Catcher Technology Co., Ltd. and Subsidiaries

Consolidated Financial Statements for the Years Ended December 31, 2022 and 2021 and Independent Auditors' Report

DECLARATION OF CONSOLIDATION OF FINANCIAL STATEMENTS OF AFFILIATES

The companies required to be included in the consolidated financial statements of affiliates in accordance with the “Criteria Governing Preparation of Affiliation Reports, Consolidated Business Reports and Consolidated Financial Statements of Affiliated Enterprises” for the year ended December 31, 2022 are all the same as the companies required to be included in the consolidated financial statements of parent and subsidiary companies as provided in International Financial Reporting Standard 10 “Consolidated Financial Statements”. 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. Hence, we do not prepare a separate set of consolidated financial statements of affiliates.

Very truly yours,

CATCHER TECHNOLOGY CO., LTD.

By

SHUI-SHU HONG
Chairman
February 23, 2023

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INDEPENDENT AUDITORS' REPORT

The Board of Directors and Shareholders
Catcher Technology Co., Ltd.

Opinion

We have audited the accompanying consolidated financial statements of Catcher Technology Co., Ltd. (the "Company") and its subsidiaries (collectively referred to as the "Group"), which comprise the consolidated balance sheets as of December 31, 2022 and 2021, and the consolidated statements of comprehensive income, changes in equity and cash flows for the years then ended, and the notes to the consolidated financial statements, including a summary of significant accounting policies (collectively referred to as the "consolidated financial statements").

In our opinion, based on our audits and the report of other auditors (refer to the Other Matter paragraph), the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as of December 31, 2022 and 2021, 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 International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

Basis for Opinion

We conducted our audits in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and the Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of 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. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion based on our audits and the report of other auditors.

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, 2022. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

The key audit matter identified in the Group's consolidated financial statements for the year ended December 31, 2022 is as follows:

Due to the need of some sales customers, the Group places inventory in the shipping warehouses designated by the sales customers. The recognition of sales revenue is based on the reports provided by the customers' designated warehouse custodians, which were checked by the dedicated personnel of the Group. Since shipping warehouses are not directly managed by the Group and the recognition of sales revenue involves manual processing, we considered the authenticity of the sales related to the shipping warehouses a key audit matter for this year.

The main audit procedures that we performed in regard to this key audit matter include:

1. We obtained an understanding and tested the effectiveness of the design of the main internal control and implementation related to the sales revenue of the overseas shipping warehouses.

2. We obtained the record of inventory movements in the shipping warehouses. We selected samples and checked the documents and payment status related to the sales revenue of shipping warehouses. We verified the occurrence of the sales and checked for any anomalies existing in the sales counterparties and the payment recipients.

Other Matter

We have also audited the parent company only financial statements of Catcher Technology Co., Ltd. as of and for the years ended December 31, 2022 and 2021 on which we have issued an unmodified opinion with other matters paragraph.

We did not audit the financial statements of certain subsidiaries included in the consolidated financial statements of the Group as of and for the years ended December 31, 2022 and 2021, and some investees accounted for using the equity method as of and for the year ended December 31, 2022, but such statements were audited by other auditors. Our opinion, insofar as it relates to the amounts included for certain subsidiaries, some of the investees accounted for using the equity method, and the share of profit of associates, are based solely on the reports of other auditors. The total asset of certain subsidiaries were NT$1,533,669 thousand and NT$6,669,132 thousand, accounting for 0.63% and 2.7% of consolidated total assets as of December 31, 2022 and 2021, respectively; the total comprehensive income was NT$(257,431) and NT$115,737 thousand, accounting for (1%) and 1.92%, of consolidated total comprehensive income for the years ended December 31, 2022 and 2021, respectively. The balance of the investments accounted for using the equity method was NT$447,678 thousand, accounting for 0.2% of consolidated total assets as of December 31, 2022; the share of profit of associates was NT$36,841 thousand, accounting for 0.1% of consolidated total comprehensive income for the year ended December 31, 2022.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial 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 IFRS, IAS, IFRIC, and SIC endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China, 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 maintain 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 and appropriate audit evidence regarding the financial information of 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 for the year ended December 31, 2022 and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partners on the audits resulting in this independent auditors' report are Hung-Ju Liao and Chi-Chen Lee.

Deloitte & Touche
Taipei, Taiwan
Republic of China
February 23, 2023

Notice to Readers

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

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

CATCHER TECHNOLOGY CO., LTD. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 2022 AND 2021
(In Thousands of New Taiwan Dollars)

	December 31, 2022		December 31, 2021	
ASSETS	**Amount**	**%**	**Amount**	**%**
CURRENT ASSETS				
Cash and cash equivalents (Notes 4 and 6)	$ 57,529,369	24	$ 53,115,285	22
Financial assets at fair value through profit or loss - current (Notes 4 and 7)	189,736	-	3,967,937	2
Financial at fair value through other comprehensive income - current (Notes 4 and 8)	143,609	-	1,870,987	1
Financial assets at amortized cost - current (Notes 4, 9 and 33)	116,953,536	49	122,046,739	49
Trade receivables (Notes 4, 11 and 25)	9,564,795	4	9,665,413	4
Other receivables (Notes 4 and 11)	843,330	-	503,406	-
Current tax assets (Notes 4 and 27)	52,278	-	425,494	-
Inventories (Notes 4, 5, 12 and 34)	3,392,456	1	3,316,762	1
Other current assets (Note 19)	309,385	-	406,109	-
Total current assets	188,978,494	78	195,318,132	79
NON-CURRENT ASSETS				
Financial at fair value through profit or loss - non-current (Notes 4 and 7)	1,298,244	1	958,795	-
Financial assets at fair value through other comprehensive income - non-current (Notes 4 and 8)	3,509,701	2	5,430,345	2
Financial assets at amortized cost - non-current (Notes 4 and 9)	25,738,655	11	21,891,382	9
Investments accounted for using the equity method (Notes 4 and 14)	2,181,179	1	8,050	-
Property, plant and equipment (Notes 4, 15 and 34)	14,338,395	6	17,868,347	7
Right-of-use assets (Notes 4 and 16)	999,332	-	1,016,568	1
Investment properties (Notes 4 and 17)	953,276	-	221,565	-
Intangible assets (Notes 4 and 18)	22,707	-	57,707	-
Deferred tax assets (Notes 4 and 27)	3,440,126	1	4,058,919	2
Other non-current assets (Note 19)	102,581	-	72,993	-
Total non-current assets	52,584,196	22	51,584,671	21
TOTAL	$ 241,562,690	100	$ 246,902,803	100
LIABILITIES AND EQUITY				
CURRENT LIABILITIES				
Short-term borrowings (Note 20)	$ 56,696,000	24	$ 78,031,726	32
Contract liabilities - current (Notes 4 and 25)	42,803	-	32,742	-
Trade payables (Note 21)	2,720,459	1	3,465,780	1
Other payables (Note 22)	5,686,595	2	5,983,148	2
Current tax liabilities (Notes 4 and 27)	3,183,772	1	309,608	-
Lease liabilities - current (Notes 4 and 16)	5,923	-	13,168	-
Other current liabilities (Note 22)	856,684	-	1,396,923	1
Total current liabilities	69,192,236	28	89,233,095	36
NON-CURRENT LIABILITIES				
Deferred tax liabilities (Notes 4, 5 and 27)	6,424,940	3	6,100,759	3
Lease liabilities - non-current (Notes 4 and 16)	126,297	-	126,873	-
Net defined benefit liabilities - non-current (Notes 4 and 23)	6,569	-	6,578	-
Other non-current liabilities (Note 22)	10,036	-	8,776	-
Total non-current liabilities	6,567,842	3	6,242,986	3
Total liabilities	75,760,078	31	95,476,081	39
EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY (Note 24)				
Share capital - ordinary shares	7,144,671	3	7,616,181	3
Capital surplus	18,771,534	8	20,008,824	8
Retained earnings				
Legal reserve	22,354,680	9	21,497,294	8
Special reserve	16,961,466	7	14,394,310	6
Unappropriated earnings	102,803,702	43	108,287,799	44
Total retained earnings	142,119,848	59	144,179,403	58
Other equity	(2,244,484)	(1)	(16,961,466)	(7)
Treasure shares	-	-	(3,465,809)	(1)
Total equity attributable to owners of the Company	165,791,569	69	151,377,133	61
NON-CONTROLLING INTERESTS	11,043	-	49,589	-
Total equity	165,802,612	69	151,426,722	61
TOTAL	$ 241,562,690	100	$ 246,902,803	100

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

(With Deloitte & Touche auditors' report dated February 23, 2023)

CATCHER TECHNOLOGY CO., LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021
(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2022		2021	
	Amount	**%**	**Amount**	**%**
OPERATING REVENUE (Notes 4, 16 and 25)	$ 27,820,529	100	$ 41,094,979	100
OPERATING COSTS (Notes 12, 23 and 26)	18,953,632	68	27,525,852	67
GROSS PROFIT	8,866,897	32	13,569,127	33
OPERATING EXPENSES (Notes 23 and 26)				
Selling and marketing expenses	374,384	1	412,142	1
General and administrative expenses	2,080,795	8	2,714,528	7
Research and development expenses	1,494,209	5	1,682,336	4
Expected credit gain	(51,289)	-	-	-
Total operating expenses	3,898,099	14	4,809,006	12
PROFIT FROM OPERATIONS	4,968,798	18	8,760,121	21
NON-OPERATING INCOME AND EXPENSES (Notes 10, 14, 26 and 29)				
Interest income	4,313,238	15	822,797	2
Other income	1,088,373	4	2,207,343	5
Foreign exchange gains (losses), net	8,200,548	30	(2,428,032)	(6)
Other losses (gains)	(1,321,555)	(5)	3,194,966	8
Interest expense	(704,063)	(3)	(483,010)	(1)
Expected credit loss	(76,671)	-	-	-
Share of profit or loss of associates	74,379	-	(3,533)	-
Total non-operating income and expenses	11,574,249	41	3,310,531	8
PROFIT BEFORE INCOME TAX	16,543,047	59	12,070,652	29
INCOME TAX EXPENSE (Notes 4, 27 and 29)	5,646,809	20	3,474,369	8
NET PROFIT	10,896,238	39	8,596,283	21
OTHER COMPREHENSIVE INCOME (LOSS) (Note 24)				
Items that will not be reclassified subsequently to profit or loss:				
Unrealized (loss) gain on investments in equity instruments at fair value through other comprehensive income	(31,564)	-	5,617	-

(Continued)

CATCHER TECHNOLOGY CO., LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021
(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2022		2021	
	Amount	**%**	**Amount**	**%**
Items that may be reclassified subsequently to profit or loss:				
Exchange differences on translating the financial statements of foreign operations	$ 14,861,927	53	$ (2,534,112)	(6)
Unrealized gain (loss) on investment in debt instrument at fair value through other comprehensive income	(80,051)	-	(41,301)	-
Other comprehensive loss for the year, net of income tax	14,750,312	53	(2,569,796)	(6)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	$ 25,646,550	92	$ 6,026,487	15
NET PROFIT ATTRIBUTABLE TO:				
Owners of the Company	$ 10,902,179	39	$ 8,575,044	21
Non-controlling interests	(5,941)	-	21,239	-
	$ 10,896,238	39	$ 8,596,283	21
TOTAL COMPREHENSIVE INCOME (LOSS) ATTRIBUTABLE TO:				
Owners of the Company	$ 25,647,939	92	$ 6,006,701	15
Non-controlling interests	(1,389)	-	19,786	-
	$ 25,646,550	92	$ 6,026,487	15
EARNINGS PER SHARE (Note 28)				
Basic	$ 15.14		$ 11.31	
Diluted	$ 15.11		$ 11.24	

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

(With Deloitte & Touche auditors' report dated February 23, 2023)

(Concluded)

CATCHER TECHNOLOGY CO., LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
YEARS ENDED DECEMBER 31, 2022 AND 2021
(In Thousands of New Taiwan Dollars)

	Equity Attributable to Owners of the Company											
			Retained Earnings			Other Equity						
	Share Capital	Capital Surplus	Legal Reserve	Special Reserve	Unappropriated Earnings	Exchange Differences on Translating the Financial Statements of Foreign Operations	Unrealized Gain (Loss) on Financial Assets at Fair Value Through Other Comprehensive Income	Total	Treasury Shares	Total	Non-controlling Interests	Total Equity
BALANCE AT JANUARY 1, 2021	$ 7,616,181	$ 20,008,231	$ 19,532,131	$ 12,188,506	$ 113,024,326	$ (14,326,474)	$ (67,836)	$ (14,394,310)	$ -	$ 157,975,065	$ 96,537	$ 158,071,602
Appropriation of the 2020 earnings (Note 24)												
Legal reserve	-	-	1,965,163	-	(1,965,163)	-	-	-	-	-	-	-
Special reserve	-	-	-	2,205,804	(2,205,804)	-	-	-	-	-	-	-
Cash dividends distributed by the Company - 120%	-	-	-	-	(9,139,417)	-	-	-	-	(9,139,417)	-	(9,139,417)
Overdue unclaimed dividends of shareholders	-	593	-	-	-	-	-	-	-	593	-	593
Net profit for the year ended December 31, 2021	-	-	-	-	8,575,044	-	-	-	-	8,575,044	21,239	8,596,283
Other comprehensive loss for the year ended December 31, 2021, net of income tax	-	-	-	-	-	(2,532,659)	(35,684)	(2,568,343)	-	(2,568,343)	(1,453)	(2,569,796)
Total comprehensive income (loss) for the year ended December 31, 2021	-	-	-	-	8,575,044	(2,532,659)	(35,684)	(2,568,343)	-	6,006,701	19,786	6,026,487
Disposal of investments in equity instruments designated as at fair value through other comprehensive income	-	-	-	-	(1,187)	-	1,187	1,187	-	-	-	-
Buy back of ordinary shares (Note 24)	-	-	-	-	-	-	-	-	(3,465,809)	(3,465,809)	-	(3,465,809)
Decrease in non-controlling interest	-	-	-	-	-	-	-	-	-	-	(66,734)	(66,734)
BALANCE AT DECEMBER 31, 2021	7,616,181	20,008,824	21,497,294	14,394,310	108,287,799	(16,859,133)	(102,333)	(16,961,466)	(3,465,809)	151,377,133	49,589	151,426,722
Appropriation of the 2021 earnings (Note 24)												
Legal reserve	-	-	857,386	-	(857,386)	-	-	-	-	-	-	-
Special reserve	-	-	-	2,567,156	(2,567,156)	-	-	-	-	-	-	-
Cash dividends distributed by the Company - 100%	-	-	-	-	(7,297,531)	-	-	-	-	(7,297,531)	-	(7,297,531)
Changes from investments in associates accounted for using the equity method	-	-	-	-	(355)	-	-	-	-	(355)	-	(355)
Overdue unclaimed dividends of shareholders	-	1,192	-	-	-	-	-	-	-	1,192	-	1,192
Net profit for the year ended December 31, 2022	-	-	-	-	10,902,179	-	-	-	-	10,902,179	(5,941)	10,896,238
Other comprehensive loss for the year ended December 31, 2022, net of income tax	-	-	-	-	-	14,857,375	(111,615)	14,745,760	-	14,745,760	4,552	14,750,312
Total comprehensive income (loss) for the year ended December 31, 2022	-	-	-	-	10,902,179	14,857,375	(111,615)	14,745,760	-	25,647,939	(1,389)	25,646,550
Disposal of investments in equity instruments designated as at fair value through other comprehensive income	-	-	-	-	28,778	-	(28,778)	(28,778)	-	-	-	-
Buy-back of ordinary shares (Note 24)	-	-	-	-	-	-	-	-	(3,936,809)	(3,936,809)	-	(3,936,809)
Cancelation of treasury shares (Note 24)	(471,510)	(1,238,482)	-	-	(5,692,626)	-	-	-	7,402,618	-	-	-
Decrease in non-controlling interests	-	-	-	-	-	-	-	-	-	-	(37,157)	(37,157)
BALANCE AT DECEMBER 31, 2022	$ 7,144,671	$ 18,771,534	$ 22,354,680	$ 16,961,466	$ 102,803,702	$ (2,001,758)	$ (242,726)	$ (2,244,484)	$ -	$ 165,791,569	$ 11,043	$ 165,802,612

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

(With Deloitte & Touche auditors' report dated February 23, 2023)

CATCHER TECHNOLOGY CO., LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021
(In Thousands of New Taiwan Dollars)

	2022	2021
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax	$ 16,543,047	$ 12,070,652
Adjustments for:		
Depreciation expense	3,406,043	4,861,668
Amortization expense	44,388	56,971
Expected credit loss	25,382	-
Net loss (gain) on financial instruments at fair value through profit or loss	1,207,127	(385,336)
Interest expense	704,063	483,010
Net loss on disposal of financial assets	175,820	324
Interest income	(4,313,238)	(822,797)
Dividend income	(102,502)	(79,490)
Share of (profit) loss of associates	(74,379)	3,533
Gain on disposal of property, plant and equipment	(329,781)	(394,635)
Loss (gain) on disposal of subsidiaries	9,883	(2,782,368)
Unrealized gain on foreign currency exchange	(347,739)	(511,224)
Changes in operating assets and liabilities		
Notes receivable	-	21
Trade receivables	236,172	7,537,771
Other receivables	49,507	63,608
Inventories	202,771	2,701,094
Other current assets	(7,651)	(52,196)
Contract liabilities	10,061	43,815
Trade payables	(788,137)	(4,195,540)
Other payables	(924,971)	(874,837)
Other current liabilities	(634,129)	(917,308)
Net defined benefit liabilities	(9)	20
Other non-current liabilities	-	(10)
Cash generated from operations	15,091,728	16,806,746
Dividends received	100,622	79,490
Income tax paid	(1,543,304)	(7,360,949)
Net cash generated from operating activities	13,649,046	9,525,287
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of financial assets at fair value through other comprehensive income	(813,285)	(7,098,239)
Proceeds from sale of financial at fair value through other comprehensive income	3,341,771	368,687
Purchase of financial assets at amortized cost	(329,729,105)	(381,385,262)
Proceeds from sale of financial assets at amortized cost	338,139,804	325,065,955
Purchase of financial assets at fair value through profit or loss	(7,283,270)	(10,130,371)
Proceeds from disposals of financial assets at fair value through profit or loss	9,225,397	5,742,348
Net cash inflow on disposal of subsidiaries (Note 29)	-	5,014,762
Payments for property, plant and equipment	(468,951)	(981,815)
Proceeds from disposal of property, plant and equipment	478,102	422,523

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CATCHER TECHNOLOGY CO., LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021
(In Thousands of New Taiwan Dollars)

	2022	2021
Increase in refundable deposits	$ (13,357)	$ (44,113)
Decrease in refundable deposits	2,330	61,102
Payments for intangible assets	-	(34,996)
Payments for investment properties	-	(410)
Interest received	3,608,787	737,013
Dividends received from associates	110,624	-
Net cash generated from (used in) investing activities	16,598,847	(62,262,816)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from short-term borrowings	406,059,178	321,126,452
Repayments of short-term borrowings	(427,394,904)	(313,560,452)
Proceeds from guarantee deposits received	22,909	16,153
Refunds of guarantee deposits received	(14,888)	(13,949)
Repayment of the principal portion of lease liabilities	(13,286)	(15,325)
Cash dividends paid	(7,297,490)	(9,139,417)
Payments for buy-back of ordinary shares	(3,981,444)	(3,421,174)
Interest paid	(694,572)	(478,630)
Decrease in non-controlling interests	(37,157)	(66,734)
Proceeds from unclaimed dividends	1,192	593
Net cash used in financing activities	(33,350,462)	(5,552,483)
EFFECTS OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH AND CASH EQUIVALENTS HELD IN FOREIGN CURRENCIES	7,516,653	(477,684)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	4,414,084	(58,767,696)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	53,115,285	111,882,981
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	$ 57,529,369	$ 53,115,285

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

(With Deloitte & Touche auditors' report dated February 23, 2023)

(Concluded)

(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

1. GENERAL INFORMATION

Catcher Technology Co., Ltd. (the "Company") was incorporated in November 1984 under the laws of the Republic of China (ROC). The Company mainly manufactures and sells aluminum and magnesium extrusion and stamping products and molds. It also provides leasing services.

The Company's shares were listed and traded on the Taipei Exchange (formerly called the GreTai Securities Market) from November 1999 until September 2001, when the Company listed its shares on the Taiwan Stock Exchange (TWSE) under stock number "2474" and ceased listing and trading on the Taipei Exchange.

The Company increased its capital by listing its shares in the form of Global Depositary Receipts (GDRs) on the Luxembourg Stock Exchange (Euro MTF) in June 2011.

The consolidated financial statements of the Company and its subsidiaries, collectively referred to as the Group, are presented in the Company's functional currency, the New Taiwan dollar.

2. APPROVAL OF FINANCIAL STATEMENTS

The consolidated financial statements were published after being approved by the Company's board of directors on February 23, 2023.

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

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

   The initial application of the IFRSs endorsed and issued into effect by the FSC did not have any material impact on the accounting policies of the Company and its subsidiaries (collectively referred to as the "Group").

b. The IFRSs endorsed by the FSC for application starting from 2023

New IFRSs	Effective Date Announced by IASB
Amendments to IAS 1 "Disclosure of Accounting Policies"	January 1, 2023 (Note 1)
Amendments to IAS 8 "Definition of Accounting Estimates"	January 1, 2023 (Note 2)
Amendments to IAS 12 "Deferred Tax related to Assets and Liabilities arising from a Single Transaction"	January 1, 2023 (Note 3)

Note 1: The amendments will be applied prospectively for annual reporting periods beginning on or after January 1, 2023.

Note 2: The amendments will be applicable to changes in accounting estimates and changes in accounting policies that occur on or after the beginning of the annual reporting period beginning on or after January 1, 2023.

Note 3: Except for deferred taxes that were recognized on January 1, 2022 for temporary differences associated with leases and decommissioning obligations, the amendments were applied prospectively to transactions that occurred on or after January 1, 2022.

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

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

New IFRSs	Effective Date Announced by IASB (Note 1)
Amendments to IFRS 10 and IAS 28 "Sale or Contribution of Assets between An Investor and Its Associate or Joint Venture"	To be determined by IASB
Amendments to IFRS 16 "Leases Liability in a Sale and Leaseback"	January 1, 2024 (Note 2)
IFRS 17 "Insurance Contracts"	January 1, 2023
Amendments to IFRS 17	January 1, 2023
Amendments to IFRS 17 "Initial Application of IFRS 9 and IFRS 17 - Comparative Information"	January 1, 2023
Amendments to IAS 1 "Classification of Liabilities as Current or Non-current"	January 1, 2024
Amendments to IAS 1 "Non-current Liabilities with Covenants"	January 1, 2024

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

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

As of the date the consolidated financial statements were authorized for issue, the Group is continuously assessing the possible impact that the application of above standards and interpretations will have on the Group's financial position and financial performance and will disclose the relevant impact when the assessment is completed.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a. Statement of compliance

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

b. Basis of preparation

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

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

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

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

3) Level 3 inputs are unobservable inputs for assets or liabilities.

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

Current assets include:

1) Assets held primarily for the purpose of trading;

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

3) Cash and cash equivalents unless the asset is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

Current liabilities include:

1) Liabilities held primarily for the purpose of trading;

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

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

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

d. Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and the entities controlled by the Company (i.e., its subsidiaries).

Income and expenses of subsidiaries acquired or disposed of during the period are included in the consolidated statement of comprehensive income from the effective dates of acquisitions up to the effective dates of disposals, as appropriate.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those of the Group.

All intra-group transactions, balances, income and expenses are eliminated in full upon consolidation. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Changes in the Group’s ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the interests of the Group and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. 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 and attributed to the owners of the Company.

When the Group loses control of a subsidiary, a gain or loss is recognized in profit or loss and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and any investment retained in the former subsidiary at its fair value at the date when control is lost and (ii) the assets (including any goodwill) and liabilities and any non-controlling interests of the former subsidiary at their carrying amounts at the date when control is lost. The Group accounts for all amounts recognized in other comprehensive income in relation to that subsidiary on the same basis as would be required had the Group directly disposed of the related assets or liabilities.

See Note 13, tables 7 and 8 for detailed information on subsidiaries (including percentages of ownership and main businesses).

e. Foreign currencies

In preparing the financial statements of each individual entity in the Group, transactions in currencies other than the entity's functional currency (i.e., foreign currencies) are recognized at the rates of exchange prevailing at the dates of the transactions.

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

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

Non-monetary items denominated in foreign currencies and measured at historical cost are stated at the reporting currency as originally translated from the foreign currency.

For the purpose of presenting consolidated financial statements, assets and liabilities of a foreign operation (including subsidiaries in other countries that use currencies which are different from the currency of the Group) are translated into the New Taiwan dollar at the exchange rates prevailing at the end of the reporting period; and income and expense items are translated at the average exchange rates for the period. The resulting currency translation differences are recognized in other comprehensive income attributed to the owners of the Company and non-controlling interests as appropriate.

On the disposal of a foreign operation (i.e., a disposal of the Company's entire interest in a foreign operation, or a disposal involving the loss of control over a subsidiary that includes a foreign operation, or a partial disposal of an interest in a joint arrangement or an associate that includes a foreign operation of which the retained interest becomes a financial asset), all of the exchange differences accumulated in equity in respect of that operation attributable to the owners of the Company are reclassified to profit or loss.

f. Inventories

Inventories consist of raw materials, supplies, merchandise, finished goods, semi-finished goods and work-in-process. Inventories are stated at the lower of cost or net realizable value. Inventory write-downs are made by item, except where it may be appropriate to group similar or related items. The net realizable value is the estimated selling price of inventories less all estimated costs of completion and costs necessary to make the sale. Inventories are recorded at the weighted-average cost.

g. Investments in associates

An associate is an entity over which the Group has significant influence and which is neither a subsidiary nor an interest in a joint venture.

The Group uses the equity method to account for its investments in associates. Under the equity method, an investment in an associate is initially recognized at cost and adjusted thereafter to recognize the Group's share of the profit or loss and other comprehensive income of the associate. The Group also recognizes the changes in the Group's share of the equity of associates.

When the Group subscribes for additional new shares of an associate at a percentage different from its existing ownership percentage, the resulting carrying amount of the investment differs from the amount of the Group's proportionate interest in the associate. The Group records such a difference as an adjustment to investments with the corresponding amount charged or credited to capital surplus - changes in capital surplus from investments in associates accounted for using the equity method. If the Group's ownership interest is reduced due to its additional subscription of the new shares of the associate, the proportionate amount of the gains or losses previously recognized in other comprehensive income in relation to that associate is reclassified to profit or loss on the same basis as would be required had the investee directly disposed of the related assets or liabilities. When the adjustment should be debited to capital surplus, but the capital surplus recognized from investments accounted for using the equity method is insufficient, the shortage is debited to retained earnings.

When the Group's share of losses of an associate equals or exceeds its interest in that associate (which includes any carrying amount of the investment accounted for using the equity method and long-term interests that, in substance, form part of the Group's net investment in the associate), the Group discontinues recognizing its share of further loss, if any. Additional losses and liabilities are recognized only to the extent that the Group has incurred legal obligations, or constructive obligations, or made payments on behalf of that associate.

The entire carrying amount of an investment (including goodwill) is tested for impairment as a single asset by comparing its recoverable amount with its carrying amount. Any impairment loss recognized is not allocated to any asset, including goodwill, that forms part of the carrying amount of investment. Any reversal of that impairment loss is recognized to the extent that the recoverable amount of the investment subsequently increases.

The Group discontinues the use of the equity method from the date on which its investment ceases to be an associate. Any retained investment is measured at fair value at that date and the fair value is regarded as the investment's fair value on initial recognition as a financial asset. The difference between the previous carrying amount of the associate attributable to the retained interest and its fair value is included in the determination of the gain or loss on disposal of the associate. The Group accounts for all amounts previously recognized in other comprehensive income in relation to that associate on the same basis as would be required if that associate had directly disposed of the related assets or liabilities.

When an entity in the Group transacts with its associate, profits and losses resulting from the transactions with the associate are recognized in the Group's consolidated financial statements only to the extent of interests in the associate that are not related to the Group.

h. Property, plant and equipment

Property, plant and equipment are initially measured at cost and subsequently measured at cost less accumulated depreciation and accumulated impairment loss.

Property, plant and equipment in the course of construction are measured at cost less any recognized impairment loss. Cost includes professional fees and borrowing costs eligible for capitalization. Such assets are depreciated and classified to the appropriate categories of property, plant and equipment when completed and ready for their intended use.

Except for freehold land which is not depreciated, the depreciation of property, plant and equipment is recognized using the straight-line method. Each significant part is depreciated separately. The estimated useful lives, residual values and depreciation methods are reviewed at the end of each reporting period, with the effects of any changes in the estimates accounted for on a prospective basis.

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

i. Investment properties

Investment properties are properties held to earn rentals and/or for capital appreciation. Investment properties include land held for a currently undetermined future use.

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

On derecognition of an investment property, the difference between the net disposal proceeds and the carrying amount of the asset is included in profit or loss.

j. Intangible assets

Intangible assets with finite useful lives that are acquired separately are initially measured at cost and subsequently measured at cost less accumulated amortization and accumulated impairment loss. Amortization is recognized on a straight-line basis. The estimated useful lives, residual values, and amortization methods are reviewed at the end of each reporting period, with the effect of any changes in the estimates accounted for on a prospective basis.

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

k. Impairment of property, plant and equipment, right-of-use-asset, investment properties, intangible assets and assets related to contract costs

At the end of each reporting period, the Group reviews the carrying amounts of its property, plant and equipment, right-of-use asset, investment properties and intangible assets to determine whether there is any indication that those assets have suffered any impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss. When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

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

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

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

l. Financial instruments

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

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

1) Financial assets

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

a) Measurement categories

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

i. Financial assets at FVTPL

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

Financial assets at FVTPL are subsequently measured at fair value, and any dividends or interest earned on such financial assets are recognized in other income and interest income, respectively; any remeasurement gains or losses on such financial assets are recognized in other gains or losses. Fair value is determined in the manner described in Note 31.

ii. Financial assets at amortized cost

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

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

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

Subsequent to initial recognition, financial assets at amortized cost, including cash and cash equivalents, investments in debt instruments, accounts receivable at amortized cost, other receivables and refundable deposits, are measured at amortized cost, which equals the gross carrying amount determined using the effective interest method less any impairment loss.

Exchange differences are recognized in profit or loss.

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

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

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

A financial asset is credit impaired when one or more of the following events have occurred:

i) Significant financial difficulty of the issuer or the borrower;

ii) Breach of contract, such as a default;

iii) It is becoming probable that the borrower will enter bankruptcy or undergo a financial reorganization; or

iv) The disappearance of an active market for that financial asset because of financial difficulties.

Cash equivalents include time deposits, commercial papers and repurchase agreements with original maturities within 3 months from the date of acquisition, which are highly liquid, readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value. These cash equivalents are held for the purpose of meeting short-term cash commitments.

iii. Investments in debt instruments at FVTOCI

Debt instruments that meet the following conditions are subsequently measured at FVTOCI:

i) The debt instrument is held within a business model whose objective is achieved by both the collecting of contractual cash flows and the selling of such financial assets; and

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

Investments in debt instruments at FVTOCI are subsequently measured at fair value. Changes in the carrying amounts of these debt instruments relating to changes in foreign currency exchange rates, interest income calculated using the effective interest method and impairment losses or reversals are recognized in profit or loss. Other changes in the carrying amount of these debt instruments are recognized in other comprehensive income and will be reclassified to profit or loss when the investment is disposed of.

iv. Investments in equity instruments at FVTOCI

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

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

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

b) Impairment of financial assets and contract assets

The Group recognizes a loss allowance for expected credit losses on financial assets at amortized cost (including accounts receivables), investments in debt instruments that are measured at FVTOCI at the end of each reporting period.

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

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

For internal credit risk management purposes, the Group determines that the following situations indicate that a financial asset is in default (without taking into account any collateral held by the Group):

i. Internal or external information show that the debtor is unlikely to pay its creditors.

ii. When a financial asset is more than 180 days past due unless the Group has reasonable and corroborative information to support a more lagged default criterion.

The impairment loss of all financial assets is recognized in profit or loss by a reduction in their carrying amounts through a loss allowance account.

c) Derecognition of financial assets

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

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

2) Equity instruments

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

The repurchase of the Group's own equity instruments is recognized in and deducted directly from equity, and its carrying amounts are calculated based on weighted average by share types. No gain or loss is recognized in profit or loss on the purchase, sale, issuance or cancellation of the Group's own equity instruments.

3) Financial liabilities

a) Subsequent measurement

All the financial liabilities are measured at amortized cost using the effective interest method.

b) Derecognition of financial liabilities

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

m. Revenue recognition

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

Revenue from the sale of goods comes from sales of metal casing. Sales of metal casing product are recognized as revenue when the Group has transferred to the buyer the significant risks and rewards of ownership of the goods and the Group retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold, which is determined for export sales on the bases of the terms of the trade and for domestic sales on the bases of the acceptance date of the counterparty. Accounts receivable are recognized concurrently. Advance receipts are recognized as contract liabilities before the conditions of trade of the products are reached.

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

n. Leases

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

1) The Group as lessor

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

When the Group subleases a right-of-use asset, the sublease is classified by reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. However, if the head lease is a short-term lease that the Group, as a lessee, has accounted for applying recognition exemption, the sublease is classified as an operating lease.

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

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

When a lease includes both land and building elements, the Group assesses the classification of each element separately as a finance or an operating lease based on the assessment as to whether substantially all the risks and rewards incidental to ownership of each element have been transferred to the lessee. The lease payments are allocated to the land and the building elements in proportion to the relative fair values of the leasehold interests in the land element and building element of the lease at the inception of a contract. If the allocation of the lease payments can be made reliably, each element is accounted for separately in accordance with its lease classification. When the lease payments cannot be allocated reliably to the land and building elements, the entire lease is generally classified as a finance lease unless it is clear that both elements are operating leases; in which case, the entire lease is classified as an operating lease.

2) The Group as lessee

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

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

Right-of-use assets are depreciated using the straight-line method from the commencement dates to the earlier of the end of the useful lives of the right-of-use assets or the end of the lease terms. However, if leases transfer ownership of the underlying assets to the Group by the end of the lease terms or if the costs of right-of-use assets reflect that the Group will exercise a purchase option, the Group depreciates the right-of-use assets from the commencement dates to the end of the useful lives of the underlying assets.

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

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

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

o. Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

Other than those stated above, all other borrowing costs are recognized in profit or loss in the period in which they are incurred.

p. Government grants

Government grants are not recognized until there is reasonable assurance that the Group will comply with the conditions attached to them and that the grants will be received.

Government grants related to income are recognized in other income on a systematic basis over the periods in which the Group recognizes as expenses the related costs that the grants intend to compensate. Specifically, government grants whose primary condition is that the Group should purchase, construct or otherwise acquire non-current assets are recognized as deferred revenue and transferred to profit or loss on a systematic and rational basis over the useful lives of the related assets.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognized in profit or loss in the period in which they become receivable.

q. Employee benefits

1) Short-term employee benefits

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

2) Retirement benefits

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

Defined benefit costs (including service cost, net interest and remeasurement) under defined benefit retirement benefit plans are determined using the projected unit credit method. Service cost (including current service cost) and net interest on the net defined benefit liabilities (assets) are recognized as employee benefits expense in the period in which they occur. Remeasurement, comprising actuarial gains and losses and the return on plan assets (excluding interest), is recognized in other comprehensive income in the period in which it occurs. Remeasurement recognized in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to profit or loss.

Net defined benefit liabilities (assets) represent the actual deficit (surplus) in the Group’s defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any refunds from the plans or reductions in future contributions to the plans.

r. Taxation

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

1) Current tax

Income tax payable (recoverable) is based on taxable profit (loss) for the year determined according to the applicable tax laws of each tax jurisdiction.

According to the Income Tax Act in the ROC, an additional tax on unappropriated earnings is provided for in the year the shareholders approve to retain earnings.

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

2) Deferred tax

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

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

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the assets to be recovered. A previously unrecognized deferred tax asset is also reviewed at the end of each reporting period and recognized to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

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

3) Current and deferred taxes for the year

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

5. CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

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

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised if the revisions affect only that period or in the period of the revisions and future periods if the revisions affect both current and future periods.

Key sources of estimation uncertainty

a. Write-down of inventories

The net realizable value of inventories 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. The estimation of net realizable value is based on current market conditions and historical experience of product sales of a similar nature. Changes in market conditions may have a material impact on the estimation of the net realizable value.

b. Income taxes

For the purpose of expanding the Group's operation scale continuously and supporting the capital needs of overseas reinvestment companies, the Company's management resolved of the board of directors in previous years that the unappropriated retained earnings of overseas subsidiaries will be used for permanent investment. Therefore, no deferred tax liabilities were recognized on the subsidiaries' unappropriated earnings (refer to Note 27). If the retained earnings of overseas subsidiaries will be appropriated in the future, recognition of material deferred tax liabilities may arise, which would be recognized in profit or loss for the period in which such appropriation takes place. The Group evaluated the optimization of its working capital and tax planning. The board of directors of Nanomag International Co., Ltd. (the Company's subsidiary) approved the appropriation of earnings on October 24, 2022, which has been approved by the government. The remaining unappropriated retained earnings of other overseas subsidiaries will still be used for permanent investment.

6. CASH AND CASH EQUIVALENTS

	December 31	
	2022	**2021**
Cash on hand	$ 1,969	$ 1,794
Demand deposits in banks	10,794,953	11,352,246
Cash equivalents (investments with original maturities of less than 3 months)		
Time deposits	46,595,647	41,597,648
Repurchase agreements	136,800	66,050
Commercial paper	-	97,547
	$ 57,529,369	$ 53,115,285

The interest rate intervals of time deposits, repurchase agreements and commercial paper were as follows:

	December 31	
	2022	**2021**
Time deposits	0.93%-5.20%	0.17%-2.95%
Repurchase agreements	1.05%	1%
Commercial paper	-	0.3%

7. FINANCIAL INSTRUMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS

	December 31	
	2022	**2021**
Financial assets at FVTPL - current		
Financial assets mandatorily classified as at FVTPL		
Non-derivative financial assets		
Mutual funds	$ -	$ 2,223,491
Domestic quoted shares	189,736	1,744,446
	$ 189,736	$ 3,967,937
Financial assets at FVTPL - non-current		
Financial assets mandatorily at FVTPL		
Non-derivative financial assets		
Private equity funds	$ 1,026,794	$ 661,216
Private equity securities	22,309	90,286
Limited partnerships	249,141	132,557
Simple Agreement for Future Equity (SAFE)	-	74,736
	$ 1,298,244	$ 958,795

8. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME (FVTOCI)

	December 31	
	2022	**2021**
Current		
Investments in equity instruments at fair value through other comprehensive income (FVTOCI)	$ 143,609	$ 1,870,987
Non-current		
Investments in equity instruments at FVTOCI	$ 1,342,874	$ 859,146
Investments in debt instruments at FVTOCI	2,166,827	4,571,199
	$ 3,509,701	$ 5,430,345

a. Investments in equity instruments

	December 31 2022	December 31 2021
Current		
Domestic investments		
Listed shares	$ 143,609	$ 1,870,987
Non-current		
Domestic investments		
Unlisted shares		
Ordinary shares	$ 57,330	$ 36,240
Foreign investments		
Limited partnerships	1,285,544	822,906
	$ 1,342,874	$ 859,146

These investments in equity instruments are not held for trading. Instead, they are held for medium- to long-term strategic purposes. Accordingly, the management elected to designate these investments in equity instruments as at FVTOCI as they believe that recognizing short-term fluctuations in these investments' fair value in profit or loss would not be consistent with the Group's strategy of holding these investments for long-term purposes.

The Group invested US$13,520 thousand and US$10,386 thousand in China Renewable Energy Fund, L.P. in 2022 and 2021, respectively. The Group accounted for 23.51% of the total investment. In addition, the Group only holds 1 out of 5 seats in the Operation Committee. Therefore, the Group's management considered that it has no significant influence over the investee and classified the investment as financial assets at FVTOCI - non-current.

The Group was elected as 2 directors of the boards of Pacific Hospital Supply Co., Ltd. and Bioteque Corporation in June 2022, respectively. Despite holding less than a 20% stake in each of the aforementioned companies, the Group considers itself to have a major influence. Starting from June 15, 2022, the Group changed the accounting treatment for the two investees using the equity method, based on the closing prices on the date, from financial assets at FVTOCI as previously classified. Refer to Note 14.

b. Investments in debt instrument

	December 31 2022	December 31 2021
Non-current		
Foreign corporate bonds	$ 2,166,827	$ 4,571,199

Refer to Note 10 for information relating to the credit risk management and impairment of investments in debt instruments at FVTOCI.

9. FINANCIAL ASSETS AT AMORTIZED COST

	December 31	
	2022	2021
Current		
Domestic investments		
Time deposits with original maturity of more than 3 months (a)	$ 102,265,050	$ 121,521,790
Restricted bank deposits (a and b)	14,687,274	-
Repurchase agreements (a)	-	523,700
Refundable deposits	1,212	1,249
	$ 116,953,536	$ 122,046,739
Non-current		
Domestic investments		
Restricted bank deposits (a and b)	$ 25,454,889	$ 21,635,436
Time deposits with original maturity of more than 1 year (a)	282,072	254,196
Refundable deposits	1,694	1,750
	$ 25,738,655	$ 21,891,382

a. The interest rates intervals of time deposits and repurchase agreements:

	December 31	
	2022	2021
Time deposits	0.93%-5.65%	0.12%-2.72%
Repurchase agreements	-	1%-1.2%

b. Refer to Note 33 for information on financial assets measured at amortized cost - current pledges as security.

c. Restricted bank deposits are the time deposits and bid bonds deposited into designated bank accounts by the Group in accordance with "The Management, Utilization, and Taxation of Repatriated Offshore Funds Act".

10. CREDIT RISK MANAGEMENT FOR INVESTMENTS IN DEBT INSTRUMENTS

Investments in debt instruments classified as at FVTOCI as follows:

December 31, 2022

	At FVTOCI
Gross carrying amount	$ 2,250,937
Less: Allowance for impairment loss	(84,110)
	$ 2,166,827

December 31, 2021

	At FVTOCI
Gross carrying amount	$ 4,571,199

The Group invests in debt instruments with credit rating information supplied by independent rating agencies. The Group's exposure and the external credit ratings are continuously monitored. The Group reviews changes in bond yields and other publicly available information and makes an assessment whether there has been a significant increase in credit risk since the last period to the reporting date.

In determining the expected credit losses for debt instrument investments, the Group considers the historical probability of default and loss given default of each credit rating supplied by external rating agencies, the current financial condition of debtors, and the future prospects of the industries.

The credit risk rating mechanism the Group currently adopts is as follows:

Category	Description	Basis for Recognizing Expected Credit Losses (ECLs)
Performing	The counterparty has a low risk of default and a strong capacity to meet contractual cash flows	12m ECLs
Doubtful	There has been a significant increase in credit risk since initial recognition	Lifetime ECLs - not credit impaired
In default	There is evidence indicating the asset is credit impaired	Lifetime ECLs - credit impaired
Write-off	There is evidence indicating that the debtor is in severe financial difficulty and the Group has no realistic prospect of recovery	Amount is written off

The gross carrying amounts of debt instrument investments classified by credit category and the corresponding expected loss rates were shown below:

December 31, 2022

		Gross Carrying Amount
Category	Expected Loss Rate	At FVTOCI
Performing	0%	$ 2,166,827
Doubtful	100%	84,110

In the first quarter of 2022, the conflict between Russia and Ukraine and the related international sanctions resulted in greater financial uncertainty for the debtor. The Group raised the expected credit loss rate considering that if the conflict continues, the probability of default will increase.

The movements of the allowance for impairment loss of investment in debt instruments at FVTOCI were as follows:

	Credit Rating Doubtful (Lifetime ECLs - Not Credit Impaired)
Balance at January 1, 2022	$ -
Transfers	
From performing to doubtful	76,671
Derecognition	(33,612)
Change in exchange rates or others	41,051
Balance at December 31, 2022	$ 84,110

The increase in the expected credit loss rate due to the conflict between Russia and Ukraine and related international sanctions resulted in an increase of NT$76,671 thousand in the allowance for abnormal credit rating of the financial assets measured at fair value through other comprehensive income.

For the year ended December 31, 2022, the Group sold the investment in corporate bonds measured at FVTOCI by NT$33,049 thousand and derecognized the loss allowance by NT$33,612 thousand corresponding to its credit rating.

11. TRADE RECEIVABLES AND OTHER RECEIVABLES

	December 31 2022	2021
Trade receivables		
At amortized cost		
Gross carrying amount	$ 9,573,233	$ 9,722,596
Less: Allowance for impairment loss	(8,438)	(57,183)
	$ 9,564,795	$ 9,665,413
Other receivables	$ 843,330	$ 503,406

a. Trade receivables

The average credit period of sales of goods was 30 to 180 days. No interest was charged on accounts receivable. In order to minimize credit risk, the management of the Group has delegated a team responsible for determining credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue debts. In addition, the Group reviews the recoverable amount of each individual trade debt at the end of the reporting period to ensure that adequate allowance is made for possible irrecoverable amounts. In this regard, the management believes the Group's credit risk was significantly reduced.

The Group measures the loss allowance for trade receivables at an amount equal to lifetime ECLs. The expected credit losses on trade receivables are estimated using a provision matrix by reference to the past default experience of the debtor and an analysis of the debtor's current financial position, adjusted for general economic conditions of the industry in which the debtors operate and an assessment of both the current as well as the forecasted direction of economic conditions at the reporting date. As the

Group's historical credit loss experience does not show significantly different loss patterns for different customer segments, the provision for loss allowance based on past due status is not further distinguished according to the Group's different customer base.

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

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

December 31, 2022

	Not Past Due	Less than 60 Days	61 to 120 Days	Total
Expected credit loss rate	0%-0.098%	0%	0%	
Gross carrying amount	$ 8,613,580	$ 901,681	$ 57,972	$ 9,573,233
Loss allowance (Lifetime ECLs)	(8,438)	-	-	(8,438)
Amortized cost	$ 8,605,142	$ 901,681	$ 57,972	$ 9,564,795

December 31, 2021

	Not Past Due	Less than 60 Days	61 to 120 Days	Total
Expected credit loss rate	0%-0.494%	0%-2.366%	0%	
Gross carrying amount	$ 9,524,803	$ 197,793	$ -	$ 9,722,596
Loss allowance (Lifetime ECLs)	(57,109)	(74)	-	(57,183)
Amortized cost	$ 9,467,694	$ 197,719	$ -	$ 9,665,413

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

	For the Year Ended December 31, 2022
Balance at January 1	$ 57,183
Less: Net remeasurement of loss allowance	(51,289)
Foreign exchange gains and losses	2,544
Balance at December 31	$ 8,438

There is no movements of the loss allowance of trade receivables in 2021.

b. Other receivables

The Group analyzed other receivables that were not past due based on the past due status, and the Group did not recognize an allowance for loss on other receivables as of December 31, 2022 and 2021.

12. INVENTORIES

	December 31	
	2022	2021
Merchandise	$ 4,980	$ 11,033
Finished goods	1,999,755	2,045,964
Work-in-process and semi-finished goods	955,454	934,852
Raw materials and supplies	432,267	324,913
	$ 3,392,456	$ 3,316,762

The nature of the cost of goods sold is as follows:

	For the Year Ended December 31	
	2022	2021
Cost of inventories sold	$ 19,291,698	$ 27,878,618
Others	(338,066)	(352,766)
	$ 18,953,632	$ 27,525,852

13. SUBSIDIARIES

Subsidiaries included in the consolidated financial statements were as follows:

			% of Ownership December 31		
Investor	Investee	Main Business	2022	2021	Remark
Catcher Technology Co., Ltd.	Nanomag International Co., Ltd.	Investing activities	100	100	
	Gigamag Co., Ltd.	Investing activities	100	100	
	Ke Yue Co., Ltd.	Investing activities	100	100	
	Yi Sheng Co., Ltd.	Investing activities	100	100	
	Yi De Co., Ltd.	Investing activities	100	100	
	Catcher Medtech Co., Ltd.	Manufacturing, and selling medical devices	100	100	Note 1
	Catcher Holdings International Inc.	Investing activities	-	-	Note 5
Nanomag International Co., Ltd.	Castmate International Co., Ltd.	Investing activities	100	100	
	Stella International Co., Ltd.	Investing activities	100	100	
	Uranus International Co., Ltd.	Investing activities	100	100	
	Aquila International Co., Ltd.	Investing activities	75	75	
	Norma International Co., Ltd.	Investing activities	100	100	
	Next Level Ltd.	Investing activities	100	100	
	Cor Ventures Pte. Ltd.	Investing activities	100	100	
Castmate International Co., Ltd.	Cygnus International Co., Ltd.	Investing activities	100	100	
Cygnus International Co., Ltd.	Meeca Technology (Suzhou Industrial Park) Co., Ltd.	Manufacturing, selling and developing varied metal products	-	-	Note 2
Stella International Co., Ltd.	Lyra International Co., Ltd.	Investing activities	100	100	
Lyra International Co., Ltd.	Topo Technology (Suzhou) Co., Ltd.	Manufacturing, selling and developing varied metal products	-	-	Note 2
Uranus International Co., Ltd.	Catcher Technology (Suqian) Co., Ltd.	Manufacturing, selling and developing varied metal products	100	100	

(Continued)

Investor	Investee	Main Business	% of Ownership December 31 2022	2021	Remark
	Vito Technology (Suqian) Co., Ltd.	Manufacturing, selling and developing varied metal products	100	100	
Aquila International Co., Ltd.	Cepheus International Co., Ltd.	Investing activities	100	100	
Cepheus International Co., Ltd.	Aquila Technology (Suqian) Co., Ltd.	Manufacturing and selling molds and electronic parts	-	100	Note 3
Norma International Co., Ltd.	Arcadia Technology (Suqian) Co., Ltd.	Manufacturing, selling and developing varied metal products	100	100	
	Envio Technology (Suqian) Co., Ltd.	Manufacturing, selling and developing varied metal products	100	100	
Gigamag Co., Ltd.	Neat Co., Ltd.	International trade	-	100	Note 4
Catcher Holdings International Inc.	Catcher Ventures Inc.	Investing activities	-	-	Note 5

(Concluded)

Note 1: Catcher Technology Co., Ltd. incorporated its 100% owned subsidiary, Catcher Medtech Co., Ltd., in September 2021.

Note 2: The board of directors of the Company resolved to dispose of all shares of the subsidiaries, on the November 10, 2021 and the settlement was completed in December 2021. Refer to Note 29 for related disclosures on the disposal of subsidiaries.

Note 3: Aquila Technology (Suqian) Co., Ltd. was liquidated and canceled in February 2022.

Note 4: Neat Co., Ltd. was liquidated and canceled in May 2022.

Note 5: The Company established Catcher Holdings International Inc. and Catcher Ventures Inc. in June 2022. As of December 31, 2022, the investment funds have not been remitted.

14. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

	December 31 2022	2021
Investments in associates		
Associates that are not individually material		
Pacific Hospital Supply Co. Ltd	$ 998,597	$ -
Bioteque Corporation	1,179,813	-
Smart Ecare Inc.	2,769	8,050
	$ 2,181,179	$ 8,050

Aggregate information of associates that are not individually material was as follows:

	For the Year Ended December 31 2022	2021
The Group’s share of:		
Net profit and total comprehensive income (loss) for the year	$ 74,379	$ (3,533)

The Group’s investments in Pacific Hospital Supply Co., Ltd. and Bioteque Corporation, which had previously been recognized as financial assets at fair value through other comprehensive income, became qualified for the equity method of accounting and were therefore reclassified as investments accounted for using the equity method in June 2022. During the measurement period, the Group will engage outside specialists to provide assistance in measuring the identifiable net assets of the above investees and the measurement will be completed within one year from the transition date. The provisional amounts will be adjusted retrospectively during the subsequent measurement period to reflect new information obtained about facts and circumstances that existed as of the transition date that, if known, would have affected the amounts recognized as of that date.

15. PROPERTY, PLANT AND EQUIPMENT

All property, plant and equipment are used by the Group.

See Table 10 for the statements of changes in property, plant and equipment for the years ended December 31, 2022 and 2021.

No impairment assessment was performed for the years ended December 31, 2022 and 2021 as there was no indication of impairment.

The above items of property, plant and equipment are depreciated on a straight-line basis over their estimated useful lives as follows:

Buildings	
Main buildings	20 - 50 years
Mechanical and electrical power equipment	5 years
Engineering systems	2 - 5 years
Machinery and equipment	2 - 10 years
Transportation equipment	5 years
Furniture and fixtures	2 - 5 years
Miscellaneous equipment	2 - 15 years
Leasehold improvements	3 - 5 years

All of the Group’s property, plant and equipment were not pledged as collateral.

16. LEASE ARRANGEMENTS

a. Right-of-use assets

	December 31	
	2022	2021
Carrying amount		
Land	$ 996,995	$ 1,000,840
Buildings	2,337	15,728
	$ 999,332	$ 1,016,568

	For the Year Ended December 31	
	2022	2021
Additions to right-of-use assets	$ 24,413	$ 10,518
Depreciation charge for right-of-use assets		
Land	$ 26,238	$ 30,519
Buildings	9,672	11,208
	$ 35,910	$ 41,727
Income from the subleasing of right-of-use assets (recognized as operating revenue)	$ 965	$ 2,238

Except for the additions and recognition of depreciation, the Group's right-of-use assets are not subleased and no impairment assessment was performed during the year 2021 and 2022.

b. Lease liabilities

	December 31	
	2022	2021
Carrying amount		
Current	$ 5,923	$ 13,168
Non-current	$ 126,297	$ 126,873

Range of discount rates for lease liabilities was as follows:

	December 31	
	2022	2021
Land	0.71%-0.95%	0.71%
Buildings	0.71%-0.95%	0.71%

c. Material lease-in activities and terms

The Group leases certain land and buildings for the use of plants and office spaces with lease terms of 3 to 50 years.

The lease contract for land located in Taiwan specifies that lease payments will be adjusted every year on the basis of changes in the announced land value prices. The lease contract for land located in China specifies that lease payments will be adjusted every year based on the lease contract. The Group does not have bargain purchase options to acquire the leasehold land and buildings at the end of the lease terms. In addition, the Group is prohibited from subleasing or transferring all or any portion of the underlying assets without the lessor's consent.

d. Subleases

The Group subleases its right-of-use assets for office spaces in Taipei under operating leases with a lease term of 1 year to associate Yue-Kang Health Control Technology Inc. The maturity analysis of lease payments receivable was as follows:

	December 31	
	2022	2021
Year 1	$ -	$ 2,269

e. Other lease information

	For the Year Ended December 31	
	2022	2021
Expenses relating to short-term leases	$ 5,472	$ 4,366
Expenses relating to low-value asset leases	$ 591	$ 820
Expenses relating to variable lease payments not included in the measurement of lease liabilities	$ 9,206	$ 22,618
Total cash outflow for leases	$ 30,471	$ 46,110

The Group leases certain assets which qualify as short-term leases and certain assets which qualify as low-value asset leases. The Group has elected to apply the recognition exemption and thus, did not recognize right-of-use assets and lease liabilities for these leases.

17. INVESTMENT PROPERTIES

	Land	Buildings	Total
Cost			
Balance at January 1, 2021	$ 203,363	$ 900,329	$ 1,103,692
Additions	-	410	410
Disposals of subsidiaries	-	(745,161)	(745,161)
Effect of foreign currency exchange difference	-	(291)	(291)
Balance at December 31, 2021	$ 203,363	$ 155,287	$ 358,650
Accumulated depreciation			
Balance at January 1, 2021	$ -	$ 603,393	$ 603,393
Depreciation	-	40,671	40,671
Disposals of subsidiaries	-	(506,975)	(506,975)
Effect of foreign currency exchange difference	-	(4)	(4)
Balance at December 31, 2021	$ -	$ 137,085	$ 137,085
Carrying amount at December 31, 2021	$ 203,363	$ 18,202	$ 221,565

(Continued)

	Land	Buildings	Total
Cost			
Balance at January 1, 2022	$ 203,363	$ 155,287	$ 358,650
Additions	-	245	245
Transfer from Property, Plant, and Equipment	712,166	25,929	738,095
Balance at December 31, 2022	$ 915,529	$ 181,461	$ 1,096,990
Accumulated depreciation			
Balance at January 1, 2022	$ -	$ 137,085	$ 137,085
Depreciation	-	5,938	5,938
Transfer from Property, Plant, and Equipment	-	691	691
Balance at December 31, 2022	$ -	$ 143,714	$ 143,714
Carrying amount at December 31, 2022	$ 915,529	$ 37,747	$ 953,276

(Concluded)

The investment properties are depreciated by the straight-line method over their estimated useful lives as follows:

Main buildings	20 - 35 years
Elevators	15 years
Heat dissipation system	5 years

Due to the impact of the COVID-19 pandemic on the market economy in 2021, the Group agreed to defer the rental collection for the period between June 5, 2021 and December 5, 2021 to the period between December 5, 2021 and June 5, 2022.

The determination of fair value was performed by independent qualified professional valuers. The fair value was measured using Level 3 inputs or was arrived at by reference to market evidence of transaction prices for similar properties. The fair value was as follows:

	December 31	
	2022	2021
Fair value	$ 1,625,279	$ 768,833

All of the Group’s investment properties were not pledged as collateral.

The investment properties are leased out from February 2017 to August 2027. The lease contracts contain market review clauses in the event that the lessees exercise their options to extend. The lessees do not have bargain purchase options to acquire the investment properties at the expiry of the lease periods. The maturity analysis of lease payments receivable under operating leases of investment properties was as follows:

	December 31	
	2022	2021
Year 1	$ 28,994	$ 10,037
Year 2	29,174	7,560
Year 3	27,266	7,560
Year 4	21,480	7,560
Year 5	5,862	7,560
Year 6 onwards	-	1,565
	$ 112,776	$ 41,842

18. INTANGIBLE ASSETS

	Computer Software	Technical Skill	Total
Cost			
Balance at January 1, 2021	$ 335,930	$ -	$ 335,930
Additions	32,649	29,700	62,349
Disposal	(7,128)	-	(7,128)
Disposal of subsidiaries	(175)	-	(175)
Effect of foreign currency exchange differences	(870)	-	(870)
Balance at December 31, 2021	$ 360,406	$ 29,700	$ 390,106
Accumulated amortization			
Balance at January 1, 2021	$ 297,926	$ -	$ 297,926
Amortization expense	34,141	6,500	40,641
Disposal	(5,487)	-	(5,487)
Disposal of subsidiaries	(165)	-	(165)
Effect of foreign currency exchange differences	(516)	-	(516)
Balance at December 31, 2021	$ 325,899	$ 6,500	$ 332,399
Carrying amount at December 31, 2021	$ 34,507	$ 23,200	$ 57,707
Cost			
Balance at January 1, 2022	$ 360,406	$ 29,700	$ 390,106
Additions	1,353	-	1,353
Effect of foreign currency exchange differences	2,286	-	2,286
Balance at December 31, 2022	$ 364,045	$ 29,700	$ 393,745

(Continued)

	Computer Software		Technical Skill		Total	
Accumulated amortization						
Balance at January 1, 2022	$	325,899	$	6,500	$	332,399
Amortization expense		26,376		10,545		36,921
Effect of foreign currency exchange differences		1,718		-		1,718
Balance at December 31, 2022	$	353,993	$	17,045	$	371,038
Carrying amount at December 31, 2022	$	10,052	$	12,655	$	22,707

(Concluded)

The above intangible assets are amortized on a straight-line basis over their estimated useful lives as follows:

Computer software	2-10 years
Emission license	5 years

19. OTHER ASSETS

	December 31			
	2022		2021	
Current				
Net Input VAT	$	68,507	$	89,292
Office supplies		139,116		174,945
Prepaid expenses		88,496		140,863
Others		13,266		1,009
	$	309,385	$	406,109
Non-current				
Prepaid equipment	$	99,896	$	60,922
Others		2,685		12,071
	$	102,581	$	72,993

20. SHORT-TERM BORROWINGS

	December 31	
	2022	2021
Unsecured borrowings		
Bank unsecured loans	$ 43,696,000	$ 78,031,726
Secured borrowings (Note 33)		
Bank secured loans	13,000,000	-
	$ 56,696,000	$ 78,031,726

The range of interest rates of short-term borrowings was as follows:

	December 31	
	2022	2021
Bank unsecured loans	1.30%-1.98%	0.60%-0.88%
Bank secured loans	1.30%-1.56%	-

21. TRADE PAYABLES

Trade payables resulted from operating activities.

The Group has financial risk management policies in place to ensure that all payables are paid within the pre-agreed credit terms.

22. OTHER LIABILITIES

	December 31	
	2022	2021
Current		
Other payables		
Payables for employees' compensation	$ 2,067,335	$ 2,705,255
Payables for salaries and bonuses	957,089	1,287,033
Payables for technical service fees	1,514,632	708,463
Payables for professional service fees	15,705	34,999
Payables for office supplies	131,403	224,733
Payables for purchases of equipment	59,628	111,709
Payables for annual leave	126,278	132,498
Payables for taxes	63,620	70,675
Payables for shipping expenses and warehousing	36,335	39,845
Payables for utilities	61,780	71,357
Payables for maintenance	31,899	50,573
Payables for meals	32,252	47,714
Payables for interest	23,099	13,836
Others	565,540	484,458
	$ 5,686,595	$ 5,983,148
Other liabilities		
Advance receipts	$ 808,763	$ 748,548
Deferred revenue	-	584,546
Payables for value-added tax	6,247	32,406
Guarantee deposits received	21,920	15,952
Others	19,754	15,471
	$ 856,684	$ 1,396,923
Non-current		
Other liabilities		
Guarantee deposits received	$ 10,036	$ 8,776

23. RETIREMENT BENEFIT PLANS

a. Defined contribution plan

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

The employees of the Group's subsidiaries in China are members of a state-managed retirement benefit plan operated by the government of mainland China. The subsidiaries are required to contribute a specified percentage of payroll costs to the retirement benefit scheme to fund the benefits. The only obligation of the Group with respect to the retirement benefit plan is to make the specified contributions.

b. Defined benefit plans

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

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

	December 31	
	2022	**2021**
Present value of defined benefit obligation	$ 84,953	$ 80,463
Fair value of plan assets	(78,384)	(73,885)
Net defined benefit liabilities	$ 6,569	$ 6,578

Movements in net defined benefit liabilities were as follows:

	Present Value of the Defined Benefit Obligation	**Fair Value of the Plan Assets**	**Net Defined Benefit Liabilities**
Balance at January 1, 2021	$ 80,599	$ (74,041)	$ 6,558
Service cost			
Current service cost	2,116	-	2,116
Net interest expense (income)	282	(262)	20
Recognized in profit or loss	2,398	(262)	2,136
Remeasurement			
Return on plan assets (excluding amounts included in net interest)	-	(1,092)	(1,092)
Actuarial loss - changes in demographic assumptions	4,312	-	4,312
Actuarial gain - changes in financial assumptions	(3,425)	-	(3,425)
Actuarial loss - experience adjustments	205	-	205
Recognized in other comprehensive income	1,092	(1,092)	-
Contributions from the employer	-	(2,116)	(2,116)
Benefits paid	(3,626)	3,626	-
Balance at December 31, 2021	80,463	(73,885)	6,578
Service cost			
Current service cost	2,162	-	2,162
Net interest expense (income)	603	(562)	41
Recognized in profit or loss	2,765	(562)	2,203

(Continued)

	Present Value of the Defined Benefit Obligation	Fair Value of the Plan Assets	Net Defined Benefit Liabilities
Remeasurement			
Return on plan assets (excluding amounts included in net interest)	$ -	$ (5,570)	$ (5,570)
Actuarial gain - changes in financial assumptions	(4,508)	-	(4,508)
Actuarial loss - experience adjustments	10,078	-	10,078
Recognized in other comprehensive income	5,570	(5,570)	-
Contributions from the employer	-	(2,212)	(2,212)
Benefits paid	(3,845)	3,845	-
Balance at December 31, 2022	$ 84,953	$ (78,384)	$ 6,569

(Concluded)

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

	For the Year Ended December 31	
	2022	2021
Operating costs	$ 1,371	$ 1,365
Selling and marketing expenses	105	81
General and administrative expenses	487	384
Research and development expenses	240	306
	$ 2,203	$ 2,136

Through the defined benefit plans under the Labor Standards Act, the Group is exposed to the following risks:

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

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

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

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

	December 31	
	2022	2021
Discount rate	1.40%	0.75%
Expected rate of salary increase	2%	2%

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

	December 31	
	2022	2021
Discount rate		
0.25% increase	$ (1,769)	$ (2,182)
0.25% decrease	$ 1,825	$ 2,253
Expected rate of salary increase		
0.25% increase	$ 1,748	$ 2,145
0.25% decrease	$ (1,703)	$ (2,088)

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

	December 31	
	2022	2021
Expected contributions to the plan within one year	$ 2,212	$ 2,116
Average duration of the defined benefit obligation	9 years	10 years

24. EQUITY

a. Share capital

1) Ordinary shares

	December 31	
	2022	2021
Number of shares authorized (in thousands)	1,000,000	1,000,000
Shares authorized	$ 10,000,000	$ 10,000,000
Number of shares issued and fully paid (in thousands)	714,467	761,618
Shares issued	$ 7,144,671	$ 7,616,181

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

On February 24, 2022, the Company’s board of directors approved a capital reduction to cancel the Company’s 31,865 thousand treasury shares, and the record date was February 28, 2022. The

Company's paid-in capital was NT$7,297,531 thousand after the capital reduction.

On August 8, 2022, the board of directors approved a capital reduction to cancel the Company's 15,286 thousand treasury shares, and the record date was August 12, 2022. The Company's paid-in capital was NT$7,144,671 thousand after the capital reduction.

A total of 23,000 thousand shares of the Company's authorized shares were reserved for the issuance of employee share options.

2) Global depositary receipts

In June 2011, the Company increased its capital by listing its shares in the form of Global Depositary Receipts (GDRs). Each GDR was represented 5 ordinary shares. The Company issued 6,700 thousand units of GDRs, representing 33,500 thousand ordinary shares.

As of December 31, 2022 and 2021, there were 21 thousand units and 417 thousand units of outstanding GDRs, equivalent to 107 thousand ordinary shares and 2,084 thousand ordinary shares, respectively.

b. Capital surplus

	December 31	
	2022	**2021**
May be used to offset a deficit, distributed as cash dividends, or transferred to share capital (Note)		
Arising from issuance of ordinary shares	$ 6,918,728	$ 7,375,327
Arising from conversion of bonds	11,847,671	12,629,553
May only be used to offset a deficit		
Overdue claimed dividends of shareholders	5,135	3,944
	$ 18,771,534	$ 20,008,824

Note: Such capital surplus may be used to offset a deficit; in addition, when the Company has no deficit, such capital surplus may be distributed as cash dividends or transferred to share capital (limited to a certain percentage of the Company's capital surplus and once a year).

c. Retained earnings and dividends policy

Under the dividends policy as set forth in the amended Articles, the proposal for profit distribution or offsetting of losses can be made at the end of each six months of the fiscal year, when the Company makes a profit in the first half of the fiscal year, the profit should be appropriated as follows:

1) Pay taxes;

2) Offset against deficit, if any;

3) Estimate compensation of employees and remuneration of directors;

4) Appropriate 10% of the remaining profit as legal reserve, until the accumulated amount equals the Company's paid-in capital;

5) Reverse a special reserve in accordance with the laws or operating needs; and

6) Any remaining profit together with any undistributed retained earnings shall be used by the Company's board of directors as the basis for proposing a distribution plan, which should be resolved in the shareholders' meeting for the distribution of dividends and bonuses to shareholders in issuance of ordinary share and resolved in the Company's board of directors for the distribution of dividends and bonus in cash.

When the Company makes a profit in a fiscal year, the profit should be appropriated as follows:

1) Pay taxes;

2) Offset against deficit, if any;

3) Appropriate 10% of the remaining profit as legal reserve, until the accumulated amount equals the Company's paid-in capital;

4) Reverse a special reserve in accordance with the laws or operating needs; and

5) Any remaining profit together with any undistributed retained earnings shall be used by the Company's board of directors as the basis for proposing a distribution plan, which should be resolved in the shareholders' meeting for the distribution of dividends and bonuses to shareholders in issuance of ordinary share.

The Company is still in the growing stage and is continuing to expand its operating scale with due consideration of the viability of the economic situation. The board of directors shall be focusing on growing dividends in a stable manner when proposing the appropriation of annual earnings. However, cash dividends shall not be less than 10% of the total dividends, and cash dividends shall be distributed although the dividends per share is less than NT$0.5.

For the policies on the distribution of the compensation of employees and remuneration of directors after the amendment, refer to "Compensation of employees and remuneration of directors" in Note 26(h).

The legal reserve may be used to offset deficit. If the Company has no deficit and the legal reserve has exceeded 25% of the Company's paid-in capital, the excess may be transferred to capital or distributed in cash.

The appropriations of earnings for 2021 and 2020 were as follows:

	Appropriation of Earnings For the Year Ended December 31	
	2021	**2020**
Legal reserve	$ 857,386	$ 1,965,163
Special reserve	$ 2,567,156	$ 2,205,804
Cash dividends	$ 7,297,531	$ 9,139,417
Cash dividends per share (NT$)	$ 10	$ 12

The Company's board of directors resolved to distribute cash dividends on April 6, 2022 and April 20, 2021, respectively; the retained earnings were resolved by the shareholders in their meetings on May 27, 2022 and August 27, 2021, respectively.

d. Other equity items

1) Exchange differences on translating the financial statements of foreign operations

	For the Year Ended December 31	
	2022	2021
Balance at January 1	$ (16,859,133)	$ (14,326,474)
Exchange differences on translating the financial statements of foreign operations	14,857,375	(2,532,659)
Balance at December 31	$ (2,001,758)	$ (16,859,133)

2) Unrealized valuation gain (loss) on financial assets at FVTOCI

	For the Year Ended December 31	
	2022	2021
Balance at January 1	$ (102,333)	$ (67,836)
Recognized for the year		
Unrealized gain (loss) - equity instruments	(31,564)	5,617
Unrealized gain (loss) - debt instruments	(255,871)	(41,625)
Reclassification adjustments		
Disposal of investments in debt instruments	175,820	324
Cumulative unrealized gain (loss) of equity instruments transferred to retained earnings due to disposal	(28,778)	1,187
Balance at December 31	$ (242,726)	$ (102,333)

e. Non-controlling interests

	For the Year Ended December 31	
	2022	2021
Balance as of January 1	$ 49,589	$ 96,537
Share of profit for the year	(5,941)	21,239
Other comprehensive income (loss) during the year		
Exchange differences on translating the financial statements of foreign operations	4,552	(1,453)
Distribution of earnings of subsidiaries	(37,157)	(66,734)
Balance as of December 31	$ 11,043	$ 49,589

f. Treasury shares

Purpose of Buy-back	Shares Cancelled (In Thousands of Shares)
Number of shares at January 1, 2021	-
Increase during the year	21,567
Number of shares at December 31, 2021	21,567
Number of shares at January 1, 2022	21,567
Increase during the year	25,584
Decrease during the year	47,151
Number of shares at December 31, 2022	-

To maintain the Company's credit and shareholders' equity, on April 6, 2022, the Company's board of directors resolved to buy back 25,000 thousand shares from April 7, 2022 to June 6, 2022 at a price ranging from NT$102.2 per share to NT$220.5 per share. The Company will continue to buy back shares when the market price falls below the lower limit of the price range. At the end of the exercise period, a total of 15,286 thousand shares were repurchased at a total cost of NT$2,307,209 thousand.

To maintain the Company's credit and shareholders' equity, on December 8, 2021, the Company's board of directors resolved to buy back 25,000 thousand shares from December 9, 2021 to February 8, 2022, at a price ranging from NT$106.8 per share to NT$238.5 per share. At the end of the exercise period, a total of 16,332 thousand shares were repurchased at a total cost of NT$2,560,844 thousand.

To maintain the Company's credit and shareholders' equity, on September 16, 2021, the Company's board of directors resolved to buy back 25,000 thousand shares from September 16, 2021 to November 15, 2021 at a price ranging from NT$109.2 per share to NT$256.8 per share. The Company will continue to buy back shares when the market price falls below the lower limit of the price range. At the end of the exercise period, the Company bought back 15,533 thousand shares at a total cost of NT$2,533,309 thousand.

On February 24, 2022, the Company's board of directors approved a capital reduction to cancel the Company's 31,865 thousand treasury shares, and the record date was February 28, 2022.

On August 8, 2022, the Company's board of directors approved a capital reduction to cancel the Company's 15,286 thousand treasury shares, and the record date was August 12, 2022.

According to the Securities and Exchange Act, treasury shares should not exceed 10% of the Company's issued and outstanding shares and the total amount of treasury shares should not exceed the total retained earnings and realized additional paid-in capital.

Under the Securities and Exchange Act, the Company shall neither pledge treasury shares nor exercise shareholders' rights on these shares, such as the rights to dividends and to vote.

25. REVENUE

	For the Year Ended December 31	
	2022	2021
Revenue from contracts with customers		
Revenue from the sale of metal casing	$ 27,801,362	$ 41,031,606
Rental income	19,167	63,373
	$ 27,820,529	$ 41,094,979

a. Contract information

The Group sells metal casing to the customers. All goods are sold at respective fixed amounts as agreed in the contracts.

b. Contract balances

	December 31, 2022	December 31, 2021	January 1, 2021
Trade receivables			
Gross carrying amount	$ 9,573,233	$ 9,722,596	$ 17,374,684
Less: Allowance for impairment loss	(8,438)	(57,183)	(57,183)
	$ 9,564,795	$ 9,665,413	$ 17,317,501
Contract liabilities - current			
Sale of goods	$ 42,803	$ 32,742	$ 12,545

26. NET PROFIT

a. Interest income

	For the Year Ended December 31	
	2022	2021
Bank deposits	$ 4,177,540	$ 750,681
Investments in debt instruments at FVTOCI	132,125	65,898
Repurchase agreements	3,573	6,218
	$ 4,313,238	$ 822,797

b. Other income

	For the Year Ended December 31	
	2022	2021
Government grants	$ 928,384	$ 1,887,261
Recycling income	50,251	211,924
Dividend income	102,502	79,490
Tax refund income	12	-
Others	7,224	28,668
	$ 1,088,373	$ 2,207,343

c. Other gains and losses

	For the Year Ended December 31	
	2022	2021
Gains on disposal of subsidiaries (Note 29)	$ -	$ 2,782,368
Liquidation of subsidiary losses	(9,883)	-
Fair value changes of financial assets mandatorily classified as at FVTPL	(1,207,127)	385,336
Gain (loss) on disposal of investment in debt instruments at FVTOCI	(175,820)	(324)
Others	71,275	27,586
	$ (1,321,555)	$ 3,194,966

d. Interest expense

	For the Year Ended December 31	
	2022	2021
Interest on bank loans	$ 703,083	$ 481,913
Interest on lease liabilities	980	1,097
	$ 704,063	$ 483,010

e. Depreciation and amortization

	For the Year Ended December 31	
	2022	2021
An analysis of depreciation by function		
Operating costs	$ 3,001,868	$ 4,263,892
Operating expenses	404,175	597,776
	$ 3,406,043	$ 4,861,668
An analysis of amortization by function		
Operating costs	$ 12,859	$ 26,688
Operating expenses	31,529	30,283
	$ 44,388	$ 56,971

f. Operating expenses directly related to investment properties

	For the Year Ended December 31	
	2022	2021
Direct operating expenses from investment properties generating rental income	$ 9,001	$ 42,709

g. Employee benefits expense

	For the Year Ended December 31	
	2022	2021
Short-term employee benefits	$ 8,355,743	$ 10,175,285
Post-employment benefits		
Defined contribution plans	523,514	581,483
Defined benefit plans (Note 23)	2,203	2,136
	525,717	583,619
	$ 8,881,460	$ 10,758,904
An analysis of employee benefits expense by function		
Operating costs	$ 6,570,535	$ 8,348,554
Operating expenses	2,310,925	2,410,350
	$ 8,881,460	$ 10,758,904

h. Compensation of employees and remuneration of directors

The Company accrued the compensation of employees and remuneration of directors at the rates of no less than 1% and no higher than 1%, respectively, of net profit before income tax, compensation of employees, and remuneration of directors. The compensation of employees and remuneration of directors for the years ended December 31, 2022 and 2021, which were approved by the Company's board of directors on February 23, 2023 and February 24, 2022, respectively, were as follows:

Accrual rate

	For the Year Ended December 31	
	2022	2021
Compensation of employees	1.24%	5.33%
Remuneration of directors	0.14%	0.17%

Amount

	For the Year Ended December 31			
	2022		2021	
	Cash	Shares	Cash	Shares
Compensation of employees	$ 155,823	$ -	$ 521,976	$ -
Remuneration of directors	18,200	-	16,400	-

If there are changes in the amounts after the annual consolidated financial statements are authorized for issue, the differences are recorded as a change in the accounting estimate.

There was no difference between the actual amounts of compensation of employees and remuneration of directors paid and the amounts recognized in the consolidated financial statements for the years ended December 31, 2021 and 2020.

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

i. Gain or loss on foreign currency exchange

	For the Year Ended December 31	
	2022	2021
Foreign exchange gains	$ 17,181,297	$ 3,479,782
Foreign exchange losses	(8,980,749)	(5,907,814)
	$ 8,200,548	$ (2,428,032)

27. INCOME TAXES

a. Income tax recognized in profit or loss

Major components of income tax expense are as follows:

	For the Year Ended December 31	
	2022	2021
Current tax		
In respect of the current year	$ 2,742,361	$ 2,934,532
Income tax on unappropriated earnings	-	340,681
Adjustment for prior years	(99,424)	(23,174)
Tax on repatriated offshore funds	2,152,333	-
	4,795,270	3,252,039
Deferred tax		
In respect of the current year	840,147	103,194
Adjustment for prior year	11,392	119,136
	851,539	222,330
	$ 5,646,809	$ 3,474,369

A reconciliation of accounting profit and income tax expenses is as follows:

	For the Year Ended December 31	
	2022	2021
Profit before income tax	$ 16,543,047	$ 12,070,652
Income tax expense calculated at the statutory rate	$ 3,191,856	$ 2,349,977
Unrecognized temporary differences	(54)	(9,712)
Research and development tax credits from China	(211,049)	(212,021)
Non-deductible expenses in determining taxable income	109,302	15,033
Deferred tax effect of earnings of subsidiaries	170,221	(40,354)
Withholding tax on remittance of earnings	2,589,533	1,375,672
Tax-exempt income	-	(91,216)
Additional income tax on unappropriated earnings	-	340,681
Unrecognized loss carryforwards	(169,558)	(848,134)
Adjustments for prior years' deferred tax	11,392	119,136

(Continued)

	For the Year Ended December 31	
	2022	2021
Adjustments for prior years' tax	$ (99,424)	$ (23,174)
Capital gains tax on disposal of subsidiaries	54,590	498,481
	$ 5,646,809	$ 3,474,369

(Concluded)

The applicable corporate income tax rate used by the Group is 20%; the tax rate applicable to the subsidiaries in China is 25%; the tax amount incurred in other jurisdictions is calculated based on the applicable tax rate of each relevant jurisdiction.

b. Current tax assets and liabilities

	December 31	
	2022	2021
Current tax assets		
Tax refund receivable	$ 52,278	$ 425,494
Current tax liabilities		
Income tax payable	$ 3,183,772	$ 309,608

c. Deferred tax assets and liabilities

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

For the year ended December 31, 2022

	Opening Balance	Recognized in Profit or Loss	Exchange Differences	Closing Balance
Deferred tax assets				
Temporary differences				
Provisions for losses on inventories	$ 148,602	$ (10,662)	$ 54	$ 137,994
Depreciation differences	2,700,286	(254,018)	43,908	2,490,176
Unrealized intercompany profit	268,967	(85,809)	7,152	190,310
Unrealized sales returns	24	-	-	24
Defined benefit obligation	1,315	(1)	-	1,314
Payables for annual leave	37,538	(1,562)	331	36,307
Financial assets at FVTPL	11	(11)	-	-
Other payables	15,557	10,502	-	26,059
Unrealized foreign exchange losses	182,382	(18,389)	-	163,993
Others	32,631	(9,246)	526	23,911
	3,387,313	(369,196)	51,971	3,070,088
Tax losses	671,606	(301,371)	(197)	370,038
	$ 4,058,919	$ (670,567)	$ 51,774	$ 3,440,126
Deferred tax liabilities				
Temporary differences				
Depreciation differences	$ -	$ 10,751	$ -	$ 10,751
Reserves for land value increment tax	12,597	-	-	12,597
Unappropriated earnings of subsidiaries	6,088,162	170,221	143,209	6,401,592
	$ 6,100,759	$ 180,972	$ 143,209	$ 6,424,940

For the year ended December 31, 2021

	Opening Balance	Recognized in Profit or Loss	Exchange Differences	Closing Balance
Deferred tax assets				
Temporary differences				
Provisions for losses on inventories	$ 233,696	$ (84,991)	$ (103)	$ 148,602
Depreciation differences	2,777,291	(61,808)	(15,197)	2,700,286
Unrealized intercompany profit	602,449	(334,420)	938	268,967
Unrealized sales returns	31	(7)	-	24
Defined benefit obligation	1,311	4	-	1,315
Payables for annual leave	35,925	1,747	(134)	37,538
Impairment loss on property, plant and equipment	31	(31)	-	-
Financial assets at FVTPL	-	11	-	11
Other payables	6,639	8,918	-	15,557
Unrealized foreign exchange losses	348,010	(165,628)	-	182,382
Others	41,649	(8,935)	(83)	32,631
	4,047,032	(645,140)	(14,579)	3,387,313
Tax losses	299,615	371,991	-	671,606
	$ 4,346,647	$ (273,149)	$ (14,579)	$ 4,058,919
Deferred tax liabilities				
Temporary differences				
Depreciation differences	$ 10,465	$ (10,465)	$ -	$ -
Reserves for land value increment tax	12,597	-	-	12,597
Unappropriated earnings of subsidiaries	6,174,686	(40,354)	(46,170)	6,088,162
	$ 6,197,748	$ (50,819)	$ (46,170)	$ 6,100,759

d. Information about unused loss carryforwards and tax exemptions

Loss carryforwards as of December 31, 2022 comprised:

Unused Amount	Expiry Year
$ 1,121	2030
6,592	2031
$ 7,713	

e. The aggregate amount of temporary difference associated with investments for which deferred tax liabilities have not been recognized

The taxable temporary differences associated with investments in subsidiaries for which no deferred tax liabilities have been recognized amounted to NT$13,697,746 thousand and NT$12,388,484 thousand as of December 31, 2022 and 2021, respectively.

f. Income tax assessments

The corporate income taxes declared by the Company and its subsidiaries Ke Yue, Yi Sheng and Yi De have been approved by the tax collection authority till the end of 2020.

28. EARNINGS PER SHARE

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

Net profit for the year

	For the Year Ended December 31	
	2022	2021
Profit for the year attributable to owners of the Company	$ 10,902,179	$ 8,575,044

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

	For the Year Ended December 31	
	2022	2021
Weighted average number of ordinary shares in computation of basic earnings per share	720,239	758,241
Effect of potentially dilutive ordinary shares:		
Compensation of employees	1,443	4,470
Weighted average number of ordinary shares used in the computation of diluted earnings per share	721,682	762,711

The Group may settle compensation paid to employees in cash or shares; therefore, the Group assumes that the entire amount of the compensation will be settled in shares and the resulting potential shares will be included in the weighted average number of shares outstanding used in the computation of diluted earnings per share, as the effect is dilutive. Such dilutive effect of the potential shares is included in the computation of diluted earnings per share until the number of shares to be distributed to employees is resolved in the following year.

29. DISPOSAL OF SUBSIDIARIES

On November 10, 2021, the Group entered into a share purchase agreement to dispose of Suzhou subsidiaries (Topo Technology (Suzhou) Co., Ltd. and Meeca Technology (Suzhou Industrial Park) Co., Ltd.) The Group completed the disposal on December 3, 2021 and lost control of these subsidiaries.

a. Consideration received from disposals

	Suzhou Subsidiaries
Consideration received in cash and cash equivalents	$ 5,547,314

b. Analysis of assets and liabilities on the date control was lost

	Suzhou Subsidiaries
Current assets	
Cash and cash equivalents	$ 532,552
Financial assets at amortized cost	707
Other receivables	26,443
Other current assets	1
Non-current assets	
Property, plant and equipment	872,415
Right-of-use assets	177,096
Investment property	238,186
Intangible assets	10
Current liabilities	
Contract liabilities	(9,873)
Other payables	(11,702)
Other current liabilities	(297)
Non-current liabilities	
Other non-current liabilities	(12,996)
Net assets disposed of	$ 1,812,542

c. Gain on disposal of subsidiaries

	Suzhou Subsidiaries
Consideration received	$ 5,547,314
Net assets disposed of	(1,812,542)
Reclassification of other comprehensive income in respect of subsidiaries	(920,542)
Related fees and taxes	(31,862)
Gain on disposal (recognized as other gains and losses)	2,782,368
Less: Capital gains tax (recognized as income tax expense)	498,481
Net gain on disposals	$ 2,283,887

d. Net cash inflow on disposals of subsidiaries

	Suzhou Subsidiaries
Consideration received in cash and cash equivalents	$ 5,547,314
Less: Cash and cash equivalent balances disposed of	(532,552)
	$ 5,014,762

30. CAPITAL MANAGEMENT

The Group requires significant amounts of capital to build and expand its production facilities and equipment. The Group manages its capital in a manner to ensure that it has sufficient and necessary financial resources to fund its working capital needs, capital asset purchases, research and development activities, dividend payments, debt service requirements and other business requirements associated with its existing operations over the next 12 months.

31. FINANCIAL INSTRUMENTS

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

The carrying amounts of financial instruments that are not measured at fair value approximate their fair value recognized in the consolidated financial statements; these financial instruments include cash and cash equivalents, financial assets at amortized cost, accounts receivable, other receivables, refundable deposits, short-term loans, accounts payable, other payables, and guarantee deposits received.

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

1) Fair value hierarchy

December 31, 2022

	Level 1	Level 2	Level 3	Total
Financial assets at FVTPL				
Listed shares and emerging market shares	$ 189,736	$ -	$ -	$ 189,736
Private equity fund	-	-	1,026,794	1,026,794
Private equity securities	-	-	22,309	22,309
Limited partnerships	-	-	249,141	249,141
	$ 189,736	$ -	$ 1,298,244	$ 1,487,980
Financial assets at FVTOCI				
Investments in equity instruments at financial assets at FVTOCI				
Listed shares and emerging market shares	$ 143,609	$ -	$ -	$ 143,609
Unlisted shares	-	-	57,330	57,330
Limited partnerships	-	-	1,285,544	1,285,544
Investments in debt instruments at FVTOCI				
Bond	-	2,166,827	-	2,166,827
	$ 143,609	$ 2,166,827	$ 1,342,874	$ 3,653,310

December 31, 2021

	Level 1	Level 2	Level 3	Total
Financial assets at FVTPL				
Listed shares and emerging market shares	$ 1,744,446	$ -	$ -	$ 1,744,446
Beneficiaries certificates	2,223,491	-	-	2,223,491
Simple Agreement for Future Equity (SAFE)	-	-	74,736	74,736
Private equity fund	-	-	661,216	661,216
Private equity securities	-	-	90,286	90,286
Limited partnerships	-	-	132,557	132,557
	$ 3,967,937	$ -	$ 958,795	$ 4,926,732

(Continued)

	Level 1	Level 2	Level 3	Total
Financial assets at FVTOCI				
Investments in equity instruments at financial assets at FVTOCI				
Listed shares and emerging market shares	$ 1,870,987	$ -	$ -	$ 1,870,987
Unlisted shares	-	-	36,240	36,240
Limited partnerships	-	-	822,906	822,906
Investments in debt instruments at FVTOCI				
Bond	-	4,571,199	-	4,571,199
	$ 1,870,987	$ 4,571,199	$ 859,146	$ 7,301,332

(Concluded)

There was no transfer between Levels 1 and 2 in the current and prior years.

2) Reconciliation of Level 3 fair value measurements of financial instruments

Financial assets at FVTOCI

2022

Financial Assets	Financial Assets at FVTPL Equity Instruments	Financial Assets at FVTOCI Equity Instruments	Total
Balance at January 1, 2022	$ 958,795	$ 859,146	$ 1,817,941
Purchases	469,048	424,062	893,110
Recognized in profit or loss (included in other gains and losses)	(237,642)	-	(237,642)
Recognized in other comprehensive income (included in unrealized valuation gain (loss) on financial assets at FVTOCI)	-	(25,094)	(25,094)
Effects of foreign currency exchange differences	108,043	84,760	192,803
Balance at December 31, 2022	$ 1,298,244	$ 1,342,874	$ 2,641,118

2021

Financial Assets	Financial Assets at FVTPL Equity Instruments	Financial Assets at FVTOCI Equity Instruments	Total
Balance at January 1, 2021	$ -	$ 652,880	$ 652,880
Purchases	841,624	290,995	1,132,619
Recognized in profit or loss (included in other gains and losses)	96,623	-	96,623
Recognized in other comprehensive income (included in unrealized valuation gain (loss) on financial assets at FVTOCI)	-	(65,401)	(65,401)
Effects of foreign currency exchange differences	20,548	(19,328)	1,220
Balance at December 31, 2021	$ 958,795	$ 859,146	$ 1,817,941

3) Valuation techniques and inputs applied for Level 2 fair value measurement

Domestic government bonds are determined by quoted market prices provided by the independent third party.

4) Valuation techniques and inputs applied for Level 3 fair value measurement

The fair value of unlisted equity securities in the ROC, limited partnerships, private equity securities and SAFE were estimated using the market approach and based on the recent net equity. In the market approach, the selling price of comparable companies was used to estimate the fair value of the target asset through comparison, analysis and adjustments.

The fair value of private equity fund was estimated using the assets approach.

c. Categories of financial instruments

	December 31	
	2022	2021
Financial assets		
Financial assets at FVTPL		
Mandatorily classified as at FVTPL	$ 1,487,980	$ 4,926,732
Financial asset at amortized cost (i)	210,629,685	207,222,225
Financial assets at FVTOCI		
Equity instruments	1,486,483	2,730,133
Debt instrument	2,166,827	4,571,199
Financial liabilities		
Financial liabilities measured at amortized cost (ii)	65,135,010	87,505,382

1) The balances include financial assets at amortized cost, which comprise cash and cash equivalents, trade receivables, other receivables and refundable deposits.

2) The balance includes financial liabilities measured at amortized cost, which comprise short-term loans, trade payables, other payables, and guarantee deposits received.

d. Financial risk management objectives and policies

The Group's major financial instruments include equity and debt investments, trade receivables, trade payables, borrowings, and lease liabilities. The Group's Corporate Treasury function provides services to the business departments, coordinates access to domestic and international financial markets, monitors and manages the financial risks relating to the operations of the Group through internal risk reports which analyze exposures by degree and magnitude of risks. These risks include market risk (including foreign currency risk, interest rate risk and other price risks), credit risk and liquidity risk.

The plans for material treasury activities are reviewed by the board of directors in accordance with procedures required by relevant regulations or internal controls. Compliance with policies and exposure limits was reviewed by the internal auditors on a continuous basis. The Group does not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes.

1) Market risk

The Group's activities exposed it primarily to the financial risks of changes in foreign currency exchange rates (see (a) below), interest rates (see (b) below) and other prices (see (c) below).

There have been no changes to the Group's exposure to market risks or the manner in which these risks were managed and measured.

a) Foreign currency risk

The Group had foreign currency sales and purchases, which exposed the Group to foreign currency risk.

The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities (including those eliminated on consolidation) at the end of the reporting period are set out in Note 35.

<u>Sensitivity analysis</u>

The Group was mainly exposed to the United States dollars (USD) and the renminbi (RMB).

The following table details the Group's sensitivity to a 1% increase and decrease in the New Taiwan dollar (NTD, the functional currency) against the relevant foreign currencies. The sensitivity analysis included only outstanding foreign-currency denominated monetary items. A positive number below indicates an increase in profit before income tax that would result when the NTD weakens by 1% against the relevant currency. For a 1% strengthening of the NTD against the relevant currency, there would be an equal and opposite impact on profit before income tax and the balances below would be negative.

	USD Impact	
	For the Year Ended December 31	
	2022	**2021**
Profit or loss	$ 840,817	$ 819,677

	RMB Impact	
	For the Year Ended December 31	
	2022	**2021**
Profit or loss	$ 508	$ 65,709

The result was mainly attributable to the exposure on outstanding USD-denominated and RMB-denominated cash and cash equivalents, financial assets at amortized cost, and receivables and payables which were not hedged at the end of the reporting period.

The Group's sensitivity to the USD increased during the current period mainly due to the increase in net assets denominated in USD and the sensitivity to the RMB decreased mainly due to the decrease in net assets denominated in RMB. In management's opinion, the sensitivity analysis was unrepresentative of inherent foreign exchange risk because the exposure at the end of the reporting period did not reflect the exposure during the period.

b) Interest rate risk

The Group was exposed to interest rate risk because entities in the Group borrowed funds at both fixed and floating interest rates. The risk is managed by the Group by maintaining an appropriate mix of fixed and floating rate borrowings.

The carrying amounts of the Group's financial assets and financial liabilities with exposure to interest rates at the end of the reporting period were as follows:

	December 31	
	2022	**2021**
Fair value interest rate risk		
Financial assets	$ 191,588,559	$ 185,696,367
Financial liabilities	132,220	140,041
Cash flow interest rate risk		
Financial assets	10,794,953	11,352,246
Financial liabilities	56,696,000	78,031,726

Sensitivity analysis

The sensitivity analysis below was based on the Group's exposure to interest rates for non-derivative instruments at the end of the reporting period. For floating rate liabilities, the analysis was prepared assuming that the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year.

If interest rates had been 10 basis points higher/lower and all other variables were held constant, the Group's profit before tax for the years ended December 31, 2022 and 2021 would have decreased/increased by NT$45,901 thousand and NT$66,679 thousand, respectively; the change would have been mainly attributable to the Group's exposure to interest rates on its variable-rate bank borrowings of cash flow.

The Group's sensitivity to interest rates decreased during the current period mainly due to the increase in variable rate financial assets.

c) Other price risk

The Group was exposed to equity price risk through its investments in equity securities. The Group manages this exposure by maintaining a portfolio of investments with different risks.

Sensitivity analysis

The sensitivity analysis below was determined based on the exposure to equity price risks at the end of the reporting period.

If equity prices had been 1% higher/lower, pre-tax profit for the years ended December 31, 2022 and 2021 would have increased/decreased by NT$1,897 thousand and NT$39,679 thousand respectively, as a result of the changes in fair value of financial assets at FVTPL. If equity prices had been 1% higher/lower, pre-tax profit for the years ended December 31, 2022 and 2021 would have increased/decreased by NT$1,436 thousand and NT$18,710 thousand respectively, as a result of the changes in fair value of financial assets at FVTOCI.

2) Credit risk

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

The counterparties to the foregoing financial instruments are reputable business organizations. Management does not expect the Group's exposure to default by those parties to be material; ongoing credit evaluation is also performed on the financial condition of customers with whom the Group has accounts receivable.

Information on credit risk concentration as of December 31, 2022 and 2021 was as follows:

	December 31			
	2022		2021	
	Amount	**%**	**Amount**	**%**
Customer A	$ 4,126,487	43%	$ 2,913,268	30%
Customer B	2,324,628	24%	2,727,725	28%
Customer C	1,397,179	15%	2,100,204	22%

3) Liquidity risk

The Group manages liquidity risk by monitoring and maintaining a level of cash and cash equivalents deemed adequate to finance the Group's operations and mitigate the effects of fluctuations in cash flows. In addition, management monitors the utilization of bank borrowings and ensures compliance with loan covenants.

The Group's operating funds and bank loan credit line are deemed sufficient to meet cash flow demands; therefore, liquidity risk is not considered to be significant.

a) Liquidity and interest rate risk table for non-derivative financial liabilities

The following table details the Group's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The table was drawn up based on the undiscounted cash flows of financial liabilities from the earliest date on which the Group can be required to pay. The table includes both interest and principal cash flows. Specifically, bank loans with a repayment on demand clause are included in the earliest time band regardless of the probability of the banks choosing to exercise their rights. The maturity dates for other non-derivative financial liabilities are based on the agreed repayment dates.

To the extent that interest flows are at floating rates, the undiscounted amount was derived from the interest rate curve at the end of the reporting period.

December 31, 2022

	Less than 3 Months	3 Months to 1 Year	1-5 Years	Over 5 Years
Non-derivative financial liabilities				
Non-interest bearing	$ 7,084,223	$ 1,344,751	$ 10,036	$ -
Lease liabilities	1,771	7,457	26,542	120,700
Variable interest rate liabilities	-	57,258,584	-	-
	$ 7,085,994	$58,610,792	$ 36,578	$ 120,700

Further information on the maturity analysis of the above financial liabilities was as follows:

	Less than 1 Year	1-5 Years	5-10 Years	10-15 Years	15-20 Years	20+ Years
Lease liabilities	$ 9,228	$ 26,542	$ 22,428	$ 22,428	$ 44,445	$ 31,399

December 31, 2021

	Less than 3 Months	3 Months to 1 Year	1-5 Years	Over 5 Years
Non-derivative financial liabilities				
Non-interest bearing	$ 7,628,317	$ 1,836,563	$ 8,776	$ -
Lease liabilities	2,495	11,611	22,374	116,896
Variable interest rate liabilities	40,388,313	37,837,915	-	-
	$48,019,125	$39,686,089	$ 31,150	$ 116,896

Further information on the maturity analysis of the above financial liabilities was as follows:

	Less than 1 Year	1-5 Years	5-10 Years	10-15 Years	15-20 Years	20+ Years
Lease liabilities	$ 14,106	$ 22,374	$ 20,626	$ 20,626	$ 42,643	$ 33,001

The amounts included for variable interest rate instruments for both non-derivative financial assets and liabilities would change if changes in variable interest rates differ from those estimates of interest rates determined at the end of the reporting period.

b) Financing facilities

	December 31	
	2022	2021
Unsecured bank loan facilities		
Amount used	$ 43,800,362	$ 78,384,829
Amount unused	60,590,377	18,968,953
	$ 104,390,739	$ 97,353,782
Secured bank loan facilities		
Amount used	$ 13,000,000	$ -
Amount unused	-	-
	$ 13,000,000	$ -

32. TRANSACTIONS WITH RELATED PARTIES

Balances and transactions between the Company and its subsidiaries, which are related parties of the Company, have been eliminated upon consolidation and are not disclosed in this note. Details of transactions between the Group and other related parties are disclosed below.

Compensation of key management personnel

	For the Year Ended December 31	
	2022	2021
Short-term employee benefits	$ 213,871	$ 208,266
Post-employment benefits	43,128	29,296
	$ 256,999	$ 237,562

The remuneration of directors and key executives are determined by the remuneration committee with due regard to the performance of individuals, the performance of the Group, and future risk.

33. PLEDGED ASSETS

Assets provided as collateral for financing loans were as follows:

	December 31	
	2022	2021
Pledged deposits (classified as financial assets at amortized cost - current)	$ 14,687,274	$ -

34. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNIZED COMMITMENTS

In addition to those disclosed in other notes, significant commitments and contingencies of the Group as of December 31, 2022 and 2021 were as follows:

Unrecognized commitments are as follows:

	December 31	
	2022	2021
Acquisition of property, plant and equipment	$ 832,408	$ 113,324
Acquisition of inventories	$ 35,725	$ 105,067

35. SIGNIFICANT ASSETS AND LIABILITIES DENOMINATED IN FOREIGN CURRENCIES

The following information is an aggregation of foreign currencies other than the functional currencies of the entities in the Group and disclosure of the exchange rates between the foreign currencies and the respective functional currencies. The significant assets and liabilities denominated in foreign currencies were as follows:

(In Thousands of New Taiwan Dollars and Foreign Currencies)

December 31, 2022

	Foreign Currency (In Thousands)	Exchange Rate	Carrying Amount
Financial assets			
Monetary items			
USD	$ 2,118,093	30.66 (USD:NTD)	$ 64,940,720
USD	691,235	6.9646 (USD:RMB)	20,673,525
RMB	4	4.383 (RMB:NTD)	17
RMB	10	0.1436 (RMB:USD)	42
Financial liabilities			
Monetary items			
USD	13,258	30.76 (USD:NTD)	407,801
USD	37,608	6.9646 (USD:RMB)	1,124,781
RMB	11,482	4.4330 (RMB:NTD)	50,898

December 31, 2021

	Foreign Currency (In Thousands)	Exchange Rate	Carrying Amount
Financial assets			
Monetary items			
USD	$ 2,476,972	27.63 (USD:NTD)	$ 68,438,741
USD	580,509	6.3757 (USD:RMB)	15,893,872
RMB	61,535	4.319 (RMB:NTD)	265,769
RMB	1,450,686	0.1568 (RMB:USD)	6,334,970
Financial liabilities			
Monetary items			
USD	33,236	27.72 (USD:NTD)	921,327
USD	52,725	6.3757 (USD:RMB)	1,443,575
RMB	6,824	4.3690 (RMB:NTD)	29,813

The Group is mainly exposed to the USD. The following information is an aggregation of the functional currencies of the entities in the Group and disclosures of the exchange rates between the respective functional currencies and the presentation currency. The significant realized and unrealized foreign exchange gains (losses) were as follows:

	For the Year Ended December 31			
	2022		2021	
Foreign Currency	Exchange Rate	Net Foreign Exchange Gain (Loss)	Exchange Rate	Net Foreign Exchange Gain (Loss)
USD	29.804 (USD:NTD)	$ 20,361	28.009 (USD:NTD)	$ 37,265
NTD	1 (NTD:NTD)	6,675,336	1 (NTD:NTD)	(2,047,636)
RMB	4.4346 (RMB:NTD)	1,504,851	4.3417 (RMB:NTD)	(417,661)
		$ 8,200,548		$ (2,428,032)

36. SEPARATELY DISCLOSED ITEMS

a. Information about significant transactions

1) Financing provided to others (Table 1)

2) Endorsements/guarantees provided (Table 2)

3) Marketable securities held (excluding investments in subsidiaries and associates) (Table 3)

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

5) Acquisitions of individual real estate at cost of at least NT$300 million or 20% of the paid-in capital (N/A)

6) Disposals of individual real estate at a price of at least NT$300 million or 20% of the paid-in capital (N/A)

7) Total purchases from or sales to related parties amounting to at least NT$100 million or 20% of the paid-in capital (Table 5)

8) Receivables from related parties amounting to at least NT$100 million or 20% of the paid-in capital (Table 6)

9) Trading in derivative instruments (N/A)

10) Intercompany relationships and significant intercompany transactions (Table 9)

b. Information on investees (Table 7)

c. Information on investments in mainland China

1) Information on any investee company in mainland China, showing the name, principal business activities, paid-in capital, method of investment, inward and outward remittance of funds, ownership percentage, net income or loss of investee, investment income or loss, carrying amount of the investment at the end of the period, and repatriations of investment from the mainland China area (Table 8)

2) Significant transactions with investee companies in mainland China, either directly or indirectly through a third party, and their prices, payment terms, and unrealized gains or losses as follows (Tables 1, 2, 5, 6 and 9):

   a) Purchases - the amount and percentage of purchases and the balance and percentage of the related payables at the end of the period

   b) Sales - the amount and percentage of sales and the balance and percentage of the related receivables at the end of the period

   c) Property transactions - the amount of property transactions and the amount of the resultant gains or losses

   d) Endorsements and guarantees - the balance of negotiable instrument endorsements or guarantees or pledges of collateral at the end of the period and the purposes

   e) Financing - the highest balance during the period, the end of period balance, the interest rate range, and total current period interest with respect to the financing of funds

   f) Other - the transactions with material effect on profit or loss for the period or on the financial position, such as the rendering or receipt of services

d. Information of major shareholders：List all shareholders with ownership of 5% or greater showing the name of the shareholder, the number of shares owned, and percentage of ownership of each shareholder (N/A)

37. SEGMENT INFORMATION

For the purpose of resource allocation and performance assessment, the Group’s chief operating decision maker reviews operating results and financial information on a plant-by-plant basis with a focus on the operating results of each plant. As each plant shares similar economic characteristics, produces similar products using similar production processes and all products are distributed and sold to same-level customers through a central sales function, the Group’s operating segments are aggregated into a single reportable segment. The Group’s chief operating decision maker reviews segment information measured on the same basis as the consolidated financial statements. Information about reportable segment sales and profit or loss is referenced from the consolidated statements of comprehensive income for the years ended December 31, 2022 and 2021, and the information on assets is referenced from the consolidated balance sheets as of December 31, 2022 and 2021.

a. Geographical information

   The Group operates in two principal geographical areas - Taiwan and China.

The Group’s revenue from continuing operations from external customers by location of operations and information about its non-current assets by location of assets are detailed below:

	Revenue from External Customers For the Year Ended December 31	
	2022	2021
China	$ 19,931,066	$ 28,835,499
United States	2,491,824	5,970,641
Taiwan	409,306	1,137,484
Singapore	4,382,883	5,149,298
Others	605,450	2,057
	$ 27,820,529	$ 41,094,979

	Non-current Assets	
	December 31, 2022	December 31, 2021
Taiwan	$ 6,543,349	$ 7,044,846
China	9,872,942	12,192,334
	$ 16,416,291	$ 19,237,180

Non-current assets excluded those classified as investments accounted for using the equity method, financial instruments and deferred tax assets.

b. Information about major customers

Single customers who contributed 10% or more to the Group’s revenue were as follows:

	For the Year Ended December 31	
	2022	2021
Customer A	$ 8,776,565	$ 5,931,613
Customer B	7,472,390	14,904,768
Customer C	-	9,999,532
Customer D	4,382,883	-
	$ 20,631,838	$ 30,835,913

TABLE 1

CATCHER TECHNOLOGY CO., LTD. AND SUBSIDIARIES

FINANCING PROVIDED TO OTHERS
FOR THE YEAR ENDED DECEMBER 31, 2022
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

No.	Lender	Borrower	Financial Statement Account	Related Parties	Highest Balance for the Period	Ending Balance	Actual Borrowing Amount	Interest Rate (%)	Nature of Financing	Business Transaction Amounts	Reasons for Short-term Financing	Allowance for Impairment Loss	Collateral		Financing Limit for Each Borrower (Note 1)	Aggregate Financing Limits (Note 2)
													Item	Value		
1	Catcher Technology (Suqian) Co., Ltd.	Envio Technology (Suqian) Co., Ltd.	Other receivables - related parties	Yes	$ 873,000	$ -	$ -	1.5	For short-term financing	$ -	Operating capital	$ -	-	$ -	$ 828,957,845	$ 828,957,845
2	Vito Technology (Suqian) Co., Ltd.	Envio Technology (Suqian) Co., Ltd.	Other receivables - related parties	Yes	611,100	$ -	-	1.5	For short-term financing	-	Operating capital	-	-	-	828,957,845	$ 828,957,845
4	Lyra International Co., Ltd.	Next Level Ltd.	Other receivables - related parties	Yes	644,300	$ 614,200	-	-	For short-term financing	-	Operating capital	-	-	-	828,957,845	$ 828,957,845
6	Uranus International Co., Ltd.	Next Level Ltd.	Other receivables - related parties	Yes	966,450	$ 921,300	-	-	For short-term financing	-	Operating capital	-	-	-	828,957,845	$ 828,957,845

Note 1: The upper limit of the 100% owned subsidiaries held directly or indirectly by the Company is equivalent to 500% of the net asset value as of December 31, 2022 of the Company; the upper limit of the subsidiaries is equivalent to 40% of the net asset value as of December 31, 2022 of the subsidiaries; but the upper limit of those with business transactions is no more than the needed amount for operations within one year.

Note 2: The upper limit of the 100% owned subsidiaries held directly or indirectly by the Company is equivalent to 500% of the net asset value as of December 31, 2022 of the Company; the upper limit of the subsidiaries is equivalent to 40% of the net asset value as of December 31, 2022 of the subsidiaries.

Note 3: The net asset value mentioned in Notes 1 and 2 above is the equity attributable to owners of the Company on the consolidated balance sheets.

TABLE 2

CATCHER TECHNOLOGY CO., LTD. AND SUBSIDIARIES

ENDORSEMENTS / GUARANTEES PROVIDED
FOR THE YEAR ENDED DECEMBER 31, 2022
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

No.	Endorser/Guarantor	Endorsee/Guarantee		Limit on Endorsement/ Guarantee Given on Behalf of Each Party	Maximum Amount Endorsed/ Guaranteed During the Period	Outstanding Endorsement/ Guarantee at the End of the Period	Actual Amount Borrowed	Amount Endorsed/ Guaranteed by Collateral	Ratio of Accumulated Endorsement/ Guarantee to Net Equity in Latest Financial Statements (%)	Aggregate Endorsement/ Guarantee Limit	Endorsement/ Guarantee Given by Parent on Behalf of Subsidiaries	Endorsement/ Guarantee Given by Subsidiaries on Behalf of Parent	Endorsement/ Guarantee Given on Behalf of Companies in Mainland China
		Name	Relationship										
0	Catcher Technology Co., Ltd.	Catcher Technology Co., Ltd.	Business relation	$ 82,895,785	$ 10,000	$ 10,000	$ 10,000	$ -	0.01	$ 165,791,569	N	N	N
1	Catcher Technology (Suqian) Co., Ltd.	Catcher Technology (Suqian) Co., Ltd.	Business relation	82,895,785	22,047	$ 22,047	$ 22,047	$ -	0.01	$ 165,791,569	N	N	Y
2	Vito Technology (Suqian) Co., Ltd.	Vito Technology (Suqian) Co., Ltd.	Business relation	82,895,785	22,047	$ 22,047	$ 22,047	$ -	0.01	$ 165,791,569	N	N	Y
3	Envio Technology (Suqian) Co., Ltd.	Envio Technology (Suqian) Co., Ltd.	Business relation	82,895,785	511,338	$ 16,315	$ 16,315	$ -	0.01	$ 165,791,569	N	N	Y
4	Arcadia Technology (Suqian) Co., Ltd.	Arcadia Technology (Suqian) Co., Ltd.	Business relation	82,895,785	25,586	$ 25,134	$ 25,134	$ -	0.01	$ 165,791,569	N	N	Y

Note 1: The upper limit for each borrower of the Company and the 100% owned subsidiaries held directly or indirectly by the Company is equivalent to 50% of the net asset value of the Company as of December 31, 2022.

Note 2: The upper limit of the Company and the 100% owned subsidiaries held directly or indirectly by the Company is equivalent to 100% of the net asset value of the Company as of December 31, 2022.

Note 3: The net asset value mentioned in Notes 1 and 2 above is the equity attributable to owners of the Company on the consolidated balance sheets.

CATCHER TECHNOLOGY CO., LTD. AND SUBSIDIARIES

MARKETABLE SECURITIES HELD (EXCLUDING INVESTMENTS IN SUBSIDIARIES AND ASSOCIATES)
FOR THE YEAR ENDED DECEMBER 31, 2022
(In Thousands of New Taiwan Dollars and US dollars, Unless Stated Otherwise)

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	December 31, 2021				Note
				Number of Shares	Carrying Amount	Percentage of Ownership (%)	Fair Value	
Catcher Technology Co., LTD.	Listed Shares and Emerging Market Shares							
	Sinher Technology Inc.	None	Financial assets at FVTPL - current	5,169,917	$ 189,736	6.95	$ 189,736	
	Unlisted Shares							
	Alpha Information Systems, Inc.	None	Financial assets at FVTOCI - non-current	1,500,000	-	10.00	-	
	CDIB Capital Innovation Accelerator Co., Ltd.	None	Financial assets at FVTOCI - non-current	3,000,000	57,330	3.57	57,330	
Ke Yue Co., Ltd.	Listed Shares and Emerging Market Shares							
	United Orthopedic Corporation	None	Financial assets at FVTOCI - current	204,000	9,751	0.23	9,751	
	Intai Technology Corp.	None	Financial assets at FVTOCI - current	270,000	28,620	0.56	28,620	
	Limited Partnerships							
	Taiwania Capital Buffalo Fund V, Lp.	None	Financial assets at FVTPL - non-current	-	192,508	12.78	192,508	Note 3
	MESH Cooperative Ventures Fund Lp.	None	Financial assets at FVTPL - non-current	-	56,633	7.39	56,633	Note 3
Yi De Co., Ltd.	Listed Shares and Emerging Market Shares							
	Excelsior Medical Co., Ltd	None	Financial assets at FVTOCI - current	21,000	1,420	0.01	1,420	
	United Orthopedic Corporation	None	Financial assets at FVTOCI - current	717,000	34,273	0.81	34,273	
	Intai Technology Corp.	None	Financial assets at FVTOCI - current	489,000	51,834	1.01	51,834	
Yi Sheng Co., Ltd.	Listed Shares and Emerging Market Shares							
	United Orthopedic Corporation	None	Financial assets at FVTOCI - current	100,000	4,780	0.11	4,780	
	Intai Technology Corp.	None	Financial assets at FVTOCI - current	122,000	12,932	0.25	12,932	
Nanomag International Co., Ltd.	Limited Partnerships							
	China Renewable Energy Fund, L.P.	None	Financial assets at FVTOCI - non-current	-	USD 41,861	23.51	USD 41,861	Note 3
	Corporate Bonds							
	AERCAP IRELAND CAPITAL DAC	None	Financial assets at FVTOCI - non-current	1,025,000	USD 989		USD 989	
	AERCAP IRELAND CAPITAL DAC / AERCA	None	Financial assets at FVTOCI - non-current	1,000,000	USD 962		USD 962	
	AIRCASTLE LTD	None	Financial assets at FVTOCI - non-current	1,000,000	USD 963		USD 963	
	ARES CAPITAL CORPORATION	None	Financial assets at FVTOCI - non-current	1,000,000	USD 967		USD 967	
	BAT CAPITAL CORP	None	Financial assets at FVTOCI - non-current	1,500,000	USD 1,447		USD 1,447	
	BACARDI LTD	None	Financial assets at FVTOCI - non-current	1,615,000	USD 1,569		USD 1,569	
	CANADIAN NATURAL RESOURCES LTD	None	Financial assets at FVTOCI - non-current	1,500,000	USD 1,473		USD 1,473	
	CELANESE US HOLDINGS LLC	None	Financial assets at FVTOCI - non-current	1,058,000	USD 1,023		USD 1,023	
	CENTENE CORPORATION	None	Financial assets at FVTOCI - non-current	1,000,000	USD 940		USD 940	
	DUKE ENERGY OHIO INC	None	Financial assets at FVTOCI - non-current	1,011,000	USD 1,056		USD 1,056	
	CREDIT SUISSE GROUP AG	None	Financial assets at FVTOCI - non-current	1,600,000	USD 1,561		USD 1,561	
	DCP MIDSTREAM OPERATING LP	None	Financial assets at FVTOCI - non-current	1,000,000	USD 991		USD 991	
	DANSKE BANK A/S	None	Financial assets at FVTOCI - non-current	1,766,000	USD 1,759		USD 1,759	
	DELTA AIR LINES INC	None	Financial assets at FVTOCI - non-current	1,000,000	USD 952		USD 952	

(Continued)

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	December 31, 2021				Note
				Number of Shares	Carrying Amount	Percentage of Ownership (%)	Fair Value	
	DELTA AIR LINES INC	None	Financial assets at FVTOCI - non-current	1,000,000	USD 1,030		USD 1,030	
	DISCOVER BANK	None	Financial assets at FVTOCI - non-current	2,000,000	USD 1,901		USD 1,901	
	DISCOVERY COMMUNICATIONS LLC	None	Financial assets at FVTOCI - non-current	1,400,000	USD 1,368		USD 1,368	
	EDP FINANCE BV	None	Financial assets at FVTOCI - non-current	1,812,000	USD 1,752		USD 1,752	
	EQT CORP	None	Financial assets at FVTOCI - non-current	1,000,000	USD 921		USD 921	
	ENEL FINANCE INTERNATIONAL NV	None	Financial assets at FVTOCI - non-current	1,076,000	USD 1,030		USD 1,030	
	ENTERGY LOUISIANA LLC	None	Financial assets at FVTOCI - non-current	1,100,000	USD 1,025		USD 1,025	
	EXPEDIA INC	None	Financial assets at FVTOCI - non-current	1,200,000	USD 1,186		USD 1,186	
	EXPEDIA GROUP INC	None	Financial assets at FVTOCI - non-current	800,000	USD 807		USD 807	
	GENERAL MOTORS FINANCIAL CO INC	None	Financial assets at FVTOCI - non-current	1,500,000	USD 1,448		USD 1,448	
	GLENCORE FUNDING LLC	None	Financial assets at FVTOCI - non-current	1,000,000	USD 988		USD 988	
	GOLDMAN SACHS GROUP INC/THE	None	Financial assets at FVTOCI - non-current	1,000,000	USD 966		USD 966	
	HCA INC	None	Financial assets at FVTOCI - non-current	1,500,000	USD 1,492		USD 1,492	
	HARLEY-DAVIDSON FINANCIAL SERVICES	None	Financial assets at FVTOCI - non-current	1,100,000	USD 1,032		USD 1,032	
	HYUNDAI CAPITAL AMERICA	None	Financial assets at FVTOCI - non-current	2,000,000	USD 1,936		USD 1,936	
	INTESA SANPAOLO SPA	None	Financial assets at FVTOCI - non-current	1,500,000	USD 1,424		USD 1,424	
	JDE PEETS NV	None	Financial assets at FVTOCI - non-current	580,000	USD 531		USD 531	
	LABORATORY CORPORATION OF AMERICA	None	Financial assets at FVTOCI - non-current	1,500,000	USD 1,455		USD 1,455	
	LENNAR CORPORATION	None	Financial assets at FVTOCI - non-current	1,364,000	USD 1,347		USD 1,347	
	MPLX LP	None	Financial assets at FVTOCI - non-current	1,000,000	USD 992		USD 992	
	NRG ENERGY INC	None	Financial assets at FVTOCI - non-current	1,701,000	USD 1,641		USD 1,641	
	OMEGA HLTHCARE INVESTORS	None	Financial assets at FVTOCI - non-current	700,000	USD 689		USD 689	
	PACIFIC GAS AND ELECTRIC COMPANY	None	Financial assets at FVTOCI - non-current	810,000	USD 784		USD 784	
	PARK AEROSPACE HOLDINGS LTD	None	Financial assets at FVTOCI - non-current	1,000,000	USD 990		USD 990	
	PLAINS ALL AMERICAN PIPELINE LP /	None	Financial assets at FVTOCI - non-current	1,000,000	USD 987		USD 987	
	SANTANDER HOLDINGS USA INC	None	Financial assets at FVTOCI - non-current	1,000,000	USD 972		USD 972	
	SCHLUMBERGER HOLDINGS CORP	None	Financial assets at FVTOCI - non-current	1,500,000	USD 1,476		USD 1,476	
	OFFICE PROPERTIES INCOME TRUST	None	Financial assets at FVTOCI - non-current	2,000,000	USD 1,816		USD 1,816	
	SOUTHERN CALIFORNIA EDISON COMPANY	None	Financial assets at FVTOCI - non-current	1,370,000	USD 1,336		USD 1,336	
	STANDARD CHARTERED PLC	None	Financial assets at FVTOCI - non-current	1,000,000	USD 991		USD 991	
	SUNOCO LOGISTICS PARTNERS OPERATIO	None	Financial assets at FVTOCI - non-current	750,000	USD 737		USD 737	
	SYNCHRONY FINANCIAL	None	Financial assets at FVTOCI - non-current	1,000,000	USD 979		USD 979	
	VEB FINANCE PLC	None	Financial assets at FVTOCI - non-current	1,000,000	-		-	
	VALERO ENERGY CORPORATION	None	Financial assets at FVTOCI - non-current	367,000	USD 347		USD 347	
	VENTAS REALTY LP	None	Financial assets at FVTOCI - non-current	1,000,000	USD 974		USD 974	
	VICI PROPERTIES LP/VICI NOTE CO IN	None	Financial assets at FVTOCI - non-current	1,000,000	USD 934		USD 934	
	VISTRA OPERATIONS CO LLC VISTRA OPERATIONS CO LLC	None	Financial assets at FVTOCI - non-current	1,000,000	USD 960		USD 960	
	VMWARE INC	None	Financial assets at FVTOCI - non-current	1,000,000	USD 982		USD 982	
	WESTINGHOUSE AIR BRAKE TECHNOLOGIE	None	Financial assets at FVTOCI - non-current	1,500,000	USD 1,477		USD 1,477	
	VIMPELCOM HOLDINGS BV	None	Financial assets at FVTOCI - non-current	500,000	-		-	
	<u>Bond</u>							
	US TREASURY	None	Financial assets at FVTOCI - non-current	10,000,000	USD 10,201		USD 10,201	
Cor Ventures Pte. Ltd.	<u>Simple Agreement for Future Equity (SAFE)</u>							
	Vyisoneer Inc.	None	Financial assets at FVTPL - non-current	-	-		-	
	<u>Private Equity Funds</u>							
	Ally Bridge Group LP	None	Financial assets at FVTPL - non-current	-	USD 8,596	2.54	USD 8,596	Note 3
	ABG-CMRCO LP	None	Financial assets at FVTPL - non-current	-	USD 17,593	25.32	USD 17,593	Note 3
	Altara Ventures Fund LP	None	Financial assets at FVTPL - non-current	-	USD 2,297	3.80	USD 2,297	Note 3
	New Economy Ventures LP	None	Financial assets at FVTPL - non-current	-	USD 1,223	5.00	USD 1,223	Note 3
	Silver Lake Alpine Fund II	None	Financial assets at FVTPL - non-current	-	USD 3,727	0.30	USD 3,727	Note 3
	<u>Private Equity Securities</u>							
	Link Wood Limited	None	Financial assets at FVTPL - non-current	2,000,000	USD 726	29.49	USD 726	Note 3
	Via Surgical Ltd.	None	Financial assets at FVTPL - non-current	14,246	-	4.34	-	

Note 1: Securities in this table are shares, bonds, beneficiary certificates and those derived from the above-mentioned items which are within the scope of IFRS 9 “Financial Instrument: Recognition and Measurement”.

Note 2: Refer to Tables 7 and 8 for information on subsidiaries and associates.

Note 3: Percentage of Ownership is the fund share ratio.

TABLE 4

CATCHER TECHNOLOGY CO., LTD. AND SUBSIDIARIES

MARKETABLE SECURITIES ACQUIRED AND DISPOSED OF AT COSTS OR PRICES OF AT LEAST NT$300 MILLION OR 20% OF THE PAID-IN CAPITAL
FOR THE YEAR ENDED DECEMBER 31, 2022
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Company Name	Type and Name of Marketable Securities	Financial Statement Account	Counterparty	Relationship	Beginning Balance		Acquisition		Disposal				Ending Balance (Note 1)	
					Number of Shares	Amount	Number of Shares	Amount	Number of Shares	Amount	Carrying Amount	Gain (Loss) on Disposal	Number of Shares	Amount
Ke Yue Co., Ltd.	Beneficiaries Certificates													
	UPAMC James Bond Money Market Fund	Financial assets at FVTPL - current	-	-	35,598,056.18	$ 600,621	-	$ -	35,598,056.18	$ 601,066	$ 600,040	$ 1,026	-	$ -

CATCHER TECHNOLOGY CO., LTD. AND SUBSIDIARIES

TOTAL PURCHASES FROM OR SALES TO RELATED PARTIES AMOUNTING TO AT LEAST NT$100 MILLION OR 20% OF THE PAID-IN CAPITAL
FOR THE YEAR ENDED DECEMBER 31, 2022
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Buyer	Related Party	Relationship	Transaction Details				Abnormal Transaction		Notes/Accounts Receivable (Payable)		Note
			Purchase/ Sale	Amount	% of Total	Payment Terms	Unit Price	Payment Terms	Ending Balance	% of Total	
Catcher Technology (Suqian) Co., Ltd.	Vito Technology (Suqian) Co., Ltd.	Same ultimate parent company	Sales	$ (225,615)	4	Net 30 to 90 days after month end close	Equivalent	Equivalent	$ 89,754	3	
	Envio Technology (Suqian) Co., Ltd.	Same ultimate parent company	Sales	(3,436,314)	67	Net 30 to 90 days after month end close	Equivalent	Equivalent	2,865,019	82	
		Same ultimate parent company	Purchase	185,321	45	Net 30 to 90 days after month end close	Equivalent	Equivalent	(126,601)	19	
Vito Technology (Suqian) Co., Ltd.	Catcher Technology (Suqian) Co., Ltd.	Same ultimate parent company	Sales	(257,205)	4	Net 30 to 90 days after month end close	Equivalent	Equivalent	144,857	4	
	Envio Technology (Suqian) Co., Ltd.	Same ultimate parent company	Sales	(3,399,031)	59	Net 30 to 90 days after month end close	Equivalent	Equivalent	2,540,649	73	
		Same ultimate parent company	Purchase	167,319	29	Net 30 to 90 days after month end close	Equivalent	Equivalent	(110,159)	16	
Arcadia Technology (Suqian) Co., Ltd.	Next Level Ltd.	Same ultimate parent company	Sales	(1,328,742)	100	Net 30 to 90 days after month end close	No comparable sales prices for general customers	Equivalent	380,587	94	
The Company	Next Level Ltd.	Subsidiaries	Purchase	1,333,899	42	Net 30 to 120 days after month end close	No comparable sales prices for general customers	Equivalent	(1,128)	-	

TABLE 6

CATCHER TECHNOLOGY CO., LTD. AND SUBSIDIARIES

RECEIVABLES FROM RELATED PARTIES AMOUNTING TO AT LEAST NT$100 MILLION OR 20% OF THE PAID-IN CAPITAL
DECEMBER 31, 2022
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Company Name	Related Party	Relationship	Ending Balance	Turnover Ratio	Overdue		Amounts Received in Subsequent Period	Allowance for Impairment Loss
					Amount	Actions Taken		
Catcher Technology (Suqian) Co., Ltd.	Vito Technology (Suqian) Co., Ltd.	Same ultimate parent company	$ 603,571	- (Note)	$ -	Not applicable	$ 211,225	$ -
	Envio Technology (Suqian) Co., Ltd.	Same ultimate parent company	2,865,019	1.62	-	Not applicable	761,405	-
Vito Technology (Suqian) Co., Ltd.	Catcher Technology (Suqian) Co., Ltd.	Same ultimate parent company	144,857	1.67	-	Not applicable	47,372	-
	Envio Technology (Suqian) Co., Ltd.	Same ultimate parent company	2,540,649	1.35	-	Not applicable	672,409	-
Envio Technology (Suqian) Co., Ltd.	Catcher Technology (Suqian) Co., Ltd.	Same ultimate parent company	126,601	1.68	-	Not applicable	15,645	-
	Vito Technology (Suqian) Co., Ltd.	Same ultimate parent company	110,159	1.16	-	Not applicable	31,789	-
Arcadia Technology (Suqian) Co., Ltd.	Next Level Ltd.	Same ultimate parent company	380,587	1.88	-	Not applicable	181,331	-
The Company	Nanomag International Co., Ltd.	Subsidiaries	3,479,910	- (Note)	-	Not applicable	-	-

Note : The ending balance of income receivables includes processing income and surplus repatriation is not applicable to the calculation of the turnover rate.

CATCHER TECHNOLOGY CO., LTD. AND SUBSIDIARIES

INFORMATION ON INVESTEES
FOR THE YEAR ENDED DECEMBER 31, 2022
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Investor Company	Investee Company	Location	Main Businesses and Products	Original Investment Amount		As of December 31, 2022			Net Income (Loss) of the Investee	Share of Profits (Loss) (Note 1)	Note
				December 31, 2022	December 31, 2021	Number of Shares	%	Carrying Amount			
Catcher Technology Co., Ltd.	Gigamag Co., Ltd.	Vistra Corporate Services Centre, Ground Floor NPF Building, Beach Road, Apia, Samoa	Investing activities	$ 484,941	$ 484,941	14,377,642	100	$ 1,934,100	$ 929,850	$ 929,850	
	Nanomag International Co., Ltd.	P.O. Box31119 Grand Pavilion, Hibiscus Way, 802 West Bay Road, Grand Cayman, KY1-1205 Cayman Islands	Investing activities	1	1	30	100	152,134,044	4,389,067	4,527,082	
	Yue-Kang Health Control Technology Inc.	13F., No. 97, Sec. 2, Dunhua S. Rd., Da'an District, Taipei City 106, Taiwan (R.O.C.)	Health and medical treatment consultant	72,000	72,000	1,440,000	45	2,769	(11,736)	(5,281)	
	Ke Yue Co., Ltd.	13F., No. 99, Sec. 2, Dunhua S. Rd., Da'an District, Taipei City 106, Taiwan (R.O.C.)	Investing activities	3,000,000	3,000,000	198,390,000	100	2,910,748	(55,099)	(55,099)	
	Yi Sheng Co., Ltd.	13F., No. 99, Sec. 2, Dunhua S. Rd., Da'an District, Taipei City 106, Taiwan (R.O.C.)	Investing activities	1,000,000	1,000,000	73,270,000	100	1,063,672	49,575	49,575	
	Yi De Co., Ltd.	13F., No. 99, Sec. 2, Dunhua S. Rd., Da'an District, Taipei City 106, Taiwan (R.O.C.)	Investing activities	1,000,000	1,000,000	73,270,000	100	1,082,883	51,487	51,487	
	Catcher Medtech Co., Ltd.	No. 10, Yongke 5th Rd., Yongkang District, Tainan City 710, Taiwan (R.O.C.)	Manufacturing, selling and developing medical equipments	200,000	200,000	2,000,000	100	195,444	(4,586)	(4,565)	
	Catcher Holdings International Inc.	3524 Silverside Road Suite 35B, Wilmington, New Castle, United State	Investing activities	- (USD 0)	- (USD 0)	-	-	-	-	-	Note3
Ke Yue Co., Ltd.	Pacific Hospital Supply Co. Ltd.	No. 8, Tongke 2nd Rd., Tongluo Township, Miaoli County	Biotechnology	519,621	512,063	7,050,000	9.71	490,566	331,398		
	Bioteque Corporation	5F.-6, No. 23, Sec. 1, Chang'an E. Rd., Zhongshan Dist., Taipei City	Biotechnology	599,636	414,923	5,410,000	7.81	623,806	495,715		
Yi Sheng Co., Ltd.	Pacific Hospital Supply Co. Ltd.	No. 8, Tongke 2nd Rd., Tongluo Township, Miaoli County	Biotechnology	240,757	85,961	3,254,000	4.48	226,426	331,398		
	Bioteque Corporation	5F.-6, No. 23, Sec. 1, Chang'an E. Rd., Zhongshan Dist., Taipei City	Biotechnology	279,091	224,984	2,589,000	3.74	298,528	495,715		
Yi De Co., Ltd.	Pacific Hospital Supply Co. Ltd.	No. 8, Tongke 2nd Rd., Tongluo Township, Miaoli County	Biotechnology	295,411	252,336	4,047,000	5.57	281,605	331,398		
	Bioteque Corporation	5F.-6, No. 23, Sec. 1, Chang'an E. Rd., Zhongshan Dist., Taipei City	Biotechnology	243,370	213,396	2,233,000	3.22	257,479	495,715		
Gigamag Co., Ltd.	Neat Co., Ltd.	Vistra Corporate Services Centre, Ground Floor NPF Building, Beach Road, Apia, Samoa	International trading	-	279 (USD 10,000)	-	100	-	(96)		
Nanomag International Co., Ltd.	Castmate International Co., Ltd.	Vistra Corporate Services Centre, Wickhams Cay II, Road Town, Tortola, VG1110, British Virgin Islands	Investing activities	28,127 (USD 1,009,592)	28,127 (USD 1,009,592)	1,009,592	100	155,296	13,998		
	Stella International Co., Ltd.	P.O. Box31119 Grand Pavilion, Hibiscus Way, 802 West Bay Road, Grand Cayman, KY1-1205 Cayman Islands	Investing activities	9,251,725 (USD 332,079,144)	9,251,725 (USD 332,079,144)	332,079,144	100	16,515,586	(1,210,464)		
	Aquila International Co., Ltd.	P.O. Box31119 Grand Pavilion, Hibiscus Way, 802 West Bay Road, Grand Cayman, KY1-1205 Cayman Islands	Investing activities	31,203 (USD 1,120,000)	31,203 (USD 1,120,000)	1,050,000	75	33,128	(23,763)		
	Uranus International Co., Ltd.	Room 1907, 19F, Lee Garden One, 33 Hysan Avenue, Causeway Bay, Hong Kong	Investing activities	11,116,401 (USD 399,009,383)	11,116,401 (USD 399,009,383)	399,009,383	100	18,969,796	757,156		
	Norma International Co., Ltd.	Room 1907, 19F, Lee Garden One, 33 Hysan Avenue, Causeway Bay, Hong Kong	Investing activities	8,345,009 (USD 299,533,691)	8,345,009 (USD 299,533,691)	299,533,691	100	13,681,596	4,897,844		
	Next Level Ltd.	Vistra Corporate Services Centre, Ground Floor NPF Building, Beach Road, Apia, Samoa	Investing activities	279 (USD 10,000)	279 (USD 10,000)	10,000	100	390,244	35,390		
	Cor Ventures Pte. Ltd.	160 Robinson Road, #14-04 Singapore Business Federation Centre, Singapore 068914	Investing activities	1,536,919 (USD 55,165,797)	1,539,919 (SGD 55,165,797)	55,165,797	100	1,530,575	(257,429)		
Castmate International Co., Ltd.	Cygnus International Co., Ltd.	Room 1907, 19F, Lee Garden One, 33 Hysan Avenue, Causeway Bay, Hong Kong	Investing activities	278,747 (USD 10,005,259)	278,747 (USD 10,005,259)	-	100	-	10,628		
Stella International Co., Ltd.	Lyra International Co., Ltd.	Room 1907, 19F, Lee Garden One, 33 Hysan Avenue, Causeway Bay, Hong Kong	Investing activities	1 (USD 30)	9,251,008 (USD 332,053,412)	30	100	20,537	19,303		
Aquila International Co., Ltd.	Cepheus International Co., Ltd.	Room 1907, 19F, Lee Garden One, 33 Hysan Avenue, Causeway Bay, Hong Kong	Investing activities	39,004 (USD 1,400,000)	39,004 (USD 1,400,000)	-	100	-	(26,650)		
Catcher Holdings International Inc.	Catcher Ventures Inc.	14451 Chambers Road Suite 100 Tustin, CA 92780, United State	Investing activities	- (USD 0)	- (USD 0)	-	-	-	-		Note3

Note 1: Share of profit (loss) is only reflected for the subsidiaries invested in directly and the investments accounted for by using the equity method.

Note 2: Information on investments in mainland China is provided in Table 8.

Note 3: The investees were established and registered in June 2022 but with no investment funds remitted in yet.

TABLE 8

CATCHER TECHNOLOGY CO., LTD. AND SUBSIDIARIES

INFORMATION ON INVESTMENTS IN MAINLAND CHINA
FOR THE YEAR ENDED DECEMBER 31, 2022
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Investee Company	Main Businesses and Products	Paid-in Capital (Note 13)	Method of Investment (Note 1)	Accumulated Outward Remittance for Investment from Taiwan as of January 1, 2022 (Note 13)	Remittance of Funds		Accumulated Outward Remittance for Investment from Taiwan as of December 31, 2022 (Note 13)	Net Income (Loss) of the Investee	% Ownership of Direct or Indirect Investment	Investment Gain (Loss) (Note 2)	Carrying Amount as of December 31, 2022	Accumulated Repatriation of Investment Income as of December 31, 2022
					Outward	Inward						
Catcher Technology (Suzhou) Co., Ltd.	Manufacturing, selling and developing varied metal products	$ -	2. Cygnus International Co., Ltd. (Note 8)	$ 1,023,871 (USD 33,340,000)	$ -	$ -	$ 1,023,871 (USD 33,340,000)	$ -	-	$ -	$ -	$ -
Topo Technology (Suzhou) Co., Ltd.	Manufacturing, selling and developing varied metal products	-	2. Lyra International Co., Ltd. (Notes 4 and 5)	1,238,841 (USD 40,340,000)	-	-	1,238,841 (USD 40,340,000)	-	-	-	-	-
Topo Technology (Taizhou) Co., Ltd.	Manufacturing, selling and developing varied metal products	-	2. Lyra International Co., Ltd. (Note 9)	-	-	-	-	-	-	-	-	16,612,381
Meeca Technology (Taizhou) Co., Ltd.	Manufacturing, selling and developing varied metal products	-	2. Lyra International Co., Ltd. (Note 12)	-	-	-	-	-	-	-	-	4,299,822
Meeca Technology (Suzhou Industrial Park) Co., Ltd.	Manufacturing, selling and developing varied metal products	-	2. Cygnus International Co. Ltd. (Note 6)	-	-	-	-	-	-	- (Note 2.(A))	-	-
Catcher Technology (Suqian) Co., Ltd.	Manufacturing, selling and developing varied metal products	6,142,000 (USD 200,000,000)	2. Uranus International Co., Ltd. (Note 7)	2,917,419 (USD 94,999,000)	-	-	2,917,419 (USD 94,999,000)	256,421	100	328,767 (Note 2.(A))	9,722,510	10,597,814
Vito Technology (Suqian) Co., Ltd.	Manufacturing, selling and developing varied metal products	5,868,279 (RMB 409,431,280) (USD 132,300,000)	2. Uranus International Co., Ltd. (Note 10)	-	-	-	-	393,594	100	428,556 (Note 2.(A))	9,413,254	-
Envio Technology (Suqian) Co., Ltd.	Manufacturing, selling and developing varied metal products	6,019,799 (RMB 398,499,193) (USD 138,803,527)	2. Norma International Co., Ltd. (Note 11)	-	-	-	-	4,939,170	100	4,765,856 (Note 2.(A))	10,284,661	-
Arcadia Technology (Suqian) Co., Ltd.	Manufacturing, selling and developing varied metal products	3,013,903 (RMB 188,956,820) (USD 71,010,000)	2. Norma International Co., Ltd. (Note 16)	-	-	-	-	131,891	100	131,891 (Note 2.(A))	3,403,220	-
Aquila Technology (Suqian) Co., Ltd.	Manufacturing and selling molds and electronic parts	42,994 (USD 1,400,000)	2. Cepheus International Co., Ltd.	34,395 (USD 1,120,000)	-	-	34,395 (USD 1,120,000)	675	75	675 (Note 2.(A))	-	169,684
WIT Technology (Taizhou) Co., Ltd. (Note 14)	Researching, developing and manufacturing communication electronic products	-	2. Cetus International Co., Ltd.	-	-	-	-	-	-	-	-	-
Chaohu Yunhai Magnesium Co., Ltd. (Note 15)	Manufacturing and selling dolomite, aluminum, magnesium alloy and other alkaline-earth metals	-	2. Sagitta International Co., Ltd.	678,136 (USD 22,081,923)	-	-	678,136 (USD 22,081,923)	-	-	-	-	-

Accumulated Outward Remittance for Investment in Mainland China as of December 31, 2022 (Note 13)	Investment Amounts Authorized by Investment Commission, MOEA (Notes 13 and 14)	Upper Limit on the Amount of Investment Stipulated by Investment Commission, MOEA (Note 3)
$ 5,892,663 (USD 191,880,923)	$ 44,069,156 (USD 1,055,764,718) (RMB 2,641,316,560)	$ 99,481,567

Note 1: The investing methods are categorized as follows:
1: Direct investment in companies in mainland China
2: Investment in companies in mainland China, which is made by a company incorporated via a third region
3: Others

Note 2: In the column:
1: This means the investee is under initial preparation and there were no gains or losses on investment.
2: The recognition of gains or losses on investment is based on:
(1) The financial statements audited by global accounting firms, which are affiliated with the accounting firms in the Republic of China
(2) The financial statements audited by the certified public accountant of the parent company in Taiwan
(3) Others

Note 3: The upper limit on investment in mainland China is calculated as $165,802,612×60%=$99,481,567

Note 4: The paid-in capital of US$6,670,000, which is self-funding of Nanomag International Co., Ltd., is invested in Topo Technology (Suzhou) Co., Ltd. through Stella International Co., Ltd., and the paid-in capital of US$33,300,000 is earnings distributed in the third quarter of 2011. Thereafter, the amount of US$33,300,000 is returned by capital reduction in the fourth quarter of 2014.

Note 5: The paid-in capital of US$30,000,000 is earnings distributed from Topo Technology (Suzhou) Co., Ltd. to Stella International Co., Ltd., which were then reinvested in Topo Technology (Suzhou) Co., Ltd. Thereafter, the amount of US$67,000,000 was returned by capital reduction in the first quarter of 2016. Cygnus International Co., Ltd. sold all of its equity in November 2021, but the investment amount has not yet been remitted to Taiwan and therefore has not been deducted from the investment amount approved by Investment Commission, MOEA.

Note 6: The paid-in capital of US$106,000,000 is earnings distributed from Catcher Technology (Suzhou) Co., Ltd. to Castmate International Co., Ltd., which were then invested in Meeca Technology (Suzhou Industrial Park) Co., Ltd., and the paid-in capital of US$16,670,000 is earnings distributed in the third quarter of 2011. The amount of US$16,670,000 was returned by capital reduction in the fourth quarter of 2014 and the amount of US$32,000,000 in the third quarter of 2016. Thereafter, the amount of US$32,000,000 was returned by capital reduction in the second quarter of 2017, and the amount of US$32,000,000 was returned by capital reduction in the third quarter of 2017. Lyra International Co., Ltd. sold all of its equity in November 2021, but the investment amount has not yet been remitted to Taiwan and therefore has not been deducted from the investment amount approved by Investment Commission, MOEA.

Note 7: The paid-in capital of US$5,001,000 is earnings distributed from Catcher Technology (Suzhou) Co., Ltd. to Castmate International Co., Ltd., which were then invested in Catcher Technology (Suqian) Co., Ltd. The paid-in capital of US$100,000,000 is earnings distributed from Topo Technology (Suzhou) Co., Ltd. to Stella International Co., Ltd., which were invested in Catcher Technology (Suqian) Co., Ltd. through Uranus International Co., Ltd.

Note 8: The paid-in capital of US$16,670,000 is earnings distributed in the third quarter of 2011. Thereafter, the amount of US$40,000,000 was returned by capital reduction in the second quarter of 2014, and due to dissolution, US$10,010,000 of capital were returned in August 2016; the remaining amount of capital has not been wired back to Taiwan.

Note 9: The paid-in capital of RMB227,510,746 is earnings distributed from Topo Technology (Suzhou) Co., Ltd. to Stella International Co., Ltd., which were then invested in Topo Technology (Taizhou) Co., Ltd. On the other hand, US$65,979,240 and RMB602,268,326 are earnings distributed from investees in mainland China to Nanomag International Co., Ltd., which were then invested in Topo Technology (Taizhou) Co., Ltd. via Lyra International Co., Ltd.

Note 10: The paid-in capital of US$99,000,000 is earnings distributed from Catcher Technology (Suzhou) Co., Ltd. to Nanomag International Co., Ltd., which were then invested in Vito Technology (Suqian) Co., Ltd. via Uranus International Co., Ltd. The paid-in capital of US$33,300,000 and RMB409,431,280 is earning distributed from Topo Technology (Suzhou) Co., Ltd. to Nanomag International Co., Ltd., which were then invested in Vito Technology (Suqian) Co., Ltd. through Uranus International Co., Ltd.

Note 11: The paid-in capital of US$27,332,360 and RMB398,499,193 are earnings distributed from Catcher Technology (Suzhou) Co., Ltd. and Topo Technology (Suzhou) Co., Ltd. to Nanomag International Co., Ltd., which were then invested in Arcadia Technology (Suqian) Co., Ltd. through Norma International Co., Ltd. The paid-in capital of US$89,970,000, which is the proceeds arising from the capital reduction of Catcher Technology (Suzhou) Co., Ltd., Topo Technology (Suzhou) Co., Ltd., and Meeca Technology (Suzhou Industrial Park) Co., Ltd., was invested in Arcadia Technology (Suqian) Co., Ltd. through Norma International Co., Ltd. The paid-in capital of US$21,501,167 is earning distributed from Catcher Technology (Suzhou) Co., Ltd. and Topo Technology (Suzhou) Co., Ltd. to Nanomag International Co., Ltd., which were then invested in Arcadia Technology (Suqian) Co., Ltd. through Norma International Co., Ltd.

Note 12: The paid-in capital of US$17,610,861 and RMB529,989,796 are earnings distributed from Catcher Technology (Suzhou) Co., Ltd. and Topo Technology (Suzhou) Co., Ltd. to Nanomag International Co., which were then invested in Meeca Technology (Taizhou) Co., Ltd. through Lyra International Co., Ltd. The paid-in capital of US$20,000,000 and RMB284,660,400 are earnings and liquidation income distributed from Catcher Technology (Suzhou) Co., Ltd. and earnings distributed from Topo Technology (Suzhou) Co., Ltd. and Meeca Technology (Suzhou Industrial Park) Co., Ltd. to Nanomag International Co., Ltd., which were then invested in Meeca Technology (Taizhou) Co., Ltd. through Lyra International Co., Ltd. The paid-in capital of USD18,000,000 is earning distributed from Lyra International Co., Ltd. to Topo Technology (Taizhou) Co., Ltd., which were then invested in Meeca Technology (Taizhou) Co., Ltd. Lyra International Co., Ltd. sold all of its equity in December 2020, but the investment amount has not yet been remitted to Taiwan and therefore has not been deducted from the investment amount approved by Investment Commission, MOEA.

Note 13: The exchange rate on December 31, 2022 was US$1:NT$30.71.
The exchange rate on December 31, 2022 was RMB1:NT$4.4094

Note 14: WIT Technology (Taizhou) Co., Ltd. was dissolved in June 2012, and the remaining amount of capital has not been wired back to Taiwan.

Note 15: Sagitta International Co., Ltd. sold all of its shares of Chaohu Yunhai Magnesium Co., Ltd. in June 2016, and the remaining amount of capital has not been wired back to Taiwan.

Note 16: The paid-in capital of US$71,010,000 and RMB$ 188,956,820 are the proceeds from the liquidated shares in Catcher Technology (Suzhou) Co., Ltd. The amounts from the capital reduction in Topo Technology (Suzhou) Co., Ltd. and in Meeca Technology (Suzhou Industrial Park) Co., Ltd. are invested in Envio Technology (Suqian) Co., Ltd. through Norma International Co., Ltd.

TABLE 9

CATCHER TECHNOLOGY CO., LTD. AND SUBSIDIARIES

INTERCOMPANY RELATIONSHIPS AND SIGNIFICANT INTERCOMPANY TRANSACTIONS
FOR THE YEAR ENDED DECEMBER 31, 2022
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

No.	Investee Company	Counterparty	Relationship (Note 1)	Transaction Details			
				Financial Statement Account	Amount (Note 2)	Payment Terms	% of Total Sales Or Assets
0	Catcher Technology Co., Ltd.	Next Level Ltd.	1	Purchases	$ 1,333,899	The purchase prices have no comparison with those from third parties, net 30 to 120 days after month end close.	4.79
		Nanomag International Co.,Ltd.	1	Other receivables from related parities	3,479,910		12.51
		Vito Technology (Suqian) Co., Ltd.	1	Purchases	53,700	The purchase prices have no comparison with those from third parties, net 30 to 120 days after month end close.	0.19
1	Catcher Technology (Suqian) Co., Ltd.	Vito Technology (Suqian) Co., Ltd.	3	Sales	225,615	The sales prices were not different from third parties, net 30 to 90 days after month end close.	0.81
				Processing income	953,582	The sales prices were not different from third parties, net 30 to 90 days after month end close.	3.43
				Processing expense	79,567	The purchase prices were not different from third parties, net 30 to 90 days after month end close.	0.29
				Receivables from related parties	89,754		0.32
				Other receivables from related parities	603,571		2.17
				Other payables from related parities	84,721		0.30
		Envio Technology (Suqian) Co., Ltd.	3	Sales	3,436,314	The sales prices were not different from third parties, net 30 to 90 days after month end close.	12.35
				Purchases	185,321	The purchase prices were not different from third parties, net 30 to 90 days after month end close.	0.67
				Processing income	60,679	The sales prices were not different from third parties, net 30 to 90 days after month end close.	0.22
				Processing expense	118,734	The purchase prices were not different from third parties, net 30 to 90 days after month end close.	0.43
				Receivables from related parties	2,865,019		10.30
				Payables to related parties	126,601		0.46
				Other payables to related parities	63,011		0.23
2	Vito Technology (Suqian) Co., Ltd.	Catcher Technology (Suqian) Co., Ltd.	3	Sales	257,205	The sales prices were not different from third parties, net 30 to 90 days after month end close.	0.92
				Receivables from related parties	144,857		0.52
		Envio Technology (Suqian) Co., Ltd.	3	Sales	3,399,031	The sales prices were not different from third parties, net 30 to 90 days after month end close.	12.22
				Purchases	167,319	The purchase prices were not different from third parties, net 30 to 90 days after month end close.	0.60
				Processing expense	75,461	The purchase prices were not different from third parties, net 30 to 90 days after month end close.	0.27
				Receivables from related parties	2,540,649		9.13
				Payables to related parties	110,159		0.40
		Arcadia Technology (Suqian) Co., Ltd.	3	Processing expense	108,261	The purchase prices were not different from third parties, net 30 to 90 days after month end close.	0.39
3	Arcadia Technology (Suqian) Co., Ltd.	Next Level Ltd.	3	Sales	1,328,742	The sale prices have no comparison with those from third parties, net 30 to 90 days after month end close.	4.78
				Receivables from related parties	380,587		1.37

Note 1: There are three categories of relationship between transaction, including:

No. 1 Represents transactions from parent company to subsidiaries.

No. 2 Represents transactions from subsidiaries to parent company.

No. 3 Represents transactions among subsidiaries.

Note 2: Written off at the time of preparing the consolidated financial report

CATCHER TECHNOLOGY CO., LTD. AND SUBSIDIARIES

STATEMENT OF CHANGES IN PROPERTY, PLANT AND EQUIPMENT
FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

	Land	Buildings	Machinery and equipment	Transportation equipment	Furniture and fixtures	Miscellaneous equipment	Leasehold improvements	Unfinished Construction and equipments Pending acceptance	Total
Cost									
Balance at January 1, 2021	$ 2,179,324	$ 18,944,392	$ 54,185,876	$ 157,114	$ 2,207,868	$ 3,615,781	$ 271	$ 132,738	$ 81,423,364
Additions	398,224	70,556	223,420	752	10,611	253,234	-	16,763	973,560
Disposals	-	-	(1,385,641)	(5,800)	(18,955)	(51,096)	(270)	-	(1,461,762)
Reclassifications	-	152,258	105,954	143	(11)	(25,114)	-	(149,517)	83,713
Disposals of subsidiaries	-	(3,177,685)	(26,577)	-	(17,001)	(2,187)	-	-	(3,223,450)
Effects of foreign currency exchange differences	-	(69,962)	206,880	(524)	(7,933)	(12,129)	(1)	16	116,347
Balance at December 31, 2021	$ 2,577,548	$ 15,919,559	$ 53,309,912	$ 151,685	$ 2,174,579	$ 3,778,489	$ -	$ -	$ 77,911,772
Accumulated depreciation and impairment									
Balance at January 1, 2021	$ -	$ 7,706,082	$ 46,120,913	$ 126,284	$ 1,982,490	$ 2,919,641	$ 248	$ -	$ 58,855,658
Depreciation expense	-	968,960	3,199,634	17,428	187,022	406,203	23	-	4,779,270
Disposals	-	-	(1,365,852)	(5,213)	(18,567)	(43,859)	(270)	-	(1,433,761)
Reclassifications	-	-	-	-	(46)	46	-	-	-
Disposals of subsidiaries	-	(2,305,270)	(26,577)	-	(17,001)	(2,187)	-	-	(2,351,035)
Effects of foreign currency exchange differences	-	(26,724)	236,324	(389)	(6,221)	(9,696)	(1)	-	193,293
Balance at December 31, 2021	$ -	$ 6,343,048	$ 48,164,442	$ 138,110	$ 2,127,677	$ 3,270,148	$ -	$ -	$ 60,043,425
Carrying amount at December 31, 2021	$ 2,577,548	$ 9,576,511	$ 5,145,470	$ 13,575	$ 46,902	$ 508,341	$ -	$ -	$ 17,868,347
Cost									
Balance at January 1, 2022	$ 2,577,548	$ 15,919,559	$ 53,309,912	$ 151,685	$ 2,174,579	$ 3,778,489	$ -	$ -	$ 77,911,772
Additions	-	28,074	113,814	39	42,722	233,570	-	-	418,219
Disposals	-	-	(1,138,756)	(530)	(5,625)	(19,451)	-	-	(1,164,362)
Reclassifications	(712,166)	(19,575)	82,194	-	995	1,318	-	-	(647,234)
Disposals of subsidiaries	-	-	-	-	-	(21,523)	-	-	(21,523)
Effects of foreign currency exchange differences	-	200,836	(966,155)	1,475	22,840	37,774	-	-	(703,230)
Balance at December 31, 2022	$ 1,865,382	$ 16,128,894	$ 51,401,009	$ 152,669	$ 2,235,511	$ 4,010,177	$ -	$ -	$ 75,793,642
Accumulated depreciation and impairment									
Balance at January 1, 2022	$ -	$ 6,343,048	$ 48,164,442	$ 138,110	$ 2,127,677	$ 3,270,148	$ -	$ -	$ 60,043,425
Depreciation expense	-	760,008	2,161,133	10,813	71,833	360,408	-	-	3,364,195
Disposals	-	-	(1,003,607)	(330)	(5,625)	(19,192)	-	-	(1,028,754)
Reclassifications	-	(691)	-	-	-	-	-	-	(691)
Disposals of subsidiaries	-	-	-	-	-	(21,523)	-	-	(21,523)
Impairment Loss	-	-	(7,497)	-	-	-	-	-	(7,497)
Effects of foreign currency exchange differences	-	85,147	(1,030,878)	1,238	19,806	30,779	-	-	(893,908)
Balance at December 31, 2022	$ -	$ 7,187,512	$ 48,283,593	$ 149,831	$ 2,213,691	$ 3,620,620	$ -	$ -	$ 61,455,247
Carrying amount at December 31, 2022	$ 1,865,382	$ 8,941,382	$ 3,117,416	$ 2,838	$ 21,820	$ 389,557	$ -	$ -	$ 14,338,395