Stock Code:8044

PCHOME ONLINE INC. AND SUBSIDIARIES

CONSOLIDATED FINANCIAL STATEMENTS

With Independent Auditors' Report
For the Years Ended December 31, 2023 and 2022

Address: **12Fl, No. 105, Sec. 2, Tun Hwa S. Rd., Taipei 106, Taiwan**
Telephone: **886-2-2700-0898**

The independent auditors' report and the accompanying consolidated financial statements are the English translation of the Chinese version prepared and used in the Republic of China. If there is any conflict between, or any difference in the interpretation of the English and Chinese language independent auditors' report and consolidated financial statements, the Chinese version shall prevail.

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Representation Letter

The entities that are required to be included in the combined financial statements of PChome Online Inc. as of and for the year ended December 31, 2023 under the Criteria Governing the Preparation of Affiliation Reports, Consolidated Business Reports, and Consolidated Financial Statements of Affiliated Enterprises are the same as those included in the consolidated financial statements prepared in conformity with International Financial Reporting Standards No. 10 by the Financial Supervisory Commission, "Consolidated and Separate Financial Statements." In addition, the information required to be disclosed in the combined financial statements is included in the consolidated financial statements. Consequently, PChome Online Inc. and its Subsidiaries do not prepare a separate set of combined financial statements.

Company Name: PChome Online Inc.
Chairman: Hung-Tze Jan
Date: February 22, 2024

安侯建業聯合會計師事務所
KPMG
台北市110615信義路5段7號68樓(台北101大樓)
68F., TAIPEI 101 TOWER, No. 7, Sec. 5,
Xinyi Road, Taipei City 110615, Taiwan (R.O.C.)
電 話 Tel + 886 2 8101 6666
傳 真 Fax + 886 2 8101 6667
網 址 Web kpmg.com/tw

Independent Auditors' Report

To the Board of Directors of PChome Online Inc.:

Opinion

We have audited the consolidated financial statements of PChome Online Inc. and subsidiaries ("the Group"), which comprise the consolidated balance sheet as of December 31, 2023 and 2022, the consolidated statement of comprehensive income, changes in equity and 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 of December 31, 2023 and 2022, and its consolidated financial performance and its consolidated cash flows for the year ended December 31, 2023 and 2022 in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and with the International Financial Reporting Standards ("IFRSs"), International Accounting Standards ("IASs"), interpretation as well as related guidance endorsed by the Financial Supervisory Commission of the Republic of China.

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 of our opinion.

Key Audit Matters

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

1. Goodwill impairment assessment arising from investments in subsidiaries

   Please refer to Note (4)(m) " impairment of non-financial assets" for the accounting policy, Note (5) for the " Significant accounting estimates involved in the assessment of goodwill impairment and Note (6)(l) for the information involving assessment of impairment of goodwill.

Description of key audit matter:

The amount of goodwill arising from the acquisition of the Company's subsidiaries is material, and when the assessment of impairment of goodwill measures its recoverable amount based on its value in use, the assumptions used in the assessment rely on subjective judgments of the management, which are complex and highly uncertain, and thus constitute a critical accounting estimate. Therefore, we determine the assessment of goodwill impairment as one of most significance.

How the matter was addressed in our audit:

Understand the process of accessing goodwill impairment by management, the reasonableness of the impairment model, and the cash generating units identified by management.

Compare management's past estimates with actual results to assess the reasonableness of management's estimates.

The following procedures are required to access the reasonableness of the significant assumptions used in the impairment model, including the expected growth rate and discount rate: (1) verifying the parameters and calculation formulas of the evaluation model, (2) comparing the expected growth rate with historical results, economic and industrial forecasts, and (3) internal experts are assigned to assist in assessing the reasonableness of the valuation model and the corresponding discount rate used by the management in estimating the value in use, and to reperform and verify the calculations.

Other Matter

PChome Online Inc. has additionally prepared its parent company only financial statements as of and for the years ended December 31, 2023 and 2022, on which we have issued an unqualified opinion.

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 Regulations Governing the Preparation of Financial Reports by Securities Issuers and IFRSs, IASs, interpretation as well as related guidance endorsed by the Financial Supervisory Commission of the Republic of China, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

Those charged with governance (including the Audit Committee) are responsible for overseeing the Group's financial reporting process.

KPMG

Auditor's 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 auditor's 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 auditor's 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 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.

The engagement partners on the audit resulting in this independent auditors' report are Chen, Yi-Chun and Lien, Shu-Ling.

KPMG

Taipei, Taiwan (Republic of China)
February 22, 2024

Notes to Readers

The accompanying consolidated financial statements are intended only to present the consolidated financial statements of financial position, financial performance and cash flows in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and with the International Financial Reporting Standards ("IFRSs"), International Accounting Standards ("IASs"), interpretation as well as related guidance endorsed by the Financial Supervisory Commission of the Republic of China. The standards, procedures and practices to audit such consolidated financial statements are those generally accepted and applied in the Republic of China.

The independent auditor's report and the accompanying consolidated financial statements are the English translation of the Chinese version prepared and used in the Republic of China. If there is any conflict between, or any difference in the interpretation of the English and Chinese language independent auditor's report and consolidated financial statements, the Chinese version shall prevail.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese.)

PCHOME ONLINE INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

December 31, 2023 and 2022

(Expressed in Thousands of New Taiwan Dollars)

	ASSETS	2023.12.31 Amount	%	2022.12.31 Amount	%
	Current Assets:				
1100	Cash and cash equivalents (Note (6)(a))	$ 4,263,320	16	6,849,807	26
1110	Current financial assets at fair value through profit or loss (Note (6)(b))	-	-	8,640	-
1170	Accounts and notes receivable, net (Notes (6)(d) and (7))	3,378,874	12	3,323,951	13
1200	Other receivables, net (Notes (6)(d) and (7))	1,574,788	6	1,282,431	5
1300	Inventories (Note (6)(e))	1,753,164	6	1,983,183	7
1476	Other current financial assets (Notes (6)(m) and (8))	1,258,199	5	1,156,475	4
1479	Other current assets, others	369,557	1	501,936	2
		12,597,902	46	15,106,423	57
	Non-Current Assets:				
1510	Non-current financial assets at fair value through profit or loss (Note (6)(b))	429,999	1	412,790	1
1517	Non-current financial assets at fair value through other comprehensive income (Note (6)(c))	859,583	3	791,590	3
1550	Investments accounted for using equity method (Note (6)(f))	274,872	1	271,852	1
1600	Property, plant and equipment (Note (6)(j))	1,591,822	6	1,132,645	4
1755	Right-of-use assets (Note (6)(k))	4,518,139	16	2,016,683	8
1780	Intangible assets (Note (6)(l))	5,702,263	21	5,807,608	22
1840	Deferred tax assets (Note (6)(t))	218,846	1	148,942	1
1930	Long-term notes and accounts receivable (Note (6)(d))	687,517	3	620,158	2
1980	Other non-current financial assets (Notes (6)(m) and (8))	509,679	2	217,762	1
1990	Other non-current assets, others	64,918	-	65,597	-
		14,857,638	54	11,485,627	43
	Total assets	**$ 27,455,540**	**100**	**26,592,050**	**100**

	LIABILITIES AND STOCKHOLDERS' EQUITY	2023.12.31 Amount	%	2022.12.31 Amount	%
	Current Liabilities:				
2100	Short-term borrowings (Notes (6)(n) and (7))	$ 2,955,017	11	3,362,455	12
2130	Current contract liabilities(Note (6)(x))	519,984	2	629,463	2
2170	Accounts and notes payable	3,171,460	11	3,925,764	15
2200	Other payables (Notes (6)(g) and (7))	1,313,941	4	1,798,731	7
2230	Current tax liabilities	170,017	1	196,335	1
2280	Current lease liabilities (Note (6)(r))	550,664	2	557,850	2
2300	Other current liabilities (Note (6)(o))	2,230,751	8	2,278,226	9
2320	Long-term liabilities, current portion(Notes (6)(p), (q) and (7))	428,944	2	1,428,489	5
		11,340,778	41	14,177,313	53
	Non-Current liabilities:				
2540	Long-term borrowings (Notes (6)(p) and (7))	3,315,803	13	2,189,558	8
2570	Deferred tax liabilities (Note (6)(t))	10,954	-	6,829	-
2580	Non-current lease liabilities (Note (6)(r))	4,128,727	15	1,527,013	6
2612	Long-term accounts payable (Note (6)(g))	84,735	-	234,612	1
2670	Other non-current liabilities, others	21,084	-	16,563	-
		7,561,303	28	3,974,575	15
	Total liabilities	18,902,081	69	18,151,888	68
	Equity attributable to owners of parent (Note (6)(u)):				
	Share capital:				
3110	Ordinary share	1,439,529	5	1,281,629	5
3200	Capital surplus	5,560,918	20	5,011,096	19
3300	Retained earnings	(503,683)	(2)	148,993	1
3400	Other equity interest	211,032	1	146,752	-
3500	Treasury shares	(210,502)	(1)	(210,502)	(1)
	Total equity attributable to owners of parent:	6,497,294	23	6,377,968	24
36XX	**Non-controlling interests (Notes (6)(i) and (u))**	2,056,165	8	2,062,194	8
	Total equity	8,553,459	31	8,440,162	32
	Total liabilities and equity	**$ 27,455,540**	**100**	**26,592,050**	**100**

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

(English Translation of Consolidated Financial Statements Originally Issued in Chinese.)

PCHOME ONLINE INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the years ended December 31, 2023 and 2022

(Expressed in Thousands of New Taiwan Dollars)

		2023		2022	
		Amount	%	Amount	%
4111	**Sales revenue**	$ 41,599,311	101	46,700,842	101
4170	Less: Sales returns	527,725	1	600,399	1
	Operating revenue, net (Notes (6)(x) and (7))	41,071,586	100	46,100,443	100
5000	**Operating costs (Notes (6)(e) and (7))**	36,308,911	88	40,660,354	88
	Gross profit from operations	4,762,675	12	5,440,089	12
	Operating expenses:				
6100	Selling expenses	3,763,952	9	3,859,652	8
6200	Administrative expenses	716,345	2	743,220	2
6300	Research and development expenses	566,811	2	638,980	1
6450	Expected credit loss (Note (6)(d))	443,555	1	258,643	1
	Total operating expenses	5,490,663	14	5,500,495	12
	Net operating loss	(727,988)	(2)	(60,406)	-
	Non-operating income and expenses (Note (6)(z)):				
7100	Interest income	53,744	-	22,102	-
7010	Other income	359,353	1	209,376	-
7020	Other gains and losses, net	(10,269)	-	166,363	-
7050	Finance costs	(151,489)	-	(85,650)	-
7060	Share of loss of associates and joint ventures accounted for using equity method, net	12,376	-	5,193	-
	Total non-operating income and expenses	263,715	1	317,384	-
	(Loss) Profit from continuing operations before tax	(464,273)	(1)	256,978	-
7950	**Less: Tax expense (Note (6)(t))**	63,590	-	213,386	-
	(Loss) Profit	(527,863)	(1)	43,592	-
	Other comprehensive income (loss):				
8310	**Items that may not be reclassified subsequently to profit or loss**				
8311	Gains (losses) on remeasurements of defined benefit plans	(694)	-	27,301	-
8316	Unrealized gains (losses) from investments in equity instruments measured at fair value through other comprehensive income (Note (6)(aa))	96,909	-	(13,844)	-
8349	Income tax related to components of other comprehensive income that will not be reclassified to profit or loss (Note (6)(t))	88	-	(5,207)	-
	Items that may not be reclassified subsequently to profit or loss	96,303	-	8,250	-
8360	**Items that may be reclassified subsequently to profit or loss**				
8361	Exchange differences on translation of foreign statements	(17,689)	-	4,295	-
8399	Income tax related to components of other comprehensive income that will be reclassified to profit or loss	-	-	-	-
	Items that may be reclassified subsequently to profit or loss	(17,689)	-	4,295	-
	Other comprehensive income (loss), net of tax	78,614	-	12,545	-
8500	**Total comprehensive income (loss)**	**$ (449,249)**	**(1)**	**56,137**	
	(Loss) Profit attributable to:				
8610	Loss attributable to owners of parent	$ (659,899)	(2)	(52,794)	-
8620	Profit, attributable to non-controlling interests	132,036	1	96,386	-
		$ (527,863)	**(1)**	**43,592**	**-**
	Comprehensive income attributable to:				
8710	Comprehensive loss, attributable to owners of parent	$ (588,437)	(2)	(74,389)	-
8720	Comprehensive income, attributable to non-controlling interests	139,188	1	130,526	-
		$ (449,249)	**(1)**	**56,137**	**-**
	Earnings per share (Note (6)(w))				
9750	**Basic earnings per share (NT dollars)**	**$ (5.01)**		**(0.42)**	

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

(English Translation of Consolidated Financial Statements Originally Issued in Chinese.)

PCHOME ONLINE INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the years ended December 31, 2023 and 2022

(Expressed in Thousands of New Taiwan Dollars)

	Equity Attributable to Owners of Parent												
	Share capital			Retained Earnings			Other Equity Interest						
	Ordinary Capital	Advance receipts for share capital	Capital Surplus	Legal Reserve	Special Reserve	Unappropriated Retained Earnings	Exchange Differences on Translation of Foreign Statements	Unrealized gains (losses) from financial assets measured at fair value through other comprehensive income	Unearned Employee Compensation	Treasury shares	Total Equity Attributable to Owners of Parent	Non-Controlling Interests	Total Equity
Balance at January 1, 2022	$ 1,274,159	10,980	4,692,857	44,623	40,168	158,719	(12,414)	202,896	(7,896)	(77,362)	6,326,730	1,327,580	7,654,310
(Loss) Profit for the year ended December 31, 2022	-	-	-	-	-	(52,794)	-	-	-	-	(52,794)	96,386	43,592
Other comprehensive (loss) income for the year ended December 31, 2022	-	-	-	-	-	22,094	3,162	(46,851)	-	-	(21,595)	34,140	12,545
Total comprehensive (loss) income for the year ended December 31, 2022	-	-	-	-	-	(30,700)	3,162	(46,851)	-	-	(74,389)	130,526	56,137
Appropriation and distribution of retained earnings:													
Legal reserve appropriated	-	-	-	9,490	-	(9,490)	-	-	-	-	-	-	-
Cash dividends of ordinary share	-	-	-	-	-	(63,817)	-	-	-	-	(63,817)	-	(63,817)
Reversal of special reserve	-	-	-	-	(40,168)	40,168	-	-	-	-	-	-	-
Conversion of convertible bonds	10,980	(10,980)	-	-	-	-	-	-	-	-	-	-	-
Purchase of treasury share	-	-	-	-	-	-	-	-	-	(133,140)	(133,140)	-	(133,140)
Changes in ownership interests in subsidiaries	-	-	318,029	-	-	-	-	-	-	-	318,029	556,285	874,314
Share-based payment transactions	(3,510)	-	210	-	-	-	-	-	7,855	-	4,555	-	4,555
Changes in non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	47,803	47,803
Balance at December 31, 2022	**$ 1,281,629**	**-**	**5,011,096**	**54,113**	**-**	**94,880**	**(9,252)**	**156,045**	**(41)**	**(210,502)**	**6,377,968**	**2,062,194**	**8,440,162**
(Loss) Profit for the year ended December 31, 2023	-	-	-	-	-	(659,899)	-	-	-	-	(659,899)	132,036	(527,863)
Other comprehensive (loss) income for the year ended December 31, 2023	-	-	-	-	-	(605)	(17,542)	89,609	-	-	71,462	7,152	78,614
Total comprehensive (loss) income for the year ended December 31, 2023	-	-	-	-	-	(660,504)	(17,542)	89,609	-	-	(588,437)	139,188	(449,249)
Appropriation and distribution of retained earnings:													
Capital increase by cash	160,000	-	485,850	-	-	-	-	-	-	-	645,850	-	645,850
Changes in ownership interests in subsidiaries	-	-	65,128	-	-	-	-	-	-	-	65,128	(56,778)	8,350
Share-based payment transactions	(2,100)	-	(1,156)	-	-	-	-	-	41	-	(3,215)	15,910	12,695
Changes in non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	(104,349)	(104,349)
Disposal of investments in equity instruments designated at fair value through other comprehensive income	-	-	-	-	-	7,828	-	(7,828)	-	-	-	-	-
Balance at December 31, 2023	**$ 1,439,529**	**-**	**5,560,918**	**54,113**	**-**	**(557,796)**	**(26,794)**	**237,826**	**-**	**(210,502)**	**6,497,294**	**2,056,165**	**8,553,459**

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

(English Translation of Consolidated Financial Statements Originally Issued in Chinese.)

PCHOME ONLINE INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF CASH FLOWS

For the years ended December 31, 2023 and 2022

(Expressed in Thousands of New Taiwan Dollars)

	2023	2022
Cash flows from (used in) operating activities:		
(Loss) profit before tax	$ (464,273)	256,978
Adjustments:		
Adjustments to reconcile profit:		
Depreciation expenses	891,292	753,123
Amortization expenses	127,521	105,453
Expected credit losses	443,555	258,643
Net Loss (gain) on financial assets at fair value through profit or loss	3,265	(139,438)
Interest expenses	151,489	85,650
Interest income	(53,744)	(22,102)
Dividend income	(2,581)	(14,522)
Share-based payment transactions	19,732	4,555
Shares of profit of associates and joint ventures accounted for using equity method	(12,376)	(5,193)
Gain on disposal of property, plant and equipment and intangible assets	(7,364)	(2,061)
Loss(Gain) on disposal of investments accounted for using equity method	1,262	(3,414)
Gain on lease modification	(28,896)	(153)
Total adjustments to reconcile profit	1,533,155	1,020,541
Changes in operating assets and liabilities:		
Changes in operating assets:		
Accounts and notes receivable	(606,780)	(909,958)
Other receivables	(293,127)	65,159
Inventories	230,019	(218,115)
Other current assets	113,823	(111,760)
Other financial assets	(477,930)	(237,034)
Total changes in operating assets	(1,033,995)	(1,411,708)
Changes in operating liabilities:		
Contract liabilities	(35,883)	80,263
Accounts and notes payable	(739,533)	1,687
Other payables	78,723	(92,918)
Other current liabilities	(46,654)	(116,412)
Other non-current liabilities	5,002	7,923
Total changes in operating liabilities	(738,345)	(119,457)
Total changes in operating assets and liabilities	(1,772,340)	(1,531,165)
Total adjustments	(239,185)	(510,624)
Cash flow used in operations	(703,458)	(253,646)
Interest received	52,934	17,588
Dividends received	9,904	14,522
Interest paid	(147,546)	(70,460)
Income taxes paid	(155,600)	(464,501)
Net cash flows used in operating activities	(943,766)	(756,497)
Cash flows from investing activities:		
Acquisition of financial assets at fair value through other comprehensive income	-	(37,552)
Proceeds from disposal of financial assets at fair value through other comprehensive income	28,916	-
Acquisition of financial assets designated at fair value through profit or loss	(11,835)	(55,731)
Proceeds from disposal of financial assets designated at fair value through profit or loss	-	17,965
Acquisition of investments accounted for using equity method	-	(80,000)
Net cash flow from acquisition of subsidiaries	-	(1,310,327)
Proceeds from disposal of subsidiaries	(48,069)	-
Proceeds from capital reduction of investments accounted for using equity method	275	-
Acquisition of property, plant and equipment	(840,416)	(232,473)
Proceeds from disposal of property, plant and equipment	11,969	4,436
Acquisition of intangible assets	(5,928)	(23,559)
Other financial assets	84,289	(13,266)
Other non-current assets	(8,505)	(17,582)
Other payables	(534,523)	-
Net cash flows used in investing activities	(1,323,827)	(1,748,089)
Cash flows from financing activities:		
(Decrease) increase in short-term borrowings	(407,438)	1,098,788
Repayments of corporate bonds	(1,379,000)	-
Increase in long-term borrowings	3,079,568	1,322,500
Repayments of long-term borrowings	(1,581,421)	(521,000)
Payments of lease liabilities	(558,785)	(544,003)
Cash dividends paid	-	(63,817)
Capital increase by cash	638,813	-
Payments to acquire treasury shares	-	(133,140)
Change in non-controlling interests	(104,349)	48,359
Net cash flows (used in) generated from financing activities	(312,612)	1,207,687
Effect of exchange rate changes on cash and cash equivalents	(6,282)	(533)
Net decrease in cash and cash equivalents	(2,586,487)	(1,297,432)
Cash and cash equivalents at beginning of period	6,849,807	8,147,239
Cash and cash equivalents at end of period	**$ 4,263,320**	**6,849,807**

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

(1) Organization and Business

PChome Online Inc. (the Company) was incorporated on July 14, 1998. The primary business scope of the Company and its subsidiaries (together referred to as the Group) includes software design, digital information supply, data processing, and wholesaling and retailing of office machinery, equipment, and information software.

On August 30, 2004, the Board of Directors of the Taipei Exchange approved the Company's application for stock listing, and it became officially listed and traded on January 25, 2005.

(2) Approval Date and Procedures of the Consolidated Financial Statements

These consolidated financial statements were authorized for issuance by the Board of Directors on February 22, 2024.

(3) New Standards and Interpretations Not Yet Adopted:

(a) The impact of the International Financial Reporting Standards ("IFRSs") endorsed by the Financial Supervisory Commission, R.O.C. which have already been adopted.

The Group has initially adopted the following new amendments, which do not have a significant impact on its consolidated financial statements, from January 1, 2023:

- Amendments to IAS 1 "Disclosure of Accounting Policies"
- Amendments to IAS 8 "Definition of Accounting Estimates"
- Amendments to IAS 12 " Deferred Tax related to Assets and Liabilities arising from a Single Transaction"

The Group has initially adopted the new amendment, which do not have a significant impact on its consolidated financial statements, from May 23, 2023:

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

(b) The impact of IFRS issued by the FSC but not yet effective

The Group assesses that the adoption of the following new amendments, effective for annual period beginning on January 1, 2024, would not have a significant impact on its consolidated financial statements:

- Amendments to IAS 1 "Classification of Liabilities as Current or Non-current"
- Amendments to IAS 1 "Non-current Liabilities with Covenants"
- Amendments to IAS 7 and IFRS 7 "Supplier Finance Arrangements"
- Amendments to IFRS 16 "Lease Liability in a Sale and Leaseback"

(c) The impact of IFRS issued by IASB but not yet endorsed by the FSC

The Group does not expect the following new and amended standards, which have yet to be endorsed by the FSC, to have a significant impact on its consolidated financial statements:

- Amendments to IFRS 10 and IAS 28 "Sale or Contribution of Assets Between an Investor and Its Associate or Joint Venture"
- IFRS 17 " Insurance Contracts" and amendments to IFRS 17 " Insurance Contracts"
- Amendments to IAS21 "Lack of Exchangeability"

(4) Summary of material accounting policies

The accompanying consolidated financial statements are the English translation of the Chinese version prepared and used in the Republic of China. If there is any conflict between, or any difference in the interpretation of, the English and Chinese language consolidated financial statements, the Chinese version shall prevail.

The material accounting policies presented in the consolidated financial statements are summarized below. The following accounting policies were applied consistently throughout the periods presented in the consolidated financial statements.

(a) Statement of compliance

These consolidated financial statements have been prepared in accordance with the "Regulations Governing the Preparation of Financial Reports by Securities Issuers" (hereinafter referred to as "the Regulations") and the International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations endorsed by the Financial Supervisory Commission, R.O.C.

(b) Basis of preparation

1.Basis of measurement

Except for the following significant accounts, the consolidated financial statements have been prepared on a historical cost basis:

1) Financial assets at fair value through profit or loss are measured at fair value;

2) Financial assets at fair value through other comprehensive income are measured at fair value;

3) The defined benefit liabilities (assets) are measured at fair value of the plan assets less the present value of the defined benefit obligation, limited.

2.Functional and presentation currency

The functional currency of each Group entity is determined based on the primary economic environment in which the entity operates. The consolidated financial statements are presented in New Taiwan Dollars, which is the Company’s functional currency. All financial information presented in New Taiwan Dollars has been rounded to the nearest thousand.

(c) Basis of consolidation

1. Principle of preparation of the consolidated financial statements

The consolidated financial statements comprise the Company and subsidiaries. Subsidiaries are entities controlled by the Group. The Group ‘controls’ an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the abilities to affect those returns through its power over the entity.

The financial statements of the subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases. Intragroup balances and transactions, and any unrealized income and expenses arising from Intragroup transactions, are eliminated in preparing the consolidated financial statements. The Group attributes the profit or loss and each component of other comprehensive income 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.

Accounting policies of subsidiaries have been adjusted to ensure consistency with the policies adopted by the Group.

Changes in the Group’s ownership interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions. Any differences between the Group’s share of net assets before and after the change, and any considerations received or paid, are adjusted to or against the Group reserves.

Upon the loss of control, the Group derecognizes the carrying amounts of the assets and liabilities of the subsidiary and non-controlling interests. Any interest retained in the former subsidiary is measured at fair value when control is lost. The gain or loss is measured as the difference between: (i) the aggregate of the fair value of the consideration received and the fair value of any retained non-controlling investment in the former subsidiary at the date when the Company losses control; and (ii) the aggregate of the carrying amount of the former subsidiary’s assets (including goodwill), liabilities and non-controlling interests at the date when the Group losses control. The Group accounts for all amounts previously recognized in other comprehensive income in relation to that subsidiary on the same basis as would be required if the Group had directly disposed of the related assets or liabilities.

2. List of subsidiaries in the consolidated financial statements:

Name of investor	Name of subsidiary	Principal activity	Shareholding 2023.12.31	Shareholding 2022.12.31	Note
The Company	PChome Store Inc.	Internet services	- %	44.45 %	Note 1
〃	Linktel Inc.	Type II Telecommunications Business	100.00 %	100.00 %	
〃	IT Home Publications Inc.	Magazine publication	- %	100.00 %	Note 2
〃	PCHOME US INC.	E-commerce platform	91.97 %	91.97 %	
〃	PC HOME ONLINE INTERNATIONAL CO., LTD.	International trade and investment activities	100.00 %	100.00 %	
〃	PChome (Thailand) Co., Ltd.	E-commerce platform	66.25 %	66.25 %	
〃	PChome Travel Inc.	Travel agency business	100.00 %	100.00 %	
〃	PChome Financial Technology Inc.	Information service	100.00 %	100.00 %	
〃	PChome Holding Inc.	Investment activities	100.00 %	100.00 %	
〃	PChome Express Co., Ltd.	Transportation and logistics	100.00 %	100.00 %	
〃	Chunghwa PChome Fund 1 Co., Ltd.	Investment activities	50.00 %	50.00 %	
〃	Cornerstone Ventures Co., Ltd.	〃	51.00 %	51.00 %	
〃	PChome CB Co., Ltd.	E-commerce cross-border services	65.23 %	70.00 %	Note 13
〃	Mitch Co., Ltd.	Clothing sales	100.00 %	60.00 %	Note 3
〃	YunTan technology Inc.	Information processing and provision of electronic information	59.94 %	70.00 %	Note 4
〃	21st Century Technology Co., Ltd.	Financial technology services	43.63 %	43.63 %	Note 5
〃	PChome Data Technology Co., Ltd.	Information processing and provision of electronic information	100.00 %	100.00 %	
〃	PIN technology Inc.	〃	100.00 %	100.00 %	Note 6
〃	EC Global Limited	Investment activities	100.00 %	100.00 %	
〃	PChome eBay Co., Ltd.	Information processing and provision of electronic information	65.00 %	65.00 %	Note 7
PChome eBay Co., Ltd.	PChome Store Inc.	Internet services	100.00 %	22.22 %	Note 1
〃	ECOSMOS PTE. LTD.	Information processing and provision of electronic information	100.00 %	100.00 %	
〃	21st Century Technology Co., Ltd.	Financial technology services	1.41 %	1.41 %	Note 5
PC HOME ONLINE INTERNATIONAL CO., LTD.	PCHOME ONLINE INC.	International trade and investment activities	100.00 %	100.00 %	

Name of investor	Name of subsidiary	Principal activity	Shareholding		Note
			2023.12.31	2022.12.31	
PCHOME ONLINE INC.	PC HOME ONLINE (HK) LTD.	Information service and indirect investment activities	100.00 %	100.00 %	
PChome Holding Inc.	PChome Marketplace Inc.	Investment activities	100.00 %	100.00 %	
PChome Marketplace Inc.	PChome Japan KK	International trading E-commerce	- %	100.00 %	
〃	PChome Store Inc.	Internet services	- %	33.33 %	Note 1
PChome CB Co., Ltd.	PChome CBS Co., Ltd.	〃	100.00 %	100.00 %	
〃	PCHOME CB PTE. LTD.	〃	100.00 %	100.00 %	
〃	Air Supply Logistic Co., Ltd.	Transportation and logistics	100.00 %	- %	Note 14
PCHOME CB PTE. LTD.	PChome Bibian Inc.	E-commerce cross-border services	100.00 %	100.00 %	
YunTan technology Inc.	Einsure insurance broker Inc.	Insurance brokers	100.00 %	100.00 %	
21st Century Technology Co., Ltd.	21st Century Digital Technology Co., Ltd.	Financial technology services	- %	- %	Notes 8&9
〃	Pi Mobile Technology Inc.	Online payment processing services	5.25 %	5.25 %	Notes 5&9
〃	21st Financial Technology Co., Ltd	Investment activities	100.00 %	100.00 %	Notes 10&15
〃	Cherri Tech, Inc.	Financial technology services and indirect investment activities	100.00 %	100.00 %	Note 5
21st Financial Technology Co., Ltd	21st Century Digital Technology Co., Ltd.	Financial technology services	100.00 %	100.00 %	Note 9
〃	Pi Mobile Technology Inc.	Online payment processing services	94.24 %	94.24 %	〃
21st Century Digital Technology Co., Ltd.	FAN7 TOUR CO., LTD.	Travel agency business	100.00 %	100.00 %	Note 8
〃	Lianju Asset Management Co., Ltd.	Financial Institution Creditor's Right (Money) Purchase	100.00 %	- %	Note 11
Pi Mobile Technology Inc.	Pay and Link Inc.	Electronic payment business	100.00 %	100.00 %	
〃	Yun Tung Bao International Co., Ltd.	Online payment processing services	100.00 %	100.00 %	
Cherri Tech, Inc.	Japan Cherri KK	Financial technology services	80.00 %	60.00 %	Note 12

Note 1: 1.On December 7, 2022, the extraordinary meeting of shareholders had approved PChome Store Inc. to offset its deficit by using the legal reserve, capital surplus, as well as its capital. After the Company and PChome eBay Co., Ltd. bought the fractional shares of the external shareholders, the shareholding percentages of the Company, PChome eBay Co., Ltd. and PChome Marketplace Inc. became 44.45%, 22.22% and 33.33%, respectively.

2.PChome Store Inc. issued a cash capital increase for new shares in March 2023, such shares are fully subscribed by the Company and PChome eBay Co. Ltd., respectively. The shareholding was changed, and the Company owns 77.78% of the Company, PChome eBay Co. Ltd. Owns 22.22% and PChome Marketplace Inc. owns 0.00%, respectively.

3.The Company sold 58,724 thousand ordinary shares of PChome Store Inc. to PChome eBay Co. Ltd. on April 28, 2023. After the transaction, PChome eBay Co. Ltd. holds 100% shares of PChome Store Inc.

Note 2: The Company disposed all of its shares of IT Home Publications Inc. pursuant to the resolution of the Board of Directors on August 14, 2023.

Note 3: The Company purchased 40% equity of Mitch Co., Ltd. from external shareholders, resulting in an increase in its shareholding ratio from 60% to 100%.

Note 4: Yun Tan technology Inc. issued a cash capital increase for new shares on September 1, 2023, such shares were fully subscribed by external shareholders, resulting in a decrease in the Company's shareholding ratio from 70% to 59.94%.

Note 5: 1.The Company purchased 1.12% equity of Pi Mobile Technology Inc. from external shareholders, resulting in an increase in its shareholding ratio from 30.32% to 31.44%, and exchanged 2.72% and 0.65% of 21st Century Technology Co., Ltd.'s shares with 31.44% and 3.06% of Pi Mobile Technology Inc.' s shares, held by the Company and PChome eBay Co., Ltd., respectively, on January 3, 2022.

2.21st Century Technology Co., Ltd. acquired the entire shares of Cherri Tech Inc. in cash and newly issued shares (3,471 thousand ordinary shares and 1,111 thousand special shares), and included them in the Group's consolidated financial statements. However, the Group did not subscribe for the shares in proportion to its shareholding, resulting in the decrease in the Company's shareholding ratio from 47.18% to 43.63% and PChome eBay Co., Ltd.' s shareholding ratio from 1.52% to 1.41%.

Note 6: 1.The subsidiary was established on January 10, 2022.

2.The Company purchased 15% equity of PIN technology Inc. from external shareholders, resulting in an increase in its shareholding ratio from 85% to 100%.

Note 7: Organizational adjustment, to be directly held by the Company from August 2022.

Note 8: In March 2022, 21st Century Technology Co., Ltd. transferred its equity and related businesses in FAN7 TOUR CO., LTD. to 21st Century Digital Technology Co., Ltd.

Note 9: 21st Century Technology Co., Ltd. transferred the shares of Pi Mobile Technology Inc and 21st Century Digital Technology Co., Ltd. acquired in October 2022 to 21st Financial Technology Co., Ltd, which are 94.24% and 100%, respectively.

Note 10: The subsidiary was established on March 7, 2022.

Note 11: The subsidiary was established on February 10, 2023.

Note 12: Cherri Tech, Inc. increased its shareholding from 60% to 80% by cash capital increase in Japan Cherri KK pursuant to the resolution of the Board of Directors on June 8, 2023.

Note 13: PChome CB Co,. Ltd. issued shares for the exercise of employee stock options in October, 2023, resulting in a decrease in the Company's shareholding ratio from 70% to 65.23%.

Note 14: The subsidiary was established on November 23, 2023.

Note 15: In order to integrate the resources of the Group, the investment structure within the Group was restructured. On October 21, 2022, merger resolutions were approved by shareholders' meeting of 21st Century Technology Co., Ltd. and 21st Financial Technology Co., Ltd., with 21st Financial Technology Co., Ltd. as the surviving company and 21st Century Technology Co., Ltd. as the dissolved company. From the effective date, 21st Financial technology Co., Ltd, the surviving company, assumes all the assets, rights, liabilities and obligations of 21st Century Technology Co., Ltd.

3. List of subsidiaries which are not included in the consolidated interim financial statements: None.

(d) Foreign Currency

1. Foreign currency transaction

Transactions in foreign currencies are translated into the respective functional currencies of Group entities at the exchange rates at the dates of the transactions. At the end of each subsequent reporting period, monetary items denominated in foreign currencies are translated into the functional currencies using the exchange rate at that date. Non-monetary items denominated in foreign currencies that are measured at fair value are translated into the functional currencies using the exchange rate at the date that the fair value was determined. Non-monetary items denominated in foreign currencies that are measured based on historical cost are translated using the exchange rate at the date of the transaction.

2. Foreign operations

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on acquisition, are translated into the presentation currency at the exchange rates at the reporting date. The income and expenses of foreign operations, are translated into the presentation currency at the average exchange rate. Exchange differences are recognized in other comprehensive income.

When the Group disposes of any part of its interest in a subsidiary that includes a foreign operation while retaining control, the relevant proportion of the cumulative amount is reattributed to non-controlling interest. When the Group disposes of only part of investment in an associate of a joint venture that includes a foreign operation while retaining significant or joint control, the relevant proportion of the cumulative amount is reclassified to profit or loss.

When the settlement of a monetary item receivable from or payable to a foreign operation is neither planned nor likely in the foreseeable future, exchange differences arising from such items are considered to form part of a net investment in the foreign operation and are recognized in other comprehensive income.

(e) Classification of current and non-current assets and liabilities

An asset is classified as current under one of the following criteria, and all other assets are classified as non-current:

1. It is expected to be realized, or intended to be sold or consumed, in the normal operating cycle;

2. It is held primarily for the purpose of trading;

3. It is expected to be realized within twelve months after the reporting period; or

4. The asset is cash or a cash equivalent (as defined in IAS 7) unless the asset is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

A liability is classified as current under one of the following criteria, and all other liabilities are classified as non current:

1. It is expected to be settled in the normal operating cycle;

2. It is held primarily for the purpose of trading;

3. It is due to be settled within twelve months after the reporting period; or

4. The Group does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting period. Terms of a liability that could, at the option of the counterparty, result in its settlement by issuing equity instruments do not affect its classification.

(f) Cash and cash equivalents

Cash comprises cash on hand and demand deposits. Cash equivalents are short term, highly liquid investments that are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value. Time deposits which meet the above definition and are held for the purpose of meeting short term cash commitments rather than for investment or other purposes should be recognized as cash equivalents.

Time deposits with maturity within one year which are held for the purpose of meeting short-term cash commitments rather than for investment or other purposes. They are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value, and should be recognized as cash and cash equivalents.

(g) Financial instruments

Trade receivables and debt securities issued are initially recognized when they are originated. All other financial assets and financial liabilities are initially recognized when the Group becomes a party to the contractual provisions of the instrument. A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not at fair value through profit or loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

1. Financial assets

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

On initial recognition, a financial asset is classified as measured at: amortized cost; Fair value through other comprehensive income (FVOCI); or FVTPL. Financial assets are not reclassified subsequent to their initial recognition unless the Group changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

1) Financial assets measured at amortized cost

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as at FVTPL:

·it is held within a business model whose objective is to hold assets to collect contractual cash flows; and

·its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

These assets are subsequently measured at amortized cost, which is the amount at which the financial asset is measured at initial recognition, plus/minus, the cumulative amortization using the effective interest method, adjusted for any loss allowance. Interest income, foreign exchange gains and losses, as well as impairment, are recognized in profit or loss. Any gain or loss on derecognition is recognized in profit or loss.

2) Fair value through other comprehensive income (FVOCI)

On initial recognition of an equity investment that is not held for trading, the Group may irrevocably elect to present subsequent changes in the investment’s fair value in other comprehensive income. This election is made on an investment-by-investment basis.

Equity investments at FVOCI are subsequently measured at fair value. Dividends are recognized as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognized in other comprehensive income and are never reclassified to profit or loss.

Dividend income is recognized in profit or loss on the date on which the Group’s right to receive payment is established.

3) Fair value through profit or loss (FVTPL)

All financial assets not classified as amortized cost or FVOCI described as above are measured at FVTPL, including derivative financial assets.

On initial recognition, the Group may irrevocably designate a financial asset, which meets the requirements to be measured at amortized cost or at FVOCI, as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognized in profit or loss.

4) Business model assessment

The Group makes an assessment of the objective of the business model in which a financial asset is held at portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

· the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management’s strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realizing cash flows through the sale of the assets;

·how the performance of the portfolio is evaluated and reported to the Group’s management;

·the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;

·the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, and are consistent with the Group’s continuing recognition of the assets.

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

5) Assessment whether contractual cash flows are solely payments of principal and interest

For the purposes of this assessment, ‘principal’ is defined as the fair value of the financial assets on initial recognition. ‘Interest’ is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs, as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Group considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Group considers:

·contingent events that would change the amount or timing of cash flows;

·terms that may adjust the contractual coupon rate, including variable rate features;

·prepayment and extension features; and

·terms that limit the Group’s claim to cash flows from specified assets (e.g. non-recourse features).

6) Impairment of financial assets

The Group recognizes loss allowances for expected credit losses (ECL) on financial assets measured at amortized cost (including cash and cash equivalents, notes and accounts receivable, other receivable and other financial assets), debt investments measured at FVOCI, and contract assets.

The Group measures loss allowances at an amount equal to lifetime expected credit loss (ECL), except for the following which are measured as 12-month ECL:

·debt securities that are determined to have low credit risk at the reporting date; and

·other debt securities and bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Loss allowance for trade receivables and contract assets are always measured at an amount equal to lifetime ECL.

Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument.

12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECL, the Group considers reasonable and supportable information that is relevant and available (without undue cost or effort). This includes both quantitative and qualitative information and analysis, based on the Group’s historical experience and informed credit assessment and including forward-looking information.

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls. The difference between the cash flows due to the Group in accordance with the contract and the cash flows that the Group expects to receive. ECLs are discounted at the effective interest rate of the financial asset.

At each reporting date, the Group assesses whether financial assets carried at amortized cost and debt securities at FVOCI are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Loss allowances for financial assets measured at amortized cost are deducted from the gross carrying amount of the assets. For debt securities at FVOCI, the loss allowance is charged to profit or loss and is recognized in other comprehensive income instead of reducing the carrying amount of the asset.

The gross carrying amount of a financial asset is written off either partially or in full to the extent that there is no realistic prospect of recovery. This is generally the case when the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedures for recovery of amounts due.

7) Derecognition of financial assets

The Group derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

The Group enters into transactions whereby it transfers assets recognized in its statement of balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets. In these cases, the transferred assets are not derecognized.

2. Financial liabilities and equity instruments

1) Classification of debt or equity

Debt and equity instruments issued by the Group are classified as financial liabilities or equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

2) Equity instrument

An equity instrument is any contract that evidences residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued are recognized as the amount of consideration received, less the direct cost of issuing.

3) Treasury shares

When shares recognized as equity are repurchased, the amount of the consideration paid, which includes directly attributable costs, is recognized as a deduction from equity. Repurchased shares are classified as treasury shares. When treasury shares are sold or reissued subsequently, the amount received is recognized as an increase in equity, and the resulting surplus or deficit on the transaction is recognized in capital surplus or retained earnings (if the capital suplus is not sufficient to be written down).

4) Compound financial instruments

Compound financial instruments issued by the Group comprise convertible bonds denominated in NTD that can be converted to ordinary shares at the option of the holder, when the number of shares to be issued is fixed and does not vary with changes in fair value.

The liability component of compound financial instruments is initially recognized at the fair value of a similar liability that does not have an equity conversion option. The equity component is initially recognized at the difference between the fair value of the compound financial instrument as a whole and the fair value of the liability component. Any directly attributable transaction costs are allocated to the liability and equity components in proportion to their initial carrying amounts.

Subsequent to the initial recognition, the liability component of a compound financial instrument is measured at amortized cost using the effective interest method. The equity component of a compound financial instrument is not remeasured.

Other interest related to the financial liability is recognized in profit or loss. On conversion at maturity, the financial liability is reclassified to equity and no gain or loss is recognized.

5) Financial liabilities

Financial liabilities are classified as measured at amortized cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in profit or loss.

Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognized in profit or loss. Any gain or loss on derecognition is also recognized in profit or loss.

6) Derecognizing of financial liabilities

The Group derecognizes a financial liability when its contractual obligation has been discharged or cancelled or expires. The Group also derecognizes a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognized at fair value.

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

7) Offsetting of financial assets and liabilities

Financial assets and financial liabilities are offset and the net amount presented in the statement of balance sheet when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realize the asset and settle the liability simultaneously.

(h) Inventories

Inventories are measured at the lower of cost or net realizable value. The cost of inventories consists of all costs of purchase and other costs incurred in bringing the inventories to a salable and useable location and condition. Inventory cost is calculated using the weighted-average-cost formula.

Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

(i) Investment in associates

Associates are those entities in which the Group has significant influence, but not control or joint control, over their financial and operating policies.

Investments in associates are accounted for using the equity method and are recognized initially at cost. The cost of the investment includes transaction costs. The carrying amount of the investment in associates includes goodwill arising from the acquisition less any accumulated impairment losses.

The consolidated financial statements include the Group's share of the profit or loss and other comprehensive income of those associates, after adjustments to align their accounting policies with those of the Group, from the date on which significant influence commences until the date on which significant influence ceases. The Group recognizes any changes, of its proportionate share in the investee within capital surplus, when an associate's equity changes due to reasons other than profit and loss or comprehensive income, which did not result in changes in actual proportionate share.

Gains and losses resulting from transactions between the Group and an associate are recognized only to the extent of unrelated Group's interests in the associate.

When the Group's share of losses of an associate equals or exceeds its interests in an associate, it discontinues recognizing its share of further losses. After the recognized interest is reduced to zero, additional losses are provided for, and a liability is recognized, only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate.

The Group discontinues the use of the equity method and measures the retained interest at fair value from the date when its investment ceases to be an associate. The difference between the fair value of retained interest and proceeds from disposing, and the carrying amount of the investment at the date the equity method was discontinued is recognized in profit or loss. The Group accounts for all the amounts previously recognized in other comprehensive income in relation to that investment on the same basis as would have been required if the associates had directly disposed of the related assets or liabilities. If a gain or loss previously recognized in other comprehensive income would be reclassified to profit or loss (or retained earnings) on the disposal of the related assets or liabilities, the Group reclassifies the gain or loss from equity to profit or loss (as a reclassification adjustment) (or retained earnings) when the equity method is discontinued. If the Group's ownership interest in an associate is reduced while it continues to apply the equity method, the Group reclassifies the proportion of the gain or loss that had previously been recognized in other comprehensive income relating to that reduction in ownership interest to profit or loss.

(j) Property, plant, and equipment

1. Recognition and measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses.

If significant parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognized in profit or loss.

2. Subsequent cost

Subsequent expenditure is capitalized only when it is probable that future economic benefits associated with the expenditure will flow to the Group.

3. Depreciation

Depreciation is calculated on the cost of an asset less its residual value and is recognized in profit or loss on a straight-line basis over the estimated useful lives of each component of an item of property, plant and equipment.

The estimated useful lives of property, plant and equipment for current and comparative periods are as follows:

1) Transportation equipment	2 ~ 8 years
2) Storage equipment	3 ~15 years
3) Furniture and office equipment	3 ~ 7 years
4) Leasehold improvements	1 ~15 years
5) Other equipment	5 years

The depreciation methods, useful lives, and residual values are reviewed at each reporting date and adjusted if appropriate.

(k) Leases

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

1. As a lessee

The Group recognizes a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method 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. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be reliably determined, the Group’s incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability comprise the following:

1) fixed payments, including in-substance fixed payments;

2) variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;

3) amounts expected to be payable under a residual value guarantee; and

4) payments for purchase or termination options that are reasonably certain to be exercised.

The lease liability is measured at amortized cost using the effective interest method. It is remeasured when:

1) there is a change in future lease payments arising from the change in an index or rate; or

2) there is a change in the Group’s estimate of the amount expected to be payable under a residual value guarantee; or

3) there is a change of its assessment on a purchase option; or

4) there is a change of its assessment on whether it will exercise an extension or termination option; or

5) there is any lease modifications

When the lease liability is remeasured, other than lease modifications, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or in profit and loss if the carrying amount of the right-of-use asset has been reduced to zero.

When the lease liability is remeasured to reflect the partial or full termination of the lease for lease modifications that decrease the scope of the lease, the Group accounts for the remeasurement of the lease liability by decreasing the carrying amount of the right-of-use asset to reflect the partial or full termination of the lease, and recognize in profit or loss any gain or loss relating to the partial or full termination of the lease.

The Group presents right-of-use assets that do not meet the definition of investment and lease liabilities as a separate line item respectively in the statement of financial position.

The Group has elected not to recognize right-of-use assets and lease liabilities for short-term leases of machinery that have a lease term of 12 months or less and leases of low-value assets. The Group recognizes the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

As a practical expedient, the Group elects not to assess all rent concessions that meets all the conditions as follows are lease modifications or not:

— the change in lease payments that resulted in revised consideration for the lease that is substantially the same as, or less than, the consideration for the lease immediately preceding the change;

— any reduction in lease payments that affects only those payments originally due on, or before, June 30, 2022;

— and there is no substantive change in other terms and conditions of the lease.

In accordance with the practical expedient, the effect of the change in the lease liability is reflected in profit or loss in the period in which the event or condition that triggers the rent concession occurs.

2. As a lessor

When the Group acts as a lessor, it determines at lease commencement whether each lease is a finance lease or an operating lease. To classify each lease, the Group makes an overall assessment of whether the lease transfers to the lessee substantially all of the risks and rewards of ownership incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then the lease is an operating lease. As part of this assessment, the Group considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

When the Group is an intermediate lessor, it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the right-of-use asset arising from the head lease. If a head lease is a short-term lease to which the Group applies the exemption described above, then it classifies the sub-lease as an operating lease.

If an arrangement contains lease and non-lease components, the Group applies IFRS15 to allocate the consideration in the contract.

The Group recognizes a finance lease receivable at an amount equal to its net investment in the lease. Initial direct costs, such as lessors to negotiate and arrange a lease, are included in the measurement of the net investment. The lessor recognizes the interest income over the lease term based on a pattern reflecting a constant periodic rate of return on the lessor's net investment in the lease. The Group recognizes lease payments received under operating leases as income on a straight-line basis over the lease term as part of 'other income'.

(l) Intangible assets

1. Goodwill

Goodwill arising from the acquisition of subsidiaries, is the excess of the cost of acquisitions over the fair value of the identifiable net assets, and it is measured at cost, less accumulated impairment losses.

2. Recognition and measurement

Other intangible assets, including software, that are acquired by the Group and have finite useful lives are measured at cost less accumulated amortization and any accumulated impairment losses.

3. Subsequent expenditure

Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, is recognized in profit or loss as incurred.

4. Amortization

Amortization is calculated over the cost of the asset, less its residual value, and is recognized in profit or loss on a straight-line basis over the estimated useful lives of intangible assets, other than goodwill, from the date that they are available for use.

The estimated useful lives for current and comparative periods are as follows:

Software 1~5 years

Amortization methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

(m) Impairment of non-financial assets

At each reporting date, the Group reviews the carrying amounts of its non-financial assets (other than inventories, contract assets, deferred tax assets and investment properties and biological assets, measured at fair value, less costs) to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. Goodwill is tested annually for impairment.

For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs. Goodwill arising from a business combination is allocated to CGUs or groups of CGUs that are expected to benefit from the synergies of the combination.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU.

An impairment loss is recognized if the carrying amount of an asset or CGU exceeds its recoverable amount.

Impairment losses are recognized in profit or loss. They are allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets in the CGU on a pro rata basis.

An impairment loss in respect of goodwill is not reversed. For other assets, an impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

(n) Revenue

Revenue from contracts with customers

Revenue is measured based on the consideration to which the Group expects to be entitled in exchange for transferring goods or services to a customer. The Group recognizes revenue when it satisfies a performance obligation by transferring control of a good or a service to a customer. The accounting policies for the Group's main types of revenue are explained below.

1) Sale of goods - consumer electronics

The Group recognizes revenue when a customer takes possession of the product. Payment of the transaction price is due immediately when the customer purchases the product.

The Group grants its customers the right to return the product. Therefore, the Group reduces revenue by the amount of expected returns and recognizes a refund liability and a right to the returned goods. Accumulated experience is used to estimate such returns at the time of sale at a portfolio level (expected value method). Because the number of products returned has been steady for years, it is highly probable that a significant reversal in the cumulative revenue recognized will not occur. At each reporting date, the Group reassesses the estimated amount of expected returns.

2) Services

The Group provides platform and management services. Revenue from providing services is recognized in the accounting period in which the services are rendered. For fixed-price contracts, revenue is recognized based on the actual service provided to the end of the reporting period as a proportion of the total services to be provided. The proportion of services provided is determined based on the work performed to date as a proportion of the total work which should be performed.

Estimates of revenues, costs or extent of progress toward completion are revised if circumstances change. Any resulting increases or decreases in estimated revenues or costs are reflected in profit or loss in the period in which the circumstances that give rise to the revision become known by the management.

3) Interest revenue from installment transactions

The Group runs the business of selling installments. The amount of the sales price exceeds cash sales has been recognized as unrealized interest revenue, and it has been recognized periodically as interest revenue from installment transactions using the interest method.

(o) Employee benefits

1. Defined contribution plans

Obligations for contributions to defined contribution plans are expensed as the related service is provided.

2. Defined benefit plans

The Group’s net obligation in respect of defined benefit plans is calculated separately for each the plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligations is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Group, the recognized asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan. To calculate the present value of economic benefits, consideration is given to any applicable minimum funding requirements.

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognized immediately in other comprehensive income, and accumulated in retained earnings within equity. The Group determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability (asset). Net interest expense and other expenses related to defined benefit plans are recognized in profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognized immediately in profit or loss. The Group recognizes gains and losses on the settlement of a defined benefit plan when the settlement occurs.

3. Short-term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognized for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

(p) Share-based payment

The grant-date fair value of equity-settled share-based payment arrangements granted to employees is generally recognized as an employee expense, with a corresponding increase in equity, over the vesting period of the awards. The amount recognized as an expense is adjusted to reflect the number of awards which related service and non-market performance conditions are expected to be met, such that the amount ultimately recognized as an expense is based on the number of awards that meet the related service and non-market performance conditions at the vesting date.

(q) Income taxes

Income taxes comprise current taxes and deferred taxes. Except for expenses related to business combinations or recognized directly in equity or other comprehensive income, all current and deferred taxes are recognized in profit or loss.

The Group has determined that interest and penalties related to income taxes, including uncertain tax treatment, do not meet the definition of income taxes, and therefore accounted for them under IAS37.

Current taxes comprise the expected tax payables or receivables on the taxable profits (losses) for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax payables or receivables are the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any. It is measured using tax rates enacted or substantively enacted at the reporting date.

Deferred taxes arise due to temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and their respective tax bases.

Deferred taxes are measured at tax rates that are expected to be applied to temporary differences when they reserve, using tax rates enacted or substantively enacted at the reporting date, and reflect uncertainty related to income taxes, if any.

Deferred tax assets are recognized for the carry forward of unused tax losses, unused tax credits, and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefits will be realized; such reductions are reversed when the probability of future taxable profits improves.

(r) Business combination

The Group accounts for business combinations using the acquisition method. The goodwill arising from an acquisition is measured as the excess of the consideration transferred (which is generally measured at fair value) and the amount of non-controlling interest in the acquiree, both over the identifiable net assets acquired at the acquisition date. If the amount calculated above is a deficit balance, the Group recognizes that amount as a gain on a bargain purchase in profit or loss immediately after reassessing whether it has correctly identified all of the assets acquired and all of the liabilities assumed.

All acquisition-related transaction costs are expensed as incurred, except for the issuance of debt or equity instruments.

For each business combination, the Group measures any non-controlling interests in the acquiree, either at fair value or at the non-controlling interest’s proportionate share of the acquiree’s identifiable net assets, if the non-controlling interests are present ownership interests and entitle their holders to a proportionate share of the acquiree’s net assets in the event of liquidation. Other components of non-controlling interests are measured at their acquisition-date fair values, unless another measurement basis is required by the IFRSs endorsed by the FSC.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the provisional amounts for the items for which the accounting is incomplete are reported in the Group’s financial statements. During the measurement period, the provisional amounts recognized at the acquisition date are retrospectively adjusted, or additional assets or liabilities are recognized to reflect new information obtained about facts and circumstances that existed as of the acquisition date. The measurement period will not exceed one year from the acquisition date.

(s) Earnings per share

The Group discloses the Company’s basic and diluted earnings per share attributable to ordinary shareholders of the Company. Basic earnings per share is calculated as the profit attributable to the ordinary shareholders of the Company divided by the weighted average number of ordinary shares outstanding.

Diluted earnings per share is calculated as the profit attributable to ordinary shareholders of the Company divided by the weighted average number of ordinary shares outstanding after adjustment for the effects of all potential dilutive ordinary shares, such as convertible bonds and employee compensation.

(t) Operating segments

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses (including revenues and expenses relating to transactions with other components of the Group). Operating results of the operating segment are regularly reviewed by the Group's chief operating decision maker to make decisions about resources to be allocated to the segment and to assess its performance. Each operating segment consists of standalone financial information.

(5) Major Sources of Accounting Assumptions, Judgments and Estimation Uncertainty

The preparation of the consolidated financial statements, management must make judgments, estimates, and assumptions that affect the application of the accounting policies and the reported amount of assets, liabilities, income, and expenses. Actual results may differ from these estimates.

The management continues to monitor the accounting estimates and assumptions. The management recognizes any changes in accounting estimates during the period and the impact of those changes in accounting estimates in the following period.

Information about judgments made in applying accounting policies that have the most significant effects on the amounts recognized in the consolidated financial statements is as follows:

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment within the next financial year is as follows:

(a) Impairment of trade receivable

When there is objective evidence of impairment loss, the Group takes into consideration the estimation of future cash flows. The amount of the impairment loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding possible future credit losses) discounted at the financial asset's original effective interest rate. Where the actual future cash flows are less than expected, a material impairment loss may arise.

(b) Impairment of goodwill

The assessment of impairment of goodwill requires the Group to make subjective judgments to identify cash-generating units, allocate the goodwill to relevant cash-generating units, and estimate the recoverable amount of relevant cash-generating units. Refer to Note (6)(l) for further description of the impairment of goodwill.

(6) Explanation to Significant Accounts

(a) Cash and cash equivalents

		2023.12.31	2022.12.31
Cash on hand	$	2,174	2,195
Checking accounts		39,909	55,782
Savings accounts		3,397,964	5,032,370
Foreign currency deposits		36,048	130,096
Time deposits		753,983	1,606,007
Cash equivalents		33,242	23,357
Cash and cash equivalents in consolidated statement of cash flows	**$**	**4,263,320**	**6,849,807**

Please refer to Note (6)(aa) for the interest analysis and sensitivity analysis of the financial assets and liabilities of the Group.

(b) Financial assets designated at fair value through profit or loss

		2023.12.31	2022.12.31
Mandatorily measured at fair value through profit or loss:			
Preferred stocks	$	342,903	390,074
Foreign convertible bonds		87,096	31,356
Total	**$**	**429,999**	**421,430**
Current	$	-	8,640
Non-current		429,999	412,790
Total	**$**	**429,999**	**421,430**

1. The Group holds preferred stocks issued by domestic and foreign unlisted companies, all of which are non-cumulative preferred stocks with shareholder voting rights, and the dividends are paid at the agreed annual rate, which is adjusted and reset periodically in accordance with the agreed period. Most of the shares have the liquidation preference. According to the ranking order of the preferred stocks, if the targets must be liquidated while the Group holds their preferred stocks, the Group will have the opportunity to get the dividends which are same as the investment amount.

2. The convertible bonds issued by foreign companies held by the Group will be converted into preferred stocks when it meets the contract conversion conditions.

3.Relevant information for the price risk please refer to Note (6)(aa).

4.Abovementioned financial assets designated at fair value through profit or loss of the Group had not been pledged as collateral.

(c) Non-current financial assets at fair value through other comprehensive income

	2023.12.31	2022.12.31
Equity instruments at fair value through other comprehensive income		
Stocks unlisted on domestic and foreign markets	$ 859,583	791,590

1.The Group holds these equity instruments, which are not held for trading at designated fair value through other comprehensive income, for long-term strategic purposes.

2.For the relevant information about preferred stocks and foreign convertible bonds that are held by the Group, please refer to Note (6)(b).

3.For the market price risk, please refer to Note (6)(aa). For the credit risk and the market risk, please refer to Note (6)(ab).

4.The Group disposed of Syspower Corporation from January 1 to December 31, 2023 at a disposal price of $28,916 thousand and cumulative gain of $7,828 thousand during that period, which was recognized as a retained earnings.

5.Abovementioned financial assets at fair value through other comprehensive income of the Group had not been pledged as collateral.

(d) Notes and accounts receivables, other receivables and long-term receivables

	2023.12.31	2022.12.31
Notes receivable-measured as amortized cost	$ 41	2
Trade receivable-measured as amortized cost	2,466,778	3,408,150
Trade receivable-fair value through other comprehensive income	2,574,996	1,409,991
Other receivables-measured as amortized cost	1,478,163	1,203,699
Operating lease receivable	4,808	8,153
Finance lease receivable	100,163	76,906
Less: Allowance for impairment losses	(138,480)	(107,815)
Less: Unrealized interest revenue	(845,290)	(772,546)
	$ 5,641,179	5,226,540
Current	$ 4,953,662	4,606,382
Non-current	687,517	620,158
	$ 5,641,179	5,226,540

The Group applies the simplified approach to provide for its expected credit losses, i.e. the use of lifetime expected loss provision for all receivables. To measure the expected credit losses, all receivables have been grouped based on shared credit risk characteristics and the days past due, as well as the incorporated forward-looking information, including macroeconomic and relevant industry information. The expected credit losses except for 21st Century Digital Technology Co., Ltd., were determined as follows:

	2023.12.31		
	Gross carrying amount	**Weighted-average loss rate**	**Allowance for expected credit losses**
Current	$ 2,100,971	0.00005%~0.169%	22
Past under 180 days	8,265	10%	455
Over 181 days past due	13,783	25%~100%	7,727
	$ 2,123,019		**8,204**

	2022.12.31		
	Gross carrying amount	**Weighted-average loss rate**	**Allowance for expected credit losses**
Current	$ 1,844,792	0.00005%~0.061%	24
Past under 180 days	63,299	10%~45.12%	924
Over 181 days past due	20,311	25%~100%	11,238
	$ 1,928,402		**12,186**

The expected credit losses of the Group's subsidiary, 21st Century Digital Technology Co., Ltd., were determined as follows:

	2023.12.31		
	Gross carrying amount	**Weighted-average loss rate**	**Allowance for expected credit losses**
Current	$ 3,168,197	1.2%	69,456
Past under 180 days	448,062	1.2%~12.82%	29,511
Over 181 days past due	40,381	12.82%~100%	31,309
	$ 3,656,640		**130,276**

	2022.12.31		
	Gross carrying amount	**Weighted-average loss rate**	**Allowance for expected credit losses**
Current	$ 2,963,741	1.71%	49,433
Past under 180 days	411,114	1.71%~9.83%	17,139
Over 181 days past due	31,098	9.83%~100%	29,057
	$ 3,405,953		**95,629**

The movement in the allowance for notes and trade receivable, other receivables and long-term receivables was as follows:

		2023	2022
Balance at January 1	$	107,815	249,975
Acquisition through business combinations		-	4,603
Impairment losses recognized		443,555	258,643
Amounts written off		(412,890)	(405,406)
Balance at December 31	$	**138,480**	**107,815**

The Group entered into an agreement with different financial institutions to sell its accounts receivable. Under the agreement, the Group will guarantee all receivables that cannot be recovered (whether deferred payment or breach the contract) during a specified period. The Group retains all the risks and rewards of such receivables and does not qualify for derecognition of financial assets. As of December 31, 2023, the carrying amount of transferred receivables and related financial liabilities as follows:

2023.12.31						
Purchaser		**Foreclosed amount**	**Credit line**	**Amount advanced paid (reported on short-term borrowings)**	**Range of interest Rate**	**Collateral**
KGI Bank	$	910,704	800,000	610,000	3.387%	Promissory notes
Far Eastern International Bank	$	1,257,910	1,680,000	988,438	3.25%	Pledge deposits and promissory notes
CMI Credit LTD.	$	27,863	23,560	23,560	4.62%	Promissory notes
HOTAI Finance Co., LTD.	$	378,312	500,000	369,824	2.99%	Promissory notes
O-Bank	$	207	100,000	224	2.52%	

2022.12.31						
Purchaser		**Transferred amount**	**Credit line**	**Amount advanced paid (reported on short-term borrowings)**	**Range of interest Rate**	**Collateral**
KGI Bank	$	637,042	800,000	800,000	3.719%	Promissory notes
Far Eastern International Bank	$	647,206	840,000	584,654	3.655%	Pledge deposits and promissory notes
CMI Credit LTD.	$	125,743	500,000	104,566	4.36%	Promissory notes

As of December 31, 2023, December 31 and 2022, the Group provided promissory notes of $3,180,000 thousand and $1,740,000 thousand for guaranteed the performance of the above contracts with repurchase agreements to those companies and banks undertaking the sale of the accounts receivable.

In addition, part of the accounts receivable of the Group are installment payments of goods received from the distributors, and the parties agree to proceed by the agreed terms of the agreement with respect to the payment of all the formalities and expenses associated with the assignment of the debt. The sale of accounts receivable is a non-resource transaction, and the seller is not liable for the performance of the debtor's obligations after the transaction is completed.

(e) Inventories

	2023.12.31	2022.12.31
Merchandise inventories	$ 1,764,283	2,003,588
Less: Allowance for inventory valuation and obsolescence losses	(11,119)	(20,405)
	$ 1,753,164	1,983,183

The details of operating cost were as follows:

	2023	2022
Cost of goods sold	$ 36,231,112	40,602,409
Interest cost	80,716	52,660
(Gain from price recovery of inventory) provision for inventory market price decline and obsolescence	(9,286)	902
Loss on physical inventory	3,144	2,515
Loss on disposal of scrap	3,225	1,868
	$ 36,308,911	40,660,354

The factors that caused the net realizable value of inventories to be lower than the cost no longer exist, resulting in the net realizable value of inventory to increase and be recognized as profit or loss on inventory for the year ended December 31, 2023.

The allowance for inventory valuation and obsolescence loss was due to the decline of inventory to net realizable value or obsolescence, which was recognized as cost of goods sold.

As of December 31, 2023 and 2022, the inventories of the Group were not pledged as collateral.

(f) Investments accounted for using equity method

A summary of the Group’s financial information for investments accounted for using the equity method at the reporting date were as follows:

	2023.12.31	2022.12.31
Associates	$ 274,872	271,852

1.Associates

Associates to the Group consisted of the followings:

Name of Associates	Nature of Relationship with the Group	Main operating location/ Registered Country of the Company	Proportion of shareholding and voting rights 2023.12.31	Proportion of shareholding and voting rights 2022.12.31
Rakuya International Info. Co. Ltd.	Real estate business, and internet information rental service	Taiwan	26.47 %	26.47 %
Ruten Japan KK	Information processing and provision of electronic information	Japan	- %	28.49 %
UPN Information Co., Ltd.	Investment activities	Cayman islands	40.00 %	40.00 %

The Group acquired 40% shares of UPN Information Co., Ltd. with $226,000 thousand in August 2022. As of December 31, 2023, $65,684 thousand had not been paid for the related cash acquisition, which was recognized as other payables.

After Ruten Japan KK had been liquidated based on a resolution approved during its shareholders' meeting held on March 20, 2023, the Group received liquidation shares of $275 thousand on March 24, 2023.

2.Impairment loss

On December 31, 2023, the Group performed an impairment test on goodwill comprised in carrying amount of certain investments accounted for using the equity method, and no impairment loss was recognized; please refer to Note (6)(l).

3.Collateral

As of December 31, 2023 and 2022, the Group did not provide any investment accounted for using equity method as collateral.

(g) Acquisition of subsidiary

1. 21st Century Technology Co., Ltd.

1) On September 17, 2021, the Group was approved by the resolution of the Board of Directors to integrate the resources of both parties, strengthen the Group's layout in financial services, and enhance the competitiveness and business advantages of both parties in line with the Group's development strategy. The Group acquired 45.23% shares of 21st Century Technology Co., Ltd. with $2,176,262 thousand in cash and 50.53% equity of Pi Mobile Technology Inc. at fair value of $1,853,758 thousand, which has been fully paid as of December 31, 2023, and gained control over it on October 1, 2021.

21st Century Technology Co., Ltd. increased capital by share swap in December, 2021. PChome eBay Co., Ltd. transferred 3.06% of Pi Mobile Technology Inc. in exchange for newly issued common shares of 21st Century Technology Co., Ltd. The Company did not subscribe for the shares in proportion to its shareholding, resulting in a decrease in its shareholding ratio from 45.23% to 44.84%.

On January 3, 2022, the Company also conducted a second share swap by exchanging 13,413 thousand shares of Pi Mobile Technology Inc. for 3,996 thousand newly issued shares of 21st Century Technology Co., Ltd., resulting in an increase in the shareholding ratio from 44.84% to 47.56%, and the registration procedures have been completed.

21st Century Technology Co., Ltd. increased capital in 2022, resuliting in the decrease in the Company’s shareholding ratio from 47.56% to 43.63%.

2) Acquisition of identifiable asset and liabilities assumed.

The date of acquisition of identifiable asset and liabilities assumed is as follows:

Cash and cash equivalents	$ 40,622
Accounts receivable	1,768,854
Other current assets	3,353
Long-term investments accounted for using equity method	135,754
Property, plant and equipment	5,240
Right-of-use assets	4,054
Intangible assets	556,851
Deferred tax assets	51,210
Other non-current assets	423,806
Short-term borrowings and notes	(1,105,231)
Current contract liabilities	(1,665)
Accounts payable	(85,369)
Current tax liabilities	(60,205)
Lease liabilities	(4,054)
Other current liabilities	(1,023)
Shareholder current account	(371,000)
The fair value of identifiable net assets	**$ 1,361,197**

3) Goodwill

Goodwill arising from the acquisition has been recognized as follows:

Consideration transferred (cash)	$ 2,176,262
Consideration transferred (equity of Pi Mobile Technology Inc.)	1,853,758
Non-controlling interest (measured by proportionate share of the fair value of the identifiable net assets)	745,527
Less: fair value of identifiable net assets	(1,361,197)
Goodwill	**$ 3,414,350**

Goodwill is attributable mainly to the digital financial services owned by 21st Century Technology Co., Ltd. for its future benefits.

2. Cherri Tech Inc.

1) In order to strengthen the Group's layout in financial services, and enhance the competitiveness and business advantages of the Company and Cherri Tech Inc. in line with the Group's development strategy, the resources of both parties had been integrated based on the resolution approved during the board meeting held on April 12, 2022, wherein the Group acquired 20.82% shares of Cherri Tech Inc. at the amount of $524,788 thousand in cash on April 27, 2022, as well as 59.26% shares of Cherri Tech Inc. at the amount of $269,908 thousand in cash and 3,238 thousand newly issued shares of 21st Century Technology Co., Ltd. on July 29, 2022, resulting in the Group to gain control over Cherri Tech Inc.

On September 14, 2022, 21st Century Technology Co., Ltd. conducted a share swap by exchanging 927 thousand of its newly issued shares and paying the amount of $138,175 thousand in cash, resulting in an increase in its shareholding ratio from 80.08% to 100.00%. The amount of $170,752 thousand for the related cash acquisition has yet to be paid as of December 31, 2023, resulting in the recognition of other payables amounting to $86,017 thousand and long-term payables amounting to $84,735 thousand.

2) Acquisition of identifiable asset and liabilities assumed.

The date of acquisition of identifiable asset and liabilities assumed is as follows:

Cash and cash equivalents	$	96,350
Accounts receivable		21,837
Other receivables		11,778
Other current assets		3,381
Property, plant and equipment		2,422
Right-of-use assets		6,301
Intangible assets		227,635
Other non-current assets		2,353
Accounts payable		(73)
Other payables		(35,180)
Lease liabilities		(6,322)
Other current liabilities		(665)
Guarantee deposit received		(195)
The fair value of identifiable net assets	**$**	**329,622**

3) Goodwill

Goodwill arising from the acquisition has been recognized as follows:

Consideration transferred (cash)	$	794,696
Consideration transferred (equity of 21st Century Technology Co., Ltd.)		949,388
Non-controlling interest (measured by proportionate share of the fair value of the identifiable net assets)		68,011
Less: fair value of identifiable net assets		(329,622)
Goodwill	**$**	**1,482,473**

Goodwill is attributable mainly to the digital financial services owned by Cherri Tech Inc. for its future benefits.

(h) Losing control of subsidiaries

The Group had sold all of its shares in IT Home Publications Inc. with a consideration of $16,000 thousand on September 27, 2023, and resulted in a loss of control over it. The Group recognized a loss on disposal of $1,262 thousand, and recorded it as other gains and losses in the consolidated statement of comprehensive income.

The carrying amount of assets and liabilities of IT Home Publications Inc. on September 30, 2023 as follow:

Cash and cash equivalents	$	64,069
Accounts receivable and other receivables		42,523
Other current assets		18,556
Property, plant and equipment		8,269
Right-of-use assets		14,392
Other non-current assets		1,071
Accounts payable and other payables		(41,366)
Contract liabilities		(73,596)
Lease liabilities		(14,592)
Other liabilities		(2,064)
Carrying amount of net assets	**$**	**17,262**

(i) Material non-controlling interests of subsidiaries

The material non-controlling interests of subsidiaries were as follows:

Subsidiaries	Main operation place	Percentage of non-controlling interests 2023.12.31	2022.12.31
PChome eBay Co., Ltd.	Taiwan	35.00 %	35.00 %
Chunghwa PChome Fund 1 Co., Ltd.	Taiwan	50.00 %	50.00 %
21st Century Technology Co., Ltd.	Taiwan	54.96 %	54.96 %

The following information of the aforementioned subsidiaries have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers. Intragroup transactions were not eliminated in this information.

1.PChome eBay Co., Ltd. and its subsidiaries' collective financial information:

	2023.12.31	2022.12.31
Current assets	$ 1,517,034	1,438,034
Non-current assets	81,669	69,241
Current liabilities	(905,154)	(503,884)
Non-current liabilities	(205,829)	(19,637)
Net assets	**$ 487,720**	**983,754**
Non-controlling interests	**$ 170,702**	**344,314**

	2023	2022
Operating revenue	**$ 1,046,834**	**857,028**
Net profit	$ 128,323	133,923
Other comprehensive income	167	1,765
Total comprehensive income	**$ 128,490**	**135,688**
Profit, attributable to non-controlling interests	**$ 44,913**	**46,873**
Comprehensive income, attributable to non-controlling interests	**$ 44,972**	**47,491**

2.Chunghwa PChome Fund 1 Co., Ltd.'s collective financial information:

	2023.12.31	2022.12.31
Current assets	$ 91,871	151,494
Non-current assets	429,999	412,790
Current liabilities	(4,814)	(8,731)
Net assets	**$ 517,056**	**555,553**
Non-controlling interests	**$ 258,528**	**277,777**

	2023	2022
Net (loss) profit	$ (19,351)	134,277
Other comprehensive income	-	-
Total comprehensive (loss) income	**$ (19,351)**	**134,277**
(Loss) Profit, attributable to non-controlling interests	**$ (9,676)**	**67,138**
Comprehensive (loss) income, attributable to non-controlling interests	**$ (9,676)**	**67,138**

3.Collective financial information of 21st Century Technology Co., Ltd. and its subsidiaries:

	2023.12.31	2022.12.31
Current assets	$ 4,926,739	5,455,425
Non-current assets	3,713,878	3,206,138
Current liabilities	(5,239,392)	(5,113,409)
Non-current liabilities	(645,162)	(1,031,399)
Net assets	$ 2,756,063	2,516,755
Non-controlling interests	$ 1,505,377	1,381,513

	2023	2022
Operating revenue	$ 1,625,455	1,316,647
Net profit	$ 271,101	104,380
Other comprehensive income	13,049	58,935
Total comprehensive income	$ 284,150	163,315
Profit attributable to non-controlling interests	$ 118,061	23,768
Comprehensive income, attributable to non-controlling interests	$ 125,018	56,308

(j) Property, plant and equipment

The cost, depreciation, and impairment of the property, plant and equipment of the Group for the years ended December 31, 2023 and 2022, were as follows:

	Transportation equipment	Storage equipment	Furniture and office equipment	Leasehold improvements	Other equipment	Testing equipment	Total
Cost:							
Balance at January 1, 2023	$ 98,936	5,102	1,315,190	443,469	6,507	703,520	2,572,724
Disposal of subsidiaries	-	-	(9,538)	(14,064)	-	-	(23,602)
Additions	-	292,093	42,773	124,593	-	231,278	690,737
Obsolescence	-	-	(417,714)	(131,446)	(6,507)	-	(555,667)
Disposals	(191)	-	(19,008)	(44,870)	-	-	(64,069)
Reclassification	-	269,560	9,829	96,828	-	(383,384)	(7,167)
Effect of changes in foreign exchange rates	-	-	25	(162)	-	-	(137)
Balance at December 31, 2023	$ 98,745	566,755	921,557	474,348	-	551,414	2,612,819
Balance at January 1, 2022	$ 96,362	-	1,246,514	521,156	6,507	440,768	2,311,307
Acquired through business combination	-	-	4,170	-	-	-	4,170
Additions	1,999	5,102	81,144	17,390	-	271,333	376,968
Obsolescence	-	-	(14,834)	-	-	-	(14,834)
Disposals	-	-	(2,355)	(99,365)	-	-	(101,720)
Reclassification	575	-	9	4,288	-	(8,581)	(3,709)
Effect of changes in foreign exchange rates	-	-	542	-	-	-	542
Balance at December 31, 2022	$ 98,936	5,102	1,315,190	443,469	6,507	703,520	2,572,724

		Transportation equipment	Storage equipment	Furniture and office equipment	Leasehold improvements	Other equipment	Testing equipment	Total
Depreciation and impairment loss:								
Balance at January 1, 2023	$	40,153	400	1,068,236	324,783	6,507	-	1,440,079
Disposal of subsidiaries		-	-	(8,793)	(6,540)	-	-	(15,333)
Depreciation for the year		12,261	29,919	118,503	50,814	-	-	211,497
Obsolescence		-	-	(416,709)	(131,446)	(6,507)	-	(554,662)
Disposals		(191)	-	(16,808)	(43,681)	-	-	(60,680)
Reclassification		-	-	78	88	-	-	166
Effect of changes in foreign exchange rates		-	-	17	(87)	-	-	(70)
Balance at December 31, 2023	$	**52,223**	**30,319**	**744,524**	**193,931**	**-**	**-**	**1,020,997**
Balance at January 1, 2022	$	27,298	-	940,556	381,078	5,260	-	1,354,192
Acquired through business combination		-	-	1,748	-	-	-	1,748
Depreciation for the year		12,855	400	141,857	41,664	1,247	-	198,023
Obsolescence		-	-	(14,823)	-	-	-	(14,823)
Disposals		-	-	(1,397)	(97,959)	-	-	(99,356)
Effect of changes in foreign exchange rates		-	-	295	-	-	-	295
Balance at December 31, 2022	$	**40,153**	**400**	**1,068,236**	**324,783**	**6,507**	**-**	**1,440,079**
Carrying amounts:								
Balance at December 31, 2023	$	**46,522**	**536,436**	**177,033**	**280,417**	**-**	**551,414**	**1,591,822**
Balance at January 1, 2022	$	**69,064**	**-**	**305,958**	**140,078**	**1,247**	**440,768**	**957,115**
Balance at December 31, 2022	$	**58,783**	**4,702**	**246,954**	**118,686**	**-**	**703,520**	**1,132,645**

The Group purchased relevant equipment for operation in 2023. For relevant significant contracts, please refer to Note (9)(e). As of December 31, 2023 and 2022, the property, plant and equipment were not pledged as collateral.

(k) Right-of-use assets

The cost and depreciation of the right-of-use assets of the Group for the years ended December 31, 2023 and 2022, were as follows:

		Buildings	Machinery and equipment	Transportation equipment	Total
Cost:					
Balance as of January 1, 2023	$	3,662,793	44,228	5,280	3,712,301
Additions		4,047,259	-	1,172	4,048,431
Decrease		(1,587,016)	-	-	(1,587,016)
Effect of changes in foreign exchange rates		(1,644)	-	-	(1,644)
Balance as of December 31, 2023	$	**6,121,392**	**44,228**	**6,452**	**6,172,072**
Balance as of January 1, 2022	$	3,479,716	-	6,255	3,485,971
Acquisition through business combination		6,462	-	3,490	9,952
Additions		449,715	44,228	-	493,943
Decrease		(272,675)	-	(4,465)	(277,140)
Effect of changes in foreign exchange rates		(425)	-	-	(425)
Balance as of December 31, 2022	$	**3,662,793**	**44,228**	**5,280**	**3,712,301**

	Buildings	Machinery and equipment	Transportation equipment	Total
Accumulated depreciation:				
Balance as of January 1, 2023	$ 1,682,683	11,057	1,878	1,695,618
Depreciation for the year	666,742	11,057	1,996	679,795
Decrease	(720,794)	-	-	(720,794)
Effect of changes in foreign exchange rates	(686)	-	-	(686)
Balance as of December 31, 2023	$ 1,627,945	22,114	3,874	1,653,933
Balance as of January 1, 2022	$ 1,404,896	-	702	1,405,598
Acquired through business combination	2,827	-	823	3,650
Depreciation for the year	542,229	11,057	1,814	555,100
Decrease	(267,183)	-	(1,461)	(268,644)
Effect of changes in foreign exchange rates	(86)	-	-	(86)
Balance as of December 31, 2022	$ 1,682,683	11,057	1,878	1,695,618
Carrying amount:				
Balance as of December 31, 2023	$ 4,493,447	22,114	2,578	4,518,139
Balance as of January 1, 2022	$ 2,074,820	-	5,553	2,080,373
Balance as of December 31, 2022	$ 1,980,110	33,171	3,402	2,016,683

The Group rented buildings as warehouse from Chunghwa Post Co., Ltd. in February, 2023. The lease term is 15 years and rental fee will be adjusted yearly based on the Price Index of the year.

(l) Intangible assets

The costs and amortization and impairment loss of intangible assets of the Group for the years ended December 31, 2023 and 2022, were as follows:

	Software	Goodwill	Concession	Others	Total
Cost:					
Balance at January 1, 2023	$ 276,657	5,011,342	501,290	309,483	6,098,772
Acquired separately	6,528	-	-	-	6,528
Disposal and obsolescence	(93,190)	-	-	-	(93,190)
Reclassification	15,859	-	-	-	15,859
Balance at December 31, 2023	$ 205,854	5,011,342	501,290	309,483	6,027,969
Balance at January 1, 2022	$ 206,370	3,528,869	501,290	81,848	4,318,377
Acquired through business combination	-	1,482,473	-	227,635	1,710,108
Acquired separately	22,217	-	-	-	22,217
Disposal and obsolescence	(5,500)	-	-	-	(5,500)
Reclassification	53,484	-	-	-	53,484
Effect of movements in exchange rates	86	-	-	-	86
Balance at December 31, 2022	$ 276,657	5,011,342	501,290	309,483	6,098,772
Amortization and impairment losses:					
Balance at January 1, 2023	$ 206,248	-	67,742	17,174	291,164
Amortization for the year	44,277	-	54,194	29,050	127,521
Disposal and obsolescence	(92,979)	-	-	-	(92,979)
Balance at December 31, 2023	$ 157,546	-	121,936	46,224	325,706

	Software	Goodwill	Concession	Others	Total
Balance at January 1, 2022	$ 175,552	-	13,548	2,025	191,125
Amortization for the year	36,110	-	54,194	15,149	105,453
Disposal and obsolescence	(5,500)	-	-	-	(5,500)
Effect of movements in exchange rates	86	-	-	-	86
Balance at December 31, 2022	$ **206,248**	**-**	**67,742**	**17,174**	**291,164**
Carrying amounts:					
Balance at December 31, 2023	$ **48,308**	**5,011,342**	**379,354**	**263,259**	**5,702,263**
Balance at January 1, 2022	$ **30,818**	**3,528,869**	**487,742**	**79,823**	**4,127,252**
Balance at December 31, 2022	$ **70,409**	**5,011,342**	**433,548**	**292,309**	**5,807,608**

1.The amortization of intangible assets is included in the statement of comprehensive income:

	2023	2022
Operating cost	$ **688**	**101**
Operating expense	$ **126,833**	**105,352**

2.On July 29, 2022, the Group obtained the amounts of $1,482,473 thousand, $57,421 thousand and $170,214 thousand, arising from the acquisition of Cherri Tech Inc., in goodwill, expertise and customer relationship, respectively. Please refer to the Note (6)(g) for relevant information.

3.Cash generating units of goodwill apportioned to the consolidated company

	2023.12.31	2022.12.31
PChome CB Co., Ltd.	$ 99,358	99,358
Yun Tan Technology Inc.	15,161	15,161
21st Century Technology Co., Ltd.	3,414,350	3,414,350
Cherri Tech Inc.	1,482,473	1,482,473
Total	$ **5,011,342**	**5,011,342**

4.Tests of goodwill impairments

According to IAS 36, the impairment test for goodwill acquired by a business combination should be conducted at least annually, which is to allocate goodwill to cash-generating units that are expected to benefit from the consolidated synergy, and to assess whether the impairment of goodwill is required to be included in the calculation of the value-in-use of each cash-generating unit and the carrying amount of net assets.

According to the analysis report on the valuation of equity calculated by experts engaged by the Group in 2023 and 2022, the recoverable amount of each cash generating unit is still greater than the book amount, so the loss of impairment is not recognized.

The recoverable amount of each cash generating unit is determined on the basis of value in use assessed by the independent appraiser, which is calculated on the basis of the financial projections of cash flows approved by management, and the key assumptions used in estimating the value in use are as follows:

	2023.12.31	2022.12.31
Discount rate	5.58%~22.38%	6.92%~20.73%
Growth Rate	18.74%~58.53%	23.44%~61.69%

(m) Other current financial assets and other non-current financial asset

The other current financial assets others and other non-current financial assets of the Group were as follows:

	2023.12.31	2022.12.31
Time deposits-current	$ 831,586	842,224
Guarantee deposits paid	509,679	217,762
Others	426,613	314,251
	$ 1,767,878	1,374,237

1.Time deposits-current

Time deposits that do not meet the definition of cash equivalents are recognized as other current financial assets.

2.For special trust accounts, please refer to Note (9)(f).

3.The assets of the Group had been pledged as collateral; please refer to Note (8).

(n) Short-term borrowings

	2023.12.31	2022.12.31
Unsecured bank loans	$ 413,321	1,860,735
Secured bank loans	1,948,662	1,384,654
Other short-term loans	393,384	117,066
Short-term notes and bills payable	199,650	-
	$ 2,955,017	3,362,455
Unused short-term credit line	$ 5,308,514	3,939,163
Range of interest rates	0.97%~4.62%	0.97%~4.36%

The Group for the collateral for short-term borrowings, please refer to Note (8).

The Group's guaranteed bank and other borrowings arising from the alienation of claims receivable, please refer to Note (6)(d) for relevant explanations.

For details of loans and guarantees provided by related parties, please refer to Note (7).

(o) Other current liabilities

	2023.12.31	2022.12.31
Receipts under custody-online payment processing service mainly	$ 1,859,707	1,914,837
Current refund liabilities	33,941	33,386
Others-shopping crdits	337,103	330,003
	$ 2,230,751	**2,278,226**

Agreements were entered into between the Group and its online sellers for entrusting the Group to collect sellers' online transaction payments. Collections were recognized under other current liabilities and were accounted for as payables to the sellers.

Current refund liabilities were expected to be paid to customers due to their right to refund the goods, and were recognized under other current liabilities.

(p) Long-term borrowings

The details were as follows:

	2023.12.31			
	Currency	**Rate**	**Maturity year**	**Amount**
Unsecured bank loans	TWD	1.45%~2.26%	2024~2030	$ 945,215
Secured bank loans	TWD	1.50%~2.74%	2026~2028	2,170,814
Other long-term borrowings	TWD	3.99%	2024	100,000
Loans from related parties	TWD	2.75%	2024~2025	528,718
Less: current portion				(428,944)
Total				**$ 3,315,803**
Unused long-term credit lines				**$ 2,624,200**

	2022.12.31			
	Currency	**Rate**	**Maturity year**	**Amount**
Unsecured bank loans	TWD	1.32%~3.23%	2023, 2024, 2026, 2028	$ 955,175
Secured bank loans	TWD	1.38%~1.97%	2025, 2028	419,900
Other long-term borrowings	TWD	3.99%	2023~2024	150,000
Loans from related parties	TWD	2.25%~2.75%	2023~2024	721,525
Less: current portion				(57,042)
Total				**$ 2,189,558**
Unused long-term credit lines				**$ 2,872,300**

The circumstances of the Group setting mortgage on assets as a guarantee for bank borrowings, please refer to Note (8).

The Group has entered into a syndicated credit agreement with financial institutions in 2023, under which, specific financial ratios must be maintained in the Group's annual audited financial statements and semi-annual reviewed financial statements of the parent company, and the consolidated financial statements. In the event that the aforementioned financial ratios fail to meet the agreed-upon requirements, the Company may, in accordance with the provisions of the agreements, submit a written request to the arranger bank for confirmation by the lending banks , and the majority of the lending banks may decide whether or not to grant a waiver of the financial ratios, and the waiver will not be deemed to be a breach of the agreements until the majority of the lending banks have reached such a decision.

The Company is the joint guarantor of the unsecured bank loans of the subsidiaries, PChome Store Inc., Pi Mobile Technology Inc., PChome Bibian Inc., Linktel Inc., PChome Express Co., Ltd.,and 21st Century Digital Technology Co., Ltd., as of December 31, 2023. For the information about guarantees and endorsements for other parties, please refer to Note (13)(a).

For details of loans and guarantees provided by related parties, please refer to Note (7).

(q) Bonds payable

The details of secured convertible bonds were as follows:

		2023.12.31	2022.12.31
Total convertible corporate bonds issued	$	1,500,000	1,500,000
Unamortized discounted corporate bonds payable		-	(7,553)
Cumulative redeemed amount		(1,379,000)	-
Cumulative converted amount		(121,000)	(121,000)
Balance of corporate bonds issued	$	-	1,371,447
Equity component – conversion options, included in capital surplus– stock options	$	129,737	129,737

Convertible bonds that were recognized in profit or loss were as follows:

		2023	2022
Embedded derivative instruments – call options, included in other gains or losses	$	-	(3,999)
Interest expense	$	7,553	9,911

As of December 31, 2022, the amount of bonds payable were $1,371,447 thousand, and the duration of the bonds payable was less than one year, amounted for one year or recognized as the long-term debt with one operating cycle.

The Company issued secured 3-year convertible bonds at October 7, 2020, the face value of this bond amounted to $1,500,000 thousand, coupon rate is 0% and was issued at 107.42% of the face value. Therefore, the actual borrowing amount was $1,611,304 thousand. The issuance period was from October 7, 2020, to October 7, 2023, while the conversion period started from January 8, 2021, to October 7, 2023. The Company repaid the convertible corporate bonds at face value in one lump sum in cash upon maturity.

After the bond has been issued for over 3 months and before 40 days, if the closing price of the Company' s common shares listed on the Taiwan Stock Exchange exceeds or equals 30% of the conversion price for 30 consecutive days, the Company will gets the right to redeem the bonds with cash based on face value.

The face value of the convertible bonds amounting to $121,000 thousand has been converted and recognized as $10,980 thousand ordinary capital. Additionally, it caused the decrease of the initially recognized capital surplus— stock options of convertible bonds and discount on bonds payable amounting to $11,384 thousand and $1,606 thousand, respectively. The net converted amount exceeded the face value of converting common stocks and therefore the amount of $119,798 thousand was recognized as capital surplus—premium on bonds payable conversion.

The Company has entered into an agreement to guarantee the issuance of corporate bonds with KGI Bank, Chang Hwa Commercial Bank Ltd. and Far Eastern International Bank Co., Ltd. During the guarantee period (the same as the issuance period of the secured convertible bonds), these financial institutions are responsible for assuming main and subordinated debts such as the principal balance of convertible bonds and interest compensation payables. The guarantee ratio of KGI Bank, Chang Hwa Commercial Bank, Ltd., and Far Eastern International Bank Co., Ltd is 40%, 40% and 20%, respectively.

Relevant information for the price risk of embedded derivative – call options please refer to Note (6)(aa).

(r) Lease liabilities

The carrying amounts of lease liabilities of the Group were as follows:

	2023.12.31	2022.12.31
Current	$ 550,664	557,850
Non-current	$ 4,128,727	1,527,013

Maturity analysis please refer to Note (6)(aa).

The amounts recognized in profit or loss were as follows:

	2023	2022
Interests on lease liabilities	$ 57,552	26,545
Expenses relating to short-term leases	$ 42,808	40,011
Expenses relating to leases of low-value, excluding short-term leases of low-value assets	$ 7,691	7,836

The amounts recognized in the statement of cash flows for the Group were as follows:

	2023	2022
Total cash outflow for leases	$ 666,836	618,395

The Group leases buildings for its office space and warehouses. The leases of office space typically run of a period for 1 to 3 years, and of warehouses for 5 to 15 years. Some leases include an option to renew the lease for an additional period of the same duration after the end of the contract term.

(s) Employee benefits

1. Defined benefit plans

Reconciliation of defined benefit obligation at present value and plan asset at fair value are as follows:

	2023.12.31	2022.12.31
Present value of defined benefit obligation	$ 20,350	22,358
Fair value of plan assets	(55,322)	(56,159)
Net defined benefit assets	**$ (34,972)**	**(33,801)**

The Group makes defines benefit plan contributions to the pension fund account at Bank of Taiwan that provides pensions for employees upon retirement. The plans (covered by the Labor Standards Law) entitle a retired employee to receive an annual payment based on years or service and average salary for the six months prior to retirement.

1) Composition of plan assets

The Group allocates pension funds in accordance with the Regulations for Revenues, Expenditures, Safeguard and Utilization of the Labor Retirement Fund, and such funds are managed by the Bureau of Labor Funds, Ministry of Labor. With regard to the utilization of the funds, minimum earnings shall be no less than the earnings attainable from two-year time deposits with interest rates offered by local bank.

The Group’s pension reserve account in Bank of Taiwan amounted to $55,322 thousand at the end of the reporting period. For information on the utilization of the labor pension fund assets including the asset allocation and yield of the fund, please refer to the website of the Bureau of Labor Funds, Ministry of Labor.

2) Movements in present value of the defined benefit obligations

The movements in present value of defined benefit obligations for the Group were as follows:

	2023	2022
Defined benefit obligation at January 1	$ 22,358	44,437
Current service costs and interest	447	333
Remeasurement on the net defined benefit liabilities (assets)		
－Actuarial loss (gain) from experience adjustments	136	(17,558)
－Actuarial loss (gain) arising from changes in financial assumptions	363	(4,570)
Benefit paid	(2,954)	(284)
Defined benefit obligation at December 31	**$ 20,350**	**22,358**

3) Movements of defined benefit plan assets

The Group's movements in present value of defined benefit obligations for the years ended December 31,2023 and 2022 were as follows:

	2023	2022
Fair value of plan assets at January 1	$ 56,159	51,132
Interest income	1,132	387
Remeasurement on the net defined benefit liabilities (assets)		
－Return on plan assets (excluding interest income)	59	3,908
Contribution made	926	1,016
Benefit paid	(2,954)	(284)
Fair value of plan assets at December 31	**$ 55,322**	**56,159**

4) Expenses recognized in profit or loss

The expenses recognized in profit or loss for the Group were as follows:

	2023	2022
Net interest of net defined benefit assets	**$ (685)**	**(54)**

5) Actuarial assumptions

The following are the Group' s principal actuarial assumptions of Present Value of defined benefit obligations:

	2023	2022
Discount rate	1.875%	2.000%
Future salary increase rate	3.000%	3.000%

The expected allocation payment made by the Group to the defined benefit plans for the one-year period after the reporting date was $891 thousand.

The weighted average duration of the defined benefit plans is 15.65 years.

6) When calculating the present value of the defined benefit obligations, the Group uses judgments and estimations to determine the actuarial assumptions, including discount rate and future salary changes, as of the financial statement date. Any changes in the actuarial assumptions may significantly impact the amount of the defined benefit obligations.

7) Sensitivity analysis

As of December 31, 2023 and 2022, the changes in the principal actuarial assumptions will impact on the present value of the defined benefit obligation were as follows:

	Influences of defined benefit obligations	
	Increased 0.25%	**Decreased 0.25%**
December 31, 2023		
Discount rate	(718)	748
Future salary increase rate	728	(703)
December 31, 2022		
Discount rate	(804)	839
Future salary increase rate	817	(788)

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions remain constant, would have affected the defined benefit obligation by the amounts shown above. In practice, changes of assumptions may link to each other. The method used in the sensitivity analysis is consistent with the calculation of Net defined benefit liabilities in the balance sheets.

There is no change in the method and assumptions used in the preparation of sensitivity analysis for 2023 and 2022, respectively.

2. Defined contribution plans

The Group allocates 6% of each employee' s monthly wages to the Labor Pension Personal Account at the Bureau of Labor Insurance in accordance with the provisions of the Labor Pension Act. Under these defined contribution plans, the Group allocates a fixed amount to the Bureau of Labor Insurance without additional legal or constructive obligation to pay.

For the years ended December 31, 2023 and 2022, the Group set aside $93,963 thousand and $103,561 thousand, respectively, under the pension plan to the Bureau of the Labor Insurance.

(t) Income taxes

1. Income tax expense recognized in profits or losses

The amounts of income tax expense for the years ended December 31,2023 and 2022, were as follows:

	2023	2022
Current income tax expenses:		
Current period	$ 195,403	227,768
5% surtax on unappropriated earnings	9,832	22,595
Adjustment for prior periods	(75,954)	(8,984)
	129,281	241,379
Deferred tax expense:		
Origination and reversal of temporary differences	(65,691)	(27,993)
Income tax expenses	**$ 63,590**	**213,386**

The amounts of income tax benefit (expense) recognised in other comprehensive income for the the years ended December 31,2023 and 2022, were as follows:

	2023	2022
Items that will not be reclassified subsequently to profit or loss:		
Re-measurement from defined benefit plans	**$ 88**	**(5,207)**

The reconciliation of income tax and profit before tax was as follows:

	2023	2022
(Loss)Profit excluding income tax	**$ (464,273)**	**256,978**
Income tax using the domestic tax rate of each company	$ 11,011	94,199
Permanent differences-the share of gain domestic subsidiaries, etc.	(80,072)	(90,181)
Change in unrecognized temporary differences	198,773	107,051
Over provision in prior periods	(75,954)	(8,984)
5% surtax on unappropriated earnings	9,832	22,595
Income basic tax	-	88,706
Total	**$ 63,590**	**213,386**

2. Deferred tax assets and liabilities

The temporary differences related to investment subsidiaries on December 31, 2023 and 2022 were due to the fact that the merging company controlled the timing of the reversal of the temporary differences and was confident that they would not reverse in the foreseeable future. therefore no deferred income tax liability was recognized.

1) Unrecognized deferred tax assets

Deferred tax assets have not been recognized in respect of the following items:

	2023.12.31	2022.12.31
Deductible temporary differences and tax losses	**$ 1,271,856**	**1,023,822**

The R.O.C. Income Tax Act allows net losses, as assessed by the tax authorities, to offset taxable income over a period of ten years for local tax reporting purposes. As the Group likely will not have enough taxable income in the future, the above losses were not recognized as deferred tax assets.

As of December 31, 2023, the Group had not recognized the prior years' loss carry-forwards as deferred tax assets. The expiry years are as follows:

Year of Occurrence	Operating Loss Carry Forwards	Year of Expiration
2014	$ 6,578	2024
2015	14,576	2025
2016	41,294	2026
2017	1,075,779	2027
2018	2,097,831	2028
2019	226,088	2029
2020	431,551	2030
2021	557,426	2031
2022	819,920	2032
2023	1,088,238	2033
	$ 6,359,281	

2) Recognized deferred tax assets and liabilities

Changes in the amount of deferred tax assets and liabilities for 2023 and 2022 are as follows:

	Bad debt Expense	Unrealized Gain (Loss) of Investment	Others	Total
Deferred Tax Liabilities:				
Balance at January 1, 2023	$ -	-	6,829	6,829
Debited Income statement	-	-	4,213	4,213
Credited Other Comprehensive Income	-	-	(88)	(88)
Balance at December 31, 2023	**$ -**	**-**	**10,954**	**10,954**
Balance at January 1, 2022	$ -	-	1,408	1,408
Debited Income statement	-	-	214	214
Debited Other Comprehensive Income	-	-	5,207	5,207
Balance at December 31, 2022	**$ -**	**-**	**6,829**	**6,829**

	Bad debt Expense	Unrealized Gain (Loss) of Investment	Others	Total
Deferred Tax Assets:				
Balance at January 1, 2023	$ 79,118	31,213	38,611	148,942
(Debited) Credited Income statement	80,220	152	(10,468)	69,904
Balance at December 31, 2023	**$ 159,338**	**31,365**	**28,143**	**218,846**
Balance at January 1, 2022	$ 43,799	32,520	44,416	120,735
(Debited) Credited Income statement	35,319	(1,307)	(5,805)	28,207
Balance at December 31, 2022	**$ 79,118**	**31,213**	**38,611**	**148,942**

3. The Company's tax returns for the years through 2021 were examined and approved by the Taipei National Tax Administration.

(u) Capital and other equity

1. Issuance of common stock

As of December 31, 2023 and 2022, the total value of nominal ordinary shares amounted to $2,000,000 thousand. The face value of each share is $10. There were 143,953 thousand and 128,163 thousand ordinary shares issued, respectively. (including the issuance of the employee restricted shares amounted to 319 thousand and 529 thousand shares as of December 31, 2023 and 2022, respectively.) All issued shares were paid up upon issuance.

On September 17, 2021, as resolved by the board of directors, common shares were issued at a private offering price of $106.65 per share, in a quantity of 10,000 thousand shares with a par value of $10 per share. The private offering cut-off date was set on October 1, 2021. In actuality, $10 thousand shares were issued, and the relevant changes in registration have been completed.

The transfer of the aforementioned privately offered common shares, along with any subsequent gratis allotment of shares, is subject to the provisions stipulated under Article 43-8 of the Securities Exchange Act. Furthermore, a declaration for the supplementary public offering and listing on the over-the-counter market shall only be initiated after a period of three years from the date of delivery of the privately offered common share (November 18, 2021), in compliance with the relevant regulations and laws.

On February 21, 2023, the Board of Directors resolved to issue 16,000 thousand common shares at a price of $40.1 per share, and par value per share is $10, as totaling $641,600 thousand. The Company has received approval from the Financial Supervisory Commission in the letter No. 1120345634 on June 20, 2023, for this capital increase. The relevant statutory registration procedures have since been completed.

2. Capital surplus

The balances of additional paid-in capital were as follows:

	2023.12.31	2022.12.31
Share capital	$ 3,114,669	2,600,396
Conversion premium	119,798	119,798
Difference between consideration and carrying amount of subsidiaries acquired or disposed	1,714,997	1,714,997
Changes in equity of subsidiaries	475,645	410,517
Changes in equity of investment in associates and joint ventures accounted for using the equity method	3,934	3,934
Issuance of convertible bonds	129,737	129,737
Share based payment transactions—employee restricted shares	-	29,579
Share based payment transactions—treasury stock	2,138	2,138
Total	**$ 5,560,918**	**5,011,096**

According to the R.O.C. Company Act, capital surplus can only be used to offset a deficit, and only the realized capital surplus can be used to increase the common stock or be distributed as cash dividends. The aforementioned realized capital surplus includes capital surplus resulting from premium on issuance of capital stock and earnings from donated assets received. According to the Regulations Governing the Offering and Issuance of Securities by Securities Issuers, capital increases by transferring capital surplus in excess of par value should not exceed 10% of the total common stock outstanding.

3. Retained earnings

The Company’s article of incorporation stipulate that Company’s net earnings should first be used to offset the prior years' deficit, if any, before paying any income taxes. Of the remaining balance, 10% is to be appropriated as legal reserve. However, this restriction is not applied when the legal reserve has reached the paid-in capital of the Company; In addition, according to the operation needs of the Company and the provisions of laws and regulations, if there is a balance of the special surplus reserve, priority may be given to the distribution of dividends of the special shares of the current year. And then any remaining profit together with any undistributed retained earnings shall be distributed according to the distribution plan proposed by the board of directors and submitted to the shareholders’ meeting for proposal.

The Company may explicitly stipulate in the Articles of Incorporation to authorize the distributable dividends and bonuses in whole or in part may be paid in cash after a resolution has been adopted by a majority vote at a meeting of the board of directors 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’ meeting.

The Company adopts the residual dividend policy; the residual earnings will be distributed by cash dividends before the Company fulfills the funding needs, and the ratio for stock dividend shall not exceed 80% of the total distribution. The amount, type and ratio of such dividend distribution, may be approved by the Board of Directors based on the actual profit and financial situation of the current year and submitted to the shareholders' meeting for decision.

1) Legal reserve

When a company incurs no loss, it may, pursuant to a resolution by a shareholders' meeting, distribute its legal reserve by issuing new shares or by distributing cash, and only the portion of legal reserve which exceeds 25% of capital may be distributed.

2) Special reserve

In accordance with Permit No. 1010012865 issued by the Financial Supervisory Commission on April 6, 2012, a portion of current-period earnings and undistributed prior-period earnings shall be reclassified as a special earnings reserve during earnings distribution. The amount to be reclassified should be equal to the difference between the total net reduction of current-period special earnings reserve resulting from first-time adoption of IFRS and the carrying amount of other shareholders' equity as stated above. Similarly, a portion of undistributed prior-period earnings shall be reclassified as a special earnings reserve (and does not qualify for earnings distribution) to account for cumulative changes to other shareholders' equity pertaining to prior periods due to first-time adoption of IFRS. Amounts of subsequent reversals pertaining to the net reduction of other shareholders' equity shall qualify for additional distributions.

3) Earnings distribution

The Board of Directors of the Company resolved not to distribute dividends for 2022 on March 20, 2023. The amount of cash dividend of appropriation of earnings for 2021 that had been approved in the shareholders' meeting on March 23, 2022 was $63,817 thousand. Relevant information would be available at the Market Observation Post System website.

4. Treasury shares

On March 16, 2021, the Board of Directors of the Company resolved to repurchase its ordinary shares from the centralized securities exchange market, in order to transfer to employees, at price between $60 and $110 per share, in accordance with the requirements under section 28(2) of the Securities and Exchange Act. As of December 31, 2023, a total of 1,230 thousand shares have been bought back at a cost of $108,254 thousand, of which 351 thousand shares were transferred to employees in 2021, amounting to $30,892 thousand. The cost does not exceed the upper limit amount $108,440 thousand approved by the Board of Directors.

On May 11, 2022, the Board of Directors of the Company resolved to repurchase its ordinary shares from the centralized securities exchange market, in order to transfer to employees, at price between $70 and $125 per share, in accordance with the requirements under section 28(2) of the Securities and Exchange Act. As of December 31, 2023, a total of 1,900 thousand shares have been bought back at a cost of $133,140 thousand. The cost does not exceed the upper limit amount $286,781 thousand approved by the Board of Directors.

In accordance with the requirements of Securities and Exchange Act, treasury shares held by the Company should not be pledged, and should not hold any shareholder rights before their transfer.

5. Other equity, net of tax

	Exchange difference on translation of foreign financial statements	Unrealized gains from financial assets measured at fair value through other comprehensive income	Unearned Employee Compensation
Balance at January 1, 2023	$ (9,252)	156,045	(41)
Exchange differences on foreign operations	(17,542)	-	-
Unrealized losses from financial assets measured at fair value through other comprehensive income	-	89,609	-
Disposal of investments in equity instruments designated at fair value through other comprehensive income	-	(7,828)	-
Share-based payment transactions	-	-	41
Balance at December 31, 2023	**$ (26,794)**	**237,826**	**-**
Balance at January 1, 2022	$ (12,414)	202,896	(7,896)
Exchange differences on foreign operations	3,162	-	-
Unrealized gains from financial assets measured at fair value through other comprehensive income	-	(46,851)	-
Share-based payment transactions	-	-	7,855
Balance at December 31, 2022	**$ (9,252)**	**156,045**	**(41)**

6. Non-controlling Interests

	2023	2022
Balance at January 1	$ 2,062,194	1,327,580
Shares of non-controlling interests		
Gain for the ended December 31	132,036	96,386
Foreign currency translation differences for foreign operations	(147)	1,132
Unrealized gains from financial assets measured at fair value through other comprehensive income	7,299	33,008
Changes in ownership interests in subsidiaries	(56,778)	556,285
Changes in non-controlling interests	(104,349)	47,803
Share-based payment transactions	15,910	-
Balance at December 31	**$ 2,056,165**	**2,062,194**

(v) Share-based payment

The Group had two shared-based payment arrangements as follows as of December 31, 2023:

1. Employee restricted shares

The issuance of the employee restricted shares amounting to 1,100 thousand shares with par value of $10 per share, was approved by the board of directors of the Group on September 29, 2020. This issuance of the employee restricted shares had received approval and was taken effect by the Financial Supervisory Commission on September 11, 2020, and October 22, 2020, was the base date for the capital increase.

Employees who are granted the above-mentioned employee restricted shares and continue to work in the Group for one year, two years and three years from the date of acquisition can receive 40%, 30% and 30% of employee restricted shares, respectively. The employees who are allocated the employee restricted shares, they should deliver the shares to the Group’s designated institutional trust for safekeeping before they meet the vested conditions. The shares shall not be sold, pledged, transferred, gifted or otherwise dispensed. During the period which the shares are delivered to the trust for safekeeping, the voting rights of the shareholders meeting shall be vested in the trust. The custodial institution shall implement it in accordance with relevant laws and regulations. If the employees who are granted the above-mentioned restricted employee rights do not meet the acquired conditions after obtaining the new shares, their shares shall be fully recovered and canceled by the Group.

As of December 31, 2023, the employees who were granted the above-mentioned restricted employee rights but did not meet the acquired conditions their shares have been recovered, and canceled by the Company amounting to 781 thousand shares. The relevant statutory registration procedures have been completed.

2. Share-based payment transactions

	Equity-settled						
	Treasury stocks transferred to employees	**Treasury stocks transferred to employees**	**Subsidaries' employee stock options**	**Subsidaries' employee stock options**	**Subsidaries' employee stock options**	**Subsidaries' employee stock options**	**Cash capital increase reserve for employee**
Grant date	August 6, 2021	November 3, 2021	May 25, 2017	September 1, 2022	April 1, 2023	October 5, 2023	June 28, 2023
Number of shares granted	333,000 shares	18,000 shares	33,372,000 shares	55,000 shares	5,880,000 shares	1,538,495 shares	667,000 shares
Contract term	2 years	2 years	5 years	6 years	10 years	0.1 years	-
Vesting conditions	Immediately vested	Immediately vested	Note 1	Note 2	Note 3	Immediately vested	Immediately vested

Note 1: The Group provides 25%, 25%, 25% and 25% share option to its employee annually according to their years of service, with a maximum of 4 years and a minimum of 1 year. On April 1, 2022, the board of directors resolved to repurchase the remaining employee stock options for $19,271 thousand in cash.

Note 2: The Group provides 25% of its shares as employee stock options after the first year of service rendered by its employees, wherein an average of 2.08% of the shares can be realized monthly from the second to fourth year of their service.

Note 3: Employees who have vested in 4 years can obtain 25% of the warrants for each of their full year of service.

1) Determining the fair value of equity instruments granted

The Group adopted the Black-Scholes Model to calculate the fair value of the stock option at grant date, and the assumptions adopted in this valuation model were as follows:

	Treasury stocks transferred to employees	Treasury stocks transferred to employees	Subsidaries' employee stock options	Subsidaries' employee stock options	Subsidaries' employee stock options	Subsidaries' employee stock options	Cash capital increase reserve for employee
Fair value at grant date	4.88	17.96	-	14.19	30.18~40.7	1.91	10.55
Stock price at grant date	91.18	105.64	-	14.19	49.76	11.86	50.60
Exercise price	-	-	USD0.09	$10	$0.00323	$10.00	$40.10
Expected volatility (%)	46.82%	42.65%	28.78%~60.78%	21.89%	55.25%	38.73%	22.72%
Expected life of the option (years)	-	-	5 years	6 years	10 years	0.1 years	0.12 years
Risk-free interest rate (%)	0.0484%	0.0909%	0.95%~1.31%	1.0195%	3.705%~3.48%	1.0057%	1.10%

2) Information on employee stock options

(Unit: Thousands)

	For the years ended December 31,			
	2023		2022	
	Weighted-average exercise price	Numbers of options	Weighted-average exercise price	Numbers of options
Balance, beginning of January 1	NTD -	-	USD 0.09	15,990
Options granted	1.68	7,278,952	-	-
Options forfeited	-	-	-	(15,990)
Options exercised	10.26	(2,130,495)	-	-
Options expired	-	-	-	-
Balance, end of December 31	0.50	**5,148,457**	-	**-**

On April 1, 2022, the Board of Directors resolved to repurchase the remaining employee stock options with $19,271 thousand in cash.

3. Expenses and liabilities resulted from share-based payments

The incurred expenses from share-based payments transactions for the years ended December 31, 2023 and 2022, were as follows:

	2023	2022
Salary expenses	**$ 19,732**	**4,555**

(w) Earnings per share

The Company calculated the basic and diluted EPS as follows:

	2023	2022
Loss attributable to common stockholders of the Company	$ (659,899)	(52,794)
Weighted-average number of ordinary shares	131,624	126,353
Basic earnings per share (NT dollars)	$ (5.01)	(0.42)

Due to the net loss after tax of the Company in 2023 and 2022, when calculating the potential items of diluted earnings per share, it will have an anti-dilutive effect. Therefore, the diluted earnings per share is excluded.

(x) Revenue from contracts with customers

1.Disaggregation of revenue

	2023	2022
Revenue of electronic commerce	$ 39,778,501	44,917,092
Revenue of non-electronic commerce	1,293,085	1,183,351
	$ 41,071,586	46,100,443

For details on accounts receivables and allowance for impairment, please refer to Note (6)(d).

The amount of revenue recognized for the years ended December 31, 2023 and 2022 that were included in the contract liability balance at the beginning of the period were $629,463 thousand and $486,786 thousand, respectively.

2.Contract balances

	2023.12.31	2022.12.31
Contract liabilities	$ 519,984	629,463

(y) Remunerations to employees, directors and supervisors

In accordance with the articles of the Company should contribute 1%~15% of the profit as employee compensation and less than 1.5% as directors' and supervisors' remuneration when there is profit for the year. However, if the Company has accumulated deficit, the profit should be reserved to offset the deficit. The recipients of shares and cash may include the employees of the Company's affiliated companies who meet certain conditions.

No remunerations to employees, directors and supervisors were accrued by the Company due to net loss after tax for the year ended December 31, 2023.

For the year ended December 31, 2022, the Company estimated its employees' remuneration amounting to $2,352 thousand, and directors' and supervisors' remuneration amounting to $264 thousand. There were no differences between the estimated amount in the financial statement and the actual amount distributed to employees in 2022, whereas the remuneration to the directors was not distributed, of which the difference was accounted for as the change in accounting estimate and recognized as profit in 2023. Related information would be available on the Market Observation Post System website.

(z) Non-operating income and expenses

1. Interest income

The details of interest income were as follows:

		2023	2022
Interest income from bank deposits	$	52,792	21,641
Other interest income		952	461
Total interest income	$	**53,744**	**22,102**

2. Other income

The details of other income were as follows:

		2023	2022
Income from fines and penalties- 21st Century Digital Technology Co., Ltd.	$	237,255	164,169
Income from the collection and payments -PChome Store Inc.		52,015	-
Income from the collections and payments -Pi Mobile Technology Inc.		27,376	7,213
Credit card rewards -PChome Bibian Inc.		12,514	9,717
Government grants		10,105	4,436
Dividend income		2,581	14,552
Other income		17,507	9,289
Total other income	$	**359,353**	**209,376**

3. Other gains and losses, net

The details of other gains and losses were as follows:

		2023	2022
Lease modification	$	28,896	153
Gains on disposal of property, plant and equipment and intangible assets		7,364	2,061
(Loss) gains on current financial assets at fair value through profit or loss		(3,265)	139,438
Liquidated damages		(9,804)	-
Gains on disposal of investments		(1,262)	3,414
Foreign currency exchange gains		11,781	23,932
Others		(43,979)	(2,635)
Other gains and losses, net	$	**(10,269)**	**166,363**

4. Finance costs

The details of finance cost were as follows:

	2023	2022
Interest expenses borrowing	$ 85,440	46,300
Interest expenses on lease liabilities	57,552	26,545
Interest expenses on bonds	7,553	9,911
Others	944	2,894
Finance costs, net	**$ 151,489**	**85,650**

(aa) Financial instruments

1. Credit risk

Credit risks exposure

The carrying amount of financial assets represents the maximum exposure to credit risk. As of December 31, 2023 and 2022, the maximum exposure to credit risk amounted to $12,961,959 thousand and $14,663,604 thousand, respectively.

2. Liquidity risk

The following are the contractual maturities of financial liabilities of the Group, including estimated interest payments and excluding the impact of netting arrangements:

	Carrying amount	Contractual cash flows	Within 6 months	6-12 months	1-2 years	2-5 years	More than 5 years
Balance at December 31, 2023							
Non-derivative financial liabilities							
Short-term borrowings	$ 2,955,017	2,955,017	1,000,748	1,954,269	-	-	-
Accounts and notes payable	3,171,460	3,171,460	3,171,460	-	-	-	-
Other payables	1,313,941	1,313,941	1,284,303	29,638	-	-	-
Receipts under custody	1,859,707	1,859,707	1,859,707	-	-	-	-
Lease liability	4,679,391	4,679,391	289,629	261,035	457,561	970,874	2,700,292
Long-term borrowings	3,744,747	3,744,747	3,792	137,902	3,090,226	512,531	296
Long-term payables	84,735	84,735	-	-	84,735	-	-
	$ 17,808,998	**17,808,998**	**7,609,639**	**2,382,844**	**3,632,522**	**1,483,405**	**2,700,588**
Balance at December 31, 2022							
Non-derivative financial liabilities							
Short-term borrowings	$ 3,362,455	3,362,455	1,944,629	1,417,826	-	-	-
Accounts and notes payable	3,925,764	3,925,764	3,925,764	-	-	-	-
Other payables	1,798,731	1,798,731	1,704,307	94,424	-	-	-
Receipts under custody	1,914,837	1,914,837	1,914,837	-	-	-	-
Lease liability	2,084,863	2,084,863	282,998	274,852	500,684	730,398	295,931
Bonds payable	1,371,447	1,379,000	-	1,379,000	-	-	-
Long-term borrowings	2,246,600	2,246,600	53,792	703,250	990,025	273,833	225,700
Long-term payables	234,612	234,612	-	-	149,878	84,734	-
	$ 16,939,309	**16,946,862**	**9,826,327**	**3,869,352**	**1,640,587**	**1,088,965**	**521,631**

The Group does not expect that the cash flows included in the maturity analysis could occur significantly earlier or in significantly different amounts.

3. Currency risk

1) Currency risk exposure

The Group's significant exposure to foreign currency risk was as follows:

	2023.12.31			2022.12.31		
	Foreign currency (thousands of dollars)	Exchange rate	TWD	Foreign currency (thousands of dollars)	Exchange rate	TWD
Financial assets						
Monetary items						
USD	$ 2,491	30.69	76,510	4,843	30.73	148,824
JPY	47,832	0.2173	10,394	45,796	0.2319	10,620
SGD	-	23.29	-	786	22.86	17,975
Financial liabilities						
Monetary items						
USD	239	30.69	7,349	190	30.73	5,836

2) Sensitivity analysis

The Group's exposure to foreign currency risk arises from the translation of the foreign currency exchange gains and losses on cash and cash equivalents, other receivables, and accounts payable that are denominated in foreign currency.

A 5% appreciation or depreciation of the TWD against the USD, JPY and SGD as of December 31, 2023 and 2022, would have increased or decreased net loss by $3,182 thousand and $6,863 thousand, respectively. This analysis assumes that all other variables remain constant. The analysis is performed on the same basis for the years ended December 31, 2023 and 2022.

Due to the variety of functional currency, the Group disclosed the foreign currency gain or loss on monetary items aggregately. For the years ended December 31, 2023 and 2022, the foreign exchange gain (including realized and unrealized) were $6,226 thousand and $23,932 thousand, respectively.

3) Interest analysis

The interest rate exposure of the Group's financial assets and liabilities is described in Note (6)(aa) on liquidity risk management.

The following sensitivity analysis is based on the exposure to the interest rate risk of financial assets and liabilities on the reporting date.

If the interest rate had increased or decreased by 0.1%, the Group's net income would have increased or decreased by $2,038 thousand and $823 thousand for the years ended December 31, 2023 and 2022, respectively, with all other variable factors remaining constant. This is mainly due to the Group's deposits and borrowings at variable rates.

4. Other market price risk

For the years ended December 31, 2023 and 2022, the sensitivity analyses for the changes in the securities price at the reporting date were performed using the same basis for profit or loss as illustrated below:

	For the years ended December 31,			
	2023		2022	
Prices of securities at the reporting date	**Other comprehensive income after tax**	**Net income**	**Other comprehensive income after tax**	**Net income**
Increasing 1%	$ 6,877	2,743	6,333	3,121
Decreasing 1%	(6,877)	(2,743)	(6,333)	(3,121)

5. Fair value of financial instruments

1) Fair value hierarchy

The carrying amount and fair value of the Group's financial assets, including the information on fair value hierarchy were as follows:

	2023.12.31				
		Fair Value			
	Book Value	**Level 1**	**Level 2**	**Level 3**	**Total**
Fair value through profit or loss					
Preferred stock	$ 342,903	-	-	342,903	342,903
Foreign convertible bonds	87,096	-	-	87,096	87,096
	$ 429,999	**-**	**-**	**429,999**	**429,999**
Fair value through other comprehensive income					
Domestic and foreign stock of non-listed company	**$ 859,583**	**-**	**-**	**859,583**	**859,583**

	2022.12.31				
		Fair Value			
	Book Value	**Level 1**	**Level 2**	**Level 3**	**Total**
Fair value through profit or loss					
Preferred stock	$ 390,074	-	-	390,074	390,074
Foreign convertible bonds	31,356	-	-	31,356	31,356
	$ 421,430	**-**	**-**	**421,430**	**421,430**
Fair value through other comprehensive income					
Domestic stock of non-listed company	**$ 791,590**	**-**	**-**	**791,590**	**791,590**

2) Valuation techniques for financial instruments measured at fair value

2.1) Non-derivative financial instruments

The financial instruments held by the Group are regarded as non-quoted price of the equity instruments. The fair value of the financial instruments is estimated by the comparable listed company market approach. The major assumption is measured by the multiplier which is derived from comparable listed company market approach. The effect of the estimation has been adjusted by the lack of market liquidity discounted rate.

2.2) Derivative financial instruments

Measurement of the fair value of derivative instruments is based on the valuation techniques generally accepted by market participants such as the discounted cash flow or option pricing models.

3) Reconciliation of Level 3 fair values

	Fair value through profit or loss	Fair value through other comprehensive income
Opening balance, January 1, 2023	$ 421,430	791,590
Purchased	11,835	-
Derecognized	-	(28,916)
Total gains and losses recognized:		
In profit or loss	(3,266)	-
In other comprehensive income	-	96,909
Ending Balance, December 31, 2023	**$ 429,999**	**859,583**
Opening balance, January 1, 2022	$ 244,226	767,882
Purchased	55,731	37,552
Derecognized	(17,965)	-
Total gains and losses recognized:		
In profit or loss	139,438	-
In other comprehensive loss	-	(13,844)
Ending Balance, December 31, 2022	**$ 421,430**	**791,590**

For the years ended December 31, 2023 and 2022, the total gains and losses that were included in "other gains and losses" and "unrealized gains and losses from fair value through other comprehensive income" were as follows:

	2023	2022
Total gains and losses recognized:		
In other gains and losses	(3,266)	139,438
In other comprehensive income, and including "unrealized gains and losses from fair value through other comprehensive income"	96,909	(13,844)

4) Quantified information on significant unobservable inputs (Level 3) used in fair value measurement

The Group's financial instruments that use Level 3 inputs to measure fair value include "financial assets measured at fair value through profit or loss – derivative financial instruments" and "fair value through other comprehensive income available-for-sale financial assets – equity investments".

Most of the Group's financial instruments categorized as Level 3 and have only one significant unobservable input. Derivative financial instruments and equity investments, which have no active market price, have more than one significant unobservable inputs, and those inputs have no correlation between each other.

Quantified information of significant unobservable inputs was as follows:

Item	Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
Fair value through profit or loss – Embedded derivative – call options	Binomial tree pricing convertible bonds model	·Volatility (December 31, 2022 was 49.21%.)	·The estimated fair value would increase (decrease) if the volatility were higher (lower).
Fair value through profit or loss – Equity investments without an active market	Comparable listed company market approach	·Market value ratio (December 31, 2023 and December 31, 2022 were 0.895~11.54 and 1.07~6.00, respectively.)	·The estimated fair value would increase (decrease) if the market value were higher (lower).
		·Liquidity discounted rate (December 31, 2023 and December 31, 2022 were 11.38%~30% and 28.05%~30%, respectively.)	·The estimated fair value would increase (decrease) if the lack of liquidity discounted rate or weighted average cost of capital were lower (higher).
	Discounted cash flow Method	·Weighted average cost of capital (December 31, 2023 was 14.74%)	

Item	Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
Fair value through other comprehensive income – Equity investments without an active market	Comparable listed company market approach	·Market value ratio (December 31, 2023 and 2022 were,0.84~17.84 and 0.73~9.34, respectively.) ·Liquidity discounted rate (December 31, 2023 and 2022 were 2.42%~48.08% and 8.85%~30%, respectively.)	·The estimated fair value would increase (decrease) if the market value were higher (lower). ·The estimated fair value would increase (decrease) if the lack of liquidity discounted rate were lower (higher).

5) Fair value measurements in Level 3 – sensitivity analysis of reasonably possible alternative assumptions

Sensitivity analysis for fair values of financial instruments using Level 3 Inputs, the Group's fair value measurement on financial instruments is reasonable. However, the measurement would be different if different valuation models or valuation parameters are used. For financial instruments using level 3 inputs, the impact on the net income or loss and other comprehensive income or loss will be as follows if the valuation parameters changed:

			Profit or loss		Other comprehensive income	
	Input	Variation	Favor-able	Unfavor-able	Favor-able	Unfavor-able
December 31, 2023						
Financial assets at fair value through profit or loss						
Derivative financial instruments	P/S ratio	5%	$ 4,355	(4,355)	-	-
Equity investments without an active market	P/S ratio etc.	5%	17,145	(17,145)	-	-
Financial assets at fair value through other comprehensive income						
Equity investments without an active market	Market value ratio	5%	-	-	35,936	(35,204)
〃	Liquidity discounted rate	5%	-	-	48,122	(48,025)
			$ 21,500	**(21,500)**	**84,058**	**(83,229)**

	Input	Variation	Profit or loss Favor-able	Profit or loss Unfavor-able	Other comprehensive income Favor-able	Other comprehensive income Unfavor-able
December 31, 2022						
Financial assets at fair value through profit or loss						
Derivative financial instruments	P/S ratio	5%	1,568	(1,568)	-	-
Equity investments without an active market	P/S ratio etc.	5%	19,504	(19,504)	-	-
Financial assets at fair value through other comprehensive income						
Equity investments without an active market	Market value ratio	5%	-	-	30,977	(30,980)
〃	Liquidity discounted rate	5%	-	-	48,215	(47,621)
			$ 21,072	(21,072)	79,192	(78,601)

The favorable and unfavorable effects represent the changes in fair value, and fair value is based on a variety of unobservable inputs calculated using a valuation technique. The analysis above only reflects the effects of changes in a single input, and it does not include the interrelationships with another input.

(ab) Financial risk management

1. Summary

The Group’s use of financial instruments is exposed to the credit, liquidity and market risks.

This note presents information about the Group’s exposure to each of the above risks, the Group’s objectives, policies and processes for measuring and managing risk. Further quantitative disclosures are included throughout these consolidated financial statements.

2. Risk management framework

The Chief Exeutive Officer’ s office has responsibility for the development and control of the Group’s risk management policies and regularly reports to the Board on its operation, if necessary.

The Group establishes risk management policies for the identification and analysis of the Group’s exposure to risk and sets appropriate risk limits to control risk. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the operation of the Group. The Group uses advocacy, management standards and operating procedures to develop a disciplined and constructive control environment, so that all employees understand their roles and obligations.

The Board oversees how management monitors compliance with the Group’s risk management policies and procedures and reviews the adequacy of the risk management framework. The Board is assisted in its supervisory role by the internal audit staff, who undertake both regular and ad hoc reviews of risk management controls and procedures, and report the results of the review to the Board.

3. Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers and investment.

1) Accounts receivable and other receivables

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the demographics of the Group's customer base, including the default risk of the industry in which customers operate, as these factors may have an influence on credit risk. However, geographically there is no concentration of credit risk.

The management has established a credit policy under which each new customer is analyzed individually for creditworthiness before the Group's standard payment terms and shipping condition are offered. The Group's review includes external ratings, when available, and in some cases bank references. Credit limits are established for each customer, which represent the maximum open amount without requiring approval from the Chief Exeutive Officer's office; these limits are reviewed periodically. Customers that fail to meet the Group's benchmark creditworthiness may transact with the Group only on a cash basis.

In monitoring customer credit risk, customers are grouped according to their credit characteristics, including whether they are an individual or a legal entity, whether they are a wholesale, retail or end-user customer, aging profile, maturity and existence of previous financial difficulties. Customers that are graded as "high risk" are placed on a restricted customer list and monitored by the business department. If customers default, the Group will stop transactions with those customers or trade on a cash basis.

The Group established an allowance for impairment that represents its estimate of incurred losses in respect of trade and other receivables and investments. The main components of this allowance are a specific loss component that relates to individually significant exposures, and the similar portfolio that collective loss incurred but not yet identified. The collective loss allowance is determined based on historical data on payment statistics for similar financial assets.

2) Investment

The credit risk exposure in the bank deposits, fixed income investments and other financial instruments is measured and monitored by the Chief Exeutive Officer's office. The Group only deals with financial institutions, corporations and organizations with a credit rating of investment grade or higher; therefore, there are no significant doubts regarding default on the above financial instruments, and as a result, there is no significant credit risk.

3) Guarantees

The Group's policy is to provide financial guarantees only for transactions involving equity investment that is more than 50% owned, and they should be approved by the Board. Please refer to Note(13)(a).

4. Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

5. Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices, will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

The Group is exposed to currency risk on sales and purchases that are denominated in a currency other than the respective functional currencies of the Group's entities, primarily the TWD, USD, HKD, CNY, THB and JPY. These transactions are denominated in TWD and USD.

(ac) Capital management

The Group meets its objectives for managing capital to safeguard the capacity to continue to operate, to continue to provide a return to shareholders and other related parties, 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 dividend payment to the shareholders, reduce the capital for redistribution to shareholders, issue new shares or sell assets to settle any liabilities.

(ad) Investing and financing activities not affecting current cash flow

The Group's investing and financing activities which did not affect the current cash flow in the December 31, 2023 and 2022, were as follows:

1.For right-of-use assets under lease, please refer to Note (6)(k).

2.For conversion of converible bonds to ordinary shares, please refer to Note (6)(q).

3.The reconciliation of liabilities arising from financing activities was as follows:

			Non-cash changes	
	2023.1.1	**Cash flows**	**Others**	**2023.12.31**
Long-term borrowings	$ 2,246,600	1,498,147	-	3,744,747
Short-term borrowings	3,362,455	(407,438)	-	2,955,017
Lease liabilities	2,084,863	(558,785)	3,153,313	4,679,391
Bonds payable	1,371,447	(1,379,000)	7,553	-
Total liabilities from financing activities	**$ 9,065,365**	**(847,076)**	**3,160,866**	**11,379,155**

	2022.1.1	Cash flows	Non-cash changes Others	2022.12.31
Long-term borrowings	$ 1,445,100	801,500	-	2,246,600
Short-term borrowings	2,263,667	1,098,788	-	3,362,455
Lease liabilities	2,137,215	(544,003)	491,651	2,084,863
Bonds payable	1,361,536	-	9,911	1,371,447
Total liabilities from financing activities	$ 7,207,518	1,356,285	501,562	9,065,365

(7) Related-Party Transactions

(a) Ultimate controlling party

(b) Names and relationships with related parties

The followings are entities that have had transactions with related party during the period covered in the consolidated financial statements.

Names of related party	Relationships with the Group
Rakuya International Info. Co. Ltd.	Associate of the Company
Ruten Japan KK (Note1)	〃
Cherri Tech Inc. (Note2)	〃
SHANG-ENINFO CO., LTD	〃
UPN Information Co., Ltd.	〃
Miho International Cosmetic Co., Ltd.	Other related party of the Company
Eastern Online Co., Ltd.	〃
EOLEMBRAIN ONLINE MARKETING RESEARCH CO., LTD.	〃
SITE INC.	〃
PAYEASY DIGIATL INTERNATION CO., LTD.	〃
Cyu Wei Jing Rong Ke Ji Co., Ltd.	〃
21St Century Co., Ltd.	〃
21St Century Zi-Rong Co., Ltd.	〃
21St Century Xin Yong Guan Li Co., Ltd.	〃
Yin Zhen Shi Ye Ltd.	〃
Jing Hua Co., Ltd.	〃
Lian Hong Shi Ye Ltd.	〃
Wei Ting Shi Ye Co., Ltd.	〃
Ming Pin Co., Ltd.	〃

Names of related party	Relationships with the Group
Te Wei Co., Ltd.	Other related party of the Company
Yu Xin Guo Ji Co., Ltd.	〃
Tai Ding Shi Ye Co., Ltd.	〃
Min Yu Qi Ye Co., Ltd.	〃
Shang Shan Human Culture Foundation	〃
WS Fashion Group Co., Ltd.	〃
Puma Consultants Limited.	〃
Zhuang, Fan Jie	〃
Liao, Zong Lun	〃
Zhang, Man Ling	〃
Zhou, Yi Ming	〃

Note1: The dissolution and liquidation procedures had completed on March 20, 2023.

Note2: Cherri Tech Inc. was an associate of the Company. The Group gained control over it and became a subsidiary of the Group on July 29, 2022.

(c) Significant transactions with related parties

1. Sales

The amounts of significant sales by the Group to related parties were as follows:

	2023	2022
Associates	$ 627	-
Other related parties	65	-
	$ 692	**-**

The sales prices and payment terms to related parties were not different from those of sales to third parties.

2.Purchases

The amounts of significant purchase transactions and outstanding balances between the consolidated entity and related parties were as follows:

	2023	2022
Associates	$ 434	-
Other related parties	-	21
	$ 434	**21**

Prices for the purchases above were negotiated, and there were no comparable prices with non-related parties.

3. Receivables from related parties

The receivables from related parties were as follows:

Item	Related party categories	2023.12.31	2022.12.31
Account receivables(Note1)	Other related parties	$ 23,520	-
Lease receivable	Associates	4,808	8,153
Other receivables	Associates	100	86
Other receivables (Note2)	Other related parties	5,390	39,563
		$ 33,818	47,802

Note 1: Collection arising from online trading.

Note2: For the years ended December 31, 2023 and 2022, the collections and payments generated by exchanging points of the Group amounted to $46,116 thousand and $106,678 thousand, respectively. As of December 31, 2023 and 2022, the carrying amounts were recognized under other receivables.

4. Payables to related parties

Item	Related party categories	2023.12.31	2022.12.31
Other payables	Other related parties	$ 1,258	419

5.Property transations

1) Disposal of property, plant and equipment

The disposal of property, plant and equipment to related parties are summerized as follows:

	2023	
Item	Disposal price	Gain on disposal
Associates	$ 229	229

6.Other

Item	Related party categories	2023	2022
Operating cost	Other related parties	128	10
Operating expenses	Associate	-	214
Operating expenses	Other related parties	7,382	3,385
Other operating income	Associates	330	90
Other operating income	Other related parties	617	917

7.Borrowings from Related Parties

The borrowings from related parties were as follows:

	2023.12.31	2022.12.31
Wei Ting Shi Ye Co., Ltd.	$ 105,355	109,621
Te Wei Co., Ltd.	106,015	162,621
Ming Yu Qi Ye Co., Ltd.	66,030	197,965
Chou, Yi Ming	251,318	251,318
	$ 528,718	**721,525**

The borrowings from related parties bear interest at rates ranging from 2.75% to 3.00%, all of which are unsecured, and the carry amount was recognized under long-term borrowings and long-term liabilities, current portion.

For the years ended December 31, 2023 and 2022, interest cost and interest expense were $7,870 thousand, $13,255 thousand, $16,118 thousand and $3,124 thousand, respectively.

8. Leases

The Group rented an office building from other related party to be used as its office during 2021 to 2023. An one to three years lease contract was signed with the contract price amounting to $10,522 thousand, in which the rental fee is determined based on the nearby office rental rates. The details were as follow:

Item	Related party categories	2023.12.31	2022.12.31
Lease liabilities	Other related parties	$ 2,993	4,329
Refundable deposits	Other related parties	376	300

Item	Related party categories	2023	2022
Interest expenses	Other related parties	$ 93	86

9.As of December 31, 2023 and 2022, the short-term borrowings, short-term notes payable and long-term borrowings of the Group are guaranteed by credit and real estate from other related parties, with a total amount of $2,597,875 thousand, $2,376,875 thousand, respectively.

(d) Transactions with key management personnel

Key management personnel compensation comprised:

	2023	2022
Short-term employee benefits	$ 62,441	116,673
Share-based payment	13,067	-
	$ 75,508	**116,673**

(8) Restricted Assets:

The following assets were restricted in use:

Assets	Purpose of Pledge	2023.12.31	2022.12.31
Bank deposit-current (recognized under other current financial assets)	Security for performance, purchase guarantee, loans with certificate of deposits and corporate bonds guarantee	$ 831,586	842,223
Refundable deposit (recognized under other non-current financial assets)	Deposits for warehouse and office rental and bank loans	509,679	217,762
		$ **1,341,265**	**1,059,985**

(9) Significant Contingencies and Commitments:

(a) The agreement with a non-related party for internet phone services entered into in July 2004 was renewed on April 1, 2009. Pursuant to the newly revised agreement, the net revenue from these services is allocated each month between the parties by a set ratio. As the Company sold its internet phone services to Linktel Inc. (with 100% shareholding) on March 1, 2011, Linktel Inc. and the Company signed a contract with the non-related party in which the Company acts as the guarantor of the non-related party at all times and during the term of the agreement.

(b) Notes payable deposited as guarantee for commercial vehicle and office and building leases were as follows:

	2023.12.31	2022.12.31
Notes payable deposited as guarantee	$ **245,304**	**300,146**

(c) According to the “Standardized contract for telecom product or service”, the payment guarantee for Skype stored-value service should be fully provided by financial institutions. Therefore, the Group entered into an agreement with a financial institution, with having a guarantee limit were as follows:

	2023.12.31	2022.12.31
Guarantee limit	$ **8,500**	**10,000**

(d) The Group has entered into performance guarantee contracts with financial institutions for the purchase of goods from vendors, tariff guarantee, stored value in advance and payment on behalf of vendors, with guarantee amounts as follows:

	2023.12.31	2022.12.31
Guarantee limit	$ **2,951,317**	**3,110,726**

(e) As of December 31, 2023 and 2022, the Group has paid $753,219 thousand, $139,660 thousand, for acquiring property, plant and equipment, and unrecognized relevant contractual commitments of the acquisition of property, plant and equipment amounting were 582,355 thousand, $1,244,421 thousand, respectively.

(f) The Group has entered into an agreement with a financial institution for providing trust account for the Group on the balance amount received through the Group's online payment processing services to online sellers; the amount of the trust account agreed therein were as follows:

	2023.12.31	2022.12.31
The trust account	$ 426,613	314,251

(g) Due to the issuance of secured convertible bonds, the Group has entered into an agreement with a bank for providing guarantee; the amount of guarantee agreed therein were as follows:

	2023.12.31	2022.12.31
Guarantee limit	$ -	1,379,000

(h) Due to the performance of the contract, the guaranteed notes payable made by the Group were as follows:

	2023.12.31	2022.12.31
Notes payable deposited as guarantee	$ 6,460,000	2,360,000

(10) Significant Catastrophic Losses:None

(11) Significant Subsequent Events:None

(12) Others:

(a) Employee benefits, depreciation, and amortization expenses, categorized as operating cost or expense, were as follows:

Categorized as	For the year ended December 31, 2023			For the year ended December 31, 2022		
Nature	Operating Cost	Operating Expense	Total	Operating Cost	Operating Expense	Total
Employee benefits						
Salary	287,481	1,557,292	1,844,773	302,959	1,641,111	1,944,070
Labor and health insurance	33,327	158,846	192,173	34,649	171,618	206,267
Pension	16,330	76,948	93,278	15,383	88,124	103,507
Others employee benefits	15,447	96,970	112,417	15,470	105,292	120,762
Depreciation	62,484	828,808	891,292	73,222	679,901	753,123
Amortization	39	127,482	127,521	101	105,352	105,453

(13) Additional Disclosures:

(a) Information on significant transactions

The following is the information on significant transactions required by the “Regulations Governing the Preparation of Financial Reports by Securities Issuers” for the Group for the years ended December 31, 2023:

1. Fund financing to other parties:

(Expressed in thousands of New Taiwan dollars, unless otherwise specified)

Number (Note 1)	Name of lender	Name of borrower	Account name	Related party	Highest balance of financing to other party during the period	Ending balance	Actual usage amount during the period	Range of interest rates during the period	Purposes of fund financing for the borrower	Transaction amount for business between two parties	Reasons for short -term financing	Allowance for bad debt	Collateral		Individual funding loan limits	Maximum limitation on fund financing
													Name	Value		
0	The Company	21st Century Technology Co., Ltd.	Other receivables	Yes	350,000	-	-	- %	2	-	Operating Capital	-	Repayment of promissory note	350,000	2,598,917	2,598,917
1	21st Century Digital Technology Co., Ltd.	21st Century Technology Co., Ltd.	Other receivables	Yes	670,000	670,000	537,320	2.75 %	2	-	Operating Capital	-	Repayment of promissory note	330,000	699,937	699,937
1	〃	Cherri Tech, Inc.	Other receivables	Yes	17,744	17,744	17,744	2.75 %	2	-	Operating Capital	-		-	699,937	699,937
2	21st Century Technology Co., Ltd.	21st Century Digital Technology Co., Ltd.	Other receivables	Yes	100,000	-	-	- %	2	-	Operating Capital	-		-	925,099	925,099
2	〃	21st Financial Technology Co., Ltd.	Other receivables	Yes	1,100	-	-	- %	2	-	Operating Capital	-		-	925,099	925,099
3	Cherri Tech, Inc.	Japan Cherri KK	Other receivables	Yes	21,730	21,730	17,384	2.75 %	2	-	Operating Capital	-		-	23,031	23,031

Note 1: For those companies with business contact, please fill in 1. For those companies with short-term financing needs, please fill in 2.
Note 2: The Company’s total fund financing amount for individual party cannot exceed 40% of its net asset value.
Note 3: The Company’s total fund financing amount cannot exceed 40% of its net asset value.

2. Guarantees and endorsements for other parties:

(Expressed in thousands of New Taiwan dollars, unless otherwise specified)

No. (Note 1)	Name of company	Counter-party		Limitation on amount of guarantees and endorsements for a specific enterprise (Note 2)	Highest balance for guarantees and endorsements during the period	Balance of guarantees and endorsements as of reporting date	Actual usage amount during the period	Property pledged on guarantees and endorsements (Amount)	Ratio of accumulated amounts of guarantees and endorsements to net worth of the latest financial statements	Maximum amount for guarantees and endorsements (Note 2)	Parent Company endorsement/ guarantees to third parties on behalf of subsidiary	Subsidiary endorsement/ guarantees to third parties on behalf of parent company	Endorsements/ guarantees to third parties on behalf of companies in Mainland China
		Name	Relationship with the Company (Note 3)										
0	The Company	Linktel Inc.	2	3,248,647	10,000	10,000	4,902	-	0.15 %	9,745,941	Y	N	N
0	〃	PChome Express Co., Ltd.	2	3,248,647	50,000	50,000	-	-	0.77 %	9,745,941	Y	N	N
0	〃	PChome Store Inc.	2	3,248,647	325,000	125,000	-	-	1.92 %	9,745,941	Y	N	N
0	〃	PChome Bibian Inc.	2	3,248,647	345,900	265,560	170,401	-	4.09 %	9,745,941	Y	N	N
0	〃	Pi Mobile Technology Inc.	1	974,594	300,000	300,000	20,000	-	4.62 %	9,745,941	Y	N	N

No. (Note 1)	Name of company	Counter-party		Limitation on amount of guarantees and endorsements for a specific enterprise (Note 2)	Highest balance for guarantees and endorsements during the period	Balance of guarantees and endorsements as of reporting date	Actual usage amount during the period	Property pledged on guarantees and endorsements (Amount)	Ratio of accumulated amounts of guarantees and endorsements to net worth of the latest financial statements	Maximum amount for guarantees and endorsements (Note 2)	Parent Company endorsement/ guarantees to third parties on behalf of subsidiary	Subsidiary endorsement/ guarantees to third parties on behalf of parent company	Endorsements/ guarantees to third parties on behalf of companies in Mainland China
		Name	Relationship with the Company (Note 3)										
0	The Company	21st Century Digital Technology Co., Ltd.	1	1,749,843	350,000	350,000	350,000	350,000	5.39 %	9,745,941	Y	N	N
1	21st Century Technology Co., Ltd.	21st Century Digital Technology Co., Ltd.	2	6,938,244	2,440,000	2,200,000	1,110,662	-	95.12 %	11,563,740	Y	N	N
1	〃	Pi Mobile Technology Inc.	2	6,938,244	100,000	100,000	20,000	-	4.32 %	11,563,740	Y	N	N
2	21st Century Digital Technology Co., Ltd.	21st Century Technology Co., Ltd.	3	5,249,529	2,140,000	100,000	-	-	5.71 %	8,749,215	N	Y	N

Note 1: 0 is issuer. Subsidiaries labeled in number sequence from 1.

Note 2: 0. The total amount of guarantee and/or endorsements for any single entity shall not exceed 50% of the current net value. The shareholders' meeting on June 28, 2023 approved that the total amount of endorsement and/or guarantees by the Company and its subsidiaries was increased from 100% of the net value in their latest financial statements to 150%.
1. Investee subsidiaries - the limit of endorsement and/or guarantees for individual entity by 21st Century Technology Co., Ltd. shall not exceed 300% of the entity's net worth as stated in its latest financial report. The total amount of guarantees and endorsements for others shall not exceed 500% of the Company's net worth in the latest financial statements.
2. Investee subsidiaries - the limit of endorsement and/or guarantees for individual entity by 21st Century Digital Technology Co., Ltd. shall not exceed 300% of the the entity's net worth as stated in its latest financial report. The total amount of guarantees and endorsements for others shall not exceed 500% of the Company's net worth in the latest financial statements.

Note 3: Relationship with the Company
1. The companies with which it has business relations.
2. Subsidiaries in which the company directly or indirectly holds more than 50% of its total outstanding common stocks.
3. The parent company which directly or indirectly holds more than 50% of its voting rights.
4. Subsidiaries in which the company directly or indirectly holds more than 90% of its voting rights.
5. Companies in same type of business and providing mutual endorsements/ guarantees in favor of each other in accordance with the contractual obligations in order to fulfill the needs of the construction project.
6. Shareholders making endorsements and/or guarantees for their mutually invested company in proportion to their shareholding percentage.
7. Companies in same type of business providing guarantees of pre-sale contracts according to the regulation.

Note 4: The aforementioned inter-company transactions have been eliminated in the consolidated financial statements.

3. Information regarding securities held at balance sheet date:

(Expressed in thousands of New Taiwan dollars, unless otherwise specified)

Name of holder	Category and name of security	Category and name of security	Account title	Ending balance				Peak Holding	Note
				Number	Book value	Percentage	Market value	Percentage	
	Common Stock:								
PChome Online Inc.	Openfind InformationTechnology, Inc.	-	FVOCI	880,000	56,047	6.22 %	56,047	6.22 %	
〃	Career Consulting Co., Ltd.	-	〃	113,005	4,441	0.72 %	4,441	0.72 %	
〃	ECROWD MEDIA INC.	-	〃	3,725,645	62,367	18.39 %	62,367	18.39 %	
〃	IPEVO Corp.	-	〃	1,958,018	60,777	7.19 %	60,777	7.19 %	
〃	Famicloud Inc.	-	〃	57,000	469	0.50 %	469	0.81 %	
〃	Taiwan Advance Intelligent Tech. Co., Ltd.	-	〃	1,732,102	1,230	4.75 %	1,230	4.75 %	

Name of holder	Category and name of security	Category and name of security	Account title	Ending balance Number	Book value	Percentage	Market value	Peak Holding Percentage	Note
PChome Online Inc.	Miho International Cosmetic Co., Ltd.	-	FVOCI	6,941,550	118,562	8.09 %	118,562	8.09 %	
〃	WS Fashion Group Co., Ltd.	-	〃	226,617	5,584	8.09 %	5,584	8.09 %	
〃	PayEasy Ltd.	-	〃	1,376,668	38,106	12.52 %	38,106	12.52 %	
〃	17Life Ltd.	-	〃	1,126,049	10,484	6.26 %	10,484	6.26 %	
〃	Influenxio Limited(BVI)	-	〃	9,915	6,745	3.51 %	6,745	3.51 %	
〃	Mdata Group Co., LTD.	-	〃	126,011	16,365	2.86 %	16,365	2.86 %	
〃	AccuHit Tech Holdings Limited	-	〃	416,667	13,938	3.66 %	13,938	3.66 %	
〃	Pickupp Limited	-	〃	650,644	88,189	3.17 %	88,189	3.17 %	
〃	FunNow Ltd.	-	〃	1,306,620	43,308	1.80 %	43,308	2.71 %	
〃	AccuHit Tech Holdings Limited	-	〃	1,400,000	134,054	12.28 %	134,054	12.28 %	
〃	Our Agriculture Inc.	-	〃	3,212,121	12,527	2.32 %	12,527	2.32 %	
	Common Stock:								
Pi Mobile Technology Inc.	All Win Fintech Company Limited	-	〃	11,400,000	186,390	11.40 %	186,390	11.40 %	
Linktel Inc.	Eastern Online Co., Ltd.	-	FVTPL	118,750	-	2.31 %	-	2.31 %	
〃	Taiwan Mobile Co., Ltd.	-	〃	128	-	- %	13	- %	
	Convertible bonds:								
Chunghwa PChome Fund 1 Co., Ltd.	Tresl Inc.	-	〃	-	8,640	- %	8,640	- %	
〃	WORCA INC.	-	〃	-	78,456	- %	78,456	- %	
	Preferred stocks:								
〃	Instill Ai Ltd.	-	〃	6,262	4,202	3.60 %	4,202	3.60 %	
〃	FP International Limited	-	〃	56,050	29,209	2.39 %	29,209	2.39 %	
〃	Ecommerce Enablers Pte. Ltd.	-	〃	142,813	19,773	0.15 %	19,773	0.15 %	
〃	USPACE Tech Co., Ltd.	-	〃	1,226,016	34,463	6.16 %	34,463	6.16 %	
〃	Our Agriculture Inc.	-	〃	11,682,828	33,205	8.92 %	33,205	8.92 %	
〃	Moovo Mobility Inc.	-	〃	312,300	20,874	2.29 %	20,874	2.29 %	
〃	Pickupp Limited	-	〃	131,179	15,419	0.64 %	15,419	0.64 %	
〃	Return Helper Limited	-	〃	6,798	28,166	37.17 %	28,166	37.17 %	
〃	Aiello Inc.	-	〃	6,836,545	20,393	3.29 %	20,393	3.29 %	
〃	Haulio Investment Holdings Pte. Ltd.	-	〃	362,189	5,558	0.91 %	5,558	0.91 %	
〃	GoFreight Inc.	-	〃	165,020	116,924	5.02 %	116,924	5.02 %	
〃	Traveler Co., Ltd.	-	〃	10,000	14,717	0.61 %	14,717	0.61 %	

4. Accumulated buying/selling of the same marketable securities for which the dollar amount reaches $300 million or 20% or more of paid-in capital: None.

5. Acquisition of real estate for which the dollar amount reaches $300 million or 20% or more of paid-in capital:

Name of company	Type of property	Transaction date	Transaction amount	Status of payment	Counterparty	Relationship	If the counter-party is a related party, disclose the previous transfer information: Owner	Relationship with the company	Date of transfer	Amount	References for determining price	Purpose of acquisition and current condition	Others
PChome Online Inc.	Right-of-use asset	February 1, 2023	3,996,875	monthly payment	Chunghwa Post Co., Ltd.	None	-	-	-		Tender contract	Warehouse	

6. Disposition of real estate for which the dollar amount reaches $300 million or 20% or more of paid-in capital: None.

7. Buying/selling products with the dollar amount reaches $100 million or 20% or more of paid-in capital:

(In Thousands of New Taiwan Dollars)

Name of Company	Counter-party	Relationship	Transaction details				Reasons why and description of how the transaction conditions differ from general transactions		Account/note receivable (payable)		Notes
			Purchase /Sale	Amount	Percentage of total purchases /sales	Credit period	Unit price	Credit period	Balance	Percentage of total accounts/notes receivable (payable)	
PChome Online Inc.	PChome eBay Co., Ltd.	Subsidiary	Purchase	105,360	0.31 %	Net 30 days	-	-	(7,270)	0.24 %	

Note: The aforementioned inter-company transactions have been eliminated in the consolidated financial statements.

8. Accounts receivable from related parties for which the dollar amount reaches $100 million or 20% or more of paid-in capital:

(Expressed in thousands of New Taiwan dollars, unless otherwise specified)

(In Thousands of New Taiwan Dollars)

Name of company	Related party	Nature of relationship	Ending balance	Turnover rate	Overdue		Amounts received in subsequent period	Loss allowance
					Amount	Action taken		
PChome Online Inc.	Pi Mobile Technolgy Inc.	Subsidiary	345,569	- %	-		345,569	-
21st Century Digital Technology Co., Ltd.	21st Century Technology Co., Ltd.	Parent company of sub-subsidiary	553,316	- %	-		-	-

9. Derivative transactions: Please refer to Note (6)(b).

10. Business relationships and significant inter-company transactions:

(Expressed in thousands of New Taiwan dollars, unless otherwise specified)

No. (Note 1)	Name of company	Name of counter-party	Existing relationshipwith the counter-party (Note 2)	Transaction			
				Account name	Amount	Terms of trading	Percentage of the total consolidated revenue or total assets
0	PChome Online Inc.	Pi Mobile Technology Inc.	1	Accounts receivable	345,569	Usual terms and conditions	1.26 %
1	21st Century Digital Technology Co., Ltd.	21st Century Technology Co., Ltd.	2	Other receivables	553,316	Usual terms and conditions	2.02 %

Note 1: For the inter-company business relationship and transaction condition in the “No.” column, the labeling method is as follows:

1. Parent company labeled 0.
2. Subsidiaries labeled in number sequence from 1.

Note 2: Relationship is classified into three types:

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

Note 3: The transaction amount is calculated as a proportion of the consolidated revenue or assets. If categorized as an asset or liability, the calculation is compared with the consolidated assets; if categorized as income or loss, the calculation is compared with the consolidated income or loss.

Note 4: The Group did not disclose other transactions for which the proportion did not reach one percentage of the consolidated revenue or assets.

Note 5: The aforementioned inter-company transactions have been eliminated in the consolidated financial statements.

(b) Information on investees:

For the years ended December 31, 2023, the following was the information on investees (excluding investees in Mainland China) :

(Amounts Expressed in Thousands of New Taiwan Dollars, Except for Share Data)

Name of investor	Name of investee	Location	Major operations	Initial investment (Amount)		Ending balance			Peak Holding Percentage	Net income (loss) of the investee	Investment income (losses)	Note
				Ending balance	Beginning balance	Shares	Ratio of shares	Book value				
PChome Online Inc.	IT Home Publications Inc.	Taiwan	Magazine publication	-	30,000	-	- %	-	100.00 %	-	1,141	Note 1
〃	Linktel Inc.	〃	Type II Telecommunications Business	125,000	125,000	6,831,604	100.00 %	8,962	100.00 %	(16,665)	(16,665)	〃
〃	PC HOME ONLINE INTERNATIONAL CO., LTD.	British Virgin Islands	International trade and investment activities	25,485	25,485	122,328	100.00 %	254	100.00 %	(1,397)	(1,397)	〃
〃	Rakuya International Info. Co. Ltd.	Taiwan	Real estate business, and internet information rental service	47,439	47,439	3,035,115	26.47 %	63,689	26.47 %	75,773	20,057	
〃	PChome Store Inc.	〃	Internet services	-	326,494	-	- %	-	44.45 %	23,985	(8,117)	Note 1
〃	PCHOME US INC.	United States of America	E-commerce platform	134,065	134,065	45,800,000	91.97 %	6,667	91.97 %	1,453	1,337	〃
〃	PChome (Thailand) Co., Ltd.	Thailand	E-commerce platform	131,875	131,875	13,249,999	66.25 %	9,304	66.25 %	(10,567)	(6,811)	〃
〃	PChome Travel Inc.	Taiwan	Travel agencybusiness	36,000	36,000	3,600,000	100.00 %	9,280	100.00 %	(3,912)	(3,912)	〃
〃	PChome Financial Technology Inc.	〃	Information service	10,000	10,000	1,000,000	100.00 %	3,706	100.00 %	(149)	(149)	〃
〃	PChome Holding Inc.	British Virgin Islands	Investment activities	1,043,763	1,043,763	313,951,718	100.00 %	21,233	100.00 %	4,242	4,242	〃
〃	PChome Express Co., Ltd.	Taiwan	Transportation andlogistics	200,000	200,000	20,000,000	100.00 %	111,191	100.00 %	(28,278)	(28,278)	〃
〃	Chunghwa PChome Fund 1 Co., Ltd.	〃	Investment activities	200,000	200,000	20,000,000	50.00 %	258,528	50.00 %	(19,351)	(10,266)	〃
PChome Online Inc.	Cornerstone Ventures Co., Ltd.	〃	Investment activities	5,100	5,100	510,000	51.00 %	7,779	51.00 %	1,540	761	〃
〃	PChome CB Co., Ltd.	〃	E-commerce cross-borderservices	140,000	140,000	14,000,000	65.23 %	150,764	65.23 %	(9,118)	(7,092)	〃
〃	Mitch Co., Ltd.	〃	Clothing sales	168,614	162,000	10,400,000	100.00 %	15,790	100.00 %	(11,934)	(7,459)	〃
〃	YunTan technology Inc.	〃	Information processing and provision of electronic information	54,250	54,250	1,261,628	59.94 %	43,743	70.00 %	(18,384)	(14,234)	Notes 1&2
〃	21st Century Technology Co., Ltd.	〃	Financial Technology Services	5,192,546	5,192,546	29,923,677	43.63 %	4,617,836	43.63 %	274,207	94,371	〃
〃	PChome Data Technology Co., Ltd.	〃	Information processing and provision of electronic information	5,000	5,000	500,000	100.00 %	3,949	100.00 %	(480)	(480)	Note 1
〃	PIN Technology Inc.	〃	Information processing and provision of electronic information	10,000	10,000	1,000,000	100.00 %	9,712	100.00 %	(15)	(15)	〃
〃	UPN Information Co., Ltd.	Cayman Islands	Investment activities	224,262	224,262	400,001	40.00 %	211,183	40.00 %	(10,815)	(6,842)	Note 2
〃	EC Global Limited	Hong Kong	Investment activities	6,338	6,338	7,494,642	100.00 %	6,047	100.00 %	(646)	(646)	Note 1
〃	PChome eBay Co., Ltd.	Taiwan	Information processing and provision of electronic information	779,688	779,688	27,300,000	65.00 %	322,021	65.00 %	128,323	83,410	〃
〃	Ruten Japan KK	Japan	Information processing and provision of electronic information	-	9,830	-	- %	-	28.49 %	(2,894)	(839)	

Name of investor	Name of investee	Location	Major operations	Initial investment (Amount)		Ending balance			Peak Holding Percentage	Net income (loss) of the investee	Investment income (losses)	Note
				Ending balance	Beginning balance	Shares	Ratio of shares	Book value				
PChome eBay Co., Ltd.	PChome Store Inc.	Taiwan	Internet services	889,919	632,258	75,500,018	100.00 %	27,471	100.00 %	23,985	35,210	Note 1
〃	ECOSMOS PTE. LTD.	Singapore	Information processing and provision of electronic information	9,153	9,153	3,300,000	100.00 %	8,425	100.00 %	(540)	(540)	〃
〃	21st Century Technology Co., Ltd.	Taiwan	Financial Technology Services	224,592	224,592	964,599	1.41 %	32,610	1.41 %	274,207	3,866	Notes 1&2
PC HOME ONLINE INTERNATIONAL CO., LTD.	PCHOME ONLINE INC.	Cayman Islands	International trade and investment activities	25,311	25,311	10,000,000	100.00 %	2,187	100.00 %	(1,245)	(1,245)	Note 1
PCHOME ONLINE INC.	PC HOME ONLINE (HK) LTD.	Hong Kong	Information service and indirect investment activities	25,140	25,140	5,641,239	100.00 %	2,216	100.00 %	(4,263)	(4,263)	〃
PChome Holding Inc.	PChome Marketplace Inc.	Cayman Islands	Investment activities	1,043,763	1,043,763	38,335,000	100.00 %	16,992	100.00 %	4,474	4,474	〃
PChome Marketplace Inc.	PChome Japan KK	Japan	International trading E-commerce	-	37,580	-	- %	-	100.00 %	(56)	(56)	〃
〃	PChome Store Inc.	Taiwan	Internet services	-	998,758	-	- %	-	33.33 %	23,985	(3,101)	〃
PChome CB Co., Ltd.	PChome CBS Co., Ltd.	〃	Internet services	127,000	127,000	2,900,000	100.00 %	141,392	100.00 %	784	784	〃
〃	PCHOME CB PTE. LTD.	Singapore	Internet services	59,698	59,698	190,000	100.00 %	65,398	100.00 %	(5,333)	(5,333)	〃
〃	Air Supply Logistics Co., Ltd.	Taiwan	Transportation andlogistics	3,000	-	300,000	100.00 %	2,993	100.00 %	(7)	(7)	〃
PCHOME CB PTE. LTD.	PChome Bibian Inc.	Japan	E-commerce cross-borderservices	51,069	51,069	18,000,000	100.00 %	59,048	100.00 %	(5,262)	(5,262)	〃
YunTan technology Inc.	Einsure insurance broker Inc.	Taiwan	Insurance brokers	68,600	38,600	7,500,000	100.00 %	18,244	100.00 %	(18,799)	(18,799)	〃
21st Century Technology Co., Ltd.	Pi Mobile Technology Inc.	〃	Online payment processing services	133,206	133,206	2,441,860	5.25 %	10,645	5.25 %	(67,496)	3,544	〃
〃	21st Financial Technology Co., Ltd	Cayman Islands	Investment activities	1,468,741	1,468,741	51,167,407	100.00 %	1,940,922	100.00 %	364,831	364,831	〃
〃	Cherri Tech, Inc.	Taiwan	Financial technology services and indirect investment activities	2,155,114	2,155,114	2,136,310	100.00 %	1,732,347	100.00 %	(35,351)	(59,045)	Notes 1&2
21st Financial Technology Co., Ltd	Pi Mobile Technology Inc.	〃	Online payment processing services	6,438	6,438	43,819,006	94.24 %	191,088	94.24 %	(67,496)	(63,608)	Note 1
〃	21st Century Digital Technology Co., Ltd.	〃	Financial Technology Services	39,161	39,161	120,100,000	100.00 %	1,762,910	100.00 %	428,442	428,442	〃
21st Century Digital Technology Co., Ltd.	FAN7 TOUR CO., LTD.	〃	Travel agencybusiness	6,000	6,000	600,000	100.00 %	4,070	100.00 %	(137)	(137)	〃
〃	Lianju Asset Management Co., Ltd.	〃	Financial Institution Creditor's Right(Money) Purchase	3,000	-	300,000	100.00 %	3,044	100.00 %	44	44	〃
Pi Mobile Technology Inc.	Pay and Link Inc.	〃	Electronic paymentbusiness	349,388	710,388	10,000,000	100.00 %	74,928	100.00 %	(23,613)	(23,613)	〃
〃	Yun Tung Bao International Co., Ltd.	〃	Online payment processing services	3,000	3,000	300,000	100.00 %	2,490	100.00 %	(8)	(8)	〃
Cherri Tech, Inc.	Japan Cherri KK	Japan	Financial Technology Services	19,418	8,283	1,600	80.00 %	2,176	80.00 %	(10,704)	(7,942)	〃

Note 1: The aforementioned inter-company transactions have been eliminated in the consolidated financial statements.
Note 2: Investment gains and losses recognized for the period include the amortization of investment premiums.

(c) Information on investment in Mainland China:

1. Information on investment in Mainland China: None.
2. Limitation on investment in Mainland China:

Aggregate investment amount remitted from Taiwan to Mainland China at the end of the period	Approved investment (amount) by Ministry of Economic Affairs Investment Commission	Limitation on investment in Mainland China in accordance with regulations of Ministry of Economic Affairs Investment Commission
-	59,232	5,132,075

Note 1: In the above table, all relevant amounts are disclosed in TWD, and the foreign currency was translated on the exchange rate 30.69 at the year ended December 31, 2023.

Note 2: The upper limit on investment was the greater of 60% of the individual or consolidated total net worth.

Note 3: Shanghai Todo Inc. and PChome Trading (Shenzhen) Ltd. were dissolved in the fourth quarter of 2019. As of December 31, 2023, the accumulated investment amount of USD500 thousand remitted from Taiwan has not been repatriated.

3. Significant transactions: None.

(d) Major shareholders:

(Unit: Share)

Shareholding / Shareholder's Name	Shares	Percentage
SITE INC.	18,907,864	13.13 %
LGT Bank (Singapore) Investment Fund under the Custody of Standard Chartered	7,809,800	5.42 %

Note: (1) The information on major shareholders is based on the number of ordinary shares and special shares held by shareholders with ownership of 5% or more that have been issued without physical registration (including treasury shares) by the Company as of December 31, 2023. The share capital in consolidated financial report may differ from the actual number of shares that have been issued without physical registration due to different preparation basis.

(2) Regarding the above matter, if the shareholders deliver the shares to the trust company, those shares will be disclosed by the trustee who opened the trust account separately. As for the shareholders conducting an insider equity declaration in accordance with the Securities Exchange Act, the number of shares held by shareholders include the number of shares held by themselves, plus, the number of shares delivered by the shareholders to the trust which has discretion over the use of the trust assets. The information of insider trading would be available at the Market Observation Post System website.

(14) Segment Information

(a) General information

The Group' s reportable segments are the E-Commerce-Sales segment, Market Place segment, Fintech segment, and other segment. The E-Commerce-Sales segment is the revenue collection from the online platform from the sale of goods. The other segment is the revenue generated from the online platform to provide search engine services, and telecommunication and communication services.

The strategic divisions offer different products and services, and are managed separately because they require different technology and marketing strategies. Most business units charge separately acquisition, and retain the management team at the time of acquisition.

(b) Information about profit or loss, and assets and liabilities

The Group's segment report amounts were consistent with the Group CEO's internal management reports. There was no material inconsistency between the accounting policies of the operating segments and the accounting policies described in note 4. The Group uses operating income as the measurement for segment profit and the basis for performance assessment. The inter-company transaction price was the same as that with other customers. The price was based on the market value.

The Group's regional financial information was as follows:

2023	E-Commerce-Sales	Market Place	Fintech	Other segment	Adjustments and Eliminations	Others	Consolidated
Revenue:							
Non-inter-company revenue	$ 37,929,381	899,588	1,519,885	722,732	-	-	41,071,586
Inter-company revenue	17,135	154,108	141,584	395,642	(708,469)	-	-
Total Revenue	**$ 37,946,516**	**1,053,696**	**1,661,469**	**1,118,374**	**(708,469)**	**-**	**41,071,586**
Reportable Segment net operating (loss) income	**$ (779,338)**	**60,182**	**152,889**	**(86,263)**	**(14,682)**	**(60,776)**	**(727,988)**
Income tax expense (benefit)	$ (69,628)	4,376	116,091	5,569	7,182	-	63,590
Depreciation and Amortization	801,471	38,700	26,200	65,621	26,045	60,776	1,018,813
Reportable segment assets	**$ 18,378,137**	**1,686,978**	**12,904,172**	**1,678,304**	**(7,192,051)**	**-**	**27,455,540**
Reportable segment liabilities	**$ 11,880,843**	**1,117,889**	**6,495,425**	**555,766**	**(1,147,842)**	**-**	**18,902,081**
2022							
Revenue:							
Non-inter-company revenue	$ 42,855,757	1,210,966	1,162,482	871,238	-	-	46,100,443
Inter-company revenue	40,550	164,843	169,715	429,821	(804,929)	-	-
Total Revenue	**$ 42,896,307**	**1,375,809**	**1,332,197**	**1,301,059**	**(804,929)**	**-**	**46,100,443**
Reportable Segment net operating (loss) income	**$ (31,223)**	**79,614**	**62,021**	**(119,405)**	**17,588**	**(69,001)**	**(60,406)**
Income tax expense (benefit)	$ 84,466	(4,542)	112,977	20,506	(21)	-	213,386
Depreciation and Amortization	636,866	46,678	31,827	78,480	(4,276)	69,001	858,576
Reportable segment assets	**$ 17,043,801**	**4,079,860**	**12,072,811**	**1,975,249**	**(8,579,671)**	**-**	**26,592,050**
Reportable segment liabilities	**$ 10,665,833**	**1,596,440**	**6,317,057**	**681,107**	**(1,108,549)**	**-**	**18,151,888**

(c) Enterprise-wide Disclosures

The Group reports revenues from external customers as follows:

Product and Service		2023	2022
Revenue of electronic commerce	$	39,778,501	44,917,092
Other		1,293,085	1,183,351
Total	**$**	**41,071,586**	**46,100,443**

(d) Information about Geographic Areas:

The group's principal place of operations and customers are both in Taiwan.

(e) Information about Major Customers:

The group has no significant revenue from external customers exceeding 10%