenue are as follows:

	Year ended December 31	
	2023	2022
Sales revenue	$ 12,983,791	$ 12,189,785
Service revenue	175,861	116,229
Rental of real estate revenue	123,744	142,421
	$ 13,283,396	$ 12,448,435

(6) Geographical information

Geographical information for the years ended December 31, 2023 and 2022 is as follows:

	Year ended December 31			
	2023		2022	
	Revenue	Non-current	Revenue	Non-current
Taiwan	$ 3,505,600	$ 281,825	$ 3,359,565	$ 229,939
Malaysia	2,638,301	-	2,389,549	390
US	2,208,827	-	2,364,950	-
China	1,269,848	1,771,939	1,401,226	1,687,394
Others	3,660,820	-	2,933,145	-
	$ 13,283,396	$ 2,053,764	$ 12,448,435	$ 1,917,723

(7) Major customer information

Major customer information of the Group for the years ended December 31, 2023 and 2022 is as follows:

	Year ended December 31			
	2023		2022	
	Revenue	operating revenue	Revenue	operating revenue
A	$ 2,795,591	21%	$ 3,032,721	24%
B	2,369,389	18%	2,483,369	20%
C	2,072,814	16%	2,356,471	19%
	$ 7,237,794	54%	$ 7,872,561	63%

INDEPENDENT AUDITORS' REPORT TRANSLATED FROM CHINESE

To the Board of Directors and Shareholders of FIC Global, Inc.

Opinion

We have audited the accompanying parent company only balance sheets of FIC Global, Inc. (the "FICG") as at December 31, 2023 and 2022, and the related parent company only statements of comprehensive income, of changes in equity and of cash flows for the years then ended, and notes to the parent company only financial statements, including a summary of significant accounting policies.

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

Basis for opinion

We conducted our audits in accordance with the Regulations Governing Financial Statement Audit and Attestation Engagements of Certified Public Accountants and 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 Parent Company Only Financial Statements section of our report. We are independent of FICG in accordance with the Norm of Professional Ethics for Certified Public Accountants of the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. Based on our audits and the reports of the other independent auditors, we believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

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

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

Valuation of investments accounted for using equity method

Refer to Note 4(10) for accounting policy on investments accounted for using equity method and Note 6(3) for details of investments accounted for using equity method.

As at December 31, 2023, the balance of FICG's investments in its subsidiaries amounted to $3,696,312 thousand, constituting 75% of the total assets. As the balance of investments in subsidiaries is material to the financial statements, we considered the valuation of investments accounted for using equity method a key audit matter. Accordingly, we determined that the key audit matters of FICG's investments accounted for using equity method - existence of sales revenue and evaluation of inventories, are also applicable as key areas of focus for this year's audit of FICG.

Investments accounted for using equity method - existence of sales revenue

Description

Refer to Note 4(34) of the consolidated financial statements for accounting policies on revenue recognition, and Note 6(23) of the consolidated financial statements for details of operating revenue.

FICG's subsidiaries are primarily engaged in the research and development, production and sales of automotive electronics, surveillance products and industrial computers, electronic contract manufacturing of computers and server products. Since product orders are affected by project cycles and the subsidiaries will have to focus on accepting orders of new projects, which has a significant impact on the financial statements. Thus, the existence of FICG's subsidiaries' sales revenue has been identified as one of the key audit matters.

How our audit addressed the matter

We performed the following audit procedures in respect of the above key audit matter:

3. Obtained an understanding of, and assessed FICG's subsidiaries' internal controls over sales transactions.
4. Selected samples of sales transactions from the sales customers and verified against related vouchers to ascertain existence of sales revenue.

Investments accounted for using equity method - evaluation of inventories

Description

Refer to Note 4(14) of the consolidated financial statements for the accounting policies on the evaluation of inventories, Note 5(2) of the consolidated financial statements for the uncertainty of accounting estimates and assumptions for evaluation of inventories, and Note 6(6) of the consolidated financial statements for the details of inventory.

Due to the rapid technological innovations and competition within the industry, frequent releases of new products result in potential price fluctuations and product marginalization in the market. Additionally, it also affects the estimation of net realizable values of inventories. In response to changing markets and its development strategies, FICG's subsidiaries adjust their inventory levels. As a result, the related inventory levels for the product line as mentioned above are significant. Inventories are stated at the lower of cost and net realizable value. Since the evaluation of inventories is subject to management's judgement and the accounting estimations will have significant influence on the inventory values, the evaluation of inventories has been identified as one of the key audit matters.

<u>How our audit addressed the matter</u>

We performed the following audit procedures on the above key audit matter:

4. Assessed the policy on allowance for inventory valuation loss based on our understanding of the operations and industry of FICG's subsidiaries.

5. Inspected the management's individually identified out-of-date inventory list and checked the related supporting documents.

6. Tested the basis of market value used in calculating the net realizable values of inventory and validated the accuracy of net realizable value calculation of selected samples.

Other matter – reference to the audits of other auditors

We did not audit the financial statements of certain investments accounted for using the equity method. The balance of these investments accounted for using the equity method amounted to NT$703,192 thousand and NT$387,223 thousand, constituting 14% and 11% of total assets as of December 31, 2023 and 2022, respectively, and the share of profit of associates accounted for using the equity method amounted to NT$33,370 thousand and NT$49,732 thousand, constituting 12% and 10% of total comprehensive income for the years then ended, respectively. The financial statements of these investees were audited by other independent auditors whose reports thereon have been furnished to us, and our opinion expressed herein, insofar as it relates to the amounts included in the financial statements relative to these investees is based solely on the audit reports of the other independent auditors.

Responsibilities of management and those charged with governance for the parent company only financial statements

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

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

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

Auditors' responsibilities for the audit of the parent company only financial statements

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

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

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

2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of FICG's internal control.

3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on FICG's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the parent company only financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause FICG to cease to continue as a going concern.

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

6. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within FICG to express an opinion on the parent company only financial statements. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the parent company only financial statements of the current period 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.

LIN, PO-CHUAN	Chang, Shu-Chiung

For and on Behalf of PricewaterhouseCoopers, Taiwan

March 28, 2024

The accompanying parent company only financial statements are not intended to present the financial position and results of operations and cash flows in accordance with accounting principles generally accepted in countries and jurisdictions other than the Republic of China. The standards, procedures and practices in the Republic of China governing the audit of such financial statements may differ from those generally accepted in countries and jurisdictions other than the Republic of China. Accordingly, the accompanying parent company only financial statements and independent auditors' report are not intended for use by those who are not informed about the accounting principles or auditing standards generally accepted in the Republic of China, and their applications in practice.

As the financial statements are the responsibility of the management, PricewaterhouseCoopers 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.

FIC GLOBAL, INC.
PARENT COMPANY ONLY BALANCE SHEETS
DECEMBER 31, 2023 AND 2022
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

	Assets	Notes	December 31, 2023 AMOUNT	%	December 31, 2022 AMOUNT	%
	Current assets					
1100	Cash and cash equivalents	6(1)	$ 52,660	1	$ 237,909	7
1110	Current financial assets at fair value through profit or loss	6(2)	-	-	1,129	-
1180	Accounts receivable due from related parties, net	7	515	-	515	-
1200	Other receivables		22	-	138	-
1210	Other receivables due from related parties	7	850,306	17	-	-
1470	Other current assets		1,076	-	641	-
11XX	**Total current assets**		904,579	18	240,332	7
	Non-current assets					
1550	Investments accounted for using equity method	6(3) and 7	3,994,471	82	3,356,897	93
1600	Property, plant and equipment		18	-	24	-
1780	Intangible assets		1,278	-	1,944	-
15XX	**Total non-current assets**		3,995,767	82	3,358,865	93
1XXX	**Total assets**		$ 4,900,346	100	$ 3,599,197	100

(Continued)

FIC GLOBAL, INC.
PARENT COMPANY ONLY BALANCE SHEETS
DECEMBER 31, 2023 AND 2022
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

	Liabilities and Equity	Notes	December 31, 2023 AMOUNT	%	December 31, 2022 AMOUNT	%
	Current liabilities					
2120	Current financial liabilities at fair value through profit or loss	6(2)	$ 5,039	-	$ -	-
2200	Other payables	6(4)	25,076	-	24,350	1
2220	Other payables to related parties	7	-	-	123,200	3
2230	Current tax liabilities		12,036	-	9,529	-
2320	Long-term liabilities, current portion	6(5)	33,884	1	210,726	6
2399	Other current liabilities, others		46	-	37	-
21XX	**Total current liabilities**		76,081	1	367,842	10
	Non-current liabilities					
2530	Bonds payable	6(5)	570,611	12	-	-
25XX	**Total non-current liabilities**		570,611	12	-	-
2XXX	**Total liabilties**		646,692	13	367,842	10
	Equity					
	Share capital	6(8)				
3110	Common stock		2,346,758	48	2,151,721	60
	Capital surplus	6(9)				
3200	Capital surplus		1,090,188	23	439,563	12
	Retained earnings	6(10)				
3310	Legal reserve		100,986	2	52,361	1
3320	Special reserve		379,890	8	290,770	8
3350	Unappropriated retained earnings		763,384	15	676,830	19
	Other equity interest					
3400	Other equity interest		(427,552)	(9)	(379,890)	(10)
3XXX	**Total equity**		4,253,654	87	3,231,355	90
	Significant events after the balance sheet date	11				
3X2X	**Total liabilities and equity**		$ 4,900,346	100	$ 3,599,197	100

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

FIC GLOBAL, INC.
PARENT COMPANY ONLY STATEMENTS OF COMPREHENSIVE INCOME
YEARS ENDED DECEMBER 31, 2023 AND 2022
(Expressed in thousands of New Taiwan dollars, except for earning per share amount)

	Items	Notes	Year ended December 31 2023 AMOUNT	2023 %	2022 AMOUNT	2022 %
4000	Operating revenue	6(11) and 7	$ 363,195	100	$ 503,080	100
	Operating expenses	6(15) and 7				
6200	General and administrative expenses		(17,949)	(5)	(19,346)	(4)
6900	Net operating income		345,246	95	483,734	96
	Non-operating income and expenses					
7100	Interest income	6(12) and 7	10,620	3	3,001	1
7010	Other income		5,626	2	400	-
7020	Other gains and losses	6(13)	(5,381)	(2)	3,440	1
7050	Finance costs	6(14) and 7	(11,936)	(3)	(4,576)	(1)
7000	Total non-operating income and expenses		(1,071)	-	2,265	1
7900	**Profit before income tax**		344,175	95	485,999	97
7950	Income Tax expense	6(16)	(12,035)	(4)	(9,529)	(2)
8200	**Profit for the year**		$ 332,140	91	$ 476,470	95
	Other comprehensive income					
	Components of other comprehensive income that will not be reclassified to profit or loss					
8330	Share of other comprehensive income of associates and joint ventures accounted for using equity method, components of other comprehensive income that will not be reclassified to profit or loss		$ 17,951	5	$ 10,962	2
8310	Other comprehensive income that will not be reclassified to profit or loss		17,951	5	10,962	2
	Components of other comprehensive income that will be reclassified to profit or loss					
8361	Exchange differences on translation of foreign operations		(72,651)	(20)	(14,168)	(3)
8380	Share of other comprehensive income of associates and joint ventures accounted for using equity method, components of other comprehensive income that will be reclassified to profit or loss		6,989	2	721	-
8360	Other comprehensive loss that will be reclassified to profit or loss		(65,662)	(18)	(13,447)	(3)
8300	**Other comprehensive loss**		($ 47,711)	(13)	($ 2,485)	(1)
8500	**Total comprehensive income**		$ 284,429	78	$ 473,985	94
	Earnings per share (in dollars)	6(17)				
9750	Basic earnings per share		$	1.49	$	2.23
9850	Diluted earnings per share		$	1.42	$	2.10

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

FIC GLOBAL, INC.
PARENT COMPANY ONLY STATEMENTS OF CHANGES IN EQUITY
YEARS ENDED DECEMBER 31, 2023 AND 2022
(Expressed in thousands of New Taiwan dollars)

				Retained Earnings			Other equity interest		
	Notes	Ordinary share	Capital surplus	Legal reserve	Special reserve	Unappropriated retained earnings (accumulated deficit)	Exchange differences on translation of foreign financial statements	Unrealised gains (losses) from financial assets measured at fair value through other comprehensive income	Total equity
Year ended December 31, 2022									
Balance, January 1, 2022		$ 2,109,305	$ 393,596	$ 28,827	$ 269,545	$ 235,339	($ 286,465)	($ 4,305)	$ 2,745,842
Profit for the year		-	-	-	-	476,470	-	-	476,470
Other comprehensive income (loss) for the year		-	-	-	-	9,780	(13,447)	1,182	(2,485)
Total comprehensive income (loss)		-	-	-	-	486,250	(13,447)	1,182	473,985
Appropriations of 2021 earnings:	6(10)								
Legal reserve		-	-	23,534	-	(23,534)	-	-	-
Special reserve		-	-	-	21,225	(21,225)	-	-	-
Changes in ownership interests in subsidiaries	6(9)	-	8,311	-	-	-	-	-	8,311
Conversion of convertible bonds	6(8)(9)	42,416	35,950	-	-	-	-	-	78,366
Difference between consideration and carrying amount of subsidiaries acquired or disposed	6(3)	-	1,710	-	-	-	-	-	1,710
Changes in equity of associates and joint ventures accounted for using equity method	6(9)	-	(4)	-	-	-	-	-	(4)
Disposal of subsidiaries		-	-	-	-	-	(76,855)	-	(76,855)
Balance, December 31, 2022		$ 2,151,721	$ 439,563	$ 52,361	$ 290,770	$ 676,830	($ 376,767)	($ 3,123)	$ 3,231,355
Year ended December 31, 2023									
Balance, January 1, 2023		$ 2,151,721	$ 439,563	$ 52,361	$ 290,770	$ 676,830	($ 376,767)	($ 3,123)	$ 3,231,355
Profit for the year		-	-	-	-	332,140	-	-	332,140
Other comprehensive income (loss) for the year		-	-	-	-	(49)	(65,662)	18,000	(47,711)
Total comprehensive income		-	-	-	-	332,091	(65,662)	18,000	284,429
Appropriations of 2022 earnings:	6(10)								
Legal reserve		-	-	48,625	-	(48,625)	-	-	-
Special reserve		-	-	-	89,120	(89,120)	-	-	-
Cash dividends of ordinary share		-	-	-	-	(107,792)	-	-	(107,792)
Issue of shares	6(7)(8)(9)	100,000	415,407	-	-	-	-	-	515,407
Changes in ownership interests in subsidiaries	6(9)	-	72,630	-	-	-	-	-	72,630
Due to recognition of equity component of convertible bonds issued	6(9)	-	33,711	-	-	-	-	-	33,711
Conversion of convertible bonds	6(8)(9)	95,037	84,347	-	-	-	-	-	179,384
Changes in equity of associates and joint ventures accounted for using equity method	6(9)	-	12,420	-	-	-	-	-	12,420
Difference between consideration and carrying amount of subsidiaries acquired or disposed	6(3)(9)	-	32,110	-	-	-	-	-	32,110
Balance, December 31, 2023		$ 2,346,758	$ 1,090,188	$ 100,986	$ 379,890	$ 763,384	($ 442,429)	$ 14,877	$ 4,253,654

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

FIC GLOBAL, INC.

PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS

YEARS ENDED DECEMBER 31, 2023 AND 2022

(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

	Notes	Year ended December 31 2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax		$ 344,175	$ 485,999
Adjustments			
Adjustments to reconcile profit (loss)			
Depreciation	6(15)	6	2
Amortization	6(15)	666	56
Net loss on financial assets or liabilities at fair value through profit or loss	6(2)(13)	1,957	95
Interest expense	6(14)	11,936	4,576
Interest income	6(12)	(10,620)	(3,001)
Share-based payments	6(7)	264	-
Share of profit of subsidiaries and associates accounted for using equity method	6(3)(11)	(341,819)	(483,113)
Changes in operating assets and liabilities			
Changes in operating assets			
Accounts receivable - related parties		-	10
Other receivables		(16)	-
Other receivables due frome related parties		(306)	-
Other current assets		-	(8)
Changes in operating liabilities			
Other payables		481	5,645
Other payables - related parties		(13,980)	(7,074)
Other current liabilities, others		9	17
Cash (outflow) inflow generated from operations		(7,247)	3,204
Interest received		10,752	2,864
Dividends received		23,457	3,377
Interest paid		(2,199)	(555)
Income taxes paid		(9,963)	(180)
Net cash flows from operating activities		14,800	8,710
CASH FLOWS FROM INVESTING ACTIVITIES			
(Increase) decrease in financing receivable from related parties		(850,000)	226,570
Acquisition of investments accounted for using equity method	6(3)	(273,240)	(74,228)
Proceeds from disposal of investments accounted for using equity method	6(3) and 7	52,600	4,176
Acquisition of property and equipment		-	(26)
Acquisition of intangible assets		-	(600)
Net cash flows (used in) from investing activities		(1,070,640)	155,892
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issuing bonds	6(19)	601,583	-
Decrease in financing payable to related parties	6(19)	(123,200)	(16,800)
Decrease in long-term notes and accounts payable to related parties	6(19)	-	(51,000)
Cash dividends paid	6(10)	(107,792)	-
Proceeds from issuing shares	6(8)	500,000	-
Net cash flows from (used in) financing activities		870,591	(67,800)
Net (decrease) increase in cash and cash equivalents		(185,249)	96,802
Cash and cash equivalents at beginning of year		237,909	141,107
Cash and cash equivalents at end of year		$ 52,660	$ 237,909

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

15. History and Organization

FIC Global, Inc. (referred herein as 'FICG') is a holding company for investment established by First International Computer, Inc. through a share conversion on August 30, 2004. FICG is primarily engaged in investment holdings. The stocks of FICG were listed on the Taiwan Stock Exchange on August 30, 2004.

16. The Date of Authorization for Issuance of the Financial Statements and Procedures for Authorization

These parent company only financial statements were authorized for issuance by the Board of Directors on March 28, 2024.

17. Application of New Standards, Amendments and Interpretations

(4) Effect of the adoption of new issuances of or amendments to International Financial Reporting Standards ("IFRS®") Accounting Standards that came into effect as endorsed by the Financial Supervisory Commission ("FSC")

New standards, interpretations and amendments endorsed by the FSC and became effective from 2023 are as follows:

New Standards, Interpretations and Amendments	Effective date by International Accounting Standards Board
Amendments to IAS 1, 'Disclosure of accounting policies'	January 1, 2023
Amendments to IAS 8, 'Definition of accounting estimates'	January 1, 2023
Amendments to IAS 12, 'Deferred tax related to assets and liabilities arising from a single transaction'	January 1, 2023
Amendments to IAS 12, 'International tax reform - pillar two model rules'	May 23, 2023

The above standards and interpretations have no significant impact to the Company's financial condition and financial performance based on the Company's assessment.

(5) Effect of new issuances of or amendments to IFRS Accounting Standards as endorsed by the FSC but not yet adopted by the Company

New Standards, Interpretations and Amendments	Effective date by International Accounting Standards Board
Amendments to IFRS 16, 'Lease liability in a sale and leaseback'	January 1, 2024
Amendments to IAS 1, 'Classification of liabilities as current or non-current'	January 1, 2024
Amendments to IAS 1, 'Non-current liabilities with covenants'	January 1, 2024
Amendments to IAS 7 and IFRS 7, 'Supplier finance arrangements'	January 1, 2024

The above standards and interpretations have no significant impact to the Company's financial condition and financial performance based on the Company's assessment.

(6) IFRS Accounting Standards issued by IASB but not yet endorsed by the FSC

New standards, interpretations and amendments issued by IASB but not yet included in the IFRSs Accounting Standards as endorsed by the FSC are as follows:

New Standards, Interpretations and Amendments	Effective date by International Accounting Standards Board
Amendments to IFRS 10 and IAS 28, 'Sale or contribution of assets between an investor and its associate or joint venture'	To be determined by International Accounting Standards Board
IFRS 17, 'Insurance contracts'	January 1, 2023
Amendments to IFRS 17, 'Insurance contracts'	January 1, 2023
Amendment to IFRS 17, 'Initial application of IFRS 17 and IFRS 9 – comparative information'	January 1, 2023
Amendments to IAS 21, 'Lack of exchangeability'	January 1, 2025

The above standards and interpretations have no significant impact to the Company's financial condition and financial performance based on the Company's assessment.

18. Summary of Material Accounting Policies

The principal accounting policies applied in the preparation of these parent company only financial statements are set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated.

(7) Compliance statement

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

(8) Basis of preparation

A. Except for the financial assets and financial liabilities (including derivative instruments) at fair value through profit or loss, the parent company only financial statements have been prepared under the historical cost convention.

B. The preparation of financial statements in conformity with International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations that came into effect as endorsed by the FSC (collectively referred herein as the "IFRSs") requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the parent company only financial statements are disclosed in Note 5.

(9) Foreign currency translation

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The parent company only financial statements are presented in "New Taiwan Dollars (NTD)", which is the Company's functional and presentation currency.

A. Foreign currency transactions and balances

(a) Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are remeasured. Foreign exchange gains and losses resulting from the settlement of such transactions are recognized in profit or loss in the period in which they arise.

(b) Monetary assets and liabilities denominated in foreign currencies at the period end are re-translated at the exchange rates prevailing at the balance sheet date. Exchange differences arising upon re-translation at the balance sheet date are recognized in profit or loss.

(c) Non-monetary assets and liabilities denominated in foreign currencies held at fair value through profit or loss are re-translated at the exchange rates prevailing at the balance sheet date; their translation differences are recognized in profit or loss. Non-monetary assets and liabilities denominated in foreign currencies held at fair value through other comprehensive income are re-translated at the exchange rates prevailing at the balance sheet date; their translation differences are recognized in other comprehensive income. However, non-monetary assets and liabilities denominated in foreign currencies that are not measured at fair value are translated using the historical exchange rates at the dates of the initial transactions.

(d) All foreign exchange gains and losses are presented in the statement of comprehensive income within 'other gains and losses'.

B. Translation of foreign operations

(a) The operating results and financial position of all the Company entities and associates that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

i. Assets and liabilities for each balance sheet presented are translated at the closing exchange rate at the date of that balance sheet;

ii. Income and expenses for each statement of comprehensive income are translated at average exchange rates of that period; and

iii. All resulting exchange differences are recognized in other comprehensive income.

(b) When the foreign operation partially disposed of or sold is an associate, exchange differences that were recorded in other comprehensive income are proportionately reclassified to profit or loss as part of the gain or loss on sale. In addition, even when the Company retains partial interest in the former foreign associate after losing significant influence over the former foreign associate, such transactions should be accounted for as disposal of all interest in these foreign operations.

(c) When the foreign operation partially disposed of or sold is a subsidiary, cumulative exchange differences that were recorded in other comprehensive income are proportionately transferred to the non-controlling interest in this foreign operation. In addition, even when the Company retains partial interest in the former foreign subsidiary after losing control of the former foreign subsidiary, such transactions should be accounted for as disposal of all interest in the foreign operation.

(d) Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing exchange rates at the balance sheet date.

(10) <u>Classification of current and non-current items</u>

A. Assets that meet one of the following criteria are classified as current assets; otherwise they are classified as non-current assets:

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

(b) Assets held mainly for trading purposes;

(c) Assets that are expected to be realized within twelve months from the balance sheet date;

(d) Cash and cash equivalents, excluding restricted cash and cash equivalents and those that are to be exchanged or used to settle liabilities more than twelve months after the balance sheet date.

B. Liabilities that meet one of the following criteria are classified as current liabilities; otherwise they are classified as non-current liabilities:

(a) Liabilities that are expected to be settled within the normal operating cycle;

(b) Liabilities arising mainly from trading activities;

(c) Liabilities that are to be settled within twelve months from the balance sheet date;

(d) Liabilities for which the repayment date cannot be extended unconditionally to more than twelve months after the balance sheet date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

(11) <u>Cash equivalents</u>

Cash equivalents refer to short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Time deposits that meet the definition above and are held for the purpose of meeting short-term cash commitments in operations are classified as cash equivalents.

(12) <u>Financial assets at fair value through profit or loss</u>

A. Financial assets at fair value through profit or loss are financial assets that are not measured at amortized cost or fair value through other comprehensive income.
B. On a regular way purchase or sale basis, financial assets at fair value through profit or loss are recognized and derecognized using trade date accounting.
C. At initial recognition, the Group measures the financial assets at fair value and recognizes the transaction costs in profit or loss. The Group subsequently measures the financial assets at fair value, and recognizes the gain or loss in profit or loss.

(13) <u>Accounts receivable</u>

A. Accounts receivable entitle the Company a legal right to receive consideration in exchange for transferred goods or rendered services.

B. The short-term accounts receivable without bearing interest are subsequently measured at initial invoice amount as the effect of discounting is immaterial.

(14) <u>Impairment of financial assets</u>

For financial assets at amortized cost including accounts receivable that have a significant financing component, at each reporting date, the Company recognizes the impairment provision for 12 months expected credit losses if there has not been a significant increase in credit risk since initial recognition or recognizes the impairment provision for the lifetime expected credit losses (ECLs) if such credit risk has increased since initial recognition after taking into consideration all reasonable and verifiable information that includes forecasts. On the other hand, for accounts receivable that do not contain a significant financing component, the Company recognizes the impairment provision for lifetime ECLs.

(15) Derecognition of financial assets

The Company derecognizes a financial asset when the contractual rights to receive the cash flows from the financial asset expire.

(16) Investments accounted for using equity method / subsidiaries and associates

A. Subsidiaries are all entities (including structured entities) controlled by the Company. The Company controls an entity when the Company is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

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

C. The Company's share of its subsidiaries' post-acquisition profits or losses is recognized in profit or loss, and its share of post-acquisition movements in other comprehensive income is recognized in other comprehensive income. When the Company's share of losses in a subsidiary equals or exceeds its interest in the subsidiary, the Company continues to recognize losses proportionate to its ownership.

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

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

F. Associates are all entities over which the Company has significant influence but not control. In general, it is presumed that the investor has significant influence, if an investor holds, directly or indirectly 20 percent or more of the voting power of the investee. Investments in associates are accounted for using the equity method and are initially recognized at cost.

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

H. When changes in an associate's equity do not arise from profit or loss or other comprehensive income of the associate and such changes do not affect the Company's ownership percentage of the associate, the Company recognizes change in ownership interests in the associate in 'capital surplus' in proportion to its ownership.

I. Unrealized gains on transactions between the Company and its associates are eliminated to the extent of the Company's interest in the associates. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of associates have been adjusted where necessary to ensure consistency with the policies adopted by the Company.

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

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

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

M. Pursuant to the Regulations Governing the Preparation of Financial Reports by Securities Issuers, profit (loss) of the current period and other comprehensive income in the parent company only financial statements shall equal to the amount attributable to owners of the parent in the financial statements prepared with basis for consolidation. Owners' equity in the parent company only financial statements shall equal to equity attributable to owners of the parent in the financial statements prepared with basis for consolidation.

(17) <u>Property, plant and equipment</u>

A. Property, plant and equipment are initially recorded at cost. Borrowing costs incurred during the construction period are capitalized.

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

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

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

Office equipment	4 years

(18) Intangible assets

Computer software is stated at cost and amortized on a straight-line basis over its estimated useful life of 3 years.

(19) Impairment of non-financial assets

The Company assesses at each balance sheet date the recoverable amounts of those assets where there is an indication that they are impaired. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell or value in use. When the circumstances or reasons for recognizing impairment loss for an asset in prior years no longer exist or diminish, the impairment loss is reversed. The increased carrying amount due to reversal should not be more than what the depreciated or amortized historical cost would have been if the impairment had not been recognized.

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

A. Financial liabilities are classified in this category of held for trading if acquired principally for the purpose of repurchasing in the short-term. Derivatives are also categorized as financial liabilities held for trading unless they are designated as hedges.

B. At initial recognition, the Company measures the financial liabilities at fair value. All related transaction costs are recognized in profit or loss. The Group subsequently measures these financial liabilities at fair value with any gain or loss recognized in profit or loss.

(21) Convertible bonds payable

Convertible bonds issued by the Company contain conversion options (that is, the bondholders have the right to convert the bonds into the Company's common shares by exchanging a fixed amount of cash for a fixed number of common shares), call options and put options. the Company classifies the bonds payable upon issuance as a financial asset, a financial liability or an equity instrument ('capital surplus - share options') in accordance with the contract terms. They are accounted for as follows:

A. The embedded call options and put options are recognized initially at net fair value as 'financial assets at fair value through profit or loss'. They are subsequently remeasured and stated at fair value on each balance sheet date; the gain or loss is recognized as 'gain or loss on valuation of financial assets or financial liabilities at fair value through profit or loss'.

B. The host contracts of bonds are initially recognized at fair value. Any difference between the initial recognition and the redemption value is accounted for as the discount on bonds payable and subsequently is amortized in profit or loss as an adjustment to 'finance costs' over the period of circulation using the effective interest method.

C. The embedded conversion options which meet the definition of an equity instrument are initially recognized in 'capital surplus - share options' at the residual amount of total issue price less the amount of financial assets at fair value through profit or loss and bonds payable as stated above. Conversion options are not subsequently remeasured.

D. Any transaction costs directly attributable to the issuance are allocated to each liability or equity component in proportion to the initial carrying amount of each abovementioned item.

E. When bondholders exercise conversion options, the liability component of the bonds (including 'bonds payable' and 'financial assets or financial liabilities at fair value through profit or loss') shall be remeasured on the conversion date. The issuance cost of converted common shares is the total book value of the abovementioned liability component and 'capital surplus - share options'.

(22) Derecognition of financial liabilities

A financial liability is derecognized when the obligation specified in the contract is either discharged or cancelled or expires.

(23) Employee benefits

A. Salaries and other short-term employee benefits

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

B. Pensions

Defined contribution plan

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

C. Employees' compensation and directors' and supervisors' remuneration

Employees' compensation and directors' and supervisors' remuneration are recognized as expense and liability, provided that such recognition is required under legal or constructive obligation and those amounts can be reliably estimated. Any difference between the resolved amounts and the subsequently actual distributed amounts is accounted for as changes in estimates. If employee compensation is paid by shares, the Company calculates the number of shares based on the closing price at the previous day of the board meeting resolution.

(24) Employee share-based payment

For the equity-settled share-based payment arrangements, the employee services received are measured at the fair value of the equity instruments granted at the grant date and are recognized as compensation cost over the vesting period, with a corresponding adjustment to equity. The fair value of the equity instruments granted shall reflect the impact of market vesting conditions and non-vesting conditions. Compensation cost is subject to adjustment based on the service conditions that are expected to be satisfied and the estimates of the number of equity instruments that are expected to vest under the non-market vesting conditions at each balance sheet date. Ultimately, the amount of compensation cost recognized is based on the number of equity instruments that eventually vest.

(25) Income tax

A. The tax expense for the period comprises current and deferred tax. Tax is recognized in profit or loss, except to the extent that it relates to items recognized in other comprehensive income or items recognized directly in equity, in which cases the tax is recognized in other comprehensive income or equity.

B. The current income tax expense is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the Company operates and generates taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in accordance with applicable tax regulations. It establishes provisions where appropriate based on the amounts expected to be paid to the tax authorities. An additional tax is levied on the unappropriated retained earnings and is recorded as income tax expense in the year the stockholders resolve to retain the earnings.

C. Deferred tax is recognized, using the balance sheet liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the parent company only balance sheet. However, the deferred tax is not accounted for if it arises from initial recognition of goodwill or of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred tax is provided on temporary differences arising on investments in subsidiaries and associates, except where the timing of the reversal of the temporary difference is controlled by the Company and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred tax asset is realized or the deferred tax liability is settled.

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

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

(26) Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or stock options are shown in equity as a deduction, net of tax, from the proceeds.

(27) Dividends

Dividends are recorded in the Company's financial statements in the period in which they are resolved by the Company's shareholders. Cash dividends are recorded as liabilities; stock dividends are recorded as stock dividends to be distributed and are reclassified to ordinary shares on the effective date of new shares issuance.

(28) Revenue recognition

Revenue from a consulting service contract in which the Company bills a fixed amount for service provided is recognized at the amount to which the Company has the right to invoice.

19. Critical Accounting Judgements, Estimates and Key Sources of Assumption Uncertainty

The preparation of these parent company only financial statements requires management to make critical judgements in applying the Company's accounting policies and make critical assumptions and estimates concerning future events. Assumptions and estimates may differ from the actual results and are continually evaluated and adjusted based on historical experience and other factors. Such assumptions and estimates have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year; and the related information is addressed below:

(1) Critical judgements in applying the Company's accounting policies

None.

(2) Critical accounting estimates and assumptions

None.

20. Details of Significant Accounts

(1) Cash and cash equivalents

	December 31, 2023	December 31, 2022
Checking accounts and demand deposits	$ 35,158	$ 45,051
Time deposits	17,502	192,858
	$ 52,660	$ 237,909

A. The Company transacts with a variety of financial institutions all with high credit quality to disperse credit risk, so it expects that the probability of counterparty default is remote.

B. The Company has no cash and cash equivalents pledged to others.

(2) Financial assets and liabilities at fair value through profit or loss

Items	December 31, 2023	December 31, 2022
Current items:		
Financial assets mandatorily measured at fair value through profit or loss - current		
Derivative instruments		
- Call/put options of convertible bonds	$ -	$ 1,129
Financial liabilities held for trading		
Derivative instruments		
- Call/put options of convertible bonds	$ 5,039	$ -

Amounts recognized in profit or loss in relation to financial assets and liabilities at fair value through profit or loss are listed below:

	Year ended December 31,	
	2023	2022
Financial assets and liabilities mandatorily measured at fair value through profit or loss		
Derivative instruments	($ 1,957)	($ 95)

(3) Investments accounted for using equity method

	December 31, 2023		December 31, 2022	
	Ownership (%)	Carrying amount	Ownership (%)	Carrying amount
Subsidiaries:				
First International Computer, Inc.	100	$ 1,014,028	100	$ 970,987
FICTA Technology Inc.	69	405,033	69	357,512
Ubiqconn Technology, Inc.	50	694,964	52	598,337
3CEMS Corporation	36	1,582,287	36	1,400,350
Associates:				
LEO Systems, Inc.	2	28,796	2	29,080
Formosa21 Inc.	-	5	-	5
Geointelligence Systems, Inc.	1	704	1	626
Mobility Technology Group Inc.	35	268,654	-	-
		$ 3,994,471		$ 3,356,897

Investment profit or loss (shown as operating revenue) recognized by the Company for the years ended December 31, 2023 and 2022 are listed below:

	Year ended December 31,	
	2023	2022
Subsidiaries:		
First International Computer, Inc.	$ 13,222	$ 176,336
FICTA Technology Inc.	44,942	44,665
Ubiqconn Technology, Inc.	130,449	105,978
3CEMS Corporation	173,539	150,230
Associates:		
LEO Systems, Inc.	3,786	5,794
Formosa21 Inc.	-	-
Geointelligence Systems, Inc.	166	110
Mobility Technology Group Inc.	(24,285)	-
	$ 341,819	$ 483,113

A. Subsidiaries

(a) Refer to Note 4(3) of the consolidated financial statements for the year ended December 31, 2023 for the information regarding the Company’s subsidiaries.

(b) In January 2022, the Company sold 232 thousand shares of its subsidiary, Ubiqconn Technology, Inc., to 13 employees of the Group at a price of $4,176 for the Company’s operation needs and the Group’s operating plan requirements, and it was ratified and approved by the Board of Directors on March 24, 2022. The carrying amount of non-controlling interest in Ubiqconn Technology, Inc. was $2,466 at the disposal date. This transaction resulted in an increase in the non-controlling interest by $2,466 and an increase in the equity attributable to owners of the parent by $1,710, therefore, the transaction was regarded as an equity transaction. Refer to Note 6(31) of the consolidated financial statements for details.

(c) In August 2022, Ubiqconn Technology, Inc. increased its cash capital by issuing new shares. The Company used $74,228 in cash and $100,000 of monetary claims to pay for the shares. As the Company did not acquire shares proportionately to its interest, the comprehensive shareholding ratio decreased from 68% to 67%. This transaction resulted in a decrease in the non-controlling interest by $8,311 and an increase in the equity attributable to owners of the parent by $8,311. Since the transaction did not change the Company’s control over it, it was regarded as an equity transaction. Refer to Note 6(31) of the consolidated financial statements for details.

(d) In March 2023, the Company sold 1,315 thousand shares of its subsidiary, Ubiqconn Technology, Inc., to non-related parties at a price of $52,600. The carrying amount of non-controlling interest in Ubiqconn Technology, Inc. was $20,490 at the disposal date. This transaction resulted in an increase in the non-controlling interest by $20,490 and an increase in the equity attributable to owners of the parent by $32,110, therefore, the transaction was regarded as an equity transaction. Refer to Note 6(31) of the consolidated financial statements for details.

B. Associates

(a) As the Company has significant influence over LEO Systems, Inc., Formosa21 Inc. and Geointelligence Systems, Inc., these associates are accounted for using equity method although its shareholding ratios in these associates were less than 20%.

(b) The Company sold part of the shares that it held in LEO Systems, Inc. to FICTA Technology Inc. in 2010 at a consideration of $178,394. The book value of the shares disposed was $77,962, resulting to a gain on disposal of $100,432. As it was an affiliate downstream transaction, as of December 31, 2023, unrealized gain on sale of the portion that has not been resold to the third parties amounting to $42,078 shall be deferred. The amount will be recognized after FICTA Technology Inc. sells the abovementioned shares held in the coming years.

(c) The Company acquired a 32% equity interest in Mobility Technology Group Inc. for a consideration of $273,240 in March 2023. In addition, the associate increased its capital in August 2023. The Company did not acquire shares proportionally to its interest. As a result, the shareholding ratio decreased from 32% to 31%. In November 2023, Mobility Technology Group Inc. exercises the repurchase right to repurchase the number of outstanding shares not held by the Company. As a result, the shareholding ratio increased from 31% to 35%.

(d) The carrying amount of the Company’s interests in all individually immaterial associates and the Company’s share of the operating results are summarized below:

As of December 31, 2023 and 2022, the carrying amount of the Company's individually immaterial associates amounted to $298,159 and $29,711, respectively.

	Year ended December 31,	
	2023	2022
(Loss) Profit for the year	($ 20,333)	$ 5,904
Other comprehensive income (loss), net of income tax	8,112	(259)
Total comprehensive (loss) income	($ 12,221)	$ 5,645

(e) The fair value of the Company's associates with quoted market prices is as follows:

	December 31, 2023	December 31, 2022
LEO Systems, Inc.	$ 61,485	$ 58,447

(4) Other payables

	December 31, 2023	December 31, 2022
Shares payable	$ 12,131	$ 12,142
Employees' compensation and directors' and supervisors' remuneration payable	11,377	10,933
Wages, salaries and bonuses payable	679	511
Others	889	764
	$ 25,076	$ 24,350

(5) Bonds payable

	December 31, 2023	December 31, 2022
Bonds payable	$ 634,200	$ 217,100
Less: Discount on bonds payable	(29,705)	(6,374)
	604,495	210,726
Less: Current portion of put options	(33,884)	(210,726)
	$ 570,611	$ -

1. A. The Company issued the first domestic unsecured convertible bonds (referred herein as the 'first convertible bonds') for a total issue amount of $700,000 based on 101% of the face value on September 10, 2021. The issuance terms are as follows:

(a) Issuance period: 3 years (September 10, 2021 to September 10, 2024)

(b) Coupon rate: 0% fixed per annum

(c) Repayment term:

The first convertible bonds will be redeemed in cash at face value at the maturity date by the Company except for those which had been repurchased in advance and repurchased and retired through a securities firm by the Company or the bondholders had exercised conversion of options and put options.

(d) Conversion period:

The bondholders have the right to ask the Company for conversion of the convertible bonds into common shares of the Company during the period from the date after three months of the first convertible bonds issue, except for those which had been repurchased in advance and repurchased and retired through a securities firm by the Company or the stop transfer period as specified in the laws and regulations or the consignment contract.

(e) Conversion price:

The conversion price of the first convertible bonds is $19.45 (in dollars) which is 105.36% of the reference price. The reference price was based on one of the simple arithmetic average of the closing prices of the Company's common shares on the Taiwan Stock Exchange for the one business day, three business days and five business days prior to the effective date set by the Company. The conversion price of the bonds is subject to adjustments if the condition of the anti-dilution provisions occurs subsequently. The conversion price will be reset based on the pricing model specified in the terms of the bonds on each effective date regulated by the terms. The conversion price is $19.13 (in dollars) on December 31, 2023.

(f) Put options:

The bondholders have the right to require the Company to redeem the first convertible bonds at the price of the bonds' face value plus 1.0025% of the face value as interests upon two years from the issue date.

(g) Call options:

The Company may repurchase the first convertible bonds in advance after the following events occur:

i. The closing price of the Company common shares is above the then conversion price by 30% for 30 consecutive trading days during the period from the date after three months of the bonds issue to 40 days before the maturity date.

ii. the Company may repurchase all the bonds outstanding in cash at the bonds' face value at any time after the outstanding balance of the bonds is less than 10% of total initial issue amount during the period from the date after three months of the bonds issue to 40 days before the maturity date.

B. For the year ended December 31, 2023, the first convertible bonds totaling $182,800 had been converted into 9,502 thousand shares of common stock. As of December 31, 2023, the first convertible bonds totaling $665,700 had been converted into 34,329 thousand shares of common stock.

C. Regarding the issuance of convertible bonds, the equity conversion options amounting to $38,198 were separated from the liability component and were recognized in 'capital surplus - share options' in accordance with IAS 32. The call options and put options embedded in bonds payable were separated from their host contracts and were recognized in 'financial assets at fair value through profit or loss' in net amount in accordance with IFRS 9 because the economic characteristics and risks of the embedded derivatives were not closely related to those of the host contracts. The effective interest rate of the bonds payable after such separation was 1.77%.

2. A. The Company issued the second domestic unsecured convertible bonds (referred herein as the 'second convertible bonds') for a total issue amount of $600,000 based on 101% of the face value on May 31, 2023. The issuance terms are as follows:

(a) Issuance period: 3 years (May 31, 2023 to May 31, 2026)

(b) Coupon rate: 0% fixed per annum

(c) Repayment term:

The second convertible bonds will be redeemed in cash at face value at the maturity date by the Company except for those which had been repurchased in advance and repurchased and retired through a securities firm by the Company or the bondholders had exercised conversion of options and put options.

(d) Conversion period:

The bondholders have the right to ask the Company for conversion of the convertible bonds into common shares of the Company during the period from the date after three months of the second convertible bonds issue, except for those which had been repurchased in advance and repurchased and retired through a securities firm by the Company or the stop transfer period as specified in the laws and regulations or the consignment contract.

(e) Conversion price:

The conversion price of the second convertible bonds is $66.25 (in dollars) which is 105.13% of the reference price. The reference price was based on one of the simple arithmetic average of the closing prices of the Company's common shares on the Taiwan Stock Exchange for one business day, three business days and five business days before the effective date set by the Company. The conversion price of the bonds is subject to adjustments if the condition of the anti-dilution provisions occurs subsequently. The conversion price will be reset based on the pricing model specified in the terms of the bonds on each effective date regulated by the terms. The conversion price is $65.15 (in dollars) on December 31, 2023.

(f) Put options:

The bondholders have the right to require the Company ;to redeem the second convertible bonds at the price of the bonds' face value plus 2.01% of the face value as interests upon two years from the issue date.

(g) Call options:

The Company may repurchase the second convertible bonds in advance after the following events occur:

i. The closing price of the Company common shares is above the then conversion price by 30% for 30 consecutive trading days during the period from the date after three months of the bonds issue to 40 days before the maturity date.

ii. The Company may repurchase all the bonds outstanding in cash at the bonds' face value at any time after the outstanding balance of the bonds is less than 10% of total initial issue amount during the period from the date after three months of the bonds issue to 40 days before the maturity date.

B. For the year ended December 31, 2023, the second convertible bonds totaling $100 had been converted into 2,000 thousand shares of common stock.

C. Regarding the issuance of convertible bonds, the equity conversion options amounting to $33,711 were separated from the liability component and were recognized in 'capital surplus - share options' in accordance with IAS 32. The call options and put options embedded in bonds payable were separated from their host contracts and were recognized in 'financial assets at fair value through profit or loss' in net amount in accordance with IFRS 9 because the economic characteristics and risks of the embedded derivatives were not closely related to those of the host contracts. The effective interest rate of the bonds payable after such separation was 2.09%.

(6) Pensions

Effective July 1, 2005, the Company has established a defined contribution pension plan (the "New Plan") under the Labor Pension Act (the "Act"), covering all regular employees with R.O.C. nationality. Under the New Plan, the Company contributes monthly an amount based on 6% of the employees' monthly salaries and wages to the employees' individual pension accounts at the Bureau of Labor Insurance. The benefits accrued are paid monthly or in lump sum upon termination of employment.

The pension costs under the defined contribution pension plan of the Company for the years ended December 31, 2023 and 2022 were $219 and $170, respectively.

(7) Share-based payment

A. For the years ended December 31, 2023, the Company's share-based payment arrangements were as follows:

Type of arrangement	Grant date	Quantity granted (in thousands)	Vesting conditions
Cash capital increase reserved for employee preemption	2023.07.13	997	Vested immediately

B. The fair value of stock options granted on grant date is measured using the Black-Scholes option-pricing model. Relevant information is as follows:

Type of arrangement	Grant date	Stock price	Exercise price	Expected price volatility	Expected option life	Risk-free interest rate	Fair value per unit
Cash capital increase reserved for employee	2023. 07.13	(in dollars) 65.40	(in dollars) 50	52.74% (Note)	0.05 year	1.09%	(in dollars) 15.453

Note: Expected price volatility rate was estimated by using the company's daily historical stock price volatility in the last three months before the grant date.

C. Expenses incurred on share-based payment transactions are shown below:

	December 31, 2023	December 31, 2022
Equity-settled	264	-

(8) Share capital

A. As of December 31, 2023, the Company's authorized capital was $25,000,000, and the paid-in capital was $2,346,758 with a par value of $10 (in dollars) per share. All proceeds from shares issued have been collected.

Movements in the number of the Company's ordinary shares (in thousands) outstanding are as follows:

	2023	2022
January 1	215,172	210,931
Cash capital increase	10,000	-
Conversion of convertible bonds	9,504	4,241
December 31	234,676	215,172

B. As of March 29, 2023, the Company issued 10,000 thousand shares through cash capital increase as approved by the board of directors, with a par value of $10 per share. The total issuance price is $500,000. As of May 10, 2023, the application became effective. The registration was completed on September 1, 2023.

C. The Company converted the convertible bonds for the year ended December 31, 2022 totalling $82,500 into 4,241 thousand shares of common stock. The registration was completed on April 7, 2023.

D. The Company converted the convertible bonds for the year ended December 31, 2023 totaling $182,900 into 9,504 thousand shares of common stock, $100,600 of $182,900 converting into 5,255 thousand shares of common stock. The registration procedure is still in process.

E. 21,000 thousand shares of the share capital issued as of December 31, 2023 and 2022 were private placement marketable securities that the Company conducted in 2007. The transfer of such marketable securities shall be restricted by Article 43-8 of the Securities and Exchange Act. After three full years have elapsed since the delivery date, a letter of approval issued by the Taiwan Stock Exchange that meets the listing standards must be obtained before applying to the Securities and Futures Bureau of the Financial Supervisory Commission for supplemental public issuance.

(9) Capital surplus

Pursuant to the R.O.C. Company Act, capital surplus arising from paid-in capital in excess of par value on issuance of common stocks and donations can be used to cover accumulated deficit or to issue new stocks or cash to shareholders in proportion to their share ownership, provided that the Company has no accumulated deficit. Further, the R.O.C. Securities and Exchange Act requires that the amount of capital surplus to be capitalized mentioned above should not exceed 10% of the paid-in capital each year. Capital surplus should not be used to cover accumulated deficit unless the legal reserve is insufficient.

	2023						
	Share premium	Difference between consideration and carrying amount of subsidiaries acquired or disposed	Changes in ownership interests in subsidiaries	Net change in equity of associates	Options	Other	Total
At January 1	$ 256,391	$ 162,398	$ 8,311	$ 616	$ 11,847	$ -	$ 439,563
Cash capital increase	414,974	-				433	415,407
Difference between consideration and carrying amount of subsidiaries acquired or disposed		32,110	-			-	32,110
Changes in ownership interests in subsidiaries		-	72,630			-	72,630
Recognition of equity items due to issuance of convertible corporate bonds		-	-		33,711	-	33,711
Conversion of convertible bonds	94,328	-	-		(9,981)	-	84,347
Changes in equity of associates and joint ventures accounted for using equity method		-	-	12,420		-	12,420
At December 31	$ 765,693	$ 194,508	$ 80,941	$ 13,036	$ 35,577	$ 433	$1,090,188

	2022					
	Share premium	Difference between consideration and carrying amount of subsidiaries acquired or disposed	Changes in ownership interests in subsidiaries	Net change in equity of associates	Options	Total
At January 1	$ 215,939	$ 160,688	$ -	$ 620	$ 16,349	$ 393,596
Conversion of convertible bonds	40,452	-	-	-	(4,502)	35,950
Difference between consideration and carrying amount of subsidiaries acquired or disposed	-	1,710	-	-	-	1,710
Changes in ownership interests in subsidiaries	-	-	8,311	-	-	8,311
Changes in equity of associates and joint ventures accounted for using equity method	-	-	-	(4)	-	(4)
At December 31	$ 256,391	$ 162,398	$ 8,311	$ 616	$ 11,847	$ 439,563

(10) Retained earnings

A. Under the Company's Articles of Incorporation, the current year's earnings, if any, shall first be used to pay all taxes and offset prior years' operating losses and then 10% of the remaining amount shall be set aside as legal reserve until the legal reserve equals the paid-in capital. After that, special reserve shall be set aside or reverse in accordance with Article 41 of Securities and Exchange Act. The remainder, if any, along with accumulated undistributed earnings shall be proposed by the Board of Directors and resolved by the shareholders.

B. In order to take the capital needs into account, strengthen the financial structure and appropriately meet the shareholders' demand for cash inflow, the Company shall consider the principle of maintaining the stability of dividends for the distribution of dividends and distribute cash and stocks in an appropriate proportion.

C. Except for covering accumulated deficit or issuing new stocks or cash to shareholders in proportion to their share ownership, the legal reserve shall not be used for any other purpose. The use of legal reserve for the issuance of stocks or cash to shareholders in proportion to their share ownership is permitted, provided that the distribution of the reserve is limited to the portion in excess of 25% of the Company's paid-in capital.

D. In accordance with the regulations, the Company shall set aside special reserve from the debit balance on other equity items at the balance sheet date before distributing earnings. When debit balance on other equity items is reversed subsequently, the reversed amount could be included in the distributable earnings.

E. The appropriations of 2022 earnings as resolved by the shareholders on June 15, 2023, and the interest rate will be revised on June 28, 2023; and the appropriations of 2021 earnings as resolved by the shareholders on June 23, 2022, respectively are as follows:

	Year ended December 31,			
	2022		2021	
	Amounts	Dividends per share (in dollars)	Amounts	Dividends per share (in dollars)
Legal reserve	$ 48,625		$ 23,534	
Special reserve	89,120		21,225	
Cash dividends	107,792	$ 0.49	-	$ -

F. The appropriations of 2023 earnings as resovled by the Board of Directors on March 28, 2024. Details are summarized as follows:

	Year ended December 31, 2023	
	Amounts	Dividends per share (in dollars)
Legal reserve	$ 33,209	
Special reserve	47,662	
Cash dividends	164,300	$ 0.70

The appropriations of 2023 earnings stated have not yet been resolved by the shareholders.

(11) Operating revenue

	Year ended December 31,	
	2023	2022
Investment revenue	$ 341,819	$ 483,113
Service revenue	21,376	19,967
	$ 363,195	$ 503,080

(12) Interest income

	Year ended December 31,	
	2023	2022
Interest income from bank deposits	$ 2,272	$ 1,194
Interest income from loans to related parties	8,348	1,807
	$ 10,620	$ 3,001

(13) Other gains and losses

	Year ended December 31,	
	2023	2022
Foreign exchange (losses) gains	($ 3,266)	$ 3,547
Losses on financial assets at fair value through profit or loss	(1,957)	(95)
Other losses	(158)	(12)
	($ 5,381)	$ 3,440

(14) Finance costs

	Year ended December 31,	
	2023	2022
Loans from related parties	$ 2,444	$ 555
Bonds payable	9,492	4,021
	$ 11,936	$ 4,576

(15) Employee benefit expense and expenses by nature

	Year ended December 31,	
	2023	2022
Wages and salaries	$ 6,017	$ 8,927
Labor and health insurance fees	369	277
Pension costs	219	170
Directors' remuneration	1,006	1,264
Other personnel expenses	290	358
Depreciation	6	2
Amortization	666	56

A. In accordance with the Articles of Incorporation of the Company, a ratio of distributable profit of the current year, if any, shall be distributed as employees' compensation and directors' remuneration. The ratio shall be 2%~10% for employees' compensation and shall not be higher than 1.5% for directors' remuneration. However, if the Company has accumulated deficit, earnings shall be reserved to cover accumulated losses in advance.

B. Employees' compensation and directors' remuneration of the Company were accrued as follows:

	Year ended December 31,	
	2023	2022
Employees' compensation	$ 10,667	$ 9,939
Directors' remuneration	711	994
	$ 11,378	$ 10,933

For the years ended December 31, 2023 and 2022, the employees' compensation and directors' remuneration were estimated and accrued based on 3%, 0.2%, 2% and 0.2% of distributable profit of current year as of the end of reporting year. The aforementioned amounts were recognized in salary expenses.

The employees' compensation and directors' remuneration for 2023 as resolved by the Board of Directors on March 28, 2024 were $14,222 and $1,422, respectively, and the employees' compensation will be distributed in the form of cash.

For 2023, the employees' compensation and directors' remuneration as resolved by the Board of Directors amounted to $14,222 and $1,422, respectively. The difference of $4,266 between the amounts resolved by the Board of Directors and the amounts recognized in the 2023 financial statements, due to changes in accounting estimates, will be adjusted in the profit or loss for 2024.

For 2022, the employees' compensation and directors' remuneration as resolved by the Board of Directors amounted to $14,908 and $994, respectively. The difference of $4,969 between the amounts resolved by the Board of Directors and the amounts recognized in the 2022 financial statements, due to changes in accounting estimates, had been adjusted in the profit or loss for 2023.

For 2021, the employees' compensation and directors' remuneration as resolved by the Board of Directors amounted to $7,710 and $514, respectively. The difference of $3,083 between the amounts resolved by the Board of Directors and the amounts recognized in the 2022 financial statements, due to changes in accounting estimates, had been adjusted in the profit or loss for 2023.

The above employees' compensation in 2022 and 2021 includes employees of subsidiaries who meet certain conditions.

C. Information about employees' compensation and directors' remuneration of the Company as resolved at the meeting of Board of Directors will be posted in the "Market Observation Post System" at the website of the Taiwan Stock Exchange.

D. As at December 31, 2023 and 2022, the Company had 12 and 10 employees, including 8 and 7 non-employee directors, respectively.

E. The Company's stock has been listed for trading on the stock exchange, therefore, the following information is additionally disclosed:

(a) Average employee benefit expense for the years ended December 31, 2023 and 2022 were \$1,724 and \$3,244, respectively. After taking into consideration employees' compensation (including amount resolved to be distributed to employees of subsidiaries), average employee benefit expense for the years ended December 31, 2023 and 2022 were \$1,309 and \$1,433, respectively.

(b) Average employees salaries for the years ended December 31, 2023 and 2022 were \$1,504 and \$2,976, respectively. After taking into consideration employees' compensation (including amount resolved to be distributed to employees of subsidiaries), average employees salaries for the years ended December 31, 2023 and 2022 were \$1,090 and \$1,164, respectively.

(c) Adjustments of average employees salaries was (49%). After taking into consideration, employees' compensation (including amount resolved to be distributed to employees of subsidiaries), adjustments of average employees salaries was (6%).

(d) As the Company has set up an audit committee, there is no supervisory application and there is no need to disclose supervisors' remuneration information.

F. The Company's compensation policy

(a) The overall employee compensation levels are determined by external competitive ness and internal fairness to effectively attract and retain talents.

(b) Link employees' compensation with their performance by using the performance management system to provide motivation for employees' development and drive positive growth in the Company.

(c) Link the Company's long-term and short-term goals, personal investment time, positions held and overall work performance to achieve the purpose of motivating employees.

(16) Income taxes

A. Income tax expense

	Year ended December 31, 2023	Year ended December 31, 2022
Current tax:		
Additional income tax on unappropriated earnings	\$ 12,036	\$ 9,529
Prior year income tax overestimation	(1)	-
Income tax expenses	\$ 12,035	\$ 9,529

B. Reconciliation between income tax expense and accounting profit

	Year ended December 31, 2023	Year ended December 31, 2022
Tax calculated based on profit before tax and statutory tax rate	$ 68,835	$ 97,200
Expenses disallowed by tax regulation	13,445	13,606
Tax exempt income by tax regulation	(47,439)	(77,226)
Temporary difference not recognized as deferred tax assets	271	187
Temporary difference not recognized as deferred tax liabilities	(29,851)	(30,046)
Change in assessment of realisation of deferred tax assets	(5,261)	(3,721)
Prior year income tax overestimation	(1)	-
Additional income tax on unappropriated earnings	12,036	9,529
Income tax expense	$ 12,035	$ 9,529

C. Expiration dates of unused tax losses and amounts of unrecognized deferred tax assets are as follows:

December 31, 2023				
Year incurred	Amount filed/ assessed	Unused amount	Unrecognized deferred tax assets	Expiry year
2017	$ 1,910,423	$ 1,857,732	$ 1,857,732	2027

December 31, 2022				
Year incurred	Amount filed/ assessed	Unused amount	Unrecognized deferred tax assets	Expiry year
2017	$ 1,910,423	$ 1,881,587	$ 1,881,587	2027

D. The Company has not recognized taxable temporary differences associated with investment in subsidiaries as deferred tax liabilities. As of December 31, 2023 and 2022, the amounts of temporary difference unrecognized as deferred tax liabilities were $149,254 and $150,230, respectively.

E. The Company’s income tax returns through 2021 have been assessed and approved by the Tax Authority.

(17) Earnings per share

	Year ended December 31, 2023		
	Amount after tax	Weighted average number of ordinary shares outstanding (shares in thousands)	Earnings per share (in dollars)
Basic earnings per share			
Profit attributable to ordinary shareholders of the parent	$ 332,140	222,536	$ 1.49
Diluted earnings per share			
Profit attributable to ordinary shareholders of the parent	$ 332,140	222,536	
Assumed conversion of all dilutive potential ordinary shares			
Convertible bonds	9,159	16,891	
Employees' compensation	-	258	
Profit attributable to ordinary shareholders of the parent plus assumed conversion of all dilutive potential ordinary shares	$ 341,299	$ 239,685	$ 1.42

	Year ended December 31, 2022		
	Amount after tax	Weighted average number of ordinary shares outstanding (shares in thousands)	Earnings per share (in dollars)
Basic earnings per share			
Profit attributable to ordinary shareholders of the parent	$ 476,470	214,106	$ 2.23
Diluted earnings per share			
Profit attributable to ordinary shareholders of the parent	$ 476,470	214,106	
Assumed conversion of all dilutive potential ordinary shares			
Convertible bonds	$ 3,293	14,346	
Employees' compensation	-	301	
Profit attributable to ordinary shareholders of the parent plus assumed conversion of all dilutive potential ordinary shares	$ 479,763	$ 228,753	$ 2.10

(18) Supplemental cash flow information

Financing activities with no cash flow effects:

	Year ended December 31, 2023	Year ended December 31, 2022
Investing Activities:		
Use monetary claims to pay for the shares	$ -	$ 100,000
Financing activities:		
Convertible bonds being converted to capital stocks	$ 179,384	$ 78,366

(19) Changes in liabilities from financing activities

	January 1, 2023	Cash flows	Changes in other non-cash items	December 31, 2023
Bonds payable (including current portion)	$ 210,726	$ 601,583	($ 207,814)	$ 604,495
Other payables to related parties	123,200	(123,200)	-	-
	$ 333,926	$ 478,383	($ 207,814)	$ 604,495

	January 1, 2022	Cash flows	Changes in other non-cash items	December 31, 2022
Bonds payable (including current portion)	$ 285,734	$ -	($ 75,008)	$ 210,726
Other payables to related parties	140,000	(16,800)	-	123,200
Long-term accounts payable	51,000	(51,000)	-	-
	$ 476,734	($ 67,800)	($ 75,008)	$ 333,926

21. Related Party Transactions

(1) Names of related parties and relationship

Names of related parties	Relationship with FICG
FICTA Technology Inc. (FICTA)	Subsidiary
First International Computer, Inc. (FIC)	"
3CEMS Corp. (3CEMS)	"
Prime Foundation Inc. (Prime)	"
Perfect Union Global Inc. (PUG)	"
Ubiqconn Technology, Inc. (Ubiqconn)	"
LEO Systems, Inc. (LEO Systems)	Associate
Geointelligence Systems, Inc. (Geointelligence)	"
Formosa21 Inc.(Formosa21)	"
First Communication Inc. (First Communication)	"
Mobility Technology Group Inc. (MTGI)	"
Wang Yi De, etc.	Other related party
Zong Jing Investment Inc. (Zong Jing)	Other related party (major shareholder)
Ho Mon Investment Inc. (Ho Mon)	"

(2) Significant related party transactions

A. Operating revenue-service revenue

	Year ended December 31,	
	2023	2022
Subsidiaries		
Prime	$ 7,467	$ 7,164
PUG	7,467	7,164
Others	803	-
Associates		
LEO Systems	4,800	4,800
Others	839	839
	$ 21,376	$ 19,967

The Company entered into consulting contracts with the above-mentioned related parties, and transaction prices and terms are made based on agreements.

B. Operating expenses-service expenses

	Year ended December 31,	
	2023	2022
Subsidiaries		
FIC	$ -	$ 3,600

The Company entered into consulting contracts with the above-mentioned related parties, and transaction prices and terms are made based on agreements.

C. Receivables from related parties

	December 31, 2023	December 31, 2022
Accounts receivables:		
-Associates		
LEO Systems	$ 420	$ 420
Geointelligence	53	53
Others	42	42
	$ 515	$ 515

	December 31, 2023	December 31, 2022
Other receivables:		
-Associates		
MTGI	$ 306	$ -

D. Loans to/from related parties

(a) Loans to related parties

	December 31, 2023	December 31, 2022
Other receivables		
Subsidiary		
FIC	$ 850,000	$ -
Ubiqconn	-	-
	$ 850,000	$ -

	Year ended December 31,			
	2023		2022	
	Interest income	Interest rate	Interest income	Interest rate
Subsidiary				
FIC	$ 8,343	2.07%	$ -	-
Ubiqconn	-	-	1,807	1.50%
	$ 8,343		$ 1,807	

(b) Loans from related parties:

	December 31, 2023	December 31, 2022
Other payables		
Subsidiaries		
FICTA	$ -	$ -
Other related parties		
Ho Mon	-	123,200
	$ -	$ 123,200

	Year ended December 31,			
	2023		2022	
	Interest expense	Interest rate	Interest expense	Interest rate
Subsidiaries				
FICTA	$ -	-	$ 354	1.30%
Other related parties				
Ho Mon	$ 2,444	2.00%	$ 138	0.50%

E. Property transactions:

(a) Acquisition of financial assets:

	Accounts	No. of shares	Objects	Year ended December 31, 2022 Consideration
Subsidiaries				
Ubiqconn	Investments accounted for using equity method	8,711 thousands	Issue of shares	$ 174,228

(b) Disposal of financial assets:

	Accounts	No. of shares	Objects	Year ended December 31, 2023 Proceeds
Subsidiaries				
Ubiqconn	Investments accounted for using equity method	1,315 thousands	Disposal of shareholdings to non-related party	$ 52,600

	Accounts	No. of shares	Objects	Year ended December 31, 2022 Proceeds
Subsidiaries				
Ubiqconn	Investments accounted for using equity method	232 thousands	Disposal of shareholdings to group employees	$ 4,176

Refer to Note 6(31) of the consolidated financial statements for the year ended December 31, 2023 and 2022 for the details of the property transactions with related parties.

F. Endorsements and guarantees:

As of December 31, 2023 and 2022, endorsements and guarantees provided by the Company to subsidiaries are as follows:

	December 31, 2023	December 31, 2022
Subsidiary-PBI	$ -	$ 501,801

(3) Key management compensation

	Year ended December 31, 2023	Year ended December 31, 2022
Short-term employee benefits	$ 3,703	$ 3,282

22. Pledged Assets

None.

23. Significant Contingent Liabilities and Unrecognized Contract Commitments

(a) Contingencies

None.

(b) Commitments

None.

24. Significant Disaster Loss

None.

25. Significant Events after the Balance Sheet Date

(a) The Company subscribe for increasing its capital to issue 85,000 new shares in FIC, Inc., as resolved by the Board of Directors in February, 1, 2023. The issuance price per share is NT$10. The Company use its' monetary claims to offset the payment of shares.

(b) The appropriations of 2023 earnings as submitted by the Board of Directors on March 28, 2024. Information about it is provided on Note 6 (10).

26. Others

(1) Capital management

The Company manages its capital to ensure that the Company will be able to continue as a going concern while maximizing the return to shareholders through the optimization of the debt and equity balance.

The Company's capital structure comprises net debt (pertaining to borrowings, net of cash and cash equivalents) and equity attributable to owners of parent (pertaining to share capital, capital surplus, retained earnings and other equity items).

(2) Financial instruments

A. Financial instruments by category

	December 31, 2023	December 31, 2022
Financial assets		
Current financial assets at fair value through profit or loss		
Current financial assets at fair value through profit or loss, mandatorily measured at fair value	$ -	$ 1,129
Financial assets at amortised cost		
Cash and cash equivalents	$ 52,660	$ 237,909
Accounts receivable-related parties	515	515
Other receivables	22	138
Other receivables-related parties	850,306	-
	$ 903,503	$ 238,562

	December 31, 2023	December 31, 2022
Financial liabilities		
Financial liabilities at fair value through profit or loss		
Financial liabilities held for trading	$ 5,039	$ -
Financial liabilities at amortised cost		
Other payables	$ 25,076	$ 24,350
Other payables-related parties	-	123,200
Bonds payable (including current portion)	604,495	210,726
	$ 629,571	$ 358,276

B. Financial risk management policies

(a) The Company's activities expose it to a variety of financial risks: market risk (including foreign exchange risk), credit risk and liquidity risk.

(b) Company treasury identifies, evaluates and hedges financial risks with the Company's operating units closely.

C. Significant financial risks and degrees of financial risks

(a) Market risk

Exchange rate risk

i The Company operates internationally and is exposed to exchange rate risk arising from the transactions of the Company used in various functional currency, primarily with respect to the USD. Foreign exchange rate risk arises from future commercial transactions and recognized assets.

ii. The Company is required to hedge its entire foreign exchange risk exposure with the Company treasury. Exchange rate risk is measured through a forecast of highly probable USD expenditures.

iii. The Company's businesses involve some non-functional currency operations (the Company's functional currency: NTD). The information on assets and liabilities denominated in foreign currencies whose values would be materially affected by the exchange rate fluctuations is as follows:

	December 31, 2023		
(Foreign currency: functional currency)	Foreign currency amount (In thousands)	Exchange rate	Book value (NTD) (in thousand)
Financial assets			
Monetary items			
USD:NTD	$ 580	30.71	$ 17,820
Non-monetary items			
USD:NTD	$ 60,281	30.71	$ 1,850,941

	December 31, 2022		
(Foreign currency: functional currency)	Foreign currency amount (In thousands)	Exchange rate	Book value (NTD) (in thousand)
Financial assets			
Monetary items			
USD:NTD	$ 6,330	30.71	$ 194,403
Non-monetary items			
USD:NTD	$ 45,599	30.71	$ 1,400,350

iv. The total exchange (loss) gain, including realized and unrealized, arising from significant foreign exchange variation on the monetary items held by the Company for the years ended December 31, 2023 and 2022, amounted to ($3,266) and $3,547, respectively.

v. Analysis of foreign currency market risk arising from significant foreign exchange variation:

	Year ended December 31, 2023		
	Sensitivity analysis		
(Foreign currency: functional currency)	Degree of variation	Effect on profit or loss	Effect on other comprehensive income
Financial assets			
Monetary items			
USD:NTD	1%	$ 178	$ -

	Year ended December 31, 2022		
	Sensitivity analysis		
(Foreign currency: functional currency)	Degree of variation	Effect on profit or loss	Effect on other comprehensive income
Financial assets			
Monetary items			
USD:NTD	1%	$ 1,944	$ -

Price risk

The Company had no financial assets at fair value through profit or loss, therefore the Company is not exposed to commodity price risk.

Cash flow and fair value interest rate risk

The Company's interest rate risk arises from borrowings. However, the Company's borrowings are issued at fixed rates, interest rate risk had no significant impact to the Company.

(b) Credit risk

i. Credit risk refers to the risk of financial loss to the Company arising from default by the clients or counterparties of financial instruments on the contract obligations. The main factor is that counterparties could not repay in full the accounts receivable based on the agreed terms.

ii. Only banks and financial institutions with optimal credit ratings are accepted.

(c) Liquidity risk

i. Cash flow forecasting is performed in the operating entities of the Company and aggregated by Company treasury. Company treasury monitors rolling forecasts of the Company's liquidity requirements to ensure it has sufficient cash to meet operational needs.

ii. The table below analyses the Company's non-derivative financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

December 31, 2023	Less than 1 year	Between 1 and 5 years	Over 5 years
Non-derivative financial liabilities:			
Bonds payable (including current portion)	$ 34,300	$ 599,900	$ -
Other payables (including related parties)	25,076	-	-

December 31, 2022	Less than 1 year	Between 1 and 5 years	Over 5 years
Non-derivative financial liabilities:			
Bonds payable (including current portion)	$ 210,726	$ -	$ -
Other payables (including related parties)	147,550	-	-
Financial guarantee contract payable	501,801	-	-

(3) Fair value information

A. The different levels that the inputs to valuation techniques are used to measure fair value of financial and non-financial instruments have been defined as follows:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date. A market is regarded as active where a market in which transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. The fair value of the Company's investment in derivative instrument is included.

Level 3: Unobservable inputs for the asset or liability.

B. Financial instruments not measured at fair value

The carrying amounts of cash and cash equivalents, accounts receivable (including related parties), other receivables (including related parties), short-term borrowings, other payables (including related parties), bonds payable and long-term notes and accounts payable are approximate to their fair values.

C. The related information on financial and non-financial instruments measured at fair value by level on the basis of the nature, characteristics and risks of the assets and liabilities at December 31, 2023 and 2022 are as follows:

(a) The related information on the nature of the assets and liabilities is as follows:

	Level 1	Level 2	Level 3	Total
December 31, 2023				
Assets				
Recurring fair value measurements				
Financial assets at fair value through profit or loss				
Derivative instruments				
-call/put options of bonds	$ -	$ -	$ 5,039	$ 5,039

	Level 1	Level 2	Level 3	Total
December 31, 2022				
Assets				
Recurring fair value measurements				
Financial assets at fair value through profit or loss				
Derivative instruments				
-call/put options of bonds	$ -	$ -	$ 1,129	$ 1,129

(b) The methods and assumptions the Company used to measure fair value are as follows:

i. Except for financial instruments with active markets, the fair value of other financial instruments is measured by using valuation techniques or by reference to counterparty quotes.

ii. When assessing non-standard and low-complexity financial instruments, the Company adopts valuation technique that is widely used by market participants. The inputs used in the valuation method to measure these financial instruments are normally observable in the market.

iii. The valuation of derivative financial instruments is based on valuation model widely accepted by market participants, such as present value techniques.

iv. The output of valuation model is an estimated value and the valuation technique may not be able to capture all relevant factors of the Company's financial and non-financial instruments. As a result, the estimate generated by valuation model will be slightly adjusted based on additional inputs, such as model risk or liquidity risk of counterparties. In accordance with the Company's management policies and relevant control procedures relating to the valuation models used for fair value measurement, management believes adjustment to valuation is necessary in order to reasonably represent the fair value of financial and non-financial instruments at the consolidated balance sheet. The inputs and pricing information used during valuation are carefully assessed and adjusted based on current market conditions.

D. The following chart is the movement of Level 3 for the years ended December 31, 2023 and 2022:

	2023
	Call/ put options of bonds
At January 1	$ 1,129
Gains and losses recognized in profit or loss	
Recorded as non-operating income and expenses	(1,957)
Issued during the year	(4,020)
Converted during the year	(191)
At December 31	($ 5,039)

	2022
	Call/ put options of bonds
At January 1	$ 1,887
Gains and losses recognized in profit or loss	
Recorded as non-operating income and expenses	(95)
Converted during the year	(663)
At December 31	$ 1,129

E. For the years ended December 31, 2023 and 2022, there was no transfer into or out from Level 3.

F. Treasury segment is in charge of valuation procedures for fair value measurements being categorized within Level 3, which is to verify independent fair value of financial instruments. Such assessment is to ensure the valuation results are reasonable by applying independent information to make results close to current market conditions, confirming the resource of information is independent, reliable and in line with other resources and making any other necessary adjustments to the fair value.

Treasury segment set up valuation policies, valuation processes and rules for measuring fair value of financial instruments and ensure compliance with the related requirements in IFRS.

G. The following is the qualitative information of significant unobservable inputs and sensitivity analysis of changes in significant unobservable inputs to valuation model used in Level 3 fair value measurement:

	Fair value at December 31, 2023	Valuation technique	Significant unobservable input	Range (weighted average)	Relationship of inputs to fair value
Derivative instrument:					
Call /put options of bonds	($ 5,039)	The Binomial-Tree approach to convertible bonds	Volatility rate	44.12%	The higher the price volatility, the higher the fair value

	Fair value at December 31, 2022	Valuation technique	Significant unobservable input	Range (weighted average)	Relationship of inputs to fair value
Derivative instrument:					
Call /put options of bonds	$ 1,129	The Binomial-Tree approach to convertible bonds	Volatility rate	57.68%	The higher the price volatility, the higher the fair value

H. The Company has carefully assessed the valuation models and assumptions used to measure fair value. However, use of different valuation models or assumptions may result in different measurement.

27. Supplementary Disclosures

(4) Significant transactions information

A. Loans to others: Refer to table 1.

B. Provision of endorsements and guarantees to others: Refer to table 2.

C. Holding of marketable securities at the end of the period (not including subsidiaries, associates and joint ventures): Refer to table 3.

D. Acquisition or sale of the same security with the accumulated cost exceeding $300 million or 20% of the Company 's paid-in capital: None.

E. Acquisition of real estate reaching NT$300 million or 20% of paid-in capital or more: None.

F. Disposal of real estate reaching NT$300 million or 20% of paid-in capital or more: None.

G. Purchases or sales of goods from or to related parties reaching $100 million or 20% of paid-in capital or more: Refer to table 4.

H. Receivables from related parties reaching $100 million or 20% of paid-in capital or more: Refer to table 5.

I. Trading in derivative instruments undertaken during the reporting periods: Refer to Note 6(2).

J. Significant inter-company transactions during the reporting periods: Refer to table 6.

(5) Information on investees

Names, locations and other information of investee companies (not including investees in Mainland China)：Refer to table 7.

(6) Information on investments in Mainland China

A. Basic information: Refer to table 8.

B. Significant transactions, either directly or indirectly through a third area, with investee companies in the Mainland Area: Refer to table 6.

(7) Major shareholders information

Major shareholders information: Refer to table 9.

FIC GLOBAL, INC.
CHANGES IN INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD
FOR THE YEAR ENDED DECEMBER 31, 2023
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

Form 1

	Balance at January 1, 2023		Addition (Note)		Decrease (Note)		Balance at December 31, 2023			Market Value or Net Assets Value		
Name	Number of shares (in thousands)	Amount	Number of shares (in thousands)	Amount	Number of shares (in thousands)	Amount	Number of shares (in thousands)	Ownership	Amount	Unit price	Total price	Collateral or pledged
First International Computer, Inc.	86,968	$ 970,987	16,906	$ 75,837	-	($ 32,796)	103,874	100%	$ 1,014,028	9.80	$ 1,018,479	None
FICTA Technology, Inc.	41,496	357,512	-	47,644	-	(123)	41,496	69%	405,033	10.77	447,111	"
Ubiqconn Technology, Inc.	39,142	598,337	-	168,152	(1,315)	(71,525)	37,827	50%	694,964	18.37	694,964	"
3CEMS Corporation	317,609	1,400,350	-	222,587	-	(40,650)	317,609	36%	1,582,287	4.98	1,583,015	"
Geointelligence Systems, Inc.	43	626	-	165	-	(87)	43	1%	704	16.37	704	"
Formosa21 Inc.	1	5	-	-	-	-	1	-	5	5.00	5	"
LEO Systems, Inc.	1,787	29,080	-	4,306	-	(4,590)	1,787	2%	28,796	34.40	61,485	"
Mobility Technology Group	-	-	9,000	292,939	-	(24,285)	9,000	35%	268,654	19.01	171,068	"
		$ 3,356,897		$ 811,630		($ 174,056)			$ 3,994,471		$ 3,976,831	

Note: The changes in the year included the recognition of gain (loss) on investment accounted for using the equity method and share of other comprehensive income, cash dividends, disposal proceeds and the shareholders' equity of investees

FIC GLOBAL, INC.
CHANGES IN INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD
FOR THE YEAR ENDED DECEMBER 31, 2023
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

Form 1

Item	Amount	Note
Wages and salaries	$ 6,017	
Service fees	6,707	
Postage expenses	1,054	
Others	4,171	The balance of each item has not exceeded 5% of the operating expenses.
	$ 17,949	

6. Influence of difficulty in financial turnover of the Company and affiliates on the Company's financial status: None.

VI. Review and Analysis of Financial Status and Financial Performance and Risk Issues

1. Comparative analysis of financial status

Unit: NT$1,000

Item \ Year	2022	2023	Deviation	
			Amount	%
Current assets	7,826,633	9,052,370	1,225,737	15.66
Property, plant and equipment	530,735	618,177	87,442	16.48
Intangible assets	31,616	30,565	(1,051)	(3.32)
other assets	1,856,697	2,127,709	271,012	14.60
Total assets	10,245,681	11,828,821	1,583,140	15.45
Current liabilities	3,530,301	3,533,805	3,504	0.10
Noncurrent liabilities	1,366,840	1,046,941	(319,899)	(23.40)
Total liabilities	4,897,141	4,580,746	(316,395)	(6.46)
Share capital	2,151,721	2,346,758	195,037	9.06
Capital reserve	439,563	1,090,188	650,625	148.02
Retained earnings	1,019,961	1,244,260	224,299	21.99
Other equity	(379,890)	(427,552)	(47,662)	(12.55)
Non-controlling equity	2,117,185	2,994,421	877,236	41.43
Total equity	5,348,540	7,248,075	1,899,535	35.52

1.The main reasons for the major changes (those with an increase or decrease of more than 20% in the two periods, and the amount of change reaching NT$10,000) and their impact:
   (1) Retained surplus: caused by the continuous growth of main operating income and profit.
   (2) Other equity: mainly due to the difference in exchange rate conversion in the current period.
2. If the impact is significant, the future response plan should be stated: the above changes will not have a material impact on the Company.

2. Comparative analysis of financial performance

Unit: NT$1,000

Item \ Year	2022	2023	Increased (decreased amount)	Changing ratio %
Operating income	12,448,435	13,283,396	834,961	6.71
Operating cost	10,781,900	11,227,876	445,976	4.14
Gross operating profit	1,666,535	2,055,520	388,985	23.34
Operating expenses	1,241,674	1,401,644	159,970	12.88
Operating profit	424,861	653,876	229,015	53.90
Non-operating revenue and expenditure	339,631	126,993	(212,638)	(62.61)
Net profit before tax	764,492	780,869	16,377	2.14
Income tax income (expenses)	41,439	154,142	112,703	271.97
Net profit after tax	723,053	626,727	(96,326)	(13.32)

1. The main reasons for the major changes (the increase or decrease of more than 20% in the two periods, and the amount of the change reaches NT$10,000) and their impact:
   (1) Operating income: mainly due to the increase in demand for optical fiber transceiver control boards, motherboards and servers, and the growth of sales of automotive electronic products Chinese mainland.
   (2) Operating costs: This is mainly due to the increase in operating costs due to the corresponding increase in operating income.
   (3) Operating Gross Profit: This is mainly due to the increase in operating profit due to the corresponding increase in operating income.
   (4) Operating profit: The main reason is the growth of operating income and the increase in operating gross margin, resulting in a corresponding increase in operating profit.
   (5) Non-operating income and expenses: mainly due to the increase in other benefits and losses and expected credit impairment benefits.
   (6) Net profit before tax: mainly due to the increase in operating profit mentioned above, and the increase in non-operating income and expenses was net income.
   (7) Income tax expense: mainly due to an increase in net profit before tax, due to an increase in estimated income tax.
   (8) Net profit after tax: mainly due to the increase in operating income, operating gross profit, operating profit and pre-tax net profit.
2. If the impact is significant, the future response plan should be stated: the above changes will not have a material impact on the Company.

3. Analysis of cash use

(1) Analysis of changes of cash flows in recent year

Item \ Year	2022	2023	Increase (decrease) ratio%
Operating activities	458,879	1,509,181	228.88
Investing activities	(267,330)	(516,674)	93.27
Financing activities	54,338	501,372	822.69
Amount influenced by change in exchange rate	(51,332)	(58,805)	14.56

Analysis of changes in cash flows for the latest year:

1. Operating activities: mainly due to the increase in operating profit in 2022, resulting in an increase in cash inflow from operations.
2. Investment activities: mainly due to the increase in real estate, plant and equipment acquired in 2022.
3. Financing activities: mainly due to new bank borrowings in 2022 for working capital turnover.
4. Impact of exchange rate changes: mainly due to the difference in exchange rate conversion in the current period.

(2) Plan for improvement of insufficient liquidity: The current liabilities of the Company mainly come from borrowings from related parties. The Company hasn't been involved in insufficient liquidity.

(3) Analysis of cash liquidity in the next year

Unit: NT$1,000

Beginning cash balance	Estimated net cash flows from operating activities in the whole year	Estimated cash inflows (outflows) in the whole year	Estimated remaining (insufficient) cash amount	Remedial measure for estimated cash insufficiency	
				Investment plan	Financing plan
2,782,947	866,712	587,823	3,370,770	-	-

4. Influence of major capital expenditure on financial business in recent year: None.

5. Analysis of reinvestments in recent year

As an investment holding company, the Company mainly invests in hardware manufacturing, system integration, green energy and environmental protection. Therefore, the reinvestment policy of the Company mainly focused on the adjustment of investment structure and investees in recent years. The Company actively disposed investees that didn't comply with the characteristics of its three major industrial characteristics, and increased investments in those with continuously promising industry prospect in the hope that a simple and clear investment structure can be established, and synergies can be brought into full play in key industries to maximize the return on investment.

In 2022, 3CEMS reinvested by the Company is specialized in the contract manufacturing of advanced electronic products applied in aerospace, navigation, automobile and semiconductor industries. In addition to niche-type tablet computer, FIC has already entered the field of automotive electronic head-up display, and exerted considerable efforts to green energy, smart building, and other relevant fields. As for the industrial computers, Ubiqconn Technology takes charge of operating the business, actively developing new products, and striving to integrate resources related to industrial computers.

Control measures adopted by the Company for reinvestments include:

1. Assign appropriate personnel to participate in the management of reinvestment companies and ensure operational performance.
2. Review relevant statements periodically, analyze the achievement of budget, and put forward

abnormality warnings.
3. Convene operation review meetings periodically, and review the operating results and future business direction.
4. Adjust the investment structure and the rectification of subsidiaries, keep what is valuable and reject what is worthless, and improve the overall operation efficiency of the Group.
5. Make plans for capital decrease and increase according to the statuses of the reinvestment companies to adjust the financial structure and improve the operating constitution.

By executing diversified operational strategies and continual adjustment of its organization structure and flows, the Company began to profit since 2016. In 2023, the Company profited approximately NT$332,000,000, making a record high in recent years. The Company's operating constitution has been obviously improved in recent years, and it will focus on the steady operation of its subsidiaries' existing business and expand niche products and market opportunities in the future.

In addition to the operating highlights on the expansion of niche business with high gross profit and high added value, the reinvestment companies will continue to progress with high requirements, improve technologies, and lower expenditure internally. Each company of the Company is required to continuously think about their core competitiveness, develop new products, and plan short-term profitability objectives and long-term business strategies with the objective to promote the overall operational performance of the Group and further enhance the confidence in pursuing the enterprise's long-term profits and sustainable development.

6. Risk management

(1) Influence of interest rate, change in exchange rate and inflation in recent year on the Company's profit or loss, and future responsive measures:

(1) Changes in interest rates

In the latest year and as of the publication date of the annual report, long-term and short-term borrowings can continue to be used during the contract period. Under the premise of improving the financial structure, enhancing the medium and long-term working capital and reducing the risk of interest rate changes, the Group will regularly assess the market capital situation and bank interest rates, and prudently determine the financing method in order to obtain a more favorable interest rate, so it is estimated that interest rate fluctuations will have little impact on the Group.

(2) Exchange rate changes

In the latest year and as of the date of publication of the annual report, most of the Group's purchases and sales are denominated in US dollars, and the assets and liabilities of foreign currency parts will be offset by income and expenditure to achieve the balance of foreign currency parts, reduce the impact of exchange rate fluctuations, use natural hedging methods to reduce exchange rate exposure positions, maintain the net foreign currency parts within a controllable range, reduce exchange rate risks, and if the exchange rate fluctuates greatly and changes rapidly, the benefit of hedging may be reduced. The Group will continue to monitor exchange rate changes and take appropriate measures to reduce the impact of exchange rate fluctuations on the Company's profit and loss.

(3) Inflation

In the latest year and as of the date of publication of the annual report, if excessive inflation will affect the price of raw materials, the Group will pay attention to the fluctuation of the market price of raw materials at any time and purchase materials in advance in a timely manner to reduce the impact on production costs.

(2) Policies for high-risk and high-leverage investments, lending of funds to others, endorsement guarantee and derivatives trading in recent year, main reasons for profit or loss, and future responsive measures:

The Company's financial derivatives trading, lending of funds to others, and endorsement guarantee work were handled according to the objects, nature and amount stipulated in relevant regulations, and legally announced on a regular basis. Certain limits were set up for the amount involved, and therefore the influence on the Company is limited. In the future, the Company will still execute relevant work prudently in accordance with relevant regulations established.

(3) R&D plan in recent year and estimated R&D expenses:

As an investment holding company, the Company does not have any product R&D plan, but it encourages separate specialized business operations, intrapreneurship and independent development of business units so that excellent R&D talents would stay in the Group and create profits thanks to the complete development space. The subsidiaries of the Company are expected to invest NT$388,859,000 in R&D expenses and adopt Green, Rugged and Mobile as the main axis of R&D and design. Also, they will rely on professional R&D capacity to research and develop energy-saving and building control platforms continuously based on Honeywell / Tridium-NiagaraAX platform. Also, they will provide system integration services through the software and hardware platforms of ARM structure, enter the industries of rugged, automotive and portable industrial computers and create high added value and profits relying on the niche market.

(4) Influence of changes of important local and foreign policies and laws in recent year on the Company's finance and business as well as responsive measures: No major influence.

(5) Influence of changes of technology and industry in recent year on the Company's finance and business as well as responsive measures: **None.**

(6) Influence of change of corporate image in recent year on the enterprise' crisis management as well as responsive measures: **None.**

(7) Expected benefits and possible risks of merger and acquisition as well as responsive measures: The Company was not involved in any merger and acquisition in 2023.

(8) Expected benefits and possible risks of plant enlargement as well as responsive measures: **N/A**

(9) Risks faced in centralized purchasing or selling of goods as well as responsive measures: **N/A**

(10) Influence and risks of abundant transfer or replacement of equity held by directors, supervisors, or major shareholders holding more than ten percent of shares of the Company on the Company as well as responsive measures: **None.**

(11) Influence and risks of change of managerial right on the Company as well as responsive measures: **None.**

(12) Litigation or non-litigation events: **None.**

(13) Other important risks and responsive measures:

Instructions to the evaluation of information security risks:

1. In order to strengthen information security management and lower operating risks, the Company has established "Regulation on the Use of Enterprise Network and Computers" and "Work Process for Installation and Daily Maintenance of Anti-virus Servers" and adopted security control measures including strict prohibition of downloading of illegal software, setting of user and system access permissions, establishment of anti-virus system (updating of virus characteristics, detection and scanning) and firewall, intrusion detection, etc.

2. In order to ensure the continual, uninterrupted operation, the Company has also established "Standard Operating Procedure for Backup and Restoration" and "Measures for Implementation of LAN Server Data Backup" to conduct local and non-local backup on both daily and weekly basis. When the data is damaged or lost, replies needed may be applied in a real-time way.

3. The Company improves the employees' awareness of information security, and reinforces information security and personal information education and advocacy on a regular basis.

4. The information unit conducts self-evaluation work at the end of each year according to the purpose and highlights of relevant information cycle internal control, and hands over relevant results to the auditing unit for recheck and presentation to confirm that the information security evaluation work can be continually and effectively executed.

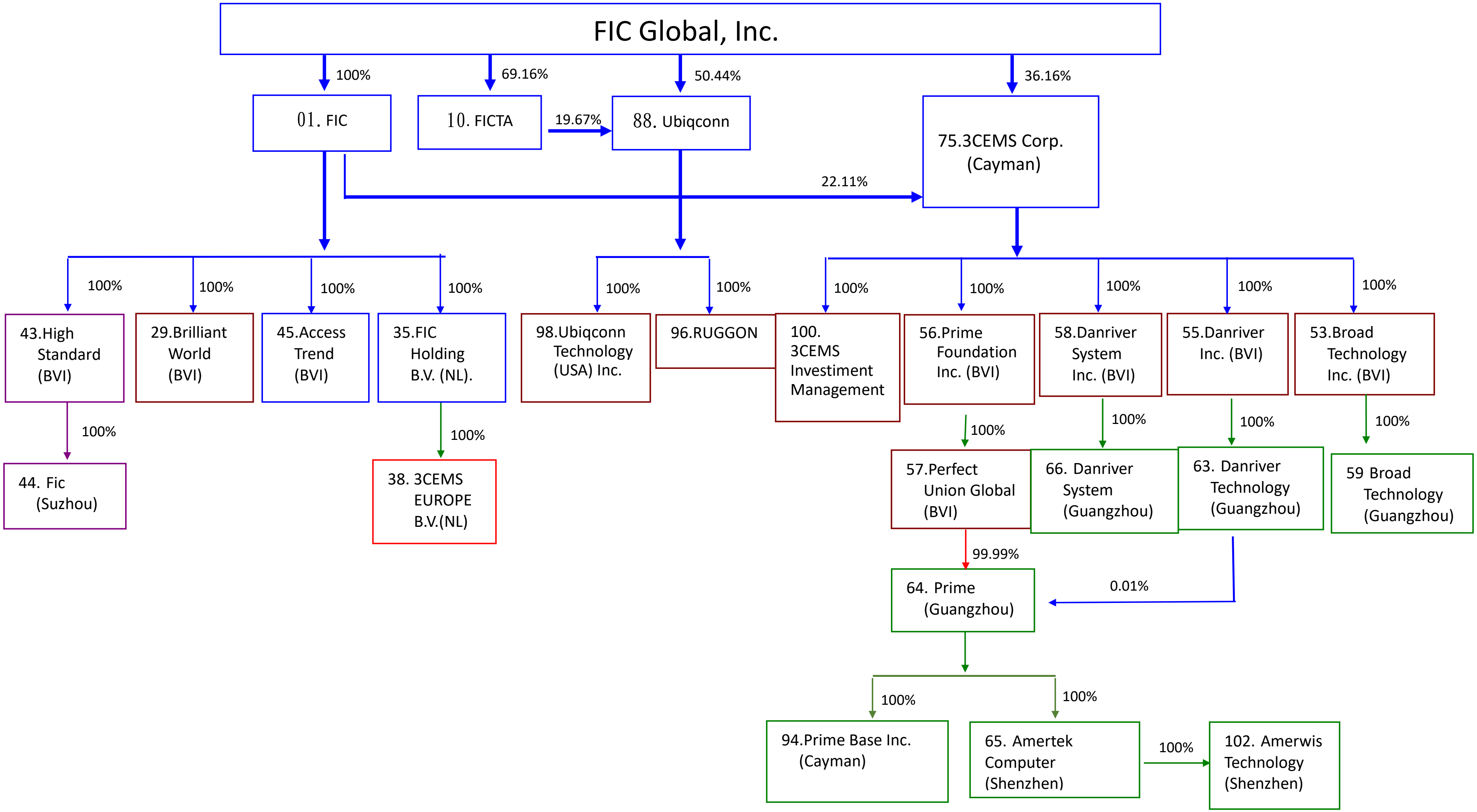
The Company promotes the aforesaid operating procedures to lower risks. However, it may still be subject to the attacks of unclear threats. In the future, the Company will still continually enhance its information security protection work to improve its emergency strain capacity.

7. Other important events: None.

VII. Special Notes

1. Related information of affiliates

(1) Affiliates' organization



(2) Basic information of affiliates

No.	Name of enterprise	Date of incorporation	Address	Paid-in capital (NT$1,000)	Main business or production items
1	First International Computer, Inc.	Dec. 13, 1979	8F., No. 300, Yangguang St., Neihu Dist., Taipei City	1,038,741	Analysis, planning, design and maintenance of overall computer systems, contract electronics manufacturing, and import and export trading business
10	FICTA Technology, Inc.	Aug. 12, 1997	8F., No. 300, Yangguang St., Neihu Dist., Taipei City	600,000	Communication product business
29	Brilliant World Limited	May 11, 1993	P.O. Box 3340, Road Town, Tortola, British Virgin Islands	US$91,340	General investment business
35	FIC First International Holding B.V.	Oct. 30, 1990	Ruwekampweg 11A, 5222AT Den Bosch NL	EUR31,396	General investment business
38	3CEMS EUROPE B.V.	Nov. 5, 1990	Ruwekampweg 11A, 5222AT Den Bosch NL	EUR318	Import and export of electronic products and after-sales services
43	High Standard Global Corporation	Nov. 22, 2000	P.O. Box 3340, Road Town, Tortola, British Virgin Islands	US$85,050	General investment business
44	First International Computer (Suzhou) Inc.	May 2, 2001	Suzhou Industrial Park (SIP) Export Processing Zone	US$85,000	Real estate leasing and other relevant business
45	Access Trend Limited	Feb. 1, 2002	P.O. BOX 3340, Road Town, Tortola, British Virgin Islands	US$33,400	International trade business
53	Broad Technology Inc.	Mar. 12, 1997	P.O. Box 3340, Road Town, Tortola, B.V.I.	US$5,000	General investment business
55	Danriver Inc.	May 22, 1998	P.O. Box 3340, Road Town, Tortola, B.V.I.	US$30,000	General investment business
56	Prime Foundation Inc.	Dec. 30, 1997	P.O. Box 3340, Road Town, Tortola, B.V.I.	US$27,403	General investment business
57	Perfect Union Global Inc.	Jul. 26, 2002	P.O.BOX 3340, Road Town, Tortola, British Virgin Islands	US$82,332	General investment business
58	Danriver System Inc.	Sep. 16, 2002	P.O.BOX 3340, Road Town, Tortola, British Virgin Islands	US$8,500	General investment business
59	Comda Advanced Technology (Guangzhou) Ltd.	Dec. 12, 1997	Room 405, No. 82, Baoying Avenue, Guangzhou Bonded Area	US$23,000	Real estate leasing and other relevant business
63	Guangchuan Advanced Technology (Guangzhou) Ltd.	Aug. 14, 1998	Room 401, No. 82, Baoying Avenue, Guangzhou Bonded Area	US$6,000	Real estate leasing and other relevant business
64	Guangshang Advanced Technology (Guangzhou) Ltd.	Apr. 23, 1998	No. 19, South Baoying Road, Guangzhou Bonded Area	CNY$164,993	Production and sales business of mainboards, etc.

No.	Name of enterprise	Date of incorporation	Address	Paid-in capital (NT$1,000)	Main business or production items
65	Caizong Computer (Shenzhen) Co., Ltd.	Aug. 16, 1994	No. 2015, Shenyan Road, Shatoujiao Bonded Area, Shenzhen	US$19,200	Production and sales business of desktops and mainboards
66	Guangmao Advanced Technology (Guangzhou) Co., Ltd.	Nov. 21, 2002	Room 403, No. 82, Baoying Avenue, Guangzhou Bonded Area	US$10,000	Manufacturing, software development and sales of intelligent equipment for sports consumption.
75	3CEMS Corp.	Jun. 2, 2004	Third Floor, Century Yard, Cricket Square, P.O. Box 902 Grand Cayman, KY1-1103, Cayman Islands	US$5,654	General investment business
88	Ubiqconn Technology, Inc.	Jun. 16, 2011	4F., No. 300, Yangguang St., Neihu Dist., Taipei City	750,000	Production and trading of industrial computers, automotive products, electronic components and peripheral equipment.
94	Prime Base Inc.	Jul. 7, 2015	Third Floor, Century Yard, Cricket Square, P.O. Box 902 Grand Cayman, KY1-1103, Cayman Islands	US$100	General investment business, and assembly services and trading of printed circuit boards and electronic components.
96	RuggON Corporation	Jan. 14, 2014	4F., No. 298, Yangguang St., Neihu Dist., Taipei City	11,232	Trading of industrial computers, automotive products, electronic components and peripheral equipment.
98	UBIQCONN TECHNOLOGY (USA) Inc.	Mar. 7, 2017	C/O 17870 Castleton st suite 116 City of Industry , CA	US$1,050	Trading of industrial computers, automotive products, electronic components and peripheral equipment.
100	3CEMS Investment Management Limited	Dec. 12, 2017	5/F, Manulife Place, 348 Kwun Tong Road, Kowloon, Hong Kong	US$0	General investment business
102	Amerwis Technology (Shenzhen) Co., Ltd	Nov. 18, 2019	No. 2015, Shenyan Road, Shatoujiao Bonded Area, Shenzhen	CNY200	R&D services and trading business.

(3) Data of same shareholders assumed with control and subordinate relations: **None.**

(4) The overall relationship is the industry covered by the company's business:

The Company's principal business is the management of the investee business. The main business items of the affiliated enterprises are the research and development, manufacturing and sales of automotive products, monitoring products and industrial computers, the electronic manufacturing and production of computers and servers and other products, and the leasing of real estate. Generally speaking, the division of labor between related companies is to create the greatest synergy through the mutual support of technology, production capacity, marketing and service.

(5) Information of directors, supervisors and general manager of affiliates

No.	Name of enterprise	Title	Name or representative	Shares held	
				Number of shares	Shareholding ratio
1	First International Computer, Inc.	Chairman	FIC Global, Inc. (CHIEN LEO MING TZ)	188,874,100	100.00%
		Director	FIC Global, Inc. (LO, AN-TI)	188,874,100	100.00%
		Director	FIC Global, Inc. (WU, SHUN-I)	188,874,100	100.00%
		Supervisor	FIC Global, Inc. (LEE, KAI-TIEN)	188,874,100	100.00%
		General Manager	CHIEN LEO MING TZ	0	0%
10	FICTA Technology, Inc.	Chairman	FIC Global, Inc. (LIN, TUNG-HSING)	41,495,702	69.16%
		Director	FIC Global, Inc. (CHIEN, HSIEN-LI)	41,495,702	69.16%
		Director	FIC Global, Inc. (LO, AN-TI)	41,495,702	69.16%
		Supervisor	Zongjing Investment (CHEN, HSIAO-YUN)	5,210,668	8.68%
29	Brilliant World Limited	Director	Ming-Jeh Chien	0	0.00%
		Director	Charlene Chien	0	0.00%
35	FIC (First International) Holding B.V.	Director	Ming-Jeh Chien	0	0.00%
		Director	Charlene Chien	0	0.00%
38	3CEMS EUROPE B.V.	Director	Ming-Jeh Chien	0	0.00%
		Director	Charlene Chien	0	0.00%
43	High Standard Global Corporation	Director	Ming-Jeh Chien	0	0.00%
		Director	Charlene Chien	0	0.00%
44	First International Computer (Suzhou) Inc.	Executive Director	CHEN,SIAO-YUN	0	0.00%
		Supervisor	JIANG,BO-YI	0	0.00%
45	Access Trend Limited.	Director	Ming-Jeh Chien	0	0.00%
		Director	Charlene Chien	0	0.00%
53	Broad Technology Inc.	Director	Ming-Jeh Chien	0	0.00%
		Director	An-Ti Lo	0	0.00%
55	Danriver, Inc.	Director	Ming-Jeh Chien	0	0.00%
		Director	An-Ti Lo	0	0.00%
56	Prime Foundation Inc.	Director	Ming-Jeh Chien	0	0.00%

		Director	An-Ti Lo	0	0.00%
57	Perfect Union Global Inc.	Director	Ming-Jeh Chien	0	0.00%
		Director	An-Ti Lo	0	0.00%
58	Danriver System Inc.	Director	Ming-Jeh Chien	0	0.00%
		Director	An-Ti Lo	0	0.00%
59	Broad Technology (Guangzhou) Inc.	Executive Director	CHIEN, HSIEN-LI	0	0.00%
		Supervisor	LIN, TUNG-HSING	0	0.00%
63	Danriver Technology (Guangzhou) Inc.	Executive Director	CHIEN, HSIEN-LI	0	0.00%
		Supervisor	CHEN, HSIAO-YUN	0	0.00%
64	Prime Technology (Guangzhou) Inc.	Chairman	LO,AN-TI	0	0.00%
		Director	DI,JIAN-HUEI	0	0.00%
		Director	CHEN, HSIAO-YUN	0	0.00%
		Director	WU,SHENG-FONG	0	0.00%
		Independent Director	CIOU,HUANG-SHENG	0	0.00%
		Independent Director	LI,WUN-LONG	0	0.00%
		Independent Director	SHEN,PEI-GANG	0	0.00%
65	Amertek Computer (Shenzhen) Co.,Ltd	Executive Director	JUAN, SHAO-HSIEN	0	0.00%
		Supervisor	LI,SHOU-HAI	0	0.00%
66	Danriver System (Guangzhou) Inc.	Executive Director	CHIEN, HSIEN-LI	0	0.00%
		Supervisor	JIANG,BO-YI	0	0.00%
75	3CEMS Corp.	Director	Ming-Jeh Chien	25,000,000	2.85%
		Director	An-Ti Lo	0	0.00%
		Director	Chien Leo Ming Tz	0	0.00%
88	Ubiqconn Technology, Inc.	Chairman	FIC Global, Inc. (CHIEN LEO MING TZ)	37,827,389	50.44%
		Director	FIC Global, Inc. (HSU, CHING-CHEN)	37,827,389	50.44%
		Director	ZENG,HUAI-YI	0	0%
		Director	LIN,SONG-SI	0	0%
		Independent Director	YOU,YONG-GUEI	0	0%
		Independent Director	SIAO,ZU-ZE	0	0%
		Independent Director	HUANG,JHONG-LIANG	0	0%
94	Prime Base Inc.	Director	Huang, Chien-Chen	0	00.00%
		Director	Liao, Heng-Yi	0	00.00%
96	RuggON Corporation	Chairman	Ubiqconn Technology (CHIEN LEO MING TZ)	12,000,000	100.00%
		Director	Ubiqconn Technology (HSU, CHING-CHEN)	12,000,000	100.00%
		Director	Ubiqconn Technology (LI, BO-CHENG)	12,000,000	100.00%
		Supervisor	Ubiqconn Technology (HUANG, CHIEN-CHEN)	12,000,000	100.00%

98	UBIQCONN TECHNOLOGY (USA) Inc.	Director	Ubiqconn Technology (Begonia Tsui)	0	0.00%
		Director	Ubiqconn Technology (WANG,YI-DE)	0	0.00%
		Director	Ubiqconn Technology (JHOU,YUN-JHIH)	0	0.00%
100	3CEMS Investment Management Limited	Director	Chien Leo Ming Tz	0	00.00%
		Director	Chen, Shiau-Yun	0	00.00%
102	Amerwis Technology (Shenzhen) Co., Ltd	Executive Director	JUAN, SHAO-HSIEN	0	00.00%
		Supervisor	CHEN, CHING-CHI	0	00.00%

(6) Operation overview of affiliates

2023

Table of Operation Overview of Affilites of FICG

December 31, 2023; Unit: NT$1,000

Affiliate code	Name of enterprise	Capital	Total assets	Total liabilities	Net worth	Operating income	Operating profit	Profit or loss (after-tax) for the current period	Earnings per share (NT$) after tax
01	First International Computer, Inc.	1,038,741	2,306,315	1,287,836	1,018,479	212,637	(103,616)	12,318	0.12
10	FICTA Technology, Inc.	600,000	649,097	2,603	646,493	0	(831)	64,983	1.08
29	Brilliant World Limited	2,804,587	603,901	311	603,590	0	(1,712)	31,648	-
35	FIC (First International) Holding B.V.	169,307	79,132	0	79,132	485	(387)	1,325	-
38	3CEMS EUROPE B.V.	5,265	0	0	0	0	0	0	-
43	High Standard Global Corporation	2,611,460	646,850	53,734	593,116	0	2	18,598	-
44	First International Computer (Suzhou) Inc.	2,631,340	996,751	408,034	588,717	63,199	23,084	18,231	-
45	Access Trend Limited	1,031,688	386,635	858,620	(471,985)	0	(75)	(39,127)	-
53	Broad Technology Inc.	153,525	1,111,381	1,280,549	(169,168)	88	(1,488)	7,170	-
55	Danriver Inc.	921,150	1,117,617	269,476	848,141	976	329	40,508	-
56	Prime Foundation Inc.	841,396	3,598,220	15,804	3,582,417	1,365	(7,645)	414,665	-
57	Perfect Union Global Inc.	2,528,005	4,072,095	652,021	3,420,074	(8,828)	(45,215)	419,536	-
58	Danriver System Inc.	260,993	432,675	520,145	(87,470)	0	(169)	(1,589)	-
59	Broad Technology (Guangzhou) Inc.	823,805	1,113,657	2,645	1,111,012	16,725	1,815	9,948	-
63	Danriver Technology (Guangzhou) Inc.	360,471	405,787	22,954	382,833	74,955	29,411	32,041	-
64	Prime Technology (Guangzhou) Inc.	796,574	6,108,111	1,676,468	4,431,642	6,103,913	252,569	456,564	-
65	Amertek Computer (Shenzhen) Co.,Ltd	688,487	4,020,047	2,589,904	1,430,143	2,987,504	77,599	126,470	-
66	Danriver System (Guangzhou) Inc.	358,001	437,015	6,649	430,366	0	(213)	9,985	-
75	3CEMS Corporation	173,621	4,380,940	2,743	4,378,197	0	13,936	481,980	-

Affiliate code	Name of enterprise	Capital	Total assets	Total liabilities	Net worth	Operating income	Operating profit	Profit or loss (after-tax) for the current period	Earnings per share (NT$) after tax
88	Ubiqconn Technology, Inc.	750,000	2,151,890	773,992	1,377,898	3,618,391	278,425	257,868	3.44
94	Prime Base Inc.	3,071	1,892,934	1,497,692	395,243	4,654,311	104,267	112,632	-
96	RuggON Corporation	120,000	139,993	55,105	84,888	243,888	37,168	40,812	-
98	UBIQCONN TECHNOLOGY (USA) INC.	32,240	24,793	8,216	16,577	68,416	(4,415)	(1,613)	-
100	3CEMS Investment Management Limited	0	0	0	(789)	0	(175)	(175)	-
102	Amerwis Technology (Shenzhen) Co., Ltd	865	797	0	797	0	(220)	(223)	-

Note: This table is converted at the end of the current exchange rate.

2. Handling status of private placement of valuable securities in recent year and as of the publication date of the annual report: None.
3. Status of subsidiaries' holding or disposal of the Company's stock in recent year and as of the publication date of the annual report: None.
4. Other necessary supplementary clarifications: None.
5. Event having a major influence on shareholders' equity or securities prices as stipulated in Article 36-3-2 of the Securities and Exchange Act in recent year and as of the publication date of the annual report: None.

FIC Global, Inc.

Chairman: CHIEN LEO MING TZ