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Good Way Technology Co. Ltd.

2023 Annual Report

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Good Way Technology Co., Ltd.

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I. Letter to Shareholders

Dear Shareholders,

I would like to extend my heartfelt gratitude to all shareholders for taking the time out of their schedules to attend Good Way's 2024 Annual Shareholders' Meeting.

In 2023, the Company's consolidated operating revenue was NT$3,030,713 thousand, a decrease of NT$3,769,327 thousand (-55%) compared to 2022. Operating gross profit was NT$70,593 thousand, a decrease of NT$746,192 thousand (-91%) compared to the previous year. Pre-tax net loss was NT$(410,121) thousand, a decrease of NT$697,096 thousand (-243%) compared to the previous year. After-tax net loss was NT$(372,884) thousand, a decrease of NT$598,086 thousand (-266%) compared to the previous year. The main reasons were the global inflation and economic downturn in sales regions in 2023, which led to high inventory levels at the end-user's side. Customers became more conservative in placing orders, resulting in order reductions and delays, causing shipments to fall short of expectations. As a result, the overall operating performance in 2023 was lower than in 2022.

(1) Budget Execution Status

The Company's main product for sales is expansion docking stations, with the main production bases being the Taipei factory and Kunshan factory (a 100% owned subsidiary of the Company). The budgeted sales quantity for 2023 is 2,500 thousand units, while the actual sales quantity for 2023 was 1,230 thousand units.

(2) Financial Expenditure and Profitability Analysis

Unit: NT$ Thousand

Analysis Items		2023	2022	2021
Financial Revenue and Expenditure	Operating Revenue	3,030,713	6,800,040	4,683,143
	Operating Gross Profit	70,593	816,785	471,006
	Post-tax profit or loss	(372,884)	225,202	31,655
Profitability	Return on Equity (ROE)(%)	(20.83)	11.62	1.67
	Pre-tax Net (Loss) Income to Paid-in Capital Ratio (%)	(67.05)	52.55	7.95
	Net Profit Margin (%)	(12.30)	3.31	0.68
	Earnings per share (NT$)	(6.13)	3.73	0.58

(3) Research and Development Status

The Company is dedicated to various signal integration and interface specification conversion, including key technologies such as USB, Thunderbolt, Ethernet, VGA, DVI, HDMI, and DisplayPort interfaces, as well as Type-C, 4K, 8K video and audio signals, PD charging, and wireless charging technology applications. We fully grasp master the various product application scenarios and interface technology specifications, and actively cooperate with customers in new product development. At the same time, in response to the changing trends in wireless technology and future office environments, conference room equipment, and home office markets, we are also conducting research and development on wireless image and data transmission technologies.

Starting in 2023, Good Way will participated in the research and development of Intel's Thunderbolt 5 Docking Sation and have obtained design opportunities for Thunderbolt 5 Dock and related AI Dock/eGPU/Workstation RFQ/RFI from relevant international companies.

In terms of R&D technology, we need to have a certain know-how and adjustment in high-frequency signal processing, power integrity processing, electromagnetic interference tolerance processing, and multi-screen display compatibility. During the design process, all designs must meet the functional and signal quality standards of various association certifications, and we develop product portfolios that align with the Company's marketing strategy.

(4) 2024 Business Plan

Market research organizations forecast that laptop demand will progressively increase in 2024, with the worldwide notebook market growing as laptop inventory gradually clears and operating system generations advance, increasing need for replacements. Naturally, a steady recovery and growth are also anticipated for the whole laptop peripherals sector, including the expansion of docking stations.

2024 will be the year of the AI PC, driving demand for high-end business laptops and content creator laptop replacements. Good Way Technology Co., Ltd.'s industry-leading Thunderbolt 5 dock other than targeting the expansion market for gaming laptops and creative laptops, is also an expansion device for AI, integrating PCIe interfaces to have their AI processing capacity increased by adding NPUs, eGPUs, and other accelerator cards. Future dock functionality will be driven by this momentum in AI. In addition to the main features of I/O expansion and screen extension, docks will also become accelerators to provide laptops with artificial intelligence computing capacity.

Compatibility has always been the biggest challenge within the industry. Good Way Technology Co., Ltd.'s unwavering commitment to research and development has served to provide clients with solutions in the quickest amount of time feasible. This is also the primary sign of customers' confidence in the high-quality services provided by the Company. Good Way Technology Co., Ltd. also provides a range of intelligent docking stations that enable IT staff to easily resolve issues locally or remotely, carry out OTA firmware updates, set time updates, and update all networked docks simultaneously as the workplace evolves and hybrid offices become common.

In terms of product development for 2024, Good Way Technology Co., Ltd. will continue to stay on top of technology trends (such as AI, Thunderbolt 5, USB4 v2), and continue its research and development experience with GaN (gallium nitride) to provide a series of diversified product design combinations and differentiated product choices to meet the needs of various enterprise user solutions and satisfy the different needs of general consumers. Furthermore, Good Way Technology Co., Ltd. is continually investigating new application potential and market regions. Through new application opportunities derived from docking stations, integrating software and hardware added-value functions, and incorporating more intelligent and innovative elements, Good Way Technology Co., Ltd. aims to achieve outstanding performance as the economic situation stabilizes. In terms of sustainable operations, Good Way Technology Co., Ltd. will continue to pay attention to issues related to carbon neutrality and climate change, and explore ways to reduce carbon emissions and increase the use of green energy to fulfill its environmental responsibilities.

Good Way Technology Co., Ltd. will continue to adhere to its operational philosophies of quick innovation, superior customer service, and customer-centricity while anticipating market trends and putting operational plans into practice. In order to achieve exceptional revenue and profitability performance, it will keep concentrating on creating new products, aggressively pursuing new application areas and clients, and disseminating the Company's operating results to stakeholders, including shareholders, staff, and the community, in accordance with its corporate obligations.

Sincerely,

Wishing you and your family good health, prosperity and success in all your endeavors.

Tsao, Tse-Cheng, Chairman

II. Company Profile

1. Date of Incorporation: February 4, 1993

2. Company History:

Feb 1993	The Company's establishment registration was approved, with an initial capital of NT$5 million under the name Chi -Wei Technology Ltd, initially engaged in the sale of cables.
Feb 1999	The was headquarters relocated to the Baochiao Industrial Park in Xindian, acquiring its own corporate headquarters.
Jun 2000	Sales of USB series products and electronic cables entered the Japanese market, becoming an ODM partner for Japanese digital camera manufacturers.
Aug 2000	Obtained ISO 9001 quality certification.
Jan 2001	Introducing an innovative manufacturing system, fully computerized, to enhance operational management performance.
Mar 2001	A cash capital increase of NT$45 million was made, bringing the paid-in capital to NT$50 million, and the Company was renamed Good Way Technology Co., Ltd.
Jun 2001	The USB 2.0 product was developed and launched, leading the industry in obtaining the Logo.
Oct 2001	Obtained the approval letter from the Industrial Development Bureau of the Ministry of Economic Affairs for conforming to the emerging strategic industries of importance.
Jan 2002	Capital increase of NT$53 million in cash, paid-in capital increased to NT$103 million.
Jan 2002	USB 2.0 HUB product received the USB Product Excellence Award of the Republic of China (UH644).
Jun 2002	Cash increase of NT$22.58 million and capitalization of retained earnings of NT$14.42 million, resulting in paid-in capital increased to NT$140 million.
Nov 2002	Cash capital increase of NT$40 million, paid-in capital increased to NT$180 million.
Apr 2003	Publicly issued approval and signed a listing advisory contract with KGI.
Jul 2003	Introducing the new Workflow ERP system.
Aug 2003	Awarded the Small Giant Award by the Ministry of Economic Affairs, recognizing the Company's products' high competitiveness in international markets.
Sep 2003	Surplus transferred to capital increase of NT$36,120,000, raising the paid-in capital to NT$216 million.
Dec 2003	Issued employee stock options.
Mar 2004	Cash capital increase of NT$25 million, paid-in capital raised to NT$241 million.
Jul 2004	Officially listed onto Taiwan's Emerging Stock Market
Aug 2004	The Company's Skype product has been developed and officially enters the field of communications and consumer electronics.
Oct 2004	Obtained ISO 14000 quality certification.
Feb 2006	The USB network phone and USB 2.0 hub were awarded the Excellent Design Product Award by the Industrial Development Bureau of the Ministry of Economic Affairs.
Jul 2006	Employees exercised employee stock options, increasing the capital by NT$0.32 million, raising the paid-in capital to NT$241 million.
Oct 2006	Surplus transferred to capital increase of NT$21.658 million, paid-in capital increased to NT$263 million.
Nov 2006	Employees exercised employee stock options, increasing the capital by NT$1.55 million, bringing the paid-in capital to NT$265 million.

Jan 2007	Employees exercised employee stock options, increasing capital by NT$0.2 million, bringing the total paid-in capital to NT$265 million.
May 2007	The Outstanding Enterprise Managers Association of the Republic of China awarded the Republic of China's Top 10 Potential Torch Awards in 2007.
Sep 2007	Issued 1,470 thousand shares of employee stock options.
Sep 2008	Established Good Trend Technology Co., Ltd. (Shanghai)
Nov 2008	Awarded the SBIR program certification and subsidy from the Department of Industrial Technology, Ministry of Economic Affairs.
May 2009	The Company's Dongguan factory relocated to the new industrial park in Shitanpu.
Oct 2009	USB 3.0 products launched.
Jun 2010	WK6100 won the Best Choice Award Crystal Trophy from the Ministry of Economic Affairs.
Nov 2010	USB Docking Station won the SBIR Research and Development Achievement Award presented by the Ministry of Economic Affairs.
Mar 2011	AE6210, DU2600 and WK6102 three products were awarded the 19th Taiwan Excellence Awards.
Mar 2012	DU3200 and WK8000, two products, have been awarded the 20th Taiwan Excellence Award.
Nov 2012	The Kunshan factory has been honored as a "Science and Technology Research Institution" by Kunshan City.
Mar 2013	Established Dongguan Yuanshu Electronics Co., Ltd.
Apr 2013	2013 COMPUTEX "TOP 30 Supplier on Computex biz" won the Most-inquired Supplier award (received the most global buyer procurement requests) and the Most-viewed Supplier award (most noticed by global buyers). The DU3400 product won the 2013 Taipei International Computer Show Innovation Design Award (d & i award 2013).
Aug 2013	Kunshan factory certified as a "High-tech Enterprise".
Sep 2013	A total of NT$6,277,000 from surplus and employee bonuses was capitalized, increasing the paid-in capital to NT$271 million.
Jul 2014	A surplus of NT$54,225,000 was capitalized, increasing the paid-in capital to NT$325 million.
Aug 2014	The Company held a pre-listing earnings presentation on August 7.
Aug 2014	A cash capital increase of NT$40.68 million, raising the paid-in capital to NT$366 million, and officially listed on the TPEx market on August 26.
Sep 2014	Obtained Apple's "MFi Manufacturing License" version 6.2.
Oct 2014	Awarded by Intel as a global Thunderbolt Docking supplier.
Nov 2014	Chairman Tsao was awarded the "Top 10 Benevolent Entrepreneurs" honor in Zhoushi Town, Kunshan.
Jan 2015	Established the SIoT Business Group.
Mar 2015	Awarded as one of the Deloitte Technology Fast 500 Asia Pacific in 2015.
Apr 2015	Importing the SAP ERP system to comprehensively enhance the efficiency of enterprise resource management.
Aug 2015	The first domestic unsecured convertible corporate bonds in Taiwan, with converted stocks amounting to NT$10.207 million, increased the paid-in capital to NT$376 million.
Sep 2015	Capitalization of retained earnings of NT$146,412,000, increasing the paid-in capital to NT$522 million.
Oct 2015	DU3900 won the Bronze Award for "Innovation and Technology Product Award" from the Hong Kong Electronic Industries Association.
Oct 2015	Chairman Tsao was awarded the 21st Kunshan Honorary Citizen.

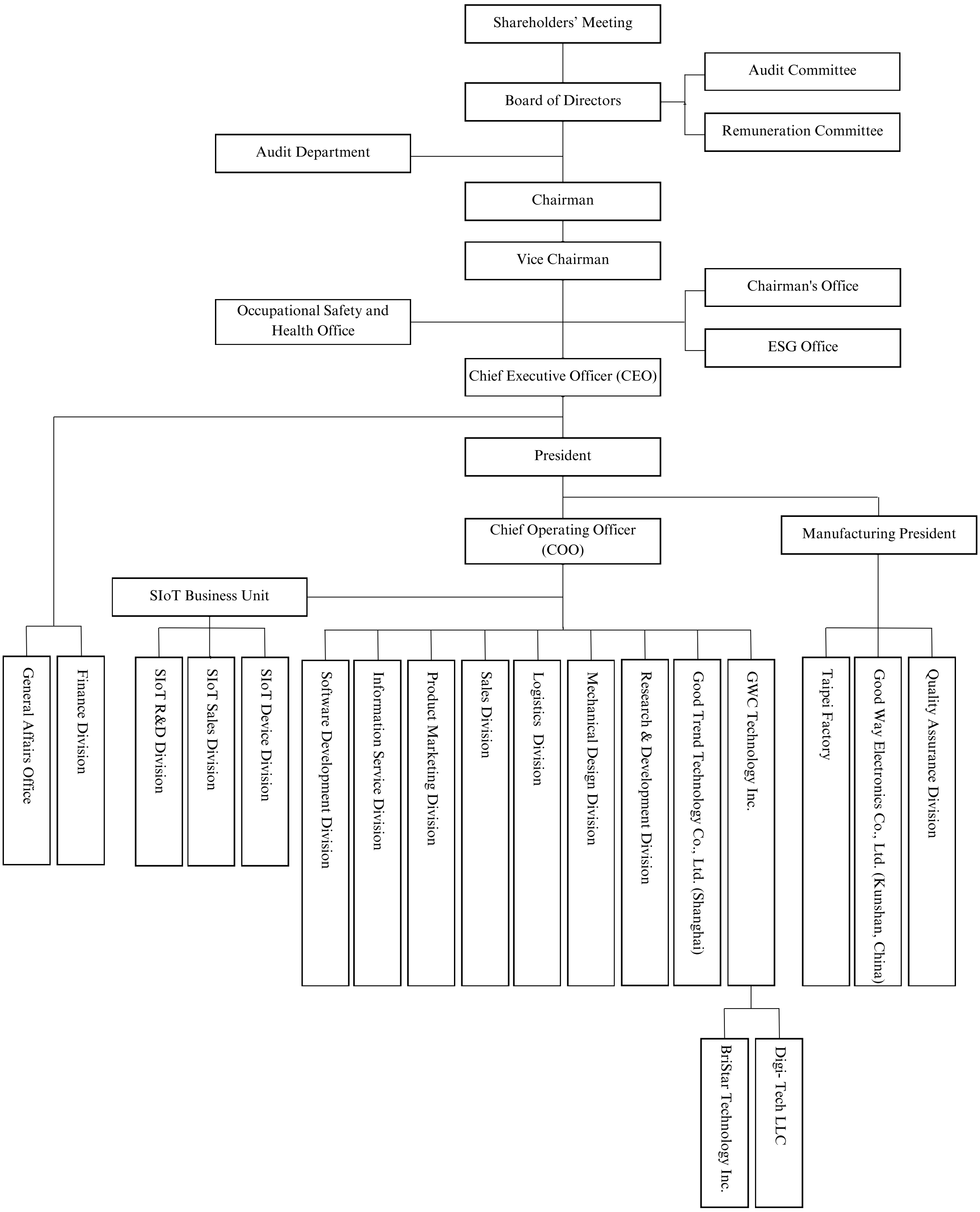
Jun 2016	The Good Way Public Welfare Trust Education Fund has been approved for establishment by the Ministry of Education.
Sep 2016	Received Lenovo Best Quality (Silver) / Best Cooperation Awards from Lenovo for being the best supplier and quality.
Dec 2016	Received Lenovo Best Quality (Silver) / Best Cooperation Awards from Lenovo for being the best supplier and quality.
Dec 2016	Awarded the “Healthy Workplace Certification” by the Health Promotion Administration, Ministry of Health and Welfare in 2016.
Oct 2017	DUD6040 (USB-C 4K Dock with SD 4.0) won the Electronic Industries AWARD 2017.
Oct 2017	Awarded and recognized by the Sports Administration of the Ministry of Education and Global Views Monthly Magazine, receiving the “2017 Sports Enterprise Certification”.
Nov 2017	Awarded the “Outstanding Healthy Workplace-Vitalizing Award” by the Health Promotion Administration, Ministry of Health and Welfare in 2017.
Dec 2017	Awarded the highest level of “Health Promotion Badge for Workplace” certification by the Health Promotion Administration, Ministry of Health and Welfare in 2017.
Apr 2018	Won 2018 SMAhome Award “Top of Innovation Award - Good Way Intelligent Home Solution
Aug 2018	Ranked 10th in the “Small Giant” category of the 2018 CommonWealth CSR Corporate Citizenship Award by CommonWealth Magazine
Oct 2018	Won the “Work-Life Balance Award” from the Ministry of Labor - Outstanding honors in both the “Work Flexibility Category” and “Employee Assistance Category
Aug 2019	Awarded “Top 100 Fast-Growing Companies” by CommonWealth Magazine in 2019
Sep 2019	Awarded the Lenovo Best JQE Quality Supplier Award
Nov 2019	Recognized by the Sports Administration of the Ministry of Education and Global Views Magazine, awarded the “2022 Sports Enterprise Certification”.
Mar 2020	Awarded the “Top 10 Growing Taiwanese Enterprises” by the Kunshan Municipal People’s Government
Apr 2020	Awarded the “Top 10 Intelligent Transformation Enterprises” award by the Zhoushi Town People’s Government of Kunshan City
Apr 2020	The Company ranks in the top 21% to 35% of listed companies in the 6th corporate governance evaluation by the Taiwan Stock Exchange and the Taipei Exchange
May 2020	Ranked 517th in the manufacturing industry in the CommonWealth Magazine’s “CommonWealth 2000 Survey
Aug 2020	Ranked 17th in the “Small Giant” category of the 2020 CommonWealth Magazine “CommonWealth CSR Corporate Citizenship Award
Oct 2020	Won the 2020 Kunshan City Government’s Kunshan Friend ‘Pomegranate Award
Nov 2020	Thunderbolt 4 products certified by both Intel and Apple
Dec 2020	Kunshan passed the Responsible Business Alliance (RBA) Silver certification
Dec 2020	Won the “Kunshan Municipal People’s Government 30th Anniversary of Kunshan-Taipei Integration and Development - Outstanding Contribution Award for High-Quality Development
Dec 2020	Awarded the ‘Annual Harmonious Labor Relations Enterprise’ Award by the Kunshan Municipal People’s Government
Jan 2021	Kunshan was awarded the Quality Supplier Award Certificate and “Letter of Appreciation for Corporate ESG Contribution” by the LNV designated trading platform. “Corporate ESG Contribution Appreciation Letter”
Mar 2021	The second domestic unsecured convertible corporate bonds, with the paid-in capital increased to NT$546 million.

Apr 2021	Awarded by the Kunshan City Leading Group Office for Promoting Transformation, Upgrading and Innovative Development as an "Advanced Enterprise for High-Quality Development of Innovative Transformation in 2015-2020
Apr 2021	Awarded by the Zhoushi Town People's Government as one of the 'Top Ten Green and Safe Enterprises
Apr 2021	Good Way and Finnish IoT company Wirepas join forces to deploy global positioning demands.
Apr 2021	Passed ISO14064 external audit certification and obtained greenhouse gas emissions statement certificate
May 2021	Awarded the 509th place in the manufacturing industry by CommonWealth Magazine's "CommonWealth 2000 Survey
May 2021	Ranked 22nd in "Top 200 Resilient Enterprises - V-Shaped Rebound Top 100" by CommonWealth Magazine
Jun 2021	Passed HDMI 2.1 Thunderbolt 4 Docking Station certification, becoming the industry's first
Jun 2021	Kunshan passed the ISO45001 external audit certification and obtained the certificate.
Jul 2021	Kunshan passed the ISO50001 external audit certification and obtained the certificate.
Nov 2021	Received the "CHR Healthy Corporate Citizen Promise Initiative and Selection Activity" organized by Commonwealth Magazine, awarded the 2021 Promise Emblem
Dec 2021	Awarded the highest level "Health Promotion Badge for Workplace" certification by the Health Promotion Administration of the Ministry of Health and Welfare in 2021.
Dec 2021	The 8th TEEMA 2021-2022 Selected as an Excellent Small and Medium-sized Enterprise in Taiwan
Sep 2022	Recognized by the New Taipei City Government, awarded the "2022 First New Taipei City Enterprise Classic Award - Outstanding Potential Enterprise
Nov 2022	Recognized by the Sports Administration of the Ministry of Education and Global Views Magazine, awarded the "2022 Sports Enterprise Certification".
May 2023	Ranked 461st in the manufacturing industry in the "CommonWealth 2000 Survey" hosted by CommonWealth Magazine
Jul 2023	Good Way passed SD Association certification and obtained membership
Aug 2023	The Board of Directors has renamed the CSR Committee to the Sustainable Development Committee, and has established a dedicated team to promote and implement the Group's sustainable development (and ESG) strategy.
Aug 2023	Surplus transferred to capital increase of NT$65,537,000, with paid-in capital increased to NT$611 million.
Sep 2023	Joined E.SUN Bank's Net Zero Initiative, and commit to achieving net zero transition and 100% use of renewable energy by 2050
Oct 2023	Taipei Factory passes external audit and obtains Responsible Business Alliance (RBA) - VAP certification
Jan 2024	Good Way passes HDBaseT Alliance certification and obtains membership

III. Corporate Governance Report

1. Organization System

(1). Company Organization



(2). Business Operations of Main Departments

Department Name	Business Scope
Chairman's Office	1. Responsible for tracking the execution of business objectives and analyzing performance management. 2. Management of subsidiaries.
Audit Department	1. Evaluation and reporting on the implementation of internal control systems and internal management regulations. 2. Formulation and execution of audit operations progress.
ESG Office	1. Responsible for ESG information disclosure and transparency 2. Complete the Group's ESG Sustainability Report 3. Achieve the Group's ESG environmental targets 4. Responsible for internal ESG training
Occupational Safety and Health Office	1. Plan, formulate, supervise and promote occupational safety and health management matters 2. Evaluate, inspect and control the working environment, machinery, equipment and raw materials, etc. 3. Implement health education, sanitation guidance and health promotion measures 4. Formulate and execute fire protection plans
General Affairs Office	1. Planning effective human resource policies, personnel salary operations, and formulating and implementing education and training. 2. Asset maintenance and safekeeping. 3. General affairs and administrative management. 4. Document control and issuance.
Finance Division	1. Provide financial information, operational analysis, and improvement solutions. 2. Provide evaluation for long-term investment and financing decisions. 3. Credit risk management and financial crisis prediction models to reduce corporate risks. 4. Budgeting and establishment of control mechanisms. 5. Legal tax planning. 6. Handle affairs for the Board of Directors, Audit Committee, Compensation Committee, and Shareholders' Meetings. 7. Corporate governance evaluation operations.
Information Service Division	1. General computerization matters for PCs, and overall information policy. 2. Computer information system design, workflow computerization planning and operational implementation.
Research & Development Division	1. Responsible for the Company's research and development affairs, specification formulation, and design and development of software and hardware. 2. Responsible for the Company's product design, integration, technical support services, new product compatibility verification, and functionality testing. 3. Firmware / Driver update verification and operating platform verification. 4. EMC testing, certification, and product safety certification. 5. Product design quality review, issue tracking, and technical support for transferring research and development to production.
Logistics Division	1. Plan and manage material, finished product receiving, and shipping operations for all factories. 2. Manage global logistics and transportation operations. 3. Inventory management and auditing. 4. Negotiate and determine the quantity, price, and delivery time for bulk material purchases. 5. Responsible for sourcing operations and adjusting procurement strategies in line with industry conditions. 6. Planning and management of HUB warehouse locations and layouts. 7. Logistics cost-effectiveness control and management.
Mechanical Design Division	1. Responsible for the R&D and formulation of specifications. 2. Responsible for Thermal detection and improvement solutions. 3. Responsible for model making. 4. Product design review; problem tracking and analysis. 5. Cooperate with factories to ensure smooth production processes.
Product Marketing Division	1. Formulation of marketing strategies. 2. Product planning and promotion. 3. Market analysis for products. 4. Customer acquisition and retention. 5. Product specification development.

Department Name	Business Scope
Sales Division	1. Responsible for customer development, credit investigation, external product quotations, order modifications, receiving payments, and other business dealings. 2. Organize customer data and provide customer service. 3. Formulate sales plans and execute sales operations. 4. Gather market and sales information for products. 5. Convey customer demands as a reference for product development.
SIoT Business Group	1. Collecting product information and planning new products. 2. Formulating and executing marketing strategies. 3. Developing and implementing sales plans. 4. Customer development, maintenance, sales channel management, and order management. 5. Pre-sale technical support and after-sales service. 6. Building and innovating R&D technical capabilities related to the Internet of Things.
Software Development Division	1. Cloud software development. 2. Cross-platform application software development. 3. Embedded system firmware development. 4. Software development technology roadmap planning. 5. Software release schedule and quality control.
Taipei Factory	1. Process quality control, anomaly improvement handling, and equipment maintenance. 2. Classification, labeling, and reworking or repair handling of good and defective products during the manufacturing process. 3. Troubleshooting engineering problems, optimizing product processes, and establishing relevant operating standards and regulations for production lines. 4. Responsible for factory production planning, production and sales, delivery schedules, output, outsourcing, reworking, and repair arrangements. 5. Material receiving, issuing and returning, shipping, inventory counting, and handling of scrap products. 6. Supervising incoming, in-process, and final product inspections. 7. Disposition of non-conforming products, handling of quality irregularities, and customer complaint incidents.

2. Information Regarding Directors, Supervisors, President, Vice Presidents, Assistant Vice Presidents, and Heads of Departments and Branches

(1). Directors' Information (including Independent Directors)

1. List of Directors (including Independent Director)

As of April 28, 2024; Unit: Thousand shares

Title	Nationality/Location of Registration	Name	Gender & Age	Date Elected	Term	Date First Elected	Shareholding when elected		Current Shareholding		Spouse/Minor Shareholding		Shareholding by Nominee Arrangement		Main Qualifications and Experience	Positions held concurrently in the Company and other Companies	Spouse or Other Managerial Officers, Directors or Supervisors Within the Second Degree of Kinship			Remarks
							Shares	%	Shares	%	Shares	%	Shares	%			Title	Name	Relationship	
Chairman	R.O.C.	Tsao, Tse-Cheng	Male 61-70	2021.08.04	3 Years	2003.11.03	5,948	10.89	6,513	10.65	3,098	5.07	—	—	Master of Business Administration (MBA), National Chiao Tung University Chairman, Good Way Technology Co., Ltd.	Chairman, President, and CEO, Good Way Technology Co., Ltd. Chairman, Good Way Overseas. Chairman, Gentle Enterprise Co., Ltd. Chairman, GWC Technology Inc. Chairman, Good Way Cayman Co., Ltd Chairman, Good Way Electronics Co., Ltd. (Kunshan, China) Chairman, Good Trend Technology Co., Ltd. (Shanghai) Chairman, Bristar Technology Inc. Chairman, Digi-Tech LLC Chairman, Good Way Technology Vietnam Company Limited	Director Director	Hsia, Hsueh-Li Hsu, Tzu-Fu	Spouse Second degree kinship	Note 1
Director	R.O.C.	Hsu, Tzu-Fu	Male 71-80	2021.08.04	3 Years	2003.11.03	3,719	6.81	5,034	8.23	20	0.04	—	—	Fisheries Department, Kaohsiung Marine University Vice President, Good Way Technology Co., Ltd.	Manager, Dreamland Hostel Hualian	Chairman Director	Tsao, Tse-Cheng Hsia, Hsueh-Li	Second degree kinship Second degree kinship	

Title	Nationality/Location of Registration	Name	Gender & Age	Date Elected	Term	Date First Elected	Shareholding when elected		Current Shareholding		Spouse/Minor Shareholding		Shareholding by Nominee Arrangement		Main Qualifications and Experience	Positions held concurrently in the Company and other Companies	Spouse or Other Managerial Officers, Directors or Supervisors Within the Second Degree of Kinship			Remarks
							Shares	%	Shares	%	Shares	%	Shares	%			Title	Name	Relationship	
Director	R.O.C.	Hsia, Hsueh-Li	Female 61-70	2021.08.04	3 Years	2003.11.03	2,946	5.40	3,098	5.07	6,513	10.65	—	—	Department of Business Administration, Kaohsiung Commercial High School Vice Chairman, Good Way Technology Co., Ltd.	Senior Vice President, Good Way Technology Co., Ltd. Director, GWC Technology Inc. Supervisor, Good Way Electronics Co., Ltd. (Kunshan, China) CEO, Cathay United Bank Charitable Trust Education Fund Account	Chairman Director	Tsao, Tse-Cheng Hsu, Tzu-Fu	Spouse Second degree kinship	
Director	R.O.C.	Chen, Chin-Yin	Male 61-70	2021.08.04	3 Years	2021.08.04	—	—	—	—	—	—	—	—	Graduate Institute of Business Administration, National Taiwan University Supervisor, Yulon International Co., Ltd. Director, SysJust Information Co., Ltd. Chairman, Good Way Technology Co., Ltd.	Director, Xuan He Technology Co. Ltd.	None	None	None	
Director	R.O.C.	Hsu, Li-Hsiang	Female 61-70	2021.08.04	3 Years	2016.06.07	592	1.09	663	1.09	—	—	—	—	Graduate School of Business Administration, Mie University, Japan Finance Manager, Tai Lung Construction	CEO, Buddhist Compassion Relief Tzu Chi Foundation Japan Branch	None	None	None	
Director	R.O.C.	Li, Shu-Hua	Female 61-70	2021.08.04	3 Years	2016.06.07	—	—	—	—	—	—	—	—	Master of Business Administration (MBA), University of Southern Queensland, Australia CFO, Ruey-Ho-Ting Construction and Development Co., Ltd. Entrepreneurship Consultant and Instructor, Workforce Development Agency, Ministry of Labor Consultant for Financing and Loan Programs, New Taipei City Labor Bureau Small Business Innovation Research Program Consultant, Business Care Counseling Project, Taipei City Industrial Development	Consultant and Instructor, Entrepreneurship Guidance Team for People with Disabilities, New Taipei City Department of Labor	None	None	None	

Title	Nationality/Location of Registration	Name	Gender & Age	Date Elected	Term	Date First Elected	Shareholding when elected		Current Shareholding		Spouse/Minor Shareholding		Shareholding by Nominee Arrangement		Main Qualifications and Experience	Positions held concurrently in the Company and other Companies	Spouse or Other Managerial Officers, Directors or Supervisors Within the Second Degree of Kinship			Remarks
							Shares	%	Shares	%	Shares	%	Shares	%			Title	Name	Relationship	
															Bureau Domestic Industry Specialist and Instructor, National Applied Research Laboratories' Technology Innovation Grand Vision Program Consultant, Project Planning and Counseling, Taiwan Private Equity & Venture Capital Association Consultant, TOPGREEN TECHNOLOGY Co., Ltd Financial Manager, DFS Taiwan Ltd					
Independent Director	R.O.C.	Li, Chuan-Te	Male 61-70	2021.08.04	3 Years	2006.06.27	—	—	—	—	—	—	—	—	Master of Business Administration (MBA), National Chiao Tung University President, Advantech Co., Ltd. President, Vivotek Inc.	Director, APLEX TECHNOLOGY INC.	None	None	None	
Independent Director	R.O.C.	Huang, Mei-Ling	Female 61-70	2021.08.04	3 Years	2012.06.20	—	—	—	—	—	—	—	—	Master's in communication studies, Fo Guang University CFO, Taiwan Optical Fiber Corporation Advisor and Lecturer, Executive Yuan Labor Affairs Council	CFO, Taiwan Optical Fiber Corporation Advisor and Lecturer, Executive Yuan Labor Affairs Council	None	None	None	
Independent Director	R.O.C.	Liu, Chu	Male 71-80	2021.08.04	3 Years	2013.07.31	—	—	—	—	—	—	—	—	Ph.D., Syracuse University, USA President, Hong Kong Science and Technology Center Listing Committee Member, Hong Kong Stock Exchange GEM (Growth Enterprise Market)	Chairman, HillTop Asset Management Co., Ltd. Director, DTC Investment Management (HK) Ltd. Independent Director, APLEX TECHNOLOGY INC.	None	None	None	
Independent Director	R.O.C.	Chen, Te-Kai	Male 61-70	2023.11.30	Note 2	2023.11.30	—	—	—	—	—	—	—	—	Supervisor, Mercuries Data Systems Ltd. Manager, Underwriting Department, KGI Securities Co. Ltd. Manager, BDO Taiwan	Vice President and Deputy Spokesperson, MERCURIES & ASSOCIATES HOLDING, LTD.	None	None	None	

Note 1: If the Chairperson of the board of directors and the president (or equivalent position, the highest manager) are the same person, spouses, or relatives within the first degree of kinship, the Company should explain the reasons, rationality, necessity, and corresponding measures (e.g., increasing the number of independent directors, and having more than half of the directors not serving as employees or managers).

1. Title, Name, Relationship:

Title	Name	Relationship
Chairman	Tsao, Tse-Cheng	President

2. Reason, rationality, necessity:

   The Chairman concurrently serves as the president in order to enhance operational efficiency and decision-making execution. Furthermore, the chairperson can closely communicate with all directors about the Company's recent operations and policy directions during regular times or board meetings, thereby implementing corporate governance.

3. Countermeasures:

   (1) The Company has established seats for independent directors.

   (2) More than half of the directors on the board do not concurrently serve as employees or managers.

Note 2: Mr. Chen, Te-Kai was elected as an independent director by the 1st Extraordinary General Meeting of Shareholders of Good Way Technology CO. LTD. on November 30, 2023, with a term of office the same as the 9th Board of Directors until August 3, 2024, and assumed office on November 30, 2023.

2. Disclosure of Professional Qualifications of Directors and Supervisors, and Independence Information of Independent Directors

As of April 28, 2024

Criteria / Name	Professional qualifications and experience (Note 1)	Circumstances of independence	Concurrently serving other publicly issued independent company number of independent directors
Chairman: Tsao, Tse-Cheng	1. Please refer to the table above for the main qualifications and experience. 2. Mr. Tsao, Tse-Cheng has cultivated in the electronics industry for many years. He is familiar with the characteristics of the industry and possesses relevant experience and expertise. He has extensive experience in business operations and corporate governance, which will help supervise the Company's operations and protect shareholders' interests.	N/A	None
Director: Hsu, Tzu-Fu	1. Please refer to the table above for the main qualifications and experience. 2. Mr. Hsu, Tzu-Fu has been deeply involved in the electronics industry for many years. He is familiar with the industry's characteristics and has relevant experience and expertise in the field. He has extensive experience in factory leadership and manufacturing processes, which will help him supervise the Company's operations and protect shareholders' interests.		None
Director: Hsia, Hsueh-Li	1. Please refer to the table above for the main qualifications and experience. 2. Ms. Hsia, Hsueh-Li has served in the Company's management department for many years and is very familiar with the Company's internal management. This will help her in supervising the Company's operations and protecting shareholders' rights and interests.		None
Director: Chen, Chin-Yin	1. Please refer to the table above for the main qualifications and experience. 2. Mr. Chen, Chin-Yin possesses expertise in finance and industry. He can provide objective advice and professional judgment in areas such as risk management, business operations, and corporate governance, which will benefit the efficiency of the Company's operations and management.		None
Director: Hsu, Li-Hsiang	1. Please refer to the table above for the main qualifications and experience. 2. Ms. Hsu, Li-Hsiang possesses expertise in finance and can provide objective advice and professional judgment on corporate operations and corporate governance, which will help enhance the effectiveness of the Company's operations management.		None
Director: Li, Shu-Hua	1. Please refer to the table above for the main qualifications and experience. 2. Ms. Li Shu-Hua currently serves as a contract consultant and instructor at the Allied Consulting Center. With expertise in finance and industry, she is capable of providing objective advice and professional judgment in areas such as risk management, business operations, and corporate governance, which can contribute to the effectiveness of the Company's operations and management.		None

Criteria / Name	Professional qualifications and experience (Note 1)	Circumstances of independence	Concurrently serving other publicly issued independent company number of independent directors
Independent Director: Li, Chuan-Te	1. Please refer to the table above for the main qualifications and experience. 2. Mr. Li, Chuan-Te has worked in the electronics industry for many years, is familiar with the industry characteristics, and possesses relevant experience and expertise in the field. He has extensive corporate management and corporate governance experience, which will help supervise the Company's operations and protect shareholders' rights and interests.	The Company obtains a written statement from independent directors upon their appointment, confirming their independence and that of their direct relatives from the Company. They do not hold any shares in the Company, nor do they have financial or business dealings with the Company or its affiliated enterprises. Their independence complies with the "Regulations Governing the Appointment and Exercise of Powers by Independent Directors of Public Companies.	None
Independent Director: Huang, Mei-Ling	1. Please refer to the table above for the main qualifications and experience. 2. Ms. Huang, Mei-Ling currently serves as a contract consultant and lecturer at the Joint Support Center. She has expertise in finance and industry and is able to provide objective advice and professional judgment on risk management, corporate operations, and corporate governance, which can help improve the efficiency of the Company's operations and management.		None
Independent Director: Liu, Chu	1. Please refer to the table above for the main qualifications and experience. 2. Mr. Liu, Chu currently serves as an adjunct professor at National Chiao Tung University and National Chengchi University. His knowledge and experience in economics and financial matters can provide important advice and contribution to the Company's operational direction.		2
Independent Director: Chen, Te-Kai	1. Please refer to the table above for the main qualifications and experience. 2. Mr. Chen, Te-Kai has expertise in finance and industry. He can provide objective advice and professional judgments on risk management, corporate operations, and corporate governance, which will benefit the Company's operational management efficiency.		None

Note 1: None of the circumstances stipulated in the various subparagraphs of Article 30 of the Company Act exist.

Diversity and Independence of the Board of Directors:

(1). Board Diversity

1. Policy: According to the Company’s Corporate Governance Best Practice Principles, Chapter 3 on Enhancing the Functions of the Board of Directors mentions the diversity policy related to the composition of the Board members. Additionally, the Director Election Regulations stipulate the adoption of a comprehensive candidate nomination system, accepting the nomination of director candidates from shareholders holding more than 1% of the shares, to ensure shareholder rights while considering the diversity and independence of directors.

   The Company’s board of directors consists of 40% (4 members) women and 60% (6 members) men, maintaining a balanced ratio. Board members have diverse academic and professional backgrounds, including different expertise such as serving as directors of listed companies, corporate finance managers, and consultants for the Council of Labor Affairs (please refer to the director information table on page 11). This diversity helps in supervising the Company’s operations and protecting shareholders’ interests. Furthermore, the Company has established guidelines for continuing education of directors, and through electronic, diversified, humanized, and flexible course designs, directors are encouraged to engage in substantive learning and development.
2. Target: The Company’s board of directors consists of 10 seats, including 6 directors and 4 independent directors. The directors should have professional qualifications and experience, possessing expertise in marketing, technology, business management, finance, industry knowledge, and operational judgment. The main age range is between 60-70 years old, with at least one-third being female, and no restrictions on nationality.
3. Achievement status: All directors of the Company meet the target.

Title	Name	Concurrent Employee of the Company	Gender	Age	Nationality	Term of Independent Director	Multicore Elements								
							Professional Background	Operational Judgment	Accounting and Finance	Business and Economics	Crisis Management	Industry Experience	International Market Perspective	Leadership Skills	Decision-Making Skills
Director	Tsao, Tse-Cheng	✓	Male	61-70	R.O.C.		Management	✓	✓	✓	✓	✓	✓	✓	✓
Director	Hsia, Hsueh-Li	✓	Female	61-70	R.O.C.		Business Studies	✓	✓			✓		✓	✓
Director	Hsu, Tzu-Fu		Male	71-80	R.O.C.		Marine				✓	✓	✓	✓	✓
Director	Chen, Chin-Yin		Male	61-70	R.O.C.		Management	✓	✓			✓	✓		
Director	Li, Shu-Hua		Female	61-70	R.O.C.		Business Administration	✓	✓	✓	✓		✓	✓	✓
Director	Hsu, Li-Hsiang		Female	61-70	R.O.C.		Management		✓		✓		✓		
Independent Director	Li, Chuan-Te		Male	61-70	R.O.C.	Over 9 years	Management	✓	✓	✓	✓	✓	✓	✓	✓

Title	Name	Concurrent Employee of the Company	Gender	Age	Nationality	Term of Independent Director	Multicore Elements								
							Professional Background	Operational Judgment	Accounting and Finance	Business and Economics	Crisis Management	Industry Experience	International Market Perspective	Leadership Skills	Decision-Making Skills
Independent Director	Huang, Mei-Ling		Female	61-70	R.O.C.	Over 9 years	Communication	✓	✓	✓	✓		✓	✓	✓
Independent Director	Liu, Chu		Male	71-80	R.O.C.	Over 9 years	Electronics	✓			✓		✓	✓	✓
Independent Director	Chen, Te-Kai		Male	61-70	R.O.C.		Business Studies	✓	✓	✓	✓		✓	✓	✓

(2). Independence of the Board of Directors:

As of the end of 2023, there were 4 independent directors, accounting for 40% of all directors. None of them had a spouse or a relative within the second degree of kinship serving as a director of the Company. Neither they nor their spouses, or in the name of others, held any shares issued by the Company. They did not provide auditing, business, legal, financial, accounting or other services to the Company, nor did they receive any related remuneration. They also met the requirements of Article 3 of the Regulations Governing the Appointment and Exercise of Powers by the Independent Directors of Public Companies.

The directors and supervisors representing corporate shareholders shall state the names of the corporate shareholders and the names of the top ten shareholders of such corporate shareholders as well as their respective shareholding percentages: The directors and independent directors of this company are all natural persons, so this is not applicable.

(2). The President, Vice Presidents, Assistant Vice Presidents, and the heads of various departments and branches

As of April 28, 2024; Unit: Thousand Shares; NT$ Thousand

Title	Nationality Location of Registration	Name	Gender Age	Date Elected Date Appointed	Shareholding		Spouse/Minor Children Current Shareholding		Shareholding by Nominee Arrangement		Main Qualifications and Experience	Positions held concurrently in the Company and other Companies	Spouse or Other Managerial Officers, Directors or Supervisors Within the Second Degree of Kinship			Remarks
					Shares	%	Shares	%	Shares	%			Title	Name	Relationship	
President/CEO	R.O.C.	Tsao, Tse-Cheng	Male 61-70	2008.8	6,513	10.65	3,098	5.07	—	—	Master of Business Administration (MBA), National Chiao Tung University Chairman, Good Way Technology Co., Ltd.	President and CEO, Good Way Technology Co., Ltd. Chairman, Good Way Overseas Co., Ltd. Chairman, Gentle Enterprise Co., Ltd. Chairman, GWC Technology Inc. Chairman, Good Way Cayman Co., Ltd Chairman, Good Way Electronics Co., Ltd. (Kunshan, China) Chairman, Good Trend Technology Co., Ltd. (Shanghai) Chairman, Bristar Technology Inc. Chairman, Digi-Tech LLC Chairman, Good Way Technology Vietnam Company Limited	Director	Hsia, Hsueh-Li	Spouse	Note 1
Chief Operating Officer (COO)	R.O.C.	Liu, Shan-Yuan	Male 51-60	2022.10	—	—	—	—	—	—	Executive Master of Business Administration (EMBA), National Chengchi University Vice President, Kinpo Electronics Inc.	None	None	None	None	
Spokesperson and Vice President of the Finance Division (CFO)	R.O.C.	Shueh, Gen-Feng	Male 51-60	2010.08	—	—	—	—	—	—	Master of Business Administration (MBA), National Cheng Kung University Special Assistant to the Chairman, Evertrust Real Estate Development Corporation	None	None	None	None	

Title	Nationality Location of Registration	Name	Gender Age	Date Elected Date Appointed	Shareholding		Spouse/Minor Children Current Shareholding		Shareholding by Nominee Arrangement		Main Qualifications and Experience	Positions held concurrently in the Company and other Companies	Spouse or Other Managerial Officers, Directors or Supervisors Within the Second Degree of Kinship			Remarks
					Shares	%	Shares	%	Shares	%			Title	Name	Relationship	
Chairman's Office Consultant	R.O.C.	Lin, Ying-Hao	Male 61-70	2019.04	—	—	—	—	—	—	Master of Business Administration (MBA), Royal Roads University, Canada Business Manager, Nanjing Information Co.	None	None	None	None	
President, Quality Assurance Division Vice President	R.O.C.	Lee, Zheng-Zhe	Male 51-60	2024.02	—	—	—	—	—	—	Department of Electronic Engineering, Tamkang University Deputy Director, Wistron Corporation.	None	None	None	None	
Senior Director, ESG Project Business Department	R.O.C.	Wu, Kun-Xian	Male 51-60	2023.08	—	—	—	—	—	—	Graduate Institute of Management Sciences, Tamkang University Consultant, Advanced Innovation Management Co., Ltd.	None	None	None	None	
General Affairs Office Senior Vice President	R.O.C.	Hsia, Hsueh-Li	Female 61-70	2021.08	3,098	5.07	6,513	10.65	—	—	Department of Business Administration, Kaohsiung Commercial High School Vice Chairman, Good Way Technology Co., Ltd.	Senior Vice President, Good Way Technology Co., Ltd. Director, GWC Technology Inc. Supervisor, Good Way Electronics Co., Ltd. (Kunshan, China) CEO, Cathay United Bank Charitable Trust Education Fund Account	Chairman	Tsao, Tse-Cheng	Spouse	
General Affairs Office Senior Director	R.O.C.	Chen, Jen-I	Male 51-60	2020.06	20	0.03	—	—	—	—	Executive Master of Business Administration (EMBA), Aalto University, Finland Chief Administrative Officer, HannStar Display Corporation	None	None	None	None	

Title	Nationality Location of Registration	Name	Gender Age	Date Elected Date Appointed	Shareholding		Spouse/Minor Children Current Shareholding		Shareholding by Nominee Arrangement		Main Qualifications and Experience	Positions held concurrently in the Company and other Companies	Spouse or Other Managerial Officers, Directors or Supervisors Within the Second Degree of Kinship			Remarks
					Shares	%	Shares	%	Shares	%			Title	Name	Relationship	
Information Service Division Director	R.O.C.	Chan, Ming-Hsien	Male 51-60	2015.12	1	0.00	–	–	–	–	Department of Information Management, National Central University Manager, Infortrend Technology, Inc.	None	None	None	None	
Research & Development Division Vice President	R.O.C.	Wang, Ping-An	Male 61-70	2021.11	6	0.01	–	–	–	–	Department of Electronic Engineering, LungHwa University of Science and Technology Project Manager, Compal Electronics	None	None	None	None	
Software Development Division Senior Director	R.O.C.	Wang, Hua-Yi	Male 41-50	2023.09.04							Master of Computer Science, University of Denver Technical Director, O2Micro International Limited.	None	None	None	None	
Mechanical Design Division Senior Director	R.O.C.	Chen, Chia-Ying	Male 61-70	2022.03	–	–	–	–	–	–	Mechanical Design Department, National United University Technical Director, Compal Electronics	None	None	None	None	
Division of Logistics Senior Director	R.O.C.	Wu, Wei-Hao	Male 41-50	2020.05	–	–	–	–	–	–	Executive Master of Business Administration (EMBA), National Taipei University of Technology Deputy Manager of Project Business, Lien-Fa Computer Co., Ltd.	None	None	None	None	

Title	Nationality Location of Registration	Name	Gender Age	Date Elected Date Appointed	Shareholding		Spouse/Minor Children Current Shareholding		Shareholding by Nominee Arrangement		Main Qualifications and Experience	Positions held concurrently in the Company and other Companies	Spouse or Other Managerial Officers, Directors or Supervisors Within the Second Degree of Kinship			Remarks
					Shares	%	Shares	%	Shares	%			Title	Name	Relationship	
Product Marketing Division Vice President	R.O.C.	Ke, Tsung-Nan	Male 51-60	2015.01	–	–	–	–	–	–	Department of Electrical Engineering, National Cheng Kung University Assistant Manager of Project Management, 3D Optical Corporation	None	None	None	None	
Division 1 of Sales Director	R.O.C.	Chu, Chia-Ti	Female 51-60	2022.01	–	–	–	–	–	–	Department of Spanish Language and Literature, Fu Jen Catholic University Project Manager, ADATA Technology Co., Ltd.	None	None	None	None	
SIoT Business Unit Vice President	R.O.C.	He, Wen-Te	Male 61-70	2023.01	–	–	–	–	–	–	Electrical Engineering, Northrop University, Senior Product Manager, Belkin International Inc.	None	None	None	None	
SIoT Device Division Director	R.O.C.	Huang, Chung-I	Male 41-50	2023.01	16	0.03	–	–	–	–	Bachelor’s in Biomedical Engineering, Chung Yuan Christian University Assistant Manager, Ennoconn Corporation.	None	None	None	None	
SIoT Research & Development Division Vice President	R.O.C.	Chen, Pao-Ming	Male 51-60	2023.01	15	0.03	–	–	–	–	Department of Electronic Engineering Technology, National Taiwan University of Science and Technology Senior Manager, Leadtek Research Inc.	None	None	None	None	

Title	Nationality Location of Registration	Name	Gender Age	Date Elected Date Appointed	Shareholding		Spouse/Minor Children Current Shareholding		Shareholding by Nominee Arrangement		Main Qualifications and Experience	Positions held concurrently in the Company and other Companies	Spouse or Other Managerial Officers, Directors or Supervisors Within the Second Degree of Kinship			Remarks
					Shares	%	Shares	%	Shares	%			Title	Name	Relationship	
Audit Department Senior Manager	R.O.C.	Lai, Ju-Fen	Female 51-60	2019.10	—	—	—	—	—	—	Masters in Business and Management, Chung Cheng University Manager, Adly Moto	None	None	None	None	
Accounting Manager	R.O.C.	Kuo, Tung-Han	Male 51-60	2023.02	22	0.04	—	—	—	—	Department of Accounting, National Taipei University Accounting Department Manager, Pou Chen Group	None	None	None	None	
Taipei Factory Manufacturing General Manager	R.O.C.	Fan, Chung-Jung	Male 61-70	2021.03	50	0.08	2	0.00	—	—	Department of Electrical Engineering, Cheng Shiu University of Science and Technology President, Good Way Technology Co., Ltd.	None	None	None	None	
Taipei Factory QA Department Director	R.O.C.	Jiao, Zhi-Xiang	Male 51-60	2024.03							Department of Electrical Engineering, National Taiwan University of Science and Technology Senior Manager, Wistron Corporation	None	None	None	None	
Taipei Factory Operations Division Director	R.O.C.	Lee, Wen-Shuan	Male 51-60	2023.04	—	—	—	—	—	—	Master of Business Administration, National Central University Automation Department Manager, Everbiz Industrial Co., Ltd.	None	None	None	None	

Title	Nationality Location of Registration	Name	Gender Age	Date Elected Date Appointed	Shareholding		Spouse/Minor Children Current Shareholding		Shareholding by Nominee Arrangement		Main Qualifications and Experience	Positions held concurrently in the Company and other Companies	Spouse or Other Managerial Officers, Directors or Supervisors Within the Second Degree of Kinship			Remarks
					Shares	%	Shares	%	Shares	%			Title	Name	Relationship	
Corporate Governance Officer	R.O.C.	Li, Chia-Feng	Female 41-50	2019.11	—	—	—	—	—	—	Department of Business Administration, National Open University Accounting Clerk, Tai-I Electric Wire & Cable Co., Ltd.	None	None	None	None	

Note 1: If the Chairperson of the Board of Directors and the president (or equivalent position, the highest manager) are the same person, spouses, or relatives within the first degree of kinship, the Company should explain the reasons, rationality, necessity, and corresponding measures (e.g., increasing the number of independent directors, and having more than half of the directors not serving as employees or managers).

1. Title, Name, Relationship:

Title	Name	Relationship
Chairman	Tsao, Tse-Cheng	President

2. Reason, rationality, necessity:

   The Chairman concurrently serves as the president in order to enhance operational efficiency and decision-making execution. Furthermore, the chairperson can closely communicate with all directors about the Company's recent operations and policy directions during regular times or board meetings, thereby implementing corporate governance.

3. Countermeasures:

   (1) The Company has established seats for independent directors.

   (2) More than half of the directors on the board do not concurrently serve as employees or managers.

3. Remunerations Paid to Directors, Supervisors, the President, and Vice Presidents

(1). Remunerations to General Directors & Independent Directors

2023; Unit: NT$ Thousand

Title		Name	Remuneration to Directors								(A+B+C+D) as % of Net Income		Compensation Earned as Employee of the Company or of the Company's Affiliates								Ratio of Total Remuneration (A+B+C+D+E+F+G) to net income (%)		Compensation Paid to Directors from Non-Consolidated Affiliates or Parent Company
			Reward (A)		Pension (B)		Compensation to Directors (C)		Allowances (D)				Salary, bonus, and allowance (E)		Severance and pension (F)		Employee Compensation (G)						
																	The Company		All Consolidated Entities in the Financial Report				
			The Company	All Consolidated Entities in the Financial Report	The Company	All Consolidated Entities in the Financial Report	The Company	All Consolidated Entities in the Financial Report	The Company	All Consolidated Entities in the Financial Report	The Company	All Consolidated Entities in the Financial Report	The Company	All Consolidated Entities in the Financial Report	The Company	All Consolidated Entities in the Financial Report	Cash	Stock	Cash	Stock	The Company	All Consolidated Entities in the Financial Report	
Director	Chairman	Tsao, Tse-Cheng	-	-	-	-	-	-	-	-	-	-	9,352	9,352	-	-	-	-	-	-	-2.51	-2.51	-
Director	Director	Hsu, Tzu-Fu	120	120	-	-	-	-	-	-	-0.03	-0.03	-	-	-	-	-	-	-	-	-0.03	-0.03	-
Director	Director	Hsia, Hsueh-Li	-	-	-	-	-	-	-	-	-	-	3,445	3,445	-	-	-	-	-	-	-0.92	-0.92	-
Director	Director	Chen, Chin-Yin	120	120	-	-	-	-	22	22	-0.04	-0.04	-	-	-	-	-	-	-	-	-0.04	-0.04	-
Director	Director	Li, Shu-Hua	120	120	-	-	-	-	22	22	-0.04	-0.04	-	-	-	-	-	-	-	-	-0.04	-0.04	-
Director	Director	Hsu, Li-Hsiang	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Independent Director	Independent Director	Li, Chuan-Te	120	120	-	-	-	-	62	62	-0.05	-0.05	-	-	-	-	-	-	-	-	-0.05	-0.05	-
Independent Director	Independent Director	Huang, Mei-Ling	120	120	-	-	-	-	62	62	-0.05	-0.05	-	-	-	-	-	-	-	-	-0.05	-0.05	-
Independent Director	Independent Director	Liu, Chu	120	120	-	-	-	-	62	62	-0.05	-0.05	-	-	-	-	-	-	-	-	-0.05	-0.05	-
Independent Director	Independent Director	Chen, Te-Kai	10	10	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Note 1: The amount is allocated according to the Company's Articles of Incorporation and has not yet been reported at the Annual Shareholders' Meeting.

Table of Range of Remuneration

Range of remuneration	Name of Director			
	Total Remuneration (A+B+C+D)		Total Remuneration (A+B+C+D+E+F+G)	
	The Company	All Consolidated Entities in the Financial Report	The Company	All Consolidated Entities in the Financial Report
Under NT$1,000,000	Tsao, Tse-Cheng, Hsu, Tzu-Fu, Hsia, Hsueh-Li, Chen, Chin-Yin, Hsu, Li-Hsiang, Li, Shu-Hua, Li, Chuan-Te, Huang, Mei-Ling, Liu, Chu, Chen, Te-Kai	Tsao, Tse-Cheng, Hsu, Tzu-Fu, Hsia, Hsueh-Li, Chen, Chin-Yin, Hsu, Li-Hsiang, Li, Shu-Hua, Li, Chuan-Te, Huang, Mei-Ling, Liu, Chu, Chen, Te-Kai	Hsu, Tzu-Fu, Chen, Chin-Yin, Li, Shu-Hua, Hsu, Li-Hsiang, Li, Chuan-Te, Huang, Mei-Ling, Liu, Chu	Hsu, Tzu-Fu, Chen, Chin-Yin, Li, Shu-Hua, Hsu, Li-Hsiang, Li, Chuan-Te, Huang, Mei-Ling, Liu, Chu
NT$1,000,000 (inclusive) - NT$2,000,000 (exclusive)	—	—	—	—
NT$2,000,000 (inclusive) - NT$3,500,000 (exclusive)	—	—	Hsia, Hsueh-Li	Hsia, Hsueh-Li
NT$3,500,000 (inclusive) - NT$5,000,000 (exclusive)	—	—	—	—
NT$5,000,000 (inclusive) - NT$10,000,000 (exclusive)	—	—	Tsao, Tse-Cheng	Tsao, Tse-Cheng
NT$10,000,000 (inclusive) - NT$15,000,000 (exclusive)	—	—	—	—
NT$15,000,000 (inclusive) - NT$3,000,000 (exclusive)	—	—	—	—
NT$30,000,000 (inclusive) - NT$50,000,000 (exclusive)	—	—	—	—
NT$50,000,000 (inclusive) ~ NT$100,000,000 (exclusive)	—	—	—	—
Over NT$100,000,000	—	—	—	—
Total	10 persons	10 persons	10 persons	10 persons

(2). Remuneration to Supervisors (including Independent Supervisors)

2023 Unit: NT$ Thousand

Title	Name	Remuneration to Supervisors						The total amounts and the respective proportions of net income after tax for items A, B, and C		Compensation Paid to Directors from Non-Consolidated Affiliates or Parent Company
		Reward (A)		Compensation (B)		Operating Expenses (C)				
		The Company	All Consolidated Entities in the Financial Report	The Company	All Consolidated Entities in the Financial Report	The Company	All Consolidated Entities in the Financial Report	The Company	All Consolidated Entities in the Financial Report	
—	—	—	—	—	—	—	—	—	—	—

Note: The Company has established an Audit Committee, so there are no supervisors or related remuneration.

Remuneration level ranges for the Company’s supervisors	Name of supervisor	
	The sum of the first three remunerations (A+B+C)	
	The Company	All Consolidated Entities in the Financial Report
Under NT$1,000,000		
NT$1,000,000 (inclusive) - NT$2,000,000 (exclusive)		
NT$2,000,000 (inclusive) - NT$3,500,000 (exclusive)		
NT$3,500,000 (inclusive) - NT$5,000,000 (exclusive)		
NT$5,000,000 (inclusive) - NT$10,000,000 (exclusive)		
NT$10,000,000 (inclusive) - NT$15,000,000 (exclusive)		
NT$15,000,000 (inclusive) - NT$3,000,000 (exclusive)		
NT$30,000,000 (inclusive) - NT$50,000,000 (exclusive)		
NT$50,000,000 (inclusive) ~ NT$100,000,000 (exclusive)		
Over NT$100,000,000		
Total	0 person	0 person

(3). Remuneration to the President and Vice Presidents

2023; Unit: NT$ Thousand

Title	Name	Salary (A)		Pension (B)		Bonus and Allowance (C)		Employee Compensation (D)				(A+B+C+D) as % of Net Income		Compensation Paid to Directors from Non-Consolidated Affiliates or Parent Company
		The Company	All Consolidated Entities in the Financial Report	The Company	All Consolidated Entities in the Financial Report	The Company	All Consolidated Entities in the Financial Report	The Company		All Consolidated Entities in the Financial Report		The Company	All Consolidated Entities in the Financial Report	
								Cash	Stock	Cash	Stock			
Chief Executive Officer (CEO)	Tsao, Tse-Cheng	22,985	22,985	-	-	8,894	8,894	-	-	-	-	-8.55	-8.55	None
Chief Operating Officer (COO)	Liu, Shan-Yuan													
Chief Financial Officer (CFO)	Niu Rui-Zhan (Note 1)													
Chief Financial Officer (CFO)	Shueh, Gen-Feng (Note 2)													
Quality Assurance Director	Lee, Zheng-Zhe (Note 3)													
Chairman’s Office Consultant	Lin, Ying-Hao													
Senior Vice President, General Affairs Office	Hsia, Hsueh-Li													
Vice President, Sales Division	Yang, Ren-Hong (Note 4)													
Vice President, R&D Division	Wang, Ping-An													
Vice President, Product Marketing	Ke, Tsung-Nan													
Vice President, SIoT Business Group	Peng, Tsu-I (Note 5)													
Vice President, SIoT Business Group	He, Wen-Te													
Vice President, SIoT R&D Division	Chen, Pao-Ming (Note 6)													
Manufacturing General Manager, Taipei Factory	Fan, Chung-Jung													

Note 1: Former Chief Financial Officer (President of Finance Division), Mr. Niu Rui-Zhan, resigned on February 20, 2023.
Note 2: Former Chairman’s Office Vice President Mr. Shueh, Gen-Feng has been transferred to the position of Vice President of Finance on May 5, 2023, serving as the Chief Financial Officer due to organizational restructuring.
Note 3: New Vice President of Quality Assurance, Mr. Li Zheng-Zhe, took office on February 1, 2024, and was appointed as the Group Quality Director on April 1, 2024, due to organizational restructuring.
Note 4: Former Vice President of the Sales Division, Mr. Yang, Ren-Hong took office on November 6, 2023, and resigned on January 19, 2024, due to personal reasons.
Note 5: Former Vice President of SIoT, Mr. Peng, Tsu-I, resigned in January 2023 due to personal career planning reasons.
Note 6: Former Vice President of SIoT Product Development Division, Mr. Chen, Pao-Ming, has been renamed as the Vice President of SIoT R&D Division on April 19, 2023, due to strategic development of the organization.

Table of Range of Remuneration

Range of remuneration paid to president and vice-presidents	Name of presidents and vice-presidents	
	The Company	All Consolidated Entities in the Financial Report
Under NT$1,000,000	Niu Rui-Zhan, Peng, Tsu-I, Yang, Ren-Hong	Niu Rui-Zhan, Peng, Tsu-I, Yang, Ren-Hong
NT$1,000,000 (inclusive) - NT$2,000,000 (exclusive)	Lin, Ying-Hao	Lin, Ying-Hao
NT$2,000,000 (inclusive) - NT$3,500,000 (exclusive)	Hsia, Hsueh-Li, Fan, Chung-Jung, Hsia, Hsueh-Li, Ke, Tsung-Nan, He, Wen-Te, Chen, Pao-Ming, Wang, Ping-An	Hsia, Hsueh-Li, Fan, Chung-Jung, Hsia, Hsueh-Li, Ke, Tsung-Nan, He, Wen-Te, Chen, Pao-Ming, Wang, Ping-An
NT$3,500,000 (inclusive) - NT$5,000,000 (exclusive)	Liu, Shan-Yuan	Liu, Shan-Yuan
NT$5,000,000 (inclusive) - NT$10,000,000 (exclusive)	Tsao, Tse-Cheng	Tsao, Tse-Cheng
NT$10,000,000 (inclusive) - NT$15,000,000 (exclusive)	—	—
NT$15,000,000 (inclusive) - NT$3,000,000 (exclusive)	—	—
NT$30,000,000 (inclusive) - NT$50,000,000 (exclusive)	—	—
NT$50,000,000 (inclusive) ~ NT$100,000,000 (exclusive)	—	—
Over NT$100,000,000	—	—
Total	13 persons	13 persons

Compensation information (including names and compensation methods) of the top 5 highest-paid executives

2023; Unit: NT$ Thousand

Title	Name	Salary (A)		Pension (B)		Bonus and special allowances, etc. (C)		Employee Compensation (D)				(A+B+C+D) as % of Net Income		Compensation Paid to Directors from Non-Consolidated Affiliates or Parent Company
		The Company	All Consolidated Entities in the Financial Report	The Company	All Consolidated Entities in the Financial Report	The Company	All Consolidated Entities in the Financial Report	The Company		All Consolidated Entities in the Financial Report		The Company	All Consolidated Entities in the Financial Report	
								Cash	Stock	Cash	Stock			
Chief Executive Officer (CEO)	Tsao, Tse-Cheng	6,400	6,400	-	-	2,952	2,952	-	-	-	-	-2.5	-2.5	None
Chief Operating Officer (COO)	Liu, Shan-Yuan	3,600	3,600	-	-	897	897	-	-	-	-	-1.21	-1.21	None
Chief Financial Officer (CFO)	Shueh, Gen-Feng	2,370	2,370	-	-	561	561	-	-	-	-	-0.79	-0.79	None
Research & Development Division Vice President	Wang, Ping-An	2,240	2,240	-	-	561	561	-	-	-	-	-0.75	-0.75	None
Product Marketing Division Vice President	Ke, Tsung-Nan	2,340	2,340	-	-	673	673	-	-	-	-	-0.81	-0.81	None

(4). Names of managers involved in distributing employee compensation and the distribution details.

1. Distribution situation for 2023

Unit: NT$ Thousand

	Title	Name	Stock	Cash	Total	Ratio to net income after tax (%)
Managerial Officers	Chief Executive Officer (CEO)	Tsao, Tse-Cheng	—	—	—	—
	Chief Operating Officer (COO)	Liu, Shan-Yuan				
	Chairman's Office Consultant	Lin, Ying-Hao				
	Vice President, Finance Division (CFO)	Shueh, Gen-Feng				
	Director, Chairman's Office	Tsao, Ke-Hsin				
	Senior Vice President, General Affairs Office	Hsia, Hsueh-Li				
	Senior Director, General Affairs Office	Chen, Jen-I				
	Director, Information Service Division	Chan, Ming-Hsien				
	Director, Sales Division	Chu, Chia-Ti				
	Director, Sales Division	Han, Cheng-Yu				
	Vice President, Product Marketing	Ke, Tsung-Nan				
	Senior Director, Division of Logistics	Wu, Wei-Hao				
	Vice President, R&D Division	Wang, Ping-An				
	Senior Director, Mechanical Design Division	Chen, Chia-Ying				
	Vice President, SIoT Business Group	He, Wen-Te				
	Vice President, SIoT Product Development Division	Chen, Pao-Ming				
	Director, SIoT Innovation Division	Liu, Chang-Te				
	Director, SIoT Business Group	Huang, Chung-I				
	Director, SIOT Software Development Division	Wu, Cheng-Hua				
	Manufacturing President, Taipei Factory	Fan, Chung-Jung				
	Director, Taipei Factory Operations Division	Wei, Kuo-Chen				
	Senior Director, Quality Assurance Division	Lin, Chang-Shih				
	Accounting Manager	Kuo, Tung-Han				
	Corporate Governance Officer	Li, Chia-Feng				

Note 1: The amount is allocated according to the Company's Articles of Incorporation and has not yet been reported at the Annual Shareholders' Meeting.

2. Distribution Situation for 2022

Unit: NT$ Thousand

	Title	Name	Stock	Cash	Total	Ratio to net income after tax (%)
Managerial Officer	Chief Executive Officer (CEO)	Tsao, Tse-Cheng	－	5,120	5,120	2.27
	Chief Operating Officer (COO)	Liu, Shan-Yuan				
	Chairman’s Office Consultant	Lin, Ying-Hao				
	Vice President, Chairman’s Office	Shueh, Gen-Feng				
	Director, Chairman’s Office	Tsao, Ke-Hsin				
	Senior Vice President, General Affairs Office	Hsia, Hsueh-Li				
	Senior Director, General Affairs Office	Chen, Jen-I				
	Director, Information Service Division	Chan, Ming-Hsien				
	Director, Sales Division	Chu, Chia-Ti				
	Director, Sales Division	Han, Cheng-Yu				
	Vice President, Product Marketing	Ke, Tsung-Nan				
	Senior Director, Division of Logistics	Wu, Wei-Hao				
	Vice President, R&D Division	Wang, Ping-An				
	Senior Director, Mechanical Design Division	Chen, Chia-Ying				
	Vice President, SIoT Business Group	He, Wen-Te				
	Vice President, SIoT Product Development Division	Chen, Pao-Ming				
	Director, SIoT Innovation Division	Liu, Chang-Te				
	Director, SIoT Business Group	Huang, Chung-I				
	Director, SIOT Software Development Division	Wu, Cheng-Hua				
	Manufacturing President, Taipei Factory	Fan, Chung-Jung				
	Director, Taipei Factory Operations Division	Wei, Kuo-Chen				
	Senior Director, Quality Assurance Division	Lin, Chang-Shih				
	Accounting Manager	Kuo, Tung-Han				
	Corporate Governance Officer	Li, Chia-Feng				

(5). Provide a comparative analysis of the total remuneration of the Company's directors, supervisors, president, and vice presidents in the past two years as a percentage of net income after tax for the Company and all companies included in the Consolidated Financial Statements, and explain the policies, standards, packages, procedures for determining remuneration, and the correlation with operating performance and future risks:

1. Total remuneration of directors, supervisors, president, and vice presidents as a percentage of net income after tax in the past two years

Title	2022		2023 (Note)	
	The ratio of total compensation paid by the Company and all companies covered in the Consolidated Financial Statements to the Company's directors, supervisors, and managers to after-tax net income		The ratio of total compensation paid by the Company and all companies covered in the Consolidated Financial Statements to the Company's directors, supervisors, and managers to after-tax net income	
	The Company	All Companies in the Consolidated Financial Statements	The Company	All Companies in the Consolidated Financial Statements
Director	11.38%	11.38%	(2.42%)	(2.42%)
Independent Director	1.20%	1.20%	(0.15%)	(0.15%)
President, Vice Presidents and Equivalent Positions	2.27%	2.27%	(7.21%)	(7.21%)

Note 1: It is the amount appropriated according to the Company's Articles of Incorporation, which has not yet been reported at the Annual Shareholders' Meeting.

Note 2: The Company has established an Audit Committee, so there are no supervisors.

2. The policy, standards and composition for remuneration payment, the procedure for determining remuneration, and its correlation with operational performance and future risks

(1). Directors, Supervisors:

The Company compensates directors and supervisors in accordance with the Company's Articles of Incorporation and with reference to industry standards.

(2). President, Vice Presidents and Equivalent Positions:

The compensation for Presidents, Vice Presidents and equivalent positions is based on their contributions, qualifications, and operational performance, and is calculated according to the Company's salary-related system; the criteria for distributing employee compensation complies with the Company's Articles of Incorporation, and after being approved by the board of directors, it is distributed in accordance with relevant regulations.

With regard to the process of determining compensation, it is carried out by the Company's Remuneration Committee from a professional and objective standpoint, evaluating the salary and remuneration policies and systems for the Company's directors, independent directors, and managers, and submitting recommendations to the Board of Directors for their decision-making reference.

In summary, the Company's policy and procedure for determining compensation for directors, independent directors, Presidents, Vice Presidents and equivalent positions are as follows: In addition to basic salaries, other incentive portions are positively correlated with operational performance, and the amounts paid are disclosed in the prospectus in accordance with legal regulations, so future risks should be limited.

4. Implementation of Corporate Governance

(1). Information on the Operations of the Board of Directors

1. The Board of Directors met 8 times in the recent year, and the attendance of the directors is as follows:

	Name	Actual Attendance Count Number of Seats	Attendance Count by Proxy	Actual Attendance Rate (%)	Remarks
Chairman	Tsao, Tse-Cheng	8	0	100.00	None
Director	Hsia, Hsueh-Li	8	0	100.00	None
Director	Hsu, Tzu-Fu	8	0	100.00	None
Director	Chen, Chin-Yin	8	0	100.00	None
Director	Li, Shu-Hua	8	0	100.00	None
Director	Hsu, Li-Hsiang	8	0	100.00	None
Independent Director	Li, Chuan-Te	8	0	100.00	None
Independent Director	Huang, Mei-Ling	8	0	100.00	None
Independent Director	Liu, Chu	8	0	100.00	None
Independent Director	Chen, Te-Kai	0	0	N/A	Note

Note1: Elected to serve from November 30, 2023

2. Other Mentionable Information

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

Meeting Date	Matters to Acknowledge
2023.03.17 The 9th Meeting of the 9th Term	1. The case of the accounting supervisor and chief accountant of the Company 2. The Company's assessment of whether to reclassify accounts receivable/other receivables/prepaid expenses/deposits paid that are overdue for more than three months and are significant in amount as loans 3. The Business Report and Financial Statements of the Company for 2022 4. The case of directors' remuneration and employee remuneration of the Company for 2022 5. The case of transferring the Company's treasury shares to employees and setting the base date for subscription 6. The case of the Company's Internal Control Statement for Self-Evaluation in 2022 7. According to the Company's corporate governance best practices, the case of evaluating the independence and suitability of the Company's appointment of CPAs 8. The case of surplus distribution of the Company for 2022 9. The case of issuing new shares through capitalization of retained earnings of the Company 10. The case of purchasing directors and officers liability insurance for the Company 11. The case of funds lending by GWC Technology Inc. (a 100% reinvested subsidiary of the Company) 12. The case of amending certain provisions of the Company's corporate governance related

Meeting Date	Matters to Acknowledge
	regulations and rules 13. The case of the Company applying for credit lines and derivative financial product trading lines from financial institutions 14. The date, venue, and agenda for the Company's 2023 Annual Shareholders' Meeting 15. The case of formulating the relevant operational matters for shareholders holding 1% or more shares to exercise their proposal rights
	1. Independent Directors' Opinions: None 2. Resolution: Approved by all Independent Directors present without objection
2023.04.19 The 10th Meeting of the 9th Term	The Board of Directors of the Company has approved the bank syndicated loan case
	1. Independent Directors' Opinions: None 2. Resolution: Approved by all Independent Directors present without objection
2023.05.11 The 11th Meeting of the 9th Term	1. The Company's Consolidated Financial Statements for the first quarter of 2023 2. The Company's appointment of Mr. Shueh, Gen-Feng as the Group's Chief Financial Officer 3. The Company's assessment of whether to reclassify accounts receivable/other receivables/prepaid expenses/deposits paid that are overdue for more than three months and are significant in amount as loans 4. The Company's application for credit lines and derivative financial instrument trading limits from financial institutions
	1. Independent Directors' Opinions: None 2. Resolution: Approved by all Independent Directors present without objection
2023.07.06 The 12th Meeting of the 9th Term	1. Salary adjustment case for the Company's managers in 2023 2. Case of issuing new shares for capitalization of retained earnings and distribution of dividends
	1. Independent Directors' Opinions: None 2. Resolution: Approved by all Independent Directors present without objection
2023.07.21 The 13th Meeting of the 9th Term	Loan of funds to Good Way Cayman Co., Ltd. (a 100% reinvested subsidiary of the Company)
	1. Independent Directors' Opinions: None 2. Resolution: Approved by all Independent Directors present without objection
2023.08.10 The 14th Meeting of the 9th Term	1. The Company's Consolidated Financial Statements for the second quarter of 2023 2. The Company's assessment of whether to reclassify accounts receivable/other receivables/prepaid expenses/deposits paid that are overdue for more than three months and are significant in amount as loans 3. The Company's 2022 ESG Report 4. The Company's application for credit lines and derivative financial instrument trading limits from financial institutions
	1. Independent Directors' Opinions: None 2. Resolution: Approved by all Independent Directors present without objection
2023.10.12 The 15th Meeting of the 9th Term	1. Revision of certain provisions of the Company's Operating Procedures for Acquisition or Disposal of Assets 2. Proposal to increase and elect one additional Independent Director for the Company 3. Proposal for the Company's Board of Directors to nominate candidates for Independent Director 4. Proposal for the Company to release the newly appointed Independent Director from the non-compete restriction 5. Proposal regarding the date, venue, and agenda of the Company's First 2023 Extraordinary Shareholders' Meeting
	1. Independent Directors' Opinions: None 2. Resolution: Approved by all Independent Directors present without objection

<table>
<tr><th>Meeting Date</th><th>Matters to Acknowledge</th></tr>
<tr><td rowspan="2">2023.11.09
The 16th Meeting of the 9th Term</td><td>1. The Company’s Consolidated Financial Statements for the third quarter of 2023
2. The Company’s Employee Year-end Bonus Case for 2023
3. The Company’s assessment of whether to reclassify accounts receivable/other receivables/prepaid expenses/deposits paid that are overdue for more than three months and are significant in amount as loans
4. The Company’s Internal Audit Plan for 2024
5. The Company’s Budget Plan for 2024
6. The Company’s Issuance of Domestic Third Unsecured Convertible Corporate Bonds
7. The Company’s application for credit lines and derivative financial instrument trading limits from financial institutions</td></tr>
<tr><td>1. Independent Directors’ Opinions: None
2. Resolution: Approved by all Independent Directors present without objection</td></tr>
<tr><td rowspan="2">2024.03.12
The 17th Meeting of the 9th Term</td><td>1. The case of GWC Technology Inc. (a 100% reinvested subsidiary of the Company) providing funds for lending
2. The case of Good Way Electronics Co., Ltd. (Kunshan, China) (a 100% reinvested subsidiary of the Company) intending to jointly invest with Linxee (Beijing) Technology Ltd. to establish Lensuo Technology Development Co., Ltd.
3. The case of the Company’s self-prepared financial information for 2023
4. The case of purchasing directors and officers liability insurance for the Company
5. The case of appointing a seat for the Company’s Remuneration Committee</td></tr>
<tr><td>1. Independent Directors’ Opinions: None
2. Resolution: Approved by all Independent Directors present without objection</td></tr>
<tr><td rowspan="2">2024.03.21
The 18th Meeting of the 9th Term</td><td>1. Deliberation on the remuneration payment guidelines for the Company’s directors and managers
2. The Company’s assessment of whether to reclassify accounts receivable/other receivables/prepaid expenses/deposits paid that are overdue for more than three months and are significant in amount as loans
3. The Company’s 2023 Business Report and Financial Statements
4. The Company’s 2023 Internal Control Self-Assessment Statement
5. According to the Company’s corporate governance best practices, the case of evaluating the independence and suitability of the Company’s appointment of CPAs
6. The Company’s 2023 Profit Distribution and Loss Compensation
7. The case of amending certain provisions of the Company’s corporate governance related regulations and rules
8. The Company’s 2023 Director Compensation and Employee Compensation
9. The case of the Company applying for credit lines and derivative financial product trading lines from financial institutions
10. The re-election of Directors of the Company
11. The nomination of 10 directors for the Company
12. Release of the newly elected Directors from Non-Competition Restrictions
13. The date, venue, and agenda for the Company’s 2024 Annual Shareholders’ Meeting
14. The case of formulating the relevant operational matters for shareholders holding 1% or more shares to exercise their proposal rights</td></tr>
<tr><td>1. Independent Directors’ Opinions: None
2. Resolution: Approved by all Independent Directors present without objection</td></tr>
<tr><td rowspan="2">2024.05.07
The 19th Meeting of the 9th Term</td><td>1. Appointment of the Company’s Quality Assurance Director of the Group
2. The Company’s assessment of whether to reclassify accounts receivable/other receivables/prepaid expenses/deposits paid that are overdue for more than three months and are significant in amount as loans
3. The Company’s Consolidated Financial Statements for the first quarter of 2024
4. Proposal for amendments to the Articles of Incorporation of the Company
5. The case of the Company applying for credit lines and derivative financial product trading lines from financial institutions
6. Addition of agenda items for the Company’s 2024 Annual Shareholders’ Meeting</td></tr>
<tr><td>1. Independent Directors’ Opinions: None
2. Resolution: Approved by all Independent Directors present without objection</td></tr>
</table>

(2). Article 14-3 of the Securities and Exchange Act lists the matters and other board resolutions that independent directors have dissenting or reserved opinions, which are recorded or stated in writing. The date, session, content of the resolution, opinions of all independent directors, and the Company's response to the opinions of independent directors should be stated: None

(3). The implementation of directors' recusal from conflicted proposal, should specify the names of directors, contents of proposals, reasons for recusal, and voting participation:

A. During the 9th Meeting of the 9th Board of Directors, discussion was carried out regarding the Directors' Remuneration and Employees' Remuneration of the Company for 2022. As Directors Tsao, Tse-Cheng and Hsia, Hsueh-Li also serve as employees, they did not participate in the voting due to potential conflicts of interest in accordance with the principle of recusal.

B. During the 9th Meeting of the 9th Board of Directors, discussion was carried out regarding the transfer of treasury shares to employees and the setting of the record date for stock subscription. As Directors Tsao, Tse-Cheng and Hsia, Hsueh-Li also serve as employees, they did not participate in the voting due to conflicts of interest and the principle of avoidance of interest.

C. During the 12th Meeting of the 9th Board of Directors, discussion was carried out regarding the proposal to adjust the salary of the Company's managers for 2023. As Directors Tsao, Tse-Cheng and Hsia, Hsueh-Li also serve as employees, they did not participate in the voting due to potential conflicts of interest in accordance with the principle of recusal.

D. During the 16th Meeting of the 9th Board of Directors, discussion was carried out regarding the distribution of year-end bonus for employees of the Company for 2023. As Directors Tsao, Tse-Cheng and Hsia, Hsueh-Li also serve as employees, they did not participate in the voting due to potential conflicts of interest in accordance with the principle of recusal.

E. During the 18th Meeting of the 9th Board of Directors, discussion was carried out regarding the Directors' Remuneration and Employees' Remuneration of the Company for 2023. As Directors Tsao, Tse-Cheng and Hsia, Hsueh-Li also serve as employees, they did not participate in the voting due to potential conflicts of interest in accordance with the principle of recusal.

(4). Objectives for enhancing the functions of the Board of Directors in the current and recent years (e.g., establishing an Audit Committee, improving information transparency, etc.) and an assessment of their implementation:

A. The Company has passed resolutions at the 9th Meeting of the 9th Board of Directors on March 17, 2023, to formulate the "Insider Trading Prevention Management Procedures", "Procedures for Applying for Suspension and Resumption of Trading", "Corporate Governance Best Practice Principles", "Sustainable Development Best Practice Principles", "Guidelines for

Director Training”, “Rules Governing the Scope of Duties and Powers of the Board of Directors”, “Rules of Procedure for Board of Directors Meetings”, “Procedures for Acquisition or Disposal of Assets”, and “Codes of Integrity Management Operating Procedures and Conduct Guidelines”.

B. The Company reported the “Board Performance Self-Evaluation”, “Functional Committee Performance Self-Evaluation”, and “Director Self-Evaluation” at the 9th Meeting of the 9th Board of Directors on March 17, 2023.

C. The Company has evaluated the independence and suitability of the CPAs based on the Audit Quality Indicators (AQIs) during the 9th Meeting of the 9th Board of Directors on March 17, 2023. The evaluation content is as follows:

Good Way Technology CO. LTD.

CPA Independence Evaluation Questionnaire

Period: 2023

Evaluation Firm: PwC Taiwan

CPAs Yu, Chih-Fan, Huang, Shih-Chun

Item	Evaluation Content	Please Check			Description
		Yes	No	N/A	
1.	Has the Auditor’s Independence Assessment Questionnaire been completed and does the conclusion of the questionnaire comply with the independence and fitness review?	■	□	□	
2.	Has the engagement of audit service not been continued for 7 years?	■	□	□	
3.	Has the Independent Spirit and Objective Statement issued by a CPA been obtained?	■	□	□	
4. Evaluation Review Opinion					
Reviewed and approved, recommended to appoint/retain the appointment. □ Others Reason:					
Chairman:		President:		Financial & Accounting:	

Good Way Technology Co., Ltd.

CPA Independence Evaluation Questionnaire

Evaluation Period: 2024

Respondent: PwC Taiwan

CPAs Yu, Chih-Fan, Huang, Shih-Chun

1. Review of Independence Requirements (If any of the following is checked "Yes", further understand the specific facts)

Item	Evaluation Content	Please Check			Description
		Yes	No	N/A	
1	Does the CPA or their spouse or minor children have any investment or shared financial interest with the Company?	□	■	□	
2	Does the CPA himself/herself or his/her spouse or minor children have any borrowing or lending with the Company? However, this does not apply if the client is a financial institution and is a normal business partner.	□	■	□	
3	Is the CPA or member of the auditing service team currently or within the past two years serving as a director, manager, or a position with significant influence over the audit case for this company?	□	■	□	
4	Do the CPA or members of the auditing service team promote or act as an intermediary for stocks or other securities issued by the Company?	□	■	□	
5	Can the CPA or members of the audit service team represent the Company in legal cases or other disputes with third parties other than the operations permitted by law?	□	■	□	
6	Do the CPA or members of the audit service team have a spousal, direct blood relative, direct relative by marriage, or second-degree collateral blood relative relationship with the Company's directors, managers, or personnel in positions that have a significant influence on the audit case?	□	■	□	
7	Has any partner of the former audit firm been appointed as a director, managerial officer or any position that may have a significant influence on the audit of the Company within one year after resignation or dismissal?	□	■	□	
8	Did the CPA or audit team members receive valuable gifts or special favors from the Company or its directors, managers, or major shareholders?	□	■	□	
9	Is the CPA currently employed by the client or auditee in a permanent position, receiving a fixed salary, or serving as a director or supervisor?	□	■	□	

2. Operation Independence Review (If any of the following is checked "No", further understanding of the specific facts is required)

Item	Evaluation Content	Please Check			Description
		Yes	No	N/A	
1	When the CPA has a direct or significant indirect interest in the matter being commissioned that may affect their fairness and independence, have they recused themselves and not taken on the assignment?	■	□	□	
2	When the CPA provides audit, review, compilation or special engagement services on financial statements and renders an opinion, should they maintain not only substantive independence but also formal independence?	■	□	□	

3	Do the members of the audit service team, other joint practicing CPAs or partners of the CPA firm, the CPA firm, affiliated enterprises of the firm, and alliance firms also maintain independence with respect to the Company?	■	□	□	
4	Does the CPA perform professional services with an attitude of integrity and rigor?	■	□	□	
5	When performing professional services, did the CPA maintain an impartial and objective stance, and avoid allowing bias, conflicts of interest, or self-interest to influence their professional judgment?	■	□	□	
3. Qualification Review					
Item	Evaluation Content	Please Check			Description
		Yes	No	N/A	
1	Has the CPA been sanctioned by the Accountant Disciplinary Committee in the past two years? Has this CPA firm been involved in any major litigation cases in the past two years or currently?	□	■	□	
2	Does the CPA firm have sufficient scale, resources, and regional coverage in providing corporate audit services?	■	□	□	
3	Does the CPA firm have a clear quality control procedure? Does the scope include the levels and key points of the audit procedures, how to handle audit issues and judgments, quality control review of independence, and risk management?	■	□	□	
4	Does the CPA firm promptly inform the Board of Directors of any significant issues and developments regarding risk management, corporate governance, financial accounting, and related risk controls?	■	□	□	

D. The Company conducted a “Corporate Governance Advocacy” on February 13, 2023, reminding directors and managers not to trade their stocks during the closed period of 30 days prior to the announcement of the annual financial report.

E. The Company has conducted a “Corporate Governance Promotion” on April 24, 2023, reminding directors and managers not to trade their stocks during the 15-day blackout period prior to the announcement of quarterly financial reports.

F. The Company has issued a notice to directors and managers on May 11, 2023, regarding “Taipei Exchange Promotion Document - Common Patterns of Violations of Insider Trading Reporting Requirements under the Securities and Exchange Act”.

G. The Company has conducted a “Corporate Governance Promotion” on April 24, 2023, reminding directors and managers not to trade their stocks during the 15-day blackout period prior to the announcement of quarterly financial reports.

H. The Company has conducted a “Legal Reminder Promotion” on September 13, 2023, reminding directors and managerial officers, who are insiders, not to engage in securities borrowing and lending (stock borrowing).

I. The Company has conducted a “Corporate Governance Promotion” on October 20, 2023, reminding directors and managers not to trade their stocks during the 15-day blackout period prior to the announcement of quarterly financial reports.

J. The Company has issued a notice to directors and managers on November 01, 2023, regarding “Taipei Exchange Promotion Document - Common Patterns of Violations of Insider Trading Reporting Requirements under the Securities and Exchange Act”.

K. The Company has conducted a “Legal Reminder Promotion” on December 09, 2023, reminding directors and managerial officers, who are insiders, not to engage in securities borrowing and lending (stock borrowing).

L. The Company has conducted a “Legal Reminder Campaign” on December 9, 2023, reminding directors and managerial officers, who are insiders, that they are not allowed to engage in securities borrowing and lending (stock lending).

M. The Company has conducted a “Legal Reminder Promotion” on December 27, 2023, reminding directors and managerial officers, who are insiders, not to engage in securities borrowing and lending (stock borrowing).

N. The Company conducted a “Corporate Governance Advocacy” on February 15, 2024, reminding directors and managers not to trade their stocks during the closed period of 30 days prior to the announcement of the annual financial report.

O. The Company has reported during the 17th Meeting of the 9th Board of Directors on March 12, 2024, that Good Way Technology Vietnam Company Limited (a 100% reinvested subsidiary of our company) has additionally formulated the “Procedures for Acquisition or Disposal of Assets” and has convened a Board of Directors Meeting to approve it.

P. During the 17th Meeting of the 9th Board of Directors on March 12, 2024, the Company reported on the investment situation of Good Way Technology Vietnam Co. Ltd. (a 100% reinvested subsidiary of the Company).

Q. The Company has reported the “Board Performance Self-Evaluation”, “Audit Committee Performance Self-Evaluation”, “Remuneration Committee Performance Self-Evaluation”, “Director Member Self-Evaluation” and “External Professional Independent Institution Evaluation” during the 18th Meeting of the 9th Board of Directors on March 21, 2024.

R. The Company has passed the resolution to enact the “Company’s Guidelines for Compensation of Directors and Managers”, “Enterprise Risk Management Policies and Procedures”, “Key Points for Directors’ Training”, “Organizational Rules of the Audit Committee”, “Rules Governing the Scope of Powers of the Board of Directors”, “Rules of Procedure for Board of Directors Meetings”, and “Rules of Procedure for Shareholders’ Meetings” during the 18th Meeting of the 9th Board of Directors on March 21, 2024.

S. The Company has purchased liability insurance for all directors and filed the required reports accordingly.

T. Disseminate relevant training courses to board members and assist in arranging training to enhance the acquisition of new knowledge and maintain professional advantage.

U. The Company has conducted a “Corporate Governance Promotion” on April 19, 2024, reminding directors and managers not to trade their stocks during the 15-day blackout period prior to the announcement of quarterly financial reports.

3. Attendance of Independent Directors at Each Board Meeting:
Please refer to: Pages 72, (12) Major Resolutions of the Shareholders’ Meeting and the Board of Directors for the most recent year and up to the date of printing of the Annual Report. 1. Major Resolutions of the Board of Directors.

4. Performance Evaluation of the Board of Directors:

Evaluation Cycle	Evaluation Period	Evaluation Scope	Evaluation Method	Evaluation Content
At the end of each year, an annual evaluation is conducted, and the evaluation results are completed before the end of the first quarter of the following year.	January 1, 2023 to December 31, 2023	Board of Directors Audit Committee Remuneration Committee Individual Board Members	Board self-evaluation Director self-assessment External assessment	Board of Directors’ Evaluation Items: 1. Degree of participation in company operations. 2. Enhancing the quality of Board decisions. 3. Board composition and structure. 4. Election and continuing education of directors. 5. Internal control. 6. Awareness of functional committees’ responsibilities. Audit Committee Evaluation Items: 1. Degree of participation in company operations. 2. Understanding of the Audit Committees’ responsibilities. 3. Enhancing the quality of functional committees’ decisions. 4. Internal control. Remuneration Committee Evaluation Items: 1. Degree of participation in company operations. 2. Understanding of the Remuneration Committees’ responsibilities. 3. Enhancing the quality of functional committees’ decisions. 4. Composition of functional committees and election of members. Director (Self or Peer) Assessment Items: 1. Understanding of the Company’s goals and tasks. 2. Awareness of director responsibilities. 3. Degree of participation in company operations. 4. Internal relationship management and communication. 5. Professionalism and continuing education of directors. 6. Internal control. Board of Directors’ External Evaluation Items:

Evaluation Cycle	Evaluation Period	Evaluation Scope	Evaluation Method	Evaluation Content
				1. Composition of the Board of Directors. 2. Guidance from the Board of Directors. 3. Authority of the Board of Directors. 4. Supervision by the Board of Directors. 5. Communication of the Board of Directors. 6. Internal control and risk management. 7. Self-discipline of the Board of Directors. 8. Other (e.g., Board of Directors meetings, support systems, etc.).

(2). Operations of the Audit Committee

1. Information on the operation of the Audit Committee

The annual work priorities for the Audit Committee for 2023 are as follows:

1. Establish or amend the internal control system in accordance with the Company's Articles of Incorporation.
2. Evaluate the effectiveness of the internal control system.
3. Establish or amend the procedures for acquiring or disposing of assets, preventing insider trading, applying for suspension and resumption of trading, corporate governance best practice principles, sustainable development best practice principles, continuing education for directors, rules governing the scope of responsibilities of the Board of Directors, rules of procedure for Board of Directors meetings, ethical corporate management procedures and guidelines, and other procedures in accordance with the Company's Articles of Incorporation.
4. Review matters involving the personal interests of directors.
5. Review major transactions involving assets or derivatives.
6. Review major lending, endorsement, or guarantee activities.
7. Review the issuance of equity-type securities through public offering, private placement, or other means.
8. Review the appointment, dismissal, or remuneration of CPAs.
9. Review the appointment and dismissal of finance and accounting personnel.
10. Review quarterly financial reports, annual financial reports, and semi-annual financial reports.
11. Review the transfer of treasury shares to employees.
12. Review the Company's appointment of Hua Nan Bank as the lead bank for a syndicated loan.
13. Review the Company's indirect investment in Vietnam.
14. Review other major matters as required by the Company or the competent authority.

In the most recent year (2023), the Audit Committee held a total of 7 meetings. The attendance of the independent directors is as follows:

Title	Name	Attendance in Person	Attendance by Proxy	Attendance Rate (%)	Remarks
Independent Director	Li, Chuan-Te	7	0	100.00	None
Independent Director	Huang, Mei-Ling	7	0	100.00	None
Independent Director	Liu, Chu	7	0	100.00	None
Independent Director	Chen, Te-Kai	0	0	N/A	Note

Note: Elected to serve from November 30, 2023

2. Other Mentionable Information

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

Meeting Date	Matters to Acknowledge
2023.03.17 The 8th Meeting of the 3rd Term	1. Approved the case of the Company's chief accountant and chief accounting officer 2. The Company's assessment of whether to reclassify accounts receivable/other receivables/prepaid expenses/deposits paid that are overdue for more than three months and are significant in amount as loans 3. The Business Report and Financial Statements of the Company for 2022 4. The case of transferring treasury shares to employees 5. The case of the Company's Internal Control Statement for Self-Evaluation in 2022 6. According to the Company's corporate governance best practices, the case of evaluating the independence and suitability of the Company's appointment of CPAs 7. The case of surplus distribution of the Company for 2022 8. Issuance of new shares from capitalization of earnings 9. Directors and officers liability insurance case 10. Approved the fund lending case of GWC Technology Inc. (a 100% subsidiary of the Company) 11. The Company's indirect investment in Vietnam. 12. The case of amending certain provisions of the Company's corporate governance related regulations and rules 13. Pre-approve the case of the CPAs, its firm, and its associated firm providing non-assurance services to the Company, its subsidiaries, and significant related enterprises
	1. Cases not approved by the Audit Committee but approved by more than two-thirds of all directors: None 2. Resolution result: All attending members unanimously approved as proposed. 3. Follow-up actions: Submit to the Board of Directors for approval by all attending directors.
2023.04.19 The 3rd Meeting of the 9th Term	To meet its working capital requirements, the Company plans to appoint Hua Nan Commercial Bank as the lead arranger bank for a syndicated loan facility with a maximum amount of NT$2 billion.
	1. Cases not approved by the Audit Committee but approved by more than two-thirds of all directors: None 2. Resolution result: All attending members unanimously approved as proposed. 3. Follow-up actions: Submit to the Board of Directors for approval by all attending directors.
2023.05.11 The 10th Meeting of the 3rd Term	1. The Company's appointment of Mr. Shueh, Gen-Feng as the Group's Chief Financial Officer 2. The Company's assessment of whether to reclassify accounts receivable/other receivables/prepaid expenses/deposits paid that are overdue for more than three months and are significant in amount as loans 3. Pre-approve the case of the CPAs, its firm, and its associated firm providing non-assurance services to the Company, its subsidiaries, and significant related enterprises
	1. Cases not approved by the Audit Committee but approved by more than two-thirds of all directors: None 2. Resolution result: All attending members unanimously approved as proposed. 3. Follow-up actions: Submit to the Board of Directors for approval by all attending directors.
2023.07.21 The 11th Meeting of the 3rd Term	Approved the loan of funds to Good Way Technology Vietnam Co. Ltd. (a 100% reinvested subsidiary of the Company)
	1. Cases not approved by the Audit Committee but approved by more than two-thirds of all directors: None 2. Resolution result: All attending members unanimously approved as proposed. 3. Follow-up actions: Submit to the Board of Directors for approval by all attending directors.
2023.08.10 The 12th Meeting of the 3rd Term	1. The Company's assessment of whether to reclassify accounts receivable/other receivables/prepaid expenses/deposits paid that are overdue for more than three months and are significant in amount as loans 2. Approved the Company's Consolidated Financial Statements for the second quarter of 2023
	1. Cases not approved by the Audit Committee but approved by more than two-thirds of all directors: None 2. Resolution result: All attending members unanimously approved as proposed. 3. Follow-up actions: Submit to the Board of Directors for approval by all attending directors.

Meeting Date	Matters to Acknowledge
223.10.12 The 13th Meeting of the 3rd Term	Approved the revision of certain provisions of the Company's Operating Procedures for Acquisition or Disposal of Assets
	1. Cases not approved by the Audit Committee but approved by more than two-thirds of all directors: None 2. Resolution result: All attending members unanimously approved as proposed. 3. Follow-up actions: Submit to the Board of Directors for approval by all attending directors.
2023.11.09 The 14th Meeting of the 3rd Term	1. The Company's assessment of whether to reclassify accounts receivable/other receivables/prepaid expenses/deposits paid that are overdue for more than three months and are significant in amount as loans 2. Approved the Company's Consolidated Financial Statements for the third quarter of 2023 3. Approved the Company's Internal Audit Plan for 2024 4. Approved the Company's Budget Plan for 2024 5. Approved the Company's proposal to issue the 3rd Domestic Unsecured Convertible Corporate Bonds
	1. Cases not approved by the Audit Committee but approved by more than two-thirds of all directors: None 2. Resolution result: All attending members unanimously approved as proposed. 3. Follow-up actions: Submit to the Board of Directors for approval by all attending directors.
2024.03.12 The 15th Meeting of the 3rd Term	1. Approved the fund lending case of GWC Technology Inc. (a 100% subsidiary of the Company) 2. The case of Good Way Electronics Co., Ltd. (Kunshan, China) (a 100% reinvested subsidiary of the Company) intending to jointly invest with Linxee (Beijing) Technology Ltd. to establish Lensuo Technology Development Co., Ltd. 3. The case of the Company's self-prepared financial information for 2023 4. Directors and officers liability insurance
	1. Cases not approved by the Audit Committee but approved by more than two-thirds of all directors: None 2. Resolution result: All attending members unanimously approved as proposed. 3. Follow-up actions: Submit to the Board of Directors for approval by all attending directors.
2024.03.21 The 16th Meeting of the 3rd Term	1. The case of the Company's assessment of whether to reclassify accounts receivable/other receivables/prepaid expenses/deposits paid that are overdue for more than three months and are significant in amount as loans 2. The Company's 2023 Business Report and Financial Statements 3. Approved the Company's 2023 Internal Control Self-Assessment Statement 4. According to the Company's corporate governance best practices, the case of evaluating the independence and suitability of the Company's appointment of CPAs 5. The Company's 2023 Profit Distribution and Loss Compensation 6. The case of amending certain provisions of the Company's corporate governance related regulations and rules
	1. Cases not approved by the Audit Committee but approved by more than two-thirds of all directors: None 2. Resolution result: All attending members unanimously approved as proposed. 3. Follow-up actions: Submit to the Board of Directors for approval by all attending directors.
2024.05.07 The 17th Meeting of the 3rd Term	1. The case of the appointment of the Company's Quality Assurance Director of the Group 2. The case of the Company's assessment of whether to reclassify accounts receivable/other receivables/prepaid expenses/deposits paid that are overdue for more than three months and are significant in amount as loans 3. The Company's Consolidated Financial Statements for the first quarter of 2024 4. Proposal for amendments to the Articles of Incorporation of the Company
	1. Cases not approved by the Audit Committee but approved by more than two-thirds of all directors: None 2. Resolution result: All attending members unanimously approved as proposed. 3. Follow-up actions: Submit to the Board of Directors for approval by all attending directors.

(2). The matters listed in Article 14-5 of the Securities and Exchange Act and other matters that are not approved by more than one-half of all members of the Audit Committee, but are carried out with the approval of more than two-thirds of all directors, shall be stated in the minutes of the board of directors meeting with the resolution of the Audit Committee: None

3. The implementation status of independent directors' avoidance of interested party's agenda should state the names of independent directors, the content of the agenda, the reasons for avoidance of interest, and their voting participation: None.
4. Communication between independent directors, internal audit officers, and CPAs (including major matters, methods, and results related to communication about the Company's financial and business conditions):
   (1). The audit unit submits the audit report to the independent directors in the month following the completion of the audit project, and the independent directors have no objections.
   (2). The Company's chief audit officers attend the meetings of the Audit Committee and the Board of Directors to present quarterly audit reports. They have sufficient communication with the directors (including independent directors) regarding the execution and effectiveness of the audit operations.
   (3). In accordance with Statement of Auditing Standards No. 39 "Communication with Those Charged with Governance" issued by the Accounting Research and Development Foundation of the Republic of China and taking into consideration the significant matters identified during the review process, the accountant communicates with the Audit Committee after the completion of the review.
   (4). The communication records are as follows:

Summary of communication between independent directors and CPAs			
Date	Attendees	Communication Matters	Communication Results
2024.03.21	Independent Director Liu, Chu Independent Director Li, Chuan-Te Independent Director Huang, Mei-Ling Independent Director Chen, Te-Kai PwC Taiwan CPA Yu, Chih-Fan Senior Director Shen, Yi-Feng	Conduct presentations and explanations of the second quarter 2023 financial report. Communicate with the governing body. Key Audit Matters. The CPA discusses and communicates with attendees on the questions they have consulted.	No comments at this meeting.
2023.08.10	Independent Director Liu, Chu Independent Director Li, Chuan-Te Independent Director Huang, Mei-Ling PwC Taiwan CPA Yu, Chih-Fan PwC Taiwan Manager Tsai, I-Ting	Conduct presentations and explanations of the second quarter 2023 financial report. Communicate with the governing body. The CPA discusses and communicates with attendees on the questions they have consulted.	No comments at this meeting.
2023.03.17	Independent Director Liu, Chu Independent Director Li, Chuan-Te Independent Director Huang, Mei-Ling PwC Taiwan CPA Yu, Chih-Fan PwC Taiwan Manager Tsai, I-Ting	Conduct presentations and explanations of the second quarter 2022 financial report. Communicate with the governing body. Key Audit Matters. The CPA discusses and communicates with attendees on the questions they have consulted.	No comments at this meeting.

Summary of communication between independent directors and chief auditor			
Date	Attendees	Communication Matters	Communication Results
2024.03.21	Independent Director Liu, Chu Independent Director Li, Chuan-Te Independent Director Huang, Mei-Ling Independent Director Chen, Te-Kai Independent Director Lai, Ju-Fen, Chief Auditor	Recent publicity and sharing of relevant laws and regulations from the competent authorities Items to be inspected during the period Other discussion items	No comments at this meeting.
2023.11.09	Independent Director Liu, Chu Independent Director Li, Chuan-Te Independent Director Huang, Mei-Ling Independent Director, Lai, Ju-Fen	Recent publicity and sharing of relevant laws and regulations from the competent authorities Items to be inspected during the period Other discussion items	No comments at this meeting.
2023.08.10	Independent Director Liu, Chu Independent Director Li, Chuan-Te Independent Director Huang, Mei-Ling Independent Director, Lai, Ju-Fen	Recent publicity and sharing of relevant laws and regulations from the competent authorities Items to be inspected during the period Other discussion items	No comments at this meeting.
2023.05.11	Independent Director Liu, Chu Independent Director Li, Chuan-Te Independent Director Huang, Mei-Ling Independent Director, Lai, Ju-Fen	Recent publicity and sharing of relevant laws and regulations from the competent authorities Items to be inspected during the period Other discussion items	No comments at this meeting.
2023.03.17	Independent Director Liu, Chu Independent Director Li, Chuan-Te Independent Director Huang, Mei-Ling Independent Director, Lai, Ju-Fen	Recent publicity and sharing of relevant laws and regulations from the competent authorities Items to be inspected during the period Other discussion items	No comments at this meeting.

(3). The Company's Governance Operations and the Differences from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies, along with the Reasons:

Assessment Item	Operational situation			Differences from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and Reasons
	Yes	No	Summarized Description	
1. Has the Company established and does it disclose its Corporate Governance Best Practice Principles based on the Corporate Governance Best Practice Principles for TWSE/TPEx	V		The Company has established the Corporate Governance Best Practice Principles in accordance with the "Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies" and disclosed them on the Company website.	No significant differences, will continue to cooperate with relevant laws and regulations for future deliberations.
2. The Company's shareholding structure and shareholders' equity (1) Has the Company formulated internal operating procedures for handling shareholders' suggestions or questions or disputes and litigation with them and complied with the procedures? (2) Does the Company have a list of the major shareholders with ultimate control	V		(1) The Company has designated a spokesperson to handle shareholders' suggestions, disputes, inquiries, and litigation matters in accordance with the Corporate Governance Best Practice Principles, and to coordinate with relevant units for execution. (2) The Company has identified the major shareholders who exercise actual control over	No significant differences, will continue to cooperate with relevant laws and regulations for future deliberations.

Assessment Item	Operational situation			Differences from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and Reasons
	Yes	No	Summarized Description	
over the Company and a list of the ultimate controllers of the major shareholders? (3) Has the Company established and implemented a risk control and a firewall mechanism between itself and affiliates? (4) Has the Company formulated internal regulations to prohibit insiders from using information undisclosed in the market to buy and sell securities?			the Company. (3) The Company has established financial and operational procedures for group enterprises, specific companies, and related parties, as well as procedures for the acquisition or disposal of assets, subsidiary supervision and control procedures, and enterprise risk management policies and procedures to regulate transactions between related enterprises and implement risk control. (4) The Company has established procedures to prevent insider trading and regularly educates insiders on their obligations to avoid any profit-seeking behavior due to information asymmetry.	
3. Composition and Responsibilities of the Board of Directors (1) Has the Board of Directors formulated a diversity policy and specific management objectives and implemented them accordingly?	V		(1) According to the Company's Corporate Governance Best Practice Principles, Chapter 3 on Enhancing the Functions of the Board of Directors mentions the diversity policy related to the composition of the Board members. Additionally, the Director Election Regulations stipulate the adoption of a comprehensive candidate nomination system, accepting the nomination of director candidates from shareholders holding more than 1% of the shares, to ensure shareholder rights while considering the diversity and independence of directors. The Company's board of directors consists of 40% (4 members) women and 60% (6 members) men, maintaining a balanced ratio. Board members have diverse academic and professional backgrounds, including different expertise such as serving as directors of listed companies, corporate finance managers, and consultants for the Council of Labor Affairs (please refer to the director information table on page 11). This diversity helps in supervising the Company's operations and protecting shareholders' interests. Furthermore, the Company has established guidelines for continuing education of directors, and through electronic, diversified, humanized, and flexible course designs, directors are encouraged to	No significant differences, will continue to cooperate with relevant laws and regulations for future deliberations.

Assessment Item	Operational situation			Differences from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and Reasons
	Yes	No	Summarized Description	
(2) Has the Company voluntarily established other functional committees in addition to the Remuneration and the Audit Committees established in accordance with the law? (3) Has the Company formulated board performance evaluation regulations and evaluation methods, conducted performance evaluations annually and regularly, reported the results of performance evaluations to the Board of Directors, and adopted such results as a reference for deciding the remuneration of and nominating candidates for individual directors? (4) Does the Company regularly assess the independence of the CPAs?			engage in substantive learning and development. The implementation of diversity among individual directors on the Board is shown in the attached table. (2) The Company has established a Remuneration Committee and voluntarily set up an Audit Committee. There are currently no arrangements for other functional committees. (3) The Company has established a Board Performance Evaluation Measures and evaluation methods, conducting annual performance evaluations (evaluation results can be found on the Company's website). Additionally, according to the latest "Self-Evaluation or Peer Evaluation of the Board of Directors for Companies Limited by Shares," the Company passed an amendment to the Board Performance Evaluation Measures on August 12, 2020, to comply with the latest regulations. (4) The Audit Committee regularly evaluates the independence of the CPAs annually and reports the evaluation results to the Board of Directors to ensure that the appointed accounting firm and its alliance firms (if applicable) are not aware of any commercial relationships or other matters between them and the Company that could reasonably be considered to affect their independence. The accounting firm and its other members and alliance firm members have also complied with the Norm of Professional Ethics for Certified Public Accountant of the Republic of China No. 10 in maintaining independence from the Company.	
4. Has the Company has appointed an appropriate number of competent corporate governance personnel and designated a corporate governance officer to be responsible for corporate governance affairs (including but not limited to providing directors and supervisors with the materials required for performance of their duties, assisting directors and supervisors with compliance, handling matters related to	V		The Company has established a dedicated unit, a corporate governance officer, and coordinators responsible for matters related to corporate governance.	No significant differences, will continue to cooperate with relevant laws and regulations for future deliberations.

Assessment Item	Operational situation			Differences from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and Reasons
	Yes	No	Summarized Description	
board meetings and the shareholders' meetings, and preparing minutes of board meetings and shareholders' meetings)?				
5. Has the Company established communication channels with stakeholders (including but not limited to shareholders, employees, clients, and suppliers) and set up a section dedicated to stakeholders on the Company's website to properly respond to stakeholders' major CSR issues of concern?	V		(1) The Company has conducted interviews and electronic surveys with the identified 7 major stakeholder groups annually in accordance with the GRI standards' requirements on material sustainability issues to understand the concerns and expectations of different stakeholders on Good Way's material sustainability issues. The responses and corresponding actions to these material issue expectations have been disclosed in the Company's annual CSR report and explained to the Board of Directors and stakeholders. (2) Starting from 2024, the Company will set up an electronic questionnaire on material sustainability issues on the updated official website to continue interacting with stakeholders who are concerned about Good Way's ESG and collect their opinions.	No significant differences, will continue to cooperate with relevant laws and regulations for future deliberations.
6. Does the Company appoint a professional stock affairs agency to handle the affairs related to shareholders' meetings?	V		The Company have appointed Register & Transfer Agency, SinoPac Securities Corporation, to handle the affairs related to shareholders' meetings.	No significant differences, will continue to cooperate with relevant laws and regulations for future deliberations.
7. Information disclosures (1) Has the Company set up a website to disclose information on financial business and corporate governance? (2) Does the Company adopt other methods to disclose information (such as setting up an English website, designating personnel to collect and disclose company information, implementing a spokesperson system, or placing the proceeding of investor conferences on the Company website)? (3) Does the Company announce and submit an annual financial report to the competent authority within two months after the end of each year and announce and submit the financial reports for the	V V	V	(1) The Company has disclosed investor-related information, including financial information and corporate governance information, on the Company website. (2) The Company has established an English website to keep up with the trend of internationalization and has placed the proceedings of the institutional investor conferences on the Company website.	No significant differences, will continue to cooperate with relevant laws and regulations for future deliberations.

Assessment Item	Operational situation			Differences from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and Reasons
	Yes	No	Summarized Description	
first, second, and third quarters and the operations of each month to the competent authority before a specified deadline?				
8. Does the Company have other important information that facilitates the understanding of the operations of corporate governance (including but not limited to employee rights, employee care, investor relations, supplier relations, stakeholders' rights, directors' and supervisors' continuing education, the implementation of risk management policies and risk measurement standards, the implementation of client policies, and the Company's purchase of directors and supervisors liability insurance)?	V		The Company firmly believes that a sound board structure and operation, information transparency, safeguarding shareholders' rights and interests, and equal treatment of shareholders are the foundations of corporate governance. (1) In 2023, the Company has arranged for directors to attend continuing education courses. The relevant directors' training information is provided in the attached Table 2 below. (2) Every year, the Company purchases liability insurance for its directors and managers. The important details of the liability insurance, such as the insured amount, coverage scope, and insurance premiums, will be reported to the upcoming board meeting. (3) Risk management policies and implementation of risk measurement: All major operational policies, investment projects, endorsements and guarantees, lending of funds, bank financing, and other significant proposals of the Company are evaluated and analyzed by the appropriate authority and implemented in accordance with the Board of Directors' resolutions. The Audit Department also formulates its annual audit plan based on the risk assessment results and effectively implements the supervisory mechanism and control of various risk management implementations. (4) The Company has dedicated email inboxes for investors/shareholders/government/media/local communities/others, customers, suppliers, and employees to actively address complaints and safeguard the rights and interests of all parties. (5) Please refer to the Corporate Governance section on the Company's website: http://www.goodway.com.tw	No significant differences, will continue to cooperate with relevant laws and regulations for future deliberations.

9. Please specify any improvements made as per the results of the corporate governance evaluation announced by the Corporate Governance Center, Taiwan Stock Exchange Corporation, in the most recent year and put forth prioritized measures to improve those that have not yet improved. (Companies not included in the evaluation do not need to fill this out)

Number	Question	Description of Improvement Status
1.14	Does the Company's Annual Report disclose the implementation status of the resolutions of the previous year's shareholders' meeting?	The Company has disclosed this in the 2023 Annual Shareholders' Meeting.
1.15	Has the Company established and disclosed on the Company's website the internal regulations prohibiting directors, employees, and other insiders from trading securities using non-public information, including (but not limited to) prohibiting directors from trading the Company's shares during the closed period of 30 days before the announcement of the annual financial report and 15 days before the announcement of quarterly financial reports, and explained the implementation?	The Company has disclosed this on the Company's website in 2023. Website: https://www.goodway.com.tw
2.11	Are the Company's interim financial reports approved by the Audit Committee and discussed and resolved by the Board of Directors?	The Company will improve this year.
2.17	Does the Board of Directors regularly (at least once a year) refer to the audit quality indicators (AQIs) to evaluate the independence and suitability of the CPAs, and disclose the evaluation process in detail in the Annual Report?	The Company's Board of Directors regularly refers to the audit quality indicators (AQIs) to evaluate the independence and suitability of the CPAs and will disclose it in this year's Annual Report.
2.18	Does the Company conduct an internal performance evaluation of functional committees (at least including the Audit Committee and Remuneration Committee) annually and disclose the implementation and evaluation results on the Company's website or Annual Report?	The Company will improve this year.
3.18	Does the Company have an English website that includes financial, business, and corporate governance information?	The Company has set up an official website in 2023: https://www.goodway.com.tw
4.1	Has the Company established a dedicated (or concurrent) unit to promote sustainability, conducted risk assessments on environmental, social, or corporate governance issues related to its operations based on the materiality principle, formulated relevant risk management policies or strategies, and has the board of directors supervised the promotion of sustainability and disclosed it on the Company's website and Annual Report?	The Company will improve this year.

Comprehensive Evaluation Result: In the 10th Corporate Governance Evaluation, the Company ranked in the top 51% to 65% of all listed companies, with satisfactory performance. The Company will gradually implement improvement measures according to the materiality of the evaluation recommendations to enhance corporate governance and protect shareholders' rights.

Table 1: Implementation of Board Member Diversity by Individual Directors

Title	Name	Concurrent Employee of the Company	Gender	Age	Nationality	Term of Independent Director	Multicore Elements								
							Professional Background	Operational Judgment	Accounting and Finance	Business and Economics	Crisis Management	Industry Experience	International Market	Leadership Skills	Decision-Making Skills
Director	Tsao, Tse-Cheng	✓	Male	61-70	R.O.C.		Management	✓	✓	✓	✓	✓	✓	✓	✓
Director	Hsia, Hsueh-Li	✓	Female	61-70	R.O.C.		Business Studies	✓	✓			✓		✓	✓
Director	Hsu, Tzu-Fu		Male	71-80	R.O.C.		Marine				✓	✓	✓	✓	✓
Director	Chen, Chin-Yin		Male	61-70	R.O.C.		Management	✓	✓			✓	✓		
Director	Li, Shu-Hua		Female	61-70	R.O.C.		Business Administration	✓	✓	✓	✓		✓	✓	✓
Director	Hsu, Li-Hsiang		Female	61-70	R.O.C.		Management		✓		✓		✓		
Independent Director	Li, Chuan-Te		Male	51-60	R.O.C.	Over 9 years	Management	✓	✓	✓	✓	✓	✓	✓	✓
Independent Director	Huang, Mei-Ling		Female	51-60	R.O.C.	Over 9 years	Communication	✓	✓	✓	✓		✓	✓	✓
Independent Director	Liu, Chu		Male	71-80	R.O.C.	Over 9 years	Electronics	✓			✓		✓	✓	✓
Independent Director	Chen, Te-Kai		Male	61-70	R.O.C.		Management	✓	✓	✓	✓		✓	✓	✓

Table 2: Training Status of the Company's Directors and Independent Directors in 2023

Title	Name	Date of Training	Organizer	Course Name	Hours	Does the continuing education meet the requirements?
Chairman	Tsao, Tse-Cheng	2023/07/11	Taiwan Corporate Governance Association	Risk is everywhere, how to manage it effectively?	3.0	Yes
		2023/08/29	Taiwan Corporate Governance Association	How to expand influence, support sustainable SDGs, and enhance corporate value	3.0	
Director	Hsia, Hsueh-Li	2023/07/13	Securities and Futures Institute	Talent development and corporate sustainability	3.0	Yes
		2023/08/29	Taiwan Corporate Governance Association	How to expand influence, support sustainable SDGs, and enhance corporate value	3.0	
Director	Hsu, Tzu-Fu	2023/04/11	Taiwan Corporate Governance Association	Global economic and industrial technology development trends	3.0	Yes
		2023/04/12	Taiwan Corporate Governance Association	How should directors and supervisors supervise enterprise risk management and crisis management?	3.0	
Director	Chen, Chin-Yin	2023/09/19	Taiwan Corporate Governance Association	Coping with corporate carbon rights and carbon asset management under the operation of the global carbon trading mechanism	3.0	Yes
		2023/11/14	Taiwan Corporate Governance Association	Emerging Money Laundering Patterns and Regulatory Trends	3.0	
Director	Hsu, Li-Hsiang	2023/07/13	Securities and Futures Institute	Talent development and corporate sustainability	3.0	Yes
		2023/08/29	Taiwan Corporate Governance Association	How to expand influence, support sustainable SDGs, and enhance corporate value	3.0	
Director	Li, Shu-Hua	2023/04/11	Securities and Futures Institute	Global economic and industrial technology development trends	3.0	Yes
		2023/04/11	Securities and Futures Institute	Server system integration technology and application business opportunities	3.0	
Independent Director	Huang, Mei-Ling	2023/04/11	Securities and Futures Institute	Global economic and industrial technology development trends	3.0	Yes
		2023/04/11	Securities and Futures Institute	Server system integration technology and application business opportunities	3.0	
Independent Director	Li, Chuan-Te	2023/06/08	Securities and Futures Institute	Discussion on Post-Merger Integration Issues and Establishment of Management Mechanisms for Enterprises	3.0	Yes
		2023/06/16	Taiwan Corporate Governance Association	Corporate Mergers and Acquisitions, Regulations, Cases, and Analysis	3.0	
		2023/07/13	Taipei Exchange (TPEx)	Promotion Conference on Sustainable Development for TWSE/TPEx Listed Companies	3.0	
Independent Director	Liu, Chu	2023/06/20	Securities and Futures Institute	Supervise corporate risk management and crisis management	3.0	Yes
		2023/06/20	Securities and Futures Institute	How non-accounting directors and supervisors review financial reports	3.0	
Independent Director	Chen, Te-Kai (Note)	-	-	-	-	-

Note: Elected to serve from November 30, 2023

(4). For companies that have established a compensation committee, they should disclose its composition, responsibilities, and operations:

1. Professional knowledge and independence of the Remuneration Committee members

(1). Information regarding members of the Remuneration Committee

April 28, 2024

Title/ Name \ Criteria		Professional qualifications and experience	Circumstances of independence	Number of other public companies where the individual serves as a member of the Remuneration Committee concurrently
Independent Director	Li, Chuan-Te	1. Please refer to the relevant information on the directors, supervisors, president, vice presidents, assistant vice presidents, managers of each department and branch office for their main academic and career backgrounds. 2. Mr. Li, Chuan-Te has worked in the electronics industry for many years, is familiar with the industry characteristics, and possesses relevant experience and expertise in the field. He has extensive corporate management and corporate governance experience, which will help supervise the Company's operations and protect shareholders' rights and interests.	The Company obtains a written statement from independent directors upon their appointment, confirming their independence and that of their direct relatives from the Company. They do not hold any shares in the Company, nor do they have financial or business dealings with the Company or its affiliated enterprises. Their independence complies with the "Regulations Governing the Appointment and Exercise of Powers by Independent Directors of Public Companies.	None
Independent Director	Huang, Mei-Ling	1. Please refer to the relevant information on the directors, supervisors, president, vice presidents, assistant vice presidents, managers of each department and branch office for their main academic and career backgrounds. 2.Ms. Huang, Mei-Ling currently serves as a contract consultant and lecturer at the Joint Support Center. She has expertise in finance and industry, and is able to provide objective advice and professional judgment on risk management, corporate operations, and corporate governance, which can help improve the efficiency of the Company's operations and management.	The Company obtains a written statement from independent directors upon their appointment, confirming their independence and that of their direct relatives from the Company. They do not hold any shares in the Company, nor do they have financial or business dealings with the Company or its affiliated enterprises. Their independence complies with the "Regulations Governing the Appointment and Exercise of Powers by Independent Directors of Public Companies.	None
Independent Director	Liu, Chu	1. Please refer to the relevant information on the directors, supervisors, president, vice presidents, assistant vice presidents, managers of each department and branch office for their main academic and career backgrounds. 2. Mr. Liu, Chu currently serves as an adjunct professor at National Chiao Tung University and National Chengchi University. His knowledge and experience in economics and financial matters can provide important advice and contribution to the Company's operational direction.	The Company obtains a written statement from independent directors upon their appointment, confirming their independence and that of their direct relatives from the Company. They do not hold any shares in the Company, nor do they have financial or business dealings with the Company or its affiliated enterprises. Their independence complies with the "Regulations Governing the Appointment and Exercise of Powers by Independent Directors of Public Companies.	2

Title/ Name \ Criteria		Professional qualifications and experience	Circumstances of independence	Number of other public companies where the individual serves as a member of the Remuneration Committee concurrently
Independent Director	Chen, Te-Kai	1. Please refer to the relevant information on the directors, supervisors, president, vice presidents, assistant vice presidents, managers of each department and branch office for their main academic and career backgrounds. 2. Mr. Chen, Te-Kai currently serves as the Vice President and Acting Spokesperson of Mercuries & Associates Holding, Ltd. With his expertise in finance and industry, he is able to provide objective advice and professional judgments regarding risk management, corporate operations, and corporate governance, which is beneficial to the Company's operational management effectiveness.	The Company obtains a written statement from independent directors upon their appointment, confirming their independence and that of their direct relatives from the Company. They do not hold any shares in the Company, nor do they have financial or business dealings with the Company or its affiliated enterprises. Their independence complies with the "Regulations Governing the Appointment and Exercise of Powers by Independent Directors of Public Companies.	None

2. Responsibilities of the Remuneration Committee

   The Remuneration Committee of the Company shall exercise the following powers with the due care of a good administrator and in good faith, and submit its recommendations to the Board of Directors for discussion. Key Responsibilities:

   (1). Regularly review these regulations and propose amendments.

   (2). Establish and periodically review the Company's management policies and implementation for the remuneration of directors and managers.

3. Information on the Operations of the Remuneration Committee

   (1). The Company has legally established a Remuneration Committee on 2011/10/26 and established the 5th Remuneration Committee on 2021/8/04.

   (2). The recent discussion items and resolution results of the Compensation Committee, and the Company's handling of members' opinions are as follows:

Meeting Date	Matters to Acknowledge
2023.03.17 The 6th Meeting of the 5th Term	1. Compensation case for the Company's directors and managerial employees in 2022 2. The case of transferring treasury shares to managers
	1. Resolution: All attending members unanimously approved as proposed. 2. Follow-up actions: Submit to the Board of Directors for resolution and report to the Shareholders' Meeting. 3. The Company's handling of members' opinions: None
2023.07.06 The 7th Meeting of the 5th Term	1. Salary adjustment case for the Company's managers in 2023
	1. Resolution: All attending members unanimously approved as proposed. 2. Follow-up actions: Submit to the Board of Directors for voting, to be approved by all attending directors. 3. The Company's handling of members' opinions: None

Meeting Date	Matters to Acknowledge
2023.11.09 The 8th Meeting of the 5th Term	1. The Company's Employee Year-end Bonus Case for 2023
	1. Resolution: All attending members unanimously approved as proposed. 2. Follow-up actions: Submit to the Board of Directors for voting, to be approved by all attending directors. 3. The Company's handling of members' opinions: None
2024.03.21 The 9th Meeting of the 5th Term	1. Deliberation on the remuneration payment guidelines for the Company's directors and managers
	1. Resolution: All attending members unanimously approved as proposed. 2. Follow-up actions: Submit to the Board of Directors for voting, to be approved by all attending directors. 3. The Company's handling of members' opinions: None

(3). Operational status of the Remuneration Committee:

1. There are three members in the Remuneration Committee.
2. The term of office of the current members: August 4, 2021 to August 3, 2024. The Remuneration Committee met 3 times in the most recent year, and the qualifications and attendance of the members are as follows:

Title	Name	Attendance in Person	Attendance by Proxy	Attendance Rate (%)	Remarks
Convener	Li, Chuan-Te	3	0	100.00	—
Committee Member	Huang, Mei-Ling	3	0	100.00	—
Committee Member	Liu, Chu	3	0	100.00	—

Other mentionable items:

1. If the Board of Directors refuses to adopt or amend a recommendation of the Remuneration Committee, the date of the meeting, session, the content of the motion, resolution of the Board of Directors, and the Company's response to the Remuneration Committee's opinion (e.g., if the remuneration passed by the Board of Directors exceeds the recommendation of the Remuneration Committee, the circumstances and reason for the difference) shall be specified: No such situation.
2. For proposals resolved by the Remuneration Committee, if any members expressed objection or reservation with a record or written statement, the date of the Remuneration Committee meeting, the session, the content of the proposal, all members' opinions, and the response to the members' opinions shall be specified: None.

(5). The Implementation of Sustainable Development and the Differences and Reasons from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies

Good Way actively promotes corporate sustainability development. While pursuing revenue and profit growth, we have integrated ESG concepts into Good Way's core business strategy and developed the Good Way Sustainability Roadmap. Following this sustainability roadmap, Good Way has announced the goal of achieving net-zero transformation for the Group before 2050, and has also initiated concrete actions such as renewable energy transformation and deepening the impact of social welfare activities to gradually realize the vision of environmental sustainability, employee care, and social prosperity.

For Good Way's specific sustainable development practices and implementation, please refer to the Company website's ESG section.

Promotion of Projects	Implementation Status			Differences and reasons between the Company's sustainable development practices and the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies
	Yes	No	Summarized Description	
1. Has the Company established a governance structure to promote sustainable development and set up a dedicated (concurrent) unit to promote sustainable development, governed by the senior management as authorized by the Board of Directors, which supervises the implementation?	V		(1). The Company has established a sustainability practice code in accordance with the "Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies" and disclosed it on the Company's website. (2). i. In 2023, the Company renamed its Corporate Social Responsibility Committee to the ESG Committee. Based on different job responsibilities and authority, seven functional teams were established, with members comprising senior executives of the Company, responsible for promoting and implementing the Company's sustainable development strategies and goals, integrating them into daily operations, and reporting to the Board of Directors on the progress at least once a year. ii. In 2023, the Company designated the ESG Project Business Division to be responsible for formulating sustainability policies, setting sustainability goals, and working with various units to implement sustainability action plans, as well as regularly reporting to the Board of Directors. iii. The date of reporting to the Board of Directors for the current year: A report was made on November 4, 2023.	No significant differences, will continue to cooperate with relevant laws and regulations for future deliberations.
2. Does the Company conduct risk assessments on environmental, social, and corporate governance issues related to its operations based on the principle of materiality, and formulate relevant risk management policies or strategies?	V		(1). With reference to GRI 3: The double-materiality concept published in 2021, Good Way defines double materiality as considering both impact materiality and financial materiality. The Company conducts risk assessments on environmental, social, and governance issues related to its operations and formulates relevant risk management policies or strategies. (2). Following the materiality assessment process, the Company identifies material sustainability issues through stakeholder engagement. The issues are then assessed and prioritized based on criteria. Relevant risk management policies and strategies are formulated accordingly. For specific implementation details, please refer to Good Way's official website and sustainability reports.	No significant differences, will continue to cooperate with relevant laws and regulations for future deliberations.

Promotion of Projects	Implementation Status			Differences and reasons between the Company's sustainable development practices and the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies
	Yes	No	Summarized Description	
3. Environmental Issues (1). Has the Company established an appropriate environmental management system based on its industry characteristics?	V		(1). The Company's headquarters, Taipei Factory, and Kunshan Factory have both obtained ISO 14001 environmental management system certification and continue to ensure the validity of the certificates. (2). The Company has referred to the Sustainability Accounting Standards Board (SASB) and the Financial Supervisory Commission's industry classification to identify the environmental sustainability management indicators that our industry category should establish and publicly disclose. (3). The Company's factories located in Taiwan and mainland China comply with the relevant environmental protection regulations in their respective regions.	No significant differences, will continue to cooperate with relevant laws and regulations for future deliberations.
(2). Is the Company committed to improving energy efficiency and adopting recycled materials with low environmental impact?	V		(1). The Company's production bases comply with relevant local environmental regulations and strive to promote various energy-saving and consumption-reduction measures to improve energy efficiency and reduce costs. (2). The Kunshan Factory has obtained the ISO 50001 energy management system certification in 2022, and the Taipei Factory plans to pass the ISO 50001 energy management system third-party verification in 2024 to establish a systematic energy efficiency management system. (3). The GP management system have been implemented to ensure that all raw materials used in our products comply with the European Union's RoHS, REACH, and halogen-free regulations. (4). The Company continues to collaborate with international customers to disclose the safety information of chemicals used in manufacturing processes and establish a list of prohibited substances, completing the replacement with green chemicals. Simultaneously, Good Way increases the proportion of recycled/recyclable materials (PCR) used in strategic products to reduce the potential environmental impact throughout the product life cycle.	

<table>
<tr><th rowspan="2">Promotion of Projects</th><th colspan="3">Implementation Status</th><th rowspan="2">Differences and reasons between the Company's sustainable development practices and the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies</th></tr>
<tr><th>Yes</th><th>No</th><th>Summarized Description</th></tr>
<tr><td>(3). Has the Company evaluated the potential risks and opportunities of climate change for the Company's present and future operations, and taken relevant countermeasures?</td><td>V</td><td></td><td>(1). Good Way incorporates its existing governance structure and follows the TCFD framework and relevant disclosures covered in the CDP's climate change questionnaire to identify and assess the potential significant physical and transition risks, opportunities, and financial impacts of climate change on the Company. Based on this, Good Way formulates corresponding strategies and targets, and continuously tracks and manages them.
(2). Good Way's headquarters, Taipei Factory, and Kunshan Factory have obtained ISO 14064-1 greenhouse gas inventory certification and have set specific short-, medium-, and long-term reduction targets. For detailed actions, please refer to Good Way's official website and sustainability report.</td><td></td></tr>
<tr><td>(4). Has the Company calculated greenhouse gas emissions, water consumption, and the total weight of waste in the last two years, and established policies on energy conservation and carbon reduction, greenhouse gas reduction, water reduction, or waste management?</td><td>V</td><td></td><td>To achieve the goal of environmental sustainability, the Company has continuously implemented measures such as carbon reduction, energy conservation, water resource management, and waste management to reduce the environmental impact of its operations. The disclosed data covers the Company's main operating sites in 2022-2023.

Greenhouse Gas and Energy Management: In accordance with ISO 14064-1, the Company inventories the direct and energy indirect greenhouse gas emissions from its main operating sites. The greenhouse gas emission data for 2022 and 2023 (verified by a third party) are as follows:
<table><tr><th rowspan="2">Year</th><th colspan="2">Greenhouse Gas Emissions (tCO_2e)</th></tr><tr><th>Scope 1</th><th>Scope 2</th></tr><tr><td>2022</td><td>194.975</td><td>2503.432</td></tr><tr><td>2023</td><td>127.723</td><td>1490.366</td></tr></table>To continuously promote emission reduction, the Company has identified that its greenhouse gas emissions mainly come from electricity consumption. Therefore, the Company has adopted energy conservation as its primary carbon reduction strategy and set targets for carbon reduction and energy conservation. With 2022 as the base year, the Company aims to reduce greenhouse gas emissions and energy consumption by 3% annually, and reduce water consumption and waste by 2% annually.
For detailed actions, please refer to Good Way's official website and sustainability report.</td><td></td></tr>
</table>

<table>
<tr><th rowspan="2">Promotion of Projects</th><th colspan="3">Implementation Status</th><th rowspan="2">Differences and reasons between the Company’s sustainable development practices and the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies</th></tr>
<tr><th>Yes</th><th>No</th><th>Summarized Description</th></tr>
<tr><td>4. Social Issues
(1). Does the Company formulate relevant management policies and procedures in accordance with applicable laws and the International Bill of Human Rights?</td><td>V</td><td></td><td>(1). To fulfill corporate social responsibility and implement human rights protection, the Company refers to the International Bill of Human Rights and the International Labor Organization’s Declaration on Fundamental Principles and Rights at Work, and other internationally recognized human rights declarations to formulate this human rights policy. The purpose is to prevent any infringement or violation of human rights, and to ensure that the Company’s current employees receive reasonable and dignified treatment. The main implementation guidelines are as follows:
i. Comply with relevant laws and regulations, and provide a safe and healthy workplace.
ii. Strive to maintain a workplace free from violence, harassment, and intimidation, while respecting employees’ privacy and dignity.
iii. No child labor under the age of 16 shall be employed, and any acts that may lead to the employment of child labor are prohibited.
iv. Sign written labor contracts in accordance with the law, with the contracts stipulating that the employment relationship is established based on mutual consent, and prohibiting forced labor, opposing slavery and human trafficking.
v. Eliminate illegal discrimination and ensure equal employment and promotion opportunities
vi. Establish smooth communication channels, hold regular labor-management meetings to ensure the rights and interests of both parties.</td><td>No significant differences, will continue to cooperate with relevant laws and regulations for future deliberations.</td></tr>
</table>

Promotion of Projects	Implementation Status			Differences and reasons between the Company's sustainable development practices and the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies
	Yes	No	Summarized Description	
(2). Has the Company formulated and implemented reasonable employee benefit measures (including remuneration, leave, and other benefits) and reflected business performance or achievements in employee remuneration appropriately?	V		The Company's employee benefits measures and performance compensations follow the relevant regulations of the Labor Standards Act and internal management regulations. (1). Employee benefit measures, employee training and education, retirement system and its implementation, etc. Since its establishment, the Company has actively promoted harmonious labor-management relations based on the recognition of labor-management co-existence and co-prosperity. It also values employee benefits and health, assisting employees in personal work and life to grow together with the Company. The following employee benefits are currently implemented by the Company: A. Labor and health insurance B. Clubs and health promotion activities C. Educational training subsidies D. Public welfare leave E. Birthday leave (2). Retirement system and its implementation status The Company's employee retirement system originally followed the regulations of the Labor Standards Act. After the Labor Pension Act was implemented on July 1, 2005, the defined contribution system was adopted. After implementation, employees can choose to apply the retirement pension regulations under the "Labor Standards Act" or apply the retirement pension system under the Act and retain their years of service before the Act. For employees subjected to the Act, the Company's monthly contribution rate for employee retirement pensions shall not be less than 6% of the employee's monthly salary. (1). Operating performance or results are appropriately reflected in employee compensation: In accordance with the Company's performance management regulations, employee performance is evaluated twice a year, and the evaluation results are reflected in employees' annual salary adjustments and year-end bonuses.	No significant differences, will continue to cooperate with relevant laws and regulations for future deliberations.

Promotion of Projects	Implementation Status			Differences and reasons between the Company's sustainable development practices and the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies
	Yes	No	Summarized Description	
(3). Does the Company provide employees with a safe and healthy work environment and offer safety and health education to employees regularly?	V		Upholding the core philosophy of "People-Oriented," Good Way aims for "Zero Occupational Hazards" as the ultimate goal. While employees create industrial competitiveness, the Company strives to create an "inherently safe" working environment to become the strongest shield for safeguarding employees' health and safety. To achieve this goal, the Company has established the following five occupational safety and health policies. Good Way independently implements ISO 45001: 2018, The Kunshan Factory in China obtained external verification for ISO 45001: 2018 in 2021 and continues to maintain the effectiveness of the management system to reduce the risks of occupational safety and health management for the Company. Meanwhile, the Taipei Factory is expected to obtain ISO 45001 certification in 2024. To cultivate a culture of workplace safety and health, the Company provides new employees with general occupational safety and health education and training courses during orientation to establish basic safety awareness. Additionally, regular on-the-job training courses are conducted for existing employees to promote safety and health protection and operational safety awareness. In 2023, the Company achieved zero occupational hazards. For specific measures, please refer to Good Way's Sustainability Report.	No significant differences, will continue to cooperate with relevant laws and regulations for future deliberations.
(4). Has the Company established an effective career development training program for employees?	V		Good Way adheres to the training philosophy of "diverse learning enhances professional skills, promotes internalized growth learning for all employees, and transfers to improve performance and continuous improvement to meet development". It designs a talent cultivation blueprint in line with the four spirits of "sincerity, integrity, trust, and practicality", and integrates internal and external resources to subsidize employees' external learning expenses, encouraging them to improve their skills in all aspects to enhance their competence and promote the mutual growth of employees and the Company. In 2023, up to 90% of all employees received internal training, with a total of 10,650 training hours. The overall satisfaction with the education and training for the year was 4.66 out of 5.	No significant differences, will continue to cooperate with relevant laws and regulations for future deliberations.

Promotion of Projects	Implementation Status			Differences and reasons between the Company's sustainable development practices and the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies
	Yes	No	Summarized Description	
(5). Does the Company comply with applicable laws and international standards regarding issues, such as customer health and safety, customer privacy, as well as marketing and labelling of products and services? Has it formulated relevant policies and complaint procedures to protect consumers' or clients' rights and interests?	V		The Company prioritizes customer orientation, and all products are manufactured in accordance with relevant laws and regulations, providing customers with high-quality products and excellent services. The Company requires relevant suppliers to not use conflict minerals and prohibits the use of related hazardous substances, in order to reduce the environmental impact of products and comply with relevant domestic and international laws such as RoHS (The Restriction of Hazardous Substances in Electrical and Electronic Equipment) and customer requirements. A dedicated unit handles customer complaints, executes and tracks them according to the complaint procedures, and has obtained ISO 9001 international certification.	No significant differences, will continue to cooperate with relevant laws and regulations for future deliberations.
(6). Does the Company comply with applicable laws and international standards regarding issues, such as customer health and safety, customer privacy, as well as marketing and labelling of products and services?	V		According to the "Supplier Management Procedure", for new suppliers of main products, the Company requires them to provide a commitment letter for the compliance of environmental hazardous substances with limit values, restricted substance testing reports (i.e., RoHS or other relevant testing reports such as Reach), material safety data sheets, supplier (subcontractor) social responsibility commitment letters, and other environmental compliance declarations. Before conducting business activities with suppliers, the Company will assess whether the trading partners have no past records of negatively impacting the environment and society, as a basis for procurement transactions.	No significant differences, will continue to cooperate with relevant laws and regulations for future deliberations.
5. Has the Company referred to the internationally accepted reporting standards or guidelines to prepare reports, such as ESG reports that disclose the Company's non-financial information? Have the aforementioned reports obtained assurance or assurance opinions from third-party verification bodies?		V	In addition to following the latest sustainability reporting standards (GRI: 2021) issued by the Global Reporting Initiative as the basis for information disclosure in the report, the preparation of the report also corresponds to standards such as the Task Force on Climate-related Financial Disclosures (TCFD) framework, the United Nations Sustainable Development Goals (SDGs), the Sustainability Accounting Standards Board (SASB), and the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies. The Company's sustainability report is self-published, with plans to complete third-party verification by July 2024.	The Company Website has set up a Goodway CSR section: http://www.goodway.com.tw, and in the future, it will strengthen the disclosure of report content and gradually obtain third-party certification.
6. If the Company has established corporate social responsibility principles based on the Corporate Social Responsibility Best Practice Principles for TWSE/TPEx Listed Companies, describe the implementation and any discrepancy: No major difference.				
7. Other important information that facilitates the understanding of the promotion of sustainable development: Please refer to the Goodway CSR section on the Company Website: http://www.goodway.com.tw				

(6). Climate-related Information

1. Implementation Status of Climate-Related Information

Item	Implementation
1. Describe the Board of Directors' and the management's supervision and governance of climate-related risks and opportunities.	Based on the existing governance framework (refer to attachment P.4), Good Way's Risk Management Committee follows the TCFD framework and relevant disclosure information in the CDP (Carbon Disclosure Project) climate change questionnaire. Additionally, they refer to the scenario assumption of global warming at 1.5°C to identify and confirm Good Way's significant physical and transition risks, opportunities, and potential financial impacts under this climate scenario. Accordingly, they formulate corresponding strategies and goals, while continuously tracking and managing them.
2. Describe how the climate risks and opportunities identified impact the Company's business, strategies, and finance (short-term, medium-term, and long-term).	In our industry, greenhouse gas emissions, energy efficiency, water resources, and waste management are major environmental issues. Good Way has established short, medium, and long-term environmental sustainability goals following the net-zero transition roadmap, which serves as Good Way's management approach and targets for environmental sustainability. We participate in the international Carbon Disclosure Project (CDP) to publicly disclose our environmental sustainability policies, goals, progress, and efforts to all stakeholders concerned about the Company. We also utilize the Good Way sustainability questionnaire to continuously review the compliance of our internal management and identify areas for improvement.
3. Describe the impact of extreme climate events and transition actions on finance.	Through the TCFD framework, the Company identifies climate change-related risks and opportunities, analyzes the potential impacts on its operations and finances, and seizes opportunities for transformation. Consequently, Good Way has formulated strategies to achieve carbon neutrality, implement energy management, strengthen green product design, and promote sustainable supply chain management.
4. Describe how the identification, evaluation, and management processes of climate risks are integrated in the overall risk management system.	1. Based on laws, market trends, technological developments, and physical climate change trends, identify significant climate risks and opportunities that may impact operations. 2. Good Way is a strategic supply partner for international brand customers. Therefore, based on the importance of strategic locations, we prioritize analyzing the physical risks at each production site while also assessing the impacts of typhoons and flooding at each site and corresponding response measures. 3. In 2022, Good Way's Taiwan production base relocated to Xizhi Guoyang Silicon Valley, with the factory building obtaining the Green Building Silver Label certification. The design also takes into account the local climate and physical conditions as well as flooding potential in Xizhi District, New Taipei City to reduce the physical risks caused by extreme climate conditions. 4. As some of our products are exported to the European Union, to assess transition risks and future impacts, we will launch product carbon footprint learning and inventory initiatives in 2024. Simultaneously, we will research carbon credit trading prices and procedures to manage and mitigate transition risks from the design stage. 5. Starting from 2023, we will expand the scope and depth of greenhouse gas inventories. Based on the latest data, the Company will be establishing a management framework for

	physical risks. 6. The Company plans to identify climate-related risks and opportunities every two years, integrating this mechanism with the Company's enterprise risk management mechanism. We will review the results annually to ensure their reasonableness and that the identified risks and opportunities align with current conditions.
5. If using scenario analysis to assess resilience in facing climate change risks, the scenarios, parameters, assumptions, analysis factors, and major financial impacts used should be explained.	Climate change risks and opportunities assessment not conducted using scenario analysis.
6. The contents of a transition plan in response to the management of climate-related risks shall be indicated if any, together with indicators and objectives used to identify and manage physical and transition risks.	Mitigation measures for transition risks include: introducing environmentally-friendly materials and low-pollution alternative materials at the design stage, increasing the usage of renewable energy, introducing energy management systems, promoting smart factories and improving energy efficiency to achieve the goal of carbon emission reduction.
7. The price setting basis shall be explained if internal carbon pricing is used as a planning tool.	Internal carbon pricing system not implemented.
8. Information including activities covered, scope of greenhouse gas emissions, planned scheduled, and required annual progress shall be described if climate-related goals are established; if carbon offsets or Renewable Energy Certificates (RECs) are used to achieve relevant goals, the sources and quantity of carbon quota offset or the quantity of RECs shall be described.	1. Indicators and targets for transition risks and opportunities: 1.1 In 2021, the Kunshan Factory initiated the inventory of Scope 1 and 2 greenhouse gas emissions and obtained third-party verification. 1.2 In 2023, Good Way will expand the greenhouse gas inventory scope to include the Taipei Factory and group headquarters and set annual self-reduction targets for key environmental impact indicators. 1.3 By 2024, Good Way will complete at least one major product carbon footprint inventory and obtain third-party product carbon neutrality certification. 1.4 Increase the proportion of renewable energy usage to over 40% by 2030. By 2030, the Company's Scope 1 and 2 greenhouse gas emissions will be reduced by 30% compared to 2022 (baseline). 2. Adaptation to physical risks: To cope with extreme climate events, each factory has strengthened its alert system, implemented emergency response plans, and regularly reviewed the location of factories and equipment to reduce the risk of equipment damage or shutdowns caused by extreme climate events.
9. Greenhouse gas inventory and verification, as well as reduction goals, strategies, and specific action plans (also to be filled out in 1-1 and 1-2).	In accordance with Good Way's net-zero transformation roadmap, we are committed to achieving carbon neutrality and achieving net-zero transformation by 2050. To realize this vision, we have set short, medium, and long-term emission reduction targets for the Group's greenhouse gas emissions management, and through strict compliance with regular inventories, self-reductions, and continuous improvements, as well as concrete action steps, we hope to gradually move towards low-carbon operational transformation and achieve Net-Zero and environmental sustainability by implementing the PDCA management cycle. For Good Way's annual greenhouse gas management actions, progress, and emission reduction achievements, please refer to Good Way Group's annual Sustainability Development Report.

1-1 Greenhouse gas inventory and verification situation for the past two years

1-1-1 Greenhouse gas inventory information

Describe the greenhouse gas emissions (metric tons of CO2e), intensity (metric tons of CO2e/million dollars), and data coverage scope for the most recent two years.
The complete inventory information will be disclosed in the sustainability report.

Note 1: Direct emissions (Scope 1, emissions directly from sources owned or controlled by the Company), energy indirect emissions (Scope 2, indirect greenhouse gas emissions from the generation of purchased electricity, heat, or steam), and other indirect emissions (Scope 3, emissions from company activities that are not direct or energy indirect emissions but are from sources owned or controlled by other companies).

Note 2: The scope of data coverage for direct emissions and indirect energy emissions should be handled in accordance with the time frame stipulated in the regulation referred to in Article 10, Paragraph 2 of these Guidelines. Information on other indirect emissions may be disclosed voluntarily.

Note 3: Greenhouse gas inventory standards: The Greenhouse Gas Protocol (GHG Protocol) or the ISO 14064-1 published by the International Organization for Standardization (ISO).

Note 4: The intensity of greenhouse gas emissions can be calculated per unit of product/service or revenue, but data calculated by revenue (in millions of New Taiwan dollars) should be at least described.

1-1-2 Greenhouse Gas Certainty Information

Describe the verification situation for the past two years up to the date of printing the Annual Report, including the scope of verification, verification institution, verification criteria, and verification opinion.
Complete and confident information will be disclosed in the sustainability report.

Note 1: It shall be handled in accordance with the schedule stipulated by the order prescribed in accordance with Paragraph 2 of Article 10 of these Guidelines. If the Company has not obtained a complete assurance opinion on greenhouse gases by the date of printing the Annual Report, it shall note "Complete assurance information will be disclosed in the sustainability report." If the Company does not prepare a sustainability report, it shall note "Complete assurance information will be disclosed on the Public Information Observation Station," and disclose the complete assurance information in the Annual Report of the following year.

Note 2: Assurance institutions should comply with the relevant regulations on sustainability report assurance institutions stipulated by the Taiwan Stock Exchange Corporation and the Taipei Exchange.

1-2 Greenhouse gas reduction targets, strategies, and concrete action plans

Describe the base year and data for greenhouse gas reduction, reduction targets, strategies, concrete action plans, and the achievement of reduction targets.
In accordance with Good Way's net-zero transformation roadmap, we are committed to achieving carbon neutrality and achieving net-zero transformation by 2050. To realize this vision, we have set short, medium, and long-term emission reduction targets for the Group's greenhouse gas emissions management, and through strict compliance with regular inventories, self-reductions, and continuous improvements, as well as concrete action steps, we hope to gradually move towards low-carbon operational transformation and achieve Net-Zero and environmental sustainability by implementing the PDCA management cycle. For Good Way's annual greenhouse gas management actions, progress, and emission reduction achievements, please refer to Good Way Group's annual Sustainability Development Report.

Note 1: It shall be handled within the time limit prescribed by the order stipulated in accordance with Article 10, Paragraph 2 of these Regulations.

Note 2: The base year should be the year in which the inventory of the consolidated financial report boundary is completed. For example, according to the regulations in Article 10, Paragraph 2 of these Guidelines, companies with a capital of NT$10 billion or more shall complete the inventory of the consolidated financial report for 2024 in 2025. Therefore, the base year is 2024. If the Company has completed the inventory of the consolidated financial report earlier, it can use the earlier year as the base year. Additionally, the data for the base year can be calculated as a single year or an average of multiple years.

(7). Ethical Corporate Management and Differences and Causes of CSR Practices

The Company has established a "Code of Integrity Management" and "Integrity Management Procedures and Guidelines", and conveys the spirit of integrity management through weekly management meetings and monthly company meetings, in order to deepen the corporate culture of "integrity management" and sustainable development.

Item	Implementation status			Deviation from the Corporate Governance Best-practice Principles for TWSE/TPEx Listed Companies and the reasons thereof
	Yes	No	Summarized Description	
1. Formulation of ethical management policies and plans (1) Has the Company formulated an ethical management policy approved by the Board of Directors and disclosed the policy and practice of ethical management in its regulations and public documents? Are the Board of Directors and the senior management committed to actively implementing the policy? (2) Has the Company established an assessment mechanism for the risk of unethical conduct to regularly analyze and evaluate the business activities with a higher risk of unethical conduct within the business scope and formulated a prevention plan accordingly, at least covering the prevention measures for the acts under each subparagraph under Article 7, paragraph 2 of the Corporate Governance Best-practice Principles for TWSE/TPEx Listed Companies? (3) Has the Company clearly specified operating procedures, guidelines for conduct, and a violation punishment and complaint system in the unethical conduct prevention plan and duly implemented them? Does the Company regularly review and revise said plan?	V		(1) The Company operates in accordance with the various regulations of the Code of Integrity Management to implement integrity management. (2) The Company operates in accordance with the Code of Ethical Conduct, and the Whistleblowing and Grievance Management Measures were approved at the 7th Meeting of the 7th Board of Directors and revised at the 22nd Meeting of the 8th Board of Directors, providing an internal grievance mechanism and channel for employees and external stakeholders. (3) The Company operates in accordance with the Code of Ethical Conduct, and the Whistleblowing and Grievance Management Measures were approved at the 7th Meeting of the 7th Board of Directors and revised at the 22nd Meeting of the 8th Board of Directors, providing an internal grievance mechanism and channel for employees and external stakeholders, thereby preventing unethical business conduct.	No significant differences, will continue to cooperate with relevant laws and regulations for future deliberations.

Item	Implementation status			Deviation from the Corporate Governance Best-practice Principles for TWSE/TPEx Listed Companies and the reasons thereof
	Yes	No	Summarized Description	
2. Implementation of ethical management (1) Does the Company evaluate each counterparty's records for ethics? Has the Company specified the terms of ethical conduct in each contract signed with each counterparty? (2) Has the Company established a dedicated (concurrent) unit under the Board of Directors to conduct ethical corporate management, regularly (at least once a year) report to the Board of Directors on its ethical management policies and prevention plans for unethical conduct, and supervise the implementation? (3) Has the Company formulated policies to prevent conflicts of interest, provided appropriate methods for stating one's conflicts of interest, and implemented them appropriately? (4) Has the Company established an effective accounting system and an internal control system for the implementation of ethical management and assigned the internal audit unit to formulate relevant audit plans based on the assessment results of the risk of unethical conduct and audit the compliance with the unethical conduct prevention plan accordingly or commissioned a CPA to perform such audits? (5)Does the Company regularly hold internal and external education and training on ethical management?	V		(1) The Company conducts internal evaluations on both suppliers and customers to ensure the integrity of the parties involved. If necessary, suppliers are required to sign an integrity commitment letter. (2) The Company has designated the Chairman's Office as the dedicated unit for ethical management operations and code of conduct, and regularly reports the implementation status to the Board of Directors. (3) The Company's Grievance Management Measures were approved at the 7th Meeting of the 7th Board of Directors and revised at the 22nd Meeting of the 8th Board of Directors, providing an internal grievance mechanism and channel for employees and external stakeholders. The Company has also established a Code of Ethical Conduct, clearly defining how to prevent conflicts of interest and ensure that the Company's business secrets are not leaked. (4) The Company has established procedures for accounting professional judgments, processes for changes in accounting policies and estimates, and an internal control system. The internal audit unit audits them according to the annual audit plan and submits them to the Audit Committee for review. (5) The Company regularly promotes information related to integrity management at the Company's monthly meetings, and the chairman personally expounds the Company's business philosophy.	No significant differences, will continue to cooperate with relevant laws and regulations for future deliberations.

<table>
<tr><th rowspan="2">Item</th><th colspan="3">Implementation status</th><th rowspan="2">Deviation from the Corporate Governance Best-practice Principles for TWSE/TPEx Listed Companies and the reasons thereof</th></tr>
<tr><th>Yes</th><th>No</th><th>Summarized Description</th></tr>
<tr><td>3.Implementation of the Company’s whistleblowing system
(1) Has the Company formulated a specific whistleblowing and reward system, established a convenient whistleblowing method, and assigned appropriate personnel to handle the party accused?
(2) Has the Company formulated standard operating procedures for investigation of reported cases, the follow-up measures to be taken after the investigation is completed, and a confidentiality mechanism?
(3) Does the Company take measures to protect whistleblowers from being mistreated due to their whistleblowing behavior?</td><td>V</td><td></td><td>(1) The Company’s Grievance Management Measures were approved at the 7th Meeting of the 7th Board of Directors and revised at the 22nd Meeting of the 8th Board of Directors, and designated dedicated personnel to handle complaints, providing an appeal mechanism and channel for internal employees and external stakeholders.
(2) The Company has approved the Whistleblowing and Grievance Management Procedures at the 7th Meeting of 7th Board of Directors, and revised the procedures at the 22nd Meeting of the 8th Board of Directors, clarifying the operating procedures and relevant confidentiality mechanisms in the procedures.
(3) In accordance with the Whistleblower Protection Act, whistleblowers are protected from retaliation for making reports.</td><td>No significant differences, will continue to cooperate with relevant laws and regulations for future deliberations.</td></tr>
<tr><td>4. Strengthening information disclosure
(1) Does the Company disclose the content of its Corporate Governance Best-Practice Principles and the effectiveness of the implementation of the principles on its website and the MOPS?</td><td>V</td><td></td><td>(1) The Company has disclosed its Code of Ethical Conduct and the Whistleblowing and Complaints Management Regulations on its website. No whistleblowing cases were received during the period up to the Annual Report publication cut-off date.</td><td>No significant differences, will continue to cooperate with relevant laws and regulations for future deliberations.</td></tr>
<tr><td colspan="5">5. If the Company has formulated its own Corporate Governance Best-Practice Principles as per the “Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies,” please specify the difference between its operation and the principles: No significant difference.</td></tr>
<tr><td colspan="5">6. Other important information that facilitates the understanding of the Company’s ethical management: (e.g., reviewing and amending the Company’s corporate governance best-practice principles)
Please refer to the Corporate Governance section on the Company’s website: http://www.goodway.com.tw</td></tr>
</table>

(8). If the Company has established a corporate governance code and related regulations, it should disclose the method of inquiry: The Company has established a Corporate Governance Best Practice Principles, which are posted on the Company’s website (Corporate Governance section) and uploaded to the Market Observation Post System’s “Corporate Governance” section for reference.

(9). Other important information for facilitating a better understanding of the Company’s corporate governance practices: Please refer to the Corporate Governance section on the Company’s website: http://www.goodway.com.tw

(10). Disclosure of the Implementation Status of Internal Control System

1. Internal Control Statement

Good Way Technology Co., Ltd.

Statement of Internal Control System

Date: March 21, 2024

1. The Company has conducted internal audits in accordance with its Internal Control Regulations for the period ended at December 31, 2023, and hereby declares the following: The Company acknowledges and understands that the establishment, enforcement, and preservation of internal control systems are the responsibility of the Board of Directors and that the managers and the Company have already established such systems. The purpose is to reasonably ensure the effectiveness (including profitability, performance, and security of assets), the reliability, timeliness, transparency of financial reporting, and legal and regulation compliance.
2. Internal control systems have inherent limitations; no matter how well they are designed, an effective internal control system can only provide reasonable assurance of achieving the above three objectives. Moreover, due to changes in the environment and circumstances, the effectiveness of the internal control system may change accordingly. However, the Company's internal control system has a self-monitoring mechanism, and once a deficiency is identified, the Company will take corrective action.
3. The Company has determined the effectiveness of its internal control system based on the assessment items stipulated in the "Regulations Governing the Establishment of Internal Control Systems by Public Companies" (hereinafter referred to as the "Regulations"). The assessment items for the internal control system adopted in the Regulations are based on the management control process, dividing the internal control system into five components: Control environment, 2. Risk assessment, 3. Control activities, 4. Information and communication, and 5. Monitoring activities.
4. Each component element consists of several items. Please refer to the provisions of the "Criteria" for the aforementioned items.
5. The Company has adopted the aforementioned internal control systems for an internal assessment of the effectiveness of internal control design and enforcement. Based on the evaluation results of the preceding paragraph, the Company believes that as of December 31, 2023, the Company's internal control system (including supervision and management of subsidiaries) encompassing the design and implementation of internal controls related to operational effectiveness and efficiency, reliability, timeliness, transparency of reporting, compliance with relevant laws and regulations, is effective and can reasonably ensure the achievement of the aforementioned objectives.
6. This statement will become a major part of the Company's Annual Report and prospectus, and will be made public. If the disclosed content contains any falsehoods, concealment, or other illegal activities, it will involve legal responsibilities under Articles 20, 32, 171, and 174 of the Securities and Exchange Act
7. This statement has been approved by the Company's Board of Directors on March 21, 2024, with 0 dissenting opinions out of 10 directors present, and the remaining directors all agreed to the contents of this statement, which is hereby declared.

Good Way Technology Co., Ltd.

Chairman and President: Tsao, Tse-Cheng

2. For those who appointed a CPA to review the internal control system, the CPA's review report shall be disclosed: N/A

(11). Penalties imposed upon the Company and its employees in accordance with the law, penalties imposed by the Company upon its employees for violation of the internal control system policy, principal deficiencies, and improvement status during the most recent year up to the date of publication of the Annual Report: On August 6, 2023, the Company's insider Mr. Wang XX was fined NT$80,000 for violating Article 22-2 of the Securities and Exchange Act. The Company has provided guidance and explained the matters to be noted to the employee to ensure that the employee does not commit the offense again. In addition, the Company has provided guidance on the matters to be noted by all insiders. On December 6, 2023, the Company's insider Mr. Lin XX violated Article 157 of the Securities and Exchange Act, and the Company exercised its right of recourse in accordance with the law. The Company completed the exercise of the right of recourse on December 11, 2023, and provided guidance and explained the matters to be noted to the employee to ensure that the employee does not commit the offense again. In addition, the Company has provided guidance on the matters to be noted by all insiders.

(12). Major resolutions of Shareholders' Meetings and Board Meetings during the most recent year up to the date of publication of the Annual Report:

1. Important Resolutions of the Board of Directors:

Meeting Date	Summary of Main Meeting Agenda	Resolution
2023.03.17 The 9th Meeting of the 9th Term	1. The case of the accounting supervisor and chief accountant of the Company 2. The Company's assessment of whether to reclassify accounts receivable/other receivables/prepaid expenses/deposits paid that are overdue for more than three months and are significant in amount as loans 3. The Business Report and Financial Statements of the Company for 2022 4. The case of directors' remuneration and employee remuneration of the Company for 2022 5. The case of transferring the Company's treasury shares to employees and setting the base date for subscription 6. The case of the Company's Internal Control Statement for Self-Evaluation in 2022 7. According to the Company's corporate governance best practices, the case of evaluating the independence and suitability of the Company's appointment of CPAs 8. The case of surplus distribution of the Company for 2022 9. The case of issuing new shares through capitalization of retained earnings of the Company 10. The case of purchasing directors and officers liability insurance for the Company 11. The case of funds lending by GWC Technology Inc. (a 100% reinvested subsidiary of the Company) 12. The case of amending certain provisions of the Company's corporate governance related regulations and rules 13. The case of the Company applying for credit lines and derivative financial product trading lines from financial institutions 14. The date, venue, and agenda for the Company's 2023 Annual Shareholders' Meeting 15. The case of formulating the relevant operational matters for shareholders holding 1% or more shares to exercise their proposal rights Independent Directors present: Li, Chuan-Te, Huang, Mei-Ling, Liu, Chu, a total of three independent directors.	The chairperson consulted all directors present, and approved by all without objection.

Meeting Date	Summary of Main Meeting Agenda	Resolution
2023.04.19 The 10th Meeting of the 9th Term	The Board of Directors of the Company has approved the bank syndicated loan case Independent Director present: Li, Chuan-Te, Huang, Mei-Ling, Liu, Chu, a total of three independent directors.	The chairperson consulted all directors present, and approved by all without objection.
2023.05.11 The 11th Meeting of the 9th Term	1. The Company's Consolidated Financial Statements for the first quarter of 2023 2. The Company's appointment of Mr. Shueh, Gen-Feng as the Group's Chief Financial Officer 3. The Company's assessment of whether to reclassify accounts receivable/other receivables/prepaid expenses/deposits paid that are overdue for more than three months and are significant in amount as loans 4. The Company's application for credit lines and derivative financial instrument trading limits from financial institutions Independent Director present: Li, Chuan-Te, Huang, Mei-Ling, Liu, Chu, a total of three independent directors.	The chairperson consulted all directors present, and approved by all without objection.
2023.07.06 The 12th Meeting of the 9th Term	1. Salary adjustment case for the Company's managers in 2023 2. Case of issuing new shares for capitalization of retained earnings and distribution of dividends Independent Director present: Li, Chuan-Te, Huang, Mei-Ling, Liu, Chu, a total of three independent directors.	The chairperson consulted all directors present, and approved by all without objection.
2023.07.21 The 13th Meeting of the 9th Term	Loan of funds to Good Way Cayman Co., Ltd. (a 100% reinvested subsidiary of the Company) Independent Director present: Li, Chuan-Te, Huang, Mei-Ling, Liu, Chu, a total of three independent directors.	The chairperson consulted all directors present, and approved by all without objection.
2023.08.10 The 14th Meeting of the 9th Term	1. The Company's Consolidated Financial Statements for the second quarter of 2023 2. The Company's assessment of whether to reclassify accounts receivable/other receivables/prepaid expenses/deposits paid that are overdue for more than three months and are significant in amount as loans 3. The Company's 2022 ESG Report 4. The Company's application for credit lines and derivative financial instrument trading limits from financial institutions Independent Director present: Li, Chuan-Te, Huang, Mei-Ling, Liu, Chu, a total of three independent directors.	The chairperson consulted all directors present, and approved by all without objection.
2023.10.12 The 15th Meeting of the 9th Term	1. Revision of certain provisions of the Company's Operating Procedures for Acquisition or Disposal of Assets 2. Proposal to increase and elect one additional Independent Director for the Company 3. Proposal for the Company's Board of Directors to nominate candidates for Independent Director 4. Proposal for the Company to release the newly appointed Independent Director from the non-compete restriction 5. Proposal regarding the date, venue, and agenda of the Company's First 2023 Extraordinary Shareholders' Meeting Independent Director present: Li, Chuan-Te, Huang, Mei-Ling, Liu, Chu, a total of three independent directors.	The chairperson consulted all directors present, and approved by all without objection.
2023.11.09 The 16th Meeting of the 9th Term	1. The Company's Consolidated Financial Statements for the third quarter of 2023 2. The Company's Employee Year-end Bonus Case for 2023 3. The Company's assessment of whether to reclassify accounts receivable/other receivables/prepaid expenses/deposits paid that are overdue for more than three months and are significant in amount as loans 4. The Company's Internal Audit Plan for 2024 5. The Company's Budget Plan for 2024 6. The Company's Issuance of Domestic Third Unsecured Convertible Corporate Bonds 7. The Company's application for credit lines and derivative financial instrument trading limits from financial institutions	The chairperson consulted all directors present, and approved by all without objection.

Meeting Date	Summary of Main Meeting Agenda	Resolution
	Independent Director present: Li, Chuan-Te, Huang, Mei-Ling, Liu, Chu, a total of three independent directors.	
2024.03.12 The 17th Meeting of the 9th Term	1. The case of GWC Technology Inc. (a 100% reinvested subsidiary of the Company) providing funds for lending 2. The case of Good Way Electronics Co., Ltd. (Kunshan, China) (a 100% reinvested subsidiary of the Company) intending to jointly invest with Linxee (Beijing) Technology Ltd. to establish Lensuo Technology Development Co., Ltd. 3. The case of the Company's self-prepared financial information for 2023 4. The case of purchasing directors and officers liability insurance for the Company 5. The case of appointing a seat for the Company's Remuneration Committee Independent Director present: Li, Chuan-Te (attendance by proxy), Huang, Mei-Ling, Liu, Chu, Chen, Te-Kai, a total of four independent directors.	The chairperson consulted all directors present, and approved by all without objection.
2024.03.21 The 18th Meeting of the 9th Term	1. Deliberation on the remuneration payment guidelines for the Company's directors and managers 2. The Company's assessment of whether to reclassify accounts receivable/other receivables/prepaid expenses/deposits paid that are overdue for more than three months and are significant in amount as loans 3. The Company's 2023 Business Report and Financial Statements 4. The Company's 2023 Internal Control Self-Assessment Statement 5. According to the Company's corporate governance best practices, the case of evaluating the independence and suitability of the Company's appointment of CPAs 6. The Company's 2023 Profit Distribution and Loss Compensation 7. The case of amending certain provisions of the Company's corporate governance related regulations and rules 8. The Company's 2023 Director Compensation and Employee Compensation 9. The case of the Company applying for credit lines and derivative financial product trading lines from financial institutions 10. The re-election of Directors of the Company 11. The nomination of 10 directors for the Company 12. Release of the newly elected Directors from Non-Competition Restrictions 13. The date, venue, and agenda for the Company's 2024 Annual Shareholders' Meeting 14. The case of formulating the relevant operational matters for shareholders holding 1% or more shares to exercise their proposal rights Independent Director present: Li, Chuan-Te, Huang, Mei-Ling, Liu, Chu, Chen, Te-Kai, a total of four independent directors.	The chairperson consulted all directors present, and approved by all without objection.
2024.05.07 The 19th Meeting of the 9th Term	1. Appointment of the Company's Quality Assurance Director of the Group 2. The Company's assessment of whether to reclassify accounts receivable/other receivables/prepaid expenses/deposits paid that are overdue for more than three months and are significant in amount as loans 3. The Company's Consolidated Financial Statements for the first quarter of 2024 4. Proposal for amendments to the Articles of Incorporation of the Company 5. The case of the Company applying for credit lines and derivative financial product trading lines from financial institutions 6. Addition of agenda items for the Company's 2024 Annual Shareholders' Meeting Independent Director present: Li, Chuan-Te, Huang, Mei-Ling, Liu, Chu, Chen, Te-Kai, a total of four independent directors.	The chairperson consulted all directors present, and approved by all without objection.

Any recorded or written Board resolutions to which independent directors have objections or reservations: None.

2. Important Resolutions of the Shareholders' Meeting:

(1). The resolutions and implementation status of Good Way Technology Co., Ltd. 2023 Annual Shareholders' Meeting is as follows:

Meeting Date	Summary of Main Meeting Agenda
2023.06.06	1. Report Items (1). 2022 Business Report (2). Audit Committee's 2022 Review Report (3). The Company's 2022 Director Compensation and Employee Compensation (4). The Company's 2022 Cash Dividend Distribution of Retained Earnings (5). The Execution of the Company's Treasury Share Buyback. (6). Amendments to the "Rules of Procedure for Board Meetings". (7). Amendments to the "Procedures for Ethical Management and Guidelines for Conduct". 2. Acknowledgments (1). The 2022 Annual Business Report and Financial Statements: No objection, approved as proposed. (2). The 2022 Distribution of Retained Earnings: No objection, approved as proposed. 3. Matters for Discussion (1). Amendments to the "Procedures for Acquisition or Disposal of Assets": No objection, approved as proposed. (2). The Company's Issuance of New Shares from Capitalization of Retained Earnings: No objection, approved as proposed. Directors present: Chairman Tsao, Tse-Cheng, Director Hsia, Hsueh-Li, Director Li, Shu-Hua, Director Chen, Chin-Yin Independent Directors present: Huang, Mei-Ling, Liu, Chu, a total of two independent directors Implementation status: 1. The resolutions passed at the Company's 2023 Annual Shareholders' Meeting have been acknowledged or approved by the shareholders. Details of the resolutions can be found in the meeting minutes or on the Market Observation Post System. 2. Implementation status of each resolution: (1). Approved the 2022 Business Report and Financial Statements. (2). Approved the 2022 earnings distribution: set July 24, 2023 as the ex-dividend date, and completed the distribution of cash dividends (NT$1.7 per share) on August 25, 2023, as resolved. (3). Approved the amendments to the "Rules of Procedure for Board of Directors Meetings": announced on the Company's website on April 8, 2023, and implemented according to the revised procedures. (4). Approved the amendments to the "Procedures for Acquisition or Disposal of Assets": announced on the Company's website on June 6, 2023, and implemented according to the revised procedures. (5). Approved the issuance of new shares through capitalization of retained earnings: registered with the Ministry of Economic Affairs on December 18, 2023.

(2). The resolutions and execution status of the First Extraordinary Shareholders' Meeting of 2023 of Good Way Technology Co., Ltd. are as follows:

Meeting Date	Summary of Main Meeting Agenda
2023.11.30	1. Report Items: None 2. Acknowledgments: None 3. Election Matters: Proposal to increase and elect one additional Independent Director for the Company 4. Matters for Discussion (1). Amendments to the "Procedures for Acquisition or Disposal of Assets": Approved without objection. (2). Release of the newly appointed independent director from non-competition restrictions: Approved without objection. Directors present: Chairman Tsao, Tse-Cheng, Director Li, Shu-Hua, Director Chen, Chin-Yin Independent Directors present: Huang, Mei-Ling, Liu, Chu, a total of two independent directors Implementation status: 1. The resolutions passed at the Company's 2023 First Extraordinary Shareholders' Meeting have been acknowledged or approved by the shareholders. Details of the resolutions can be found in the meeting minutes or on the Market Observation Post System. 2. Implementation status of each resolution: (1). Proposal to increase and elect one additional Independent Director for the Company: The election was held and announced on November 30, 2023. (2). Approval of amendments to the "Regulations Governing the Acquisition or Disposal of Assets": The amendments were announced on the Company's website on November 30, 2023, and will be implemented in accordance with the revised procedures.

(13). Dissenting opinions or written statements from directors or the Audit Committee regarding important resolutions passed by the Board of Directors during the most recent year and up to the date of publication of the Annual Report, and the main content thereof: None.

(14). Summary of resignation and removal of chairman, president, accounting manager, financial manager, internal audit officer, corporate governance officer, and R&D officer in the most recent year and as of the publication date of the Annual Report:

Title	Name	Date Appointed	Date Dismissed	Reasons for Resignation or Dismissal
Acting Chief Financial Officer	Kuo, Tung-Han	September 30, 2022	February 13, 2023	Dismissed upon appointment of a new chief financial officer
Vice President (Chief Financial Officer)	Niu Rui-Zhan	February 13, 2023	February 20, 2023	Resigned due to personal career planning reasons
Group Chief Financial Officer, Chief Financial Officer (Acting)	Tsao, Tse-Cheng	February 20, 2023	May 05, 2023	Internal job adjustment

5. Information on CPA Professional Fees

Information on Audit Fees

Unit: NT$ Thousand

Name of CPA Firm	CPA Name	Audit Period	Audit Fees	Non-Audit Fees	Subtotal	Remarks
PwC Taiwan	Yu, Chih-Fan	2023.1.1 - 2023.12.31	4,050	300	4,350	Non-audit services include taxation, human resources, financial statement translation, and other information reading services.
	Huang, Shih-Chun	2023.1.1 - 2023.12.31				
PwC Taiwan	Tuan, Shih-Liang	2023.1.1 - 2023.12.31	-	1,750	1,750	Taxation
	Liu, Hsin-Ping	2023.1.1 - 2023.12.31				

(1). If the CPA firm has been changed and the audit fee paid in the year of change is less than the audit fee paid in the previous year, the amounts of audit fees before and after the change and the reasons shall be disclosed: N/A

(2). For cases where the audit fees decreased by 10% or more compared to the previous year, the amount, percentage, and reason for the decrease in audit fees shall be disclosed: N/A

6. Information on the Replacement of CPAs: N/A

7. The Chairperson, President, or Manager Responsible for Financial or Accounting Affairs of the Company, Who Has Been Employed by the CPA Firm or its Affiliated Enterprises Within the Past Year, Shall Disclose Their Name, Position, and the Period of Employment at the CPA Firm or its Affiliated Enterprises: N/A

8. Changes in Transfer or Pledge of Equity Shares by Directors, Supervisors, Managers, or Shareholders Holding More Than 10% of Shares Issued by the Company in the Most Recent Year up to the Date of the Annual Report Publication

(1). Equity Change Status

Unit: Shares

Title	Name	2023		As of April 28, 2024	
		Increase (decrease) in shareholding	Increase (decrease) in the number of shares pledged	Increase (decrease) in shareholding	Increase (decrease) in the number of shares pledged
Chairman/CEO	Tsao, Tse-Cheng	834,604	—	—	—
Director	Hsu, Tzu-Fu	539,391	—	—	—
Director/Vice President	Hsia, Hsueh-Li	392,019	—	—	—
Director	Hsu, Li-Hsiang	71,109	—	—	—
Director	Li, Shu-Hua	—	—	—	—
Director	Chen, Chin-Yin	—	—	—	—
Independent Director	Li, Chuan-Te	—	—	—	—
Independent Director	Huang, Mei-Ling	—	—	—	—
Independent Director	Liu, Chu	—	—	—	—
Independent Director	Chen, Te-Kai (Note 1)	—	—	—	—
Chief Operating Officer (COO)	Liu, Shan-Yuan	—	—	—	—

Title	Name	2023		As of April 28, 2024	
		Increase (decrease) in shareholding	Increase (decrease) in the number of shares pledged	Increase (decrease) in shareholding	Increase (decrease) in the number of shares pledged
Quality Assurance Director	Lee, Zheng-Zhe (Note 2)	—	—	—	—
Vice President	Ke, Tsung-Nan	(6,000)	—	—	—
Consultant	Lin, Ying-Hao	—	—	—	—
Vice President	Shueh, Gen-Feng	—	—	—	—
Vice President	Niu Rui-Zhan (Note 3)	—	—	—	—
Vice President	Fan, Chung-Jung	45,400	—	—	—
Vice President	Chen, Pao-Ming	15,680	—	—	—
Vice President	Wang, Ping-An	6,720	—	—	—
Vice President	He, Wen-Te (Note 4)	—	—	—	—
Vice President	Peng, Tsu-I (Note 5)	—	—	—	—
Vice President	Yang, Ren-Hong (Note 6)	—	—	—	—
Senior Director	Chen, Jen-I	22,400	—	(2,000)	—
Senior Director	Wu, Wei-Hao	—	—	—	—
Senior Director	Lin, Chang-Shih (Note 7)	—	—	—	—
Senior Director	Wu, Kun-Xian (Note 8)	—	—	—	—
Senior Director	Wang, Hua-Yi (Note 9)	—	—	—	—
Director	Tsao, Ke-Hsin (Note 10)	33,600	—	—	—
Director	Liu, Chang-Te (Note 11)	—	—	—	—
Director	Chan, Ming-Hsien	1,120	—	—	—
Director	Wu, Cheng-Hua (Note 12)	11,200	—	—	—
Director	Huang, Chung-I	16, 800	—	—	—
Director	Chu, Chia-Ti	(1,000)	—	—	—
Director	Han, Cheng-Yu (Note 13)	—	—	—	—
Director	Chen, Chia-Ying	—	—	—	—
Director	Wei, Kuo-Chen (Note 14)	15,000	—	—	—
Director	Lee, Wen-Shuan (Note 15)	—	—	—	—
Director	Hsu, Ya-Ling (Note 16)	—	—	—	—
Director	Rong, Pei-Wen (Note 17)	—	—	—	—
Director	Jiao, Zhi-Xiang (Note 18)	—	—	—	—
Accounting Manager	Kuo, Tung-Han (Note 19)	22,400	—	—	—
Corporate Governance Officer	Li, Chia-Feng	—	—	—	—

Note 1: Newly appointed Independent Director Chen, Te-Kai elected to serve from November 30, 2023.

Note 2: Li Zheng-Zhe, the new Vice President of Quality Assurance, took office on February 1, 2024, and was appointed as the Group Quality Director on April 1, 2024.

Note 3: Mr. Niu, Jui-Chuan, the former Vice President of Finance, took office in February 2023 and resigned in February 2023 due to personal career planning reasons.

Note 4: He, Wen-Te, the new Vice President of the Chairman's Office, took office in October 2022, and due to organizational restructuring, he was transferred to become the Vice President of the SIoT Business Unit in January 2023.

Note 5: Mr. Peng, Tsu-I, the former Vice President of SIoT, resigned in January 2023 due to personal career planning reasons.

Note 6: Yang, Ren-Hong the former Vice President of the Sales Division, took office in November 2023 and resigned in January 2024 due to personal career planning reasons.

Note 7: Lin, Chang-Shih the former Vice President of the Quality Assurance Division, took office in April 2022 and resigned in January 2024 due to personal career planning reasons.

Note 8: Wu, Kun-Xian, the newly appointed Senior Director of the ESG Project Business Department took office in September 2023.

Note 9: Wang, Hua-Yi, the newly appointed Senior Director of the SIoT Software Development Division took office in September 2023.

Note 10: Tsao, Ke-Hsin, the former Director of the Chairman's Office, resigned in September 2023 due to personal career planning reasons.

Note 11: Liu, Chang-Te, the former Senior Director of SIoT Innovation Division, resigned in May 2023 due to personal career planning reasons.

Note 12: Wu, Cheng-Hua, the former Vice President of SIoT System Products Division, resigned in January 2023 due to personal career planning reasons.

Note 13: Han, Cheng-Yu, the former Director of the Sales Division, took office in December 2022 and resigned in May 2023 due to personal career planning reasons.

Note 14: Wei, Kuo-Chen, the former Director of the Taipei Factory Operations Division, took office in August 2022 and resigned in May 2023 due to personal career planning reasons.

Note 15: Lee, Wen-Shuan, the newly appointed Director of the Taipei Factory Operations Division took office in April 2023.

Note 16: Hsu, Ya-Ling, the former Director of the Operations Division, took office in May 2023 and resigned in August 2023 due to personal career planning reasons.

Note 17: Rong, Pei-Wen, the former Director of the Product Marketing Division, took office in December 2023 and resigned in February 2024 due to personal career planning reasons.

Note 18: Jiao, Zhi-Xiang, the newly appointed Director of the Quality Assurance Division took office in March 2023.

Note 19: Kuo, Tung-Han, the newly appointed Accounting Manager took office in May 2023.

(2). Information on the Related Parties in the Equity Transfer

In the recent year and up to the date of printing of the Annual Report, there were no transfers of shareholdings by the Company's directors, independent directors, managers, or major shareholders to related parties.

(3). Information on the Counterparties for Equity Pledge who Are Related Parties

For the most recent year and up to the date of printing of the Annual Report, none of the Company's directors, independent directors, managers, or major shareholders has pledged their shareholdings to related parties.

9. Information About the top 10 Shareholders with Shareholding Ratio, and Their Relationship with Each Other or Their Spouses or Relatives Within the Second Degree of Kinship

As of April 28, 2024; Unit: Thousand Shares; %

Name	Shareholding of individual		Shareholding of Spouse/Minor Children		Shares held through nominees		The names or titles and relationships of the top 10 shareholders who are related parties under Statement of Financial Accounting Standards No. 6 or are spouses or relatives within the second degree of kinship.		Remarks
	Shares	%	Shares	%	Shares	%	Title (Name)	Relationship	
Tsao, Tse-Cheng	6,513	10.65	3,098	5.07	—	—	Hsia, Hsueh-Li	Spouse	—
							Hsu, Tzu-Fu	Second degree kinship	
Yu Shan Commercial Bank Trust Property Account entrusted by Tsao, Tse-Cheng	5,600	9.16	—	—	—	—	—	—	—
Hsu, Tzu-Fu	5,034	8.23	22	0.04	—	—	Tsao, Tse-Cheng	Second degree kinship	—
							Hsia, Hsueh-Li	Second degree kinship	
Hsia, Hsueh-Li	3,098	5.07	6,513	10.65	—	—	Tsao, Tse-Cheng	Spouse	—
							Hsu, Tzu-Fu	Second degree kinship	
Yu Shan Commercial Bank Trust Property Account entrusted by Hsu, Tzu-Fu	2,690	4.40	—	—	—	—	—	—	—
Worthy Textile Industry Co., Ltd.	2,759	4.51	—	—	—	—	—	—	—
Worthy Textile Industry Co., Ltd. Representative: Chen, Jen-Fa	138	0.23	—	—	—	—	—	—	—
Yu Shan Commercial Bank Trust Property	1,200	1.9	—	—	—	—	—	—	—
Account entrusted by Hsu, Tzu-Fu	0	6							
Hsu, Yi-Min	944	1.54	—	—	—	—	—	—	—
Tsao, Ssu-Tsung	679	1.11	—	—	—	—	Tsao, Tse-Cheng	Second degree kinship	—
							Hsia, Hsueh-Li	Second degree kinship	
Hsu, Li-Hsiang	663	1.09	—	—	—	—	—	—	—

10. The Total Number of Shares Held and the Consolidated Shareholdings in any Single Investee by the Company, Its Directors, Supervisors, Managers, or any Companies Controlled Either Directly or Indirectly by the Company

December 31, 2023; Unit: Thousand Shares

Reinvested Company	Investment by the Company		Directors, supervisors, managers and the Company's direct or indirect controlled investments Integrated Investment		Diversified investment	
	Shares	Shareholding (%)	Shares	Shareholding (%)	Shares	Shareholding (%)
Good Way Overseas Co., Ltd.	3,017	100.00%	–	–	3,017	100.00%
Gentle Enterprises Co., Ltd.	50	100.00%	–	–	50	100.00%
GWC Technology Inc.	65	100.00%	–	–	65	100.00%
Good Way Cayman Co., Ltd	10,000	100.00%	–	–	10,000	100.00%
Digi-Tech LLC (Note1)	–	100.00%	–	–	–	100.00%
BriStar Technology Inc.	120	100.00%	–	–	120	100.00%
Good Way Electronics Co., Ltd. (Kunshan, China) (Note 1)	–	100.00%	–	–	–	100.00%
Good Trend Technology Co., Ltd. (Shanghai) (Note 1)	–	100.00%	–	–	–	100.00%
Good Way Technology Vietnam Company Limited (Note1)	–	100.00%	–	–	–	100.00%

Note 1: The invested company is a limited company without specifying the number of shares.

IV. Fundraising Status

1. Capital and Shares

(1). Source of Share Capital

1. Process of Capital Formation

Unit: Thousand Shares/NT$ Thousand

Year/Month	Issue Price	Authorized Capital		Paid-in Capital		Remarks		
		Shares	Amount	Shares	Amount	Source of Share Capital	Capital Increase by Assets Other than Cash	Others
1993.02	10	500	5,000	500	5,000	Registered capital	None	-
2001.03	10	5,000	50,000	5,000	50,000	Cash capital increase of NT$45,000,000	None	Note 1
2002.01	10	10,300	103,000	10,300	103,000	Cash capital increase of NT$53,000,000	None	Note 2
2002.06	10	25,000	250,000	14,000	140,000	Cash capital increase of NT$22,580,000 Capitalization of retained earnings of NT$14,420,000	None	Note 3
2002.11	15	25,000	250,000	18,000	180,000	Cash capital increase of NT$40,000,000	None	Note 4
2003.09	10	25,000	250,000	21,612	216,120	Capitalization of surplus of NT$36,120,000	None	Note 5
2004.03	10	26,800	268,000	24,112	241,120	Cash capital increase of NT$25,000,000	None	Note 6
2006.07	11.16	26,800	268,000	24,144	241,440	Employee stock options NT$320,000	None	Note 7
2006.10	10	34,600	346,000	26,309	263,098	Surplus capitalized for NT$21,658,000	None	Note 8
2006.11	11.16	45,000	450,000	26,464	264,648	Employee stock options NT$1,550,000	None	Note 9
2007.01	10.20	45,000	450,000	26,484	264,848	Employee stock options NT$200,000	None	Note 10
2013.09	10	45,000	450,000	27,112	271,125	Capitalization of surplus earnings of NT$5,296,960 Capitalization of employee bonuses of NT$980,390	None	Note 11
2014.07	10	45,000	450,000	32,535	325,350	Capitalize surplus of NT$54,225,070	None	Note 12
2014.09	105	45,000	450,000	36,603	366,030	Cash capital increase of NT$40,680,000	None	Note 13
2015.08	10	45,000	450,000	37,623	376,237	Convertible bonds converted into new shares of NT$10,207,070	None	Note 14
2015.09	10	80,000	800,000	52,264	522,649	Surplus transferred to capital increase of NT$146,412,170	None	Note 15
2019.07	10	120,000	1,200,000	52,264	522,649	Change in authorized capital	None	Note 16
2020.11	10	120,000	1,200,000	54,601	546,018	Convertible bonds were converted into NT$23,368,590 of new shares	None	Note 17
2021.03	10	120,000	1,200,000	54,614	546,143	Convertible bonds converted into new shares of NT$124,770	None	Note 18
2023.08	10	120,000	1,200,000	61,168	611,680	Surplus transferred to capital increase of NT$65,537,160	None	Note 19

Note 1: Approval Document No. 09031923510 issued by the Ministry of Economic Affairs, dated 2001.03.27.

Note 2: Approval Document No. 09101007610 issued by the Ministry of Economic Affairs, dated 2002.01.14.

Note 3: Approval Document No. 09101224910 issued by the Ministry of Economic Affairs, dated 2002.06.26.

Note 4: Approval Document No. 09101482380 issued by the Ministry of Economic Affairs, dated 2002.11.29.

Note 5: Approval Document No. 09232662150 issued by the Ministry of Economic Affairs, dated 2003.09.15.

Note 6: Approval Document No. 09331819450 issued by the Ministry of Economic Affairs, dated 2004.03.16.

Note 7: Approval Document No. 09532569130 issued by the Ministry of Economic Affairs, dated 2006.07.28.

Note 8: Approval Document No. 09533010300 issued by the Ministry of Economic Affairs, dated 2006.10.26.

Note 9: Approval Document No. 09533071970 issued by the Ministry of Economic Affairs, dated 2006.11.02.

Note 10: Approval Document No. 09631610200 issued by the Ministry of Economic Affairs, dated 2007.01.24.

Note 11: Approval Document No. 1025058009 issued by the Taipei City Government, dated 2013.09.17.

Note 12: Approval Document No. 1035162496 issued by the Taipei City Government, dated 2014.07.08.

Note 13: Approval Document No. 1035176608 issued by the Taipei City Government, dated 2014.09.01.

Note 14: Approval Document No. 1045169944 issued by the New Taipei City Government, dated 2015.08.06.

Note 15: Approval Document No. 10401200000 issued by the Ministry of Economic Affairs, dated 2015.09.18.

Note 16: Approval Document No. 10801080610 issued by the Ministry of Economic Affairs, dated 2019.07.08.

Note 17: Approval Document No. 10901215580 issued by the Ministry of Economic Affairs, dated 2020.11.23.

Note 18: Approval Document No. 11001047920 issued by the Ministry of Economic Affairs, dated 2021.03.26.

Note 19: Approval Document No. 11230152490 issued by the Ministry of Economic Affairs, dated 2023.08.18.

2. Types of Issued Shares

Unit: Share

Type of Shares	Authorized Capital			Remarks
	Outstanding	Unissued Shares	Subtotal	
Registered Ordinary Shares	61,168,018	58,831,982	120,000,000	The outstanding shares of the Company are traded on the over-the-counter market.

3. Summary of Information Related to the General Declaration System: None.

(2). Shareholder Structure

April 28, 2024; Unit: Person; Share(s); %

Shareholder Structure / Amount	Government Agencies	Financial Institution	Other Juridical Persons	Individual	Foreign Institutions and Foreigners	Subtotal
Number of People	—	7	103	10,724	9	10,843
Number of Shares Held	—	9,557,000	3,344,550	47,782,348	484,120	61,168,018
Shareholding Ratio (%)	—	15.62%	5.47%	78.12%	0.79%	100.00%

(3). Equity Dispersion

1. Ordinary Share: Face value of NT$10 per share

April 28, 2024

Range of Shareholding	Number of Shareholders	Shareholding	Shareholding (%)
1~999	4,867	336,142	0.55%
1,000~5,000	4,648	9,221,088	15.08%
5,001~10,000	680	4,718,667	7.71%
10,001~15,000	278	3,312,320	5.42%
15,001~20,000	118	2,055,826	3.36%
20,001~30,000	100	2,400,549	3.92%
30,001~40,000	43	1,512,339	2.47%
40,001~50,000	28	1,260,491	2.06%
50,001~100,000	49	3,424,603	5.60%
100,001~200,000	21	3,073,588	5.02%
200,001~400,000	0	0	0.00%
400,001~600,000	0	0	0.00%
600,001~800,000	3	2,011,694	3.29%
800,001~1,000,000	1	944,955	1.54%
Above 1,000,001	7	26,895,756	43.97%
Subtotal	10,843	61,168,018	100.00

2. Preferred Stock: None.

(4). List of Major Shareholders: Name of shareholders holding 5% or more shares or ranking among the top 10 shareholders by shareholding percentage, along with the number of shares held and percentage

April 28, 2024

Shares / Name of major shareholder	Number of Shares Held	Shareholding Ratio (%)
Tsao, Tse-Cheng	6,513,585	10.65%
Yu Shan Commercial Bank Trust Property Account entrusted by Tsao, Tse-Cheng	5,600,000	9.16%
Hsu, Tzu-Fu	5,034,319	8.23%
Hsia, Hsueh-Li	3,098,852	5.07%
Worthy Textile Industry Co., Ltd.	2,759,000	4.51%
Yu Shan Commercial Bank Trust Property Account entrusted by Hsu, Tzu-Fu	2,690,000	4.40%
Yu Shan Commercial Bank Trust Property Account entrusted by Hsu, Tzu-Fu	1,200,000	1.96%
Hsu, Yi-Min	944,955	1.54%
Tsao, Ssu-Tsung	679,123	1.11%
Hsu, Li-Hsiang	668,880	1.09%

(5). Market Price and net Asset Value per Share, Earnings, Dividends, and Relevant Information in the Most Recent two Years

Unit: Thousand shares; NT$

Year Item			2022	2023	Current year up to March 31, 2024(Note 8)
Market price per share (Note 1)	Highest		58.30	54.70	35.45
	Lowest		22.85	32.00	30.75
	Average		35.08	45.22	33.21
Book value per share (Note 2)	Before distribution		37.91	25.49	26.93
	After distribution		－(Note2)	－	N/A
Dividend per share	Weighted average number of shares		60,392	60,819	61,168
	Dividend per share (Note 3)		3.73	(6.13)	(1.09)
Dividend per share	Cash dividend		1.70(Note2)	－	N/A
	Stock dividend	Stock dividends from earnings	1.20(Note2)	－	N/A
		Stock dividends from capital surplus	－(Note2)	－	N/A
	Cumulative unpaid dividends (Note 4)		－	－	N/A
Return on investment	Price-to-earnings ratio (Note 5)		8.39	(7.37)	N/A
	Price-to-dividend ratio (Note 6)		20.64	－	N/A
	Cash dividend yield (Note 7)		4.85	－	N/A

＊ If surplus or capital reserve is adopted to increase capital and distribute shares, information regarding the market price and cash dividends retroactively adjusted according to the number of shares distributed shall be disclosed.

Note 1: List the highest and lowest market price in each year and calculate the average market price based on the trading value and volume.

Note 2: Please fill out the figures according to the number of outstanding shares at the end of the year and the resolution regarding distribution by the Board of Directors or Shareholders' Meeting of the following year.

Note 3: If retrospective adjustment is required due to stock dividends paid out, the earnings per share before and after the adjustment shall be listed.

Note 4: If the terms of issuance of equity securities provide that any dividends declared but not paid may be carried forward until the Company has earnings, the amount of accrued unpaid dividends as at the end of such year shall be disclosed.

Note 5: Price/earnings ratio = Average closing price per share for the year/Earnings per share.

Note 6: Price/dividend ratio = Average closing price per share for the year/Cash dividend per share.

Note 7: Cash dividend yield rate = Cash dividends per share/Average closing price per share for the current year.

Note 8: The information audited (reviewed) by CPAs in the most recent quarter as of the date of publication of the Annual Report shall be filled out regarding the net worth per share and earnings per share; the information for the current year as of the date of publication of the Annual Report shall be filled out in the remaining columns.

(6). Dividend Policy and Implementation

1. Dividend Policy in the Articles of Incorporation

(1). To motivate employees and the management team, if there is still surplus after making up losses from the profit before tax for the current year, after deducting employee compensation and director compensation, the Company shall appropriate no less than 5% as employee compensation and no more than 5% as director compensation. Employee compensation may be in the form of shares or cash, and director compensation shall be in cash. The distribution shall be approved by a resolution adopted by a majority vote of the directors present at a board meeting attended by two-thirds or more of the total number of directors. The distribution of employee compensation shall also be reported at the Shareholders' Meeting. The distribution of employee compensation shall include employees of the Company's directly or indirectly held subsidiaries with more than 50% ownership.

(2). The calculation of the remuneration of the Company's directors shall be handled in accordance with Article 9 of the Company's Board of Directors Performance Evaluation Regulations. (That is: The results of the performance evaluation of the Company's Board of Directors shall serve as a reference basis for the selection or nomination of directors; and the results of the individual director's performance evaluation shall serve as a reference basis for determining their individual salary remuneration.)

(3). If the Company has a surplus in its annual final accounts, it shall be distributed in the following order:

A. Pay applicable taxes.

B. Make up for losses.

C. Set aside 10% as the statutory surplus reserve, unless the statutory surplus reserve has already reached the total capital of the Company.

D. After setting aside or reversing special surplus reserves according to relevant laws and regulations, the accumulated distributable surplus for shareholders, combined with the undistributed surplus at the beginning of the period, shall be proposed by the Board of Directors for resolution at the shareholders' meeting for distribution.

(4). The Company shall take into account the Company's operating environment, growth stage, future capital needs, and long-term financial planning, as well as satisfy shareholders' needs for cash inflow. The Company may distribute dividends from the distributable earnings referred to in Article 26 depending on future operating conditions. Shareholder dividends shall be 10% to 100% of the accumulated distributable earnings, with cash dividends ranging from 10% to 100% of the total shareholder dividends and stock dividends ranging from 0% to 90% of the total shareholder dividends.

2. Distribution of dividends proposed at the Shareholders' Meeting: The Company's 2023 statement of profit and loss allocation was approved by the Board of Directors on March 21, 2024, and will be submitted to the Annual Shareholders' Meeting for approval. The Company does not plan to distribute dividends this year.

(7). Impact on the business performance and earnings per share of the Company resulting from stock dividend distribution proposed at the Shareholders' Meeting:

The Company's income statement for the year 2023 was approved by the Board of Directors on March 21, 2024, and will be submitted to the general shareholders' meeting for approval.

No dividends are proposed to be distributed for the year, and there will be no impact from any issuance of bonus shares.

Item \ Year			2023 (Estimated)
Beginning paid-in capital (NT$)			611,680,180
2023 Allocation of Stock Dividends and Cash Dividends	Cash Dividends Per Share (NT$)		-
	Shares issued for capital increase from earnings (shares)		-
	Shares issued for capital increase from capital surplus (shares)		-
Changes in operating performance	Operating Income		Not applicable (Note 1)
	Increase (decrease) in operating profit compared to the same period last year		
	Net income after tax		
	Increase (decrease) in net income after tax compared to the same period last year		
	Dividend per share		
	Increase (decrease) in earnings per share compared to the same period last year		
	Pro forma annual average return on investment		
Pro forma earnings per share and price-earnings ratio	If all capital increase from retained earnings is replaced by cash dividend distribution	Pro forma earnings per share	Not applicable (Note 1)
		Pro forma annual average return on investment	
	If the capital surplus and retained earnings have not been capitalized	Pro forma earnings per share	Not applicable (Note 1)
		Pro forma annual average return on investment	
	If no capital increase from capital surplus and capital increase from retained earnings is replaced by cash dividend distribution	Pro forma earnings per share	Not applicable (Note 1)
		Pro forma annual average return on investment	

Note 1: In accordance with the "Regulations Governing Public Companies' Public Financial Forecasts", the Company does not have public financial forecast information for the year 2023, so there is no estimated data for 2023.

(8). Employee compensation and directors' remuneration

1. The ratios or ranges of employee compensation and director compensation stated in the company's articles of incorporation: Please refer to the aforementioned item (6).

2. The basis for estimating employee compensation and remuneration for directors and supervisors in the current period, the basis for calculating the number of shares to be distributed, and the accounting treatment if the actual distributed amount differs from the estimated amount:

   (1). The Company's estimated earnings distribution for 2023 is based on the distribution conditions set forth in the Company's Articles of Incorporation.

   (2). The Board of Directors has approved that no employee compensation will be distributed for 2023.

3. Information on the proposed distribution of employee compensation approved by the Board of Directors:

   (1). Distribution of employee compensation (including cash and stock) and directors' compensation:

The Company's 2023 directors' compensation and employee compensation proposal was resolved at the Board of Directors meeting on March 21, 2024, with no employee compensation being distributed.

(2). The proposed amount of employee stock compensation and its percentage of net income after tax in the individual financial statements for the current period and the total amount of employee compensation: Not applicable.

4. The actual distribution of employee compensation and directors' compensation for the previous year (including the number of shares distributed, the amount, and the share price), and if there is any difference from the recognized employee compensation and directors' compensation, the difference, reasons, and handling should be stated:

(1). Distribute employee cash bonuses of NT$17,523,900, director remuneration of NT$3,900,000.

(2). Issue employee stock bonuses of NT$0.

(3). The reason for the difference between the actual distribution and the proposed distribution is as follows: The employee compensation for the previous year was NT$25,483,782. Due to the unsatisfactory revenue performance, it was decided to distribute the compensation in installments after consideration.

(9). The Situation of the Company Buying Back its own Shares:

1. The Company's share buyback situation (already completed)

Repurchase Cycle	The Third Time	The Fourth Time
Purpose of purchase	Transferring shares to employees	Transferring shares to employees
Buy-back period	From November 14, 2018 to January 13, 2019	From July 1, 2022 to August 29, 2022
Buy-back price range	NT$22 to NT$40	NT$18 to NT$43
Types and number of repurchased shares	Common stock 1,476,000 shares	Common stock 1,000,000 shares
Treasury stock amount	50,678,088	29,644,573
Proportion of shares bought back to the intended buyback amount (%)	98.4%	50.0%
Number of shares canceled and transferred	1,476,000 shares	1,000,000 shares
Cumulative shareholding of the Company	0 shares	0 shares
Cumulative shareholding ratio (%) of the Company's issued shares	0.00%	0.00%

Note: The most recent period for the execution of treasury shares was from July 1, 2022, to August 29, 2022. As of March 31, 2023, all treasury shares repurchased by the Company have been transferred to employees.

2. Information on the Company's repurchase of its own shares (which is still in progress): None.

2. Status of Corporate Bonds (Including Overseas Corporate Bonds)

(1). Corporate Bond Issuance Status:

<table>
<tr><td colspan="2">Types of Corporate Bonds
(Note 2)</td><td>The third domestic unsecured convertible corporate bond</td></tr>
<tr><td colspan="2">Date of issuance</td><td>2024/03/07</td></tr>
<tr><td colspan="2">Denomination</td><td>NT$10,000 per note</td></tr>
<tr><td colspan="2">Place of issuance and transaction (Note 3)</td><td>Domestic</td></tr>
<tr><td colspan="2">Issue Price</td><td>108.9300</td></tr>
<tr><td colspan="2">Total</td><td>NT$3 billion</td></tr>
<tr><td colspan="2">Interest rate</td><td>Face interest rate 0%</td></tr>
<tr><td colspan="2">Tenor</td><td>Five-year maturity date: 2029/03/07</td></tr>
<tr><td colspan="2">Guarantee Organization</td><td>None</td></tr>
<tr><td colspan="2">Trustee</td><td>Bank SinoPac Trust Department</td></tr>
<tr><td colspan="2">Underwriting institutions</td><td>920T KGI Securities</td></tr>
<tr><td colspan="2">Lawyer</td><td>N/A</td></tr>
<tr><td colspan="2">CPA</td><td>PwC Taiwan, CPAs Yu, Chih-Fan and Huang, Shih-Chun</td></tr>
<tr><td colspan="2">Repayment method</td><td>Bullet at maturity</td></tr>
<tr><td colspan="2">One-time principal repayment</td><td>NT$300,000,000</td></tr>
<tr><td colspan="2">Terms of redemption or early repayment</td><td>Please refer to the issuance and conversion procedures of this corporate bond</td></tr>
<tr><td colspan="2">Restrictive provisions (Note 4)</td><td>Please refer to the issuance and conversion procedures of this corporate bond</td></tr>
<tr><td colspan="2">Credit rating agency name, rating period, corporate bond rating results</td><td>None</td></tr>
<tr><td rowspan="2">Other rights attached</td><td>As of the date of the annual report, the amount of ordinary shares, overseas depository receipts or other securities that have been converted (exchanged or subscribed for shares)</td><td>0</td></tr>
<tr><td>Issuance and Conversion (Exchange or Stock Acquisition) Procedures</td><td>Please refer to the issuance and conversion procedures of this corporate bond</td></tr>
<tr><td colspan="2">Issuance and conversion, exchange or subscription method, issuance conditions, possible dilution effects on equity, and impacts on the rights and interests of existing shareholders</td><td>The Company has issued and circulated a domestic third unsecured convertible corporate bond. As of April 28, 2024, the outstanding unconverted amount is NT$300,000,000, which has no significant impact on shareholders' equity.</td></tr>
<tr><td colspan="2">Name of custodian institution for exchange-traded targets</td><td>None</td></tr>
</table>

Note 1: The handling of corporate bonds includes public and private placement of corporate bonds in progress. Public offerings of corporate bonds in progress refer to those that have been approved by the Financial Supervisory Commission; private placements of corporate bonds in progress refer to those that have been approved by the board of directors.

Note 2: The number of fields will be adjusted according to the actual number of times processed.

Note 3: Fill in if it belongs to overseas corporate bonds.

Note 4: Such as restrictions on the distribution of cash dividends, foreign investment, or requirements to maintain certain asset ratios.

Note 5: For private placements, it should be prominently marked.

Note 6: For convertible corporate bonds, exchangeable corporate bonds, consolidated issuance of corporate bonds, or corporate bonds with warrants, the related information should be further disclosed according to their nature following the tabular format provided, including details on convertible corporate bonds, exchangeable corporate bonds, consolidated issuance of corporate bonds, and corporate bonds with warrants.

(2). Convert corporate bond data:

Types of Corporate Bonds		The third domestic unsecured convertible corporate bond
Item / Year		2024
Convert corporate bond market price	Highest	111.55
	Lowest	100.50
	Average	104.0077
Convert Price		NT$34.2000
Issuance (handling) date and conversion price at the time of issuance		Issued on March 7, 2024, with an initial conversion price of NT$34.2000
Ways to fulfill the obligation of transformation		Initial public offering

(3). Exchange Corporate Bond Data: None.

(4). Summary of Corporate Bond Issuance: None.

(5). Attachments of Convertible Corporate Bond Data: None.

3. Circumstances of Handling Preferred Shares: None.

4. Circumstances Regarding the Issuance of Overseas Depositary Receipts: None.

5. Status of Employee Stock Option Certificates

(1). Information related to unmatured employee stock option certificates of the Company: None.

(2). The names of managers who have obtained employee stock option certificates up to the date of printing of the annual report, the top 10 employees who have obtained certificates with the right to subscribe for shares, and employees who have obtained subscription rights worth more than NT$30 million, and their acquisition and subscription status: None.

5-1 Situation Regarding the Handling of new Shares with Restrictions on Employee Rights

(1). Information regarding new shares related to employee rights not yet fully vested: None.

(2). Until the date of printing the annual report, the names and acquisition details of the top ten employees who have acquired new restricted employee shares for managers: None.

6. Status of New Shares in Connection with Mergers or Acquisitions or with Acquisitions of Shares of Other Companies: No such situation.

7. Implementation of Capital Utilization Plan: N/A

V. Overview of Operations

1. Business Activities

(1). Business Scope

1. Main Line(s) of Business Engaged in

(1)	CB01020	Office Machine Manufacturing
(2)	F113050	Wholesale of Computers and Office Machinery Equipment
(3)	CC01030	Electrical Appliances and Audiovisual Electronic Products Manufacturing
(4)	F113020	Wholesale of Electrical Appliances
(5)	F401010	International Trade
(6)	I301010	Software Design Services
(7)	I501010	Product Designing
(8)	CC01060	Wired Communication Mechanical Equipment Manufacturing
(9)	CC01070	Wireless Communication Mechanical Equipment Manufacturing
(10)	CC01080	Electronics Components Manufacturing
(11)	CC01110	Computer and Peripheral Equipment Manufacturing
(12)	CC01990	Other Electrical Engineering and Electronic Machinery Equipment Manufacturing
(13)	F401021	Telecommunications Controlled Radio Frequency Equipment Input Industry
(14)	CC01020	Electric Wires and Cables Manufacturing
(15)	ZZ99999	All business activities that are not prohibited or restricted by law, except those that are subject to special approval.

2. Business Ratios at Present

Unit: NT$ Thousand

Product Name	2023	
	Amount	Business Ratio (%)
Computer Peripheral Products	3,030,713	100.00%
Subtotal	3,030,713	100.00%

3. Products (Services) Currently Offered by the Company

Good Way is a professional manufacturer in the field of computer peripheral connectivity products. Our main products are computer docking stations and various audio/video interface conversion devices. The computer peripheral interfaces we cover include wired USB 2.0/3.0, USB-C, Thunderbolt 3, Thunderbolt 4, Thunderbolt 5, USB4, and wireless Wi-Fi. The computer peripheral audio/video output interfaces we cover include VGA, DVI, DP, HDMI, and USB-C.

The Company's products are mainly applied in multi-tasking office environments, extending more screens to improve work productivity and increase work efficiency; and can also provide more USB ports for personal laptops to conveniently expand more USB devices.

In addition, Good Way also have also developed a series of USB extension products, matching with existing docking stations, to provide video conferencing solutions for the current market.

4. New Products Planned for Development

Good Way's new product plans are based on the trends of innovative technologies and innovative market applications as the blueprint for new product development.

(1). Innovative Technology

(a) New high-speed bus update

Whether it's Thunderbolt 4 or USB4, both have been upgraded to 40Gbps. The next-generation Thunderbolt 5 has also been upgraded to 80Gbps or even 120Gbps. USB4 v2 also officially supports 80Gbps, and Microsoft will support USB4 v2 in the new Windows. Facing the update of new high-speed computer buses, Good Way is also gradually developing corresponding docking stations and related audio/video devices.

(b) High-speed media interface update

VESA image standards have evolved from DisplayPort 1.4 to the new generation DisplayPort 2.1, with bandwidth increasing from 32.4Gbps to 80Gbps. Computer screens are also moving towards higher refresh rates, from 60Hz refresh rate per second to 120Hz or even 240Hz, which brings significant improvements for gaming experiences or creative work. Facing the high-speed video interface updates for displays, Good Way has also been continuously developing corresponding docking stations and related audio and video equipment.

(2). Innovative Market Applications

(a) Hybrid working environment

Hybrid work has become the working environment of the present and future. For Smart offices, Hot-desking, or Office Hoteling, Good Way has invested resources in software and hardware research and development to provide relevant integrated solutions.

Building upon the previous generation of wireless IoT technology, Good Way provides a new generation of wired SNMP technology for cloud-based expansion bases, which can enable mass deployment, remote management, analysis, and development of intelligent office applications, such as monitoring and analyzing the office environment through enterprise cloud services.

(b) Conference room collaboration platform

The conference room is an indispensable communication and collaboration platform for the office environment. Enterprises must build a conference equipment setup that is easy to install, easy to use, and suitable for multi-person sharing in a meeting environment. Good Way shall develop relevant conference equipment to meet customer market application needs.

(2). Industry Overview

1. Current Status and Development of the Industry

(1). Current state of the industry

Intel’s 11th generation CPU (Tiger Lake) integrated Thunderbolt 4, successfully leading the entire 2021 laptop and PC market. Thunderbolt 4 is a 40Gbps high-bandwidth transfer technology, compatible with USB4. Intel’s new 12th generation CPU (Alder Lake), as well as the next generation 13th generation CPU (Raptor Lake) also integrate Thunderbolt 4. Laptops with Thunderbolt 5 will hit the market in 2024. In addition to the existing M1, M1 Pro, M1 Max, the new MacBook Pro’s next-generation M2 and M3 will support USB4 and be compatible with Thunderbolt.

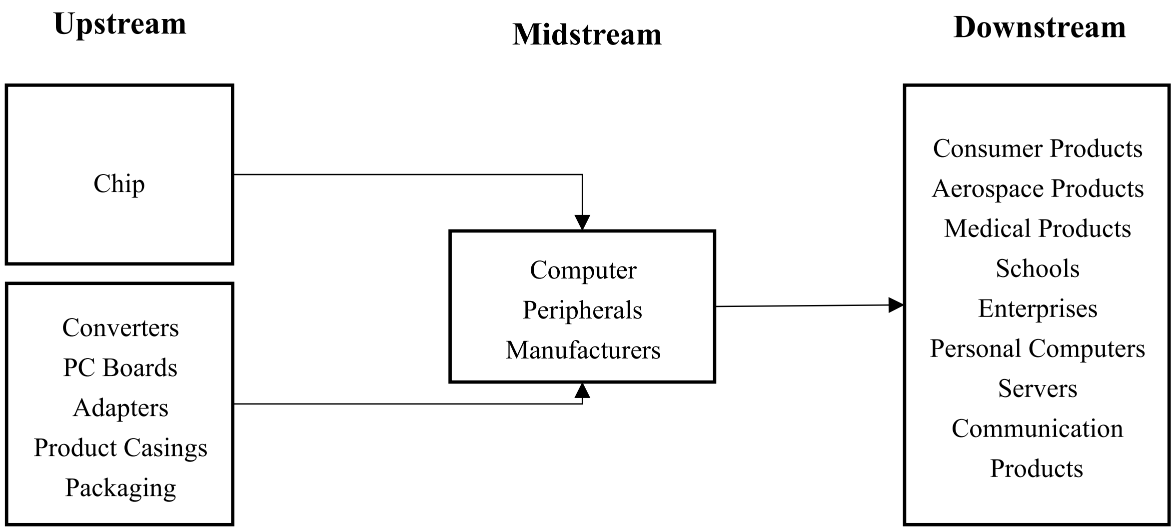
The widespread adoption of the USB4 platform is imminent, driving demand in the high-speed 40Gbps peripheral product market. Expansion docks based on USB4 or Intel Thunderbolt 4 will become mainstream in the computer peripherals market. Consumer market applications can address the current expansion needs of laptops, while business applications can enhance work productivity and efficiency.

(2). Future industrial development

According to GII (Global Information Inc.), the global docking station market is projected to reach $2.5 billion by 2030, with a compound annual growth rate of 6.7% from 2024 to 2030. The key drivers of this market include the growing preference for remote work and flexible work styles, increasing demand for mobile workstations and gaming laptops, and the continuous development of new docking stations with advanced features. The future of the global docking station market may include opportunities in the laptop market as well as the smartphone and tablet markets.

2. The Relevance of Upstream, Midstream, and Downstream Industries

The Company’s business activities include product research and design, production and manufacturing, and sales and marketing. Our main products are computer peripherals, including computer I/O interface conversion devices, audio/video expansion devices, and multifunctional integrated expansion docking stations. Product designs are primarily based on customer and market demands, integrating relevant functional components, and developing hardware, firmware, and software in-house; it falls under the mid-stream industry in the industry chain. The industry relationship diagram is shown below:



3. Various Product Development Trends

Given the current state and development trends of the industry, Good Way's main product, the computer docking station, will have more diverse applications in the commercial sector. It is no longer limited to the basic application of expanding I/O interfaces for laptops but can also serve as a tool for monitoring, analyzing, and controlling the usage efficiency in office environments. Good Way specializes in the research, development, and manufacturing of computer docking stations. Anticipating the evolution of industry technical specifications, the Company has released products that meet future market demands ahead of time. Good Way also continues to develop value-added market applications, combining industry market ecosystems and development trends to launch niche products that meet demands in a timely manner.

4. Competition

USB-C has brought a major transformation to the IT industry, as well as tremendous business opportunities for USB-C peripheral products. As the market rapidly expands, chip suppliers are competing fiercely, and manufacturers are joining the market competition one after another. However, USB-C compatibility issues continue to arise. Therefore, in addition to fierce price competition, the quality of competitive products varies greatly, and compatibility and technical issues, if not resolved promptly, can cause significant inconvenience to customers and users.

Therefore, the competitive comparison further highlights Good Way's design quality and professional experience, which can ensure the technical service of customers' shipped products without any worries.

Facing the maturing of product technology and market specifications, many ODM brands are actively seeking differentiated designs to enhance their competitive advantage. In addition to having considerable expertise in hardware design, Good Way possesses a software development team with the ability to write and design MCU programs, as well as develop application software on PCs. This often allows us to provide integrated hardware and software designs tailored to customers' functional requirements, helping them differentiate themselves in the market and gain a competitive edge.

In addition to superior research and development capabilities and production technology compared to our competitors, the Company also possesses excellent product integration development capabilities and rapid product design capabilities. Through our customers' extensive marketing channels and comprehensive product portfolio, combined with correct marketing strategies and operational strategies, and timely launching of new products that lead the market, Good Way's competitive nature is able to stay ahead of our competitors due to our leading research and development capabilities and operational strategies.

(3). Technology and R&D Overview

1. Research and development expenditures for the most recent year and up to the Annual Report publication date

Unit: NT$ Thousand

Year	R&D Expenses	Net Operating Revenue	R&D Expenses as a Percentage of Net Operating Revenue
As of December 31, 2023	140,854	3,030,713	4%
As of March 31, 2024	33,084	700,525	5%

2. Technologies or products successfully developed in the most recent year and up to the Annual Report publication date

Over the past year, Good Way has continued to strengthen its R&D team's capabilities, with the goal of innovating and delving into new technology areas for the R&D team. In addition to continuing to collaborate with Intel on the next-generation Thunderbolt 5 series products, we have also worked with Google to complete the WWCB dock designed specifically for Chromebooks and have begun mass production and shipments.

The Thunderbolt 5 Dock can output to quadruple4 4K high-resolution displays, providing an ideal expansion device for enterprise users who need multiple screens to improve work productivity, as well as for SOHO or home workers. In addition to Thunderbolt 4 technology and Smart Power intelligent power design, it also supports the latest PD 3.1 technology, increasing PD charging up to 140W.

Additionally, there has been a breakthrough in integrating GaN power (gallium nitride charger) design into external power supplies. GaN power integrator design has the advantages of higher conversion efficiency and lower overall heat volume compared to traditional designs. Introducing GaN power design can contribute to improving the power efficiency ratio and product form factor optimization.

WWCB dock is designed specifically for Chromebooks and supports online cloud ChromeOS automatic firmware updates.

Due to the widespread demand for hybrid work, cybersecurity has always been a challenge that IT personnel need to address. Via IOT technology, Good Way has successfully developed the Smart Dock, through which IT personnel can remotely monitor Docks via public cloud, private cloud, or hybrid cloud, enabling control, maintenance, and automatic firmware updates. Combined with enterprise cybersecurity software services, not only does it improve employee productivity, but also ensures cybersecurity within the enterprise.

(4). Long-term and Short-term Business Development Plans

1. Short-term Business Development Plans:

A. Marketing strategies

(a) Win-win strategy: Good Way grasps leading technology, deeply cultivates B2B and B2C product design, synchronizes with customers to plan new products, and continues to explore business opportunities in the consumer and commercial markets.

(b) Strategic cooperation: Actively establish strategic cooperation relationships with international, large-scale USB, Dock application IC companies, fully grasp the dynamics of the front-end market, and provide leading or innovative product design solutions to well-known PC and peripheral brand customers.

(c) Professional image: Actively participate in internationally renowned IT product exhibitions to enhance the Company's overall image and popularity, thereby securing more orders from major international companies and increasing revenue.

B. Research and Development strategies

(a) Developing new technologies and chip solutions at an early stage to stay ahead of competitors in the industry.

(b) Introducing automated manufacturing testing in the product development and design stage to assist factories in improving their processes, reducing costs, and providing high-quality products.

(c) Actively participate in various association forums and new technology presentations by chip manufacturers to understand new technology specification trends and upstream chip dynamics, in order to create the best product system peripheral compatibility quality.

(d) And conduct a feasibility assessment of the market and safety monitoring usage scenarios related to electric vehicle usage modes.

C. Production strategies

(a) Agile and flexible production, rapid response to customer needs.

(b) Engineered production, rapid and flexible line changeover, meeting the customer's demand for fast delivery of multiple items.

(c) Strengthen the Pull System production mode, in order to shorten the lead time and reduce work in progress (WIP).

(d) Introducing self-developed production testing tools and procedures, which increases product testing accuracy and efficiency, effectively reducing internal production testing costs.

D. Financial strategies

Achieve the goals of financial soundness and optimal utilization of funds through a stable and robust operating approach.

E. Management strategies

Promoting comprehensive information integration among subsidiaries in Taiwan, Mainland China, and the United States to enhance operational efficiency. In response to geopolitics and customer demand, strengthening supply chain resilience, and expediting the establishment of new manufacturing bases overseas.

2. Long-term Business Development Plans

A. Marketing strategies

(a) Creating value: Continually building proprietary technologies in software and hardware for devices, creating leading and innovative value for products.

(b) Expanding business opportunities: Based on Dock stations' technological capabilities, expand horizontally into more advanced, high-speed, and PD high-speed charging products for PCs, actively develop new application areas, and explore new market opportunities.

Long-term Collaboration: Establish long-term strategic alliance relationships with international corporations, expanding global marketing scale.

B. Research and Development strategies

(a) Continuously develop new technologies and apply for patents to protect research and development results.

(b) Grasp key technologies, continuously invest in research and development, build core research and development technologies, increase competitive barriers, and strengthen the Company's competitive advantages.

(c) By forming strategic alliances with upstream chipmakers, collaborate on product development to gain access to the latest technological support and design expertise. This allows Good Way to seize market opportunities and potentially secure exclusive product technologies to dominate certain niche markets.

(d) Further analyze the market feedback on usage scenarios and optimizations, make analysis and product design adjustments, in order to further improve the future product acceptance and favorability.

C. Production strategies

(a) Localizing and scientizing production management, cultivating the local labor market, reducing staff turnover and mobility rate.

(b) Automated production can not only enhance product reliability, but also reduce the number of operators, changing the structure of production manpower and labor cost structure.

(c) Integrate and guide suppliers to introduce TPS, achieve JIT, cost reduction, shorter lead times, quality assurance, and strengthen them as long-term partners of Good Way.

D. Financial strategies

Fully utilize the diversified financing channels and wealth management tools in the capital market to build a robust financial structure.

E. Management strategies

Strengthen business, product marketing, R&D and engage with customers in “Early Engagement” to grasp the direction of next-generation products and technology trends early on. Simultaneously integrate financial, sales, production, procurement and other systems to provide intelligent management systems such as operational analysis, decision support, and information sharing. The goal is to establish a sustainable development of enterprise digitalization and decarbonization.

2. Overview of the Market and Production and Sales

(1). Market Analysis

1. Main Sales (Service) Areas of Goods (Services)

Unit: NT$ Thousand

Region \ Year		2023	
		Sales Amount	Percentage of Revenue
Domestic Sales		3,749	0.12%
Export	Asia	1,075,142	35.48%
	Americas	1,450,855	47.87%
	Europe	463,876	15.31%
	Others	37,091	1.22%
	Subtotal	3,026,964	99.88%
Total		3,030,713	100.00%

2. Market Share

Good Way has been in the computer peripherals business for over forty years, with products have not only been sold through major computer channels and retail outlets in Europe and the United States, but we have also worked directly with internationally renowned computer manufacturers to develop and customize products. Our main product, the commercial docking station, covers USB 3.0, USB-C, and Thunderbolt interfaces. We were the world’s first USB 3.0 Docking supplier, leading many other brands. Notably, Good Way was designated by Intel as a recommended ODM design and manufacturing partner for Thunderbolt, and has become the best partner for many

ODM brands. Good Way's Thunderbolt 4 Docking was also the world's first to obtain Intel/Apple certification, officially going into mass production at the end of 2020.

3. Future Market Supply, Demand Situation and Growth Potential

According to GII (Global Information Inc.), the global docking station market is projected to reach US$2.5 billion by 2030, with a compound annual growth rate of 6.7% from 2024 to 2030. The key drivers of this market include the growing preference for remote work and flexible work styles, increasing demand for mobile workstations and gaming laptops, and the continuous development of new docking stations with advanced features. The future of the global docking station market may include opportunities in the laptop market as well as the smartphone and tablet markets.

USB-C integrates DP video, USB data, and PD charging. Regarding the technological evolution direction of laptops; in terms of DP video, it has been upgraded from DP1.4 to DP2.1, with bandwidth increased to 80Gbps and image resolution enhanced to 8K60 or 4K240; for USB data, it has also been upgraded from 10Gbps to 40Gbps; and for PD charging technology, it has advanced from PD3.0 100W to PD3.1 240W.

In response to the above technological specification evolution, there will be another wave of laptop replacement. Docking Stations will also need corresponding functional upgrades. Increased image bandwidth will allow Docks to connect to more displays, increased USB bandwidth will allow Docks to connect to more USB devices, and upgraded PD charging specifications will enable Docks to charge more devices, essentially turning Docks into Charging Stations. Especially with the thin laptop design with only a few USB-C ports, the market demand for Docking Stations becomes relatively more important.

In addition to laptops, gaming consoles have also adopted USB-C for transmitting audio, video, data, and charging. Although gaming consoles are handheld devices, if users have the need to extend to a larger TV screen, connect to a faster wired network, or connect to external keyboards, mice, and game controllers, then a dedicated Gaming Dock for gaming consoles is also a highly demanded application market.

Adopting the standard USB-C interface enables various 3C electronic products to communicate or support each other, allowing a docking station to be compatible with more 3C electronic products. In particular, the rapid development of the third-type semiconductor GaN (Gallium Nitride) has improved power conversion efficiency, allowing smaller power supply designs, and enabling USB-C power adapters to provide higher charging power. The USB Association's PD3.1 aims to introduce charging technology to consumer electronics, such as electrical appliances, home appliances, kitchen utensils, and power tools. After docking stations support PD3.1, they will support more consumer electronic devices, creating a more diversified integrated application market and business opportunities.

4. Competitive Niche

A. Product and market planning capability

Good Way's product roadmap capabilities have always been recognized by customers. Good Way has long focused on market research, new product development, keeping abreast of market trends and new industry technologies. We interact with customers in advance, share new information, discuss new product specifications, and often innovate niche products, providing customers with market opportunities. In the mainstream competitive market, product feature differentiation increases the added value of goods, allowing customers to avoid price competition in the market.

B. Product R&D capabilities and customized services

Since its establishment, Good Way has always emphasized innovation and R&D. Our R&D capabilities have been recognized by international companies. In addition to our R&D team's many years of rich experience in the industry, our company maintains good interactions with upstream and downstream manufacturers to quickly understand industry trends and seize technological opportunities. Good Way implements a customer-oriented business philosophy, providing customized services from product specifications, R&D design, to tailored production processes, enhancing customers' reliance on and stickiness with our company. In the future, the Company's product R&D direction will focus on high integration, high-speed signals, and software design. In addition to combining the trends of lightweight, thin, and compact product development, we will continuously improve product performance and closely align with market development directions, fully grasping market trends and responding to customer needs to enhance the company's competitive advantage.

C. Equipped with advanced laboratory equipment for mold-making capabilities and product development measurement certification

In addition to possessing advanced auxiliary design research and development equipment and tools, the Company has also established various technology-related laboratories and high-end equipment:

(a) CNC mold manufacturing machinery and model manufacturing laboratory

(b) Product safety and compliance testing laboratory (EMI and ESD laboratory)

(c) USB, HDMI, DP and other signal measurement laboratories

(d) Thermal flow modeling analysis and simulation software tools

(e) Type-C function specification verification laboratory

(f) Thunderbolt signal certification laboratory

(g) RF high-frequency bandwidth detection and efficiency measurement laboratory

(h) Constant temperature and humidity environment validation laboratory

D. Possessing abundant production capacity, well-established production system, and stable product quality

Good Way has production bases in Kunshan, Jiangsu Province, Mainland China, and Xizhi District, New Taipei City, continually expanding our production capacity. We possess abundant production scale, economies of scale production capabilities, and flexible capacity allocation agility. This scale economy and capacity allocation flexibility make it relatively more difficult for new competitors to enter the same production field, and our abundant capacity also serves as an important competitive advantage for our company in obtaining OEM orders from international brand manufacturers.

Furthermore, the Company has a well-established production system and is committed to optimizing design and production processes, simplifying manufacturing procedures to improve product quality and effectively control production costs, making product prices competitive in the market. This has earned the trust of customers, allowing the company to maintain long-term and stable supply relationships.

In terms of company scale, production technology, and order-taking capability, the Company has good competitiveness compared to industrial peers and in the market position.

5. Favorable, unfavorable factors and countermeasures for future development prospects

A. Favorable factors

(1) The trend of lightweight and thin design for commercial laptops

In response to the high demand for mobility, the lightweight and slim design style for commercial laptops has become a trend. Driven by this trend, the laptop body cannot accommodate too many interfaces, so it will inevitably lead to a significant increase in the demand for computer peripheral expansion products. Good Way, as a USB computer peripheral industry, especially for our main product expansion docks, still has an extremely vast growth potential in the future.

(2) The increase in the popularization rate of compound high-speed interfaces

As commercial laptops have a growing demand for lightweight and slim design, more and more single-signal interfaces have been removed from laptops and replaced by multi-signal interfaces. This evolution has indeed brought great opportunities for the development of peripheral products, especially the design of docking stations, which can more easily decompose the multi-signal into different signals such as USB, audio/video, and network interfaces through the docking station. The multi-signal interfaces provided on laptops have also led to a rapid increase in consumer demand for peripheral expansion products, especially docking stations.

Secondly, the demand for commercial laptops is increasingly high in terms of specifications, functions, and data processing speed. These requirements undoubtedly raise the bar for product development much higher than before. In this regard, the Company’s years of dedication to the research and development of high-speed signals and the accumulated experience and achievements have given it a significant lead over its competitors. This is an extremely favorable factor for the Company’s long-term development prospects.

(3) More application scenarios for expanding the base

Work from home (WFH) and distance learning have driven the growth of laptops and also the growth of docking stations. Whether working from home or at the office, in various work environments, companies still require high productivity from their employees. Docking stations, in particular, can connect more USB peripheral devices such as webcams needed for video conferencing, voice microphones, or wired network devices. Students or teachers also need to use computers to connect to the internet for distance learning due to the pandemic, which has similarly stimulated the rapid growth of docking stations.

B. Unfavorable factors and coping strategies

(1) The increase in competitors in the same industry has led to intense price competition for products.

With the rapid development of commercial laptops driving the increased demand for peripheral products, the number of competitors entering the market has gradually increased, leading to increasingly intense competition within the industry and increased pressure on product prices.

Countermeasures: Explore the possibility of developing new technologies and new manufacturing processes, continuously invest in the research and development of new products, and continuously invest in production and research & development equipment to improve production technology and efficiency, in order to increase production yield and reduce production costs. At the same time, continue to invest in higher-specification research and development equipment, expand the research and development of higher-performance and higher-power products, and continuously maintain product competitiveness and industry-leading advantages. In addition, functional differentiation to segment the price competition market, and the ability to develop customized software for ODM manufacturers are also important factors for Good Way to maintain its competitiveness.

(2) High product complexity leading to increased development costs

I/O new technology specifications are being upgraded, and the technical difficulty is increasing day by day. The interface has evolved from a single signal interface to a compound signal interface; the bus transmission speed has evolved from 5Gbps of USB 3.0 to 10Gbps, or even 40Gbps of Thunderbolt, and currently Thunderbolt 5 supports up to 80Gbps or even 120Gbps; image resolution has also increased from 1080p to 4K60, or even high-quality 4K 144Hz or 8K60 displays; Ethernet has also leaped from

1Gbps to 2.5G, 5G, 10Gbps. With so many high-speed signals integrated, the overall system complexity increases, and the design difficulty relatively increases significantly. As a result, it inevitably leads to a significant increase in the material, manpower, and time costs of design, which in turn affects the time to market of new products and the cost pressure.

Countermeasures: Accumulate existing proficient experience, adopt a modular design approach for various functional blocks, and design equivalent chips from different vendors into multiple design modules. This not only allows for more flexibility in chip selection, but also enables better price support and accelerates the development of new projects, shortening the entire research and development cycle and speeding up the time-to-market for new products.

(3) The shortage of raw materials in the market has eased, and gross profit will gradually stabilize.

Affected by the pandemic and the US-China trade war, semiconductor wafer capacity has been tight, with shortages of some components and IC chips in the market leading to rising prices and delayed deliveries. This not only increased costs but also relatively affected production and sales schedules, putting great pressure on business operations. This year, the shortage of raw materials has eased, and gross profit margins will gradually stabilize.

Countermeasures:
a. Actively seek other sources of suppliers.
b. Regarding customers and upstream suppliers as a community of shared destiny, becoming an inseparable part of the supply chain relationship.
c. Actively modify product designs to seek cost-effective alternative raw materials; promote product upgrades to increase added value; or minimize internal costs as much as possible.

(2). Main Products' Important Uses and Manufacturing Processes

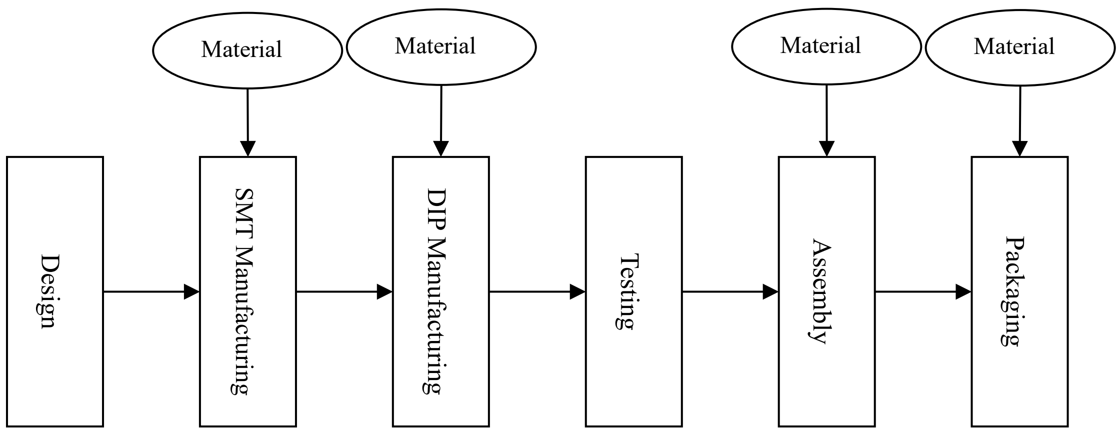
1. Main applications of key products

Main Products	Key Purposes and Functions
Docking Station	The main purpose and function is to use a single cable to extend or expand the host's existing (or non-existing) extension ports, such as the network port, data port, USB interface, DP/DVI/HDMI dual (multi) display, stereo/microphone combo port, security cable slot, and power rectifier, integrating all these functions into one machine. The introduction of charging capability enables the docking station to also provide power supply and charge the host.

Signal Converter	(1) Ability to convert a USB signal into another video and audio output signal (2) Ability to convert one video and audio signal into another video and audio output signal (3) Ability to switch between analog and digital signals (4) Ability to provide one set of video and audio signals converted into multiple sets of video and audio signals
Router	USB-related peripheral application products, main purposes and functions are as follows: (1) Need for transferring large amounts of data and data exchange. (2) Having a plug-and-play function. (3) Providing a one-machine-multiple-control PC environment for small and medium-sized enterprises and individuals.

2. Manufacturing process of main products

The main production processes of the Company's docking stations, video adapters and hubs are as follows:



(3). Supply Situation of Major Raw Materials

Major Raw Materials	Source	Supply Situation
Chip	Company S Company V Company R Company S Electronics T	Good Good Good Good Good

Note: Good Way has signed a non-disclosure agreement with suppliers, therefore companies are displayed in codes.

(4). List of Major Suppliers and Customers

1. Overview of major suppliers in the recent two years

Unit: NT$ Thousand

Ranking	2022				2023				As of the prior quarter of 2024 (Note)			
	Name	Amount	Proportion of net purchase for the year (%)	Relationship with the issuer	Name	Amount	Proportion of net purchase for the year (%)	Relationship with the issuer	Name	Amount	Proportion of net purchase as of Q1 of the year (%)	Relationship with the issuer
1	Company A	1,096,152	21.28%	None	Company B	222,204	15.15%	None	Company B	160,178	32.54%	None
2	Others	4,054,979	78.72%	None	Others	1,244,626	84.85%	None	Others	332,024	67.46%	None
	Net purchase	5,151,131	100.00%	—	Net purchase	1,466,830	100.00%	—	Net purchase	492,202	100.00%	—

Note: Good Way has signed a non-disclosure agreement with suppliers, therefore companies are displayed in codes.

Analysis and explanation of changes in major suppliers:

In the recent two years (2022 and 2023), the main suppliers for the Company were Company A and Company B. In 2022, the net purchases from Company A accounted for 21.28% of the company's total net purchases for that year. In 2023, we shifted our purchases towards Company B, with the net purchases from Company B accounting for 15.15% of the company's total net purchases for that year. This change was due to our customers destocking, reduced orders, and lower demand for key ICs, resulting in a decline in the purchase ratio. However, the trading model remains normal.

2. List of Major Clients in the Most Recent Two Years

Unit: NT$ Thousand

	2022				2023				As of the prior quarter of 2024 (Note)			
Item	Name	Amount	Proportion of net sales for the year (%)	Relationship with the issuer	Name	Amount	Proportion of net sales for the year (%)	Relationship with the issuer	Name	Amount	Proportion of net sales as of Q1 of the year (%)	Relationship with the issuer
1	Company A	3,049,250	44.84%	None	Company A	1,404,825	46.35%	None	Company A	503,997	71.94%	None
2	Company E	629,715	9.26%	None	Company P	274,235	9.05%	None	Company T	24,732	3.53%	None
3	Company W	430,869	6.34%	None	Company E	228,759	7.55%	None	Company E	20,376	2.91%	None
	Others	2,690,206	39.56%		Others	1,122,894	37.05%		Others	151,420	21.62%	
	Subtotal	6,800,040	100.00%		Subtotal	3,030,713	100.00%		Subtotal	700,525	100.00%	

Note: Good Way has signed a non-disclosure agreement with sales customers, therefore companies are displayed in codes.

Analysis and explanation of changes in major customers:

The Company's main application is in information products, so major computer manufacturers for end-user information products are our main customer groups. In 2022, well-known computer manufacturing companies A, E, and W were our main sales customers, accounting for 44.84%, 9.26%, and 6.34% of our annual net revenue, respectively. In 2023, affected by the global economic conditions and customer demand, our main sales customers for that year were Company A, Company P, and Company E, accounting for 46.35%, 9.05%, and 7.55% of our annual net revenue, respectively.

(5). Production Volume and Value in the Past Two Years

Unit: Thousand; NT$ Thousand

Year / Volume and value / Main product	2022			2023		
	Production capacity	Production volume	Production value	Production capacity	Production volume	Production value
Computer Peripheral Products	3,617	2,894	7,170,214	1,306	1,045	2,608,350

(6). Sales Volume and Value in the Past Two Years

Unit: Thousand; NT$ Thousand

Volume and value / Year / Main product	2022				2023			
	Domestic Sales		Export		Domestic Sales		Export	
	Volume	Value	Volume	Value	Volume	Value	Volume	Value
Computer Peripheral Products	48	7,136	2,709	6,792,904	1	3,749	1,229	3,026,964

3. Employees Information in the two Most Recent Years and up to the Date of Annual Report Publication

March 31, 2024

Year		2022	2023	2024 as of March 31, 2024
Number of employees	Management	174	178	172
	Research & Development	108	99	104
	Public works	231	237	231
	Direct labour	305	198	176
	Subtotal	818	712	683
Average age		38.44	41.9	42
Average length of service		3.67	5.25	5.46
Educational background	Doctoral Degree	1	1	1
	Master’s Degree	53	52	53
	College/University	281	258	252
	Senior high school	366	297	285
	Below senior high school	117	104	92
	Subtotal	818	712	683

4. Environmental Protection Expenditure

(1). The total amount of compensation (including compensation) and penalties paid due to environmental pollution in the most recent year and up to the date of printing of the annual report, and an explanation of future response strategies and potential expenditures.

The Company has not suffered any losses or penalties from environmental pollution in the recent year and up to the date of printing of the annual report. At the same time, the Company's production lines, located in Xizhi District, New Taipei City, and Kunshan area in mainland China, strictly comply with the environmental protection regulations and requirements of both sides. The Company has not caused any environmental pollution or incurred any related expenses from its production activities. In December 2021, the Factory in mainland China installed solar energy equipment in response to the global environmental protection policies for green energy and carbon reduction, which received high praise from local governments and customers. The Factory in Xizhi, Taiwan, has obtained the Silver Green Building certification and implemented an energy monitoring system and installed LED energy-saving lamps for energy conservation. These measures effectively reduce energy waste, with a total investment of approximately NT$2.5 million.

(2). In response to the EU's Restriction of Hazardous Substances (RoHS) Directive and the REACH Regulation on the restriction of hazardous chemical substances, in addition to having obtained ISO14001 and ISO14064 certifications, our company is actively pursuing ISO45001 and ISO50001 certification. Our products also comply with RoHS regulations. In the future, our company's products will continue to be developed with the concept of environmental protection as the starting point, and we will continue to strive towards environmental protection.

5. Labor-Management Relations

(1). List the Company's various employee benefit measures, continuing education, training, pension system, and implementation thereof, as well as labor-management agreements and various employee rights protection measures:

1. Employee benefits measures, continuing education, and training situation

Since its establishment, the Company has actively promoted harmonious labor-management relations based on the recognition of labor-management co-existence and co-prosperity. It also values employee benefits and health, assisting employees in personal work and life to grow together with the Company. Employees are the core of the enterprise, and only happy and satisfied employees can create good work efficiency and satisfied customers, thereby fostering a prosperous and excellent company. Through the following benefits, Good Way strive to provide our employees with a comfortable working environment and atmosphere:

(1). Bonus/Gift

A. Year-end bonus B. Employee profit sharing C. Bonus for three holidays
D. Labor Day bonus E. Birthday cash gift F. Mother's Day gift
G. Father's Day gift

(2). Insurance

A. Labor Insurance B. National Health Insurance C. Group Insurance

(3). Leisure

A. Domestic travel B. Domestic and international travel allowance
C. Departmental gatherings D. Birthday celebrations E. Family Day
F. Club Activities G. Beach Cleanup H. Charity Run Event

(4). Institutional

A. Food expenses B. Complete education and training C. Missed meal allowance
D. Smooth promotion channel

(5). Facilities

A. Reading Areas B. Nursing Rooms C. Complimentary Coffee Machines
D. Art Corridor

(6). Leave/Vacation System

A. Two days off per week B. Special leave C. Menstrual leave
D. Prenatal checkup leave E. Maternity leave F. Maternity leave for fathers
G. Family care leave H. Official leave I. Birthday leave J. Volunteer leave

(7). Subsidies

A. Wedding gift money B. Childbirth allowance C. Employee education subsidy
D. Travel allowance E. Hospitalization consolation payment

(8). Others

A. Employee shopping discounts B. Annual health check-ups
C. Free vegetarian lunch boxes on Wednesdays

(9). Education and Training Subsidies

A. Executive Reading Club B. Middle Management Reading Club
C. Middle and Senior Management Consensus Camp
D. Host seminars every month, with topics covering finance/lifestyle/novelties/interests/charity/arts/health
E. External continuing education and training F. Alumni association

From the most recent year up to the date of printing of the annual report, the company's education and training situation:

(1). There were 6 sessions in the research and development category, with a total of 184 colleagues participating.

(2). The team communication category consisted of 4 sessions, with a total of 123 colleagues participating.

(3). The workplace life category consists of 3 sessions, with a total of 101 colleagues participating

2. Retirement system and its implementation

The Company's employee retirement system originally followed the regulations of the Labor Standards Act. After the Labor Pension Act was implemented on July 1, 2005, the defined contribution system was adopted. After implementation, employees can choose to apply the retirement pension regulations under the "Labor Standards Act" or apply the retirement pension system under the Act and retain their years of service before the Act. For employees subjected to the Act, the Company's monthly contribution rate for employee retirement pensions shall not be less than 6% of the employee's monthly salary.

Retirement system and its implementation

(1). Regarding the old pension system for the company's employees, 2% is contributed monthly based on actuarial calculations into the labor retirement reserve fund account of the Good Way Company Labor Retirement Reserve Fund Supervisory Committee at the Trust Department of the Bank of Taiwan. As for the new system, in accordance with the "Labor Retirement Fund Monthly Contribution Wage Level Table" published by the Labor Insurance Bureau, 6% of the employee's monthly salary is contributed to the employee's individual retirement account

(2). The procedures and conditions for employees applying for retirement shall be implemented in accordance with the Company's issued retirement management regulations.

(3). Since the announcement of the retirement management regulations until now, three employees have submitted retirement applications.

3. Circumstances of agreements between labor and management

The Company maintains a harmonious relationship between labor and management, with smooth communication channels. The opinions of the labor side are always given attention and promptly addressed by the management side. As a result, there have been no major labor-management disputes since the company's establishment. Looking ahead, with the philosophy of harmonious operations embraced by both labor and management, a win-win situation will be achieved for all.

From the most recent year up to the date of printing of the annual report, our company has undertaken the following labor-management cooperation measures:

(1). The labor-management meeting is convened once every quarter, with a total of five meetings, where labor representatives and management representatives exchange views and negotiate on various issues concerning the Company.

(2). Held 12 migrant worker seminars for foreign migrant workers employed at the factory, facilitating exchanges and responses between migrant worker concerns and company management representatives.

4. The condition of employee rights and interest protection measures

The Company has established comprehensive written management regulations, which clearly stipulate the rights, obligations, and welfare benefits of employees, in order to protect their interests. In addition to regularly interacting with employees during performance appraisal periods, we have also set up an anonymous suggestion box and an annual chairman's meeting to provide diverse communication channels, ensuring that employees can express their true thoughts. Furthermore, we have formulated whistleblowing and appeal management regulations, providing internal employees with an appeal mechanism and channels, and designated personnel to handle such matters, thereby safeguarding the rights and interests of employees.

5. Strengthen employee occupational safety and health, to build a happy workplace.

   Employees are important assets of the Company. Our company follows the spirit of the RBA and establishes various management policies to comply with all human rights and labor laws, respect and embrace diversity, and strive to create a workplace environment of gender equality.

   (1). Talent Attraction and Retention

   Good Way has diversified recruitment methods, such as campus recruitment, R&D alternative military service programs, and migrant worker agency recruitment. It also offers rewards for employees who recommend outstanding talents. For retaining new employees, there are "mentor management measures" where experienced and outstanding employees in the department serve as mentors and receive mentor bonuses to help new colleagues quickly adapt to the company environment, thereby increasing the retention rate of new employees.

   (2). Performance Management and Talent Development

   The purpose of the appraisal system, apart from emphasizing the consensus between employees and supervisors on work objectives, is to adopt a mechanism that focuses on "employee development as the primary goal and performance evaluation as a secondary goal", encompassing both evaluative and developmental functions. The aim is to cultivate and develop employees' individual abilities, enabling them to become proficient in their duties and serve as the driving force for the company's continuous progress, thereby enhancing its competitiveness and overall organizational effectiveness.

   Moreover, the Company has an excellent employee recommendation system, providing a basis for future internal promotion of qualified talents, promoting and retaining outstanding talents, and achieving the goal of putting the right person in the right position. In terms of talent development, Good Way adheres to the training philosophy of "enhancing professional skills through diverse learning, promoting internalization of growth learning for all employees, and transferring to improve performance and continuous improvement to adapt to development." It designs a talent cultivation blueprint in line with the four spirits of "sincerity, integrity, trust, and authenticity," and integrates internal and external resources to subsidize employees' expenses for external learning, encouraging them to improve their skills in various aspects, thereby enhancing their competence and promoting the common growth of employees and the Company.

(3). Create a healthy and safe workplace of happiness

Upholding the core philosophy of "people-oriented", and with the ultimate goal of "zero occupational hazards", Good Way not only provides general occupational safety and health education training courses for new employees during their orientation training, but also regularly conducts on-the-job training courses for existing employees to promote personnel safety and health protection as well as operational safety awareness.

Good Way conducts annual employee health examinations that exceed the requirements of the "Occupational Health Protection Rules." It also performs abnormality analysis, graded management, and improvement tracking for abnormal health items. Occupational physicians and nurses regularly follow up, provide medical referrals, and promote various health promotion activities to help employees maintain good health.

(2). List losses suffered due to labor disputes during the most recent years and up to the publication date of this annual report, the estimated potential amount at present and in the future, and countermeasures:
Since its establishment, the Company has aimed to promote prosperity and safeguard employee welfare. With both parties operating in a peaceful and rational manner, it is unlikely that we will experience losses due to labor-management disputes in the future.

6. Information Security Management

In response to the global rise in cybersecurity issues, cybercrime has become increasingly globalized in recent years. To protect the Company's important data and research results, our Information Department has implemented considerable protective measures. Based on our current cybersecurity management measures and effectiveness, there are no significant apparent risks. The relevant measures are explained as follows:

(1). Employees use the work computers provided by the company. Each computer has a login account/password set up. Data cannot be directly transferred to USB devices.

(2). Antivirus software is installed on every work computer.

(3). All important research and development files are required to be encrypted, and encrypted files can only be opened with authorization.

(4). Establish a spam filtering mechanism, and prohibit access to inappropriate websites from the Company.

(5). Comply with personal data protection laws.

(6). Important systems such as PLM/ERP/MES/BPM require account application and recording of significant data change history.

(7). Applications related to permissions or information must be submitted through the internal information processing form.

(8). To access important systems from outside the Company, connection to the company network via VPN and login credentials required for the relevant systems is necessary before entering.

(9). Important system and file data are backed up regularly.

(10). When personnel leave their job, the relevant system permissions will be closed.

(11). Force users to periodically change passwords for important systems.

(12). Senior executives may not necessarily have the authority to modify data, as management roles and operational roles are separate.

(13). The guest network and the internal employee network are managed separately.

(14). Establish a second computer room to implement off-site backup.

(15). Complete cybersecurity check:

a. Network Information Architecture Review

b. Firewall connection settings

c. Server host vulnerability detection

d. Internal network packet monitoring and analysis

e. Website/Webpage vulnerability black-box testing

(16). Firewall reinforcement policy settings, regularly perform security subscriptions.

(17). Important servers have been deployed with MDR security protection monitoring

(18). Annual email social engineering drill

The Company conducted an email phishing simulation exercise on August 8, 2023. A total of 294 people participated, and 2% of colleagues opened the phishing email. Subsequent education and training have been provided.

(19). Conduct irregular cybersecurity notifications for all employees.

The Company has issued the following cybersecurity notification to all employees:

On January 4, 2023, a cybersecurity alert was issued to all employees, promoting new ransomware tactics.

On January 11, 2023, a cybersecurity notification was issued to all employees, alerting them about the incident where more than a thousand fake AnyDesk websites were spreading the Vider malware.

On January 12, 2023, a cybersecurity alert was issued to all employees, promoting 5 tips for identifying phishing emails.

On February 9, 2023, a cybersecurity advisory was issued to all employees, announcing that iRent and Car Plus had experienced consecutive incidents of improper database configuration and Android malware events.

Impact of cybersecurity incident: No such situation.

7. Material Contracts

(1). Syndicated Loan Agreement (NT$1.6 billion equivalent syndicated loan facility)

Contracting Party: Hua Nan Bank and consortium lending banks.

Date: April 28, 2023

(2). Land and Infrastructure Sublease Principle Agreement

Contracting Party: Green i-Park Corporation

Date: July 3, 2023

VI. Overview of Financial Position

1. The Condensed Balance Sheets and Consolidated Income Statements for the Recent Five Years, as well as the Names of the CPAs and their Audit Opinions

(1). Condensed Balance Sheet and Statement of Comprehensive Income

1. Condensed Balance Sheet (Consolidated) as per the IFRS

Unit: NT$ Thousand

Item \ Year		Financial Information for the Past Five Years (Note 1)					Financial information for the Current year up to March 31, 2024 (Note 3)
		2019	2020	2021	2022	2023	
Current asset		2,854,952	3,359,987	3,689,385	4,714,501	2,546,951	2,820,613
Property, factory and equipment		895,564	902,204	1,453,788	1,529,798	1,415,518	1,410,599
Intangible assets		9,931	12,175	7,663	6,479	6,148	6,167
Other assets		198,157	196,338	286,260	171,968	248,132	353,663
Total assets		3,958,604	4,470,704	5,437,096	6,422,746	4,216,749	4,591,042
Current liabilities	Before distribution	1,870,244	2,190,035	2,769,214	3,709,185	1,472,546	1,509,992
	After distribution	1,910,675	2,287,844	2,823,552	3,802,029	(Note2)	N/A
Non-current liabilities		538,787	352,742	815,299	691,672	1,185,284	1,433,570
Total liabilities	Before distribution	2,409,031	2,542,777	3,584,513	4,400,857	2,657,830	2,943,562
	After distribution	2,449,462	2,640,586	3,638,851	4,493,701	(Note2)	N/A
Equity Attributable to Shareholers of the Parent Company		1,549,573	1,927,927	1,852,583	2,021,889	1,558,919	1,647,480
Share capital		522,649	546,143	546,143	546,143	611,680	611,680
Additional paid-in capital		546,961	704,023	704,023	704,023	718,446	769,511
Retained earnings	Before distribution	658,429	795,999	730,969	902,299	371,257	304,425
	After distribution	617,998	698,190	676,631	809,455	(Note2)	N/A
Other equity		(117,103)	(108,763)	(119,077)	(91,456)	(142,464)	(38,136)
Treasury shares		(61,363)	(9,475)	(9,475)	(39,120)	—	—
Non-controlling interests		—	—	—	—	—	—
Total equity	Before distribution	1,549,573	1,927,927	1,852,583	2,021,889	1,558,919	1,647,480
	After distribution	1,509,142	1,830,118	1,798,245	1,929,045	(Note2)	N/A

Note 1: The data for 2019-2023 are audited financial data prepared in accordance with International Financial Reporting Standards.

Note 2: As of April 30, 2024, the profit/loss appropriation case for 2023 has not yet been reported to the Shareholders' Meeting for resolution, so the amount after distribution is not listed.

Note 3: For companies that are listed or whose shares are traded at securities firms' business premises, if there are recent financial statements audited or reviewed by accountants prior to the printing date of the Annual Report, such information should also be disclosed.

Condensed Consolidated Statement of Comprehensive Income - IFRS

Unit: NT$ Thousand

Item \ Year	Financial information for the past five years (Note 1)					Financial information for the Current year up to March 31, 2024
	2019	2020	2021	2022	2023	
Operating Revenue	4,914,376	5,102,426	4,683,143	6,800,040	3,030,713	700,525
Operating Gross Profit	626,838	720,890	471,006	816,785	70,593	68,612
Operating profit and loss	136,166	216,701	5,286	306,868	(431,682)	(47,980)
Non-operating income and expenses	7,868	(1,126)	38,133	(19,893)	21,561	(22,082)
Net profit before tax	144,034	215,575	43,419	286,975	(410,121)	(70,062)
Net income from continuing operations	103,079	178,898	31,655	225,202	(372,884)	(66,832)
Loss on discontinued operations	—	—	—	—	—	—
Net income (loss)	103,079	178,898	31,655	225,202	(372,884)	(66,832)
Other Comprehensive Profit or loss (after Tax)	(52,181)	7,443	(9,190)	28,087	(50,785)	104,328
Total comprehensive income for the period	50,898	186,341	22,465	253,289	(423,669)	37,496
Net profit attributable to shareholders of the parent company	103,079	178,898	31,655	225,202	(372,884)	(66,832)
Net profit attributable to non-controlling interests	—	—	—	—	—	—
Comprehensive income attributable to owners of the parent company	50,898	186,341	22,465	253,289	(423,669)	37,496
Total comprehensive income attributable to non-controlling interests	—	—	—	—	—	—
Dividend per share	2.04	3.47	0.58	3.73	(6.13)	(1.09)

Note 1: The data for 2019-2023 are audited financial data prepared in accordance with International Financial Reporting Standards.

Note 2: For companies that are listed or whose shares are traded at securities firms' business premises, if there are recent financial statements audited or reviewed by accountants prior to the printing date of the Annual Report, such information should also be disclosed.

(2). Individual Summary Balance Sheet and Income Statement Data

1. Condensed Balance Sheet (Individual) - IFRS

Unit: NT$ Thousand

Item \ Year		Financial Information for the Past Five Years (Note 1)				
		2019	2020	2021	2022	2023
Current asset		2,763,855	2,949,417	3,170,445	4,295,056	1,705,431
Property, factory and equipment		67,204	144,931	760,688	872,299	834,456
Intangible assets		4,501	6,422	2,616	2,050	2,248
Other assets		1,343,123	1,455,838	1,682,307	1,709,351	2,115,347
Total assets		4,178,683	4,556,608	5,616,056	6,878,756	4,657,482
Current liabilities	Before distribution	2,121,353	2,307,030	2,978,287	4,196,831	1,915,750
	After distribution	2,161,784	2,404,839	3,032,625	4,289,675	(Note 2)
Non-current liabilities		507,757	321,651	785,186	660,036	1,182,813
Total liabilities	Before distribution	2,629,110	2,628,681	3,763,473	4,856,867	3,098,563
	After distribution	2,669,541	2,726,490	3,817,811	4,949,711	(Note 2)
Equity Attributable to Shareholders of the Parent Company		1,549,573	1,927,927	1,852,583	2,021,889	1,558,919
Share capital		522,649	546,143	546,143	546,143	611,680
Additional paid-in capital		546,961	704,023	704,023	704,023	718,446
Retained earnings	Before distribution	658,429	795,999	730,969	902,299	371,257
	After distribution	617,998	698,190	676,631	809,455	(Note 2)
Other equity		(117,103)	(108,763)	(119,077)	(91,456)	(142,464)
Treasury shares		(61,363)	(9,475)	(9,475)	(39,120)	—
Non-controlling interests		—	—	—	—	—
Total equity	Before distribution	1,549,573	1,927,927	1,852,583	2,021,889	1,558,919
	After distribution	1,509,142	1,830,118	1,798,245	1,929,045	(Note 2)

Note 1: The data for 2019-2023 are audited financial data prepared in accordance with International Financial Reporting Standards.

Note 2: As of April 30, 2024, the profit/loss appropriation case for 2023 has not yet been reported to the Shareholders' Meeting for resolution, so the amount after distribution is not listed.

Condensed statement of comprehensive income (Individual) - IFRS

Unit: NT$ Thousand

Item \ Year	Financial Information for the Past Five Years ((Note1)				
	2019	2020	2021	2022	2023
Operating Revenue	4,742,311	4,974,870	4,458,855	6,678,272	2,880,383
Operating Gross Profit	372,655	488,546	187,470	587,562	(302)
Operating profit and loss	40,255	102,392	(128,006)	154,218	(346,165)
Non-operating income and expenses	72,867	94,310	146,622	81,842	(67,954)
Net profit before tax	113,122	196,702	18,616	236,060	(414,119)
Net profit from continuing operations	103,079	178,898	31,655	225,202	(372,884)
Loss on discontinued operations	—	—	—	—	—
Net profit or loss for the period	103,079	178,898	31,655	225,202	(372,884)
Other Comprehensive Profit or loss (after Tax)	(52,181)	7,443	(9,190)	28,087	(50,785)
Total comprehensive income for the period	50,898	186,341	22,465	253,289	(423,669)
Net profit attributable to shareholders of the parent company	103,079	178,898	31,655	225,202	(372,884)
Net profit attributable to non-controlling interests	—	—	—	—	—
Comprehensive income attributable to owners of the parent company	50,898	186,341	22,465	253,289	(423,669)
Total comprehensive income attributable to non-controlling interests	—	—	—	—	—
Dividend per share	2.04	3.47	0.58	3.73	(6.13)

Note 1: The data for 2019-2023 are audited financial data prepared in accordance with International Financial Reporting Standards.

(3). Names and Audit Opinions of the CPAs in the Most Recent Five Years (Consolidated)

Audit Year	Name of CPA Firm	CPA Name	Audit opinion
2019	PwC Taiwan	Yeh, Tsui-Miao, Wang, Fang-Yu	Unqualified opinion
2020	PwC Taiwan	Yeh, Tsui-Miao, Wang, Fang-Yu	Unqualified opinion
2021	PwC Taiwan	Yeh, Tsui-Miao, Wang, Fang-Yu	Unqualified opinion
2022	PwC Taiwan	Yu, Chih-Fan, Huang, Shih-Chun	Unqualified opinion
2023	PwC Taiwan	Yu, Chih-Fan, Huang, Shih-Chun	Unqualified opinion

2. Financial Analysis for the Last Five Years

(1). Recent Five Year Financial Ratio Analysis

1. IFRS (Consolidated)

Analysis Item(Note2) \ Year		Financial Analysis for the Last Five Years (Note 1)					Current year up to March 31, 2024
		2019	2020	2021	2022	2023	
Financial Structure	Debt ratio (%)	60.86	56.88	65.93	68.52	63.03	64.12
	Ratio of long-term capital to property, factory, and equipment (%)	226.02	246.12	178.81	176.32	193.03	217.53
Solvency	Current ratio	152.65	153.42	133.23	127.10	172.96	186.80
	Quick ratio	94.46	103.79	70.58	78.86	123.87	139.14
	Interest earned ratio	8.04	14.07	4.15	8.13	-6.60	-3.64
Operating performance	Accounts receivable turnover (times)	3.17	3.54	3.01	3.51	1.94	3.20
	Average collection period (days)	115	103	121	104	188	114
	Inventory turnover (times)	3.86	4.52	3.31	3.48	2.18	2.86
	Accounts payable turnover (times)	2.90	3.64	2.93	3.45	2.48	4.22
	Average days in sales	95	81	110	105	167	128
	Property, factory, and equipment turnover (times)	5.83	5.68	3.98	4.56	2.06	1.98
	Total assets turnover (times)	1.16	1.21	0.95	1.15	0.57	0.64
Profitability	Return on total assets (%)	2.82	4.56	0.86	4.34	-6.20	-4.97
	Return on equity (%)	6.64	10.29	1.67	11.62	-20.83	-16.67
	Pre-tax income to paid-in capital (%)	27.56	39.47	7.95	52.55	-67.05	-45.82
	Net Profit Margin (%)	2.10	3.51	0.68	3.31	-12.30	-9.54
	Earnings per share (NT$)	2.04	3.47	0.58	4.18	-6.13	-1.09
Cash Flow	Cash flow ratio (%)	6.97	11.61	—	—	62.94	2.84
	Cash flow adequacy ratio (%)	43.52	39.77	16.90	10.63	54.22	279.24
	Cash reinvestment ratio (%)	3.33	8.13	—	—	16.22	0.76
Leverage	Operating leverage	10.90	7.37	248.47	6.56	-1.53	-4.06
	Financial leverage	1.18	1.08	—	1.15	0.89	0.76

Regarding the changes in financial ratios greater than 20% in the past two years, the reasons are explained as follows:

1. Current ratio: A decrease in short-term borrowings and accounts payable led to an increase in the current ratio.
2. Quick ratio: An increase in bank deposits and a decrease in short-term borrowings and accounts payable resulted in an increase in the quick ratio.
3. Interest earned ratio: An increase in net loss before tax and interest expenses led to a decrease in the interest coverage ratio.

4. Accounts receivable turnover ratio: A decrease in accounts receivable and net sales resulted in a decline in the accounts receivable turnover ratio.
5. Average collection period: A decrease in the accounts receivable turnover ratio led to an increase in the average collection period.
6. Inventory turnover ratio: A decrease in inventory and cost of sales led to a decline in the inventory turnover ratio.
7. Accounts payable turnover ratio: A decrease in accounts payable and cost of sales resulted in a decline in the accounts payable turnover ratio.
8. Average days in sales: A decrease in the inventory turnover ratio led to an increase in the average days in sales.
9. Property, factory, and equipment turnover ratio: A decrease in net sales resulted in a decline in the property, factory, and equipment turnover ratio.
10. Total assets turnover ratio: A decrease in net sales led to a decline in the total asset turnover ratio.
11. Return on total assets: An increase in net loss after tax compared to the previous year resulted in a decrease in the return on assets.
12. Return on equity: A decrease in equity compared to the previous year led to a decline in the return on equity.
13. Ratio of pre-tax net profit (loss) to paid-in capital: An increase in pre-tax net loss compared to the previous year led to a decrease in the ratio of pre-tax net profit (loss) to paid-in capital.
14. Net profit (loss) ratio: An increase in net loss after tax compared to the previous year resulted in a decrease in the net profit (loss) ratio.
15. Earnings (loss) per share: An increase in net loss after tax compared to the previous year led to an increase in earnings (loss) per share.
16. Cash flow ratio: A decrease in accounts receivable and inventory caused an increase in net cash inflow from operating activities.
17. Cash flow adequacy ratio: An increase in operating cash flows in the past five years and a decrease in inventory led to an increase in the cash flow adequacy ratio.
18. Cash reinvestment ratio: A decrease in accounts receivable and inventory caused an increase in net cash inflow from operating activities.
19. Operating leverage: A decrease in gross profit from operations and operating income led to a decline in operating leverage.
20. Financial leverage: A decrease in operating income and operating income being lower than interest expenses resulted in financial leverage.

Note 1: The data for 2019-2023 are audited financial data prepared in accordance with International Financial Reporting Standards.

Note 2: The calculation formulas for the analytical items are as follows:

1. Financial structure
   (1) Debt ratio = Total liabilities/Total assets.
   (2) Long-term capital to property, factory and equipment ratio = (Total equity + Long-term liabilities) / Net property, factory and equipment.
2. Solvency
   (1) Current ratio = Current assets/Current liabilities.
   (2) Quick ratio = (Current assets - Inventory - Prepaid expenses)/Current liabilities.
   (3) Interest earned ratio = Net income before tax and interest expense/Interest expenses in this period.
3. Operating performance
   (1) Accounts receivable turnover (including accounts receivable and notes receivable from operating activities) = Net sales/Balance of average accounts receivable in each period (including accounts receivable and notes receivable from operating activities).

(2) Average collection period (days) = 365/Accounts receivable turnover.
(3) Inventory turnover = Cost of sales/Average inventory.
(4) Payables turnover (including accounts payable and notes payable from operating activities) = Cost of sales/Balance of average accounts payable in each period (including accounts payable and notes payable from operating activities).
(5) Average days in sales = 365/Inventory turnover.
(6) Property, factory, and equipment turnover = Net sales/Average net property, factory, and equipment.
(7) Total asset turnover = Net sales/Average total assets.

4. Profitability
(1) Return on assets = [Profit or loss after tax + Interest expenses × (1 - Tax rate)]/Average total assets.
(2) Return on equity = Profit or loss after tax/Average total equity.
(3) Profit margin = Profit or loss after tax/Net sales.
(4) Earnings per share = (Income or loss attributable to owners of parent company - Preference shares dividends)/Weighted average number of shares issued.

5. Cash flows
(1) Cash flow ratio = Net cash flows from operating activities/Current liabilities.
(2) Cash flow adequacy ratio = Net cash flow from operating activities for the most recent five years/(Capital expenditures + Inventory increment + Cash dividends) for the most recent five years.
(3) Cash reinvestment ratio = (Net cash flow from operating activities - Cash dividends)/ (Gross property, factory, and equipment + Long-term investment + Other non-current assets + Working capital).

6. Leverage:
(1) Operating leverage = (Net operating revenue - Variable operating costs and expenses)/Operating income.
(2) Financial leverage = Operating income/(Operating income - Interest expenses).

(2). Recent Five Year Individual Financial Ratio Analysis

1. International Financial Reporting Standards (Individual)

Analysis Item(Note2) / Year		Financial Analysis for the Last Five Years (Note 1)				
		2019	2020	2021	2022	2023
Financial Structure	Debt ratio (%)	62.92	57.69	67.01	70.61	66.53
	Ratio of long-term capital to property, factory, and equipment (%)	3,061.32	1,552.17	338.21	307.45	328.57
Solvency	Current ratio	130.29	127.84	106.45	102.34	89.02
	Quick ratio	95.59	96.07	67.83	68.94	61.98
	Interest earned ratio	8.70	17.89	2.78	8.17	-7.32
Operating performance	Accounts receivable turnover (times)	2.18	2.84	2.47	3.03	1.59
	Average collection period (days)	167	129	148	120	230
	Inventory turnover (times)	7.39	6.60	4.83	5.11	2.84
	Accounts payable turnover (times)	2.20	2.77	2.38	2.49	1.43
	Average days in sales	49	55	76	71	129
	Property, factory, and equipment turnover (times)	69.34	46.90	9.85	8.18	3.38
	Total assets turnover (times)	1.05	1.14	0.88	1.07	0.50
Profitability	Return on total assets (%)	2.56	4.31	0.79	4.03	-5.77
	Return on Equity (ROE) (%)	6.64	10.29	1.67	11.62	-20.83
	Pre-tax income to paid-in capital (%)	21.64	36.02	3.41	43.22	-67.70
	Net Profit Margin (%)	2.17	3.60	0.71	3.37	-12.95
	Earnings per share (NT$)	2.04	3.47	0.58	4.18	-6.13
Cash Flow	Cash flow ratio (%)	—	13.17	—	9.77	6.15
	Cash flow adequacy ratio (%)	187.30	166.62	43.05	47.47	54.20
	Cash reinvestment ratio (%)	—	11.30	—	12.48	0.85
Leverage	Operating leverage	30.97	13.53	—	11.71	-1.66
	Financial leverage	1.57	1.13	0.92	1.27	0.87

Regarding the changes in financial ratios greater than 20% in the past two years, the reasons are explained as follows:

1. Interest earned ratio: An increase in net loss before tax and interest expenses led to a decrease in the interest coverage ratio.
2. Accounts receivable turnover ratio: A decrease in accounts receivable and net sales resulted in a decline in the accounts receivable turnover ratio.
3. Average collection period: A decrease in the accounts receivable turnover ratio led to an increase in the average collection period.
4. Inventory turnover ratio: A decrease in inventory and cost of sales led to a decline in the inventory turnover ratio.

5. Accounts payable turnover ratio: A decrease in accounts payable and cost of sales resulted in a decline in the accounts payable turnover ratio.
6. Average days in sales: A decrease in the inventory turnover ratio led to an increase in the average days in sales.
7. Property, factory and equipment turnover ratio: A decrease in net sales resulted in a decline in the property, factory, and equipment turnover ratio.
8. Total assets turnover ratio: A decrease in net sales led to a decline in the total asset turnover ratio.
9. Return on total assets: An increase in net loss after tax compared to the previous year resulted in a decrease in the return on assets.
10. Return on equity: A decrease in equity compared to the previous year led to a decline in the return on equity.
11. Ratio of pre-tax income (loss) to paid-in capital: Increase in pre-tax net loss compared to the previous year, causing a decline in the ratio of pre-tax income (loss) to paid-in capital.
12. Net profit (loss) ratio: An increase in net loss after tax compared to the previous year resulted in a decrease in the net profit (loss) ratio.
13. Earnings (loss) per share: An increase in net loss after tax compared to the previous year led to an increase in earnings (loss) per share.
14. Cash flow ratio: A decrease in accounts receivable and inventory caused an increase in net cash inflow from operating activities.
15. Cash reinvestment ratio: A decrease in accounts receivable and inventory caused an increase in net cash inflow from operating activities.
16. Operating leverage: A decrease in gross profit from operations and operating income led to a decline in operating leverage.
17. Financial leverage: A decrease in operating income and operating income being lower than interest expenses resulted in financial leverage.

Note 1: The data for 2019-2023 are audited financial data prepared in accordance with International Financial Reporting Standards.

Note 2: The calculation formulas for the analytical items are as follows:

1. Financial structure
   (1) Debt ratio = Total liabilities/Total assets.
   (2) Ratio of long-term capital to property, factory, and equipment = (Total equity + Non-current liabilities)/Net property, factory, and equipment.
2. Solvency
   (1) Current ratio = Current assets/Current liabilities.
   (2) Quick ratio = (Current assets - Inventory - Prepaid expenses)/Current liabilities.
   (3) Interest earned ratio = Net income before tax and interest expense/Interest expenses in this period.
3. Operating performance
   (1) Accounts receivable turnover (including accounts receivable and notes receivable from operating activities) = Net sales/Balance of average accounts receivable in each period (including accounts receivable and notes receivable from operating activities).
   (2) Average collection period (days) = 365/Accounts receivable turnover.
   (3) Inventory turnover = Cost of sales/Average inventory.
   (4) Payables turnover (including accounts payable and notes payable from operating activities) = Cost of sales/Balance of average accounts payable in each period (including accounts payable and notes payable from operating activities).
   (5) Average days in sales = 365/Inventory turnover.
   (6) Property, factory, and equipment turnover rate = Net sales/Average net property, factory, and equipment.
   (7) Total asset turnover = Net sales/Average total assets.
4. Profitability
   (1) Return on assets = [Profit or loss after tax + Interest expenses × (1 - Tax rate)]/Average total assets.

(2) Return on equity = Profit or loss after tax/Average total equity.

(3) Profit margin = Profit or loss after tax/Net sales.

(4) Earnings per share = (Income or loss attributable to owners of parent company - Preference shares dividends)/Weighted average number of shares issued.

5. Cash flows

(1) Cash flow ratio = Net cash flows from operating activities/Current liabilities.

(2) Cash flow adequacy ratio = Net cash flow from operating activities for the most recent five years/(Capital expenditures + Inventory increment + Cash dividends) for the most recent five years.

(3) Cash reinvestment ratio = (Net cash flow from operating activities - Cash dividends)/ (Gross property, factory, and equipment + Long-term investment + Other non-current assets + Working capital).

6. Leverage:

(1) Operating leverage = (Net operating revenue - Variable operating costs and expenses)/Operating income.

(2) Financial leverage = Operating income/(Operating income - Interest expenses).

3. Audit Committee Review Report on the Annual Financial Statements for the Recent Year

Audit Committee's Review Report

The Board of Directors has submitted the Company's 2023 Annual Business Report, Individual Financial Statements, Consolidated Financial Statements, and Profit Distribution Proposal. The Individual Financial Statements and Consolidated Financial Statements have been audited by CPAs Yu, Chih-Fan and Huang, Shih-Chun of PwC Taiwan, and audit reports have been issued. The above reports and statements submitted to the Board of Directors have been audited by the Audit Committee of the Company, and it has been determined that there are no irregularities. In accordance with Article 14-4 of the Securities and Exchange Act and Article 219 of the Company Act, we hereby submit this report for your review.

To

Good Way Technology Co., Ltd. 2024 Annual Shareholders' Meeting

Audit Committee Convener: Liu, Chu

March 21, 2024

4. Financial Statements for the Most Recent Year

GOOD WAY TECHNOLOGY CO., LTD. AND SUBSIDIARIES

CONSOLIDATED FINANCIAL STATEMENTS AND

INDEPENDENT AUDITORS' REPORT

DECEMBER 31, 2023 AND 2022

For the convenience of readers and for information purpose only, the auditors' report and the accompanying financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. In the event of any discrepancy between the English version and the original Chinese version or any differences in the interpretation of the two versions, the Chinese-language auditors' report and financial statements shall prevail.

Good Way Technology Co., Ltd.

Declaration of Consolidated Financial Statements of Affiliated Enterprises

For the year ended December 31, 2023, pursuant to "Criteria Governing Preparation of Affiliation Reports, Consolidated Business Reports and Consolidated Financial Statements of Affiliated Enterprises," the entity that is required to be included in the consolidated financial statements of affiliates, is the same as the entity required to be included in the consolidated financial statements of parent and subsidiary companies under International Financial Reporting Standard No. 10. Additionally, if relevant information that should be disclosed in the consolidated financial statements of affiliates has all been disclosed in the consolidated financial statements of parent and subsidiary companies, it shall not be required to prepare separate consolidated financial statements of affiliates.

Hereby declare,

Good Way Technology Co., Ltd.

Tsao, Tse-Cheng

March 21, 2024

INDEPENDENT AUDITORS' REPORT

To the Board of Directors and Shareholders of Good Way Technology Co., Ltd

PWCR 23000505

Opinion

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

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

Basis for opinion

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

Key audit matters

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

Key audit matters for the Group’s 2023 consolidated financial statements are stated as follows:

Evaluation of inventories

Description

Please refer to Note 4(14) for the description of accounting policy on inventory valuation. Please refer to Note 5(2) for accounting estimates and assumption uncertainty in relation to inventory valuation. Please refer to Note 6(5) for details of inventory.

Because of the competition in consumer electronics, which shortens the life cycle of the Group’s products, it results in frequent changes in the market prices. The Group applies judgments and estimates in determining the net realisable value of inventories on balance sheet date, adopts an item by-item approach in comparing cost and net realisable value and provisions loss on obsolete and slow-moving inventories when over a certain age.

As the valuation of inventories involve subjective judgments, and the valuation amounts are material, we identified the valuation of inventories as one of the key audit matters.

How our audit addressed the matter:

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

1. Understood the policies of allowance for valuation loss on inventories and confirmed the adoption of the policies on provision of allowance for inventory valuation losses during the reporting period.
2. Performed physical inventory count at the end of period to identify whether there are obsolete, damaged or unsalable inventories.

3. Obtained net realisable value reports of each kind of inventory and checked whether the calculation formulas have been applied consistently. Tested relevant parameters to supporting sale and purchase documents and recalculated the allowance for valuation losses item by item. Also, we calculated the accuracy of valuation model calculation result.
4. Tested the movement of inventory and checked the date of the movement with related supporting documents to ascertain the accuracy of the inventory aging classification and recalculated the valuation allowance loss.

Existence of sales revenue

Description

Please refer to Note 4(29) for accounting policies on recognition of revenue, Note 6(17) for details of sales revenue.

The Group is primarily engaged in the research, development, manufacture and sale of consumer electronics. There were various types of products and innovations, resulting in a change of the major customers, and the sales revenue from the major customers represented a significant proportion, which would have a material effect on the financial statements. Thus, we consider the existence of sales revenue from the major customers a key audit matter.

How our audit addressed the matter:

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

1. Obtained an understanding of the internal controls over sales revenue and included sales transactions from major customers in samples for test of controls.
2. Understood and tested the credit approval process of the major customers. Confirmed that the credit terms have been adequately approved, including identified and verified related information of transaction counterparties.
3. We obtained and verified the sales details and relevant evidences.
4. Sample selected accounts receivable of major customers to obtain the confirmation letter.

5. We obtained and verified the subsequent collection details of accounts receivable and relevant evidences.
6. Obtained the details of sales returns after the balance sheet date and reviewed whether the major customers had significant abnormal sales returns.

Other matter – Parent company only financial statements

We have audited and expressed an unqualified opinion on the parent company only financial statements of Good Way Technology Co., Ltd. as at and for the years ended December 31, 2023 and 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 the International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations that came into effect as endorsed by the Financial Supervisory Commission, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Auditors' responsibilities for the audit of the consolidated financial statements

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

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

1. Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

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

Yu, Chih-Fan	Huang, Shih-Chun

For and on behalf of PricewaterhouseCoopers, Taiwan
March 21, 2024

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

GOOD WAY TECHNOLOGY CO., LTD AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 2023 AND 2022
(Expressed in thousands of New Taiwan dollars)

	Assets	Notes	December 31, 2023 AMOUNT	%	December 31, 2022 AMOUNT	%
	Current assets					
1100	Cash and cash equivalents	6(1)	$ 991,188	24	$ 550,366	9
1110	Financial assets at fair value through profit or loss - current	6(2)	-	-	13,584	-
1136	Current financial assets at amortised cost	6(1)	3,082	-	-	-
1170	Accounts receivable, net	6(4)	801,394	19	2,303,132	36
1200	Other receivables		13,204	-	49,450	1
1220	Current income tax assets	6(24)	13,070	-	4,713	-
130X	Inventories	6(5)	664,350	16	1,704,018	26
1410	Prepayments		58,566	1	85,596	1
1470	Other current assets		2,097	-	3,642	-
11XX	**Current Assets**		2,546,951	60	4,714,501	73
	Non-current assets					
1517	Non-current financial assets at fair value through other comprehensive income	6(3)	21,639	1	3,635	-
1600	Property, plant and equipment	6(6)	1,415,518	34	1,529,798	24
1755	Right-of-use assets	6(7)	81,495	2	93,428	2
1760	Investment property, net	6(8)	11,288	-	13,899	-
1780	Intangible assets		6,148	-	6,479	-
1840	Deferred income tax assets	6(24)	84,970	2	50,407	1
1900	Other non-current assets	6(6)(7)	48,740	1	10,599	-
15XX	**Non-current assets**		1,669,798	40	1,708,245	27
1XXX	**Total assets**		$ 4,216,749	100	$ 6,422,746	100

(Continued)

GOOD WAY TECHNOLOGY CO., LTD AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 2023 AND 2022
(Expressed in thousands of New Taiwan dollars)

	Liabilities and Equity	Notes	December 31, 2023 AMOUNT	%	December 31, 2022 AMOUNT	%
	Current liabilities					
2100	Short-term borrowings	6(9)	$ 422,583	10	$ 1,199,328	19
2130	Current contract liabilities	6(17)	30,437	1	28,025	-
2170	Accounts payable		512,144	12	1,825,781	28
2180	Accounts payable - related parties	7(2)	11,417	-	35,351	1
2200	Other payables	6(11) and 7(2)	220,232	5	286,169	5
2230	Current income tax liabilities	6(24)	19,957	1	59,292	1
2280	Current lease liabilities		10,102	-	15,320	-
2320	Long-term liabilities, current portion	6(10)	120,511	3	74,430	1
2365	Current refund liabilities		124,859	3	185,245	3
2399	Other current liabilities, others		304	-	244	-
21XX	**Current Liabilities**		1,472,546	35	3,709,185	58
	Non-current liabilities					
2540	Long-term borrowings	6(10)	1,173,421	28	675,492	11
2570	Deferred income tax liabilities	6(24)	28	-	-	-
2580	Non-current lease liabilities		5,144	-	9,346	-
2600	Other non-current liabilities	6(12)	6,691	-	6,834	-
25XX	**Non-current liabilities**		1,185,284	28	691,672	11
2XXX	**Total Liabilities**		2,657,830	63	4,400,857	69
	Equity					
	Share capital	6(14)				
3110	Share capital - common stock		611,680	15	546,143	8
	Capital surplus	6(15)				
3200	Capital surplus		718,446	17	704,023	11
	Retained earnings	6(16)				
3310	Legal reserve		178,504	4	155,937	2
3320	Special reserve		91,456	2	119,077	2
3350	Unappropriated retained earnings		101,297	2	627,285	10
	Other equity interest					
3400	Other equity interest		(142,464)	(3)	(91,456)	(1)
3500	Treasury stocks	6(14)	-	-	(39,120)	(1)
3XXX	**Total equity**		1,558,919	37	2,021,889	31
	Significant contingent liabilities and unrecognised contract commitments	9				
	Significant events after the balance sheet date	11				
3X2X	**Total liabilities and equity**		$ 4,216,749	100	$ 6,422,746	100

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

GOOD WAY TECHNOLOGY CO., LTD AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
YEARS ENDED DECEMBER 31, 2023 AND 2022
(Expressed in thousands of New Taiwan dollars, except (loss) earnings per share)

	Items	Notes	2023 AMOUNT	2023 %	2022 AMOUNT	2022 %
4000	Sales revenue	6(17)	$ 3,030,713	100	$ 6,800,040	100
5000	Operating costs	6(5)(22) and 7(2)	(2,960,120)	(98)	(5,983,255)	(88)
5900	Net operating margin		70,593	2	816,785	12
	Operating expenses	6(22)				
6100	Selling expenses		(145,809)	(5)	(163,512)	(3)
6200	General and administrative expenses		(206,059)	(7)	(188,597)	(3)
6300	Research and development expenses		(140,854)	(4)	(151,610)	(2)
6450	Impairment loss (impairment gain and reversal of impairment loss) determined in accordance with IFRS 9	12(2)	(9,553)	-	(6,198)	-
6000	Total operating expenses		(502,275)	(16)	(509,917)	(8)
6900	Operating (loss) profit		(431,682)	(14)	306,868	4
	Non-operating income and expenses					
7100	Interest income	6(18)	15,651	1	2,612	-
7010	Other income	6(19)	46,282	2	29,632	1
7020	Other gains and losses	6(20)	13,569	-	(11,896)	-
7050	Finance costs	6(21)	(53,941)	(2)	(40,241)	(1)
7000	Total non-operating income and expenses		21,561	1	(19,893)	-
7900	**(Loss) profit before income tax**		(410,121)	(13)	286,975	4
7950	Income tax (expense) benefit	6(24)	37,237	1	(61,773)	(1)
8200	**(Loss) profit for the year**		($ 372,884)	(12)	$ 225,202	3
	Other comprehensive (loss) income					
	Components of other comprehensive income (loss) that will not be reclassified to profit or loss					
8311	Other comprehensive income, before tax, actuarial gains (losses) on defined benefit plans	6(12)	$ 279	-	$ 583	-
8316	Unrealised gains (losses) from investments in equity instruments measured at fair value through other comprehensive income	6(3)	8,464	-	(6,290)	-
8349	Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	6(24)	(56)	-	(117)	-
8310	Components of other comprehensive (loss) income that will not be reclassified to profit or loss		8,687	-	(5,824)	-
	Components of other comprehensive (loss) income that will be reclassified to profit or loss					
8361	Financial statements translation differences of foreign operations		(59,472)	(2)	33,911	1
8360	Components of other comprehensive (loss) income that will be reclassified to profit or loss		(59,472)	(2)	33,911	1
8300	**Other comprehensive (loss) income for the year**		($ 50,785)	(2)	$ 28,087	1
8500	**Total comprehensive (loss) income for the year**		($ 423,669)	(14)	$ 253,289	4
	(Loss) Profit attributable to:					
8610	Owners of the parent		($ 372,884)	(12)	$ 225,202	3
	Comprehensive (loss) income attributable to:					
8710	Owners of the parent		($ 423,669)	(14)	$ 253,289	4
	Basic (loss) earnings per share					
9750	Total basic (loss) earnings per share	6(25)	($ 6.13)		$ 3.73	
	Diluted (loss) earnings per share					
9850	Total diluted (loss) earnings per share	6(25)	($ 6.13)		$ 3.69	

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

GOOD WAY TECHNOLOGY CO., LTD AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
YEARS ENDED DECEMBER 31, 2023 AND 2022
(Expressed in thousands of New Taiwan dollars)

		Equity attributable to owners of the parent								
				Retained earnings			Other equity interest			
	Notes	Share capital - common stock	Capital surplus, additional paid-in capital	Legal reserve	Special reserve	Unappropriated retained earnings	Financial statements translation differences of foreign operations	Unrealised gains (losses) from financial assets measured at fair value through other comprehensive income	Treasury stocks	Total equity
Year 2022										
Balance at January 1, 2022		$ 546,143	$ 704,023	$ 152,659	$ 108,762	$ 469,548	($ 107,002)	($ 12,075)	($ 9,475)	$1,852,583
Profit for the year		-	-	-	-	225,202	-	-	-	225,202
Other comprehensive income (loss)		-	-	-	-	466	33,911	(6,290)	-	28,087
Total comprehensive income (loss)		-	-	-	-	225,668	33,911	(6,290)	-	253,289
Appropriation and distribution of 2021 retained earnings	6(16)									
Legal reserve appropriated		-	-	3,278	-	(3,278)	-	-	-	-
Special reserve appropriated		-	-	-	10,315	(10,315)	-	-	-	-
Cash dividend		-	-	-	-	(54,338)	-	-	-	(54,338)
Purchase of treasury shares	6(14)	-	-	-	-	-	-	-	(29,645)	(29,645)
Balance at December 31, 2022		$ 546,143	$ 704,023	$ 155,937	$ 119,077	$ 627,285	($ 73,091)	($ 18,365)	($ 39,120)	$2,021,889
Year 2023										
Balance at January 1, 2023		$ 546,143	$ 704,023	$ 155,937	$ 119,077	$ 627,285	($ 73,091)	($ 18,365)	($ 39,120)	$2,021,889
Loss for the year		-	-	-	-	(372,884)	-	-	-	(372,884)
Other comprehensive income (loss)		-	-	-	-	223	(59,472)	8,464	-	(50,785)
Total comprehensive income (loss)		-	-	-	-	(372,661)	(59,472)	8,464	-	(423,669)
Appropriation and distribution of 2022 retained earnings	6(16)									
Legal reserve appropriated		-	-	22,567	-	(22,567)	-	-	-	-
Special reserve reversed		-	-	-	(27,621)	27,621	-	-	-	-
Cash dividend		-	-	-	-	(92,844)	-	-	-	(92,844)
Stock dividends		65,537	-	-	-	(65,537)	-	-	-	-
Compensation cost of treasury stock transferred to employees	6(13)	-	14,545	-	-	-	-	-	-	14,545
Proceeds from treasury stock transferred to employees	6(13)	-	(122)	-	-	-	-	-	39,120	38,998
Balance at December 31, 2023		$ 611,680	$ 718,446	$ 178,504	$ 91,456	$ 101,297	($ 132,563)	($ 9,901)	$ -	$1,558,919

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

GOOD WAY TECHNOLOGY CO., LTD AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2023 AND 2022
(Expressed in thousands of New Taiwan dollars)

	Notes	Year ended December 31 2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES			
(Loss) profit before tax		($ 410,121)	$ 286,975
Adjustments			
Income and expenses having no effect on cash flows			
Depreciation charges on property, plant and equipment	6(22)	129,196	123,957
Depreciation charges on right-of-use assets	6(22)	17,562	17,437
Depreciation expense on investment property	6(22)	2,495	4,744
Amortization expense on intangible assets	6(22)	4,097	2,161
Amortization expense on other non-current assets	6(22)	2,607	2,657
Expected credit impairment loss	12(2)	9,553	6,198
Gains on financial assets (liabilities) at fair value through profit or loss	6(20)	(12,279)	10,248
Compensation cost of treasury stock transferred to employees	6(13)	14,545	-
Interest expense	6(21)	53,941	40,241
Interest income	6(18)	(15,651)	(2,612)
Loss on disposal of property, plant and equipment	6(20)	16	9,239
Gain on lease revision	6(20)	-	(4,148)
Other income	6(19)	(20,277)	(10,065)
Changes in assets/liabilities relating to operating activities			
Changes in operating assets			
Financial assets at fair value through profit or loss		25,947	(22,334)
Accounts receivable		1,492,328	(759,333)
Other receivables		39,772	23,211
Inventories		1,041,048	(155,951)
Prepayments		27,030	100,951
Net changes in liabilities relating to operating activities			
Current contract liabilities		2,412	10,087
Notes payable		-	(23)
Accounts payable		(1,313,637)	242,499
Accounts payable - related parties		(23,934)	6,469
Other payables		(46,580)	32,042
Current refund liabilities		(60,386)	63,808
Other current liabilities, others		60	(60)
Other non-current liabilities		(100)	(4,688)
Cash inflow generated from operations		959,644	23,710
Interest received		12,125	2,638
Income taxes paid		(45,015)	(29,839)
Net cash flows from (used in) operating activities		926,754	(3,491)

(Continued)

GOOD WAY TECHNOLOGY CO., LTD AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2023 AND 2022
(Expressed in thousands of New Taiwan dollars)

	Notes	Year ended December 31 2023	2022
CASH FLOWS FROM INVESTING ACTIVITIES			
Increase in financial assets at amortised cost-current		($ 3,082)	$ -
Acquisition of non-current financial assets at fair value through other comprehensive income	12(3)	(9,540)	-
Acquisition of property, plant and equipment	6(26)	(18,728)	(126,073)
Proceeds from disposal of property, plant and equipment		-	228
Acquisition of intangible assets		(2,737)	(892)
Increase in refundable deposits		(824)	(2,686)
Decrease in refundable deposits		2,369	700
Increase in other non-current assets		(43,530)	(6,210)
Net cash flows used in investing activities		(76,072)	(134,933)
CASH FLOWS FROM FINANCING ACTIVITIES			
Interest paid		(55,817)	(36,184)
Proceeds from short-term debt	6(27)	-	544,911
Repayments of short-term debt	6(27)	(778,229)	-
Proceeds from long-term debt	6(27)	1,154,880	-
Repayments of long-term debt	6(27)	(611,984)	(52,660)
Decrease in refundable deposits	6(27)	-	(3,213)
Payments of lease liabilities	6(27)	(16,125)	(14,708)
Cash dividends paid	6(27)	(92,844)	(54,338)
Purchase of treasury shares		-	(29,645)
Proceeds from treasury stock transferred to employees		38,998	-
Net cash flows (used in) from financing activities		(361,121)	354,163
Effect of exchange rate changes on cash and cash equivalents		(48,739)	16,679
Net increase in cash and cash equivalents		440,822	232,418
Cash and cash equivalents at beginning of year		550,366	317,948
Cash and cash equivalents at end of year		$ 991,188	$ 550,366

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

GOOD WAY TECHNOLOGY CO., LTD AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS, EXCEPT AS OTHERWISE INDICATED)

1. History and Organization

Good Way Technology Co., Ltd (referred herein as the "Company") was incorporated as a company limited by shares under the provisions of the Company Law of the Republic of China (R.O.C.) in February 4, 1993. The Company and its subsidiaries (collectively referred herein as the "Group") were primarily engaged in the manufacture of computers and USB peripherals products, multifunctional docking stations, video and audio converters, wireless peripherals products, Internet of Things application products, design, research and development of software and import and export business of related materials of products.

The Company's shares are traded in the Taipei Exchange starting from August 26, 2014.

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

These financial statements were authorised for issuance by the Board of Directors on March 21, 2024.

3. Application of New Standards, Amendments and Interpretations

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

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

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

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

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

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

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

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

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

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

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

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

4. Summary of Material Accounting Policies

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

(1) Compliance statement

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

(2) Basis of preparation

A. Except for the following items, the consolidated financial statements have been prepared under the historical cost convention:
   (a) Financial assets (including derivative instruments) at fair value through profit or loss.
   (b) Financial assets at fair value through other comprehensive income.
   (c) Defined benefit liabilities recognised based on the net amount of pension fund assets less present value of defined benefit obligation.

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

(3) Basis of consolidation

A. Basis for preparation of consolidated financial statements:
   (a) All subsidiaries are included in the Group's consolidated financial statements. Subsidiaries are all entities (including structured entities) controlled by the Group. The Group controls an entity when the Group is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Consolidation of subsidiaries begins from the date the Group obtains control of the subsidiaries and ceases when the Group loses control of the subsidiaries.
   (b) Unrealised gains or loss and balances on transactions between the Company and its subsidiaries are eliminated. Accounting policies of subsidiaries have been adjusted where necessary to ensure consistency with the policies adopted by the Group.
   (c) Profit or loss and each component of other comprehensive income are attributed to the owners of the parent and to the non-controlling interests. Total comprehensive income is attributed to the owners of the parent and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

B. Subsidiaries included in the consolidated financial statements:

Name of investor	Name of subsidiary	Main business activities	Ownership(%) December 31, 2023	Ownership(%) December 31, 2022	Description
Good Way Technology Co., Ltd.	Good Way Overseas Co., Ltd.	Holding and reinvestment company	100	100	
Good Way Technology Co., Ltd.	Gentle Enterprises Co., Ltd.	Holding and reinvestment company	100	100	
Good Way Technology Co., Ltd.	GWC Technology Inc.	Trading business	100	100	
Good Way Technology Co., Ltd.	GOOD WAY CAYMAN CO., LTD.	Holding and reinvestment company	100	-	Note 1
Good Way Overseas Co., Ltd.	Good Way Electronics (Kunshan) Co., Ltd.	Manufacture and trading business	100	100	
Good Way Electronics (Kunshan) Co., Ltd.	Good Trend Technology Co.,Ltd.	Trading business	100	100	
GWC Technology Inc.	Bristar Technology, Inc.	Trading business	100	100	
GWC Technology Inc.	Digi-Tech LLC	Lease of property	100	100	
GOOD WAY CAYMAN CO., LTD.	GOOD WAY TECHNOLOGY VIETNAM COMPANY LIMITED	Manufacture and trading business	100	-	Note 2

The financial statements of aforementioned subsidiaries for the years ended December 31, 2023 and 2022 were audited by the Company's CPA.

Note 1: The company established its subsidiary GOOD WAY CAYMAN CO., LTD. in April 2023.

Note 2: GOOD WAY CAYMAN CO., LTD. established its subsidiary GOOD WAY TECHNOLOGY VIETNAM COMPANY LIMITED in November 2023.

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

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

E. Significant restrictions: None.

F. Subsidiaries that have non-controlling interests that are material to the Group: None.

(4) Foreign currency translation

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The Company's functional currency is New Taiwan dollars, and the subsidiaries' functional currency are US dollar, RenMinBi Yuan and Vietnamese Dong. The consolidated financial statements are presented in New Taiwan dollars, which is the Company's functional and the Group's presentation currency.

A. Foreign currency transactions and balances

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

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

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

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

B. Translation of foreign operations

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

(a) Assets and liabilities presented in each balance sheet are translated at the closing exchange rate at the date of that balance sheet;

(b) Income and expense presented in each comprehensive income statement are translated at average exchange rates of that period; and

(c) All resulting exchange differences are recognised in other comprehensive income.

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

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

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

(b) Assets held mainly for trading purposes;

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

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

B. Liabilities that meet one of the following criteria are classified as current liabilities; otherwise they are classified as non-current liabilities:
   (a) Liabilities that are expected to be settled within the normal operating cycle;
   (b) Liabilities arising mainly from trading activities;
   (c) Liabilities that are to be settled within twelve months from the balance sheet date;
   (d) Liabilities for which the repayment date cannot be deferred unconditionally for at least twelve months after the balance sheet date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

(6) Cash equivalents

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

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

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

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

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

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

A. Financial assets at fair value through other comprehensive income comprise equity securities which are not held for trading, and for which the Group has made an irrevocable election at initial recognition to recognise changes in fair value in other comprehensive income.

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

C. At initial recognition, the Group measures the financial assets at fair value plus transaction costs. The Group subsequently measures the financial assets at fair value. The changes in fair value of equity investments that were recognised in other comprehensive income are reclassified to retained earnings and are not reclassified to profit or loss following the derecognition of the investment. Dividends are recognised as revenue when the right to receive payment is established, future economic benefits associated with the dividend will flow to the Group and the amount of the dividend can be measured reliably.

(9) Financial assets at amortised cost

A. Financial assets at amortised cost are those that meet all of the following criteria:

(a) The objective of the Group's business model is achieved by collecting contractual cash flows.

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

B. On a regular way purchase or sale basis, financial assets at amortised cost are recognised and derecognised using trade date accounting.

C. At initial recognition, the Group measures the financial assets at fair value plus transaction costs. Interest income from these financial assets is included in finance income using the effective interest method. A gain or loss is recognised in profit or loss when the asset is derecognised or impaired.

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

(10) Accounts and notes receivable

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

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

(11) Impairment of financial assets

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

(12) Derecognition of financial assets

The Group derecognises a financial asset when the contractual rights to receive the cash flows from the financial asset expire.

(13) Leasing arrangements (lessor)－operating leases

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

(14) Inventories

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

(15) Property, plant and equipment

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

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

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

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

Buildings and structures	11-50 years
Machinery and equipment	2 -10 years
Office equipment	2 -5 years
Other equipment	3- 11 years

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

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

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

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

C. At the commencement date, the right-of-use asset measured at cost shall comprise the amount of the initial measurement of lease liability and any initial direct costs incurred.

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

D. For lease modifications that decrease the scope of the lease, the lessee shall decrease the carrying amount of the right-of-use asset and remeasure the lease liability to reflect the partial or full termination of the lease, and recognise the difference in profit or loss.

(17) Investment property

An investment property is stated initially at its cost and measured subsequently using the cost model. Except for use right of land, investment property is depreciated on a straight-line basis over its estimated useful life of 20 years.

(18) Intangible assets

Computer software is stated at cost and amortised on a straight-line basis over its estimated useful life of 1 to 10 years.

(19) Impairment of non-financial assets

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

(20) Borrowings

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

(21) Notes and accounts payable

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

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

(22) Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability specified in the contract is discharged, cancelled or expires.

(23) Non-hedging and embedded derivatives

Non-hedging derivatives are initially recognised at fair value on the date a derivative contract is entered into and recorded as financial assets or financial liabilities at fair value through profit or loss. They are subsequently remeasured at fair value and the gains or losses are recognised in profit or loss.

(24) Employee benefits

A. Short-term employee benefits

Short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid and are recognised as expenses in the period in which the employees render service.

B. Pensions

(a) Defined contribution plan

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

(b) Defined benefit plan

i. Net obligation under a defined benefit plan is defined as the present value of an amount of pension benefits that employees will receive on retirement for their services in current period or prior periods. The liability recognised in the balance sheet in respect of defined benefit pension plans is the present value of the defined benefit obligation at the balance sheet date less the fair value of plan assets. The net defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The rate used to discount is determined by using interest rates of government bonds (at the balance sheet date) that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related pension liability

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

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

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

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

(25) Employee share-based payment

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

(26) Income taxes

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

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

C. Deferred tax is recognised, using the balance sheet liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated balance sheet. Deferred tax is provided on temporary differences arising on investments in subsidiaries, except where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

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

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

(27) Share capital

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

B. Where the Company repurchases the Company's shares that have been issued, the consideration paid, including any directly attributable incremental costs (net of income taxes) is deducted from equity attributable to the Company's equity holders. Where such shares are subsequently reissued, the difference between their book value and any consideration received, net of any directly attributable incremental transaction costs and the related income tax effects, is included in equity attributable to the Company's equity holders.

(28) Dividends

Cash dividends from 2021 earnings appropriation are recorded as liabilities in the Company's financial statements in the period in which they are resolved by the Company's shareholders. Cash dividends from 2022 earnings appropriation are recorded as liabilities in the Company's financial statements in the period in which they are resolved by the Board of Directors during their special meeting in accordance with the Articles of Incorporation of the Company. Additionally, stock dividends are recorded as stock dividends to be distributed in the period in which they are resolved by the Company's shareholders and are reclassified to ordinary shares on the effective date of new shares issuance.

(29) Revenue recognition

A. Sales revenue

(a) The Group manufactures and sells computer peripheral equipment and related products. Sales are recognised when control of the products has transferred, being when the products are delivered to the wholesaler. Either the buyer has accepted the products in accordance with the sales contract, or the Group has objective evidence that all criteria for acceptance have been satisfied.

(b) Sales revenue was recognised based on the contract price net of sales discount. Sales discounts and allowances from these sales is recognised based on the content specified in the contract. Sales volume is used to estimate and provide for the sales discounts and allowances and revenue is only recognised to the extent that it is highly probable that a significant reversal will not occur. The estimation is subject to an assessment at each reporting date. A refund liability is recognised for expected sales discounts and allowances payable to customers in relation to sales made.

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

B. Financing components

As the time interval between the transfer of committed goods or service and the payment of customer does not exceed one year, the Group does not adjust the transaction price to reflect the time value of money.

(30) Government grants

Government grants are recognised at their fair value only when there is reasonable assurance that the Company will comply with conditions attached to the grants and the grants will be received. Government grants are recognised in profit or loss on a systematic basis over the periods in which the Group recognises expenses for the related costs for which the grants are intended to compensate.

(31) Operating segments

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The Group's chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments.

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

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

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

Based on the Group's assessment, there is no significant uncertainty in the adoption of the accounting policies.

(2) Critical accounting estimates and assumptions

Evaluation of inventories

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

6. Details of Significant Accounts

(1) Cash and cash equivalents

	December 31, 2023	December 31, 2022
Cash on hand and revolving funds	$ 1,323	$ 1,526
Checking accounts and demand deposits	535,483	190,029
Time deposits	454,382	358,811
	$ 991,188	$ 550,366

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

B. The Group has transferred time deposits maturing within three months to one year to current financial assets at amortized cost. For the years ended December 31, 2023 and 2022, was accrued at $3,082 and $0, respectively.

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

Items	December 31, 2023	December 31, 2022
Current items:		
Financial assets mandatorily measured at fair value through profit or loss		
Non-hedging derivatives-forward exchange contracts	$ -	$ 13,584
Non-current items:		
Financial assets mandatorily measured at fair value through profit or loss		
Unlisted stocks	$ 1,108	$ 1,108
Valuation adjustment	(1,108)	(1,108)
	$ -	$ -

A. Explanations of the transactions and contract information in respect of derivative financial assets and (liabilities) that the Group does not adopt hedge accounting are as follows:

December 31, 2023: None.

		Year ended December 31, 2022	
Entities	Items	Book value	Notional principal
Good Way Electronics (Kunshan) Co., Ltd.	Forward exchange contracts-buy RMB and sell USD	$ 12,754	USD 14,500 thousand
Good Trend Technology Co., Ltd.	Forward exchange contracts-buy RMB and sell USD	830	USD 1,430 thousand
		$ 13,584	

(a) The Group recognised net (loss) profit on financial assets and liabilities measured at fair value through profit or loss for the years ended December 31, 2023 and 2022, please refer to Note 6(20) for details.

(b) The Group has no financial assets at fair value through profit or loss pledged to others as collateral.

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

Items	December 31, 2023	December 31, 2022
Non-current items:		
Equity instruments		
Unlisted stocks	$ 31,540	$ 22,000
Valuation adjustment	(9,901)	(18,365)
	$ 21,639	$ 3,635

A. The Group has elected to classify equity instruments of investments that are considered to be strategic investments as financial assets at fair value through other comprehensive income.

B. The amounts which the Group recognised in other comprehensive income (loss) for fair value change for the years ended December 31, 2023 and 2022 were provided in the consolidated statements of comprehensive income.

C. The Group has no financial assets at fair value through other comprehensive income pledged to others as collateral.

D. Information relating to fair value of financial assets at fair value through other comprehensive income is provided in Note 12(3).

(4) Accounts receivable

	December 31, 2023	December 31, 2022
Accounts receivable	$ 814,711	$ 2,315,906
Less:Loss allowance	(13,317)	(12,774)
	$ 801,394	$ 2,303,132

A. The Group's aging analysis of accounts receivable and information relating to credit risk is provided in Note 12(2).

B. As of December 31, 2023 and 2022, accounts receivable were all from contracts with customers. And as of January 1, 2022, the balance of receivables from contracts with customers amounted to $1,559,465.

C. The Group does not hold any collateral as security for accounts receivable.

(5) Inventories

	December 31, 2023		
	Cost	Allowance for valuation loss	Book value
Raw materials	$ 326,765	($ 158,075)	$ 168,690
Work in progress	42,646	-	42,646
Finished goods	514,951	(61,937)	453,014
	$ 884,362	($ 220,012)	$ 664,350

	December 31, 2022		
	Cost	Allowance for valuation loss	Book value
Raw materials	$ 738,409	($ 109,949)	$ 628,460
Work in progress	173,611	-	173,611
Finished goods	919,212	(17,265)	901,947
	$ 1,831,232	($ 127,214)	$ 1,704,018

A. Aforementioned inventories were not pledged to others as collaterals.

B. The cost of inventories recognised as expense for the year were as follows:

	Year ended December 31	
	2023	2022
Cost of goods sold	$ 2,850,568	$ 5,875,424
Loss on decline in market value	94,178	72,536
Loss on scrapping inventory and income or loss from inventory count	15,374	35,295
	$ 2,960,120	$ 5,983,255

(6) Property, plant and equipment

	2023						
	Land	Buildings and structures	Machinery and equipment	Transportation equipment	Office equipment	Leasehold improvements	
	Owner-occupied	Owner-occupied	Owner-occupied	Owner-occupied	Owner-occupied	Owner-occupied	Total
At January 1							
Cost	$ 337,164	$ 1,088,390	$ 544,341	$ 4,946	$ 102,103	$ 24,365	$ 2,101,309
Accumulated depreciation and impairment	-	(151,189)	(319,881)	(4,474)	(78,935)	(17,032)	(571,511)
	$ 337,164	$ 937,201	$ 224,460	$ 472	$ 23,168	$ 7,333	$ 1,529,798
At January 1	$ 337,164	$ 937,201	$ 224,460	$ 472	$ 23,168	$ 7,333	$ 1,529,798
Additions	-	-	15,883	-	6,082	171	22,136
Disposals	-	-	-	-	(16)	-	(16)
Transfers	-	-	1,246	-	286	-	1,532
Depreciation expense	-	(44,473)	(65,169)	(23)	(15,647)	(3,884)	(129,196)
Net exchange differences	(2)	(15,699)	7,048	(449)	365	1	(8,736)
At December 31	$ 337,162	$ 877,029	$ 183,468	$ -	$ 14,238	$ 3,621	$ 1,415,518
At December 31							
Cost	$ 337,162	$ 1,058,064	$ 569,035	$ 4,932	$ 103,736	$ 24,535	$ 2,097,464
Accumulated depreciation and impairment	-	(181,035)	(385,567)	(4,932)	(89,498)	(20,914)	(681,946)
	$ 337,162	$ 877,029	$ 183,468	$ -	$ 14,238	$ 3,621	$ 1,415,518

	2022						
	Land	Buildings and structures	Machinery and equipment	Transportation equipment	Office equipment	Leasehold improvements	
	Owner-occupied	Owner-occupied	Owner-occupied	Owner-occupied	Owner-occupied	Owner-occupied	Total
At January 1							
Cost	$ 335,947	$ 986,747	$ 479,835	$ 4,799	$ 83,570	$ 40,030	$ 1,930,928
Accumulated depreciation and impairment	-	(109,943)	(278,466)	(4,062)	(64,843)	(19,826)	(477,140)
	$ 335,947	$ 876,804	$ 201,369	$ 737	$ 18,727	$ 20,204	$ 1,453,788
At January 1	$ 335,947	$ 876,804	$ 201,369	$ 737	$ 18,727	$ 20,204	$ 1,453,788
Additions	-	45,310	51,077	-	18,368	667	115,422
Disposals	-	-	(391)	-	(28)	(9,048)	(9,467)
Transfers	-	42,014	35,081	-	79	-	77,174
Depreciation expense	-	(39,713)	(65,255)	(271)	(14,211)	(4,507)	(123,957)
Net exchange differences	1,217	12,786	2,579	6	233	17	16,838
At December 31	$ 337,164	$ 937,201	$ 224,460	$ 472	$ 23,168	$ 7,333	$ 1,529,798
At December 31							
Cost	$ 337,164	$ 1,088,390	$ 544,341	$ 4,946	$ 102,103	$ 24,365	$ 2,101,309
Accumulated depreciation and impairment	-	(151,189)	(319,881)	(4,474)	(78,935)	(17,032)	(571,511)
	$ 337,164	$ 937,201	$ 224,460	$ 472	$ 23,168	$ 7,333	$ 1,529,798

A. The Group has no interest expense capitalised on aforementioned property, plant and equipment. Details of the assets pledged to others as collateral are provided in Note 8.

B. As of December 31, 2023 and 2022, the Group’s prepayment for equipment that were not transferred (shown as “other non-current assets”) amounted to $2,649 and $3,493, respectively.

(7) Lease transactions-lessee / Events after the Balance Sheet Date

A. The Group leases various assets including land use right, buildings and transportation equipment. Except for the lease contract period of 50 years for land use right, other rental contracts are typically made for periods of 2 to 3 years. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose covenants, but leased assets may not be used as security for borrowing purposes.

B. Short-term leases with a lease term of 12 months or less comprise of some offices. Low-value assets comprise of printers.

C. The carrying amount of right-of-use assets and the depreciation charge are as follows:

	2023			
	Land use right	Buildings and structures	Transportation equipment	Total
At January 1	$ 69,543	$ 21,038	$ 2,847	$ 93,428
Additions	-	5,490	1,281	6,771
Depreciation expense	(1,503)	(14,624)	(1,435)	(17,562)
Effect of exchange rate changes	(1,145)	3	-	(1,142)
At December 31	$ 66,895	$ 11,907	$ 2,693	$ 81,495

	2022			
	Land use right	Buildings and structures	Transportation equipment	Total
At January 1	$ 69,917	$ 62,136	$ 704	$ 132,757
Additions	-	7,653	3,524	11,177
Lease terminated in advance	-	(34,233)	-	(34,233)
Depreciation expense	(1,507)	(14,549)	(1,381)	(17,437)
Effect of exchange rate changes	1,133	31	-	1,164
At December 31	$ 69,543	$ 21,038	$ 2,847	$ 93,428

D. Information on profit or loss in relation to lease contracts is as follows:

	Year ended December 31	
	2023	2022
Items affecting profit or loss		
Interest expense on lease liabilities	$ 1,176	$ 1,316
Expense on short-term lease contracts	12,064	11,486
Expense on leases of low-value assets	465	481
Gains arising from lease modifications	-	(4,148)
	$ 13,705	$ 9,135

E. For the years ended December 31, 2023 and 2022, the Group’s rent outflow related lease expense was mentioned in Note 6(7)D. Additionally, the amounts of cash outflows which were generated from repayment of lease liabilities were provided in Note 6(27).

F. The Group entered into a lease agreement for the right to use land in Vietnam on July 3, 2023, with a total contract price of USD 4,450 thousand. The lease term is from July 3, 2023 to February 7, 2071. However, the lessor has yet to fulfill its obligations, thus the transfer of land use rights to our Group has not occurred. As of December 31, 2023, the Group has paid a deposit of $43,080 (listed under "Other Non-current Assets"). As of March 21, 2023, the Group has paid the remaining amount and obtained the certificate of land use rights.

(8) Investment property

	2023		
	Land use right	Buildings and structures	Total
At January 1			
Cost	$ 18,100	$ 77,113	$ 95,213
Accumulated depreciation and impairment	(7,104)	(74,210)	(81,314)
	$ 10,996	$ 2,903	$ 13,899
At January 1	$ 10,996	$ 2,903	$ 13,899
Depreciation expense	(385)	(2,110)	(2,495)
Net exchange differences	(109)	(7)	(116)
At December 31	$ 10,502	$ 786	$ 11,288
At December 31			
Cost	$ 17,902	$ 76,073	$ 93,975
Accumulated depreciation and impairment	(7,400)	(75,287)	(82,687)
	$ 10,502	$ 786	$ 11,288

	2022		
	Land use right	Buildings and structures	Total
At January 1			
Cost	$ 17,914	$ 76,138	$ 94,052
Accumulated depreciation and impairment	(6,646)	(69,000)	(75,646)
	$ 11,268	$ 7,138	$ 18,406
At January 1	$ 11,268	$ 7,138	$ 18,406
Depreciation expense	(385)	(4,359)	(4,744)
Net exchange differences	113	124	237
At December 31	$ 10,996	$ 2,903	$ 13,899
At December 31			
Cost	$ 18,100	$ 77,113	$ 95,213
Accumulated depreciation and impairment	(7,104)	(74,210)	(81,314)
	$ 10,996	$ 2,903	$ 13,899

A. Rental income from investment property and direct operating expenses arising from investment property are shown below:

	Year ended December 31,	
	2023	2022
Rental income from investment property	$ 14,252	$ 13,950
Direct operating expenses arising from the investment property that generated rental income during the year	$ 2,495	$ 4,744

B. The fair value of the investment property held by the Group as at December 31, 2023 and 2022 were $85,131 and $86,573, respectively which was valued by independent valuers and the management.

C. Aforementioned investment property of the Group has no capitalised interest and pledged as collaterals.

(9) Short-term borrowings

Type of borrowings	December 31, 2023	Interest rate range	Collateral
Bank borrowings			
Unsecured borrowings	$ 422,583	2.01%～6.8%	None

Type of borrowings	December 31, 2022	Interest rate range	Collateral
Bank borrowings			
Unsecured borrowings	$ 1,199,328	1.45%～6.2%	None

The Group recognised interest expenses in profit or loss. Please refer to Note 6(21) for details.

(10) Long-term borrowings

Type of borrowings	Borrowing period and repayment term	Interest rate range	Collateral	December 31, 2023
Shanghai Commercial & Savings Bank, Ltd. Unsecured borrowings	Starting from July 28, 2020 to July 28, 2025, the principal and interest were paid monthly.	1.450%	None.	$ 38,000
Chang Hwa Commercial Bank, Ltd. Unsecured borrowings	Starting from August 17, 2020 to August 15, 2025, the principal and interest were paid monthly.	1.350%	None.	34,617
Hua Nan Commercial Bank, Ltd. Unsecured borrowings	Starting from October 6, 2020 to October 6, 2025, the interest was paid monthly, and principal was repayable since monthly the second year.	1.450%	None.	49,461
E.SUN Commercial Bank, Ltd. Unsecured borrowings	Starting from November 16, 2020 to November 15, 2025, the interest was paid monthly, and principal was repayable monthly since the third year.	1.350%	None.	16,292
Hua Nan Commercial Bank, Ltd. syndicated Loan Secured borrowings - Item A	Starting from June 20, 2023 to June 20, 2028, the interest was paid monthly, the loan will be active for a period of 5 years from drawdown date (June, 20, 2023) , and principal was repayble per half year since the second year.	2.319%	Note 8	495,562
Hua Nan Commercial Bank, Ltd. syndicated Loan Secured borrowings - Item B	Starting from June 20, 2023 to June 20, 2028, the interest was paid monthly, the principal is due for repayment and can be revolvingly utilzed.	2.478%	None.	660,000
				1,293,932
Less: Current portion				(120,511)
				$ 1,173,421

Type of borrowings	Borrowing period and repayment term	Interest rate range	Collateral	December 31, 2022
Shanghai Commercial & Savings Bank, Ltd. Unsecured borrowings	Starting from July 28, 2020 to July 28, 2025, the principal and interest were paid monthly.	1.325%	None.	$ 62,000
Chang Hwa Commercial Bank, Ltd. Unsecured borrowings	Starting from August 17, 2020 to August 15, 2025, the principal and interest were paid monthly.	1.100%	None.	55,387
Hua Nan Commercial Bank, Ltd. Unsecured borrowings	Starting from October 6, 2020 to October 6, 2025, the interest was paid monthly, and principal was repayable since monthly the second year.	1.325%	None.	77,724
E.SUN Commercial Bank, Ltd. Unsecured borrowings	Starting from November 16, 2020 to November 15, 2025, the interest was paid monthly, and principal was repayable monthly since the third year.	1.225%	None.	17,000
Hua Nan Commercial Bank, Ltd. Secured borrowings	Starting from April 19, 2021 to April 19, 2041, the interest was paid monthly, and principal was repayable monthly since the third year.	1.580%	Note 8	508,000
East West Bank Unsecured borrowings	Starting from January 6, 2018 to January 5, 2028, the principal and interest were paid monthly.	4.25% ~ 7.50%	None.	29,811
				749,922
Less: Current portion				(74,430)
				$ 675,492

A. The Company signed a five-year syndicated credit agreement with six banks, including Hua Nan Commercial Bank, Ltd., acting as the lead and managing bank, in April 2023. The agreement stipulates the following:

(a) Credit Items and Limits: The total credit limit is NT$1.6 billion.

i. Item A:

Mid-term (secured) loans with a limit of NT$500 million, which cannot be drawn down on a revolving basis.

ii. Item B:

Mid-term loans with a limit of NT$1.1 billion or the equivalent in US dollars, which can be drawn down on a revolving basis.

(b) Credit Period:

The credit period for both Item A and Item B starts from the initial drawdown date and lasts for 5 years.

(c) Utilization Period:

i. Item A Credit: The borrower can only draw down the credit limit of Item A once, starting from 3 months after the signing date of this agreement.

ii. Item B Credit: The borrower can draw down the credit limit of Item B on a revolving basis within the last 3 months before the final expiration date of this agreement.

(d) Financial Commitments:

The borrower must maintain the following financial ratios, based on the audited or reviewed consolidated financial statements of the borrower's accountant, reviewed every six months:

i. Current ratio [Current Assets / Current Liabilities]: Not less than 100%.

ii. Financial debt ratio [Short-term borrowings + Long-term borrowings + Long-term borrowings due within one year / Tangible Net Worth]: Not more than 150%.

iii. Interest coverage ratio: [Profit before tax + Depreciation + Amortization + Interest expense] / Interest expense: Not less than 3 times.

According to the provisions of the joint credit agreement, the above ratios and standards are reviewed every six months, based on the borrower's second quarter and annual consolidated financial statements. If the borrower's financial condition does not meet any of the ratios or standards specified herein at any review, the borrower shall improve it by the next review date. However, from the date of submission of the financial report for the current period until the date of submission of the financial report for the period after the borrower submits the improvement, an additional annual interest rate of 0.1% shall be added to the loan interest rate applicable to the unpaid principal balance. If the borrower fails to complete the improvement, it shall be deemed a default event, and the managing bank shall notify the borrower in writing, declaring that all outstanding principal balances, interest, and other amounts payable by the borrower to each joint credit bank and managing bank under this agreement shall become immediately due and payable. The borrower shall immediately repay all such amounts.

The Company has obtained an exemption letter from the joint credit bank consortium agreeing to exempt the Company from reviewing the current ratio and interest coverage ratio for the year 2023 and the interest coverage ratio for the first half of the year 2024, effective December 29, 2023.

B. The Group recognised interest expenses in profit or loss. Please refer to Note 6(21) for details.

(11) Other payables

	December 31, 2023	December 31, 2022
Salary and bonus payable	$ 77,092	$ 76,854
Collection of payments on behalf of others	34,757	53,953
Employees' compensation and directors' and supervisors' remuneration payable	29,684	51,108
Payable on machinery and equipment	6,913	3,505
Others	71,786	100,749
	$ 220,232	$ 286,169

(12) Pensions

A. Defined benefit pension plan

(a) The Company has a defined benefit pension plan in accordance with the Labor Standards Law, covering all regular employees' service years prior to the enforcement of the Labor Pension Act on July 1, 2005 and service years thereafter of employees who chose to continue to be subject to the pension mechanism under the Law. Under the defined benefit pension plan, two units are accrued for each year of service for the first 15 years and one unit for each additional year thereafter, subject to a maximum of 45 units. Pension benefits are based on the number of units accrued and the average monthly salaries and wages of the last 6 months prior to retirement. The Company contributes monthly an amount equal to 2% of the employees' monthly salaries and wages to the retirement fund deposited with Bank of Taiwan, the trustee, under the name of the independent retirement fund committee. Also, the Company would assess the balance in the aforementioned labor pension reserve account by December 31, every year. If the account balance is insufficient to pay the pension calculated by the aforementioned method to the employees expected to qualify for retirement in the following year, the Company will make contributions for the deficit by next March.

(b) The amounts recognised in the balance sheet are as follows:

	December 31, 2023	December 31, 2022
Present value of defined benefit obligations contributed	($ 14,419)	($ 14,275)
Fair value of plan assets	10,199	9,954
Net amounts of liabilities presented in the balance sheet (shown as other non-current assets)	($ 4,220)	($ 4,321)

(c) Movements in net defined benefit liabilities are as follows:

2023	Present value of defined benefit obligations	Fair value of plan assets	Net defined benefit liability
At January 1	($ 14,275)	$ 9,954	($ 4,321)
Current service cost	(171)	-	(171)
Interest (expense) income	(124)	76	(48)
	(14,570)	10,030	(4,540)
Remeasurements:			
Return on plan assets (excluding amounts included in interest income or expense)	-	128	128
Experience adjustments	151	-	151
	151	128	279
Pension fund contribution	-	41	41
Paid pension	-	-	-
At December 31	($ 14,419)	$ 10,199	($ 4,220)

2022	Present value of defined benefit obligations	Fair value of plan assets	Net defined benefit liability
At January 1	($ 14,771)	$ 5,763	($ 9,008)
Current service cost	(168)	-	(168)
Interest (expense) income	(102)	40	(62)
Past service cost	649	-	649
	(14,392)	5,803	(8,589)
Remeasurements:			
Return on plan assets (excluding amounts included in interest income or expense)	-	466	466
Change in financial assumptions	365	-	365
Experience adjustments	(248)	-	(248)
	117	466	583
Pension fund contribution	-	3,685	3,685
Paid pension	-	-	-
At December 31	($ 14,275)	$ 9,954	($ 4,321)

(d) The Bank of Taiwan was commissioned to manage the fund of the Company’s defined benefit pension plan assets in accordance with the Fund’s annual investment and utilisation plan and the “Regulations for Revenues, Expenditures, Safeguard and Utilisation of the Labor

Retirement Fund” (Article 6: The scope of utilisation for the Fund includes deposit in domestic or foreign financial institutions, investment in domestic or foreign listed, over-the-counter, or private placement equity securities, investment in domestic or foreign real estate securitisation products, etc.). With regard to the utilisation of the Fund, its minimum earnings in the annual distributions on the final financial statements shall be no less than the earnings attainable from the amounts accrued from two-year time deposits with the interest rates offered by local banks. If the earnings is less than aforementioned rates, government shall make payment for the deficit after being authorised by the Regulator. The Company has no right to participate in managing and operating that Fund and therefore, the Company is unable to disclose the classification of plan assets fair value in accordance with IAS 19 paragraph 142. The composition of fair value of plan assets as of December 31, 2023 and 2022, is given in the Annual Labor Retirement Fund Utilisation Report announced by the government.

(e) The principal actuarial assumptions used were as follows:

	Year ended December 31	
	2023	2022
Discount rate	1.15%	1.15%
Future salary increases	2.00%	2.00%

The assumption of future mortality is based on the Sixth Taiwan Standard Ordinary Experience Mortality Table.

The analysis on present value of defined benefit obligations based on the changes on principal actuarial assumption are as follows:

	Discount rate		Future salary increases	
	Increase 0.25%	Decrease 0.25%	Increase 0.25%	Decrease 0.25%
December 31, 2023				
Effect on present value of defined benefit obligation	($ 162)	$ 167	$ 165	($ 161)
December 31, 2022				
Effect on present value of defined benefit obligation	($ 177)	$ 182	$ 180	($ 176)

The sensitivity analysis above is based on one assumption which changed while the other conditions remain unchanged. In practice, more than one assumption may change all at once. The method utilised in sensitivity analysis is the same as the method utilised in calculating net pension liability on the balance sheet.

(f) Expected contributions to the defined benefit pension plan of the Company for the year ending December 31, 2024 amount to $202.

(g) As of December 31, 2023, the weighted average duration of the retirement plan is 4 years. The analysis of timing of the future pension payment was as follows:

		Amount
Within 1 year	$	7,370
1-2 year(s)		336
2-5 years		2,407
Over 5 years		5,047
	$	15,160

B. Defined contribution pension plan

(a) Effective July 1, 2005, the Company has established a defined contribution pension plan (the "New Plan") under the Labor Pension Act (the "Act"), covering all regular employees with R.O.C. nationality. Under the New Plan, the Company contributes monthly an amount based on 6% of the employees' monthly salaries and wages to the employees' individual pension accounts at the Bureau of Labor Insurance. The benefits accrued are paid monthly or in lump sum upon termination of employment.

(b) The pension costs under the defined contribution pension plan of the Group for the years ended December 31, 2023 and 2022 were $13,910 and $14,273, respectively.

(c) The Group's Mainland China subsidiaries have a defined contribution plan. Monthly contributions to an independent fund administered by the government in accordance with the pension regulations in the People's Republic of China (PRC) are based on certain percentage of employees' monthly salaries and wages. Other than the monthly contributions, the Group has no further obligations. Other subsidiaries do not have employee retirement plans and there is no requirement according to local regulations.

(13) Share-based payment

A. The Group's share-based payment arrangements were as follows:

Type of arrangement	Grant date	Quantity granted	Contract period	Vesting conditions
Treasury stock transferred to employees	March 17, 2023	1,276,000	-	Vested immediately

On March 17, 2023, the Company's Board of Directors approved the transfer of treasury stocks bought back during the third and fourth buyback sessions to employees. In this transaction, a total of 276,000 shares and 1,000,000 shares were respectively transferred, at prices of NT$34.33 and NT$29.64 per share.

B. Details of the share-based payment arrangements are as follows:

	2023		2022	
	No. of options	Weighted-average exercise price (in dollars)	No. of options	Weighted-average exercise price (in dollars)
Options outstanding at January 1	-	$ -	-	$ -
Options granted	1,276,000	30.65	-	-
Options exercised	(1,276,000)	30.65	-	-
Options outstanding at December 31	-	-	-	-
Options exercisable at December 31	-	-	-	-

C. The fair value of stock options granted on is measured using the Black-Scholes option-pricing model. Relevant information is as follows:

Type of arrangement	Grant date	Stock price	Exercise price	Expected price volatility	Expected option life	Expected dividends	Risk-free interest rate	Fair value per unit
Treasury stock transferred to employees	March 17, 2023	42.05	34.33	38.19%	0.01year	-	0.89%	7.72
Treasury stock transferred to employees	March 17, 2023	42.05	29.64	38.19%	0.01year	-	0.89%	12.41

D. Wages and salaries and capital surplus incurred on share-based payment transactions are shown below:

	Year ended December 31, 2023	Year ended December 31, 2022
Treasury stock transferred to employees	$ 14,545	-

(14) Share capital

A. As of December 31, 2023, the Company's authorised capital was $1,200,000, consisting of 120,000 thousand shares of ordinary stock (including 5,000 thousand shares reserved for employee stock options issued by the Company), and the paid-in capital was $611,680 with a par value of $10 (in dollars) per share. After deducted treasury shares, all proceeds from shares issued have been collected. Additionally, movements in the number of the Company's ordinary shares outstanding are as follows (unit: shares):

	Year ended December 31	
	2023	2022
<u>Shares capital</u>		
At January 1	54,614,302	54,614,302
Stock dividends	6,553,716	-
At December 31	61,168,018	54,614,302
<u>Treasury shares</u>		
At January 1	(1,276,000)	(276,000)
Purchase of treasury shares	-	(1,000,000)
Treasury stock transferred to employees	1,276,000	-
At December 31	-	(1,276,000)
Number of shares outstanding at December 31	61,168,018	53,338,302

B. On June 6, 2023, the Company's shareholders approved the capitalization of retained earnings from the fiscal year of 2022, amounting to $65,537. The corresponding number of shares issued is 6,553,716 shares, with the capitalization effective as July 30, 2023.

C. Treasury shares

(a) Reason for share reacquisition and movements in the number of the Company's treasury shares are as follows:

December 31, 2023: None.

		December 31, 2022	
Name of company holding the shares	Reason for reacquisition	Number of shares	Carrying amount
The Company	To be reissued to employees	1,276,000	$ 39,120

(b) Pursuant to the R.O.C. Securities and Exchange Act, the number of shares bought back as treasury share should not exceed 10% of the number of the Company's issued and outstanding shares and the amount bought back should not exceed the sum of retained earnings, paid-in capital in excess of par value and realised capital surplus.

(c) Pursuant to the R.O.C. Securities and Exchange Act, treasury shares should not be pledged as collateral and is not entitled to dividends before it is reissued.

(d) Pursuant to the R.O.C. Securities and Exchange Act, treasury shares should be reissued to the employees within five years from the reacquisition date and shares not reissued within the five-year period are to be retired.

(e) Details of repurchasing outstanding shares:

i. <u>For the year ended December 31, 2022 (the fourth time)</u>

On June 30, 2022, the Company's Board of Directors resolved the repurchase treasury shares. The expected number of shares to be repurchased was 2,000.000 shares. As of the end date of repurchase period, the Company had repurchased 1,000,000 shares amounting to $29,645.

The Company, on March 17, 2023, resolved by the Board of Directors to designate March 17, 2023, as the date of issuance. It transferred 1,000,000 treasury shares repurchased in the year 2022 (fourth round) to employees at a transfer price of NT$29.64 (in dollars) per share, resulting in a total amount of $29,551 after deducting the securities transaction tax. Please refer to Note 6(13) for further details.

ii. For the year ended December 31, 2018 and 2019 (the third time)

On November 13, 2018, the Company's Board of Directors resolved to repurchase treasury shares. The expected number of shares to be repurchased was 1,500,000 shares. As of the end date of repurchase period, the Company had repurchased 1,476,000 shares amounting to $50,678.

On September 15, 2020, the Company's Board of Directors resolved to set September 16, 2020 as the grant date and transfer 1,200,000 treasury shared which were repurchased in the third time in 2018 and 2019 to employees with the transfer price of NT$34.33 (in dollars) per share. The amount was $41,072 net of securities transactions tax and those shared were transferred to employees on September 16, 2020. After the share transfer, there were still 276,000 shares of Company which were repurchased in the third time in 2018 and 2019. The subscription price per share was NT$34.33 (in dollars), and the total amount after deducting the securities transaction tax was $9,447. Please refer to Note 6 (13) for further details.

(15) Capital surplus

Pursuant to the R.O.C. Company Act, capital surplus arising from paid-in capital in excess of par value on issuance of common stocks and donations can be used to cover accumulated deficit or to issue new stocks or cash to shareholders in proportion to their share ownership, provided that the Company has no accumulated deficit. Further, the R.O.C. Securities and Exchange Act requires that the amount of capital surplus to be capitalised mentioned above should not exceed 10% of the paid-in capital each year. However, capital surplus should not be used to cover accumulated deficit unless the legal reserve is insufficient.

Movements on the capital surplus are as follows:

	Year ended December 31, 2023				
	Share premium	Treasury share transactions	Options	Expired options	Total
At January 1	$ 634,056	$ 47,575	$ -	$ 22,392	$ 704,023
Compensation cost of treasury stock transferred to employees	-	-	14,545	-	14,545
Proceeds from treasury stock transferred to employees	-	14,423	(14,545)	-	(122)
At December 31	$ 634,056	$ 61,998	$ -	$ 22,392	$ 718,446

	Year ended December 31, 2022				
	Share premium	Treasury share transactions	Options	Expired options	Total
At January 1 (same as the ending balance on December 31)	$ 634,056	$ 47,575	$ -	$ 22,392	$ 704,023

(16) Retained earnings

A. According to the Articles of Incorporation of the Company, the methods of appropriation of the earnings are as follows:

(a) Under the Company's amended Articles of Incorporation as resolved by the shareholders on June 8, 2022, the current year's earnings, if any, shall be distributed in the following order:

i. Pay all taxes.

ii. Offset accumulated deficit.

iii. Set aside 10% for legal reserve until the legal reserve equals the total capital stock balance.

iv. Set aside or reverse a special reserve in accordance with related laws.

v. The appropriation of the remaining earnings, if any, along with the beginning unappropriated earnings as the accumulated distributable earnings for shareholders, shall be proposed by the Board of Directors and resolved by the shareholders.

The abovementioned distribution of the shareholders' bonus or legal reserve or capital surplus, in whole or in part, in the form of cash in accordance with the regulations, shall be authorised to the Board of Directors, upon approval adopted by the majority vote at their meeting attended by two-thirds of the total number of directors; and in addition thereto a report of such distribution shall be submitted to the shareholders during their meeting.

In order to meet future capital requirements, long-term financial plan, and satisfy the cash inflow which was required by shareholders, taking into account the business environment and growth stage of the Company, the Company can appropriate distributable earnings as dividends based on future operation conditions. Shareholders' bonus shall account for

10%~100% of the accumulated distributable earnings, among which the cash dividends shall account for 10%~100% of total shareholders' bonus distributed while stock dividends shall account for 0%~90% of total shareholders' bonus distributed.

(b) Under the Company's unrevised Articles of Incorporation as resolved by the shareholders on June 8, 2022, the current year's earnings, if any, shall be distributed in the following order:

i. Pay all taxes.

ii. Offset accumulated deficit.

iii. Set aside 10% for legal reserve until the legal reserve equals the total capital stock balance.

iv. After setting aside or reversing a special reserve in accordance with related laws, the appropriation of the remaining earnings, along with the beginning unappropriated earnings as the accumulated distributable earnings for shareholders, shall be proposed by the Board of Directors and resolved by the shareholders.

In order to meet future capital requirements, long-term financial plan, and satisfy the cash inflow which was required by shareholders, taking into account the business environment and growth stage of the Company, the Company can appropriate distributable earnings as dividends based on future operation conditions. Shareholders' bonus shall account for 10%~100% of the accumulated distributable earnings, among which the cash dividends shall account for 10%~100% of total shareholders' bonus distributed while stock dividends shall account for 0%~90% of total shareholders' bonus distributed.

B. Except for covering accumulated deficit or issuing new stocks or cash to shareholders in proportion to their share ownership, the legal reserve shall not be used for any other purpose. The use of legal reserve for the issuance of stocks or cash to shareholders in proportion to their share ownership is permitted, provided that the distribution of the reserve is limited to the portion in excess of 25% of the Company's paid-in capital.

C. In accordance with the regulations, the Company shall set aside special reserve from the debit balance on other equity items at the balance sheet date before distributing earnings. When debit balance on other equity items is reversed subsequently, the reversed amount could be included in the distributable earnings.

D. The following is the Company's earnings distribution

(a) The appropriations of 2022 and 2021 earnings had been approved by the shareholders during their meeting on June 6, 2023, and June 8, 2022, respectively. Details are summarised below:

	Year ended December 31			
	2022		2021	
	Amount	Dividends per share (in dollars)	Amount	Dividends per share (in dollars)
Legal reserve appropriated	$ 22,567		$ 3,278	
(Reversal of) special reserve appropriated	(27,621)		10,315	
Cash dividend declared	92,844	$ 1.70	54,338	$ 1.00
Stock dividends	65,537	1.20	-	-
	$ 153,327		$ 67,931	

(b) The appropriations of 2023 earnings as proposed by the Board of Directors on March 21, 2024 are as follows:

	Year ended December 31, 2023	
	Amount	Dividends per share (in dollars)
Special reserve appropriated	$ 51,008	

As of March 21, 2024, the proposal to appropriate the profits or offset the losses for the fiscal year 2023, as mentioned above, has not yet been approved by the shareholders' meeting.

(17) Operating revenue:

	Timing of revenue recognition	Year ended December 31	
		2023	2022
Revenue from contracts with customers	At a point in time	$ 3,030,713	$ 6,800,040

A. Disaggregation of revenue from contracts with customers

Please refer to Note 14(3) for details of the Group's revenue.

B. Contract liabilities

(a) The Group has recognised the following revenue-related contract liabilities:

	December 31, 2023	December 31, 2022	January 1, 2022
Contract liabilities-sales contract of goods	$ 30,437	$ 28,025	$ 17,938

(b) Revenue recognised that was included in the contract liability balance at the beginning of the period

	Year ended December 31	
	2023	2022
Sales contract of goods	$ 26,639	$ 17,184

(18) Interest income

	Year ended December 31	
	2023	2022
Interest income from bank deposits	$ 15,651	$ 2,612

(19) Other income

	Year ended December 31	
	2023	2022
Insurance claims revenue	$ 7,828	$ -
Overdue temporary credits transferred to revenue	20,207	10,065
Rental revenue	14,536	14,235
Grant revenue	2,344	2,612
Others	1,367	2,720
	$ 46,282	$ 29,632

(20) Other gains and losses

	Year ended December 31	
	2023	2022
Net gains or losses on financial assets at fair value through profit or loss	$ 12,279	($ 10,248)
Losses on disposals of property, plant and equipment	(16)	(9,239)
Gains arising from lease modifications	-	4,148
Depreciation expense on investment property	(2,495)	(4,744)
Net currency exchange gains or losses	4,360	8,217
Others	(559)	(30)
	$ 13,569	($ 11,896)

(21) Finance costs

	Year ended December 31	
	2023	2022
Interest expense		
Bank borrowings	$ 52,765	$ 38,925
Lease liability	1,176	1,316
	$ 53,941	$ 40,241

(22) Expenses by nature

	Year ended December 31	
	2023	2022
Employee benefit expense	$ 529,167	$ 548,387
Depreciation charges on property, plant and equipment	$ 129,196	$ 123,957
Depreciation expenses of right-of-use assets	17,562	17,437
Depreciation charges on investment property	2,495	4,744
	$ 149,253	$ 146,138
Amortisation charges on intangible assets	$ 4,097	$ 2,161
Amortisation charges on other non-current assets	2,607	2,657
	$ 6,704	$ 4,818

(23) Employee benefit expense

	Year ended December 31	
	2023	2022
Salary expenses	$ 419,767	$ 473,999
Employee stock options	14,545	-
Labour and health insurance fees	38,964	28,830
Pension costs	27,248	10,769
Directors' remuneration	1,078	6,760
Other personnel expenses	27,565	28,029
	$ 529,167	$ 548,387

A. According to the Company's Articles of Incorporation, the current year's earnings before tax and distribution of employees' and directors' remuneration, shall be used to offset deficits. The Company shall not appropriate no higher than 5% of the remainder as remuneration to directors. The Company may, by a resolution adopted by a majority vote at a meeting of Board of Directors attended by two-thirds of the total number of directors, have the profit distributable as employees' compensation distributed in the form of shares or in cash and directors' compensation distributed in the form of cash; and in addition thereto a report of the distribution of employees' compensation shall be submitted to the shareholders at the shareholders' meeting. The distribution of employees' compensation includes the employees of the subsidiaries which the Company holds directly or indirectly more than 50% of their shares.

B. For the fiscal year 2023, the Company incurred a net loss after tax, therefore, no provision was made for employee and director remuneration.

   In the fiscal year 2022, the estimated provision for employee remuneration was $25,484, and for director remuneration was $6,706. These amounts were recorded under the salary expense account.

   The amounts of $25,484 for employee remuneration and $6,706 for director remuneration, as approved by the board of directors, are consistent with the figures recognized in the financial statements for the fiscal year 2022. As of December 31, 2023, employee remuneration and director remuneration of $17,524 and $3,900 respectively, have been paid in cash.

C. Information about employees' compensation and directors' and supervisors' remuneration of the Company as resolved at the meeting of Board of Directors will be posted in the "Market Observation Post System" at the website of the Taiwan Stock Exchange.

(24) Income taxes

A. Income tax (benefit) expense

(a) Components of income tax (benefit) expense:

	Year ended December 31	
	2023	2022
Current tax:		
Current tax liabilities	$ 19,957	$ 59,292
Prior year unpaid income tax liabilities	(10,052)	(11,445)
Current tax assets	(13,070)	(4,713)
Prior year uncollected income tax assets	4,713	75
Prior year income tax overestimation or underestimation	(13,624)	2,233
Withholding and provisional tax	9,399	38,192
Tax on undistributed surplus earnings	(3,616)	-
Total current tax	(6,293)	83,634
Deferred tax:		
Origination and reversal of temporary differences	(34,591)	(22,019)
Others:		
Tax on undistributed surplus earnings	3,616	-
Effect of exchange rate changes	31	158
Income tax (benefit) expense	($ 37,237)	$ 61,773

(b) The income tax (benefit) charge relating to components of other comprehensive income is as follows:

	Year ended December 31	
	2023	2022
Remeasurement of defined benefit obligations	$ 56	$ 117

(c) For the years ended December 31, 2023 and 2022, the Company has no other comprehensive income and income tax (charged)/credit relating to equity.

B. Reconciliation between income tax (benefit) expense and accounting profit

	Year ended December 31	
	2023	2022
Income tax calculated by applying statutory rate to the profit before tax	($ 99,453)	$ 96,354
Effects from adjustments mandated by regulations	12,475	2,188
Unrealised investment income accounted for using equity method	11,489	(28,767)
Taxable loss not recognised as deferred tax assets	48,093	-
Using prior year taxable loss not recognised as deferred tax	-	(10,393)
Prior year income tax overestimation or underestimation	(13,624)	2,233
Tax on undistributed earnings	3,616	-
Other	167	158
Income tax (benefit) expense	($ 37,237)	$ 61,773

C. Amounts of deferred tax assets or liabilities as a result of temporary differences and taxable loss are as follows:

	2023			
	January 1	Recognised in profit or loss	Recognised in other comprehensive loss	December 31
-Deferred tax assets:				
- Temporary differences:				
Unrealised loss for market value decline and obsolete and slow-moving inventories	$ 16,586	$ 12,140	$ -	$ 28,726
Unrealised gross profit	2,111	(1,127)	-	984
Unrealised sales discounts and allowances	27,804	(11,124)	-	16,680
Unrealised reserve for retirement plan	1,057	36	(56)	1,037
Unrealized accrued expenses	2,086	(410)	-	1,676
Unrealized foreign exchange loss	763	(763)	-	-
Other	-	136	-	136
- Tax losses	-	35,731	-	35,731
Subtotal	50,407	34,619	(56)	84,970
- Deferred tax liabilities:				
Unrealised exchange gain	-	(28)	-	(28)
Subtotal	-	(28)	-	(28)
Total	$ 50,407	$ 34,591	($ 56)	$ 84,942

	2022			
	January 1	Recognised in profit or loss	Recognised in other comprehensive loss	December 31
-Deferred tax assets:				
- Temporary differences:				
Unrealised loss for market value decline and obsolete and slow-moving inventories	$ 5,640	$ 10,946	$ -	$ 16,586
Unrealised gross profit	-	2,111	-	2,111
Unrealised sales discounts and allowances	16,178	11,626	-	27,804
Unrealised reserve for retirement plan	1,995	(821)	(117)	1,057
Unrealized accrued expenses	2,036	50	-	2,086
Unrealized foreign exchange loss	6,622	(5,859)	-	763
- Tax losses	8,166	(8,166)	-	-
Subtotal	40,637	9,887	(117)	50,407
- Deferred tax liabilities:				
Unrealised gross loss from sales	(4,084)	4,084	-	-
Unrealised exchange gain	(8,048)	8,048	-	-
Subtotal	(12,132)	12,132	-	-
Total	$ 28,505	$ 22,019	($ 117)	$ 50,407

D. Expiration dates of unused tax losses and amounts of unrecognised deferred tax assets are as follows:

	December 31, 2023				
	Year incurred	Dedcutible amount	Unused amount	Unrecognised deferred tax assets	Expiry year
The Conpany	2023-filed	$ 357,308	$ 357,308	$ 178,654	2033
Good Way Electronics (Kunshan) Co., Ltd.	2023-filed	$ 49,234	$ 49,234	$ 49,234	2028
Good Trend Technology Co.,Ltd.	2023-filed	$ 1,074	$ 1,074	$ 1,074	2028

	December 31, 2022				
	Year incurred	Deductible amount	Unused amount	Unrecognised deferred tax assets	Expiry year
The Conpany	2021-filed	$ 92,797	$ -	$ -	2031

E. The income amounts eligible for deduction due to temporary difference that are not recognised as deferred tax assets:

	December 31, 2023	December 31, 2022
Deductible temporary differences	$ 99,260	$ 45,796

F. The Company has not recognised deferred tax liabilities for certain subsidiary investment-related temporary differences. As of December 31, 2023 and 2022, the unrecognized deferred tax liabilities for temporary differences amounted to $573,048 and $677,744, respectively.

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

(25) (Loss) Earnings per share

	Year ended December 31, 2023		
	Amount after tax	Weighted average number of ordinary shares outstanding (shares in thousands)	Loss per share (in dollars)
Basic (loss) earnings per share			
(Loss) Profit attributable to ordinary shareholders	($ 372,884)	60,819	($ 6.13)
Diluted (loss) earnings per share			
(Loss) Profit attributable to ordinary shareholders	($ 372,884)	60,819	
Assumed conversion of all dilutive potential ordinary shares			
- Employees' compensation (Note)	-	-	
(Loss) Profit attributable to ordinary shareholders of the parent plus assumed conversion of all dilutive potential ordinary shares	($ 372,884)	60,819	($ 6.13)

	Year ended December 31, 2022		
	Amount after tax	Weighted average number of ordinary shares outstanding (shares in thousands)	Earnings per share (in dollars)
Basic earnings per share			
Profit attributable to ordinary shareholders of the parent	$ 225,202	60,392	$ 3.73
Diluted earnings per share			
Profit attributable to ordinary shareholders of the parent	$ 225,202	60,392	
Assumed conversion of all dilutive potential ordinary shares			
- Employees' compensation	-	584	
Profit attributable to ordinary shareholders of the parent plus assumed conversion of all dilutive potential ordinary shares	$ 225,202	60,976	$ 3.69

The weighted average number of outstanding shares for the fiscal year 2022 has been retrospectively adjusted in accordance with the earnings capitalization ratio for the year.

Note: The estimated provision for employee remuneration made by the company has an anti-dilutive effect and therefore has not been included in the diluted loss per share calculation

(26) Supplemental cash flow information

A. Investing activities with partial cash payments:

	Year ended December 31	
	2023	2022
Purchase of property, plant and equipment	$ 22,136	$ 115,422
Add: Opening balance of payable on equipment	3,505	14,156
Less: Ending balance of payable on equipment	(6,913)	(3,505)
Cash paid during the year	$ 18,728	$ 126,073

B. Financing activities with no cash flow effects:

	Year ended December 31, 2023	Year ended December 31, 2022
Retained earnings for capitalization	$ 65,537	$ -

(27) Changes in liabilities from financing activities

	2023				
	Short-term borrowings	Dividends payable	Lease liability (current and non-current)	Long-term borrowings (including the current portion)	Guarantee deposits received (current and non-current)
At January 1	$ 1,199,328	$ -	$ 24,666	$ 749,922	$ 2,514
Proceeds from debt	-	-	-	1,154,880	-
Repayments of debt	(778,229)	-	-	(611,984)	-
Lease liability increased in the year	-	-	6,771	-	-
Payments of lease liabilities	-	-	(16,125)	-	-
Cash dividends decleared	-	92,844	-	-	-
Cash dividends paid	-	(92,844)	-	-	-
Changes in other non-cash items	-	-	(70)	683	-
Impact of changes in foreign exchange rate	1,484	-	4	431	(43)
At December 31	$ 422,583	$ -	$ 15,246	$ 1,293,932	$ 2,471

	2022				
	Short-term borrowings	Dividends payable	Lease liability (current and non-current)	Long-term borrowings (including the current portion)	Guarantee deposits received (current and non-current)
At January 1	$ 657,440	$ -	$ 66,548	$ 799,581	$ 5,687
Proceeds from debt	544,911	-	-	-	-
Repayments of debt	-	-	-	(52,660)	-
Lease liability increased in the year	-	-	11,177	-	-
Payments of lease liabilities	-	-	(14,708)	-	-
Decrease in refundable deposits	-	-	-	-	(3,213)
Cash dividends decleared	-	54,338	-	-	-
Cash dividends paid	-	(54,338)	-	-	-
Changes in other non-cash items	-	-	(38,381)	-	-
Impact of changes in foreign exchange rate	(3,023)	-	30	3,001	40
At December 31	$ 1,199,328	$ -	$ 24,666	$ 749,922	$ 2,514

7. Related Party Transactions

(1) Names of related parties and relationship

Names of related parties	Relationship with the Company
Kunshan Wenshuo Electronic Technology Co., LTD.	The Company's chairman is a second degree relative of this company's responsible person.
All directors and key management	The Company's key management and governance

(2) Significant related party transactions

A. Purchases

	Year ended December 31	
	2023	2022
Purchases of goods:		
-Other related parties	$ 59,648	$ 231,571

The purchases from aforementioned related parties were based on the types of products and referred to market prices. The prices were based on mutual agreement. The payment period was 90 days after monthly billing and the payment terms to common suppliers were 30~120 days.

B. Payables to related parties

	December 31, 2023	December 31, 2022
Accounts payable:		
-Other related parties	$ 11,417	$ 35,351

C. Property acquisition transactions

	Year ended December 31	
	2023	2022
Purchase of machinery and equipment-molds:		
- Other related parties	$ 4,372	$ 4,366

As of December 31, 2023 and 2022, other payables arising from the abovementioned transaction amounted to $2,293 and $324, respectively.

(3) Key management compensation

	Year ended December 31	
	2023	2022
Short-term employee benefits	$ 41,207	$ 41,597
Share-based payment	6,742	-
	$ 47,949	$ 41,597

8. Pledged Assets

The Group's assets pledged as collateral are as follows:

Pledged asset	Book value December 31, 2023	Book value December 31, 2022	Purpose
Property, plant and equipment -land, buildings and structures	$ 606,571	$ 613,297	Collateral for long-term borrowings

9. Significant Contingent Liabilities and Unrecognised Contract Commitments

(1) Contingencies

None.

(2) Significant unrecognized contractual commitments:

A. As of December 31, 2023 and 2022, the Group has issued promissory notes for the bank credit facilities in the amounts of $2,394,805 and $2,494,910, respectively.

B. As of December 31, 2023 and 2022, the Group has provided endorsements and guarantees for others, with limits of $0 and $187,331, respectively. Actual disbursements amounted to $0 and $183,361, respectively.

C. The Group has entered into contracts but has not incurred expenses related to the use of land rights in Vietnam. Please refer to Note 6 (7) for further details.

10. Significant Disaster Loss

None.

11. Significant Events after the Balance Sheet Date

A. For details of the appropriations of 2023 earnings as proposed by the Board of Directors on March 21, 2024, please refer to Note 6(16).

B. On January 16, 2024, the Company obtained approval from the regulatory authority to raise and issue its third unsecured convertible corporate bonds domestically, totaling $300,000. The bonds carry a 0% coupon rate, with a maturity period of five years and a circulation period from March 7, 2024, to March 7, 2029. The bonds will be redeemed in cash upon maturity at their face value. The subscription price for the bonds was fully received on March 6, 2024, and they were listed for trading on the Taiwan Stock Exchange on March 7, 2024.

C. On March 12, 2024, the board of directors approved the establishment of Shenzhen Lianshuo Future Technology Co., Ltd., a joint venture between the company's subsidiary, Good Way Electronics (Kunshan) Co., Ltd., and Linxee (Beijing) Technology LTD. The registered capital of the joint venture is RMB 10,000 thousands, with Good Way Electronics (Kunshan) Co. Ltd. contributing 45% and Linxee (Beijing) Technology LTD. contributing 55%.

D. Please refer to Note 6(7) for the post-period payment situation regarding the Group's land use rights in Vietnam.

12. Others

(1) Capital management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt. The Group monitors capital on the basis of the debt to asset ratio. This ratio is calculated as total debt divided by total assets.

The Group's strategy in 2023 was consistent with 2022. As of December 31, 2023 and 2022, the debt to asset ratios were provided in consolidated balance sheets.

(2) Financial instruments

A. Financial instruments by category

Except for the following, the Group's financial assets (cash and cash equivalents, financial assets at fair value through profit or loss – current, current financial assets at amortised cost, accounts receivable, financial assets at amortised cost – current, other receivables, and non-current financial assets at fair value through other comprehensive income) and financial liabilities (short-term borrowings, accounts payable (including related parties), other payables, long-term borrowings (including current portion), and lease liabilities (current and non-current)) are provided in consolidated balance sheets and Note 6.

	December 31, 2023	December 31, 2022
Financial assets		
Other current assets-guarantee deposits paid	$ 2,097	$ 3,642
Other non-current assets-guarantee deposits paid	6,017	6,021
	$ 8,114	$ 9,663

	December 31, 2023	December 31, 2022
Financial liabilities		
Other non-current liabilities-guarantee deposits received	$ 2,471	$ 2,514

B. Financial risk management policies

(a) The Group's activities expose it to a variety of financial risks: market risk (including foreign exchange risk, interest rate risk and price risk), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial position and financial performance.

(b) Risk management is carried out by a central treasury department (Group treasury) under policies of the Group. Group treasury identifies, evaluates and hedges financial risks in close co-operation with the Group's operating units.

C. Significant financial risks and degrees of financial risks

(a) Market risk

i. Foreign exchange risk

(i) The Group operates internationally and is exposed to exchange rate risk arising from the transactions of the Company and its subsidiaries used in various functional currency, primarily with respect to the USD, RMB, and VND. Foreign exchange rate risk arises from future commercial transactions and recognised assets and liabilities.

(ii) Management has set up a policy to require group companies to manage their foreign exchange risk against their functional currency. The companies are required to hedge their entire foreign exchange risk exposure with the Group treasury.

(iii) The Group's businesses involve some non-functional currency operations (the Company's and certain subsidiaries' functional currency: NTD; other certain subsidiaries' functional currency: USD, RMB, and VND). The information on assets and liabilities denominated in foreign currencies whose values would be materially affected by the exchange rate fluctuations is as follows:

	December 31, 2023		
	Foreign currency amount (In thousands)	Exchange rate	Book value (NTD)
(Foreign currency: functional currency)			
Financial assets			
Monetary items			
USD:NTD	39,608	30.71	$ 1,216,164
USD:RMB	29,398	7.083	902,666
Financial liabilities			
Monetary items			
USD:NTD	45,520	30.71	$ 1,397,692
USD:RMB	13,986	7.083	429,440

	December 31, 2022		
	Foreign currency amount (In thousands)	Exchange rate	Book value (NTD)
(Foreign currency: functional currency)			
Financial assets			
Monetary items			
USD:NTD	98,572	30.71	$ 3,027,146
USD:RMB	63,224	6.965	1,941,609
Financial liabilities			
Monetary items			
USD:NTD	111,419	30.71	$ 3,421,677
USD:RMB	33,039	6.965	1,014,628

(iv) The total exchange loss, including realised and unrealised, arising from significant foreign exchange variation on the monetary items held by the Group for the years ended December 31, 2023 and 2022, are provided in Note 6(20).

(v) Analysis of foreign currency market risk arising from significant foreign exchange variation:

	Year ended December 31, 2023		
	Sensitivity analysis		
	Degree of variation	Effect on profit or loss	Effect on comprehensive income
(Foreign currency: functional currency)			
Financial assets			
Monetary items			
USD:NTD	1%	$ 12,162	$ -
USD:RMB	1%	9,027	-
Financial liabilities			
Monetary items			
USD:NTD	1%	($ 13,977)	$ -
USD:RMB	1%	(4,294)	-

	Year ended December 31, 2022				
	Sensitivity analysis				
	Degree of variation	Effect on profit or loss		Effect on comprehensive income	
(Foreign currency: functional currency)					
Financial assets					
Monetary items					
USD:NTD	1%	$	30,271	$	-
USD:RMB	1%		19,416		-
Financial liabilities					
Monetary items					
USD:NTD	1%	($	34,217)	$	-
USD:RMB	1%	(	10,146)		-

ii. Price risk

(i) The Group's equity securities, which are exposed to price risk, are the held financial assets at fair value through other comprehensive income.

(ii) The Group's investments in equity securities comprise shares issued by the domestic companies. The prices of equity securities would change due to the change of the future value of investee companies. If the prices of these equity securities had increased/decreased by 1% with all other variables held constant, other components of equity for the years ended December 31, 2023 and 2022 would have increased/decreased by $216 and $36, respectively, as a result of other comprehensive income classified as equity investment at fair value through other comprehensive income.

iii. Cash flow and fair value interest rate risk

(i) The Group's interest rate risk arises from long-term and short-term borrowings. Borrowings issued at variable rates expose the Group to cash flow interest rate risk which is partially offset by cash and cash equivalents held at variable rates. As at December 31, 2023 and 2022, the Group's borrowings which were calculated at floating rate were in NTD and USD.

(ii) If the borrowing interest rate had increased/decreased by 1% with all other variables held constant, profit before tax for the years ended December 31, 2023 and 2022 would have decreased/increased by $17,165 and $19,492, respectively. Changes in interest expense mainly results from floating-rate borrowings.

(b) Credit risk

i. Credit risk refers to the risk of financial loss to the Group arising from default by the clients or counterparties of financial instruments on the contract obligations. The main factor is that counterparties could not repay in full the accounts receivable based on the agreed terms.

ii. The Group manages their credit risk taking into consideration the entire group's concern.

According to the Group's credit policy, each local entity in the Group is responsible for managing and analysing the credit risk for each of their new clients before standard payment and delivery terms and conditions are offered. Internal risk control assesses the credit quality of the customers, taking into account their financial position, past experience and other factors. Individual risk limits are set based on internal or external ratings in accordance with limits. The utilisation of credit limits is regularly monitored.

iii. The Group adopts following assumptions under IFRS 9 to assess whether there has been a significant increase in credit risk on that instrument since initial recognition:
If the contract payments were past due over 30 days based on the terms, there has been a significant increase in credit risk on that instrument since initial recognition.

iv. Based on past collection experience, the default occurs when the contract payments are past due over 90 days.

v. The Group classifies customers' accounts receivable in accordance with customer types. The Group applies the modified approach using a provision matrix and the loss rate methodology to estimate the expected credit loss.

vi. The Group wrote-off the financial assets, which cannot be reasonably expected to be recovered, after initiating recourse procedures. However, the Group will continue executing the recourse procedures to secure their rights.

vii. The Group used the forecastability to adjust historical and timely information to assess the default possibility of accounts receivable. The estimation is as follows:

December 31, 2023

General group	Not past due	Up to 30 days past due	31~90 days past due	90 days past due	Total
Expected loss rate	0.30%~1.07%	0.30%~2.83%	0.30%~25.30%	100%	
Total book value	$ 704,725	$ 80,717	$ 23,025	$ 6,244	$ 814,711
Loss allowance	($ 4,199)	($ 1,127)	($ 1,747)	($ 6,244)	($ 13,317)

December 31, 2022

General group	Not past due	Up to 30 days past due	31~90 days past due	90 days past due	Total
Expected loss rate	0.30%	0.30%	0.30%~100%	100%	
Total book value	$ 1,658,046	$ 633,585	$ 22,882	$ 1,393	$ 2,315,906
Loss allowance	($ 5,035)	($ 1,920)	($ 4,426)	($ 1,393)	($ 12,774)

The above ageing analysis was based on past due date.

viii. Movements in relation to the Group applying the modified approach to provide loss allowance for accounts receivable are as follows:

	Year ended December 31	
	2023	2022
At January 1	$ 12,774	$ 9,016
Provision for impairment loss	9,553	6,198
Write-off during the year	(8,697)	(2,892)
Effect of exchange rate changes	(313)	452
At December 31	$ 13,317	$ 12,774

(c) Liquidity risk

i. Cash flow forecasting is performed in the operating entities of the Group and aggregated by Group treasury. Group treasury monitors rolling forecasts of the Group's liquidity requirements to ensure it has sufficient cash to meet operational needs while maintaining sufficient headroom on its undrawn committed borrowing facilities at all times.

ii. The Group has the following undrawn borrowing facilities:

	December 31, 2023	December 31, 2022
Floating rate:		
Expiring within one year	$ 2,291,462	$ 1,340,229
Expiring beyond one year	440,000	-
	$ 2,731,462	$ 1,340,229

iii. The Group's derivative financial liabilities were analysed based on the fair value at balance sheet date. Additionally, except for the following, the Group's non-derivative financial assets are analyzed based on the remaining period at the balance sheet date to the contractual maturity date, they are due for repayment within one year, and amounts were in line with those amounts listed in the consolidated balance sheets. The amounts disclosed in the table are the contractual undiscounted cash flows:

	December 31, 2023		
Non-derivative financial liabilities	Less than 1 year	Over 1 year	Total
Lease liabilities (current and non-current)	$ 10,486	$ 5,174	$ 15,660
Long-term borrowings (including current portion)	150,676	1,266,382	1,417,058

	December 31, 2022		
Non-derivative financial liabilities	Less than 1 year	Over 1 year	Total
Lease liabilities (current and non-current)	$ 16,306	$ 9,759	$ 26,065
Long-term borrowings (including current portion)	86,512	756,943	843,455

(3) Fair value information

A. The different levels that the inputs to valuation techniques are used to measure fair value of financial and non-financial instruments have been defined as follows:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date. A market is regarded as active where a market in which transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

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

Level 3: Unobservable inputs for the asset or liability. The fair value of the Group's investment in unlisted stocks is included in Level 3.

B. Fair value information of investment property at cost is provided in Note 6(8).

C. Financial instruments not measured at fair value

The carrying amounts of the Group's financial instruments not measured at fair value, including cash and cash equivalents, financial assets at amortised cost – current, accounts receivable, other receivables, other current assets-guarantee deposits paid, other non-current assets-guarantee deposits paid, short-term borrowings, accounts payable (including related parties), other payables, lease liabilities (current and non-current), long-term borrowings (including current portion), and other non-current liabilities-guarantee deposits received, approximate to their fair values.

D. The related information of financial and non-financial instruments measured at fair value by level on the basis of the nature, characteristics and risks of the assets and liabilities at December 31, 2023 and 2022 are as follows:

(a) The related information of natures of the assets and liabilities is as follows:

December 31, 2023	Level 1	Level 2	Level 3	Total
Assets				
Recurring fair value measurements				
Financial assets at fair value through other comprehensive income				
- Equity securities	$ -	$ -	$ 21,639	$ 21,639

December 31, 2022	Level 1	Level 2	Level 3	Total
Assets				
Recurring fair value measurements				
Financial assets at fair value through profit or loss				
- Forward exchange contracts	$ -	$ 13,584	$ -	$ 13,584
Financial assets at fair value through other comprehensive income				
- Equity securities	-	-	3,635	3,635
	$ -	$ 13,584	$ 3,635	$ 17,219

(b) The methods and assumptions the Group used to measure fair value are as follows:

i. When assessing non-standard and low-complexity financial instruments, for example, debt instruments without active market, interest rate swap contracts, foreign exchange swap contracts and options, the Group adopts valuation technique that is widely used by market participants. The inputs used in these financial instruments valuation usually are observable information in the market.

ii. For high-complexity financial instruments, the fair value is measured by using self-developed valuation model based on the valuation method and technique widely used within the same industry. The valuation model is normally applied to derivative financial instruments, debt instruments with embedded derivatives or securitised instruments. Certain inputs used in the valuation model are not observable at market, and the Group must make reasonable estimates based on its assumptions.

iii. The output of valuation model is an estimated value and the valuation technique may not be able to capture all relevant factors of the Group's financial and non-financial instruments. As a result, the estimate generated by valuation model will be slightly adjusted based on additional inputs, such as model risk or liquidity risk. According to the Group's valuation model management policies and other related controlling procedures, management believes that the adjustment made is adequate and necessary and that the consolidated balance sheet presents fairly, in all material aspects, the fair value of financial instruments and non-financial instruments. The pricing information and input are prudently evaluated in the valuation process and shall be timely adjusted based on market condition.

iv. Forward foreign currency contracts are generally assessed using forward exchange rates.

E. For the years ended December 31, 2023 and 2022, there was no transfer between Level 1 and Level 2.

F. The following chart is the movement of Level 3 for the years ended December 31, 2023 and 2022:

	Year ended December 31,	
	2023	2022
	Non-derivative equity instrument	Non-derivative equity instrument
At January 1	$ 3,635	$ 9,925
Purchase during the year	9,540	-
Recognised in other comprehensive income (loss)	8,464	(6,290)
At December 31	$ 21,639	$ 3,635

G. Financial segment is in charge of valuation procedures for fair value measurements being categorised within Level 3, which is to verify independent fair value of financial instruments. Such assessment is to ensure the valuation results are reasonable by applying independent information to make results close to current market conditions, confirming the resource of information is independent, reliable and in line with other resources and represented as the exercisable price, and frequently updating inputs and making any other necessary adjustments to the fair value.

H. The following is the qualitative information of significant unobservable inputs and sensitivity analysis of changes in significant unobservable inputs to valuation model used in Level 3 fair value measurement:

December 31, 2023	Fair value	Valuation technique	Significant unobservable input	Range (weighted average)	Relationship of inputs to fair value
Unlisted public shares	$ 21,639	Market comparable companies	Discount for lack of marketability	30%	The higher the discount for lack of marketability, the lower the fair value
Unlisted public shares	-	Net asset value	Not applicable	-	Not applicable

December 31, 2022	Fair value	Valuation technique	Significant unobservable input	Range (weighted average)	Relationship of inputs to fair value
Unlisted public shares	$ 3,635	Market comparable companies	Discount for lack of marketability	30%	The higher the discount for lack of marketability, the lower the fair value
Unlisted public shares	-	Net asset value	Not applicable	-	Not applicable

I. The Group has carefully assessed the valuation models and assumptions used to measure fair value. However, use of different valuation models or assumptions may result in different measurement. If discount for lack of marketability of financial assets categorized within Level 3 had increased or decreased by 1%, other comprehensive income would not have been significantly impacted as of December 31, 2023 and 2022.

(4) Other matter

None.

13. Supplementary Disclosures

(1) Significant transactions information

Certain disclosures of investees that are based on investees' financial statements are eliminated. The following disclosures are for reference only.

A. Loans to others: Please refer to table 1.
B. Provision of endorsements and guarantees to others: Please refer to table 2.
C. Holding of marketable securities at the end of the period (not including subsidiaries, associates and joint ventures): Please refer to table 3.
D. Acquisition or sale of the same security with the accumulated cost exceeding $300 million or 20% of the Company's paid-in capital: Please refer to table 4.
E. Acquisition of real estate reaching $300 million or 20% of paid-in capital or more: None.
F. Disposal of real estate reaching $300 million or 20% of paid-in capital or more: None.
G. Purchases or sales of goods from or to related parties reaching $100 million or 20% of paid-in capital or more: Please refer to table 5.
H. Receivables from related parties reaching $100 million or 20% of paid-in capital or more: Please refer to table 6.
I. Trading in derivative instruments undertaken during the reporting periods: None.
J. Significant inter-company transactions during the reporting periods: Please refer to table 7.

(2) Information on investees

Names, locations and other information of investee companies (not including investees in Mainland China): Please refer to table 8.

(3) Information on investments in Mainland China

A. Basic information: Please refer to table 9.

B. Significant transactions, either directly or indirectly through a third area, with investee companies in the Mainland Area: Please refer to Note 13(1) J.

(4) Major shareholders information

Major shareholders information: Please refer to table 10.

14. Operating segment information

(1) General information

Management has determined the reportable operating segments based on the reports reviewed by the chief operating decision-maker that are used to make strategic decisions. The chief operating decision-maker considers the business from a geographic perspective and separated into Taiwan, America and Asia segments. Foreign holding company is excluded in the report to the chief operating decision-maker; therefore, is not disclosed in the reportable operating segments. The operating results are expressed in 'others'.

(2) Measurement of segment information

The accounting policies of the operating segments are in agreement with the significant accounting policies summarised in Note 4. The net operating income (loss) is used to measure the Company's operating segment profit (loss) and performance of the reportable segments.

(3) Information about segment profit or loss, assets and liabilities

The segment information provided to the chief operating decision-maker for the reportable segments is as follows:

Year ended December 31, 2023

	Taiwan	America	Asia	Others	Adjustments and write-offs	Total
Revenue from external customers	$ 1,620,688	$ 1,366,702	$ -	$ 43,323	$ -	$ 3,030,713
Inter-segment revenue	1,259,696	-	1,346,480	99,851	(2,706,027)	-
Total segment revenue	$ 2,880,384	$ 1,366,702	$ 1,346,480	$ 143,174	($ 2,706,027)	$ 3,030,713
Segment income (loss)	($ 346,165)	$ 14,570	($ 100,484)	($ 6,828)	$ 7,225	($ 431,682)
Segment assets	$ 4,657,482	$ 589,738	$ 2,378,338	$ 91,269	($ 3,500,078)	$ 4,216,749

Year ended December 31, 2022

	Taiwan	America	Asia	Others	Adjustments and write-offs	Total
Revenue from external customers	$ 4,753,348	$ 1,990,130	$ -	$ 56,562	$ -	$ 6,800,040
Inter-segment revenue	1,924,924	-	4,159,586	248,689	(6,333,199)	-
Total segment revenue	$ 6,678,272	$ 1,990,130	$ 4,159,586	$ 305,251	($ 6,333,199)	$ 6,800,040
Segment income (loss)	$ 154,218	$ 53,842	$ 56,899	$ 58,969	($ 17,060)	$ 306,868
Segment assets	$ 6,878,756	$ 880,287	$ 3,134,450	$ 136,515	($ 4,607,262)	$ 6,422,746

Note: As the measurement amount of liabilities is not provided to the Chief Operating Decision-Maker, items are not disclosed.

(4) Reconciliation for segment income (loss)

Sales between segments are carried out at arm's length. The revenue from external customers reported to the chief operating decision-maker is measured in a manner consistent with that in the consolidated statements of comprehensive income.

A reconciliation of reportable segment income or loss to the income/(loss) before tax from continuing operations is provided as follows:

	Year ended December 31	
	2023	2022
Reportable segments income	($ 431,682)	$ 306,868
Interest income	15,651	2,612
Other income	46,282	29,632
Other gains and losses	13,569	(11,896)
Finance costs	(53,941)	(40,241)
(Loss) income before tax from continuing operations	($ 410,121)	$ 286,975

(5) Information on products and services

The Group engages in the manufacturing of computer USB peripherals, multifunctional docking stations, audio-video converters, wireless peripherals, IoT application products, and other computer peripheral equipment, as well as software design research and development, and import-export business related to raw materials for such products. The breakdown of revenue balances is as follows:

	Year ended December 31	
	2023	2022
Revenue from computer peripheral product	$ 3,030,713	$ 6,800,040

(6) Geographical information

The information regarding revenue from external customers, categorized by the destination regions for customer deliveries and the locations of non-current assets, is as follows:

	Year ended December 31			
	2023		2022	
	Revenue	Non-current assets	Revenue	Non-current assets
Asia	$ 1,078,891	$ 1,498,489	$ 3,185,996	$ 1,587,432
America	1,450,855	58,683	2,302,952	60,750
Europe	463,876	-	1,237,109	-
Others	37,091	-	73,983	-
	$ 3,030,713	$ 1,557,172	$ 6,800,040	$ 1,648,182

Note: Non-current assets exclude financial assets and deferred income tax assets.

(7) Major customer information

Information of major customer who represented above 10% of operating revenue of the Group is as follows:

	Year ended December 31			
	2023		2022	
	Revenue	Segment	Revenue	Segment
Company A	$ 1,404,825	Taiwan and America	$ 3,049,250	Taiwan and America

5. Financial Statements and Independent Auditors' Report – Parent Company for the Most Recent Year Audited by a CPA

GOOD WAY TECHNOLOGY CO., LTD.

PARENT COMPANY ONLY FINANCIAL STATEMENTS AND INDEPENDENT AUDITORS' REPORT

DECEMBER 31, 2023 AND 2022

For the convenience of readers and for information purpose only, the auditors' report and the accompanying financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. In the event of any discrepancy between the English version and the original Chinese version or any differences in the interpretation of the two versions, the Chinese-language auditors' report and financial statements shall prevail.

INDEPENDENT AUDITORS' REPORT

To the Board of Directors and Shareholders of Good Way Technology Co., Ltd

PWCR 23000413

Opinion

We have audited the accompanying parent company only balance sheets of Good Way Technology Co., Ltd. as at December 31, 2023 and 2022, and the related parent company only statements of comprehensive income, of changes in equity and of cash flows for the years then ended, and notes to the financial statements, including a summary of material accounting policies.

In our opinion, the accompanying parent company only financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2023 and 2022, and its financial performance and its cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

Basis for opinion

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

Key audit matters

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

Key audit matters for the Company's 2023 parent company only financial statements are stated as follows:

Evaluation of inventories

Description

Please refer to Note 4(12) for the description of accounting policy on inventory valuation. Please refer to Note 5(2) for accounting estimates and assumption uncertainty in relation to inventory valuation. Please refer to Note 6(5) for details of inventory.

Because of the competition in consumer electronics, which shortens the life cycle of the Company's products, it results in frequent changes in the market prices. The Company applies judgments and estimates in determining the net realisable value of inventories on balance sheet date, adopts an item by-item approach in comparing cost and net realisable value and provisions loss on obsolete and slow-moving inventories when over a certain age.

As the valuation of inventories involve subjective judgments, and the valuation amounts are material, we identified the valuation of inventories as one of the key audit matters.

How our audit addressed the matter:

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

1. Understood the policies of allowance for valuation loss on inventories and confirmed the adoption of the policies on provision of allowance for inventory valuation losses during the reporting period.
2. Performed physical inventory count at the end of period to identify whether there are obsolete, damaged or unsalable inventories.
3. Obtained net realisable value reports of each kind of inventory and checked whether the calculation formulas have been applied consistently. Tested relevant parameters to supporting sale and purchase documents and recalculated the allowance for valuation losses item by item. Also, we calculated the accuracy of valuation model calculation result.
4. Tested the movement of inventory and checked the date of the movement with related supporting documents to ascertain the accuracy of the inventory aging classification and recalculated the valuation allowance loss.

Existence of sales revenue

Description

Please refer to Note 4(27) for accounting policies on recognition of revenue, Note 6(17) for details of sales revenue.

The Company is primarily engaged in the research, development, manufacture and sale of consumer electronics. There were various types of products and innovations, resulting in a change of the major customers, and the sales revenue from the major customers represented a significant proportion, which would have a material effect on the financial statements. Thus, we consider the existence of sales revenue from the major customers a key audit matter.

How our audit addressed the matter:

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

1. Obtained an understanding of the internal controls over sales revenue and included sales transactions from major customers in samples for test of controls.

2. Understood and tested the credit approval process of the major customers. Confirmed that the credit terms have been adequately approved, including identified and verified related information of transaction counterparties.
3. We obtained and verified the sales details and relevant evidences.
4. Sample selected accounts receivable of major customers to obtain the confirmation letter.
5. We obtained and verified the subsequent collection details of accounts receivable and relevant evidences.
6. Obtained the details of sales returns after the balance sheet date and reviewed whether the major customers had significant abnormal sales returns.

Responsibilities of management and those charged with governance for the parent company only financial statements

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

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

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

Auditors' responsibilities for the audit of the parent company only financial statements

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

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

1. Identify and assess the risks of material misstatement of the parent company only financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the parent company only financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the parent company only financial statements, including the disclosures, and whether the parent company only financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the parent company only financial statements. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.

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

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

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

Yu, Chih-Fan	Huang, Shih-Chun

For and on behalf of PricewaterhouseCoopers, Taiwan
March 21, 2024

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

GOOD WAY TECHNOLOGY CO., LTD.
PARENT COMPANY ONLY BALANCE SHEETS
DECEMBER 31, 2023 AND 2022
(Expressed in thousands of New Taiwan dollars)

	Assets	Notes	December 31, 2023 AMOUNT	%	December 31, 2022 AMOUNT	%
	Current assets					
1100	Cash and cash equivalents	6(1)	$ 95,390	2	$ 325,840	5
1170	Accounts receivable, net	6(4)	477,543	11	1,671,995	24
1180	Accounts receivable - related parties	6(4) and 7(2)	602,902	13	865,614	13
1200	Other receivables		9,383	-	27,440	-
130X	Inventories	6(5)	472,201	10	1,329,531	19
1410	Prepayments		45,915	1	72,267	1
1470	Other current assets		2,097	-	2,369	-
11XX	**Current Assets**		1,705,431	37	4,295,056	62
	Non-current assets	6(2)				
1517	Non-current financial assets at fair value through other comprehensive income	6(3)	21,639	-	3,635	-
1550	Investments accounted for under equity method	6(6)	1,987,684	43	1,624,496	24
1600	Property, plant and equipment	6(7)	834,456	18	872,299	13
1755	Right-of-use assets	6(8)	14,599	-	23,074	-
1780	Intangible assets		2,248	-	2,050	-
1840	Deferred income tax assets	6(24)	84,774	2	50,207	1
1900	Other non-current assets	6(7)	6,651	-	7,939	-
15XX	**Non-current assets**		2,952,051	63	2,583,700	38
1XXX	**Total assets**		$ 4,657,482	100	$ 6,878,756	100

(Continued)

GOOD WAY TECHNOLOGY CO., LTD.
PARENT COMPANY ONLY BALANCE SHEETS
DECEMBER 31, 2023 AND 2022
(Expressed in thousands of New Taiwan dollars)

	Liabilities and Equity	Notes	December 31, 2023 AMOUNT	%	December 31, 2022 AMOUNT	%
	Current liabilities					
2100	Short-term borrowings	6(9)	$ 422,583	9	$ 732,719	11
2130	Current contract liabilities	6(17)	10,123	-	28,025	-
2170	Accounts payable		290,977	6	1,015,169	15
2180	Accounts payable - related parties	7(2)	801,417	17	1,927,755	28
2200	Other payables	6(11)	163,054	4	221,623	3
2220	Other payables to related parties	7(2)	250	-	-	-
2230	Current income tax liabilities	6(24)	13,332	-	43,175	1
2280	Current lease liabilities		10,102	-	14,390	-
2320	Long-term liabilities, current portion	6(10)	120,511	3	73,742	1
2365	Current refund liabilities		83,401	2	140,233	2
21XX	**Current Liabilities**		1,915,750	41	4,196,831	61
	Non-current liabilities					
2540	Long-term borrowings	6(10)	1,173,421	26	646,369	10
2570	Deferred income tax liabilities	6(24)	28	-	-	-
2580	Non-current lease liabilities		5,144	-	9,346	-
2600	Other non-current liabilities	6(12)	4,220	-	4,321	-
25XX	**Non-current liabilities**		1,182,813	26	660,036	10
2XXX	**Total Liabilities**		3,098,563	67	4,856,867	71
	Equity					
	Share capital	6(14)				
3110	Share capital - common stock		611,680	13	546,143	8
	Capital surplus	6(15)				
3200	Capital surplus		718,446	15	704,023	10
	Retained earnings	6(16)				
3310	Legal reserve		178,504	4	155,937	2
3320	Special reserve		91,456	2	119,077	2
3350	Unappropriated retained earnings		101,297	2	627,285	9
	Other equity interest					
3400	Other equity interest		(142,464)	(3)	(91,456)	(1)
3500	Treasury stocks	6(14)	-	-	(39,120)	(1)
3XXX	**Total equity**		1,558,919	33	2,021,889	29
	Significant contingent liabilities and unrecognised contract commitments	9				
	Significant events after the balance sheet date	11				
3X2X	**Total liabilities and equity**		$ 4,657,482	100	$ 6,878,756	100

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

GOOD WAY TECHNOLOGY CO., LTD.
PARENT COMPANY ONLY STATEMENTS OF COMPREHENSIVE INCOME
YEARS ENDED DECEMBER 31, 2023 AND 2022
(Expressed in thousands of New Taiwan dollars, except (loss) earnings per share)

			Year ended December 31			
			2023		2022	
	Items	Notes	AMOUNT	%	AMOUNT	%
4000	Sales revenue	6(17) and 7(2)	$ 2,880,383	100	$ 6,678,272	100
5000	Operating costs	6(5)(22) and 7(2)	(2,880,685)	(100)	(6,090,710)	(91)
5900	Gross operating (loss) profit, net		(302)	-	587,562	9
5910	Unrealized profit from sales	6(6)	(4,920)	-	(10,556)	-
5920	Realized profit (loss) from sales		10,556	-	(20,421)	(1)
5950	Net operating margin		5,334	-	556,585	8
	Operating expenses	6(22)				
6100	Selling expenses		(79,790)	(3)	(87,236)	(1)
6200	General and administrative expenses		(138,177)	(5)	(155,682)	(3)
6300	Research and development expenses		(140,854)	(5)	(151,610)	(2)
6450	Impairment loss (impairment gain and reversal of impairment loss) determined in accordance with IFRS 9	12(2)	7,322	1	(7,839)	-
6000	Total operating expenses		(351,499)	(12)	(402,367)	(6)
6900	Operating (loss) profit		(346,165)	(12)	154,218	2
	Non-operating income and expenses					
7100	Interest income	6(18)	3,866	-	889	-
7010	Other income	6(19)	21,216	1	11,513	-
7020	Other gains and losses	6(20)	7,722	1	(41,486)	(1)
7050	Finance costs	6(21)	(49,758)	(2)	(32,909)	-
7070	Share of (loss) profit of associates and joint ventures accounted for using equity method, net	6(6)	(51,000)	(2)	143,835	2
7000	Total non-operating income and expenses		(67,954)	(2)	81,842	1
7900	**(Loss) profit before income tax**		(414,119)	(14)	236,060	3
7950	Income tax (expense) benefit	6(24)	41,235	1	(10,858)	-
8200	**(Loss) profit for the year**		($ 372,884)	(13)	$ 225,202	3
	Other comprehensive (loss) income					
	Components of other comprehensive (loss) income that will not be reclassified to profit or loss					
8311	Other comprehensive income, before tax, actuarial gains (losses) on defined benefit plans	6(12)	$ 279	-	$ 583	-
8316	Unrealised gains (losses) from investments in equity instruments measured at fair value through other comprehensive income	6(3)	8,464	-	(6,290)	-
8349	Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	6(24)	(56)	-	(117)	-
8310	Components of other comprehensive income (loss) that will not be reclassified to profit or loss		8,687	-	(5,824)	-
	Components of other comprehensive income (loss) that will be reclassified to profit or loss					
8361	Other comprehensive (loss) income, before tax, exchange differences on translation		(59,472)	(2)	33,911	1
8360	Components of other comprehensive (loss) income that will be reclassified to profit or loss		(59,472)	(2)	33,911	1
8300	**Other comprehensive (loss) income for the year**		($ 50,785)	(2)	$ 28,087	1
8500	**Total comprehensive (loss) income for the year**		($ 423,669)	(15)	$ 253,289	4
	Basic (loss) earnings per share	6(25)				
9750	Total basic (loss) earnings per share		($ 6.13)		$ 3.73	
	Diluted (loss) earnings per share	6(25)				
9850	Total diluted (loss) earnings per share		($ 6.13)		$ 3.69	

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

GOOD WAY TECHNOLOGY CO., LTD.
PARENT COMPANY ONLY STATEMENTS OF CHANGES IN EQUITY
YEARS ENDED DECEMBER 31, 2023 AND 2022
(Expressed in thousands of New Taiwan dollars)

			Capital surplus			Retained earnings			Other equity interest			
	Notes	Share capital - common stock	Total capital surplus, additional paid-in capital	Capital surplus, treasury share transactions	Stock warrants	Legal reserve	Special reserve	Unappropriated retained earnings	Financial statements translation differences of foreign operations	Unrealised gains (losses) from financial assets measured at fair value through other comprehensive income	Treasury stocks	Total equity
Year 2022												
Balance at January 1, 2022		$ 546,143	$ 634,056	$ 47,575	$ 22,392	$ 152,659	$ 108,762	$ 469,548	($ 107,002)	($ 12,075)	($ 9,475)	$ 1,852,583
Profit for the year		-	-	-	-	-	-	225,202	-	-	-	225,202
Other comprehensive income (loss)		-	-	-	-	-	-	466	33,911	(6,290)	-	28,087
Total comprehensive income (loss)		-	-	-	-	-	-	225,668	33,911	(6,290)	-	253,289
Appropriation and distribution of 2021 retained earnings	6(16)											
Legal reserve appropriated		-	-	-	-	3,278	-	(3,278)	-	-	-	-
Special reserve appropriated		-	-	-	-	-	10,315	(10,315)	-	-	-	-
Cash dividends		-	-	-	-	-	-	(54,338)	-	-	-	(54,338)
Purchase of treasury shares	6(14)	-	-	-	-	-	-	-	-	-	(29,645)	(29,645)
Balance at December 31, 2022		$ 546,143	$ 634,056	$ 47,575	$ 22,392	$ 155,937	$ 119,077	$ 627,285	($ 73,091)	($ 18,365)	($ 39,120)	$ 2,021,889
Year 2023												
Balance at January 1, 2023		$ 546,143	$ 634,056	$ 47,575	$ 22,392	$ 155,937	$ 119,077	$ 627,285	($ 73,091)	($ 18,365)	($ 39,120)	$ 2,021,889
Loss for the year		-	-	-	-	-	-	(372,884)	-	-	-	(372,884)
Other comprehensive income (loss)		-	-	-	-	-	-	223	(59,472)	8,464	-	(50,785)
Total comprehensive income (loss)		-	-	-	-	-	-	(372,661)	(59,472)	8,464	-	(423,669)
Appropriation and distribution of 2022 retained earnings	6(16)											
Legal reserve appropriated		-	-	-	-	22,567	-	(22,567)	-	-	-	-
Special reserve reversed		-	-	-	-	-	(27,621)	27,621	-	-	-	-
Cash dividends		-	-	-	-	-	-	(92,844)	-	-	-	(92,844)
Stock dividends		65,537	-	-	-	-	-	(65,537)	-	-	-	-
Compensation cost of treasury stock transferred to employees	6(13)	-	-	-	14,545	-	-	-	-	-	-	14,545
Proceeds from treasury stock transferred to employees	6(13)	-	-	14,423	(14,545)	-	-	-	-	-	39,120	38,998
Balance at December 31, 2023		$ 611,680	$ 634,056	$ 61,998	$ 22,392	$ 178,504	$ 91,456	$ 101,297	($ 132,563)	($ 9,901)	$ -	$ 1,558,919

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

GOOD WAY TECHNOLOGY CO., LTD.
PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2023 AND 2022
(Expressed in thousands of New Taiwan dollars)

	Notes	Year ended December 31 2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES			
(Loss) profit before tax		($ 414,119)	$ 236,060
Adjustments			
Adjustments to reconcile profit (loss)			
Depreciation charges on property, plant and equipment	6(22)	50,045	45,342
Depreciation charges on right-of-use assets	6(22)	15,246	15,109
Amortisations	6(22)	3,314	1,398
Expected credit impairment (profit) loss	12(2)	(7,322)	7,839
Interest income	6(18)	(3,866)	(889)
Interest expense	6(21)	49,758	32,909
Compensation cost of treasury stock transferred to employees	6(13)	14,545	-
Investment income	6(6)	51,000	(143,835)
Realised (profits) loss on transactions with associates	6(6)	(10,556)	20,421
Unrealised profits on transactions with associates	6(6)	4,920	10,556
Loss on disposal of property, plant and equipment	6(20)	16	9,065
Gain on lease revision	6(20)	-	(4,148)
Other income	6(19)	(20,207)	(10,014)
Changes in operating assets and liabilities			
Changes in operating assets			
Accounts receivable		1,201,774	(768,933)
Accounts receivable - related parties		262,712	99,489
Other receivables		18,065	(1,900)
Inventories		857,330	(275,827)
Prepayments		26,352	24,428
Changes in operating liabilities			
Current contract liabilities		(17,902)	10,087
Notes payable		-	(23)
Accounts payable		(724,192)	55,523
Accounts payable - related parties		(1,126,338)	943,930
Other payables		(36,928)	62,843
Other payables to related parties		250	-
Current refund liabilities		(56,832)	43,941
Other non-current liabilities		178	(4,106)
Cash inflow generated from operations		137,243	409,265
Interest received		3,858	889
Income taxes paid		(23,203)	(65)
Net cash flows from operating activities		117,898	410,089

(Continued)

GOOD WAY TECHNOLOGY CO., LTD.
PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2023 AND 2022
(Expressed in thousands of New Taiwan dollars)

	Notes	Year ended December 31 2023	2022
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisition of non-current financial assets at fair value through other comprehensive income	12(3)	($ 9,540)	$ -
Acquisition of investments accounted for using equity method		(468,024)	-
Proceeds from capital reduction of investments accounted for using equity method	7(2)	-	17,952
Acquisition of property, plant and equipment	6(26)	(12,654)	(106,677)
Acquisition of intangible assets		(2,418)	(832)
Increase in refundable deposits		(824)	(1,396)
Decrease in refundable deposits		1,096	211
Increase in other non-current assets		(892)	(2,023)
Net cash flows used in investing activities		(493,256)	(92,765)
CASH FLOWS FROM FINANCING ACTIVITIES			
Interest paid		(48,987)	(31,499)
Proceeds from short-term debt	6(27)	-	75,279
Repayments of short-term debt	6(27)	(310,136)	-
Proceeds from long-term debt	6(27)	1,154,880	-
Repayments of long-term debt	6(27)	(581,742)	(51,836)
Decrease in refundable deposits	6(27)	-	(3,213)
Payments of lease liabilities	6(27)	(15,261)	(13,976)
Cash dividends paid	6(27)	(92,844)	(54,338)
Payments to acquire treasury shares		-	(29,645)
Proceeds from treasury stock transferred to employees		38,998	-
Net cash flows from (used in) financing activities		144,908	(109,228)
Net (decrease) increase in cash and cash equivalents		(230,450)	208,096
Cash and cash equivalents at beginning of year		325,840	117,744
Cash and cash equivalents at end of year		$ 95,390	$ 325,840

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

GOOD WAY TECHNOLOGY CO., LTD.
NOTES TO THE PARENT COMPANY ONLY FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS, EXCEPT AS OTHERWISE INDICATED)

1. HISTORY AND ORGANISATION

Good Way Technology Co., Ltd (referred herein as the “Company”) was incorporated as a company limited by shares under the provisions of the Company Law of the Republic of China (R.O.C.) in February 4, 1993. The Company was primarily engaged in the manufacture of computers and USB peripherals products, multifunctional docking stations, video and audio converters, wireless peripherals products, Internet of Things application products, design, research and development of software and import and export business of related materials of products.

The Company’ shares are traded in the Taipei Exchange starting from August 26, 2014.

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

These parent company only financial statements were authorised for issuance by the Board of Directors on March 21, 2024.

3. APPLICATION OF NEW STANDARDS, AMENDMENTS AND INTERPRETATIONS

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

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

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

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

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

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

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

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

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

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

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

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

4. Summary of Material Significant Accounting Policies

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

(1) Compliance statement

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

(2) Basis of preparation

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

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

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

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

B. The preparation of financial statements in conformity with International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations that came into effect as endorsed by the FSC (collectively referred herein as the "IFRSs") requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Company's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 5.

(3) Foreign currency translation

Items included in the financial statements of each of the Company's entities are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The parent company only financial statements are presented in New Taiwan dollars, which is the Company's functional currency.

A. Foreign currency transactions and balances

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

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

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

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

B. Translation of foreign operations

The operating results and financial position of all the company entities, that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

(a) Assets and liabilities presented in each balance sheet are translated at the closing exchange rate at the date of that balance sheet;

(b) Income and expense presented in each comprehensive income statement are translated at average exchange rates of that period; and

(c) All resulting exchange differences are recognised in other comprehensive income.

(4) Classification of current and non-current items

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

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

(b) Assets held mainly for trading purposes;

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

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

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

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

(b) Liabilities arising mainly from trading activities;

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

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

(5) Cash equivalents

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

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

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

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

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

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

A. Financial assets at fair value through other comprehensive income comprise equity securities which are not held for trading, and for which the Company has made an irrevocable election at initial recognition to recognise changes in fair value in other comprehensive income.

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

C. At initial recognition, the Company measures the financial assets at fair value plus transaction costs. The Company subsequently measures the financial assets at fair value. The changes in fair value of equity investments that were recognised in other comprehensive income are reclassified to retained earnings and are not reclassified to profit or loss following the derecognition of the investment. Dividends are recognised as revenue when the right to receive payment is established, future economic benefits associated with the dividend will flow to the Company and the amount of the dividend can be measured reliably.

(8) Financial assets at amortised cost

A. Financial assets at amortised cost are those that meet all of the following criteria:

(a) The objective of the Company's business model is achieved by collecting contractual cash flows.

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

B. On a regular way purchase or sale basis, financial assets at amortised cost are recognised and derecognised using trade date accounting.

C. At initial recognition, the Company measures the financial assets at fair value plus transaction costs. Interest income from these financial assets is included in finance income using the effective interest method. A gain or loss is recognised in profit or loss when the asset is derecognised or impaired.

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

(9) Accounts receivable

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

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

(10) Impairment of financial assets

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

(11) Derecognition of financial assets

The Company derecognises a financial asset when the contractual rights to receive the cash flows from the financial asset expire.

(12) Inventories

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

(13) Investment accounted for using equity method/ Subsidiaries

A. Subsidiaries are all entities (including structured entities) controlled by the Company. The Company controls an entity when the Company is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

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

C. The Company's share of its associates' post-acquisition profits or losses is recognised in profit or loss, and its share of post-acquisition movements in other comprehensive income is recognised in other comprehensive income. When the Company's share of losses in an subsidiary equals or exceeds its interest in the subsidiary, the Company continues to recognise losses proportionate to its ownership.

D. Pursuant to the "Regulations Governing the Preparation of Financial Reports by Securities Issuers," profit (loss) of the current period and other comprehensive income in the non-consolidated financial statements shall equal to the amount attributable to owners of the parent in the financial statements prepared with basis for consolidation. Owners' equity in the non-consolidated financial statements shall equal to equity attributable to owners of the parent in the financial statements prepared with basis for consolidation.

(14) Property, plant and equipment

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

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

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

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

Buildings and structures	11-50 years
Machinery and equipment	2-10 years
Office equipment	2-5 years
Leasehold improvements	3-11 years

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

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

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

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

C. At the commencement date, the right-of-use asset measured at cost shall comprise the amount of the initial measurement of lease liability and any initial direct costs incurred.

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

D. For lease modifications that decrease the scope of the lease, the lessee shall decrease the carrying amount of the right-of-use asset and remeasure the lease liability to reflect the partial or full termination of the lease, and recognise the difference in profit or loss.

(16) Intangible assets

Computer software is stated at cost and amortised on a straight-line basis over its estimated useful life of 1 to 5 years.

(17) Impairment of non-financial assets

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

(18) Borrowings

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

(19) Notes and accounts payable

A. Accounts payable are liabilities for purchases of raw materials, goods or services and notes payable are those resulting from operating and non-operating activities.
B. The short-term notes and accounts payable without bearing interest are subsequently measured at initial invoice amount as the effect of discounting is immaterial.

(20) Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability specified in the contract is discharged, cancelled or expires.

(21) Non-hedging and embedded derivatives

Non-hedging derivatives are initially recognised at fair value on the date a derivative contract is entered into and recorded as financial assets or financial liabilities at fair value through profit or loss. They are subsequently remeasured at fair value and the gains or losses are recognised in profit or loss.

(22) Employee benefits

A. Short-term employee benefits

Short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid and are recognised as expenses in the period in which the employees render service.

B. Pensions

(a) Defined contribution plan

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

(b) Defined benefit plan

i. Net obligation under a defined benefit plan is defined as the present value of an amount of pension benefits that employees will receive on retirement for their services in current period or prior periods. The liability recognised in the balance sheet in respect of defined benefit pension plans is the present value of the defined benefit obligation at the balance sheet date less the fair value of plan assets. The net defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The rate used to discount is determined by using interest rates of government bonds (at the balance sheet date) that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related pension liability.

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

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

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

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

(23) Employee share-based payment

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

(24) Income taxes

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

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

C. Deferred tax is recognised, using the balance sheet liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the parent company only balance sheet. Deferred tax is provided on temporary differences arising on investments in subsidiaries, except where the timing of the reversal of the temporary difference is controlled by the Company and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

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

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

(25) Share capital

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

B. Where the Company repurchases the Company's shares that have been issued, the consideration paid, including any directly attributable incremental costs (net of income taxes) is deducted from equity attributable to the Company's equity holders. Where such shares are subsequently reissued, the difference between their book value and any consideration received, net of any directly attributable incremental transaction costs and the related income tax effects, is included in equity attributable to the Company's equity holders.

(26) Dividends

Cash dividends from 2021 earnings appropriation are recorded as liabilities in the Company's financial statements in the period in which they are resolved by the Company's shareholders. Cash dividends from after 2022 earnings appropriation are recorded as liabilities in the Company's financial statements in the period in which they are resolved by the Board of Directors during their special meeting in accordance with the Articles of Incorporation of the Company. Additionally, stock dividends are recorded as stock dividends to be distributed in the period in which they are resolved by the Company's shareholders and are reclassified to ordinary shares on the effective date of new shares issuance.

(27) Revenue recognition

A. Sales revenue

(a) The Company manufactures and sells computer peripheral equipment and related products. Sales are recognised when control of the products has transferred, being when the products are delivered to the wholesaler. Either the buyer has accepted the products in accordance with the sales contract, or the Company has objective evidence that all criteria for acceptance have been satisfied.

(b) Sales revenue was recognised based on the contract price net of sales discount. Sales discounts and allowances from these sales is recognised based on the content specified in the contract. Sales volume is used to estimate and provide for the sales discounts and allowances and revenue is only recognised to the extent that it is highly probable that a significant reversal will not occur. The estimation is subject to an assessment at each reporting date. A refund liability is recognised for expected sales discounts and allowances payable to customers in relation to sales made until the end of the reporting period.

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

B. Financing components

As the time interval between the transfer of committed goods or service and the payment of customer does not exceed one year, the Company does not adjust the transaction price to reflect the time value of money.

(28) Government grants

Government grants are recognised at their fair value only when there is reasonable assurance that the Company will comply with conditions attached to the grants and the grants will be received. Government grants are recognised in profit or loss on a systematic basis over the periods in which the Company recognises expenses for the related costs for which the grants are intended to compensate.

5. CRITICAL ACCOUNTING JUDGEMENT, ESTIMATES AND KEY SOURCES OF ASSUMPTION UNCERTAINTY

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

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

Based on the Company's assessment, there is no significant uncertainty in the adoption of the accounting policies.

(2) Critical accounting estimates and assumptions

Evaluation of inventories

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

6. Details of Significant Accounts

(1) Cash and cash equivalents

	December 31, 2023	December 31, 2022
Cash on hand and revolving funds	$ 1,309	$ 1,497
Checking accounts and demand deposits	94,081	81,734
Time deposits	-	242,609
	$ 95,390	$ 325,840

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

B. The Company has no cash and cash equivalents pledged to others as collateral.

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

Items	December 31, 2023	December 31, 2022
Non-current items:		
Financial assets mandatorily measured at fair value through profit or loss		
Unlisted stocks	$ 1,108	$ 1,108
Valuation adjustment	(1,108)	(1,108)
	$ -	$ -

The Company has no financial assets at fair value through profit or loss pledged to others as collateral.

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

Items	December 31, 2023	December 31, 2022
Non-current items:		
Equity instruments		
Unlisted stocks	$ 31,540	$ 22,000
Valuation adjustment	(9,901)	(18,365)
	$ 21,639	$ 3,635

A. The Company has elected to classify equity instruments of investments that are considered to be strategic investments as financial assets at fair value through other comprehensive income.

B. The amounts which the Company recognised in other comprehensive income (loss) for fair value change for the years ended December 31, 2023 and 2022 were provided in the parent company only statements of comprehensive income.

C. The Company has no financial assets at fair value through other comprehensive income pledged to others as collateral.

D. Information relating to fair value of financial assets at fair value through other comprehensive income is provided in Note 12(3).

(4) Accounts receivable

	December 31, 2023	December 31, 2022
Accounts receivable	$ 480,815	$ 1,682,589
Accounts receivable - related parties	602,902	865,614
	1,083,717	2,548,203
Less:Loss allowance	(3,272)	(10,594)
	$ 1,080,445	$ 2,537,609

A. The Company’s aging analysis of accounts receivable and information relating to credit risk is provided in Note 12(2).

B. As of December 31, 2023 and 2022, accounts receivable were all from contracts with customers. And as of January 1, 2022, the balance of receivables from contracts with customers amounted to $1,878,759.

C. The Company does not hold any collateral as security for accounts receivable.

(5) Inventories

	December 31, 2023		
	Cost	Allowance for valuation loss	Book value
Raw materials	$ 217,858	($ 109,332)	$ 108,526
Work in progress	4,850	-	4,850
Finished goods	300,180	(34,297)	265,883
Subsidiaries' inventories for sale	92,942	-	92,942
	$ 615,830	($ 143,629)	$ 472,201

	December 31, 2022		
	Cost	Allowance for valuation loss	Book value
Raw materials	$ 550,204	($ 70,789)	$ 479,415
Work in progress	122,579	-	122,579
Finished goods	578,289	(12,141)	566,148
Subsidiaries' inventories for sale	161,389	-	161,389
	$ 1,412,461	($ 82,930)	$ 1,329,531

A. Aforementioned inventories were not pledged to others as collaterals.

B. The cost of inventories recognised as expense for the year were as follows:

	Year ended December 31	
	2023	2022
Cost of goods sold	$ 2,810,323	$ 6,034,065
Loss on decline in market value	60,699	54,727
Loss on scrapping inventory and income or loss from inventory count	9,663	1,918
	$ 2,880,685	$ 6,090,710

(6) Investments accounted for using equity method

	December 31, 2023	December 31, 2022
Subsidiaries:		
Good Way Overseas Co. Ltd.	$ 1,357,317	$ 1,457,700
Gentle Enterprises Co. Ltd.	24	24
GWC Technology Inc.	185,340	166,772
GOOD WAY CAYMAN CO., LTD.	445,003	-
	$ 1,987,684	$ 1,624,496

A. Please refer to Note 4(3) in the consolidated financial statements for the year ended December 31, 2023 for the information regarding the Company’s subsidiaries.

B. The Company recognised gain on investments accounted for using equity method amounting to ($51,000) and $143,835, respectively, which was based on the investees' financial statements audited by the Company's auditors.

C. For the years ended December 31, 2023 and 2022, unrealised (loss) gross profit arising from downstream transactions between the Company and its investees amounted to $4,920 and $10,556, respectively.

(7) Property, plant and equipment

	2023					
	Land	Buildings and structures	Machinery and equipment	Office equipment	Leasehold improvements	
	Owner-occupied	Owner-occupied	Owner-occupied	Owner-occupied	Owner-occupied	Total
At January 1						
Cost	$ 324,831	$ 452,666	$ 200,609	$ 40,164	$ 24,001	$ 1,042,271
Accumulated depreciation and impairment	-	(31,655)	(93,899)	(27,616)	(16,802)	(169,972)
	$ 324,831	$ 421,011	$ 106,710	$ 12,548	$ 7,199	$ 872,299
At January 1	$ 324,831	$ 421,011	$ 106,710	$ 12,548	$ 7,199	$ 872,299
Additions	-	-	5,840	5,121	171	11,132
Disposals	-	-	-	(16)	-	(16)
Transfer	-	-	800	286	-	1,086
Depreciation expense	-	(14,723)	(22,335)	(9,156)	(3,831)	(50,045)
At December 31	$ 324,831	$ 406,288	$ 91,015	$ 8,783	$ 3,539	$ 834,456
At December 31						
Cost	$ 324,831	$ 452,666	$ 207,204	$ 45,475	$ 24,172	$ 1,054,348
Accumulated depreciation and impairment	-	(46,378)	(116,189)	(36,692)	(20,633)	(219,892)
	$ 324,831	$ 406,288	$ 91,015	$ 8,783	$ 3,539	$ 834,456

	2022					
	Land	Buildings and structures	Machinery and equipment	Office equipment	Leasehold improvements	
	Owner-occupied	Owner-occupied	Owner-occupied	Owner-occupied	Owner-occupied	Total
At January 1						
Cost	$ 324,831	$ 371,641	$ 129,644	$ 26,972	$ 39,702	$ 892,790
Accumulated depreciation and impairment	-	(21,673)	(70,749)	(20,013)	(19,667)	(132,102)
	$ 324,831	$ 349,968	$ 58,895	$ 6,959	$ 20,035	$ 760,688
At January 1	$ 324,831	$ 349,968	$ 58,895	$ 6,959	$ 20,035	$ 760,688
Additions	-	43,387	39,921	13,361	667	97,336
Disposals	-	-	-	(18)	(9,047)	(9,065)
Transfer	-	37,638	31,044	-	-	68,682
Depreciation expense	-	(9,982)	(23,150)	(7,754)	(4,456)	(45,342)
At December 31	$ 324,831	$ 421,011	$ 106,710	$ 12,548	$ 7,199	$ 872,299
At December 31						
Cost	$ 324,831	$ 452,666	$ 200,609	$ 40,164	$ 24,001	$ 1,042,271
Accumulated depreciation and impairment	-	(31,655)	(93,899)	(27,616)	(16,802)	(169,972)
	$ 324,831	$ 421,011	$ 106,710	$ 12,548	$ 7,199	$ 872,299

A. The Company has no interest expense capitalised on aforementioned property, plant and equipment. Details of the assets pledged to others as collateral are provided in Note 8.

B. As of December 31, 2023 and 2022, the Company’s prepayment for equipment that were not transferred (shown as “other non-current assets”) amounted to $892 and $2,180, respectively.

(8) Lease transactions-lessee

A. The Company leases various assets including buildings and transportation equipment. Rental contracts are typically made for periods of 2 to 3 years. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose covenants, but leased assets may not be used as security for borrowing purposes.

B. Short-term leases with a lease term of 12 months or less comprise of some offices. Low-value assets comprise of printers.

C. The carrying amount of right-of-use assets and the depreciation charge are as follows:

	2023		
	Buildings and structures	Transportation equipment	Total
At January 1	$ 20,227	$ 2,847	$ 23,074
Additions	5,490	1,281	6,771
Depreciation expense	(13,811)	(1,435)	(15,246)
At December 31	$ 11,906	$ 2,693	$ 14,599

	2022		
	Buildings and structures	Transportation equipment	Total
At January 1	$ 60,535	$ 704	$ 61,239
Additions	7,653	3,524	11,177
Lease terminated in advance	(34,233)	-	(34,233)
Depreciation expense	(13,728)	(1,381)	(15,109)
At December 31	$ 20,227	$ 2,847	$ 23,074

D. Information on profit or loss in relation to lease contracts is as follows:

	Year ended December 31	
	2023	2022
Items affecting profit or loss		
Interest expense on lease liabilities	$ 1,164	$ 1,281
Expense on short-term lease contracts	6,312	6,341
Expense on leases of low-value assets	183	145
Gains arising from lease modifications	-	(4,148)
	$ 7,659	$ 3,619

E. For the years ended December 31, 2023 and 2022, the Company's rent outflow related lease expense is shown in Note 6(8)D. Additionally, for the amounts of cash outflows which were generated from repayment of lease liabilities, please refer to Note 6(27).

(9) Short-term borrowings

Type of borrowings	December 31, 2023	Interest rate range	Collateral
Bank borrowings			
Unsecured borrowings	$ 422,583	2.01%～6.8%	None

Type of borrowings	December 31, 2022	Interest rate range	Collateral
Bank borrowings			
Unsecured borrowings	$ 732,719	1.45%～6.2%	None

The Company recognised interest expenses in profit or loss. Please refer to Note 6(21) for details.

(10) Long-term borrowings

Type of borrowings	Borrowing period and repayment term	Interest rate range	Collateral	December 31, 2023
Shanghai Commercial & Savings Bank, Ltd. Unsecured borrowings	Starting from July 28, 2020 to July 28, 2025, the principal and interest were paid monthly.	1.450%	None.	$ 38,000
Chang Hwa Commercial Bank, Ltd. Unsecured borrowings	Starting from August 17, 2020 to August 15, 2025, the principal and interest were paid monthly.	1.350%	None.	34,617
Hua Nan Commercial Bank, Ltd. Unsecured borrowings	Starting from October 6, 2020 to October 6, 2025, the interest was paid monthly, and principal was repayable since monthly the second year.	1.450%	None.	49,461
E.SUN Commercial Bank, Ltd. Unsecured borrowings	Starting from November 16, 2020 to November 15, 2025, the interest was paid monthly, and principal was repayable monthly since the third year.	1.350%	None.	16,292
Hua Nan Commercial Bank, Ltd. Syndicated Loan Secured borrowings -Item A	Starting from June 20, 2023 to June 20, 2028, the interest was paid monthly, the loan will be active for a period of 5 years from drawdown date (June 20, 2023) , and principal was repayable per half year since the second year.	2.319%	Note8	495,562
Hua Nan Commercial Bank, Ltd. Syndicated Loan Secured borrowings -Item B	Starting from June 20, 2023 to June 20, 2028, the interest was paid monthly, the principal is due for repayment and can be revolvingly utilized.	2.478%	None.	660,000
				1,293,932
Less: Current portion				(120,511)
				$ 1,173,421

Type of borrowings	Borrowing period and repayment term	Interest rate range	Collateral	December 31, 2022
Shanghai Commercial & Savings Bank, Ltd. Unsecured borrowings	Starting from July 28, 2020 to July 28, 2025, the principal and interest were paid monthly.	1.325%	None.	$ 62,000
Chang Hwa Commercial Bank, Ltd. Unsecured borrowings	Starting from August 17, 2020 to August 15, 2025, the principal and interest were paid monthly.	1.100%	None.	55,387
Hua Nan Commercial Bank, Ltd. Unsecured borrowings	Starting from October 6, 2020 to October 6, 2025, the interest was paid monthly, and principal was repayable since monthly the second year.	1.325%	None.	77,724
E.SUN Commercial Bank, Ltd. Unsecured borrowings	Starting from November 16, 2020 to November 15, 2025, the interest was paid monthly, and principal was repayable monthly since the third year.	1.225%	None.	17,000
Hua Nan Commercial Bank, Ltd. Secured borrowings	Starting from April 19, 2021 to April 19, 2041, the interest was paid monthly, and principal was repayable monthly since the third year.	1.580%	Note8	508,000
				720,111
Less: Current portion				(73,742)
				$ 646,369

A. The Company signed a five-year syndicated credit agreement with six banks, including Hua Nan Commercial Bank, Ltd., acting as the lead and managing bank, in April 2023. The agreement stipulates the following:

(a) Credit Items and Limits: The total credit limit is NT$1.6 billion.

i. Item A:

Mid-term (secured) loans with a limit of NT$500 million, which cannot be drawn down on a revolving basis.

ii. Item B:

Mid-term loans with a limit of NT$1.1 billion or the equivalent in US dollars, which can be drawn down on a revolving basis.

(b) Credit Period:

The credit period for both Item A and Item B starts from the initial drawdown date and lasts for 5 years.

(c) Utilization Period:

i. Item A Credit: The borrower can only draw down the credit limit of Item A once, starting from 3 months after the signing date of this agreement.

ii. Item B Credit: The borrower can draw down the credit limit of Item B on a revolving basis within the last 3 months before the final expiration date of this agreement.

(d) Financial Commitments:

The borrower must maintain the following financial ratios, based on the audited or reviewed consolidated financial statements of the borrower's accountant, reviewed every six months:

i. Current ratio [Current Assets / Current Liabilities]: Not less than 100%.

ii.Financial debt ratio [Short-term borrowings + Long-term borrowings + Long-term borrowings due within one year / Tangible Net Worth]: Not more than 150%.

iii.Interest coverage ratio: [Profit before tax + Depreciation + Amortization + Interest expense] / Interest expense: Not less than 3 times.

According to the provisions of the joint credit agreement, the above ratios and standards are reviewed every six months, based on the borrower's second quarter and annual consolidated financial statements. If the borrower's financial condition does not meet any of the ratios or standards specified herein at any review, the borrower shall improve it by the next review date. However, from the date of submission of the financial report for the current period until the date of submission of the financial report for the period after the borrower submits the improvement, an additional annual interest rate of 0.1% shall be added to the loan interest rate applicable to the unpaid principal balance. If the borrower fails to complete the improvement, it shall be deemed a default event, and the managing bank shall notify the borrower in writing, declaring that all outstanding principal balances, interest, and other amounts payable by the borrower to each joint credit bank and managing bank under this agreement shall become immediately due and payable. The borrower shall immediately repay all such amounts.

The Company has obtained an exemption letter from the joint credit bank consortium agreeing to exempt the Company from reviewing the current ratio and interest coverage ratio for the year 2023 and the interest coverage ratio for the first half of the year 2024, effective December 29, 2023.

B.The Company recognised interest expenses in profit or loss. Please refer to Note 6(21) for details.

(11) Other payables

	December 31, 2023	December 31, 2022
Salary and bonus payable	$ 62,372	$ 65,045
Collection of payments on behalf of others	33,031	52,431
Employees' compensation and directors' and supervisors' remuneration payable	29,684	51,108
Others	37,967	53,039
	$ 163,054	$ 221,623

(12) Pensions

A. Defined benefit pension plan

(a) The Company has a defined benefit pension plan in accordance with the Labor Standards Law, covering all regular employees' service years prior to the enforcement of the Labor Pension Act on July 1, 2005 and service years thereafter of employees who chose to continue to be subject to the pension mechanism under the Law. Under the defined benefit pension plan, two units are accrued for each year of service for the first 15 years and one unit for each additional year thereafter, subject to a maximum of 45 units. Pension benefits are based on the number of units accrued and the average monthly salaries and wages of the last 6 months prior to retirement. The Company contributes monthly an amount equal to 2% of the employees' monthly salaries and wages to the retirement fund deposited with Bank of Taiwan, the trustee, under the name of the independent retirement fund committee. Also, the Company would assess the balance in the aforementioned labor pension reserve account by December 31, every year. If the account balance is insufficient to pay the pension calculated by the aforementioned method to the employees expected to qualify for retirement in the following year, the Company will make contributions for the deficit by next March.

(b) The amounts recognised in the balance sheet are as follows:

	December 31, 2023	December 31, 2022
Present value of defined benefit obligations contributed	($ 14,419)	($ 14,275)
Fair value of plan assets	10,199	9,954
Net amounts of liabilities presented in the balance sheet (shown as other non-current assets)	($ 4,220)	($ 4,321)

(c) Movements in net defined benefit liabilities are as follows:

2023	Present value of defined benefit obligations	Fair value of plan assets	Net defined benefit liability
At January 1	($ 14,275)	$ 9,954	($ 4,321)
Current service cost	(171)	-	(171)
Interest (expense) income	(124)	76	(48)
	(14,570)	10,030	(4,540)
Remeasurements:			
Return on plan assets (excluding amounts included in interest income or expense)	-	128	128
Experience adjustments	151	-	151
	151	128	279
Pension fund contribution	-	41	41
Paid pension	-	-	-
At December 31	($ 14,419)	$ 10,199	($ 4,220)

2022	Present value of defined benefit obligations	Fair value of plan assets	Net defined benefit liability
At January 1	($ 14,771)	$ 5,763	($ 9,008)
Current service cost	(168)	-	(168)
Interest (expense) income	(102)	40	(62)
Past service cost	649	-	649
	(14,392)	5,803	(8,589)
Remeasurements:			
Return on plan assets (excluding amounts included in interest income or expense)	-	466	466
Change in financial assumptions	365	-	365
Experience adjustments	(248)	-	(248)
	117	466	583
Pension fund contribution	-	3,685	3,685
Paid pension	-	-	-
At December 31	($ 14,275)	$ 9,954	($ 4,321)

(d) The Bank of Taiwan was commissioned to manage the fund of the Company's defined benefit pension plan assets in accordance with the Fund's annual investment and utilisation plan and the "Regulations for Revenues, Expenditures, Safeguard and Utilisation of the Labor Retirement Fund" (Article 6: The scope of utilisation for the Fund includes deposit in domestic or foreign financial institutions, investment in domestic or foreign listed, over-the-counter, or private placement equity securities, investment in domestic or foreign real estate securitisation products, etc.). With regard to the utilisation of the Fund, its minimum earnings in the annual distributions on the final financial statements shall be no less than the earnings attainable from the amounts accrued from two-year time deposits with the interest rates offered by local banks. If the earnings is less than aforementioned rates, government shall make payment for the deficit after being authorised by the Regulator. The Company has no right to participate in managing and operating that Fund and therefore, the Company is unable to disclose the classification of plan assets fair value in accordance with IAS 19 paragraph 142. The composition of fair value of plan assets as of December 31, 2023 and 2022, is given in the Annual Labor Retirement Fund Utilisation Report announced by the government.

(e) The principal actuarial assumptions used were as follows:

	Year ended December 31	
	2023	2022
Discount rate	1.15%	1.15%
Future salary increases	2.00%	2.00%

The assumption of future mortality is based on the Sixth Taiwan Standard Ordinary Experience Mortality Table.

The analysis on present value of defined benefit obligations based on the changes on principal actuarial assumption are as follows:

	Discount rate		Future sala
	Increase 0.25%	Decrease 0.25%	Increase 0.25%
December 31, 2023			
Effect on present value of defined benefit obligation	($ 162)	$ 167	$ 165
December 31, 2022			
Effect on present value of defined benefit obligation	($ 177)	$ 182	$ 180

The sensitivity analysis above is based on one assumption which changed while the other conditions remain unchanged. In practice, more than one assumption may change all at once. The method utilised in sensitivity analysis is the same as the method utilised in calculating net pension liability on the balance sheet.

(f) Expected contributions to the defined benefit pension plan of the Company for the year ending December 31, 2024 amount to $202.

(g) As of December 31, 2023, the weighted average duration of the retirement plan is 4 years. The analysis of timing of the future pension payment was as follows:

	Amount
Within 1 year	$ 7,370
1-2 year(s)	336
2-5 years	2,407
Over 5 years	5,047
	$ 15,160

B. Defined contribution pension plan

(a) Effective July 1, 2005, the Company has established a defined contribution pension plan (the "New Plan") under the Labor Pension Act (the "Act"), covering all regular employees with R.O.C. nationality. Under the New Plan, the Company contributes monthly an amount based on 6% of the employees' monthly salaries and wages to the employees' individual pension accounts at the Bureau of Labor Insurance. The benefits accrued are paid monthly or in lump sum upon termination of employment.

(b) The pension costs under the defined contribution pension plan of the Company for the years ended December 31, 2023 and 2022 were $13,910 and $14,273, respectively.

(13) Share-based payment

A. The Company's share-based payment arrangements were as follows:

Type of arrangement	Grant date	Quantity granted	Contract period	Vesting conditions
Treasury stock transferred to employees	March 17,2023	1,276,000	-	Vested immediately

On March 17, 2023, the Company's Board of Directors approved the transfer of treasury stocks bought back during the third and fourth buyback sessions to employees. In this transaction, a total of 276,000 shares and 1,000,000 shares were respectively transferred, at prices of NT$34.33 and NT$29.64 per share.

B. Details of the share-based payment arrangements are as follows:

	2023		2022	
	No. of options	Weighted-average exercise price (in dollars)	No. of options	Weighted-average exercise price (in dollars)
Options outstanding at January 1	-	$ -	-	$ -
Options granted	1,276,000	30.65	-	-
Options exercised	(1,276,000)	30.65	-	-
Options outstanding at 31, December	-	-	-	-
Options exercisable at 31, December	-	-	-	-

C. The fair value of stock options granted on grant date is measured using the Black-Scholes option-pricing model. Relevant information is as follows:

Type of arrangement	Grant date	Stock price	Exercise price	Expected price volatility	Expected option life	Expected dividends	Risk-free interest rate	Fair value per unit
Treasury stock transferred to employees	March 17, 2023	42.05	34.33	38.19%	0.01 years	-	0.89%	7.72
Treasury stock transferred to employees	March 17, 2023	42.05	29.64	38.19%	0.01 years	-	0.89%	12.41

D. Wages and salaries and capital surplus incurred on share-based payment transactions are shown below:

	Year ended December 31	
	2023	2022
Treasury stock transferred to employees	$ 14,545	$ -

(14) Share capital

A. As of December 31, 2023, the Company's authorised capital was $1,200,000, consisting of 120,000 thousand shares of ordinary stock (including 5,000 thousand shares reserved for employee stock options issued by the Company), and the paid-in capital was $611,680 with a par value of $10 (in dollars) per share. After deducted treasury shares, all proceeds from shares issued have been collected. Additionally, movements in the number of the Company's ordinary shares outstanding are as follows (unit: shares):

	Year ended December 31	
	2023	2022
Shares capital		
At January 1	54,614,302	54,614,302
Stock dividends	6,553,716	-
At December 31	61,168,018	54,614,302
Treasury shares		
At January 1	(1,276,000)	(276,000)
Purchase of treasury shares	-	(1,000,000)
Treasury stock transferred to employees	1,276,000	-
At December 31	-	(1,276,000)
Number of shares outstanding at December 31	61,168,018	53,338,302

B. On June 6, 2023, the Company's shareholders approved the capitalization of retained earnings from the fiscal year 2022, amounting to $65,537. The corresponding number of shares issued is 6,553,716 shares, with the capitalization effective as of July 30, 2023.

C. Treasury shares

(a) Reason for share reacquisition and movements in the number of the Company's treasury shares are as follows:

December 31, 2023 : None

		December 31, 2022	
Name of company holding the shares	Reason for reacquisition	Number of shares	Carrying amount
The Company	To be reissued to employees	1,276,000	$ 39,120

(b) Pursuant to the R.O.C. Securities and Exchange Act, the number of shares bought back as treasury share should not exceed 10% of the number of the Company's issued and outstanding shares and the amount bought back should not exceed the sum of retained earnings, paid-in capital in excess of par value and realised capital surplus.

(c) Pursuant to the R.O.C. Securities and Exchange Act, treasury shares should not be pledged as collateral and is not entitled to dividends before it is reissued.

(d) Pursuant to the R.O.C. Securities and Exchange Act, treasury shares should be reissued to the employees within five years from the reacquisition date and shares not reissued within the five-year period are to be retired.

(e) Details of repurchasing outstanding shares

i. For the year ended December 31, 2022 (the fourth time)

On June 30, 2022, the Company's Board of Directors resolved to repurchase treasury shares. The expected number of shares to be repurchased was 2,000,000 shares. As of the end date of repurchase period, the Company had repurchased 1,000,000 shares amounting to $29,645.

The Company, on March 17, 2023, resolved by the Board of Directors to designate March 17, 2023, as the date of issuance. It transferred 1,000,000 treasury shares repurchased in the year 2022 (fourth round) to employees at a transfer price of NT$29.64 (in dollars) per share, resulting in a total amount of $29,551 after deducting the securities transaction tax. Please refer to Note 6(13) for further details.

ii. For the year ended December 31, 2018 and 2019 (the third time)

On November 13, 2018, the Company's Board of Directors resolved to repurchase treasury shares. The expected number of shares to be repurchased was 1,500,000 shares. As of the end date of repurchase period, the Company had repurchased 1,476,000 shares amounting to $50,678.

On September 15, 2020, the Company's Board of Directors resolved to set September 16, 2020 as the grant date and transfer 1,200,000 treasury shares which were repurchased in the third time in 2018 and 2019 to employees with the transfer price of NT$34.33 (in dollars) per share. The amount was $41,072 net of securities transactions tax and those shares were transferred to employees on September 16, 2020. After the share transfer, there were still 276,000 shares of Company which were repurchased in the third time in 2018 and 2019.

The subscription price per share was NT$34.33 (in dollars), and the total amount after deducting the securities transaction tax was $9,447. Please refer to Note 6 (13) for further details.

(15) Capital surplus

Pursuant to the R.O.C. Company Act, capital surplus arising from paid-in capital in excess of par value on issuance of common stocks and donations can be used to cover accumulated deficit or to issue new stocks or cash to shareholders in proportion to their share ownership, provided that the Company has no accumulated deficit. Further, the R.O.C. Securities and Exchange Act requires that the amount of capital surplus to be capitalised mentioned above should not exceed 10% of the paid-in capital each year. However, capital surplus should not be used to cover accumulated deficit unless the legal reserve is insufficient.

Additionally, for details of the changes in the capital surplus for the years ended December 31, 2023 and 2022, please refer to the parent company only statement of changes in equity.

(16) Tax on undistributed earnings / after the Balance Sheet Date

A. According to the Articles of Incorporation of the Company, the methods of appropriation of the earnings are as follows:

(a) Under the Company's amended Articles of Incorporation as resolved by the shareholders on June 8, 2022, the current year's earnings, if any, shall be distributed in the following order:

i. Pay all taxes.

ii. Offset accumulated deficit.

iii. Set aside 10% for legal reserve until the legal reserve equals the total capital stock balance.

iv. Set aside or reverse a special reserve in accordance with related laws.

v. The appropriation of the remaining earnings, if any, along with the beginning unappropriated earnings as the accumulated distributable earnings for shareholders, shall be proposed by the Board of Directors and resolved by the shareholders.

The abovementioned distribution of the shareholders' bonus or legal reserve or capital surplus, in whole or in part, in the form of cash in accordance with the regulations, shall be authorised to the Board of Directors, upon approval adopted by the majority vote at their meeting attended by two-thirds of the total number of directors; and in addition thereto a report of such distribution shall be submitted to the shareholders during their meeting.

In order to meet future capital requirements, long-term financial plan, and satisfy the cash inflow which was required by shareholders, taking into account the business environment and growth stage of the Company, the Company can appropriate distributable earnings as dividends based on future operation conditions. Shareholders' bonus shall account for 10%~100% of the accumulated distributable earnings, among which the cash dividends shall account for 10%~100% of total shareholders' bonus distributed while stock dividends shall account for 0%~90% of total shareholders' bonus distributed.

(b) Under the Company's unrevised Articles of Incorporation as resolved by the shareholders on June 8, 2022, the current year's earnings, if any, shall be distributed in the following order:

i. Pay all taxes.

ii. Offset accumulated deficit.

iii. Set aside 10% for legal reserve until the legal reserve equals the total capital stock balance.

iv. After setting aside or reversing a special reserve in accordance with related laws, the appropriation of the remaining earnings, along with the beginning unappropriated earnings as the accumulated distributable earnings for shareholders, shall be proposed by the Board of Directors and resolved by the shareholders.

In order to meet future capital requirements, long-term financial plan, and satisfy the cash inflow which was required by shareholders, taking into account the business environment and growth stage of the Company, the Company can appropriate distributable earnings as dividends based on future operation conditions. Shareholders' bonus shall account for 10%~100% of the accumulated distributable earnings, among which the cash dividends shall account for 10%~100% of total shareholders' bonus distributed while stock dividends shall account for 0%~90% of total shareholders' bonus distributed.

B. Except for covering accumulated deficit or issuing new stocks or cash to shareholders in proportion to their share ownership, the legal reserve shall not be used for any other purpose. The use of legal reserve for the issuance of stocks or cash to shareholders in proportion to their share ownership is permitted, provided that the distribution of the reserve is limited to the portion in excess of 25% of the Company's paid-in capital.

C. In accordance with the regulations, the Company shall set aside special reserve from the debit balance on other equity items at the balance sheet date before distributing earnings. When debit balance on other equity items is reversed subsequently, the reversed amount could be included in the distributable earnings.

D. The following is the Company's earnings distribution

(a) The appropriations of 2022 and 2021 earnings had been approved by the shareholders during their meeting on June 6, 2023, and June 8, 2022, respectively. Details are summarised below:

	Year ended December 31			
	2022		2021	
	Amount	Dividends per share (in dollars)	Amount	Dividends per share (in dollars)
Legal reserve appropriated	$ 22,567		$ 3,278	
(Reversal of) special reserve appropriated	(27,621)		10,315	
Cash dividend declared	92,844	$ 1.70	54,338	$ 1.00
Stock dividends	65,537	1.20	-	-
	$ 153,327		$ 67,931	

(b) The appropriations of 2023 earnings as proposed by the Board of Directors on March 21, 2024 are as follows:

	Year ended December 31, 2023	
	Amount	Dividends per share (in dollars)
Special reserve appropriated	$ 51,008	

As of March 21, 2024, the proposal to appropriate the profits or offset the losses for the fiscal year 2023, as mentioned above, has not yet been approved by the shareholders' meeting.

(17) Operating revenue:

A. Revenue from contracts with customers

	Timing of revenue recognition	Year ended December 31	
		2023	2022
Revenue from contracts with customers	At a point in time	$ 2,880,383	$ 6,678,272

B. Contract liabilities

(a) The Company has recognised the following revenue-related contract liabilities:

	December 31, 2023	December 31, 2022	January 1, 2022
Contract liabilities-sales contract of goods	$ 10,123	$ 28,025	$ 17,938

(b) Revenue recognised that was included in the contract liability balance at the beginning of the period

	Year ended December 31	
	2023	2022
Sales contract of goods	$ 26,639	$ 17,184

(18) Interest income

	Year ended December 31	
	2023	2022
Interest income from bank deposits	$ 3,866	$ 889

(19) Other income

	Year ended December 31	
	2023	2022
Overdue temporary credits transferred to revenue	$ 20,207	$ 10,014
Grant revenue	175	71
Others	834	1,428
	$ 21,216	$ 11,513

(20) Other gains and losses

	Year ended December 31	
	2023	2022
Loss on disposals of property, plant and equipment	($ 16)	($ 9,065)
Gains arising from lease modifications	-	4,148
Net currency exchange losses	7,738	(36,569)
	$ 7,722	($ 41,486)

(21) Finance costs

	Year ended December 31	
	2023	2022
Interest expense		
Bank borrowings	$ 48,594	$ 31,628
Lease liability	1,164	1,281
	$ 49,758	$ 32,909

(22) Expenses by nature

	Year ended December 31	
	2023	2022
Employee benefit expense	$ 366,296	$ 393,835
Depreciation charges on property, plant and equipment	$ 50,045	$ 45,342
Depreciation charges on right-of-use assets	15,246	15,109
	$ 65,291	$ 60,451
Amortisation charges on intangible assets	$ 3,314	$ 1,398

(23) Employee benefit expense

	Year ended December 31	
	2023	2022
Salary expenses	$ 293,496	$ 328,530
Employee stock options	14,545	-
Labour and health insurance fees	29,007	28,486
Pension costs	14,129	13,854
Directors' remuneration	1,078	6,760
Other personnel expenses	14,041	16,205
	$ 366,296	$ 393,835

A. According to the Company's Articles of Incorporation, the current year's earnings before tax and distribution of employees' and directors' remuneration, shall be used to offset deficits. The Company shall not appropriate no higher than 5% of the remainder as remuneration to directors. The Company may, by a resolution adopted by a majority vote at a meeting of Board of Directors attended by two-thirds of the total number of directors, have the profit distributable as employees' compensation distributed in the form of shares or in cash and directors' compensation distributed in the form of cash; and in addition thereto a report of the distribution of employees' compensation shall be submitted to the shareholders at the shareholders' meeting. The distribution of employees' compensation includes the employees of the subsidiaries which the Company holds directly or indirectly more than 50% of their shares.

B. For the fiscal year 2023, the Company incurred a net loss after tax, therefore, no provision was made for employee and director remuneration.

In the fiscal year 2022, the estimated provision for employee remuneration was $25,484, and for director remuneration was $6,706. These amounts were recorded under the salary expense account.

The amounts of $25,484 for employee remuneration and $6,706 for director remuneration, as approved by the board of directors, are consistent with the figures recognized in the financial statements for the fiscal year 2022. As of December 31, 2023, employee remuneration and director remuneration of $17,524 and $3,900 respectively, have been paid in cash.

C. Information about employees' compensation and directors' and supervisors' remuneration of the Company as resolved at the meeting of Board of Directors will be posted in the "Market Observation Post System" at the website of the Taiwan Stock Exchange.

(24) Income taxes

A. Income tax (benefit) expense

(a) Components of income tax (benefit) expense:

	Year ended December 31	
	2023	2022
Current tax:		
Current tax liabilities	$ 13,332	$ 43,175
Prior year unpaid income tax liabilities	(10,052)	(10,366)
Prior year income tax overestimation	(10,256)	-
Withholding and provisional tax	336	65
Tax on undistributed earnings	(3,616)	-
Total current tax	(10,256)	32,874
Deferred tax:		
Origination and reversal of temporary differences	(34,595)	(22,016)
Others:		
Tax on undistributed earnings	3,616	-
Income tax (benefit) expense	($ 41,235)	$ 10,858

(b) The income tax (benefit) charge relating to components of other comprehensive income is as follows:

	Year ended December 31	
	2023	2022
Remeasurement of defined benefit obligations	$ 56	$ 117

(c) For the years ended December 31, 2023 and 2022, the Company has no other comprehensive income and income tax (charged)/credit relating to equity.

B. Reconciliation between income tax (benefit) expense and accounting profit

	Year ended December 31	
	2023	2022
Income tax calculated by applying statutory rate to the profit before tax	($ 82,824)	$ 47,212
Expenses disallowed by tax regulation	2,298	2,806
Unrealised investment income accounted for using equity method	10,200	(28,767)
Taxable loss not recognised as deferred tax assets	35,731	-
Using prior year taxable loss not recognised as deferred tax	-	(10,393)
Prior year income tax overestimation deferred tax assets	(10,256)	-
Tax on undistributed earnings	3,616	-
Income tax (benefit) expense	($ 41,235)	$ 10,858

C. Amounts of deferred tax assets or liabilities as a result of temporary differences and taxable loss are as follows:

	2023			
	January 1	Recognised in profit or loss	Recognised in other comprehensive loss	December 31
-Deffered tax assets:				
- Temporary differences:				
Unrealised loss for market value decline and obsolete and slow-moving inventories	$ 16,586	$ 12,140	$ -	$ 28,726
Unrealised gross profit	2,111	(1,127)	-	984
Unrealised sales discounts and allowances	27,804	(11,124)	-	16,680
Unrealised reserve for retirement plan	1,057	36	(56)	1,037
Unrealised accrued expenses	1,886	(406)	-	1,480
Unrealized foreign exchange loss	763	(763)	-	-
Others	-	136	-	136
-Tax losses	-	35,731	-	35,731
Subtotal	50,207	34,623	(56)	84,774
- Deferred tax liabilities:				
Unrealised exchange gain	-	(28)	-	(28)
Subtotal	-	(28)	-	(28)
Total	$ 50,207	$ 34,595	($ 56)	$ 84,746

	2022			
	January 1	Recognised in profit or loss	Recognised in other comprehensive loss	December 31
-Deffered tax assets:				
- Temporary differences:				
Unrealised loss for market value decline and obsolete and slow-moving inventories	$ 5,640	$ 10,946	$ -	$ 16,586
Unrealised gross profit	-	2,111	-	2,111
Unrealised sales discounts and allowances	16,178	11,626	-	27,804
Unrealised reserve for retirement plan	1,995	(821)	(117)	1,057
Unrealised accrued expenses	1,839	47	-	1,886
Unrealized foreign exchange loss	6,622	(5,859)	-	763
-Tax losses	8,166	(8,166)	-	-
Subtotal	40,440	9,884	(117)	50,207
- Deferred tax liabilities:				
Unrealised gross loss from sales	(4,084)	4,084	-	-
Unrealised exchange gain	(8,048)	8,048	-	-
Subtotal	(12,132)	12,132	-	-
Total	$ 28,308	$ 22,016	($ 117)	$ 50,207

D. Expiration dates of unused tax losses and amounts of unrecognised deferred tax assets are as follows:

December 31, 2023				
Year incurred	Deductible amount	Unused amount	Unrecognised deferred tax assets	Expiry year
2023-filed	$ 357,308	$ 357,308	$ 178,654	2033

December 31, 2022				
Year incurred	Deductible amount	Unused amount	Unrecognised deferred tax assets	Expiry year
2021-filed	$ 92,797	$ -	$ -	2031

E. The income amount eligible for deduction due to temporary differences not recognized as deferred tax assets

	December 31, 2023	December 31, 2022
Deductible temporary differences	$ 24,675	$ 1,512

F. The company has not recognized deferred tax liabilities for certain subsidiary investment-related temporary differences. As of December 31, 2023 and 2022, the unrecognized deferred tax liabilities for temporary differences amounted to $573,048 and $677,744, respectively.

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

(25) (Loss) Earnings per share

	Year ended December 31, 2023		
	Amount after tax	Weighted average number of ordinary shares outstanding (shares in thousands)	Loss per share (in dollars)
Basic (loss) earnings per share			
(Loss) Profit attributable to ordinary shareholders	($ 372,884)	60,819	($ 6.13)
Diluted (loss) earnings per share			
(Loss) Profit attributable to ordinary shareholders	($ 372,884)	60,819	
Assumed conversion of all dilutive potential ordinary shares			
- Employees' compensation (Note)	-	-	
(Loss) Profit attributable to ordinary shareholders plus assumed conversion of all dilutive potential ordinary shares	($ 372,884)	60,819	($ 6.13)

	Year ended December 31, 2022		
	Amount after tax	Weighted average number of ordinary shares outstanding (shares in thousands)	Earnings per share (in dollars)
Basic earnings per share			
Profit attributable to ordinary shareholders	$ 225,202	60,392	$ 3.73
Diluted earnings per share			
Profit attributable to ordinary shareholders	$ 225,202	60,392	
Assumed conversion of all dilutive potential ordinary shares			
- Employees' compensation	-	584	
Profit attributable to ordinary shareholders plus assumed conversion of all dilutive potential ordinary shares	$ 225,202	60,976	$ 3.69

The weighted average number of shares outstanding for the fiscal year 2022 has been retrospectively adjusted in accordance with the earnings capitalization ratio for that year.

Note: The estimated provision for employee remuneration made by the company has an anti-dilutive effect and therefore has not been included in the diluted loss per share calculation.

(26) Supplemental cash flow information

A. Investing activities with partial cash payments:

	Year ended December 31	
	2023	2022
Purchase of property, plant and equipment	$ 11,132	$ 97,336
Add: Opening balance of payable on equipment	3,271	12,612
Less: Ending balance of payable on equipment	(1,749)	(3,271)
Cash paid during the year	$ 12,654	$ 106,677

B. Financing activities with no cash flow effects

	Year ended December 31, 2023	Year ended December 31, 2022
Retained earnings for capitalization	$ 65,537	$ -

(27) Changes in liabilities from financing activities

	2023				
	Short-term borrowings	Dividends payable	Lease liability	Long-term borrowings	Guarantee deposits received
At January 1	$ 732,719	$ -	$ 23,736	$ 720,111	$ -
Proceeds from debt	-	-	-	1,154,880	-
Repayments of debt	(310,136)	-	-	(581,742)	-
Lease liability increased in the year	-	-	6,771	-	-
Payments of lease liabilities	-	-	(15,261)	-	-
Cash dividends declared	-	92,844	-	-	-
Cash dividends paid	-	(92,844)	-	-	-
Changes in other non-cash items	-	-	-	683	-
At December 31	$ 422,583	$ -	$ 15,246	$ 1,293,932	$ -

	2022				
	Short-term borrowings	Dividends payable	Lease liability	Long-term borrowings	Guarantee deposits received
At January 1	$ 657,440	$ -	$ 64,916	$ 771,947	$ 3,213
Proceeds from debt	75,279	-	-	-	-
Repayments of debt	-	-	-	(51,836)	-
Lease liability increased in the year	-	-	11,177	-	-
Payments of lease liabilities	-	-	(13,976)	-	-
Decrease in refundable deposits	-	-	-	-	(3,213)
Cash dividends declared	-	54,338	-	-	-
Cash dividends paid	-	(54,338)	-	-	-
Changes in other non-cash items	-	-	(38,381)	-	-
At December 31	$ 732,719	$ -	$ 23,736	$ 720,111	$ -

7. RELATED PARTY TRANSACTIONS

(1) Names of related parties and relationship

Names of related parties	Relationship with the Company
GWC Technology Inc.	The Company's subsidiary company
Good Way Overseas Co., Ltd.	The Company's subsidiary company
GOOD WAY CAYMAN CO., LTD.	The Company's subsidiary company(Note)
Good Way Electronics (Kunshan) Co., Ltd.	The Company's second-tier subsidiary company
Good Trend Technology Co., Ltd.	The Company's second-tier subsidiary company
All directors and key management	The Company's key management and governance

Note: The company established GOOD WAY CAYMAN CO., LTD. on April 28, 2023.

(2) Significant related party transactions

A. Operating revenue

	Year ended December 31	
	2023	2022
Sales revenue：		
－GWC Technology Inc.	$ 1,259,696	$ 1,926,234

The aforementioned sales revenue was based on the type of products and referred to market price. The prices were based on mutual agreement. The collection term was 90 days after monthly billing and the collection term to common customer were 30 ~ 90 days after monthly billing.

Note: In accordance with (88) T Tai-Tsai-Tseng (Chi) Letter No. 01644, the Company reversed the related sales revenue and operating costs of Good Way Electronics (Kunshan) Co., Ltd. in preparing the individual financial statements, and the eliminated sales amounted to $483,318 and $1,832,119 for the years ended December 31, 2023 and 2022, respectively.

B. Purchases

	Year ended December 31,	
	2023	2022
Processing costs－Good Way Electronics (Kunshan) Co., Ltd.	$ 790,420	$ 2,268,137
Purchases of goods－The Company's second-tier subsidiary company	99,851	250,055
	$ 890,271	$ 2,518,192

The purchases from aforementioned related parties were based on the types of products and referred to market prices. The prices were based on mutual agreement. The payment period was 90 days after monthly billing and the payment terms to common suppliers were 30~120 days.

C. Receivables from related parties:

	December 31, 2023	December 31, 2022
Accounts receivable：		
－GWC Technology Inc.	$ 322,439	$ 618,977
－Good Way Electronics (Kunshan) Co., Ltd.	280,463	246,637
	$ 602,902	$ 865,614

D. Payables to related parties

	December 31, 2023	December 31, 2022
Accounts payable：		
－Good Way Electronics (Kunshan) Co., Ltd.	$ 750,834	$ 1,845,455
－The Company's second-tier subsidiary company	50,583	82,300
	801,417	1,927,755
Other payables :		
－GWC Technology Inc.	250	-
	250	-
	$ 801,667	$ 1,927,755

E. Subsidiary capital reduction

During the fiscal years 2023 and 2022, our subsidiary, Good Way Overseas Co., Ltd., reduced its capital and refunded the capital contributions, resulting in deductions to investments under the equity method amounting to $0 and $17,952, respectively. As a result of these transactions, the other receivables generated as of December 31, 2023, and 2022 were both $0.

F. Loans to related parties:

The Company provides loans to related parties:

	Year ended December 31, 2023					
	Beginning amount	Maximum amount	Ending amount	Actual amount drawn down	Interest rate	Total interest revenue
GOOD WAY CAYMAN CO., LTD.	$ -	$ 46,058	$ 46,058	$ -	2.9%	$ -

December 31, 2022 : None.

G. Endorsements and guarantees provided to related parties

The Company provision of endorsements and guarantees loan amount for subsidiaries as guarantor :

December 31, 2023 : None.

	December 31, 2022
Guaranteed amount	
—Good Way Electronics (Kunshan) Co., Ltd.	$ 153,550
Actual amount drawn down	
—Good Way Electronics (Kunshan) Co., Ltd.	$ 153,550

(3) Key management compensation

	Year ended December 31	
	2023	2022
Short-term employee benefits	$ 41,207	$ 41,597
Share-based payment	6,742	-
	$ 47,949	$ 41,597

8. PLEDGED ASSETS

The Compnay's assets pledged as collateral are as follows:

	Book value		
Pledged asset	December 31, 2023	December 31, 2022	Purpose
Property, plant and equipment -land, buildings and structures	$ 606,571	$ 613,297	Collateral for long-term borrowings

9. Significant Contingent Liabilities and Unrecognised Contract Commitments

(1) Contingencies

None.

(2) Commitments

A. As of December 31, 2023 and 2022, the Group issued a promissory note for the credit facility of banks in the amounts of $2,394,805 and $2,494,910, respectively.

B. On December 31, 2023 and 2022, the endorsement/guarantee amounts provided by the Company for the subsidiaries' borrowings in the name of the guarantor, please refer to Note 7(2).

10. Significant Disaster Loss

None.

11. Significant Events after the Balance Sheet Date

A. For details of the appropriations of 2023 earnings as proposed by the Board of Directors on March 21, 2024, please refer to Note 6(16).

B. On January 16, 2024, the Company obtained approval from the regulatory authority to raise and issue its third unsecured convertible corporate bonds domestically, totaling $300,000. The bonds carry a 0% coupon rate, with a maturity period of five years and a circulation period from March 7, 2024, to March 7, 2029. The bonds will be redeemed in cash upon maturity at their face value. The subscription price for the bonds was fully received on March 6, 2024, and they were listed for trading on the Taiwan Stock Exchange on March 7, 2024.

C. On March 12, 2024, the board of directors approved the establishment of Shenzhen Lianshuo Future Technology Co., Ltd., a joint venture between the company's subsidiary, Good Way Electronics (Kunshan) Co., Ltd., and Linxee (Beijing) Technology LTD. The registered capital of the joint venture is RMB 10,000 thousands, with Good Way Electronics (Kunshan) Co., Ltd. contributing 45% and Linxee (Beijing) Technology LTD. contributing 55%.

12. Others

(1) Capital management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt. The Company monitors capital on the basis of the debt to asset ratio. This ratio is calculated as total debt divided by total assets.

The Company's strategy in 2023 was consistent with the 2022 strategy. As of December 31, 2023 and 2022, for the debt to asset ratios, please refer to parent company only balance sheets.

(2) Financial instruments

A. Financial instruments by category

Except for the following, the Company's financial assets (cash and cash equivalents, accounts receivable (including related parties), other receivables, and noncurrent financial assets at fair value through other comprehensive income) and financial liabilities (short-term borrowings, accounts payable (including related parties), other payables, long-term borrowings (including current portion), and lease liabilities (current and non-current)) are provided in parent company only balance sheets and Note 6.

	December 31, 2023		December 31, 2022	
Financial assets				
Other current assets-guarantee deposits paid	$	2,097	$	2,369
Other non-current assets-guarantee deposits paid		5,759		5,759
	$	7,856	$	8,128

B. Financial risk management policies

(a) The Company's activities expose it to a variety of financial risks: market risk (including foreign exchange risk, interest rate risk and price risk), credit risk and liquidity risk. The Company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Company's financial position and financial performance.

(b) Risk management is carried out by a central treasury department (Company treasury) under policies of the Company. Company treasury identifies, evaluates and hedges financial risks in close co-operation with the Company's operating units.

C. Significant financial risks and degrees of financial risks

(a) Market risk

i. Foreign exchange risk

(i). The Company operates internationally and is exposed to exchange rate risk arising from the transactions of the Company used in various functional currency, primarily with respect to the USD. Foreign exchange rate risk arises from future commercial transactions and recognised assets and liabilities.

(ii). Management has set up a policy to require Company entities to manage their foreign exchange risk against their functional currency. The entities are required to hedge their entire foreign exchange risk exposure with the Company treasury.

(iii). The Company's businesses involve some non-functional currency operations (the Company's and certain subsidiaries' functional currency: NTD). The information on assets and liabilities denominated in foreign currencies whose values would be materially affected by the exchange rate fluctuations is as follows:

	December 31, 2023		
	Foreign currency amount (In thousands)	Exchange rate	Book value (NTD)
(Foreign currency: functional currency)			
Financial assets			
Monetary items			
USD:NTD	$ 39,608	30.71	$ 1,216,164
Investments accounted for using equity method			
USD:NTD	64,735	30.71	1,987,684
Financial liabilities			
Monetary items			
USD:NTD	$ 45,520	30.71	$ 1,397,692

	December 31, 2022		
	Foreign currency amount (In thousands)	Exchange rate	Book value (NTD)
(Foreign currency: functional currency)			
Financial assets			
Monetary items			
USD:NTD	$ 98,572	30.71	$ 3,027,146
Investments accounted for using equity method			
USD:NTD	52,898	30.71	1,624,496
Financial liabilities			
Monetary items			
USD:NTD	$ 111,419	30.71	$ 3,421,677

(iv). The total exchange gain and loss, including realised and unrealised, arising from significant foreign exchange variation on the monetary items held by the Company for the years ended December 31, 2023 and 2022, are provided in Note 6(20).

(v). Analysis of foreign currency market risk arising from significant foreign exchange variation:

	Year ended December 31, 2023		
	Sensitivity analysis		
	Degree of variation	Effect on profit or loss	Effect on comprehensive income
(Foreign currency: functional currency)			
Financial assets			
Monetary items			
USD:NTD	1%	$ 12,162	$ -
Financial liabilities			
Monetary items			
USD:NTD	1%	($ 13,977)	$ -

	Year ended December 31, 2022		
	Sensitivity analysis		
	Degree of variation	Effect on profit or loss	Effect on comprehensive income
(Foreign currency: functional currency)			
Financial assets			
Monetary items			
USD:NTD	1%	$ 30,271	$ -
Financial liabilities			
Monetary items			
USD:NTD	1%	($ 34,217)	$ -

ii. Price risk

(i) The Company's equity securities, which are exposed to price risk, are the held financial assets at fair value through other comprehensive income.

(ii)The Company's investments in equity securities comprise shares issued by the domestic companies. The prices of equity securities would change due to the change of the future value of investee companies. If the prices of these equity securities had increased/decreased by 1% with all other variables held constant, other components of equity for the years ended December 31, 2023 and 2022 would have increased/decreased by $216 and $36, respectively, as a result of other comprehensive income classified as equity investment at fair value through other comprehensive income.

iii. Cash flow and fair value interest rate risk

(i). The Company's interest rate risk arises from long-term and short-term borrowings. Borrowings issued at variable rates expose the Company to cash flow interest rate risk which is partially offset by cash and cash equivalents held at variable rates. At December 31, 2023 and 2022, the Company's borrowings which were calculated at floating rate were in NTD and USD.

(ii). If the borrowing interest rate had increased/decreased by 1% with all other variables held constant, profit after tax for the years ended December 31, 2023 and 2022 would have increased/decreased by $17,165 and $14,528, respectively. Changes in interest expense mainly results from floating-rate borrowings.

(b) Credit risk

i. Credit risk refers to the risk of financial loss to the Company arising from default by the clients or counterparties of financial instruments on the contract obligations. The main factor is that counterparties could not repay in full the accounts receivable based on the agreed terms.

ii. The Company manages their credit risk taking into consideration the entire Company's concern. According to the Company's credit policy, each local entity in the Company is responsible for managing and analysing the credit risk for each of their new clients before standard payment and delivery terms and conditions are offered. Internal risk control assesses the credit quality of the customers, taking into account their financial position, past experience and other factors. Individual risk limits are set based on internal or external ratings in accordance with limits. The utilisation of credit limits is regularly monitored.

iii. The Company adopts following assumptions under IFRS 9 to assess whether there has been a significant increase in credit risk on that instrument since initial recognition:

If the contract payments were past due over 30 days based on the terms, there has been a significant increase in credit risk on that instrument since initial recognition.

iv. Based on past collection experience, the default occurs when the contract payments are past due over 90 days.

v. The Company classifies customers' accounts receivable in accordance with customer types. The Company applies the modified approach using a provision matrix and the loss rate methodology to estimate the expected credit loss.

vi. The Company wrote-off the financial assets, which cannot be reasonably expected to be recovered, after initiating recourse procedures. However, the Company will continue executing the recourse procedures to secure their rights.

vii. The Company used the forecastability to adjust historical and timely information to assess the default possibility of accounts receivable. The provision matrix is as follows:

December 31, 2023	Not past due	Up to 30 days past due	31~90 days past due	90 days past due	Total
Expected loss rate	0.30%	0.30%	0.30%~9.17%	100.00%	
Total book value	$ 1,036,371	$ 44,664	$ 900	$ 1,782	$ 1,083,717
Loss allowance	($ 1,346)	($ 139)	($ 5)	($ 1,782)	($ 3,272)

December 31, 2022	Not past due	Up to 30 days past due	31~90 days past due	90 days past due	Total
Expected loss rate	0.30%	0.30%	20.21%~100%	100%	
Total book value	$ 2,123,967	$ 402,333	$ 20,598	$ 1,305	$ 2,548,203
Loss allowance	($ 3,837)	($ 1,226)	($ 4,226)	($ 1,305)	($ 10,594)

The above ageing analysis was based on past due date.

viii. Movements in relation to the Company applying the modified approach to provide loss allowance for accounts receivable are as follows:

	Year ended December 31	
	2023	2022
At January 1	$ 10,594	$ 2,755
Impairment (gain) loss	(7,322)	7,839
At December 31	$ 3,272	$ 10,594

(c) Liquidity risk

i. Cash flow forecasting is performed in the operating entities of the Company and aggregated by Company treasury. Company treasury monitors rolling forecasts of the Company's liquidity requirements to ensure it has sufficient cash to meet operational needs while maintaining sufficient headroom on its undrawn committed borrowing facilities at all times.

ii. The Company has the following undrawn borrowing facilities:

	December 31, 2023	December 31, 2022
Floating rate:		
Expiring within one year	$ 1,389,740	$ 1,091,096
Expiring beyond one year	440,000	-
	$ 1,829,740	$ 1,091,096

iii. The Company's derivative financial liabilities were analysed based on the fair value at balance sheet date. Additionally, except for the following, the Company's non-derivative financial assets are analyzed based on the remaining period at the balance sheet date to the contractual maturity date, they are due for repayment within one year, and amounts were in line with those amounts listed in the balance sheet. The amounts disclosed in the table are the contractual undiscounted cash flows:

	December 31, 2023		
Non-derivative financial liabilities	Less than 1 year	Over 1 year	Total
Lease liabilities (including current portion)	$ 10,486	$ 5,174	$ 15,660
Long-term borrowings (including current portion)	150,676	1,266,382	1,417,058

Non-derivative financial liabilities	December 31, 2022 Less than 1 year	Over 1 year	Total
Lease liabilities (including current portion)	$ 15,363	$ 9,759	$ 25,122
Long-term borrowings (including current portion)	83,611	719,548	803,159

(3) Fair value information

A. The different levels that the inputs to valuation techniques are used to measure fair value of financial and non-financial instruments have been defined as follows:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date. A market is regarded as active where a market in which transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

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

Level 3: Unobservable inputs for the asset or liability. The fair value of the Company's investment in unlisted stocks is included in Level 3.

B. Financial instruments not measured at fair value

The carrying amounts of the Company's financial instruments not measured at fair value, including cash and cash equivalents, accounts receivable (including related parties), other receivables, other current assets-guarantee deposits paid, other non-current assets-guarantee deposits paid, short-term borrowings, accounts payable (including related parties), other payables, lease liabilities (current and non-current), and long-term borrowings (including current portion), approximate to their fair values.

C. The related information of financial and non-financial instruments measured at fair value by level on the basis of the nature, characteristics and risks of the assets and liabilities at December 31, 2023 and 2022 are as follows:

(a) The related information of natures of the assets and liabilities is as follows:

December 31, 2023	Level 1	Level 2	Level 3	Total
Assets				
Recurring fair value measurements				
Financial assets at fair value through other comprehensive income				
- Equity securities	$ -	$ -	$ 21,639	$ 21,639

December 31, 2022	Level 1	Level 2	Level 3	Total
Assets				
Recurring fair value measurements				
Financial assets at fair value through other comprehensive income				
- Equity securities	$ -	$ -	$ 3,635	$ 3,635

(b) The methods and assumptions the Company used to measure fair value are as follows:

i. When assessing non-standard and low-complexity financial instruments, for example, debt instruments without active market, interest rate swap contracts, foreign exchange swap contracts and options, the Company adopts valuation technique that is widely used by market participants. The inputs used in these financial instruments valuation usually are observable information in the market.

ii. For high-complexity financial instruments, the fair value is measured by using self-developed valuation model based on the valuation method and technique widely used within the same industry. The valuation model is normally applied to derivative financial instruments, debt instruments with embedded derivatives or securitised instruments. Certain inputs used in the valuation model are not observable at market, and the Company must make reasonable estimates based on its assumptions.

iii. The output of valuation model is an estimated value and the valuation technique may not be able to capture all relevant factors of the Company's financial and non-financial instruments. As a result, the estimate generated by valuation model will be slightly adjusted based on additional inputs, such as model risk or liquidity risk. According to the Company's valuation model management policies and other related controlling procedures, management believes that the adjustment made is adequate and necessary and that the parent company only balance sheet presents fairly, in all material aspects, the fair value of financial instruments and non-financial instruments. The pricing information and input are prudently evaluated in the valuation process and shall be timely adjusted based on market condition.

D. For the years ended December 31, 2023 and 2022, there was no transfer between Level 1 and Level 2.

E. The following chart is the movement of Level 3 for the years ended December 31, 2023 and 2022:

	Year ended December 31,	
	2023	2022
	Non-derivative equity instrument	Non-derivative equity instrument
At January 1	$ 3,635	$ 9,925
Increased in the year	9,540	-
Recognised in other comprehensive loss	8,464	(6,290)
At December 31	$ 21,639	$ 3,635

F. Financial segment is in charge of valuation procedures for fair value measurements being categorised within Level 3, which is to verify independent fair value of financial instruments. Such assessment is to ensure the valuation results are reasonable by applying independent information to make results close to current market conditions, confirming the resource of information is independent, reliable and in line with other resources and represented as the exercisable price, and frequently updating inputs and making any other necessary adjustments to the fair value.

G. The following is the qualitative information of significant unobservable inputs and sensitivity analysis of changes in significant unobservable inputs to valuation model used in Level 3 fair value measurement:

December 31, 2023	Fair value	Valuation technique	Significant unobservable input	Range (weighted average)	Relationship of inputs to fair value
Unlisted public shares	$ 21,639	Market comparable companies	Discount for lack of marketability	30%	The higher the discount for lack of marketability, the lower the fair value
Unlisted public shares	-	Net asset value	Not applicable	-	Not applicable

December 31, 2023	Fair value	Valuation technique	Significant unobservable input	Range (weighted average)	Relationship of inputs to fair value
Unlisted public shares	$ 3,635	Market comparable companies	Discount for lack of marketability	30%	The higher the discount for lack of marketability, the lower the fair value
Unlisted public shares	-	Net asset value	Not applicable	-	Not applicable

H. The Company has carefully assessed the valuation models and assumptions used to measure fair value. However, use of different valuation models or assumptions may result in different measurement. If discount for lack of marketability of financial assets categorized within Level 3 had increased or decreased by 1%, other comprehensive income would not have been significantly impacted as of December 31, 2023 and 2022.

(4) <u>Other matter</u>

None.

13. Supplementary Disclosures

(1) Significant transactions information

A. Loans to others: Please refer to table 1.

B. Provision of endorsements and guarantees to others: Please refer to table 2.

C. Holding of marketable securities at the end of the period (not including subsidiaries, associates and joint ventures): Please refer to table 3.

D. Acquisition or sale of the same security with the accumulated cost exceeding $300 million or 20% of the Company's paid-in capital: Please refer to table 4.

E. Acquisition of real estate reaching $300 million or 20% of paid-in capital or more: None.

F. Disposal of real estate reaching $300 million or 20% of paid-in capital or more: None.

G. Purchases or sales of goods from or to related parties reaching $100 million or 20% of paid-in capital or more: Please refer to table 5.

H. Receivables from related parties reaching $100 million or 20% of paid-in capital or more: Please refer to table 6.

I. Trading in derivative instruments undertaken during the reporting periods: None.

J. Significant inter-company transactions during the reporting periods: Please refer to table 7.

(2) Information on investees

Names, locations and other information of investee companies (not including investees in Mainland China): Please refer to table 8.

(3) Information on investments in Mainland China

A. Basic information: Please refer to table 9.

B. Significant transactions, either directly or indirectly through a third area, with investee companies in the Mainland Area: Please refer to Note 13(1)J.

(4) Major shareholders information

Major shareholders information: Please refer to table 10.

14. Operating segment information

None.

GOOD WAY TECHNOLOGY CO., LTD.
STATEMENT OF ACCOUNTS RECEIVABLE
DECEMBER 31, 2023
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

STATEMENT 1

Client Name	Amount	Note
General client:		
B client	$ 387,723	
Other clients	93,092	Balance of each client has not exceeded 5% of total account balance
	480,815	
Less: Allowance for bad debts	(3,272)	
	$ 477,543	
Related party:		
Subsidiary company－GWC Technology Inc.	$ 322,439	
Second-tier subsidiary company －Good Way Electronics (Kunshan) Co., Ltd.	280,463	
	602,902	
Less: Allowance for bad debts	-	
	$ 602,902	

GOOD WAY TECHNOLOGY CO., LTD.
STATEMENT OF INVENTORIES
DECEMBER 31, 2023
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

STATEMENT 2

Item	Cost	Market Value	Note
Raw materials	$ 217,858	$ 216,810	Net realisable value is the estimated selling price, less the estimated cost of completion and the estimated costs necessary to make the sales.
Work in progress	4,850	4,850	
Finished goods	300,180	285,050	
Subsidiaries' inventories for sale	92,942	92,942	
	615,830	$ 599,652	
Less: Allowance for inventory valuation losses and loss for obsolete and slow-moving inventories	(143,629)		
	$ 472,201		

GOOD WAY TECHNOLOGY CO., LTD.
STATEMENT OF MOVEMENT IN INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD
FOR THE YEAR ENDED DECEMBER 31, 2023
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

STATEMENT 3

	Beginning Balance		Additons (Disposals)		Investment Income	Realised gain on inter-affiliate accounts	Unrealised gain on inter-affiliate accounts	Financial statements translation differences of foreign operations	Ending Balance			Market value or Net Assets Value		
Name of investee	Shares	Amount	Shares	Amount	Amount	accounts	accounts	foreign operations	Shares	Ownership	Amount	Unit Price	Total Amount	Collateral
Good Way Overseas Co., Ltd.	3,017,370	$ 1,457,700	-	$ -	($ 77,236)	$ -	$ -	($ 23,147)	3,017,370	100%	$ 1,357,317	0.45	$ 1,357,317	None
Gentle Enterprise Co., Ltd.	50,000	24	-	-	-	-	-	-	50,000	100%	24	-	24	〃
GWC Technology Inc.	65,377	166,772	-	-	13,177	(4,920)	10,556	(245)	65,377	100%	185,340	2.83	185,340	〃
GOOD WAY CAYMAN Co., Ltd.	-	-	10,000,000	468,024	13,059	-	-	(36,080)	10,000,000	100%	445,003	0.04	445,003	〃
		$ 1,624,496		$ 468,024	($ 51,000)	($ 4,920)	$ 10,556	($ 59,472)			$ 1,987,684		$ 1,987,684	

GOOD WAY TECHNOLOGY CO., LTD.
STATEMENT OF CHANGES IN PROPERTY, PLANT AND EQUIPMENT
FOR THE YEAR ENDED DECEMBER 31, 2023
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

STATEMENT 4

Item	Beginning Balance	Addition	Transfer	Disposal	Ending Balance
Cost					
Land	$ 324,831	$ -	$ -	$ -	$ 324,831
Buildings and structures	452,666	-	-	-	452,666
Machinery and equipment	200,609	5,840	800	(45)	207,204
Office equipment	40,164	5,121	286	(96)	45,475
Leasehold improvements	24,001	171	-	-	24,172
Subtotal	$ 1,042,271	$ 11,132	$ 1,086	($ 141)	$ 1,054,348
Accumulated Depreciation					
Buildings and structures	($ 31,655)	($ 14,723)	$ -	$ -	($ 46,378)
Machinery and equipment	(93,899)	(22,335)	-	45	(116,189)
Office equipment	(27,616)	(9,156)	-	80	(36,692)
Leasehold improvements	(16,802)	(3,831)	-	-	(20,633)
Subtotal	($ 169,972)	($ 50,045)	$ -	$ 125	($ 219,892)
Total	$ 872,299				$ 834,456

GOOD WAY TECHNOLOGY CO., LTD.
STATEMENT OF SHORT-TERM BORROWINGS
DECEMBER 31, 2023
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

STATEMANT 5

Nature	Description	Ending Balance	Contract Period	Range of Interest Rate	Credit Line	Collateral	Note
Unsecured borrowings	Bank SinoPac	$ 80,000	2023.12.12 ~ 2024.03.18	2.061%	Note 1	None	
〃	Hua Nan Bank	60,000	2023.12.04 ~ 2024.03.11	2.114%	Note 2	〃	
〃	E.SUN Commercial Bank	33,000	2023.11.06 ~ 2024.02.06	2.010%	Note 3	〃	
〃	Shin Kong Bank	50,000	2023.11.01 ~ 2024.02.01	2.050%	Note 4	〃	
〃	First Bank	18,423	2023.12.12 ~ 2024.03.31	6.800%	Note 5	〃	
〃	Mega Bank	67,551	2023.12.04 ~ 2024.01.31	6.280%	Note 6	〃	
〃	Shanghai Commercial & Savings Bank	113,609	2023.12.12 ~ 2024.02.29	6.530%	Note 7	〃	
		$ 422,583					

Note 1: The credit line of Bank SinoPac amounted to US$6,000 thousand.
Note 2: The credit line of Hua Nan Bank amounted to $150,000 thousand.
Note 3: The credit line of E.SUN Commercial Bank amounted to $100,000 thousand.
Note 4: The credit line of Shin Kong Bank amounted to $100,000 thousand.
Note 5: The credit line of First Bank amounted to US$3,500 thousand.
Note 6: The credit line of Mega Bank amounted to US$5,000 thousand.
Note 7: The credit line of Shanghai Commercial & Savings Bank amounted to $150,000 thousand.

GOOD WAY TECHNOLOGY CO., LTD.
STATEMENT OF ACCOUNTS PAYABLE
DECEMBER 31, 2023
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

STATEMENT 6

Supplier Name	Amount		Note
General suppliers:			
11000849	$	60,037	
11000082		25,041	
11000103		23,588	
11000041		20,857	
11000034		15,055	
Other suppliers		146,399	Balance of each supplier has not exceeded 5% of total account balance
	$	290,977	
Related party:			
Second-tier subsidiary company —Good Way Electronics (Kunshan) Co., Ltd.	$	750,834	
Second-tier subsidiary company —Good Trend Technology Co., Ltd.		50,583	
	$	801,417	

GOOD WAY TECHNOLOGY CO., LTD.
STATEMENT OF LONG-TERM BORROWINGS
DECEMBER 31, 2023
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

STATEMENT 7

Description	Nature	Ending Balance	Contract Period	Range of Interest Rate	Credit Line	Collateral	Note
Shanghai Commercial & Savings Bank	Long-term unsecured borrowings	$ 38,000	2020.07.28~2025.07.28	1.450%	$ 120,000	None	
Chang Hwa Commercial Bank	Long-term unsecured borrowings	34,617	2020.08.17~2025.08.15	1.350%	62,311	None	
Hua Nan Commercial Bank	Long-term unsecured borrowings	49,461	2020.10.06~2025.10.06	1.450%	331,000	None	
E.SUN Commercial Bank	Long-term unsecured borrowings	16,292	2020.11.16~2025.11.15	1.350%	22,000	None	Note
Hua Nan Commercial Bank	Long-term secured borrowings	495,562	2023.06.20~2028.06.20	2.319%	500,000	Yes	Please refer to Note 8
Hua Nan Commercial Bank	Long-term unsecured borrowings	660,000	2023.06.20~2028.06.20	2.478%	1,100,000	None	
		1,293,932					
	Less: Current portion	(120,511)					
		$ 1,173,421					

Note: Including short-term loans and other comprehensive financing facilities.

GOOD WAY TECHNOLOGY CO., LTD.
STATEMENT OF OPERATING REVENUE
FOR THE YEAR ENDED DECEMBER 31, 2023
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

STATEMENT 8

Item	Quantity (thousand)	Total
Multifunctional docking station (Docking)	916	$ 2,583,301
Transformer (Adapter)	187	147,037
Others	596	314,438
		3,044,776
Less: Sales returns and discounts		(164,393)
		$ 2,880,383

GOOD WAY TECHNOLOGY CO., LTD.
STATEMENT OF OPERATING COST
FOR THE YEAR ENDED DECEMBER 31, 2023
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

STATEMENT 9

Item	Amount
Opening balance of raw material	$ 550,204
Add: Purchases during the year	1,141,560
Less: Ending balance of raw material	(217,858)
Raw materials scrapped	(1,095)
Loss on physical raw material	(1,984)
Transferred to expenses	(1,481)
Consumption of materials	1,469,346
Direct labor	52,731
Manufacturing expense	187,146
Manufacturing cost	1,709,223
Add: Beginning work in progress	122,579
Purchases during the year	1,007
Gain on physical work in progress	10
Less: Ending work in progress	(4,850)
Work in progress scrapped	(6,612)
Transferred to expenses	(402)
Cost of finished goods	1,820,955
Add: Beginning finished goods	578,289
Purchased during the year	647,250
Gain on physical finished goods	18
Less: Ending finished goods	(300,180)
Transferred to expenses	(4,456)
Cost of goods manufactured and sold	2,741,876
Add: Beginning subsidiaries' inventories for sale	161,389
Less: Ending subsidiaries' inventories for sale	(92,942)
Subtotal	2,810,323
Loss on scrapping inventory and physical inventory	9,663
Loss on obsolete inventories for the year	60,699
Operating cost	$ 2,880,685

GOOD WAY TECHNOLOGY CO., LTD.
STATEMENT OF MANUFACTURING EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2023
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

STATEMENT 10

Item	Amount	Note
Wages and salaries	$ 51,749	
Processing fees	49,055	
Depreciation	42,900	
Other expenses	43,442	None of the balances of each item is greater than 5% of this account balance
	$ 187,146	

GOOD WAY TECHNOLOGY CO., LTD.
STATEMENT OF OPERATING EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2023
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

STATEMENT 11

Item	Selling expense	Administrative Expenses	Research and Development Expenses	Gain on reversal of expected credit impairment loss	Total	Note
Employee benefit expense	$ 46,841	$ 101,841	$ 109,402	$ -	$ 258,084	
Depreciation expense	3,194	10,015	9,182	-	22,391	
(Profit) Loss on expected credit impairment	-	-	-	(7,322)	(7,322)	
Others	29,755	26,321	22,270	-	78,346	None of the balances of each item is greater than 5% of this account balances
	$ 79,790	$ 138,177	$ 140,854	($ 7,322)	$ 351,499	

GOOD WAY TECHNOLOGY CO., LTD.
STATEMENT OF CURRENT PERIOD EMPLOYEE BENEFITS AND AMORTIZATION EXPENSES BY FUNCTION
FOR THE YEAR ENDED DECEMBER 31, 2023
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

STATEMENT 12

Function / Nature	2023			2022		
	Classified as Operating Costs	Classified as Operating Expenses	Total	Classified as Operating Costs	Classified as Operating Expenses	Total
Employee Benefit Expense						
Wages and salaries	$ 89,452	$ 218,589	$ 308,041	$ 92,877	$ 235,653	$ 328,530
Labour and health insurance fees	9,738	19,269	29,007	9,438	19,048	28,486
Pension costs	3,652	10,477	14,129	3,848	10,006	13,854
Directors' remuneration	-	1,078	1,078	-	6,760	6,760
Other personnel expenses	5,370	8,671	14,041	5,396	10,809	16,205
Depreciation Expense	42,900	22,391	65,291	38,729	21,722	60,451
Amortisation Expense	774	2,540	3,314	718	680	1,398

Note:

1. As at December 31, 2023 and 2022, the Company had 398 and 405 employees,including 8 and 7 non-employee directors.
2. Stock is listed for trading on the stock exchange or over-the-counter securities exchange shall additionally disclose the following information:

(1) Averaged employee benefit expenses in current year was NT$936 ((Total employee benefit expense of current year-Total directors’ compensation of current year)/ (Number of employees of current year-Number of non-employee directors of current year)).

Averaged employee benefit expenses in previous year was NT$ 973((Total employee benefit expense of prior year-Total directors’ compensation of prior year)/ (Number of employees of prior year-Number of non-employee directors of prior year)).

GOOD WAY TECHNOLOGY CO., LTD.
STATEMENT OF CURRENT PERIOD EMPLOYEE BENEFITS AND AMORTIZATION EXPENSES BY FUNCTION (Cont.)
FOR THE YEAR ENDED DECEMBER 31, 2023
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

STATEMENT 12

(2) Average employee salaries in current year was $790 (Total wages and salaries of current year/ (Number of employees of current year - Number of non-employee directors of current year).

Average employee salaries in previous year was $825 (Total wages and salaries of current year/ (Number of employees of prior year - Number of non-employee directors of prior year).

(3) Adjustment of average employee salaries was -4.2% ((Average wages and salaries of current year – Average wages and salaries of prior year)/ Average wages and salaries of prior year).

(4) The Company has no supervisors' remuneration for the years ended December 31, 2023 and 2022 (Since the Company sets up the audit committee, it has no supervisors' remuneration).

(5) The Company's remuneration policy is as follows:

A. The remuneration of the Company's directors is determined in accordance with the Company's Articles of Incorporation and with reference to the general standards in the industry.

B. The remuneration for general managers and equivalent ranks is based on their contributions, qualifications and operational performance, and is calculated in accordance with the Company's salary-related system.

C. Employees' compensation include fixed and variable salaries. The fixed salaries consist of monthly salaries. The variable salaries consist of performance bonuses and employees' compensation.

(a) Fixed salaries: Fixed salaries are based on the title, grade, education, professional ability and job responsibilities, and with reference to the standards of the industry.

(b) Variable salaries: Variable salaries are based on the Company's operations and performance achievement for the current year; employees compensation is paid in accordance with the Company's Articles of Incorporation.

6. Impact on the Company's Financial Condition in the Case of Financial Difficulties Among the Company in the Most Recent Year up to the Date of the Annual Report Publication: No such situation.

VII. Financial Status, Operating Results and Status of Risk Management

1. Financial Position

(1). Consolidated Statement of Financial Position Comparative Analysis

Unit: NT$ Thousand

Item \ Year	2023	2022	Difference		
			Amount	%	Remarks
Current asset	2,546,951	4,714,501	(2,167,550)	(46%)	1
Property, plant and equipment	1,415,518	1,529,798	(114,280)	(7%)	
Intangible assets	6,148	6,479	(331)	(5%)	
Other assets	248,132	171,968	76,164	44%	2
Total assets	4,216,749	6,422,746	(2,205,997)	(34%)	3
Current liabilities	1,472,546	3,709,185	(2,236,639)	(60%)	4
Non-current liabilities	1,185,284	691,672	493,612	(71%)	5
Total liabilities	2,657,830	4,400,857	(1,743,027)	(40%)	
Share capital	611,680	546,143	65,537	12%	
Additional paid-in capital	718,446	704,023	14,423	2%	
Retained earnings	371,257	902,299	(531,042)	(59%)	6
Other equity	(142,464)	(91,456)	(51,008)	(56%)	7
Treasury shares	—	(39,120)	—	—	8
Total shareholders’ equity	1,558,919	2,021,889	(462,970)	(23%)	9
Explanation of change in proportion: Analysis is provided for cases where the increase or decrease ratio is 20% or more, and the change amount reaches NT$10 million.					

(2). Analysis and Explanation of Significant Differences in Financial Condition

1. Decrease in current assets: Due to a decline in revenue this year, accounts receivable and inventory have decreased.
2. Other assets increased: This year’s deferred income tax assets and prepaid land payments in Vietnam increased.
3. Total assets decreased: Accounts receivable and inventory, among other current assets, decreased.
4. Current liabilities decreased: Short-term bank borrowings and accounts payable decreased.
5. Increase in non-current liabilities: Long-term bank borrowings increased.
6. Retained profit reduction: The increase was mainly due to the distribution of dividends and an increase in net loss after tax during the year.

7. Other equity decreases: The increase was due to foreign exchange losses from overseas operating entities.

8. Treasury stock increase: This year, 1,276 shares of treasury stock were transferred to employees.

9. Total equity decreased: The increase was due to dividend distribution and increase in net profit after tax this year.

(3). Future Response Plans: Continuous operational growth, improving financial structure, enhancing profitability.

2. Financial Performance

(1). Consolidated Operating Results

Unit: NT$ Thousand

Item \ Year	2023	2022	Amount of Increase (Decrease)	Percentage of Increase (Decrease)	Change Rate Analysis Description
Net operating revenue	3,030,713	6,800,040	(3,769,327)	(55%)	1
Operating expenses	2,960,120	5,983,255	(3,023,135)	(51%)	2
Operating Gross Profit	70,593	816,785	(746,192)	(91%)	3
Operating expenses	502,275	509,917	(7,642)	(2%)	
Net operating income	(431,682)	306,868	(738,550)	(241%)	4
Non-operating income (expenses)	21,561	(19,893)	41,454	(208%)	5
Income tax expenses	(37,237)	61,773	(99,010)	(160%)	6
Net profit for the period	(372,884)	225,202	(598,086)	(266%)	7
Other comprehensive profit and loss (net)	(50,785)	28,087	(78,872)	(281%)	8
Total comprehensive income for the period	(423,669)	253,289	(676,958)	(267%)	9
Explanation of change in proportion: Analysis is provided for cases where the increase or decrease ratio is 20% or more, and the change amount reaches NT$10 million.					

(2). Explanation of Significant Differences in Operating Results

1. Net operating revenue decreased: Due to the high level of inventory at the end-user market in Europe and America, the consumer market is leaning towards being more conservative.

2. Decrease in operating costs: The decline in net operating revenue led to a corresponding decrease in operating costs.

3. Decrease in gross profit: The main reason is due to the decline in profit margin and a significant drop in revenue.

4. Decrease in net operating profit: Gross profit declined, operating expenses remained unchanged, resulting in an operating net loss.

5. Increase in non-operating income (expenses): The increase was mainly due to higher exchange gains and other income.
6. Increase in income tax benefits: Due to taxable losses, the income tax benefit increased.
7. Increase in net loss for the period: A significant decline in gross profit and pre-tax net profit led to an increase in net loss for the period.
8. Net comprehensive income decreased: Exchange differences caused by the conversion of financial statements of foreign operating entities.
9. Total comprehensive income for the period decreased: The decrease in net loss for the period and the exchange differences on translation of financial statements of foreign operations were due to this.

(3). Projected Sales Volume for the Next Year and the Basis for it, as well as the Key Factors That May Influence the Company's Expected Sales Growth or Decline:

According to research firm TrendForce, as laptop inventories gradually clear and operating system generations change, driving demand for replacements, it is projected that laptop demand will gradually improve quarter by quarter in 2024. The global laptop market is expected to experience moderate growth, with an annual shipment growth rate of approximately 3.6%, reaching 172 million units.

2024 will be the year of AI PCs, and AI PCs will also drive demand for high-end business and content creator laptops. Good Way' industry-leading Thunderbolt 5 dock, in addition to targeting the gaming laptop and creator laptop application markets, can connect to NPUs and eGPUs via the high-speed PCIe extension interface, making it an AI Dock and the best peripheral for AI laptops.

The docking station has gradually evolved from the expansion function of the I/O interface to an indispensable peripheral product of a power distribution center. Moreover, the docking station has developed from a peripheral for laptops and tablets to a peripheral product for mobile phones. With the future trend of changing corporate office environments, whether it is a company, shared office, home office, or remote teaching, the demand for docking stations will be even stronger, implying that the docking station that our company focuses on developing will have greater development space, from commercial needs to educational institutions, government projects, to general consumer retail markets.

While constrained by price competition from peers and the different pace of development in the mainstream market, although the company expects its business scale to show a growing trend in the future, it is still bound to fluctuate due to the impact of the overall economic environment. The company will plan and prepare for relevant changes, continue to improve production efficiency and accelerate new product development, in order to maintain ample momentum in the current harsh industrial environment and create maximum profits.2024 will be the year of the AI PC, driving demand for high-end business laptops and content creator laptop replacements.

3. Cash Flows

(1). Liquidity Analysis for the Recent Two Years

Unit: NT$ Thousand

Item \ Year	2023	2022	Percentage increase (decrease)(%)
Cash flow ratio (%)	62.94	—	100%
Cash flow adequacy ratio (%)	54.22	10.63	410%
Cash reinvestment ratio (%)	16.22	—	100%

Differences explanation:

1. Cash flow ratio: Decrease in inventory and accounts receivable resulted in an increase in net cash inflow from operating activities; decrease in short-term borrowings and accounts payable led to a decline in current liabilities.
2. Cash flow adequacy ratio: Increase in net cash inflow from operating activities and decrease in inventory this year contributed to an increase in this ratio.
3. Cash reinvestment ratio: Increase in net cash inflow from operating activities and working capital simultaneously led to a rise in this ratio.

(2). Cash Flow Liquidity Analysis for the Coming Year

Unit: NT$ Thousand

Opening balance of cash (1)	Estimated net cash flow from operating activities throughout the year (2)	Net cash flows from investing and financing activities for the year (3)	Estimated remaining cash (deficit) amount (1)+(2)+(3)	Remedial measures for cash flow deficit	
				Investment plan	Financial planning Investment plan
991,188	(174,350)	(316,838)	500,000	N/A	N/A

Analysis of projected cash flow changes for the coming year:

(a) Operating activities are expected to result in net cash outflow, mainly due to net outflow of working capital such as inventory and accounts payable.

(b) Investing activities are expected to result in net cash outflow, primarily due to cash outflow for land and factory construction in Vietnam.

(c) Financing activities are expected to result in net cash outflow, primarily due to cash outflow for repayment of short-term borrowings using CB3.

4. The Impact of Major Capital Expenditures in Recent Years on Finances and Business

   No such situation.

5. Main Reasons for Profit and Loss from the Recent Annual Reinvestment Policy, Improvement Plans, and Investment Plans for the Coming Year

   The Company's reinvestment policy is primarily aimed at accommodating sales demand and reducing production costs. In 2023, the operations of overseas factories declined due to a decrease in customer orders. In the future, in addition to adding a new factory in Vietnam to expand other production lines, the company will also strengthen the management of overseas production bases to reduce overall costs. Furthermore, the Company will continue to devote its efforts to improving production processes in order to achieve the profitability goals for its reinvestment business.

6. Risk Analysis and Assessment for the Most Recent Year and as of the Date of Annual Report Publication

   (1). Impact of Interest Rate and Exchange Rate Fluctuation and Inflation on the Company's Profitability for the Most Recent Year as of the Publication Date of the Annual Report, and Future Countermeasures

   1. Impact of interest rate changes:

      The Company's recent annual interest expense as a percentage of revenue was 1.78%, indicating that the impact of interest rate changes on revenue is minimal.

   2. Impact of Exchange Rate Fluctuations:

      (1). The impact of exchange rate fluctuations on th Company

      The export ratio of our company's products is over 90%. In the recent year, the exchange gain or loss accounted for approximately 0.14% of the revenue, indicating that exchange rate fluctuations have little impact on our revenue.

      (2). The Company's specific measures in response to exchange rate fluctuations

      A. Offsetting foreign currency receivables and payables to create a natural hedging effect.

      B. Based on the actual fund requirements and the prevailing exchange rates, determine the timing for foreign currency exchange.

      C. Reference data from professional financial institutions is sent regularly to assist the Company's financial staff in making decisions for foreign exchange forward hedging.

   3. Impact of currency inflation:

      In recent years, major economies around the world have generally used monetary policies to drive economic development. However, due to various comprehensive factors, the effectiveness of monetary policies has varied across countries, thereby affecting market expectations and causing fluctuations in inflation rates. These fluctuations may bring about changes in the Company's operations, but the inflation rates in the main export countries of the company remain stable, and there should be no impact of inflation in the short term.

(2). The Policy on Engaging in High-Risk, High-Leverage Investments, Lending Funds to Others, Endorsements/Guarantees, and Derivative Transactions During the Most Recent Year and up to the Date of Printing of the Annual Report, the Main Reasons for Profits or Losses, and Future Response Measures

Our company does not engage in high-risk, high-leverage investments, lending funds to others, endorsement guarantees, or derivative product transactions externally. Therefore, there have been no occurrences of profit or loss arising from such activities. In the future, if any such events occur, they will be handled in accordance with relevant regulations and operating procedures.

As of March 31, 2024, the Company has provided the following endorsements and guarantees for internal operational needs:

None.

As of March 31, 2024, the Company's internal fund lending for operational needs is as follows:

The Company has provided a loan to its 100% owned subsidiary Good Way Cayman Co., Ltd, with an actual disbursement amount of NT$0 thousand.

The above is a fund lending between the Company and its 100% owned subsidiary, and there is no possibility of any related risks.

The Company 100% owns a subsidiary, GWC, which in turn 100% owns a subsidiary, Digi-Tech LLC. Our company has extended a loan to Digi-Tech LLC with an actual disbursement amount of NT$28,800,000.

The above is a fund lending between the Company and its 100% owned subsidiaries, and there is no possibility of any related risks.

1. The details of the Company's transactions and contracts for derivative financial liabilities not accounted for using hedge accounting are as follows:

   March 31, 2023: None.

(3). Future Research and Development Plans, and Estimated Expenditures

The range of products currently developed by our company can meet the needs of most major customers. This is mainly built on good communication with customers, assisting international customers in brand maintenance, as well as irregular technical exchanges, which can provide important reference for customers in product planning.

In future products, in addition to continuing to develop new generation Intel Thunderbolt series products, there will also be intelligent docking stations combined with cloud applications, with various management mechanisms to manage the usage scenarios of the docking stations. It can also be used for big data analysis and security control. The production of multi-display image streaming products is also a direction for future product development. It can significantly improve the display efficiency of traditional USB multi-display solutions, making the image look smoother, and with a more competitive price.

Therefore, in order to continuously enhance our R&D capabilities to align with the aforementioned development strategy and to meet the needs of new technologies, we will maintain at least the previous R&D budget for personnel adjustments, acquisition of development equipment, various training programs, and so on. Moreover, in response to changing market demands, we will carefully evaluate the situation and, if necessary, increase the necessary budget with a focus on R&D innovation.

(4). The recent domestic and foreign major policy and legal changes and their impact on the company's financial business as of the date of printing the annual report, and the corresponding measures: In the most recent year, the Company has not experienced any major policy or legal changes that have affected the Company's financial business.

(5). The impact of recent technological changes (including information security risks) and industry changes on the Company's finances and operations up to the printing date of the annual report, and the corresponding measures:

In terms of technological changes:	With the changing landscape of the entire market, different technological product usage habits and working styles have emerged. People are placing greater emphasis on integrating and extending various products that facilitate remote communication and convenient use. As a result, the integration and research and development of product technology have become a key focus for the Company's future development. Initially, the Company will primarily focus on expanding its base to develop integrated products across different domains, aligning with and responding to this market trend shift. In response to the cybersecurity demands in the post-pandemic era, in addition to developing products with more comprehensive functionality, we have incorporated microcontroller unit (MCU) design and integrated secure element functions for confidential information and keys, reducing the probability of successful hacker attacks.
In terms of cybersecurity risks:	We will use cloud services as needed. The new official website after the upgrade will be hosted in the cloud. Currently, Good Way's email sending and receiving, as well as the headquarters business staff, have adopted cloud O365. Email sending and receiving at Good Trend (Shanghai) also partially use cloud O365. As viruses may destroy important operational data, anti-virus software is installed on all office and production line computers, and according to TWSE/TPEX's cybersecurity guidelines, cybersecurity administrators

are designated and important cybersecurity messages are regularly released internally.

(6). Impact of Recent Corporate Image Changes on Corporate Crisis Management and Corresponding Measures as of the Printing Date of the Annual Report: None.

(7). The Expected Benefits, Potential Risks, and Corresponding Measures of Mergers and Acquisitions Conducted in the Most Recent Year and up Until the Printing Date of the Annual Report: Not applicable.

(8). The expected benefits, potential risks, and corresponding measures for the recent expansion of the plant until the date of publication of the annual report: Due to the US-China trade friction and to diversify the risks of production in mainland China and for future industrial development, the Company's Taipei Xizhi plant initiated an expansion plan in Q4 2021. The monthly production capacity will be increased from 90K PCS to 150K PCS, which is expected to increase the monthly revenue by NT$1.5 billion. This will provide a greater supply to the market and meet customer production demands, enhancing customer satisfaction, and also eliminating customers' concerns about the risk of a single production base.

1. Possible risks of expansion: The main challenge is the raging global pandemic, with new virus variants constantly emerging, leading to fluctuations in pandemic control measures and increasing uncertainty, which also simultaneously increases operational risks. The rise in raw material, transportation, and energy costs requires continuous attention to market changes, and effective adjustments and responses must be made.

2. Countermeasures: 1. Grasp the epidemic situation and implement prevention and control measures. Cooperate with government policies, manage personnel effectively, and comply with prevention regulations to ensure the safety of production factories. 2. Monitor fluctuations in raw material market prices, and the procurement department should conduct flexible procurement to control material inventory levels and meet customer delivery demands, minimizing risks. 3. For fluctuations in raw material prices and increased transportation costs beyond an acceptable range, the costs can be passed on to customers. 4. In addition to shipping goods from mainland Chinese factories to the global market via sea and air, an overland route to Central Europe will be opened in cooperation with customers to meet market demands in a timely manner, providing more options.

The Company is building a factory in Vietnam to address the risks of US-China trade friction, geopolitical production risks, and future industrial development. In Q3 2023, we will start the construction plan for the Vietnam factory, which is expected to have a monthly production capacity of 150K PCS by early 2025. This is expected to increase our monthly revenue by NT$4 billion. This will provide a larger supply to the market and meet customers' production needs, enhancing customer satisfaction. It will also increase our market competitiveness and address customers' concerns about production base risks.

1. Possible risks of expansion:

   Includes market saturation, intensified competition, financial pressure, and supply chain issues. Therefore, market analysis and risk assessment will be conducted.

2. Countermeasures:

(1). Market Research and Analysis: Conduct a comprehensive market research and competitive analysis.

(2). Supply Chain Advantage: Optimize supply chain management to ensure timely supply of raw materials and production resources, reducing risks during the production process.

(3). Technology Upgrades and Automation: Consider introducing new technologies and automation equipment to improve production efficiency and quality while reducing human errors.

(4). Workforce Support Management: Ensure sufficient human resources to support the expansion plan, including training existing employees and recruiting new talents.

(5). Marketing and Sales Strategies: Develop effective marketing and sales strategies to expand the market share of the products to support the sales demand after expansion.

(9). The Risks Faced in the Recent Year and up to the Date of Printing of the Annual Report due to the Concentration of Purchases or Sales, and the Corresponding Countermeasures:

With regard to product sales distribution: In 2023, approximately 70% of the sales revenue was concentrated in the top 10 customers, compared to 80% in 2022, indicating a decrease in concentration. The reason for this is that the supply of materials has eased. However, the concentration did not decrease significantly because the top customers had a relatively large number of open orders, resulting in a higher share of shipments. There has been no major structural change in Good Way’s relationships with all of its customers.

Regarding inventory centralization: Due to the resolved component supply shortage issue of 2023, there is no problem with excessive inventory or shipments. Therefore, inventory can be carried out according to order requirements and timelines.

(10). In the most recent year and up until the date of printing of the annual report, there were no significant transfers of shares or changes in directors, supervisors, or shareholders holding more than 10% of the shares that had a significant impact or risk on the company, and no corresponding measures were required.

(11). The Impact, Risks, and Countermeasures of Changes in Operating Rights on the Company in the Most Recent Year and up to the Date of Printing of the Annual Report: None.

(12). The Impact and Risks of Litigation or Non-litigation Matters on the Company in the Most Recent Year and up to the Date of Printing of the Annual Report

1. Major lawsuits, non-litigious or administrative disputes of the Group: None.
2. As of the date of publication of the annual report, there are no other major legal cases with Good Way Group as the principal party.
3. Directors, supervisors, Presidents, substantive responsible persons, major shareholders holding more than 10% of shares, and material litigation, non-litigious or administrative disputes involving subsidiaries: None.

(13). Other Important Risks and Countermeasures: None.

7. Other Significant Matters

None.

VIII. Special Disclosure

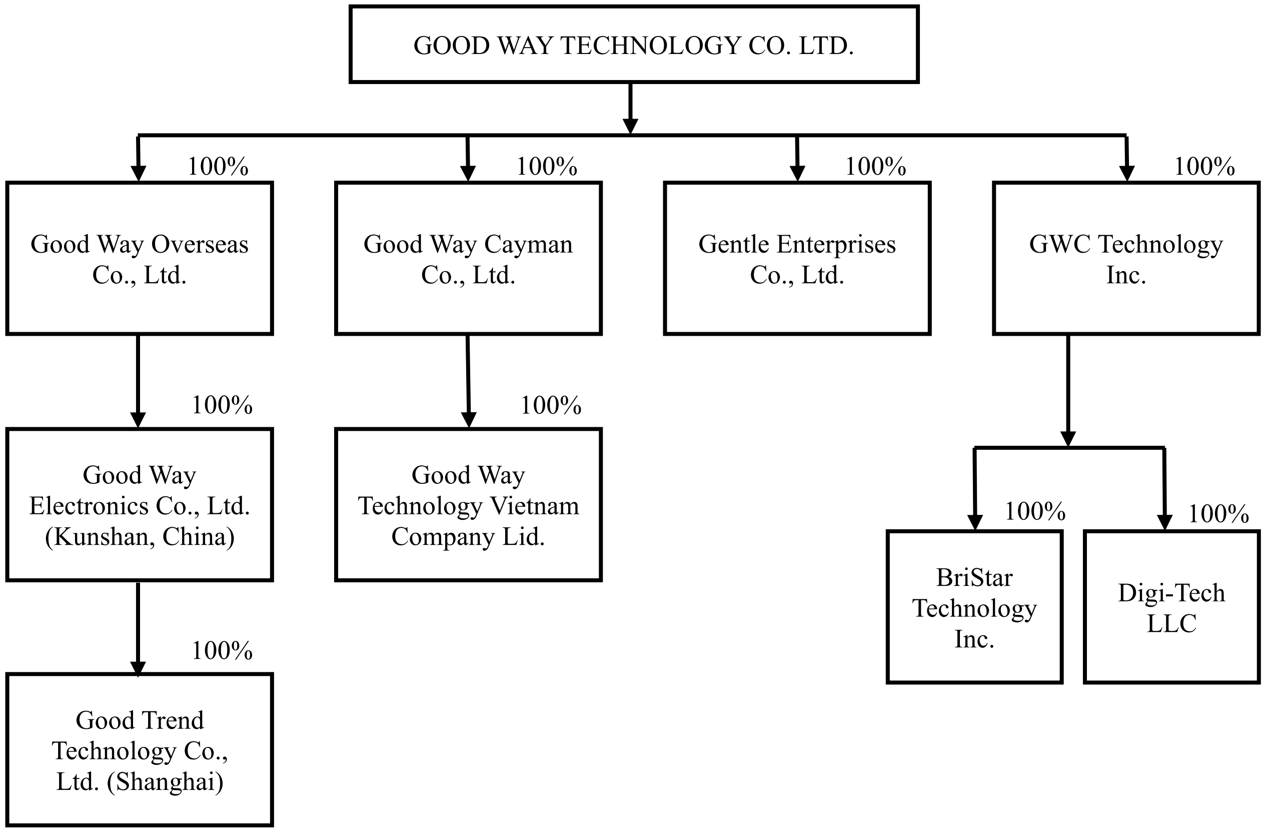
1. Information on Affiliated Enterprises

   (1). Business Report of Affiliated Enterprises

      1. Affiliate Business Overview

         (1). Organizational Chart of Affiliates

Group Investment Structure Diagram



2. Companies presumed to have a controlling and subordinate relationship under Article 369-3 of the Company Act: No such situation.

3. In accordance with Article 369-2, Paragraph 2 of the Company Act, subsidiaries directly or indirectly controlled by the Company in terms of personnel, finance, or business operations: No such situation.

4. Basic Information on Affiliates

Name of Affiliate	Date of Incorporation	Address	Paid-in Capital	Primary Business and Production Projects	Remarks
Good Way Overseas Co., Ltd.	2001.4.4	Suite 802, St James Court St Denis Street, Dort Louis, Mauritius	US$ 30,174 Thousand	Engaged in holding and reinvestment businesses.	
Gentle Enterprises Co., Ltd.	1998.7.16	Tropic Isle Building, P.O.Box 438, Raod Town, Tortola, British Virgin Island	US$ 50 Thousand	Engaging in trade forwarding business.	
GWC Technology Inc.	2003.10.31	154 N. Aspan Ave. Azusa, CA 91702 U.S.A	US$ 654 Thousand	Engaging in trading business.	
Good Way Cayman Co., Ltd.	2023.04.28	4th Floor, Harbour Place 103 South Church Street P.O. Box 10240 Grand Cayman KY1-1002 Cayman Islands	US$ 100,000 Thousand	Engaged in holding and reinvestment businesses.	
Digi-Tech LLC	2017.11.3	154 N. Aspan Ave. Azusa, CA 91702 U.S.A	Note 1	Engaging in real estate rental	
Bristar Technology Inc	2017.10.9	154 N. Aspan Ave. Azusa, CA 91702 U.S.A	US$ 120 Thousand	Engaging in trading business.	
Good Way Technology Vietnam Company Limited.	2023.11.01	Lot E2-1, Lien Ha Thai Industrial Park (Green iP-1), Thai Thuy district, Thai Binh province, Vietnam.	Note 2	Engaged in manufacturing and trading business.	
Good Way Electronics Co., Ltd. (Kunshan, China)	2001.6.18	No. 101, Hengchangjing Road, Jiangsu Province, China	US$ 30000 Thousand	Engaged in manufacturing and trading business.	
Good Trend Technology Co., Ltd. (Shanghai)	2008.6.10	Room 8C, Building E, No. 50, Lane 2080, Lianhua Road, Minhang District, Shanghai, China	RMB 3,500 Thousand	Engaging in trading business.	

Note 1: The invested company is a limited company without specifying the number of shares.

Note 2: The invested company is a limited company without specifying the number of shares.

Note 3: 2023.12.31 USD:NTD=1:30.705 ; RMB:NTD=1:4.34

5. Where there is a controlled and subordinate relationship, the information of the shareholders shall be provided: No such situation.

6. The Industries Covered by the Business Operations of the Overall Group Companies

The businesses operated by this company and its affiliated companies include: investment in various businesses, production and trade of electronic peripherals, etc.

Our company is mainly responsible for the group’s operations, research and development, finance, procurement and other operations; the third-country holding company (e.g. Good Way Overseas Co., Ltd.) is mainly established as a holding company for indirect investment in mainland China; the third-country holding company (e.g. Good Way Cayman Co., Ltd.) is mainly established as a holding company for indirect investment in Vietnam; GWC Technology Inc. is mainly responsible for expanding the local market sales in the United States; Digi-Tech LLC is mainly engaged in real estate leasing; Bristar Technology Inc is mainly responsible for assisting HUB customers in customs clearance, warehousing and other related matters in the United States; Dongguan Donggu Electronic Co., Ltd. is mainly responsible for manufacturing business; Good Way Technology Vietnam Company Limited. is mainly responsible for manufacturing business; Shanghai Lishuo Electronic Co., Ltd. is mainly responsible for domestic sales in China and the promotion of its own brand business.

7. Information on Directors, Supervisors, and President of Affiliates

Unit: Thousand Share(s)

Company Name	Title	Name or Representative	Shareholding	
			Shares	%
Good Way Overseas Co., Ltd.	Chairman	Tsao, Tse-Cheng, Representative of Good Way Technology Co., Ltd.	3,017	100%
Gentle Enterprises Co., Ltd.	Chairman	Tsao, Tse-Cheng, Representative of Good Way Technology Co., Ltd.	50	100%
GWC Technology Inc.	Chairman	Tsao, Tse-Cheng, Representative of Good Way Technology Co., Ltd.	65	100%
Good Way Cayman Co., Ltd.	Chairman	Tsao, Tse-Cheng, Representative of Good Way Technology Co., Ltd.	10.000	100%
Digi-Tech LLC	Chairman	Tsao, Tse-Cheng, Representative of GWC Technology Inc.	Note 1	100%
Bristar Technology Inc	Chairman	Tsao, Tse-Cheng, Representative of GWC Technology Inc.	120	100%
Good Way Technology Vietnam Company Limited.	Chairman	Tsao, Tse-Cheng, Representative of Good Way Cayman Co., Ltd	Note 1	100%
Good Way Electronics Co., Ltd. (Kunshan, China)	Chairman	Tsao, Tse-Cheng, Representative of Good Way Overseas Co., Ltd.	Note 1	100%
Good Trend Technology Co., Ltd. (Shanghai)	Chairman	Tsao, Tse-Cheng, Representative of Good Way Electronics Co., Ltd. (Kunshan, China)	Note 1	100%

Note 1: The invested company is a limited company without specifying the number of shares.

(2). Affiliate Business Operations Overview

Financial condition and operating results of affiliated companies:

Unit: NT$ Thousand

Name of Affiliate (Note 1)	Capital	Total Assets	Total liabilities	Net value	Operating Revenue	Operating Income	Net Income for the period (After Tax)	Dividend per share (After / Tax)
Good Way Overseas Co., Ltd.	US$30,174 Thousand	1,357,317	0	1,357,317	0	0	-86,109	-28.54
Gentle Enterprises Co.,Ltd.	US$50 Thousand	24	0	24	0	0	0	0
GWC Technology Inc.	US$654 Thousand	589,606	397,549	192,057	1,366,702	13,134	14,974	229.04
Good Way Cayman Co., Ltd.(Note 2)	US$10,000 Thousand	445,004	0	445,004	0	(4)	13,059	0.87
Digi-Tech LLC	US$1,065 Thousand	61,430	30,866	30,564	4,486	1,471	-434	Note 3
Bristar Technology Inc	US$120 Thousand	4,482	25	4,457	0	-35	-59	-0.49
Good Way Electronics Co., Ltd. (Kunshan, China)	US$30,000 Thousand	2,010,505	646,027	1,364,478	1,346,486	-30,276	-86,124	Note 3
Good Trend Technology Co., Ltd. (Shanghai)	RMB 3,500 Thousand	90,154	49,212	40,942	142,126	-6,828)	-5,762	Note 3
Good Way Technology Vietnam Company Limited	US$15,000 Thousand	441,574	0	441,574	0	0	8,645	Note 3

Note 1: The affiliated company is a foreign company. Except for the capital amount, which is converted at historical exchange rates, the balance sheet items are converted at the exchange rate on the reporting date, and the income statement items are converted to New Taiwan dollars based on the average exchange rate for the year. The exchange rates are as follows:

	US: NT	RMB: NT	VND: NT
December 31, 2023	30.705	4.3352	0.0012
2023 Average	31.1548	4.4240	0.0013

Note 2: The Company to be invested in has completed the change of capital amount from USD 10,000 thousand to USD 15,000 thousand as of February 2024.

Note 3: The invested company is a limited company without specifying the number of shares.

(3). Consolidated Financial Statements of Affiliates: Please refer to pages 125-198.

(4). Report on Relationship: N/A

2. Circumstances of Private Equity Securities Offerings in the Most Recent Year and up to the Date of Publication of the Annual Report

None.

3. Holding or Disposal of the Company's Shares by Subsidiaries in the Most Recent Year and as of the Date of Annual Report publication

None.

4. Other Necessary Supplementary Information

Commitments for Listing:

Commitments for Listing	Implementation of Commitments
1. Commit to adding the following to the "Procedures for Acquisition or Disposal of Assets": "The Company shall not waive its right to participate in future capital increases of Good Way Overseas Co., Ltd. (hereinafter referred to as Good Way Overseas), Gentle Enterprises Co., Ltd. (hereinafter referred to as Gentle Enterprises), and GWC Technology Inc. (hereinafter referred to as GWC). Good Way Overseas shall not waive its right to participate in future capital increases of Good Way Electronics Co., Ltd. (Kunshan, China) (hereinafter referred to as Good Way Kunshan). Good Way Kunshan shall not waive its right to participate in future capital increases of Good Trend Technology Co., Ltd. (Shanghai). In the future, if the Company needs to waive its right to participate in capital increases or dispose of the aforementioned companies due to strategic alliance considerations or other reasons approved by the Taipei Exchange (TPEx), it shall require a special resolution by the Company's Board of Directors." If the procedures are subsequently amended, the material information shall be disclosed on the Public Information Observatory and reported to the Taipei Exchange (TPEx) for reference.	The Company has issued a written undertaking to agree to handle the following items, and on August 12, 2014, the Board of Directors passed the "Procedures for Acquisition or Disposal of Assets" with the addition of the following provisions, which were approved by the Shareholders' Meeting on June 9, 2015. This matter has been reported to the Taiwan Stock Exchange Corporation, a juristic body organized under the provisions of the Securities Exchange Act, in an official letter No. 10406004 dated June 26, 2015. This matter was approved by the Board of Directors on March 21, 2019, to amend the wording of the provisions in the "Procedures for Acquisition or Disposal of Assets," and the amendment was approved by the Shareholders' Meeting on June 14, 2019. This matter was approved by the Board of Directors on March 16, 2022, to amend the wording of the provisions in the "Procedures for Acquisition or Disposal of Assets" due to the dissolution and liquidation of Dongguan Yuanshu Electronics Co., Ltd. and Top Famous Enterprises Ltd., and the amendment was approved by the Shareholders' Meeting on June 8, 2022.
2. The Company promises that if there are any revisions to the "Related Party Transaction Management Procedure" established between the company and related parties in the future, they should be submitted to the company's board of directors for a special resolution, and all independent directors should attend and express their opinions.	The Company has already issued a letter of commitment, and we will carry out the following committed matters accordingly.
3. Promise to perform regular audits on the internal control systems related to the selection and evaluation of qualified suppliers for subsidiaries on an annual basis.	The Company has already issued a letter of commitment, and we will carry out the following committed matters accordingly.

5. Disclosure of Events Which May Hold Significant Influence on Shareholders' Equity or Share Price, in Compliance with Article 36, Paragraph 2, Subparagraph 2 of the Securities and Exchange Act of the R.O.C in the Most Recent Year and as of the Date of Annual Report publication

None.

Good Way Technology Co. Ltd.

Chairman: Tsao, Tse-Cheng