

**CLEVO CO. AND SUBSIDIARIES**  
**CONSOLIDATED FINANCIAL STATEMENTS AND**  
**INDEPENDENT AUDITORS' REPORT**  
**DECEMBER 31, 2022 AND 2021**

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

## INDEPENDENT AUDITORS' REPORT TRANSLATED FROM CHINESE

To the Board of Directors and Shareholders of Clevo Co.

PWCR22000469

### ***Opinion***

We have audited the accompanying consolidated balance sheets of Clevo Co. and its 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 report 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. 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:

### **Valuation of investment properties**

#### Description

Refer to Note 4(19) for accounting policies on investment properties, Note 5(2) for uncertainty of accounting estimates and assumptions in relation to the fair value measurement of investment properties, and Note 6(9) for details of investment properties. As at December 31, 2022, the Group's investment properties at fair value amounted to NT\$62,526,250 thousand.

The Group measures investment properties using the fair value model. The fair value measurement is based on income approach and the discounted cash flow by using estimated future rental income less essential costs, and obtaining the valuation report by appraiser as valuation basis in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

The discount rate and future rental income used as the basis of fair value measurement mentioned above involves future prediction, and the estimated result has a significant impact on fair value measurement. Therefore, we considered the valuation of investment properties as a key audit matter.

#### How our audit addressed the matter

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

1. Examined the analysis period and assumption methods used in the valuation report by the independent appraisers in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.
2. Evaluated the reasonableness of rental earnings related to individual investment property, current market rents for similar comparable properties, rental growth rate and industry forecast reports.
3. Evaluated the reasonableness of discount rate used in valuation and capital costs caused by local property environment.

## **Existence of booth rental revenue**

### Description

Refer to Note 4(33) for accounting policies on revenue recognition and Note 6(23) for details of operating revenue. As at December 31, 2022, the Group's rental revenue amounted to NT\$2,451,684 thousand.

One of the operating revenues of the Group is to earn booth rental income from holding investment properties. After customers sign the contracts, the Group allocates and recognises booth rental revenue based on the period of realisation of agreements.

The customers of booth rental revenue are merchants in the location of investment property, the customers are numerous and most contract periods are from 6 months to one year. The main customers are primarily engaged in the sales of 3C products and food service. In recent years, the growth of ecommerce in China has made an impact on the sales of bricks-and-mortar stores. Therefore, there is higher uncertainty of existence of rental revenue. Thus, we considered the existence of booth rental revenue as a key audit matter.

### How our audit addressed the matter

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

1. Ensured the reasonableness by validating and testing the appropriateness of internal controls over booth rental revenue, including inspecting the lease contracts and related supporting documents.
2. Verified existence of merchants by performing physical count of the booths.
3. Obtained the listings of booth rental revenue and confirmed the existence of booth rental revenue by sampling and inspecting the lease contracts and physical inventory lists.

## **Valuation of inventories**

### Description

Refer to Note 4(13) for accounting policy on the valuation of inventories, Note 5(2) for uncertainty of accounting estimations and assumptions in relation to inventory valuation, and Note 6(4) for the details of inventory valuation. As at December 31, 2022, the balance of inventory and allowance for inventory valuation losses amounted to NT\$4,151,572 thousand and NT\$372,871 thousand, respectively.

The Group is primarily engaged in manufacturing and sales of notebook computers, construction in progress and buildings and land held for sale. Due to rapid technological innovations, short lifespan of electronic products and fluctuations in market prices, there is a higher risk of inventory losses due

from market value decline or obsolescence. Additionally, most of construction in progress and buildings and land held for sale are located in second-tier or third-tier cities. The property cycle is mostly influenced by local policy and economic situation. Due to long inventory holding period, there is a higher risk for inventory losses due from market value decline.

The Group recognises inventories at the lower of cost and net realizable value, and the net realizable value is estimated based on the age and damage of inventory. The allowance for inventory valuation losses is provided for those inventories aged over a certain period of time and individually identified as obsolete or damaged. As the amounts of inventories are material, the types of inventories vary, and the estimation of net realizable value is subject to management's judgment, we considered the allowance for inventory valuation losses a key audit matter.

How our audit addressed the matter

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

1. Ensured consistent application of accounting policies in relation to allowance for inventory valuation losses and assessed the reasonableness of these policies.
2. Obtained the listings of lower of cost or net realizable value and obsolescence losses amount, sampled and inspected related supporting documents. Calculated the accuracy and assessed the reasonableness of the estimation of net realizable value.
3. Verified information obtained from physical inventory of notebook computers, and inquired with management and relevant staff if the inventory is identified as slow-moving, surplus, obsolete or damaged.

***Other matter –Reference to the audits of other auditors***

We did not audit the financial statements of a subsidiary which were audited by other auditors. Therefore, our opinion expressed herein, insofar as it relates to the amounts included in respect of this subsidiary, is based solely on the report of the other auditors. Total assets of this subsidiary amounted to NT\$491,065 thousand, constituting 1% of the consolidated total assets as at December 31, 2022, and the operating revenue amounted to NT\$1,065 thousand, constituting 0% of the consolidated total operating revenue for the year then ended.

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

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

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

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

### ***Auditors' responsibilities for the audit of the consolidated financial statements***

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

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

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

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

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

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

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

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Wu, Han-Chi

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For and on Behalf of PricewaterhouseCoopers, Taiwan

March 15, 2023

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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.



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

ASSETS	Notes	December 31, 2022		December 31, 2021		
		AMOUNT	%	AMOUNT	%	
<b>Current assets</b>						
1100	Cash and cash equivalents	6(1)	\$ 7,051,419	7	\$ 3,816,041	4
1110	Financial assets at fair value through profit or loss - current	6(2)	2,181,499	2	2,530,073	3
1136	Financial assets at amortised cost - current	6(1) and 8	26,490	-	69,309	-
1170	Accounts receivable, net	6(3)	2,530,507	3	3,426,401	4
1197	Finance lease receivable, net	6(8)	42,430	-	-	-
1220	Current income tax assets		278	-	274	-
130X	Inventories	6(4)	3,778,701	4	4,693,977	5
1470	Other current assets	7	1,441,840	2	1,318,012	1
11XX	<b>Total current assets</b>		<u>17,053,164</u>	<u>18</u>	<u>15,854,087</u>	<u>17</u>
<b>Non-current assets</b>						
1535	Financial assets at amortised cost - non-current	6(1) and 8	1,101,367	1	1,042,867	1
1550	Investments accounted for using equity method, net	6(5) and 7	2,869,141	3	2,649,192	3
1600	Property, plant and equipment	6(6)(12) and 8	4,028,326	4	2,533,892	3
1755	Right-of-use assets	6(7), 7 and 8	4,066,683	4	4,158,671	5
1760	Investment property, net	6(9) and 8	62,526,250	67	62,408,602	68
1780	Intangible assets	6(10)	57,951	-	18,423	-
1840	Deferred income tax assets	6(30)	822,259	1	387,328	-
194D	Long-term finance lease receivable, net	6(8)	80,770	-	-	-
1975	Net defined benefit asset, non-current	6(17)	39,290	-	-	-
1990	Other non-current assets	6(11)	1,521,858	2	2,241,065	3
15XX	<b>Total non-current assets</b>		<u>77,113,895</u>	<u>82</u>	<u>75,440,040</u>	<u>83</u>
1XXX	<b>Total assets</b>		<u>\$ 94,167,059</u>	<u>100</u>	<u>\$ 91,294,127</u>	<u>100</u>

(Continued)

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

LIABILITIES AND EQUITY		Notes	December 31, 2022		December 31, 2021	
			AMOUNT	%	AMOUNT	%
<b>Current liabilities</b>						
2100	Short-term borrowings	6(14)	\$ 3,325,719	4	\$ 4,746,423	5
2130	Contract liabilities - current	6(23)	145,214	-	88,153	-
2150	Notes payable		53,283	-	10,124	-
2170	Accounts payable		2,142,671	2	2,393,963	3
2180	Accounts payable - related parties	7	280,722	-	347,988	-
2200	Other payables		1,320,743	1	1,364,019	2
2230	Current income tax liabilities		418,272	1	378,031	-
2250	Provisions for liabilities - current	6(18)	58,523	-	58,523	-
2280	Lease liabilities	7	120,398	-	62,634	-
2320	Long-term liabilities, current portion	6(16)	7,863,802	8	3,798,480	4
2399	Other current liabilities	7	385,227	1	512,461	1
21XX	<b>Total current liabilities</b>		<u>16,114,574</u>	<u>17</u>	<u>13,760,799</u>	<u>15</u>
<b>Non-current liabilities</b>						
2530	Corporate bonds payable	6(15)	5,000,000	6	5,000,000	6
2540	Long-term borrowings	6(16)	17,553,292	19	17,871,867	20
2570	Deferred tax liabilities	6(30)	12,268,089	13	12,002,907	13
2580	Lease liabilities - non-current	7	225,525	-	221,390	-
2670	Other non-current liabilities	6(5) and 7	1,215,227	1	1,126,740	1
25XX	<b>Total non-current liabilities</b>		<u>36,262,133</u>	<u>39</u>	<u>36,222,904</u>	<u>40</u>
2XXX	<b>Total liabilities</b>		<u>52,376,707</u>	<u>56</u>	<u>49,983,703</u>	<u>55</u>
<b>Equity attributable to owners of parent</b>						
Share capital						
3110	Ordinary share	6(19)	6,322,630	7	6,497,630	7
Capital surplus						
3200	Capital surplus	6(20)	56,461	-	73,478	-
Retained earnings						
3310	Legal reserve	6(21)	2,210,652	2	1,908,529	2
3320	Special reserve		35,186,883	37	35,684,459	39
3350	Unappropriated retained earnings		2,614,398	3	3,149,950	3
Other equity interest						
3400	Other equity interest	6(22)	( 3,771,472)	( 4)	( 4,628,787)	( 5)
3500	Treasury shares	6(19)	( 829,200)	( 1)	( 1,374,835)	( 1)
31XX	<b>Total equity attributable to owners of parent</b>		<u>41,790,352</u>	<u>44</u>	<u>41,310,424</u>	<u>45</u>
3XXX	<b>Total equity</b>		<u>41,790,352</u>	<u>44</u>	<u>41,310,424</u>	<u>45</u>
Significant contingent liabilities and unrecognised contract commitments						
Significant events after the balance sheet date						
3X2X	<b>TOTAL LIABILITIES AND EQUITY</b>		<u>\$ 94,167,059</u>	<u>100</u>	<u>\$ 91,294,127</u>	<u>100</u>

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

**CLEVO CO. 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 amounts)

Items	Notes	Year ended December 31				
		2022		2021		
		AMOUNT	%	AMOUNT	%	
4000	Sales revenue	6(23) and 7	\$ 22,196,860	100	\$ 26,991,842	100
5000	Operating costs	6(4)(28)(29) and 7	( 17,257,626)	( 78)	( 21,676,266)	( 80)
5900	Net operating margin		<u>4,939,234</u>	<u>22</u>	<u>5,315,576</u>	<u>20</u>
	Operating expenses	6(28)(29)				
6100	Selling expenses		( 1,126,542)	( 5)	( 1,202,125)	( 5)
6200	General and administrative expenses		( 1,189,744)	( 5)	( 1,384,771)	( 5)
6300	Research and development expenses		( 630,168)	( 3)	( 632,583)	( 2)
6450	Impairment loss determined in accordance with IFRS 9	12(2)	( 73,973)	-	( 6,258)	-
6000	Total operating expenses		( 3,020,427)	( 13)	( 3,225,737)	( 12)
6900	Operating profit		<u>1,918,807</u>	<u>9</u>	<u>2,089,839</u>	<u>8</u>
	Non-operating income and expenses					
7100	Interest income	6(24)	67,691	-	18,191	-
7010	Other income	6(25)	219,210	1	231,626	1
7020	Other gains and losses	6(26)	( 288,498)	( 1)	371,554	1
7050	Finance costs	6(27) and 7	( 741,236)	( 4)	( 638,943)	( 2)
7060	Share of (loss) profit of associates and joint ventures accounted for using equity method		( 284,436)	( 1)	178,579	1
7000	Total non-operating income and expenses		( 1,027,269)	( 5)	161,007	1
7900	<b>Profit before income tax</b>		891,538	4	2,250,846	9
7950	Income tax expense	6(30)	( 67,012)	-	( 454,496)	( 2)
8200	<b>Profit for the year</b>		<u>\$ 824,526</u>	<u>4</u>	<u>\$ 1,796,350</u>	<u>7</u>
	<b>Other comprehensive income</b>					
8311	Gain on remeasurements on defined benefit plans	6(17)	\$ 32,888	-	\$ -	-
8349	Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	6(30)	( 6,576)	-	-	-
8310	Other comprehensive income that will not be reclassified to profit or loss		26,312	-	-	-
	<b>Components of other comprehensive income that will be reclassified to profit or loss</b>					
8361	Financial statements translation differences of foreign operations	6(22)	812,675	4	316,774	1
8370	Share of other comprehensive income of associates and joint ventures accounted for under equity method	6(22)	55,801	-	4,215	-
8399	Income tax relating to the components of other comprehensive income	6(22)(30)	( 11,161)	-	( 843)	-
8360	Other comprehensive income that will be reclassified to profit or loss		857,315	4	320,146	1
8300	<b>Total other comprehensive income for the year</b>		<u>\$ 883,627</u>	<u>4</u>	<u>\$ 320,146</u>	<u>1</u>
8500	<b>Total comprehensive income for the year</b>		<u>\$ 1,708,153</u>	<u>8</u>	<u>\$ 2,116,496</u>	<u>8</u>
	Profit attributable to:					
8610	Owners of the parent		<u>\$ 824,526</u>	<u>4</u>	<u>\$ 1,796,350</u>	<u>7</u>
	Comprehensive income attributable to:					
8710	Owners of the parent		<u>\$ 1,708,153</u>	<u>8</u>	<u>\$ 2,116,496</u>	<u>8</u>
	Earnings per share (in dollars)	6(31)				
9750	Basic earnings per share		\$ 1.41		\$ 3.03	
9850	Diluted earnings per share		\$ 1.40		\$ 3.00	

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

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

	Notes	Equity attributable to owners of the parent										
		Capital Reserves			Retained Earnings			Other Equity Interest				
		Ordinary share	Total capital surplus, additional paid-in capital	Capital surplus, treasury share transactions	Capital surplus, donated assets received	Legal reserve	Special reserve	Unappropriated retained earnings	Exchange differences on translation of foreign financial statements	Asset revaluation increment	Treasury shares	Total equity
<b>Year ended December 31, 2021</b>												
Balance at January 1, 2021		\$ 6,697,630	\$ 57,998	\$ 37,866	\$ -	\$ 1,831,206	\$ 36,717,272	\$ 1,118,868	(\$ 4,948,933)	\$ 20,922	(\$ 1,653,691)	\$ 39,879,138
Profit for the year		-	-	-	-	-	-	1,796,350	-	-	-	1,796,350
Other comprehensive income for the year	6(22)	-	-	-	-	-	-	-	320,146	-	-	320,146
Total comprehensive income		-	-	-	-	-	-	1,796,350	320,146	-	-	2,116,496
Appropriations of 2020 earnings	6(21)	-	-	-	-	-	-	-	-	-	-	-
Legal reserve		-	-	-	-	77,323	-	( 77,323 )	-	-	-	-
Special reserve		-	-	-	-	-	507,614	( 507,614 )	-	-	-	-
Cash dividends		-	-	-	-	-	-	( 373,358 )	-	-	-	( 373,358 )
Treasury stock acquired	6(19)	-	-	-	-	-	-	-	-	-	( 329,063 )	( 329,063 )
Treasury stock retired	6(19)	( 200,000 )	( 1,731 )	( 37,866 )	-	-	-	( 368,322 )	-	-	607,919	-
Past due dividends not received by shareholders		-	-	-	983	-	-	-	-	-	-	983
Adjustment to capital surplus arising from dividends paid to subsidiaries		-	-	16,228	-	-	-	-	-	-	-	16,228
Reversal of special reserve		-	-	-	-	-	( 1,540,427 )	1,561,349	-	-	-	20,922
Proceeds from disposal of property, plant and equipment		-	-	-	-	-	-	-	-	( 20,922 )	-	( 20,922 )
Balance at December 31, 2021		\$ 6,497,630	\$ 56,267	\$ 16,228	\$ 983	\$ 1,908,529	\$ 35,684,459	\$ 3,149,950	(\$ 4,628,787)	\$ -	(\$ 1,374,835)	\$ 41,310,424
<b>Year ended December 31, 2022</b>												
Balance at January 1, 2022		\$ 6,497,630	\$ 56,267	\$ 16,228	\$ 983	\$ 1,908,529	\$ 35,684,459	\$ 3,149,950	(\$ 4,628,787)	\$ -	(\$ 1,374,835)	\$ 41,310,424
Profit for the year		-	-	-	-	-	-	824,526	-	-	-	824,526
Other comprehensive income for the year	6(22)	-	-	-	-	-	-	26,312	857,315	-	-	883,627
Total comprehensive income		-	-	-	-	-	-	850,838	857,315	-	-	1,708,153
Appropriations of 2021 earnings	6(21)	-	-	-	-	-	-	-	-	-	-	-
Legal reserve		-	-	-	-	302,123	-	( 302,123 )	-	-	-	-
Special reserve		-	-	-	-	-	( 493,824 )	493,824	-	-	-	-
Cash dividends		-	-	-	-	-	-	( 1,285,752 )	-	-	-	( 1,285,752 )
Treasury stock retired	6(19)	( 175,000 )	( 1,516 )	( 73,028 )	-	-	-	( 296,091 )	-	-	545,635	-
Past due dividends not received by shareholders		-	-	-	727	-	-	-	-	-	-	727
Adjustment to capital surplus arising from dividends paid to subsidiaries		-	-	56,800	-	-	-	-	-	-	-	56,800
Reversal of special reserve		-	-	-	-	-	( 3,752 )	3,752	-	-	-	-
Balance at December 31, 2022		\$ 6,322,630	\$ 54,751	\$ -	\$ 1,710	\$ 2,210,652	\$ 35,186,883	\$ 2,614,398	(\$ 3,771,472)	\$ -	(\$ 829,200)	\$ 41,790,352

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

CLEVO CO. 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
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Profit before tax		\$ 891,538	\$ 2,250,846
Adjustments			
Adjustments to reconcile profit (loss)			
Depreciation	6(6)(7)(28)	302,949	265,934
Amortisation	6(10)(28)	14,714	10,991
Expected credit loss	12(2)	73,973	6,258
Gain arising from lease modifications	6(7)(26)	( 1,057 )	( 2,747 )
Net loss (gain) on financial assets mandatorily measured at fair value through profit or loss	6(2)(26)	246,105	( 142,158 )
Interest income	6(24)	( 67,691 )	( 18,191 )
Interest expense	6(27)	741,236	638,943
Dividend income	6(25)	( 49,270 )	( 33,936 )
Share of loss (profit) of associates and joint ventures accounted for using the equity method		284,436	( 178,579 )
Loss (gain) on disposal of investment property	6(26)	2,700	( 221,868 )
Gain on disposal of property, plant and equipment	6(26)	( 3,188 )	( 438 )
Loss on disposal of intangible assets	6(26)	-	2,882
Loss on adjustment of investment properties at fair value	6(9)(26)	333,016	538,288
Impairment loss on property, plant and equipment	6(12)(26)	-	556,573
Gain on sublease of right-of-use assets	6(7)(26)	( 95,066 )	-
Impairment loss on non-financial assets	6(26)	74,977	-
Gain arising from transfer of right in sale and lease-back transaction	6(26)	-	( 1,080,862 )
Changes in operating assets and liabilities			
Changes in operating assets			
Financial assets measured at fair value through profit or loss		191,252	( 802,581 )
Accounts receivable, net		833,371	( 1,182,112 )
Inventories		903,353	( 324,197 )
Capitalisation of interest (inventories)	6(4)	( 8,595 )	( 32,107 )
Other current assets		( 71,184 )	( 135,419 )
Net defined benefit asset, non-current		( 8,728 )	-
Changes in operating liabilities			
Contract liabilities		77,579	( 22,365 )
Notes payable		43,159	( 1,970 )
Accounts payable		( 251,292 )	538,508
Accounts payable - related parties		( 67,266 )	105,814
Other payables		( 68,388 )	220,673
Provisions for liabilities - current		-	5,000
Other non-current liabilities		( 127,234 )	36,306
Other current assets		( 6,232 )	( 11,566 )
Cash inflow generated from operations		4,189,167	985,920
Interest received		67,683	19,231
Dividends received	6(32)	49,270	488,327
Income taxes paid		( 378,898 )	( 339,767 )
Interest paid		( 733,972 )	( 639,020 )
Net cash flows from operating activities		<u>3,193,250</u>	<u>514,691</u>

(Continued)

CLEVO CO. 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
<b><u>CASH FLOWS FROM INVESTING ACTIVITIES</u></b>			
Acquisition of property, plant and equipment	6(32)	( \$ 87,665 )	( \$ 158,235 )
Proceeds from disposal of property, plant and equipment		33,050	4,002,931
(Increase) decrease in refundable deposits		( 11,587 )	2,369
Acquisition of intangible assets	6(10)	( 54,119 )	( 1,442 )
Acquisition of investment properties	6(32)	( 84,253 )	( 132,302 )
Advance receipts from disposal of property, plant and equipment	6(32)	556,625	215,298
Acquisition of investments using the equity method		( 590,000 )	-
Interest paid (capitalisation of interest)	6(9)	( 108,557 )	( 148,679 )
Decrease in financial assets at amortised cost - current		42,819	810,201
(Increase) decrease in financial assets at amortised cost - non-current		( 58,500 )	1,518
Increase in other non-current assets		( 531,384 )	( 376,736 )
Net cash flows (used in) from investing activities		( 893,571 )	4,214,923
<b><u>CASH FLOWS FROM FINANCING ACTIVITIES</u></b>			
Proceeds from short-term borrowings		46,807,737	57,282,997
Repayments of short-term borrowings		( 48,243,896 )	( 59,404,771 )
Proceeds from long-term borrowings		43,607,658	37,402,576
Repayments of long-term borrowings		( 40,015,777 )	( 40,511,039 )
Decrease in guarantee deposit		( 2,428 )	( 31,624 )
Acquisition of treasury stock	6(19)	-	( 329,063 )
Payments of lease liabilities	6(33)	( 100,921 )	( 27,059 )
Cash dividends paid	6(32)	( 1,228,952 )	( 357,130 )
Net cash flows from (used in) financing activities		823,421	( 5,975,113 )
Changes in exchange rates		112,278	143,489
Net increase (decrease) in cash and cash equivalents		3,235,378	( 1,102,010 )
Cash and cash equivalents at beginning of year		3,816,041	4,918,051
Cash and cash equivalents at end of year		\$ 7,051,419	\$ 3,816,041

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

CLEVO CO. AND SUBSIDIARIES  
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2022 AND 2021

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

1. HISTORY AND ORGANISATION

Clevo Co. (the “Company”) was incorporated as a company limited by shares under the provisions of the Company Act of the Republic of China (R.O.C.). The Company and its subsidiaries (collectively referred herein as the “Group”) are primarily engaged in the design, manufacture and sales of VDUs, computers and peripheral devices, and the leasing business of Buynow.

2. THE DATE OF AUTHORISATION FOR ISSUANCE OF THE CONSOLIDATED FINANCIAL STATEMENTS AND PROCEDURES FOR AUTHORISATION

These consolidated financial statements were authorised for issuance by the Board of Directors on March 15, 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 IFRSs 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
Amendments 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.

(1) Compliance statement

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



(2) Basis of preparation

- A. Except for the following items, the consolidated financial statements have been prepared under the historical cost convention:
- (a) Financial (including derivative instruments) at fair value through profit or loss.
  - (b) Investment property measured at fair value.
  - (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.

(3) Basis of consolidation

- A. Basis for preparation of consolidated financial statements:
- (a) All subsidiaries are included in the Group's consolidated financial statements. Subsidiaries are all entities (including structured entities) controlled by the Group. The Group controls an entity when the Group is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Consolidation of subsidiaries begins from the date the Group obtains control of the subsidiaries and ceases when the Group loses control of the subsidiaries.
  - (b) Inter-company transactions, balances and unrealized gains or losses on transactions between companies within the Group are eliminated. Accounting policies of subsidiaries have been adjusted where necessary to ensure consistency with the policies adopted by the Group.
  - (c) Profit or loss and each component of other comprehensive income are attributed to the owners of the parent and to the non-controlling interests. Total comprehensive income is attributed to the owners of the parent and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.
  - (d) Changes in a parent's ownership interest in a subsidiary that do not result in the parent losing control of the subsidiary (transactions with non-controlling interests) are accounted for as equity transactions, i.e. transactions with owners in their capacity as owners. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is 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:

Investor	Name of subsidiaries	Main business activities	Ownership (%)		Description
			December 31, 2022	December 31, 2021	
The Company	CLEVO COMPUTER SINGAPORE PTE LTD.	Investment	100	100	
The Company	CLEVO (CAYMAN ISLANDS) HOLDING COMPANY	Investment	100	100	
The Company	KAPOK COMPUTER (SAMOA) CORPORATION	Investment	100	100	
The Company	Kapok Computer Co., Ltd.	Computers and computer peripherals business	100	100	
The Company	Clevo Investment Co., Ltd.	Investment	100	100	
The Company	BUYNOW ON-LINE HOLDING CORPORATION	Investment	100	100	
CLEVO (CAYMAN ISLANDS) HOLDING COMPANY	BUYNOW GLOBAL CORPORATION	Investment	100	100	

Investor	Name of subsidiaries	Main business activities	Ownership (%)		Description
			December 31, 2022	December 31, 2021	
CLEVO (CAYMAN ISLANDS) HOLDING COMPANY	BUYNOW (HANGZHOU) CORPORATION	Investment	100	100	
CLEVO (CAYMAN ISLANDS) HOLDING COMPANY	BUYNOW (ZHENGZHOU) CORPORATION	Investment	100	100	
CLEVO (CAYMAN ISLANDS) HOLDING COMPANY	BUYNOW GROUP (CHANGSHA) CORPORATION	Investment	100	100	
CLEVO (CAYMAN ISLANDS) HOLDING COMPANY	BUYNOW (NANCHANG) CORPORATION	Investment	100	100	
CLEVO (CAYMAN ISLANDS) HOLDING COMPANY	BUYNOW (GUANGZHOU) CORPORATION	Investment	100	100	
CLEVO (CAYMAN ISLANDS) HOLDING COMPANY	FLYING WOLF INVESTMENT LIMITED	Investment	100	100	
CLEVO (CAYMAN ISLANDS) HOLDING COMPANY	BUYNOW (XIAMEN) CORPORATION	Investment	100	100	

Investor	Name of subsidiaries	Main business activities	Ownership (%)		Description
			December 31, 2022	December 31, 2021	
CLEVO (CAYMAN ISLANDS) HOLDING COMPANY	BUYNOW GROUP (XIAN) CORPORATION	Investment	100	100	
CLEVO (CAYMAN ISLANDS) HOLDING COMPANY	BUYNOW (CHANGCHUN) CORPORATION	Investment	100	100	
CLEVO (CAYMAN ISLANDS) HOLDING COMPANY	BUYNOW GROUP (QINGDAO) CORPORATION	Investment	100	100	
CLEVO (CAYMAN ISLANDS) HOLDING COMPANY	BUYNOW (WUXI) CORPORATION	Investment	100	100	
CLEVO (CAYMAN ISLANDS) HOLDING COMPANY	BUYNOW (HARBIN) CORPORATION	Investment	100	100	
CLEVO (CAYMAN ISLANDS) HOLDING COMPANY	FLYING INTERNATIONAL INVESTMENT LIMITED	Investment	100	100	
CLEVO (CAYMAN ISLANDS) HOLDING COMPANY	BUYNOW (CHONGQING) LIMITED	Investment	100	100	

Investor	Name of subsidiaries	Main business activities	Ownership (%)		Description
			December 31, 2022	December 31, 2021	
CLEVO (CAYMAN ISLANDS) HOLDING COMPANY	BUYNOW (DAQING) CORPORATION	Investment	100	100	
CLEVO (CAYMAN ISLANDS) HOLDING COMPANY	BUYNOW (ZIBO) CORPORATION	Investment	100	100	
CLEVO (CAYMAN ISLANDS) HOLDING COMPANY	BUYNOW (BEIJING) CORPORATION	Investment	100	100	
CLEVO (CAYMAN ISLANDS) HOLDING COMPANY	BUYNOW (YANCHENG) CORPORATION	Investment	100	100	
CLEVO (CAYMAN ISLANDS) HOLDING COMPANY	SKILL DEVELOPMENT INTERNATIONAL LIMITED	Investment	100	100	
CLEVO (CAYMAN ISLANDS) HOLDING COMPANY	BUYNOW (YINGKOU) CORPORATION	Investment	100	100	
CLEVO (CAYMAN ISLANDS) HOLDING COMPANY	BUYNOW (ANSHAN) CORPORATION	Investment	100	100	

Investor	Name of subsidiaries	Main business activities	Ownership (%)		Description
			December 31, 2022	December 31, 2021	
CLEVO (CAYMAN ISLANDS) HOLDING COMPANY	BUYNOW (HUIZHOU) CORPORATION	Investment	100	100	
CLEVO (CAYMAN ISLANDS) HOLDING COMPANY	BUYNOW (GUIYANG) CORPORATION	Investment	100	100	
CLEVO (CAYMAN ISLANDS) HOLDING COMPANY	BUYNOW (TAIZHOU) CORPORATION	Investment	100	100	
CLEVO (CAYMAN ISLANDS) HOLDING COMPANY	BUYNOW (DEZHOU) CORPORATION	Investment	100	100	
CLEVO (CAYMAN ISLANDS) HOLDING COMPANY	BUYNOW (LUOYANG) CORPORATION	Investment	100	100	
CLEVO (CAYMAN ISLANDS) HOLDING COMPANY	SMARTER CAPITAL LIMITED	Investment	100	100	
CLEVO (CAYMAN ISLANDS) HOLDING COMPANY	BUYNOW (FUJIAN QUANZHOU) CORPORATION	Investment	100	100	

Investor	Name of subsidiaries	Main business activities	Ownership (%)		Description
			December 31, 2022	December 31, 2021	
CLEVO (CAYMAN ISLANDS) HOLDING COMPANY	BUYNOW (JINZHOU) CORPORATION	Investment	100	100	
CLEVO (CAYMAN ISLANDS) HOLDING COMPANY	Clevo (China) Investment Co., Ltd.	Investment in companies primarily engaged in research and development and advisory service	100	100	
CLEVO (CAYMAN ISLANDS) HOLDING COMPANY	BUYNOW (SHANTOU) CORPORATION	Investment	100	100	
BUYNOW ON-LINE HOLDING CORPORATION	BUYNOW ON-LINE LIMITED	Investment	100	100	
SKILL DEVELOP INTERNATIONAL LIMITED	WELL ASIA INVESTMENT LIMITED	Investment	100	100	
CLEVO COMPUTER SINGAPORE PTE LTD.	BUYNOW (CHENGDU) CORPORATION	Investment	100	100	

Investor	Name of subsidiaries	Main business activities	Ownership (%)		Description
			December 31, 2022	December 31, 2021	
CLEVO COMPUTER SINGAPORE PTE LTD.	Buynow (Nanjing) Facility Leasing And Management Co., Ltd.	Manufacturing, sale, research and development of computers and computer peripherals and services for related electronic products	100	100	
CLEVO COMPUTER SINGAPORE PTE LTD.	Kalor Buynow (Heifei) Electronic Information Co., Ltd.	Manufacturing, sale, research and development of computers and computer peripherals and services for related electronic products	100	100	
CLEVO COMPUTER SINGAPORE PTE LTD.	Qingdao Buynow Technology Industry Co., Ltd.	Manufacturing, sale, research and development of computers and computer peripherals. Display, advisory and after-sales service of digital products. Property management of self-owned buildings	8.82	8.82	(Note 1)



Investor	Name of subsidiaries	Main business activities	Ownership (%)		Description
			December 31, 2022	December 31, 2021	
BUYNOW GROUP (QINGDAO) CORPORATION	Qingdao Buynow Technology Industry Co., Ltd.	Manufacturing, sale, research and development of computers and computer peripherals. Display, advisory and after-sales service of digital products. Property management of self-owned buildings	20.59	20.59	(Note 1)
KAPOK COMPUTER (SAMOA) CORPORATION	Kapok Computer (Kunshan) Co., Ltd.	Manufacturing, sale, research and development and maintenance service of computer, notebook, tablet, information and communication products and computer components	100	100	
BUYNOW GLOBAL CORPORATION	Shanghai Buynow Electronic Information Co., Ltd.	Rental of the display venues of computer and related electronic products; information consultation; maintenance services; property management	21.21	21.21	(Note 1)

Investor	Name of subsidiaries	Main business activities	Ownership (%)		Description
			December 31, 2022	December 31, 2021	
BUYNOW GLOBAL CORPORATION	Quality Trust Property Management Co., Ltd.	Property management, advisory of real estate, building leasing, housekeeping service, parking lot service, car wash service and business service	100	100	
BUYNOW GLOBAL CORPORATION	Kunshan Kaishuo Trading Co., Ltd.	Mechanical equipment and accessories, wire and cable, air conditioning equipment, building and decoration material, lighting equipment, kitchen appliance, water cleaner, pipeline and accessories, fire safety equipment, compressor and accessories, wholesale of elevators and appliances, import and export and advisory services	100	100	

Investor	Name of subsidiaries	Main business activities	Ownership (%)		Description
			December 31, 2022	December 31, 2021	
BUYNOW (HANGZHOU) CORPORATION	Buynow (Hangzhou) Electronic Information Co., Ltd.	Manufacturing, sale, maintenance service, research and development of computers and computer peripherals and digital products, and property management of buildings	100	100	
BUYNOW GROUP (XIAN) CORPORATION	Buynow (Xian) Industry Co., Ltd.	Manufacturing, sale, maintenance service, research and development of computers and computer peripherals and digital products	100	100	
BUYNOW GROUP (CHANGSHA) CORPORATION	Changsha Hungyu Business Management Co., Ltd.	Manufacturing, sale, maintenance service, research and development of computers and computer peripherals and digital products, and property management of buildings	100	100	
BUYNOW (ZHENGZHOU) CORPORATION	Buynow (Zhengzhou) Electronic Information Co., Ltd.	Manufacturing, sale, maintenance service, research and development of computers and computer peripherals and digital products	100	100	

Investor	Name of subsidiaries	Main business activities	Ownership (%)		Description
			December 31, 2022	December 31, 2021	
BUYNOW (NANCHANG) CORPORATION	Buynow (Nanchang) Industry Co., Ltd.	Self-owned property management and leasing. Manufacturing, sale, research and development of computer software and hardware and digital products	38.29	38.29	(Note 3)
BUYNOW (GUANGZHOU) CORPORATION	Buynow (Guangzhou) Electronic Information Co., Ltd.	Manufacturing, sale, maintenance service, research and development of computers and computer peripherals and digital products	100	100	
BUYNOW (XIAMEN) CORPORATION	Buynow (Fujian) Electronic Technology Development Co., Ltd.	Manufacturing, sale, maintenance service, research and development of computers and computer peripherals and digital products	100	100	
BUYNOW (CHANGCHUN) CORPORATION	Buynow (Changchun) Industry Co., Ltd.	Manufacturing, sale, maintenance service, research and development of computers and computer peripherals and digital products, and property management of buildings	95.24	95.24	(Note 1)

Investor	Name of subsidiaries	Main business activities	Ownership (%)		Description
			December 31, 2022	December 31, 2021	
FLYING WOLF INVESTMENT LIMITED	Buynow (Changchun) Industry Co., Ltd.	Manufacturing, sale, maintenance service, research and development of computers and computer peripherals and digital products, and property management of buildings	4.76	4.76	(Note 1)
FLYING WOLF INVESTMENT LIMITED	Buynow Electronic Information (Shenyang) Co., Ltd.	Research and development of computers and computer peripherals and electronic products, and advisory of economic information	100	100	
FLYING WOLF INVESTMENT LIMITED	Buynow (Wuxi) Electronic Technology Development Co., Ltd.	Manufacturing, sale, maintenance service, research and development of computer software and digital products	28.57	28.57	(Note 1)
BUYNOW (WUXI) CORPORATION	Buynow (Wuxi) Electronic Technology Development Co., Ltd.	Manufacturing, sale, maintenance service, research and development of computer software and digital products	71.43	71.43	(Note 1)

Investor	Name of subsidiaries	Main business activities	Ownership (%)		Description
			December 31, 2022	December 31, 2021	
BUYNOW (HARBIN) CORPORATION	Buynow (Harbin) Industry Co., Ltd.	Manufacturing, sale, maintenance service, research and development of computer software and digital products	100	100	
BUYNOW (CHENGDU) CORPORATION	Buynow (Chengdu) Electronic Information Co., Ltd.	Manufacturing, sale, maintenance service, research and development of computers and computer peripherals and digital products, and property management of buildings	100	100	
FLYING INTERNATIONAL INVESTMENT LIMITED	Tianjin Buynow Electronic Information Co., Ltd.	Development, production and sales of computer hardware and software and electronic digital technology products	100	100	

Investor	Name of subsidiaries	Main business activities	Ownership (%)		Description
			December 31, 2022	December 31, 2021	
BUYNOW (CHONGQING) LIMITED	Buynow (Chongqing) Industry Co., Ltd.	Manufacturing, sale, research and development of computers and computer peripherals (not including electronic publishing), shopping mall management, wholesale and retail of electronic products, property management and parking lot service	100	100	
BUYNOW ON-LINE LIMITED	Shanghai Buynow Online Information Technology Co., Ltd.	Wholesale and retail, import and export, and after-sales service of household appliances, computer and computer components, communication equipment, electrical devices, office supplies and complementary products; development, technology transfer, advisory, service and training of Internet, computer software and hardware and communication equipment	64.56	100	(Note 4)

Investor	Name of subsidiaries	Main business activities	Ownership (%)		Description
			December 31, 2022	December 31, 2021	
BUYNOW (DAQING) CORPORATION	Daqing Buynow Electronic Information Corporation	Manufacturing, retail and wholesale of computers and computer peripherals, and electronic information shopping mall management	100	100	
WELL ASIA INVESTMENT LIMITED	Guangdong Buynow Real Estate Management Co., Ltd.	Self-owned property management and leasing. Manufacturing, sale, research and development of computer software and hardware and digital products	65	65	(Note 1)
BUYNOW (ZIBO) CORPORATION	Zibo Buynow Electronic Information Co., Ltd.	Manufacturing, sale, maintenance service, research and development of computers and computer peripherals and digital products. Advisory of business management, leasing of self-owned buildings, parking lot management, shopping mall management and property management	100	100	



Investor	Name of subsidiaries	Main business activities	Ownership (%)		Description
			December 31, 2022	December 31, 2021	
BUYNOW (BEIJING) CORPORATION	Beijing Clevo Investment Management Consultant Co., Ltd.	Business advisory of investment management, wholesale agency of electronic products, import and export of goods and property management	76	76	(Note 1)
BUYNOW (YANCHENG) CORPORATION	Buynow (Yancheng) Electronic Information Technology Development Co. Ltd.	Manufacturing, sale, maintenance service, research and development of computers and computer peripherals and digital products, and advisory of business management	100	100	
BUYNOW (HUIZHOU) CORPORATION	Buynow Electronic Information (Huizhou) Co., Ltd.	Manufacturing, sale, research and development and after-sales service of computers and computer peripherals; property management of buildings	40	40	(Note 1)

Investor	Name of subsidiaries	Main business activities	Ownership (%)		Description
			December 31, 2022	December 31, 2021	
BUYNOW (YINGKOU) CORPORATION	Yingkou Buynow Electronic Information Co., Ltd.	Manufacturing, sale, maintenance service, research and development of computers and computer peripherals and digital products, and advisory of business management	100	100	
BUYNOW (ANSHAN) CORPORATION	Anshan Buynow Electronic Information Co., Ltd.	Manufacturing, sale, maintenance service, research and development of computers and computer peripherals and digital products, and advisory of business management	100	100	
BUYNOW (GUIYANG) CORPORATION	Guiyang Buynow Electronic Information Co., Ltd.	Research and development and maintenance service of computers and computer peripherals and electronic products; advisory service of business management and shopping mall management	100	100	

Investor	Name of subsidiaries	Main business activities	Ownership (%)		Description
			December 31, 2022	December 31, 2021	
BUYNOW (TAIZHOU) CORPORATION	Taizhou Buynow Electronic Information Co., Ltd.	Manufacturing, sale, maintenance service, research and development of computers and computer peripherals and digital products, and advisory of business management	100	100	
SMARTER CAPITAL LIMITED	BUYNOW SZ. CORPORATION	Investment	100	100	
BUYNOW SZ. CORPORATION	Suzhou Jinzuo Industry Co., Ltd.	Business affairs and property management business	100	100	
BUYNOW (DEZHOU) CORPORATION	Dezhou Buynow Electronic Information Co., Ltd.	Research and development and maintenance service of computers and computer peripherals and electronic products; advisory service of business management and shopping mall management	48.6	48.6	(Note 2)

Investor	Name of subsidiaries	Main business activities	Ownership (%)		Description
			December 31, 2022	December 31, 2021	
BUYNOW (LUOYANG) CORPORATION	Luoyang Buynow Electronic Information Co., Ltd.	Research and development and maintenance service of computers and computer peripherals and electronic products; advisory service of business management and shopping mall management	100	100	
BUYNOW (FUJIAN QUANZHOU) CORPORATION	Quanzhou Buynow Industry Co., Ltd.	Research and development and maintenance service of computers and computer peripherals and electronic products; advisory service of business management and shopping mall management	100	100	

Investor	Name of subsidiaries	Main business activities	Ownership (%)		Description
			December 31, 2022	December 31, 2021	
BUYNOW (JINZHOU) CORPORATION	Buynow (Jinzhou) Industry Co., Ltd.	Manufacturing of computer software and hardware and consumer electronic products; Business management advisory services and shopping mall management	100	100	
BUYNOW (SHANTOU) CORPORATION	Shantou Buynow Mall Co., Ltd.	Investment in companies primarily engaged in research and development and advisory service	100	100	
Kapok Computer (Kunshan) Co., Ltd.	Kunshan Kaiming Trading Co., Ltd.	Provide market management services for operators of laptop computer, tablet, desktop computer, palmtop computer, information and communication products and computer components	100	100	

Investor	Name of subsidiaries	Main business activities	Ownership (%)		Description
			December 31, 2022	December 31, 2021	
Shanghai Buynow Electronic Information Co., Ltd.	Shanghai Buynow Electronic Products Market Management Co., Ltd.	Provide market management services for operators of electronic products	100	100	
Shanghai Buynow Electronic Products Market Management Co., Ltd.	Shanghai Huihei Advertisement Co., Ltd.	Advertising design and marketing	100	100	
Shanghai Buynow Electronic Products Market Management Co., Ltd.	Shanghai Huizhuan Restaurant Management Co., Ltd.	Catering business management	80	80	(Note 1)
Quality Trust Property Management Co., Ltd.	Wuxi Quntai Property Management Co., Ltd.	Property management, advisory of real estate, building leasing, housekeeping service, parking lot service, car wash service and business service	100	100	

Investor	Name of subsidiaries	Main business activities	Ownership (%)		Description
			December 31, 2022	December 31, 2021	
Buynow (Wuxi) Electronic Technology Development Co., Ltd.	Wuxi Buynow Electronic Market Co., Ltd.	Leasing of facility, market management service, catering management, property management, parking lot management	100	100	
Buynow (Wuxi) Electronic Technology Development Co., Ltd.	Beijing Kaiye Electronic Technology Co., Ltd.	Technology-extension services, computer maintenance, public parking lot service for motorcycle, property management, business management, business management and advisory, business building leasing, wholesale of computer and computer peripherals, hardware electronic and daily appliance	12.5	12.5	(Note 1)

Investor	Name of subsidiaries	Main business activities	Ownership (%)		Description
			December 31, 2022	December 31, 2021	
Buynow (Guangzhou) Electronic Information Co., Ltd.	Guangdong Buynow Real Estate Management Co., Ltd.	Self-owned property management and leasing. Manufacturing, sale, research and development of computer software and hardware and digital products	35	35	(Note 1)
Buynow (Guangzhou) Electronic Information Co., Ltd.	Buynow Electronic Information (Huizhou) Co., Ltd.	Manufacturing, sale, research and development and after-sales service of computers and computer peripherals; property management of buildings	60	60	(Note 1)
Clevo (China) Investment Co., Ltd.	Shanghai Huizhuan Restaurant Management Co., Ltd.	Catering business management	20	20	(Note 1)
Clevo (China) Investment Co., Ltd.	Shanghai Buynow Electronic Information Co., Ltd.	Rental of the display venues of computer and related electronic products; information consultation; maintenance services; property management	78.79	78.79	(Note 1)



Investor	Name of subsidiaries	Main business activities	Ownership (%)		Description
			December 31, 2022	December 31, 2021	
Clevo (China) Investment Co., Ltd.	Qingdao Buynow Technology Industry Co., Ltd.	Rental of the display venues of computer and related electronic products; information consultation; maintenance services; property management	70.59	70.59	(Note 1)
Clevo (China) Investment Co., Ltd.	Shanghai Buynow Online Information Technology Co., Ltd.	Manufacturing, retail and wholesale of computers and computer peripherals, and electronic information shopping mall management	35.44	-	(Note 4)
Kalor Buynow (Heifei) Electronic Information Co., Ltd.	Beijing Kaiye Electronic Technology Co., Ltd.	Technology-extension services, computer maintenance, public parking lot service for motorcycle, property management, business management, business management and advisory, business building leasing, wholesale of computer and computer peripherals, hardware electronic and daily appliance	12.5	12.5	(Note 1)

Investor	Name of subsidiaries	Main business activities	Ownership (%)		Description
			December 31, 2022	December 31, 2021	
Buynow (Zhengzhou) Electronic Information Co., Ltd.	Beijing Kaiye Electronic Technology Co., Ltd.	Technology-extension services, computer maintenance, public parking lot service for motorcycle, property management, business management, business management and advisory, business building leasing, wholesale of computer and computer peripherals, hardware electronic and daily appliance	12.5	12.5	(Note 1)

Investor	Name of subsidiaries	Main business activities	Ownership (%)		Description
			December 31, 2022	December 31, 2021	
Buynow (Changchun) Industry Co., Ltd.	Beijing Kaiye Electronic Technology Co., Ltd.	Technology-extension services, computer maintenance, public parking lot service for motorcycle, property management, business management, business management and advisory, business building leasing, wholesale of computer and computer peripherals, hardware electronic and daily appliance	12.5	12.5	(Note 1)

Investor	Name of subsidiaries	Main business activities	Ownership (%)		Description
			December 31, 2022	December 31, 2021	
Buynow (Nanchang) Industry Co., Ltd.	Beijing Kaiye Electronic Technology Co., Ltd.	Technology-extension services, computer maintenance, public parking lot service for motorcycle, property management, business management, business management and advisory, business building leasing, wholesale of computer and computer peripherals, hardware electronic and daily appliance	25	25	(Note 1)

Investor	Name of subsidiaries	Main business activities	Ownership (%)		Description
			December 31, 2022	December 31, 2021	
Buynow (Hangzhou) Electronic Information Co., Ltd.	Beijing Kaiye Electronic Technology Co., Ltd.	Technology-extension services, computer maintenance, public parking lot service for motorcycle, property management, business management, business management and advisory, business building leasing, wholesale of computer and computer peripherals, hardware electronic and daily appliance	12.5	12.5	(Note 1)

Investor	Name of subsidiaries	Main business activities	Ownership (%)		Description
			December 31, 2022	December 31, 2021	
Tianjin Buynow Electronic Information Co., Ltd.	Beijing Kaiye Electronic Technology Co., Ltd.	Technology-extension services, computer maintenance, public parking lot service for motorcycle, property management, business management, business management and advisory, business building leasing, wholesale of computer and computer peripherals, hardware electronic and daily appliance	12.5	12.5	(Note 1)

Investor	Name of subsidiaries	Main business activities	Ownership (%)		Description
			December 31, 2022	December 31, 2021	
Buynow (Changchun) Industry Co., Ltd.	Beijing Clevo Investment Management Consultant Co., Ltd.	Business advisory of investment management, wholesale agency of electronic products, import and export of goods and property management	12.39	12.39	(Note 1)
Buynow (Zhengzhou) Electronic Information Co., Ltd.	Beijing Clevo Investment Management Consultant Co., Ltd.	Business advisory of investment management, wholesale agency of electronic products, import and export of goods and property management	11.61	11.61	(Note 1)
Buynow (Chengdu) Electronic Information Co., Ltd.	Dezhou Buynow Electronic Information Co., Ltd.	Research and development and maintenance service of computers and computer peripherals and electronic products; advisory service of business management and shopping mall management	12.85	12.85	(Note 2)

Investor	Name of subsidiaries	Main business activities	Ownership (%)		Description
			December 31, 2022	December 31, 2021	
Buynow (Zhengzhou) Electronic Information Co., Ltd.	Dezhou Buynow Electronic Information Co., Ltd.	Research and development and maintenance service of computers and computer peripherals and electronic products; advisory service of business management and shopping mall management	12.85	12.85	(Note 2)
Guangdong Buynow Real Estate Management Co., Ltd.	Dezhou Buynow Electronic Information Co., Ltd.	Research and development and maintenance service of computers and computer peripherals and electronic products; advisory service of business management and shopping mall management	12.85	12.85	(Note 2)
Buynow (Changchun) Industry Co., Ltd.	Dezhou Buynow Electronic Information Co., Ltd.	Research and development and maintenance service of computers and computer peripherals and electronic products; advisory service of business management and shopping mall management	12.85	12.85	(Note 2)



Investor	Name of subsidiaries	Main business activities	Ownership (%)		Description
			December 31, 2022	December 31, 2021	
Dezhou Buynow Electronic Information Co., Ltd.	Buynow (Nanchang) Industry Co., Ltd.	Manufacturing, sale, maintenance service, research and development of computers and computer peripherals and digital products, and property management of buildings	15.43	15.43	(Note 3)
Buynow (Harbin) Industry Co., Ltd.	Buynow (Nanchang) Industry Co., Ltd.	Manufacturing, sale, maintenance service, research and development of computers and computer peripherals and digital products, and property management of buildings	12.34	12.34	(Note 3)
Clevo (China) Investment Co., Ltd.	Buynow (Nanchang) Industry Co., Ltd.	Manufacturing, sale, maintenance service, research and development of computers and computer peripherals and digital products, and property management of buildings	9.26	9.26	(Note 3)

Investor	Name of subsidiaries	Main business activities	Ownership (%)		Description
			December 31, 2022	December 31, 2021	
Anshan Buynow Electronic Information Co., Ltd.	Buynow (Nanchang) Industry Co., Ltd.	Manufacturing, sale, maintenance service, research and development of computers and computer peripherals and digital products, and property management of buildings	9.26	9.26	(Note 3)
Shanghai Buynow Electronic Information Co., Ltd.	Buynow (Nanchang) Industry Co., Ltd.	Manufacturing, sale, maintenance service, research and development of computers and computer peripherals and digital products, and property management of buildings	7.71	7.71	(Note 3)
Shantou Buynow Mall Co., Ltd.	Buynow (Nanchang) Industry Co., Ltd.	Manufacturing, sale, maintenance service, research and development of computers and computer peripherals and digital products, and property management of buildings	7.71	7.71	(Note 3)

Note 1: The parent company of the Group held 100% of the shares in these subsidiaries, and the subsidiaries were included in the consolidated financial statements.

Note 2: On May 17, 2021, Dezhou Buynow Electronic Information Co., Ltd. increased its capital, and consequently, the ownership percentage held by Buynow (Dezhou) Corporation decreased from 100% to 48.6%; the ownership percentage held by Buynow (Chengdu)

Electronic Information Co., Ltd., Buynow (Zhengzhou) Electronic Information Co., Ltd., Guangdong Buynow Real Estate Management Co., Ltd. and Buynow (Changchun) Industry Co., Ltd. increased from 0% to 12.85%. The parent company of the Group held 100% of the shares in the subsidiary, and the subsidiary was included in the consolidated financial statements.

Note 3: On November 19, 2021, Buynow (Nanchang) Industry Co., Ltd. increased its capital. Consequently, the equity interest held by Buynow (Nanchang) Corporation decreased from 100% to 38.29% as new shareholders subscribed to the capital increase as follows: Dezhou Buynow Electronic Information Co., Ltd. holding 15.43% equity interest, Buynow (Harbin) Industry Co., Ltd. holding 12.34% equity interest, Clevo (China) Investment Co., Ltd. and Anshan Buynow Electronic Information Co., Ltd. each holding 9.26% equity interest, and Shanghai Buynow Electronic Information Co., Ltd. and Shantou Buynow Mall Co., Ltd. each holding 7.71% equity interest. The parent company of the Group held 100% of the shares in the subsidiary, and the subsidiary was included in the consolidated financial statements.

Note 4: On July 14, 2022, Shanghai Buynow Online Information Technology Co., Ltd. increased its capital. Consequently, the equity interest held by BUYNOW ON-LINE LIMITED decreased from 100% to 64.56%; the equity interest held by Clevo (China) Investment Co., Ltd. increased from 0% to 35.44%. The parent company of the Group held 100% of the shares in the subsidiary, and the subsidiary was included in the consolidated financial statements.

C. Subsidiaries not included in the consolidated financial statements:

Name of investor	Name of subsidiary	Main business activities	Ownership (%)		Description
			December 31, 2022	December 31, 2021	
The Company	Clevo France Sarl	Design and sale of computers and computer peripherals	100	100	(Note)

Note: As CLEVO FRANCE SARL has ceased operations, there was no outstanding balance in its balance sheet and income statement accounts as of and for the years ended December 31, 2022 and 2021.

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

E. Significant restrictions: None.

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

#### (4) Foreign currency translation

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

##### A. Foreign currency transactions and balances

- (a) Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are remeasured. Foreign exchange gains and losses resulting from the settlement of such transactions are recognised in profit or loss in the period in which they arise.
- (b) Monetary assets and liabilities denominated in foreign currencies at the period end are re-translated at the exchange rates prevailing at the balance sheet date. Exchange differences arising upon re-translation at the balance sheet date are recognised in profit or loss.
- (c) Non-monetary assets and liabilities denominated in foreign currencies held at fair value through profit or loss are re-translated at the exchange rates prevailing at the balance sheet date; their translation differences are recognised in profit or loss. Non-monetary assets and liabilities denominated in foreign currencies held at fair value through other comprehensive income are re-translated at the exchange rates prevailing at the balance sheet date; their translation differences are recognised in other comprehensive income. However, non-monetary assets and liabilities denominated in foreign currencies that are not measured at fair value are translated using the historical exchange rates at the dates of the initial transactions.
- (d) All other foreign exchange gains and losses based on the nature of those transactions 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 or joint arrangement, 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 or joint arrangement after losing significant influence over the former foreign associate, or losing joint control of the former joint arrangement, 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.

(5) 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 realized, or are intended to be sold or consumed within the normal operating cycle;
  - (b) Assets held mainly for trading purposes;
  - (c) Assets that are expected to be realized within twelve months from the balance sheet date;
  - (d) Cash and cash equivalents, excluding restricted cash and cash equivalents and those that are to be exchanged or used to settle liabilities more than twelve months after the balance sheet date.
- B. Liabilities that meet one of the following criteria are classified as current liabilities; otherwise they are classified as non-current liabilities:
  - (a) Liabilities that are expected to be settled within the normal operating cycle;
  - (b) Liabilities arising mainly from trading activities;
  - (c) Liabilities that are to be settled within twelve months from the balance sheet date;
  - (d) Liabilities for which the repayment date cannot be extended unconditionally to more than twelve months after the balance sheet date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

(6) Cash equivalents

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

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

- A. Financial assets at fair value through profit or loss are financial assets that are not measured at amortized cost or fair value through other comprehensive income.
- B. On a regular way purchase or sale basis, financial assets at fair value through profit or loss are 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.

(8) Financial assets at amortized cost

- A. Financial assets at amortized cost are those that meet all of the following criteria:
- (a) The objective of the Group's business model is achieved by collecting contractual cash flows.
  - (b) The assets' contractual cash flows represent solely payments of principal and interest.
- B. On a regular way purchase or sale basis, financial assets at amortized cost are recognised and derecognised using trade date accounting.
- C. At initial recognition, the Group measures the financial assets at fair value plus transaction costs. Interest income from these financial assets is included in finance income using the effective interest method. A gain or loss is recognised in profit or loss when the asset is derecognised or impaired.
- D. The Group's time deposits which do not fall under cash equivalents are those with a short maturity period and are measured at initial investment amount as the effect of discounting is immaterial.

(9) Accounts receivable

- A. Accounts receivable entitle the Group 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.
- C. The Company initially measures accounts and notes receivable at fair value and subsequently recognises the amortised interest income over the period of circulation using the effective interest method and the impairment loss. A gain or loss is recognised in profit or loss.

(10) Impairment of financial assets

For debt instruments measured at fair value through other comprehensive income and financial assets at amortized cost including accounts receivable and lease receivables that have a significant financing component and lease receivables, 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.

(11) 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.

(12) Leasing arrangements (lessor) - lease receivables/ 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.

(13) Inventories

- A. Inventories, including construction in progress, buildings and land held for sale, are measured at acquired cost and capitalise borrowing costs incurred during the period of construction.
- B. The land use rights of house construction and the superficies rights of acquiring specific lands the Group acquired for construction development and leasing are in accordance with paragraph 6 and 8 of IAS 2, therefore, the acquired costs of land use rights are recognised as inventories.
- C. The cost of the computers and peripheral products is determined using the weighted-average method. The cost of finished goods and work in progress comprises raw materials, direct labor, other direct costs and relating production overheads (allocated based on normal operating capacity). It excludes borrowing costs.
- D. Inventories are stated at the lower of cost and net realizable value. The item by item approach is used in applying the lower of cost and net realizable value. Net realizable value is the estimated selling price in the ordinary course of business, less the estimated cost of completion and the estimated costs necessary to make the sale.

(14) Non-current assets (or disposal groups) held for sale

Non-current assets (or disposal groups) 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.

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

(16) Investment accounted for using equity method - joint ventures

- A. Investment in joint arrangements are classified as joint ventures based on its contractual rights and obligations.
- B. Investment accounted for using equity method - joint ventures  
The Group accounts for its interest in a joint venture using equity method. Unrealized profits and losses arising from the transactions between the Group and its joint venture are eliminated to the extent of the Group's interest in the joint venture. However, when the transaction provides evidence of a reduction in the net realizable value of current assets or an impairment loss, all such losses shall be recognised immediately. When the Group's share of losses in a joint venture equals or exceeds its interest in the joint venture together with 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 joint venture.



(17) Property, plant and equipment

- A. Property, plant and equipment are initially recorded at cost. Borrowing costs incurred during the construction period are capitalised.
- B. Subsequent costs are included in the asset's carrying amount or 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	2 ~50 years
Machinery and equipment	3 ~ 5 years
Molding equipment	1 ~ 3 years
Computer and communication equipment	3 ~ 5 years
Transportation equipment	1 ~ 5 years
Office equipment	3 ~ 5 years
Other equipment	3 ~ 5 years
Leasehold improvements	5 ~30 years

(18) 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 fixed payments, less any lease incentives receivable.  
The Group subsequently measures the lease liability at amortized 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; and
- (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.

(19) Investment property

- A. The investment property is to earn rental revenue or for capital appreciation or both instead of non-owner-occupied property held by the Group.
- B. The Group acquired the specific land superficies and its right to use of the constructed buildings on the land. Due to the development of the construction plans, the Group leased the land as the investing properties and recognised the acquired historical cost of the land use rights as the basis.
- C. An investment property is stated initially at its cost and measured subsequently using the fair value model. A gain or loss arising from a change in the fair value of investment property is recognised in profit or loss, which was recognised in other gains and losses.

(20) Intangible assets

A. Computer software

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

B. Goodwill

Goodwill arises in a business combination accounted for by applying the acquisition method.

(21) Impairment of non-financial assets

- A. 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. Except for goodwill, 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 amortized historical cost would have been if the impairment had not been recognised.
- B. The recoverable amounts of goodwill are evaluated periodically. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. Impairment loss of goodwill previously recognised in profit or loss shall not be reversed in the following years.

C. For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the cash-generating units, or groups of cash-generating units, that is/are expected to benefit from the synergies of the business combination. Each unit or group of units to which the goodwill is allocated represents the lowest level within the entity at which the goodwill is monitored for internal management purposes. Goodwill is monitored at the operating segment level.

(22) Borrowings

- A. 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 amortized 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.
- B. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a pre-payment for liquidity services and amortized over the period of the facility to which it relates.

(23) Notes and accounts payable

- A. Accounts payable are liabilities for purchases of raw materials, goods or services and notes payable are those resulting from operating and non-operating activities.
- B. The short-term notes and accounts payable without bearing interest are subsequently measured at initial invoice amount as the effect of discounting is immaterial.

(24) Bonds payable

Ordinary corporate bonds issued by the Group are initially recognised at fair value less transaction costs. Any difference between the proceeds (net of transaction costs) and the redemption value is presented as an addition to or deduction from bonds payable, which is amortized to profit or loss over the period of bond circulation using the effective interest method as an adjustment to 'finance costs'.

(25) Derecognition of financial liabilities

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

(26) 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 realize the asset and settle the liability simultaneously.

(27) Non-hedging derivatives

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

They are subsequently remeasured at fair value and the gains or losses are recognised in profit or loss.

(28) Provisions

Warranty provisions 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.

(29) Employee benefits

A. 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 plans

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

(b) Defined benefit 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.

(30) 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 realized 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 utilized. 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 realize the asset and settle the liability simultaneously. Deferred tax assets and liabilities are offset on the balance sheet when the entity has the legally enforceable right to offset current tax assets against current tax liabilities and they are levied by the same taxation authority on either the same entity or different entities that intend to settle on a net basis or realize the asset and settle the liability simultaneously.

F. A deferred tax asset shall be recognised for the carryforward of unused tax credits resulting from acquisitions of equipment or technology, research and development expenditures and equity investments to the extent that it is possible that future taxable profit will be available against which the unused tax credits can be utilized.

(31) Share capital

A. Ordinary shares are classified as equity.

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

(32) 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.

(33) Revenue recognition

A. Sales of goods

(a) The Group designs, manufactures and sells a range of video display devices, computers and peripheral products. 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) The computers are often sold with volume discounts based on aggregate sales over a 12-month period. Revenue from these sales is recognised based on the price specified in the contract, net of the estimated volume discounts and sales discounts and allowances. Accumulated experience is used to estimate and provide for the volume discounts and sales discounts and allowances, using the expected value method, and revenue is only recognised to the extent that it is highly probable that a significant reversal will not occur. The estimation is subject to an assessment at each reporting date. A refund liability is recognised for expected volume discounts and sales discounts and allowances payable to customers in relation to sales made until the end of the reporting period. The sales usually are made with a credit term of 30 days to 120 days. As the time interval between the transfer of committed goods or service

and the payment of customer does not exceed one year, the Group does not adjust the transaction price to reflect the time value of money.

- (c) The Group's obligation to provide a refund for faulty products under the standard warranty terms is recognised as a provision.
- (d) 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. Booth rental revenue

The Group held investment properties to earn rentals, and lease revenue is recognised on a straight-line basis over the lease term.

#### C. Land development and resale

- (a) The Group develops and sells residential properties. Revenue is recognised when control over the property has been transferred to the customer. The properties have generally no alternative use for the Group due to contractual restrictions. However, an enforceable right to payment does not arise until legal title has passed to the customer. Therefore, revenue is recognised at a point in time when the legal title has passed to the customer.
- (b) The revenue is measured at an agreed upon amount under the contract. The consideration is due when legal title has been transferred.

#### D. Hotel revenue

- (a) The main services the Group provides are food services and accommodations.
- (b) Food services revenue is recognised at a point in time when the products are sold to the customers and the payments are charged immediately. The Group's sales policy offers customers the rights of return within a certain time period. The estimate of sales return is evaluated with expected method based on historical experiences at the time of sale, and accumulated revenue the Group recognised shall not be reversed in the following years according to historical experiences. The validity of this assumption and estimated amount of returns are reassess at each reporting date.
- (c) The accommodations revenue is recognised on a straight-line basis throughout the period of stay of the customer. The customer pays at the time specified in the payment schedule.

#### E. Incremental costs of obtaining a contract

Given that the contractual period lasts less than one year, the Group recognises the incremental costs of obtaining a contract as an expense when incurred although the Group expects to recover those costs.

#### (34) 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 amortized to profit or loss over the estimated useful lives of the related assets using the straight-line method.

(35) 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:

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

Investment property

The Group uses a portion of the property for its own use and another portion to earn rentals or for capital appreciation. When these portions cannot be sold separately and cannot be leased out separately under a finance lease, the property is classified as investment property only if the own-use portion accounts for an insignificant part of the property.

(2) Critical accounting estimates and assumptions

A. Evaluation of inventories

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

As of December 31, 2022, the carrying amount of inventories was \$3,778,701.

B. Investment property measured at fair value

The Group assesses the fair value of investment property based on the professional judgement of appraiser, and determines the future cash flows of the investment property, discount rate and the future possible income and expenses arising from the assets depending on how assets are utilized and industrial characteristics. Any changes of economic circumstances or estimates due to the change of Group strategy might cause material effect in the amount of investment property



measured at fair value.

As of December 31, 2022, the carrying amount of investment property was \$62,526,250.

## 6. DETAILS OF SIGNIFICANT ACCOUNTS

### (1) Cash and cash equivalents

	<u>December 31, 2022</u>	<u>December 31, 2021</u>
Cash on hand and revolving funds	\$ 1,700	\$ 3,089
Checking accounts and demand deposits	2,813,946	3,713,115
Time deposits	4,235,773	99,837
	<u>\$ 7,051,419</u>	<u>\$ 3,816,041</u>

- 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. Time deposits pledged to others as collateral for borrowings totaling \$26,490 and \$69,309 were classified as ‘financial assets at amortised cost - current’ as of December 31, 2022 and 2021, respectively.
- C. Demand deposits pledged to others as collateral for borrowings and bonds payable amounting to \$1,101,367 and \$1,042,867 were classified as ‘financial assets at amortised cost - non-current’ as of December 31, 2022 and 2021, respectively.

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

<u>Assets items</u>	<u>December 31, 2022</u>	<u>December 31, 2021</u>
Current items:		
Financial assets mandatorily measured at fair value through profit or loss		
Listed stocks	\$ 660,899	\$ 913,241
Beneficiary certificates	1,091,016	982,801
Derivative instruments	-	2,727
Valuation adjustment	429,584	631,304
	<u>\$ 2,181,499</u>	<u>\$ 2,530,073</u>

- A. Amounts recognised in profit or loss in relation to financial assets at fair value through profit or loss are listed below:

	<u>Years ended December 31,</u>	
	<u>2022</u>	<u>2021</u>
Financial assets mandatorily measured at fair value through profit or loss		
Equity instruments	(\$ 127,707)	(\$ 954)
Beneficiary certificates	( 115,671)	133,955
Derivative instruments	( 2,727)	9,157
	<u>(\$ 246,105)</u>	<u>\$ 142,158</u>

B. The Group entered into contracts relating to derivative financial assets and liabilities which were not accounted for under hedge accounting. The information is listed below:

	<u>December 31, 2021</u>	
<u>Derivative financial liabilities</u>	<u>Contract amount</u> <u>(notional principal)</u>	<u>Contract period</u>
Current items:		
Forward foreign exchange contracts	<u>USD \$ 9,000</u>	2021/09/10~2022/09/14

Forward foreign exchange contracts / Foreign exchange swaps

The Group entered into forward foreign exchange contracts and foreign exchange swaps to sell or buy foreign currency to hedge exchange rate risk of foreign currency and earn the exchange rate spread. However, these forward foreign exchange contracts are not accounted for under hedge accounting.

C. The Group has no financial assets at fair value through profit or loss pledged to others.

D. Information on the fair value and price risk of financial assets at fair value through profit or loss is provided in Notes 12(2) and (3).

(3) Accounts receivable

	<u>December 31, 2022</u>	<u>December 31, 2021</u>
Accounts receivable	\$ 2,636,919	\$ 3,470,290
Less: Allowance for uncollectible accounts	( 106,412)	( 43,889)
	<u>\$ 2,530,507</u>	<u>\$ 3,426,401</u>

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

	<u>December 31, 2022</u>	<u>December 31, 2021</u>
Not past due	\$ 1,906,169	\$ 2,232,041
Up to 30 days	563,197	1,071,075
31 to 90 days	47,533	68,487
91 to 180 days	29,613	35,704
Over 180 days	90,407	62,983
	<u>\$ 2,636,919</u>	<u>\$ 3,470,290</u>

The above ageing analysis was based on past due date.

B. As of December 31, 2022, December 31, 2021, and January 1, 2021, the balances of receivables from contracts with customers amounted to \$2,636,919, \$3,470,290, and \$2,288,178, respectively.

C. The Group has no accounts receivable pledged to others.

D. 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 accounts receivable was \$2,530,507 and \$3,246,401, respectively.

E. The Group has taken out credit insurance on accounts receivable from some of the main clients. The Group will get compensation based on the agreements.

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

(4) Inventories

	December 31, 2022		
	Cost	Allowance for valuation loss	Book value
Raw materials	\$ 1,803,746	(\$ 90,590)	\$ 1,713,156
Semi-finished goods	129,978	( 3,944)	126,034
Finished goods	55,913	( 419)	55,494
	<u>1,989,637</u>	<u>( 94,953)</u>	<u>1,894,684</u>
Buildings and land held for sale	2,161,935	( 277,918)	1,884,017
	<u>\$ 4,151,572</u>	<u>(\$ 372,871)</u>	<u>\$ 3,778,701</u>
	December 31, 2021		
	Cost	Allowance for valuation loss	Book value
Raw materials	\$ 2,688,736	(\$ 70,557)	\$ 2,618,179
Semi-finished goods	133,279	( 5,035)	128,244
Finished goods	6,945	( 30)	6,915
Merchandise inventory	33,334	( 4,621)	28,713
	<u>2,862,294</u>	<u>( 80,243)</u>	<u>2,782,051</u>
Buildings and land held for sale	1,413,828	( 271,625)	1,142,203
Construction in progress	769,723	-	769,723
	<u>\$ 5,045,845</u>	<u>(\$ 351,868)</u>	<u>\$ 4,693,977</u>

A. The cost of inventories recognised as expense for the years ended December 31, 2022 and 2021 were \$17,257,626 and \$21,676,266, respectively, including the amount of \$44,311 and \$26,183, respectively, that the Group wrote down inventories from cost to net realizable value accounted for as cost of goods sold, and \$0 and \$128,569, respectively, that the Group wrote down building and land held for sale from cost to net realizable value accounted for as cost of goods sold.

B. The capitalised borrowing costs for the years ended December 31, 2022 and 2021 were \$8,595 and \$32,107, respectively, and the capitalised rates were 0%~5% and 0%~5.03%, respectively.

C. The Group has no inventory pledged to others.

(5) Investments accounted for using equity method

	<u>December 31, 2022</u>	<u>December 31, 2021</u>
Associates:		
Chicony Square (Wuhan) Inc.	\$ 1,305,741	\$ 1,500,494
Chicony Square (Cayman) Inc.	-	121,505
Chicony Chengdu International Inc.	43,153	59,897
Joint ventures:		
TAIPEI TWIN CORPORATION	1,029,182	967,296
Tua Tiann Co., Ltd.	<u>491,065</u>	<u>-</u>
	<u>\$ 2,869,141</u>	<u>\$ 2,649,192</u>
Other non-current liabilities		
	<u>December 31, 2022</u>	<u>December 31, 2021</u>
Chicony Square (Cayman) Inc.	<u>(\$ 44,580)</u>	<u>\$ -</u>

A. Associates:

(a) The basic information of the associates that are material to the Group is as follows:

Company name	Principal place of business	Shareholding ratio		Nature of relationship	Method of measurement
		December 31, 2022	December 31, 2021		
Chicony Square (Wuhan) Inc.	China (Note 2)	30%	30%	Significant influence associate	Equity method
Chicony Square (Cayman) Inc.	China (Note 3)	30%	30%	Significant influence associate	Equity method
Chicony Chengdu International Inc.	China (Note 2)	3.75% (Note 1)	3.75% (Note 1)	Significant influence associate	Equity method

Note 1: The Group held 30% of shares in these subsidiaries.

Note 2: The registration is British Virgin Islands, and the principal place of business is China.

Note 3: The registration is Cayman Islands, and the principal place of business is China.

(b) The summarised financial information of the associates that are material to the Group is as follows:

Balance sheet

	<u>Chicony Square (Wuhan) Inc.</u>	
	<u>December 31, 2022</u>	<u>December 31, 2021</u>
Current assets	\$ 2,075,529	\$ 1,996,774
Non-current assets	4,592,451	4,631,864
Current liabilities	( 2,315,512)	( 1,626,991)
Total net assets	<u>\$ 4,352,468</u>	<u>\$ 5,001,647</u>
Carrying amount of the associate	<u>\$ 1,305,741</u>	<u>\$ 1,500,494</u>

	<u>Chicony Square (Cayman) Inc.</u>	
	<u>December 31, 2022</u>	<u>December 31, 2021</u>
Current assets	\$ 1,918	\$ 1,888
Non-current assets	2,449,525	2,698,329
Current liabilities	( 297,994)	( 219,574)
Non-current liabilities	( 2,302,050)	( 2,075,625)
Total net assets	<u>(\$ 148,601)</u>	<u>\$ 405,018</u>
Carrying amount of the associate	<u>(\$ 44,580)</u>	<u>\$ 121,505</u>

	<u>Chicony Chengdu International Inc.</u>	
	<u>December 31, 2022</u>	<u>December 31, 2021</u>
Current assets	\$ 33	\$ 30
Non-current assets	1,150,718	1,597,232
Total net assets	<u>\$ 1,150,751</u>	<u>\$ 1,597,262</u>
Carrying amount of the associate	<u>\$ 43,153</u>	<u>\$ 59,897</u>

Statement of comprehensive income

	<u>Chicony Square (Wuhan) Inc.</u>	
	<u>Years ended December 31,</u>	
	<u>2022</u>	<u>2021</u>
(Loss) profit for the year from continuing operations	(\$ 288,470)	\$ 410,332
Other comprehensive income, net of tax	145,628	2,978
Total comprehensive (loss) income	<u>(\$ 142,842)</u>	<u>\$ 413,310</u>
Dividends received from associates	<u>\$ -</u>	<u>\$ 454,391</u>

	<u>Chicony Square (Cayman) Inc.</u>	
	<u>Years ended December 31,</u>	
	<u>2022</u>	<u>2021</u>
(Loss) profit for the year from continuing operations	(\$ 475,920)	\$ 228,072
Other comprehensive income, net of tax	35,954	9,678
Total comprehensive (loss) income	<u>(\$ 439,966)</u>	<u>\$ 237,750</u>

	<u>Chicony Chengdu International Inc.</u>	
	<u>Years ended December 31,</u>	
	<u>2022</u>	<u>2021</u>
(Loss) profit for the year from continuing operations	(\$ 481,862)	\$ 259,769
Other comprehensive income, net of tax	35,348	11,155
Total comprehensive (loss) income	<u>(\$ 446,514)</u>	<u>\$ 270,924</u>

#### B. Joint ventures

(a) The basic information of the joint venture that is material to the Group is as follows:

<u>Company name</u>	<u>Principal place of business</u>	<u>Shareholding ratio</u>		<u>Nature of relationship</u>	<u>Method of measurement</u>
		<u>December 31, 2022</u>	<u>December 31, 2021</u>		
TAIPEI TWIN CORPORATION	New Taipei City	50%	50%	Financial investment	Equity method
Tua Tiann Co., Ltd.	Taipei City	24.5%	-	Financial investment	Equity method

- (b) The summarized financial information of the joint venture that is material to the Group is as follows:

Balance sheet

	<u>TAIPEI TWIN CORPORATION</u>	
	<u>December 31, 2022</u>	<u>December 31, 2021</u>
Cash and cash equivalents	\$ 228,937	\$ 1,155,430
Other current assets	144,823	4,793
Total current assets	<u>373,760</u>	<u>1,160,223</u>
Prepaid contract payments	2,808,441	626,767
Other non-current assets	258,636	327,976
Non-current assets	<u>3,067,077</u>	<u>954,743</u>
Total assets	<u>\$ 3,440,837</u>	<u>\$ 2,114,966</u>
Other payables	(\$ 398,222)	(\$ 34,768)
Other current liabilities	( 17,519)	( 145,607)
Current liabilities	<u>( 415,741)</u>	<u>( 180,375)</u>
Long-term borrowings	( 940,000)	-
Non-current liabilities	<u>( 26,732)</u>	<u>-</u>
Total liabilities	<u>(\$ 1,382,473)</u>	<u>(\$ 180,375)</u>
Total net assets	<u>\$ 2,058,364</u>	<u>\$ 1,934,591</u>
Share in joint venture's net assets	<u>\$ 1,029,182</u>	<u>\$ 967,296</u>
Carrying amount of the joint venture	<u>\$ 1,029,182</u>	<u>\$ 967,296</u>

Statement of comprehensive income

	<u>TAIPEI TWIN CORPORATION</u>	
	<u>Years ended December 31,</u>	
	<u>2022</u>	<u>2021</u>
Other operating expenses	(\$ 72,109)	(\$ 42,342)
Depreciation and amortisation	( 6,688)	( 320)
Interest income	2,842	2,478
Other gains and losses	<u>( 272)</u>	<u>503</u>
Loss before income tax	( 76,227)	( 39,681)
Income tax expense	<u>-</u>	<u>-</u>
Loss, net of tax	<u>(\$ 76,227)</u>	<u>(\$ 39,681)</u>
Total comprehensive loss	<u>(\$ 76,227)</u>	<u>(\$ 39,681)</u>
Dividends received from joint venture	<u>\$ -</u>	<u>\$ -</u>

The Company and EPOQUE CORPORATION participated in the land development project of Taipei City Western District Gateway Project-Taipei Main Station Special Zone C1/D1 (Eastern Part) to jointly establish TAIPEI TWIN CORPORATION. The investments amounting to \$1.1 billion from both the Company and EPOQUE CORPORATION account

for 50% of the total investment and the shareholding ratio is 50% for each. TAIPEI TWIN CORPORATION will be jointly controlled by both parties based on the joint venture agreement.

- (c) The summarized financial information of the joint venture that is material to the Group is as follows:

Balance sheet

	<u>Tua Tiann Co. Ltd.</u>	
	<u>December 31, 2022</u>	
Cash and cash equivalents	\$	8,931
Financial assets at amortised cost - current		200,000
Other current assets		7,476
Total current assets		<u>216,407</u>
Prepaid contract payments		467,864
Non-current assets		1,320,180
Total assets	\$	<u>2,004,451</u>
Current liabilities	(\$	103)
Total liabilities	(	<u>103)</u>
Total net assets	\$	<u>2,004,348</u>
Share in joint venture's net assets	\$	<u>491,065</u>
Carrying amount of the joint venture	\$	<u>491,065</u>

Statement of comprehensive income

	<u>Tua Tiann Co. Ltd.</u>	
	<u>Year ended December 31, 2022</u>	
Other operating expenses	(\$	690)
Other gains and losses		5,038
Profit before income tax		4,348
Income tax expense		-
Profit, net of tax	\$	<u>4,348</u>
Total comprehensive income	\$	<u>4,348</u>
Dividends received from joint venture	\$	<u>-</u>

The Company, KINDOM DEVELOPMENT CO., LTD. and HUA TAI INVESTMENT CORPORATION participated in the land development project of Taipei City Project-Taipei Main Station Special Zone E1/E2 to jointly establish Tua Tiann Co., Ltd. The capital contributions of the three parties account for 24.5%, 51% and 24.5% of the total capital and equity of the joint venture company. Tua Tiann Co. Ltd. will be jointly controlled by the three parties based on the joint venture agreement.



(6) Property, plant and equipment

2022

	Buildings and structures	Machinery and equipment	Molding equipment	Computers and communication equipment	Transportation equipment	Office equipment	Leasehold improvements	Other equipment	Construction in progress and equipment to be inspected	Total
<u>At January 1</u>										
Cost	\$ 2,051,630	\$ 535,600	\$ 15,168	\$ 68,800	\$ 24,738	\$ 97,532	\$ 68,614	\$ 18,036	\$ 728,429	\$ 3,608,547
Accumulated depreciation and impairment	( 715,985)	( 142,261)	( 6,443)	( 51,396)	( 19,105)	( 82,792)	( 46,069)	( 10,604)	-	( 1,074,655)
	<u>\$ 1,335,645</u>	<u>\$ 393,339</u>	<u>\$ 8,725</u>	<u>\$ 17,404</u>	<u>\$ 5,633</u>	<u>\$ 14,740</u>	<u>\$ 22,545</u>	<u>\$ 7,432</u>	<u>\$ 728,429</u>	<u>\$ 2,533,892</u>
Opening net book amount as at January 1	\$ 1,335,645	\$ 393,339	\$ 8,725	\$ 17,404	\$ 5,633	\$ 14,740	\$ 22,545	\$ 7,432	\$ 728,429	\$ 2,533,892
Additions	18,651	14,016	769	3,784	1,341	840	80,908	24,640	848	145,797
Reclassifications	25,391	5,623	-	( 32)	-	492	( 145)	763	1,480,653	1,512,745
Disposals	( 15,549)	( 532)	-	( 131)	( 540)	( 1,511)	( 93)	( 1,426)	-	( 19,782)
Depreciation charge	( 98,001)	( 45,875)	( 2,355)	( 5,513)	( 1,218)	( 1,509)	( 23,896)	( 4,581)	-	( 182,948)
Net exchange differences	<u>20,440</u>	<u>5,943</u>	<u>133</u>	<u>211</u>	<u>78</u>	<u>226</u>	<u>342</u>	<u>102</u>	<u>11,147</u>	<u>38,622</u>
Closing net book amount as at December 31	<u>\$ 1,286,577</u>	<u>\$ 372,514</u>	<u>\$ 7,272</u>	<u>\$ 15,723</u>	<u>\$ 5,294</u>	<u>\$ 13,278</u>	<u>\$ 79,661</u>	<u>\$ 26,930</u>	<u>\$ 2,221,077</u>	<u>\$ 4,028,326</u>
<u>At December 31</u>										
Cost	\$ 2,152,394	\$ 559,178	\$ 10,255	\$ 69,669	\$ 21,850	\$ 95,849	\$ 138,480	\$ 37,783	\$ 2,221,077	\$ 5,306,535
Accumulated depreciation and impairment	( 865,817)	( 186,664)	( 2,983)	( 53,946)	( 16,556)	( 82,571)	( 58,819)	( 10,853)	-	( 1,278,209)
	<u>\$ 1,286,577</u>	<u>\$ 372,514</u>	<u>\$ 7,272</u>	<u>\$ 15,723</u>	<u>\$ 5,294</u>	<u>\$ 13,278</u>	<u>\$ 79,661</u>	<u>\$ 26,930</u>	<u>\$ 2,221,077</u>	<u>\$ 4,028,326</u>

2021

	Land	Buildings and structures	Machinery and equipment	Molding equipment	Computers and communication equipment	Transportation equipment	Office equipment	Leasehold improvements	Other equipment	Construction in progress and equipment to be inspected	Total
<u>At January 1</u>											
Cost	\$186,563	\$ 3,111,643	\$ 660,477	\$ 10,903	\$ 68,864	\$ 24,165	\$ 163,013	\$ 47,857	\$ 42,435	\$ 1,589,075	\$ 5,904,995
Accumulated depreciation and impairment	-	( 801,151)	( 134,140)	( 8,751)	( 54,302)	( 19,362)	( 123,078)	( 34,191)	( 18,414)	-	( 1,193,389)
	<u>\$186,563</u>	<u>\$ 2,310,492</u>	<u>\$ 526,337</u>	<u>\$ 2,152</u>	<u>\$ 14,562</u>	<u>\$ 4,803</u>	<u>\$ 39,935</u>	<u>\$ 13,666</u>	<u>\$ 24,021</u>	<u>\$ 1,589,075</u>	<u>\$ 4,711,606</u>
Opening net book amount as at January 1	\$186,563	\$ 2,310,492	\$ 526,337	\$ 2,152	\$ 14,562	\$ 4,803	\$ 39,935	\$ 13,666	\$ 24,021	\$ 1,589,075	\$ 4,711,606
Additions	-	1,771	6,382	9,343	8,084	2,768	1,772	21,737	2,708	11,398	65,963
Reclassifications	-	( 352,715)	( 97,754)	-	( 65)	-	( 19,349)	( 1,706)	( 14,300)	( 720,731)	( 1,206,620)
Disposals	( 186,563)	( 130,449)	( 145)	-	( 466)	( 465)	( 4,827)	( 1,605)	( 1,794)	-	( 326,314)
Depreciation charge	-	( 120,931)	( 45,681)	( 2,788)	( 4,815)	( 1,512)	( 3,113)	( 9,657)	( 3,369)	-	( 191,866)
Impairment loss	-	( 391,692)	-	-	-	-	-	-	-	( 164,881)	( 556,573)
Net exchange differences	-	19,169	4,200	18	104	39	322	110	166	13,568	37,696
Closing net book amount as at December 31	<u>\$ -</u>	<u>\$ 1,335,645</u>	<u>\$ 393,339</u>	<u>\$ 8,725</u>	<u>\$ 17,404</u>	<u>\$ 5,633</u>	<u>\$ 14,740</u>	<u>\$ 22,545</u>	<u>\$ 7,432</u>	<u>\$ 728,429</u>	<u>\$ 2,533,892</u>
<u>At Decemberr 31</u>											
Cost	\$ -	\$ 2,908,456	\$ 535,600	\$ 15,168	\$ 68,800	\$ 24,738	\$ 97,532	\$ 68,614	\$ 18,036	\$ 893,310	\$ 4,630,254
depreciation and impairemt	-	( 1,572,811)	( 142,261)	( 6,443)	( 51,396)	( 19,105)	( 82,792)	( 46,069)	( 10,604)	( 164,881)	( 2,096,362)
	<u>\$ -</u>	<u>\$ 1,335,645</u>	<u>\$ 393,339</u>	<u>\$ 8,725</u>	<u>\$ 17,404</u>	<u>\$ 5,633</u>	<u>\$ 14,740</u>	<u>\$ 22,545</u>	<u>\$ 7,432</u>	<u>\$ 728,429</u>	<u>\$ 2,533,892</u>

- A. Refer to Note 6(9) D for the amount of borrowing costs capitalized as part of unfinished construction and the range of the interest rates for the years ended December 31, 2022 and 2021.
- B. The significant components of the Group's buildings and structures, including main construction, steel structure, and related equipment of underground mezzanine are depreciated over 2 to 15 years.
- C. Information about the property, plant, and equipment that were pledged to others as collateral is provided in Note 8.

- D. Impairment information about the property, plant and equipment is provided in Note 6(13).
- E. To activate its assets, the Group entered into a sales and purchase agreement of land and buildings with the non-related party, TransGlobe Life Insurance Inc. (TransGlobe Life), as resolved by the Board of Directors on October 15, 2021, to sell the property, plant and equipment and investment property located on Xingde Rd., Sanchong Dist., New Taipei City in the amount of \$4,100,000. The above transaction was completed in the fourth quarter of 2021. The Group leased back certain levels of the sold building for its operational use for a lease term of 4 years. Refer to Note 6(7)F for details. After deducting the carrying amount of the assets and related transaction costs from proceeds of the transaction, Gains arising from transfer of right in sale and lease-back transaction amounted to \$1,080,862, and gains on disposal of investment property amounted to \$222,594, shown as other gains and losses. All proceeds from the transaction have been collected in December 2021.

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(7) Leasing arrangements - lessee

- A. The Group leases various assets including land use right and office. Rental contracts are typically made for periods of 5 to 50 years. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose covenants, but leased assets may not be used as security for borrowing purposes.
- B. Short-term leases with a lease term of 12 months or less comprise office premises.
- C. The carrying amount of right-of-use assets and the depreciation charge are as follows:

	<u>December 31, 2022</u>	<u>December 31, 2021</u>
	<u>Carrying amount</u>	<u>Carrying amount</u>
Land	\$ 3,860,771	\$ 4,018,889
Office	205,912	139,782
	<u>\$ 4,066,683</u>	<u>\$ 4,158,671</u>

  

	<u>Years ended December 31,</u>	
	<u>2022</u>	<u>2021</u>
	<u>Depreciation charge</u>	<u>Depreciation charge</u>
Land	\$ 48,506	\$ 47,880
Office	71,495	26,188
	<u>\$ 120,001</u>	<u>\$ 74,068</u>

- D. For the years ended December 31, 2022 and 2021, the additions to right-of-use assets were \$175,634 and \$82,405, respectively.
- E. The information on profit and loss accounts related to lease contracts is as follows:

	<u>Years ended December 31,</u>	
<u>Items affecting profit or loss</u>	<u>2022</u>	<u>2021</u>
Interest expense on lease liabilities	\$ 8,664	\$ 7,410
Expense on short-term lease contracts	\$ 15,417	\$ 12,493
Gain on lease modification	\$ 1,057	\$ 2,747
Gain on sublease of right-of-use assets	\$ 95,066	\$ -

- F. For the years ended December 31, 2022 and 2021, the Group's total cash outflow for leases were \$125,002 and \$46,962, respectively.
- G. The Group sold the building located on No. 129, Xingde Rd., Sanchong Dist., New Taipei City in the amount of \$4,100,000 on November 29, 2021. The Group leased back certain floors of the building sold for a lease term of 4 years, and this lease agreement does not include extension or purchase clauses. The rental payments for each year are \$47,500, \$47,500, \$48,925 and \$50,393, respectively.
- H. Buynow (Xian), Guiyang Buynow, Yinkou Buynow, Dezhou Buynow, Buynow (Jinzhou) and Kapok (Kunshan) acquired the land use right from their respective local government agencies for a period of 40 to 50 years. Except for the land use right of Kapok (Kunshan) which is for factory

land use (As of December 31, 2022, the amount was \$19,445), others are for shopping mall land use.

I. Guiyang Buynow and Yinkou Buynow entered into the state-owned construction land use right assignment contracts for the years ended December 31, 2014 and 2013 with their local government agencies. The total consideration was RMB 327,101, of which RMB 306,538 was paid and RMB 20,563 remains unpaid as of December 31, 2022. As of December 31, 2022, the transfer of property rights has not yet been completed.

(8) Leasing arrangements - lessor

A. The Group leases various assets classified as investment property. Rental contracts are typically made for periods of 1 and 20 years. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions.

B. The Company leases buildings under a finance lease. Based on the terms of the lease contract, the lease period of the building covers the main part of the economic life of the underlying asset.

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

	<u>Year ended December 31, 2022</u>
Finance income from the net investment in the finance lease	\$ 225

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

	<u>December 31, 2022</u>
2023	\$ 43,945
2024	42,314
2025	39,581
	<u>\$ 125,840</u>

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

	<u>December 31, 2022</u>	
	<u>Current</u>	<u>Non-current</u>
Undiscounted lease payments	\$ 43,945	\$ 81,895
Unearned finance income	( 1,515)	( 1,125)
Net investment in the lease	<u>\$ 42,430</u>	<u>\$ 80,770</u>

E. For the years ended December 31, 2022 and 2021, the Group recognised rent income on investment property in the amount of \$2,451,684 and \$2,625,452, respectively, based on the operating lease agreement, which does not include variable lease payments.

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

	<u>December 31, 2022</u>	<u>December 31, 2021</u>
2022	\$ -	\$ 349,816
2023	532,608	353,397
2024	574,616	359,046
2025	598,635	368,193
2026	628,249	364,092
2027	636,643	350,821
2028 and after	<u>5,613,966</u>	<u>1,030,282</u>
	<u>\$ 8,584,717</u>	<u>\$ 3,175,647</u>

(9) Investment property

	<u>2022</u>	<u>2021</u>
At January 1	\$ 62,408,602	\$ 63,638,847
Additions from subsequent expenditures	78,456	75,386
Disposals	( 10,080)	( 2,229,634)
Reclassifications	-	960,856
Transfer to non-current assets held for sale	( 581,409)	-
Net losses from fair value adjustment	( 333,016)	( 538,288)
Net exchange differences	<u>963,697</u>	<u>501,435</u>
At December 31	<u>\$ 62,526,250</u>	<u>\$ 62,408,602</u>

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

	<u>Years ended December 31,</u>	
	<u>2022</u>	<u>2021</u>
Rental income from investment property	<u>\$ 2,451,684</u>	<u>\$ 2,625,452</u>
Direct operating expenses arising from the investment property that generated rental income during the year	<u>\$ 904,858</u>	<u>\$ 949,419</u>
Direct operating expenses arising from the investment property that did not generate rental income during the year	<u>\$ 83,790</u>	<u>\$ 71,776</u>

B. Measurement of investment property at fair value

The fair value of the investment property held by the Group as at December 31, 2022 and 2021 was \$62,526,250 and \$62,408,602, respectively, which was valued by independent appraisers. Valuations were made using the income approach which is categorized within Level 3 in the fair value hierarchy. Key assumptions are as follows:

- (a) Investment property is mainly divided into Taiwan-computer segment and China-Buynow Plaza. Currently, the lease terms of investment property for different segments are: approximately 16 years (from 2022 to 2038) for Buynow (Changsha); 20 years (from 2022 to 2042) for Buynow (Nanchang); 20 years (from 2008 to 2028) for Beijing Clevo Investment; 6

years (from 2016 to 2022) for Buynow (Quanzhou); 10 years (from 2017 to 2027) for Suzhou Jinzuo; 6 to 20 years (from 2019 to 2040) for Buynow (Anshan); 15 years (from 2019 to 2034) for Luoyang Buynow, and 1 year for the remaining segments. The comparison information between local rent and similar objective property rent is provided in the ‘Summary of fair value disclosure on investment property’ (referred herein as “the following table”).

- (b) Movements of average occupancy rates in the prior year and earnings in prior years are provided in the following table.
- (c) The Group adopts the discounted cash flow analysis under income approach. The estimation process of the appraisal method is subject to the determination of the annual rent growth rate range using the comparison information between local rent and similar objective property rent, and takes into consideration vacancy loss to estimate net rent income over the next ten years as future cash inflow and discounted to the date of appraisal with the discount rate described in (d). In addition, considering the ending balance of disposal value of the objective property is calculated based on the operating revenue over the next year starting from the disposal date to estimated remaining lives of the use right at the disposal date, which will be capitalised based on the estimated discount rate and annual rent growth rate as well as discounted to the appraisal date. The market value is calculated based on the ending disposal value plus the present value of rent for each period.

Future cash outflow consists of expenses directly and necessarily related to leasing such as property management fees, utilities and promotion costs; and operating expenses necessarily related to operations (i.e. repair expenses), taxes, insurance fees, and capital expenditures. The rates of changes used in the estimation of future movements are in accordance with the rent growth rate used in the imputed rent income.

- (d) The information on the range of discount rates is provided in the following table. The discount rates are determined to take into consideration the interest rate of time deposits or government bonds, as well as the Group’s liquidity, risk, value-added and degree of difficulty of management.
- (e) The fair values of investment property under construction at the appraisal date and income estimation process were first determined by considering the growth of rent income under the forecast market conditions when the construction was completed, and were discounted using expected rental growth rate and vacancy loss to the appraisal date with a 10-year estimation period. Subsequently, the aforementioned discounted values reduced the necessary engineering costs and expenses incurred from appraisal date to expected completion date plus the discounted estimated salvage values.
- (f) The appraisal reports adopted by the Group are co-certified by the real estate appraisers, Charlie Yang and Jia-Hui Chen from Cushman & Wakefield Limited (referred herein as “Cushman & Wakefield”) and Cushman & Wakefield Limited (HK). The appraisal dates are January 1, 2022 and 2021.

Summary of fair value disclosure on investment property:

<u>Year ended December 31, 2022</u>	<u>Buynow plaza</u>
Comparative information between local rent and similar objective property rent (dollar/square or square meter/month)	\$89~\$4,655
Movements of earnings in the prior year	\$19,046~\$295,538
Average occupancy rates	88%
<u>Year ended December 31, 2021</u>	<u>Buynow plaza</u>
Comparative information between local rent and similar objective property rent (dollar/square or square meter/month)	\$82~\$4,878
Movements of earnings in the prior year	\$5,621~\$253,399
Average occupancy rates	89%
Discount rate	<u>December 31, 2022</u> <u>December 31, 2021</u>
-Buynow plaza	4.75%~6.75%    4.75%~6.75%

C. The fair value information about the investment property is provided in Note 12(3).

D. Amount of borrowing costs capitalised as part of unfinished construction, investment property and long-term lease prepayments and the range of the interest rates for such capitalisation are as follows:

	<u>Years ended December 31,</u>	
	<u>2022</u>	<u>2021</u>
Amount capitalised	\$108,557	\$148,679
Range of the interest rates for capitalisation	3.70%~5.30%	3.00%~5.30%

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



(10) Intangible assets

	2022		
	Software	Goodwill	Total
<u>At January 1</u>			
Cost	\$ 8,088	\$ 10,335	\$ 18,423
At January 1	\$ 8,088	\$ 10,335	\$ 18,423
Additions-acquired separately	54,119	-	54,119
Reclassifications	( 89)	-	( 89)
Amortisation charge	( 14,714)	-	( 14,714)
Net exchange differences	53	159	212
At December 31	\$ 47,457	\$ 10,494	\$ 57,951
<u>At December 31</u>			
Cost	\$ 47,457	\$ 10,494	\$ 57,951
	2021		
	Software	Goodwill	Total
<u>At January 1</u>			
Cost	\$ 20,452	\$ 10,253	\$ 30,705
At January 1	\$ 20,452	\$ 10,253	\$ 30,705
Additions-acquired separately	1,442	-	1,442
Disposals	( 2,882)	-	( 2,882)
Amortisation charge	( 10,991)	-	( 10,991)
Net exchange differences	67	82	149
At December 31	\$ 8,088	\$ 10,335	\$ 18,423
<u>At December 31</u>			
Cost	\$ 8,088	\$ 10,335	\$ 18,423

Goodwill arose from Buynow segment of the Group.

Details of amortization on intangible assets are as follows:

	Years ended December 31,	
	2022	2021
Administrative expenses	\$ 3,245	\$ 5,061
Research and development expenses	11,461	5,930
	\$ 14,706	\$ 10,991

(11) Other non-current assets

	<u>December 31, 2022</u>	<u>December 31, 2021</u>
Prepayments for construction	\$ 1,099,066	\$ 1,961,414
Guarantee deposits paid	55,141	43,161
Others	367,651	236,490
	<u>\$ 1,521,858</u>	<u>\$ 2,241,065</u>

(12) Impairment of non-financial assets

A. The Group recognised impairment loss for the year ended December 31, 2021 in the amount of \$556,573. Details of such loss are as follows:

	<u>Year ended December 31, 2021</u>
	<u>Recognised in profit or loss</u>
Impairment loss	
— Buildings and structures	\$ 391,692
— Construction in progress and equipment to be inspected	164,881
	<u>\$ 556,573</u>

B. The impairment loss reported by operating segments is as follows:

	<u>Year ended December 31, 2021</u>
	<u>Recognised in profit or loss</u>
Buynow plaza	\$ 556,573

C. In 2021, the current overall outlook for the real estate market in China resulted in an impairment in the Group's property. The Group wrote down the carrying amount of the asset based on the recoverable amount and recognised an impairment loss of \$556,573 accordingly. The recoverable amount is the property's fair value less costs of disposal, estimated by reference to the transaction price of a property in similar location per square feet in accordance with the market approach and the professional appraisal report. The fair value is classified as a level 3 fair value.

(13) Non-current assets held for sale

A. The assets related to investment property of Quanzhou Buynow Mall Co., Ltd. (part of Buynow plaza segment) have been reclassified as disposal group held for sale following the approval of the Group's Board of Directors on September 23, 2022. The transaction was completed in December 2022.

B. For the year ended December 31, 2022, impairment loss of \$74,977 was recognised in other gains and losses as a result of the remeasurement of the disposal group held for sale at the lower of its carrying amount or fair value less costs to sell.

(14) Short-term borrowings

<u>Type of borrowings</u>	<u>December 31, 2022</u>	<u>Interest rate range</u>	<u>Collateral</u>
Bank borrowings			
Secured borrowings	\$ 44,071	4.1%	Investment property
Unsecured borrowings	3,281,648	1.4%~3.95%	Promissory note
	<u>\$ 3,325,719</u>		

<u>Type of borrowings</u>	<u>December 31, 2021</u>	<u>Interest rate range</u>	<u>Collateral</u>
Bank borrowings			
Secured borrowings	\$ 129,787	4.15%	Investment property
Unsecured borrowings	4,616,636	0.57%~1.00%	Promissory note
	<u>\$ 4,746,423</u>		

(15) Bonds payable

	<u>December 31, 2022</u>	<u>December 31, 2021</u>
Secured bonds payable	<u>\$ 5,000,000</u>	<u>\$ 5,000,000</u>

A. On August 22, 2019, Clevo Co. issued the first domestic secured bonds of \$5,000,000, as approved by the regulatory authority. As of December 31, 2022, the outstanding bonds payable was \$5,000,000.

B. The terms of the secured bonds are as follows:

<u>Type of Bonds</u>	<u>Issuance date</u>	<u>Period</u>	<u>Amount</u>	<u>Coupon rate</u>	<u>Payment term</u>	<u>Security</u>
Secured bonds payable	2019/8/26	5 years	\$5,000,000	Not exceeding fixed rate of 0.8%	Principal is due at maturity. Interest is paid annually at simple interest rate.	Authorise Taiwan Cooperative Bank to execute corporate bond guarantee according to the guarantee agreement.

(16) Long-term borrowings

<u>Type of borrowings</u>	<u>Borrowing period and repayment term</u>	<u>Interest rate range</u>	<u>Collateral</u>	<u>December 31, 2022</u>
Unsecured borrowings	Borrowing period is from June 13, 2022 to December 17, 2026; interest is payable monthly, principal is payable at maturity date	1.391%~1.918%	Promissory note	\$ 10,350,000
Unsecured borrowings	Borrowing period is from December 28, 2018 to December 28, 2023; interest is payable monthly, principal is payable in installments	1.9127%~2.1145%	Promissory note	4,000,000
				<u>14,350,000</u>
Secured borrowings	Borrowing period is from August 18, 2018 to August 17, 2028; interest is payable quarterly, principal is payable in installments	4.80%	Property, plant and equipment and investment property	1,256,034
Secured borrowings	Borrowing period is from June 8, 2015 to June 4, 2026; interest is payable monthly, principal is payable in installments	4.55%~4.87%	Investment property	3,493,805
Secured borrowings	Borrowing period is from March 10, 2022 to March 29, 2027; interest is payable quarterly, principal is payable in installments	3.5%~6.4825%	Investment property	2,283,910
Secured borrowings	Borrowing period is from December 6, 2019 to October 21, 2027; interest is payable quarterly, principal is payable at maturity date	4.3%~5.05%	Investment property	3,782,138
Secured borrowings	Borrowing period is from December 28, 2021 to May 22, 2023; interest is payable quarterly, principal is payable at maturity date	3.3%	Right-of-use assets and property, plant and equipment	251,207
				<u>11,067,094</u>
				25,417,094
Less: Current portion of long-term loans				( 7,863,802)
				<u>\$ 17,553,292</u>

Type of borrowings	Borrowing period and repayment term	Interest rate range	Collateral	December 31, 2021
Unsecured borrowings	Borrowing period is from March 19, 2021 to December 17, 2026; interest is payable monthly, principal is payable at maturity date	0.52%~1.05%	Promissory note	\$ 6,750,000
Unsecured borrowings	Borrowing period is from December 28, 2018 to December 28, 2023; interest is payable monthly, principal is payable in installments	1.18%~1.80%	Promissory note	4,800,000
Unsecured borrowings	Borrowing period is from December 28, 2021 to December 28, 2023; interest is payable quarterly, principal is payable at maturity date	0.58%~0.67%	Promissory note	398,012
				11,948,012
Secured borrowings	Borrowing period is from June 22, 2020 to January 28, 2022; interest is payable monthly, principal is payable at maturity date	4.90%	Investment property	12,501
Secured borrowings	Borrowing period is from August 18, 2018 to August 17, 2028; interest is payable quarterly, principal is payable in installments	5.15%	Property, plant and equipment and investment property	1,367,325
Secured borrowings	Borrowing period is from June 8, 2015 to June 4, 2026; interest is payable monthly, principal is payable in installments	4.77%~5.32%	Investment property	3,574,919
Secured borrowings	Borrowing period is from October 31, 2019 to December 6, 2026; interest is payable quarterly, principal is payable in installments	4.70%~5.30%	Investment property	4,025,874
Secured borrowings	Borrowing period is from December 28, 2021 to December 28, 2023; interest is payable quarterly, principal is payable at maturity date	0.58%~0.67%	Investment property	646,553
Secured borrowings	Borrowing period is from December 28, 2021 to December 28, 2023; interest is payable quarterly, principal is payable at maturity date	0.67%	Right-of-use assets and property, plant and equipment	95,163
				9,722,335
				21,670,347
Less: Current portion of long-term loans				( 3,798,480)
				\$ 17,871,867

## (17) Pensions

### A. Defined benefit pension plans

- (a) The Company has 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 Act. Under the defined benefit pension plan, two units are accrued for each year of service for the first 15 years and one unit for each additional year thereafter, subject to a maximum of 45 units. Pension benefits are based on the number of units accrued and the average monthly salaries and wages of the last 6 months prior to retirement. The Company contributes monthly an amount equal to 2% of the employees'

monthly salaries and wages to the retirement fund deposited with Bank of Taiwan, the trustee, under the name of the independent retirement fund committee. Also, the Company would assess the balance in the aforementioned labor pension reserve account by December 31, every year. If the account balance is insufficient to pay the pension calculated by the aforementioned method to the employees expected to qualify for retirement in the following year, the Company will make contributions for the deficit by next March.

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

	<u>December 31, 2022</u>	<u>December 31, 2021</u>
Present value of defined benefit obligations	\$ 314,522	\$ 322,555
Fair value of plan assets	( 353,812)	( 322,555)
Net defined benefit liability	<u>(\$ 39,290)</u>	<u>\$ -</u>

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

	<u>2022</u>		
	<u>Present value of defined benefit obligations</u>	<u>Fair value of plan assets</u>	<u>Net defined benefit liability</u>
Balance at January 1	\$ 322,555	(\$ 322,555)	\$ -
Current service cost	2,305	-	2,305
Interest expense (income)	2,311	( 2,290)	21
	<u>327,171</u>	<u>( 324,845)</u>	<u>2,326</u>
Remeasurements:			
Return on plan assets (excluding amounts included in interest income or expense)			
Change in demographic assumptions	809	-	809
Change in financial assumptions	( 4,462)	-	( 4,462)
Experience adjustments	( 4,955)	( 24,280)	( 29,235)
	<u>( 8,608)</u>	<u>( 24,280)</u>	<u>( 32,888)</u>
Pension fund contribution	-	( 8,728)	( 8,728)
Paid pension	( 4,041)	4,041	-
Balance at December 31	<u>\$ 314,522</u>	<u>(\$ 353,812)</u>	<u>(\$ 39,290)</u>

	2021		
	Present value of defined benefit obligations	Fair value of plan assets	Net defined benefit liability
Balance at January 1	\$ 323,696	(\$ 314,798)	\$ 8,898
Current service cost	267	-	267
Interest expense (income)	1,327	( 1,291)	36
	<u>325,290</u>	<u>( 316,089)</u>	<u>9,201</u>
Remeasurements:			
Return on plan assets (excluding amounts included in interest income or expense)			
Change in demographic assumptions	6,466	-	6,466
Change in financial assumptions	7,159	-	7,159
Experience adjustments	( 8,703)	( 4,922)	( 13,625)
	<u>4,922</u>	<u>( 4,922)</u>	<u>-</u>
Pension fund contribution	-	( 9,201)	( 9,201)
Paid pension	( 7,657)	7,657	-
Balance at December 31	<u>\$ 322,555</u>	<u>(\$ 322,555)</u>	<u>\$ -</u>

(d) The Bank of Taiwan was commissioned to manage the Fund of the Company's 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 securitization products, etc.). With regard to the utilisation of the Fund, its minimum earnings in the annual distributions on the final financial statements shall be no less than the earnings attainable from the amounts accrued from two-year time deposits with the interest rates offered by local banks. If the earnings is less than aforementioned rates, government shall make payment for the deficit after being authorized by the Regulator. The Company has no right to participate in managing and operating that fund and hence the Company is unable to disclose the classification of plan assets fair value in accordance with IAS 19 paragraph 142. The composition of fair value of plan assets as of December 31, 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:

	Years ended December 31,	
	2022	2021
Discount rate	1.33%	0.71%
Future salary increases	2.5%	2.00%

Future mortality rate was estimated based on the 6th Taiwan Standard Ordinary Experience Mortality Table 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 0.5%	Decrease 0.5%	Increase 0.5%	Decrease 0.5%
<u>December 31, 2022</u>				
Effect on present value of defined benefit obligation	(\$ <u>16,874</u> )	\$ <u>18,101</u>	\$ <u>17,797</u>	(\$ <u>16,767</u> )
<u>December 31, 2021</u>				
Effect on present value of defined benefit obligation	(\$ <u>18,696</u> )	\$ <u>20,141</u>	\$ <u>19,776</u>	(\$ <u>18,556</u> )

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 \$9,534.

(g) As of December 31, 2022, the weighted average duration of the retirement plan is 11 years. The analysis of timing of the future pension payment was as follows:

Within 2 years	\$	260,254
2-5 years		21,445
Over 5 years		9,352
	\$	<u>291,051</u>

#### B. Defined contribution plans

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

(b) The Company’s 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 a certain percentage of the



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 plans of the Group for the years ended December 31, 2022 and 2021 were \$35,094 and \$35,360, respectively.

(18) Provisions

	<u>Warranty</u>	
	<u>2022</u>	<u>2021</u>
At January 1	\$ 58,523	\$ 53,523
Additional provisions	85,122	95,207
Used during the year	( 85,122)	( 90,207)
At December 31	<u>\$ 58,523</u>	<u>\$ 58,523</u>

Analysis of total provisions:

	<u>December 31, 2022</u>	<u>December 31, 2021</u>
Current	<u>\$ 58,523</u>	<u>\$ 58,523</u>

The Group provides warranties on computer products sold. Provision for warranty is estimated based on historical warranty data of computer products.

(19) Share capital

A. As of December 31, 2022, the Company's authorised capital was \$9,000,000 and the paid-in capital was \$6,322,630, consisting of 632,263 thousand shares with a par value of \$10 (in dollars) per share. The foregoing includes 20 million shares reserved for employee stock options with a par value of \$10 (in dollars) per share, which the Board of Directors are authorised to issue depending on actual demand.

Movements in the number of the Company's ordinary shares outstanding are as follows:

	<u>2022</u>	<u>2021</u>
At January 1	585,216	595,216
Shares retired	-	( 10,000)
At December 31	<u>585,216</u>	<u>585,216</u>

B. Treasury shares

- (a) Reason for share reacquisition and movements in the number of the Company's treasury shares are as follows:

Name of company holding the shares	Reason for reacquisition	December 31, 2022	
		Number of shares	Carrying amount
The Company	To be reissued to employees	20,000 thousand	\$ 625,712
Subsidiary-Kapok Computer	Long-term investment	16,966 thousand	95,306
Subsidiary-Clevo Investment	Long-term investment	10,081 thousand	108,182

Name of company holding the shares	Reason for reacquisition	December 31, 2021	
		Number of shares	Carrying amount
The Company	To be reissued to employees	37,500 thousand	\$ 1,171,347
Subsidiary-Kapok Computer	Long-term investment	16,966 thousand	95,306
Subsidiary-Clevo Investment	Long-term investment	10,081 thousand	108,182

- (b) On August 12, 2022 and November 12, 2021, the Company handled the cancellation of treasury shares by the resolution of the board of directors. The amount of capital reduction was \$100,000 and \$75,000, consisting of 10,000 thousand shares and 7,500 thousand shares, respectively. The capital reduction ratios were 1.56% and 1.15%, and the capital reduction base dates were August 16, 2022 and January 14, 2021, respectively.
- (c) On May 11, 2021 and February 19, 2021, the Company handled the cancellation of treasury shares by the resolution of the board of directors. The capital reduction amount was \$100,000, consisting of 10,000 thousand shares. The capital reduction ratios were 1.52% and 1.49%, and the capital reduction base dates were June 8, 2021 and April 3, 2021, respectively.
- (d) On October 15, 2021, the Company's board of directors resolved to repurchase 10,000 thousand shares of the Company's shares at a price range of \$28 to \$42 per share from October 18, 2021 to December 17, 2021 to maintain the Company's credit and shareholder rights. When the market price is lower than the lower limit of the originally agreed price range, the Company's shares will continue to be repurchased. By the expiration of the execution period of treasury stocks, a total of 10,000 thousand shares have been repurchased at a total cost of \$329,063.
- (e) Pursuant to the R.O.C. Securities and Exchange Act, the number of shares bought back as treasury share should not exceed 10% of the number of the Company's issued and outstanding shares and the amount bought back should not exceed the sum of retained earnings, paid-in capital in excess of par value and realized capital surplus.
- (f) Pursuant to the R.O.C. Securities and Exchange Act, treasury shares should not be pledged as

collateral and is not entitled to dividends before it is reissued.

- (g) Pursuant to the R.O.C. Securities and Exchange Act, treasury shares should be reissued to the employees within five years from the reacquisition date and shares not reissued within the five-year period are to be retired. Treasury shares to enhance the Company's credit rating and the stockholders' equity should be retired within six months of acquisition.

(20) 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.

(21) 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. However, when the legal reserve amounts to the authorised capital, this shall not apply. Additionally, the Group shall special reserve in accordance with related regulations. If the balance of the special reserve is insufficient compared to the total of the cumulative amount of the net increase in fair value of investment property and the cumulative amount of other deductions from equity in preceding period, an additional amount shall be set aside as special reserve from the after-tax net profit for the period plus items other than after-tax net profit for the period. If there is a surplus, the Board of Directors shall draft the allocation resolved by the shareholders. On June 15, 2022, the shareholders during their meeting passed a resolution to amend the Company's Articles of Association. In accordance with the amended Articles of Association, if there is a surplus, the Board of Directors shall propose for the reversal of the excess amount of the special reserve to be approved by the shareholders.

The Board of Directors is authorised to distribute all or part of dividends, bonuses, legal reserve and capital surplus in the form of cash by approval of more than half of directors present at a meeting attended by more than two thirds of the directors, and such distribution shall also be reported at the shareholders' meeting.

B. The Company belongs to high tech and electronics industry. As the Company operates in a volatile business environment and is in the stable growth stage, the residual dividend policy is adopted taking into consideration the Company's financial structure, operating results and future expansion plans, based on vision of industrial development, capital expenditure demand, sound financial plan and to protect the rights and interests of investors. In accordance with the dividend policy, cash dividends shall account for at least 10% of the total dividends distributed.

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. Special reserve

- (a) 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.
- (b) The amounts previously set aside by the Company as special reserve on initial application of IFRSs in accordance with Jin-Guan-Zheng-Fa-Zi Letter No. 1010012865, dated April 6, 2012, shall be reversed proportionately when the relevant assets are used, disposed of or reclassified subsequently. Such amounts are reversed upon disposal or reclassified if the assets are investment property of land, and reversed over the use period if the assets are investment property other than land.
- (c) According to Jin-Guan-Zheng-Fa-Zi Letter No. 1030006415, dated March 18, 2014, investment properties are initially and subsequently measured using the fair value model. Changes in value due to appreciation as of December 31, 2013 are reflected in the increase in Appropriated Retained Earnings. The Company will recognise the reversal of earnings if subsequently disposed or the investment properties decrease.

E. The appropriations of 2021 and 2020 earnings as resolved by the shareholders on June 15, 2022 and August 26, 2021 are as follows:

	2021		2020	
	Amount	Dividends per share (in dollars)	Amount	Dividends per share (in dollars)
Legal reserve Set aside	\$ 302,123		\$ 77,323	
(reversal of) special reserve	( 493,824)		507,614	
Cash dividends	<u>1,285,752</u>	\$ 2.1	<u>373,358</u>	\$ 0.6
	<u>\$ 1,094,051</u>		<u>\$ 958,295</u>	

F. The appropriations of 2022 net income were resolved by the Board of Directors during its meeting on March 15, 2023 as follows:

	2022	
	Amount	Dividends per share (in dollars)
Legal reserve	\$ 71,804	
Reverse of special reserve	( 974,795)	
Cash dividends	918,395	\$ 1.5
	<u>\$ 15,404</u>	

As of the financial report date, the Company's 2022 profit distribution proposal has not yet been resolved by the shareholders. Information about the distribution of profits as resolved by the Board of Directors will be posted in the "Market Observation Post System" at the website of the Taiwan Stock Exchange.

(22) Other equity items

	2022	
	Currency translation	Total
At January 1	(\$ 4,628,787)	(\$ 4,628,787)
Currency translation differences:		
–Group	812,675	812,675
–Associates	55,801	55,801
–Tax on associates	( 11,161)	( 11,161)
At December 31	<u>(\$ 3,771,472)</u>	<u>(\$ 3,771,472)</u>

	2021		
	Currency translation	Revaluation	Total
At January 1	(\$ 4,948,933)	\$ 20,922	(\$ 4,928,011)
Transferred to retained earnings	-	( 20,922)	( 20,922)
Currency translation differences:			
–Group	316,774	-	316,774
–Associates	4,215	-	4,215
–Tax on associates	( 843)	-	( 843)
At December 31	<u>(\$ 4,628,787)</u>	<u>\$ -</u>	<u>(\$ 4,628,787)</u>

(23) Operating revenue

	Years ended December 31,	
	2022	2021
Revenue from contracts with customers		
-Sales revenue of computer products	\$ 18,812,645	\$ 22,844,822
-Sales revenue of computer peripherals	363,796	590,916
-Land development and resale	29,498	443,679
-Hotel revenue	-	2,858
-Other revenue	539,237	547,600
Others-rental revenue	2,451,684	2,561,967
	<u>\$ 22,196,860</u>	<u>\$ 26,991,842</u>

A. Disaggregation of revenue from contracts with customers

The Group derives revenue from the transfer of goods over time and at a point in time in the following major product lines and geographical regions:

Year ended	Computer Segment	Buynow Plaza				Total
	Computer products	Land development and resale	Computer peripherals	Others		
December 31, 2022						
Total segment revenue	\$ 32,557,010	\$ 29,498	\$ 363,796	\$ 539,237	\$ 33,489,541	
Inter-segment revenue	( 13,744,365)	-	-	-	( 13,744,365)	
Revenue from external customer contracts	<u>\$ 18,812,645</u>	<u>\$ 29,498</u>	<u>\$ 363,796</u>	<u>\$ 539,237</u>	<u>\$ 19,745,176</u>	
At a point in time	<u>\$ 18,812,645</u>	<u>\$ 29,498</u>	<u>\$ 363,796</u>	<u>\$ 539,237</u>	<u>\$ 19,745,176</u>	

  

Year ended	Computer Segment	Buynow Plaza				Total
	Computer products	Land development and resale	Hotel accommodations revenue	Computer peripherals	Others	
December 31, 2021						
Total segment revenue	\$ 38,810,978	\$ 443,679	\$ 2,858	\$ 590,916	\$ 547,600	\$ 40,396,031
Inter-segment revenue	( 15,966,156)	-	-	-	-	( 15,966,156)
Revenue from external customer contracts	<u>\$ 22,844,822</u>	<u>\$ 443,679</u>	<u>\$ 2,858</u>	<u>\$ 590,916</u>	<u>\$ 547,600</u>	<u>\$ 24,429,875</u>
At a point in time	\$ 22,844,822	\$ 443,679	\$ -	\$ 590,916	\$ 547,600	\$ 24,427,017
Over time	-	-	2,858	-	-	2,858
	<u>\$ 22,844,822</u>	<u>\$ 443,679</u>	<u>\$ 2,858</u>	<u>\$ 590,916</u>	<u>\$ 547,600</u>	<u>\$ 24,429,875</u>

B. The Group derives hotel accommodations revenue from Hyatt Place Luoyang that was managed by Buynow (Zhengzhou) Electronic Information Co., Ltd. Luoyang Branch. Hyatt Place Luoyang has ceased operations on January 31, 2021.

C. Contract liabilities

The Group has recognised the following revenue-related contract liabilities:

	<u>December 31, 2022</u>	<u>December 31, 2021</u>	<u>January 1, 2021</u>
Contract liabilities:			
Contract liabilities –			
Advance			
sales receipts	\$ 134,656	\$ 45,890	\$ 67,608
Contract liabilities –			
Advance			
real estate receipts	<u>10,558</u>	<u>42,263</u>	<u>112,028</u>
	<u>\$ 145,214</u>	<u>\$ 88,153</u>	<u>\$ 179,636</u>

D. Revenue recognised that was included in the contract liability balance at the beginning of the year.

	<u>Years ended December 31,</u>	
	<u>2022</u>	<u>2021</u>
Revenue recognised that was included		
in the contract liability balance at the		
beginning of the year		
Advance sales receipts	\$ 40,562	\$ 67,068
Advance real estate receipts	<u>20,518</u>	<u>69,118</u>
	<u>\$ 61,080</u>	<u>\$ 136,186</u>

(24) Interest income

	<u>Years ended December 31,</u>	
	<u>2022</u>	<u>2021</u>
Interest income from bank deposits	\$ 65,446	\$ 18,191
Other interest income	<u>2,245</u>	<u>-</u>
	<u>\$ 67,691</u>	<u>\$ 18,191</u>

(25) Other income

	<u>Years ended December 31,</u>	
	<u>2022</u>	<u>2021</u>
Dividend income	\$ 49,270	\$ 33,936
Rent income	<u>3,970</u>	<u>63,485</u>
Other income	<u>165,970</u>	<u>134,205</u>
	<u>\$ 219,210</u>	<u>\$ 231,626</u>

(26) Other gains and losses

	Years ended December 31,	
	2022	2021
Foreign exchange gains	\$ 296,618	\$ 82,282
Gain on sublease of right-of-use assets	95,066	-
Losses on disposals of intangible assets	- (	2,882)
Fee expense arising from financial liabilities not at fair value through profit or loss	( 3,464) (	7,213)
Gains on disposals of property, plant and equipment	3,188	438
Gains arising from sale and leaseback transactions	-	1,080,862
(Losses) gains on disposals of investment property	( 2,700)	221,868
(Losses) gains on financial assets at fair value through profit or loss	( 246,105)	142,158
Fee expense arising from trust and fiduciary services	( 9,517)	-
Losses on fair value adjustment, investment property	( 333,016) (	538,288)
Impairment loss recognised in profit or loss, Property, plant and equipment	- (	556,573)
Miscellaneous expenses	( 14,648) (	53,845)
Gains arising from lease modifications	1,057	2,747
Impairment loss recognised in profit or loss, non-current assets held for sale	( 74,977)	-
	<u>(\$ 288,498)</u>	<u>\$ 371,554</u>

(27) Finance costs

	Years ended December 31,	
	2022	2021
Bank borrowings	\$ 849,724	\$ 812,319
Less: Capitalisation of qualifying assets	( 117,152) (	180,786)
	732,572	631,533
Interest expense on lease liabilities	8,664	7,410
Interest expense	<u>\$ 741,236</u>	<u>\$ 638,943</u>



(28) Expenses by nature

	Years ended December 31,	
	2022	2021
Employee benefit expense	\$ 2,045,363	\$ 2,355,365
Depreciation charges on property, plant and equipment	182,948	191,866
Depreciation charges on right-of-use assets	120,001	74,068
Amortisation charges on intangible assets	14,714	10,991
Operating costs and expenses	<u>\$ 2,363,026</u>	<u>\$ 2,632,290</u>

(29) Employee benefit expense

	Years ended December 31,	
	2022	2021
Wages and salaries	\$ 1,717,042	\$ 1,979,759
Labour and health insurance fees	57,079	57,069
Pension costs	37,420	35,663
Other personnel expenses	233,822	282,874
	<u>\$ 2,045,363</u>	<u>\$ 2,355,365</u>

A. In accordance with the Articles of Incorporation of the Company, a ratio of distributable profit of the current year shall be distributed as employees' compensation and directors' and supervisors' remuneration. The ratio shall be 5%~15% for employees' compensation and shall not be higher than 1% for directors' and supervisors' remuneration.

B. For the years ended December 31, 2022 and 2021, employees' compensation were accrued at \$108,000 and \$181,800, respectively; while directors' and supervisors' remuneration were accrued at \$10,600 and \$22,200, respectively. The aforementioned amounts were recognised in salary expenses.

For the year ended December 31, 2022, the employees' compensation and directors' and supervisors' remuneration were estimated and accrued based on 5%~15% and not higher than 1% of distributable profit of current year, respectively.

Employees' compensation and directors' and supervisors' remuneration for 2021 as resolved by the Board of Directors were in agreement with those amounts recognised in the 2021 financial statements.

Information about employees' compensation and directors' and supervisors' remuneration of the Company as resolved by the Board of Directors will be posted in the "Market Observation Post System" at the website of the Taiwan Stock Exchange.

(30) Income tax

A. Income tax expense

(a) Components of income tax expense:

	Years ended December 31,	
	2022	2021
Current tax:		
Current tax on profits for the year	\$ 416,650	\$ 528,192
Tax on undistributed surplus earnings	36,963	6,895
Prior year income tax overestimation	( 26,214)	( 6,842)
Total current tax	<u>427,399</u>	<u>528,245</u>
Deferred tax:		
Origination and reversal of temporary differences	( 360,387)	( 73,749)
Total deferred tax	( 360,387)	( 73,749)
Income tax expense	<u>\$ 67,012</u>	<u>\$ 454,496</u>

(b) The income tax (charge)/credit relating to components of other comprehensive income is as follows:

	Years ended December 31,	
	2022	2021
Currency translation differences	(\$ 11,161)	(\$ 843)
Remeasurement of defined benefit obligations	( 6,576)	-
	<u>(\$ 17,737)</u>	<u>(\$ 843)</u>

B. Reconciliation between income tax expense and accounting profit

	Years ended December 31,	
Income/(Loss)	2022	2021
Tax calculated based on profit before tax and statutory tax rate	\$ 142,820	\$ 278,861
Effect from expenses disallowed by tax regulation	( 39,547)	( 144,449)
Taxable loss not recognised as deferred tax assets	232,111	215,257
Change in assessment of realisation of deferred tax assets	( 279,121)	104,774
Tax on undistributed surplus earnings	36,963	6,895
Prior year income tax overestimation	( 26,214)	( 6,842)
Income tax expense	<u>\$ 67,012</u>	<u>\$ 454,496</u>

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	Recognised in other comprehensive income	Translation differences	December 31
Deferred tax assets:					
Temporary differences:					
Unrealised exchange losses	\$ -	\$ 1,138	\$ -	\$ -	\$ 1,138
Allowance for bad debts	3,609	5,491	-	-	9,100
Allowance for spare valuation losses	3,773	341	-	-	4,114
Allowance for inventory valuation losses	70,894	2,318	-	-	73,212
Unused compensated absences	5,065	-	-	-	5,065
Currency translation differences	20,398	-	( 11,161)	-	9,237
Tax losses	<u>283,589</u>	<u>436,804</u>	<u>-</u>	<u>-</u>	<u>720,393</u>
	<u>387,328</u>	<u>446,092</u>	<u>( 11,161)</u>	<u>-</u>	<u>822,259</u>
Deferred tax liabilities:					
Temporary differences:					
Unrealised exchange gain	( 12,215)	6,091	-	-	( 6,124)
Foreign investment income using equity method	( 559,713)	54,360	-	-	( 505,353)
Rent by straight-line method	( 75,684)	( 1,809)	-	-	( 77,493)
Unrealised sales losses	( 855)	855	-	-	-
Accrued pension liability	( 23)	-	( 6,576)	-	( 6,599)
Fair value adjustment, investment property	<u>( 11,354,417)</u>	<u>( 145,202)</u>	<u>-</u>	<u>( 172,901)</u>	<u>( 11,672,520)</u>
	<u>( 12,002,907)</u>	<u>( 85,705)</u>	<u>( 6,576)</u>	<u>( 172,901)</u>	<u>( 12,268,089)</u>
	<u>(\$ 11,615,579)</u>	<u>\$ 360,387</u>	<u>(\$ 17,737)</u>	<u>(\$ 172,901)</u>	<u>(\$ 11,445,830)</u>

	2021				
	<u>January 1</u>	<u>Recognised in profit or loss</u>	<u>Recognised in other comprehensive income</u>	<u>Translation differences</u>	<u>December 31</u>
Deferred tax assets:					
Temporary differences:					
Unrealised exchange losses	\$ 1,181	(\$ 1,181)	\$ -	\$ -	\$ -
Allowance for bad debts	8,916	( 5,307)	-	-	3,609
Allowance for spare valuation losses	1,581	2,191	-	-	3,772
Allowance for inventory valuation losses	39,015	31,879	-	-	70,894
Unused compensated absences	5,065	-	-	-	5,065
Accrued pension liability	1,781	( 1,781)	-	-	-
Currency translation differences	21,241	-	( 843)	-	20,398
Fair value adjustment, investment property	43,939	( 43,939)	-	-	-
Tax losses	<u>490,115</u>	<u>( 206,525)</u>	<u>-</u>	<u>-</u>	<u>283,590</u>
	<u>612,834</u>	<u>( 224,663)</u>	<u>( 843)</u>	<u>-</u>	<u>387,328</u>
Deferred tax liabilities:					
Temporary differences:					
Unrealised exchange gain	-	( 12,215)	-	-	( 12,215)
Foreign investment income using equity method	( 519,461)	( 40,252)	-	-	( 559,713)
Rent by straight-line method	( 76,731)	1,047	-	-	( 75,684)
Unrealised sales losses	( 548)	( 307)	-	-	( 855)
Increase in revaluation	( 4,285)	4,285	-	-	-
Accrued pension liability	-	( 23)	-	-	( 23)
Fair value adjustment, investment property	<u>( 11,607,584)</u>	<u>345,877</u>	<u>-</u>	<u>( 92,710)</u>	<u>( 11,354,417)</u>
	<u>( 12,208,609)</u>	<u>298,412</u>	<u>-</u>	<u>( 92,710)</u>	<u>( 12,002,907)</u>
	<u>(\$ 11,595,775)</u>	<u>\$ 73,749</u>	<u>(\$ 843)</u>	<u>(\$ 92,710)</u>	<u>(\$ 11,615,579)</u>

D. Expiration dates of unused tax losses and amounts of unrecognised deferred tax assets from the Company's subsidiaries are as follows:

December 31, 2022				
<u>Year incurred</u>	<u>Amount filed/ assessed</u>	<u>Unused amount</u>	<u>Unrecognised deferred tax assets</u>	<u>Expiry year</u>
2018	\$ 1,018,955	\$ 866,215	\$ 394,205	2023
2019	1,472,396	1,428,651	770,601	2024
2020	982,662	976,969	432,791	2025
2021	964,521	964,521	442,382	2026
2022	1,610,837	1,610,837	928,157	2027

December 31, 2021				
<u>Year incurred</u>	<u>Amount filed/ assessed</u>	<u>Unused amount</u>	<u>Unrecognised deferred tax assets</u>	<u>Expiry year</u>
2017	\$ 738,745	\$ 696,032	\$ 322,165	2022
2018	1,121,542	852,018	634,220	2023
2019	1,333,961	1,327,027	1,168,192	2024
2020	962,655	962,651	778,869	2025
2021	1,061,101	1,061,101	861,026	2026

E. 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 temporary differences unrecognised as deferred tax liabilities were \$9,188,459 and \$9,266,942, respectively.

F. The Company's income tax returns through 2020 have been assessed and approved by the Tax Authority.

(31) Earnings per share

	Year ended December 31, 2022		
	<u>Amount after tax</u>	Weighted average number of ordinary shares outstanding <u>(shares in thousands)</u>	<u>Earnings per share (in dollars)</u>
<u>Basic earnings per share</u>			
Profit attributable to ordinary shareholders of the parent	\$ 824,526	585,216	\$ 1.41
<u>Diluted earnings per share</u>			
Profit attributable to ordinary shareholders of the parent	\$ 824,526	585,216	
Assumed conversion of all dilutive potential ordinary shares			
Employees' bonus	-	4,909	
Profit attributable to ordinary shareholders of the parent plus assumed conversion of all dilutive potential ordinary shares	\$ 824,526	590,125	\$ 1.40
	Year ended December 31, 2021		
	<u>Amount after tax</u>	Weighted average number of ordinary shares outstanding <u>(shares in thousands)</u>	<u>Earnings per share (in dollars)</u>
<u>Basic earnings per share</u>			
Profit attributable to ordinary shareholders of the parent	\$ 1,796,350	593,451	\$ 3.03
<u>Diluted earnings per share</u>			
Profit attributable to ordinary shareholders of the parent	\$ 1,796,350	593,451	
Assumed conversion of all dilutive potential ordinary shares			
Employees' bonus	-	6,236	
Profit attributable to ordinary shareholders of the parent plus assumed conversion of all dilutive potential ordinary shares	\$ 1,796,350	599,687	\$ 3.00

(32) Supplemental cash flow information

A. Investing activities with partial cash payments

	Years ended December 31,	
	2022	2021
Acquisition of property, plant and equipment	\$ 145,797	\$ 65,963
Add: Opening balance of payable	263,725	386,727
Ending balance of prepayment	( 287,370)	3,896
Less: Ending balance of payable	5,162	( 263,725)
Opening balance of prepayment	( 3,896)	( 3,139)
Capitalisation of interest	( 35,753)	( 31,487)
Cash paid during the year	<u>\$ 87,665</u>	<u>\$ 158,235</u>
Acquisition of investment property	\$ 78,456	\$ 75,386
Add: Opening balance of payable	31,257	88,173
Less: Ending balance of payable	( 25,460)	( 31,257)
Cash paid during the year	<u>\$ 84,253</u>	<u>\$ 132,302</u>
Proceeds from disposal of property, plant and equipment	\$ 556,625	\$ -
Add: Opening balance of receivable	-	215,298
Cash received during the year	<u>\$ 556,625</u>	<u>\$ 215,298</u>
Dividend income	\$ 49,270	\$ 33,936
Add: Dividend received from investments accounted for using the equity method	213,782	932,780
Add: Opening balance of receivable	478,389	-
Less: Ending balance of receivable	( 692,171)	( 478,389)
Cash received during the year	<u>\$ 49,270</u>	<u>\$ 488,327</u>
	Years ended December 31,	
	2022	2021
Cash dividends	\$ 1,285,752	\$ 373,358
Less: Received cash dividends from the parent company	( 56,800)	( 16,228)
Cash paid during the year	<u>\$ 1,228,952</u>	<u>\$ 357,130</u>

(33) Changes in liabilities from financing activities

	2022				
	Short-term borrowings	Long-term borrowings	Bonds payable	Lease liabilities	Liabilities from financing activities-gross
At January 1	\$4,746,423	\$21,670,347	\$5,000,000	\$ 284,024	\$ 31,700,794
Changes in cash flow from financing activities	( 1,436,159)	3,591,881	-	( 100,921)	2,054,801
Impact of changes in foreign exchange rate	15,455	154,866	-	( 21,478)	148,843
Changes in other non-cash items	-	-	-	184,298	184,298
At December 31	<u>\$3,325,719</u>	<u>\$25,417,094</u>	<u>\$5,000,000</u>	<u>\$ 345,923</u>	<u>\$ 34,088,736</u>
	2021				
	Short-term borrowings	Long-term borrowings	Bonds payable	Lease liabilities	Liabilities from financing activities-gross
At January 1	\$6,856,140	\$24,690,915	\$5,000,000	\$ 112,268	\$ 36,659,323
Changes in cash flow from financing activities	( 2,121,774)	( 3,108,463)	-	( 27,059)	( 5,257,296)
Impact of changes in foreign exchange rate	12,057	87,895	-	( 1,829)	98,123
Changes in other non-cash items	-	-	-	200,644	200,644
At December 31	<u>\$4,746,423</u>	<u>\$21,670,347</u>	<u>\$5,000,000</u>	<u>\$ 284,024</u>	<u>\$ 31,700,794</u>



## 7. RELATED PARTY TRANSACTIONS

### (1) Names of related parties and relationship

Names of related parties	Relationship with the Company
Kent Hsu	Key management personnel
Chicony Electronics (Suzhou) Co., Ltd.	Other related party
Chicony Power Technology Co., Ltd.	Other related party
Honghui Real Estate Company	Other related party
Chicony Dalu Enterprise (Chengdu) Co., Ltd.	Associate
Chicony Square (Wuhan) Inc.	Associate
Chicony Industry (Wuhan) Co., Ltd.	Associate
Chicony Square (Wuhan) Inc.	Associate
Chicony Square (Cayman) Inc.	Associate
Epoque Corporation	Other related party
Hon Hui Si Yuan Co., Ltd.	Other related party
HUA TAI INVESTMENT CORPORATION	Other related party
Taipei Twin Corporation	Entity with joint control over this entity
Tua Tiann Co., Ltd.	Entity with joint control over this entity

### (2) Significant related party transactions

#### A. Operating revenue

	Years ended December 31,	
	2022	2021
Sales of goods:		
-Entity with joint control over this entity	\$ 501	\$ 466
Sales of services:		
-Other related parties	3,338	4,781
-Associates	-	139
	<u>\$ 3,839</u>	<u>\$ 5,386</u>

The Group (Buynow (China)) offered the services to related parties.

#### B. Purchases

	Years ended December 31,	
	2022	2021
Purchases of goods:		
-Other related parties	\$ 835,132	\$ 1,046,051

The purchases of the Group's subsidiary, Kapok Computer (Kunshan), from other related parties are unique. Accordingly, the purchase prices are incomparable and payment terms are the same with third parties, which are within 1 ~ 5 months.

C. Payables to related parties

	<u>December 31, 2022</u>	<u>December 31, 2021</u>
Accounts payable:		
-Chicony Electronics (Suzhou) Co., Ltd.	\$ 199,740	\$ 237,004
-Chicony Power Technology Co., Ltd.	<u>80,982</u>	<u>110,984</u>
	<u>\$ 280,722</u>	<u>\$ 347,988</u>

The payables to related parties arise mainly from purchase transactions. The payables bear no interest.

D. Other receivables from related parties (shown as other current assets)

	<u>December 31, 2022</u>	<u>December 31, 2021</u>
Other receivables - dividends:		
-Chicony SQUARE (WUHAN) INC.	<u>\$ 692,171</u>	<u>\$ 478,389</u>

The receivables from related parties arise mainly from dividends received from investments accounted for using the equity method. The receivables are unsecured in nature and bear no interest.

E. Acquisition of financial assets

			<u>Year ended December 31, 2022</u>	
Accounts	No. of shares (in thousands)	Objects	<u>Consideration</u>	
TAIPEI TWIN CORPORATION	Investment accounted using the equity method	10,000	Stock	<u>\$ 100,000</u>

F. Loans from related parties

Loans from related parties

	<u>December 31, 2022</u>	<u>December 31, 2021</u>
CHICONY SQUARE (CAYMAN) INC.	<u>\$ 432,785</u>	<u>\$ 390,218</u>

The loans from associates are payable at maturity within 1~5 years after the loan is made and carry interest at 0% and 0%~5.68% per annum for the years ended December 31, 2022 and 2021, respectively. There was no interest payable (recognised as other payables) as of December 31, 2022 and 2021. Additionally, interest expense recognised for the years ended December 31, 2022 and 2021 were \$0 and \$3,536, respectively.

#### G Lease transactions - lessee

(a) The Group leased buildings from Hon Hui Si Yuan Co., Ltd. and Honghui Real Estate Company in February 2022 and January 2021, respectively. Rental contracts are typically made for a period of 3~5 years. The lease is subject to IFRS 16 as the usage of lease was included in the operating plan. Rents are paid to Hon Hui Si Yuan Co., Ltd. and Honghui Real Estate Company at the beginning and end of the month.

(b) Acquisition of right-of-use assets:

	Years ended December 31,	
	2022	2021
Hon Hui Si Yuan Co., Ltd.	\$ 175,634	\$ -

(c) Lease liabilities

(i) Outstanding balance:

	December 31, 2022	December 31, 2021
Hon Hui Si Yuan Co., Ltd.	\$ 134,724	\$ -
Honghui Real Estate Company	25,920	41,517
	\$ 160,644	\$ 41,517

(ii) Interest expense

	Years ended December 31,	
	2022	2021
Hon Hui Si Yuan Co., Ltd.	\$ 1,577	\$ -
Honghui Real Estate Company	1,754	2,484
	\$ 3,331	\$ 2,484

#### H. Others

(a) The joint guarantor and co-issuer of the guarantee notes of bank borrowings is Kent Hsu for the years ended December 31, 2022 and 2021.

(b) The Company and EPOQUE CORPORATION participated in the land development project of Taipei City Western District Gateway Project-Taipei Main Station Special Zone C1/D1 (Eastern Part) to jointly establish TAIPEI TWIN CORPORATION. The related information is provided in Note 6(5).

(c) On July 15, 2022, the Company's Board of Directors approved for the Company, together with KINDOM DEVELOPMENT CO., LTD. (leader) and HUA TAI INVESTMENT CORPORATION, to participate in the land development project of Taipei City Project-Taipei Main Station Special Zone E1/E2 to jointly establish Tua Tiann Co., Ltd. The related information is provided in Note 6(5).

### (3) Key management compensation

	Years ended December 31,	
	2022	2021
Salaries and other short-term employee benefits	\$ 113,093	\$ 127,513
Post-employment benefits	1,250	1,244
	<u>\$ 114,343</u>	<u>\$ 128,757</u>

### 8. PLEDGED ASSETS

The Group's assets pledged as collateral are as follows:

Pledged asset	Book value		Purpose
	December 31, 2022	December 31, 2021	
Financial assets at amortised cost (current and non-current)	\$ 1,127,857	\$ 1,112,176	STANDBY L/C, long-term and short-term borrowings
Property, plant and equipment	1,125,611	1,195,560	Long-term borrowings
Investment property and right-of-use asset	55,024,429	52,344,330	Long-term and short-term borrowings
	<u>\$ 57,277,897</u>	<u>\$ 54,652,066</u>	

### 9. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNISED CONTRACT

#### COMMITMENTS

##### (1) Contingencies

None.

##### (2) Commitments

A. As of December 31, 2022 and 2021, the Company issued guarantee notes amounting to \$25,321,482 and \$22,710,525, respectively, for bank repayment and forward exchange trading.

B. On December 28, 2018, the Company entered into a syndicated loan agreement with 9 banks including Taiwan Cooperative Bank amounting to \$6,000,000 and provided equal amount of guarantee notes. The Company and the Chairman of the Group are the joint guarantors and co-issuers of the guarantee notes.

C. As of December 31, 2022 and 2021, the Group's total contract prices for signed construction contracts amounted to \$5,642,337 and \$8,491,448, of which \$5,113,747 and \$7,667,993 were paid and \$528,590 and \$823,455 remain unpaid, respectively.

### 10. SIGNIFICANT DISASTER LOSS

None.

### 11. SIGNIFICANT EVENTS AFTER THE BALANCE SHEET DATE

The Board of Directors has resolved the appropriation of 2022 earnings on March 15, 2023. Details are provided in Note 6(21) F.

### 12. OTHERS

#### (1) Capital management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and to maintain an optimal capital

structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt. The Group monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings (including 'current and non-current borrowings' as shown in the consolidated balance sheet) less cash and cash equivalents. Total capital is calculated as 'equity' as shown in the consolidated balance sheet plus net debt.

During the year ended December 31, 2022, the Group's strategy, which was unchanged from 2021, was to maintain the gearing ratio within 40% to 60%. The gearing ratios at December 31, 2022 and 2021 were as follows:

	<u>December 31, 2022</u>	<u>December 31, 2021</u>
Total borrowings	\$ 33,742,813	\$ 31,416,770
Less: Cash and cash equivalents	( 7,051,419)	( 3,816,041)
Net debt	26,691,394	27,600,729
Total equity	41,790,352	41,310,424
Total capital	<u>\$ 68,481,746</u>	<u>\$ 68,911,153</u>
Gearing ratio	39%	40%

## (2) Financial instruments

### A. Financial instruments by category

	<u>December 31, 2022</u>	<u>December 31, 2021</u>
<u>Financial assets</u>		
Financial assets at fair value through profit or loss	\$ 2,181,499	\$ 2,530,073
Financial assets at amortised cost	11,711,849	8,925,923
	<u>\$ 13,893,348</u>	<u>\$ 11,455,996</u>
<u>Financial liabilities</u>		
Financial liabilities at amortised cost	\$ 38,633,964	\$ 36,576,456
Lease liability	\$ 345,923	\$ 284,024

Note: Financial assets at amortised cost include cash and cash equivalents, accounts receivable, other receivables, guarantee deposits paid, time deposits unqualified as cash equivalents and restricted bank deposits; financial liabilities at amortised cost include short-term borrowings, accounts payable (including related parties), notes payable, other payables (including related parties), corporate bonds payable, long-term borrowings (including current portion), guarantee deposits received and long-term accounts payable to related parties.

## B. Financial risk management policies

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 minimize any adverse effects on the financial performance of the Group, derivative financial instruments, such as foreign exchange forward contracts and foreign currency option contracts are used to hedge certain exchange rate risk, and interest rate swaps are used to fix variable future cash flows.

## C. Significant financial risks and degrees of financial risks

### (a) Market risk

#### Foreign exchange risk

- i. The Group operates internationally and is exposed to foreign exchange 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 risk arises from future commercial transactions and recognised assets and liabilities.
- ii. Management has set up a policy to require group companies to manage their foreign exchange risk against their functional currency. The companies are required to hedge their entire foreign exchange risk exposure with the Group treasury. Exchange rate risk is measured through a forecast of highly probable USD and RMB expenditures. Forward foreign exchange contracts are adopted to minimize the volatility of the exchange rate affecting cost of forecast inventory purchases.
- iii. The Group hedges foreign exchange rate by using forward exchange contracts. However, the Group does not adopt hedging accounting. Details of financial assets at fair value through profit or loss are provided in Note 6(2).
- iv. The Group's businesses involve some non-functional currency operations (the Company's and certain subsidiaries' functional currency: NTD; other certain subsidiaries' functional currency: 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 amount		Book value
	(In thousands)	Exchange rate	(NTD)
(Foreign currency: functional currency)			
<u>Financial assets</u>			
<u>Monetary items</u>			
USD:NTD	\$ 326,892	30.69	\$ 10,032,315
USD:RMB	20,987	6.96	644,167
RMB:NTD	4,541	4.41	20,026
HKD:NTD	3	3.94	12
JPY:NTD	64	0.23	15
<u>Investments accounted for using the equity method</u>			
USD:NTD	42,500	30.69	1,304,313
<u>Financial liabilities</u>			
<u>Monetary items</u>			
USD:NTD	39,072	30.69	1,199,120
USD:RMB	118,420	6.96	3,634,736
December 31, 2021			
	Foreign currency amount		Book value
	(In thousands)	Exchange rate	(NTD)
(Foreign currency: functional currency)			
<u>Financial assets</u>			
<u>Monetary items</u>			
USD:NTD	\$ 279,233	27.68	\$ 7,729,169
USD:RMB	2,283	6.38	63,214
RMB:NTD	3,653	4.34	15,854
<u>Investments accounted for using the equity method</u>			
USD:NTD	60,762	27.68	1,681,896
<u>Financial liabilities</u>			
<u>Monetary items</u>			
USD:NTD	26,043	27.68	720,870
USD:RMB	225,156	6.38	6,234,390

- v. The total exchange (loss) gain, including realized and unrealized, arising from significant foreign exchange variation on the monetary items held by the Group for the years ended December 31, 2022 and 2021 amounted to \$296,618 and \$82,282, respectively.
- vi. Analysis of foreign currency market risk arising from significant foreign exchange variation:

Year ended December 31, 2022				
Sensitivity analysis				
	Degree of variation		Effect on profit or loss	Effect on other comprehensive income
(Foreign currency: functional currency)				
<u>Financial assets</u>				
<u>Monetary items</u>				
USD:NTD	1%	\$	80,259	\$ -
USD:RMB	1%		5,153	-
RMB:NTD	1%		160	-
<u>Financial liabilities</u>				
<u>Monetary items</u>				
USD:NTD	1%		9,593	-
USD:RMB	1%		29,078	-
Year ended December 31, 2021				
Sensitivity analysis				
	Degree of variation		Effect on profit or loss	Effect on other comprehensive income
(Foreign currency: functional currency)				
<u>Financial assets</u>				
<u>Monetary items</u>				
USD:NTD	1%	\$	61,833	\$ -
USD:RMB	1%		506	-
RMB:NTD	1%		127	-
<u>Financial liabilities</u>				
<u>Monetary items</u>				
USD:NTD	1%		5,767	-
USD:RMB	1%		49,875	-

### 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. 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 and open-end funds issued by the domestic and foreign 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 \$20,871 and \$24,408, respectively, as a result of gains/losses on equity securities classified as at fair value through profit or loss.

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 the years ended December 31, 2022 and 2021, the Group's borrowings at variable rate were mainly denominated in New Taiwan dollars, US dollars and RMB dollars.
- ii. The Group's borrowings are measured at amortized cost. The borrowings are periodically contractually repriced and to that extent are also exposed to the risk of future changes in market interest rates.
- iii. If the borrowing interest rate had increased/decreased by 1% with all other variables held constant, profit, net of tax for the years ended December 31, 2022 and 2021 would have decreased/increased by \$223,631 and \$205,769, respectively. The main factor is that changes in interest expense result from floating rate borrowings.

(b) Credit risk

- i. Credit risk refers to the risk of financial loss to the Group arising from default by the clients or counterparties of financial instruments on the contract obligations. The main factor is that counterparties could not repay in full the accounts receivable based on the agreed terms, and the contract cash flows of debt instruments stated at amortized cost.
- ii. According to the Group's credit policy, each local entity in the Group is responsible for managing and analyzing 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.
- iii. Individual risk limits are set based on internal or external ratings in accordance with limits set by the credit department. The utilization of credit limits is regularly monitored.
- iv. For banks and financial institutions, only independently rated parties with a best rating are accepted.
- v. The Group adopts the following assumptions under IFRS 9 to assess whether there has been a significant increase in credit risk on that instrument since initial recognition:
  - (i) If the contract payments were past due over 90 days based on the terms, there has been a significant increase in credit risk on that instrument since initial recognition.
  - (ii) For investments in bonds that are traded over the counter, if any external credit rating agency rates these bonds as investment grade, the credit risk of these financial assets is low.

- vi. The Company assumes that if the contract payments were past due over 90 days based on the terms, there has been a significant increase in credit risk on that instrument since initial recognition; if past due over 270 days, a default has occurred.
- vii. The following indicators are used to determine whether the credit impairment of debt instruments has occurred:
- (i) It becomes probable that the issuer will enter bankruptcy or other financial reorganization due to their financial difficulties;
  - (ii) The disappearance of an active market for that financial asset because of financial difficulties;
  - (iii) Default or delinquency in interest or principal repayments;
  - (iv) Adverse changes in national or regional economic conditions that are expected to cause a default.
- viii. The Group classifies customer's accounts receivable in accordance with customer types. The Group applies the modified approach using the provision matrix to estimate expected credit loss.
- ix. 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.
- x. The Group used the forecast ability of research report, such as Taiwan Institute of Economic Research boom observation report and Conference Board to adjust historical and timely information to assess the default possibility of accounts receivable, contract assets and lease payments receivable. On December 31, 2022 and 2021, the provision matrix is as follows:

December 31, 2022	Not past due	1~90 days past due	91~180 days past due
Expected loss rate	0.03%~3.34%	0.10%~54.99%	12.63%~57.65%
Total book value	\$ 1,906,169	\$ 610,730	\$ 29,613
Loss allowance	1,146	5,106	15,286
	181~270 days past due	Over 270 days	Total
Expected loss rate	90.39%~100%	100%	
Total book value	\$ 47,654	\$ 42,753	\$ 2,636,919
Loss allowance	42,121	42,753	106,412

December 31, 2021	Not past due	1~90 days past due	91~180 days past due
Expected loss rate	0.04%~6.83%	0.06%~38.38%	7.59%~57.31%
Total book value	\$ 2,232,041	\$ 1,139,562	\$ 35,704
Loss allowance	715	2,422	965
	181~270 days past due	Over 270 days	Total
Expected loss rate	63.46%~100%	100%	
Total book value	\$ 27,646	\$ 35,337	\$ 3,470,290
Loss allowance	4,450	35,337	43,889

xi. Movements in relation to the Group applying the modified approach to provide loss allowance for accounts receivable is as follows:

	2022	2021
	Accounts receivable	Accounts receivable
At January 1	\$ 43,889	\$ 39,268
Provision for impairment	73,973	6,258
Effect of foreign exchange	( 11,450)	( 1,637)
At December 31	<u>\$ 106,412</u>	<u>\$ 43,889</u>

(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 and net-settled or gross-settled derivative financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date for non-derivative financial liabilities and to the expected maturity date for derivative financial liabilities. The amounts disclosed in the table are the contractual undiscounted cash flows.

December 31, 2022	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
<u>Non-derivative financial liabilities</u>				
Lease liability	\$ 127,128	\$ 180,706	\$ 12,226	\$ 71,463
Bonds payable	40,000	5,025,973	-	-
Long-term borrowings (including current portion)	8,101,916	5,633,619	11,645,229	805,954
Guarantee deposits received	-	660,947	-	-
Long-term accounts payable to related parties	-	-	432,785	-

December 31, 2021	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
<u>Non-derivative financial liabilities</u>				
Lease liability	\$ 69,969	\$ 70,390	\$ 116,958	\$ 74,465
Bonds payable	40,000	40,000	5,025,973	-
Long-term borrowings (including current portion)	3,889,462	9,473,343	7,984,000	903,020
Guarantee deposits received	-	653,375	-	-
Long-term accounts payable to related parties	-	340,218	-	-

Except for the abovementioned, the non-derivative financial liabilities of the Group are all expiring within one year.

- iii. The Group does not expect the maturity date will be early, or the actual amount will be different.

(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 and beneficiary certificates 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 off-the-run beneficiary certificates, bank debentures bonds and derivative instruments is included in Level 2.

Level 3: Unobservable inputs for the asset or liability. The fair value of the Group's investment in investment property is included in Level 3.

B. Financial instruments not measured at fair value

The carrying amounts of cash and cash equivalents, accounts receivable, other receivables, financial assets at amortised cost, short-term borrowings, notes payable, accounts payable (including related parties), other payables, corporate bonds payable, long-term borrowings (including current portion) and long-term accounts payable to related parties financial liabilities 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 is as follows:

(a) The related information on the nature of the assets and liabilities is as follows:

<u>December 31, 2022</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
<b>Assets</b>				
<u>Recurring fair value measurements</u>				
Financial assets at fair value through profit or loss				
Equity securities	\$ 846,673	\$ -	\$ -	\$ 846,673
Beneficiary certificates	225,368	1,109,458	-	1,334,826
Investment property (Note 1)	-	-	62,526,250	62,526,250
	<u>\$ 1,072,041</u>	<u>\$ 1,109,458</u>	<u>\$ 62,526,250</u>	<u>\$ 64,707,749</u>
<u>December 31, 2021</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
<b>Assets</b>				
<u>Recurring fair value measurements</u>				
Financial assets at fair value through profit or loss				
Equity securities	\$ 1,104,878	\$ -	\$ -	\$ 1,104,878
Forward foreign exchange contracts	-	2,727	-	2,727
Beneficiary certificates	69,400	1,353,068	-	1,422,468
Investment property (Note 1)	-	-	62,408,602	62,408,602
	<u>\$ 1,174,278</u>	<u>\$ 1,355,795</u>	<u>\$ 62,408,602</u>	<u>\$ 64,938,675</u>

Note 1: Investment property measured at fair value.

(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:

	<u>Listed shares</u>	<u>Open-end fund</u>
Market quoted price	Closing price	Net asset value

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. The fair value of financial instruments measured by using valuation techniques can be referred to current fair value of instruments with similar terms and characteristics in substance, discounted cash flow method or other valuation methods, including calculated by applying model using market information available at the consolidated balance sheet date (i.e. yield curves on the Taipei Exchange, average commercial paper interest rates quoted from Reuters).

- iii. When assessing non-standard and low-complexity financial instruments, for example, debt instruments without active market, interest rate swap contracts, foreign exchange swap contracts and options, the Group adopts valuation technique that is widely used by market participants. The inputs used in 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 and option pricing models. 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. Therefore, the estimated value derived using valuation model is adjusted accordingly with additional inputs, for example, model risk or liquidity risk and etc. 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.
  - vi. The Group takes into account adjustments for credit risks to measure the fair value of financial and non-financial instruments to reflect credit risk of the counterparty and the Group's credit quality.
- D. For the years ended December 31, 2022 and 2021, there was no transfer between Level 1 and Level 2.
- E. The movement of Level 3 of investment property for the years ended December 31, 2022 and 2021 is provided in Note 6(9).
- F. For the years ended December 31, 2022 and 2021, there was no transfer into or out from Level 3.
- G. Financial and Administrative segment is in charge of valuation procedures for fair value measurements being categorised within Level 3 (investment property), which is based on the valuation methods and assumptions announced by the Financial Supervisory Commission, Securities and Futures Bureau or through outsourced appraisal performed by the external valuer. The Group sets up valuation policies, valuation processes, and rules for measuring fair value of investment property and ensures compliance with the related requirements in IFRS.

H. The following is the qualitative information on 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
Investment property	\$ 62,526,250	Income approach of discounted cash flow method	Long-term rent revenue growth rate and discount rate	(Note)	The higher the long-term rent revenue growth rate, the higher the fair value; The higher the discount rate, the lower the fair value

	Fair value at December 31, 2021	Valuation technique	Significant unobservable input	Range (weighted average)	Relationship of inputs to fair value
Investment property	\$ 62,408,602	Income approach of discounted cash flow method	Long-term rent revenue growth rate and discount rate	(Note)	The higher the long-term rent revenue growth rate, the higher the fair value; The higher the discount rate, the lower the fair value

Note: The range of long-term rent revenue growth rate is (10%)~20%; the range of discount rate is provided in Note 6(9).

### 13. SUPPLEMENTARY DISCLOSURES

#### (1) Significant transactions information

The disclosures of investee companies were based on financial statements reviewed by independent auditors and the following transactions with subsidiaries were eliminated when preparing the consolidated financial statements. The following disclosure information is for reference only.

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 \$300 million or 20% of paid-in capital or more: Refer to table 4.

F. Disposal of real estate reaching \$300 million or 20% of paid-in capital or more: Refer to table 5.

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 6.

H. Receivables from related parties reaching \$100 million or 20% of paid-in capital or more: Refer to table 7.

I. Trading in derivative instruments undertaken during the reporting periods: Please refer to Note 6(2).

J. Significant inter-company transactions during the reporting period: Refer to table 8.

(2) Information on investees

Names, locations, and other information of investee companies (not including investees in Mainland China): Refer to table 9.

(3) Information on investments in Mainland China

A. Basic information: Refer to table 10.

B. Ceiling on investments in Mainland China: Refer to table 10.

C. Significant transactions, price, payment term and unrealized gain or loss, either directly or indirectly through a third area, with investee companies in the Mainland Area: Refer to table 1,2,4,6,7 and 8.

(4) Major shareholders information

Major shareholders information: Refer to table 11.

14. SEGMENT INFORMATION

(1) General information

Management has determined the reportable operating segments based on the reports reviewed by the chief operating decision maker-Board of Directors that are used to make strategic decisions.

The Group's main operating businesses are manufacturing and trading of computer and computer peripherals; research and development, production, and sales of computer software and hardware; after-sales services for aforementioned products and property management. The product features and manufacturing procedures are different so that its marketing and selling ways are different. The chief operating decision-maker operates various businesses from the perspective of different products. Currently, businesses are mainly divided into computer segment, Buynow Plaza and other segments, of which computer segment and Buynow Plaza are the reportable segments.



(2) Measurement of segment information

The Group's accounting policies of operating segments are the same as Note 4. Management has determined the Group's operating segment profit or loss is measured based on operating income before tax (not including extraordinary profit and loss) for performance assessment basis. The Group considers the sale and transfer among segments as transactions with third parties. Reporting amount and reports for operating decision-maker are the same.

(3) Information about segment profit or loss, assets and liabilities

The segment information provided to the chief operating decision-maker for the reportable segments is as follows:

<u>Year ended December 31, 2022</u>	<u>Computer Segment</u>	<u>Buynow Plaza</u>	<u>Others</u>	<u>Total</u>
Revenue from external customers	\$ 18,812,645	\$ 3,383,226	\$ 989	\$22,196,860
Inter-segment revenue	13,744,365	-	-	13,744,365
Total segment revenue	<u>\$ 32,557,010</u>	<u>\$ 3,383,226</u>	<u>\$ 989</u>	<u>\$35,941,225</u>
External-segment income (before tax)	\$ 1,008,383	(\$ 111,084)	(\$ 5,761)	\$ 891,538
Segment income (after tax)	<u>\$ 868,238</u>	<u>(\$ 37,951)</u>	<u>(\$ 5,761)</u>	<u>\$ 824,526</u>
Segment income (loss), including				
Interest income	<u>\$ 55,329</u>	<u>\$ 12,300</u>	<u>\$ 62</u>	<u>\$ 67,691</u>
Interest expense	<u>(\$ 198,057)</u>	<u>(\$ 543,179)</u>	<u>\$ -</u>	<u>(\$ 741,236)</u>
Depreciation and amortisation	<u>\$ 128,706</u>	<u>\$ 188,957</u>	<u>\$ -</u>	<u>\$ 317,663</u>
Gains arising from sale and leaseback transactions	<u>\$ 95,066</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 95,066</u>
Gains (losses) on disposals of investment property	<u>\$ -</u>	<u>(\$ 2,700)</u>	<u>\$ -</u>	<u>(\$ 2,700)</u>
Fair value adjustment - investment property	<u>\$ -</u>	<u>(\$ 333,016)</u>	<u>\$ -</u>	<u>(\$ 333,016)</u>
Impairment loss on property, plant and equipment	<u>\$ -</u>	<u>(\$ 74,977)</u>	<u>\$ -</u>	<u>(\$ 74,977)</u>
Income tax expense (benefit)	<u>(\$ 140,145)</u>	<u>\$ 73,133</u>	<u>\$ -</u>	<u>(\$ 67,012)</u>

<u>Year ended December 31, 2021</u>	Computer			<u>Total</u>
	<u>Segment</u>	<u>Buynow Plaza</u>	<u>Others</u>	
Revenue from external customers	\$ 22,844,822	\$ 4,146,128	\$ 892	\$26,991,842
Inter-segment revenue	15,966,156	-	-	15,966,156
Total segment revenue	\$ 38,810,978	\$ 4,146,128	\$ 892	\$42,957,998
External-segment income (before tax)	\$ 2,896,490	(\$ 651,993)	\$ 6,349	\$ 2,250,846
Segment income (after tax)	\$ 2,536,480	(\$ 746,479)	\$ 6,349	\$ 1,796,350
Segment income (loss), including				
Interest income	\$ 7,503	\$ 10,688	\$ -	\$ 18,191
Interest expense	(\$ 126,468)	(\$ 512,475)	\$ -	(\$ 638,943)
Depreciation and amortisation	\$ 78,349	\$ 198,576	\$ -	\$ 276,925
Gains arising from sale and leaseback transactions	\$ 1,080,862	\$ -	\$ -	\$ 1,080,862
Gains (losses) on disposals of investment property	\$ 222,594	(\$ 726)	\$ -	\$ 221,868
Fair value adjustment - investment property	\$ 301,698	(\$ 839,986)	\$ -	(\$ 538,288)
Impairment loss on property, plant and equipment	\$ -	(\$ 556,573)	\$ -	(\$ 556,573)
Income tax expense (benefit)	(\$ 360,010)	(\$ 94,486)	\$ -	(\$ 454,496)

(4) Reconciliation for segment income (loss)

Sales between segments are carried out at arm's length. The revenue from external customers reported to the chief operating decision-maker is measured in a manner consistent with that in the statement of comprehensive income.

A reconciliation of reportable segment income or loss to the income/(loss) before tax from continuing operations for the years ended December 31, 2022 and 2021 is provided as follows:

	Years ended December 31,	
	<u>2022</u>	<u>2021</u>
<u>Revenue</u>		
Reportable segments revenue	\$ 35,940,236	\$ 42,957,106
Other segments revenue	989	892
Elimination of intersegment revenue	( 13,744,365)	( 15,966,156)
Total revenue	\$ 22,196,860	\$ 26,991,842
	Years ended December 31,	
	<u>2022</u>	<u>2021</u>
<u>Income/(Loss)</u>		
Reportable segments income (after tax)	\$ 830,287	\$ 1,790,001
Other segments (loss) income (after tax)	( 5,761)	6,349
Elimination of intersegment transactions	-	-
Income after tax from continuing operations	\$ 824,526	\$ 1,796,350

(5) Information on products and services

	Years ended December 31,	
	2022	2021
Sales of computer products	\$ 18,812,645	\$ 22,844,822
Rental revenue	2,451,684	2,561,967
Sales of computer peripherals	363,796	590,916
Land development and resale from Buynow	29,498	443,679
Hotel revenue	-	2,858
Other revenue	539,237	547,600
	<u>\$ 22,196,860</u>	<u>\$ 26,991,842</u>

(6) Geographical information

Geographical information for the years ended December 31, 2022 and 2021 is as follows:

	Years ended December 31,	
	2022	2021
<u>Revenue</u>		
Sales of computer products		
China	\$ 6,350,178	\$ 6,577,708
Asia-Pacific	6,541,730	8,824,807
Europe	4,225,815	5,285,863
the Americas	1,694,922	2,156,444
	<u>18,812,645</u>	<u>22,844,822</u>
Rental revenue		
China	<u>2,451,684</u>	<u>2,561,967</u>
Sales of computer peripherals		
China	<u>363,796</u>	<u>590,916</u>
Land development and resale		
China	<u>29,498</u>	<u>443,679</u>
Hotel revenue		
China	<u>-</u>	<u>2,858</u>
Other revenue		
China	<u>539,237</u>	<u>547,600</u>
Total revenue	<u>\$ 22,196,860</u>	<u>\$ 26,991,842</u>

	Years ended December 31,	
	2022	2021
<u>Non-current assets</u>		
China	<u>\$ 71,860,653</u>	<u>\$ 71,267,563</u>
Taiwan	<u>\$ 366,044</u>	<u>\$ 49,929</u>

(7) Major customer information

Major customer information of the Group for the years ended December 31, 2022 and 2021 is as

follows:

	Years ended December 31,	
	2022	2021
	Revenue	Revenue
A	\$ 2,306,945	\$ 3,020,634
B	\$ 2,027,696	\$ 2,354,796

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CLEVO CO. 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 (Note 2)	Is a related party	Maximum outstanding balance during the year ended December 31, 2022 (Note 3)	Balance at December 31, 2022 (Note 8)	Actual amount drawn down	Interest rate range	Nature of loan (Note 4)	Amount of transactions with the borrower (Note 5)	Reason for short- term financing (Note 6)	Allowance for doubtful account	Collateral		Limit on loans granted to a single party (Note 7)	Ceiling on total loans granted (Note 7)	Footnote
													Name	Value			
1	Buynow (Hangzhou) Electronic Information Co., Ltd.	Changsha Hungyu Business Management Co., Ltd.	Other receivables - related parties - current	Yes	\$ 120,534	\$ 120,534	\$ 120,534	5.00%	2	\$ -	Additional operating capital	\$ -	-	\$ -	\$ 16,716,141	\$ 41,790,352	Note 8
1	Buynow (Hangzhou) Electronic Information Co., Ltd.	Shanghai Buynow Electronic Information Co., Ltd.	Other receivables - related parties - current	Yes	258,829	258,829	258,829	5.00%	2	-	Additional operating capital	-	-	-	16,716,141	41,790,352	Note 8
1	Buynow (Hangzhou) Electronic Information Co., Ltd.	Buynow (Xian) Industry Co., Ltd.	Other receivables - related parties - current	Yes	35,257	13,221	13,221	5.00%	2	-	Additional operating capital	-	-	-	16,716,141	41,790,352	Note 8
1	Buynow (Hangzhou) Electronic Information Co., Ltd.	Buynow (Harbin) Industry Co., Ltd.	Other receivables - related parties - current	Yes	46,715	-	-	5.00%	2	-	Additional operating capital	-	-	-	16,716,141	41,790,352	Note 8
1	Buynow (Hangzhou) Electronic Information Co., Ltd.	Anshan Buynow Electronic Information Co., Ltd.	Other receivables - related parties - current	Yes	220,135	206,913	206,913	5.00%	2	-	Additional operating capital	-	-	-	16,716,141	41,790,352	Note 8
1	Buynow (Hangzhou) Electronic Information Co., Ltd.	Guiyang Buynow Electronic Information Co., Ltd.	Other receivables - related parties - current	Yes	140,146	140,146	140,146	5.00%	2	-	Additional operating capital	-	-	-	16,716,141	41,790,352	Note 8
1	Buynow (Hangzhou) Electronic Information Co., Ltd.	Buynow (Jinzhou) Industry Co., Ltd.	Other receivables - related parties - current	Yes	15,425	-	-	5.00%	2	-	Additional operating capital	-	-	-	16,716,141	41,790,352	Note 8
2	Buynow (Chengdu) Electronic Information Co., Ltd.	Buynow (Hangzhou) Electronic Information Co., Ltd.	Other receivables - related parties - current	Yes	35,257	-	-	3.70%	2	-	Additional operating capital	-	-	-	16,716,141	41,790,352	Note 8
2	Buynow (Chengdu) Electronic Information Co., Ltd.	Shanghai Buynow Electronic Information Co., Ltd.	Other receivables - related parties - current	Yes	411,182	386,062	386,062	3.70%	2	-	Additional operating capital	-	-	-	16,716,141	41,790,352	Note 8
2	Buynow (Chengdu) Electronic Information Co., Ltd.	Buynow (Nanchang) Industry Co., Ltd.	Other receivables - related parties - current	Yes	46,275	13,221	13,221	3.70%	2	-	Additional operating capital	-	-	-	16,716,141	41,790,352	Note 8
2	Buynow (Chengdu) Electronic Information Co., Ltd.	Buynow (Wuxi) Electronic Technology Development Co., Ltd.	Other receivables - related parties - current	Yes	17,628	-	-	3.70%	2	-	Additional operating capital	-	-	-	16,716,141	41,790,352	Note 8
2	Buynow (Chengdu) Electronic Information Co., Ltd.	Zibo Buynow Electronic Information Co., Ltd.	Other receivables - related parties - current	Yes	113,042	112,161	112,161	3.70%	2	-	Additional operating capital	-	-	-	16,716,141	41,790,352	Note 8
2	Buynow (Chengdu) Electronic Information Co., Ltd.	Buynow Electronic Information (Huizhou) Co., Ltd.	Other receivables - related parties - current	Yes	132,566	128,599	128,599	3.70%	2	-	Additional operating capital	-	-	-	16,716,141	41,790,352	Note 8
2	Buynow (Chengdu) Electronic Information Co., Ltd.	Guangdong Buynow Real Estate Management Co., Ltd.	Other receivables - related parties - current	Yes	27,765	-	-	3.70%	2	-	Additional operating capital	-	-	-	16,716,141	41,790,352	Note 8
2	Buynow (Chengdu) Electronic Information Co., Ltd.	Clevo (China) Investment Co., Ltd.	Other receivables - related parties - current	Yes	165,266	165,266	165,266	3.70%	2	-	Additional operating capital	-	-	-	16,716,141	41,790,352	Note 8
2	Buynow (Chengdu) Electronic Information Co., Ltd.	Guiyang Buynow Electronic Information Co., Ltd.	Other receivables - related parties - current	Yes	324,583	315,769	315,769	3.70%	2	-	Additional operating capital	-	-	-	16,716,141	41,790,352	Note 8
2	Buynow (Chengdu) Electronic Information Co., Ltd.	Dezhou Buynow Electronic Information Co., Ltd.	Other receivables - related parties - current	Yes	26,443	26,443	26,443	3.70%	2	-	Additional operating capital	-	-	-	16,716,141	41,790,352	Note 8
2	Buynow (Chengdu) Electronic Information Co., Ltd.	Luoyang Buynow Electronic Information Co., Ltd.	Other receivables - related parties - current	Yes	52,885	52,885	52,885	3.70%	2	-	Additional operating capital	-	-	-	16,716,141	41,790,352	Note 8
2	Buynow (Chengdu) Electronic Information Co., Ltd.	Quanzhou Buynow Industry Co., Ltd.	Other receivables - related parties - current	Yes	46,275	-	-	3.70%	2	-	Additional operating capital	-	-	-	16,716,141	41,790,352	Note 8
2	Buynow (Chengdu) Electronic Information Co., Ltd.	Buynow (Jinzhou) Industry Co., Ltd.	Other receivables - related parties - current	Yes	35,257	-	-	3.70%	2	-	Additional operating capital	-	-	-	16,716,141	41,790,352	Note 8

No. (Note 1)	Creditor	Borrower	General ledger account (Note 2)	Is a related party	Maximum outstanding balance during the year ended December 31, 2022 (Note 3)	Balance at December 31, 2022 (Note 8)	Actual amount drawn down	Interest rate range	Nature of loan (Note 4)	Amount of transactions with the borrower (Note 5)	Reason for short- term financing (Note 6)	Allowance for doubtful account	Collateral		Limit on loans granted to a single party (Note 7)	Ceiling on total loans granted (Note 7)	Footnote
													Name	Value			
3	Buynow (Nanjing) Facility Leasing And Management Co., Ltd.	Buynow (Xian) Industry Co., Ltd	Other receivables - related parties - current	Yes	\$ 429,913	\$ 429,913	\$ 429,913	3.70%	2	\$ -	Additional operating capital	\$ -	-	\$ -	\$ 16,716,141	\$ 41,790,352	Note 8
3	Buynow (Nanjing) Facility Leasing And Management Co., Ltd.	Buynow (Harbin) Industry Co., Ltd.	Other receivables - related parties - current	Yes	169,453	165,927	165,927	3.70%	2	-	Additional operating capital	-	-	-	16,716,141	41,790,352	Note 8
3	Buynow (Nanjing) Facility Leasing And Management Co., Ltd.	Zibo Buynow Electronic Information Co., Ltd.	Other receivables - related parties - current	Yes	31,290	-	-	3.70%	2	-	Additional operating capital	-	-	-	16,716,141	41,790,352	Note 8
3	Buynow (Nanjing) Facility Leasing And Management Co., Ltd.	Luoyang Buynow Electronic Information Co., Ltd.	Other receivables - related parties - current	Yes	34,375	32,172	32,172	3.70%	2	-	Additional operating capital	-	-	-	16,716,141	41,790,352	Note 8
4	Kapok Computer (Kunshan) Co., Ltd.	Shanghai Buynow Electronic Information Co., Ltd.	Other receivables - related parties - current	Yes	176,284	176,284	176,284	4.50%	2	-	Additional operating capital	-	-	-	16,716,141	41,790,352	Note 8
4	Kapok Computer (Kunshan) Co., Ltd.	Buynow (Nanchang) Industry Co., Ltd.	Other receivables - related parties - current	Yes	325,905	193,692	193,692	4.50%	2	-	Additional operating capital	-	-	-	16,716,141	41,790,352	Note 8
4	Kapok Computer (Kunshan) Co., Ltd.	Buynow (Guangzhou) Electronic Information Co., Ltd.	Other receivables - related parties - current	Yes	173,199	173,199	173,199	4.50%	2	-	Additional operating capital	-	-	-	16,716,141	41,790,352	Note 8
4	Kapok Computer (Kunshan) Co., Ltd.	Buynow (Xian) Industry Co., Ltd.	Other receivables - related parties - current	Yes	173,287	173,287	173,287	4.50%	2	-	Additional operating capital	-	-	-	16,716,141	41,790,352	Note 8
4	Kapok Computer (Kunshan) Co., Ltd.	Buynow (Harbin) Industry Co., Ltd.	Other receivables - related parties - current	Yes	654,763	654,763	654,763	4.50%	2	-	Additional operating capital	-	-	-	16,716,141	41,790,352	Note 8
4	Kapok Computer (Kunshan) Co., Ltd.	Daqing Buynow Electronic Information Corporation	Other receivables - related parties - current	Yes	98,719	98,719	98,719	4.50%	2	-	Additional operating capital	-	-	-	16,716,141	41,790,352	Note 8
4	Kapok Computer (Kunshan) Co., Ltd.	Zibo Buynow Electronic Information Co., Ltd.	Other receivables - related parties - current	Yes	89,905	89,905	89,905	4.50%	2	-	Additional operating capital	-	-	-	16,716,141	41,790,352	Note 8
4	Kapok Computer (Kunshan) Co., Ltd.	Shantou Buynow Mall Co., Ltd.	Other receivables - related parties - current	Yes	502,938	489,717	489,717	4.50%	2	-	Additional operating capital	-	-	-	16,716,141	41,790,352	Note 8
4	Kapok Computer (Kunshan) Co., Ltd.	Clevo (China) Investment Co., Ltd.	Other receivables - related parties - current	Yes	176,284	176,284	176,284	4.50%	2	-	Additional operating capital	-	-	-	16,716,141	41,790,352	Note 8
4	Kapok Computer (Kunshan) Co., Ltd.	Yingkou Buynow Electronic Information Co., Ltd.	Other receivables - related parties - current	Yes	83,735	83,735	83,735	4.50%	2	-	Additional operating capital	-	-	-	16,716,141	41,790,352	Note 8
4	Kapok Computer (Kunshan) Co., Ltd.	Guiyang Buynow Electronic Information Co., Ltd.	Other receivables - related parties - current	Yes	438,506	438,506	438,506	4.50%	2	-	Additional operating capital	-	-	-	16,716,141	41,790,352	Note 8
4	Kapok Computer (Kunshan) Co., Ltd.	Taizhou Buynow Electronic Information Co., Ltd.	Other receivables - related parties - current	Yes	196,557	196,557	196,557	4.50%	2	-	Additional operating capital	-	-	-	16,716,141	41,790,352	Note 8
4	Kapok Computer (Kunshan) Co., Ltd.	Dezhou Buynow Electronic Information Co., Ltd.	Other receivables - related parties - current	Yes	558,380	558,380	558,380	4.50%	2	-	Additional operating capital	-	-	-	16,716,141	41,790,352	Note 8
4	Kapok Computer (Kunshan) Co., Ltd.	Kunshan Kaishuo Trading Co., Ltd.	Other receivables - related parties - current	Yes	176,284	-	-	4.50%	2	-	Additional operating capital	-	-	-	16,716,141	41,790,352	Note 8
4	Kapok Computer (Kunshan) Co., Ltd.	Buynow (Jinzhou) Industry Co., Ltd.	Other receivables - related parties - current	Yes	264,426	264,426	264,426	4.50%	2	-	Additional operating capital	-	-	-	16,716,141	41,790,352	Note 8
5	Buynow (Nanchang) Industry Co., Ltd.	Buynow (Hangzhou) Electronic Information Co., Ltd.	Other receivables - related parties - current	Yes	157,333	-	-	5.00%	2	-	Additional operating capital	-	-	-	16,716,141	41,790,352	Note 8
5	Buynow (Nanchang) Industry Co., Ltd.	Buynow(Guangzhou) Electronic Information Co., Ltd.	Other receivables - related parties - current	Yes	64,564	64,564	64,564	5.00%	2	-	Additional operating capital	-	-	-	16,716,141	41,790,352	Note 8
5	Buynow (Nanchang) Industry Co., Ltd.	Buynow (Wuxi) Electronic Technology Development Co., Ltd.	Other receivables - related parties - current	Yes	33,053	-	-	5.00%	2	-	Additional operating capital	-	-	-	16,716,141	41,790,352	Note 8
5	Buynow (Nanchang) Industry Co., Ltd.	Anshan Buynow Electronic Information Co., Ltd.	Other receivables - related parties - current	Yes	262,795	262,795	262,795	5.00%	2	-	Additional operating capital	-	-	-	16,716,141	41,790,352	Note 8
5	Buynow (Nanchang) Industry Co., Ltd.	Guiyang Buynow Electronic Information Co., Ltd.	Other receivables - related parties - current	Yes	63,110	63,110	63,110	5.00%	2	-	Additional operating capital	-	-	-	16,716,141	41,790,352	Note 8

No. (Note 1)	Creditor	Borrower	General ledger account (Note 2)	Is a related party	Maximum outstanding balance during the year ended December 31, 2022 (Note 3)	Balance at December 31, 2022 (Note 8)	Actual amount drawn down	Interest rate range	Nature of loan (Note 4)	Amount of transactions with the borrower (Note 5)	Reason for short- term financing (Note 6)	Allowance for doubtful account	Collateral		Limit on loans granted to a single party (Note 7)	Ceiling on total loans granted (Note 7)	Footnote
													Name	Value			
5	Buynow (Nanchang) Industry Co., Ltd.	Taizhou Buynow Electronic Information Co., Ltd.	Other receivables - related parties - current	Yes	\$ 83,515	\$ 83,515	\$ 83,515	5.00%	2	\$ -	Additional operating capital	\$ -	-	\$ -	\$ 16,716,141	\$ 41,790,352	Note 8
5	Buynow (Nanchang) Industry Co., Ltd.	Buynow (Jinzhou) Industry Co., Ltd.	Other receivables - related parties - current	Yes	143,319	143,319	143,319	5.00%	2	-	Additional operating capital	-	-	-	16,716,141	41,790,352	Note 8
6	Buynow (Zhengzhou) Electronic Information Co., Ltd.	Changsha Hungyu Business Management Co., Ltd.	Other receivables - related parties - current	Yes	95,943	95,943	95,943	3.70%	2	-	Additional operating capital	-	-	-	16,716,141	41,790,352	Note 8
6	Buynow (Zhengzhou) Electronic Information Co., Ltd.	Buynow (Harbin) Industry Co., Ltd.	Other receivables - related parties - current	Yes	82,589	82,589	82,589	3.70%	2	-	Additional operating capital	-	-	-	16,716,141	41,790,352	Note 8
6	Buynow (Zhengzhou) Electronic Information Co., Ltd.	Clevo (China) Investment Co., Ltd.	Other receivables - related parties - current	Yes	92,549	66,107	66,107	3.70%	2	-	Additional operating capital	-	-	-	16,716,141	41,790,352	Note 8
6	Buynow (Zhengzhou) Electronic Information Co., Ltd.	Guiyang Buynow Electronic Information Co., Ltd.	Other receivables - related parties - current	Yes	101,892	101,892	101,892	3.70%	2	-	Additional operating capital	-	-	-	16,716,141	41,790,352	Note 8
6	Buynow (Zhengzhou) Electronic Information Co., Ltd.	Dezhou Buynow Electronic Information Co., Ltd.	Other receivables - related parties - current	Yes	48,478	48,478	48,478	1.65%	2	-	Additional operating capital	-	-	-	16,716,141	41,790,352	Note 8
6	Buynow (Zhengzhou) Electronic Information Co., Ltd.	Luoyang Buynow Electronic Information Co., Ltd.	Other receivables - related parties - current	Yes	105,770	-	-	3.70%	2	-	Additional operating capital	-	-	-	16,716,141	41,790,352	Note 8
6	Buynow (Zhengzhou) Electronic Information Co., Ltd.	Quanzhou Buynow Industry Co., Ltd.	Other receivables - related parties - current	Yes	45,129	-	-	3.70%	2	-	Additional operating capital	-	-	-	16,716,141	41,790,352	Note 8
7	Buynow Electronic Information (Shenyang) Co., Ltd.	Changsha Hungyu Business Management Co., Ltd.	Other receivables - related parties - current	Yes	124,501	109,076	109,076	3.70%	2	-	Additional operating capital	-	-	-	16,716,141	41,790,352	Note 8
7	Buynow Electronic Information (Shenyang) Co., Ltd.	Zibo Buynow Electronic Information Co., Ltd.	Other receivables - related parties - current	Yes	176,725	158,656	158,656	3.70%	2	-	Additional operating capital	-	-	-	16,716,141	41,790,352	Note 8
7	Buynow Electronic Information (Shenyang) Co., Ltd.	Yingkou Buynow Electronic Information Co., Ltd.	Other receivables - related parties - current	Yes	118,815	118,815	118,815	3.70%	2	-	Additional operating capital	-	-	-	16,716,141	41,790,352	Note 8
7	Buynow Electronic Information (Shenyang) Co., Ltd.	Anshan Buynow Electronic Information Co., Ltd.	Other receivables - related parties - current	Yes	26,443	26,443	26,443	3.70%	2	-	Additional operating capital	-	-	-	16,716,141	41,790,352	Note 8
7	Buynow Electronic Information (Shenyang) Co., Ltd.	Guiyang Buynow Electronic Information Co., Ltd.	Other receivables - related parties - current	Yes	58,394	51,783	51,783	3.70%	2	-	Additional operating capital	-	-	-	16,716,141	41,790,352	Note 8
8	Buynow (Fujian) Electronic Technology Development Co., Ltd.	Buynow(Guangzhou) Electronic Information Co., Ltd.	Other receivables - related parties - current	Yes	69,456	69,456	69,456	3.70%	2	-	Additional operating capital	-	-	-	16,716,141	41,790,352	Note 8
8	Buynow (Fujian) Electronic Technology Development Co., Ltd.	Buynow (Harbin) Industry Co., Ltd.	Other receivables - related parties - current	Yes	201,625	190,607	190,607	3.70%	2	-	Additional operating capital	-	-	-	16,716,141	41,790,352	Note 8
8	Buynow (Fujian) Electronic Technology Development Co., Ltd.	Daqing Buynow Electronic Information Corporation	Other receivables - related parties - current	Yes	126,880	124,677	124,677	3.70%	2	-	Additional operating capital	-	-	-	16,716,141	41,790,352	Note 8
9	Buynow (Changchun) Industry Co., Ltd.	Buynow (Xian) Industry Co., Ltd.	Other receivables - related parties - current	Yes	196,116	182,013	182,013	3.70%	2	-	Additional operating capital	-	-	-	16,716,141	41,790,352	Note 8
9	Buynow (Changchun) Industry Co., Ltd.	Buynow (Chongqing) Industry Co., Ltd.	Other receivables - related parties - current	Yes	4,407	-	-	3.70%	2	-	Additional operating capital	-	-	-	16,716,141	41,790,352	Note 8
9	Buynow (Changchun) Industry Co., Ltd.	Taizhou Buynow Electronic Information Co., Ltd.	Other receivables - related parties - current	Yes	47,597	47,597	47,597	3.70%	2	-	Additional operating capital	-	-	-	16,716,141	41,790,352	Note 8
9	Buynow (Changchun) Industry Co., Ltd.	Dezhou Buynow Electronic Information Co., Ltd.	Other receivables - related parties - current	Yes	26,443	13,221	13,221	1.65%	2	-	Additional operating capital	-	-	-	16,716,141	41,790,352	Note 8

No. (Note 1)	Creditor	Borrower	General ledger account (Note 2)	Is a related party	Maximum outstanding balance during the year ended December 31, 2022 (Note 3)	Balance at December 31, 2022 (Note 8)	Actual amount drawn down	Interest rate range	Nature of loan (Note 4)	Amount of transactions with the borrower (Note 5)	Reason for short- term financing (Note 6)	Allowance for doubtful account	Collateral		Limit on loans granted to a single party (Note 7)	Ceiling on total loans granted (Note 7)	Footnote
													Name	Value			
9	Buynow (Changchun) Industry Co., Ltd.	Luoyang Buynow Electronic Information Co., Ltd.	Other receivables - related parties - current	Yes	\$ 39,664	\$ 39,664	\$ 39,664	3.70%	2	\$ -	Additional operating capital	\$ -	-	\$ -	\$ 16,716,141	\$ 41,790,352	Note 8
9	Buynow (Changchun) Industry Co., Ltd.	Quanzhou Buynow Industry Co., Ltd.	Other receivables - related parties - current	Yes	17,628	-	-	3.70%	2	-	Additional operating capital	-	-	-	16,716,141	41,790,352	Note 8
10	Buynow (Wuxi) Electronic Technology Development Co., Ltd.	Buynow (Harbin) Industry Co., Ltd.	Other receivables - related parties - current	Yes	77,918	70,425	70,425	5.00%	2	-	Additional operating capital	-	-	-	16,716,141	41,790,352	Note 8
10	Buynow (Wuxi) Electronic Technology Development Co., Ltd.	Anshan Buynow Electronic Information Co., Ltd.	Other receivables - related parties - current	Yes	203,828	187,522	187,522	5.00%	2	-	Additional operating capital	-	-	-	16,716,141	41,790,352	Note 8
10	Buynow (Wuxi) Electronic Technology Development Co., Ltd.	Suzhou Jinzuo Industry Co., Ltd.	Other receivables - related parties - current	Yes	22,036	-	-	5.00%	2	-	Additional operating capital	-	-	-	16,716,141	41,790,352	Note 8
11	Quality Trust Property Management Co., Ltd.	Qingdao Buynow Technology Industry Co., Ltd.	Other receivables - related parties - current	Yes	18,510	11,899	11,899	3.00%	2	-	Additional operating capital	-	-	-	16,716,141	41,790,352	Note 8
11	Quality Trust Property Management Co., Ltd.	Daqing Buynow Electronic Information Corporation	Other receivables - related parties - current	Yes	221,897	201,184	201,184	3.00%	2	-	Additional operating capital	-	-	-	16,716,141	41,790,352	Note 8
11	Quality Trust Property Management Co., Ltd.	Luoyang Buynow Electronic Information Co., Ltd.	Other receivables - related parties - current	Yes	5,289	-	-	3.00%	2	-	Additional operating capital	-	-	-	16,716,141	41,790,352	Note 8
12	Kalor Buynow (Heifei) Electronic Information Co., Ltd.	Buynow (Xian) Industry Co., Ltd.	Other receivables - related parties - current	Yes	227,847	227,847	227,847	3.70%	2	-	Additional operating capital	-	-	-	16,716,141	41,790,352	Note 8
12	Kalor Buynow (Heifei) Electronic Information Co., Ltd.	Buynow (Harbin) Industry Co., Ltd.	Other receivables - related parties - current	Yes	283,156	271,257	271,257	3.70%	2	-	Additional operating capital	-	-	-	16,716,141	41,790,352	Note 8
12	Kalor Buynow (Heifei) Electronic Information Co., Ltd.	Guangdong Buynow Real Estate Management Co., Ltd.	Other receivables - related parties - current	Yes	66,107	-	-	3.70%	2	-	Additional operating capital	-	-	-	16,716,141	41,790,352	Note 8
12	Kalor Buynow (Heifei) Electronic Information Co., Ltd.	Anshan Buynow Electronic Information Co., Ltd.	Other receivables - related parties - current	Yes	24,239	-	-	3.70%	2	-	Additional operating capital	-	-	-	16,716,141	41,790,352	Note 8
12	Kalor Buynow (Heifei) Electronic Information Co., Ltd.	Luoyang Buynow Electronic Information Co., Ltd.	Other receivables - related parties - current	Yes	183,371	183,371	183,371	3.70%	2	-	Additional operating capital	-	-	-	16,716,141	41,790,352	Note 8
12	Kalor Buynow (Heifei) Electronic Information Co., Ltd.	Buynow (Jinzhou) Industry Co., Ltd.	Other receivables - related parties - current	Yes	33,053	33,053	33,053	3.70%	2	-	Additional operating capital	-	-	-	16,716,141	41,790,352	Note 8
13	Wuxi Quntai Property Management Co., Ltd.	Anshan Buynow Electronic Information Co., Ltd.	Other receivables - related parties - current	Yes	26,883	26,883	26,883	3.00%	2	-	Additional operating capital	-	-	-	16,716,141	41,790,352	Note 8
14	Beijing Kaiye Electronic Technology Co., Ltd.	Clevo (China) Investment Co., Ltd.	Other receivables - related parties - current	Yes	22,036	-	-	0.00%	2	-	Additional operating capital	-	-	-	16,716,141	41,790,352	Note 8
15	Buynow (Chongqing) Industry Co., Ltd.	Taizhou Buynow Electronic Information Co., Ltd.	Other receivables - related parties - current	Yes	73,599	50,241	50,241	5.00%	2	-	Additional operating capital	-	-	-	16,716,141	41,790,352	Note 8
16	Shanghai Buynow Electronic Products Market Management Co., Ltd.	Buynow (Hangzhou) Electronic Information Co., Ltd.	Other receivables - related parties - current	Yes	131,772	131,772	131,772	5.00%	2	-	Additional operating capital	-	-	-	16,716,141	41,790,352	Note 8
16	Shanghai Buynow Electronic Products Market Management Co., Ltd.	Shanghai Buynow Electronic Information Co., Ltd.	Other receivables - related parties - current	Yes	82,853	82,853	82,853	5.00%	2	-	Additional operating capital	-	-	-	16,716,141	41,790,352	Note 8
16	Shanghai Buynow Electronic Products Market Management Co., Ltd.	Qingdao Buynow Technology Industry Co., Ltd.	Other receivables - related parties - current	Yes	284,655	250,720	250,720	5.00%	2	-	Additional operating capital	-	-	-	16,716,141	41,790,352	Note 8
16	Shanghai Buynow Electronic Products Market Management Co., Ltd.	Anshan Buynow Electronic Information Co., Ltd.	Other receivables - related parties - current	Yes	199,730	85,586	85,586	5.00%	2	-	Additional operating capital	-	-	-	16,716,141	41,790,352	Note 8



No. (Note 1)	Creditor	Borrower	General ledger account (Note 2)	Is a related party	Maximum outstanding balance during the year ended December 31, 2022 (Note 3)	Balance at December 31, 2022 (Note 8)	Actual amount drawn down	Interest rate range	Nature of loan (Note 4)	Amount of transactions with the borrower (Note 5)	Reason for short- term financing (Note 6)	Allowance for doubtful account	Collateral		Limit on loans granted to a single party (Note 7)	Ceiling on total loans granted (Note 7)	Footnote
													Name	Value			
16	Shanghai Buynow Electronic Products Market Management Co., Ltd.	Luoyang Buynow Electronic Information Co., Ltd.	Other receivables - related parties - current	Yes	\$ 331,855	\$ 305,412	\$ 305,412	5.00%	2	\$ -	Additional operating capital	\$ -	-	\$ -	\$ 16,716,141	\$ 41,790,352	Note 8
16	Shanghai Buynow Electronic Products Market Management Co., Ltd.	Buynow (Jinzhou) Industry Co., Ltd.	Other receivables - related parties - current	Yes	208,985	208,985	208,985	5.00%	2	-	Additional operating capital	-	-	-	16,716,141	41,790,352	Note 8
16	Shanghai Buynow Electronic Products Market Management Co., Ltd.	Shanghai Huizhuan Restaurant Management Co., Ltd.	Other receivables - related parties - current	Yes	31,731	-	-	5.00%	2	-	Additional operating capital	-	-	-	16,716,141	41,790,352	Note 8
17	Tianjin Buynow Electronic Information Co., Ltd.	Shanghai Buynow Electronic Information Co., Ltd.	Other receivables - related parties - current	Yes	159,096	159,096	159,096	3.70%	2	-	Additional operating capital	-	-	-	16,716,141	41,790,352	Note 8
17	Tianjin Buynow Electronic Information Co., Ltd.	Buynow (Xian) Industry Co., Ltd.	Other receivables - related parties - current	Yes	69,191	69,191	69,191	3.70%	2	-	Additional operating capital	-	-	-	16,716,141	41,790,352	Note 8
17	Tianjin Buynow Electronic Information Co., Ltd.	Qingdao Buynow Technology Industry Co., Ltd.	Other receivables - related parties - current	Yes	281,878	251,028	251,028	3.70%	2	-	Additional operating capital	-	-	-	16,716,141	41,790,352	Note 8
17	Tianjin Buynow Electronic Information Co., Ltd.	Zibo Buynow Electronic Information Co., Ltd.	Other receivables - related parties - current	Yes	152,239	152,239	152,239	3.70%	2	-	Additional operating capital	-	-	-	16,716,141	41,790,352	Note 8
17	Tianjin Buynow Electronic Information Co., Ltd.	Anshan Buynow Electronic Information Co., Ltd.	Other receivables - related parties - current	Yes	4,407	-	-	3.70%	2	-	Additional operating capital	-	-	-	16,716,141	41,790,352	Note 8
17	Tianjin Buynow Electronic Information Co., Ltd.	Luoyang Buynow Electronic Information Co., Ltd.	Other receivables - related parties - current	Yes	96,912	-	-	3.70%	2	-	Additional operating capital	-	-	-	16,716,141	41,790,352	Note 8
18	Buynow (Yancheng) Electronic Information Technology Development Co. Ltd.	Beijing Kaiye Electronic Technology Co., Ltd.	Other receivables - related parties - current	Yes	22,036	-	-	0.00%	2	-	Additional operating capital	-	-	-	16,716,141	41,790,352	Note 8
18	Buynow (Yancheng) Electronic Information Technology Development Co. Ltd.	Daqing Buynow Electronic Information Corporation	Other receivables - related parties - current	Yes	30,850	30,850	30,850	0.00%	2	-	Additional operating capital	-	-	-	16,716,141	41,790,352	Note 8
18	Buynow (Yancheng) Electronic Information Technology Development Co. Ltd.	Shantou Buynow Mall Co., Ltd.	Other receivables - related parties - current	Yes	270,376	270,376	270,376	0.00%	2	-	Additional operating capital	-	-	-	16,716,141	41,790,352	Note 8
18	Buynow (Yancheng) Electronic Information Technology Development Co. Ltd.	Clevo (China) Investment Co., Ltd.	Other receivables - related parties - current	Yes	22,036	22,036	22,036	0.00%	2	-	Additional operating capital	-	-	-	16,716,141	41,790,352	Note 8
18	Buynow (Yancheng) Electronic Information Technology Development Co. Ltd.	Dezhou Buynow Electronic Information Co., Ltd.	Other receivables - related parties - current	Yes	348,161	348,161	348,161	0.00%	2	-	Additional operating capital	-	-	-	16,716,141	41,790,352	Note 8
18	Buynow (Yancheng) Electronic Information Technology Development Co. Ltd.	Luoyang Buynow Electronic Information Co., Ltd.	Other receivables - related parties - current	Yes	24,900	24,900	24,900	0.00%	2	-	Additional operating capital	-	-	-	16,716,141	41,790,352	Note 8
19	Beijing Clevo Investment Management Consultant Co., Ltd.	Qingdao Buynow Technology Industry Co., Ltd.	Other receivables - related parties - current	Yes	304,751	271,257	271,257	5.00%	2	-	Additional operating capital	-	-	-	16,716,141	41,790,352	Note 8
19	Beijing Clevo Investment Management Consultant Co., Ltd.	Buynow Electronic Information (Huizhou) Co., Ltd.	Other receivables - related parties - current	Yes	304,531	304,531	304,531	5.00%	2	-	Additional operating capital	-	-	-	16,716,141	41,790,352	Note 8
20	Guangdong Buynow Real Estate Management Co., Ltd.	Shanghai Buynow Electronic Information Co., Ltd.	Other receivables - related parties - current	Yes	356,050	356,050	356,050	3.70%	2	-	Additional operating capital	-	-	-	16,716,141	41,790,352	Note 8
20	Guangdong Buynow Real Estate Management Co., Ltd.	Buynow (Nanchang) Industry Co., Ltd.	Other receivables - related parties - current	Yes	68,310	68,310	68,310	3.70%	2	-	Additional operating capital	-	-	-	16,716,141	41,790,352	Note 8
20	Guangdong Buynow Real Estate Management Co., Ltd.	Buynow(Guangzhou) Electronic Information Co., Ltd.	Other receivables - related parties - current	Yes	73,995	65,181	65,181	3.70%	2	-	Additional operating capital	-	-	-	16,716,141	41,790,352	Note 8

No. (Note 1)	Creditor	Borrower	General ledger account (Note 2)	Is a related party	Maximum outstanding balance during the year ended December 31, 2022 (Note 3)	Balance at December 31, 2022 (Note 8)	Actual amount drawn down	Interest rate range	Nature of loan (Note 4)	Amount of transactions with the borrower (Note 5)	Reason for short- term financing (Note 6)	Allowance for doubtful account	Collateral		Limit on loans granted to a single party (Note 7)	Ceiling on total loans granted (Note 7)	Footnote
													Name	Value			
20	Guangdong Buynow Real Estate Management Co., Ltd.	Qingdao Buynow Technology Industry Co., Ltd.	Other receivables - related parties - current	Yes	\$ 72,541	\$ 47,200	\$ 47,200	3.70%	2	\$ -	Additional operating capital	\$ -	-	\$ -	\$ 16,716,141	\$ 41,790,352	Note 8
20	Guangdong Buynow Real Estate Management Co., Ltd.	Buynow (Harbin) Industry Co., Ltd.	Other receivables - related parties - current	Yes	11,018	6,170	6,170	3.70%	2	-	Additional operating capital	-	-	-	16,716,141	41,790,352	
20	Guangdong Buynow Real Estate Management Co., Ltd.	Buynow Electronic Information (Huizhou) Co., Ltd.	Other receivables - related parties - current	Yes	19,347	3,085	3,085	3.70%	2	-	Additional operating capital	-	-	-	16,716,141	41,790,352	Note 8
20	Guangdong Buynow Real Estate Management Co., Ltd.	Clevo (China) Investment Co., Ltd.	Other receivables - related parties - current	Yes	33,053	-	-	3.70%	2	-	Additional operating capital	-	-	-	16,716,141	41,790,352	Note 8
20	Guangdong Buynow Real Estate Management Co., Ltd.	Guiyang Buynow Electronic Information Co., Ltd.	Other receivables - related parties - current	Yes	246,357	243,713	243,713	3.70%	2	-	Additional operating capital	-	-	-	16,716,141	41,790,352	Note 8
20	Guangdong Buynow Real Estate Management Co., Ltd.	Dezhou Buynow Electronic Information Co., Ltd.	Other receivables - related parties - current	Yes	123,399	52,885	52,885	1.65%	2	-	Additional operating capital	-	-	-	16,716,141	41,790,352	Note 8
20	Guangdong Buynow Real Estate Management Co., Ltd.	Luoyang Buynow Electronic Information Co., Ltd.	Other receivables - related parties - current	Yes	247,459	220,355	220,355	3.70%	2	-	Additional operating capital	-	-	-	16,716,141	41,790,352	Note 8
20	Guangdong Buynow Real Estate Management Co., Ltd.	Quanzhou Buynow Industry Co., Ltd.	Other receivables - related parties - current	Yes	93,431	-	-	3.70%	2	-	Additional operating capital	-	-	-	16,716,141	41,790,352	Note 8
20	Guangdong Buynow Real Estate Management Co., Ltd.	Buynow (Jinzhou) Industry Co., Ltd.	Other receivables - related parties - current	Yes	278,529	272,359	272,359	3.70%	2	-	Additional operating capital	-	-	-	16,716,141	41,790,352	Note 8
21	Shantou Buynow Mall Co., Ltd.	Buynow (Wuxi) Electronic Technology Development Co., Ltd.	Other receivables - related parties - current	Yes	35,257	-	-	4.50%	2	-	Additional operating capital	-	-	-	16,716,141	41,790,352	Note 8
21	Shantou Buynow Mall Co., Ltd.	Buynow Electronic Information (Huizhou) Co., Ltd.	Other receivables - related parties - current	Yes	74,921	70,514	70,514	4.50%	2	-	Additional operating capital	-	-	-	16,716,141	41,790,352	Note 8
21	Shantou Buynow Mall Co., Ltd.	Guangdong Buynow Real Estate Management Co., Ltd.	Other receivables - related parties - current	Yes	100,923	-	-	4.50%	2	-	Additional operating capital	-	-	-	16,716,141	41,790,352	Note 8
21	Shantou Buynow Mall Co., Ltd.	Clevo (China) Investment Co., Ltd.	Other receivables - related parties - current	Yes	82,413	-	-	4.50%	2	-	Additional operating capital	-	-	-	16,716,141	41,790,352	Note 8
21	Shantou Buynow Mall Co., Ltd.	Anshan Buynow Electronic Information Co., Ltd.	Other receivables - related parties - current	Yes	637,531	616,818	616,818	4.50%	2	-	Additional operating capital	-	-	-	16,716,141	41,790,352	Note 8
21	Shantou Buynow Mall Co., Ltd.	Suzhou Jinzuo Industry Co., Ltd.	Other receivables - related parties - current	Yes	340,448	329,431	329,431	4.50%	2	-	Additional operating capital	-	-	-	16,716,141	41,790,352	Note 8
21	Shantou Buynow Mall Co., Ltd.	Taizhou Buynow Electronic Information Co., Ltd.	Other receivables - related parties - current	Yes	103,126	76,243	76,243	4.50%	2	-	Additional operating capital	-	-	-	16,716,141	41,790,352	Note 8
22	Clevo (China) Investment Co., Ltd.	Shanghai Buynow Online Information Technology Co., Ltd.	Other receivables - related parties - current	Yes	11,458	-	-	5.00%	2	-	Additional operating capital	-	-	-	16,716,141	41,790,352	Note 8
22	Clevo (China) Investment Co., Ltd.	Shanghai Huizhuan Restaurant Management Co., Ltd.	Other receivables - related parties - current	Yes	1,102	-	-	0.00%	2	-	Additional operating capital	-	-	-	16,716,141	41,790,352	Note 8
23	Dezhou Buynow Electronic Information Co., Ltd.	Buynow (Wuxi) Electronic Technology Development Co., Ltd.	Other receivables - related parties - current	Yes	61,699	-	-	5.00%	2	-	Additional operating capital	-	-	-	16,716,141	41,790,352	Note 8

No. (Note 1)	Creditor	Borrower	General ledger account (Note 2)	Is a related party	Maximum outstanding balance during the year ended December 31, 2022 (Note 3)	Balance at December 31, 2022 (Note 8)	Actual amount drawn down	Interest rate range	Nature of loan (Note 4)	Amount of transactions with the borrower (Note 5)	Reason for short- term financing (Note 6)	Allowance for doubtful account	Collateral		Limit on loans granted to a single party (Note 7)	Ceiling on total loans granted (Note 7)	Footnote
													Name	Value			
24	Kunshan Kaishuo Trading Co., Ltd.	Shanghai Buynow Electronic Information Co., Ltd.	Other receivables - related parties - current	Yes	\$ 176,284	\$ -	\$ -	4.50%	2	\$ -	Additional operating capital	\$ -	-	\$ -	\$ 16,716,141	\$ 41,790,352	Note 8

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: Fill in the name of account in which the loans are recognised, such as receivables-related parties, current account with stockholders, prepayments, temporary payments, etc.

Note 3: Fill in the maximum outstanding balance of loans to others during the year ended December 31, 2022.

Note 4: The nature of loans :

- (1) Related to business transactions is "1".
- (2) short-term financing is "2".

Note 5: In accordance with the Article 4 of the Company's "Procedures for Provision of Loans" the limit on the loans to a party with business transactions is lower than the amount occurred between the creditor and borrower in the current year when nature of the loan is related to business transactions.

Note 6: Fill in purpose of loan when nature of loan is for short-term financing, for example, repayment of loan, acquisition of equipment, working capital, etc.

Note 7: According to the Company's "Procedures for Provision of Loans"

- (1) The ceiling on loans granted by the Company to other shall not be more than 40% of the Company's net assets.
- (2) The limit on loans granted by the Company to a single party shall not be more than 30% of the Company's net assets.

Note 8: According to the Subsidiaries' "Procedures for Provision of Loans"

- (1) The limit on loans granted by a subsidiary to a single party in which the Company directly and indirectly holds 100% of the voting shares shall not be more than 40% of the Company's net assets.
- (2) The ceiling on loans to others in which the Company directly and indirectly holds 100% of the voting shares shall not be more than 100% of the Company's net assets.
- (3) The ceiling on loans to others in which the Company directly and indirectly holds 100% of the voting shares limit to other single party is 40% of the subsidiary's net assets.

Note 9: The amounts of funds to be loaned to others which have been approved by the board of directors of a public company in accordance with Article 14, Item 1 of the "Regulations Governing Loaning of Funds and Making of Endorsements/Guarantees by Public Companies" should be included in its published balance of loans to others at the end of the reporting period to reveal the risk of loaning the public company bears, even though they have not yet been appropriated. However, this balance should exclude the loans repaid when repayments are done subsequently to reflect the risk adjustment.

In addition, if the board of directors of a public company has authorized the chairman to loan funds in instalments or in revolving within certain lines and within one year in accordance with Article 14, Item 2 of the "Regulations Governing Loaning of Funds and Making of Endorsements/Guarantees by Public Companies", the published balance of loans to others at the end of the reporting period should also include these lines of loaning approved by the board of directors, and these lines of loaning should not be excluded from this balance even though the loans are repaid subsequently, for taking into consideration they could be loaned again thereafter.

CLEVO CO. and Subsidiaries  
Provision of endorsements and guarantees to others  
Year ended December 31, 2022

Table 2

Expressed in thousands of NTD  
(Except as otherwise indicated)

No. (Note 1)	Endorser/guarantor	Party being endorsed/ guaranteed		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 with 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
		Company name	Relationship with the investor (Note 2)											
1	Changsha Hungyu Business Management Co., Ltd.	Luoyang Buynow Electronic Information Co., Ltd.	3	\$ 41,790,352	\$ 777,412	\$ 777,412	\$ 661,541	\$ 777,412	0.02	\$ 41,790,352	N	N	Y	-
2	Buynow (Hangzhou) Electronic Information Co., Ltd.	Buynow (Xian) Industry Co., Ltd	3	41,790,352	176,284	176,284	70,514	-	0.00	41,790,352	N	N	Y	-
2	Buynow (Hangzhou) Electronic Information Co., Ltd.	Buynow (Chongqing) Industry Co., Ltd.	3	41,790,352	348,161	348,161	304,090	-	0.01	41,790,352	N	N	Y	-
2	Buynow (Hangzhou) Electronic Information Co., Ltd.	Guangdong Buynow Real Estate Management Co., Ltd.	3	41,790,352	132,213	-	-	-	-	41,790,352	N	N	Y	-
2	Buynow (Hangzhou) Electronic Information Co., Ltd.	Buynow (Wuxi) Electronic Technology Development Co., Ltd.	3	41,790,352	132,213	132,213	131,332	132,213	0.00	41,790,352	N	N	Y	-
3	Buynow (Nanjing) Facility Leasing And Management Co., Ltd.	Buynow (Xian) Industry Co., Ltd	3	41,790,352	1,101,775	837,349	327,963	837,349	0.02	41,790,352	N	N	Y	-
4	Buynow (Zhengzhou) Electronic Information Co., Ltd.	Dezhou Buynow Electronic Information Co., Ltd.	3	41,790,352	1,586,556	1,586,556	1,256,024	1,586,556	0.04	41,790,352	N	N	Y	-
4	Buynow (Zhengzhou) Electronic Information Co., Ltd.	Luoyang Buynow Electronic Information Co., Ltd.	3	41,790,352	777,412	777,412	661,541	-	0.02	41,790,352	N	N	Y	-
5	Buynow Electronic Information (Shenyang) Co., Ltd.	Anshan Buynow Electronic Information Co., Ltd.	3	41,790,352	1,101,775	1,101,775	881,420	1,101,775	0.03	41,790,352	N	N	Y	-
6	Buynow (Fujian) Electronic Technology Development Co., Ltd.	Quanzhou Buynow Industry Co., Ltd.	3	41,790,352	264,426	-	-	-	-	41,790,352	N	N	Y	-
7	Zibo Buynow Electronic Information Co., Ltd	Anshan Buynow Electronic Information Co., Ltd.	3	41,790,352	202,727	202,727	141,909	202,727	0.00	41,790,352	N	N	Y	-
7	Zibo Buynow Electronic Information Co., Ltd	Luoyang Buynow Electronic Information Co., Ltd.	3	41,790,352	136,620	136,620	116,127	136,620	0.00	41,790,352	N	N	Y	-
8	Buynow (Wuxi) Electronic Technology Development Co., Ltd.	Guangdong Buynow Real Estate Management Co., Ltd.	3	41,790,352	440,710	220,355	44,071	220,355	0.01	41,790,352	N	N	Y	-
8	Buynow (Wuxi) Electronic Technology Development Co., Ltd.	Buynow (Jinzhou) Industry Co., Ltd.	3	41,790,352	423,082	423,082	380,773	423,082	0.01	41,790,352	N	N	Y	-
8	Buynow (Wuxi) Electronic Technology Development Co., Ltd.	Buynow (Xian) Industry Co., Ltd	3	41,790,352	141,027	141,027	70,514	141,027	0.00	41,790,352	N	N	Y	-
8	Buynow (Wuxi) Electronic Technology Development Co., Ltd.	Buynow (Chongqing) Industry Co., Ltd.	3	41,790,352	304,090	304,090	-	304,090	0.01	41,790,352	N	N	Y	-
9	Kalor Buynow (Heifei) Electronic Information Co., Ltd.	Kapok Computer (Kunshan) Co., Ltd.	3	41,790,352	857,243	857,243	-	857,243	0.02	41,790,352	N	N	Y	-
10	Buynow (Chongqing) Industry Co., Ltd.	Buynow (Xian) Industry Co., Ltd	3	41,790,352	176,284	176,284	70,514	176,284	0.00	41,790,352	N	N	Y	-

No. (Note 1)	Endorser/guarantor	Party being endorsed/ guaranteed		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 with 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
		Company name	Relationship with the investor (Note 2)											
11	Buynow (Changchun) Industry Co., Ltd.	Qingdao Buynow Technology Industry Co., Ltd.	3	\$ 41,790,352	\$ 308,497	\$ 308,497	\$ 254,290	\$ 308,497	0.01	\$ 41,790,352	N	N	Y	-
11	Buynow (Changchun) Industry Co., Ltd.	Buynow (Fujian) Electronic Technology Development Co., Ltd.	3	41,790,352	158,656	158,656	132,213	158,656	0.00	41,790,352	N	N	Y	-
12	Guangdong Buynow Real Estate Management Co., Ltd.	Kapok Computer (Kunshan) Co., Ltd.	3	41,790,352	1,101,775	1,101,775	881,420	1,101,775	0.03	41,790,352	N	N	Y	-
13	Buynow (Harbin) Industry Co., Ltd.	Suzhou Jinzuo Industry Co., Ltd.	3	41,790,352	2,302,050	2,302,050	2,302,050	2,302,050	0.06	41,790,352	N	N	Y	-
14	Tianjin Buynow Electronic Information Co., Ltd.	Anshan Buynow Electronic Information Co., Ltd.	3	41,790,352	396,639	396,639	165,266	396,639	0.01	41,790,352	N	N	Y	-

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: Relationship between the endorser/guarantor and the party being endorsed/guaranteed is classified into the following six categories; fill in the number of category each case belongs to:

- (1) Having business relationship.
- (2) The endorser/guarantor parent company owns directly more than 50% voting shares of the endorsed/guaranteed subsidiary.
- (3) The Endorser/guarantor parent company and its subsidiaries jointly own more than 50% voting shares of the endorsed/ guaranteed company.
- (4) The endorsed/guaranteed parent company directly or indirectly owns more than 50% voting shares of the endorser/guarantor subsidiary.
- (5) Mutual guarantee of the trade as required by the construction contract.
- (6) Due to joint venture, all shareholders provide endorsements/guarantees to the endorsed/guaranteed company in proportion to its ownership.

Note 3: In accordance with Company's procedures of endorsements and guarantees, limit on the Company's total guarantee amount is 200% of the Company's net assets, and the limit on endorsement/guarantee to a single party is 100% of the aforementioned total amount. The limit on total guarantee amount and the endorsement/guarantee to a single party of the subsidiaries owned directly or indirectly 100% voting shares by the Company are both 200% of the Company's net assets. The limit on total guarantee amount and the endorsement/guarantee to a single party of the subsidiaries owned directly or indirectly 100% voting shares by the Company are both 200% of the Company's net assets.

Note 4: Fill in the year-to-date maximum outstanding balance of endorsements/guarantees provided as of the reporting period.

Note 5: Once endorsement/guarantee contracts or promissory notes are signed/issued by the endorser/guarantor company to the banks, the endorser/guarantor company bears endorsement/guarantee liabilities. And all other events involve endorsements and guarantees should be included in the balance of outstanding endorsements and guarantees.

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.

Note 8: The limit on the Company and the subsidiaries' total endorsement/guarantee amount is 300% of the Company's net assets.

Note 9: The limit on endorsement/guarantee to a single party of the Company and the subsidiaries is 100% of the Company's net assets.

Note 10: When the total guarantee amount of the Company and the subsidiaries reached 50% of the Company's net assets, it is necessary to explain the necessity and reasonableness at the shareholders' meeting.

Note 11: In accordance with Article 5 of the Company's procedures of endorsements and guarantees, due to the endorsement of the business relationship, the limit on endorsement/guarantee to a single party due to business relationship shall not exceed the limit mentioned in Note 3 and the actual sales amount between of the single enterprise and the guarantee company within the last year.

CLEVO CO. and Subsidiaries  
Holding of marketable securities at the end of the period (not including subsidiaries, associates and joint ventures)  
Year ended 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	Ending Balance				Footnote (Note 4)
				No. of shares	Book value (Note 3)	(%)	Fair Value	
	Stock							
Clevo Co.	CHICONY ELECTRONICS CO., LTD.	Same chairman as the Company	Financial assets at fair value through profit or loss - current	4,697,000	\$ 405,351	0.62%	\$ 405,351	-
Clevo Co.	HOTA INDUSTRIAL MFG. CO., LTD.	-	Financial assets at fair value through profit or loss - current	2,000	134	0.00%	134	-
Clevo Co.	PANION & BF BIOTECH INC.	-	Financial assets at fair value through profit or loss - current	19,000	3,401	0.02%	3,401	-
Clevo Co.	China Steel Corporation	-	Financial assets at fair value through profit or loss - current	203,000	6,049	0.00%	6,049	-
Clevo Co.	CHROMA ATE INC.	-	Financial assets at fair value through profit or loss - current	50,000	9,050	0.01%	9,050	-
Clevo Co.	AUO Corporation	-	Financial assets at fair value through profit or loss - current	874,391	13,116	0.01%	13,116	-
Clevo Co.	VISUAL PHOTONICS EPITAXY CO., LTD.	-	Financial assets at fair value through profit or loss - current	94,000	6,486	0.05%	6,486	-
Clevo Co.	Aerospace Industrial Development Corporation	-	Financial assets at fair value through profit or loss - current	294,000	10,511	0.03%	10,511	-
Clevo Co.	TAIWAN BUSINESS BANK,LTD.	-	Financial assets at fair value through profit or loss - current	8,530,699	110,473	0.11%	110,473	-
Clevo Co.	Mega Financial Holding Company Ltd.	-	Financial assets at fair value through profit or loss - current	74,000	2,246	0.00%	2,246	-
Clevo Co.	CTBC FINANCIAL HOLDING CO., LTD.	-	Financial assets at fair value through profit or loss - current	2,311,000	51,073	0.01%	51,073	-
Clevo Co.	Getac Holdings Corporation	-	Financial assets at fair value through profit or loss - current	81,000	3,576	0.01%	3,576	-
Clevo Co.	Tripod Technology Corporation	-	Financial assets at fair value through profit or loss - current	120,000	11,280	0.02%	11,280	-
Clevo Co.	Advanced Ceramic X Corporation	-	Financial assets at fair value through profit or loss - current	46,000	8,395	0.07%	8,395	-
Clevo Co.	AURAS Technology Co.,Ltd.	-	Financial assets at fair value through profit or loss - current	10,000	1,480	0.01%	1,480	-
Clevo Co.	Swancor Holding Co., LTD.	-	Financial assets at fair value through profit or loss - current	66,000	6,303	0.07%	6,303	-
Clevo Co.	TaiMed Biologics Inc.	-	Financial assets at fair value through profit or loss - current	6,000	424	0.00%	424	-
Clevo Co.	Zhen Ding Technology Holding Limited	-	Financial assets at fair value through profit or loss - current	380,000	39,900	0.04%	39,900	-
Clevo Co.	TRANSCOM, INC.	-	Financial assets at fair value through profit or loss - current	25,000	3,475	0.04%	3,475	-
Clevo Co.	SYSGRATION LTD.	-	Financial assets at fair value through profit or loss - current	170,000	6,511	0.10%	6,511	-
Clevo Co.	SERCOMM CORP.	-	Financial assets at fair value through profit or loss - current	108,000	8,240	0.04%	8,240	-
Clevo Co.	SPORTON INTERNATIONAL INC.	-	Financial assets at fair value through profit or loss - current	5,000	1,048	0.01%	1,048	-
Clevo Co.	TONG HSING ELECTRONIC INDUSTRIES ,LTD.	-	Financial assets at fair value through profit or loss - current	11,600	2,216	0.01%	2,216	-
Clevo Co.	TSEC CORPORATION	-	Financial assets at fair value through profit or loss - current	133,000	4,595	0.03%	4,595	-
Clevo Co.	Anji Technology Co., Ltd.	-	Financial assets at fair value through profit or loss - current	170,000	7,718	0.14%	7,718	-
Clevo Co.	GlobalWafers Co., Ltd	-	Financial assets at fair value through profit or loss - current	11,000	4,703	0.00%	4,703	-
Clevo Co.	ZILLTEK TECHNOLOGY CORP.	-	Financial assets at fair value through profit or loss - current	20,000	4,680	0.04%	4,680	-
Clevo Co.	Sports Gear Co., Ltd.	-	Financial assets at fair value through profit or loss - current	70,000	5,005	0.04%	5,005	-
Clevo Co.	BOE Technology Group Co., Ltd.	-	Financial assets at fair value through profit or loss - current	200,000	2,979	5.48%	2,979	-
Clevo Co.	ACTRON TECHNOLOGY CORPORATION	-	Financial assets at fair value through profit or loss - current	70,000	11,445	0.08%	11,445	-
Clevo Co.	momo.com Inc.	-	Financial assets at fair value through profit or loss - current	3,000	1,926	0.00%	1,926	-
Clevo Co.	MACAUTO INDUSTRIAL CO., LTD	-	Financial assets at fair value through profit or loss - current	64,000	4,166	0.09%	4,166	-
Clevo Co.	Foxconn Industrial Internet Co., Ltd.	-	Financial assets at fair value through profit or loss - current	1,760,000	71,204	0.01%	71,204	-
	Beneficiary certificate							-
Clevo Co.	UG Greater China Multi-Strategy Fund	-	Financial assets at fair value through profit or loss - current	78,788	369,737	-	369,737	-
Clevo Co.	Invesco 3 to 6 Year Maturity Emerging Market Bond Fund Acc	-	Financial assets at fair value through profit or loss - current	1,500,000	14,059	-	14,059	-
Clevo Co.	Cathay Global Autonomous and Electric Vehicles ETF	-	Financial assets at fair value through profit or loss - current	3,000,000	32,220	-	32,220	-
Clevo Co.	President ICE FactSet Asia Semiconductor Net Total Return Index ETN	-	Financial assets at fair value through profit or loss - current	5,000,000	29,350	-	29,350	-
Clevo Co.	SinoPac Taiwan Superior Dividend Highlight Stocks ETF	-	Financial assets at fair value through profit or loss - current	400,000	5,748	-	5,748	-
	Stock							-
Kapok Computer Co., Ltd.	CHICONY ELECTRONICS CO., LTD.	Same chairman as the Company	Financial assets at fair value through profit or loss - current	40,862	3,527	0.01%	3,527	-
Kapok Computer Co., Ltd.	CLEVO CO.	The Company	Financial asset measured at fair value through other comprehensive income- non-current	16,966,596	519,178	2.68%	519,178	-

Securities held by	Marketable securities (Note 1)	Relationship with the securities issuer (Note 2)	General ledger account	Ending Balance				Footnote (Note 4)
				No. of shares	Book value (Note 3)	(%)	Fair Value	
	Stock							-
Clevo Investment Co., Ltd.	CHICONY ELECTRONICS CO., LTD.	Same chairman as the Company	Financial assets at fair value through profit or loss - current	162,072	\$ 13,987	0.02%	13,987	-
Clevo Investment Co., Ltd.	CLEVO CO.	The Company	Financial asset measured at fair value through other comprehensive income- non-current	10,080,669	308,468	1.59%	308,468	-
	Beneficiary certificate							-
Clevo Investment Co., Ltd.	Yuanta Taiwan High-yield Leading Company Fund	-	Financial assets at fair value through profit or loss - current	1,000,000	10,770	-	10,770	-
CLEVO (CAYMAN ISLANDS) HOLDING COMPANY	UG Hidden Dragon Special Opportunity Fund	-	Financial assets at fair value through profit or loss - current	147,988	382,892	-	382,892	-
CLEVO (CAYMAN ISLANDS) HOLDING COMPANY	UG Great Wall Absolute Return Fund	-	Financial assets at fair value through profit or loss - current	120,943	78,562	-	78,562	-
CLEVO (CAYMAN ISLANDS) HOLDING COMPANY	UG Greater China Multi-Strategy Fund	-	Financial assets at fair value through profit or loss - current	59,297	278,267	-	278,267	-
CLEVO (CAYMAN ISLANDS) HOLDING COMPANY	KGI Next Generation Multi-Asset Fund	-	Financial assets at fair value through profit or loss - current	384,911	105,858	-	105,858	-
CLEVO (CAYMAN ISLANDS) HOLDING COMPANY	BlackRock Global Funds - ESG Multi Asset Fund	-	Financial assets at fair value through profit or loss - current	18,939	27,363	-	27,363	-

Note 1: Marketable securities in the table refer to stocks, bonds, beneficiary certificates and other related derivative securities.

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

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

CLEVO CO. and Subsidiaries  
Acquisition of real estate reaching NT\$300 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)

Real estate acquired by	Real estate acquired	Transaction date or date of the event	Transaction amount	Status of payment	Counterparty	Relationship with the counterparty	If the counterparty is a related party, information as to the last transaction of the real estate is disclosed below:				Basis or reference used in setting the price	Reason for acquisition of real estate and status of the real estate	Other commitments
							Original owner who sold the real estate to the counterparty	Relationship between the original owner and the acquirer	Date of the original transaction	Amount			
Buynow (Xian) Industry Co., Ltd.	Construction in Progress, Prepayments and Land Use Right	2005~third Quarter of 2022	\$ 1,623,264	\$ 1,201,724	Xi'an Xinxiaozhai Old Village Reconstruction and Construction Development Co., Ltd. etc.	-	-	-	-	\$ -	Mutual agreement	Department store; under construction	-
Yingkou Buynow Electronic Information Co., Ltd.	Construction in Progress and Land Use Right	Second Quarter of 2011~third Quarter of 2022	758,502	734,794	Bureau of Land and Resources of Yingkou City etc.	-	-	-	-	-	Mutual agreement	Department store; under construction	-
Guiyang Buynow Electronic Information Co., Ltd.	Construction in Progress and Land Use Right	Fourth Quarter of 2011~third Quarter of 2022	1,486,707	1,421,633	Guiyang Municipal Bureau of Land and Resources etc.	-	-	-	-	-	Mutual agreement	Department store; under construction	-
Buynow (Jinzhou) Industry Co., Ltd.	Buildings and Land Held for Sale, Construction in Progress and Land Use Right	Second Quarter of 2013~third Quarter of 2022	1,773,864	1,755,596	Jinzhou Municipal Bureau of Land and Resources etc.	-	-	-	-	-	Mutual agreement	Department store; under construction	-

Note 1: The appraisal result should be presented in the 'Basis or reference used in setting the price' column if the real estate acquired should be appraised pursuant to the regulations.

Note 2: Paid-in capital referred to herein is the paid-in capital of parent company. In the case that shares were issued with no par value or a par value other than NT\$10 per share, the 20 % of paid-in capital shall be replaced by 10% of equity attributable to owners of the parent in the calculation.

Note 3: Date of the event referred to herein is the date of contract signing date, date of payment, date of execution of a trading order, date of title transfer, date of board resolution, or other date that can confirm the counterparty and the monetary amount of the transaction, whichever is earlier.



CLEVO CO. and Subsidiaries  
Disposal of real estate reaching NT\$300 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)

Real estate disposed by	Real estate	Transaction date or date of the event	Date of acquisition	Book value	Disposal amount	Status of collection of proceeds	Gain (loss) on disposal	Counterparty	Relationship with the seller	Reason for disposal	Basis or reference used in setting the price	Other commitments
Quanzhou Buynow Mall Co., Ltd.	Investment property (non-current asset held for sale)	September 2022	September 2016	\$ 581,409	\$ 556,625	\$ 556,625	(\$ 74,977)	Quanzhou Baisheng Investment Co., Ltd.	None	Active assets	Refer to the appraised amount and resolved by the Board of Directors	Fulfill the rights and obligations based on the agreement mutually signed

Note 1: The appraisal result should be presented in the 'Basis or reference used in setting the price' column if the real estate disposed of should be appraised pursuant to the regulations.

Note 2: Paid-in capital referred to herein is the paid-in capital of parent company. In the case that shares were issued with no par value or a par value other than NT\$10 per share, the 20% of paid-in capital shall be replaced by 10% of equity attributable to owners of the parent in the calculation.

Note 3: Date of the event referred to herein is the date of contract signing, date of payment, date of execution of a trading order, date of title transfer, date of board resolution, or other date that can confirm the counterparty and the monetary amount of the transaction, whichever is earlier.

Note 4: Classified as Impairment loss recognised in profit or loss, non-current assets held for sale.

CLEVO CO. 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

Table 6

Expressed in thousands of NTD  
(Except as otherwise indicated)

Purchaser/seller	Counterparty	Relationship with the counterparty	Transaction				Compared to third party transactions (Note 1)		Notes/accounts receivable (payable)		Footnote (Note 2)
			Purchases (sales)	Amount	Percentage of total purchases (sales)	Credit term	Unit Price	Credit term	Balance at December 31, 2022	Percentage of total notes/accounts receivable (payable)	
Clevo Co.	Kapok Computer (Kunshan) Co., Ltd.	The Company's ultimate parent company	Purchases	\$ 13,897,287	63.75%	30 days after monthly billings and offset between creditor's rights and debt obligation. Prepayment is allowed when there is a fund requirement.	The selling price is reduced by 5%~15%. However, it can be adjusted according to market conditions.	1~5 months for normal customers due to fund requirements.	( 429,219)	38.73%	-
Kapok Computer (Kunshan) Co., Ltd.	Clevo Co.	The Company as the ultimate parent company	Purchases	( 13,897,287)	99.98%	180 days	It is the only supplier, so the price cannot be compared.	-	429,219.00	99.71%	-

Note 1: If terms of related-party transactions are different from third-party transactions, explain the differences and reasons in the 'Unit price' and 'Credit term' columns.

Note 2: In case related-party transaction terms involve advance receipts (prepayments) transactions, explain in the footnote the reasons, contractual provisions, related amounts, and differences in types of transactions compared to third-party transactions.

Note 3: Paid-in capital referred to herein is the paid-in capital of parent company. In the case that shares were issued with no par value or a par value other than NT\$10 per share, the 20 % of paid-in capital shall be replaced by 10% of equity attributable to owners of the parent in the calculation.

CLEVO CO. and Subsidiaries  
 Receivables from related parties reaching NT\$100 million or 20% of paid-in capital or more  
 Year ended December 31, 2022

Table 7

Expressed in thousands of NTD  
 (Except as otherwise indicated)

Creditor	Counterparty	Relationship with the counterparty	Balance as at December 31, 2022 (Note 1)	Turnover rate	Overdue receivables		Amount collected subsequent to the	Allowance for doubtful accounts
					Amount	Action taken		
Kapok Computer (Kunshan) Co., Ltd.	Clevo Co.	The transaction object is a subsidiary of the company.	\$ 429,219	64.76	-	Reclassified to other receivables - related parties - current	\$ -	\$ -

Note 1: Fill in separately the balances of accounts receivable-related parties, notes receivable-related parties, other receivables-related parties....

Note 2: Paid-in capital referred to herein is the paid-in capital of parent company. In the case that shares were issued with no par value or a par value other than NT\$10 per share, the 20 % of paid-in capital shall be replaced by 10% of equity attributable to owners of the parent in the calculation.

CLEVO CO. and Subsidiaries

Significant inter-company transactions during the reporting period

Year ended December 31, 2022

Table 8

Expressed in thousands of NTD

(Except as otherwise indicated)

Number (Note 1)	Company name	Counterparty	Relationship (Note 2)	Transaction			
				General ledger account	Amount	Transaction terms	Percentage of consolidated total operating revenues or total assets (Note 3)
0	Clevo Co.	Kapok Computer (Kunshan) Co., Ltd.	1	Purchases	\$ 13,897,287	The selling price is reduced by 5%~15%. However, it can be adjusted according to market conditions. The payment period is 30 days after monthly billings.	62.61%
0	Clevo Co.	Kapok Computer (Kunshan) Co., Ltd.	1	Accounts Payable - related parties	429,219	-	0.46%
1	Buynow (Hangzhou) Electronic Information Co., Ltd.	Changsha Hungyu Business Management Co., Ltd.	3	Other receivables - related parties - current	120,534	5.00%	0.13%
1	Buynow (Hangzhou) Electronic Information Co., Ltd.	Shanghai Buynow Electronic Information Co., Ltd.	3	Other receivables - related parties - current	258,829	5.00%	0.27%
1	Buynow (Hangzhou) Electronic Information Co., Ltd.	Anshan Buynow Electronic Information Co., Ltd.	3	Other receivables - related parties - current	206,913	5.00%	0.22%
1	Buynow (Hangzhou) Electronic Information Co., Ltd.	Guiyang Buynow Electronic Information Co., Ltd.	3	Other receivables - related parties - current	140,146	5.00%	0.15%
2	Buynow (Chengdu) Electronic Information Co., Ltd.	Shanghai Buynow Electronic Information Co., Ltd.	3	Other receivables - related parties - current	386,062	3.70%	0.41%
2	Buynow (Chengdu) Electronic Information Co., Ltd.	Zibo Buynow Electronic Information Co., Ltd.	3	Other receivables - related parties - current	112,161	3.70%	0.12%
2	Buynow (Chengdu) Electronic Information Co., Ltd.	Buynow Electronic Information (Huizhou) Co., Ltd.	3	Other receivables - related parties - current	128,599	3.70%	0.14%
2	Buynow (Chengdu) Electronic Information Co., Ltd.	Clevo (China) Investment Co., Ltd.	3	Other receivables - related parties - current	165,266	3.70%	0.18%
2	Buynow (Chengdu) Electronic Information Co., Ltd.	Guiyang Buynow Electronic Information Co., Ltd.	3	Other receivables - related parties - current	315,769	3.70%	0.34%
2	Buynow (Chengdu) Electronic Information Co., Ltd.	Luoyang Buynow Electronic Information Co., Ltd.	3	Other receivables - related parties - current	52,885	3.70%	0.06%
2	Buynow (Chengdu) Electronic Information Co., Ltd.	Buynow (Fujian) Electronic Technology Development Co., Ltd.	3	Receivables - related parties	60,884	-	0.06%
2	Buynow (Chengdu) Electronic Information Co., Ltd.	Shanghai Buynow Electronic Information Co., Ltd.	3	Receivables - related parties	78,075	-	0.08%

Number (Note 1)	Company name	Counterparty	Relationship (Note 2)	Transaction			
				General ledger account	Amount	Transaction terms	Percentage of consolidated total operating revenues or total assets (Note 3)
2	Buynow (Chengdu) Electronic Information Co., Ltd.	Guiyang Buynow Electronic Information Co., Ltd.	3	Receivables - related parties	\$ 50,820	-	0.05%
3	Buynow (Nanjing) Facility Leasing And Management Co., Ltd.	Buynow (Xian) Industry Co., Ltd	3	Other receivables - related parties - current	429,913	3.70%	0.46%
3	Buynow (Nanjing) Facility Leasing And Management Co., Ltd.	Buynow (Harbin) Industry Co., Ltd.	3	Other receivables - related parties - current	165,927	3.70%	0.18%
3	Buynow (Nanjing) Facility Leasing And Management Co., Ltd.	Buynow (Harbin) Industry Co., Ltd.	3	Receivables - related parties	68,937	-	0.07%
3	Buynow (Nanjing) Facility Leasing And Management Co., Ltd.	Buynow (Xian) Industry Co., Ltd	3	Receivables - related parties	59,795	-	0.06%
4	Kapok Computer (Kunshan) Co., Ltd.	Shanghai Buynow Electronic Information Co., Ltd.	3	Other receivables - related parties - current	176,284	4.50%	0.19%
4	Kapok Computer (Kunshan) Co., Ltd.	Buynow (Nanchang) Industry Co., Ltd.	3	Other receivables - related parties - current	193,692	4.50%	0.21%
4	Kapok Computer (Kunshan) Co., Ltd.	Buynow (Guangzhou) Electronic Information Co., Ltd.	3	Other receivables - related parties - current	173,199	4.50%	0.18%
4	Kapok Computer (Kunshan) Co., Ltd.	Buynow (Xian) Industry Co., Ltd	3	Other receivables - related parties - current	173,287	4.50%	0.18%
4	Kapok Computer (Kunshan) Co., Ltd.	Buynow (Harbin) Industry Co., Ltd.	3	Other receivables - related parties - current	654,763	4.50%	0.70%
4	Kapok Computer (Kunshan) Co., Ltd.	Daqing Buynow Electronic Information Corporation	3	Other receivables - related parties - current	98,719	4.50%	0.10%
4	Kapok Computer (Kunshan) Co., Ltd.	Zibo Buynow Electronic Information Co., Ltd.	3	Other receivables - related parties - current	89,905	4.50%	0.10%
4	Kapok Computer (Kunshan) Co., Ltd.	Shantou Buynow Mall Co., Ltd.	3	Other receivables - related parties - current	489,717	4.50%	0.52%
4	Kapok Computer (Kunshan) Co., Ltd.	Clevo (China) Investment Co., Ltd.	3	Other receivables - related parties - current	176,284	4.50%	0.19%
4	Kapok Computer (Kunshan) Co., Ltd.	Yingkou Buynow Electronic Information Co., Ltd.	3	Other receivables - related parties - current	83,735	4.50%	0.09%
4	Kapok Computer (Kunshan) Co., Ltd.	Guiyang Buynow Electronic Information Co., Ltd.	3	Other receivables - related parties - current	438,506	4.50%	0.47%
4	Kapok Computer (Kunshan) Co., Ltd.	Taizhou Buynow Electronic Information Co., Ltd.	3	Other receivables - related parties - current	196,557	4.50%	0.21%
4	Kapok Computer (Kunshan) Co., Ltd.	Dezhou Buynow Electronic Information Co., Ltd.	3	Other receivables - related parties - current	558,380	4.50%	0.59%
4	Kapok Computer (Kunshan) Co., Ltd.	Buynow (Jinzhou) Industry Co., Ltd.	3	Other receivables - related parties - current	264,426	4.50%	0.28%

Table 8, Page 2

Number (Note 1)	Company name	Counterparty	Relationship (Note 2)	Transaction			
				General ledger account	Amount	Transaction terms	Percentage of consolidated total operating revenues or total assets (Note 3)
5	Buynow (Nanchang) Industry Co., Ltd.	Buynow(Guangzhou) Electronic Information Co., Ltd.	3	Other receivables - related parties - current	\$ 64,564	5.00%	0.07%
5	Buynow (Nanchang) Industry Co., Ltd.	Anshan Buynow Electronic Information Co., Ltd.	3	Other receivables - related parties - current	262,795	5.00%	0.28%
5	Buynow (Nanchang) Industry Co., Ltd.	Guiyang Buynow Electronic Information Co., Ltd.	3	Other receivables - related parties - current	63,110	5.00%	0.07%
5	Buynow (Nanchang) Industry Co., Ltd.	Taizhou Buynow Electronic Information Co., Ltd.	3	Other receivables - related parties - current	83,515	5.00%	0.09%
5	Buynow (Nanchang) Industry Co., Ltd.	Buynow (Jinzhou) Industry Co., Ltd.	3	Other receivables - related parties - current	143,319	5.00%	0.15%
6	Buynow (Zhengzhou) Electronic Information Co., Ltd.	Changsha Hungyu Business Management Co., Ltd.	3	Other receivables - related parties - current	95,943	3.70%	0.10%
6	Buynow (Zhengzhou) Electronic Information Co., Ltd.	Buynow (Harbin) Industry Co., Ltd.	3	Other receivables - related parties - current	82,589	3.70%	0.09%
6	Buynow (Zhengzhou) Electronic Information Co., Ltd.	Clevo (China) Investment Co., Ltd.	3	Other receivables - related parties - current	66,107	3.70%	0.07%
6	Buynow (Zhengzhou) Electronic Information Co., Ltd.	Guiyang Buynow Electronic Information Co., Ltd.	3	Other receivables - related parties - current	101,892	3.70%	0.11%
6	Buynow (Zhengzhou) Electronic Information Co., Ltd.	Buynow (Harbin) Industry Co., Ltd.	3	Receivables - related parties	50,809	-	0.05%
7	Buynow Electronic Information (Shenyang) Co., Ltd.	Changsha Hungyu Business Management Co., Ltd.	3	Other receivables - related parties - current	109,076	3.70%	0.12%
7	Buynow Electronic Information (Shenyang) Co., Ltd.	Zibo Buynow Electronic Information Co., Ltd.	3	Other receivables - related parties - current	158,656	3.70%	0.17%
7	Buynow Electronic Information (Shenyang) Co., Ltd.	Yingkou Buynow Electronic Information Co., Ltd.	3	Other receivables - related parties - current	118,815	3.70%	0.13%
7	Buynow Electronic Information (Shenyang) Co., Ltd.	Guiyang Buynow Electronic Information Co., Ltd.	3	Other receivables - related parties - current	51,783	3.70%	0.05%
7	Buynow Electronic Information (Shenyang) Co., Ltd.	Yingkou Buynow Electronic Information Co., Ltd.	3	Receivables - related parties	87,126	-	0.09%

Table 8, Page 3

Number (Note 1)	Company name	Counterparty	Relationship (Note 2)	Transaction			
				General ledger account	Amount	Transaction terms	Percentage of consolidated total operating revenues or total assets (Note 3)
8	Buynow (Fujian) Electronic Technology Development Co., Ltd.	Buynow (Guangzhou) Electronic Information Co., Ltd.	3	Other receivables - related parties - current	\$ 69,456	3.70%	0.07%
8	Buynow (Fujian) Electronic Technology Development Co., Ltd.	Buynow (Harbin) Industry Co., Ltd.	3	Other receivables - related parties - current	190,607	3.70%	0.20%
8	Buynow (Fujian) Electronic Technology Development Co., Ltd.	Daqing Buynow Electronic Information Corporation	3	Other receivables - related parties - current	124,677	3.70%	0.13%
8	Buynow (Fujian) Electronic Technology Development Co., Ltd.	Daqing Buynow Electronic Information Corporation	3	Receivables - related parties	52,471	-	0.06%
9	Buynow (Changchun) Industry Co., Ltd.	Buynow (Xian) Industry Co., Ltd.	3	Other receivables - related parties - current	182,013	3.70%	0.19%
10	Buynow (Wuxi) Electronic Technology Development Co., Ltd.	Buynow (Harbin) Industry Co., Ltd.	3	Other receivables - related parties - current	70,425	5.00%	0.07%
10	Buynow (Wuxi) Electronic Technology Development Co., Ltd.	Anshan Buynow Electronic Information Co., Ltd.	3	Other receivables - related parties - current	187,522	5.00%	0.20%
11	Quality Trust Property Management Co., Ltd.	Daqing Buynow Electronic Information Corporation	3	Other receivables - related parties - current	201,184	3.00%	0.21%
12	Kalor Buynow (Heifei) Electronic Information Co., Ltd.	Buynow (Xian) Industry Co., Ltd.	3	Other receivables - related parties - current	227,847	3.70%	0.24%
12	Kalor Buynow (Heifei) Electronic Information Co., Ltd.	Buynow (Harbin) Industry Co., Ltd.	3	Other receivables - related parties - current	271,257	3.70%	0.29%
12	Kalor Buynow (Heifei) Electronic Information Co., Ltd.	Luoyang Buynow Electronic Information Co., Ltd.	3	Other receivables - related parties - current	183,371	3.70%	0.19%
13	Buynow (Chongqing) Industry Co., Ltd.	Taizhou Buynow Electronic Information Co., Ltd.	3	Other receivables - related parties - current	50,241	5.00%	0.05%
13	Buynow (Chongqing) Industry Co., Ltd.	Guiyang Buynow Electronic Information Co., Ltd.	3	Receivables - related parties	64,690	-	0.07%
14	Shanghai Buynow Electronic Products Market Management Co., Ltd.	Buynow (Hangzhou) Electronic Information Co., Ltd.	3	Other receivables - related parties - current	131,772	5.00%	0.14%
14	Shanghai Buynow Electronic Products Market Management Co., Ltd.	Shanghai Buynow Electronic Information Co., Ltd.	3	Other receivables - related parties - current	82,853	5.00%	0.09%
14	Shanghai Buynow Electronic Products Market Management Co., Ltd.	Qingdao Buynow Technology Industry Co., Ltd.	3	Other receivables - related parties - current	250,720	5.00%	0.27%
14	Shanghai Buynow Electronic Products Market Management Co., Ltd.	Anshan Buynow Electronic Information Co., Ltd.	3	Other receivables - related parties - current	85,586	5.00%	0.09%
14	Shanghai Buynow Electronic Products Market Management Co., Ltd.	Luoyang Buynow Electronic Information Co., Ltd.	3	Other receivables - related parties - current	305,412	5.00%	0.32%
14	Shanghai Buynow Electronic Products Market Management Co., Ltd.	Buynow (Jinzhou) Industry Co., Ltd.	3	Other receivables - related parties - current	208,985	5.00%	0.22%

Table 8, Page 4

Number (Note 1)	Company name	Counterparty	Relationship (Note 2)	Transaction			
				General ledger account	Amount	Transaction terms	Percentage of consolidated total operating revenues or total assets (Note 3)
14	Shanghai Buynow Electronic Products Market Management Co., Ltd.	Qingdao Buynow Technology Industry Co., Ltd.	3	Receivables - related parties	\$ 112,414	-	0.12%
14	Shanghai Buynow Electronic Products Market Management Co., Ltd.	Anshan Buynow Electronic Information Co., Ltd.	3	Receivables - related parties	76,617	-	0.08%
15	Tianjin Buynow Electronic Information Co., Ltd.	Shanghai Buynow Electronic Information Co., Ltd.	3	Other receivables - related parties - current	159,096	3.70%	0.17%
15	Tianjin Buynow Electronic Information Co., Ltd.	Buynow (Xian) Industry Co., Ltd	3	Other receivables - related parties - current	69,191	3.70%	0.07%
15	Tianjin Buynow Electronic Information Co., Ltd.	Qingdao Buynow Technology Industry Co., Ltd.	3	Other receivables - related parties - current	251,028	3.70%	0.27%
15	Tianjin Buynow Electronic Information Co., Ltd.	Zibo Buynow Electronic Information Co., Ltd	3	Other receivables - related parties - current	152,239	3.70%	0.16%
15	Tianjin Buynow Electronic Information Co., Ltd.	Qingdao Buynow Technology Industry Co., Ltd.	3	Receivables - related parties	59,230	-	0.06%
15	Tianjin Buynow Electronic Information Co., Ltd.	Luoyang Buynow Electronic Information Co., Ltd.	3	Receivables - related parties	63,808	-	0.07%
16	Buynow (Yancheng) Electronoc Information Technology Development Co. Ltd.	Shantou Buynow Mall Co., Ltd.	3	Other receivables - related parties - current	270,376	0.00%	0.29%
16	Buynow (Yancheng) Electronoc Information Technology Development Co. Ltd.	Dezhou Buynow Electronic Information Co., Ltd.	3	Other receivables - related parties - current	348,161	0.00%	0.37%
17	Beijing Clevo Investment Management Consultant Co., Ltd.	Qingdao Buynow Technology Industry Co., Ltd.	3	Other receivables - related parties - current	271,257	5.00%	0.29%
17	Beijing Clevo Investment Management Consultant Co., Ltd.	Buynow Electronic Information (Huizhou) Co., Ltd.	3	Other receivables - related parties - current	304,531	5.00%	0.32%
17	Beijing Clevo Investment Management Consultant Co., Ltd.	Buynow Electronic Information (Huizhou) Co., Ltd.	3	Receivables - related parties	53,589	-	0.06%
17	Beijing Clevo Investment Management Consultant Co., Ltd.	Qingdao Buynow Technology Industry Co., Ltd.	3	Receivables - related parties	51,629	-	0.05%
18	Guangdong Buynow Real Estate Management Co., Ltd.	Shanghai Buynow Electronic Information Co., Ltd.	3	Other receivables - related parties - current	356,050	3.70%	0.38%
18	Guangdong Buynow Real Estate Management Co., Ltd.	Buynow (Nanchang) Industry Co., Ltd.	3	Other receivables - related parties - current	68,310	3.70%	0.07%
18	Guangdong Buynow Real Estate Management Co., Ltd.	Buynow (Guangzhou) Electronic Information Co., Ltd.	3	Other receivables - related parties - current	65,181	3.70%	0.07%
18	Guangdong Buynow Real Estate Management Co., Ltd.	Guiyang Buynow Electronic Information Co., Ltd.	3	Other receivables - related parties - current	243,713	3.70%	0.26%
18	Guangdong Buynow Real Estate Management Co., Ltd.	Dezhou Buynow Electronic Information Co., Ltd.	3	Other receivables - related parties - current	52,885	1.65%	0.06%



Number (Note 1)	Company name	Counterparty	Relationship (Note 2)	Transaction			
				General ledger account	Amount	Transaction terms	Percentage of consolidated total operating revenues or total assets (Note 3)
18	Guangdong Buynow Real Estate Management Co., Ltd.	Luoyang Buynow Electronic Information Co., Ltd.	3	Other receivables - related parties - current	\$ 220,355	3.70%	0.23%
18	Guangdong Buynow Real Estate Management Co., Ltd.	Buynow (Jinzhou) Industry Co., Ltd.	3	Other receivables - related parties - current	272,359	3.70%	0.29%
18	Guangdong Buynow Real Estate Management Co., Ltd.	Shanghai Buynow Electronic Information Co., Ltd.	3	Receivables - related parties	153,080	-	0.16%
18	Guangdong Buynow Real Estate Management Co., Ltd.	Luoyang Buynow Electronic Information Co., Ltd.	3	Receivables - related parties	67,205	-	0.07%
18	Guangdong Buynow Real Estate Management Co., Ltd.	Guiyang Buynow Electronic Information Co., Ltd.	3	Receivables - related parties	91,013	-	0.10%
19	Shantou Buynow Mall Co., Ltd.	Buynow Electronic Information (Huizhou) Co., Ltd.	3	Other receivables - related parties - current	70,514	4.50%	0.07%
19	Shantou Buynow Mall Co., Ltd.	Anshan Buynow Electronic Information Co., Ltd.	3	Other receivables - related parties - current	616,818	4.50%	0.66%
19	Shantou Buynow Mall Co., Ltd.	Suzhou Jinzuo Industry Co., Ltd.	3	Other receivables - related parties - current	329,431	4.50%	0.35%
19	Shantou Buynow Mall Co., Ltd.	Taizhou Buynow Electronic Information Co., Ltd.	3	Other receivables - related parties - current	76,243	4.50%	0.08%
19	Shantou Buynow Mall Co., Ltd.	Anshan Buynow Electronic Information Co., Ltd.	3	Receivables - related parties	56,011	-	0.06%
(2) The subsidiaries are numbered in order starting from '1'.							
20	Kunshan Kaishuo Trading Co., Ltd.	Shanghai Buynow Electronic Information Co., Ltd.	3	Other receivables - related parties - current	113,957	4.50%	0.12%
21	Buynow (Chongqing) Industry Co., Ltd.	Guiyang Buynow Electronic Information Co., Ltd.	3	Receivables - related parties	65,647	-	0.07%

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

(1) Parent company to subsidiary.

(2) Subsidiary to parent company.

(3) Subsidiary to subsidiary.

Note 3: Regarding percentage of transaction amount to total operating revenues or total assets, it is computed based on period-end balance of transaction to total assets for balance sheet accounts and based on accumulated transaction amount for the period to total operating

Note 4: The Company may decide to disclose or not to disclose transaction details in this table based on the Materiality Principle.

CLEVO CO. and Subsidiaries  
Information on investees  
Year ended December 31, 2022

Table 9

Expressed in thousands of NTD  
(Except as otherwise indicated)

Investor	Investee (Notes 1 and 2)	Location	Main business activities	Initial investment amount		Shares held as at December 31, 2022			Net profit (loss) of the investee for the year ended December 31, 2022 (Note 2(2))	Investment income (loss) recognised by the Company for the year ended December 31, 2022 (Note 2(3))	Footnote
				Balance as at December 31, 2022	Balance as at December 31, 2021	No. of shares	Ownership (%)	Book value			
Clevo Co.	CLEVO COMPUTER SINGAPORE PTE LTD.	Singapore	Investment	\$ 420,061	\$ 420,061	22,325,453	100.00	\$ 7,805,693	\$ 135,859	\$ 135,859	The subsidiary of the Company
Clevo Co.	CLEVO (CAYMAN ISLANDS) HOLDING COMPANY	Cayman Islands	Investment	15,754,974	15,754,974	369,370,000	100.00	43,142,281	( 174,273)	( 174,273)	The subsidiary of the Company
Clevo Co.	KAPOK COMPUTER (SAMOA) CORPORATION	Samoa	Investment	489,985	489,985	16,000,000	100.00	1,660,391	( 312,334)	( 312,322)	The subsidiary of the Company
Clevo Co.	BUYNOW ON-LINE HOLDING CORPORATION	Samoa	Investment	35,513	35,513	1,100,000	100.00	4,878	464	464	The subsidiary of the Company
Clevo Co.	Clevo Investment Co., Ltd.	Taiwan	Investment	140,000	140,000	14,000,000	100.00	79,032	15,408	( 5,761)	The subsidiary of the Company
Clevo Co.	Kapok Computer Co., Ltd.	Taiwan	Design and sale of computers and computer peripherals	80,000	80,000	8,000,000	100.00	77,847	32,537	( 3,093)	The subsidiary of the Company
Clevo Co.	Taipei Twin Corporation	Taiwan	Commercial real estate	1,100,000	1,000,000	110,000,000	50.00	1,029,182	( 76,227)	( 38,113)	Long-term equity investment accounted for using equity method
Clevo Co.	Tua Tiann Co., Ltd.	Taiwan	Commercial real estate	490,000	-	49,000,000	24.50	491,065	4,348	1,065	Long-term equity investment accounted for using equity method
CLEVO COMPUTER SINGAPORE PTE LTD.	BUYNOW (CHENGDU) CORPORATION	Samoa	Investment	278,468	278,468	7,000,000	100.00	3,551,318	63,184	63,184	The Company as the ultimate parent company
CLEVO (CAYMAN ISLANDS) HOLDING COMPANY	BUYNOW GLOBAL CORPORATION	British Virgin Islands	Investment	118,490	118,490	2,600,000	100.00	965,117	4,944	4,944	The Company as the ultimate parent company
CLEVO (CAYMAN ISLANDS) HOLDING COMPANY	BUYNOW (HANGZHOU) CORPORATION	British Virgin Islands	Investment	173,107	173,107	5,000,000	100.00	3,623,464	111,269	111,269	The Company as the ultimate parent company
CLEVO (CAYMAN ISLANDS) HOLDING COMPANY	BUYNOW (ZHENGZHOU) CORPORATION	Samoa	Investment	103,185	103,185	3,000,000	100.00	3,324,450	85,794	85,794	The Company as the ultimate parent company
CLEVO (CAYMAN ISLANDS) HOLDING COMPANY	BUYNOW GROUP (CHANGSHA)	British Virgin Islands	Investment	136,180	136,180	4,000,000	100.00	233,352	7,163	7,163	The Company as the ultimate parent company
CLEVO (CAYMAN ISLANDS) HOLDING COMPANY	BUYNOW (NANCHANG) CORPORATION	Samoa	Investment	104,484	104,484	3,000,000	100.00	1,250,742	69,124	69,124	The Company as the ultimate parent company
CLEVO (CAYMAN ISLANDS) HOLDING COMPANY	BUYNOW (GUANGZHOU) CORPORATION	Samoa	Investment	161,745	161,745	5,000,000	100.00	2,301,899	( 9,473)	( 9,473)	The Company as the ultimate parent company
CLEVO (CAYMAN ISLANDS) HOLDING COMPANY	FLYING WOLF INVESTMENT LIMITED	British Virgin Islands	Investment	96,141	96,141	3,000,000	100.00	3,211,328	59,804	59,804	The Company as the ultimate parent company
CLEVO (CAYMAN ISLANDS) HOLDING COMPANY	BUYNOW (XIAMEN) CORPORATION	Samoa	Investment	95,502	95,502	3,000,000	100.00	1,986,912	37,632	37,632	The Company as the ultimate parent company
CLEVO (CAYMAN ISLANDS) HOLDING COMPANY	BUYNOW GROUP (XIAN) CORPORATION	Samoa	Investment	96,543	96,543	3,000,000	100.00	873,172	27,081	27,081	The Company as the ultimate parent company
CLEVO (CAYMAN ISLANDS) HOLDING COMPANY	BUYNOW (CHANGCHUN) CORPORATION	Samoa	Investment	64,064	64,064	2,000,000	100.00	3,031,460	79,683	79,683	The Company as the ultimate parent company

Investor	Investee (Notes 1 and 2)	Location	Main business activities	Initial investment amount		Shares held as at December 31, 2022			Net profit (loss) of the investee for the year ended December 31, 2022 (Note 2(2))	Investment income (loss) recognised by the Company for the year ended December 31, 2022 (Note 2(3))	Footnote
				Balance as at December 31, 2022	Balance as at December 31, 2021	No. of shares	Ownership (%)	Book value			
CLEVO (CAYMAN ISLANDS) HOLDING COMPANY	BUYNOW GROUP (QINGDAO) CORPORATION	Samoa	Investment	\$ 115,648	\$ 115,648	3,500,000	100.00	\$ 98,188	\$ 7,550	\$ 7,550	The Company as the ultimate parent company
CLEVO (CAYMAN ISLANDS) HOLDING COMPANY	BUYNOW (CHONGQING) LIMITED	Hong Kong	Investment	169,140	169,140	5,000,000	100.00	1,047,426	( 11,478)	( 11,478)	The Company as the ultimate parent company
CLEVO (CAYMAN ISLANDS) HOLDING COMPANY	FLYING INTERNATIONAL INVESTMENT LIMITED	Samoa	Investment	178,968	178,968	3,000,000	100.00	2,361,127	10,045	10,045	The Company as the ultimate parent company
CLEVO (CAYMAN ISLANDS) HOLDING COMPANY	BUYNOW (WUXI) CORPORATION	Samoa	Investment	64,054	64,054	2,000,000	100.00	1,361,832	48,314	48,314	The Company as the ultimate parent company
CLEVO (CAYMAN ISLANDS) HOLDING COMPANY	BUYNOW (HARBIN) CORPORATION	Samoa	Investment	99,012	99,012	3,000,000	100.00	234,230	( 54,144)	( 54,144)	The Company as the ultimate parent company
CLEVO (CAYMAN ISLANDS) HOLDING COMPANY	BUYNOW (DAQING) CORPORATION	Samoa	Investment	96,894	96,894	3,000,000	100.00	( 112,659)	11,071	11,071	The Company as the ultimate parent company
CLEVO (CAYMAN ISLANDS) HOLDING COMPANY	BUYNOW (ZIBO) CORPORATION	Samoa	Investment	95,805	95,805	3,000,000	100.00	( 166,843)	( 14,168)	( 14,168)	The Company as the ultimate parent company
CLEVO (CAYMAN ISLANDS) HOLDING COMPANY	BUYNOW (BEIJING) CORPORATION	Samoa	Investment	244,256	244,256	6,000,000	100.00	1,957,246	53,721	53,721	The Company as the ultimate parent company
CLEVO (CAYMAN ISLANDS) HOLDING COMPANY	SKILL DEVELOP INTERNATIONAL LIMITED	Samoa	Investment	581,916	581,916	9,350,000	100.00	5,203,998	43,058	43,058	The Company as the ultimate parent company
CLEVO (CAYMAN ISLANDS) HOLDING COMPANY	BUYNOW (YANCHENG) CORPORATION	Samoa	Investment	931,920	931,920	31,500,000	100.00	746,697	-	-	The Company as the ultimate parent company
CLEVO (CAYMAN ISLANDS) HOLDING COMPANY	BUYNOW (HUIZHOU) CORPORATION	Samoa	Investment	200,737	200,737	1,500,000	100.00	( 109,305)	( 6,834)	( 6,834)	The Company as the ultimate parent company
CLEVO (CAYMAN ISLANDS) HOLDING COMPANY	BUYNOW (YINGKOU) CORPORATION	Samoa	Investment	434,082	434,082	15,000,000	100.00	418,241	( 394)	( 394)	The Company as the ultimate parent company
CLEVO (CAYMAN ISLANDS) HOLDING COMPANY	BUYNOW (ANSHAN) CORPORATION	Samoa	Investment	1,119,393	1,119,393	38,000,000	100.00	828,244	( 102,208)	( 102,208)	The Company as the ultimate parent company
CLEVO (CAYMAN ISLANDS) HOLDING COMPANY	BUYNOW (GUIYANG) CORPORATION	Samoa	Investment	301,236	301,236	10,000,000	100.00	261,968	( 495)	( 495)	The Company as the ultimate parent company
CLEVO (CAYMAN ISLANDS) HOLDING COMPANY	CHICONY SQUARE (WUHAN) INC.	British Virgin Islands	Investment	123,204	123,204	3,600,000	30.00	1,305,741	( 288,470)	( 86,541)	Long-term equity investment accounted for using equity method
CLEVO (CAYMAN ISLANDS) HOLDING COMPANY	CHICONY SQUARE (CAYMAN) INC.	Cayman Islands	Investment	86,886	86,886	3,000,000	30.00	( 44,580)	( 475,920)	( 142,776)	Long-term equity investment accounted for using equity method
CLEVO (CAYMAN ISLANDS) HOLDING COMPANY	BUYNOW (WUHAN) CORPORATION	Samoa	Investment	-	-	4,500,000	30.00	131,876	( 72,475)	( 21,743)	Long-term equity investment accounted for using equity method
CLEVO (CAYMAN ISLANDS) HOLDING COMPANY	CHICONY CHENGDU INTERNATIONAL INC.	British Virgin Islands	Investment	362,866	362,866	1,500,000	3.75	43,153	( 481,862)	( 18,071)	Long-term equity investment accounted for using equity method
CLEVO (CAYMAN ISLANDS) HOLDING COMPANY	BUYNOW (TAIZHOU) CORPORATION	Samoa	Investment	505,786	505,786	17,000,000	100.00	315,988	32,131	32,131	The Company as the ultimate parent company
CLEVO (CAYMAN ISLANDS) HOLDING COMPANY	SMARTER CAPITAL LIMITED	Samoa	Investment	1,013,693	1,013,693	14,900,000	100.00	1,027,489	5,996	5,996	The Company as the ultimate parent company
CLEVO (CAYMAN ISLANDS) HOLDING COMPANY	BUYNOW (DEZHOU) CORPORATION	Samoa	Investment	881,914	881,914	30,000,000	100.00	430,454	35,950	35,950	The Company as the ultimate parent company
CLEVO (CAYMAN ISLANDS) HOLDING COMPANY	BUYNOW (LUOYANG) CORPORATION	Samoa	Investment	894,346	894,346	30,000,000	100.00	26,348	( 157,574)	( 157,574)	The Company as the ultimate parent company
CLEVO (CAYMAN ISLANDS) HOLDING COMPANY	BUYNOW (FUJIAN QUANZHOU) CORPORATION	Samoa	Investment	446,195	446,195	15,000,000	100.00	91,869	( 225,322)	( 225,322)	The Company as the ultimate parent company
CLEVO (CAYMAN ISLANDS) HOLDING COMPANY	BUYNOW (JINZHOU) CORPORATION	Samoa	Investment	448,081	448,081	15,000,000	100.00	40,478	( 72,283)	( 72,283)	The Company as the ultimate parent company

Table 9, Page 2

Investor	Investee (Notes 1 and 2)	Location	Main business activities	Initial investment amount		Shares held as at December 31, 2022			Net profit (loss) of the investee for the year ended December 31, 2022 (Note 2(2))	Investment income (loss) recognised by the Company for the year ended December 31, 2022 (Note 2(3))	Footnote
				Balance as at December 31, 2022	Balance as at December 31, 2021	No. of shares	Ownership (%)	Book value			
CLEVO (CAYMAN ISLANDS) HOLDING COMPANY	BUYNOW (SHANTOU) CORPORATION	Samoa	Investment	\$ 578,224	\$ 578,224	19,200,000	100.00	\$ 489,061	\$ 24,836	\$ 24,836	The Company as the ultimate parent company
SKILL DEVELOP INTERNATIONAL LIMITED	WELL ASIA INVESTMENT LIMITED	Hong Kong	Investment	277,817	277,817	9,200,000	100.00	5,203,998	43,058	43,058	The Company as the ultimate parent company
SMARTER CAPITAL LIMITED	BUYNOW SZ. CORPORATION	Samoa	Investment	452,081	452,081	14,900,000	100.00	1,027,489	5,996	5,996	The Company as the ultimate parent company
BUYNOW ON-LINE HOLDING CORPORATION	BUYNOW ON-LINE LIMITED	Hong Kong	Investment	35,483	35,483	1,100,000	100.00	4,878	464	464	The Company as the ultimate parent company

Note 1: If a public company is equipped with an overseas holding company and takes consolidated financial report as the main financial report according to the local law rules, it can only disclose the information of the overseas holding company about the disclosure of related overseas investee information.

Note 2: If situation does not belong to Note 1, fill in the columns according to the following regulations:

- (1) The columns of 'Investee', 'Location', 'Main business activities', 'Initial investment amount' and 'Shares held as at December 31, 2022' should fill orderly in the Company's (public company's) information on investees and every directly or indirectly controlled investee's investment information, and note the relationship between the Company (public company) and its investee each (ex. direct subsidiary or indirect subsidiary) in the 'footnote' column.
- (2) The 'Net profit (loss) of the investee for the year ended December 31, 2022' column should fill in amount of net profit (loss) of the investee for this period.
- (3) The 'Investment income (loss) recognised by the Company for the year ended December 31, 2022' column should fill in the Company (public company) recognised investment income (loss) of its direct subsidiary and recognised investment income (loss) of its investee accounted for under the equity method for this period. When filling in recognised investment income (loss) of its direct subsidiary, the Company (public company) should confirm that direct subsidiary's net profit (loss) for this period has included its investment income (loss) which shall be recognised by regulations.

CLEVO CO. and Subsidiaries  
Information on investments in Mainland China  
Year ended December 31, 2022

Table 10

Expressed in thousands of NTD  
(Except as otherwise indicated)

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		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
					Remitted to Mainland China	Remitted back to Taiwan							
Buynow (Chengdu) Electronic Information Co., Ltd.	Manufacturing, sale, maintenance service, research and development of computers and computer peripherals and digital products, and property management of buildings	\$ 278,468	(2)	\$ 278,468	\$ -	\$ -	\$ 278,468	\$ 63,184	100.00	\$ 63,184	\$ 3,551,318	\$ -	-
Buynow (Nanjing) Facility Leasing And Management Co., Ltd.	Manufacturing, sale, research and development of computers and computer peripherals and services for related electronic products	58,159	(2)	37,522	-	-	37,522	18,990	100.00	18,990	2,000,986	-	-
Kalor Buynow (Heifei) Electronic Information Co., Ltd.	Manufacturing, sale, research and development of computers and computer peripherals and services for related electronic products	69,491	(2)	-	-	-	-	50,353	100.00	50,353	2,350,559	-	-
Kapok Computer (Kunshan) Co., Ltd.	Manufacturing, sale, research and development and maintenance service of computer, notebook, tablet, information and communication products and computer components	238,599	(2)	238,599	-	-	238,599	(318,541)	100.00	(318,541)	1,651,343	-	-
Kunshan Kaiming Trading Co., Ltd.	Provide market management services for operators of laptop computer, tablet, desktop computer, palmtop computer, information and communication products and computer components	17,746	(3)	-	-	-	-	2,348	100.00	2,348	6,310	-	-
Chicony Industry (Wuhan) Co., Ltd.	Research, development, production and sales of computer software and hardware, electronic products; sales services, non-staple food; coffee shop operations; venue rental	1,927,049	(2) CHICONY SQUARE (WUHAN) INC.	526,552	-	-	526,552	(55,141)	30.00	(16,542)	797,442	-	-
Wuhan Qunbai Industry Co., Ltd.	Research, development and sales of computer software, hardware and electronic products; sales services; venue rental	58,904	(2) CHICONY SQUARE (WUHAN) INC.	-	-	-	-	(22,761)	30.00	(6,828)	34,054	-	-
Chicony Square (Wuhan) Management Co., Ltd.	Sales of service and non-staple food; cafe operation; venue rental	14,414	(3)	-	-	-	-	6,467	24.99	1,616	7,728	-	-
Qunguang Industrial (Xian) Co., Ltd.	Research, development, production and sales of computer software and hardware, electronic products; sales services, nonstaple food; coffee shop operations; venue rental; catering services; parking lot management and retail	4,053,756	(3)	-	-	-	-	(381,461)	30.00	(114,438)	320,286	-	-
Buynow (Hangzhou) Electronic Information Co., Ltd.	Manufacturing, sale, maintenance service, research and development of computers and computer peripherals and digital products, and property management of buildings	198,848	(2)	198,848	-	-	198,848	111,269	100.00	111,269	3,623,464	-	-
Shanghai Buynow Electronic Information Co., Ltd.	Rental of the display venues of computer and related electronic products; information consultation; maintenance services; property management	521,418	(2)(3)	56,778	-	-	56,778	(32,474)	100.00	(32,474)	3,145,305	-	-

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		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
					Remitted to Mainland China	Remitted back to Taiwan							
Quality Trust Property Management Co., Ltd	Property management, advisory of real estate, building leasing, housekeeping service, parking lot service, car wash service and business service	\$ 24,975	(2)	\$ 21,645	-	-	\$ 21,645	\$ 14,044	100.00	\$ 14,044	\$ 272,810	\$ -	-
Wuxi Quntai Property Management Co., Ltd.	Property management, advisory of real estate, building leasing, housekeeping service, parking lot service, car wash service and business service	2,402	(3)	-	-	-	-	2,219	100.00	2,219	31,544	-	-
Shanghai Buynow Electronic Products Market Management Co., Ltd.	Provide market management services for operators of electronic products	504,484	(3)	-	-	-	-	11,860	100.00	11,860	4,798,115	-	-
Beijing Kaiye Electronic Technology Co., Ltd.	Technology-extension services, computer maintenance, public parking lot service for motorcycle, property management, business management, business management and advisory, business building leasing, wholesale of computer and computer peripherals, hardware electronic and daily appliance	359,053	(3)	-	-	-	-	50,486	100.00	50,486	(23,012)	-	-
Buynow (Nanchang) Industry Co., Ltd.	Manufacturing, sale, maintenance service, research and development of computers and computer peripherals and digital products, and property management of buildings	293,328	(2)(3)	119,297	-	-	119,297	180,527	100.00	180,527	3,266,498	-	-
Changsha Hungyu Business Management Co., Ltd.	Manufacturing, sale, maintenance service, research and development of computers and computer peripherals and digital products, and property management of buildings	119,297	(2)	119,297	-	-	119,297	7,163	100.00	7,163	233,352	-	-
Buynow (Zhengzhou) Electronic Information Co., Ltd.	Manufacturing, sale, maintenance service, research and development of computers and computer peripherals and digital products	119,123	(2)	119,123	-	-	119,123	85,794	100.00	85,794	3,324,450	-	-
Buynow(Guangzhou) Electronic Information Co., Ltd.	Manufacturing, sale, maintenance service, research and development of computers and computer peripherals and digital products	198,670	(2)	198,670	-	-	198,670	(9,609)	100.00	(9,609)	2,300,550	-	-
Tianjin Buynow Electronic Information Co., Ltd.	Development, production and sales of computer hardware and software and electronic digital technology products	224,794	(2)	206,061	-	-	206,061	22,115	100.00	22,115	2,361,127	-	-
Beijing Clevo Investment Management Consultant Co.,Ltd.	Business advisory of investment management, wholesale agency of electronic products, import and export of goods and property management	305,459	(2)(3)	314,567	-	-	314,567	70,685	100.00	70,685	2,575,324	-	-
Buynow (Yancheng) Electronoc Information Technology Development Co. Ltd.	Manufacturing, sale, maintenance service, research and development of computers and computer peripherals and digital products, and advisory of business management	942,511	(2)	942,511	-	-	942,511	-	100.00	-	746,696	-	-
Buynow (Xian) Industry Co., Ltd	Manufacturing, sale, maintenance service, research and development of computers and computer peripherals and digital products	116,528	(2)	116,528	-	-	116,528	27,081	100.00	27,081	873,172	-	-
Buynow (Fujian) Electronic Technology Development Co., Ltd.	Manufacturing, sale, maintenance service, research and development of computers and computer peripherals and digital products	119,117	(2)	119,117	-	-	119,117	37,632	100.00	37,632	1,986,912	-	-
Chicony Dalu Enterprise (Chengdu) Co., Ltd.	Developing and manufacturing computers, hardware, electronic products; production and sales of cosmetics and daily necessities; rental business	2,291,275	(2) CHICONY CHENGDU INTERNATIONAL INC.	687,382	-	-	687,382	(481,862)	30.00	(144,559)	345,215	-	-

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		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
					Remitted to Mainland China	Remitted back to Taiwan							
Buynow Electronic Information (Shenyang) Co., Ltd.	Research and development of computers and computer peripherals and electronic products, and advisory of economic information	\$ 119,298	(2)	\$ 119,298	-	-	\$ 119,298	\$ 36,498	100.00	\$ 36,498	\$ 2,515,125	\$ -	-
Guangdong Buynow Real Estate Management Co., Ltd.	Self-owned property management and leasing, manufacturing, sale, research and development of computer software and hardware and digital products	442,167	(2)(3)	363,300	-	-	363,300	66,398	100.00	66,398	8,005,610	-	-
Buynow (Changchun) Industry Co., Ltd.	Manufacturing, sale, maintenance service, research and development of computers and computer peripherals and digital products, and property management of buildings	81,539	(2)	77,656	-	-	77,656	83,665	100.00	83,665	3,182,969	-	-
Buynow (Wuhan) Industry Co., Ltd.	Manufacturing, sale, maintenance service, research and development of computer software and digital products, and property management of buildings	468,580	(2) BUYNOW(WUHAN) CORPORATION	-	-	-	( 72,475)	30.00	( 21,743)	131,876	-	-	
Qingdao Buynow Technology Industry Co., Ltd.	Manufacturing, sale, research and development of computers and computer peripherals. Display, advisory and after-sales service of digital products. Property management of self-owned buildings	551,402	(2)(3)	133,021	-	-	133,021	36,669	100.00	36,669	476,871	-	-
Buynow (Wuxi) Electronic Technology Development Co., Ltd.	Manufacturing, sale, maintenance service, research and development of computer software and digital products	106,622	(2)	76,158	-	-	76,158	67,638	100.00	67,638	1,906,526	-	-
Wuxi Buynow Electronic Market Co., Ltd.	Leasing of facility, market management service, catering management, property management, parking lot management	2,454	(3)	-	-	-	20	100.00	20	2,436	-	-	
Buynow (Harbin) Industry Co., Ltd.	Manufacturing, sale, maintenance service, research and development of computers and computer peripherals and digital products	111,364	(2)	111,364	-	-	( 54,527)	100.00	( 54,527)	230,417	-	-	
Buynow (Chongqing) Industry Co., Ltd.	Manufacturing, sale, research and development of computers and computer peripherals (not including electronic publishing), shopping mall management, wholesale and retail of electronic products, property management and parking lot service	164,167	(2)	164,167	-	-	( 11,478)	100.00	( 11,478)	1,047,425	-	-	
Shanghai Buynow Online Information Technology Co., Ltd.	Wholesale and retail, import and export, and after-sales service of household appliances, computer and computer components, communication equipment, electrical devices, office supplies and complementary products; development, technology transfer, advisory, service and training of Internet, computer software and hardware and communication equipment	48,158	(2)(3)	32,630	-	-	32,630	214	100.00	214	3,076	-	-
Daqing Buynow Electronic Information Corporation	Manufacturing, retail and wholesale of computers and computer peripherals, and electronic information shopping mall management	98,158	(2)	98,158	-	-	98,158	11,071	100.00	11,071	( 112,659)	-	-
Buynow Electronic Information (Huizhou) Co., Ltd.	Manufacturing, sale, research and development and after-sales service of computers and computer peripherals; property management of buildings	120,115	(2)(3)	211,996	-	-	( 17,085)	100.00	( 17,085)	( 273,262)	-	-	
Shantou Buynow Mall Co., Ltd.	Investment in companies primarily engaged in research and development and advisory service	574,562	(2)	574,562	-	-	574,562	24,836	100.00	24,836	489,061	-	-

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		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
					Remitted to Mainland China	Remitted back to Taiwan							
Zibo Buynow Electronic Information Co., Ltd	Manufacturing, sale, maintenance service, research and development of computers and computer peripherals and digital products. Advisory of business management, leasing of self-owned buildings, parking lot management, shopping mall management and property management	\$ 98,012	(2)	\$ 98,012	-	-	\$ 98,012	(\$ 14,168)	100.00	(\$ 14,168)	(\$ 166,843)	\$ -	-
Yingkou Buynow Electronic Information Co., Ltd.	Manufacturing, sale, maintenance service, research and development of computers and computer peripherals and digital products, and advisory of business management	464,194	(2)	464,194	-	-	464,194	( 394)	100.00	( 394)	418,241	-	-
Anshan Buynow Electronic Information Co., Ltd.	Manufacturing, sale, maintenance service, research and development of computers and computer peripherals and digital products, and advisory of business management	1,150,017	(2)	1,150,017	-	-	1,150,017	( 102,208)	100.00	( 102,208)	828,244	-	-
Clevo (China) Investment Co., Ltd.	Investment in companies primarily engaged in research and development and advisory service	897,135	(2)	897,135	-	-	897,135	( 74,398)	100.00	( 74,398)	2,563,589	-	-
Guiyang Buynow Electronic Information Co., Ltd.	Research and development and maintenance service of computers and computer peripherals and electronic products; advisory service of business management and shopping mall management	303,271	(2)	303,271	-	-	303,271	( 495)	100.00	( 495)	261,968	-	-
Taizhou Buynow Electronic Information Co., Ltd.	Manufacturing, sale, maintenance service, research and development of computers and computer peripherals and digital products, and advisory of business management	507,871	(2)	507,871	-	-	507,871	32,131	100.00	32,131	315,987	-	-
Suzhou Jinzuo Industry Co., Ltd.	Business affairs and property management business	480,460	(2)	1,008,954	-	-	1,008,954	5,996	100.00	5,996	1,027,489	-	-
Dezhou Buynow Electronic Information Co., Ltd.	Research and development and maintenance service of computers and computer peripherals and electronic products; advisory service of business management and shopping mall management	1,748,220	(2)(3)	881,914	-	-	881,914	73,971	100.00	73,971	885,708	-	-
Luoyang Buynow Electronic Information Co., Ltd.	Research and development and maintenance service of computers and computer peripherals and electronic products; advisory service of business management and shopping mall management	893,922	(2)	893,922	-	-	893,922	( 157,574)	100.00	( 157,574)	26,348	-	-
Quanzhou Buynow Industry Co., Ltd.	Research and development and maintenance service of computers and computer peripherals and electronic products; advisory service of business management and shopping mall management	446,195	(2)	446,195	-	-	446,195	( 225,322)	100.00	( 225,322)	91,869	-	-
Buynow (Jinzhou) Industry Co., Ltd.	Manufacturing of computer software and hardware and consumer electronic products, advisory of business management and shopping mall management	448,342	(2)	448,342	-	-	448,342	( 72,283)	100.00	( 72,283)	40,478	-	-



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		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
					Remitted to Mainland China	Remitted back to Taiwan							
Kunshan Kaishuo Trading Co., Ltd.	Mechanical equipment and accessories, wire and cable, air conditioning equipment, building and decoration material, lighting equipment, kitchen appliance, water cleaner, pipeline and accessories, fire safety equipment, compressor and accessories, wholesale of elevators and appliances, import and export and advisory services	\$ 30,198	(2)	\$ 30,198	-	-	\$ 30,198	(\$ 2,223)	100.00	(\$ 2,223)	\$ 24,696	\$ -	-
Shanghai Huihei Advertisement Co., Ltd.	Advertising design and marketing	4,850	(3)	-	-	-	-	(275)	100.00	(275)	4,320	-	-
Shanghai Huizhuan Restaurant Management Co., Ltd.	Catering business management	22,884	(3)	-	-	-	-	37,050	100.00	37,050	3,494	-	-

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, which then invested in the investee in Mainland China. For the investee in the third area of consolidated subsidiaries, please refer to Note 4(3)B. Others has been shown in the table.
- (3) Others: Through investing in investees in the third areas, which then invested in the investee in Mainland China or were split.

Note 2: In the 'Investment income (loss) recognised by the Company for the year ended December 31, 2022, the amount recognised in the financial statements of the investee that were reviewed by its CPA.

Note 3: The numbers in this table are expressed in New Taiwan Dollars.

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
Clevo Co.	\$ 13,393,300 (USD 421,680 thousand)	\$ 15,937,639 (USD 456,227 thousand)	\$ 25,074,211

Note 1: According to the MOEA Regulation No. 09704604680, "Regulations Governing the Permission of Investment or Technical Cooperation in Mainland Area", announced on August 29, 2008, limit on accumulated amount of investment in Mainland China is the higher of 60% of net assets and consolidated net assets. The ultimate limit of investment is 60% of the consolidated net worth. (41,790,352 x 60% = 25,074,211)

Note 2: It has been liquidated as of December 31, 2022, and has been approved to invest US\$4,120,000 by the Ministry of Economic Affairs.

Note 3: As of December 31, 2022, the capital increased by the earnings extension which has been approved by the Ministry of Economic Affairs for an investment of US\$30,426,900.

CLEVO CO. and Subsidiaries  
Major shareholders information  
Year ended December 31, 2022

Table 11

Name of major shareholders	Shares	
	Name of shares held	Ownership (%)
Kent Hsu	46,701,335	7.39%
Huatai Investment Co., Ltd.	37,326,144	5.90%
EPOQUE CORPORATION	33,567,888	5.31%
Fu-Chia Hsu	33,527,454	5.30%