Stock code: 3701

FICG

FIC Global, Inc.

2022

Annual Report

Prepared by FIC Global, Inc.
Published in May 2023
(Website for query of this annual report: http://mops.twse.com.tw)

1. Spokesperson and Deputy Spokesperson
   Spokesperson: LO, AN-TI/Vice President
   Deputy Spokesperson: LIN, TUNG-HSING/Assistant Manager
   Tel.: (02)8751-8751
   Email: ANDY_LO@fic.com.tw
   JASPER_LIN@fic.com.tw
2. Headquarters, Branch Company and Factory
   Address of Headquarters: 8F., No. 300, Yangguang St., Neihu Dist., Taipei City
   Tel.: (02)8751-8751
   Branch Company: None
   Factory: None
3. Stock Transfer Agency
   Name: Stock Agency Department of Grand Fortune Securities
   Address: 6F., No. 6, Sec. 1, Zhongxiao W. Rd., Zhongzheng Dist., Taipei City 10041
   Website: www.gfortune.com.tw
   Tel.: (02)2371-1658
4. CPAs
   Name: CHANG, SHU-CHIUNG, LIN, PO-CHUAN
   Company Name: PRICEWATERHOUSECOOPERS TAIWAN
   Address: 27F., No. 333, Sec. 1, Keelung Rd., Xinyi Dist., Taipei City
   Company Web: www.pwc.com
   TEL: (02)2729-6666
5. Overseas Securities Trading: None
6. Company Web: www.ficg.com.tw

FIC Global, Inc.

Catalogue of Annual Report of Regular Shareholders' Meeting in 2022

Letter to Shareholders

Ladies and gentlemen,

The main operating profit and loss of FIC Global, Inc. mainly came from the recognition of net investment profit and loss of relevant reinvestment enterprises of FIC Group. To improve performance and industry competitiveness, continually adjust the industries invested by the Group and integrate them per their characteristics, keep what is valuable and reject what is worthless, and strictly control each important subsidiary and affiliate, the Company strived to increase revenue and reduce expenditure, lower costs, and improve profits to adjust the Group's constitution. When looking back to 2022, we have found that the consolidated net profit of the Company in 2021 reached NT$407,920K, while this figure was NT$723,053K in 2022. Despite the influence of the epidemic, the Company returned to the profiting track again this year, and each enterprise in the Group realized favorable development. The operating status of the Company in 2022 is hereby compared with that last year, and the specific indicators are summarized as follows:

Analytical Statement of Operating Status

Unit: NT$1,000

Item	2021	2022
Operating income	10,039,991	12,448,435
Operating cost	(8,825,415)	(10,781,900)
Operating expenses	(1,054,133)	(1,241,674)
Operating profit	160,443	424,861
Current profit	407,920	723,053
Current (net loss) profit (attributed to the owner(s) of parent company)	251,978	476,470

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

Analytical Statement of Profitability

Item	2021	2022
Return on assets (%)	5.16	7.74
Return on equity (%)	9.97	14.65
Ratio of operating (loss) profit in paid-in capital (%)	7.61	19.75
Ratio of before-tax (net loss) profit in paid-in capital (%)	18.91	35.53
Net profit ratio (%)	4.06	5.81
Basic (loss) earnings per share (NT$)	1.32	2.23
Diluted (loss) earnings per share (NT$)	1.26	2.10

In order to execute the strategies of industry holdings and separate business operations, FIC Global Inc. sticks to industry resource orientation as principle, while First International Computer, Inc., 3CEMS Corp. and Ubiqconn Technology, Inc. are important subsidiaries of FIC Global, Inc. In 2022, under the efforts of all supervisors and employees, the Company continually lowered cost, improved business flexibility, and continuously dedicated to automotive electronics related systems, electronic OEM services, R&D and designs, system assembly and industrial computer production and sales.

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

In recent years, 3CEMS Corp. has actively engaged in the organizational reform and product structural adjustment. When the original computer related business volume remains stable, 3CEMS has continuously developed new products (e.g., electronic sports computer, AIOT computer and peripherals), and its business in communication products (including optical fibers) has also realized gradual growth. Furthermore, 3CEMS has also expanded its business in industries with high added value such as automotive electronics, industrial control electronics and precision SMT products. 3CEMS focuses on the OEM of advanced electronic products applied in the fields of aerospace, navigation, automobile, and semiconductor. In addition, it is still continually seeking the possibilities to cooperate or deal with other enterprises in the hope that its investment projects can be effectively adjusted.

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

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

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

I. Company Profile

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

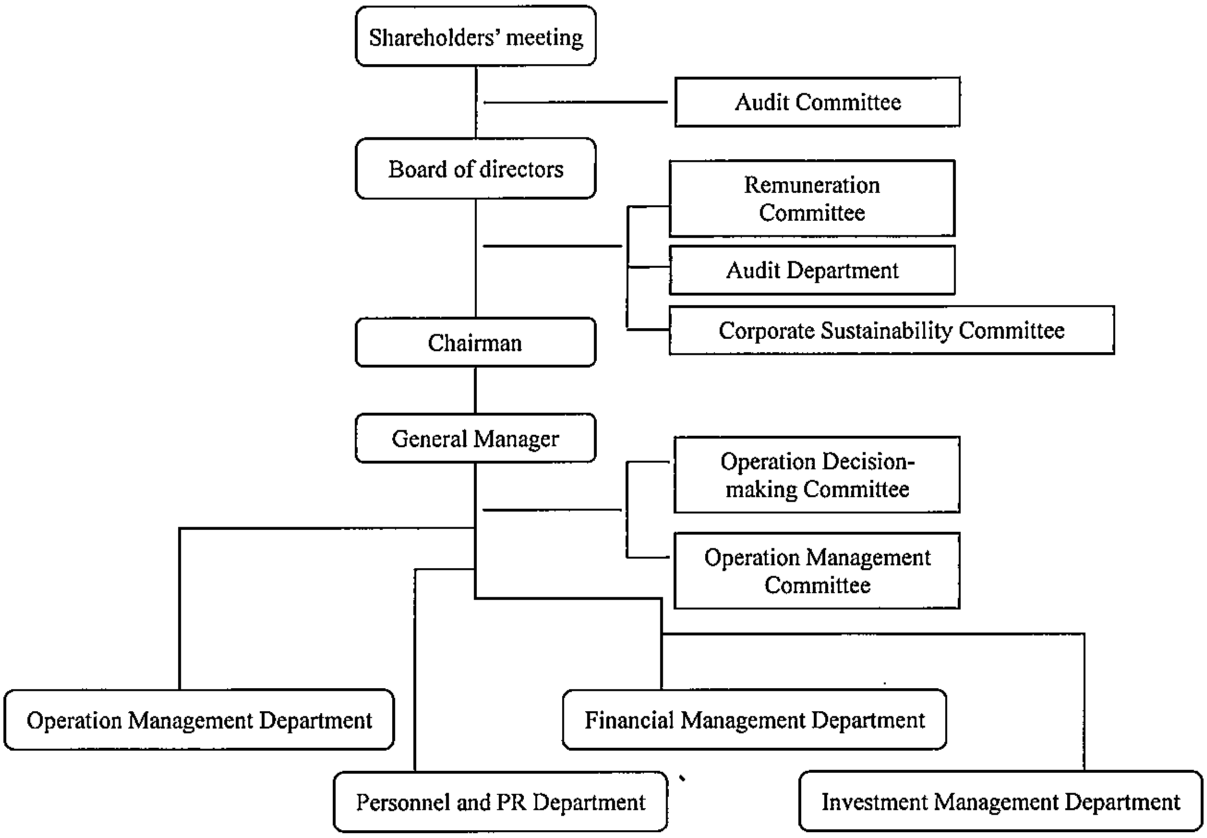
2004	· In order to execute the industry holdings and separate business operations to achieve comprehensive benefit and independent development policies, and to expand the operation flexibility of the group enterprise and diversify investment risks, First International Computer, Inc. incorporated FIC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

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

II. Corporate Governance Report

1. Organization system

(1) Organization structure



(2) Business of main departments

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

2. Information of directors and principal managers

(1) 1. Information of directors

April 17, 2023

Title (Note 1)	Nationality or place of registration	Name	Gender and age	Date appointed Date (Note 2)	Term	Date first elected	Shares held when elected		Shares currently held		Shares held by spouse and underage children		Shares held in the name of others		Education/work experience (Note 3)	Other positions at the Company or elsewhere	Other officer, director or supervisor who is the spouse or a relative within second degree			Note
							Number of shares	Shareholding ratio	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio			Title	Name	Relationship	
Chairman	R.O.C.	Chia Chao Investment Inc. (Representative: CHIEN, MING-JEH	Male 71-80	June 9, 2020 June 9, 2020	3	June 9, 2020 June 25, 2004	45,723,836 3,717,672	21.25 1.73	45,723,836 3,717,672	21.17 1.72	0 0	0 0	0 0	0 0	Ph.D., Department of Electrical Engineering, University of California, Berkeley	(Note 5)	Director representative	CHIEN LEO MING TZ	Son and Daughter	(Note 4)
Director	R.O.C.	Chia Chao Investment Inc. (Representative: CHIEN LEO MING TZ)	Male 41-50	June 9, 2017 (Reassigned on July 15, 2020)	3	June 9, 2020 July 15, 2020	45,723,836 6,150,000	21.25 2.86	45,723,836 6,150,000	21.17 2.85	0 150,000	0 0.06	0 0	0 0	Master of Electrical Engineering, University of California	(Note 5)	Chairman	CHIEN, MING-JEH	Son and Daughter	(Note 4)
Director	R.O.C.	University Venture Co., Ltd. (Representative: LEE, KAI-TIEN)	Male 61-70	June 9, 2020 June 9, 2020	3	June 9, 2020 June 26, 2004	1,800,000 117	0.84 0	1,800,000 117	0.83 0	0 0	0 0	0 0	0 0	Ph.D., Department of Civil Engineering, Virginia Polytechnic Institute and State University	(Note 5)	-	-	-	(Note 4)
Director	R.O.C.	University Venture Co., Ltd. (Representative: WU, SHUN-I)	Male 61-70	June 9, 2020 June 9, 2020	3	June 9, 2020 June 10, 2009	1,800,000 0	0.84 0	1,800,000 0	0.83 0	0 0	0 0	0 0	0 0	Department of Engineering, Vanung University/Chairman of LAMBERT NEWMEDIA, INC.	(Note 5)	-	-	-	(Note 4)
Independent Director	R.O.C.	CHEN, MIN-PEN	Male 71-80	June 7, 2017	3	June 10, 2009	0	0	0	0	1,055	0	0	0	Ph.D., Geological Oceanography, Texas A&M University/Professor of Institute of Oceanography, National Taiwan University/Supervisor of Far East Evangelistic Association/Chairman of MMA Global Aqua Co., Ltd.	-	-	-	-	(Note 4)
Independent Director	R.O.C.	KAO, TIEN-CHING	Male 61-70	June 7, 2017	3	June 7, 2017	0	0	0	0	3	0	0	0	Master's degree, MBA Program, National Chengchi University/Finance Vice President of First International Computer, Inc.	-	-	-	-	(Note 4)
Independent Director	R.O.C.	WANG, CHENG-WEI	Male 41-50	June 5, 2019	3	June 5, 2019	0	0	0	0	0	0	0	0	Department of Accounting, Tamkang University/Master of Divinity Curriculum, China Evangelical Seminary	-	-	-	-	(Note 4)

Note 1: For a corporate shareholder, name of the shareholder and its representative shall be presented separately (as for representative of corporate shareholder, the name of the corporate shareholder shall be specified), and the following Table 1 shall be filled out at the same time.
Note 2: Time when a person served as director or supervisor of the Company for the first time shall be filled out. In case of any interruption, relevant note shall be attached for clarification. Director WANG, HSUEH-LING, representative of Chia Chao Investment Inc.., resigned on July 10, 2020. Director CHIEN LEO MING TZ, representative of Chia Chao Investment Inc., was reassigned on July 15, 2020.
Note 3: As for experience related to the current position, e.g., employment to accounting firm in charge of audit and certification or affiliate in the preceding period, title and duties served shall be explained.
Note 4: If the chairman and the general manager of the Company or a person with equivalent position (top manager) are a same person, are spouse to each other, or relatives within first degree, relevant information regarding the reason, rationality, necessity and responsive measures shall be explained (e.g., increasing the seats of independent directors and ensuring that more than half number of directors haven't held a concurrent post of employee or manager). Chairman CHIEN, MING-JEH and General Manager CHIEN LEO MING TZ were first-degree relatives, and an independent director was added in 112.Please refer to "Information of principal managers" on page 9.
Note 5: Please refer to "Table of Concurrent Positions in Affiliates or Other Companies".

Table 1: Major Shareholders of Corporate Shareholders

April 17, 2023

Name of corporate shareholder (Note 1)	Major shareholder(s) of corporate shareholder (Note 2)
Chia Chao Investment Inc..	CHIEN, MING-JEH (30%) LI, PENG-HSUAN (35%) CHEN, HUEI JYUN (35%)
University Venture Co., Ltd..	Chia Chao Investment Inc. (68.98%) Chi Hsin Investment Inc. (20%) Zong Jing Investment Inc. (11%)

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

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

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

Table 2: Major Shareholders of Major Shareholders in Table 1 as Legal Persons

April 17, 2023

Name of corporate shareholder (Note 1)	Major shareholder(s) of corporate shareholder (Note 2)
Chia Chao Investment Inc.	CHIEN, MING-JEH (30%) LI, PENG-HSUAN (35%) CHEN, HUEI JYUN (35%)
Chi Hsin Investment Inc.	LI, PENG-HSUAN (89.29%), CHIEN, MIN-HUI (9.48%) Ho Mon Investment Inc. (1.23%)
Zong Jing Investment Inc.	British Virgin Islands Genuine Profit Limited(100%)

Note 1: If a major shareholder in Table 1 is a legal person, the name of this legal person shall be filled out.

Note 2: Fill out names of major shareholders of this corporate shareholder (top 10 shareholders in terms of shareholding ratio) and their shareholding ratios.

Note 3: If the corporate shareholder is an unincorporated organization, names and shareholding ratios of shareholders disclosed above shall be the names and contribution or donation ratios of contributors or donors.

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

March 31, 2023

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

April 17, 2023

Title (Note 1)	Nationality	Name	Gender	Date appointed	Shares held		Shares held by the spouse and underage children		Shares held under others' name		Main experience (education) (Note 2)	Concurrent position in other companies	Manager who is the spouse or a relative within second degree			Remark End of full text (Note 3)
					Number of shares	Shareholding ratio	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio			Title	Name	Relation	
Chairman	R.O.C.	CHIEN, MING-JEH	Male	August 30, 2004	3,717,672	1.72%	0	0	0	0	Ph.D., UC Berkeley (Electrical Engineering & Computer Science)	Note 4	General Manager	CHIEN LEO MING TZ	Father-son	(Note 3)
General Manager	U.S.A.	CHIEN LEO MING TZ	Male	August 31, 2016	6,150,000	2.85%	150,000	0.06%	0	0	UCLA (Electrical & Electronics Engineering)	Note 4	Chairman	CHIEN, MING-JEH	Father-son	(Note 3)
Deputy General Manager	R.O.C.	CHAN, CHAO-CHING	Male	August 30, 2004	0	0	0	0	0	0	Department of Computerization, Feng Chia University	Note 4	-	-	-	-
Deputy General Manager	R.O.C.	LO, AN-TI	Male	August 31, 2012	0	0	0	0	0	0	Bradley University (Computer Science)	Note 4	-	-	-	-
Assistant Manager (concurrent)	R.O.C.	LI, YU-HUA	Female	May 1, 2020	0	0	0	0	0	0	Department of Accounting, Tamkang University	Note 4	-	-	-	-
Assistant Manager (concurrent)	R.O.C.	LIN, TUNG-HSING	Male	October 1, 2013	0	0	0	0	0	0	CA State University, San Bernardino (Business Administration)	Note 4	-	-	-	(Note 5)

Note 1: The data of general manager, deputy general managers, assistant managers and heads of each department and branch shall be included. Also, those with positions equivalent to general manager, deputy general manager or assistant manager shall also be disclosed regardless of their titles.
Note 2: As for experience related to the current position, e.g., employment to accounting firm in charge of audit and certification or affiliate in the preceding period, title and duties served shall be explained.
Note 3: If the chairman and the general manager of the Company or a person with equivalent position (top manager) are a same person, are spouse to each other, or relatives within first degree, relevant information regarding the reason, rationality, necessity and responsive measures shall be explained (e.g., increasing the seats of independent directors and ensuring that more than half number of directors haven't held a concurrent post of employee or manager).Since the chairman and the general manager have a father-son relationship, in consideration of experience inheritance, the seats of independent directors will be increased within a time limit stipulated in relevant laws and regulations.
Note 4: Please refer to "Table of Concurrent Positions in Affiliates or Other Companies".
Note 5: LIN, TUNG-HSING is the head of the Company's finance department and was promoted to assistant manager since October 1, 2021.
Note6: Deputy General Manager CHAN, CHAO-CHING dismissed his insider status from April 1, 111.

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

March 31, 2023

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

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

3. Information of remuneration of directors and managers

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

December 31, 2022

Unit: NT$1,000

Title	Name (Note 1)	Director's remuneration								Total of items A, B, C and D and ratios over net income after tax (Note 10)		Relevant remuneration received by concurrent employees								Total of items A, B, C, D, E, F and G and ratios over net income after tax (Note 10)		Remuneration received from reinvestment enterprises other than subsidiaries (Note 11)
		Salary (A) (Note 2)		Severance pay and pensions (B)		Director reward (C) (Note 3)		Business execution fees (D) (Note 4)				Remuneration, bonus and allowances (E) (Note 5)		Severance pay and pensions (F)		Employee reward (G) (Note 6)						
		The Company	All companies in financial report (Note 7)	The Company	All companies in financial report (Note 7)	The Company	All companies in financial report (Note 7)	The Company	All companies in financial report (Note 7)	The Company	All companies in financial report (Note 7)	The Company	All companies in financial report (Note 7)	The Company	All companies in financial report (Note 7)	The Company		All companies in financial report (Note 7)		The Company	All companies in financial report (Note 7)	
																Cash amount	Stock amount	Cash amount	Stock amount			
Director	Chia Chao Investment Inc.	0	0	0	0	135	135	0	0	0.029%	0.029%	0	0	0	0	0	0	0	0	0.029%	0.029%	0
Representative Chairman	CHIEN, MING-JEH	0	0	0	0	0	0	25	25	0.005%	0.005%	0	403	0	0	0	0	0	0	0.005%	0.090%	0
Director	Chia Chao Investment Inc.	0	0	0	0	135	135	0	0	0.029%	0.029%	0	0	0	0	0	0	0	0	0.029%	0.029%	0
Representative	CHIEN LEO MING TZ	0	0	0	0	0	0	25	25	0.005%	0.005%	0	4,352	0	0	0	0	0	0	0.005%	0.919%	0
Director	University Venture Capital Co., Ltd.	0	0	0	0	135	135	0	0	0.029%	0.029%	0	0	0	0	0	0	0	0	0.029%	0.029%	0
Representative	LEE, KAI-TIEN	0	0	0	0	0	0	25	25	0.005%	0.005%	0	0	0	0	0	0	0	0	0.005%	0.005%	0
Director	University Venture Co., Ltd.	0	0	0	0	135	135	0	0	0.029%	0.029%	0	0	0	0	0	0	0	0	0.029%	0.029%	0
Representative	WU, SHUN-YI	0	0	0	0	0	0	25	25	0.005%	0.005%	0	0	0	0	0	0	0	0	0.005%	0.005%	0
Independent director	CHEN, MIN-PEN	0	0	0	0	150	150	55	55	0.043%	0.043%	0	0	0	0	0	0	0	0	0.043%	0.043%	0
Independent director	KAO, TIEN-CHING	0	0	0	0	150	150	55	55	0.043%	0.043%	0	0	0	0	0	0	0	0	0.043%	0.043%	0
Independent director	WANG, CHENG-WEI	0	0	0	0	150	150	60	60	0.044%	0.044%	0	0	0	0	0	0	0	0	0.044%	0.044%	0

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

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

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

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

Note 5: Refer to salary, position bonus, severance pay, various bonuses, rewards, traffic allowance, special reimbursement, various allowances, dormitory, car service and other in kind received by directors who hold concurrent posts of employees in recent year (including general manager, deputy general manager, other managers, and employees). When housing, car, and other means of transportation or exclusive individual expenditure is provided, the nature and cost of assets provided, actual rent or rent calculated per fair market price, oil cost and other payments shall be disclosed. If a driver is provided, please indicate relevant reward paid by the Company to this driver, but it is not included in remuneration.

Besides, salary expenses recognized in IFRS 2 "Share-based Payment", including employee stock option certificate, new share that restricts employees' rights, and share subscription by capital increase in cash, etc., shall also be included in remuneration.

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

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

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

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

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

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

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

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

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

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

December 31, 2022
Unit: NT$1,000

<table>
<tr><th rowspan="3">Title</th><th rowspan="3">Name (Note 1)</th><th colspan="2">Salary (A) (Note 2)</th><th colspan="2">Severance pay and pensions (B)</th><th colspan="2">Bonus and special reimbursement (C) (Note 3)</th><th colspan="4">Amount of employee reward (D) (Note 4)</th><th colspan="2">Total of items A, B, C and D and ratios over net income after tax (%) (Note 8)</th><th rowspan="3">Remuneration received from reinvestment enterprises other than subsidiaries (Note 9)</th></tr>
<tr><th rowspan="2">The Company</th><th rowspan="2">All companies in the financial report (Note 5)</th><th rowspan="2">The Company</th><th rowspan="2">All companies in the financial report (Note 5)</th><th rowspan="2">The Company</th><th rowspan="2">All companies in the financial report (Note 5)</th><th colspan="2">The Company</th><th colspan="2">All companies in the financial report (Note 5)</th><th rowspan="2">The Company</th><th rowspan="2">All companies in the financial report (Note 5)</th></tr>
<tr><th>Cash amount</th><th>Stock amount</th><th>Cash amount</th><th>Stock amount</th></tr>
<tr><td>General Manager</td><td>CHIEN LEO MING TZ</td><td rowspan="3">1,777</td><td rowspan="3">5,245</td><td rowspan="3">0</td><td rowspan="3">0</td><td rowspan="3">57</td><td rowspan="3">932</td><td rowspan="3">14,908</td><td rowspan="3">0</td><td rowspan="3">14,908</td><td rowspan="3">0</td><td rowspan="3">3.51%</td><td rowspan="3">4.43%</td><td rowspan="3">None</td></tr>
<tr><td>Deputy general manager</td><td>CHAN, CHAO-CHING</td></tr>
<tr><td>Deputy general manager</td><td>LO, AN-TI</td></tr>
</table>

*Those with positions equivalent to general manager and deputy general manager (e.g., president, CEO, director, etc.) shall be disclosed regardless of their titles.
*The Company didn't have labor under the old system, and therefore it was not required to withdraw retirement pension on a monthly basis.
*The employee reward in 2022 is only an estimated value (it is planned to verify and pay it in the second half of 2023).
* Deputy General Manager CHAN, CHAO-CHING dismissed his insider status from April 1, 111, and his honoraria was calculated until March 31, 111.

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

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

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

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

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

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

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

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

Note 6: Names of general manager and deputy general managers shall be disclosed in their respective remuneration scale regarding the total amount of each remuneration paid by the Company to each general manager and deputy general manager.

Note 7: The total amount of each remuneration paid by all companies in the consolidated report (including the Company) to each general manager and deputy general manager shall be disclosed, together with their names in their respective remuneration scale.

Note 8: Net income after tax refers to the net income after tax of individual or independent financial report in recent year.

Note 9: a. The amount of relevant remuneration received by general manager and deputy general managers of the Company from reinvestment enterprises other than subsidiaries or parent company shall be filled out in this column clearly (please fill out "None" if no).

b. If the general manager and deputy general managers of the Company have received relevant remuneration from reinvestment enterprises other than subsidiaries or parent company, such remuneration shall be included in column E of the Remuneration Scale and the domain name shall be changed to "Parent company and all reinvestment enterprises".

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

Note10: Deputy General Manager CHAN, CHAO-CHING dismissed his insider status from April 1, 111, and his honoraria was calculated until March 31, 111.

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

(4) The remuneration paid by the Company and all companies in the consolidated report to directors, supervisors, general manager and deputy general managers in recent two years was handled in accordance with the Articles of Association of the Company, relevant resolution made by the Board of Directors, and relevant provisions regarding the remuneration assessment and payment. Also, "Regulation on the Remuneration Assessment and Payment of Directors and Supervisors" and "Standard Operating Procedure for Managers' Performance Assessment and Remuneration" have been clearly formulated as the basis for the appointment, dismissal, and remuneration evaluation and performance assessment of managers. This regulation and standard operating procedure have been deliberated and forwarded by the Remuneration Committee of the Company to the Board of Directors for approval and implementation, and are also put under irregular review and evaluation to ensure the conformity of the remuneration of the Company to the provisions of relevant laws and regulations. Also, the reasonableness of relevancy of individual performance with the Company's operating performance and future risks are evaluated and assessed in consideration of the achievement of the Company's goals and its financial status, and ratio of total remuneration in the net income after tax is shown as follows:

Item	2021		2022	
	The Company	Consolidated financial report	The Company	Consolidated financial report
Net income after tax/Net loss (NT$1,000)	251,978	251,978	476,470	476,470
Ratio of director remuneration	0.4138%	0.4138%	0.2653%	0.2653%
Ratio of supervisor remuneration	0.0000%	0.0000%	0.0000%	0.0000%
Ratio of remuneration of general manager and deputy general managers	3.0869%	3.0869%	0.3851%	1.2985%

Note 1: The aforesaid director remuneration includes salary, severance pay and pensions, bonus, special reimbursement (traffic allowance) and dividends from profit distribution, etc.

Note 2: Supervisor remuneration is not involved in this Company (supervisors already replaced by the Audit Committee in the middle of 2017).

Note 3: Net income after tax/net loss refers to the net income after tax/net loss indicated in the individual or independent financial reports in recent year.

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

December 31, 2022

	Title (Note 1)	Name (Note 1)	Stock amount	Cash amount	Total	Ratio of total amount in net income after tax (%)
Managers	General manager	CHIEN LEO MING TZ	–	NT$14,908K	NT$14,908K	3.13%
	Deputy general manager	LO, AN-TI				
	Assistant manager (concurrent)	LI, YU-HUA				
	Assistant manager (concurrent)	LIN, TUNG-HSING				

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

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

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

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

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

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

4. Corporate governance

(1) Operation of the Board of Directors

1. In 2022 and as of the publication date of the annual report, the Board of Directors convened 12 meetings (A) and the attendance status of directors (independent directors) as a voting or nonvoting party is shown as follows:

March 31, 2023

Title	Name (Note 1)	Actual attendance (as a voting or nonvoting party) B	Attendance by proxy	Actual attendance rate as a voting or nonvoting party (%) [B/A] (Note 2)	Remark
Chairman	Chia Chao Investment Inc. Representative: CHIEN, MING-JEH	11	1	91.67%	Date of new appointment: June 9, 2020
Director	Chia Chao Investment Inc. Representative: CHIEN LEO MING TZ	12	0	100%	Date of reassignment: July 15, 2020
Director	University Venture Co., Ltd. Representative: WU, SHUN-I	12	0	100%	Date of new appointment: June 9, 2020
Director	University Venture Co., Ltd. Representative: LEE, KAI-TIEN	12	0	100%	Date of new appointment: June 9, 2020
Independent director	CHEN, MIN-PEN	11	1	91.67%	Date of reappointment: June 9, 2020
Independent director	KAO, TIEN-CHING	11	1	91.67%	Date of reappointment: June 9, 2020
Independent director	WANG, CHENG-WEI	12	0	100%	Date of reappointment: June 9, 2020

Other matters to be recorded:

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

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

Date and period of the Board of Directors	**Content of the motion**	**All independent directors' opinions**	**The Company's handling of the opinions of independent directors**
January 6, 2022 16th meeting of the 7th Board of Directors	1. Proposal for Verification and Proposal for Verification of Base Number of Yearend Bonus of Managers (Assistant Manager and Above) of the Company in 2021 2. Proposal for Provision of Letter of Comfort of Land Bank of Taiwan Co., Ltd. to Subsidiary Ubiqconn Technology, Inc.	No comments	None
February 24, 2022 17th meeting of the 7th Board of Directors	1. Proposal for Provision of Joint and Several Guarantee for Subsidiary PRIME BASE INC. 2. Establishment of Proposal for Base Date of Capital Increase of Newly Issued Convertible Ordinary Shares of the First Unsecured Corporate Bond in Taiwan in Q4 of 2021 with New Share Amount of NT$205,859,900. 3. Renewal of Appointment of CPAs Accounting Firm and Replacement of CPAs with CPAs CHANG, SHU-CHIUNG and LIN, PO-CHUAN for Auditing and Certification 4. Proposal for Amendment to Some Provisions of "Procedure for Acquisition or Disposal of	No comments	None

	Assets" of the Company		
March 24, 2022 18th meeting of the 7th Board of Directors	**Report matters** 1. Important financial business report: The company prepares its own financial reporting capability progress report 2. Internal audit report: progress report on the implementation of the audit plan from October to December in 2021 3. Other important reporting matters: the implementation report of the issuance and conversion of corporate bonds **Recognition and discussion of the case** 1. Proposal for Business Plan of the Company in 2022 2. Proposal for "Effectiveness Assessment of Internal Control System" and "Statement of Internal Control System" of the Company in 2021 3. Proposal for Recognition of Disposal of Long-term Investment Equity 4. Proposal for Relief of Restriction of Noncompetition of Directors of the Company 5. Proposal for Reward Distribution of Employees and Directors of the Company in 2021 6. Proposal for Establishment of Relevant Matters Including Date of Convening of Regular Shareholders' Meeting of the Company in 2022 7. Proposal for Profit Distribution of the Company in 2021 8. Proposal for Business Report and Financial Statements of the Company in 2021	No comments	None
May 12, 2022 19th meeting of the 7th Board of Directors	1. Proposal for Financial Statements of the Company in Q1 of the Company in 2022 2. Proposal for Amendment to "Articles of Association" of the Company 3. Establishment of Proposal for Base Date of Capital Increase of Newly Issued Convertible Ordinary Shares of the First Unsecured Corporate Bond in Taiwan in Q1 of 2022	No comments	None
July 21,2022 20th meeting of the 7th Board of Directors	1. Establishment of Proposal for Base Date of Capital Increase of Newly Issued Convertible Ordinary Shares of the First Unsecured Corporate Bond in Taiwan in Q2 of 2022 2. Proposal for Provision of Joint and Several Guarantee for Subsidiary PRIME BASE INC. 3. The case of UBIQCONN TECHNOLOGY, INC., a subsidiary of capital increase.	No comments	None
August 10,2022 21th meeting of the 7th Board of Directors	**Report matters** 1. Important financial business report: The company prepares its own financial reporting capability progress report 2. Internal audit report: progress report on the implementation of the audit plan from April to June in 2022 **Recognition and discussion of the case** 1. The Company intends to revise the property management measures and internal control system "Real Estate, Plant and Equipment Circulation" and "Investment Cycle" cases. 2. Proposal for Recognition of Disposal of Long-term Investment Equity 3. Establishment of Proposal for Base Date of	No comments	None

	Capital Increase of Newly Issued Convertible Ordinary Shares of the First Unsecured Corporate Bond in Taiwan in Q2 of 2022		
October 20,2022 22th meeting of the 7th Board of Directors	1. Establishment of Proposal for Base Date of Capital Increase of Newly Issued Convertible Ordinary Shares of the First Unsecured Corporate Bond in Taiwan in Q3 of 2022 2. Proposal for Provision of Joint and Several Guarantee for Subsidiary PRIME BASE INC. 3. Revision of the Company's "Measures for the Administration of the Use of Seals" 4. The establishment of the "Enterprise Sustainable Development Committee" of the company 5. The company established the "Enterprise Sustainable Development Committee" to appoint personnel 6. The Company's "Organizational Rules of the Enterprise Sustainable Development Committee"	No comments	None
November 9,2022 23th meeting of the 7th Board of Directors	1. The company of annual audit plan in 2023 2. The Company intends to revise the original internal material information processing operating procedures to the internal major information processing and insider trading prevention management operating procedures and update some contents 3. It is proposed to amend the "Code of Business of the Board of Directors" 4. It is proposed to amend Chapter 17 of the "Accounting System" "Financial Statement Preparation Process Management Procedures" 5. Establishment of Proposal for Base Date of Capital Increase of Newly Issued Convertible Ordinary Shares of the First Unsecured Corporate Bond in Taiwan in Q2 of 2022	No comments	None
December 14,2022 24th meeting of the 7th Board of Directors	**Report matters** 1. Implementation progress report of the Sustainable Development Committee. **Recognition and discussion of the case** 1. Proposal for Recognition of Disposal of Long-term Investment Equity 2. The company's manager (supervisor at the associate level or above) issued the bonus base in 2022.	No comments	None
March 15,2023 25th meeting of the 7th Board of Directors	**Report matters** 1. Important financial business report: The company prepares its own financial reporting capability progress report 2. Internal audit report: progress report on the implementation of the audit plan from October to December in 2022 **Recognition and discussion of the case** 1. Proposal for Financial Statements of the Company in Q1 of the Company in 2023 2. Proposal for "Effectiveness Assessment of Internal Control System" and "Statement of Internal Control System" of the Company in 2022 3. Assessment and appointment of the independence and suitability of the Company's certified public accountants. 4. The company of this year self-consolidation and financial report in 2022. 5. Establishment of Proposal for Base Date of	No comments	None

	Capital Increase of Newly Issued Convertible Ordinary Shares of the First Unsecured Corporate Bond in Taiwan in Q4 of 2022 6. Proposal for Establishment of Relevant Matters Including Date of Convening of Regular Shareholders' Meeting of the Company in 2023.		
March 29,2023 26th meeting of the 7th Board of Directors	**Report matters** 1. The implementation results of the performance evaluation of the board of directors of this year in 2022. 2. Progress report of the Company's Corporate Sustainable Development Committee on greenhouse gas inventory and verification timeline planning. **Recognition and discussion of the case** 1. Proposal for Business Report and Financial Statements of the Company in 2022. 2. Proposal for Profit Distribution of the Company in 2021 3. Proposal for Reward Distribution of Employees and Directors of the Company in 2021 4. The Company has set up a governance supervisor. 5. The company intends to handle the cash capital increase issuance of new shares in 2023 and the second unsecured conversion of corporate bonds. 6. Nominate and review the list of candidates for directors (including independent directors) 7. Proposed lifting of the restriction on non-compete for newly elected directors and their representatives.	No comments	None
may 11,2023 27th meeting of the 7th Board of Directors	**Report matters** 1. Important financial business report: The company prepares its own financial reporting capability progress report 2. Internal audit report: progress report on the implementation of the audit plan from January to March in 2023 **Recognition and discussion of matters** 1. Proposal for Financial Statements of the Company in Q1 of the Company in 2023 2. Proposal for Recognition of Disposal of Long-term Investment Equity 3. Establishment of Proposal for Base Date of Capital Increase of Newly Issued Convertible Ordinary Shares of the First Unsecured Corporate Bond in Taiwan in Q1 of 2023 4. The re-election of the second corporate sustainability development committee of the company.	No comments	None

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

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

Title	Name	Content of proposal	Reason for recusal due to conflict of interest	Participation in voting

Director	Chia Chao Investment Inc. Representative: CHIEN LEO MING TZ	Proposal for Verification and Proposal for Verification of Base Number of Yearend Bonus of Managers (Assistant Manager and Above) of the Company in 2021.	Chairman of related party involved in the proposals	Not included in voting
		Proposal for Provision of Letter of Comfort of Land Bank of Taiwan Co., Ltd. to Subsidiary Ubiqconn Technology, Inc.		
		Proposal for Relief of Restriction of Noncompetition of Directors of the Company.		
		The case of UBIQCONN TECHNOLOGY, INC., a subsidiary of capital increase.		
		The company's manager (supervisor at the associate level or above) issued the bonus base in 2022.		

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

Evaluation cycle (Note 1)	Evaluation period (Note 2)	Evaluation scope (Note 3)	Evaluation method (Note 4)	Evaluation content (Note 5)
Once every year	January 1, 2022-December 31, 2022	Performance evaluation of the Board of Directors, individual directors and functional committees	Internal self-evaluation and self-evaluation by directors	(1) Performance evaluation of the Board of Directors: Degree of participation in corporate operation, improvement of decision-making quality of the Board of Directors, composition and structure of the Board of Directors, election and appointment of directors and their further education, and internal control. (2) Performance evaluation of individual directors: Mastery of the Company's objectives and tasks, recognition of directors' responsibilities, degree of participation in corporate operation, operation and communication of internal relations, directors' expertise and further education and internal control. (3) Performance evaluation of functional committees: Degree of participation in corporate operation, recognition of responsibilities of functional committees, improvement of decision-making quality of functional committees, composition of functional committees and election and appointment of their members, and internal control.

Note 1: The execution cycle of evaluation of the Board of Directors, e.g., once every year, shall be filled out.
Note 2: The period covered by the evaluation of the Board of Directors shall be filled out. For example, the performance of the Board of Directors from January 1, 2021 to December 31, 2021 is evaluated.
Note 3: The evaluation scope includes the performance evaluation of the Board of Directors, individual directors and functional committees.
Note 4: The evaluation method includes internal self-evaluation of the Board of Directors, self-evaluation of directors, peer evaluation, and performance evaluation through entrustment of external professional agency or experts or by other appropriate means.
Note 5: The evaluation content shall at least include the following items according to the evaluation scope:
(1) Performance evaluation of the Board of Directors: At least including degree of participation in corporate operation, decision-making quality of the Board of Directors, composition and structure of the Board of Directors, election and appointment of directors and their further education, and internal control.
(2) Performance evaluation of individual directors: At least including mastery of the Company's objectives and tasks, recognition of directors' responsibilities, degree of participation in corporate operation, operation and communication of internal relations, directors' expertise and further education and internal control.
(3) Performance evaluation of functional committees: Degree of participation in corporate operation, recognition of responsibilities of functional committees, improvement of decision-making quality of functional committees, composition of functional committees and election and appointment of their members, and internal control.

*The Company has already established a system for the performance of the Board of Directors. The Board of Directors passed the Regulation on Performance Evaluation of the Board of Directors on November 10, 2020 to give play to the self-promotion of members of the Board of Directors and improve the operational functions of the Board of Directors. The performance evaluation of the Board of Directors is

executed once every year. Internal self-evaluation of the Board of Directors and self-evaluation of directors shall be handled after end of each year. The evaluation results will be summarized before the end of the first quarter of next year, and a report of results will be presented to the directors for reference.

IV. Objectives for the strengthening of functions of the Board of Directors (e.g., establishment of Audit Committee, improvement of information transparency, etc.) in current year and recent years as well as evaluation of execution status of these objectives: **Audit Committee has already been established.**

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

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

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

(3) Operation of the Audit Committee:

In 2022 and as of the publication date of the annual report, the Audit Committee convened 12 meetings (A) and the attendance status of independent directors as a nonvoting party is shown as follows:

March 31, 2022

Title	Name	Actual attendance as a nonvoting party (B)	Attendance by proxy	Actual attendance rate as a nonvoting party (%) (B/A) (Note)	Remark
Independent director	KAO, TIEN-CHING	11	1	91.67%	Date of reappointment: June 9, 2020
Independent director	CHEN, MIN-PEN	11	1	91.67%	Date of reappointment: June 9, 2020
Independent director	WANG, CHENG-WEI	12	0	100%	Date of reappointment: June 9, 2020

Other matters to be recorded:

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

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

Date and period of the Audit Committee	**Content of the motion**	**All independent directors' opinions**	**The Company's handling of the opinions of independent directors**
January 6, 2022 13th meeting of the 2th Audit Committee	1.Proposal for Provision of Letter of Comfort of Land Bank of Taiwan Co., Ltd. to Subsidiary Ubiqconn Technology, Inc.	No comments	None
February 24, 2022 14th meeting of the 2th Audit Committee	1. Proposal for Provision of Joint and Several Guarantee for Subsidiary PRIME BASE INC. 2. Renewal of Appointment of CPAs Accounting Firm and Replacement of CPAs with CPAs CHANG, SHU-CHIUNG and LIN, PO-CHUAN for Auditing and Certification 3. Proposal for Amendment to Some Provisions of "Procedure for Acquisition or Disposal of Assets" of the Company	No comments	None
March 24, 2022 15th meeting of the 2th Audit Committee	1. Proposal for "Effectiveness Assessment of Internal Control System" and "Statement of Internal Control System" of the Company in 2021	No comments	None

	2. Proposal for Recognition of Disposal of Long-term Investment Equity 3. Proposal for Profit Distribution of the Company in 2021 4. Proposal for Business Report and Financial Statements of the Company in 2021		
May 12, 2022 16th meeting of the 2th Audit Committee	1. Proposal for Financial Statements of the Company in Q1 of the Company in 2022	No comments	None
July 21,2022 17th meeting of the 2th Audit Committee	1. Proposal for Provision of Joint and Several Guarantee for Subsidiary PRIME BASE INC. 2. The case of UBIQCONN TECHNOLOGY, INC., a subsidiary of capital increase.	No comments	None
August 10,2022 18th meeting of the 2th Audit Committee	1. The Company intends to revise the property management measures and internal control system "Real Estate, Plant and Equipment Circulation" and "Investment Cycle" cases. 2. Proposal for Recognition of Disposal of Long-term Investment Equity 3. Establishment of Proposal for Base Date of Capital Increase of Newly Issued Convertible Ordinary Shares of the First Unsecured Corporate Bond in Taiwan in Q2 of 2022	No comments	None
October 20,2022 19th meeting of the 2th Audit Committee	1. Proposal for Provision of Joint and Several Guarantee for Subsidiary PRIME BASE INC.	No comments	None
November 9,2022 20th meeting of the 2th Audit Committee	1. The company of annual audit plan in 2023 2. The Company intends to revise the original internal material information processing operating procedures to the internal major information processing and insider trading prevention management operating procedures and update some contents 3. It is proposed to amend the "Code of Business of the Board of Directors" 4. It is proposed to amend Chapter 17 of the "Accounting System" "Financial Statement Preparation Process Management Procedures" 5. Establishment of Proposal for Base Date of Capital Increase of Newly Issued Convertible Ordinary Shares of the First Unsecured Corporate Bond in Taiwan in Q2 of 2022	No comments	None
December 14,2022 21th meeting of the 2th Audit Committee	1. Proposal for Recognition of Disposal of Long-term Investment Equity	No comments	None
March 15,2023 22th meeting of the 2th Audit Committee	**Report matters** 1. Internal audit report: progress report on the implementation of the audit plan from October to December in 2022 **Recognition and discussion of the case** 1. Proposal for "Effectiveness Assessment of Internal Control System" and "Statement of Internal Control System" of the Company in 2022 2. Assessment and appointment of the independence and suitability of the Company's certified public accountants. 3. The company of this year self-consolidation and financial report in 2022.	No comments	None
March 29,2023	**Report matters** 1. The implementation results of the performance	No comments	None

23th meeting of the 2th Audit Committee	evaluation of the board of directors of this year in 2022. **Recognition and discussion of the case** 1. Proposal for Business Report and Financial Statements of the Company in 2022. 2. Proposal for Profit Distribution of the Company in 2021 3. The company intends to handle the cash capital increase issuance of new shares in 2023 and the second unsecured conversion of corporate bonds.		
may 11,2023 24th meeting of the 2th Audit Committee	**Report matters** 1. Internal audit report: progress report on the implementation of the audit plan from January to March in 2023 **Recognition and discussion of matters** 1. Proposal for Financial Statements of the Company in Q1 of the Company in 2023 2. Proposal for Recognition of Disposal of Long-term Investment Equity	No comments	None

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

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

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

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

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

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

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

<table>
<tr><td></td><td></td><td></td><td>10). Through deliberation and approval by the Audit Committee and the Board of Directors on February 24, 2021, the Company confirmed that all its CPAs complied with the requirements for independence.</td><td></td></tr>
<tr><td></td><td></td><td></td><td><table>
<tr><th>Independence</th><th>Conforming</th></tr>
<tr><td>Are the CPAs not directors or independent directors of the Company or its affiliates?</td><td>V</td></tr>
<tr><td>Are the CPAs not shareholders of the Company or its affiliates?</td><td>V</td></tr>
<tr><td>Are the CPAs not receiving salaries from the Company or its affiliates?</td><td>V</td></tr>
<tr><td>Have the CPAs not provided auditing services for the Company for seven consecutive years?</td><td>V</td></tr>
<tr><td>Have the CPAs confirmed that their joint accounting firm has already followed relevant code of independence?</td><td>V</td></tr>
<tr><td>Has any co-practicing CPA in the joint accounting firm where the CPAs belong served as director or manager of the Company or held a position that have a major influence on the audited case within one year after resignation?</td><td>V</td></tr>
<tr><td colspan="2">It is confirmed after evaluation that the appointed CPAs haven't been involved in the situations of independence evaluation project mentioned above and complied with the provisions of independence. Therefore, these CPAs may be appointed.</td></tr>
</table></td><td></td></tr>
<tr><td>4. Has the Company appointed competent and appropriate corporate governance personnel and corporate officer to be in charge of corporate governance affairs (including but not limited to furnishing information required for business execution by directors, assisting directors' compliance of law, handling matters related to meetings of the Board of Directors and the Shareholder's Meeting according to law, and recording minutes of board)?</td><td>V</td><td></td><td>The Board of Directors approved the appointment of a Head of Corporate Governance, who is responsible for matters related to corporate governance on March 29, 2023,</td><td>None</td></tr>
<tr><td>5. Has the Company established channels of communicating with its stakeholders (including but not limited to shareholders, employees, customers, suppliers, etc.) or created a special zone for stakeholders on its official website, and properly responded to the issues of important corporate social responsibilities concerned by its stakeholders?</td><td>V</td><td></td><td>The Company has established channels of communicating with different subjects (including stakeholders) in consideration of different circumstances.</td><td>None.</td></tr>
<tr><td>6. Has the Company appointed a professional registrar for its Shareholders' Meetings?</td><td>V</td><td></td><td>The Company has already appointed Stock Agency Department of Grand Fortune Securities to handle the affairs of its Shareholders' Meeting.</td><td>None.</td></tr>
</table>

7. Information disclosure (1) Has the Company established a corporate website to disclose information regarding its finance, business, and corporate governance? (2) Has the Company used any other information disclosure channels (e.g., maintaining an English-language website, designating staff to handle information collection and disclosure, appointing spokespersons, webcasting investors' conferences, etc.)? (3) Has the Company announced and reported the annual financial statements within two months after the end of the fiscal year, and announced and reported the first, second, and third quarter financial statements as well as the operating status of month before the prescribed deadline?	V V	 V	(1) The Company discloses relevant information at any time through its website (www.ficg.com.tw). (2) The subsidiaries have already maintained an English-language website, implemented spokesperson system and designated relevant department to handle information collection and disclosure of the Company. (3) The Company announces and reports its annual financial statements within the stipulated period.	None.
8. Has the Company disclosed other important information to facilitate a better understanding of its corporate governance practices (e.g. including but not limited to employees' rights and care, investor relations, supplier relations, rights of stakeholders, records of further education of directors and supervisors, the implementation of risk management policies and risk evaluation measures, the implementation of customer relations policies, and the Company's purchasing of liability insurance for directors and supervisors)?	V		Please refer to the content of (9) on P37 in this annual report as well as other important information that are adequate to facilitate the understanding of the operation of the corporate governance.	None.
9. Please describe the improvements based on the results of corporate governance evaluation announced by the Corporate Governance Center of Taiwan Stock Exchange Corporation in recent year and indicate matters and measures of priority for those not improved yet. (Those not included as evaluated companies are not required to fill out this item): (1) Improvements: The company's website discloses the minutes of shareholders' meetings, the introduction of the academic experience of individual members of the board of directors, the operation of the functional committee, the establishment of the head of corporate governance and the results of the performance evaluation of the board of directors, which are approved by the board of directors; (2) Matters to improve with priority: Compile English annual reports, disclose shareholders' meeting notices and meeting manuals on the company's website, formulate and disclose human rights protection policies and specific management plans, and disclose various employee welfare measures, retirement systems and their implementation, and personal safety and working environment protection measures and their implementation.				

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

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

(5) Composition and operation of the Remuneration Committee

1. Information of members of the Remuneration Committee

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

2. Information of operation status of the Remuneration Committee

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

(2) Tenure of members of this Remuneration Committee: June 17, 2020-June 8, 2023. In recent year (2022), the Remuneration Committee convened 2 meetings (A) and the committee members' qualifications and attendance are shown as follows:

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

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

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

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

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

Promotion item	Execution status (Note 1)			Deviations from Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and reasons thereof
	Yes	No	Summary	
(2) Is the Company dedicated to improving the energy utilization efficiency and using recycled materials with a low impact on environmental burden?	V		The Company advocates education on environmental protection, strengthens resource recovery (e.g., paper, PET bottles and other relevant articles), and avoids wasting paper to lower the impact on environment burden.	No significant deviation
(3) Has the Company evaluated the potential risks and opportunities brought by climate change at present and in the future and has it taken relevant responsive measures?	V		The Company hasn't evaluated the potential risks and opportunities brought by climate change at present and in the future. However, a general affairs unit has been set up in the Group to maintain environmental management and coordinate the implementation of the following energy-saving and carbon-reducing measures: 1. The temperature in the offices is maintained above 26°C. 2. Water-saving devices and electricity-saving bulbs and tubes are installed. 3. Unnecessary light sources in public areas are reduced. 4. Green plants are planted in the offices to purify air. 5. Employees are encouraged to wear convenient clothes to reduce the needs for cool air. 6. The affiliates are committed to developing cloud computing related products to coordinate with customers, government agencies and private enterprises to execute low-carbon economy.	No significant deviation
(4) Has the Company gathered statistics of greenhouse gas emission, water consumption and total weight of wastes in the past two years and established policies for the reduction of greenhouse gas emissions and water consumption or administration of other wastes?	V		The Company hasn't gathered statistics of greenhouse gas emission, water consumption and total weight of wastes in the past two years, but has implemented energy-saving and carbon-reducing measures mentioned in (3) above.	No significant deviation
4. Social issues (1) Has the Company established relevant management policies and procedures based on relevant laws, regulations, and international conventions on human rights?	V		The Company follows relevant labor regulations and international conventions on human rights, and has established relevant work rules, regulations on personnel management, and relevant provisions on gender equality.	No significant deviation
(2) Has the Company established and implemented reasonable employee welfare measures (include salary and compensation, leave and others), and appropriately linked operational performance or achievements with employee salary and compensation?	V		The Company has established a training handbook for new employees and relevant regulations on personnel management with content covering its salary payment standards, working hours, leave, payment of pensions, and payment of labor insurance, health insurance, endowment insurance and occupational hazard insurance which comply with relevant provisions of the Labor Standards Act. The Company has established an Employee Welfare Committee to handle various welfare matters and activities. The remuneration policy of the Company is formulated based on nature of work, and personal experience, ability and performance, and equivalent employee remuneration is paid based on its operational performance.	No significant deviation

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

Promotion item	Execution status (Note 1)			Deviations from Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and reasons thereof
	Yes	No	Summary	
				the company's official website, the exact guarantee approval date and issuance date shall be subject to the perpetual report.
6. If the Company has established Sustainable Development Best Practice Principles according to "Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies", please explain its operation and deviations from the principles formulated: **The Company hasn't established relevant principles yet.**				
7. Other important information that facilities a better understanding of the Company's implementation of promotion of sustainable development: (1) The Company continuously promotes green energy/energy-saving monitoring, smart building, smart transportation, and smart city related solutions to reduce energy consumption and improve energy control and management. (2) Please refer to relevant information on social public welfare on our website (www.ficg.com.tw). (3) The first report, 2022 FIC Global, Inc. Sustainability Report, is expected to be issued in September 2023. The AA1000 assurance standard assurance opinion prepared in accordance with the globally recognized Global Reporting Initiative (GRI) standards and verified by a third-party verification unit, and disclosed on the company's official website, the exact guarantee approval date and issuance date shall be subject to the perpetual report				

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

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

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

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

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

Assessment item	Execution status (Note 1)			Deviations from Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies and reason thereof
	Yes	No	Summary	
(4) Has the Company established effective accounting system and internal control system to implement ethical corporate management, and had the internal audit unit drafted relevant audit plan based on the evaluation results of the risk of dishonest conduct to check the abidance by the plans for prevention of dishonest conduct, or entrusted accountants to execute the audit? (5) Has the Company organized internal and external education and training on a regular basis to maintain its ethical corporate management?			internal training program or meeting to cultivate the right concept of workplace ethics. (4) It has been clearly specified in the internal reward and punishment measures that no one may accept illegitimate rights due to business relations. In case of violation with a serious situation, relevant personnel will be removed from office or even handed over to judicial authority for handling. The verification and reimbursement of entertainment expenses are strictly reviewed, and it is clearly revealed and specified in the reward and punishment measures that no one may accept articles from vendors. (5) The dedicated auditing unit of the Company advocates ethical corporate management policy irregularly. Besides, training activities are advocated in important operation meetings.	
3. Operation of the Company's whistleblowing system (1) Has the Company established specific whistleblowing and rewarding systems, set up channels that facilitate whistleblowing, and assigned proper dedicated personnel for the reported objects? (2) Has the Company established any standard operating procedures for the investigation of reports accepted as well as subsequent measures and relevant confidentiality mechanism after completion of investigation? (3) Has the Company taken measures to protect whistleblower from improperly disposal due to whistleblowing?	V		(1) The Company has established a dedicated auditing unit to take charge of supervision of execution, policy advocacy and planning of a whistleblowing system, and to report to the Board of Directors periodically. Additionally, the Company also coordinates with the stock exchange to select relevant cases for spot check periodically and disclose the execution results to the special chapter of corporate governance in the annual report. It becomes an important indicator for the reference of competent authorities and investors. Those who have conduct in violation of integrity will be seriously punished by the Company, and if the situation is serious, relevant personnel will be removed from office or subject to various civil and criminal lawsuits. (2) The Company has established "Procedures for Ethical Management and Guidelines for Conduct" and "Regulation on Appeals". The dedicated unit will handle the proposing, investigation and closure of cases according to the operating procedure and confidentiality principles. (3) The Company strictly protects relevant investigational processes that involve the whistleblowers or the accused to avoid relevant personnel from being treated unfairly or adversely.	No significant deviation
4. Enhancement of information disclosure Has the Company disclosed the contents and promotion effect of its Ethical Corporate Management Best Practice Principles on its website and MOPS?	V		1. In addition to requiring employees to sign and abide by each incorruption clause, the right workplace ethics has been continuously advocated in each training program or meeting, and it has been announced on the internal website irregularly that illegitimate interests or gifts shall not be accepted. 2. The Company has established and announced internal independent whistleblowing mailbox and dedicated line on its website and internal website, or entrusts another external independent agency to provide such mailbox and dedicated line for the internal and external personnel of the Company to use.	No significant deviation

Assessment item	Execution status (Note 1)			Deviations from Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies and reason thereof
	Yes	No	Summary	
5. If the Company has established Ethical Corporate Management Best Practice Principles in accordance with "Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies), please explain its operation as well as deviations from the principles established: **No deviation**				
6. Other important information that facilities a better understanding of the Company's implementation of ethical corporate management: (e.g., details of the Company's review and correction of its Ethical Corporate Management Best Practice Principles): **None.**				

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

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

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

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

1. First International Computer, Inc. and Ubiqconn Technology, Inc., two important subsidiaries of the Company, treat their employees in accordance with the Labor Standards Act and other relevant laws and regulations, and have established an employee welfare committee to provide various subsidies and activities. Also, they provide their employees with appropriate appealing channels and attach great importance to employees' education and training. Supervisors and employees in the Group are included in the training. To be specific, 991 person-times participated in education and training courses (including internal organizing and expatriate training) in 2022, and the total training hours reached 2,088h.
2. The Company stipulates the honest disclosure of its information according to the provisions of relevant laws and regulations, implements a spokesperson system to handle relevant matters, duly performs the responsibility for responding to the shareholders' queries by telephone calls, and thus maintains a good relationship with investors.
3. The Company keeps smooth communication channels with suppliers, customers and stakeholders (including banks, other creditors, employees, etc.) and maintains good relationships with them by sticking to the management concept of integrity and steadiness.
4. The directors and independent directors of the Company have professional industry background and practical operation management experience. The Company provides relevant regulatory information that shall draw attention from directors and independent directors at any time, and notifies or arranges directors and independent directors to participate in seminars or further education courses related to corporate governance as well as relevant internal training organized by the Company regarding financial business. At the same time, the further education courses provided for the directors and independent directors of the Company have already been disclosed in MOPS every month according to the actual conditions of the courses.
5. The establishment and revision of all management rules, regulations and measures of the Company regarding internal control shall be verified and determined by the Board of Directors. Relevant investment projects, endorsement guarantee, lending of funds, bank financing and other major proposals are evaluated and analyzed by appropriate responsible departments and executed in accordance with the resolutions of the Board of Directors. The Audit Department also drafts its annual audit plan based on the results of risk evaluation so as to implement the supervision mechanism and manage and control the execution of each risk management measure.
6. The Company has established "Procedure for Processing of Major Internal Information and Prevention of Insider Trading" as the basis for the processing and disclosure mechanism of the Company's major information. This procedure is also announced in the internal document management system so that managers and employees may check it at any time.
7. The Company already purchased liability insurance for directors and independent directors in 2022.

(10) Execution status of internal control system

1. Statement of Internal Control System

FIC Global, Inc.

Statement of Internal Control System

Date: March 15, 2023

Based on the findings of self-assessment, the Company states the following regarding its internal control system in 2022:

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

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

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

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

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

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

7. This Statement was passed by the Board of Directors in their meeting held on March 15, 2023, and all 7 directors attending the meeting approved the content of this statement and hereby made this statement.

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

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

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

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

1. Execution status of resolutions of the regular Shareholders' Meeting in 2022:

Date	Resolution of the regular Shareholders' Meeting	Execution status
June 23, 2022	I. Proposal for Business Report and Financial Statements of 2021	Resolution passed
	II. Proposal for Profit Distribution of 2021	Resolution passed not to distribute dividends
	III. Establishment of "Memorandum And Articles of Association"	Already operated according to the amended provisions
	IV. Establishment of "Operation Procedure for Making of Guarantee/Endorsement"	Already operated according to the amended provisions

1. The Board of Directors convened 12 meetings in 2022 and as of the publication date of the annual report. The summary of important resolutions is as follows:

Date	Name of meeting	Resolved matter
January 6, 2022	16th meeting of the 7th Board of Directors	1. Proposal for Verification and Proposal for Verification of Base Number of Yearend Bonus of Managers (Assistant Manager and Above) of the Company in 2021 2. Proposal for Provision of Letter of Comfort of Land Bank of Taiwan Co., Ltd. to Subsidiary Ubiqconn Technology, Inc.
February 24, 2022	17th meeting of the 7th Board of Directors	1. Proposal for Provision of Joint and Several Guarantee for Subsidiary PRIME BASE INC. 2. Establishment of Proposal for Base Date of Capital Increase of Newly Issued Convertible Ordinary Shares of the First Unsecured Corporate Bond in Taiwan in Q4 of 2021 with New Share Amount of NT$205,859,900. 3. Renewal of Appointment of CPAs Accounting Firm and Replacement of CPAs with CPAs CHANG, SHU-CHIUNG and LIN, PO-CHUAN for Auditing and Certification 4. Proposal for Amendment to Some Provisions of "Procedure for Acquisition or Disposal of Assets" of the Company
March 24, 2022	18th meeting of the 7th Board of Directors	1. Proposal for Business Plan of the Company in 2022 2. Proposal for "Effectiveness Assessment of Internal Control System" and "Statement of Internal Control System" of the Company in 2021 3. Proposal for Recognition of Disposal of Long-term Investment Equity 4. Proposal for Relief of Restriction of Noncompetition of Directors of the Company 5. Proposal for Reward Distribution of Employees and Directors of the Company in 2021 6. Proposal for Establishment of Relevant Matters Including Date of Convening of Regular Shareholders' Meeting of the Company in 2022 7. Proposal for Profit Distribution of the Company in 2021 8. Proposal for Business Report and Financial Statements of the Company in 2021
May 12, 2022	19th meeting of the 7th Board of Directors	1. Proposal for Financial Statements of the Company in Q1 of the Company in 2022 2. Proposal for Amendment to "Articles of Association" of the Company 3. Establishment of Proposal for Base Date of Capital Increase of Newly Issued Convertible Ordinary Shares of the First Unsecured Corporate Bond in Taiwan in Q1 of 2022

Date	Name of meeting	Resolved matter
July 21,2022	20th meeting of the 7th Board of Directors	1. Establishment of Proposal for Base Date of Capital Increase of Newly Issued Convertible Ordinary Shares of the First Unsecured Corporate Bond in Taiwan in Q2 of 2022 2. Proposal for Provision of Joint and Several Guarantee for Subsidiary PRIME BASE INC. 3. The case of UBIQCONN TECHNOLOGY, INC., a subsidiary of capital increase.
August 10,2022	21th meeting of the 7th Board of Directors	**Report matters** 1. Important financial business report: The company prepares its own financial reporting capability progress report 2. Internal audit report: progress report on the implementation of the audit plan from April to June in 2022 **Recognition and discussion of the case** 1. The Company intends to revise the property management measures and internal control system "Real Estate, Plant and Equipment Circulation" and "Investment Cycle" cases. 2. Proposal for Recognition of Disposal of Long-term Investment Equity 3. Establishment of Proposal for Base Date of Capital Increase of Newly Issued Convertible Ordinary Shares of the First Unsecured Corporate Bond in Taiwan in Q2 of 2022
October 20,2022	22th meeting of the 7th Board of Directors	1. Establishment of Proposal for Base Date of Capital Increase of Newly Issued Convertible Ordinary Shares of the First Unsecured Corporate Bond in Taiwan in Q3 of 2022 2. Proposal for Provision of Joint and Several Guarantee for Subsidiary PRIME BASE INC. 3. Revision of the Company's "Measures for the Administration of the Use of Seals" 4. The establishment of the "Enterprise Sustainable Development Committee" of the company 5. The company established the "Enterprise Sustainable Development Committee" to appoint personnel 6. The Company's "Organizational Rules of the Enterprise Sustainable Development Committee"
November 9,2022	23th meeting of the 7th Board of Directors	1. The company of annual audit plan in 2023 2. The Company intends to revise the original internal material information processing operating procedures to the internal major information processing and insider trading prevention management operating procedures and update some contents 3. It is proposed to amend the "Code of Business of the Board of Directors" 4. It is proposed to amend Chapter 17 of the "Accounting System" "Financial Statement Preparation Process Management Procedures" 5. Establishment of Proposal for Base Date of Capital Increase of Newly Issued Convertible Ordinary Shares of the First Unsecured Corporate Bond in Taiwan in Q2 of 2022
December 14,2022	24th meeting of the 7th Board of Directors	**Report matters** 1. Implementation progress report of the Sustainable Development Committee. **Recognition and discussion of the case** 1. Proposal for Recognition of Disposal of Long-term Investment Equity 2. The company's manager (supervisor at the associate level or above) issued the bonus base in 2022.

Date	Name of meeting	Resolved matter
March 15,2023	25th meeting of the 7th Board of Directors	**Report matters** 1. Important financial business report: The company prepares its own financial reporting capability progress report 2. Internal audit report: progress report on the implementation of the audit plan from October to December in 2022 **Recognition and discussion of the case** 1. Proposal for Financial Statements of the Company in Q1 of the Company in 2023 2. Proposal for "Effectiveness Assessment of Internal Control System" and "Statement of Internal Control System" of the Company in 2022 3. Assessment and appointment of the independence and suitability of the Company's certified public accountants. 4. The company of this year self-consolidation and financial report in 2022. 5. Establishment of Proposal for Base Date of Capital Increase of Newly Issued Convertible Ordinary Shares of the First Unsecured Corporate Bond in Taiwan in Q4 of 2022 6. Proposal for Establishment of Relevant Matters Including Date of Convening of Regular Shareholders' Meeting of the Company in 2023.
March 29,2023	26th meeting of the 7th Board of Directors	**Report matters** 1. The implementation results of the performance evaluation of the board of directors of this year in 2022. 2. Progress report of the Company's Corporate Sustainable Development Committee on greenhouse gas inventory and verification timeline planning. **Recognition and discussion of the case** 1. Proposal for Business Report and Financial Statements of the Company in 2022. 2. Proposal for Profit Distribution of the Company in 2021 3. Proposal for Reward Distribution of Employees and Directors of the Company in 2021 4. The Company has set up a governance supervisor. 5. The company intends to handle the cash capital increase issuance of new shares in 2023 and the second unsecured conversion of corporate bonds. 6. Nominate and review the list of candidates for directors (including independent directors) 7. Proposed lifting of the restriction on non-compete for newly elected directors and their representatives.
May 11,2023	27th meeting of the 7th Board of Directors	**Report matters** 1. Important financial business report: The company prepares its own financial reporting capability progress report 2. Internal audit report: progress report on the implementation of the audit plan from January to March in 2023 **Recognition and discussion of matters** 1. Proposal for Financial Statements of the Company in Q1 of the Company in 2023 2. Proposal for Recognition of Disposal of Long-term Investment Equity 3. Establishment of Proposal for Base Date of Capital Increase of Newly Issued Convertible Ordinary Shares of the First Unsecured Corporate Bond in Taiwan in Q1 of 2023 4. The re-election of the second corporate sustainability development committee of the company.

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

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

Position	Name	Date of employment	dismissal date	Reason for dismissal
vice president	CHAN, CHAO-CHING	August 30,2004	April 01,2022	job adjustment

5. Information of CPAs' fees

Unit of amount: NT$1,000

Name of accounting firm	Name of CPA	CPAs' audit period	Audit fee	Non-audit fee	Total	Remark
PRICEWATERHOUSECOOPERS TAIWAN	CHANG, SHU-CHIUNG	January 1, 2022-December 31, 2022	1,480	645	2,125	Traffic expenses for accounts checking and typewriting and printing fees
	LIN, PO-CHUAN	January 1, 2022-December 31, 2022				

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

6. Information of replacement of CPAs: None

7. No employment of chairman, general manager, and financial or accounting manager to PRICEWATERHOUSECOOPERS TAIWAN or its affiliates in 2022.

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

(1) Changes of equity of directors, supervisors, managers, and major shareholders: **None.**

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

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

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

April 17, 2023

Name (Note 1)	Shares held by shareholder itself		Shares held by shareholder's spouse and underage children		Total shares held in the name of others		Name or designation and relation of top-10 shareholders who are related parties or have kinship including spouses and relative within second degree (Note 3)		Remark
	Number	Ratio	Number	Ratio	Number	Ratio	Name (or designation)	Relation	
Chia Chao Investment Inc. Person in charge: LI, CHIEN-FA	45,723,836 0	21.17 0	0 0	0 0	0 0	0 0	Zong Jing Investment Ltd.	A same person in charge	
WYC God-loving Foundation for Charity Legal agent: WANG, HSUEH-LING	35,292,065 0	16.34 0	3,717,672	1.74	0	0	CHIEN, MING-JEH	Spouse	
			6,150,000	2.85	0	0	CHIEN LEO MING TZ	Relative within second degree	
CGCH Education Charitable Trust Fund Legal agent: LU, CHIEH-CHENG	32,000,000 0	14.82 0			0 0	0 0	-	-	
Ho Mon Investment Inc. Person in charge: LYU, HUEI-RU	8,080,645	3.74 0			0 0	0 0	University Venture Capital Co., Ltd.	A same person in charge	
Zong Jing Investment Inc. Person in charge: LI, CHIEN-FA	15,942,466 0	7.38 0	0 0	0 0	0 0	0 0	Chia Chao Investment Inc.	A same person in charge	
Chi Hsin Investment Inc.. Person in charge: LIN, CHIU-CHIN	15,021,646 0	6.95 0	0 0	0 0	0 0	0 0	-	-	
CHIEN LEO MING TZ	6,150,000	2.85	0	0	0	0	WANG, HSUEH-LING	Relative within second degree	
			3,717,672	1.72	0	0	CHIEN, MING-JEH	Relative within second degree	
			150,000	0.07	0	0	CHEN, HUEI-JYUN	Spouse	
CGCH Foundation for Education Legal agent: CHIEN, MING-JEH	4,000,000 3,717,672	1.85 1.72	0 0	0 0	0 0	0 0	-	-	
CHIEN, MING-JEH	3,717,672	1.72	0	0	0	0	WANG, HSUEH-LING	Spouse	
			6,150,000	2.85	0	0	CHIEN LEO MING TZ	Relative within second degree	
University Venture Co., Ltd. Person in charge: LI, BENG-SYUAN	1,800,000 0	0.83 0	0	0	0	0			

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

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

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

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

December 31, 2022
Unit: 1,000 shares; %

Reinvestment enterprise (Note)	The Company's investment		Investments of directors, supervisors, managers, and directly or indirectly controlled enterprises		Consolidated investment	
	Number	Ratio	Number	Ratio	Number of shares	Shareholding ratio
First International Computer, Inc.	86,968	100%	0	0%	86,968	100.00%
FICTA Technology, Inc.	41,496	69.16%	13	0.02%	41,509	69.18%
Geointelligence Systems, Inc.	44	1.04%	0	0	44	1.04%
Formosa21 Inc.	1	0.01%	2,039	29.13%	2,040	29.14%
3CEMS Corporation	317,609	36.16%	219,212	24.96%	536,821	61.12%
LEO Systems, Inc.	1,787	2.03%	3,381	3.83%	5,168	5.86%
Ubiqconn Technology, Inc.	39,142	52.19%	14,751	19.67%	53,893	71.86%
Witology Technology Company Limited	0	0	1000	25.00%	1000	25.00%

Note: Investments made by the Company using equity method.

III. Fundraising Status

1. Capital and shares

(1) Sources of share capital

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

Month/ Year	Issue price	Authorized share capital		Paid-in share capital				Remark		
		Number of shares (1,000 shares)	Amount (NT$1,000)	Number of shares (1,000 shares)		Amount (NT$1,000)		Source of share capital	Stock capital paid with properties other than cash	Date of commencement (approval) and document number
				Ordinary share	Special share	Ordinary share	Special share			
Nov.2018	10	2,500,000	25,000,000	190,344	0	1,903,445	0	Capital decrease of NT$1,903,445,000		J.S.S.Zi No. 10701123170
Mar.2022	10	2,500,000	25,000,000	210,930	0	2,109,305	0	Conversion of 20,585,000 shares of the first series unsecured convertible corporate bond		J.S.S.Zi No. 11101036340
Apr.2023	10	2,500,000	25,000,000	215,172	0	2,151,721	0	Conversion of 51,413shares of the first series unsecured convertible corporate bond		J.S.S.ZI NO. 11230054100

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

Until the most recent change of company registration

Type of share	Authorized share capital					Remark
	Outstanding shares			Unissued shares	Total	
	TWSE listed	Not TWSE/TPEx listed	Total			
Ordinary share	**194,172,194**	**21,000,000**	**215,172,149**	**2,284,827,851**	**2,500,000,000**	
Special share	**0**	**0**	**0**	**0**	**0**	
Total	**194,172,194**	**21,000,000**	**215,172,149**	**2,284,827,851**	**2,500,000,000**	

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

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

(3) Shareholder structure

April 17, 2023

	Government agency	**Financial institution**	**Other legal person**	**Foreign institution and foreigner**	**Individual**	**Total**
Number of shareholders	1	4	73	58	55,885	56,021
Number of shares held	1	32,000,177	127,873,394	8,525,284	47,595,913	215,994,769
Shareholding ratio	0.00	14.82	59.20	3.94	22.04	100.00

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

(4) Equity separation status:

NT$10 as face value per share April 17, 2023

3Shareholding ratio	Number of shareholders	Number of shares held	Shareholding ratio (%)
1-999	48,606	2,260,519	1.05
1,000-5,000	6,127	11,720,340	5.43
5,001-10,000	660	5,319,932	2.46
10,001-15,000	197	2,594,825	1.20
15,001-20,000	117	2,175,318	1.01
20,001-30,000	121	3,123,505	1.45
30,001-40,000	40	1,438,334	0.66
40,001-50,000	35	1,610,750	0.74
50,001-100,000	58	4,182,586	1.94
100,001-200,000	25	3,650,340	1.69
200,001-400,000	16	4,499,949	2.08
400,001-600,000	6	2,783,731	1.29
600,001-800,000	1	771,208	0.36
800,001-1,000,000	1	900,000	0.42
Above 1,000,001	11	168,963,432	78.22
Total	56,021	215,994,769	100.00

(5) List of major shareholders

April 17, 2023

Name of major shareholder	Number of shares held	Shareholding ratio (%)
Chia Chao Investment Inc.	45,723,836	21.17
WYC God-loving Foundation for Charity	35,292,065	16.34
Bank of Taiwan Co., Ltd.	32,000,000	14.82
Zong Jing Investment Co., Ltd.	15,942,466	7.38
Chi Hsin Investment Inc.	15,021,646	6.95
Ho Mon Investment Inc.	8,080,645	3.74
CHIEN LEO MING TZ	6,150,000	2.85
CGCH Foundation For Education	4,000,000	1.85
CHIEN, MING-JEH	3,717,672	1.72
University Venture Co., Ltd.	1,800,000	0.83

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

Item		Year	2021	2022	As of March 31, 2023 in current year (Note 8)
Market value per share (Note 1)	Max		98.00	81.00	53.50
	Min		12.90	31.40	36.20
	Average		29.45	49.93	47.83
Net worth per share (Note 2)	Before distribution		13.02	15.02	15.43
	After distribution		13.02	(Note 9)	(Note 9)
Earnings per share	Weighted average number of shares		191,529,000 shares	214,106,000 shares	215,309,000 shares
	Earnings per share (Note 3)		1.32	2.23	0.12
Dividend per share	Cash dividends		-	(Note 9)	(Note 9)
	Stock grants	Stock grants with earnings	-	(Note 9)	(Note 9)
		Stock grants with capital reserve	-	(Note 9)	(Note 9)
	Accumulated unpaid dividends (Note 4)		-	-	-
Analysis of return on investment	Price-to-earnings ratio (Note 5)		22	22.39	399
	Price-to-dividend ratio (Note 6)		NA	NA	NA
	Dividend yield (Note 7)		NA	NA	NA

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

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

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

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

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

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

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

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

Note 8: The financial data of the Company as of March 31, 2022 in current year has been audited and reviewed by PRICEWATERHOUSECOOPERS TAIWAN.

Note 9: The proposal for retained earnings in 2021 hasn't been provided with a resolution from the Shareholders' Meeting.

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

1. Dividend policy

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

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

2. Status of distribution of dividends proposed in this Shareholders' Meeting:
The Board of Directors of the Company planned to distribute dividends on March 29, 2023, and would submit to the regular Shareholders' Meeting for approval on June 15, 2023.

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

(9) Employee reward, director reward and supervisor reward

1. Percentage or scope of employee reward, director reward and supervisor reward specified in the Articles of Association:
The Company shall appropriate 2%-10% of its annual profits as employee reward if any. The Board of Directors may pass a resolution to distribute and pay the employee reward in form of stock or cash. The objects may include eligible employees from subordinate companies; the Company may have its Board of Directors make a resolution to appropriate no more than 1.5% of the amount of the preceding profits as director reward and supervisor reward. The proposal for distribution of employee reward, director reward, and supervisor reward shall be reported to the Shareholders' Meeting.
2. Estimation basis of employee reward, director reward, and supervisor reward in current period, basis for calculation of shares distributed for employee reward as well as accounting treatment in case of deviation of amount actually distributed from the estimated amount: When a major change occurs to the payment amount specified in relevant resolution of the Board of Directors before the date when the annual financial report is passed and released, this change shall be used to adjust the annual expenses originally drawn; if the amount is still changed after the date when the annual financial report is passed and released, it will be handled as accounting estimate change and will be adjusted and entered into accounts next year.
3. Distribution of rewards approved by the Board of Directors:
In 2022, the net income before tax of the Company reached NT$496,932K before estimation and recognition of employee reward, director reward and supervisor reward. Since the Company profited in 2021, it planned to draw 3% of its net income before tax, i.e., NT$14,908K, as employee reward, and 0.2% of its net income before tax, i.e., NT$994K, as director reward and supervisor reward respectively. However, it must be reported to the Shareholders' Meeting first.
4. If the actual distribution status (including distributed shares, amount and share price) of employee reward, director reward, and director reward in the previous year was deviated from those recognized, the amount deviated, reason and handling status shall be disclosed: N/A since no distribution was involved.

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

2. Handling status of corporate bond

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

(2) Convertible corporate bond

Handling Status of Corporate Bond

<table>
<tr><td colspan="2">Type of corporate bond (Note 2)</td><td>First unsecured convertible corporate bond in Taiwan (Note 5)</td></tr>
<tr><td colspan="2">Date of issuance (handling)</td><td>September 10, 2021</td></tr>
<tr><td colspan="2">Face value</td><td>NT$100,000</td></tr>
<tr><td colspan="2">Place of issuance and trading (Note 3)</td><td>Taipei Exchange</td></tr>
<tr><td colspan="2">Issue price</td><td>NT$101</td></tr>
<tr><td colspan="2">Total amount</td><td>Total face value: NT$700 million
Paid-in total amount: NT$707 million</td></tr>
<tr><td colspan="2">Interest rate</td><td>Nominal interest rate as 0%</td></tr>
<tr><td colspan="2">Term</td><td>3-year term with due date of September 10, 2024</td></tr>
<tr><td colspan="2">Guarantor</td><td>N/A</td></tr>
<tr><td colspan="2">Trustee</td><td>Trust Department of Hua Nan Bank</td></tr>
<tr><td colspan="2">Underwriter</td><td>Taichung Bank Securities Co., Ltd.</td></tr>
<tr><td colspan="2">Certificate lawyer</td><td>CHIU, SHIH-FANG</td></tr>
<tr><td colspan="2">CPAs</td><td>CHANG, SHU-CHIUNG, LIN, BO-JYUN</td></tr>
<tr><td colspan="2">Repayment method</td><td>Lump-sum repayment in cash upon maturity according to the face value of the bond</td></tr>
<tr><td colspan="2">Unpaid principal</td><td>NT$209,100,000 as of March 31, 2023</td></tr>
<tr><td colspan="2">Clause of redemption or premature repayment</td><td>Please refer to Measures of the Company for Issuance and Conversion of First Unsecured Convertible Corporate Bond in Taiwan</td></tr>
<tr><td colspan="2">Qualifying clause (Note 4)</td><td>N/A</td></tr>
<tr><td colspan="2">Name of credit rating agency, date of rating, and corporate bond rating result</td><td>N/A</td></tr>
<tr><td rowspan="2">Attached other rights</td><td>Amount of converted (swap or share subscription) ordinary shares, overseas depositary receipts or other valuable securities as of the publication date of the annual report</td><td>The amount of number of converted ordinary shares as of March 31, 2023 are as follows:
NT$252,389,050
Number of shares: 25,238,905 shares</td></tr>
<tr><td>Measures for issuance and conversion (swap or share subscription)</td><td>Please refer to Measures of the Company for Issuance and Conversion of First Unsecured Convertible Corporate Bond in Taiwan.</td></tr>
<tr><td colspan="2">Possible dilution of equity due to measures for issuance and conversion, swap or share subscription and issue conditions as well as influence on existing shareholders' equity</td><td>NT$700,000,000 of convertible corporate bond was issued this time. According to the calculated conversion price of NT$19.45 upon issuance, there were approximately 35,989,000 convertible ordinary shares of the Company at most. If calculated according to 1,903,000 issued or outstanding shares of the Company upon issuance, the maximum dilution ratio would be approximately 18.91%. As for shareholders' equity, with the convertible corporate bond converted to the Company's ordinary shares, not only the liabilities can be reduced, but also shareholders' rights and interests can be improved so as to increase the net worth per share. Therefore, for a long run, shareholders' equity can be guaranteed in a relatively favorable way.</td></tr>
<tr><td colspan="2">Name of agency entrusted for custody of swap object</td><td>N/A</td></tr>
</table>

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

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

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

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

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

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

Information of Convertible Corporate Bond

Type of corporate bond (Note 1)		First unsecured convertible corporate bond in Taiwan	
Item \ Year		2022	As of April 30, 2023 (Note 4)
Market price of convertible corporate bond (Note 2)	Max	421.00	397.00
	Min	291.00	375.00
	Average	380.26	390.20
Conversion price		NT$19.45	NT$19.45
Date of issuance (handling) and conversion price upon issuance		Date of issuance (handling): September 10, 2021 Conversion price upon issuance: NT$19.45	
Way to perform conversion obligation (Note 3)		The ordinary shares of the Company were used as conversion objective, and conversion obligation was performed by means of issuance of new shares. The bond holders handled conversion through TDCC by means of accounting book appropriation.	

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

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

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

All capital application plans below were already executed:

1. Repayment of bank loans:
   NT$235,000,000 was already used to repay the bank loans of FIC Global, Inc. and subsidiary Ubiqconn Technology, Inc. in Q3 of 2021 according to the estimated progress.
2. Expansion of working capital:
   (1) NT$372,000,000 was already used to expand the working capital of subsidiary Ubiqconn Technology, Inc. in Q3 of 2021 according to the estimated progress.
   (2) NT$100,000,000 was already used to expand the working capital of subsidiary Ubiqconn Technology, Inc. in Q4 of 2021 according to the estimated progress.

IV. Overview of Operation

1. Business content

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

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

(I) Business scope

1. FICG: General investment business

2. FIC

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

(1) Main business content and business proportions

As for automotive electronics, with the increase of the market demand of the industry, the business proportions of automotive information communication products will be raised, and special attention has been paid to the business proportions of IoV (Internet of Vehicles) software and hardware products during the development of high-threshold vehicle factory-installed product technologies, e.g., AR head-up display (AR-HUD), automotive laser advertisement system (ADD), intelligent full digital LCD dashboard (Digital Cluster), smart automotive entertainment navigator (IVI), intelligent automotive display (IVD), automotive intelligent terminal (T-Box), fleet management system (Fleet Management), etc.

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

(2) Current strategies of the company:

A. Mobile platforms:

①ARM hardware architecture platform:

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

②Software Strategy Alignment:

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

③Overall solution services:

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

B. Automotive

① Factory-installed products

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

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

② Automotive standard certification

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

VEIFICATION	ISO	SAE / IEC
EVT 工程驗證測試階段	IATF 16949 汽車業品質管理系統	SAE J1757 成像品質法規
DVT 設計驗證測試階段	ISO 16750 道路車輛,電氣電子裝備環境條件及試驗	SAE J1113 車輛零組件EMC傳導暫態試驗
PVT 生產驗證測試階段	ISO 15008 道路車輛,導航資訊和控制系統	SAE J1939 車載網路(CAN)
MP 量產階段	ISO 20653 道路車輛.防護等級電氣設備對外物防護	IEC 60068 環境試驗條件
FEMA 失效模式與效應分析	ISO 4892 老化性能測試	IEC 60204 工業機械電氣設備安全
PPAP 生產件批准程序	ISO 10605 靜電放電測試	IEC 60417 設備使用圖形符號
APQP 先期產品品質規劃	ISO 13766 EMS 檢測.電氣環境干擾	IEC 60950 電氣設備安全
MSA 測量系統分析	ISO 7637 道路車輛-傳導和耦合產生的電氣干擾	ECE-R46 汽車後視鏡認證標準及要求
SPC 統計製程管制	ISO 3795 汽車材料防火性能測試	ECE-R10 整車EMC測試法規

C. Green energy system

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

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

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

3. 3CEMS

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

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

(1) In terms of graphics cards, PCs, gaming and server products, it will mainly be opportunities to enhance business growth, continue to adjust customers and products, increase investment in new technologies and production line automation to improve gross margin, and provide relevant departments with real-time and effective information by

increasing the data application of automation equipment to optimize decision-making quality and speed, so as to enhance operational efficiency and competitiveness.

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

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

4. Ubiqconn Technology

Founded in June 2001, the subsidiary of Ubiqconn Technology Inc. is mainly engaged in the development and sales of satellite application solutions, Ubiqconn Technology Inc. pays equal attention to ODM and brand, the target ODM and brand profit contribution are halved, based on the vision of "ubiquitous connection", focusing on the connection technology related to satellite application solutions, the establishment of ECO system in each vertical market and the interlocking and solid supply chain, digital collaboration platform, and the core value of Ubiqconn (Curiosity, Empathy, Agility, Can-do attitude, Discipline) connects all employees to build a fully run sustainable business and ESG implementation. Satellite application solutions mainly focus on satellite application ground equipment, including rugged tablets, rugged automotive computers, marine computers, military computers... and other products. This industrial characteristics are mostly used in outdoor harsh environments, and mostly a small number of diversities, the degree of innovation and flexibility required is also high, Ubiqconn Technology Inc. with the management experience of public computers and the production of 3CEMS, has a very solid R & D technology and flexible operation, continue to R & D advantages, with industrial solutions market know-how, continue to cultivate and expand the global satellite application solutions market.

1. Market: Focus on satellite applications-based markets: maritime, agriculture, logistics, transportation, satellite communications, government.
2. Service: Provide customers with services from "zero to market", assist customers to transform market demand into technical specifications, quickly produce prototypes and market dialogue, and finally mass production to product life cycle management.
3. Technology: Focus on satellite application related technologies, satellite applications are mainly mobile applications, rugged design and RF are key technologies. In addition, soft and firm can provide us with more added value.
4. Products: mainly focus on satellite ground equipment.
5. Branding:
   Ubiqconn – ODM brand, the brand axis is to provide customers with "zero to market" services.
   RuggON – A brand focused on satellite application solutions that conquers the market with speed.
6. Operating aspects: Healthy free cash flow is the company's main focus, committed to inventory, AP, AR, TTM, quality, effective investment and other management.
7. Since 2021, we will start to develop mobile satellite gateways and satellite communication related products to prepare for 6G and continue to move towards the vision of "ubiquitous connectivity", aiming for 6G to account for 20% of total revenue by 2025.

8.

(II) Overview of industry

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

(1) Status quo and development of the industry

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

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

(2) Market development trends

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

The development trends of the industry are introduced as follows:

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

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

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

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

3. 3CEMS

(1) System assembly:

A. PC demand fell significantly in the fourth quarter of 2022 due to excess inventory, and will gradually rebound and stabilize in 2023, with demand gradually restarting in major markets as devices deployed during the peak of PC shipments during the epidemic reach the end of their life cycle, and the long-term outlook remains optimistic despite short-term difficulties in the PC market. Microsoft expects to strengthen the integration of AI technology in the new Windows 12 operating system released in the second half of 2023 or early 2024, compatible with emerging AI applications such as ChatGPT and DALL-E2, and this trend of digital transformation has a positive impact on the leapfrog development of smart devices such as PCs.

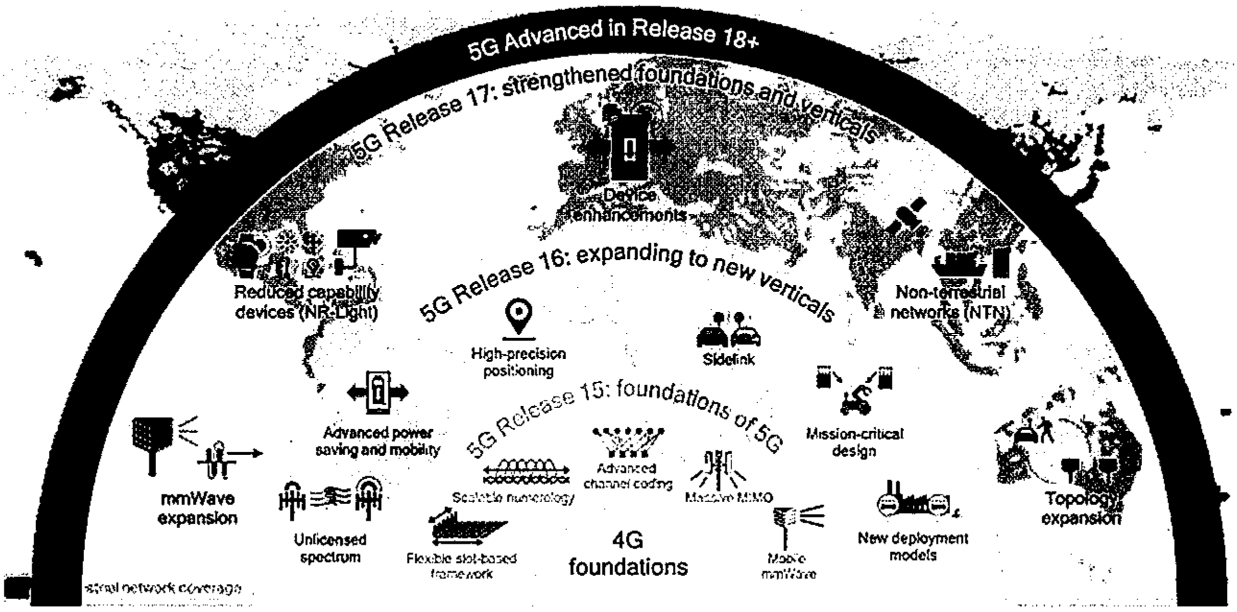
B. In 2023, the growth of server shipments will continue to be stable. With the all-round digital transformation of cloud + AI + 5G + IoT, it has also driven the continuous rise of the server market. From the financial reports of the world's four major cloud computing giants AWS, Azure, Google Cloud and Alibaba

Cloud in the second quarter, it is found that despite the macroeconomic downturn, cloud computing company Capex still remains at a historical high, and the main investment direction is still concentrated in servers, which are not affected by inflation, war and other factors like other fields.

(2) Motherboard production:
With the gradual rebound of the PC market, the demand for the replacement of terminal players, the demand for motherboards, graphics cards, gaming accessories and other needs will also usher in a certain increase.

(3) IoT and Edge Computers:
According to IoT Analytics' newly released IoT enterprise spending dashboard and tracker update, the global IoT market is expected to grow by 19% in 2023, and edge computer shipments will increase in tandem next year.

4. Ubiqconn Technology

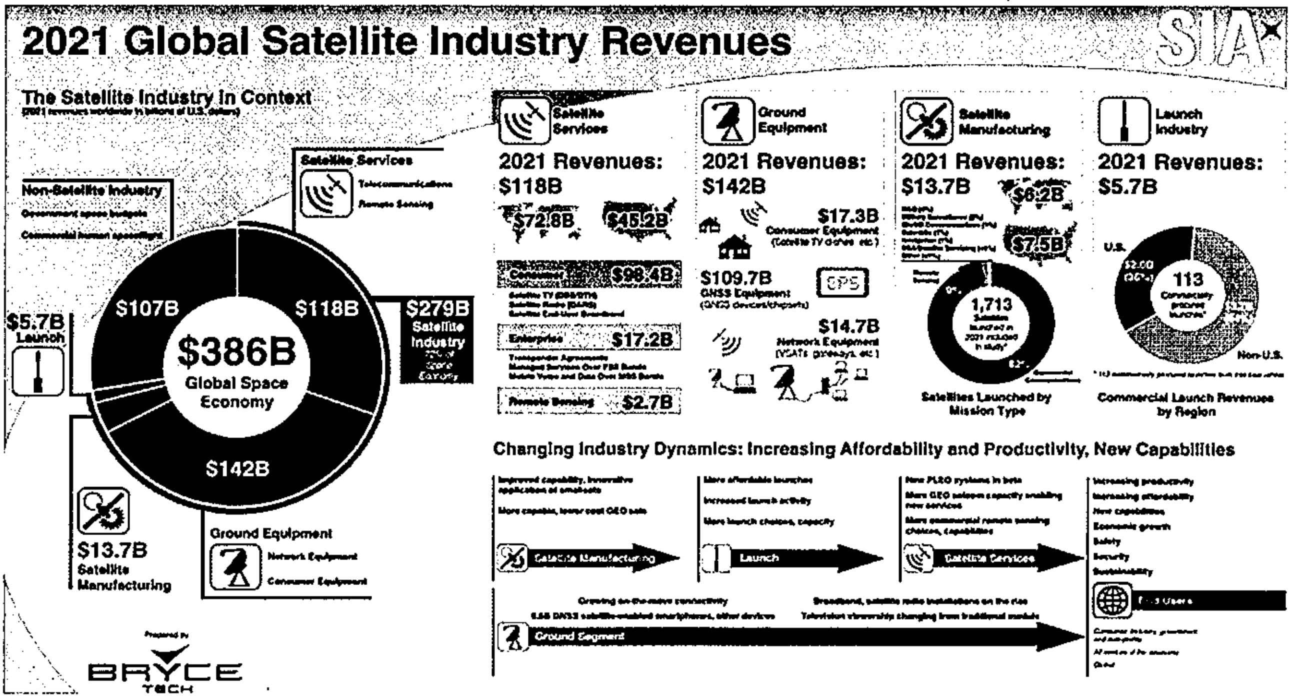


At present, the global terrestrial network coverage is less than 20% of the earth's area, and with the sharp decline in the launch cost of low-orbit satellites, it is bound to trigger a wave of disruptive innovation in the satellite application market, which in turn triggers another wave of significant growth in the satellite application market. According to the market analysis report of the Satellite Industry Association, the output value of the global satellite industry in 2021 will be 3,806 billion US dollars, of which the largest proportion of ground equipment that Yutai mainly focuses on is 1,402 billion US dollars. According to the analysis of Markets & Markets and the International Institute of Obstetrics of the Institute of Technology and Research Institute, the satellite communication equipment market is estimated to grow at a compound growth rate of 19% from 2020 to 2026.

(1) Industry Status and Development
The six vertical markets that Ubiqconn focuses on are satellite application dependent markets, and the six vertical markets are maritime, agriculture, logistics, transportation, satellite communications, and government.

LEO satellite:

According to the forecast report issued by Euroconsult, it is estimated that there will be 17,000 satellites waiting for being launched by 2030. Compared with the last decade, the market scale has grown by 4.5 times, and the total weight launch payloads has also increased by 2.1 times. If it is estimated based on output value, the satellite manufacturing industry will create a scale of approximately USD 234 billion,



presenting a growth rate of 140%, while the launch industry will present a scale of USD 86 billion, up by 150%. In addition to the quick growth of the future space industry, Euroconsult predicts that 13,900 small satellites with weight below 600kg will be launched, involving a total output value of USD 54.2 billion. To be specific, the output value of satellite manufacturing and launch industry will reach approximately USD 35.1 billion and USD 1.91 billion respectively. Business opportunities in this regard have gradually emerged.

Besides, LEO satellites will also drive the infrastructure construction market of Non-Geo-Stationary Orbit (NGSO) ground stations as well as the expansion of consumer terminal application device market. NGSO ground stations are expected to release an output value of USD 67 billion by 2030, which is mainly from the construction demand of ground stations derived from the deployment of communicate satellite cluster.

Take terminal application device market as an example. With the opening of LEO satellite network service, a great many of Very Small Aperture Terminals (VSATs) of satellite network users will need to be established, and the demand for VSATs is estimated as 200-400 times the quantity of satellites, which means a market demand of 2.6 million-5.2 million VSATs demand by 2030. Besides, satellite manufacturers have recently applied to FCC of the United States for band V communication satellite deployment licenses that involve as many as 38,000 satellites. Predictably, in addition the demand for VSATs in the future, the future development highlights will be placed on the integration of multiple communication satellite cluster suppliers as well as approaches to connect LEO satellites and ground operation communication for providing relevant application services.

Maritime affairs:

According to the analysis of Marine Electronics Market Outlook, the output value of the maritime electronic products will grow from USD 5.2 billion in 2022 to USD 7.5 billion in 2029, presenting a CAGR of 5.3%.

Agriculture:

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

Logistics:

According to the market survey report of IMARC, the value of the global logistics market will reach USD 6.5 trillion in 2027, presenting a CAGR of 4.7%. Despite the influence of the COVID-10 pandemic, the global logistics market has still maintained stable growth. Another survey agency, DBMR, also released information regarding the value of global mining service-related market which will reach as high as USD 31.5 billion in 2028. RuggON concentrates on the development of special equipment used on transport vehicles involved in mining industry, port and warehousing, and joins hands with local strategic partners in relevant countries to provide relevant software and hardware integration systems and total solutions. In 2021, the company has achieved excellent performance in markets in the Latin America, the East Europe and the Central Asia. RuggOn will continuously invest in the demand of this special field, and by relying on its successful cases, popularize relevant solutions to the markets of Australia and the North America.

Public transportation:

RuggON has developed the public transportation market for many years and won many bid projects and achieved excellent results in the railway market of South America and the bus transportation markets of Europe and Central Asia. MarketsandMarkets Research pointed out that relevant countries have continued to invest in public transportation infrastructure and the global intelligent transportation market will present a value of USD 150 billion by 2025 with a CAGR of 10.6%. RuggON will cooperate with major transportation service system integrators in Europe, continuously upgrade automotive computers and interface devices in combination of the system requirements for ticketing, compartment advertisement, driving assistance, vehicle pre-service check and 5G transmission, and provide relevant customized requirements.

(III) Overview of technology and R&D

1. FICG: N/A

2. FIC

(1) R&D expenses invested in 2022 reached NT$47,123,000.

(2) Technologies or products successfully developed

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

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

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

C. FIC has established a complete software system.

- FIC has cooperated with major international software integration companies, e.g., QNX, Oracle, Greenhill, Sysgo, etc., to expand product extensibility.

- FIC has developed AR head-up display (AR-HUD), intelligent full digital **LCD** dashboard (Digital Cluster), smart automotive entertainment navigator (IVI), intelligent automotive display (IVD), automotive intelligent terminal (T-Box), fleet management system (Fleet Management), automotive laser advertisement system (ADD), advanced driver assistant system (ADAS), driver monitoring system (DMS) and driving behavior monitoring system (DBSM).

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

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

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

3. 3CEMS

(1) R&D expenses invested in 2022 reached NT$103,106,000.

(2) System assembly (PCBA)

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

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

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

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

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

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

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

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

4. Ubiqconn Technology

(1) R&D expenses invested by the company in 2021 reached NT$157,504,000, taking up 5% of business turnover.

(2) The company continuously implemented product development in the rugged connection technical markets, including logistics, smart agriculture, smart port, UAV, maritime affairs and satellite communication, and provided relevant product and technology solutions.

A. Logistics solution

-Automotive computers with X86 and ARM platforms are adopted to provide information system services in the logistics industry.

B. Smart agriculture solution

-Automotive computers with X86 and ARM platforms are adopted to precise positioning of agriculture as well as smart agriculture information communication services.

C. Smart port solution

-Tablet PC and automotive computer with X86 platform are adopted to provide smart transportation service UAV.

-Tablet PC with X86 platform is adopted to provide remote UAV control management.

E. Maritime and satellite communication

-Tablet PC with ARM platform is adopted to provide maritime information communication and satellite communication services.

(IV) Long-term and short-term business development plans

1. FICG

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

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

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

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

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

2. FIC

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

A. Marketing plan

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

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

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

B. Production plan

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

C. Product development plan

①Provision of total solutions

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

②Single platform and diversified products

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

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

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

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

D. Operation plan

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

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

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

E. Financial plan

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

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

(2) Long-term plans: Target at the improvement of product creativity and design quality, the saving of cost, and the development of commodities with higher added value.

A. Marketing plan

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

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

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

B. Production plan

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

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

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

C. Product development plan

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

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

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

D. Operation plan

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

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

E. Financial plan

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

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

3. 3CEMS

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

A. Marketing plan

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

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

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

B. Production plan

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

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

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

C. Financial plan

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

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

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

A. Marketing plan

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

②Continue to explore new products from existing customers.

③Develop new quality customers and increase monetization channels.

B. Production plan

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

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

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

C. Financial plan

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

4. Ubiqconn Technology

(1) Short-term development plans

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

A. Marketing plan

•Rely on subsidiary RuggON to deeply develop four vertical markets, including agriculture, public transportation and logistics.

•Provide customers with fully customized services from Proof of Concept (POC) to volume production, and continue to develop maritime products and satellite communication.

•Establish a technology-leading market image.

•Offer professional after-sales services to differ from existing market competitors.

B. Production plan

•The demand for production capacity of SMT (Surface Mount) process is tremendous and stable, and the products with competitive market prices are entrusted to 3CEMS for contract manufacturing in China, while products with less quantity but more types and sensitive to places of production are manufactured by contract manufacturers in Taiwan. In consideration of the China-US trade war, the system assembly work is fully conducted in Zhonghe Factory, and the insufficient production capacity is entrusted to contract manufacturers for manufacturing.

C. Operation plan

•Integrate the supply chain system to strengthen bargaining power; maintain the second supplier to retain the bargaining flexibility.

•Enhance the production capacity of Zhonghe Factory with the existing equipment to lower production cost.

•Complete the ecological chain and introduce more business opportunities with the concept of "gang fight".

•Implement Amoeba operation thoroughly.

D. Financial plan

•Reinforce the mastery of credit extension information of customers, implement

continuous monitoring and management, and lower operational risks.
•Properly apply each working capital instrument and management technology and satisfy financial needs of each daily operation.

(2) Long-term development plans

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

A. Marketing plan

•Rely on subsidiary RuggON to deeply develop four vertical markets, including agriculture, public transportation and logistics, and become the Top-1 solution provider in these four vertical markets within five years.
•Aim to make the revenue from satellite communication 30% of the total revenue within five years.

B. Production plan

•Production concentration and provision of one-stop production services
•Continual optimization and shortening of supply chain

C. Product development plan

•Center on rugged connection as technical core.
•Continually develop solutions for different vertical markets based on the vision of "Connection Everywhere"

D. Operation plan

•Plan and promote digital transformation to improve overall operation efficiency.
•Establish a supply chain operation platform, simplify work and improve the operation efficiency of the supply chain.
•Complete the ecological chain and introduce more business opportunities with the concept of "gang fight".
• Implement Amoeba operation thoroughly.

E. Financial plan

•Take free cash flow as the ultimate operational goal.

2. Overview of market, production and sales

(I) Market analysis

1. FICG: N/A

2. FIC

(1) Main regions of product sales and market share

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

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

(2) Future market supply and demand

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

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

(3) Business goals

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

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

A. Favorable factors

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

B. Unfavorable factors and responsive measures

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

3. 3CEMS

(1) Main regions of product sales and market share

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

(2) Future market supply and demand

Looking into 2023, IDC suggests that the industry prospect is much stronger than the historical level. The estimated CARG will reach 2.5% from 2022 to 2025. IDC also points out that the global PC demand reached a record-high level since 2020. Although many regions have reopened after the outbreak of the COVID-19 epidemic, the market demand is still strong. According to IDC, the largest driving factor is the upgrading demand of consumers, students and enterprises, for these users need reliable systems to maintain production and communication with the outside world.

In terms of server products, according to the latest data from Digitimes Research, due to the continuation of the epidemic, related demand will continue to rise in 2023. As remote working and online shopping become the new normal, demand for cloud computing services will continue to pick up in 2023. In addition, the research institute also expects that as Intel and AMD deploy next-generation CPUs, there will be a trend of small-scale server replacements, helping global server shipments achieve an annual growth rate of nearly 6% in 2023.

(3) Business goals

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

4. Ubiqconn Technology

(1) Main regions of product sales and market share

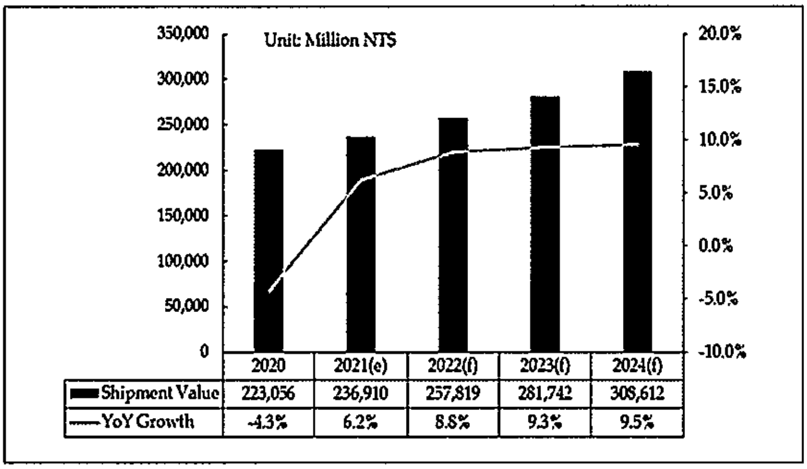
Unit: 1000; %

Item \ Year	2021		2022	
	金額	%	金額	%
America	1,885,684	58.68%	2,043,739	61.65%
Europe	709,394	22.08%	655,357	19.77%
Asia(including Taiwan)	306,367	9.53%	328,592	9.91%
other areas	311,786	9.71%	287,347	8.67%
Total	3,213,231	100.00%	3,315,035	100.00%

(2)Market share

According to the survey and analysis report of the Industrial Intelligence Research Institute of the Information Industry Policy Council on the review and prospect of Taiwan's industrial computer industry in 2021, it is pointed out that the output value of Taiwan's industrial computer industry in 2021 will be NT$257,819,000 , and the company's revenue in 2022 will be NT$3,315,035 , accounting for about 1.29% of the city.

圖九、台灣工業電腦產業產值，2020-2024



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

The compound annual growth rate of global rugged multifunction displays is expected to be 6.12% until 2027, with an output value of US$12.7 billion. Because the market is broken, there is currently no leading manufacturer, which is the market of long-tail theory.

(4) Niche market competition

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

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

A. Favorable factors:

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

B. Adverse factors and countermeasures:

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

(II) Important usage and production process of main products

1. FICG: General investment industry

2. FIC

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

	Enterprise AIoT integration system 3. Customized communication interface can better completely integrate data and images and implement real-time monitoring and control.
Automotive tablet computer	1. FIC has developed small-size automotive tablet computers (**5"/7"/10"**) and actively searched customers with application service content to provide them with complete user requirement solutions. 2. FIC has integrated **5G** communication solutions and elevated automotive tablet devices and management devices to communication integrated networking devices to provide good services of people, vehicles and roads to auto factories.

3. 3CEMS

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

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

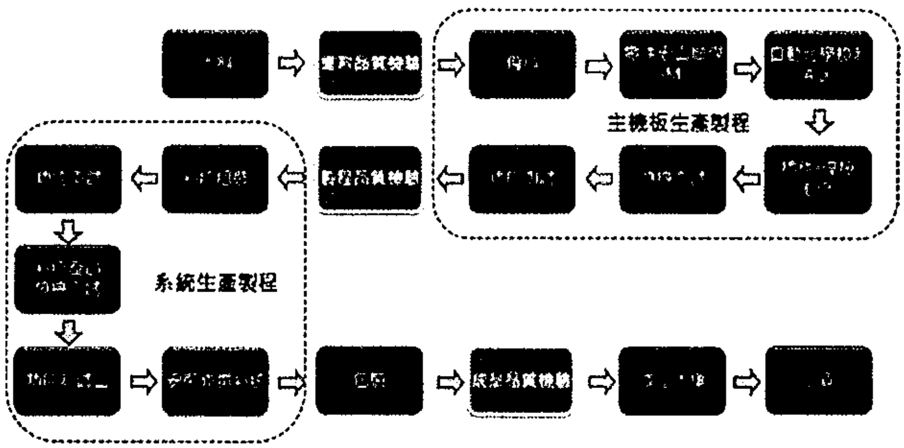
(3) Manufacturing process: Automatic SMT equipment is adopted for production of electronic circuit boards, and relevant materials including metal or plastics are used for assembly. The products are finally packed and shipped based on the requirements for product appearance and quality and through electric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

4. Ubiqconn Technology

(1) Important usage of main products

Main product	Usage
Rugged mobile multifunctional display	National defense, maritime affairs, logistics, wharf, mining, transportation, and agriculture
Rugged tablet computer	Barracks, maritime affairs, logistics, wharf, mining, agriculture, public transportation, and automobile industry
Rugged mobile computer	National defense, maritime affairs, and satellite receiving and sending

(2) Production processes of products



(III) Supply of main raw materials

1. FICG: N/A

2. FIC

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

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

3. 3CEMS

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

The material suppliers of communication, automotive and industrial control products are in Taiwan, Chinese mainland, Japan, Europe and the United States. For examples, the PCB manufacturers include Keluo, SCC and SUNTAK; IC agencies include Future Electronics, ARROW and AVNET (a Singaporean manufacturer); manufacturers of capacitance and resistance include YAGEO and Hwasin Technology, while agencies of capacitance and resistance include Fullyearn and ROHM; manufacturers of metal and plastic parts include Guangwei Precision Hardware and Yigao Plastics.

4. Ubiqconn Technology

MAIN INGREDIENT	SUPPLIER NAME	AVAILABILITY
LCM/TP	P-01	GOOD
Electronic Parts	P-02	GOOD
Electronic Parts	P-03	GOOD
Electronic Parts	P-04	GOOD

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

1. Information of main suppliers in in recent two years

Unit: NT$1,000

	2021				2022				As of the previous quarter of 2023			
Item	Name	Amount	Ratio in the net purchasing amount in the previous quarter of current year (%)	Relation with the issuer	Name	Amount	Ratio in the net purchasing amount in the previous quarter of current year (%)	Relation with the issuer	Name	Amount	Ratio in the net purchasing amount in the previous quarter of current year (%)	Relation with the issuer
1	Manufacturer A	533,129	6.53	None	Manufacturer A	1,318,562	16.00	None	Manufacturer A	240,367	13.15	None
	Other	7,627,321	93.47	-	Other	6,923,022	84.00	-	Other	1,588,112	86.85	-
	Net purchasing amount	8,160,450	100.00		Net purchasing amount	8,241,584	100.00		Net purchasing amount	1,828,479	100.00	

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

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

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

Unit: NT$1,000

	2021				2022				As of the previous quarter of 2023			
Item	Name	Amount	Ratio in net selling amount in current year (%)	Relation with the issuer	Name	Amount	Ratio in net selling amount in current year (%)	Relation with the issuer	Name	Amount	Ratio in net selling amount as of the previous quarter of current year	Relation with the issuer
1	Customer A	2,570,024	25.60	None	Customer A	3,032,721	24.36	None	Customer A	734,287	25.17	None
2	Customer B	2,442,580	24.33	None	Customer C	2,483,369	19.95	None	Customer B	569,042	19.51	None
3	Customer C	1,550,347	15.44	None	Customer D	2,356,471	18.93	None	Customer C	564,801	19.36	None
	Other	3,477,040	34.63	None	Other	4,575,874	36.76	None	Other	1,048,958	35.96	None
	Net selling amount	10,039,991	100.00		Net selling amount	12,448,435	100.00		Net selling amount	2,917,088	100.00	

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

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

(V) Production value in recent two years

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

Year / Production value / Main commodity (or department)	2021			2022		
	production capacity	Production output	Production value	production capacity	Production output	Production value
Professional electronics manufacturing services (EMS)	29,958	22,973	5,396,513	24,705	18,929	7,418,449
Industrial personal computer (IPC) parts manufacturing services	238	177	2,302,084	238	174	2,396,636
Total	30,196	23,150	7,698,597	24,943	19,103	9,815,085

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

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

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

Year / Sales volume and value / Main commodity	2021				2022			
	Domestic sale		Overseas sale		Domestic sale		Overseas sale	
	Volume	Value	Volume	Value	Volume	Value	Volume	Value
Professional electronics manufacturing services (EMS)	9,449	2,807,761	12,236	3,793,161	8,224	3,193,529	11,576	5,605,280
Industrial personal computer (IPC) parts manufacturing services	0	2,340	204	3,077,369	1	62,316	178	3,110,841
Other	0	61,170		298,190	-	108,018	-	368,451
Total	9,449	2,871,271	12,440	7,168,720	8,225	3,363,863	11,754	9,084,572

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

March 31, 2023

Year		2021	2022	As of March 31, 2023 in 2023 (Note)
Number of employees	Management personnel	406	423	457
	Professional personnel	782	815	867
	Administration personnel	373	394	406
	Operators	4,366	3,547	4,479
	Total	5,927	5,179	6,209
Average age		39.82	39.83	40.19
Average service seniority		8.29	8.44	7.7
Education distribution ratio	Doctorate	0.02%	0.02%	0.02%
	Master	1.29%	1.72%	1.39%
	Junior college	15.04%	15.73%	13.76%
	High school	46.28%	50.63%	39.19%
	Below	37.27%	31.90%	45.65%

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

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

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

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

December 31, 2022

Item	License number	Effective term of license
All pollutants	Receipt of fixed pollutant discharge/emission license Registration number: 91441167082633340R001Y License number:4401162011001031	June 3, 2020-June 2, 2025
Waste gases, wastewater and noise	Environmental Protection and Water Conservancy Bureau of Yantian District License number: 2015800080	October 26, 2015 (indefinite)
Sewage drainage license	Guangzhou Development Area Administrative Approval Bureau License number: S.K.S.P.P.S. (2020) No. 349	November 17, 2020-November 16, 2025

(2) Status of pollution prevention and control fees payable: The environmental protection tax is RMB 214,000.

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

Item	Name
Environmental protection	Tao Tianhai
Environmental protection	Zhang Kejing

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

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

Name of equipment	Qty	Date of acquisition	Investment cost	Undiscounted balance	Usage and estimated possible benefits
Industrial waste gas treatment works of 30# and 5# buildings	1	February 20, 2019	1,280	576	Usage: Industrial waste gas treatment Benefit: Reaching the statutory standard
Roof noise reduction works of 5# building	1	July 15, 2021	73	-	Usage: Industrial waste gas treatment Benefit: Reaching the statutory standard
Environmental protection tower of 20# building	1	July 29, 2021	205	110	Usage: Industrial waste gas treatment Benefit: Reaching the statutory standard
Environmental protection tower of 30# building	1	May31, 2022	160	125	Usage: Industrial waste gas treatment Benefit: Reaching the statutory standard
Environmental protection tower of 16# building	1	January 9, 2022	257	194	Usage: Industrial waste gas treatment Benefit: Reaching the statutory standard
Waste gas treatment purifying machine	1	December 25, 2020	229	154	Usage: Collect and purify VOC. Benefit: Reaching the statutory standard
Activated carbon nitrogen desorption regenerative system equipment ZL-500	1	June 14, 2021	1,100	733	Usage: It is a kind of activated carbon equipment used for treatment, regeneration and absorption of VOC, and it can save activated carbon for the treatment of solid carbon wastes. Benefit: Reaching the statutory standard

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

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

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

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

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

1. Employee welfare measures and implementation status:

(1) Marriage and funeral subsidies, maternity allowance, employee travel allowance, arts and cultural activities, and health checkup. Also, coupons for three festivals are provided, and irregular company holiday activities are also held.

(2) The Company and its subsidiaries have purchased labor insurance and universal health insurance and withdrawn and paid labor pensions. Besides, in order to improve employees' safety guarantee, they have also planned employee group insurance and

business travel safety insurance.

(3) Shareholding of employees with capital increase in cash and employee reward system: When handling capital increase in cash, the Company legally retains 10%-15% of the amount involved for employees to subscribe for shares, and employee reward is verified and distributed according to its Articles of Association.

2. Employees' further education and training: In addition to the provision of training for new employees, the Company also irregularly organizes training programs for the development of employees' expertise and management talents so as to improve their professional skills and cultivate talents needed by the Company in the future.

3. Retirement system and implementation status: The Company legally appropriates relevant amount to the special account of pensions for employees who joined the Company prior to July 1, 2005 according to the provisions of "Labor Standards Act" so that it can be used to pay employees' pensions in the future. As for employees included in the new pension system, the Company also legally withdraws 6% of employees' insurance premium to their individuals' special accounts opened at the labor bureau on a monthly basis.

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

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

V. Financial Status

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

(1) Condensed consolidated balance sheet and consolidated income statement

1. Condensed consolidated balance sheet

Unit: NT$1,000

Item \ Year		Financial data in recent five years (Note 1)					As of March 31, 2023 (Note 1)
		2018	2019	2020	2021	2022	
Current assets		4,563,764	4,238,774	5,337,569	6,967,900	7,826,633	7,515,277
Real estate, plant, and equipment		818,109	683,284	635,861	603,109	530,735	630,146
Intangible assets		986	865	12,618	35,445	31,616	30,479
Other assets		1,447,922	1,853,348	1,702,141	1,651,325	1,856,697	2,196,803
Total assets		6,830,781	6,776,271	7,688,189	9,257,779	10,245,681	10,372,705
Current liabilities	Before distribution	2,086,942	1,771,964	2,653,201	3,162,973	3,530,301	3,487,980
	After distribution	2,086,942	1,771,964	2,653,201	3,162,973	(Note)	Not Applicable
Noncurrent liabilities		1,165,400	1,496,481	1,371,103	1,571,998	1,366,840	1,368,141
Total liabilities	Before distribution	3,252,342	3,268,445	4,024,304	4,734,971	4,897,141	4,865,121
	After distribution	3,252,342	3,268,445	4,024,304	4,734,971	(Note)	Not Applicable
Equity attributable to owners of the parent company		2,130,586	2,031,552	2,122,012	2,745,842	3,231,355	3,327,166
Share capital		1,903,446	1,903,446	1,903,446	2,109,305	2,151,721	2,155,835
Capital reserve		190,474	164,869	189,853	393,596	439,563	475,799
Retained earnings	Before distribution	288,412	331,088	298,258	533,711	1,019,961	1,045,348
	After distribution	288,412	331,088	298,258	533,711	(Note)	Not Applicable
Other equity		(251,746)	(367,851)	(269,545)	(290,770)	(379,890)	(349,816)
Treasury stock		-	-	-	-	-	-
Non-controlling equity		1,447,853	1,476,274	1,541,873	1,776,966	2,117,185	2,189,418
Total equity	Before distribution	3,578,439	3,507,826	3,663,885	4,522,808	5,348,540	5,516,584
	After distribution	3,578,439	3,507,826	3,663,885	4,522,808	(Note)	Not Applicable

Note 1: The financial statements of each year above were already audited and certified by CPAs and the financial statements of the first quarter of 2022 was verified and reviewed by CPAs.

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

Note 3: As the amendments to IAS 12 apply in early 2023, all deductible and taxable temporary differences relating to right-of-use assets and lease liabilities in 2022 need to be retroactively adjusted to recognize deferred tax assets and liabilities.

2. Condensed consolidated income statement

Unit: NT$1,000

Item \ Year	Financial data in recent five years (Note 1)					As of March 31, 2023 (Note 1)
	2018	2019	2020	2021	2022	
Operating income	6,356,027	7,116,028	7,404,268	10,039,991	12,448,435	2,917,088
Gross operating profit	828,394	1,146,089	935,325	1,214,576	1,666,535	433,726
Operating profit and loss	(382,370)	65,438	(58,784)	160,443	424,861	108,804
Non-operating revenue and expenditure	1,050,297	113,141	77,743	238,359	339,631	(22,379)
Net profit (loss) before tax	667,927	178,579	18,959	398,802	764,492	86,425
Net profit (loss) of continuing operation units for the current period	667,927	178,579	18,959	398,802	723,053	60,404
Loss of closed units	-	-	-	-	-	-
Net profit (loss) for the current period	518,501	102,695	(12,689)	407,920	723,053	60,404
Other comprehensive profit and loss (net amount after tax) for the current period	(86,536)	(173,308)	125,764	(21,326)	(29,239)	46,675
Total comprehensive profit (loss) for the current period	431,965	(70,613)	113,075	386,594	693,814	107,079
Net profit (loss) attributable to owners of parent company	245,816	42,458	(39,547)	251,978	476,470	25,387
Net profit (loss) attributable to non-controlling equity	272,685	60,237	26,858	155,942	246,583	35,017
Total comprehensive profit (loss) attributable to owners of the parent company	187,589	(73,429)	36,358	233,947	473,985	55,461
Total comprehensive profit (loss) attributable to non-controlling equity	244,376	2,816	76,717	152,647	219,829	51,618
Earnings (losses) per share)	1.29	0.22	(0.21)	1.32	2.23	0.12

Source: Certified financial report of the visa.

Note: The financial statements for the first quarter of 2023 were reviewed by accountants.

3. Condensed individual balance sheet

Unit: NT$1,000

Item \ Year		Financial data in recent five years (Note 1)				
		2018	2019	2020	2021	2022
Current assets		12,518	10,977	157,148	470,543	240,332
Real estate, plant, and equipment		0	0	0	0	24
Intangible assets		0	0	0	0	1,944
Other assets		2,389,887	2,288,570	2,324,485	2,770,757	3,356,897
Total assets		2,402,405	2,299,547	2,481,633	3,241,300	3,599,197
Current liabilities	Before distribution	177,318	173,494	308,621	158,724	367,842
	After distribution	177,318	173,494	308,621	158,734	(Note)
Noncurrent liabilities		94,501	94,501	51,000	336,734	-
Total liabilities	Before distribution	271,819	267,995	359,621	495,458	367,842
	After distribution	271,819	267,995	359,621	495,458	(Note)
Equity attributable to owners of the parent company		0	0	0	0	0
Share capital		1,903,446	1,903,446	1,903,446	2,109,305	2,151,721
Capital reserve		190,474	164,869	189,853	393,596	439,563
Retained earnings	Before distribution	288,412	331,088	298,258	533,711	1,019,961
	After distribution	288,412	331,088	298,258	533,711	(Note)
Other equity		(251,746)	(367,851)	(269,545)	(290,770)	(379,890)
Treasury stock		0	0	0	0	0
Non-controlling equity		0	0	0	0	0
Total equity	Before distribution	2,130,586	2,031,552	2,122,012	2,745,842	3,231,355
	After distribution	2,130,586	2,031,552	2,122,012	2,745,842	(Note)

Note 1: The financial statements of each year above were already audited and certified by CPAs.
Note 2: It is filled out according to the resolution made by the Board of Directors or the Shareholders' Meeting in the next year. The regular Shareholders' Meeting of 2022 hasn't been convened yet.

4. Condensed individual income statement

Unit: NT$1,000

Item \ Year	Financial data in recent five years (Note 1)				
	2018	2019	2020	2021	2022
Operating income	268,266	58,487	(27,117)	266,759	503,080
Gross operating profit	268,266	58,487	(27,117)	266,759	503,080
Net operating profit (loss)	248,564	45,073	(36,779)	251,046	483,734
Non-operating revenue and expenditure	(2,748)	(2,615)	(2,768)	928	2,265
Net profit (loss) before tax	245,816	42,458	(39,547)	251,974	485,999
Net profit (loss) of continuing operation units for the current period	245,816	42,458	(39,547)	251,978	476,470
Loss of closed units	0	0	0	0	—
Net profit (loss) for the current period	245,816	42,458	(39,547)	251,978	476,470
Other comprehensive profit and loss (net amount after tax) for the current period	(58,227)	(115,887)	75,905	(18,031)	(2,485)
Total comprehensive profit (loss) for the current period	187,589	(73,429)	36,358	233,947	473,985
Earnings (losses) per share)	1.29	0.22	(0.21)	1.32	2.23

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

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

Year	Name of accounting firm	Name of CPA	Audit opinion
2022	PRICEWATERHOUSECOOPERS TAIWAN	CHANG, SHU-CHIUNG, LIN, PO-CHUAN	Unqualified opinion (emphasis of matter or other matter)
2021	PRICEWATERHOUSECOOPERS TAIWAN	CHANG, SHU-CHIUNG, LIN, CHUN-YAO	Unqualified opinion (emphasis of matter or other matter)
2020	PRICEWATERHOUSECOOPERS TAIWAN	CHANG, SHU-CHIUNG, LIN, CHUN-YAO	Unqualified opinion (emphasis of matter or other matter)
2019	Deloitte & Touche, Taiwan	HSU, WEN-YA, CHENG, TE-CHEN	Unqualified opinion (emphasis of matter or other matter)
2018	Deloitte & Touche, Taiwan	HSU, WEN-YA, CHENG, TE-CHEN	Unqualified opinion (emphasis of matter or other matter)

2. Financial analysis in recent five years

(1) Consolidated financial analysis-IFRS

Unit: NT$1,000

Analysis item	Year	Financial analysis in recent years (Note 1)					As of March 31, 2023 (Note 1)
		2018	2019	2020	2021	2022	
Financial structure	Debt ratio	47.61	48.23	52.34	51.15	47.42	46.82
	Ratio of long-term capital to property, plant and equipment	579.85	732.39	791.84	1,010.56	1,251.62	1,092.56
Debt paying ability	Current ratio	218.68	239.21	201.17	220.30	221.70	215.46
	Quick ratio	142.33	155.35	132.88	123.68	126.94	117,41
	Times interest earned ratio	1,695.00	595.00	141.00	1,187.00	2,210.00	998.00
Operating capacity	Accounts receivable turnover rate (times)	3.67	4.83	4.32	4.34	4.48	4.23
	Average days for cash receipts	99	75	84	84	82	86
	Inventory turnover rate (times)	3.94	3.79	3.73	3.42	3.16	2.71
	Payables turnover rate (times)	4.30	6.21	5.56	4.65	5.40	1.34
	Average days for sale of goods	93	96	98	107	116	134
	Turnover rate for property, plant and equipment (times)	6.98	9.48	11.23	16.21	21.96	20.10
	Total asset turnover rate (times)	0.85	1.05	1.02	1.18	1.28	0.28
Profitability	Return on assets (%)	7.39	1.93	0.33	5.16	7.74	2.64
	Return on equity (%)	14.49	2.9	(0.35)	9.97	14.65	4.45
	Ratio of income before tax to paid-in capital (%)	35.09	9.38	1.00	18.91	35.53	16.04
	Net profit margin (%)	8.16	1.44	(0.17)	4.06	5.81	2.07
	Basic earnings per share (NT$)	1.29	0.22	(0.21)	1.32	2.23	0.12
Cash flows	Cash flow ratio (%)	(Note 2)	24.4	10.14	(Note 2)	13.00	14.26
	Cash flow adequacy ratio (%)	42.54	53.39	57.39	33.87	20.55	24.93
	Cash reinvestment ratio (%)	(Note 2)	7.13	4.24	(Note 2)	5.43	6.01
Leverage	Operating leverage	(Note 3)	5.53	(Note 3)	3.63	2.25	7.95
	Financial leverage	(Note 3)	2.23	(Note 3)	1.30	1.09	1.10

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

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

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

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

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

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

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

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

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

(2) Individual financial analysis-IFRS

Unit: NT$1,000

Analysis item	Year	Financial analysis in recent years (Note 1)				
		2018	2019	2020	2021	2022
Financial structure	Debt ratio	11.31	11.65	14.49	15.29	10.22
	Ratio of long-term capital to property, plant and equipment	0	0	0	0	Note 2
Debt paying ability	Current ratio	7.06	6.33	50.92	296.45	65.34
	Quick ratio	7.06	6.33	50.92	296.45	65.34
	Times interest earned ratio	8,955.00	1,697.37	(1,236.95)	4,106.58	10,721
Operating capacity	Accounts receivable turnover rate (times)	564.77	123.78	(54.34)	510.54	967.46
	Average days for cash receipts	0.65	2.95	(6.72)	0.71	0.38
	Inventory turnover rate (times)	Note 2	Note 2	Note 2	Note 2	Note 2
	Payables turnover rate (times)	Note 2	Note 2	Note 2	Note 2	Note 2
	Average days for sale of goods	Note 2	Note 2	Note 2	Note 2	Note 2
	Turnover rate for property, plant and equipment (times)	Note 2	Note 2	Note 2	Note 2	Note 2
	Total asset turnover rate (times)	Note 2	Note 2	Note 2	Note 2	Note 2
Profitability	Return on assets (%)	10.80	1.90	(1.56)	8.98	14.04
	Return on equity (%)	12.17	2.04	(1.90)	10.35	15.94
	Ratio of income before tax to paid-in capital (%)	12.91	2.23	(2.08)	11.95	22.59
	Net profit margin (%)	92	73	146	94	95
	Earnings per share (NT$)	1.29	0.22	(0.21)	1.32	2.23
Cash flows	Cash flow ratio (%)	2.93	1.47	1.16	7.26	2.37
	Cash flow adequacy ratio (%)	0	0	0	0	0
	Cash reinvestment ratio (%)	0	0	0	0.37	0.27
Leverage	Operating leverage	Note 2	Note 2	Note 2	Note 2	Note 2
	Financial leverage	1.01	1.06	Note 3	1.03	1.01

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

1. Current ratio: This was mainly due to a decrease in short-term borrowings in 2022
2. Quick ratio: This was mainly due to a decrease in short-term borrowings in 2022
3. Times interest earned ratio: This was mainly due to a decrease in short-term borrowings in 2022
4. Accounts receivable turnover rate: This was mainly due to the increase in net profit before interest expense in 2022.
5. Average days for cash receipts: This is mainly due to the increase in the profit of the reinvested company in 2022.
6. Return on assets: This is mainly due to the increase in the profit of the reinvested company in 2022.
7. Return on equity: This was mainly due to the increase in net profit for the current period in 2022.
8. Ratio of income before tax to paid-in capital: This was mainly due to the increase in net profit for the current period in 2022.
9. Net profit margin: This was mainly due to the increase in net profit for the current period in 2022.
10. Earnings per share: This is mainly due to the increase in the profit of the reinvested company in 2022.
11. Cash flow ratio: This was mainly due to the increase in current liabilities in 2022
12. Cash to investment ratio: mainly due to the increase in current liabilities in 2022.

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

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

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

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

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

Note 1: The year in which the financial data is not audited and certified by CPAs shall be specified.
Note 2: As of the publication date of the annual report, the financial statements of listed companies or companies with stock already traded at the business premises of relevant securities dealer as recently audited, certified, or verified by CPAs shall be analyzed if any.
Note 3: The following calculation formula shall be presented at the end of this table in the annual report.

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

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

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

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

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

Note 6: The issuer shall classify each operating cost and operating expense to fixed and variable based on their nature. If estimation or subjective judgment is involved, its reasonableness and consistency shall be noticed.
Note 7: If the corporate stock has no face value or the face value per share is not NT$10, the preceding paid-in capital ratio calculated shall be calculated as the ratio of equity attributable to owners of parent company in the balance sheet.

Audit Committee's Auditor Report

The Board of Directors has already submitted the Company's business report, financial statements (including consolidated financial statements) and proposal for profit distribution in the year of 2022. The financial statements (including consolidated financial statements) have already been audited and certified by CPAs CHANG, SHU-CHIUNG and LIN, PO-CHUAN from PRICEWATERHOUSECOOPERS TAIWAN and relevant audit report has been issued. The aforesaid business report, financial statements (including consolidated financial statements) and proposal for profit distribution have already been audited by the Audit Committee which concludes that no inconsistency has existed and reports as above in accordance with the provisions of Article 14-4 of the Securities and Exchange Act and Article 219 of the Company Act. Please check and verify.

FIC Global, Inc.
Convener of the Audit Committee:

KAO, TIEN-CHING

March 29, 2023

FIC GLOBAL, INC.

Declaration of Consolidated Financial Statements of Affiliated Enterprises

For the year ended December 31, 2022, pursuant to the "Criteria Governing Preparation of Affiliation Reports, Consolidated Business Reports and Consolidated Financial Statements of Affiliated Enterprises," the company that is required to be included in the consolidated financial statements of affiliates, is the same as the company required to be included in the consolidated financial statements of parent and subsidiary companies under International Financial Reporting Standard 10. Also, if relevant information that should be disclosed in the consolidated financial statements of affiliates has all been disclosed in the consolidated financial statements of parent and subsidiary companies, it shall not be required to prepare separate consolidated financial statements of affiliates.

Hereby declare,
FIC Global, Inc.
Chien Ming-Jen, Chairman
March 30, 2023

INDEPENDENT AUDITORS' REPORT TRANSLATED FROM CHINESE

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

Opinion

We have audited the accompanying consolidated balance sheets of FIC Global, Inc. and subsidiaries (the "Group") as at December 31, 2022 and 2021, and the related consolidated statements of comprehensive income, of changes in equity and of cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, based on our audits and the reports of other auditors (refer to the Other matter section), the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at December 31, 2022 and 2021, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations that came into effect as endorsed by the Financial Supervisory Commission.

Basis for opinion

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

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Group's 2022 consolidated financial statements. These matters were addressed in the context of our audit of the consolidated financial statements as a whole and, in forming our opinion thereon, we do not provide a separate opinion on these matters.

Key audit matters for the Group's 2022 consolidated financial statements are stated as follows:

Existence of revenue from newly listed top ten sales customers

Description

Refer to Note 4(31) for accounting policies on revenue recognition, and Note 6(23) for the details of operating revenue.

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

How our audit addressed the matter

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

1. Obtained an understanding of, and assessed the Group's internal controls over sales transactions.
2. Examined the relevant industry background information of newly listed top ten sales customers.
3. Selected samples of sales transactions from the newly listed top ten sales customers and verified against related vouchers to ascertain existence of sales revenue.

Evaluation of inventories

Description

Refer to Note 4(13) for the accounting policies on the evaluation of inventories; Note 5(2) for the uncertainty of accounting estimates and assumptions for evaluation of inventories, and Note 6(6) for the details of inventory.

Due to the rapid technological innovations and competition within the industry, frequent releases of new products result in potential price fluctuations and product marginalization in the market. Additionally, it also affects the estimation of net realizable values of inventories.

In response to changing markets and its development strategies, the Group adjusts its inventory levels. As a result, the related inventory levels for the product line as mentioned above are significant. Inventories are stated at the lower of cost and net realizable value. Since the evaluation of inventories is subject to management's judgement and the accounting estimations will have significant influence on the inventory values, the evaluation of inventories has been identified as one of the key audit matters.

How our audit addressed the matter

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

1. Assessed the policy on allowance for inventory valuation loss based on our understanding of the operations and industry of the Group.
2. Inspected the management's individually identified out-of-date inventory list and checked the related supporting documents.
3. Tested the basis of market value used in calculating the net realizable values of inventory and validated the accuracy of net realizable value calculation of selected samples.

Other matter - Reference to the audits of other auditors

We did not audit the financial statements of certain consolidated subsidiaries and investments accounted for under the equity method, which statements reflect total assets of $103,155 thousand and $61,461 thousand, both constituting 1% of consolidated total assets as of December 31, 2022 and 2021, respectively, total operating revenues of $0, constituting 0% of consolidated total operating revenues for both years ended, the balance of investments accounted for under the equity method amounted to $114,008 thousand and $98,998 thousand, both constituting 1% of the consolidated total assets as at December 31, 2022 and 2021, respectively, and the share of profit and other comprehensive income of associates and joint ventures accounted for under the equity method of $14,629 thousand and $14,091 thousand, constituting 2% and 4% of consolidated total comprehensive income for the years then ended, respectively. The financial statements of these investee companies were audited by other independent auditors whose reports thereon have been furnished to us and our opinion expressed herein, insofar as it relates to the amounts included in the consolidated financial statements and information disclosed relative to these consolidated subsidiaries and investments accounted for under the equity method, is based solely on the reports of other independent auditors.

Other matter – Parent company only financial reports

We have audited and expressed an unmodified opinion with an Other matter section on the parent company only financial statements of FIC Global, Inc. as of and for the years ended December 31, 2022 and 2021.

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

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

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

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

Auditors' responsibilities for the audit of the consolidated financial statements

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

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

1. Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

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

Chang, Shu-Chiung

Lin, Po-Chuan

For and on Behalf of PricewaterhouseCoopers, Taiwan

March 30, 2023

The accompanying consolidated financial statements are not intended to present the financial position and results of operations and cash flows in accordance with accounting principles generally accepted in countries and jurisdictions other than the Republic of China. The standards, procedures and practices in the Republic of China governing the audit of such financial statements may differ from those generally accepted in countries and jurisdictions other than the Republic of China. Accordingly, the accompanying consolidated financial statements and independent auditors' report are not intended for use by those who are not informed about the accounting principles or auditing standards generally accepted in the Republic of China, and their applications in practice.
As the financial statements are the responsibility of the management, PricewaterhouseCoopers cannot accept any liability for the use of, or reliance on, the English translation or for any errors or misunderstandings that may derive from the translation.

FIC GLOBAL, INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 2022 AND 2021
(Expressed in thousands of New Taiwan dollars)

	Assets	Notes	December 31, 2022 AMOUNT	%	December 31, 2021 AMOUNT	%
	Current assets					
1100	Cash and cash equivalents	6(1)	$ 1,347,873	13	$ 1,153,318	13
1110	Financial assets at fair value through profit or loss - current	6(2)	4,493	-	20,931	-
1136	Current financial assets at amortised cost	6(3) and 8	106,510	1	98,869	1
1140	Current contract assets	6(23)	6,879	-	7,162	-
1150	Notes receivable, net	6(4)	89,587	1	82,342	1
1170	Accounts receivable, net	6(4)	2,804,466	28	2,427,041	26
1180	Accounts receivable - related parties	7	12,782	-	25,029	-
1199	Finance lease receivable due from related parties, net	6(11) and 7	15,278	-	13,936	-
1200	Other receivables	6(5)	65,420	1	53,300	1
1210	Other receivables due from related parties	7	3,987	-	21,844	-
130X	Inventories	6(6)	3,250,615	32	2,951,637	32
1410	Prepayments		94,522	1	104,274	1
1460	Non-current assets or disposal groups classified as held for sale, net	6(13)	20,336	-	-	-
1479	Other current assets		3,885	-	8,217	-
11XX	**Total current assets**		7,826,633	77	6,967,900	75
	Non-current assets					
1517	Non-current financial assets at fair value through other comprehensive income	6(7)	21,251	-	19,372	-
1550	Investments accounted for under equity method	6(8) and 7	200,577	2	181,186	2
1600	Property, plant and equipment	6(9), 7 and 8	530,735	5	603,109	7
1755	Right-of-use assets	6(10), 7 and 8	412,379	4	372,799	4
1760	Investment property, net	6(12) and 8	936,675	9	950,874	10
1780	Intangible assets	7	31,616	-	35,445	-
1840	Deferred income tax assets	6(29)	84,331	1	19,695	-
1920	Guarantee deposits paid	8	82,754	1	48,527	1
194K	Long-term finance lease receivable due from related parties, net	6(11) and 7	39,821	1	56,316	1
1990	Other non-current assets		6,318	-	2,556	-
15XX	**Total non-current assets**		2,346,457	23	2,289,879	25
1XXX	**Total assets**		$ 10,173,090	100	$ 9,257,779	100

(Continued)

FIC GLOBAL, INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 2022 AND 2021
(Expressed in thousands of New Taiwan dollars)

	Liabilities and Equity	Notes	December 31, 2022 AMOUNT	%	December 31, 2021 AMOUNT	%
	Current liabilities					
2100	Short-term borrowings	6(14)	$ 189,891	2	$ 99,383	1
2130	Current contract liabilities	6(23) and 7	255,945	3	187,433	2
2150	Notes payable		307	-	2,002	-
2170	Accounts payable		1,816,000	18	2,156,884	23
2180	Accounts payable - related parties	7	12,219	-	3,263	-
2200	Other payables	6(4)(15)	557,891	5	501,972	6
2220	Other payables - related parties	7	130,709	1	4,799	-
2230	Current income tax liabilities		82,959	1	17,032	-
2250	Current provisions		3,589	-	5,909	-
2280	Current lease liabilities	6(10)	229,192	2	171,344	2
2310	Advance receipts		4,068	-	7,526	-
2320	Long-term liabilities, current portion	6(16)(17)	242,418	2	-	-
2399	Other current liabilities		5,113	-	5,426	-
21XX	**Total current liabilities**		3,530,301	34	3,162,973	34
	Non-current liabilities					
2530	Bonds payable	6(16)	-	-	285,734	3
2540	Long-term borrowings	6(17)	38,511	1	-	-
2550	Non-current provisions		2,113	-	2,328	-
2570	Deferred tax liabilities	6(29)	20,250	-	14,260	-
2580	Non-current lease liabilities	6(10)	231,461	2	256,986	3
2620	Long-term notes and accounts payable to related parties	7	965,741	10	961,800	10
2640	Accrued pension liabilities	6(18)	448	-	13,582	-
2670	Other non-current liabilities		35,725	-	37,308	1
25XX	**Total non-current liabilities**		1,294,249	13	1,571,998	17
2XXX	**Total liabilities**		4,824,550	47	4,734,971	51
	Equity					
	Equity attributable to owners of parent					
	Share capital	6(20)				
3110	Common stock		2,151,721	21	2,109,305	23
	Capital surplus	6(21)				
3200	Capital surplus		439,563	5	393,596	4
	Retained earnings	6(22)				
3310	Legal reserve		52,361	-	28,827	-
3320	Special reserve		290,770	3	269,545	3
3350	Unappropriated retained earnings		676,830	7	235,339	3
	Other equity interest					
3400	Other equity interest		(379,890)	(4)	(290,770)	(3)
31XX	**Equity attributable to owners of the parent**		3,231,355	32	2,745,842	30
36XX	**Non-controlling interests**	4(3)	2,117,185	21	1,776,966	19
3XXX	**Total equity**		5,348,540	53	4,522,808	49
	Significant Contingent Liabilities and Unrecognised Contract Commitments	9				
	Significant Events after the Balance Sheet Date	11				
3X2X	**Total liabilities and equity**		$ 10,173,090	100	$ 9,257,779	100

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

FIC GLOBAL, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
YEARS ENDED DECEMBER 31, 2022 AND 2021
(Expressed in thousands of New Taiwan dollars, except for earnings per share amount)

	Items	Notes	Year ended December 31 2022 AMOUNT	2022 %	2021 AMOUNT	2021 %
4000	Operating revenue	6(23) and 7	$ 12,448,435	100	$ 10,039,991	100
5000	Operating costs	6(6)(28) and 7	(10,781,900)	(87)	(8,825,415)	(88)
5900	Net operating margin		1,666,535	13	1,214,576	12
	Operating expenses	6(28) and 7				
6100	Selling expenses		(357,033)	(3)	(325,050)	(3)
6200	General and administrative expenses		(525,462)	(4)	(474,368)	(4)
6300	Research and development expenses		(320,813)	(3)	(274,788)	(3)
6450	Expected credit impairment (loss) or gain		(38,366)	-	20,073	-
6000	Total operating expenses		(1,241,674)	(10)	(1,054,133)	(10)
6900	Operating profit		424,861	3	160,443	2
	Non-operating income and expenses					
7100	Interest income	6(24) and 7	14,351	-	28,329	-
7010	Other income	6(25) and 7	82,531	1	80,321	1
7020	Other gains and losses	6(26)	244,962	2	160,273	1
7050	Finance costs	6(27) and 7	(36,228)	-	(36,699)	-
7055	Expected credit impairment gain (loss)		14,688	-	(6,085)	-
7060	Share of profit/(loss) of associates and joint ventures accounted for under equity method	6(8)	19,327	-	12,220	-
7000	Total non-operating income and expenses		339,631	3	238,359	2
7900	**Profit before income tax**		764,492	6	398,802	4
7950	Income tax (expense) benefit	6(29)	(41,439)	-	9,118	-
8200	**Profit for the year**		$ 723,053	6	$ 407,920	4

(Continued)

FIC GLOBAL, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
YEARS ENDED DECEMBER 31, 2022 AND 2021
(Expressed in thousands of New Taiwan dollars, except for earnings per share amount)

	Items	Notes	Year ended December 31 2022 AMOUNT	2022 %	2021 AMOUNT	2021 %
	Other comprehensive income					
	Components of other comprehensive income that will not be reclassified to profit or loss					
8311	Gains on remeasurements of defined benefit plans	6(18)	$ 11,104	-	$ 2,075	-
8316	Unrealized gains from investments in equity instruments at fair value through other comprehensive income	6(7)	1,879	-	1,080	-
8320	Share of other comprehensive (loss) income of associates and joint ventures accounted for using equity method, that will not be reclassified to profit or loss		(778)	-	3,134	-
8310	Other comprehensive income that will not be reclassified to profit or loss		12,205	-	6,289	-
	Components of other comprehensive income that will be reclassified to profit or loss					
8361	Financial statements translation differences of foreign operations		(42,672)	-	(27,045)	-
8370	Share of other comprehensive income (loss) of associates and joint ventures accounted for using equity method, that will be reclassified to profit or loss		1,228	-	(570)	-
8360	Other comprehensive loss that will be reclassified to profit or loss		(41,444)	-	(27,615)	-
8300	**Other comprehensive loss for the year**		($ 29,239)	-	($ 21,326)	-
8500	**Total comprehensive income for the year**		$ 693,814	6	$ 386,594	4
	Profit attributable to:					
8610	Shareholders of the parent		$ 476,470	4	$ 251,978	2
8620	Non-controlling interests		246,583	2	155,942	2
			$ 723,053	6	$ 407,920	4
	Comprehensive income attributable to:					
8710	Shareholders of the parent		$ 473,985	4	$ 233,947	2
8720	Non-controlling interests		219,829	2	152,647	2
			$ 693,814	6	$ 386,594	4
	Earnings per share (in dollars)	6(30)				
9750	Basic earnings per share		$	2.23	$	1.32
9850	Diluted earnings per share		$	2.10	$	1.26

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

FIC GLOBAL, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
YEARS ENDED DECEMBER 31, 2022 AND 2021
(Expressed in thousands of New Taiwan dollars)

		Equity attributable to owners of the parent									
				Retained Earnings			Other Equity Interest				
	Notes	Share capital - common stock	Total capital surplus, additional paid-in capital	Legal reserve	Special reserve	Unappropriated retained earnings	Financial statements translation differences of foreign operations	Unrealised gains (losses) from financial assets measured at fair value through other comprehensive income	Total	Non-controlling interests	Total equity
Year ended December 31, 2021											
Balance at January 1, 2021		$ 1,903,446	$ 189,853	$ 28,827	$ 302,261	($ 32,830)	($ 263,028)	($ 6,517)	$ 2,122,012	$ 1,541,873	$ 3,663,885
Profit for the year		-	-	-	-	251,978	-	-	251,978	155,942	407,920
Other comprehensive income (loss) for the year		-	-	-	-	1,238	(22,571)	3,302	(18,031)	(3,295)	(21,326)
Total comprehensive income (loss)		-	-	-	-	253,216	(22,571)	3,302	233,947	152,647	386,594
Appropriations of 2020 earnings	6(22)										
Reversal of special reserve		-	-	-	(32,716)	32,716	-	-	-	-	-
Changes in ownership interests in subsidiaries	6(31)	-	(2,314)	-	-	(18,853)	-	-	(21,167)	21,885	718
Due to recognition of equity component of convertible bonds issued	6(16)	-	38,198	-	-	-	-	-	38,198	-	38,198
Conversion of convertible bonds	6(20)(21)	205,859	172,928	-	-	-	-	-	378,787	-	378,787
Changes in equity of associates and joint ventures accounted for using equity method		-	(36)	-	-	1,090	-	(1,090)	(36)	(9)	(45)
Disposal of investments accounted for using equity method		-	(5,011)	-	-	-	(866)	-	(5,877)	-	(5,877)
Difference between consideration and carrying amount of subsidiaries acquired or disposed		-	(22)	-	-	-	-	-	(22)	-	(22)
Changes in non-controlling interests	6(31)	-	-	-	-	-	-	-	-	60,570	60,570
Balance at December 31, 2021		$ 2,109,305	$ 393,596	$ 28,827	$ 269,545	$ 235,339	($ 286,465)	($ 4,305)	$ 2,745,842	$ 1,776,966	$ 4,522,808
Year ended December 31, 2022											
Balance at January 1, 2022		$ 2,109,305	$ 393,596	$ 28,827	$ 269,545	$ 235,339	($ 286,465)	($ 4,305)	$ 2,745,842	$ 1,776,966	$ 4,522,808
Profit for the year		-	-	-	-	476,470	-	-	476,470	246,583	723,053
Other comprehensive income (loss) for the year		-	-	-	-	9,780	(13,447)	1,182	(2,485)	(26,754)	(29,239)
Total comprehensive income (loss)		-	-	-	-	486,250	(13,447)	1,182	473,985	219,829	693,814
Appropriations of 2021 earnings	6(22)										
Legal reserve		-	-	23,534	-	(23,534)	-	-	-	-	-
Special reserve		-	-	-	21,225	(21,225)	-	-	-	-	-
Changes in ownership interests in subsidiaries	6(31)	-	8,311	-	-	-	-	-	8,311	(7,848)	463
Conversion of convertible bonds	6(20)(21)	42,416	35,950	-	-	-	-	-	78,366	-	78,366
Changes in equity of associates and joint ventures accounted for using equity method		-	(4)	-	-	-	-	-	(4)	-	(4)
Difference between consideration and carrying amount of subsidiaries acquired or disposed	6(31)	-	1,710	-	-	-	-	-	1,710	(1,710)	-
Disposal of subsidiaries		-	-	-	-	-	(76,855)	-	(76,855)	-	(76,855)
Changes in non-controlling interests	6(31)	-	-	-	-	-	-	-	-	129,948	129,948
Balance at December 31, 2022		$ 2,151,721	$ 439,563	$ 52,361	$ 290,770	$ 676,830	($ 376,767)	($ 3,123)	$ 3,231,355	$ 2,117,185	$ 5,348,540

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

FIC GLOBAL, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2022 AND 2021
(Expressed in thousands of New Taiwan dollars)

	Notes	Year ended December 31 2022	2021
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax		$ 764,492	$ 398,802
Adjustments			
Adjustments to reconcile profit (loss)			
Depreciation	6(28)	520,499	417,852
Amortization	6(28)	9,770	4,091
Expected credit loss (gain)		23,678	(13,988)
Net loss (gain) on financial assets or liabilities at fair value through profit or loss	6(2)(26)	847	(2,063)
Interest expense	6(27)	36,228	36,699
Interest income	6(24)	(14,351)	(28,329)
Dividend income	6(25)	(1,050)	(797)
Share-based payments	6(19)	463	718
Gains on write-off of past due payable	6(25)	(16,577)	(12,809)
Share of profit of associates and joint ventures accounted for using equity method	6(8)	(19,327)	(12,220)
Loss on disposal of property, plant and equipment	6(26)	3,612	2,338
Gains on disposals of investments	6(26)	(76,812)	(4,417)
Gain from lease modification	6(10)(26)	-	(205)
Income from subleasing right-of-use assets	6(10)	-	(19,778)
Foreign exchange gains		-	(8,840)
Amortization of government grant income related to assets		(8,991)	(6,393)
Impairment loss of intangible assets	6(26)	-	744
Changes in operating assets and liabilities			
Changes in operating assets			
Financial assets at fair value through profit or loss		14,928	6,437
Contract assets		283	(151)
Notes receivable		(7,245)	(21,022)
Accounts receivable		(418,197)	(446,815)
Accounts receivable due from related parties		12,247	(12,239)
Other receivables		(1,482)	43,618
Other receivables due from related parties		17,857	1,087
Inventories		(298,978)	(1,226,594)
Prepayments		15,645	(35,321)
Other current asstes		482	(1,505)
Changes in operating liabilities			
Contract liabilities		68,512	59,193
Notes payable		(1,695)	(2,345)
Accounts payable		(340,884)	555,082
Accounts payable - related parties		8,956	364
Other payables		81,023	61,221
Other payables - related parties		125,754	4,763
Provisions		(2,535)	8,237
Advance receipts		(3,458)	1,830
Other current liabilities		(313)	1,578
Net defined benefit liabilities		(2,030)	(2,647)
Cash inflow (outflow) generated from operations		491,351	(253,824)
Interest received		13,641	11,355
Dividends received		10,666	13,222
Interest paid		(28,117)	(22,143)
Income taxes (paid) refund		(28,662)	9,585
Net cash flows from (used in) operating activities		458,879	(241,805)

(Continued)

FIC GLOBAL, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2022 AND 2021
(Expressed in thousands of New Taiwan dollars)

	Notes	Year ended December 31 2022	2021
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisition of financial assets at amortised cost		($ 7,641)	$ -
Proceeds from disposal of financial assets at amortised cost		-	174,246
Financing receivables due from related parties		-	69,408
Acquisition of investments accounted for using equity method		(10,000)	(9,899)
Proceeds from disposal of investments accounted for using equity method		736	1,506
Acquisition of property, plant and equipment	6(32)	(220,139)	(188,143)
Proceeds from disposal of property, plant and equipment		3,739	376
Decrease in finance lease receivable		11,111	-
Proceeds from capital reduction of investments accounted for using equity method		-	4,588
Acquisition of intangible assets		(5,955)	(11,251)
Increase in refundable deposits		(39,667)	(3,574)
Increase in other non-current assets		(3,762)	(14,427)
Receipt of government grants related to assets		4,248	9,475
Net cash flows (used in) from investing activities		(267,330)	32,305
CASH FLOWS FROM FINANCING ACTIVITIES			
Increase (decrease) in short-term loans	6(33)	90,644	(243,151)
Repayments of lease liabilities	6(33)	(232,381)	(158,396)
Decrease in long-term debt		(28,014)	-
Increase in long-term debt		96,337	-
Proceeds from issuing bonds		-	701,452
Decrease in long-term notes and accounts payable due from related parties	6(33)	(5,184)	(40,000)
Increase in guarantee deposits received	6(33)	2,988	4,135
Change in non-controlling interests	6(31)	129,948	60,570
Net cash flows from financing activities		54,338	324,610
Effect of exchange rate changes		(51,332)	(10,784)
Net increase in cash and cash equivalents		194,555	104,326
Cash and cash equivalents at beginning of year		1,153,318	1,048,992
Cash and cash equivalents at end of year		$ 1,347,873	$ 1,153,318

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

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

1. History and Organisation

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

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

These consolidated financial statements were authorised for issuance by the Board of Directors on March 29, 2023.

3. Application of New Standards, Amendments and Interpretations

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

New standards, interpretations and amendments endorsed by the FSC and became effective from 2022 are as follows:

New Standards, Interpretations and Amendments	Effective date by International Accounting Standards Board
Amendments to IFRS 3, 'Reference to the conceptual framework'	January 1, 2022
Amendments to IAS 16, 'Property, plant and equipment: proceeds before intended use'	January 1, 2022
Amendments to IAS 37, 'Onerous contracts - cost of fulfilling a contract'	January 1, 2022
Annual improvements to IFRS Standards 2018-2020	January 1, 2022

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

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

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

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

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

(3) IFRSs issued by IASB but not yet endorsed by the FSC

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

New Standards, Interpretations and Amendments	Effective date by International Accounting Standards Board
Amendments to IFRS 10 and IAS 28, 'Sale or contribution of assets between an investor and its associate or joint venture'	To be determined by International Accounting Standards Board
Amendments to IFRS 16, 'Lease liability in a sale and leaseback'	January 1, 2024
IFRS 17, 'Insurance contracts'	January 1, 2023
Amendments to IFRS 17, 'Insurance contracts'	January 1, 2023
Amendment to IFRS 17, 'Initial application of IFRS 17 and IFRS 9 – comparative information'	January 1, 2023
Amendments to IAS 1, 'Classification of liabilities as current or non-current'	January 1, 2024
Amendments to IAS 1, 'Non-current liabilities with covenants'	January 1, 2024

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

4. Summary of Significant Accounting Policies

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

(4) Compliance statement

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

(5) Basis of preparation

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

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

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

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

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

(6) Basis of consolidation

A. Basis for preparation of consolidated financial statements:

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

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

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

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

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

B. Subsidiaries included in the consolidated financial statements:

Name of investor	Name of subsidiary	Main business activities	Ownership (%) December 31, 2022	Ownership (%) December 31, 2021	Description
FIC Global, Inc.	First International Computer, Inc. (FIC, Inc.)	Computer system analysis, planning and maintenance, EMS and import and export trade business	100%	100%	
	FICTA Technology Inc. (FICTA)	Communication product business	69%	69%	
	3CEMS Corp. (3CEMS)	Investment	36%	36%	
	Ubiqconn Technology, Inc. (Ubiqconn)	Manufacturing and sales of industrial computers, automotive electronics, electronic components and peripheral equipment	52%	51%	Notes 1, 4 and 5

Name of investor	Name of subsidiary	Main business activities	Ownership (%) December 31, 2022	Ownership (%) December 31, 2021	Description
FIC, Inc.	FIC First International Holding B.V. (FIC Holding)	Investment	100%	100%	
	High Standard Global Corp. (High Standard)	Investment	100%	100%	
	Zircon Global Corp. (Zircon)	Investment	-	100%	Notes 2
	Access Trend Limited (Access)	International trade business	100%	100%	
	Brilliant World Limited (Brilliant)	Investment	100%	100%	
FIC, Inc.	3CEMS	Investment	22%	22%	
FICTA	Ubiqconn	Manufacturing and sales of industrial computers, automotive electronics, electronic components and peripheral equipment	20%	25%	Notes 4 and 5
Ubiqconn	Ruggon Corporation (Ruggon)	Manufacturing and sales of industrial computers, automotive electronics, electronic components and peripheral equipment	100%	100%	
	Ubiqconn Technology (USA) Inc. (Ubiqconn USA)	Manufacturing and sales of industrial computers, automotive electronics, electronic components and peripheral equipment	100%	100%	

Name of investor	Name of subsidiary	Main business activities	Ownership (%)		Description
			December 31, 2022	December 31, 2021	
3CEMS	Prime Foundation Inc. (Prime)	Investment	100%	100%	
	Danriver System Inc. (Danriver System)	Investment	100%	100%	
	Broad Technology Inc. (Broad)	Investment	100%	100%	
	Danriver Inc. (Danriver)	Investment	100%	100%	
	3CEMS Investiment Management Limited (3CEMS HK)	Investment	100%	100%	
Zircon	Zircon Technology (Wujiang) Co., Ltd (Zircon WJ)	Production and sales of portable digital automatic data processor and new electronic components	-	100%	Notes 2
High Standard	Fic (Suzhou) Inc. (FIC SZ)	Real estate leasing business	100%	100%	
FIC Holding	3CEMS Europe B.V. (3CEMS Europe)	Import and export of electronic products and after-sale service	100%	100%	
Danriver System	Danriver System (Guangzhou) Inc. (Danriver System GZ)	Production and sales of printed circuit board	100%	100%	
Broad	Broad Technology (Guangzhou) Inc. (Broad GZ)	Real estate leasing business	100%	100%	

Name of investor	Name of subsidiary	Main business activities	Ownership (%) December 31, 2022	Ownership (%) December 31, 2021	Description
Danriver	Danriver Technology (Guangzhou) Inc. (Danriver GZ)	Real estate leasing business	100%	100%	
Prime	Prime Technology (Guangzhou) Inc. (Prime GZ)	Production and sales of main board	-	100%	Note 3
	PUG	Investment	100%	100%	
Danriver GZ	Prime GZ	Production and sales of main board	0.01%	-	Note 6
PUG	Prime GZ	Production and sales of main board	99.99%	-	Note 6
Prime GZ	Prime Base Inc. (Prime Base)	Investment, assembly service and trading of printed circuit board and electronic parts and components	100%	100%	
Prime GZ	Amertek Computer (Shenzhen) Co.,Ltd (Amertek)	Production and sales of desk personal computers and main board	100%	-	Note 7
PUG	Amertek	Production and sales of desk personal computers and main board	-	100%	Note 7
Amertek	Amerwis Technology (Shenzhen) Co., Ltd (Amerwis)	Research and development and the trading	100%	100%	

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

Note 2: In March 2022, FIC, Inc. disposed of all the shares held in Zircon and lost control over it. Therefore, Zircon and its subsidiary, Ziron WJ, have not been consolidated entities of the Group since March 2022.

Note 3: PUG increased its capital by issuing new shares to Prime in June 2022 and acquired 100% equity interests of Prime GZ.

Note 4: Ubiqconn increased cash capital in December 2021. FICG and FICTA did not acquire shares proportionally to their interest. As a result, the shareholding ratio of FICG and FICTA in Ubiqconn changed from 42% and 31% to 51% and 25%, respectively. As the transaction did not change the Group's control over these subsidiaries, it was considered as an equity transaction. Refer to Note 6(31) for details.

Note 5: Ubiqconn increased cash capital in December 2021. FICG and FICTA did not acquire shares proportionally to their interest. As a result, the shareholding ratio of FICG and FICTA in Ubiqconn changed from 51% and 25% to 52% and 20%, respectively. As the transaction did not change the Group's control over these subsidiaries, it was considered as an equity transaction. Refer to Note 6(31) for details.

Note 6: In September 2022, the cash capital increase of Prime GZ was subscribed by Danriver GZ. PUG did not subscribe in proportion to its ownership, as a result, the shareholding ratio of PUG and Danriver GZ in Prime GZ was changed from 100% and 0% to 99.99% and 0.01%, respectively. Since the transaction did not change the control of the consolidated company over the subsidiaries, it was regarded as an equity transaction.

Note 7: Prime GZ increased its capital by issuing new shares to PUG in August 2022 and acquired 100% equity interests of Amertek.

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

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

E. Significant restrictions: None.

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

As of December 31, 2022 and 2021, the non-controlling interest amounted to $2,117,185 and $1,776,966, respectively. The information of non-controlling interest and respective subsidiaries is as follows:

		Non-controlling interest			
		December 31, 2022		December 31, 2021	
Name of subsidiary	Principal place of business	Amount	Ownership (%)	Amount	Ownership (%)
3CEMS	Mainland China	$ 1,616,356	42%	$ 1,469,745	42%

Summarised financial information of the subsidiaries:

Balance sheets

	3CEMS	
	December 31, 2022	December 31, 2021
Current assets	$ 5,505,296	$ 4,671,056
Non-current assets	1,123,988	1,074,601
Current liabilities	(2,218,213)	(2,072,162)
Non-current liabilities	(538,078)	(151,799)
Total net assets	$ 3,872,993	$ 3,521,696

Statements of comprehensive income

	3CEMS	
	Year ended December 31	
	2022	2021
Revenue	$ 8,932,538	$ 7,388,993
Profit before income tax	434,448	226,941
Income tax (expense) benefit	(18,952)	24,309
Profit for the year	415,496	251,250
Other comprehensive loss, net of tax	(64,199)	(10,071)
Total comprehensive income for the year	$ 351,297	$ 241,179
Comprehensive income attributable to non-controlling interest	$ 146,610	$ 100,654

Statements of cash flows

	3CEMS	
	Year ended December 31	
	2022	2021
Net cash (used in) provided by operating activities	($ 272,476)	$ 25,472
Net cash used in investing activities	(201,833)	(10,131)
Net cash provided by (used in) financing activities	290,299	(114,940)
Effect due to change in exchange rates	(68,010)	(11,883)
Decrease in cash and cash equivalents	(252,020)	(111,482)
Cash and cash equivalents, beginning of year	610,917	722,399
Cash and cash equivalents, end of year	$ 358,897	$ 610,917

(7) Foreign currency translation

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

A. Foreign currency transactions and balances

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

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

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

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

B. Translation of foreign operations

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

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

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

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

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

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

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

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

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

(b) Assets held mainly for trading purposes;

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

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

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

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

(b) Liabilities arising mainly from trading activities;

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

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

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

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

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

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

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

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

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

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

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

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

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

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

(11) Financial assets at amortised cost

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

(12) Accounts and notes receivable

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

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

(13) Impairment of financial assets

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

(14) Derecognition of financial assets

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

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

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

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

(15) Leasing arrangements (lessor) - operating leases

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

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

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

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

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

(16) Inventories

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

(17) Non-current assets held for sale

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

(18) Investments accounted for using equity method / associates

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

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

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

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

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

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

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

(19) Property, plant and equipment

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

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

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

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

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

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

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

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

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

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

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

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

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

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

(21) Investment property

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

(22) Intangible assets

Computer software is stated at cost and amortised on a straight-line basis over its estimated useful life of 3 to 8 years.

(23) Impairment of non-financial assets

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

(24) Borrowings

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

(25) Notes and accounts payable

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

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

(26) Convertible bonds payable

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

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

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

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

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

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

(27) Derecognition of financial liabilities

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

(28) Offsetting financial instruments

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

(29) Provisions

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

(30) Employee benefits

A. Salaries and other short-term employee benefits

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

B. Pensions

(a) Defined contribution plan

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

(b) Defined benefit plans

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

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

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

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

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

(31) Employee share-based payment

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

(32) Income tax

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

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

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

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

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

(33) Dividends

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

(34) Revenue recognition

A. Sales revenue and electronics manufacturing services revenue

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

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

B. Service revenue

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

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

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

C. Rental revenue

Refer to Note 4(12) for accounting policies of rental revenue.

(35) Government grants

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

(36) Operating segments

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

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

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

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

None.

(38) Critical accounting estimates and assumptions

Evaluation of inventories

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

As of December 31, 2022, the carrying amount of inventories was $3,250,615.

6. Details of Significant Accounts

(39) Cash and cash equivalents

	December 31, 2022	December 31, 2021
Cash on hand and petty cash	$ 1,644	$ 1,202
Checking accounts and demand deposits	978,323	1,152,116
Time deposits	367,906	-
	$ 1,347,873	$ 1,153,318

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

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

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

Items	December 31, 2022	December 31, 2021
Current items:		
Financial assets mandatorily measured at fair value through profit or loss		
Listed stocks	$ 3,364	$ 19,044
Derivative instruments		
- Call/put options of convertible bonds	1,129	1,887
	$ 4,493	$ 20,931

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

	Year ended December 31	
	2022	2021
Financial assets and liabilities mandatorily measured at fair value through profit or loss		
Equity instruments	($ 752)	$ 6,745
Derivative instruments	(95)	(4,682)
	($ 847)	$ 2,063

(41) Financial assets at amortised cost

Items	December 31, 2022	December 31, 2021
Current items:		
Time deposits with original maturity over three months	$ 16,124	$ 17,106
Restricted bank deposits	90,386	81,763
	$ 106,510	$ 98,869

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

	Year ended December 31	
	2022	2021
Interest income	$ 2,043	$ 23,057

B. As at December 31, 2022 and 2021, without taking into account any collateral held or other credit enhancements, the maximum exposure to credit risk in respect of the amount that best represents the financial assets at amortised cost held by the Group was $106,510 and $98,869, respectively.

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

(42) Notes and accounts receivable

	December 31, 2022	December 31, 2021
Notes receivable	$ 91,864	$ 84,619
Less: Allowance for uncollectible accounts	(2,277)	(2,277)
	$ 89,587	$ 82,342
Accounts receivable	$ 2,883,615	$ 2,465,418
Less: Allowance for uncollectible accounts	(79,149)	(38,377)
	$ 2,804,466	$ 2,427,041

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

	December 31, 2022		December 31, 2021	
	Accounts receivable	Notes receivable	Accounts receivable	Notes receivable
Not past due	$ 2,299,804	$ 91,864	$ 2,003,976	$ 84,619
Up to 30 days	517,719	-	402,815	-
31 to 90 days	36,399	-	60,517	-
91 to 180 days	25,111	-	8,078	-
Over 180 days	17,364	-	15,061	-
	$ 2,896,397	$ 91,864	$ 2,490,447	$ 84,619

The above ageing analysis was based on past due date.

B. As of December 31, 2022 and 2021, accounts receivable and notes receivable were all from contracts with customers. As of January 1, 2021, the balance of receivables from contracts with customers and allowance for uncollectible accounts amounted to $2,053,491 and $63,545, respectively.

C. As at December 31, 2022 and 2021, without taking into account any collateral held or other credit enhancements, the maximum exposure to credit risk in respect of the amount that best represents the Group's notes and accounts receivable (including related parties) was $2,906,835 and $2,534,412, respectively.

D. The Group does not hold financial assets as security for accounts receivable.

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

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

(43) Other receivables

Other receivables	December 31, 2022	December 31, 2021
Interest receivable	$ 819	$ 109
Tax refund receivable	27,842	22,255
Receivables for payments on behalf of others	17,653	14,637
Others	19,106	16,299
	$ 65,420	$ 53,300

(44) Inventories

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

	December 31, 2021		
	Cost	Allowance for valuation loss	Book value
Raw materials	$ 2,390,429	($ 204,651)	$ 2,185,778
Work in progress	311,187	(44,889)	266,298
Finished goods	480,102	(12,713)	467,389
Inventory in transit	32,172	-	32,172
	$ 3,213,890	($ 262,253)	$ 2,951,637

Operating costs that the Group recognised for the year:

	Year ended December 31	
	2022	2021
The cost of inventories recognised as expense for the year		
Cost of goods sold	$ 10,607,921	$ 8,716,277
Loss on decline in market value	104,349	40,198
Cost of goods	10,712,270	8,756,475
Cost of rental sales	69,630	68,940
Total operating costs	$ 10,781,900	$ 8,825,415

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

	December 31, 2022	December 31, 2021
Non-current items:		
Equity instruments		
Unlisted stocks	$ 21,251	$ 19,372

A. The Group has elected to classify equity instruments investments that are considered to be strategic investment as financial assets at fair value through other comprehensive income. The fair value of such investments amounted to $21,251 and $19,372 as at December 31, 2022 and 2021, respectively.

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

	Year ended December 31	
	2022	2021
Equity instruments at fair value through other comprehensive income		
Fair value change recognised in other comprehensive income	$ 1,879	$ 1,080
Dividend income recognised in profit or loss		
Held at the end of the year	$ 988	$ 529

(46) Investments accounted for using equity method / associates

A. Details are as follows:

	December 31, 2022	December 31, 2021
LEO Systems, Inc.	$ 84,163	$ 77,703
Formosa21 Inc.	21,055	20,699
Amerwave Technology (Shenzhen) Co., Ltd.	85,924	79,851
China Applied Technology Co., Ltd.	-	-
Prihot Electronic (M) SDN. BHD.	-	1,755
City Smarter Technologies Corporation	645	582
Geointelligence Systems, Inc.	626	596
Web Information Technology Inc.	-	-
Venture Gain Developments Ltd.	-	-
FIC do Brasil Ltda.	-	-
Lambert Newmedia, Inc.	-	-
Witology Technology Company Limited	8,164	-
	$ 200,577	$ 181,186

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

	Shareholding ratio	
	December 31, 2022	December 31, 2021
LEO Systems, Inc.	6%	6%
Formosa21 Inc.	29%	29%
Amerwave Technology (Shenzhen) Co., Ltd.	39%	39%
China Applied Technology Co., Ltd.	-	-
Prihot Electronic (M) SDN. BHD.	-	25%
City Smarter Technologies Corporation	19%	19%
Geointelligence Systems, Inc.	1%	1%
Web Information Technology Inc.	42%	42%
Venture Gain Developments Ltd.	20%	20%
FIC do Brasil Ltda.	45%	45%
Lambert Newmedia, Inc.	24%	24%
Witology Technology Company Limited	25%	-

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

	Year ended December 31	
	2022	2021
LEO Systems, Inc.	$ 16,750	$ 11,146
Formosa21 Inc.	356	(266)
Amerwave Technology (Shenzhen) Co., Ltd.	4,908	(502)
China Applied Technology Co., Ltd.	-	964
Prihot Electronic (M) SDN. BHD.	(1,024)	700
City Smarter Technologies Corporation	64	87
Geointelligence Systems, Inc.	109	91
Web Information Technology Inc.	-	-
Venture Gain Developments Ltd.	-	-
FIC do Brasil Ltda.	-	-
Lambert Newmedia, Inc.	-	-
Witology Technology Company Limited	(1,836)	-
	$ 19,327	$ 12,220

(a) As the Group has significant influence over LEO Systems, Inc., Formosa21 Inc. and City Smarter Technologies Corporation, these associates are accounted for under equity method although its shareholding ratios in these associates are less than 20%.

(b) The Group participated in the capital increase of Prihot Electronic (M) SDN. BHD. in February 2021. The investment amount was $1,150. In addition, the company was liquidated as resolved by the Board of Directors in September 2022, and then the Group discontinued using the equity method.

(c) The Group acquired 9% of shares of Amerwave Technology (Shenzhen) Co., Ltd.. for a consideration of $17,498 in July 2021. As a result, the shareholding ratio increased to 39%.

(d) The Group sold part of the shares that it held in China Applied Technology Co., Ltd. in August 2021. In addition, the associate increased its capital in August 2021. The Group did not acquire shares proportionally to its interest. As a result, the shareholding ratio decreased to 17%.

(e) The Group acquired a 25% equity interest in Witology Technology Company Limited for a consideration of $10,000 in August 2022.

C. The carrying amount of the Group's interests in all individually immaterial associates and the Group's share of the operating results are summarised below:

As of December 31, 2022 and 2021, the carrying amount of the Group's individually immaterial associates amounted to $200,577 and $181,186, respectively.

	Year ended December 31	
	2022	2021
Profit for the year	$ 19,327	$ 12,220
Other comprehensive income, net of tax	450	2,564
Total comprehensive income for the year	$ 19,777	$ 14,784

The abovementioned share of profit or loss and other comprehensive income of associates accounted for under equity method was recognised based on each associate's financial statements of the same period that were audited by auditors, except for Web Information Technology Inc., Venture Gain Developments Ltd., FIC do Brasil Ltda., Lambert Newmedia, Inc., China Applied Technology Co., Ltd., Prihot Electronic(M) SDN. BHD. and City Smarter Technologies Corporation for the years ended December 31, 2022 and 2021. The management believed there will be no significant influence although the abovementioned financial statements of the investees were not audited by auditors.

D. The fair value of the Group's associates with quoted market prices is as follows:

	December 31, 2022	December 31, 2021
LEO Systems, Inc.	$ 168,990	$ 131,523

(47) Property, plant and equipment

	2022							
	Buildings and structures	Machinery and equipment	Transportation equipment	Office equipment	Leasehold improvements	Other equipment	Unfinished construction and equipment under acceptance	Total
January 1, 2022								
Cost	$ 264,540	$ 1,443,147	$ 7,088	$ 121,211	$ 1,472	$ 261,802	$ 20,770	$ 2,120,030
Accumulated depreciation and impairment	(226,341)	(952,803)	(4,667)	(85,364)	(463)	(247,283)	-	(1,516,921)
	$ 38,199	$ 490,344	$ 2,421	$ 35,847	$ 1,009	$ 14,519	$ 20,770	$ 603,109
January 1, 2022	$ 38,199	$ 490,344	$ 2,421	$ 35,847	$ 1,009	$ 14,519	$ 20,770	$ 603,109
Additions	-	72,208	-	10,567	15,795	12,575	108,002	219,147
Disposals	-	(5,270)	-	(200)	(1,681)	(200)	-	(7,351)
Effect due to disposal of subsidiaries	-	-	-	(14)	-	-	-	(14)
Reclassifications	(17,758)	69,099	-	2,386	17,758	4,512	(100,622)	(24,625)
Depreciation	(197)	(225,110)	(540)	(13,882)	(13,162)	(14,869)	-	(267,760)
Net exchange differences	605	6,753	34	397	(42)	193	289	8,229
December 31, 2022	$ 20,849	$ 408,024	$ 1,915	$ 35,101	$ 19,677	$ 16,730	$ 28,439	$ 530,735
December 31, 2022								
Cost	$ 208,481	$ 1,528,455	$ 7,135	$ 134,076	$ 75,514	$ 280,316	$ 28,439	$ 2,262,416
Accumulated depreciation and impairment	(187,632)	(1,120,431)	(5,220)	(98,975)	(55,837)	(263,586)	-	(1,731,681)
	$ 20,849	$ 408,024	$ 1,915	$ 35,101	$ 19,677	$ 16,730	$ 28,439	$ 530,735

	2021							
	Buildings and structures	Machinery and equipment	Transportation equipment	Office equipment	Leasehold improvements	Other equipment	Unfinished construction and equipment under acceptance	Total
January 1, 2021 Cost	$ 258,767	$ 1,279,789	$ 6,755	$ 112,532	$ -	$ 240,397	$ 44,850	$ 1,943,090
Accumulated depreciation and impairment	(217,675)	(770,419)	(4,151)	(82,765)	-	(232,219)	-	(1,307,229)
	$ 41,092	$ 509,370	$ 2,604	$ 29,767	$ -	$ 8,178	$ 44,850	$ 635,861
January 1, 2021	$ 41,092	$ 509,370	$ 2,604	$ 29,767	$ -	$ 8,178	$ 44,850	$ 635,861
Additions	7,715	66,569	-	14,870	1,472	16,016	99,685	206,327
Disposals	-	(2,236)	(3)	(454)	-	(21)	-	(2,714)
Reclassifications	-	111,953	530	4,201	-	1,822	(123,394)	(4,888)
Depreciation	(10,293)	(191,648)	(691)	(12,339)	(463)	(11,423)	-	(226,857)
Net exchange differences	(315)	(3,664)	(19)	(198)	-	(53)	(371)	(4,620)
December 31, 2021	$ 38,199	$ 490,344	$ 2,421	$ 35,847	$ 1,009	$ 14,519	$ 20,770	$ 603,109
December 31, 2021 Cost	$ 264,540	$ 1,443,147	$ 7,088	$ 121,211	$ 1,472	$ 261,802	$ 20,770	$ 2,120,030
Accumulated depreciation and impairment	(226,341)	(952,803)	(4,667)	(85,364)	(463)	(247,283)	-	(1,516,921)
	$ 38,199	$ 490,344	$ 2,421	$ 35,847	$ 1,009	$ 14,519	$ 20,770	$ 603,109

A. The Group has no interest capitalised as part of property, plant and equipment.

B. Property, plant and equipment of the Group are all assets for its own use.

C. Information about the property, plant and equipment that were pledged to others as collateral is provided in Note 8.

(48) Leasing arrangements - lessee

Right-of-use assets

A. The Group leases various assets including land, buildings and structures and transportation equipment. Rental contract of land use right is made for period of 50 years and the remaining assets are 2 to 5 years. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose covenants.

B. Short-term leases with a lease term of 12 months or less comprise warehouse and equipment.

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

	December 31, 2022	December 31, 2021
	Carrying amount	Carrying amount
Land	$ 12,192	$ 12,473
Buildings and structures	399,447	358,976
Others	740	1,350
	$ 412,379	$ 372,799

	Year ended December 31	
	2022	2021
	Depreciation charge	Depreciation charge
Land	$ 466	$ 457
Buildings and structures	224,130	162,808
Others	610	671
	$ 225,206	$ 163,936

D. For the years ended December 31, 2022 and 2021, the additions to right-of-use assets were $261,343 and $147,038, respectively.

E. Except for depreciation, the remaining information on profit or loss in relation to lease contracts is as follows:

	Year ended December 31	
	2022	2021
Items affecting profit or loss		
Interest expense on lease liabilities	$ 14,273	$ 12,886
Expense on short-term lease contracts	93,751	80,292
Gain on lease modifications	-	205
Gain from subleasing right-of-use assets	2,971	19,778

F. For the years ended December 31, 2022 and 2021, the Group's total cash outflow for leases were $340,405 and $251,574, respectively.

Lease liabilities

Carrying amount of the lease liabilities	December 31, 2022	December 31, 2021
Current	$ 229,192	$ 171,344
Non-current	$ 231,461	$ 256,986

G. Information about the land use right that were pledged to others as collateral is provided in Note 8.

(49) Leasing arrangements – lessor

A. The Group leases various assets including land, buildings and land use right. Rental contracts are typically made for periods of 1 and 12 years. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions.

B. The Group leases land and buildings under a finance lease. Based on the terms of the lease contract, the lease period covers the main part of the leased assets' economic life. Information on profit or loss in relation to lease contracts is as follows:

	Year ended December 31	
	2022	2021
Finance income from the net investment in the finance lease	$ 2,971	$ -

C. The maturity analysis of the undiscounted lease payments in the finance lease is as follows:

	December 31, 2022	December 31, 2021
Less than 1 year	$ 15,630	$ 14,082
Between 1 and 5 years	44,933	60,563
	$ 60,563	$ 74,645

D. Reconciliation of the undiscounted lease payments and the net investment in the finance lease is provided as follows:

	December 31, 2022	
	Current	Non-current
Undiscounted lease payments	$ 15,630	$ 44,933
Unearned finance income	(352)	(5,112)
Net investment in the lease	$ 15,278	$ 39,821

	December 31, 2021	
	Current	Non-current
Undiscounted lease payments	$ 14,082	$ 60,563
Unearned finance income	(146)	(4,247)
Net investment in the lease	$ 13,936	$ 56,316

E. Gain arising from operating lease agreements for the years ended December 31, 2022 and 2021 are as follows:

	Year ended December 31	
	2022	2021
Operating revenue - rent revenue	$ 142,421	$ 132,729
Non-operating income - other income	17,171	33,284
	$ 159,592	$ 166,013

F. The maturity analysis of the lease payments under the operating leases is as follows:

	December 31, 2022	December 31, 2021
Less than 1 year	$ 100,783	$ 122,101
Between 1 and 5 years	29,463	47,579
Over 5 years	1,297	2,699
	$ 131,543	$ 172,379

(50) Investment property

	2022			
	Land	Land use right	Buildings and structures	Total
January 1, 2022				
Cost	$ 19,772	$ 151,126	$ 1,589,100	$ 1,759,998
Accumulated depreciation	-	(48,237)	(760,887)	(809,124)
	$ 19,772	$ 102,889	$ 828,213	$ 950,874
January 1, 2022	$ 19,772	$ 102,889	$ 828,213	$ 950,874
Depreciation charge	-	(3,302)	(24,231)	(27,533)
Net exchange differences	-	1,523	11,811	13,334
December 31, 2022	$ 19,772	$ 101,110	$ 815,793	$ 936,675
December 31, 2022				
Cost	$ 19,772	$ 160,174	$ 1,611,434	$ 1,791,380
Accumulated depreciation	-	(59,064)	(795,641)	(854,705)
	$ 19,772	$ 101,110	$ 815,793	$ 936,675

	2021			
	Land	Land use right	Buildings and structures	Total
January 1, 2021				
Cost	$ 19,772	$ 152,276	$ 1,607,165	$ 1,779,213
Accumulated depreciation	-	(45,333)	(747,951)	(793,284)
	$ 19,772	$ 106,943	$ 859,214	$ 985,929
January 1, 2021	$ 19,772	$ 106,943	$ 859,214	$ 985,929
Reclassifications	-	-	(913)	(913)
Depreciation charge	-	(3,242)	(23,817)	(27,059)
Net exchange differences	-	(812)	(6,271)	(7,083)
December 31, 2021	$ 19,772	$ 102,889	$ 828,213	$ 950,874
December 31, 2021				
Cost	$ 19,772	$ 151,126	$ 1,589,100	$ 1,759,998
Accumulated depreciation	-	(48,237)	(760,887)	(809,124)
	$ 19,772	$ 102,889	$ 828,213	$ 950,874

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

	Year ended December 31	
	2022	2021
Rental income from investment property	$ 145,883	$ 135,873
Direct operating expenses arising from the investment property that generated rental income during the year	$ 71,046	$ 70,355
Direct operating expenses arising from the investment property that did not generate rental income during the year	$ 22,600	$ 17,522

B. The fair value of the investment property and the land use right attributable to it held by the Group as at December 31, 2022 and 2021 was $3,331,291 and $3,080,664, respectively, which was valued by independent valuers and referred to market evidence on transaction price of similar property.

C. Information about the investment property that was pledged to others as collateral is provided in Note 8.

(51) Non-current assets held for sale

In December 2022, the Group was approved to sell machinery and equipment, which were reclassified as non-current assets held for sale. They were stated at the lower of its carrying amount and fair value less costs to sell. The transaction is expected to be completed within the next 1 year. The amount of non-current assets held for sale was $20,336 as of December 31, 2022. Assets held for sale:

	December 31, 2022
Property, plant and equipment	$ 20,336

(52) Short-term borrowings

	December 31, 2022	December 31, 2021
Secured bank borrowings	$ 129,878	$ 99,283
Unsecured bank borrowings	60,013	100
	$ 189,891	$ 99,383
Interest rate range	1.49%~5.85%	0.95%~1.78%

Refer to Notes 8 and 9 for details of collateral and commitments that the Group provided for short-term borrowings.

(53) Other payables

	December 31, 2022	December 31, 2021
Wages, salaries and bonuses payable	$ 286,422	$ 278,797
Compensation due to directors and employees	17,424	5,141
Business tax payable	30,357	21,129
Freight payable	17,149	14,263
Payable on machinery and equipment	19,642	20,719
Payable on shares	14,660	14,694
Insurance expense payable	9,000	5,533
Material processing fees payable	13,929	12,294
Others	149,308	129,402
	$ 557,891	$ 501,972

(54) Bonds payable

	December 31, 2022	December 31, 2021
Bonds payable	$ 217,100	$ 299,600
Less: Discount on bonds payable	(6,374)	(13,866)
	210,726	285,734
Less: Current portion or exercise of put options	(210,726)	-
	$ -	$ 285,734

A. FICG issued the first domestic unsecured convertible bonds (referred herein as the 'first convertible bonds') for a total issue amount of $700,000 based on 101% of the face value on September 10, 2021. The issuance terms are as follows:

(a) Issuance period: 3 years (September 10, 2021 to September 10, 2024)

(b) Coupon rate: 0% fixed per annum

(c) Repayment term:

The first convertible bonds will be redeemed in cash at face value at the maturity date by The Group except for those which had been repurchased in advance and repurchased and retired through a securities firm by FICG or the bondholders had exercised conversion of options and put options.

(d) Conversion period:

The bondholders have the right to ask FICG for conversion of the convertible bonds into common shares of FICG during the period from the date after three months of the first convertible bonds issue, except for those which had been repurchased in advance and repurchased and retired through a securities firm by FICG or the stop transfer period as specified in the laws/regulations or the consignment contract.

(e) Conversion price:

The conversion price of the first convertible bonds is $19.45 (in dollars) which is 105.36% of the reference price. The reference price was based on one of the simple arithmetic average of the closing prices of FICG's common shares on the Taiwan Stock Exchange for one business day, three business days and five business days before the effective date set by FICG. The conversion price of the bonds is subject to adjustments if the condition of the anti-dilution provisions occurs subsequently. The conversion price will be reset based on the pricing model specified in the terms of the bonds on each effective date regulated by the terms.

(f) Put options:

The bondholders have the right to require FICG to redeem the first convertible bonds at the price of the bonds' face value plus 1.0025% of the face value as interests upon two years from the issue date.

(g) Call options:

FICG may repurchase the first convertible bonds in advance after the following events occur:

i. The closing price of FICG common shares is above the then conversion price by 30% for 30 consecutive trading days during the period from the date after three months of the bonds issue to 40 days before the maturity date.

ii. FICG may repurchase all the bonds outstanding in cash at the bonds' face value at any time after the outstanding balance of the bonds is less than 10% of total initial issue amount during the period from the date after three months of the bonds issue to 40 days before the maturity date.

B. For the year ended December 31, 2022, the first convertible bonds totaling $82,500 had been converted into 4,241 thousand shares of common stock. As of December 31, 2022, the first convertible bonds totaling $482,900 had been converted into 24,827 thousand shares of common stock.

C. Regarding the issuance of convertible bonds, the equity conversion options amounting to $38,198 were separated from the liability component and were recognised in 'capital surplus - share options' in accordance with IAS 32. The call options and put options embedded in bonds payable were separated from their host contracts and were recognised in 'financial assets at fair value through profit or loss' in net amount in accordance with IFRS 9 because the economic characteristics and risks of the embedded derivatives were not closely related to those of the host contracts. The effective interest rate of the bonds payable after such separation was 1.77%.

(55) Long-term borrowings

Type of borrowings	Borrowing period and repayment term	Interest rate	Collateral	December 31, 2022
Borrowings from non-financial institutions				
Secured borrowings	Borrowing period is from March 8, 2022 to March 8, 2025, interest is payable quarterly, the principal is payable in 12 installments starting from June 8, 2022	6.835%	Guarantee deposits paid	$ 70,203
Less: Current portion				(31,692)
				$ 38,511

(56) Pensions

A. (a) The Company and its domestic subsidiaries have a defined benefit pension plan in accordance with the Labor Standards Act, covering all regular employees' service years prior to the enforcement of the Labor Pension Act on July 1, 2005 and service years thereafter of employees who chose to continue to be subject to the pension mechanism under the Law. Under the defined benefit pension plan, two units are accrued for each year of service for the first 15 years and one unit for each additional year thereafter, subject to a maximum of 45 units. Pension benefits are based on the number of units accrued and the average monthly salaries and wages of the last 6 months prior to retirement. The Company and its domestic subsidiaries contribute monthly an amount equal to 2%~10% of the employees' monthly salaries and wages to the retirement fund deposited with Bank of Taiwan, the trustee, under the name of the independent retirement fund committee. Also, the Company and its domestic subsidiaries would assess the balance in the aforementioned labor pension reserve account by the end of December 31, every year. If the account balance is insufficient to pay the pension calculated by the aforementioned method to the employees expected to qualify for retirement in the following year, the Company and its domestic subsidiaries will make contributions for the deficit by next March.

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

	December 31, 2022	December 31, 2021
Present value of defined benefit obligations	($ 88,132)	($ 96,477)
Fair value of plan assets	87,684	82,895
Net defined benefit liability	($ 448)	($ 13,582)

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

	2022		
	Present value of defined benefit obligations	Fair value of plan assets	Net defined benefit liability
At January 1	($ 96,476)	$ 82,895	($ 13,581)
Current service cost	(343)	-	(343)
Interest (expense) income	(581)	496	(85)
	(97,400)	83,391	(14,009)
Remeasurements:			
Return on plan assets (excluding amounts included in interest income or expense)	-	6,370	6,370
Change in financial assumptions	7,116	-	7,116
Experience adjustments	(2,382)	-	(2,382)
	4,734	6,370	11,104
Pension fund contribution	-	2,457	2,457
Paid pension	4,534	(4,534)	-
At December 31	($ 88,132)	$ 87,684	($ 448)

	2021		
	Present value of defined benefit obligations	Fair value of plan assets	Net defined benefit liability
At January 1	($ 103,425)	$ 85,121	($ 18,304)
Current service cost	(281)	-	(281)
Interest (expense) income	(507)	404	(103)
	(103,425)	85,121	(18,304)
Remeasurements:			
Return on plan assets (excluding amounts included in interest income or expense)	-	1,031	1,031
Change in demographic assumptions	(2,615)	-	(2,615)
Change in financial assumptions	951	-	951
Experience adjustments	2,708	-	2,708
	1,044	1,031	2,075
Pension fund contribution	-	3,031	3,031
Paid pension	6,692	(6,692)	-
At December 31	($ 96,477)	$ 82,895	($ 13,582)

(d) The Bank of Taiwan was commissioned to manage the Fund of the Company's and domestic subsidiaries' defined benefit pension plan in accordance with the Fund's annual investment and utilisation plan and the "Regulations for Revenues, Expenditures, Safeguard and Utilisation of the Labor Retirement Fund" (Article 6: The scope of utilisation for the Fund includes deposit in domestic or foreign financial institutions, investment in domestic or foreign listed, over-the-counter, or private placement equity securities, investment in domestic or foreign real estate securitisation products, etc.). With regard to the utilisation of the Fund, its minimum earnings in the annual distributions on the final financial statements shall be no less than the earnings attainable from the amounts accrued from two-year time deposits with the interest rates offered by local banks. If the earnings is less than aforementioned rates, government shall make payment for the deficit after being authorised by the Regulator. The Company and domestic subsidiaries have no right to participate in managing and operating that fund and hence the Company and domestic subsidiaries are unable to disclose the classification of plan assets fair value in accordance with IAS 19 paragraph 142. The composition of fair value of plan assets as of December 31, 2022 and 2021 is given in the Annual Labor Retirement Fund Utilisation Report announced by the government.

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

	Year ended December 31	
	2022	2021
Discount rate	1.125%~1.5%	0.5%~0.75%
Future salary increases	2.0%~2.5%	2.0%~2.5%

Assumptions regarding future mortality experience are set based on actuarial advice in accordance with published statistics and experience in each territory.

Because the main actuarial assumption changed, the present value of defined benefit obligation is affected. The analysis was as follows:

	Discount rate		Future salary increases	
	Increase 0.25%	Decrease 0.25%	Increase 0.25%	Decrease 0.25%
December 31, 2022				
Effect on present value of defined benefit obligation	$ 2,136	($ 2,212)	($ 2,517)	$ 2,094
December 31, 2021				
Effect on present value of defined benefit obligation	$ 2,510	($ 2,602)	($ 2,520)	$ 2,443

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

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the previous period.

(f) Expected contributions to the defined benefit pension plans of the Group for the year ending December 31, 2023 amount to $622.

(g) As of December 31, 2022, the weighted average duration of the retirement plan is 6.23~11.9 years.

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

(b) The Company's mainland China subsidiaries have a defined contribution plan. Monthly contributions to an independent fund administered by the government in accordance with the pension regulations in the People's Republic of China (PRC) are based on certain percentage of employees' monthly salaries and wages. Other than the monthly contributions, the Group has no further obligations.

(c) The pension costs under the defined contribution pension plan of the Group for the years ended December 31, 2022 and 2021 were $106,536 and $70,790, respectively.

(57) Share-based payment

A. For the years ended December 31, 2022 and 2021, the Group's subsidiary, Ubiqconn Technology, Inc., share-based payment arrangements were as follows:

Type of arrangement	Grant date	Quantity granted (in thousands)	Vesting conditions
Cash capital increase reserved for employee preemption	2022.07.28	750	Vested immediately
Cash capital increase reserved for employee preemption	2021.12.23	1,150	Vested immediately

B. The fair value of stock options granted on grant date is measured using the Black-Scholes option-pricing model. Relevant information is as follows:

Type of arrangement	Grant date	Share price (in dollars)	Exercise price (in dollars)	Expected price volatility	Expected option life	Risk-free interest rate	Fair value per unit (in dollars)
Cash capital increase reserved for employee preemption	2022.07.28	20.57	20	27.94%	0.01 year	1.10%	0.619
Cash capital increase reserved for employee preemption	2021.12.23	18.62	18	17.15%	0.01 year	0.435%	0.624

Note: Expected price volatility rate was estimated by using the annualized implied volatility for comparable properties in thirty trade days before the grant date.

C. Expenses incurred on share-based payment transactions are shown below:

	Year ended December 31, 2022	Year ended December 31, 2021
Equity-settled	$ 463	$ 718

D. From 2011 to 2018, the Group's subsidiary made the equity-settled share-based payment arrangements, with the fair value of $0 and $3.82 (in dollars). The Group's subsidiaries amended the share-based payment plan by changing the original contract from equity-settled to cash payment in September 2021. The salary expenses recognised for the year ended December 31, 2021 amounted to $18,673.

(58) Share capital

A. As of December 31, 2022, the Company's authorised capital was $25,000,000 and the paid-in capital was $2,151,721 with a par value of $10 (in dollars) per share. All proceeds from shares issued have been collected.

Movements in the number of the Company's ordinary shares (in thousands) outstanding are as follows:

	2022	2021
At January 1	210,931	190,345
Conversion of convertible bonds	4,241	20,586
At December 31	215,172	210,931

B. The Company's convertible bonds totalling $1,000 (face value) had been converted into 51 thousand shares of common stock in the fourth quarter of 2022. The registration procedure is still in process.

C. The Company converted the convertible bonds for the quarters ended September 30, 2022 totaling $28,900 into 1,486 thousand shares of common stock. The registration was completed on November 9, 2022.

D. The Company converted the convertible bonds for the quarters ended March 31, 2022 and June 30, 2022 totaling $52,600 into 2,704 thousand shares of common stock. The registration was completed on July 29, 2022.

E. The Company converted the first convertible bonds for the year ended December 31, 2021 totaling $400,000 into 20,586 thousand shares of common stock. The registration was completed on March 28, 2022.

F. 21,000 thousand shares of the share capital issued as of December 31, 2022 and 2021 were private placement marketable securities that the Company conducted in 2007. The transfer of such marketable securities shall be restricted by Article 43-8 of the Securities and Exchange Act. After three full years have elapsed since the delivery date, a letter of approval issued by the Taiwan Stock Exchange that meets the listing standards must be obtained before applying to the Securities and Futures Bureau of the Financial Supervisory Commission for supplemental public issuance.

(59) Capital surplus

Pursuant to the R.O.C. Company Act, capital surplus arising from paid-in capital in excess of par value on issuance of common stocks and donations can be used to cover accumulated deficit or to issue new stocks or cash to shareholders in proportion to their share ownership, provided that the Company has no accumulated deficit. Further, the R.O.C. Securities and Exchange Act requires that the amount of capital surplus to be capitalised mentioned above should not exceed 10% of the paid-in capital each year. However, capital surplus should not be used to cover accumulated deficit unless the legal reserve is insufficient.

	2022					
	Share premium	Difference between consideration and carrying amount of subsidiaries acquired or disposed	Changes in ownership interests in subsidiaries	Net change in equity of associates	Options	Total
At January 1	$ 215,939	$ 160,688	$ -	$ 620	$ 16,349	$ 393,596
Difference between consideration and carrying amount of subsidiaries acquired or disposed	-	1,710	-	-	-	1,710
Changes in equity of associates and joint ventures accounted for using equity method	-	-	8,311	-	-	8,311
Conversion of convertible bonds	40,452	-	-	-	(4,502)	35,950
Changes in equity of associates and joint ventures accounted for using equity method	-	-	-	(4)	-	(4)
At December 31	$ 256,391	$ 162,398	$ 8,311	$ 616	$ 11,847	$ 439,563

	2021					
	Share premium	Difference between consideration and carrying amount of subsidiaries acquired or disposed	Changes in ownership interests in subsidiaries	Net change in equity of associates	Options	Total
At January 1	$ 21,162	$ 160,688	$ 2,314	$ 5,689	$ -	$ 189,853
Changes in equity of associates and joint ventures accounted for using equity method	-	-	(2,314)	-	-	(2,314)
Equity component recognised due to issuance of convertible bonds	-	-	-	-	38,198	38,198
Conversion of convertible bonds	194,777	-	-	-	(21,849)	172,928
Changes in equity of associates and joint ventures accounted for using equity method	-	-	-	(36)	-	(36)
Disposal of investment accounted for under equity method	-	-	-	(5,011)	-	(5,011)
Effect on investments accounted for using equity method not recognised proportionately to shareholding ratio	-	-	-	(22)	-	(22)
At December 31	$ 215,939	$ 160,688	$ -	$ 620	$ 16,349	$ 393,596

(60) Retained earnings

A. Under FICG's Articles of Incorporation, the current year's earnings, if any, shall first be used to pay all taxes and offset prior years' operating losses and then 10% of the remaining amount shall be set aside as legal reserve until the legal reserve equals the paid-in capital. After that, special reserve shall be set aside or reverse in accordance with Article 41 of Securities and Exchange Act.

The remainder, if any, along with accumulated undistributed earnings shall be proposed by the Board of Directors and resolved by the shareholders.

B. In order to take the capital needs into account, strengthen the financial structure and appropriately meet the shareholders' demand for cash inflow, FICG shall consider the principle of maintaining the stability of dividends for the distribution of dividends and distribute cash and stocks in an appropriate proportion.

C. Except for covering accumulated deficit or issuing new stocks or cash to shareholders in proportion to their share ownership, the legal reserve shall not be used for any other purpose. The use of legal reserve for the issuance of stocks or cash to shareholders in proportion to their share ownership is permitted, provided that the distribution of the reserve is limited to the portion in excess of 25% of FICG's paid-in capital.

D. In accordance with the regulations, FICG shall set aside special reserve from the debit balance on other equity items at the balance sheet date before distributing earnings. When debit balance on other equity items is reversed subsequently, the reversed amount could be included in the distributable earnings.

E. The appropriations of 2021 and 2020 earnings as resolved by the shareholders on June 23, 2022 and August 4, 2021, respectively are as follows:

	2021	2020
Legal reserve	$ 23,534	$ -
Special reserve (reversal)	21,225	(32,716)
	$ 44,759	($ 32,716)

F. The appropriations of 2022 earnings as submitted by the Broad of Directors on March 29, 2023 are as follows:

	Year ended December 31, 2022			
	Amount		Dividend per share (in dollars)	
Legal reserve	$	48,625		
Special reserve		89,120		
Cash dividends		107,792	$	0.05
	$	245,537		

The appropriations of 2022 earnings have not yet been resolved by the shareholders.

(61) Operating revenue

	Year ended December 31			
	2022		2021	
Revenue from contracts with customers	$	12,306,014	$	9,907,262
Revenue from leasing real estate		142,421		132,729
	$	12,448,435	$	10,039,991

A. Disaggregation of revenue from contracts with customers

The Group derives revenue from the transfer of goods and services over time and at a point in time in the following major product lines:

Year ended December 31, 2022	Sales revenue		Service revenue		Total	
Revenue from external customer contracts	$	12,189,785	$	116,229	$	12,306,014
Timing of revenue recognition						
At a point in time	$	12,189,785	$	-	$	12,189,785
Over time		-		116,229		116,229
	$	12,189,785	$	116,229	$	12,306,014

Year ended December 31, 2021	Sales revenue		Service revenue		Total	
Revenue from external customer contracts	$	9,813,001	$	94,261	$	9,907,262
Timing of revenue recognition						
At a point in time	$	9,813,001	$	-	$	9,813,001
Over time		-		94,261		94,261
	$	9,813,001	$	94,261	$	9,907,262

B. Contract assets and liabilities

(a) The Group has recognised the following revenue-related contract assets and liabilities:

	December 31, 2022		December 31, 2021		January 1, 2021	
Contract assets:						
Contract assets – Service contract	$	6,879	$	7,162	$	7,011
Contract liabilities:						
Contract liabilities – Sales contract	$	239,564	$	170,969	$	79,743
Contract liabilities – Service contract		16,381		16,464		4,825
	$	255,945	$	187,433	$	84,568

(b) Revenue recognised that was included in the contract liability balance at the beginning of the year

	Year ended December 31			
	2022		2021	
Revenue recognised that was included in the contract liability balance at the beginning of the year				
Sales contract	$	141,590	$	81,740
Service contract		12,314		2,829
	$	153,904	$	84,569

C. Revenue from leasing real estate for the years ended December 31, 2022 and 2021 are provided in Note 6(11).

(62) Interest income

	Year ended December 31			
	2022		2021	
Interest income from bank deposits	$	11,013	$	25,528
Other interest income		3,338		-
Interest arising from loans to related parties		-		2,801
	$	14,351	$	28,329

(63) Other income

	Year ended December 31			
	2022		2021	
Rental revenue	$	17,171	$	33,284
Dividend income		1,050		797
Gains on write-off of past due payable		16,577		12,809
Other income		47,733		33,431
	$	82,531	$	80,321

Rent income for the years ended December 31, 2022 and 2021 are provided in Note 6(11).

(64) Other gains and losses

	Year ended December 31	
	2022	2021
Losses on disposals of property, plant and equipment	($ 3,612)	($ 2,338)
Gains on disposal of investments (Note 1)	76,812	4,417
Gains from subleasing right-of-use assets	-	19,778
Gains on lease modification	-	205
Net currency exchange gains	107,204	31,488
Net (losses) gains on financial assets and liabilities at fair value through profit or loss	(847)	2,063
Impairment loss on intangible assets	-	(744)
Grant revenue (Note 2)	72,571	100,525
Other (losses) gains	(7,166)	4,879
	$ 244,962	$ 160,273

Note 1: In March 2022, FIC, Inc. disposed all the shares held in Zircon. The gain on disposal of investment related to the aforementioned disposal was $76,841, which was transferred from other equity - exchange differences on translation of foreign financial statements previously recognised.

Note 2: The grant revenue arose from government subsidies for vocational training, value growth and salary subsidies due to the Covid-19 outbreak. The grant revenue which is related to property, plant and equipment is recognised on a straight-line basis over their estimated useful life.

(65) Finance costs

	Year ended December 31	
	2022	2021
Interest expense	$ 17,914	$ 20,794
Lease liabilities	14,273	12,886
Bonds payable	4,021	3,019
Others	20	-
	$ 36,228	$ 36,699

(66) Employee benefit expense and expenses by nature

	Year ended December 31	
	2022	2021
Short-term employee benefits	$ 2,431,452	$ 2,130,295
Post-employment benefits	106,964	71,174
Depreciation	520,499	417,852
Amortisation	9,770	4,091

A. In accordance with the Articles of Incorporation of the Company, a ratio of distributable profit of the current year, if any, shall be distributed as employees' compensation and directors' remuneration. The ratio shall be 2%~10% for employees' compensation and shall not be higher than 1.5% for directors' remuneration. However, if the Company has accumulated deficit, earnings shall be first reserved to cover accumulated losses.

B. Employees' compensation and directors' remuneration of the Company were accrued as follows:

	Year ended December 31	
	2022	2021
Employees' compensation	$ 9,939	$ 5,141
Directors' remuneration	994	-
	$ 10,933	$ 5,141

The employees' compensation and directors' remuneration were estimated and accrued based on 2% and 0% of distributable profit of current year as of the end of reporting period. For the years ended December 31, 2022 and 2021, employees' compensation was estimated at $9,939 and $5,141, respectively; while directors' and supervisors' remuneration was estimated at $994 and $0, respectively. The aforementioned amounts were recognised in salary expenses.

The employees' compensation and directors' and supervisors' remuneration for 2022 resolved by the Board of Directors on March 29, 2023 were $14,908 and $994, respectively, and the employees' compensation will be distributed in the form of cash.

For 2022, the employees' compensation and directors' and supervisors' remuneration resolved by the Board of Directors amounted to $14,908 and $994, respectively. The difference of $4,969 between the amounts resolved by the Board of Directors and the amounts recognised in the 2022 financial statements, due to changes in accounting estimates, will be adjusted in the profit or loss for 2023.

For 2021, the employees' compensation and directors' and supervisors' remuneration resolved by the Board of Directors amounted to $7,710 and $514, respectively. The difference of $3,083 between the amounts resolved by the Board of Directors and the amounts recognised in the 2021 financial statements, due to changes in accounting estimates, had been adjusted in the profit or loss for 2022.

C. Information about employees' compensation and directors' remuneration of FICG as resolved at the meeting of Board of Directors will be posted in the "Market Observation Post System" at the website of the Taiwan Stock Exchange.

(67) Income taxes

A. Income tax expense (income)

	Year ended December 31	
	2022	2021
Current tax:		
Current tax on profits for the year	$ 88,654	$ 22,182
Tax on undistributed surplus earnings	9,529	-
Prior year income tax under (over) estimation	1,880	(43,740)
Total current tax	100,063	(21,558)
Deferred tax:		
Origination and reversal of temporary differences	(58,624)	2,789
Impact of change in tax rate	-	9,651
Total deferred tax	(58,624)	12,440
Income tax expense (benefit)	$ 41,439	($ 9,118)

B. Reconciliation between income tax expense and accounting profit

	Year ended December 31	
	2022	2021
Income tax calculated by applying statutory rate to the profit before tax	$ 290,078	$ 155,692
Expenses disallowed by tax regulation	16,551	11,479
Tax exempt income by tax regulation	(103,450)	(39,081)
Temporary differences not recognised as deferred tax assets	2,111	10,738
Temporary differences not recognised as deferred tax liabilities	(122,177)	(39,699)
Tax losses not recognised as deferred tax assets	64,216	9,886
Effect from investment tax credits	(43,267)	(16,820)
Change in assessment of realization of deferred tax assets	(49,093)	(62,277)
Prior year taxable loss not recognised as deferred tax assets	(24,939)	(4,947)
Prior year income tax under (over) estimation	1,880	(43,740)
Impact of change in the tax rate	-	9,651
Tax on undistributed surplus earnings	9,529	-
Income tax expense	$ 41,439	($ 9,118)

C. Amounts of deferred tax assets or liabilities as a result of temporary differences and tax losses are as follows:

	2022			
	January 1	Recognised in profit or loss	Exchange difference	December 31
Deferred tax assets:				
Temporary differences:				
Loss on inventories	$ 16,682	$ 39,446	$ 211	$ 56,339
Unrealised exchange loss	689	(694)	5	-
Book-tax differences of assets	-	9,727	(23)	9,704
Others	2,324	12,165	22	14,511
Taxable loss	-	3,777	-	3,777
	19,695	64,421	215	84,331
Deferred tax liabilities:				
Temporary differences:				
Unrealised exchange gain	(14,034)	(4,771)	(195)	(19,000)
Others	(226)	(1,026)	2	(1,250)
	(14,260)	(5,797)	(193)	(20,250)
	$ 5,435	$ 58,624	$ 22	$ 64,081

	2021			
	January 1	Recognised in profit or loss	Exchange difference	December 31
Deferred tax assets:				
Temporary differences:				
Loss on inventories	$ 18,480	($ 1,656)	($ 142)	$ 16,682
Unrealised exchange loss	5,052	(4,318)	(45)	689
Others	1,008	1,320	(4)	2,324
	24,540	(4,654)	(191)	19,695
Deferred tax liabilities:				
Temporary differences:				
Unrealised exchange gain	(6,409)	(7,654)	29	(14,034)
Others	(94)	(132)	-	(226)
	(6,503)	(7,786)	29	(14,260)
	$ 18,037	($ 12,440)	($ 162)	$ 5,435

D. Expiration dates of unused tax losses and amounts of unrecognised deferred tax assets are as follows:

December 31, 2022				
Year incurred	Amount filed/ assessed	Unused amount	Unrecognised deferred tax assets	Expiry year
2013	$ 22,186	$ 21,340	$ 21,340	2023
2014	10,699	8,507	8,507	2024
2016	11,222	10,369	10,369	2026
2017	1,933,258	1,885,885	1,885,885	2027
2018	46,637	44,737	44,737	2028
2019	41,301	40,572	40,572	2029
2020	86,197	85,370	85,370	2030
2021	55,691	54,737	54,737	2031
2022	321,081	321,081	321,081	2032

December 31, 2021				
Year incurred	Amount filed/ assessed	Unused amount	Unrecognised deferred tax assets	Expiry year
2012	$ 179,087	$ 177,723	$ 177,723	2022
2013	22,186	21,340	21,340	2023
2014	10,699	8,507	8,507	2024
2015	53,204	15,135	15,135	2025
2016	11,222	10,465	10,465	2026
2017	1,933,258	1,905,241	1,905,241	2027
2018	90,270	88,370	88,370	2028
2019	41,301	40,572	40,572	2029
2020	105,755	105,192	105,192	2030
2021	58,467	58,467	58,467	2031

E. The amounts of deductible temporary differences that were not recognised as deferred tax assets are as follows:

	December 31, 2022	December 31, 2021
Deductible temporary differences	$ 3,152,712	$ 3,659,225

F. The Company has not recognised taxable temporary differences associated with investment in subsidiaries as deferred tax liabilities. As of December 31, 2022 and 2021, the amounts of temporary differences unrecognised as deferred tax liabilities were $610,885 and $198,494, respectively.

G. The Company's and domestic subsidiaries' income tax returns which were assessed and approved by the Tax Authority are as follows:

The company	Assessed year
FICG	2021
FIC, Inc.	2020
FICTA	2021
Ubiqconn	2019
Ruggon	2020

(68) Earnings per share

	Year ended December 31, 2022		
	Amount after tax	Weighted average number of ordinary shares outstanding (shares in thousands)	Earnings per share (in dollars)
Basic earnings per share			
Profit attributable to ordinary shareholders of the parent	$ 476,470	214,106	$ 2.23
Diluted earnings per share			
Profit attributable to ordinary shareholders of the parent	$ 476,470	214,106	
Assumed conversion of all dilutive potential ordinary shares			
Convertible bonds	3,293	14,346	
Employees' compensation	-	301	
Profit attributable to ordinary shareholders of the parent plus assumed conversion of all dilutive potential ordinary shares	$ 479,763	228,753	$ 2.10

	Year ended December 31, 2021		
	Amount after tax	Weighted average number of ordinary shares outstanding (shares in thousands)	Earnings per share (in dollars)
Basic earnings per share			
Profit attributable to ordinary shareholders of the parent	$ 251,978	191,529	$ 1.32
Diluted earnings per share			
Profit attributable to ordinary shareholders of the parent	$ 251,978	191,529	
Assumed conversion of all dilutive potential ordinary shares			
Convertible bonds	2,415	9,873	
Employees' compensation	-	68	
Profit attributable to ordinary shareholders of the parent plus assumed conversion of all dilutive potential ordinary shares	$ 254,393	201,470	$ 1.26

(69) Transactions with non-controlling interest

The Group did not participate in the capital increase raised by a subsidiary proportionally to its interest to the subsidiary

A. Disposal of equity interest in a subsidiary (that did not result in a loss of control)
In January 2022, the Group sold 232 thousand shares of its subsidiary, Ubiqconn Technology, Inc., to 13 employees of the Group at a price of $4,176 for the Company's operation needs and the Group's operating plan requirements, and it was ratified and approved by the Board of Directors on March 24, 2022. The carrying amount of non-controlling interest in Ubiqconn Technology, Inc. was $2,466 at the disposal date. This transaction resulted in an increase in the non-controlling interest by $2,466 and an increase in the equity attributable to owners of the parent by $1,710.

The effect of changes in interests in Ubiqconn Technology, Inc. on the equity attributable to owners of the parent for the year ended December 31, 2022 is shown below:

	Year ended December 31, 2022
Carrying amount of non-controlling interest disposed	($ 2,466)
Consideration received from non-controlling interest	4,176
Capital surplus	$ 1,710

B. The Group did not participate in the capital increase raised by a subsidiary proportionally to its interest to the subsidiary

(1) In December 2021, the Group's subsidiary, Ubiqconn Technology, Inc., increased its cash capital by issuing new shares, and the issuing price is $18 (in dollars) per share. The Company used $245,430 of monetary claims to pay for the shares and another subsidiary, FICTA Technology Inc., subscribed for $36,000 in cash. As the Group did not acquire shares proportionately to its interest, the comprehensive shareholding increased from 63% to 68%. This transaction resulted in an increase in the non-controlling interest by $21,167 and a decrease in the equity attributable to owners of the parent by $21,167.

(2) In August 2022, the Group's subsidiary, Ubiqconn Technology, Inc., increased its cash capital by issuing new shares, and the issuing price is $20 (in dollars) per share. The Company used $74,228 in cash and $100,000 of monetary claims to pay for the shares. As the Group did not acquire shares proportionately to its interest, the comprehensive shareholding ratio decreased from 68% to 67%. This transaction resulted in a decrease in the non-controlling interest by $14,395 and an increase in the equity attributable to owners of the parent by $14,395. The effects of changes in interests in Ubiqconn on the equity attributable to owners of the parent for the years ended December 31, 2022 and 2021 are shown below:

	Year ended December 31	
	2022	2021
Cash	$ 125,772	$ 60,570
Increase in the carrying amount of non-controlling interest	(117,461)	(81,737)
Increase (decrease) in capital surplus	$ 8,311	($ 21,167)

(70) Supplemental cash flow information

A. Investing activities with partial cash payments

	Year ended December 31	
	2022	2021
Purchase of property, plant and equipment	$ 219,147	$ 206,327
Add: Opening balance of payable on equipment (including related parties)	20,790	2,606
Less: Ending balance of payable on equipment (including related parties)	(19,798)	(20,790)
Cash paid during the year	$ 220,139	$ 188,143

B. Financing activities with no cash flow effects

	Year ended December 31	
	2022	2021
Convertible bonds being converted to capital stocks	$ 78,366	$ 378,787

(71) Changes in liabilities from financing activities

			Non-cash changes		
	January 1, 2022	Cash flows	Foreign exchange change	Others	December 31, 2022
Short-term borrowings	$ 99,383	$ 90,644	($ 136)	$ -	$ 189,891
Long-term borrowings (including current portion)	-	68,323	(979)	2,859	70,203
Bonds payable (including current portion)	285,734	-	-	(75,008)	210,726
Lease liabilities	428,330	(232,381)	3,361	261,343	460,653
Guarantee deposits received	26,380	2,988	-	-	29,368
Long-term accounts payable	961,800	(5,184)	9,125	-	965,741
	$ 1,801,627	($ 75,610)	$ 11,371	$ 189,194	$ 1,926,582

			Non-cash changes		
	January 1, 2021	Cash flows	Foreign exchange change	Others	December 31, 2021
Short-term borrowings	$ 348,197	($ 243,151)	($ 140)	($ 5,523)	$ 99,383
Bonds payable	-	701,452	-	(415,718)	285,734
Lease liabilities	451,884	(158,396)	1,684	133,158	428,330
Guarantee deposits received	22,245	4,135	-	-	26,380
Long-term accounts payable	1,001,800	(40,000)	-	-	961,800
	$ 1,824,126	$ 264,040	$ 1,544	($ 288,083)	$ 1,801,627

7. Related Party Transactions

(72) Names of related parties and relationship

Names of related parties	Relationship with the Group
LEO Systems, Inc. (LEO Systems)	Associate
FIC Do Brasil Ltd. (FIC Do Brasil)	"
Amerwave Technology (Shenzhen) Co., Ltd. (Amerwave)	"
Geointelligence Systems, Inc. (Geointelligence)	"
Prihot Electronic (Malaysia) SDN. BHD. (Prihot)	"
Lambert Newmedia, Inc. (Lambert Newmedia)	"
University Venture Co., Ltd. (University Venture)	The Group's major management
eCommunications, Inc. (eCommunications)	Other related party (substantial related party)
Supreme Image Limited (Supreme)	"
Reliance Global Investments Limited (RGIL)	"
Lohas Biotech Development Corp. (Lohas)	"
GloryMakeup Inc. (GloryMakeup)	"
First Communication Inc. (First Communication)	"(Note)
China Applied Technology Co., Ltd. (China Applied)	"
Wang Yi De	"
Zong Jing Investment Inc. (Zong Jing)	Other related party (major shareholder)
Ho Mon Investment Inc. (Ho Mon)	"
Chia Chao Investment Inc. (Chia Chao)	"
WYC God-loving Foundation for Charity (GLF)	"

Names of related parties	Relationship with the Group
CGCH Foundation for Education (CGCHF)	Other related party
Via Technologies, Inc. (Via)	Other related party (The company's directors and the Company's chairman are within second degree of kinship)
Xander International Corp. (Xander)	〃

Note: First Communication was originally the Group's associate. The Group lost its significant influence over First Communication, which became the Group's other related party since 2021.

(73) Significant related party transactions

A. Operating revenue

	Year ended December 31	
	2022	2021
Sales of goods:		
-Other related parties	$ 144,366	$ 82,289
-Associates	152	244
	$ 144,518	$ 82,533
Service revenue:		
-Associates	$ 5,640	$ 5,640
-Other related parties	36,248	10,248
	$ 41,888	$ 15,888

(a) Due to the diversity of the Group's product specifications, the specifications of the products sold to related parties may not be the same as those sold to non-related parties, thus, the sales prices cannot be compared. The terms of transactions with related parties are the same as those with non-related parties.

(b) The Group entered into consulting contracts with the above-mentioned related parties, and transaction prices and terms are made based on agreements.

B. Purchases

	Year ended December 31	
	2022	2021
Purchases of goods		
-Associates	$ 325	$ -
-Other related parties	1,952	9,805
	$ 2,277	$ 9,805

Purchases based on the price lists in force and terms that would be available to third parties.

C. Receivables from related parties

	December 31, 2022	December 31, 2021
Accounts receivables:		
-Associates	$ 515	$ 581
-Other related parties	12,267	24,448
	$ 12,782	$ 25,029

	December 31, 2022	December 31, 2021
Finance lease receivable, net:		
-Associates		
LEO Systems	$ 8,480	$ 7,730
Formosa21	1,838	1,680
-Other related parties		
GloryMakeup	2,333	2,123
Lohas	2,035	1,859
Others	592	544
	$ 15,278	$ 13,936
Long-term finance lease receivable, net:		
-Associates		
LEO Systems	$ 22,094	$ 31,248
Formosa21	4,794	6,779
-Other related parties		
GloryMakeup	6,076	8,594
Lohas	5,307	7,504
Others	1,550	2,191
	$ 39,821	$ 56,316

	December 31, 2022	December 31, 2021
Other receivables:		
-Associates	$ 2,781	$ 7,336
-Other related parties	1,206	14,508
	$ 3,987	$ 21,844

Other receivables from related parties arise mainly from disposal of equity and service receivables related to the logistics human resources.

As the credit term of accounts receivable from related parties exceeds normal terms, the accounts receivable were reclassified as other receivables.

	December 31, 2022	December 31, 2021
Other receivables:		
-Associate		
FIC Do Brasil	$ 138,758	$ 138,758
Less: Allowance for uncollectible accounts	(138,758)	(138,758)
	$ -	$ -

D. Payables to related parties:

	December 31, 2022	December 31, 2021
Accounts payable:		
-Other related parties	$ 11,878	$ 3,263
-Associates	341	-
	$ 12,219	$ 3,263
Other payables:		
-Other related parties	$ 7,045	$ 4,712
-Associates	464	87
	$ 7,509	$ 4,799

E. Contract liability

	December 31, 2022	December 31, 2021
-Other related parties		
eCommunications	$ 10,763	$ -
CGCHF	10,700	-
	$ 21,463	$ -

F. Property transaction

(a) Acquisition of property, plant and equipment

	Year ended December 31	
	2022	2021
-Associates	$ 1,128	$ 4,043
-Other related parties	2,741	-
	$ 3,869	$ 4,043

(b) Acquisition of intangible assets

	Year ended December 31	
	2022	2021
-Associates	$ -	$ 1,932

(c) Disposal of right-of-use assets - income from subleasing right-of-use assets:

	Year ended December 31	
	2022	2021
-Associates	$ -	$ 13,963
-Other related parties	-	5,815
	$ -	$ 19,778

G. Loans to/from related parties:

(a) Loans to related parties

	December 31, 2022	December 31, 2021
Other receivables		
-Associate		
Amerwave	$ -	$ -

	Year ended December 31			
	2022		2021	
Other receivables	Interest income	Rate	Interest income	Rate
-Associates				
Amerwave	$ -	-	$ 2,801	5%

(b) Loans from related parties

	December 31, 2022	December 31, 2021
Other payables		
-Other related parties		
Ho Mon	$ 123,200	$ -
Long-term accounts payable		
-Other related parties		
Ho Mon	$ 267,860	$ 584,800
Zong Jing	201,000	221,000
Chia Chao	156,000	156,000
Supreme	340,881	-
	$ 965,741	$ 961,800

	Year ended December 31			
	2022		2021	
Other payables	Interest income	Rate	Interest income	Rate
-Other related parties				
Ho Mon	$ 41	2.0%	$ -	-
Long-term accounts payable				
-Other related parties				
Ho Mon	$ 2,395	0.5%	$ 2,924	0.5%
Zong Jing	1,068	0.5%	1,105	0.5%
Chia Chao	780	0.5%	821	0.5%
Supreme	-	0.0%	-	0.0%
	$ 4,243		$ 4,850	

H. Rent income

	Year ended December 31	
	2022	2021
Associates		
Amerwave	$ 11,502	$ 13,386
LEO Systems	3,878	11,942
Others	248	2,073
Other related parties	678	4,644
The Group's major management	72	72
	$ 16,378	$ 32,117

The rental prices of the Group and its related parties are based on the rental rates in the neighbourhood, and the rent is receivable monthly.

I. Other income

	Year ended December 31	
	2022	2021
-Associates	$ 2,168	$ 3,353
-Other related parties	86	-
	$ 2,254	$ 3,353

Other income is mainly from the service revenue related to the logistics human resources.

J. Operating expenses

	Year ended December 31	
	2022	2021
-Other related parties	$ 27,614	$ 29,549
-Associates	190	95
	$ 27,804	$ 29,644

Operating expenses are mainly from the sales commission and miscellaneous.

K. Equity transactions

(a) In January 2022, the Group sold 232 thousand shares of its subsidiary, UBIQCONN TECHNOLOGY, INC., to the employees for the Company's operation needs and the Group's operating plan requirements. Refer to Note 6(31) for details.

(b) In order to simplify the investment structure, the Group sold 17.28% of the shares of China Applied Technology Co., Ltd. to other related party - Reliance Global Investments Limited at a carrying amount of $13,692 in October 2021, and reclassified the other equity accounted for as shareholders' equity to dispose of investment gains of $3,475 for the year ended December 31, 2021.

(74) Key management compensation

	Year ended December 31	
	2022	2021
Salaries and other short-term employee benefits	$ 43,408	$ 36,544
Post-employment benefits	247	354
	$ 43,655	$ 36,898

8. Pledged Assets

The Group's assets pledged as collateral are as follows:

Pledged assets	Book value December 31, 2022	Book value December 31, 2021	Purpose
Financial assets measured at amortised cost - current	$ 90,386	$ 81,763	Bank borrowings and endorsements/ guarantees and guarantee for foreign exchange forward contract
Guarantee deposits paid	19,654	-	Guarantee of borrowings from non-financial institutions
Property, plant and equipment	20,849	-	Bank borrowings
Land (shown as 'right-of-use assets')	12,192	-	Bank borrowings
Investment property	39,986	41,257	Bank borrowings
	$ 183,067	$ 123,020	

9. Significant Contingent Liabilities and Unrecognised Contract Commitments

(a) Contingencies

None.

(b) Commitments

The Company issued a letter of commitment to the Land Bank of Taiwan for the loan to its subsidiary, Ubiqconn Technology, Inc., in 2021, stating the following:

During the lifetime of the credit contract, the Company promised to directly or indirectly hold at least 50% of the total issued shares of the borrower, assist the borrower to maintain normal operations and sound and appropriate financial ability, and supervise the borrower to repay the debt of the credit contract. In the event of any breach of contract by the borrower, the Company promised to take necessary measures to assist the borrower so that the borrower can perform the obligations of the credit contract on time.

10. Significant Disaster Loss

None.

11. Significant Events after the Balance Sheet Date

A. On February 21, 2023, the Company subscribed 9,000 thousand series B preferred shares issued for the capital increase of Mobility Technology Group Inc., a British Cayman Islands company, with a par value of US$1 (in dollars) per share. The investment amount was US$9,000 thousand.

B. Details of the appropriation of 2022 earnings as proposed by the Board of Directors on March 29, 2023 are provided in Note 6(9).

C. On March 29, 2023, the Company's Board of Directors resolved to increase its capital increase by issuing 10,000 thousand new shares in 2023 at a tentatively expected issue price of $40, totalling $400,000.

D. On March 29, 2023, the Company's Board of Directors resolved to issue the second domestic unsecured convertible bonds, with an upper limit of 6,000 bonds at a par value of $100 per bond. The estimated total issuance amount was $600,000 and those bonds were issued at 100%~101% of face value.

12. Others

(1) Capital management

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximizing the return to shareholders through the optimization of the debt and equity balance.

The Group's capital structure comprises net debt (pertaining to borrowings, net of cash and cash equivalents) and equity attributable to owners of parent (pertaining to share capital, capital surplus, retained earnings and other equity items).

(2) Financial instruments

A. Financial instruments by category

	December 31, 2022	December 31, 2021
Financial assets		
Financial assets at fair value through profit or loss		
Financial assets mandatorily measured at fair value through profit or loss	$ 4,493	$ 20,931
Financial assets measured at fair value through other comprehensive income		
Designation of equity instrument	$ 21,251	$ 19,372

	December 31, 2022	December 31, 2021
Financial assets at amortised cost		
Cash and cash equivalents	$ 1,347,873	$ 1,153,318
Financial assets at amortised cost	106,510	98,869
Notes receivable	89,587	82,342
Accounts receivable	2,804,466	2,427,041
Accounts receivable-related parties	12,782	25,029
Finance lease receivable -related parties	15,278	13,936
Other receivables	65,420	53,300
Other receivables-related parties	3,987	21,844
Long-term finance lease receivable-related parties	39,821	56,316
Guarantee deposits paid	82,754	48,527
	$ 4,568,478	$ 3,980,522

	December 31, 2022	December 31, 2021
Financial liabilities		
Financial liabilities at amortised cost		
Short-term borrowings	$ 189,891	$ 99,383
Notes payable	307	2,002
Accounts payable	1,816,000	2,156,884
Accounts payable-related parties	12,219	3,263
Other payables	557,891	501,972
Other payables-related parties	130,709	4,799
Bond payables (including current portion)	-	285,734
Long-term borrowings (including current portion)	280,929	-
Guarantee deposits received	29,368	26,380
Long-term notes and accounts payable	965,741	961,800
	$ 3,983,055	$ 4,042,217
Lease liabilities-current	$ 229,192	$ 171,344
Lease liabilities-non-current	231,461	256,986
	$ 460,653	$ 428,330

B. Financial risk management policies

(a) The Group's activities expose it to a variety of financial risks: market risk (including foreign exchange risk, interest rate risk and price risk), credit risk and liquidity risk. To minimise any adverse effects on the financial performance of the Group, derivative financial instruments, such as foreign exchange forward contracts is used to hedge certain exchange rate risk

(b) Group treasury identifies, evaluates and hedges financial risks in close co-operation with the Group's operating units.

C. Significant financial risks and degrees of financial risks

(a) Market risk

Exchange rate risk

i. The Group operates internationally and is exposed to exchange rate risk arising from the transactions of the Company and its subsidiaries used in various functional currency, primarily with respect to the USD and RMB. Foreign exchange rate risk arises from future commercial transactions and recognised assets and liabilities.

ii. The Group are required to hedge their entire foreign exchange risk exposure with Group treasury. Exchange rate risk is measured through a forecast of highly probable USD and RMB expenditures.

iii. The Group's businesses involve some non-functional currency operations (the Company's and certain subsidiaries' functional currency: NTD; other certain subsidiaries' functional currency: USD and RMB). The information on assets and liabilities denominated in foreign currencies whose values would be materially affected by the exchange rate fluctuations is as follows:

	December 31, 2022		
(Foreign currency: functional currency)	Foreign currency amount (In thousands)	Exchange rate	Book value (NTD) (in thousand)
Financial assets			
Monetary items			
USD : NTD	$ 122,689	30.7100	$ 3,767,779
USD : RMB	124,162	30.7100	3,813,015
RMB : NTD	3,146	4.4080	13,868
RMB : USD	13,188	4.4080	58,133
Financial liabilities			
Monetary items			
USD : NTD	$ 117,982	30.7100	$ 3,623,227
USD : RMB	89,744	30.7100	2,756,038
RMB : USD	227,407	4.4080	1,002,410

(Foreign currency: functional currency)	December 31, 2021 Foreign currency amount (In thousands)		Exchange rate	Book value (NTD) (in thousand)	
Financial assets					
Monetary items					
USD : NTD	$	246,008	27.6800	$	6,809,501
USD : RMB		180,184	27.6800		4,987,493
RMB : NTD		850	4.3440		3,692
RMB : USD		12,527	4.3440		54,417
Financial liabilities					
Monetary items					
USD : NTD	$	238,969	27.6800	$	6,614,662
USD : RMB		205,022	27.6800		5,675,009
RMB : USD		171,164	4.3440		743,536

iv. The unrealised total exchange gain, including realised and unrealised, arising from significant foreign exchange variation on the monetary items held by the Group for the years ended December 31, 2022 and 2021, amounted to $107,204 and $31,488, respectively.

v. Analysis of foreign currency market risk arising from significant foreign exchange variation:

	Year ended December 31, 2022				
	Sensitivity analysis				
(Foreign currency: functional currency)	Degree of variation	Effect on profit or loss		Effect on other comprehensive income	
Financial assets					
Monetary items					
USD:NTD	1%	$	37,678	$	-
USD:RMB	1%		38,130		-
RMB:NTD	1%		139		-
RMB:USD	1%		581		-
Financial liabilities					
Monetary items					
USD:NTD	1%	$	36,232	$	-
USD:RMB	1%		27,560		-
RMB:USD	1%		10,024		-

	Year ended December 31, 2021		
	Sensitivity analysis		
(Foreign currency: functional currency)	Degree of variation	Effect on profit or loss	Effect on other comprehensive income
Financial assets			
Monetary items			
USD:NTD	1%	$ 68,095	$ -
USD:RMB	1%	49,875	-
RMB:NTD	1%	37	-
RMB:USD	1%	544	-
Financial liabilities			
Monetary items			
USD:NTD	1%	$ 66,147	$ -
USD:RMB	1%	56,750	-
RMB:USD	1%	7,435	-

Price risk

i. The Group's equity securities, which are exposed to price risk, are the held financial assets at fair value through profit or loss and financial assets at fair value through other comprehensive income. To manage its price risk arising from investments in equity securities, the Group diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the Group.

ii. The Group's investments in equity securities comprise shares issued by the domestic companies. The prices of equity securities would change due to the change of the future value of investee companies. If the prices of these equity securities had increased/decreased by 1% with all other variables held constant, post-tax profit for the years ended December 31, 2022 and 2021 would have increased/decreased by $34 and $190, respectively, as a result of gains/losses on equity securities classified as at fair value through profit or loss. Other components of equity would have increased/decreased by $213 and $194, respectively, as a result of other comprehensive income classified as available-for-sale equity investment and equity investment at fair value through other comprehensive income.

Cash flow and fair value interest rate risk

i. The Group's main interest rate risk arises from long-term borrowings with variable rates, which expose the Group to cash flow interest rate risk. During 2022 and 2021, the Group's borrowings at variable rate were mainly denominated in New Taiwan dollars, US Dollars and Chinese Yuan.

ii. The Group's borrowings are measured at amortised cost. The borrowings are periodically contractually repriced and to that extent are also exposed to the risk of future changes in market interest rates.

iii. If the borrowing interest rate had increased/decreased by 1% with all other variables held constant, profit after tax for the years ended December 31, 2022 and 2021 would have increased/decreased by $2,601 and $994, respectively. Changes in interest expense mainly results from floating rate borrowings.

(b) Credit risk

i. Credit risk refers to the risk of financial loss to the Group arising from default by the clients or counterparties of financial instruments on the contract obligations. The main factor is that counterparties could not repay in full the contract cash flows of accounts receivable based on the agreed terms.

ii. The Group manages its credit risk taking into consideration the entire group's concern. According to the Group's credit policy, each local entity in the Group is responsible for managing and analysing the credit risk for each of their new clients before standard payment and delivery terms and conditions are offered. Internal risk control assesses the credit quality of the customers, taking into account their financial position, past experience and other factors. Individual risk limits are set based on internal or external ratings in accordance with limits set by the Board of Directors. The utilisation of credit limits is regularly monitored.

iii. The Group adopts the assumptions under IFRS 9, the default occurs when the contract payments are past due over 90 days.

iv. The Group adopts following assumptions under IFRS 9 to assess whether there has been a significant increase in credit risk on that instrument since initial recognition:

If the contract payments were past due over 30 days based on the terms, there has been a significant increase in credit risk on that instrument since initial recognition.

v. The Group classifies customer's accounts receivable in accordance with credit risk on trade. The Group applies the modified approach using a provision matrix based on the loss rate methodology to estimate expected credit loss.

vi. The Group wrote-off the financial assets, which cannot be reasonably expected to be recovered, after initiating recourse procedures. However, the Group will continue executing the recourse procedures to secure their rights. On December 31, 2022 and 2021, the Group had no written-off financial assets that are still under recourse procedures.

vii. The expected loss rate for well-reputed customers of group A is 0.2%. For the years ended December 31, 2022 and 2021, the total book value of accounts receivable amounted to $1,591,767 and $1,432,477, and loss allowance amounted to $2,738 and $2,542, respectively.

viii. The expected loss rate for well-reputed customers of group B is 0.2%~15%. For the years ended December 31, 2022 and 2021, the total book value of accounts receivable amounted to $0 and $447,076, and loss allowance amounted to $0 and $3,723, respectively.

ix. The Group used the forecastability of Business Indicators Database and Basel Committee on Banking Supervision to adjust historical and timely information to assess the default possibility of notes and accounts receivable (including related parties) from the fair credit condition customers of the group C and D. On December 31, 2022 and 2021, the provision matrix is as follows:

(i) Group C

December 31, 2022	Expected loss rate	Total book value	Loss allowance
Not past due	0.2%~0.55%	$ 744,157	$ 5,281
Up to 30 days	0.2%~2.15%	137,680	7,128
31 to 90 days	0.2%~39.24%	13,608	3,361
61 to 90 days	0.2%~100%	2,454	1,843
91 to 180 days	100%	23,922	23,884
Over 180 days	100%	17,364	17,331
		$ 939,185	$ 58,828

December 31, 2021	Expected loss rate	Total book value	Loss allowance
Not past due	0%~0.74%	$ 529,798	$ 2,925
Up to 30 days	0%~3.46%	119,950	2,328
31 to 90 days	0%~39.24%	13,913	2,283
61 to 90 days	0%~100%	6,448	1,469
91 to 180 days	100%	8,070	8,070
Over 180 days	100%	15,057	15,037
		$ 693,236	$ 32,112

(ii) Group D

December 31, 2022	Expected loss rate	Total book value	Loss allowance
Not past due	2.43%	$ 306,598	$ 7,859
Up to 30 days	7.29%	148,434	9,724
31 to 90 days	22.38%	-	-
61 to 90 days	36.03%	-	-
91 to 180 days	100%	-	-
Over 180 days	100%	-	-
		$ 455,032	$ 17,583

x. Based on historical experience, the Group applies individual assessment to evaluate expected credit loss of the high-credit risk customers from group E. On December 31, 2022 and 2021, accounts receivable amounted to $2,277 and $2,277 and loss allowance amounted to $2,277 and $2,277, respectively.

xi. Movements in relation to the Group applying the modified approach to provide loss allowance for notes and accounts receivable (including related parties) are as follows:

	2022
	Notes and accounts receivable (including related parties)
At January 1	$ 40,654
Provision for impairment loss	38,366
Effect of foreign exchange	2,406
At December 31	$ 81,426

	2021
	Notes and accounts receivable (including related parties)
At January 1	$ 63,545
Reversal of impairment loss	(20,073)
Write-offs	(2,173)
Effect of foreign exchange	(645)
At December 31	$ 40,654

For provisioned loss in 2022 and 2021, the impairment losses and reversal of impairment loss arising from customers' contracts are $38,366 and ($20,073), respectively.

xii. The financial assets at amortised cost and other financial assets held by the Group are the bank deposits and restricted bank deposits with maturity term of over three months, and no material issues of credit rating levels were incurred, also there were no material expected credit loss.

xiii. The amount of other receivables and expected credit gains (losses) on December 31, 2022 and 2021 after the recoverability assessment were $65,420 and $14,688, $53,300 and ($6,085), respectively.

(c) Liquidity risk

i. Cash flow forecasting is performed in the operating entities of the Group and aggregated by Group treasury. Group treasury monitors rolling forecasts of the Group's liquidity requirements to ensure it has sufficient cash to meet operational needs.

ii. The table below analyses the Group's non-derivative financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

December 31, 2022	Less than 1 year	Between 1 and 5 years	Over 5 years
Non-derivative financial liabilities			
Short-term borrowings	$ 190,396	$ -	$ -
Notes payable	307	-	-
Accounts payable (including related parties)	1,828,219	-	-
Other payables (including related parties)	688,600	-	-
Bonds payable (including current portion)	217,100	-	-
Lease liabilities	239,693	237,575	-
Long-term borrowings (including current portion)	33,167	40,230	-
Long-term notes and accounts payable	-	976,430	-

December 31, 2021	Less than 1 year	Between 1 and 5 years	Over 5 years
Non-derivative financial liabilities			
Short-term borrowings	$ 99,383	$ -	$ -
Notes payable	2,002	-	-
Accounts payable (including related parties)	2,160,147	-	-
Other payables (including related parties)	506,771	-	-
Bonds payable	-	299,600	-
Lease liabilities	181,576	266,764	-
Long-term notes and accounts payable	-	968,786	-

(3) Fair value information

A. The different levels that the inputs to valuation techniques are used to measure fair value of financial and non-financial instruments have been defined as follows:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date. A market is regarded as active where a market in which transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis. The fair value of the Group's investment in listed stocks is included in Level 1.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. The fair value of the Group's investment in derivative instruments is included in Level 1.

Level 3: Unobservable inputs for the asset or liability. The fair value of the Group's investment in equity investment without active market is included in Level 3.

B. Financial instruments not measured at fair value

The carrying amounts of cash and cash equivalents, notes receivable, accounts receivable (including related parties), other receivables (including related parties), long-term notes and accounts receivable, short-term borrowings, notes payable, other payables (including related parties), other payables (including related parties), bonds payable, lease liabilities and long-term notes and accounts payable are approximate to their fair values.

C. The related information on financial and non-financial instruments measured at fair value by level on the basis of the nature, characteristics and risks of the assets and liabilities at December 31, 2022 and 2021 are as follows:

(a) The related information on the nature of the assets and liabilities is as follows:

December 31, 2022	Level 1	Level 2	Level 3	Total
Assets				
Recurring fair value measurements				
Financial assets at fair value through profit or loss				
Equity securities	$ 3,364	$ -	$ -	$ 3,364
Derivative instruments -Call/put options of bonds	-	-	1,129	1,129
Financial assets at fair value through other comprehensive income				
Equity securities	-	-	21,251	21,251
	$ 3,364	$ -	$ 22,380	$ 25,744

December 31, 2021	Level 1	Level 2	Level 3	Total
Assets				
Recurring fair value measurements				
Financial assets at fair value through profit or loss				
Equity securities	$ 19,044	$ -	$ -	$ 19,044
Derivative instruments -Call/put options of bonds	-	-	1,887	1,887
Financial assets at fair value through other comprehensive income				
Equity securities	-	-	19,372	19,372
	$ 19,044	$ -	$ 21,259	$ 40,303

(b) The methods and assumptions the Group used to measure fair value are as follows:

i. The instruments the Group used market quoted prices as their fair values (that is, Level 1) are listed below by characteristics:

	Listed stocks
Market quoted price	Closing price

ii. Except for financial instruments with active markets, the fair value of other financial instruments is measured by using valuation techniques or by reference to counterparty quotes.

iii. When assessing non-standard and low-complexity financial instruments, the Group adopts valuation technique that is widely used by market participants. The inputs used in the valuation method to measure these financial instruments are normally observable in the market.

iv. The valuation of derivative financial instruments is based on valuation model widely accepted by market participants, such as present value techniques. Forward exchange contracts are usually valued based on the current forward exchange rate.

v. The output of valuation model is an estimated value and the valuation technique may not be able to capture all relevant factors of the Group's financial and non-financial instruments. As a result, the estimate generated by valuation model will be slightly adjusted based on additional inputs, such as model risk or liquidity risk . In accordance with the Group's management policies and relevant control procedures relating to the valuation models used for fair value measurement, management believes adjustment to valuation is necessary in order to reasonably represent the fair value of financial and non-financial instruments at the consolidated balance sheet. The inputs and pricing information used during valuation are carefully assessed and adjusted based on current market conditions.

D. For the years ended December 31, 2022 and 2021, there was no transfer between Level 1 and Level 2.

E. The following chart is the movement of Level 3 for the years ended December 31, 2022 and 2021:

	2022		
	Equity instruments	Call/put options of bonds	Total
At January 1	$ 19,372	$ 1,887	$ 21,259
Gains and losses recognised in profit or loss			
Recorded as non-operating income and expenses	-	(95)	(95)
Gains and losses recognised in other comprehensive income			
Recorded as unrealised gains (losses) on valuation of investments in equity instruments measured at fair value through other comprehensive income	1,879	-	1,879
Converted during the year	-	(663)	(663)
At December 31	$ 21,251	$ 1,129	$ 22,380

	2021		
	Equity instruments	Call/put options of bonds	Total
At January 1	$ 18,292	$ -	$ 18,292
Gains and losses recognised in profit or loss			
Recorded as non-operating income and expenses	-	3,640	3,640
Gains and losses recognised in other comprehensive income			
Recorded as unrealised gains (losses) on valuation of investments in equity instruments measured at fair value through other comprehensive income	1,080	-	1,080
Issued during the year	-	770	770
Converted during the year	-	(2,523)	(2,523)
At December 31	$ 19,372	$ 1,887	$ 21,259

F. For the years ended December 31, 2022 and 2021, there was no transfer into or out from Level 3.

G. Treasury segment is in charge of valuation procedures for fair value measurements being categorised within Level 3, which is to verify independent fair value of financial instruments. Such assessment is to ensure the valuation results are reasonable by applying independent information to make results close to current market conditions, confirming the resource of information is independent, reliable and in line with other resources and making any other necessary adjustments to the fair value.

Treasury segment set up valuation policies, valuation processes and rules for measuring fair value of financial instruments and ensure compliance with the related requirements in IFRS.

H. The following is the qualitative information of significant unobservable inputs and sensitivity analysis of changes in significant unobservable inputs to valuation model used in Level 3 fair value measurement:

	Fair value at December 31, 2022		Valuation technique	Significant unobservable input	Range (weighted average)	Relationship of inputs to fair value
Non-derivative equity instrument:						
Unlisted shares	$	21,251	Market comparable companies	Price to book ratio multiple, discount for lack of marketability	3.88 ~ 26.13	The higher the multiple, the higher the fair value; the higher the discount for lack of marketability, the lower the fair value
Derivative instrument:						
Call/put options of bonds	$	1,129	The Binomial-Tree approach to convertible bonds	Volatility rate	57.68%	The higher the price volatility, the higher the fair value

	Fair value at December 31, 2021		Valuation technique	Significant unobservable input	Range (weighted average)	Relationship of inputs to fair value
Non-derivative equity instrument:						
Unlisted shares	$	19,372	Market comparable companies	Price to book ratio multiple, discount for lack of marketability	6.03 ~ 21.08	The higher the multiple, the higher the fair value; the higher the discount for lack of marketability, the lower the fair value
Derivative instrument:						
Call/put options of bonds	$	1,887	The Binomial-Tree approach to convertible bonds	Volatility rate	64.16%	The higher the price volatility, the higher the fair value

I. The Group has carefully assessed the valuation models and assumptions used to measure fair value. However, use of different valuation models or assumptions may result in different measurement.

(4) Assessment of Covid-19 outbreak

Due to Covid-19 outbreak and numbers of the government's epidemic prevention measures, as of December 31, 2022, there was no significant impact on the operations arising from the epidemic outbreak and the prevention measures under the Group's assessment. The Group adopted countermeasures accordingly and continually manages related affairs to prevent the spread of the epidemic from affecting Company's operations.

13. Supplementary Disclosures

(5) Significant transactions information

A. Loans to others: Refer to table 1.

B. Provision of endorsements and guarantees to others: Refer to table 2.

C. Holding of marketable securities at the end of the period (not including subsidiaries, associates and joint ventures): Refer to table 3.

D. Acquisition or sale of the same security with the accumulated cost exceeding $300 million or 20% of FICG 's paid-in capital: None.

E. Acquisition of real estate reaching NT$300 million or 20% of paid-in capital or more: None.

F. Disposal of real estate reaching NT$300 million or 20% of paid-in capital or more: None.

G. Purchases or sales of goods from or to related parties reaching $100 million or 20% of paid-in capital or more: Refer to table 4.

H. Receivables from related parties reaching $100 million or 20% of paid-in capital or more: Refer to table 5.

I. Trading in derivative instruments undertaken during the reporting periods: Refer to Note 6(2).

J. Significant inter-company transactions during the reporting periods: Refer to table 6.

(6) Information on investees

Names, locations and other information of investee companies (not including investees in Mainland China): Refer to table 7.

(7) Information on investments in Mainland China

A. Basic information: Refer to table 8.

B. Significant transactions, either directly or indirectly through a third area, with investee companies in the Mainland Area: Refer to table 6.

(8) Major shareholders information

Major shareholders information: Refer to table 9.

14. Segment Information

(9) General information

The Group is engaged in research and development, production and sales of automotive electronics, surveillance product and the industrial computers, electronic contract manufacturing of computers and server products and leasing real estate, which was the information reported to the chief operating decision-maker for the purpose of resource allocation and the assessment of segment performance. The Group focused on the differences in law and regulation in different countries which required different marketing strategies.

The reportable segments are as follows:

A. 3CEMS and its subsidiaries

B. Ubiqconn and its subsidiaries

C. FIC Inc. and its subsidiaries

D. Other companies

(10) Measurement of segment information

The Group's segment is measured with revenue and the operating profit, which is used as a basis for the Group in assessing the performance of operating segments. The accounting policies of the operating segments are in agreement with the significant accounting policies summarised in Note 4. The Group did not provide the amounts of total assets and total liabilities to chief operating decision-maker.

(11) Information about segment profit or loss, assets and liabilities

The segment information provided to the chief operating decision-maker for the reportable segments is as follows:

Year ended December 31, 2022	3CEMS and its subsidiaries	Ubiqconn and its subsidiaries	FIC Inc. and its subsidiaries	Other companies	Adjustments and write-offs	Total
Revenue from external customers	$ 7,460,072	$ 3,243,179	$ 1,486,534	$ -	$ -	$ 12,189,785
Service revenue from external customers	-	71,132	39,457	5,640	-	116,229
Rental income from external customers	60,949	-	81,472	-	-	142,421
Inter-segment revenue	1,411,517	724	13,144	14,327	(1,439,712)	-
Segment revenue	$ 8,932,538	$ 3,315,035	$ 1,620,607	$ 19,967	($ 1,439,712)	$ 12,448,435
Segment income (loss)	$ 248,731	$ 192,990	($ 26,945)	($ 209)	$ 10,294	$ 424,861
Segment income (loss) including:						
Depreciation and amortisation	$ 442,046	$ 48,346	$ 41,758	$ 58	($ 1,939)	$ 530,269

Year ended December 31, 2021	3CEMS and its subsidiaries	Ubiqconn and its subsidiaries	FIC Inc. and its subsidiaries	Other companies	Adjustments and write-offs	Total
Revenue from external customers	$ 5,669,229	$ 3,176,254	$ 967,518	$ -	$ -	$ 9,813,001
Service revenue from external customers	14,851	29,522	44,188	5,700	-	94,261
Rental income from external customers	52,273	-	80,456	-	-	132,729
Inter-segment revenue	1,652,640	8,218	89,038	13,378	(1,763,274)	-
Segment revenue	$ 7,388,993	$ 3,213,994	$ 1,181,200	$ 19,078	($ 1,763,274)	$ 10,039,991
Segment income (loss)	$ 100,910	$ 104,860	($ 62,165)	$ 2,500	$ 14,338	$ 160,443
Segment income (loss) including:						
Depreciation and amortisation	$ 334,460	$ 29,761	$ 57,722	$ -	$ -	$ 421,943

(12) Reconciliation for segment income (loss)

A. Sales between segments are carried out at arm's length. The revenue from external customers reported to the chief operating decision-maker is measured in a manner consistent with that in the statement of comprehensive income.

B. A reconciliation of reportable segment income or loss to the income/(loss) before tax from continuing operations is provided as follows:

	Year ended December 31	
	2022	2021
Segments income/(loss)	$ 424,861	$ 160,443
Non-operating income and expenses	339,631	238,359
Income/(loss) before tax from continuing operations	$ 764,492	$ 398,802

(13) Information on products and services

Details of revenue are as follows:

	Year ended December 31	
	2022	2021
Sales revenue	$ 12,189,785	$ 9,813,001
Service revenue	116,229	94,261
Rental of real estate revenue	142,421	132,729
	$ 12,448,435	$ 10,039,991

(14) Geographical information

Geographical information for the years ended December 31, 2022 and 2021 is as follows:

	Year ended December 31			
	2022		2021	
	Revenue	Non-current assets	Revenue	Non-current assets
Taiwan	$ 3,359,565	$ 229,939	$ 2,871,271	$ 250,825
US	2,389,549	390	2,062,098	703
Malaysia	2,364,950	-	1,570,382	-
China	1,401,226	1,687,394	1,084,316	1,713,255
Others	2,933,145	-	2,451,924	-
	$ 12,448,435	$ 1,917,723	$ 10,039,991	$ 1,964,783

(15) Major customer information

Major customer information of the Group for the years ended December 31, 2022 and 2021 is as follows:

	Year ended December 31			
	2022		2021	
	Revenue	Percentage of operating revenue	Revenue	Percentage of operating revenue
A	$ 3,032,721	24%	$ 2,570,024	26%
C	2,483,369	20%	2,442,580	24%
B	2,356,471	19%	1,550,347	15%
	$ 7,872,561	63%	$ 6,562,951	65%

FIC GLOBAL, INC. AND SUBSIDIARIES

Loans to others

Year ended December 31, 2022

Table 1

Expressed in thousands of NTD
(Except as otherwise indicated)

No. (Note 1)	Creditor	Borrower	General ledger account	Is a related party	Maximum outstanding balance during the year ended December 31, 2022	Balance at December 31, 2022	Actual amount drawn down	Interest rate	Nature of loan (Note 2)	Amount of transactions with the borrower	Reason for short -term financing	Allowance for doubtful accounts	Collateral Item	Collateral Value	Limit on loans granted to a single party	Ceiling on total loans granted	Footnote
0	FICG	Ubiqconn	Other receivables	Yes	$ 326,570	$ -	$ -	1.5	2	$ -	For operational need	$ -	-	$ -	$ 969,407	$ 1,292,542	Note 3
1	FIC, Inc.	FICG	Other receivables	Yes	1,110	-	-	1.315	2	-	For operational need	-	-	-	292,902	390,537	Note 3
		Access	Other receivables	Yes	42,994	21,497	21,497	5.3	2	-	For operational need	-	-	-	292,902	390,537	Note 3
2	FIC Holding	Access	Other receivables	Yes	73,947	73,947	73,947	0.6	2	-	For operational need	-	-	-	244,543	326,058	Note 5
3	Brilliant	Access	Other receivables	Yes	555,851	555,851	555,851	4.9764	2	-	For operational need	-	-	-	4,207,566	5,610,088	Note 5
4	FICTA	Prime Base	Other receivables	Yes	61,420	61,420	61,420	1.5-4.4	2	-	For operational need	-	-	-	202,223	231,112	Note 4
		FICG	Other receivables	Yes	140,000	-	-	1.565	2	-	For operational need	-	-	-	202,223	231,112	Note 4
		FIC, Inc.	Other receivables	Yes	105,000	65,000	65,000	1.94	2	-	For operational need	-	-	-	202,223	231,112	Note 4
5	Prime	Broad	Other receivables	Yes	272,244	158,617	158,617	0.8	2	-	For operational need	-	-	-	4,643,603	6,191,470	Note 7
6	Danriver	PUG	Other receivables	Yes	82,917	82,917	82,917	0.8	2	-	For operational need	-	-	-	1,241,932	1,655,909	Note 7
		Broad	Other receivables	Yes	368,520	368,520	342,417	0.8	2	-	For operational need	-	-	-	1,241,932	1,655,909	Note 7
7	Danriver GZ	Amertek	Other receivables	Yes	260,072	260,072	260,072	0.8-4.75	2	-	For operational need	-	-	-	970,973	1,294,631	Note 7
		Danriver	Other receivables	Yes	276,390	276,390	267,693	0-0.8	2	-	For operational need and past due accounts receivable	-	-	-	970,973	1,294,631	Note 7
		Prime GZ	Other receivables	Yes	26,448	26,448	26,448	4.75	2	-	For operational need	-	-	-	970,973	1,294,631	Note 7
8	3CEMS	Danriver System	Other receivables	Yes	162,763	162,763	162,763	0.8-4.67	2	-	For operational need	-	-	-	1,549,197	1,549,197	Note 6
		Prime Base	Other receivables	Yes	15,355	-	-	0.8	2		For operational need	-	-	-	1,549,197	1,549,197	Note 6
9	Danriver System GZ	Danriver System	Other receivables	Yes	344,259	344,259	332,344	0-0.8	2	-	For operational need and past due accounts receivable	-	-	-	642,562	856,749	Note 7
		Amertek	Other receivables	Yes	85,956	85,956	85,956	0.8-4.75	2	-	For operational need	-	-	-	642,562	856,749	Note 7

FIC GLOBAL, INC. AND SUBSIDIARIES

Loans to others

Year ended December 31, 2022

Table 1

Expressed in thousands of NTD
(Except as otherwise indicated)

No. (Note 1)	Creditor	Borrower	General ledger account	Is a related party	Maximum outstanding balance during the year ended December 31, 2022	Balance at December 31, 2022	Actual amount drawn down	Interest rate	Nature of loan (Note 2)	Amount of transactions with the borrower	Reason for short-term financing	Allowance for doubtful accounts	Collateral Item	Collateral Value	Limit on loans granted to a single party	Ceiling on total loans granted	Footnote
10	Prime GZ	Amertek	Other receivables	Yes	$ 30,856	$ -	$ -	0.8-4.75	2	$ -	For operational need	$ -	-	$ -	$ 5,016,859	$ 6,689,145	Note 7
11	Broad GZ	Broad	Other receivables	Yes	890,394	890,394	756,342	0.00-1.75	2	-	For operational need and past due accounts receivable	-	-	-	1,682,691	2,243,588	Note 7
		Amertek	Other receivables	Yes	268,888	268,888	268,888	0.8-4.75	2	-	For operational need	-	-	-	1,682,691	2,243,588	Note 7
		Prime GZ	Other receivables	Yes	17,632	17,632	17,632	4.75	2		For operational need	-	-	-	1,682,691	2,243,588	Note 7
12	Amertek	PUG	Other receivables	Yes	921,300	-	-	0	2	-	Past due accounts receivable	-	-	-	1,995,111	2,660,148	Note 7
13	Access	Fic SZ	Other receivables	Yes	399,230	399,230	381,893	0	2	-	Past due accounts receivable	-	-	-	1,547,784	2,063,712	Note 5
14	Prime Base	PUG	Other receivables	Yes	95,654	-	-	0.8	2	-	For operational need	-	-	-	422,662	563,549	Note 7
15	PUG	Danriver System	Other receivables	Yes	162,763	-	-	0.8	2	-	For operational need	-	-	-	4,392,841	5,857,121	Note 7
		Prime Base	Other receivables	Yes	168,905	72,169	72,169	0.8	2	-	For operational need	-	-	-	4,392,841	5,857,121	Note 7
		Brilliant	Other receivables	Yes	39,923	39,923	39,923	3.6	2	-	For operational need	-	-	-	1,171,424	1,171,424	Note 6
		Access	Other receivables	Yes	21,497	21,497	21,497	3.6	2	-	For operational need	-	-	-	1,171,424	1,171,424	Note 6
16	Fic SZ	Prime GZ	Other receivables	Yes	79,344	79,344	79,344	4.35	2	-	For operational need	-	-	-	174,418	232,558	Note 3

Note 1: The numbers filled in for the loans provided by the Company or subsidiaries are as follows:

(1) The Company is '0'.

(2) The subsidiaries are numbered in order starting from '1'

Note 2: The column of 'Nature of loan' shall fill in 'Business transaction or 'Short-term financing'.

(1) Business association is labeled as '1'

(2) Short-term financing is labeled as '2'.

Note 3: According to the FICG's and the investees' "Regulations for Provision of Loans", the limit on loans granted to a single party shall not exceed 30% of the investees' net assets value, and the ceiling on total loans shall not exceed 40% of the investees' net assets value.

Note 4: According to the investees"Regulations for Provision of Loans", the limit on loans granted to a single party shall not exceed 35% of the investees' net assets value, and the ceiling on total loans shall not exceed 40% of the investees' net assets value.

Note 5: According to the investees"Regulations for Provision of Loans", the overseas subsidiaries' loans are granted to the Company directly and indirectly holds 100% of the shares , the limit on loans granted to a single party shall not exceed 150% of the investees' paid-in capital and the ceiling on total loans shall not exceed 200% of the investees' paid-in capital.

Note 6: According to the investees"Regulations for Provision of Loans", the limit on loans granted to a single party shall not exceed 40% of the investees' net assets value, and the ceiling on total loans shall not exceed 40% of the investees' net assets value.

Note 7: According to the investees"Regulations for Provision of Loans", the overseas subsidiaries' loans are granted to the Company directly and indirectly holds 100% of the shares , the limit on loans granted to a single party shall not exceed 150% of the investees' paid-in capital and the ceiling on total loans shall not exceed 200% of the investees' paid-in capital.

FIC GLOBAL, INC. AND SUBSIDIARIES

Provision of endorsements and guarantees to other

Year ended December 31, 2022

Table 2

Expressed in thousands of NTD

(Except as otherwise indicated)

Number (Note 1)	Endorser/ guarantor	Party being endorsed/guaranteed Company nam	Relationship with the endorser/ guarantor (Note 2)	Limit on endorsements/ guarantees provided for a single party (Note 3)	Maximum outstanding endorsement/ guarantee amount as of December 31, 2022 (Note 4)	Outstanding endorsement/ guarantee amount at December 31, 2022 (Note 5)	Actual amount drawn down (Note 6)	Amount of endorsements/ guarantees secured wit collateral	Ratio of accumulated endorsement/guarantee amount to net asset value of the endorser/guarantor company	Ceiling on total amount of endorsements/ guarantees provided (Note 3)	Provision of endorsements/ guarantees by parent company to subsidiary (Note 7)	Provision of endorsements/ guarantees by subsidiary to parent company (Note 7)	Provision of endorsements/ guarantees to the party in Mainland China (Note 7)	Footnote
0	FICG	Ubiqconn	(2)	$ 5,379,304	$ 245,680	$ -	$ -	$ -	0%	$ 10,758,607	Y	N	N	
		Prime Base	(2)	5,379,304	501,801	501,801	73,397	-	16%	10,758,607	Y	N	N	
1	High Stnadard	FIC, Inc.	(3)	6,529,714	100,000	100,000	40,000	100,000	17%	13,059,428	N	N	N	
2	Prime Base	FICG	(3)	422,662	200,000	-	-	-	0%	563,549	N	Y	N	
3	3CEMS	PUG	(2)	5,809,489	30,710	30,710	-	-	1%	7,745,986	N	N	N	
4	Danriver GZ	Amertek	(4)	2,298,732	220,400	220,400	-	211,452	34%	4,597,463	N	N	Y	
5	Broad GZ	Amertek	(4)	2,098,046	440,800	440,800	-	422,519	39%	4,196,092	N	N	Y	

Note 1: The numbers filled in for the endorsements/guarantees provided by the Company or subsidiaries are as follows:

(1)The Company is '0'

(2)The subsidiaries are numbered in order starting from '1

Note 2: Relationship between the endorser/guarantor and the party being endorsed/guaranteed is classified into the following seven categories; fill in the number of category each case belongs to:

(1)Having business relationship

(2) The endorser/guarantor company owns directly or indirectly more than 50% voting shares of the endorsed/guaranteed company.

(3) The endorsed/guaranteed company owns directly or indirectly more than 50% voting shares of the endorser/guarantor company.

(4) The endorsed/guaranteed parent company directly or indirectly owns more than 90% voting shares of the endorser/guarantor subsidiary.

(5) Mutual guarantee of the trade as required by the construction contract.

(6) Due to joint venture, each shareholder provides endorsements/guarantees to the endorsed/guaranteed company in proportion to its ownership.

(7) The performance guarantees for the sale of pre-sales contracts under the Consumer Protection Law are jointly guaranteed.

Note 3 :

	Limit on endorsements/guarantees provided for a single party	Ceiling on total amounts of endorsements / guarantees provided
The FICG	250% of paid-in capital	500% of paid-in capital
High Standard	250% of paid-in capital	500% of paid-in capital
Prime Base	150% of current net assets	200% of current net assets
3CEMS Corporation	150% of current net assets	200% of current net assets
Danriver Technology (Guangzhou) Inc.	350% of paid-in capital	700% of paid-in capital
Broad Technology (Guangzhou) Inc.	250% of paid-in capital	500% of paid-in capital

Note 4: Fill in the year-to-date maximum outstanding balance of endorsements/guarantees provided as of the reporting period.

Note 5: Fill in the amount approved by the Board of Directors or the chairman if the chairman has been authorised by the Board of Directors based on subparagraph 8, Article 12 of the Regulations Loaning of Funds and Making of Endorsements/Guarantees by Public Companies.

Note 6: Fill in the actual amount of endorsements/guarantees used by the endorsed/guaranteed company.

Note 7: Fill in 'Y' for those cases of provision of endorsements/guarantees by listed parent company to subsidiary and provision by subsidiary to listed parent company, and provision to the party in Mainland China.

FIC GLOBAL, INC. AND SUBSIDIARIES

Holding of marketable securities at the end of the period (not including subsidiaries, associates and joint ventures)

December 31, 2022

Table 3

Expressed in thousands of NTD

(Except as otherwise indicated)

Securities held by	Marketable securities (Note 1)	Relationship with the securities issuer (Note 2)	General ledger account	As of December 31, 2022 Number of share	Book value (Note 3)	Ownership (%)	Fair value	Footnote (Note 4)
First International Computer, Inc.	Stocks							
	Digitimes Inc.	None	Financial assets at fair value through profit or loss - non - current	63	$ -	0.00	$ -	
	Changing Information Technology Inc.	None	Financial assets at fair value through other comprehensive income -non - current	295	7,013	0.02	7,013	
	IQ Technology Inc.	None	Financial assets at fair value through other comprehensive income -non - current	4	97	0.01	97	
	Forte Media, Inc.	None	Financial assets at fair value through other comprehensive income -non - current	900	13,024	0.01	13,024	
	Formosoft International Inc.	None	Financial assets at fair value through other comprehensive income -non - current	14	-	0.54	-	
	First Communication Inc.	None	Financial assets at fair value through other comprehensive income -non - current	-	-	0.00	-	
	Incomm Technologies Co., Ltd.	None	Financial assets at fair value through profit or loss - non - current	-	-	0.00	-	
	Mingo Telecom Inc.	None	Financial assets at fair value through profit or loss - non - current	68	-	1.00	-	
	Systems & Software Inc.	None	Financial assets at fair value through profit or loss - non - current	1	-	13.00	-	
	Environmental & Ocean Technology Inc.	None	Financial assets at fair value through profit or loss - non - current	100	-	11.00	-	
	China United Trust & Investment Corporation	None	Financial assets at fair value through profit or loss - non - current	890	-	1.00	-	
	Fonestock Technology Inc.	None	Financial assets at fair value through profit or loss - non - current	-	-	0.00	-	
	EGtran,Corp.	None	Financial assets at fair value through profit or loss - non - current	1,244	-	2.00	-	
	First International Digital,Inc.	None	Financial assets at fair value through profit or loss - non - current	5,400	-	19.00	-	
	VREX,Inc.	None	Financial assets at fair value through profit or loss - non - current	667	-	2.00	-	
	Turbo Ic,Inc.	None	Financial assets at fair value through profit or loss - non - current	400	-	1.00	-	
	CTO Corporation	None	Financial assets at fair value through profit or loss - non - current	-	-	8.00	-	

FIC GLOBAL, INC. AND SUBSIDIARIES

Holding of marketable securities at the end of the period (not including subsidiaries, associates and joint ventures)

December 31, 2022

Table 3

Expressed in thousands of NTD
(Except as otherwise indicated)

Securities held by	Marketable securities (Note 1)	Relationship with the securities issuer (Note 2)	General ledger account	As of December 31, 2022: Number of share	Book value (Note 3)	Ownership (%)	Fair value	Footnote (Note 4)
Brilliant	Stocks							
	Tech Power Ltd.	None	Financial assets at fair value through profit or loss - non - current	200	$ -	16.00	$ -	
	Openmoko Inc,	None	Financial assets at fair value through profit or loss - non - current	1,450	-	10.00	-	
	eVionyx,Inc.	None	Financial assets at fair value through profit or loss - non - current	144	-	1.00	-	
	Asia Technology 3 Ltd.	None	Financial assets at fair value through profit or loss - non - current	1	-	2.00	-	
	Preference share							
	Asia Technology 3 Ltd.	None	Financial assets at fair value through profit or loss - non - current	1	-	2.00	-	
	Lineo Inc.	None	Financial assets at fair value through profit or loss - non - current	333	-	1.00	-	
	Neo Paradigm Labs Inc.	None	Financial assets at fair value through profit or loss - non - current	4,348	-	11.00	-	
	Showiz,Inc.	None	Financial assets at fair value through profit or loss - non - current	1,500	-	5.00	-	
	iPilot,Inc.	None	Financial assets at fair value through profit or loss - non - current	800	-	9.00	-	
	Streaming21,Inc.	None	Financial assets at fair value through profit or loss - non - current	1,052	-	1.00	-	
	Vweb Corporation	None	Financial assets at fair value through profit or loss - non - current	500	-	1.00	-	
FICTA Technology Inc.	Stocks							
	Solar Applied Materials Technology Corp.	None	Financial assets at fair value through profit or loss - current	20	641	0.00	641	
	OFCO Industrial Corporation	None	Financial assets at fair value through profit or loss - current	25	619	0.03	619	
	Integrated Service Technology Inc.	None	Financial assets at fair value through profit or loss - current	20	1,404	0.03	1,404	
	Navitas Semiconductor Corporation (USD)	None	Financial assets at fair value through profit or loss - current	7	700	0.00	700	
	Sipp Technology Corporation	None	Financial assets at fair value through other comprehensive income -non - current	288	1,117	3.65	1,117	
	Fonestock Technology Inc.	None	Financial assets at fair value through other comprehensive income -non - current	64	-	3.18	-	

Note 1: Marketable securities in the table refer to stocks, bonds, beneficiary certificates and marketable securities derived from the above items that fall within the scope of IFRS 9, "Financial Instruments".

Note 2: Leave the column blank if the issuer of marketable securities is non-related party

Note 3: Fill in the amount after adjusted at fair value and deducted by accumulated impairment for the marketable securities measured at fair value; fill in the acquisition cost or amortised cost deducted by accumulated impairment for the marketable securities not measured at fair value.

Note 4: The number of shares of securities and their amounts pledged as security or pledged for loans and their restrictions on use under some agreements should be stated in the footnote if the securities presented herein have such conditions

Table 4

FIC GLOBAL, INC. AND SUBSIDIARIES

Purchases or sales of goods from or to related parties reaching NT$100 million or 20% of paid-in capital or more

Year ended December 31, 2022

Expressed in thousands of NTD

(Except as otherwise indicated)

			Transaction				Compared to third party transactions		Notes/accounts receivable (payable)		
Purchaser/seller	Counterparty	Relationship with the counterparty	Purchases (sales)	Amount	Percentage of total purchases (sales)	Credit term	Unit price	Credit term	Balance	Percentage of total notes/accounts receivable (payable)	Footnote
Prime GZ	Prime Base	Subsidiary	Sales	$ 4,013,797	74%	Periodic settlement or offsetting, the payment period was 120 days.	Same as non-related parties	Similar transactions with non- related parties	$ 803,512	50%	
Amertek	FIC, Inc.	Subsidiary	Sales	1,306,300	41%	Periodic settlement or offsetting, the payment period was 60 days.	Same as non-related parties	Similar transactions with non- related parties	918,071	82%	
Amertek	Ubiqconn	Subsidiary	Sales	100,376	3%	Periodic settlement or offsetting, the payment period was 60 days.	Same as non-related parties	Similar transactions with non- related parties	32,763	3%	
Amertek	PUG Taiwan branch	Subsidiary	Sales	1,383,842	44%	Periodic settlement or offsetting, the payment period was 60 days.	Same as non-related parties	Similar transactions with non- related parties	-	-	
Ubiqconn	Ruggon	Subsidiary	Sales	131,010	4%	The payment period was 30 days.	Same as non-related parties	Similar transactions with non- related parties	9,483	2%	

Note: These transactions are shown in revenue, and related transations were no longer disclosed.

FIC GLOBAL, INC. AND SUBSIDIARIES

Receivables from related parties reaching NT$100 million or 20% of paid-in capital or more

Year ended December 31, 2022

Table 5

Expressed in thousands of NTD
(Except as otherwise indicated)

Creditor	Counterparty	Relationship with the counterparty	Balance as at December 31, 2022	Turnover rate	Overdue Amount	Overdue Action taken	Amount collected subsequent to the balance sheet dat	Allowance for doubtful accounts
FIC, Inc.	FIC do Brasil	Associates	$ 138,758	-	$ 138,758	Intensify collection	$ -	($ 138,758)
Access	Fic SZ	Subsidiary	381,893	Note	-	-	-	-
Brilliant	Access	Subsidiary	555,851	Note	-	-	-	-
3CEMS	Danriver System	Subsidiary	162,763	Note	-	-	-	-
Prime	Broad	Subsidiary	158,617	Note	-	-	-	-
Danriver	Broad	Subsidiary	342,417	Note	-	-	-	-
Danriver GZ	Danriver	Subsidiary	267,693	Note	-	-	-	-
	Amertek	Subsidiary	260,072	Note	-	-	-	-
Danriver System GZ	Danriver System	Subsidiary	332,344	Note	-	-	-	-
Broad GZ	Broad	Subsidiary	756,342	Note	-	-	-	-
	Amertek	Subsidiary	268,888	Note	-	-	-	-
Prime GZ	Prime Base	Subsidiary	803,512	7.28	-	-	-	-
Amertek	FIC, Inc.	Subsidiary	918,071	2.14	-	-	159,128	-

Note: The calculation of turnover rate was not applicable because it was a loan to others.

FIC GLOBAL, INC. AND SUBSIDIARIES

Significant inter-company transactions during the reporting period

Year ended December 31, 2022

Table 6

Expressed in thousands of NTD

(Except as otherwise indicated)

Number (Note 1)	Company name	Counterparty	Relationship (Note 2)	Transaction: General ledger account	Transaction: Amount	Transaction: Transaction term	Transaction: Percentage of consolidated total operating revenues or total assets (Note 3)
1	Access	Fic SZ	3	Other receivables-financing-related party	$ 381,893	Collection of payments at maturity according to the agreement.	4%
2	Brilliant	Access	3	Other receivables-financing-related party	555,851	Collection of payments at maturity according to the agreement.	5%
3	Ubiqconn	Ruggon	3	Sales	131,010	The payment period was 30 days.	1%
4	Amertek	PUG Taiwan branch	3	Sales	1,383,842	Periodic settlement or offsetting, the payment period was 60 days.	11%
	Amertek	FIC, Inc.	3	Accounts receivable	918,071	Periodic settlement or offsetting, the payment period was 60 days.	9%
	Amertek	FIC, Inc.	3	Sales	1,306,300	Periodic settlement or offsetting, the payment period was 60 days.	10%
5	Broad GZ	Broad	3	Other receivables-financing-related party	756,342	Collection of payments at maturity according to the agreement.	7%
	Broad GZ	Amertek	3	Other receivables-financing-related party	268,888	Collection of payments at maturity according to the agreement.	3%
6	Danriver GZ	Danriver	3	Other receivables-financing-related party	267,693	Collection of payments at maturity according to the agreement.	3%
	Danriver GZ	Amertek	3	Other receivables-financing-related party	260,072	Collection of payments at maturity according to the agreement.	3%
7	Danriver System GZ	Danriver System	3	Other receivables-financing-related party	332,344	Collection of payments at maturity according to the agreement.	3%
8	Danriver	Broad	3	Other receivables-financing-related party	342,417	Collection of payments at maturity according to the agreement.	3%
9	Prime	Broad	3	Other receivables-financing-related party	158,617	Collection of payments at maturity according to the agreement.	2%
10	3CEMS	Danriver System	3	Other receivables-financing-related party	162,763	Collection of payments at maturity according to the agreement.	2%
11	Prime GZ	Prime Base	3	Accounts receivable	803,512	Periodic settlement or offsetting, the payment period was 120 days.	8%
	Prime GZ	Prime Base	3	Sales	4,013,797	Periodic settlement or offsetting, the payment period was 120 days.	32%

Note 1: The numbers filled in for the transaction company in respect of inter-company transactions are as follows:

(1) Parent company is '0'

(2) The subsidiaries are numbered in order starting from '1'

Note 2: Relationship between transaction company and counterparty is classified into the following three categories; fill in the number of category each case belongs to (If transactions between parent company and subsidiaries or between subsidiaries refer to the same transaction, it is not required to disclose twice. For example, if the parent company has already disclosed its transaction with a subsidiary, then the subsidiary is not required to disclose the transaction;for transactions between two subsidiaries, if one of the subsidiaries has disclosed the transaction, then the other is not requiredto disclose the transaction.):

(1) Parent company to subsidiary.

(2) Subsidiary to parent company.

(3) Subsidiary to subsidiary.

Note 3: Regarding percentage of transaction amount to consolidated total operating revenues or total assets, it is computed based on period-end balance of transaction to consolidated total assets for balance sheet accounts and based on accumulated transaction amount for the period to consolidated total operating revenues for income statement accounts.

Note 4: If the amount of individual transactions does not reach 1% of the consolidated total revenue and 1% of the consolidated total assets, they will not be disclosed; in addition, as the transactions are shown in asset-income form, the relative transactions are not disclosed.

FIC GLOBAL, INC. AND SUBSIDIARIES

Information on investees

Year ended December 31, 2022

Table 7

Expressed in thousands of NTD

(Except as otherwise indicated)

				Initial investment amount		Shares held as at December 31, 2022					
Investor	Investee	Location	Main business activities	Balance as at December 31, 2022	Balance as at December 31, 2021	Number of shares	Ownership (%)	Book value	Net profit (loss) of the investee for the year ended December 31, 2022	Investment income (loss) recognised by the Company for the year ended December 31, 2022	Footnote
FICG	First International Computer, Inc.	Taiwan	Computer system analysis, planning and maintenance, EMS and import and export trade business	$ 3,172,961	$ 3,172,961	86,968	100.00	$ 970,987	$ 172,003	$ 176,336	
	FICTA Technology Inc.	Taiwan	Communication product business	514,547	514,547	41,496	69.00	357,513	64,583	44,665	
	3CEMS Corporation	Cayman Islands	Investment	1,291,806	1,291,806	317,609	36.00	1,400,350	415,496	150,230	
	Ubiqconn Technology, Inc.	Taiwan	Manufacturing and sales of industrial computers, automotive electronics, electronic components and peripheral equipment.	600,312	429,347	39,142	52.00	598,337	207,192	105,978	
	LEO Systems, Inc.	Taiwan	Sales of information software and hardware products, software planning and design, computer hardware maintenance services, system integration	13,391	13,391	1,787	2.00	29,080	285,370	5,794	
	Formosa21 Inc.	Taiwan	Manufacture, distribution, renting, maintenance and import and export trade business of computer system, data communication system, peripheral equipment, terminal equipment and related business machine.	5	5	-	-	5	1,223	-	
	Geointelligence Systems, Inc.	Taiwan	Accept the commison of civil engineering planning and design and related business	561	561	43	1.00	626	10,043	110	

FIC GLOBAL, INC. AND SUBSIDIARIES

Information on investees

Year ended December 31, 2022

Table 7

Expressed in thousands of NTD

(Except as otherwise indicated)

Investor	Investee	Location	Main business activities	Initial investment amount: Balance as at December 31, 2022	Initial investment amount: Balance as at December 31, 2021	Shares held as at December 31, 2022: Number of shares	Shares held as at December 31, 2022: Ownership (%)	Shares held as at December 31, 2022: Book value	Net profit (loss) of the investee for the year ended December 31, 2022	Investment income (loss) recognised by the Company for the year ended December 31, 2022	Footnote
First International Computer, Inc.	Brilliant World Limited	British Virgin Islands	Investment	$ 2,869,980	$ 2,869,980	91,340	100.00	$ 572,464	$ 18,613	$ -	
	High Standard Global Corporation	British Virgin Islands	Investment	2,704,361	2,704,361	85,050	100.00	585,432	6,120	-	
	Zircon Global Corporation	British Virgin Islands	Investment	-	271,109	-	-	-	615,121	-	
	City Smarter Technologies Corporation	Taiwan	Manufacture and sale of telecommunication equipment, electronic components, computers, peripheral equipment and office equipment.	2,860	2,860	36	19.00	646	328	-	
	Access Trend Limited	British Virgin Islands	International Trade business	617,994	617,994	33,600	100.00	(433,460)	(619,609)	-	
	FIC First international Holding B.V.	Nederland	Investment	913,148	913,148	4,983	100.00	74,923	126	-	
	3CEMS Corporation	Cayman Islands	Investment	1,267,081	1,267,081	194,212	22.00	856,287	415,496	-	
	First international Computer do Brasil Ltd.	Brasil	Distribution of computers and peripheral equipment	266,992	266,992	18,373	45.00	-	-	-	
	Venture Gain Developments Ltd.	British Virgin Islands	Investment	3,182	3,182	100	20.00	-	-	-	
	LEO Systems, Inc.	Taiwan	Sales of information software and hardware products, software planning and design, computer hardware maintenance services, system integration	124	124	14	0.02	221	285,370	-	
	Web Information Technology Inc.	Taiwan	Manufacture, development, distribution, renting, maintenance and import and export trade business of computer system, data communication system, peripheral equipment, terminal equipment and related business machine.	28,348	28,348	2,937	42.00	-	-	-	
	Lambert Newmedia, Inc.	Taiwan	Computer equipment installation, retail sale of computer software and digital information supply services	2,800	2,800	280	24.00	-	-	-	

FIC GLOBAL, INC. AND SUBSIDIARIES

Information on investees

Year ended December 31, 2022

Table 7

Expressed in thousands of NTD

(Except as otherwise indicated)

				Initial investment amount		Shares held as at December 31, 2022					
Investor	Investee	Location	Main business activities	Balance as at December 31, 2022	Balance as at December 31, 2021	Number of shares	Ownership (%)	Book value	Net profit (loss) of the investee for the year ended December 31, 2022	Investment income (loss) recognised by the Company for the year ended December 31, 2022	Footnote
FIC Holding	3CEMS Europe B.V.	Netherlands	Purchase, sale and after-sales service of computers and parts	$ 785	$ 785	7	100.00	$ -	$ -	$ -	
FICTA Technology Inc.	Ubiqconn Technology, Inc.	Taiwan	Manufacturing and sales of industrial computers, automotive electronics, electronic components and peripheral equipment.	248,112	248,112	14,751	20.00	225,486	207,192	47,952	
	LEO Systems, Inc.	Taiwan	Sales of information software and hardware products, software planning and design, computer hardware maintenance services, system integration	75,984	75,984	3,367	4.00	54,862	285,370	10,912	
	Formosa21 Inc.	Taiwan	Manufacture, distribution, renting, maintenance and import and export trade business of computer system, data communication system, peripheral equipment, terminal equipment and related business machine.	19,035	19,035	2,038	29.00	21,050	1,223	356	
	Witology Technology Company Limited	Taiwan	Research on electronic related industry	10,000	-	1,000	25.00	10,000	(1,901)	-	
3CEMS	3CEMS Investment Management Limited	Hong Kong	Investment	-	-	-	100.00	(616)	(121)	-	Note
	Prime Foundation Inc.	British Virgin Islands	Investment	1,447,024	799,349	27,403	100.00	3,095,735	247,036	-	
	Danriver System Inc.	British Virgin Islands	Investment	-	-	8,500	100.00	(78,126)	29,863	-	
	Danriver Inc.	British Virgin Islands	Investment	1,066,527	1,066,527	30,000	100.00	827,955	61,926	-	
	Broad Technology,Inc.	British Virgin Islands	Investment	227,388	227,388	5,000	100.00	(155,854)	78,419	-	

FIC GLOBAL, INC. AND SUBSIDIARIES

Information on investees

Year ended December 31, 2022

Table 7

Expressed in thousands of NTD

(Except as otherwise indicated)

				Initial investment amount		Shares held as at December 31, 2022					
Investor	Investee	Location	Main business activities	Balance as at December 31, 2022	Balance as at December 31, 2021	Number of shares	Ownership (%)	Book value	Net profit (loss) of the investee for the year ended December 31, 2022	Investment income (loss) recognised by the Company for the year ended December 31, 2022	Footnote
Prime	Perfect Union Global Inc.	British Virgin Islands	Investment	$ 2,681,086	$ 647,675	82,332	100.00	$ 2,928,561	$ 238,485	$ -	
	Prihot Electronic (M) Sdn. Bhd.	Malaysia	Electronics components testing and manufacturing	1,245	1,245	-	25.00	-	(311)	-	
Prime Technology (Guangzhou) Inc.	Prime Base Inc.	Cayman Islands	Investment, assembly service and trading of printed circuit board and electronic parts and components	3,287	3,287	100	100.00	242,987	2,452	-	
Ubiqconn Technology, Inc.	Ruggon Corporation	Taiwan	Trade of industrial computers, automotive products, electronic components and peripheral equipment.	110,768	2,000	12,000	100.00	43,827	-	-	
	Ubiqconn Technology (USA) Inc.	USA	Trade of industrial computers, automotive products, electronic components and peripheral equipment.	16,708	16,708	5,500	100.00	754	(12,003)	(12,003)	

Note: As of December 31, 2022, the investment has not yet been remitted

FIC GLOBAL, INC. AND SUBSIDIARIES

Information on investments in Mainland China

Year ended December 31, 2022

Table 8

Investee in Mainland China	Main business activities	Paid-in capital	Investment method (Note 1)	Accumulated amount of remittance from Taiwan to Mainland China as of January 1, 2022	Amount remitted from Taiwan to Mainland China/Amount remitted back to Taiwan for the year ended December 31, 2022: Remitted to Mainland China	Remitted back to Taiwan	Accumulated amount of remittance from Taiwan to Mainland China as of December 31, 2022	Net income of investee for the year ended December 31, 2022	Ownership held by the Company (direct or indirect)	Investment income (loss) recognised by the Company for the year ended December 31, 2022 (Note 2)	Book value of investments in Mainland China as of December 31, 2022	Accumulated amount of investment income remitted back to Taiwan as of December 31, 2022	Footnote
Shanghai Zhong Chuan Plastics Co., Ltd.	Production and sales of electronic components and plastic stationery and toys.	$ 121,346	2	$ 121,346	$ -	$ -	$ 121,346	$ -	-	$ -	$ -	$ -	Note 11
Guangzhou Han Rigid Corporation	Production and sales of PVC Rigid Film.	1,304,800	2	195,720	-	-	195,720	-	-	-	-	-	Note 11
Shanghai User Electronics Co., Ltd.	Production and sales of software and hardware, computer case and accessories	35,230	2	6,850	-	-	6,850	-	-	-	-	-	Note 2 (2)C
Broad Technology (Guangzhou) Inc.	Real estate leasing business	750,260	2	587,160	-	-	587,160	17,986	58	10,480	1,121,794	-	Note 2 (2)B, Note 10
Prime Technology (Guangzhou) Inc.	Production and sales of main board	672,515	2	391,440	-	-	391,440	236,924	58	138,056	3,346,371		Note 2 (2), Note 7, Note 10
Danriver Technology (Guangzhou) Inc.	Real estate leasing business	587,160	2	391,440	-	-	391,440	57,606	58	33,567	647,315	-	Note 2 (2)B, Note 7, Note 10
Fic (Suzhou) Inc.	Real estate leasing business	3,082,634	2	2,915,573	-	-	2,915,573	9,868	100	9,868	581,394	-	Note 2 (2)B, Note 13
Broadteam Electronics (Guangzhou) Inc.	Production and sales of printed circuit board	820,854	2	-	-	-	-	-	-	-	-	-	Note 4, Note 7, Note 10, Note 11
Zircon Technology (Wujiang) Co., Ltd.	Production and sales of portable digital automation data processing machine and printed circuit board	254,436	2	263,080	-	-	263,080	-	-	-	-	-	Note 2 (2)C, Note 11
Danriver System (Guangzhou) Inc.	Production and sales of printed circuit board	326,000	2	-	-	-	-	34,490	58	20,097	428,374	-	Note 2 (2)C, Note 5, Note 7, Note 10
Delton Electronics (Guangzhou) Inc.	Production and sales of printed circuit board	900,312	2	-	-	-	-	-	-	-	-	-	Note 6, Note 7, Note 8, Note 11

Table 8

FIC GLOBAL, INC. AND SUBSIDIARIES

Information on investments in Mainland China

Year ended December 31, 2022

Investee in Mainland China	Main business activities	Paid-in capital	Investment method (Note 1)	Accumulated amount of remittance from Taiwan to Mainland China as of January 1, 2022	Amount remitted from Taiwan to Mainland China/Amount remitted back to Taiwan for the year ended December 31, 2022: Remitted to Mainland China	Remitted back to Taiwan	Accumulated amount of remittance from Taiwan to Mainland China as of December 31, 2022	Net income of investee for the year ended December 31, 2022	Ownership held by the Company (direct or indirect)	Investment income (loss) recognised by the Company for the year ended December 31, 2022 (Note 2)	Book value of investments in Mainland China as of December 31, 2022	Accumulated amount of investment income remitted back to Taiwan as of December 31, 2022	Footnote
Ficus Systems (Shanghai) Inc.	Production and sales of mobile phone and related accessories	$ 68,750	2	$ -	$ -	$ -	$ -	$ -	-	$ -	$ -	$ -	Note 7, Note 11
Shanghai Zhongchuan Plastics Limited	Research and development of computer software and hardware	4,489	2	45	-	-	45	-	-	-	-	-	Note 12
Success Technology (GuangZhou) Inc.	Production and sales of printed circuit board	336,363	2	-	-	-	-	-	-	-	-	-	Note 9, Note 11
Amertek Computer (Shenzhen) Co., Ltd.	Production and sales of desk personal computers, main board	747,896	2	-	-	-	-	176,414	58	102,796	1,330,074	-	Note 2 (2)B, Note 10
Comserve Network (Guangzhou) Co., Ltd.	Testing and maintenance of the electronic products; providing bonded warehouse	15,138	2	15,138	-	-	15,138	-	-	-	-	-	Note 12
Green E Trading (Guangzhou) Co., Ltd.	Production and sales of LED and the solar photovoltaic products	3,936	2	3,149	-	-	3,149	-	-	-	-	-	Note 12
NBM Production(DongGuan)Co., Ltd.	Production and sales of computer host, main board and control board	20,706	2	20,706	-	-	20,706	-	-	-	-	-	Note 12
Amerwave Technology (Shenzhen) Co., Ltd.	Production and sales of computer host, main board and control board	282,750	2	-	-	-	-	12,585	23	2,861	85,924	-	Note 2 (2)B, Note 9
China Applied Technology Co., Ltd.	Internet of Things (IoT), Development of intelligent technology, Technology transfer, Technological consultancy and service, Import and export business of goods and technology.	57,580	2	-	-	-	-	-	-	-	-	-	Note 8, Note 11
Amerwis Technology (Shenzhen) Co., Ltd.	Providing research&development services and trading	894	2	-	-	-	-	(272)	58	(158)	1,036	-	Note 2 (2)B, Note 9

Table 8

FIC GLOBAL, INC. AND SUBSIDIARIES

Information on investments in Mainland China

Year ended December 31, 2022

Company name	Accumulated amount of remittance from Taiwan to Mainland China as of December 31, 2022	Investment amount approved by the Investment Commission of the Ministry of Economic Affairs (MOEA)	Ceiling on investments in Mainland China imposed by the Investment Commission of MOEA
FIC GLOBAL, INC. AND SUBSIDIARIES	$ 4,911,647	$ 5,887,682	$ 1,938,813

Note 1: Investment methods are classified into the following three categories; fill in the number of category each case belongs to
(1) Directly invest in a company in Mainland China.
(2) Through investing in an existing company in the third area, 3CEMS, Zircon and High standard which then invested in the investee in Mainland China
(3) Others
Note 2: In the Investment income (loss) recognized by the Company for the year ended December 31, 2022 column:
(1) Indicate if the company did not accrue investment income or loss since it was still in preparation.
(2) Indicate the basis for investment income (loss) recognition in the number of one of the following three categories:
A.The financial statements were audited and attested by international accounting firms which are in collaborative relationships whith accounting firms in R.O.C.
B.The financial statements were audited and attested by R.O.C. parent company's CPA.
C. Others : The investment income or loss is recognized on the basis of the unreviewed financial statements for the same period.
Note 3: The numbers in this table are expressed in New Taiwan dollars,
Note 4: Broadteam Electronics (Guangzhou) Inc. is based on Jing-Shen-II-Zi Letter No. 91007611 (經審二字第91007611號函) as approved by the investment Commission, Ministry of Economic Affairs. As the funds are from the FICG's own funds of its indirectly controlled subsidiaries, there are no funds remitted.
Note 5: Danriver System (Guangzhou) Inc. is based on Jing-Shen-II-Zi Letter No. 92017614 (經審二字第92017614號函) as approved by the investment Commission, Ministry of Economic Affairs, but the funds are from the FICG's own funds of its indirectly controlled subsidiaries, so there are no funds remitted.
Note 6: Delton Electronics (Guangzhou) Inc. is based on Jing-Shen-II-Zi Letter No. 92008097 (經審二字第92008097號函) as approved by the investment Commission, Ministry of Economic Affairs, but the funds are from the FICG's own funds of its indirectly controlled subsidiaries, so there are no funds remitted.
Note 7: The investment in Mainland China held by First International Computer, Inc. had been sold to its parent company, FIC GLOBAL, INC. in 2015, which has not been approved by the investment Commission of the Ministry of Economic Affairs as of December 31, 2022.
Note 8: As of December 31, 2022, the indirectly acquired of investment in Mainland China business which are the investee purchased by the subsidiary established through in the third area has not been approved by the investment Commission of the Ministry of Economic Affairs.
Note 9: As of December 31, 2022, the investment in Mainland China which are invested through investing in the subsidiary in the third area has not been approved by the investment Commission of the Ministry of Economic Affairs.
Note 10: As of December 31, 2022, Amertek Limited repaid the accounts payable of First International Computer, Inc. by using the shares of 3CEMS Corp. and CEMS Inc., the repayment amounted to 817,019 thousand and 53,074 thousand.
The company acquired the residual property (owning the long-term equity investments of 3CEMS Corp.) due to the liquidation of CEMS Inc. in 2011, amounted to $258,471.
Note 11: All the ownership has been sold.
Note 12: The liquidation has been completed
Note 13: As of December 31, 2022, Fic (Suzhou) Inc. reduced its capital by cash amounting to 149,900 thousand, of which 8,994 thousand had been collected, only are not approved by the investment Commission of the Ministry of Economic Affairs.
Note 14: The carrying amount of the investments in the Mainland China investees are presented at the end of the period.

FIC GLOBAL, INC. AND SUBSIDIARIES

Major shareholders information

December 31, 2022

Table 9

	Shares	
Name of major shareholders	Total shares owned	Owership
Chia Chao Investment Inc.	45,723,836	21.24%
WYC God-loving Foundation for Charity	35,292,065	16.40%
CGCH Education Charitable Trust Fund	32,000,000	14.87%
Zong Jing Investment Inc.	15,942,466	7.40%
Chi Hsin Investment Inc.	15,021,646	6.98%

Note 1: The major shareholders information was derived from the data that the Company issued common shares (including treasury shares) and preference shares in dematerialised form which were registered and held by the shareholders above 5% on the last operating date of each quarter and was calculated by Taiwan Depository & Clearing Corporation. The share capital which was recorded in the financial statements is different from the actual number of shares issued in dematerialised form because of the different calculation basis.

Note 2: If the aforementioned data contains shares which were held in trust by the shareholders, the data was disclosed as a separate account of client which was set by the trustee. As for the shareholder who reports share equity as an insider whose shareholding ratio is greater than 10% in accordance with Securities and Exchange Act, the shareholding ratio include the self-owned shares and shares held in trust, at the same time, the shareholder who has the power to decide how to allocate the trust assets. For the information on reported share equity of insider, please refer to Market Observation Post System.

INDEPENDENT AUDITORS' REPORT TRANSLATED FROM CHINESE

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

Opinion

We have audited the accompanying parent company only balance sheets of FIC Global, Inc. (the "FICG") as at December 31, 2022 and 2021, and the related parent company only statements of comprehensive income, of changes in equity and of cash flows for the years then ended, and notes to the parent company only financial statements, including a summary of significant accounting policies.

In our opinion, based on our audits and the reports of other auditors (refer to the Other matter section), the accompanying parent company only financial statements present fairly, in all material respects, the financial position of FICG as at December 31, 2022 and 2021, and its financial performance and its cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

Basis for opinion

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

Key audit matters

Key audits matters are those matters that, in our professional judgment, were of most significance in our audit of FICG's 2022 parent company only financial statements. These matters were addressed in the context of our audit of the financial statements as a whole and, in forming our opinion thereon, we do not provide a separate opinion on these matters.

Key audit matters for FICG's 2022 financial statements are stated as follows:

Valuation of investments accounted for under equity method

Refer to Note 4(10) for accounting policy on investments accounted for using equity method and Note 6(3) for details of investments accounted for using equity method.

As at December 31, 2022, the balance of FICG's investments in its subsidiaries amounted to $3,327,186 thousand, constituting 92% of the total assets. As the balance of investments in subsidiaries is material to the financial statements, we considered the valuation of investments accounted for under equity method a key audit matter. Accordingly, we determined that the key audit matters of FICG's investments accounted for using equity method - existence of revenue from newly listed top ten sales customers and evaluation of inventories, are also applicable as key areas of focus for this year's audit of FICG.

Investments accounted for using equity method - existence of revenue from newly listed top ten sales customers

Description

Refer to Note 4(31) of the consolidated financial statements for accounting policies on revenue recognition, and Note 6(23) of the consolidated financial statements for details of operating revenue.

FICG's subsidiaries are primarily engaged in the research and development, production and sales of automotive electronics, surveillance products and industrial computers, electronic contract manufacturing of computers and server products. Since product orders are affected by project cycles and the subsidiaries will have to focus on accepting orders of new projects, there will be changes in the top ten sales customers, which has a significant impact on the consolidated operating revenue. Thus, the existence of FICG's subsidiaries' sales revenue from newly listed top ten sales customers has been identified as one of the key audit matters.

How our audit addressed the matter

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

4. Obtained an understanding of, and assessed FICG's subsidiaries' internal controls over sales transactions.
5. Examined the relevant industry background information of newly listed top ten sales customers.
6. Selected samples of sales transactions from the newly listed top ten sales customers and verified against related vouchers to ascertain existence of sales revenue.

Investments accounted for using equity method - evaluation of inventories

Description

Refer to Note 4(13) of the consolidated financial statements for the accounting policies on the evaluation of inventories, Note 5(2) of the consolidated financial statements for the uncertainty of accounting estimates and assumptions for evaluation of inventories, and Note 6(6) of the consolidated financial statements for the details of inventory.

Due to the rapid technological innovations and competition within the industry, frequent releases of new products result in potential price fluctuations and product marginalization in the market. Additionally, it also affects the estimation of net realizable values of inventories.

In response to changing markets and its development strategies, FICG's subsidiaries adjust their inventory levels. As a result, the related inventory levels for the product line as mentioned above are significant. Inventories are stated at the lower of cost and net realizable value. Since the evaluation of inventories is subject to management's judgement and the accounting estimations will have significant influence on the inventory values, the evaluation of inventories has been identified as one of the key audit matters.

How our audit addressed the matter

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

4. Assessed the policy on allowance for inventory valuation loss based on our understanding of the operations and industry of FICG's subsidiaries.
5. Inspected the management's individually identified out-of-date inventory list and checked the related supporting documents.
6. Tested the basis of market value used in calculating the net realizable values of inventory and validated the accuracy of net realizable value calculation of selected samples.

Other matter – reference to the audits of other independent auditors

We did not audit the financial statements of certain investments accounted for under the equity method. The balance of these investments accounted for under the equity method amounted to NT$387,223 thousand and NT$326,697 thousand, constituting 11% and 10% of total assets as of December 31, 2022 and 2021, respectively, and the share of profit of associates accounted for under the equity method amounted to NT$49,732 thousand and NT$44,650 thousand, constituting 10% and 19% of total comprehensive income for the years then ended, respectively. The financial statements of these investees were audited by other independent auditors whose reports thereon have been furnished to us, and our opinion expressed herein, insofar as it relates to the amounts included in the financial statements relative to these investees is based solely on the audit reports of the other independent auditors.

Responsibilities of management and those charged with governance for the parent company only financial statements

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

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

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

Auditors' responsibilities for the audit of the parent company only financial statements

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

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

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

2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of FICG's internal control.

3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on FICG's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the parent company only financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause FICG to cease to continue as a going concern.

5. Evaluate the overall presentation, structure and content of the parent company only financial statements, including the disclosures, and whether the parent company only financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

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

Chang, Shu-Chiung

Lin, Po-Chuan

For and on Behalf of PricewaterhouseCoopers, Taiwan

March 30, 2023

The accompanying parent company only financial statements are not intended to present the financial position and results of operations and cash flows in accordance with accounting principles generally accepted in countries and jurisdictions other than the Republic of China. The standards, procedures and practices in the Republic of China governing the audit of such financial statements may differ from those generally accepted in countries and jurisdictions other than the Republic of China. Accordingly, the accompanying parent company only financial statements and independent auditors' report are not intended for use by those who are not informed about the accounting principles or auditing standards generally accepted in the Republic of China, and their applications in practice.
As the financial statements are the responsibility of the management, PricewaterhouseCoopers cannot accept any liability for the use of, or reliance on, the English translation or for any errors or misunderstandings that may derive from the translation.

FIC GLOBAL, INC.
PARENT COMPANY ONLY BALANCE SHEETS
DECEMBER 31, 2022 AND 2021
(Expressed in thousands of New Taiwan Dollars)

	Assets	Notes	December 31, 2022 AMOUNT	%	December 31, 2021 AMOUNT	%
	Current assets					
1100	Cash and cash equivalents	6(1)	$ 237,909	7	$ 141,107	5
1110	Current financial assets at fair value through profit or loss	6(2)	1,129	-	1,887	-
1180	Accounts receivable due from related parties, net	7	515	-	525	-
1200	Other receivables		138	-	1	-
1210	Other receivables due from related parties	7	-	-	326,570	10
1470	Other current assets		641	-	453	-
11XX	**Total current assets**		240,332	7	470,543	15
	Non-current assets					
1550	Investments accounted for using equity method	6(3) and 7	3,356,897	93	2,769,357	85
1600	Property, plant and equipment		24	-	-	-
1780	Intangible assets		1,944	-	-	-
1900	Other non-current assets		-	-	1,400	-
15XX	**Total non-current assets**		3,358,865	93	2,770,757	85
1XXX	**Total assets**		$ 3,599,197	100	$ 3,241,300	100

(Continued)

FIC GLOBAL, INC.
PARENT COMPANY ONLY BALANCE SHEETS
DECEMBER 31, 2022 AND 2021
(Expressed in thousands of New Taiwan Dollars)

	Liabilities and Equity	Notes	December 31, 2022 AMOUNT	%	December 31, 2021 AMOUNT	%
	Current liabilities					
2200	Other payables	6(4)	$ 24,350	1	$ 18,704	1
2220	Other payables to related parties	7	123,200	3	140,000	4
2230	Current tax liabilities		9,529	-	-	-
2320	Long-term liabilities, current portion	6(5)	210,726	6	-	-
2399	Other current liabilities		37	-	20	-
21XX	**Total current liabilities**		367,842	10	158,724	5
	Non-current liabilities					
2530	Bonds payable	6(5)	-	-	285,734	9
2620	Long-term notes and accounts payable to related parties	7	-	-	51,000	1
25XX	**Total non-current liabilities**		-	-	336,734	10
2XXX	**Total liabilties**		367,842	10	495,458	15
	Equity					
	Share capital	6(7)				
3110	Ordinary share		2,151,721	60	2,109,305	65
	Capital surplus	6(8)				
3200	Capital surplus		439,563	12	393,596	13
	Retained earnings	6(9)				
3310	Legal reserve		52,361	1	28,827	1
3320	Special reserve		290,770	8	269,545	8
3350	Unappropriated retained earnings		676,830	19	235,339	7
	Other equity interest					
3400	Other equity interest		(379,890)	(10)	(290,770)	(9)
3XXX	**Total equity**		3,231,355	90	2,745,842	85
	Significant contingent libilities and unrecognised contract commitments	9				
	Significant events after the balance sheet date	11				
3X2X	**Total liabilities and equity**		$ 3,599,197	100	$ 3,241,300	100

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

FIC GLOBAL, INC.
PARENT COMPANY ONLY STATEMENTS OF COMPREHENSIVE INCOME
YEARS ENDED DECEMBER 31, 2022 AND 2021
(Expressed in thousands of New Taiwan Dollars, except for earnings per share amount)

			Year ended December 31			
			2022		2021	
	Items	Notes	AMOUNT	%	AMOUNT	%
4000	Operating revenue	6(10) and 7	$ 503,080	100	$ 266,759	100
	Operating expenses	6(14) and 7				
6200	General and administrative expenses		(19,346)	(4)	(15,713)	(6)
6900	Net operating income		483,734	96	251,046	94
	Non-operating income and expenses					
7100	Interest income	6(11) and 7	3,001	1	3,557	2
7010	Other income		400	-	126	-
7020	Other gains and losses	6(12)	3,440	1	3,534	1
7050	Finance costs	6(13) and 7	(4,576)	(1)	(6,289)	(2)
7000	Total non-operating income and expenses		2,265	1	928	1
7900	**Profit before income tax**		485,999	97	251,974	95
7950	Tax (expense) benefit	6(15)	(9,529)	(2)	4	-
8200	**Profit for the year**		$ 476,470	95	$ 251,978	95
	Other comprehensive income					
	Components of other comprehensive income that will not be reclassified to profit or loss					
8330	Share of other comprehensive income of associates and joint ventures accounted for using equity method, components of other comprehensive income that will not be reclassified to profit or loss		$ 10,962	2	$ 4,540	2
8310	Other comprehensive income that will not be reclassified to profit or loss		10,962	2	4,540	2
	Components of other comprehensive income that will be reclassified to profit or loss					
8361	Exchange differences on translation		(14,168)	(3)	(22,225)	(9)
8380	Share of other comprehensive income (loss) of associates and joint ventures accounted for using equity method, components of other comprehensive income that will be reclassified to profit or loss		721	-	(346)	-
8360	Other comprehensive loss that will be reclassified to profit or loss		(13,447)	(3)	(22,571)	(9)
8300	**Other comprehensive loss**		($ 2,485)	(1)	($ 18,031)	(7)
8500	**Total comprehensive income**		$ 473,985	94	$ 233,947	88
	Earnings per share (in dollars)	6(16)				
9750	Basic earnings per share		$	2.23	$	1.32
9850	Diluted earnings per share		$	2.10	$	1.26

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

FIC GLOBAL, INC.
PARENT COMPANY ONLY STATEMENTS OF CHANGES IN EQUITY
YEARS ENDED DECEMBER 31, 2022 AND 2021
(Expressed in thousands of New Taiwan Dollars)

	Notes	Share capital – common stock	Total capital surplus, additional paid-in capital	Retained Earnings: Legal reserve	Retained Earnings: Special reserve	Retained Earnings: Unappropriated retained earnings	Other Equity Interest: Exchange differences on translation of foreign financial statements	Other Equity Interest: Unrealised gains (losses) from financial assets measured at fair value through other comprehensive income	Total
Year ended December 31, 2021									
Balance, January 1, 2021		$ 1,903,446	$ 189,853	$ 28,827	$ 302,261	($ 32,830)	($ 263,028)	($ 6,517)	$ 2,122,012
Net income for the year		-	-	-	-	251,978	-	-	251,978
Other comprehensive income (loss) for the year		-	-	-	-	1,238	(22,571)	3,302	(18,031)
Total comprehensive income (loss)		-	-	-	-	253,216	(22,571)	3,302	233,947
Appropriation of 2020 earnings:	6(9)								
Reversal of special reserve		-	-	-	(32,716)	32,716	-	-	-
Changes in ownership interests in subsidiaries	6(3)	-	(2,314)	-	-	(18,853)	-	-	(21,167)
Due to recognition of equity component of convertible bonds issued	6(5)	-	38,198	-	-	-	-	-	38,198
Conversion of convertible bonds	6(7)(8)	205,859	172,928	-	-	-	-	-	378,787
Changes in equity of associates and joint ventures accounted for using equity method		-	(36)	-	-	1,090	-	(1,090)	(36)
Disposal of investments accounted for using equity method		-	(5,011)	-	-	-	(866)	-	(5,877)
Difference between consideration and carrying amount of subsidiaries acquired or disposed		-	(22)	-	-	-	-	-	(22)
Balance, December 31, 2021		$ 2,109,305	$ 393,596	$ 28,827	$ 269,545	$ 235,339	($ 286,465)	($ 4,305)	$ 2,745,842
Year ended December 31, 2022									
Balance, January 1, 2022		$ 2,109,305	$ 393,596	$ 28,827	$ 269,545	$ 235,339	($ 286,465)	($ 4,305)	$ 2,745,842
Net income for the year		-	-	-	-	476,470	-	-	476,470
Other comprehensive income (loss) for the year		-	-	-	-	9,780	(13,447)	1,182	(2,485)
Total comprehensive income (loss)		-	-	-	-	486,250	(13,447)	1,182	473,985
Appropriations of 2021 earnings:	6(9)								
Legal reserve		-	-	23,534	-	(23,534)	-	-	-
Special reserve		-	-	-	21,225	(21,225)	-	-	-
Changes in ownership interests in subsidiaries		-	8,311	-	-	-	-	-	8,311
Conversion of convertible bonds	6(7)(8)	42,416	35,950	-	-	-	-	-	78,366
Difference between consideration and carrying amount of subsidiaries acquired or disposed	6(3)	-	1,710	-	-	-	-	-	1,710
Changes in equity of associates and joint ventures accounted for using equity method		-	(4)	-	-	-	-	-	(4)
Disposal of subsidiaries		-	-	-	-	-	(76,855)	-	(76,855)
Balance, December 31, 2022		$ 2,151,721	$ 439,563	$ 52,361	$ 290,770	$ 676,830	($ 376,767)	($ 3,123)	$ 3,231,355

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

FIC GLOBAL, INC.
PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2022 AND 2021
(Expressed in thousands of New Taiwan Dollars)

	Notes	Year ended December 31 2022	2021
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax		$ 485,999	$ 251,974
Adjustments			
Adjustments to reconcile profit (loss)			
Depreciation	6(14)	2	-
Amortization	6(14)	56	-
Net loss (gain) on financial assets or liabilities at fair value through profit or loss	6(2)(12)	95	(3,640)
Interest expense	6(13)	4,576	6,289
Interest income	6(11)	(3,001)	(3,557)
Share of profit of subsidiaries and associates accounted for using equity method	6(3)(10)	(483,113)	(247,681)
Changes in operating assets and liabilities			
Changes in operating assets			
Accounts receivable - related parties		10	(5)
Other receivables		-	(1)
Other current assets		(8)	-
Changes in operating liabilities			
Other payables		5,645	5,134
Other payables - related parties		(7,074)	-
Other current liabilities		17	(29)
Cash inflow generated from operations		3,204	8,484
Interest received		2,864	3,557
Interest paid		(555)	(3,270)
Dividends received		3,377	3,104
Income taxes paid		(180)	(349)
Net cash flows from operating activities		8,710	11,526
CASH FLOWS FROM INVESTING ACTIVITIES			
Decrease (increase) in financing receivable from related parties		226,570	(437,000)
Acquisition of investments accounted for using equity method	6(3)	(74,228)	-
Proceeds from disposal of investments accounted for using equity method		4,176	-
Acquisition of property and equipment		(26)	-
Proceeds from capital reduction of investments accounted for using equity method		-	1
Acquisition of intangible assets		(600)	-
Increase in other non-current assets		-	(1,400)
Net cash flows from (used in) investing activities		155,892	(438,399)
CASH FLOWS FROM FINANCING ACTIVITIES			
Decrease in current borrowings	6(17)	-	(135,000)
Decrease in financing payable to related parties	6(17)	(16,800)	(20,000)
Proceeds from issuing bonds	6(17)	-	701,452
Decrease in long-term notes and accounts payable to related parties	6(17)	(51,000)	-
Net cash flows (used in) from financing activities		(67,800)	546,452
Net increase in cash and cash equivalents		96,802	119,579
Cash and cash equivalents at beginning of year		141,107	21,528
Cash and cash equivalents at end of year		$ 237,909	$ 141,107

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

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

15. History and Organisation

FIC Global, Inc. ("FICG" or "the Company") is an investment holding company established by First International Computer, Inc. through a share conversion on August 30, 2004. The Company is primarily engaged in investment holdings. The stocks of the Company have been listed on the Taiwan Stock Exchange Corporation since August 30, 2004.

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

These parent company only financial statements were authorised for issuance by the Board of Directors on March 29, 2023.

17. Application of New Standards, Amendments and Interpretations

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

New standards, interpretations and amendments endorsed by the FSC and became effective from 2022 are as follows:

New Standards, Interpretations and Amendments	Effective date by International Accounting Standards Board
Amendments to IFRS 3, 'Reference to the conceptual framework'	January 1, 2022
Amendments to IAS 16, 'Property, plant and equipment: proceeds before intended use'	January 1, 2022
Amendments to IAS 37, 'Onerous contracts—cost of fulfilling a contract'	January 1, 2022
Annual improvements to IFRS Standards 2018–2020	January 1, 2022

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

(76) Effect of new issuances of or amendments to IFRSs as endorsed by the FSC but not yet adopted by the Company

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

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

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

(77) IFRSs issued by IASB but not yet endorsed by the FSC

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

New Standards, Interpretations and Amendments	Effective date by International Accounting Standards Board
Amendments to IFRS 10 and IAS 28, 'Sale or contribution of assets between an investor and its associate or joint venture'	To be determined by International Accounting Standards Board
Amendments to IFRS 16, 'Lease liability in a sale and leaseback'	January 1, 2024
IFRS 17, 'Insurance contracts'	January 1, 2023
Amendments to IFRS 17, 'Insurance contracts'	January 1, 2023
Amendment to IFRS 17, 'Initial application of IFRS 17 and IFRS 9 – comparative information'	January 1, 2023
Amendments to IAS 1, 'Classification of liabilities as current or non-current'	January 1, 2024
Amendments to IAS 1, 'Non-current liabilities with covenants'	January 1, 2024

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

18. <u>Summary of Significant Accounting Policies</u>

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

(78) <u>Compliance statement</u>

The parent company only financial statements of the Company have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

(79) <u>Basis of preparation</u>

A. Except for the financial assets and financial liabilities (including derivative instruments) at fair value through profit or loss, the parent company only financial statements have been prepared under the historical cost convention.

B. The preparation of financial statements in conformity with International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations that came into effect as endorsed by the FSC (collectively referred herein as the "IFRSs") requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the parent company only financial statements are disclosed in Note 5.

(80) <u>Foreign currency translation</u>

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The parent company only financial statements are presented in "New Taiwan Dollars (NTD)", which is the Company's functional and presentation currency.

A. Foreign currency transactions and balances

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

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

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

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

B. Translation of foreign operations

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

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

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

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

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

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

(81) Classification of current and non-current items

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

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

(b) Assets held mainly for trading purposes;

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

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

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

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

(b) Liabilities arising mainly from trading activities;

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

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

(82) Cash equivalents

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

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

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

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

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

(84) Accounts receivable

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

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

(85) Impairment of financial assets

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

(86) Derecognition of financial assets

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

(87) Investments accounted for using equity method / subsidiaries and associates

A. Subsidiaries are all entities (including structured entities) controlled by the Company. The Company controls an entity when the Company is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

B. Inter-company transactions, balances and unrealised gains or losses on transactions between the Company and subsidiaries are eliminated. Accounting policies of subsidiaries have been adjusted where necessary to ensure consistency with the policies adopted by the Company.

C. The Company's share of its subsidiaries' post-acquisition profits or losses is recognised in profit or loss, and its share of post-acquisition movements in other comprehensive income is recognised in other comprehensive income. When the Company's share of losses in a subsidiary equals or exceeds its interest in the subsidiary, the Company continues to recognise losses proportionate to its ownership.

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

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

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

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

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

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

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

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

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

M. Pursuant to the Regulations Governing the Preparation of Financial Reports by Securities Issuers, profit (loss) of the current period and other comprehensive income in the parent company only financial statements shall equal to the amount attributable to owners of the parent in the financial statements prepared with basis for consolidation. Owners' equity in the parent company only financial statements shall equal to equity attributable to owners of the parent in the financial statements prepared with basis for consolidation.

(88) Property, plant and equipment

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

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

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

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

Office equipment	4 years

(89) Intangible assets

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

(90) Impairment of non-financial assets

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

(91) Borrowings

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

(92) Convertible bonds payable

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

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

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

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

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

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

(93) Derecognition of financial liabilities

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

(94) Employee benefits

A. Salaries and other short-term employee benefits

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

B. Pensions

Defined contribution plan

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

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

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

(95) Income tax

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

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

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

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

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

(96) Dividends

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

(97) Revenue recognition

Revenue from a consulting service contract in which the Company bills a fixed amount for service provided is recognised at the amount to which the Company has the right to invoice.

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

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

(98) Critical judgements in applying the Company's accounting policies

None.

(99) Critical accounting estimates and assumptions

None.

20. Details of Significant Accounts

(100) Cash and cash equivalents

	December 31, 2022	December 31, 2021
Checking accounts and demand deposits	$ 45,051	$ 141,107
Time deposits	192,858	-
	$ 237,909	$ 141,107

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

B. The Company has no cash and cash equivalents pledged to others.

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

Items	December 31, 2022	December 31, 2021
Financial assets mandatorily measured at fair value through profit or loss - current		
Derivative instruments - Call/put options of convertible bonds	$ 1,129	$ 1,887

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

	Year ended December 31,	
	2022	2021
Financial assets and liabilities mandatorily measured at fair value through profit or loss		
Derivative instruments	($ 95)	$ 3,640

(102) Investments accounted for using equity method

	December 31, 2022		December 31, 2021	
	Ownership (%)	Carrying amount	Ownership (%)	Carrying amount
Subsidiaries:				
First International Computer, Inc.	100	$ 970,987	100	$ 843,461
FICTA Technology Inc.	69	357,512	69	299,250
Ubiqconn Technology,	52	598,337	51	325,867
3CEMS Corporation	36	1,400,350	36	1,273,332
Associates:				
LEO Systems, Inc.	2	29,080	2	26,846
Formosa21 Inc.	-	5	-	5
Geointelligence Systems, Inc.	1	626	1	596
		$ 3,356,897		$ 2,769,357

Investment profit or loss (shown as operating revenue) recognized by the Company for the years ended December 31, 2022 and 2021 are listed below:

	Year ended December 31,	
	2022	2021
Subsidiaries:		
First International Computer, Inc.	$ 176,336	$ 64,918
FICTA Technology Inc.	44,665	37,462
Ubiqconn Technology, Inc.	105,978	50,529
3CEMS Corporation	150,230	90,844
Associates:		
LEO Systems, Inc.	5,794	3,831
Formosa21 Inc.	-	6
Geointelligence Systems, Inc.	110	91
	$ 483,113	$ 247,681

A. Subsidiaries

(a) Refer to Note 4(3) of the consolidated financial statements for the year ended December 31, 2022 for the information regarding the Company's subsidiaries.

(b) In January 2022, the Company sold 232 thousand shares of its subsidiary, Ubiqconn Technology, Inc., to 13 employees of the Group at a price of $4,176 for the Company's operation needs and the Group's operating plan requirements, and it was ratified and approved by the Board of Directors on March 24, 2022. The carrying amount of non-controlling interest in Ubiqconn Technology, Inc. was $2,466 at the disposal date. This transaction resulted in an increase in the non-controlling interest by $2,466 and an increase in the equity attributable to owners of the parent by $1,710, therefore, the transaction was regarded as an equity transaction. Refer to Note 6(31) of the consolidated financial statements for details.

(c) In December 2021, Ubiqconn Technology, Inc. increased its cash capital by issuing new shares. The Company used $245,430 of monetary claims to pay for the shares and another subsidiary, FICTA Technology Inc., subscribed for $36,000 in cash. As the Company did not acquire shares proportionately to its interest, the comprehensive shareholding ratio increased from 63% to 68%. This transaction resulted in an increase in the non-controlling interest by $21,167 and a decrease in the equity attributable to owners of the parent by $21,167. Since the transaction did not change the Company's control over it, it was regarded as an equity transaction. Refer to Note 6(31) of the consolidated financial statements for details.

(d) In August 2022, Ubiqconn Technology, Inc. increased its cash capital by issuing new shares. The Company used $74,228 in cash and $100,000 of monetary claims to pay for the shares. As the Company did not acquire shares proportionately to its interest, the comprehensive shareholding ratio decreased from 68% to 67%. This transaction resulted in a decrease in the non-controlling interest by $14,395 and an increase in the equity attributable to owners of the parent by $14,395. Since the transaction did not change the Company's control over it, it was regarded as an equity transaction. Refer to Note 6(31) of the consolidated financial statements for details.

B. Associates

(a) As the Company has significant influence over LEO Systems, Inc., Formosa21 Inc. and Geointelligence Systems, Inc., these associates are accounted for under equity method although its shareholding ratios in these associates were less than 20%.

(b) The Company sold part of the shares that it held in LEO Systems, Inc. to FICTA Technology Inc. in 2010 at a consideration of $178,394. The book value of the shares disposed was $77,962, resulting to a gain on disposal of $100,432. As it was an affiliate downstream transaction, as of December 31, 2022, unrealised gain on sale of the portion that has not been resold to the third parties amounting to $42,078 shall be deferred. The amount will be recognised after FICTA Technology Inc. sells the abovementioned shares held in the coming years.

(c) The carrying amount of the Company's interests in all individually immaterial associates and the Company's share of the operating results are summarised below:

As of December 31, 2022 and 2021, the carrying amount of the Company's individually immaterial associates amounted to $29,711 and $27,447, respectively.

	Year ended December 31,	
	2022	2021
Profit for the year	$ 5,904	$ 3,928
Other comprehensive (loss) income, net of income tax	(259)	1,079
Total comprehensive income	$ 5,645	$ 5,007

(d) The fair value of the Company's associates with quoted market prices is as follows:

	December 31, 2022	December 31, 2021
LEO Systems, Inc.	$ 58,447	$ 45,488

(103) Other payables

	December 31, 2022	December 31, 2021
Shares payable	$ 12,142	$ 12,175
Employees' compensation and directors' and supervisors' remuneration payable	10,933	5,141
Wages, salaries and bonuses payable	511	740
Others	764	648
	$ 24,350	$ 18,704

(104) Bonds payable

	December 31, 2022	December 31, 2021
Bonds payable	$ 217,100	$ 299,600
Less: Discount on bonds payable	(6,374)	(13,866)
	210,726	285,734
Less: Current portion of put options	(210,726)	-
	$ -	$ 285,734

A. The Company issued the first domestic unsecured convertible bonds (referred herein as the 'first convertible bonds') for a total issue amount of $700,000 based on 101% of the face value on September 10, 2021. The issuance terms are as follows:

(a) Issuance period: 3 years (September 10, 2021 to September 10, 2024)

(b) Coupon rate: 0% fixed per annum

(c) Repayment term:

The first convertible bonds will be redeemed in cash at face value at the maturity date by the Company except for those which had been repurchased in advance and repurchased and retired through a securities firm by the Company or the bondholders had exercised conversion of options and put options.

(d) Conversion period:

The bondholders have the right to ask the Company for conversion of the convertible bonds into common shares of the Company during the period from the date after three months of the first convertible bonds issue, except for those which had been repurchased in advance and repurchased and retired through a securities firm by the Company or the stop transfer period as specified in the laws/regulations or the consignment contract.

(e) Conversion price:

The conversion price of the first convertible bonds is $19.45 (in dollars) which is 105.36% of the reference price. The reference price was based on one of the simple arithmetic average of the closing prices of the Company's common shares on the Taiwan Stock Exchange for the one business day, three business days and five business days prior to the effective date set by the Company. The conversion price of the bonds is subject to adjustments if the condition of the anti-dilution provisions occurs subsequently. The conversion price will be reset based on the pricing model specified in the terms of the bonds on each effective date regulated by the terms.

(f) Put options:

The bondholders have the right to require the Company to redeem the first convertible bonds at the price of the bonds' face value plus 1.0025% of the face value as interests upon two years from the issue date.

(g) Call options:

The Company may repurchase the first convertible bonds in advance after the following events occur:

i. The closing price of the Company common shares is above the then conversion price by 30% for 30 consecutive trading days during the period from the date after three months of the bonds issue to 40 days before the maturity date.

ii. the Company may repurchase all the bonds outstanding in cash at the bonds' face value at any time after the outstanding balance of the bonds is less than 10% of total initial issue amount during the period from the date after three months of the bonds issue to 40 days before the maturity date.

B. For the year ended December 31, 2022, the first convertible bonds totaling $82,500 had been converted into 4,241 thousand shares of common stock. As of December 31, 2022, the first convertible bonds totaling $482,900 (face value) had been converted into 24,827 thousand shares of common stock.

C. Regarding the issuance of convertible bonds, the equity conversion options amounting to $38,198 were separated from the liability component and were recognised in 'capital surplus - share options' in accordance with IAS 32. The call options and put options embedded in bonds payable were separated from their host contracts and were recognised in 'financial assets at fair value through profit or loss' in net amount in accordance with IFRS 9 because the economic characteristics and risks of the embedded derivatives were not closely related to those of the host contracts. The effective interest rate of the bonds payable after such separation was 1.77%.

(105) Pensions

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

The pension costs under the defined contribution pension plan of the Company for the years ended December 31, 2022 and 2021 were $170 and $160, respectively.

(106) Share capital

A. As of December 31, 2022, the Company's authorised capital was $25,000,000, and the paid-in capital was $2,151,721 with a par value of $10 (in dollars) per share. All proceeds from shares issued have been collected.

Movements in the number of the Company's ordinary shares (in thousands) outstanding are as follows:

	2022	2021
January 1	210,931	190,345
Conversion of convertible bonds	4,241	20,586
December 31	$ 215,172	$ 210,931

B. The Company's convertible bonds totalling $1,000 (face value) had been converted into 51 thousand shares of common stock in the fourth quarter of 2022. The registration procedure is still in process.

C. The Company's convertible bonds totalling $28,900 (face value) had been converted into 1,486 thousand shares of common stock in the third quarter of 2022. The registration was completed on November 9, 2022.

D. The Company's convertible bonds totalling $52,600 (face value) had been converted into 2,704 thousand shares of common stock in the first and second quarter of 2022. The registration was completed on July 29, 2022.

E. The Company's convertible bonds totalling $400,400 (face value) had been converted into 20,586 thousand shares of common stock for the year ended December 31, 2021. The registration was completed on March 28, 2022.

F. 21,000 thousand shares of the share capital issued as of December 31, 2022 and 2021 were private placement marketable securities that the Company conducted in 2007. The transfer of such marketable securities shall be restricted by Article 43-8 of the Securities and Exchange Act. After three full years have lapsed since the delivery date, a letter of approval issued by the Taiwan Stock Exchange that meets the listing standards must be obtained before applying to the Securities and Futures Bureau of the Financial Supervisory Commission for supplemental public issuance.

(107) Capital surplus

Pursuant to the R.O.C. Company Act, capital surplus arising from paid-in capital in excess of par value on issuance of common stocks and donations can be used to cover accumulated deficit or to issue new stocks or cash to shareholders in proportion to their share ownership, provided that the Company has no accumulated deficit. Further, the R.O.C. Securities and Exchange Act requires that the amount of capital surplus to be capitalised mentioned above should not exceed 10% of the paid-in capital each year. Capital surplus should not be used to cover accumulated deficit unless the legal reserve is insufficient.

	2022					
	Share premium	Difference between consideration and carrying amount of subsidiaries acquired or disposed	Changes in ownership interests in subsidiaries	Net change in equity of associates	Options	Total
At January 1	$ 215,939	$ 160,688	$ -	$ 620	$ 16,349	$ 393,596
Conversion of convertible bonds	40,452	-	-	-	(4,502)	35,950
Difference between consideration and carrying amount of subsidiaries acquired or disposed	-	1,710	-	-	-	1,710
Changes in ownership interests in subsidiaries	-	-	8,311	-	-	8,311
Changes in equity of associates and joint ventures accounted for using equity method	-	-	-	(4)	-	(4)
At December 31	$ 256,391	$ 162,398	$ 8,311	$ 616	$ 11,847	$ 439,563

	2021					
	Share premium	Difference between consideration and carrying amount of subsidiaries acquired or disposed	Changes in ownership interests in subsidiaries	Net change in equity of associates	Options	Total
At January 1	$ 21,162	$ 160,688	$ 2,314	$ 5,689	$ -	$ 189,853
Equity component recognised due to issuance of convertible bonds	-	-	-	-	38,198	38,198
Conversion of convertible bonds	194,777	-	-	-	(21,849)	172,928
Changes in ownership interests in subsidiaries	-	-	(2,314)	-	-	(2,314)
Changes in equity of associates and joint ventures accounted for using equity method	-	-	-	(36)	-	(36)
Disposal of investments accounted for using equity method				(5,011)		
Effect on investments accounted for using equity method due to not subscribing proportionately to its interest	-	-	-	(22)	-	(22)
At December 31	$ 215,939	$ 160,688	$ -	$ 620	$ 16,349	$ 398,607

(108) Retained earnings

A. Under the Company's Articles of Incorporation, the current year's earnings, if any, shall first be used to pay all taxes and offset prior years' operating losses and then 10% of the remaining amount shall be set aside as legal reserve until the legal reserve equals the paid-in capital. After that, special reserve shall be set aside or reverse in accordance with Article 41 of Securities and Exchange Act. The remainder, if any, along with accumulated undistributed earnings shall be proposed by the Board of Directors and resolved by the shareholders.

B. In order to take the capital needs into account, strengthen the financial structure and appropriately meet the shareholders' demand for cash inflow, the Company shall consider the principle of maintaining the stability of dividends for the distribution of dividends and distribute cash and stocks in an appropriate proportion.

C. Except for covering accumulated deficit or issuing new stocks or cash to shareholders in proportion to their share ownership, the legal reserve shall not be used for any other purpose. The use of legal reserve for the issuance of stocks or cash to shareholders in proportion to their share ownership is permitted, provided that the distribution of the reserve is limited to the portion in excess of 25% of the Company's paid-in capital.

D. In accordance with the regulations, the Company shall set aside special reserve from the debit balance on other equity items at the balance sheet date before distributing earnings. When debit balance on other equity items is reversed subsequently, the reversed amount could be included in the distributable earnings.

E. The appropriations of 2021 and 2020 earnings as resolved by the shareholders on June 23, 2022 and August 4, 2021, respectively are as follows:

	2021	2020
Legal reserve	$ 23,534	$ -
(Reversal of) special reserve	21,225	(32,716)
	$ 44,759	($ 32,716)

The appropriations of 2021 and 2020 earnings are in agreement with those amounts proposed by the Board of Directors of the Company.

F. The appropriations of 2022 earnings had been proposed by the Board of Directors on March 29, 2023. Details are summarized as follows:

	Year ended December 31, 2022	
	Amounts	Dividends per share (in dollars)
Legal reserve	$ 48,625	
Special reserve	89,120	
Cash dividends	107,792	$ 0.50
	$ 245,537	

As of March 29, 2023, the appropriations of 2022 earnings stated above has not yet been resolved by the shareholders.

(109) Operating revenue

	Year ended December 31,	
	2022	2021
Investment revenue	$ 483,113	$ 247,681
Service revenue	19,967	19,078
	$ 503,080	$ 266,759

(110) Interest income

	Year ended December 31,	
	2022	2021
Interest income from bank deposits	$ 1,194	$ 26
Interest income from loans to related parties	1,807	3,531
	$ 3,001	$ 3,557

(111) Other gains and losses

	Year ended December 31,	
	2022	2021
Foreign exchange gains (losses)	$ 3,547	($ 106)
(Losses) gains on financial assets at fair value through profit or loss	(95)	3,640
Other losses	(12)	-
	$ 3,440	$ 3,534

(112) Finance costs

	Year ended December 31,			
	2022		2021	
Loans from related parties	$	555	$	2,276
Bank borrowings		-		994
Bonds payable		4,021		3,019
	$	4,576	$	6,289

(113) Employee benefit expense

	Year ended December 31,			
	2022		2021	
Wages and salaries	$	8,927	$	8,329
Labour and health insurance fees		277		238
Pension costs		170		160
Directors' remuneration		1,264		275
Other personnel expenses		358		160
Depreciation		2		-
Amortization		56		-

A. In accordance with the Articles of Incorporation of the Company, a ratio of distributable profit of the current year, if any, shall be distributed as employees' compensation and directors' remuneration. The ratio shall be 2%~10% for employees' compensation and shall not be higher than 1.5% for directors' remuneration. However, if the Company has accumulated deficit, earnings shall be reserved to cover accumulated losses in advance.

B. Employees' compensation and directors' remuneration of the Company were accrued as follows:

	Year ended December 31,			
	2022		2021	
Employees' compensation	$	9,939	$	5,141
Directors' remuneration		994		-
	$	10,933	$	5,141

For the years ended December 31, 2022 and 2021, the employees' compensation and directors' remuneration were estimated and accrued based on 2%, 0.2%, 2% and 0% of distributable profit of current year as of the end of reporting year. Employees' compensation was accrued at $9,939 and $5,141, respectively; while directors' remuneration was accrued at $994 and $0, respectively. The aforementioned amounts were recognised in salary expenses.

The employees' compensation and directors' remuneration resolved by the Board of Directors on March 29, 2023 were $14,908 and $994, respectively, and the employees' compensation will be distributed in the form of cash.

For 2022, the employees' compensation and directors' remuneration resolved by the Board of Directors amounted to $14,908 and $994, respectively. The difference of underestimation of $4,969 between the amounts resolved by the Board of Directors and the employees' compensation of $9,939 and directors' remuneration of $994 recognised in the 2022 financial statements, due to changes in accounting estimates, had been adjusted in the profit or loss for 2023.

For 2021, the employees' compensation and directors' remuneration resolved by the Board of Directors amounted to $7,710 and $514, respectively. The difference of underestimation of $3,083 between the amounts resolved by the Board of Directors and the employees' compensation of $5,141 and directors' remuneration of $0 recognised in the 2021 financial statements, due to changes in accounting estimates, had been adjusted in the profit or loss for 2022.

C. Information about employees' compensation and directors' remuneration of the Company as resolved at the meeting of Board of Directors will be posted in the "Market Observation Post System" at the website of the Taiwan Stock Exchange.

D. As at December 31, 2022 and 2021, the Company had 10 employees, including 7 non-employee directors for both years.

E. The Company's stock has been listed for trading on the stock exchange, therefore, the following information is additionally disclosed:

(a) Average employee benefit expense for the years ended December 31, 2022 and 2021 were $3,244 and $2,962, respectively. After taking into consideration employees' compensation (including amount resolved to be distributed to employees of subsidiaries), average employee benefit expense for the years ended December 31, 2022 and 2021 were $1,645 and $1,249, respectively.

(b) Average employees salaries for the years ended December 31, 2022 and 2021 were $2,976 and $2,776, respectively. After taking into consideration employees' compensation (including amount resolved to be distributed to employees of subsidiaries), average employees salaries for the years ended December 31, 2022 and 2021 were $1,376 and $1,063, respectively.

(c) Adjustments of average employees salaries was 7%. After taking into consideration, employees' compensation (including amount resolved to be distributed to employees of subsidiaries), adjustments of average employees salaries was 29%.

(d) As the Company has set up an audit committee, there is no supervisory application and there is no need to disclose supervisors' remuneration information.

F. Salary and remuneration policy of the Company

(a) The overall salary and remuneration level of employees takes into account external competition and internal fair trading as important considerations and can effectively attract and retain talents.

(b) Through the performance management system, it connects employees' salary and remuneration, provides motivation for employee development and drives the Company's positive development.

(c) Link the Company's long-term and short-term goals, personal investment time, positions held and overall work performance to achieve the purpose of motivating employees.

(d) Set up a salary and remuneration committee to effectively measure the overall salary and remuneration of the Company's directors and managers.

(114) Income tax (gains)

A. Income tax expense

	Year ended December 31, 2022	Year ended December 31, 2021
Current tax:		
Additional income tax on unappropriated earnings	$ 9,529	$ -
Prior year income tax overestimation	-	(4)
Income tax expenses (profits)	$ 9,529	($ 4)

B. Reconciliation between income tax expense and accounting profit

	Year ended December 31, 2022	Year ended December 31, 2021
Tax calculated based on profit before tax and statutory tax rate	$ 97,200	$ 50,395
Expenses disallowed by tax regulation	13,606	5,927
Tax exempt income by tax regulation	(77,226)	(35,960)
Temporary difference not recognised as deferred tax assets	187	434
Temporary difference not recognised as deferred tax liabilities	(30,046)	(18,169)
Change in assessment of realisation of deferred tax assets	(3,721)	(2,627)
Prior year income tax overestimation	-	(4)
Additional income tax on unappropriated earnings	9,529	-
Income tax expense	$ 9,529	($ 4)

C. Expiration dates of unused tax losses and amounts of unrecognised deferred tax assets are as follows:

December 31, 2022				
Year incurred	Amount filed/ assessed	Unused amount	Unrecognised deferred tax assets	Expiry year
2017	$ 1,910,423	$ 1,881,587	$ 1,881,587	2027

December 31, 2021				
Year incurred	Amount filed/ assessed	Unused amount	Unrecognised deferred tax assets	Expiry year
2017	$ 1,910,423	$ 1,897,288	$ 1,897,288	2027

D. The Company has not recognised taxable temporary differences associated with investment in subsidiaries as deferred tax liabilities. As of December 31, 2022 and 2021, the amounts of temporary difference unrecognised as deferred tax liabilities were $150,230 and $90,844, respectively.

E. The Company's income tax returns through 2021 have been assessed and approved by the Tax Authority.

(115) Earnings per share

	Year ended December 31, 2022		
	Amount after tax	Weighted average number of ordinary shares outstanding (shares in thousands)	Earnings per share (in dollars)
Basic earnings per share			
Profit attributable to ordinary shareholders of the parent	$ 476,470	214,106	$ 2.23
Diluted earnings per share			
Assumed conversion of all dilutive potential ordinary shares			
Convertible bonds	$ 3,293	14,346	
Employees' compensation	-	301	
Profit attributable to ordinary shareholders of the parent plus assumed conversion of all dilutive potential ordinary shares	$ 479,763	228,753	$ 2.10

	Year ended December 31, 2021		
	Amount after tax	Weighted average number of ordinary shares outstanding (shares in thousands)	Earnings per share (in dollars)
Basic earnings per share			
Profit attributable to ordinary shareholders of the parent	$ 251,978	191,529	$ 1.32
Diluted earnings per share			
Assumed conversion of all dilutive potential ordinary shares			
Convertible bonds	$ 2,415	9,871	
Employees' compensation	-	68	
Profit attributable to ordinary shareholders of the parent plus assumed conversion of all dilutive potential ordinary shares	$ 254,393	201,470	$ 1.26

(116) Changes in liabilities from financing activities

	January 1, 2022	Cash flows	Changes in other non-cash items	December 31, 2022
Bonds payable (including current portion)	$ 285,734	$ -	($ 75,008)	$ 210,726
Other payables to related parties	140,000	(16,800)	-	123,200
Long-term accounts payable	51,000	(51,000)	-	-
	$ 476,734	($ 67,800)	($ 75,008)	$ 333,926

	January 1, 2021	Cash flows	Changes in other non-cash items	December 31, 2021
Short-term borrowings	$ 135,000	($ 135,000)	$ -	$ -
Bonds payable	-	701,452	(415,718)	285,734
Other payables to related parties	160,000	(20,000)	-	140,000
Long-term accounts payable	51,000	-	-	51,000
	$ 346,000	$ 546,452	($ 415,718)	$ 476,734

21. Related Party Transactions

(117) Names of related parties and relationship

Names of related parties	Relationship with FICG
FICTA Technology Inc. (FICTA)	Subsidiary
First International Computer, Inc. (FIC, Inc.)	"
Prime Foundation Inc. (Prime)	"
Perfect Union Global Inc. (PUG)	"
Ubiqconn Technology, Inc. (Ubiqconn)	"
LEO Systems, Inc. (LEO Systems)	Associate
Geointelligence Systems, Inc. (Geointelligence)	"
Formosa21 Inc.(Formosa21)	"
First Communication Inc. (First Communication)	Other related party (Note)
Wang Yi De, etc.	"
Zong Jing Investment Inc. (Zong Jing)	Other related party (major shareholder)
Ho Mon Investment Inc. (Ho Mon)	"

Note: First Communication was previously an associate of the Group, and became other related party of the Group since 2021 because the Group lost its significant influence.

(118) Significant related party transactions

A. Operating revenue-service revenue

	Year ended December 31, 2022	Year ended December 31, 2021
Subsidiaries		
Prime	$ 7,164	$ 6,687
PUG	7,164	6,691
Associates		
LEO Systems	4,800	4,800
Others	839	840
Other related parties	-	60
	$ 19,967	$ 19,078

The Company entered into consulting contracts with the above-mentioned related parties, and transaction prices and terms are made based on agreements.

B. Operating expenses-service expenses

	Year ended December 31, 2022	Year ended December 31, 2021
Subsidiaries		
FIC, Inc.	$ 3,600	$ 3,600

The Company entered into consulting contracts with the above-mentioned related parties, and transaction prices and terms are made based on agreements.

C. Accounts receivable

	December 31, 2022	December 31, 2021
Associates		
LEO Systems	$ 420	$ 420
Others	95	95
Other related parties	-	10
	$ 515	$ 525

D. Loans to/from related parties

(a) Loans to related parties

	December 31, 2022	December 31, 2021
Other receivables		
Subsidiary		
Ubiqconn	$ -	$ 326,570

	Year ended December 31,			
	2022		2021	
	Interest income	Interest rate	Interest income	Interest rate
Subsidiary				
Ubiqconn	$ 1,807	1.50%	$ 3,531	1.50%

(b) Loans from related parties:

	December 31, 2022	December 31, 2021
Other payables		
Subsidiaries		
FICTA	$ -	$ 140,000
Other related parties		
Ho Mon	123,200	-
	$ 123,200	$ 140,000
Long-term accounts payable		
Other related parties		
Ho Mon	$ -	$ 31,000
Zong Jing	-	20,000
	$ -	$ 51,000

	Year ended December 31,			
	2022		2021	
	Interest expense	Interest rate	Interest expense	Interest rate
Subsidiaries				
FICTA	$ 354	1.30%	$ 1,833	1.30%
FIC, Inc.	-	-	188	1.30%
	$ 354		$ 2,021	
Other related parties				
Ho Mon	$ 138	0.50%	$ 155	0.50%
Zong Jing	63	0.50%	100	0.50%
	$ 201		$ 255	

E. Property transactions:

(a) Acquisition of financial assets:

	Accounts	No. of shares	Objects	Year ended December 31, 2022 Consideration
Subsidiaries				
Ubiqconn	Investments measured by equity method	8,711 thousands	Issuance of common stock for cash	$ 174,228

	Accounts	No. of shares	Objects	Year ended December 31, 2022 Consideration
Subsidiaries				
Ubiqconn	Investments measured by equity method	13,635 thousands	Issuance of common stock for cash	$ 245,430

(b) Disposal of financial assets:

				Year ended December 31, 2022
	Accounts	No. of shares	Objects	Consideration
Subsidiaries				
Ubiqconn	Investments measured by equity method	232 thousands	Disposal of shareholdings to group employees	$ 4,176

Refer to Note 6(31) of the consolidated financial statements for the year ended December 31, 2022 for the details of the property transactions with related parties.

F. Endorsements and guarantees:

(a) As of December 31, 2022 and 2021, endorsements and guarantees provided by the Company to subsidiaries are as follows:

	December 31, 2022	December 31, 2021
Subsidiary-Ubiqconn	$ -	$ 221,440
Subsidiary-PBI	501,801	-
	$ 501,801	$ 221,440

(b) As of December 31, 2021, endorsements and guarantees provided by subsidiaries to the Company's credit line of financial institutions are as follows:

	December 31, 2021
Subsidiary -PBI	$ 200,000

(119) Key management compensation

	Year ended December 31,	
	2022	2021
Short-term employee benefits	$ 3,282	$ 2,535

22. Pledged Assets

None.

23. Significant Contingent Liabilities and Unrecognised Contract Commitments

(a) Contingencies

None.

(b) Commitments

The Company issued a letter of commitment to the Land Bank of Taiwan for the loan to its subsidiary, Ubiqconn Technology, Inc., in 2021, stating the following:

During the lifetime of the credit contract, the Company promised to directly or indirectly hold at least 50% of the total issued shares of the borrower, assist the borrower to maintain normal operations and sound and appropriate financial ability, and supervise the borrower to repay the debt of the credit contract. In the event of any breach of contract by the borrower, the Company promised to take necessary measures to assist the borrower so that the borrower can perform the obligations of the credit contract on time.

24. Significant Disaster Loss

None.

25. Significant Events after the Balance Sheet Date

A. On February 21, 2023, the Company subscribed 9,000 thousand series B preferred shares issued for the capital increase of Mobility Technology Group Inc., a British Cayman Islands company, with a par value of US$1 (in dollars) per share. The investment amount was US$9,000 thousand.

B. Details of the appropriation of 2022 earnings as proposed by the Board of Directors on March 29, 2023 are provided in Note 6(9).

C. On March 29, 2023, the Company's Board of Directors resolved to increase its capital increase by issuing 10,000 thousand new shares in 2023 at a tentatively expected issue price of $40, totalling $400,000.

D. On March 29, 2023, the Company's Board of Directors resolved to issue the second domestic unsecured convertible bonds, with an upper limit of 6,000 bonds at a par value of $100 per bond. The estimated total issuance amount was $600,000 and those bonds were issued at 100%~101% of face value.

26. Others

(16) Capital management

The Company manages its capital to ensure that the the Company will be able to continue as a going concern while maximizing the return to shareholders through the optimization of the debt and equity balance.

The Company's capital structure comprises net debt (pertaining to borrowings, net of cash and cash equivalents) and equity attributable to owners of parent (pertaining to share capital, capital surplus, retained earnings and other equity items).

(17) Financial instruments

A. Financial instruments by category

	December 31, 2022	December 31, 2021
Financial assets		
Current financial assets at fair value through profit or loss		
Current financial assets at fair value through profit or loss, mandatorily measured at fair value	$ 1,129	$ 1,887
Financial assets at amortised cost		
Cash and cash equivalents	$ 237,909	$ 141,107
Accounts receivable-related parties	515	525
Other receivables	138	1
Other receivables-related parties	-	326,570
	$ 238,562	$ 468,203

	December 31, 2022	December 31, 2021
Financial liabilities		
Financial liabilities at amortised cost		
Other payables	24,350	18,704
Other payables-related parties	123,200	140,000
Bonds payable (including current portion)	210,726	285,734
Long-term notes and accounts payable	-	51,000
	$ 358,276	$ 495,438

B. Financial risk management policies

(a) The Company's activities expose it to a variety of financial risks: market risk (including foreign exchange risk), credit risk and liquidity risk.

(b) Company treasury identifies, evaluates and hedges financial risks with the Company's operating units closely.

C. Significant financial risks and degrees of financial risks

(a) Market risk

Exchange rate risk

i The Company operates internationally and is exposed to exchange rate risk arising from the transactions of the Company used in various functional currency, primarily with respect to the USD. Foreign exchange rate risk arises from future commercial transactions and recognised assets.

ii. The companies are required to hedge their entire foreign exchange risk exposure with the Company treasury. Exchange rate risk is measured through a forecast of highly probable USD expenditures.

iii. The Company's businesses involve some non-functional currency operations (the Company's functional currency: NTD). The information on assets and liabilities denominated in foreign currencies whose values would be materially affected by the exchange rate fluctuations is as follows:

	December 31, 2022		
(Foreign currency: functional currency)	Foreign currency amount (In thousands)	Exchange rate	Book value (NTD) (in thousand)
Financial assets			
Monetary items			
USD:NTD	$ 6,330	30.71	$ 194,394
Non-monetary items			
USD:NTD	$ 45,599	30.71	$ 1,400,345

	December 31, 2021		
(Foreign currency: functional currency)	Foreign currency amount (In thousands)	Exchange rate	Book value (NTD) (in thousand)
Financial assets			
Monetary items			
USD:NTD	$ 323	27.68	$ 8,947
Non-monetary items			
USD:NTD	$ 46,002	27.68	$ 1,273,332

iv. The total exchange gain (loss), including realised and unrealised, arising from significant foreign exchange variation on the monetary items held by the Company for the years ended December 31, 2022 and 2021, amounted to $3,547 and ($106), respectively.

v. Analysis of foreign currency market risk arising from significant foreign exchange variation:

	Year ended December 31, 2022		
	Sensitivity analysis		
(Foreign currency: functional currency)	Degree of variation	Effect on profit or loss	Effect on other comprehensive income
Financial assets			
Monetary items			
USD:NTD	1%	$ 1,944	$ -

	Year ended December 31, 2021		
	Sensitivity analysis		
(Foreign currency: functional currency)	Degree of variation	Effect on profit or loss	Effect on other comprehensive income
Financial assets			
Monetary items			
USD:NTD	1%	$ 89	$ -

Price risk

The Company had no financial assets at fair value through profit or loss, therefore the Company is not exposed to commodity price risk.

Cash flow and fair value interest rate risk

The Company's interest rate risk arises from borrowings. However, the Company's borrowings are issued at fixed rates, interest rate risk had no significant impact to the Company.

(b) Credit risk

i. Credit risk refers to the risk of financial loss to the Company arising from default by the clients or counterparties of financial instruments on the contract obligations. The main factor is that counterparties could not repay in full the accounts receivable based on the agreed terms.

ii. Only banks and financial institutions with optimal credit ratings are accepted.

(c) Liquidity risk

i. Cash flow forecasting is performed in the operating entities of the Company and aggregated by Company treasury. Company treasury monitors rolling forecasts of the Company's liquidity requirements to ensure it has sufficient cash to meet operational needs.

ii. The table below analyses the Company's non-derivative financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

December 31, 2022	Less than 1 year	Between 1 and 5 years	Over 5 years
Non-derivative financial liabilities:			
Bonds payable (including current portion)	$ 210,726	$ -	$ -
Other payables (including related parties)	147,550	-	-

December 31, 2021	Less than 1 year	Between 1 and 5 years	Over 5 years
Non-derivative financial liabilities:			
Bonds payable	$ -	$ 299,600	$ -
Other payables (including related parties)	158,704	-	-
Long-term notes and accounts payable	-	51,000	-

(18) Fair value information

A. The different levels that the inputs to valuation techniques are used to measure fair value of financial and non-financial instruments have been defined as follows:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date. A market is regarded as active where a market in which transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. The fair value of the Company's investment in derivative instrument is included.

Level 3: Unobservable inputs for the asset or liability.

B. Financial instruments not measured at fair value

The carrying amounts of cash and cash equivalents, accounts receivable (including related parties), other receivables (including related parties), short-term borrowings, other payables (including related parties), bonds payable and long-term notes and accounts payable are approximate to their fair values.

C. The related information on financial and non-financial instruments measured at fair value by level on the basis of the nature, characteristics and risks of the assets and liabilities at December 31, 2022 and 2021 are as follows:

(a) The related information on the nature of the assets and liabilities is as follows:

	Level 1	Level 2	Level 3	Total
December 31, 2022				
Assets				
Recurring fair value measurements				
Financial assets at fair value through profit or loss Derivative instruments -call/put options of bonds	$ -	$ -	$ 1,129	$ 1,129

	Level 1	Level 2	Level 3	Total
December 31, 2021				
Assets				
Recurring fair value measurements				
Financial assets at fair value through profit or loss Derivative instruments -call/put options of bonds	$ -	$ -	$ 1,887	$ 1,887

(b) The methods and assumptions the Company used to measure fair value are as follows:

i. Except for financial instruments with active markets, the fair value of other financial instruments is measured by using valuation techniques or by reference to counterparty quotes.

ii. When assessing non-standard and low-complexity financial instruments, the Company adopts valuation technique that is widely used by market participants. The inputs used in the valuation method to measure these financial instruments are normally observable in the market.

iii. The valuation of derivative financial instruments is based on valuation model widely accepted by market participants, such as present value techniques.

iv. The output of valuation model is an estimated value and the valuation technique may not be able to capture all relevant factors of the Company's financial and non-financial instruments. As a result, the estimate generated by valuation model will be slightly adjusted based on additional inputs, such as model risk or liquidity risk of counterparties. In accordance with the Company's management policies and relevant control procedures relating to the valuation models used for fair value measurement, management believes adjustment to valuation is necessary in order to reasonably represent the fair value of financial and non-financial instruments at the consolidated balance sheet. The inputs and pricing information used during valuation are carefully assessed and adjusted based on current market conditions.

D. The following chart is the movement of Level 3 for the years ended December 31, 2022 and 2021:

	2022	
	Call/ put options of bonds	
At January 1	$	1,887
Gains and losses recognised in profit or loss		
Recorded as non-operating income and expenses	(	95)
Issued during the year		-
Converted during the year	(	663)
At December 31	$	1,129

	2021	
	Call/ put options of bonds	
At January 1	$	-
Gains and losses recognised in profit or loss		
Recorded as non-operating income and expenses		3,640
Issued during the year		770
Converted during the year	(	2,523)
At December 31	$	1,887

E. For the years ended December 31, 2022 and 2021, there was no transfer into or out from Level 3.

F. Treasury segment is in charge of valuation procedures for fair value measurements being categorised within Level 3, which is to verify independent fair value of financial instruments. Such assessment is to ensure the valuation results are reasonable by applying independent information to make results close to current market conditions, confirming the resource of information is independent, reliable and in line with other resources and making any other necessary adjustments to the fair value.

Treasury segment set up valuation policies, valuation processes and rules for measuring fair value of financial instruments and ensure compliance with the related requirements in IFRS.

G. The following is the qualitative information of significant unobservable inputs and sensitivity analysis of changes in significant unobservable inputs to valuation model used in Level 3 fair value measurement:

	Fair value at December 31, 2022	Valuation technique	Significant unobservable input	Range (weighted average)	Relationship of inputs to fair value
Derivative instrument:					
Call /put options of bonds	$ 1,129	The Binomial-Tree approach to convertible bonds	Volatility rate	57.68%	The higher the price volatility, the higher the fair value

	Fair value at December 31, 2021	Valuation technique	Significant unobservable input	Range (weighted average)	Relationship of inputs to fair value
Derivative instrument:					
Call /put options of bonds	$ 1,887	The Binomial-Tree approach to convertible bonds	Volatility rate	64.16%	The higher the price volatility, the higher the fair value

H. The Company has carefully assessed the valuation models and assumptions used to measure fair value. However, use of different valuation models or assumptions may result in different measurement.

27. Supplementary Disclosures

(19) Significant transactions information

A. Loans to others: Refer to table 1.

B. Provision of endorsements and guarantees to others: Refer to table 2.

C. Holding of marketable securities at the end of the period (not including subsidiaries, associates and joint ventures): Refer to table 3.

D. Acquisition or sale of the same security with the accumulated cost exceeding $300 million or 20% of the Company 's paid-in capital: None.

E. Acquisition of real estate reaching NT$300 million or 20% of paid-in capital or more: None.

F. Disposal of real estate reaching NT$300 million or 20% of paid-in capital or more: None.

G. Purchases or sales of goods from or to related parties reaching \$100 million or 20% of paid-in capital or more: Refer to table 4.

H. Receivables from related parties reaching \$100 million or 20% of paid-in capital or more: Refer to table 5.

I. Trading in derivative instruments undertaken during the reporting periods: Refer to Note 6(2).

J. Significant inter-company transactions during the reporting periods: Refer to table 6.

(20) Information on investees

Names, locations and other information of investee companies (not including investees in Mainland China)：Refer to table 7.

(21) Information on investments in Mainland China

A. Basic information: Refer to table 8.

B. Significant transactions, either directly or indirectly through a third area, with investee companies in the Mainland Area: Refer to table 6.

(22) Major shareholders information

Major shareholders information: Refer to table 9.

FIC GLOBAL, INC.

Loans to others

Year ended December 31, 2022

Table 1

Expressed in thousands of NTD
(Except as otherwise indicated)

No. (Note 1)	Creditor	Borrower	General ledger account	Is a related party	Maximum outstanding balance during the year ended December 31, 2022	Balance at December 31, 2022	Actual amount drawn down	Interest rate	Nature of loan (Note 2)	Amount of transactions with the borrower	Reason for short-term financing	Allowance for doubtful accounts	Collateral Item	Collateral Value	Limit on loans granted to a single party	Ceiling on total loans granted	Footnote
0	FICG	Ubiqconn	Other receivables	Yes	$ 326,570	$ -	$ -	1.5	2	$ -	For operational need	$ -	-	$ -	$ 969,407	$ 1,292,542	Note 3
1	FIC, Inc.	FICG	Other receivables	Yes	1,110	-	-	1.315	2	-	For operational need	-	-	-	292,902	390,537	Note 3
		Access	Other receivables	Yes	42,994	21,497	21,497	5.3	2	-	For operational need	-	-	-	292,902	390,537	Note 3
2	FIC Holding	Access	Other receivables	Yes	73,947	73,947	73,947	0.6	2	-	For operational need	-	-	-	244,543	326,058	Note 5
3	Brilliant	Access	Other receivables	Yes	555,851	555,851	555,851	4.9764	2	-	For operational need	-	-	-	4,207,566	5,610,088	Note 5
4	FICTA	Prime Base	Other receivables	Yes	61,420	61,420	61,420	1.5-4.4	2	-	For operational need	-	-	-	202,223	231,112	Note 4
		FICG	Other receivables	Yes	140,000	-	-	1.565	2	-	For operational need	-	-	-	202,223	231,112	Note 4
		FIC, Inc.	Other receivables	Yes	105,000	65,000	65,000	1.94	2	-	For operational need	-	-	-	202,223	231,112	Note 4
5	Prime	Broad	Other receivables	Yes	272,244	158,617	158,617	0.8	2	-	For operational need	-	-	-	4,643,603	6,191,470	Note 7
6	Danriver	PUG	Other receivables	Yes	82,917	82,917	82,917	0.8	2	-	For operational need	-	-	-	1,241,932	1,655,909	Note 7
		Broad	Other receivables	Yes	368,520	368,520	342,417	0.8	2	-	For operational need	-	-	-	1,241,932	1,655,909	Note 7
7	Danriver GZ	Amertek	Other receivables	Yes	260,072	260,072	260,072	0.8-4.75	2	-	For operational need	-	-	-	970,973	1,294,631	Note 7
		Danriver	Other receivables	Yes	276,390	276,390	267,693	0-0.8	2	-	For operational need and past due accounts receivable	-	-	-	970,973	1,294,631	Note 7
		Prime GZ	Other receivables	Yes	26,448	26,448	26,448	4.75	2	-	For operational need	-	-	-	970,973	1,294,631	Note 7
8	3CEMS	Danriver System	Other receivables	Yes	162,763	162,763	162,763	0.8-4.67	2	-	For operational need	-	-	-	1,549,197	1,549,197	Note 6
		Prime Base	Other receivables	Yes	15,355	-	-	0.8	2		For operational need	-	-	-	1,549,197	1,549,197	Note 6
9	Danriver System GZ	Danriver System	Other receivables	Yes	344,259	344,259	332,344	0-0.8	2	-	For operational need and past due accounts receivable	-	-	-	642,562	856,749	Note 7
		Amertek	Other receivables	Yes	85,956	85,956	85,956	0.8-4.75	2	-	For operational need	-	-	-	642,562	856,749	Note 7

FIC GLOBAL, INC.

Loans to others

Year ended December 31, 2022

Table 1

Expressed in thousands of NTD
(Except as otherwise indicated)

No. (Note 1)	Creditor	Borrower	General ledger account	Is a related party	Maximum outstanding balance during the year ended December 31, 2022	Balance at December 31, 2022	Actual amount drawn down	Interest rate	Nature of loan (Note 2)	Amount of transactions with the borrower	Reason for short-term financing	Allowance for doubtful accounts	Collateral Item	Collateral Value	Limit on loans granted to a single party	Ceiling on total loans granted	Footnote
10	Prime GZ	Amertek	Other receivables	Yes	$ 30,856	$ -	$ -	0.8-4.75	2	$ -	For operational need	$ -	-	$ -	$ 5,016,859	$ 6,689,145	Note 7
11	Broad GZ	Broad	Other receivables	Yes	890,394	890,394	756,342	0.00-1.75	2	-	For operational need and past due accounts receivable	-	-	-	1,682,691	2,243,588	Note 7
		Amertek	Other receivables	Yes	268,888	268,888	268,888	0.8-4.75	2	-	For operational need	-	-	-	1,682,691	2,243,588	Note 7
		Prime GZ	Other receivables	Yes	17,632	17,632	17,632	4.75	2		For operational need	-	-	-	1,682,691	2,243,588	Note 7
12	Amertek	PUG	Other receivables	Yes	921,300	-	-	0	2	-	Past due accounts receivable	-	-	-	1,995,111	2,660,148	Note 7
13	Access	Fic SZ	Other receivables	Yes	399,230	399,230	381,893	0	2	-	Past due accounts receivable	-	-	-	1,547,784	2,063,712	Note 5
14	Prime Base	PUG	Other receivables	Yes	95,654	-	-	0.8	2	-	For operational need	-	-	-	422,662	563,549	Note 7
15	PUG	Danriver System	Other receivables	Yes	162,763	-	-	0.8	2	-	For operational need	-	-	-	4,392,841	5,857,121	Note 7
		Prime Base	Other receivables	Yes	168,905	72,169	72,169	0.8	2	-	For operational need	-	-	-	4,392,841	5,857,121	Note 7
		Brilliant	Other receivables	Yes	39,923	39,923	39,923	3.6	2	-	For operational need	-	-	-	1,171,424	1,171,424	Note 6
		Access	Other receivables	Yes	21,497	21,497	21,497	3.6	2	-	For operational need	-	-	-	1,171,424	1,171,424	Note 6
16	Fic SZ	Prime GZ	Other receivables	Yes	79,344	79,344	79,344	4.35	2	-	For operational need	-	-	-	174,418	232,558	Note 3

Note 1: The numbers filled in for the loans provided by the Company or subsidiaries are as follows:

(1) The Company is '0'.

(2) The subsidiaries are numbered in order starting from '1'

Note 2: The column of 'Nature of loan' shall fill in 'Business transaction or 'Short-term financing'.

(1) Business association is labeled as '1'

(2) Short-term financing is labeled as '2'.

Note 3: According to the FICG's and the investees' "Regulations for Provision of Loans", the limit on loans granted to a single party shall not exceed 30% of the investees' net assets value, and the ceiling on total loans shall not exceed 40% of the investees' net assets value.

Note 4: According to the investees"Regulations for Provision of Loans", the limit on loans granted to a single party shall not exceed 35% of the investees' net assets value, and the ceiling on total loans shall not exceed 40% of the investees' net assets value.

Note 5: According to the investees'"Regulations for Provision of Loans", the overseas subsidiaries' loans are granted to the Company directly and indirectly holds 100% of the shares , the limit on loans granted to a single party shall not exceed 150% of the investees' paid-in capital and the ceiling on total loans shall not exceed 200% of the investees' paid-in capital.

Note 6: According to the investees'"Regulations for Provision of Loans", the limit on loans granted to a single party shall not exceed 40% of the investees' net assets value, and the ceiling on total loans shall not exceed 40% of the investees' net assets value.

Note 7: According to the investees'"Regulations for Provision of Loans", the overseas subsidiaries' loans are granted to the Company directly and indirectly holds 100% of the shares , the limit on loans granted to a single party shall not exceed 150% of the investees' paid-in capital and the ceiling on total loans shall not exceed 200% of the investees' paid-in capital.

FIC GLOBAL, INC.

Provision of endorsements and guarantees to other

Year ended December 31, 2022

Table 2

Expressed in thousands of NTD

(Except as otherwise indicated)

Number (Note 1)	Endorser/ guarantor	Party being endorsed/guaranteed: Company nam	Relationship with the endorser/ guarantor (Note 2)	Limit on endorsements/ guarantees provided for a single party (Note 3)	Maximum outstanding endorsement/ guarantee amount as of December 31, 2022 (Note 4)	Outstanding endorsement/ guarantee amount at December 31, 2022 (Note 5)	Actual amount drawn down (Note 6)	Amount of endorsements/ guarantees secured wit collateral	Ratio of accumulated endorsement/guarantee amount to net asset value of the endorser/guarantor company	Ceiling on total amount of endorsements/ guarantees provided (Note 3)	Provision of endorsements/ guarantees by parent company to subsidiary (Note 7)	Provision of endorsements/ guarantees by subsidiary to parent company (Note 7)	Provision of endorsements/ guarantees to the party in Mainland China (Note 7)	Footnote
0	FICG	Ubiqconn	(2)	$ 5,379,304	$ 245,680	$ -	$ -	$ -	0%	$ 10,758,607	Y	N	N	
		Prime Base	(2)	5,379,304	501,801	501,801	73,397	-	16%	10,758,607	Y	N	N	
1	High Standard	FIC, Inc.	(3)	6,529,714	100,000	100,000	40,000	100,000	17%	13,059,428	N	N	N	
2	Prime Base	FICG	(3)	422,662	200,000	-	-	-	0%	563,549	N	Y	N	
3	3CEMS	PUG	(2)	5,809,489	30,710	30,710	-	-	1%	7,745,986	N	N	N	
4	Danriver GZ	Amertek	(4)	2,298,732	220,400	220,400	-	211,452	34%	4,597,463	N	N	Y	
5	Broad GZ	Amertek	(4)	2,098,046	440,800	440,800	-	422,519	39%	4,196,092	N	N	Y	

Note 1: The numbers filled in for the endorsements/guarantees provided by the Company or subsidiaries are as follows:

(1)The Company is '0'

(2)The subsidiaries are numbered in order starting from '1

Note 2: Relationship between the endorser/guarantor and the party being endorsed/guaranteed is classified into the following seven categories; fill in the number of category each case belongs to:

(1)Having business relationship

(2) The endorser/guarantor company owns directly or indirectly more than 50% voting shares of the endorsed/guaranteed company.

(3) The endorsed/guaranteed company owns directly or indirectly more than 50% voting shares of the endorser/guarantor company.

(4) The endorsed/guaranteed parent company directly or indirectly owns more than 90% voting shares of the endorser/guarantor subsidiary.

(5) Mutual guarantee of the trade as required by the construction contract.

(6) Due to joint venture, each shareholder provides endorsements/guarantees to the endorsed/guaranteed company in proportion to its ownership.

(7) The performance guarantees for the sale of pre-sales contracts under the Consumer Protection Law are jointly guaranteed.

Note 3 :

	Limit on endorsements/guarantees provided for a single party	Ceiling on total amounts of endorsements / guarantees provided
The FICG	250% of paid-in capital	500% of paid-in capital
High Standard	250% of paid-in capital	500% of paid-in capital
Prime Base	150% of current net assets	200% of current net assets
3CEMS Corporation	150% of current net assets	200% of current net assets
Danriver Technology (Guangzhou) Inc.	350% of paid-in capital	700% of paid-in capital
Broad Technology (Guangzhou) Inc.	250% of paid-in capital	500% of paid-in capital

Note 4: Fill in the year-to-date maximum outstanding balance of endorsements/guarantees provided as of the reporting period.

Note 5: Fill in the amount approved by the Board of Directors or the chairman if the chairman has been authorised by the Board of Directors based on subparagraph 8, Article 12 of the Regulations Loaning of Funds and Making of Endorsements/Guarantees by Public Companies.

Note 6: Fill in the actual amount of endorsements/guarantees used by the endorsed/guaranteed company.

Note 7: Fill in 'Y' for those cases of provision of endorsements/guarantees by listed parent company to subsidiary and provision by subsidiary to listed parent company, and provision to the party in Mainland China.

FIC GLOBAL, INC.

Holding of marketable securities at the end of the period (not including subsidiaries, associates and joint ventures)

December 31, 2022

Table 3

Expressed in thousands of NTD

(Except as otherwise indicated)

Securities held by	Marketable securities (Note 1)	Relationship with the securities issuer (Note 2)	General ledger account	As of December 31, 2022 Number of share	Book value (Note 3)	Ownership (%)	Fair value	Footnote (Note 4)
First International Computer, Inc.	Stocks							
	Digitimes Inc.	None	Financial assets at fair value through profit or loss - non - current	63	$ -	0.00	$ -	
	Changing Information Technology Inc.	None	Financial assets at fair value through other comprehensive income -non - current	295	7,013	0.02	7,013	
	IQ Technology Inc.	None	Financial assets at fair value through other comprehensive income -non - current	4	97	0.01	97	
	Forte Media, Inc.	None	Financial assets at fair value through other comprehensive income -non - current	900	13,024	0.01	13,024	
	Formosoft International Inc.	None	Financial assets at fair value through other comprehensive income -non - current	14	-	0.54	-	
	First Communication Inc.	None	Financial assets at fair value through other comprehensive income -non - current	-	-	0.00	-	
	Incomm Technologies Co., Ltd.	None	Financial assets at fair value through profit or loss - non - current	-	-	0.00	-	
	Mingo Telecom Inc.	None	Financial assets at fair value through profit or loss - non - current	68	-	1.00	-	
	Systems & Software Inc.	None	Financial assets at fair value through profit or loss - non - current	1	-	13.00	-	
	Environmental & Ocean Technology Inc.	None	Financial assets at fair value through profit or loss - non - current	100	-	11.00	-	
	China United Trust & Investment Corporation	None	Financial assets at fair value through profit or loss - non - current	890	-	1.00	-	
	Fonestock Technology Inc.	None	Financial assets at fair value through profit or loss - non - current	-	-	0.00	-	
	EGtran,Corp.	None	Financial assets at fair value through profit or loss - non - current	1,244	-	2.00	-	
	First International Digital,Inc.	None	Financial assets at fair value through profit or loss - non - current	5,400	-	19.00	-	
	VREX,Inc.	None	Financial assets at fair value through profit or loss - non - current	667	-	2.00	-	
	Turbo Ic,Inc.	None	Financial assets at fair value through profit or loss - non - current	400	-	1.00	-	
	CTO Corporation	None	Financial assets at fair value through profit or loss - non - current	-	-	8.00	-	

FIC GLOBAL, INC.

Holding of marketable securities at the end of the period (not including subsidiaries, associates and joint ventures)

December 31, 2022

Table 3

Expressed in thousands of NTD
(Except as otherwise indicated)

Securities held by	Marketable securities (Note 1)	Relationship with the securities issuer (Note 2)	General ledger account	As of December 31, 2022 Number of share	Book value (Note 3)	Ownership (%)	Fair value	Footnote (Note 4)
Brilliant	Stocks							
	Tech Power Ltd.	None	Financial assets at fair value through profit or loss - non - current	200	$ -	16.00	$ -	
	Openmoko Inc,	None	Financial assets at fair value through profit or loss - non - current	1,450	-	10.00	-	
	eVionyx,Inc.	None	Financial assets at fair value through profit or loss - non - current	144	-	1.00	-	
	Asia Technology 3 Ltd.	None	Financial assets at fair value through profit or loss - non - current	1	-	2.00	-	
	Preference share							
	Asia Technology 3 Ltd.	None	Financial assets at fair value through profit or loss - non - current	1	-	2.00	-	
	Linco Inc.	None	Financial assets at fair value through profit or loss - non - current	333	-	1.00	-	
	Neo Paradigm Labs Inc.	None	Financial assets at fair value through profit or loss - non - current	4,348	-	11.00	-	
	Showiz,Inc.	None	Financial assets at fair value through profit or loss - non - current	1,500	-	5.00	-	
	iPilot,Inc.	None	Financial assets at fair value through profit or loss - non - current	800	-	9.00	-	
	Streaming21,Inc.	None	Financial assets at fair value through profit or loss - non - current	1,052	-	1.00	-	
	Vweb Corporation	None	Financial assets at fair value through profit or loss - non - current	500	-	1.00	-	
FICTA Technology Inc.	Stocks							
	Solar Applied Materials Technology Corp.	None	Financial assets at fair value through profit or loss - current	20	641	0.00	641	
	OFCO Industrial Corporation	None	Financial assets at fair value through profit or loss - current	25	619	0.03	619	
	Integrated Service Technology Inc.	None	Financial assets at fair value through profit or loss - current	20	1,404	0.03	1,404	
	Navitas Semiconductor Corporation (USD)	None	Financial assets at fair value through profit or loss - current	7	700	0.00	700	
	Sipp Technology Corporation	None	Financial assets at fair value through other comprehensive income -non - current	288	1,117	3.65	1,117	
	Fonestock Technology Inc.	None	Financial assets at fair value through other comprehensive income -non - current	64	-	3.18	-	

Note 1: Marketable securities in the table refer to stocks, bonds, beneficiary certificates and marketable securities derived from the above items that fall within the scope of IFRS 9, "Financial Instruments".

Note 2: Leave the column blank if the issuer of marketable securities is non-related party

Note 3: Fill in the amount after adjusted at fair value and deducted by accumulated impairment for the marketable securities measured at fair value; fill in the acquisition cost or amortised cost deducted by accumulated impairment for the marketable securities not measured at fair value.

Note 4: The number of shares of securities and their amounts pledged as security or pledged for loans and their restrictions on use under some agreements should be stated in the footnote if the securities presented herein have such conditions

FIC GLOBAL, INC.

Purchases or sales of goods from or to related parties reaching NT$100 million or 20% of paid-in capital or more

Year ended December 31, 2022

Table 4

Expressed in thousands of NTD

(Except as otherwise indicated)

			Transaction				Compared to third party transactions		Notes/accounts receivable (payable)		
Purchaser/seller	Counterparty	Relationship with the counterparty	Purchases (sales)	Amount	Percentage of total purchases (sales)	Credit term	Unit price	Credit term	Balance	Percentage of total notes/accounts receivable (payable)	Footnote
Prime GZ	Prime Base	Subsidiary	Sales	$ 4,013,797	74%	Periodic settlement or offsetting, the payment period was 120 days.	Same as non-related parties	Similar transactions with non- related parties	$ 803,512	50%	
Amertek	FIC, Inc.	Subsidiary	Sales	1,306,300	41%	Periodic settlement or offsetting, the payment period was 60 days.	Same as non-related parties	Similar transactions with non- related parties	918,071	82%	
Amertek	Ubiqconn	Subsidiary	Sales	100,376	3%	Periodic settlement or offsetting, the payment period was 60 days.	Same as non-related parties	Similar transactions with non- related parties	32,763	3%	
Amertek	PUG Taiwan branch	Subsidiary	Sales	1,383,842	44%	Periodic settlement or offsetting, the payment period was 60 days.	Same as non-related parties	Similar transactions with non- related parties	-	-	
Ubiqconn	Ruggon	Subsidiary	Sales	131,010	4%	The payment period was 30 days.	Same as non-related parties	Similar transactions with non- related parties	9,483	2%	

Note: These transactions are shown in revenue, and related transations were no longer disclosed.

FIC GLOBAL, INC.

Receivables from related parties reaching NT$100 million or 20% of paid-in capital or more

Year ended December 31, 2022

Table 5

Expressed in thousands of NTD
(Except as otherwise indicated)

Creditor	Counterparty	Relationship with the counterparty	Balance as at December 31, 2022	Turnover rate	Overdue Amount	Overdue Action taken	Amount collected subsequent to the balance sheet dat	Allowance for doubtful accounts
FIC, Inc.	FIC do Brasil	Associates	$ 138,758	-	$ 138,758	Intensify collection	$ -	($ 138,758)
Access	Fic SZ	Subsidiary	381,893	Note	-	-	-	-
Brilliant	Access	Subsidiary	555,851	Note	-	-	-	-
3CEMS	Danriver System	Subsidiary	162,763	Note	-	-	-	-
Prime	Broad	Subsidiary	158,617	Note	-	-	-	-
Danriver	Broad	Subsidiary	342,417	Note	-	-	-	-
Danriver GZ	Danriver	Subsidiary	267,693	Note	-	-	-	-
	Amertek	Subsidiary	260,072	Note	-	-	-	-
Danriver System GZ	Danriver System	Subsidiary	332,344	Note	-	-	-	-
Broad GZ	Broad	Subsidiary	756,342	Note	-	-	-	-
	Amertek	Subsidiary	268,888	Note	-	-	-	-
Prime GZ	Prime Base	Subsidiary	803,512	7.28	-	-	-	-
Amertek	FIC, Inc.	Subsidiary	918,071	2.14	-	-	159,128	-

Note: The calculation of turnover rate was not applicable because it was a loan to others.

FIC GLOBAL, INC.

Significant inter-company transactions during the reporting period

Year ended December 31, 2022

Table 6

Expressed in thousands of NTD

(Except as otherwise indicated)

Number (Note 1)	Company name	Counterparty	Relationship (Note 2)	Transaction: General ledger account	Transaction: Amount	Transaction: Transaction term	Transaction: Percentage of consolidated total operating revenues or total assets (Note 3)
1	Access	Fic SZ	3	Other receivables-financing-related party	$ 381,893	Collection of payments at maturity according to the agreement.	4%
2	Brilliant	Access	3	Other receivables-financing-related party	555,851	Collection of payments at maturity according to the agreement.	5%
3	Ubiqconn	Ruggon	3	Sales	131,010	The payment period was 30 days.	1%
4	Amertek	PUG Taiwan branch	3	Sales	1,383,842	Periodic settlement or offsetting, the payment period was 60 days.	11%
	Amertek	FIC, Inc.	3	Accounts receivable	918,071	Periodic settlement or offsetting, the payment period was 60 days.	9%
	Amertek	FIC, Inc.	3	Sales	1,306,300	Periodic settlement or offsetting, the payment period was 60 days.	10%
5	Broad GZ	Broad	3	Other receivables-financing-related party	756,342	Collection of payments at maturity according to the agreement.	7%
	Broad GZ	Amertek	3	Other receivables-financing-related party	268,888	Collection of payments at maturity according to the agreement.	3%
6	Danriver GZ	Danriver	3	Other receivables-financing-related party	267,693	Collection of payments at maturity according to the agreement.	3%
	Danriver GZ	Amertek	3	Other receivables-financing-related party	260,072	Collection of payments at maturity according to the agreement.	3%
7	Danriver System GZ	Danriver System	3	Other receivables-financing-related party	332,344	Collection of payments at maturity according to the agreement.	3%
8	Danriver	Broad	3	Other receivables-financing-related party	342,417	Collection of payments at maturity according to the agreement.	3%
9	Prime	Broad	3	Other receivables-financing-related party	158,617	Collection of payments at maturity according to the agreement.	2%
10	3CEMS	Danriver System	3	Other receivables-financing-related party	162,763	Collection of payments at maturity according to the agreement.	2%
11	Prime GZ	Prime Base	3	Accounts receivable	803,512	Periodic settlement or offsetting, the payment period was 120 days.	8%
	Prime GZ	Prime Base	3	Sales	4,013,797	Periodic settlement or offsetting, the payment period was 120 days.	32%

Note 1: The numbers filled in for the transaction company in respect of inter-company transactions are as follows:
(1) Parent company is '0'
(2) The subsidiaries are numbered in order starting from '1'

Note 2: Relationship between transaction company and counterparty is classified into the following three categories; fill in the number of category each case belongs to (If transactions between parent company and subsidiaries or between subsidiaries refer to the same transaction, it is not required to disclose twice. For example, if the parent company has already disclosed its transaction with a subsidiary, then the subsidiary is not required to disclose the transaction;for transactions between two subsidiaries, if one of the subsidiaries has disclosed the transaction, then the other is not required to disclose the transaction.):
(1) Parent company to subsidiary.
(2) Subsidiary to parent company.
(3) Subsidiary to subsidiary.

Note 3: Regarding percentage of transaction amount to consolidated total operating revenues or total assets, it is computed based on period-end balance of transaction to consolidated total assets for balance sheet accounts and based on accumulated transaction amount for the period to consolidated total operating revenues for income statement accounts.

Note 4: If the amount of individual transactions does not reach 1% of the consolidated total revenue and 1% of the consolidated total assets, they will not be disclosed; in addition, as the transactions are shown in asset-income form, the relative transactions are not disclosed.

FIC GLOBAL, INC.

Information on investees

Year ended December 31, 2022

Table 7

Expressed in thousands of NTD

(Except as otherwise indicated)

				Initial investment amount		Shares held as at December 31, 2022					
Investor	Investee	Location	Main business activities	Balance as at December 31, 2022	Balance as at December 31, 2021	Number of shares	Ownership (%)	Book value	Net profit (loss) of the investee for the year ended December 31, 2022	Investment income (loss) recognised by the Company for the year ended December 31, 2022	Footnote
FICG	First International Computer, Inc.	Taiwan	Computer system analysis, planning and maintenance, EMS and import and export trade business	$ 3,172,961	$ 3,172,961	86,968	100.00	$ 970,987	$ 172,003	$ 176,336	
	FICTA Technology Inc.	Taiwan	Communication product business	514,547	514,547	41,496	69.00	357,513	64,583	44,665	
	3CEMS Corporation	Cayman Islands	Investment	1,291,806	1,291,806	317,609	36.00	1,400,350	415,496	150,230	
	Ubiqconn Technology, Inc.	Taiwan	Manufacturing and sales of industrial computers, automotive electronics, electronic components and peripheral equipment.	600,312	429,347	39,142	52.00	598,337	207,192	105,978	
	LEO Systems, Inc.	Taiwan	Sales of information software and hardware products, software planning and design, computer hardware maintenance services, system integration	13,391	13,391	1,787	2.00	29,080	285,370	5,794	
	Formosa21 Inc.	Taiwan	Manufacture, distribution, renting, maintenance and import and export trade business of computer system, data communication system, peripheral equipment, terminal equipment and related business machine.	5	5	-	-	5	1,223	-	
	Geointelligence Systems, Inc.	Taiwan	Accept the commison of civil engineering planning and design and related business	561	561	43	1.00	626	10,043	110	

FIC GLOBAL, INC.

Information on investees

Year ended December 31, 2022

Table 7

Expressed in thousands of NTD

(Except as otherwise indicated)

Investor	Investee	Location	Main business activities	Initial investment amount: Balance as at December 31, 2022	Initial investment amount: Balance as at December 31, 2021	Shares held as at December 31, 2022: Number of shares	Shares held as at December 31, 2022: Ownership (%)	Shares held as at December 31, 2022: Book value	Net profit (loss) of the investee for the year ended December 31, 2022	Investment income (loss) recognised by the Company for the year ended December 31, 2022	Footnote
First International Computer, Inc.	Brilliant World Limited	British Virgin Islands	Investment	$ 2,869,980	$ 2,869,980	91,340	100.00	$ 572,464	$ 18,613	$ -	
	High Standard Global Corporation	British Virgin Islands	Investment	2,704,361	2,704,361	85,050	100.00	585,432	6,120	-	
	Zircon Global Corporation	British Virgin Islands	Investment	-	271,109	-	-	-	615,121	-	
	City Smarter Technologies Corporation	Taiwan	Manufacture and sale of telecommunication equipment, electronic components, computers, peripheral equipment and office equipment.	2,860	2,860	36	19.00	646	328	-	
	Access Trend Limited	British Virgin Islands	International Trade business	617,994	617,994	33,600	100.00	(433,460)	(619,609)	-	
	FIC First international Holding B.V.	Nederland	Investment	913,148	913,148	4,983	100.00	74,923	126	-	
	3CEMS Corporation	Cayman Islands	Investment	1,267,081	1,267,081	194,212	22.00	856,287	415,496	-	
	First international Computer do Brasil Ltd.	Brasil	Distribution of computers and peripheral equipment	266,992	266,992	18,373	45.00	-	-	-	
	Venture Gain Developments Ltd.	British Virgin Islands	Investment	3,182	3,182	100	20.00	-	-	-	
	LEO Systems, Inc.	Taiwan	Sales of information software and hardware products, software planning and design, computer hardware maintenance services, system integration	124	124	14	0.02	221	285,370	-	
	Web Information Technology Inc.	Taiwan	Manufacture, development, distribution, renting, maintenance and import and export trade business of computer system, data communication system, peripheral equipment, terminal equipment and related business machine.	28,348	28,348	2,937	42.00	-	-	-	
	Lambert Newmedia, Inc.	Taiwan	Computer equipment installation, retail sale of computer software and digital information supply services	2,800	2,800	280	24.00	-	-	-	

FIC GLOBAL, INC.

Information on investees

Year ended December 31, 2022

Table 7

Expressed in thousands of NTD

(Except as otherwise indicated)

Investor	Investee	Location	Main business activities	Initial investment amount: Balance as at December 31, 2022	Initial investment amount: Balance as at December 31, 2021	Shares held as at December 31, 2022: Number of shares	Shares held as at December 31, 2022: Ownership (%)	Shares held as at December 31, 2022: Book value	Net profit (loss) of the investee for the year ended December 31, 2022	Investment income (loss) recognised by the Company for the year ended December 31, 2022	Footnote
FIC Holding	3CEMS Europe B.V.	Netherlands	Purchase, sale and after-sales service of computers and parts	$ 785	$ 785	7	100.00	$ -	$ -	$ -	
FICTA Technology Inc.	Ubiqconn Technology, Inc.	Taiwan	Manufacturing and sales of industrial computers, automotive electronics, electronic components and peripheral equipment.	248,112	248,112	14,751	20.00	225,486	207,192	47,952	
	LEO Systems, Inc.	Taiwan	Sales of information software and hardware products, software planning and design, computer hardware maintenance services, system integration	75,984	75,984	3,367	4.00	54,862	285,370	10,912	
	Formosa21 Inc.	Taiwan	Manufacture, distribution, renting, maintenance and import and export trade business of computer system, data communication system, peripheral equipment, terminal equipment and related business machine.	19,035	19,035	2,038	29.00	21,050	1,223	356	
	Witology Technology Company Limited	Taiwan	Research on electronic related industry	10,000	-	1,000	25.00	10,000	(1,901)	-	
3CEMS	3CEMS Investiment Management Limited	Hong Kong	Investment	-	-	-	100.00	(616)	(121)	-	Note
	Prime Foundation Inc.	British Virgin Islands	Investment	1,447,024	799,349	27,403	100.00	3,095,735	247,036	-	
	Danriver System Inc.	British Virgin Islands	Investment	-	-	8,500	100.00	(78,126)	29,863	-	
	Danriver Inc.	British Virgin Islands	Investment	1,066,527	1,066,527	30,000	100.00	827,955	61,926	-	
	Broad Technology,Inc.	British Virgin Islands	Investment	227,388	227,388	5,000	100.00	(155,854)	78,419	-	

FIC GLOBAL, INC.

Information on investees

Year ended December 31, 2022

Table 7

Expressed in thousands of NTD
(Except as otherwise indicated)

				Initial investment amount		Shares held as at December 31, 2022					
Investor	Investee	Location	Main business activities	Balance as at December 31, 2022	Balance as at December 31, 2021	Number of shares	Ownership (%)	Book value	Net profit (loss) of the investee for the year ended December 31, 2022	Investment income (loss) recognised by the Company for the year ended December 31, 2022	Footnote
Prime	Perfect Union Global Inc.	British Virgin Islands	Investment	$ 2,681,086	$ 647,675	82,332	100.00	$ 2,928,561	$ 238,485	$ -	
	Prihot Electronic (M) Sdn.Bhd.	Malaysia	Electronics components testing and manufacturing	1,245	1,245	-	25.00	-	(311)	-	
Prime Technology (Guangzhou) Inc.	Prime Base Inc.	Cayman Islands	Investment, assembly service and trading of printed circuit board and electronic parts and components	3,287	3,287	100	100.00	242,987	2,452	-	
Ubiqconn Technology, Inc.	Ruggon Corporation	Taiwan	Trade of industrial computers, automotive products, electronic components and peripheral equipment.	110,768	2,000	12,000	100.00	43,827	-	-	
	Ubiqconn Technology (USA) Inc.	USA	Trade of industrial computers, automotive products, electronic components and peripheral equipment.	16,708	16,708	5,500	100.00	754	(12,003)	(12,003)	

Note: As of December 31, 2022, the investment has not yet been remitted

FIC GLOBAL, INC.

Information on investments in Mainland China

Year ended December 31, 2022

Table 8

Investee in Mainland China	Main business activities	Paid-in capital	Investment method (Note 1)	Accumulated amount of remittance from Taiwan to Mainland China as of January 1, 2022	Amount remitted from Taiwan to Mainland China/Amount remitted back to Taiwan for the year ended December 31, 2022: Remitted to Mainland China	Remitted back to Taiwan	Accumulated amount of remittance from Taiwan to Mainland China as of December 31, 2022	Net income of investee for the year ended December 31, 2022	Ownership held by the Company (direct or indirect)	Investment income (loss) recognised by the Company for the year ended December 31, 2022 (Note 2)	Book value of investments in Mainland China as of December 31, 2022	Accumulated amount of investment income remitted back to Taiwan as of December 31, 2022	Footnote
Shanghai Zhong Chuan Plastics Co., Ltd.	Production and sales of electronic components and plastic stationery and toys.	$ 121,346	2	$ 121,346	$ -	$ -	$ 121,346	$ -	-	$ -	$ -	$ -	Note 11
Guangzhou Han Rigid Corporation	Production and sales of PVC Rigid Film	1,304,800	2	195,720	-	-	195,720	-	-	-	-	-	Note 11
Shanghai User Electronics Co., Ltd.	Production and sales of software and hardware, computer case and accessories	35,230	2	6,850	-	-	6,850	-	-	-	-	-	Note 2 (2)C
Broad Technology (Guangzhou) Inc.	Real estate leasing business	750,260	2	587,160	-	-	587,160	17,986	58	10,480	1,121,794	-	Note 2 (2)B, Note 10
Prime Technology (Guangzhou) Inc.	Production and sales of main board	672,515	2	391,440	-	-	391,440	236,924	58	138,056	3,346,371		Note 2 (2), Note 7, Note 10
Danriver Technology (Guangzhou) Inc.	Real estate leasing business	587,160	2	391,440	-	-	391,440	57,606	58	33,567	647,315	-	Note 2 (2)B, Note 7, Note 10
Fic (Suzhou) Inc.	Real estate leasing business	3,082,634	2	2,915,573	-	-	2,915,573	9,868	100	9,868	581,394	-	Note 2 (2)B, Note 13
Broadteam Electronics (Guangzhou) Inc.	Production and sales of printed circuit board	820,854	2	-	-	-	-	-	-	-	-	-	Note 4, Note 7, Note 10, Note 11
Zircon Technology (Wujiang) Co., Ltd.	Production and sales of portable digital automation data processing machine and printed circuit board	254,436	2	263,080	-	-	263,080	-	-	-	-	-	Note 2 (2)C, Note 11
Danriver System (Guangzhou) Inc.	Production and sales of printed circuit board	326,000	2	-	-	-	-	34,490	58	20,097	428,374	-	Note 2 (2)C, Note 5, Note 7, Note 10
Delton Electronics (Guangzhou) Inc.	Production and sales of printed circuit board	900,312	2	-	-	-	-	-	-	-	-	-	Note 6, Note 7, Note 8, Note 11

FIC GLOBAL, INC.

Information on investments in Mainland China

Year ended December 31, 2022

Table 8

Investee in Mainland China	Main business activities	Paid-in capital	Investment method (Note 1)	Accumulated amount of remittance from Taiwan to Mainland China as of January 1, 2022	Amount remitted from Taiwan to Mainland China/Amount remitted back to Taiwan for the year ended December 31, 2022: Remitted to Mainland China	Remitted back to Taiwan	Accumulated amount of remittance from Taiwan to Mainland China as of December 31, 2022	Net income of investee for the year ended December 31, 2022	Ownership held by the Company (direct or indirect)	Investment income (loss) recognised by the Company for the year ended December 31, 2022 (Note 2)	Book value of investments in Mainland China as of December 31, 2022	Accumulated amount of investment income remitted back to Taiwan as of December 31, 2022	Footnote
Ficus Systems (Shanghai) Inc.	Production and sales of mobile phone and related accessories	$ 68,750	2	$ -	$ -	$ -	$ -	$ -	-	$ -	$ -	$ -	Note 7, Note 11
Shanghai Zhongchuan Plastics Limited	Research and development of computer software and hardware	4,489	2	45	-	-	45	-	-	-	-	-	Note 12
Success Technology (GuangZhou) Inc.	Production and sales of printed circuit board	336,363	2	-	-	-	-	-	-	-	-	-	Note 9, Note 11
Amertek Computer (Shenzhen) Co., Ltd.	Production and sales of desk personal computers, main board	747,896	2	-	-	-	-	176,414	58	102,796	1,330,074	-	Note 2 (2)B, Note 10
Comserve Network (Guangzhou) Co., Ltd.	Testing and maintenance of the electronic products; providing bonded warehouse	15,138	2	15,138	-	-	15,138	-	-	-	-	-	Note 12
Green E Trading (Guangzhou) Co., Ltd.	Production and sales of LED and the solar photovoltaic products	3,936	2	3,149	-	-	3,149	-	-	-	-	-	Note 12
NBM Production(DongGuan)Co., Ltd.	Production and sales of computer host, main board and control board	20,706	2	20,706	-	-	20,706	-	-	-	-	-	Note 12
Amerwave Technology (Shenzhen) Co., Ltd.	Production and sales of computer host, main board and control board	282,750	2	-	-	-	-	12,585	23	2,861	85,924	-	Note 2 (2)B, Note 9
China Applied Technology Co., Ltd.	Internet of Things (IoT), Development of intelligent technology, Technology transfer, Technological consultancy and service, Import and export business of goods and technology.	57,580	2	-	-	-	-	-	-	-	-	-	Note 8, Note 11
Amerwis Technology (Shenzhen) Co., Ltd.	Providing research&development services and trading	894	2	-	-	-	-	(272)	58	(158)	1,036	-	Note 2 (2)B, Note 9

Table 8

FIC GLOBAL, INC.

Information on investments in Mainland China

Year ended December 31, 2022

Company name	Accumulated amount of remittance from Taiwan to Mainland China as of December 31, 2022	Investment amount approved by the Investment Commission of the Ministry of Economic Affairs (MOEA)	Ceiling on investments in Mainland China imposed by the Investment Commission of MOEA
FIC GLOBAL, INC. AND SUBSIDIARIES	$ 4,911,647	$ 5,887,682	$ 1,938,813

Note 1: Investment methods are classified into the following three categories; fill in the number of category each case belongs to

(1) Directly invest in a company in Mainland China.

(2) Through investing in an existing company in the third area, 3CEMS, Zircon and High standard which then invested in the investee in Mainland China

(3) Others

Note 2: In the Investment income (loss) recognized by the Company for the year ended December 31, 2022 column:

(1) Indicate if the company did not accrue investment income or loss since it was still in preparation.

(2) Indicate the basis for investment income (loss) recognition in the number of one of the following three categories:

A.The financial statements were audited and attested by international accounting firms which are in collaborative relationships whith accounting firms in R.O.C.

B.The financial statements were audited and attested by R.O.C. parent company's CPA.

C. Others : The investment income or loss is recognized on the basis of the unreviewed financial statements for the same period.

Note 3: The numbers in this table are expressed in New Taiwan dollars.

Note 4: Broadteam Electronics (Guangzhou) Inc. is based on Jing-Shen-II-Zi Letter No. 91007611 (經審二字第91007611號函) as approved by the investment Commission, Ministry of Economic Affairs. As the funds are from the FICG's own funds of its indirectly controlled subsidiaries, there are no funds remitted.

Note 5: Danriver System (Guangzhou) Inc. is based on Jing-Shen-II-Zi Letter No. 92017614 (經審二字第92017614號函) as approved by the investment Commission, Ministry of Economic Affairs, but the funds are from the FICG's own funds of its indirectly controlled subsidiaries, so there are no funds remitted.

Note 6: Delton Electronics (Guangzhou) Inc. is based on Jing-Shen-II-Zi Letter No. 92008097 (經審二字第92008097號函) as approved by the investment Commission, Ministry of Economic Affairs, but the funds are from the FICG's own funds of its indirectly controlled subsidiaries, so there are no funds remitted.

Note 7: The investment in Mainland China held by First International Computer, Inc. had been sold to its parent company, FIC GLOBAL, INC. in 2015, which has not been approved by the investment Commission of the Ministry of Economic Affairs as of December 31, 2022.

Note 8: As of December 31, 2022, the indirectly acquired of investment in Mainland China business which are the investee purchased by the subsidiary established through in the third area has not been approved by the investment Commission of the Ministry of Economic Affairs.

Note 9: As of December 31, 2022, the investment in Mainland China which are invested through investing in the subsidiary in the third area has not been approved by the investment Commission of the Ministry of Economic Affairs.

Note 10: As of December 31, 2022, Amertek Limited repaid the accounts payable of First International Computer, Inc. by using the shares of 3CEMS Corp. and CEMS Inc., the repayment amounted to 817,019 thousand and 53,074 thousand.

The company acquired the residual property (owning the long-term equity investments of 3CEMS Corp.) due to the liquidation of CEMS Inc. in 2011, amounted to $258,471.

Note 11: All the ownership has been sold.

Note 12: The liquidation has been completed

Note 13: As of December 31, 2022, Fic (Suzhou) Inc. reduced its capital by cash amounting to 149,900 thousand, of which 8,994 thousand had been collected, only are not approved by the investment Commission of the Ministry of Economic Affairs.

Note 14: The carrying amount of the investments in the Mainland China investees are presented at the end of the period.

FIC GLOBAL, INC.

Major shareholders information

December 31, 2022

Table 9

Name of major shareholders	Shares	
	Total shares owned	Owership
Chia Chao Investment Inc.	45,723,836	21.24%
WYC God-loving Foundation for Charity	35,292,065	16.40%
CGCH Education Charitable Trust Fund	32,000,000	14.87%
Zong Jing Investment Inc.	15,942,466	7.40%
Chi Hsin Investment Inc.	15,021,646	6.98%

Note 1: The major shareholders information was derived from the data that the Company issued common shares (including treasury shares) and preference shares in dematerialised form which were registered and held by the shareholders above 5% on the last operating date of each quarter and was calculated by Taiwan Depository & Clearing Corporation. The share capital which was recorded in the financial statements is different from the actual number of shares issued in dematerialised form because of the different calculation basis.

Note 2: If the aforementioned data contains shares which were held in trust by the shareholders, the data was disclosed as a separate account of client which was set by the trustee. As for the shareholder who reports share equity as an insider whose shareholding ratio is greater than 10% in accordance with Securities and Exchange Act, the shareholding ratio include the self-owned shares and shares held in trust, at the same time, the shareholder who has the power to decide how to allocate the trust assets. For the information on reported share equity of insider, please refer to Market Observation Post System.

FIC GLOBAL, INC.
CASH AND CASH EQUIVALENTS
DECEMBER 31, 2022
(Expressed in thousands of New Taiwan Dollars)

Form 1

Item	Description	Amount
Bank deposits		
NTD deposits		$ 43,506
Foreign currency deposits	US$ 50 thousand, conversion rate $30.71	1,545
Foreign currency time deposits	US$ 6,280 thousand, conversion rate $30.71	192,858
		$ 237,909

FIC GLOBAL, INC.
CHANGES IN INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD
FOR THE YEAR ENDED DECEMBER 31, 2022
(Expressed in thousands of New Taiwan Dollars, except as otherwise indicated)

Form 2

Name	Balance at January 1, 2022		Addition (Note)		Decrease (Note)		Balance at December 31, 2022			Market Value or Net Assets Value	
	Number of shares (in thousands)	Amount	Number of shares (in thousands)	Amount	Number of shares (in thousands)	Amount	Number of shares (in thousands)	Ownership	Amount	Unit price	Total price
First International Computer, Inc.	80,886	$ 843,461	6,082	$ 194,044	-	($ 66,518)	86,968	100%	$ 970,987	11.23	$ 976,342
FICTA Technology, Inc.	41,496	299,250	-	59,190	-	(928)	41,496	69%	357,512	9.63	399,591
Ubiqconn Technology, Inc.	30,663	325,867	8,711	280,800	(232)	(8,330)	39,142	52%	598,337	15.29	598,337
3CEMS Corporation	317,609	1,273,332	-	151,608	-	(24,590)	317,609	36%	1,400,350	4.41	1,400,350
Geointelligence Systems, Inc.	43	596	-	110	-	(80)	43	1%	626	14.56	626
Formosa21 Inc.								-			5

FIC GLOBAL, INC.
CHANGES IN INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD
FOR THE YEAR ENDED DECEMBER 31, 2022
(Expressed in thousands of New Taiwan Dollars, except as otherwise indicated)

Form 2

	1	5	-	-	-	-	1		5	5.00	
LEO Systems, Inc.	1,787	26,846	-	5,918	-	(3,684)	1,787	2%	29,080	32.70	58,447
		$ 2,769,357		$ 691,670		($ 104,130)			$ 3,356,897		$ 3,433,698

Note: The changes in the year included the recognition of gain (loss) on investment accounted for using the equity method and share of other comprehensive income, cash dividends, disposal proceeds and the shareholders' equity of investees

FIC GLOBAL, INC.
CHANGES IN INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD
FOR THE YEAR ENDED DECEMBER 31, 2022
(Expressed in thousands of New Taiwan Dollars, except as otherwise indicated)

Form 2

Item	Amount	Note
Wages and salaries	$ 9,921	
Service fees	7,893	
Others	1,532	The balance of each item has not exceeded 5% of the operating expenses.
	$ 19,346	

6. Influence of difficulty in financial turnover of the Company and affiliates on the Company's financial status: None.

VI. Review and Analysis of Financial Status and Financial Performance and Risk Issues

1. Comparative analysis of financial status

Unit: NT$1,000

Item \ Year	2021	2022	Deviation	
			Amount	%
Current assets	6,967,900	7,826,633	858,733	12.32
Property, plant and equipment	603,109	530,735	(72,374)	(12.00)
Intangible assets	35,445	31,616	(3,829)	(10.80)
other assets	1,651,325	1,784,106	132,781	8.04
Total assets	9,257,779	10,173,090	915,311	9.89
Current liabilities	3,162,973	3,530,301	367,328	11.61
Noncurrent liabilities	1,571,998	1,294,249	(277,749)	(17.67)
Total liabilities	4,734,971	4,824,550	89,579	1.89
Share capital	2,109,305	2,151,721	42,416	2.01
Capital reserve	393,596	439,563	45,967	11.68
Retained earnings	533,711	1,019,961	486,250	91.11
Other equity	(290,770)	(379,890)	(89,120)	30.65
Non-controlling equity	1,776,966	2,117,185	340,219	19.15
Total equity	4,522,808	5,348,540	825,732	18.26

1.The main reasons for the major changes (those with an increase or decrease of more than 20% in the two periods, and the amount of change reaching NT$10,000) and their impact:
(1) Retained surplus: caused by the continuous growth of main operating income and profit.
(2) Other equity: mainly due to the difference in exchange rate conversion in the current period.
2. If the impact is significant, the future response plan should be stated: the above changes will not have a material impact on the Company.

2. Comparative analysis of financial performance

Unit: NT$1,000

Item \ Year	2021	2022	Increased (decreased amount)	Changing ratio %
Operating income	10,039,991	12,448,435	2,408,444	23.99
Operating cost	(8,825,415)	10,781,900	1,956,485	22.17
Gross operating profit	1,214,576	1,666,535	451,959	37.21
Operating expenses	(1,054,133)	1,241,674	187,541	17.79
Operating profit	160,443	424,861	264,418	164.80
Non-operating revenue and expenditure	238,359	339,631	101,272	42.49
Net profit before tax	398,802	764,492	365,690	91.70
Income tax income (expenses)	9,118	41,439	50,557	(554.47)
Net profit after tax	407,920	723,053	315,133	77.25

1.The main reasons for the major changes (the increase or decrease of more than 20% in the two periods, and the amount of the change reaches NT$10,000) and their impact:

(1)Operating income: mainly due to the increase in demand for optical fiber transceiver control boards, motherboards and servers, and the growth of sales of automotive electronic products Chinese mainland.

(2)Operating costs: This is mainly due to the increase in operating costs due to the corresponding increase in operating income.

(3)Operating Gross Profit: This is mainly due to the increase in operating profit due to the corresponding increase in operating income.

(4)Operating profit: The main reason is the growth of operating income and the increase in operating gross margin, resulting in a corresponding increase in operating profit.

(5)Non-operating income and expenses: mainly due to the increase in other benefits and losses and expected credit impairment benefits.

(6)Net profit before tax: mainly due to the increase in operating profit mentioned above, and the increase in non-operating income and expenses was net income.

(7)Income tax expense: mainly due to an increase in net profit before tax, due to an increase in estimated income tax.

(8)Net profit after tax: mainly due to the increase in operating income, operating gross profit, operating profit and pre-tax net profit.

2. If the impact is significant, the future response plan should be stated: the above changes will not have a material impact on the Company.

3. Analysis of cash use

(1) Analysis of changes of cash flows in recent year

Item \ Year	2021	2022	Increase (decrease) ratio%
Operating activities	(241,805)	458,879	(289.77)
Investing activities	32,305	(267,330)	(927.52)
Financing activities	324,610	54,338	(83.26)
Amount influenced by change in exchange rate	(10,784)	(51,332)	376.00

Analysis of changes in cash flows for the latest year:

1. Operating activities: mainly due to the increase in operating profit in 2022, resulting in an increase in cash inflow from operations.
2. Investment activities: mainly due to the increase in real estate, plant and equipment acquired in 2022.
3. Financing activities: mainly due to new bank borrowings in 2022 for working capital turnover.
4. Impact of exchange rate changes: mainly due to the difference in exchange rate conversion in the current period.

(2) Plan for improvement of insufficient liquidity: The current liabilities of the Company mainly come from borrowings from related parties. The Company hasn't been involved in insufficient liquidity.

(3) Analysis of cash liquidity in the next year

Unit: NT$1,000

Beginning cash balance	Estimated net cash flows from operating activities in the whole year	Estimated cash inflows (outflows) in the whole year	Estimated remaining (insufficient) cash amount	Remedial measure for estimated cash insufficiency	
				Investment plan	Financing plan
1,347,873	84,413	(281,053)	1,066,820	-	-

4. Influence of major capital expenditure on financial business in recent year: None.

5. Analysis of reinvestments in recent year

As an investment holding company, the Company mainly invests in hardware manufacturing, system integration, green energy and environmental protection. Therefore, the reinvestment policy of the Company mainly focused on the adjustment of investment structure and investees in recent years. The Company actively disposed investees that didn't comply with the characteristics of its three major industrial characteristics, and increased investments in those with continuously promising industry prospect in the hope that a simple and clear investment structure can be established, and synergies can be brought into full play in key industries to maximize the return on investment.

In 2022, 3CEMS reinvested by the Company is specialized in the contract manufacturing of advanced electronic products applied in aerospace, navigation, automobile and semiconductor industries. In addition to niche-type tablet computer, FIC has already entered the field of automotive electronic head-up display, and exerted considerable efforts to green energy, smart building, and other relevant fields. As for the industrial computers, Ubiqconn Technology takes charge of operating the business, actively developing new products, and striving to integrate resources related to industrial computers.

Control measures adopted by the Company for reinvestments include:

1. Assign appropriate personnel to participate in the management of reinvestment companies and ensure operational performance.
2. Review relevant statements periodically, analyze the achievement of budget, and put forward

abnormality warnings.
3. Convene operation review meetings periodically, and review the operating results and future business direction.
4. Adjust the investment structure and the rectification of subsidiaries, keep what is valuable and reject what is worthless, and improve the overall operation efficiency of the Group.
5. Make plans for capital decrease and increase according to the statuses of the reinvestment companies to adjust the financial structure and improve the operating constitution.

By executing diversified operational strategies and continual adjustment of its organization structure and flows, the Company began to profit since 2016. In 2022, the Company profited approximately NT$476,000,000, making a record high in recent years. The Company's operating constitution has been obviously improved in recent years, and it will focus on the steady operation of its subsidiaries' existing business and expand niche products and market opportunities in the future.

In addition to the operating highlights on the expansion of niche business with high gross profit and high added value, the reinvestment companies will continue to progress with high requirements, improve technologies, and lower expenditure internally. Each company of the Company is required to continuously think about their core competitiveness, develop new products, and plan short-term profitability objectives and long-term business strategies with the objective to promote the overall operational performance of the Group and further enhance the confidence in pursuing the enterprise's long-term profits and sustainable development.

6. Risk management

(1) Influence of interest rate, change in exchange rate and inflation in recent year on the Company's profit or loss, and future responsive measures:

(1) Changes in interest rates

In the latest year and as of the publication date of the annual report, long-term and short-term borrowings can continue to be used during the contract period. Under the premise of improving the financial structure, enhancing the medium and long-term working capital and reducing the risk of interest rate changes, the Group will regularly assess the market capital situation and bank interest rates, and prudently determine the financing method in order to obtain a more favorable interest rate, so it is estimated that interest rate fluctuations will have little impact on the Group.

(2) Exchange rate changes

In the latest year and as of the date of publication of the annual report, most of the Group's purchases and sales are denominated in US dollars, and the assets and liabilities of foreign currency parts will be offset by income and expenditure to achieve the balance of foreign currency parts, reduce the impact of exchange rate fluctuations, use natural hedging methods to reduce exchange rate exposure positions, maintain the net foreign currency parts within a controllable range, reduce exchange rate risks, and if the exchange rate fluctuates greatly and changes rapidly, the benefit of hedging may be reduced. The Group will continue to monitor exchange rate changes and take appropriate measures to reduce the impact of exchange rate fluctuations on the Company's profit and loss.

(3) Inflation

In the latest year and as of the date of publication of the annual report, if excessive inflation will affect the price of raw materials, the Group will pay attention to the fluctuation of the market price of raw materials at any time and purchase materials in advance in a timely manner to reduce the impact on production costs.

(2) Policies for high-risk and high-leverage investments, lending of funds to others, endorsement guarantee and derivatives trading in recent year, main reasons for profit or loss, and future responsive measures:

The Company's financial derivatives trading, lending of funds to others, and endorsement guarantee work were handled according to the objects, nature and amount stipulated in relevant regulations, and legally announced on a regular basis. Certain limits were set up for the amount involved, and therefore the influence on the Company is limited. In the future, the Company will still execute relevant work prudently in accordance with relevant regulations established.

(3) R&D plan in recent year and estimated R&D expenses:

As an investment holding company, the Company does not have any product R&D plan, but it encourages separate specialized business operations, intrapreneurship and independent development of business units so that excellent R&D talents would stay in the Group and create profits thanks to the complete development space. The subsidiaries of the Company are expected to invest NT$388,859,000 in R&D expenses and adopt Green, Rugged and Mobile as the main axis of R&D and design. Also, they will rely on professional R&D capacity to research and develop energy-saving and building control platforms continuously based on Honeywell / Tridium-NiagaraAX platform. Also, they will provide system integration services through the software and hardware platforms of ARM structure, enter the industries of rugged, automotive and portable industrial computers and create high added value and profits relying on the niche market.

(4) Influence of changes of important local and foreign policies and laws in recent year on the Company's finance and business as well as responsive measures: No major influence.

(5) Influence of changes of technology and industry in recent year on the Company's finance and business as well as responsive measures: None.

(6) Influence of change of corporate image in recent year on the enterprise' crisis management as well as responsive measures: None.

(7) Expected benefits and possible risks of merger and acquisition as well as responsive measures: The Company was not involved in any merger and acquisition in 2022.

(8) Expected benefits and possible risks of plant enlargement as well as responsive measures: N/A

(9) Risks faced in centralized purchasing or selling of goods as well as responsive measures: N/A

(10) Influence and risks of abundant transfer or replacement of equity held by directors, supervisors, or major shareholders holding more than ten percent of shares of the Company on the Company as well as responsive measures: None.

(11) Influence and risks of change of managerial right on the Company as well as responsive measures: None.

(12) Litigation or non-litigation events:

The prosecution unit from October 16, 2020 of the Republic of China to the company's investigation, regarding the company's overseas subsidiary British Virgin Islands Perfect Union Global to the bank to handle the letter of credit bill financing matters, recognized that there are matters involving the banking law, securities and exchange law and other matters (hereinafter referred to as the case), the chairman of the company and relevant colleagues all cooperated with the investigation and explained to the prosecution unit, after the prosecutor's interrogation, the chairman of the company and some colleagues were on bail pending transmission, and other colleagues were not guaranteed to ask back, but the relevant financing funds have been repaid to the bank. The bank has not been damaged, the company's financial statements are prepared in accordance with the financial reporting standards of securities issuers and the international financial reporting standards, international accounting standards, interpretations and interpretation announcements approved and issued by the Financial Supervisory Commission, and the visa has been verified by the accountant, and there is no hidden information, and the company fully cooperates with the investigation of the investigation unit. The banking law and securities and exchange law parts of this case were dismissed by the Taiwan Taipei District Prosecutors Office of Taiwan as a non-prosecution sanction, and were rejected by the Taiwan High Prosecutors Office on September 19, 2022; The false part of the document was granted a suspended prosecution sanction by the Taiwan Taipei District Prosecutors Office, and after being sent back by the Taiwan High Prosecutors Office, the Taiwan Taipei District Prosecutors Office imposed a suspended prosecution sanction, which was later rejected by the Taiwan High Prosecutors Office on January 6, 2023. This case has no impact on the Company's financial business, and the Company's operations and finances are normal.

(13) Other important risks and responsive measures:

Instructions to the evaluation of information security risks:

1. In order to strengthen information security management and lower operating risks, the Company has established "Regulation on the Use of Enterprise Network and Computers" and "Work Process for Installation and Daily Maintenance of Anti-virus Servers" and adopted security control measures including strict prohibition of downloading of illegal software, setting of user and system access permissions, establishment of anti-virus system (updating of virus characteristics, detection and scanning) and firewall, intrusion detection, etc.

2. In order to ensure the continual, uninterrupted operation, the Company has also established "Standard Operating Procedure for Backup and Restoration" and "Measures for Implementation of LAN Server Data Backup" to conduct local and non-local backup on both daily and weekly basis. When the data is damaged or lost, replies needed may be applied in a real-time way.

3. The Company improves the employees' awareness of information security, and reinforces information security and personal information education and advocacy on a regular basis.

4. The information unit conducts self-evaluation work at the end of each year according to the purpose and highlights of relevant information cycle internal control, and hands over relevant results to the auditing unit for recheck and presentation to confirm that the information security evaluation work can be continually and effectively executed.

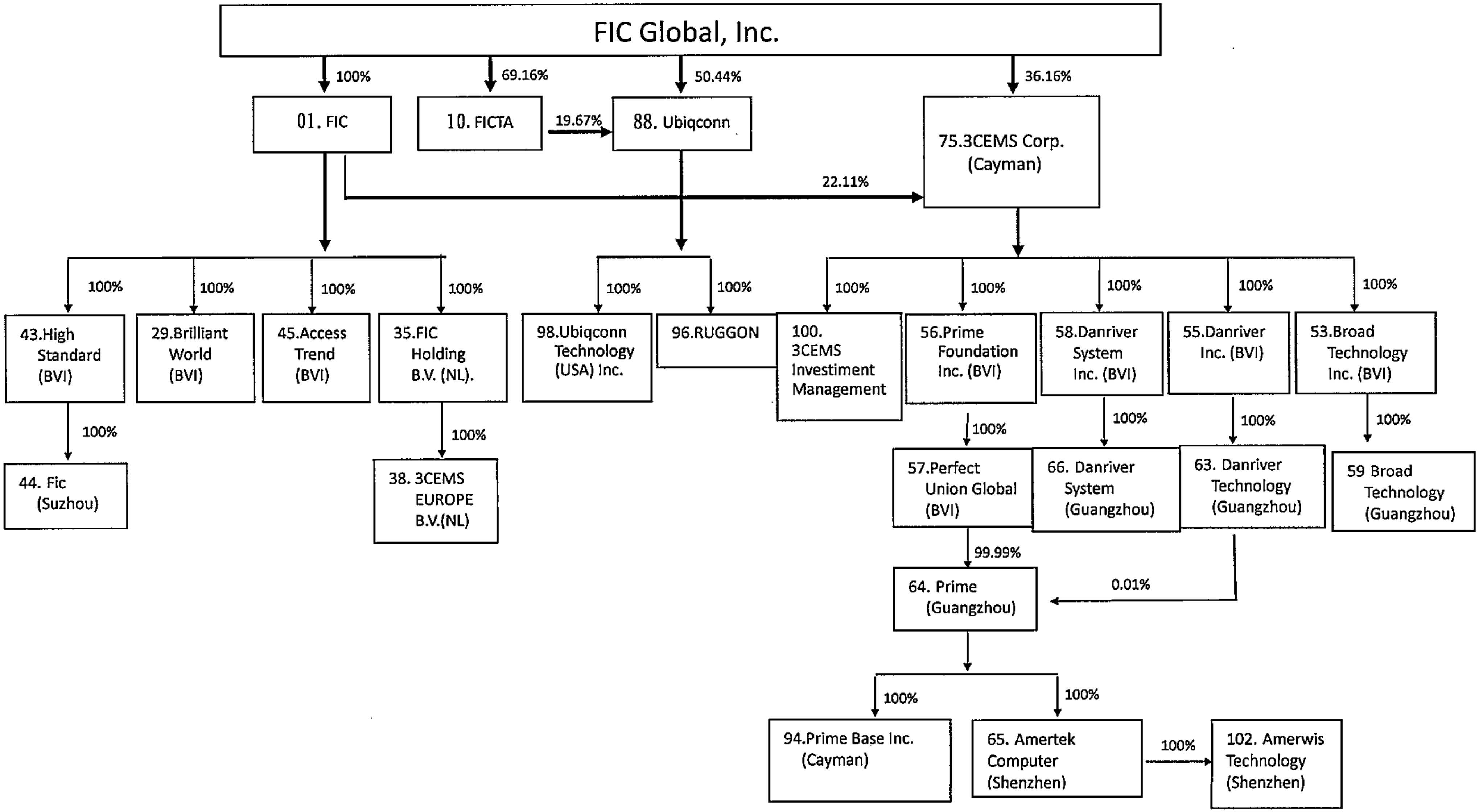
The Company promotes the aforesaid operating procedures to lower risks. However, it may still be subject to the attacks of unclear threats. In the future, the Company will still continually enhance its information security protection work to improve its emergency strain capacity.

7. Other important events: None.

VII. Special Notes

1. Related information of affiliates

(1) Affiliates' organization



(2) Basic information of affiliates

No.	Name of enterprise	Date of incorporation	Address	Paid-in capital (NT$1,000)	Main business or production items
1	First International Computer, Inc.	Dec. 13, 1979	8F., No. 300, Yangguang St., Neihu Dist., Taipei City	869,677	Analysis, planning, design and maintenance of overall computer systems, contract electronics manufacturing, and import and export trading business
10	FICTA Technology, Inc.	Aug. 12, 1997	8F., No. 300, Yangguang St., Neihu Dist., Taipei City	600,000	Communication product business
29	Brilliant World Limited	May 11, 1993	P.O. Box 3340, Road Town, Tortola, British Virgin Islands	US$91,340	General investment business
35	FIC First International Holding B.V.	Oct. 30, 1990	Ruwekampweg 11A, 5222AT Den Bosch NL	EUR31,396	General investment business
38	3CEMS EUROPE B.V.	Nov. 5, 1990	Ruwekampweg 11A, 5222AT Den Bosch NL	EUR318	Import and export of electronic products and after-sales services
41	Zircon Global Corporation	Feb. 1, 2002	P.O.BOX 3340, Road Town, Tortola, British Virgin Islands	US$8,065	General investment business
42	Tse Kang Biotechnology (Wujing) Co., Ltd.	Oct. 24, 2002	Wujiang Economic Development Area, Jiangsu Province	US$7,800	Production and sales business of portable digital automatic data processing machines and new electronic packages and components, etc.
43	High Standard Global Corporation	Nov. 22, 2000	P.O. Box 3340, Road Town, Tortola, British Virgin Islands	US$85,050	General investment business
44	First International Computer (Suzhou) Inc.	May 2, 2001	Suzhou Industrial Park (SIP) Export Processing Zone	US$85,000	Real estate leasing and other relevant business
45	Access Trend Limited	Feb. 1, 2002	P.O. BOX 3340, Road Town, Tortola, British Virgin Islands	US$33,400	International trade business
53	Broad Technology Inc.	Mar. 12, 1997	P.O. Box 3340, Road Town, Tortola, B.V.I.	US$5,000	General investment business
55	Danriver Inc.	May 22, 1998	P.O. Box 3340, Road Town, Tortola, B.V.I.	US$30,000	General investment business
56	Prime Foundation Inc.	Dec. 30, 1997	P.O. Box 3340, Road Town, Tortola, B.V.I.	US$27,403	General investment business
57	Perfect Union Global Inc.	Jul. 26, 2002	P.O.BOX 3340, Road Town, Tortola, British Virgin Islands	US$82,332	General investment business
58	Danriver System Inc.	Sep. 16, 2002	P.O.BOX 3340, Road Town, Tortola, British Virgin Islands	US$8,500	General investment business
59	Comda Advanced Technology (Guangzhou) Ltd.	Dec. 12, 1997	Room 405, No. 82, Baoying Avenue, Guangzhou Bonded Area	US$23,000	Real estate leasing and other relevant business
63	Guangchuan Advanced Technology (Guangzhou) Ltd.	Aug. 14, 1998	Room 401, No. 82, Baoying Avenue, Guangzhou Bonded Area	US$18,000	Real estate leasing and other relevant business

No.	Name of enterprise	Date of incorporation	Address	Paid-in capital (NT$1,000)	Main business or production items
64	Guangshang Advanced Technology (Guangzhou) Ltd.	Apr. 23, 1998	No. 19, South Baoying Road, Guangzhou Bonded Area	CNY$161,000	Production and sales business of mainboards, etc.
65	Caizong Computer (Shenzhen) Co., Ltd.	Aug. 16, 1994	No. 2015, Shenyan Road, Shatoujiao Bonded Area, Shenzhen	US$19,200	Production and sales business of desktops and mainboards
66	Guangmao Advanced Technology (Guangzhou) Co., Ltd.	Nov. 21, 2002	Room 403, No. 82, Baoying Avenue, Guangzhou Bonded Area	US$10,000	Manufacturing, software development and sales of intelligent equipment for sports consumption.
75	3CEMS Corp.	Jun. 2, 2004	Third Floor, Century Yard, Cricket Square, P.O. Box 902 Grand Cayman, KY1-1103, Cayman Islands	US$5,654	General investment business
88	Ubiqconn Technology, Inc.	Jun. 16, 2011	8F., No. 300, Yangguang St., Neihu Dist., Taipei City	750,000	Production and trading of industrial computers, automotive products, electronic components and peripheral equipment.
94	Prime Base Inc.	Jul. 7, 2015	Third Floor, Century Yard, Cricket Square, P.O. Box 902 Grand Cayman, KY1-1103, Cayman Islands	US$100	General investment business, and assembly services and trading of printed circuit boards and electronic components.
96	RuggON Corporation	Jan. 14, 2014	4F., No. 298, Yangguang St., Neihu Dist., Taipei City	11,232	Trading of industrial computers, automotive products, electronic components and peripheral equipment.
98	UBIQCONN TECHNOLOGY (USA) Inc.	Mar. 7, 2017	C/O 17870 Castleton st suite 116 City of Industry , CA	US$1,050	Trading of industrial computers, automotive products, electronic components and peripheral equipment.
100	3CEMS Investment Management Limited	Dec. 12, 2017	5/F, Manulife Place, 348 Kwun Tong Road, Kowloon, Hong Kong	0	General investment business
102	Amerwis Technology (Shenzhen) Co., Ltd	Nov. 18, 2019	No. 2015, Shenyan Road, Shatoujiao Bonded Area, Shenzhen	CNY200	R&D services and trading business.

(3) Data of same shareholders assumed with control and subordinate relations: none.

(4) Industries and labor division of overall affiliates:

1. Main business: General investment business;

2. Electronics industry: The main business is the production and trading of PC computer, computer host system, computer circuit board, laptop and tablet computer (for commercial and industrial purposes), and production and testing of IC, electronic components, etc.;

3. Communication industry: Manufacturing and sales of wired and wireless communication facilities;

4. Others: Environmental engineering business, trade business, etc.

(5) Information of directors, supervisors and general manager of affiliates

No.	Name of enterprise	Title	Name or representative	Shares held	
				Number of shares	Shareholding ratio
1	First International Computer, Inc.	Chairman	FIC Global, Inc. (CHIEN, MING-JEH)	86,967,700	100.00%
		Director	FIC Global, Inc. (LO, AN-TI)	86,967,700	100.00%
		Director	FIC Global, Inc. (WU, SHUN-I)	86,967,700	100.00%
		Supervisor	FIC Global, Inc. (LEE, KAI-TIEN)	86,967,700	100.00%
		General Manager	CHIEN LEO MING TZ	0	0%
10	FICTA Technology, Inc.	Chairman	FIC Global, Inc. (LIN, TUNG-HSING)	41,495,702	69.16%
		Director	FIC Global, Inc. (CHIEN, HSIEN-LI)	41,495,702	69.16%
		Director	FIC Global, Inc. (LO, AN-TI)	41,495,702	69.16%
		Supervisor	Zongjing Investment (CHEN, HSIAO-YUN)	5,210,668	8.68%
29	Brilliant World Limited	Director	Ming-Jeh Chien	0	0.00%
		Director	Charlene Chien	0	0.00%
35	FIC (First International) Holding B.V.	Director	Ming-Jeh Chien	0	0.00%
		Director	Charlene Chien	0	0.00%
38	3CEMS EUROPE B.V.	Director	Ming-Jeh Chien	0	0.00%
		Director	Charlene Chien	0	0.00%
43	High Standard Global Corporation	Director	Ming-Jeh Chien	0	0.00%
		Director	Charlene Chien	0	0.00%
44	First International Computer (Suzhou) Inc.	Director	CHIEN, MING-JEN	0	0.00%
		Director	WANG, HSUEH-LING	0	0.00%
		Director	SHE, MING-CHOU	0	0.00%
45	Access Trend Limited.	Director	Ming-Jeh Chien	0	0.00%
		Director	Charlene Chien	0	0.00%
53	Broad Technology Inc.	Director	Ming-Jeh Chien	0	0.00%
		Director	An-Ti Lo	0	0.00%
55	Danriver, Inc.	Director	Ming-Jeh Chien	0	0.00%
		Director	An-Ti Lo	0	0.00%
56	Prime Foundation Inc.	Director	Ming-Jeh Chien	0	0.00%
		Director	An-Ti Lo	0	0.00%

57	Perfect Union Global Inc.	Director	Ming-Jeh Chien	0	0.00%
		Director	An-Ti Lo	0	0.00%
58	Danriver System Inc.	Director	Ming-Jeh Chien	0	0.00%
		Director	An-Ti Lo	0	0.00%
59	Broad Technology (Guangzhou) Inc.	Director	CHIEN, HSIEN-LI	0	0.00%
		Director	CHAN, CHAO-CHING	0	0.00%
		Director	LIN, TUNG-HSING	0	0.00%
63	Danriver Technology (Guangzhou) Inc.	Director	CHIEN, HSIEN-LI	0	0.00%
		Director	CHAN, CHAO-CHING	0	0.00%
		Director	CHEN, HSIAO-YUN	0	0.00%
64	Prime Technology (Guangzhou) Inc.	Director	LIN, TUNG-HSING	0	0.00%
		Director	LO, AN-TI	0	0.00%
		Director	LIAO, HENG-YI	0	0.00%
65	Amertek Computer (Shenzhen) Co.,Ltd	Director	CHIEN, HSIEN-LI	0	0.00%
		Director	JUAN, SHAO-HSIEN	0	0.00%
		Director	CHEN, HSIAO-YUN	0	0.00%
66	Danriver System (Guangzhou) Inc.	Chairman	LO, AN-TI	0	0.00%
		Director	DI, JIAN- HUEI	0	0.00%
		Director	CHEN, SIAO- YUN	0	0.00%
		Independent Director	TANG, HAN- YU	0	0.00%
		Independent Director	WANG, JHENG- WEI	0	0.00%
		Supervisor	CHEN, CING- CI	0	0.00%
		Supervisor	LI, SHOU- HAI	0	0.00%
		Supervisor	HONG, RONG- SIN	0	0.00%
75	3CEMS Corp.	Director	Ming-Jeh Chien	25,000,000	2.85%
		Director	An-Ti Lo	0	0.00%
		Director	Chien Leo Ming Tz	0	0.00%
88	Ubiqconn Technology, Inc.	Chairman	FIC Global, Inc. (CHIEN LEO MING TZ)	37,827,389	50.44%
		Director	FIC Global, Inc. (HSU, CHING-CHEN)	37,827,389	50.44%
		Director	ZENG, HUAI- YI	0	0%
		Director	LIN, SONG- SI	0	0%
		Independent Director	YOU, YONG- GUEI	0	0%
		Independent Director	SIAO, ZU- ZE	0	0%
		Independent Director	HUANG, JHONG- LIANG	0	0%
94	Prime Base Inc.	Director	Huang, Chien-Chen	0	00.00%
		Director	Liao, Heng-Yi	0	00.00%
96	RuggON Corporation	Chairman	Ubiqconn Technology (CHIEN LEO MING TZ)	12,000,000	100.00%
		Director	Ubiqconn Technology (HSU, CHING-CHEN)	12,000,000	100.00%

		Director	Ubiqconn Technology (LI, BO-CHENG)	12,000,000	100.00%
		Supervisor	Ubiqconn Technology (HUANG, CHIEN-CHEN)	12,000,000	100.00%
98	UBIQCONN TECHNOLOGY (USA) Inc.	Director	Begonia Tsui	0	0.00%
		Director	Vincent Chen	0	0.00%
		Director	Richard Hsieh	0	0.00%
100	3CEMS Investment Management Limited	Director	Chien Leo Ming Tz	0	00.00%
		Director	Huang Chien-Chen	0	00.00%
102	Amerwis Technology (Shenzhen) Co., Ltd	Chairman	CHIEN, HSIEN-LI	0	00.00%
		Director	JUAN, SHAO-HSIEN	0	00.00%
		Director	CHANG, CHIH-MING	0	00.00%
		Supervisor	CHEN, CHING-CHI	0	00.00%

(6) Operation overview of affiliates

2022

Table of Operation Overview of Affilites of FICG

December 31, 2022; Unit: NT$1,000

Affiliate code	Name of enterprise	Capital	Total assets	Total liabilities	Net worth	Operating income	Operating profit	Profit or loss (after-tax) for the current period	Earnings per share (NT$) after tax
01	First International Computer, Inc.	869,677	2,874,948	(1,898,606)	976,342	1,533,392	(63,350)	179,711	2.07
10	FICTA Technology, Inc.	600,000	580,384	(2,603)	577,781	0	(831)	64,583	1.08
29	Brilliant World Limited	2,805,044	612,519	(40,055)	572,464	0	(79)	18,613	-
35	FIC (First International) Holding B.V.	163,029	74,911	0	74,911	452	(300)	126	-
38	3CEMS EUROPE B.V.	5,070	0	0	0	0	0	0	-
43	High Standard Global Corporation	2,611,886	729,769	(144,337)	585,432	0	0	6,120	-
44	First International Computer (Suzhou) Inc.	2,680,574	1,098,688	(517,294)	581,394	81,472	36,983	9,868	-
45	Access Trend Limited	1,031,856	410,599	(844,058)	(433,460)	0	(199)	(656,801)	-
53	Broad Technology Inc.	153,550	1,123,628	(1,279,482)	(155,854)	72	(1,543)	78,419	-
55	Danriver Inc.	921,300	1,095,668	(267,714)	827,955	3,490	2,785	61,926	-
56	Prime Foundation Inc.	841,533	3,111,565	(15,830)	3,095,735	1,387	(9,560)	247,036	-
57	Perfect Union Global Inc.	2,528,417	3,353,378	(424,818)	2,928,561	22,867	(5,527)	238,485	-
58	Danriver System Inc.	261,035	429,305	(507,432)	(78,126)	0	(200)	0	-
59	Broad Technology (Guangzhou) Inc.	839,218	1,129,584	(7,791)	1,121,794	17,136	(1,073)	17,986	-
63	Danriver Technology (Guangzhou) Inc.	656,780	671,743	(24,428)	647,315	71,712	25,606	57,606	-
64	Prime Technology (Guangzhou) Inc.	708,832	4,771,791	(1,427,218)	3,344,573	5,429,475	94,452	236,924	-
65	Amertek Computer (Shenzhen) Co.,Ltd	701,370	3,815,711	(2,485,637)	1,330,074	3,150,693	112,370	167,894	-
66	Danriver System (Guangzhou) Inc.	364,699	432,996	(4,621)	428,374	0	(209)	0	-
75	3CEMS Corporation	173,649	3,894,625	(21,632)	3,872,993	0	(3,880)	415,496	-

Affiliate code	Name of enterprise	Capital	Total assets	Total liabilities	Net worth	Operating income	Operating profit	Profit or loss (after-tax) for the current period	Earnings per share (NT$) after tax
88	Ubiqconn Technology, Inc.	750,000	2,123,857	(977,395)	1,146,462	3,267,810	203,890	207,192	3.13
94	Prime Base Inc.	3,071	1,444,066	(1,162,291)	281,774	4,330,629	28,709	2,452	-
96	RuggON Corporation	120,000	69,319	(25,493)	43,827	167,810	1,065	(0)	-
98	UBIQCONN TECHNOLOGY (USA) INC.	16,891	19,576	(16,760)	2,816	44,210	(12,048)	(12,003)	-
100	3CEMS Investment Management Limited	0	0	(616)	(616)	0	(121)	(121)	-
102	Amerwis Technology (Shenzhen) Co., Ltd	882	1,036	0	1,036	(0)	(275)	(272)	-

Note: Prime Technology(Guangzhou) Inc. has changed its name to Guangshang Technology (Guangzhou) Co., Ltd. on March 20, 2023.
Note: This table is converted at the end of the current exchange rate.

2. Handling status of private placement of valuable securities in recent year and as of the publication date of the annual report: None.
3. Status of subsidiaries' holding or disposal of the Company's stock in recent year and as of the publication date of the annual report: None.
4. Other necessary supplementary clarifications: None.
5. Event having a major influence on shareholders' equity or securities prices as stipulated in Article 36-3-2 of the Securities and Exchange Act in recent year and as of the publication date of the annual report: None.

FIC Global, Inc.

Chairman : CHIEN, MING-JEH