

CLEVO CO.
PARENT COMPANY ONLY FINANCIAL
STATEMENTS AND INDEPENDENT AUDITORS’
REPORT
DECEMBER 31, 2022 AND 2021

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.

CLEVO CO.
DECEMBER 31, 2022 AND 2021 PARENT COMPANY ONLY FINANCIAL
STATEMENTS AND INDEPENDENT AUDITORS' REPORT
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INDEPENDENT AUDITORS' REPORT

To the Board of Directors and Shareholders of Clevo Co.

PWCR22000446

Opinion

We have audited the accompanying parent company only balance sheets of Clevo Co. (the "Company") as at December 31, 2022 and 2021, and the related parent company only statements of comprehensive income, of changes in equity and of cash flows for the years then ended, and notes to the parent company only financial statements, including a summary of significant accounting policies.

In our opinion, based on our audits and the report of other auditors (refer to the Other matter section), the accompanying parent company only financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2022 and 2021, and its financial performance and its cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

Basis for opinion

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

Key audit matters

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

Refer to Note 6(5) for the subsidiaries held by the Company as of December 31, 2022. As the financial position and financial performance of those subsidiaries were material to the Company's parent company only financial statements, their key audit matters - Valuation of inventories and Valuation of investment properties were included in the Company's key audit matters.

Key audit matters for the Company's 2022 parent company only financial statements are stated as follows:

Investments accounted for using equity method - valuation of investment properties

Description

Refer to Notes 4(13) and 4(17) for accounting policies on investments accounted for using equity method and investment properties, respectively, Note 5(2) for uncertainty of accounting estimates and assumptions in relation to the fair value measurement of investment properties, and Note 6(5) for details of investments accounted for using equity method.

The subsidiary of the Company 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 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.

Valuation of inventories

Description

Refer to Note 4(12) 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.

The Company is primarily engaged in manufacturing and sales of notebook computers. Due to rapid technological innovations, short lifespan of electronic products and fluctuations in market prices, there is a higher risk for inventory losses due from market value decline or obsolescence.

The Company recognises inventories at the lower of cost and net realisable value, and the net realisable value is estimated based on the age and damage of inventory. 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, selected samples 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 was 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 an investment accounted for under the equity method which were audited by other auditors. Therefore, our opinion expressed herein, insofar as it relates to the amounts included in respect of this associate, is based solely on the report of the other auditors. The balance of this investment accounted for under the equity method amounted to NT\$491,065 thousand, constituting 1% of the total assets as at December 31, 2022, and the comprehensive income recognized from associates and joint ventures accounted for under the equity method amounted to NT\$1,065 thousand, constituting 0% of the total comprehensive income 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 parent company only financial statements in accordance with the “Regulations Governing the Preparation of Financial Reports by Securities Issuers”, and for such internal control as management determines is necessary to enable the preparation of parent company only financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Auditors’ responsibilities for the audit of the parent company only financial statements

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

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

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

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

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

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

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

Wu, Han-Chi

LIN, PO-CHUAN

For and on Behalf of PricewaterhouseCoopers, Taiwan

March 15, 2023

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

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

Assets	Notes	December 31, 2022		December 31, 2021		
		AMOUNT	%	AMOUNT	%	
Current assets						
1100	Cash and cash equivalents	6(1)	\$ 5,249,460	8	\$ 2,013,047	3
1110	Financial assets at fair value through profit or loss - current	6(2)	1,280,273	2	1,548,766	3
1170	Accounts receivable, net	6(3)	2,365,541	4	3,246,471	5
1180	Accounts receivable - related parties	6(3) and 7	-	-	1,864,640	3
1197	Finance lease receivable, net	6(8)	42,430	-	-	-
130X	Inventory	6(4)	466,143	1	414,865	1
1410	Prepayments		82,815	-	66,671	-
1479	Other current assets		79,599	-	79,672	-
11XX	Total current assets		<u>9,566,261</u>	<u>15</u>	<u>9,234,132</u>	<u>15</u>
Non-current assets						
1535	Financial assets at amortised cost - non-current	6(1) and 8	1,046,589	2	1,012,170	1
1550	Investments accounted for under equity method	6(5)	54,290,369	83	53,205,183	84
1600	Property, plant and equipment	6(6)	103,513	-	9,892	-
1755	Right-of-use assets	6(7) and 7	131,726	-	35,452	-
1780	Intangible assets		46,313	-	4,562	-
1840	Deferred income tax assets	6(26)	32,386	-	35,307	-
194D	Long-term finance lease receivable, net	6(8)	80,770	-	-	-
1975	Net defined benefit asset, non-current	6(13)	39,290	-	-	-
1990	Other non-current assets		35,256	-	17,480	-
15XX	Total non-current assets		<u>55,806,212</u>	<u>85</u>	<u>54,320,046</u>	<u>85</u>
1XXX	Total assets		<u>\$ 65,372,473</u>	<u>100</u>	<u>\$ 63,554,178</u>	<u>100</u>

(Continued)

CLEVO CO.
PARENT COMPANY ONLY 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	%	
Current liabilities						
2100	Short-term borrowings	6(10)	\$ 1,770,000	3	\$ 3,736,477	6
2130	Current contract liabilities	6(19)	134,656	-	45,890	-
2150	Notes payable		53,218	-	10,124	-
2170	Accounts payable		307,838	-	304,129	1
2180	Accounts payable to related parties	7	429,219	1	-	-
2200	Other payables		343,728	1	528,017	1
2230	Current income tax liabilities		311,026	-	242,620	-
2250	Provisions for liabilities - current	6(14)	58,523	-	58,523	-
2280	Lease liabilities - current	7	102,163	-	43,096	-
2320	Long-term liabilities, current portion	6(12)	5,200,000	8	1,800,000	3
2399	Other current liabilities		26,229	-	22,167	-
21XX	Total current liabilities		<u>8,736,600</u>	<u>13</u>	<u>6,791,043</u>	<u>11</u>
Non-current liabilities						
2530	Corporate bonds payable	6(11)	5,000,000	8	5,000,000	8
2540	Long-term borrowings	6(12)	9,150,000	14	9,750,000	15
2570	Deferred tax liabilities	6(26)	518,076	1	572,806	1
2580	Lease liabilities - non-current	7	162,365	-	129,801	-
2645	Guarantee deposits received		15,080	-	104	-
25XX	Total non-current liabilities		<u>14,845,521</u>	<u>23</u>	<u>15,452,711</u>	<u>24</u>
2XXX	Total liabilities		<u>23,582,121</u>	<u>36</u>	<u>22,243,754</u>	<u>35</u>
Equity						
Share capital						
3110	Ordinary share	6(15)	6,322,630	10	6,497,630	10
Capital surplus						
3200	Capital surplus	6(16)	56,461	-	73,478	-
Retained earnings						
3310	Legal reserve	6(17)	2,210,652	3	1,908,529	3
3320	Special reserve		35,186,883	54	35,684,459	56
3350	Unappropriated retained earnings		2,614,398	4	3,149,950	5
Other equity interest						
3400	Other equity interest	6(18)	(3,771,472)	(6)	(4,628,787)	(7)
3500	Treasury stocks	6(15)	(829,200)	(1)	(1,374,835)	(2)
3XXX	Total equity		<u>41,790,352</u>	<u>64</u>	<u>41,310,424</u>	<u>65</u>
Significant contingent liabilities and unrecognised contract commitments						
Significant events after the balance sheet date						
3X2X	Total liabilities and equity		<u>\$ 65,372,473</u>	<u>100</u>	<u>\$ 63,554,178</u>	<u>100</u>

The accompanying notes are an integral part of these parent company only financial statements.

CLEVO CO.
PARENT COMPANY ONLY STATEMENTS OF COMPREHENSIVE INCOME
YEARS ENDED DECEMBER 31, 2022 AND 2021
(Expressed in thousands of New Taiwan dollars, except for earnings per share amounts)

	Items	Notes	Year ended December 31			
			2022		2021	
			AMOUNT	%	AMOUNT	%
4000	Sales revenue	6(19)	\$ 18,800,588	100	\$ 22,839,008	100
5000	Operating costs	6(4)(24)(25) and 7	(16,845,333)	(90)	(20,380,541)	(89)
5900	Net operating margin		<u>1,955,255</u>	<u>10</u>	<u>2,458,467</u>	<u>11</u>
5910	Unrealized (profit) loss from sales		(5,690)	-	4,277	-
5920	Realized loss on from sales		(4,277)	-	(2,742)	-
5950	Net operating margin		<u>1,945,288</u>	<u>10</u>	<u>2,460,002</u>	<u>11</u>
	Operating expenses	6(24)(25)				
6100	Selling expenses		(175,805)	(1)	(192,647)	(1)
6200	General and administrative expenses		(307,085)	(2)	(422,260)	(2)
6300	Research and development expenses		(630,168)	(3)	(632,583)	(3)
6450	Impairment loss determined in accordance with IFRS 9	12(2)	-	-	(750)	-
6000	Total operating expenses		(<u>1,113,058</u>)	(<u>6</u>)	(<u>1,248,240</u>)	(<u>6</u>)
6900	Operating profit		<u>832,230</u>	<u>4</u>	<u>1,211,762</u>	<u>5</u>
	Non-operating income and expenses					
7100	Interest income	6(20)	54,423	-	1,115	-
7010	Other income	6(21)	133,790	1	128,931	-
7020	Other gains and losses	6(22)	608,295	3	1,561,387	7
7050	Finance costs	6(23) and 7	(284,646)	(1)	(279,264)	(1)
7070	Share of loss of associates and joint ventures accounted for using equity method, net		(<u>396,175</u>)	(<u>2</u>)	(<u>548,491</u>)	(<u>2</u>)
7000	Total non-operating income and expenses		<u>115,687</u>	<u>1</u>	<u>863,678</u>	<u>4</u>
7900	Profit before income tax		<u>947,917</u>	<u>5</u>	<u>2,075,440</u>	<u>9</u>
7950	Income tax expense	6(26)	(<u>123,391</u>)	(<u>1</u>)	(<u>279,090</u>)	(<u>1</u>)
8200	Profit for the year		<u>\$ 824,526</u>	<u>4</u>	<u>\$ 1,796,350</u>	<u>8</u>
	Other comprehensive income					
	Components of other comprehensive income that will not be reclassified to profit or loss					
8311	Actuarial gains on defined benefit plan	6(13)	\$ 32,888	-	\$ -	-
8349	Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	6(26)	(<u>6,576</u>)	-	-	-
8310	Other comprehensive income that will not be reclassified to profit or loss		<u>26,312</u>	-	-	-
	Components of other comprehensive income that will be reclassified to profit or loss					
8361	Financial statements translation differences of foreign operations		868,476	5	320,989	1
8399	Income tax relating to the components of other comprehensive income	6(26)	(<u>11,161</u>)	-	(<u>843</u>)	-
8360	Other comprehensive income that will be reclassified to profit or loss	6(18)	<u>857,315</u>	<u>5</u>	<u>320,146</u>	<u>1</u>
8300	Total other comprehensive income for the year		<u>\$ 883,627</u>	<u>5</u>	<u>\$ 320,146</u>	<u>1</u>
8500	Total comprehensive income for the year		<u>\$ 1,708,153</u>	<u>9</u>	<u>\$ 2,116,496</u>	<u>9</u>
	Earnings per share (in dollars)	6(27)				
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 parent company only financial statements.

CLEVO CO.
PARENT COMPANY ONLY STATEMENTS OF CHANGES IN EQUITY
YEARS ENDED DECEMBER 31, 2022 AND 2021
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

Notes	Capital Reserves				Retained Earnings			Other Equity Interest			Total equity	
	Share capital - common stock	Total capital surplus, additional paid-in capital	Treasury stock 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		
Year ended December 31, 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
		-	-	-	-	-	-	1,796,350	-	-	-	1,796,350
	6(18)	-	-	-	-	-	-	-	320,146	-	-	320,146
		-	-	-	-	-	-	1,796,350	320,146	-	-	2,116,496
	6(17)	-	-	-	-	-	-	-	-	-	-	-
		-	-	-	-	77,323	-	(77,323)	-	-	-	-
		-	-	-	-	-	507,614	(507,614)	-	-	-	-
		-	-	-	-	-	-	(373,358)	-	-	-	(373,358)
	6(15)	-	-	-	-	-	-	-	-	-	(329,063)	(329,063)
	6(15)	(200,000)	(1,731)	(37,866)	-	-	-	(368,322)	-	-	607,919	-
		-	-	-	983	-	-	-	-	-	-	983
		-	-	16,228	-	-	-	-	-	-	-	16,228
		-	-	-	-	(1,540,427)	1,561,349	-	-	-	-	20,922
	6(18)	-	-	-	-	-	-	-	-	(20,922)	-	(20,922)
		\$ 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
Year ended December 31, 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
		-	-	-	-	-	-	824,526	-	-	-	824,526
	6(18)	-	-	-	-	-	-	26,312	857,315	-	-	883,627
		-	-	-	-	-	-	850,838	857,315	-	-	1,708,153
	6(17)	-	-	-	-	-	-	-	-	-	-	-
		-	-	-	-	302,123	-	(302,123)	-	-	-	-
		-	-	-	-	-	(493,824)	493,824	-	-	-	-
		-	-	-	-	-	-	(1,285,752)	-	-	-	(1,285,752)
	6(15)	(175,000)	(1,516)	(73,028)	-	-	-	(296,091)	-	-	545,635	-
		-	-	-	727	-	-	-	-	-	-	727
		-	-	56,800	-	-	-	-	-	-	-	56,800
		-	-	-	-	(3,752)	3,752	-	-	-	-	-
		\$ 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 parent company only financial statements.

CLEVO CO.
PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2022 AND 2021
(Expressed in thousands of New Taiwan dollars)

	Notes	Year ended December 31	
		2022	2021
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>			
Profit before tax		\$ 947,917	\$ 2,075,440
Adjustments			
Adjustments to reconcile profit (loss)			
Depreciation	6(6)(24)	12,640	11,797
Depreciation of right-of-use assets	6(7)(24)	51,451	754
Amortisation	6(24)	12,368	7,046
Expected credit loss	12(2)	-	750
Net loss (gain) on financial assets measured at fair value through profit or loss	6(22)	127,644	(42,997)
Interest expense	6(23)	284,646	279,264
Interest income	6(20)	(54,423)	(1,115)
Dividend income	6(21)	(49,020)	(33,711)
Share of loss of associates and joint ventures accounted for under the equity method		396,175	548,491
Gain on sublease of right-of-use assets	6(7)	(95,066)	-
Gain arising from transfer of right in sale and lease-back transaction	6(6)(22)	-	(1,080,862)
Gain on disposal of property, plant and equipment		(32)	-
Gain on disposal of investment property	6(22)	-	(222,594)
Gain on adjustments of investment properties at fair value	6(9)(22)	-	(301,698)
Changes in operating assets and liabilities			
Changes in operating assets			
Financial assets measured at fair value through profit or loss		140,849	(562,180)
Accounts receivable, net		2,745,570	(1,607,629)
Inventories		(51,278)	247,214
Prepayments		(16,144)	14,712
Net defined benefit asset, non-current		(8,728)	-
Other current assets		20,094	1,603
Changes in operating liabilities			
Increase (decrease) in contract liabilities		88,766	(9,496)
Notes payable		43,094	(1,905)
Accounts payable		3,709	(82,657)
Accounts payable to related parties		429,219	-
Other payables		(190,611)	214,852
Provisions for liabilities - current		-	5,000
Other current liabilities		4,062	(2,530)
Other non-current liabilities		-	(8,898)
Cash inflow (outflow) generated from operations		4,842,902	(551,349)
Interest received		34,402	1,115
Dividends received		49,020	33,711
Cash dividends received from subsidiaries		23,948	23,728
Income taxes (paid) received		(116,535)	20,363
Interest paid		(277,974)	(279,281)
Net cash flows from (used in) operating activities		<u>4,555,763</u>	<u>(751,713)</u>

(Continued)

CLEVO CO.
PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2022 AND 2021
(Expressed in thousands of New Taiwan dollars)

	Notes	Year ended December 31	
		2022	2021
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>			
Proceeds from disposal of property, plant and equipment and investment property		\$ 200	\$ 3,988,880
Acquisition of investments accounted for under the equity method		(590,000)	-
Acquisition of property, plant and equipment	6(6)	(106,429)	(5,302)
Acquisition of intangible assets		(54,119)	(1,223)
Decrease in other non-current assets		-	8,248
(Increase) decrease in restricted cash - non-current		(34,419)	10,550
Increase in refundable deposits		(14,053)	(11,875)
Net cash flows (used in) from investing activities		(798,820)	3,989,278
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>			
Increase in short-term borrowings		41,509,431	50,761,063
Decrease in short-term borrowings		(43,475,908)	(52,386,586)
Increase in long-term borrowings		35,760,231	29,400,000
Repayments of long-term borrowings		(32,960,231)	(31,648,571)
Increase (decrease) in guarantee deposit		14,976	(9,388)
Payments of lease liabilities	6(28)	(84,004)	(7,123)
Cash dividends paid	6(17)	(1,285,752)	(373,358)
Acquisition of treasury stock	6(15)	-	(329,063)
Past due dividends not received by shareholders		727	983
Net cash flows used in financing activities		(520,530)	(4,592,043)
Net increase (decrease) in cash and cash equivalents		3,236,413	(1,354,478)
Cash and cash equivalents at beginning of year		2,013,047	3,367,525
Cash and cash equivalents at end of year		\$ 5,249,460	\$ 2,013,047

The accompanying notes are an integral part of these parent company only financial statements.

CLEVO CO.

NOTES TO THE PARENT COMPANY ONLY FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021

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

1. HISTORY AND ORGANIZATION

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 is primarily engaged in the design, manufacture and sales of VDUs, computers and peripheral devices.

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

These parent company only financial statements were authorised for issuance by the Board of Directors on March 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:

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

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

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

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

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

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

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

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

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

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

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

(1) Compliance statement

The financial statements of the Company have been prepared in accordance with the "Regulations Governing the Preparation of Financial Reports by Securities Issuers".

(2) Basis of preparation

- A. Except for the following items, the financial statements have been prepared under the historical cost convention:
- (a) Financial assets and financial liabilities (including derivative instruments) at fair value through profit or loss.
 - (b) 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 International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations as endorsed by the FSC (collectively referred herein as the “IFRSs”) requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company’s accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 5.

(3) Foreign currency translation

Items included in the financial statements of each of the Company’s entities are measured using the currency of the primary economic environment in which the entity operates (the “functional currency”). The financial statements are presented in “New Taiwan Dollars”, which is the Company’s functional currency and the Company’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 Company 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 Company 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 Company retains partial interest in the former foreign subsidiary after losing control of the former foreign subsidiary, such transactions should be accounted for as disposal of all interest in the foreign operation.

(4) Classification of current and non-current items

- A. Assets that meet one of the following criteria are classified as current assets; otherwise they are classified as non-current assets:
 - (a) Assets arising from operating activities that are expected to be realised, or are intended to be sold or consumed within the normal operating cycle;
 - (b) Assets held mainly for trading purposes;
 - (c) Assets that are expected to be realised within twelve months from the balance sheet date;
 - (d) Cash and cash equivalents, excluding restricted cash and cash equivalents and those that are to be exchanged or used to settle liabilities more than twelve months after the balance sheet date.
- B. Liabilities that meet one of the following criteria are classified as current liabilities; otherwise they are classified as non-current liabilities:
 - (a) Liabilities that are expected to be settled within the normal operating cycle;
 - (b) Liabilities arising mainly from trading activities;
 - (c) Liabilities that are to be settled within twelve months from the balance sheet date;

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

(5) Cash equivalents

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

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

- A. Financial assets at fair value through profit or loss are financial assets that are not measured at amortised cost or fair value through other comprehensive income.
- B. On a regular way purchase or sale basis, financial assets at fair value through profit or loss are recognised and derecognised using trade date accounting.
- C. At initial recognition, the Company measures the financial assets at fair value and recognises the transaction costs in profit or loss. The Company subsequently measures the financial assets at fair value, and recognises the gain or loss in profit or loss.
- D. The Company recognises the dividend income when the right to receive payment is established, future economic benefits associated with the dividend will flow to the Company and the amount of the dividend can be measured reliably.

(7) Financial assets at amortised cost

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

(8) Accounts and notes receivable

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

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

(9) Impairment of financial assets

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

(10) Derecognition of financial assets

The Company 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 Company 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 Company has not retained control of the financial asset.

(11) 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.

(12) Inventories

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

(13) Investments accounted for using equity method / subsidiaries

- A. Subsidiaries refer to the entities (including special purpose entities) that the Company has control over their financial and operating policies and own more than 50% of voting shares directly or indirectly. The Company evaluates investments in subsidiaries accounted under equity method in these parent company only financial statements.
- B. Unrealised profit (loss) occurred from the transactions between the Company and subsidiaries have been offset. The accounting policies of the subsidiaries have been adjusted to comply with the Company's accounting policies.
- C. The Company's share of its subsidiaries' post-acquisition profits or losses is recognised in profit or loss, and its share of post-acquisition movements in other comprehensive income is recognised in other comprehensive income. When the Company's share of losses in a subsidiary equals or exceeds its interest in the subsidiary, the Company continues to recognise losses proportionate to its ownership.
- D. Pursuant to the Regulations Governing the Preparation of Financial Reports by Securities Issuers, profit (loss) of the current period and other comprehensive income in the parent company only financial statements shall equal to the amount attributable to owners of the parent in the consolidated financial statements. Owners' equity in the parent company only financial statements shall equal to equity attributable to owners of the parent in the consolidated financial statements.

(14) Joint operation and investment accounted for using equity method - joint ventures

Investment of joint arrangements are classified as joint ventures based on its contractual rights and obligations.

Investment accounted for using equity method - joint ventures

The Company accounts for its interest in a joint venture using equity method. Unrealised profits and losses arising from the transactions between the Company and its joint venture are eliminated to the extent of the Company's interest in the joint venture. However, when the transaction provides evidence of a reduction in the net realisable value of current assets or an impairment loss, all such losses shall be recognised immediately. When the Company's share of losses in a joint venture equals or exceeds its interest in the joint venture together with any other unsecured receivables, the Company does not recognise further losses, unless it has incurred legal or constructive obligations

or made payments on behalf of the joint venture.

(15) Property, plant and equipment

- A. Property, plant and equipment are initially recorded at cost. Borrowing costs incurred during the construction period are capitalised.
- B. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company 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 (including the auxiliary equipment with useful lives of 2 to 10 years)	2 ~ 50 years
Machinery and equipment	3 ~ 5 years
Computer and communication Equipment	2 ~ 5 years
Transportation equipment	1 ~ 5 years
Other equipment	3 ~ 5 years

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

- A. Leases are recognised as a right-of-use asset and a corresponding lease liability at the date at which the leased asset is available for use by the Company. For short-term leases or leases of low-value assets, lease payments are recognised as an expense on a straight-line basis over the lease term.
- B. Lease liabilities include the net present value of the remaining lease payments at the commencement date, discounted using the incremental borrowing interest rate. Lease payments are fixed payments, less any lease incentives receivable. The Company 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.

(17) Investment property

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.

(18) Intangible assets

Computer software

Computer software is stated at cost and amortised on a straight-line basis over its estimated useful life of 3 to 6 years.

(19) Impairment of non-financial assets

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

(20) 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 amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in profit or loss over the period of the borrowings using the effective interest method.

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 amortised over the period of the facility to which it relates.

(21) Notes and accounts payable

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

(22) Financial liabilities at fair value through profit or loss

- A. Financial liabilities are classified in this category of held for trading if acquired principally for the purpose of repurchasing in the short-term. Derivatives are also categorised as financial liabilities held for trading unless they are designated as hedges.
- B. At initial recognition, the Company measures the financial liabilities at fair value. All related transaction costs are recognised in profit or loss. The Company subsequently measures these financial liabilities at fair value with any gain or loss recognised in profit or loss.

(23) Bonds payable

Ordinary corporate bonds issued by the Company 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 amortised to profit or loss over the period of bond circulation using the effective interest method as an adjustment to 'finance costs'.

(24) Derecognition of financial liabilities

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

(25) Offsetting financial instruments

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

(26) Financial guarantee contracts

A financial guarantee contract is a contract that requires the Company to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the original or modified terms of a debt instrument. At initial recognition, the Company measures financial guarantee contracts at fair value and subsequently at the higher of the amount of provisions determined by the expected credit losses and the cumulative gains that were previously recognised.

(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

Warranties provisions are recognised when the Company 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.

(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 Company 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 Company uses interest rates of government bonds (at the balance sheet date) instead.

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

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

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

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

(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 Company and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.
- D. Deferred tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised. At each balance sheet date, unrecognised and recognised deferred tax assets are reassessed.
- E. Current income tax assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. Deferred tax assets and liabilities are offset on the balance sheet when the entity has the legally enforceable right to offset current tax assets against current tax liabilities and they are levied by the same taxation authority on either the same entity or different entities that intend to settle on a net basis or realise the asset and settle the liability simultaneously.
- 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 utilised.

(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 Company 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 Company has objective evidence that all criteria for acceptance have been satisfied. 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 Company does not adjust the transaction price to reflect the time value of money.
- (b) The Company's obligation to provide a refund for faulty products under the standard warranty terms is recognised as a provision.
- (c) A receivable is recognised when the goods are delivered as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

B. Incremental costs of obtaining a contract

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

5. CRITICAL ACCOUNTING JUDGEMENTS, ESTIMATES AND KEY SOURCES OF ASSUMPTION UNCERTAINTY

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

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

None.

(2) Critical accounting estimates and assumptions

A. Evaluation of inventories

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

As of December 31, 2022, the carrying amount of inventories was \$466,143.

B. Investment property measured at fair value

The Company 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 utilised and industrial characteristics. Any changes of economic circumstances or estimates due to the change of strategy might cause material effect in amount of investment property measured at fair value.

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	\$ 291	\$ 289
Checking accounts and demand deposits	1,657,971	2,012,758
Time deposits	3,591,198	-
	<u>\$ 5,249,460</u>	<u>\$ 2,013,047</u>

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

B. Demand deposits pledged to others as collateral for bonds payable amounting to \$1,046,589 and \$1,012,170 were classified as 'financial assets at amortised cost - 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	\$ 647,964	\$ 900,306
Beneficiary certificates	374,841	396,976
Derivatives	-	2,727
Valuation adjustment	257,468	248,757
	<u>\$ 1,280,273</u>	<u>\$ 1,548,766</u>

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

	<u>Year ended December 31, 2022</u>	<u>Year ended December 31, 2021</u>
Financial assets mandatorily measured at fair value through profit or loss		
Equity instruments	(\$ 128,518)	(\$ 163)
Beneficiary certificates	3,601	34,003
Derivatives	(2,727)	9,157
	<u>(\$ 127,644)</u>	<u>\$ 42,997</u>

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

	<u>December 31, 2021</u>	
<u>Derivative financial instruments</u>	<u>Contract amount (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 Company entered into forward foreign exchange contracts and foreign exchange swaps to sell or buy foreign currency to hedge exchange risk of foreign currency and earn the exchange rate spread. However, these forward foreign exchange contracts are not accounted for under hedge accounting.

C. Information relating to credit risk of financial assets at fair value through profit or loss is provided in Note 12(3).

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

(3) Accounts receivable

	<u>December 31, 2022</u>	<u>December 31, 2021</u>
Accounts receivable	\$ 2,370,867	\$ 3,251,797
Accounts receivable - related parties	-	1,864,640
Less: Allowance for uncollectible accounts	(5,326)	(5,326)
	<u>\$ 2,365,541</u>	<u>\$ 5,111,111</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	\$ 1,827,946	\$ 4,055,234
Up to 30 days	523,367	1,035,354
31 to 90 days	18,884	25,172
91 to 180 days	-	-
Over 180 days	670	677
	<u>\$ 2,370,867</u>	<u>\$ 5,116,437</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 \$2,370,867, \$5,116,437, and \$3,508,808, respectively.

C. The Company 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 Company's accounts receivable were \$2,365,541 and \$5,111,111, respectively.

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

F. Information relating to credit risk of accounts receivable is provided in Note 12(3).

(4) Inventories

	<u>December 31, 2022</u>		
	<u>Cost</u>	<u>Allowance for valuation loss</u>	<u>Book value</u>
Raw materials	\$ 484,795	(\$ 18,661)	\$ 466,134
Semi-finished goods	9	-	9
	<u>\$ 484,804</u>	<u>(\$ 18,661)</u>	<u>\$ 466,143</u>
	<u>December 31, 2021</u>		
	<u>Cost</u>	<u>Allowance for valuation loss</u>	<u>Book value</u>
Raw materials	\$ 427,103	(\$ 12,309)	\$ 414,794
Semi-finished goods	71	-	71
	<u>\$ 427,174</u>	<u>(\$ 12,309)</u>	<u>\$ 414,865</u>

The cost of inventories recognized as expense for the years ended December 31, 2022 and 2021 was \$16,845,333 and \$20,380,541, respectively, including the amount of \$6,751 and \$2,000, respectively, that the Company wrote down inventories from cost to net realizable value accounted for as cost of goods sold.

(5) Investments accounted for using equity method and Prepayments for investments

A. Investments accounted for using equity method

	<u>December 31, 2022</u>	<u>December 31, 2021</u>
Subsidiaries:		
Kapok Computer Co., Ltd.	\$ 77,847	\$ 58,100
Clevo Investment Co., Ltd.	79,032	74,781
Clevo (Cayman Islands) Holding Company	43,142,281	42,703,456
Kapok Computer (Samoa) Corporation	7,805,693	7,469,229
Clevo Computer Singapore Pte. Ltd.	1,660,391	1,942,052
Buynow On-line Holding Corporation	4,878	(9,731)
Joint venture:		
TAIPEI TWIN CORPORATION	1,029,182	967,296
Tua Tiann Co., Ltd.	491,065	-
	<u>\$ 54,290,369</u>	<u>\$ 53,205,183</u>

The related information on subsidiaries is provided in Note 4(3) of the 2022 consolidated financial statements.

B. Joint ventures

(a) The basic information of the joint ventures that are material to the Company 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%	0%	Financial investment	Equity method

- (b) The summarised financial information of the joint ventures that are material to the Company is as follows:

Balance sheet

	TAIPEI TWIN CORPORATION	
	December 31, 2022	December 31, 2021
Cash and cash equivalents	\$ 228,937	\$ 1,155,430
Other current assets	144,823	4,793
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)	-
Other non-current liabilities	(26,732)	-
Non-current liabilities	<u>(966,732)</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	\$ 1,029,182	\$ 967,296
Carrying amount of the joint venture	<u>\$ 1,029,182</u>	<u>\$ 967,296</u>

Statement of comprehensive income

	TAIPEI TWIN CORPORATION	
	Year ended December 31, 2022	Year ended December 31, 2021
Other operating expenses	(\$ 72,109)	(\$ 42,342)
Depreciation and amortisation	(6,688)	(320)
Interest income	2,842	2,478
Other gains and losses	(272)	503
Loss before income tax	<u>(76,227)</u>	<u>(39,681)</u>
Income tax expense	-	-
Profit or 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 \$11 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 would 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:

	Tua Tiann Co., Ltd.
	December 31, 2022
Cash and cash equivalents	\$ 8,931
Financial assets at amortised cost - current	200,000
Other current assets	7,476
Current assets	<u>216,407</u>
Prepaid contract payments	467,864
Other non-current assets	<u>1,320,180</u>
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>
	Tua Tiann Co., Ltd.
	Year ended
	December 31, 2022
Other operating expenses	(\$ 690)
Other gains and losses	<u>5,038</u>
Profit before income tax	4,348
Income tax expense	<u>-</u>
Profit or loss, 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

	<u>Machinery</u>	<u>Computers and communication equipment</u>	<u>Transportation equipment</u>	<u>Lease improvements</u>	<u>Others</u>	<u>Total</u>
At January 1, 2022						
Cost	\$ 14,400	\$ 5,321	\$ 2,868	\$ -	\$ 2,422	\$ 25,011
Accumulated depreciation	(9,392)	(1,734)	(2,348)	-	(1,645)	(15,119)
	<u>\$ 5,008</u>	<u>\$ 3,587</u>	<u>\$ 520</u>	<u>\$ -</u>	<u>\$ 777</u>	<u>\$ 9,892</u>
<u>2022</u>						
Opening net book amount as at January 1	\$ 5,008	\$ 3,587	\$ 520	\$ -	\$ 777	\$ 9,892
Additions	8,464	924	374	74,073	22,594	106,429
Disposals (costs)	(2,251)	-	(600)	-	(796)	(3,647)
Disposals (accumulated depreciation)	2,083	-	600	-	796	3,479
Depreciation charge	(2,269)	(1,140)	(176)	(6,936)	(2,119)	(12,640)
Closing net book amount as at December 31	<u>\$ 11,035</u>	<u>\$ 3,371</u>	<u>\$ 718</u>	<u>\$ 67,137</u>	<u>\$ 21,252</u>	<u>\$ 103,513</u>
At December 31, 2022						
Cost	\$ 20,613	\$ 6,245	\$ 2,642	\$ 74,073	\$ 24,220	\$ 127,793
Accumulated depreciation	(9,578)	(2,874)	(1,924)	(6,936)	(2,968)	(24,280)
	<u>\$ 11,035</u>	<u>\$ 3,371</u>	<u>\$ 718</u>	<u>\$ 67,137</u>	<u>\$ 21,252</u>	<u>\$ 103,513</u>

	<u>Land</u>	<u>Buildings and structures</u>	<u>Machinery</u>	<u>Computers and communication equipment</u>	<u>Transportation equipment</u>	<u>Others</u>	<u>Total</u>
At January 1, 2021							
Cost	\$ 186,563	\$ 200,994	\$ 14,168	\$ 2,822	\$ 2,268	\$ 6,990	\$ 413,805
Accumulated depreciation	-	(63,347)	(8,315)	(1,124)	(2,268)	(3,493)	(78,547)
	<u>\$ 186,563</u>	<u>\$ 137,647</u>	<u>\$ 5,853</u>	<u>\$ 1,698</u>	<u>\$ -</u>	<u>\$ 3,497</u>	<u>\$ 335,258</u>
<u>2021</u>							
Opening net book amount as at January 1	\$ 186,563	\$ 137,647	\$ 5,853	\$ 1,698	\$ -	\$ 3,497	\$ 335,258
Additions	-	339	1,436	2,682	600	245	5,302
Disposals (costs)	(186,563)	(201,333)	(1,204)	(183)	-	(4,813)	(394,096)
Disposals (accumulated depreciation)	-	70,885	1,204	183	-	2,953	75,225
Depreciation charge	-	(7,538)	(2,281)	(793)	(80)	(1,105)	(11,797)
Closing net book amount as at December 31	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,008</u>	<u>\$ 3,587</u>	<u>\$ 520</u>	<u>\$ 777</u>	<u>\$ 9,892</u>
At December 31, 2021							
Cost	\$ -	\$ -	\$ 14,400	\$ 5,321	\$ 2,868	\$ 2,422	\$ 25,011
Accumulated depreciation	-	-	(9,392)	(1,734)	(2,348)	(1,645)	(15,119)
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,008</u>	<u>\$ 3,587</u>	<u>\$ 520</u>	<u>\$ 777</u>	<u>\$ 9,892</u>

- A. No borrowing costs were capitalized on property, plant and equipment for the years ended December 31, 2022 and 2021.
- B. The significant components of the Company's buildings and structures, including main construction, steel structure and related equipment of underground mezzanine were depreciated over 50 years and 15 years, respectively.
- C. The Company does not provide information on real property, plant and equipment for guarantee.
- D. To activate its assets, the Company 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. After deducting the carry amount of the assets and related transaction costs from proceeds of the transactions, Gains of disposal amounted to \$1,303,456, shown as other gains and losses. All proceeds from the transaction have been collected in December 2021. From November 29, 2021, the Company leased back certain levels of the sold building for its operational use for a lease term of 4 years.

(7) Leasing arrangements – lessee

- A. The Company leases various assets including office. Rental contracts are made for periods of 3 to 4 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. Printers are the low-value assets that the Company leased.
- C. The carrying amount of right-of-use assets and the depreciation charge are as follows:

	December 31, 2022	Year ended December 31, 2022	December 31, 2021	Year ended December 31, 2021
	<u>Carrying amount</u>	<u>Depreciation charge</u>	<u>Carrying amount</u>	<u>Depreciation charge</u>
Office	\$ 131,726	\$ 51,451	\$ 35,452	\$ 754

- D. For the years ended December 31, 2022 and 2021, the additions to right-of-use assets were \$175,634 and \$36,206, respectively.

E. The information on profit and loss accounts relating to lease contracts is as follows:

	Year ended	
	December 31, 2022	December 31, 2021
<u>Items affecting profit or loss</u>		
Interest expense on lease liabilities	\$ 3,721	\$ 207
Expense on short-term lease contracts	1,403	1,667
Gains arising from transfer of right in sale and lease-back transactions	-	1,080,862
Gain on sublease of right-of-use assets	95,066	-

F. For the years ended December 31, 2022 and 2021, the Company's total cash outflow for leases were \$89,128 and \$8,997, respectively.

G. The Company sold property, plant and equipment located at Sanchong Dist., New Taipei City to TransGlobe Life in the amount of \$4,100,000 on October 15, 2021. The Company leased back the aforementioned sold assets for a lease term of 4 years, and the 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.

(8) Leasing arrangements – lessor

A. The Company leases various assets including buildings. Rental contracts are typically made for periods of 1 to 4 years. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. To protect the lessor's ownership rights on the leased assets, all or certain leased assets may not be lent, subleased, sold or consolidated with other companies, entrusted to others for operation or granted in any different form to the third parties.

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:

	Year ended	
	December 31, 2022	
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:

	December 31, 2022	
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:

	December 31, 2022	
	Current	Non-current
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 Company recognized rent income in the amounts of \$3,970 and \$63,485, 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:

	December 31, 2022	December 31, 2021
2021	\$ -	\$ 63,485
2022	3,970	-
	<u>\$ 3,970</u>	<u>\$ 63,485</u>

(9) Investment property

	2021
At January 1	\$ 1,921,453
Net gains from fair value adjustment	301,698
Disposals of investment property	(2,223,151)
At December 31	<u>\$ -</u>

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

	Year ended December 31, 2021
Rental income from investment property	\$ 63,485
Direct operating expenses arising from the investment property that generated rental income during the year	<u>\$ 11,584</u>

(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 Chunghwa post's board interest rate for two-year time deposit plus 3 point (current is 1.595%), as well as the Company's liquidity, risk, value-added and degree of difficulty of management.

(10) Short-term borrowings

Type of borrowings	December 31, 2022	Interest rate range	Collateral
Bank borrowings			
Bank unsecured borrowings	<u>\$ 1,770,000</u>	1.40% ~ 1.60%	Promissory note

<u>Type of borrowings</u>	<u>December 31, 2021</u>	<u>Interest rate range</u>	<u>Collateral</u>
Bank borrowings			
Bank unsecured borrowings	\$ <u>3,736,477</u>	0.75% ~ 1.00%	Promissory note

(11) 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 \$5,000,000 secured bonds, 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.

(12) 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>
Less: Current portion of long-term loans				(<u>5,200,000</u>)
				<u>\$ 9,150,000</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.	0.5157% ~ 1.05%	Promissory note	\$ 6,750,000
Unsecured borrowings	Borrowing period is from August 28, 2018 to December 28, 2023; interest is payable monthly, principal is payable in installments.	1.00% ~ 1.797%	Promissory note	4,800,000
				11,550,000
Less: Current portion of long-term loans				(1,800,000)
				\$ 9,750,000

The Company's liquidity risks are described in Note 12(2)C.(C).

(13) Pensions

A. Defined benefit pension plan

(a) The Company has a defined benefit pension plan in accordance with the Labor Standards Law, covering all regular employees' service years prior to the enforcement of the Labor Pension Act on July 1, 2005 and service years thereafter of employees who chose to continue to be subject to the pension mechanism under the 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:

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

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

	2022		
	Present value of defined benefit obligations	Fair value of plan assets	Net defined benefit liability (assets)
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:

	Year ended December 31, 2022	Year ended December 31, 2021
Discount rate	1.33%	0.71%
Future salary increases	2.50%	2.00%

Future mortality rate was estimated based on 90% of 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	(\$ 16,874)	\$ 18,101	\$ 17,797	(\$ 16,767)
<u>December 31, 2021</u>				
Effect on present value of defined benefit obligation	(\$ 18,696)	\$ 20,141	\$ 19,776	(\$ 18,556)

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 were consistent with previous period.

(g) Expected contributions to the defined benefit pension plan of the Company for the year ending December 31, 2023 amount to \$9,534.

(h) 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 plan

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

(b) The pension costs under the defined contribution pension plan of the Company for the years ended December 31, 2022 and 2021 were \$35,094 and \$35,360, respectively.

(14) Provisions

	Warranty	
	2022	2021
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 Company provides warranties on computer products sold. Provision for warranty is estimated based on historical warranty data of computer products.

(15) Share capital

A. As of December 31, 2022, the Company’s authorised capital was \$9,000,000, consisting of 900 million shares of ordinary stock, 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 (shares in thousands) are as follows:

	2022	2021
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:

		December 31, 2022	
Name of company holding the shares	Reason for reacquisition	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

		December 31, 2021	
Name of company holding the shares	Reason for reacquisition	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 realised 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.

(16) 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.

(17) 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 authorized capital, this shall not apply. According to the law or the authority, the special surplus reserve shall be set or reversed. If there is still surplus, the Board of Directors shall draft the allocation which shall be resolved at the shareholders' meeting. 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, the special surplus reserve shall be set or reversed. If there is still surplus, the Board of Directors shall draft the allocation which shall be resolved at the shareholders' meeting.

The Board of Directors is authorized 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 protecting the rights and interests of investors. According to 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 fair value model. Changes of value due to appreciation as of December 31, 2013 are reflected in the increase of Appropriated Retained Earnings. The Company will recognise the reversal of earnings upon subsequent disposal or decrease of the investment properties.

E. The appropriations of 2021 and 2020 earnings had been resolved at the stockholders' meeting on June 15, 2022 and August 26, 2021, respectively. Details are summarised below:

	2021		2020	
	Amount	Dividends per share (in dollars)	Amount	Dividends per share (in dollars)
Legal reserve	\$ 302,123		\$ 77,323	
Reverse of special reserve (493,824)		507,614	
Cash dividends	<u>1,285,752</u>	\$ 2.10	<u>373,358</u>	\$ 0.60
	<u>\$1,094,051</u>		<u>\$ 958,295</u>	

F. The resolution of the appropriations of 2022 earnings was approved 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	<u>918,395</u>	\$ 1.50
	<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.

(18) Other equity items

	2022		
	Currency translation	Revaluation	Total
At January 1	(\$ 4,628,787)	\$ -	(\$ 4,628,787)
Currency translation differences:			
–The Company and subsidiaries	<u>857,315</u>	<u>-</u>	<u>857,315</u>
At December 31	<u>(\$ 3,771,472)</u>	<u>\$ -</u>	<u>(\$ 3,771,472)</u>
	2021		
	Currency translation	Revaluation	Total
At January 1	(\$ 4,948,933)	\$ 20,922	(\$ 4,928,011)
Currency translation differences:			
–The Company and subsidiaries	320,146	-	320,146
Disposals transferred to retained earnings	<u>-</u>	<u>(20,922)</u>	<u>(20,922)</u>
At December 31	<u>(\$ 4,628,787)</u>	<u>\$ -</u>	<u>(\$ 4,628,787)</u>

(19) Operating revenue

	Year ended December 31, 2022	Year ended December 31, 2021
Revenue from contracts with customers	\$ 18,800,588	\$ 22,839,008

A. Disaggregation of revenue from contracts with customers

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

	China computer products	Asia-Pacific computer products	Other computer products	Total
2022				
Total segment revenue	\$ 11,158,199	\$ 6,541,730	\$ 5,920,737	\$ 23,620,666
Inter-segment revenue	(4,820,078)	-	-	(4,820,078)
Revenue from external customer contracts	<u>\$ 6,338,121</u>	<u>\$ 6,541,730</u>	<u>\$ 5,920,737</u>	<u>\$ 18,800,588</u>
Timing of revenue recognition				
At a point in time	<u>\$ 6,338,121</u>	<u>\$ 6,541,730</u>	<u>\$ 5,920,737</u>	<u>\$ 18,800,588</u>
2021				
Total segment revenue	\$ 12,959,520	\$ 8,824,808	\$ 7,442,307	\$ 29,226,635
Inter-segment revenue	(6,387,627)	-	-	(6,387,627)
Revenue from external customer contracts	<u>\$ 6,571,893</u>	<u>\$ 8,824,808</u>	<u>\$ 7,442,307</u>	<u>\$ 22,839,008</u>
Timing of revenue recognition				
At a point in time	<u>\$ 6,571,893</u>	<u>\$ 8,824,808</u>	<u>\$ 7,442,307</u>	<u>\$ 22,839,008</u>

B. Contract assets and liabilities

The Company has recognised the following revenue-related contract assets and liabilities:

	December 31, 2022	December 31, 2021	January 1, 2021
Contract liabilities:			
Contract liabilities – Advance sales receipts	<u>\$ 134,656</u>	<u>\$ 45,890</u>	<u>\$ 55,386</u>

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

	Year ended December 31, 2022	Year ended December 31, 2021
Revenue recognised that was included in the contract liability balance at the beginning of the year		
Advance real estate receipts	\$ 40,562	\$ 55,386

(20) Interest income

	Year ended December 31, 2022	Year ended December 31, 2021
Interest income from bank deposits	\$ 54,026	\$ 1,110
Other interest income	397	5
	<u>\$ 54,423</u>	<u>\$ 1,115</u>

(21) Other income

	Year ended December 31, 2022	Year ended December 31, 2021
Rent income	\$ 3,970	\$ 63,485
Dividend income	49,020	33,711
Other income	80,800	31,735
	<u>\$ 133,790</u>	<u>\$ 128,931</u>

(22) Other gains and losses

	Year ended December 31, 2022	Year ended December 31, 2021
Gains on disposals of property, plant and equipment	\$ 32	\$ -
Gains on financial assets and liabilities at fair value through profit or loss	(127,644)	42,997
Foreign exchange gains (losses)	652,186	(70,923)
Gains on fair value adjustment, investment property	-	301,698
Gains on disposals of investment property	-	222,594
Gains arising from sale and leaseback transactions	-	1,080,862
Income from subleasing right-of-use assets	95,066	-
Fee expense arising from financial liabilities not at fair value through profit or loss	(7,827)	(4,257)
Fee expense arising from trust and fiduciary activities	(3,464)	-
Other losses	(54)	(11,584)
	<u>\$ 608,295</u>	<u>\$ 1,561,387</u>

(23) Finance costs

	Year ended December 31, 2022	Year ended December 31, 2021
Interest expense:		
Bank borrowings	\$ 193,049	\$ 189,892
Other interest expense	91,597	89,372
Financial costs	<u>\$ 284,646</u>	<u>\$ 279,264</u>

(24) Expenses by nature

	Year ended December 31, 2022	Year ended December 31, 2021
Employee benefit expense	\$ 833,284	\$ 1,003,201
Depreciation charges on property, plant and equipment	12,640	11,797
Depreciation charges on right-of-use assets	51,451	754
Amortisation charges on intangible assets	12,368	7,046
	<u>\$ 909,743</u>	<u>\$ 1,022,798</u>

(25) Employee benefit expense

	Year ended December 31, 2022	Year ended December 31, 2021
Wages and salaries	\$ 704,622	\$ 877,383
Labour and health insurance fees	57,079	57,069
Pension costs	37,420	35,663
Other personnel expenses	34,163	33,086
	<u>\$ 833,284</u>	<u>\$ 1,003,201</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 was accrued at \$108,000 and \$181,800, respectively; while directors' and supervisors' remuneration was accrued at \$10,600 and \$22,200, respectively. The aforementioned amounts were recognised in salary expenses.

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 for the year ended December 31, 2022. The employees' compensation and directors' and supervisors' remuneration as resolved by the Board of Directors were in agreement with those amounts recognised in the 2022 financial statements, and the employees' compensation will be distributed in the form of cash.

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.

(26) Income tax

A. Income tax expense

(a) Components of income tax expense:

	Year ended December 31, 2022	Year ended December 31, 2021
Current tax:		
Current tax on profits for the year	\$ 182,615	\$ 235,726
Tax on undistributed surplus earnings	36,963	6,895
Prior year income tax overestimation	(26,641)	-
Total current tax	<u>192,937</u>	<u>242,621</u>
Deferred tax:		
Origination and reversal of temporary differences	(69,546)	36,469
Total deferred tax	(69,546)	36,469
Income tax expense	<u>\$ 123,391</u>	<u>\$ 279,090</u>

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

	Year ended December 31, 2022	Year ended December 31, 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

	Year ended December 31, 2022	Year ended December 31, 2021
Tax calculated based on profit before tax and statutory tax rate	\$ 189,583	\$ 415,088
Tax exempt income by tax regulation	(76,514)	(142,893)
Prior year income tax overestimation	(26,641)	-
Tax on undistributed surplus earnings	36,963	6,895
Income tax expense	<u>\$ 123,391</u>	<u>\$ 279,090</u>

C. Amounts of deferred tax assets or liabilities as a result of temporary differences, tax losses and investment tax credits are as follows:

		2022		
		Recognised	Recognised	December
		in profit or	in other	31
		loss	comprehensive	income
		January 1	income	31
Deferred tax assets:				
Temporary differences:				
Unrealised sales gain	\$ -	\$ 1,138	\$ -	\$ 1,138
Allowance for spare valuation losses	3,773	341	-	4,114
Allowance for inventory valuation losses	2,462	1,270	-	3,732
Allowance for bad debts	3,609	5,491	-	9,100
Unused compensated absences	5,065	-	-	5,065
Currency translation differences	<u>20,398</u>	<u>-</u>	<u>(11,161)</u>	<u>9,237</u>
	<u>35,307</u>	<u>8,240</u>	<u>(11,161)</u>	<u>32,386</u>
2022				
		Recognised	Recognised	December
		in profit or	in other	31
		loss	comprehensive	income
		January 1	income	31
Deferred tax liabilities:				
Temporary differences:				
Unrealised exchange loss	(\$ 12,215)	\$ 6,091	\$ -	(\$ 6,124)
Foreign investment income using equity method	(559,713)	54,360	-	(505,353)
Unrealised sales gain	(855)	855	-	-
Accrued pension liability	<u>(23)</u>	<u>-</u>	<u>(6,576)</u>	<u>(6,599)</u>
	<u>(572,806)</u>	<u>61,306</u>	<u>(6,576)</u>	<u>(518,076)</u>
	<u>(\$ 537,499)</u>	<u>\$ 69,546</u>	<u>(\$ 17,737)</u>	<u>(\$ 485,690)</u>

	2021			
	January 1	Recognised in profit or loss	Recognised in other comprehensive income	December 31
Deferred tax assets:				
Temporary differences:				
Unrealised exchange loss	\$ 1,181	(\$ 1,181)	\$ -	\$ -
Allowance for spare valuation losses	1,582	2,191	-	3,773
Allowance for inventory valuation losses	3,490	(1,028)	-	2,462
Allowance for bad debts	8,916	(5,307)	-	3,609
Unused compensated absences	5,065	-	-	5,065
Accrued pension liability	1,781	(1,781)	-	-
Currency translation differences	21,241	-	(843)	20,398
Tax losses	<u>134,000</u>	<u>(134,000)</u>	<u>-</u>	<u>-</u>
	<u>177,256</u>	<u>(141,106)</u>	<u>(843)</u>	<u>35,307</u>

	2021			
	January 1	Recognised in profit or loss	Recognised in other comprehensive income	December 31
Deferred tax liabilities:				
Temporary differences:				
Unrealised exchange loss	\$ -	(\$ 12,215)	\$ -	(\$ 12,215)
Foreign investment income using equity method	(519,461)	(40,252)	-	(559,713)
Unrealised sales gain	(548)	(307)	-	(855)
Rent by straight-line method	(459)	459	-	-
Increase in revaluation	(4,285)	4,285	-	-
Accrued pension liability	-	(23)	-	(23)
Fair value adjustment, investment property	<u>(152,690)</u>	<u>152,690</u>	<u>-</u>	<u>-</u>
	<u>(677,443)</u>	<u>104,637</u>	<u>-</u>	<u>(572,806)</u>
	<u>(\$ 500,187)</u>	<u>(\$ 36,469)</u>	<u>(\$ 843)</u>	<u>(\$ 537,499)</u>

D. The Company has not recognised taxable temporary differences associated with investment in subsidiaries as deferred tax liabilities. As of December 31, 2022 and 2021, the amounts of temporary differences unrecognised as deferred tax liabilities were \$9,188,459 and \$9,266,092, respectively.

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

(27) Earnings per share

	<u>Year ended December 31, 2022</u>		
	<u>Amount after tax</u>	<u>Weighted average number of ordinary shares outstanding (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>	<u>Weighted average number of ordinary shares outstanding (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

(28) Changes in liabilities from financing activities

	<u>Short-term borrowings</u>	<u>Long-term borrowings</u>	<u>Corporate bonds payable</u>	<u>Lease liabilities</u>	<u>Liabilities from financing activities- gross</u>
At January 1, 2022	\$3,736,477	\$11,550,000	\$5,000,000	\$ 172,897	\$ 20,459,374
Changes in cash flow from financing activities	(1,966,477)	2,800,000	-	(84,004)	749,519
Changes in other non-cash items	-	-	-	175,635	175,635
At December 31, 2022	<u>\$1,770,000</u>	<u>\$14,350,000</u>	<u>\$5,000,000</u>	<u>\$ 264,528</u>	<u>\$ 21,384,528</u>
					<u>Liabilities from financing activities- gross</u>
At January 1, 2021	\$5,362,000	\$13,798,571	\$5,000,000	\$ -	\$ 24,160,571
Changes in cash flow from financing activities	(1,625,523)	(2,248,571)	-	(7,123)	(3,881,217)
Changes in other non-cash items	-	-	-	180,020	180,020
At December 31, 2021	<u>\$3,736,477</u>	<u>\$11,550,000</u>	<u>\$5,000,000</u>	<u>\$ 172,897</u>	<u>\$ 20,459,374</u>

7. RELATED PARTY TRANSACTIONS

(1) Names of related parties and relationship

<u>Names of related parties</u>	<u>Relationship with the Company</u>
Kent Hsu	Key management personnel
Kapok Computer (Kunshan) Co., Ltd.	Subsidiary
Clevo (Cayman Islands) Holding Company	Other related party
Kapok Computer (Samoa) 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:

- (a) The products sold to subsidiaries are not sold to other customers. The sales price cannot be compared with others. The credit term for related parties is 180 days, while the credit terms for general customers are within 1~2 months.
- (b) The Company sells materials (LCD) and semi-finished goods to subsidiaries to manufacture laptops, and the Company buys back those laptops, which will be sold to customers under a triangle trade. Materials and semi-finished goods sold to subsidiaries amounted to \$4,820,078 and \$7,685,603 for the years ended December 31, 2022 and 2021, respectively. The purchases and sales are offset and shown at net amount in the financial statements.

B. Purchases:

	<u>Year ended</u> <u>December 31, 2022</u>	<u>Year ended</u> <u>December 31, 2021</u>
Purchases of goods:		
Kapok Computer (Kunshan) Co., Ltd.	<u>\$ 13,897,287</u>	<u>\$ 16,112,238</u>

As the goods purchased from the subsidiary are unique, the purchase prices cannot be compared with other items. The payment term is within 30 days after receipt of the monthly statement and the debit and credit amounts are offset. The Company may prepay if the related parties need the funds to prepare the materials. The payment terms of general customers are within 1~5 months.

C. Receivables from related parties:

	<u>December 31, 2022</u>	<u>December 31, 2021</u>
Accounts receivable:		
Kapok Computer (Kunshan) Co., Ltd.	<u>\$ -</u>	<u>\$ 1,864,640</u>

Receivables from related parties mainly arise from sales of products. The receivables do not bear interest and no collaterals were pledged. There are no provisions held against receivables from related parties.

D. Payables to related parties:

	<u>December 31, 2022</u>	<u>December 31, 2021</u>
Accounts payable:		
Kapok Computer (Kunshan) Co., Ltd.	\$ 429,219	\$ -

The payables to related parties mainly arise from purchase transactions and are due 30 days after the date of purchase. The payables bear no interest.

E. Acquisition of financial assets:

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

F. 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:

	<u>Year ended</u>	<u>Year ended</u>
	<u>December 31, 2022</u>	<u>December 31, 2021</u>
Hon Hui Si Yuan Co., Ltd.	\$ 175,634	\$ -

(c) Lease liabilities

(i) Outstanding balance:

	<u>December 31, 2022</u>	<u>December 31, 2021</u>
Hon Hui Si Yuan Co., Ltd.	\$ 134,724	\$ -

(ii) Interest expense

	<u>Year ended</u>	<u>Year ended</u>
	<u>December 31, 2022</u>	<u>December 31, 2021</u>
Hon Hui Si Yuan Co., Ltd.	\$ 1,577	\$ -

G. Endorsements and guarantees provided to related parties:

(a) The joint guarantor and co-issuer of the guarantee notes of bank borrowings is Kent Hsu in 2022 and 2021.

(b) The Company jointly participated in the Taipei Main Station District Parcel C1/D1 (the Eastern Part) Land Development Project of Taipei City Government and jointly established Taipei Twin Towers Limited with Epoque Corporation. Refer to Note 6(5) for further information.

(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

	Year ended December 31, 2022	Year ended December 31, 2021
Salaries and other short-term employee benefits	\$ 54,466	\$ 73,531
Post-employment benefits	1,250	1,244
	<u>\$ 55,716</u>	<u>\$ 74,775</u>

8. PLEDGED ASSETS

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

Pledged asset	Book value		Purpose
	December 31, 2022	December 31, 2021	
Financial assets at amortised cost - non-current	\$ 1,046,589	\$ 1,012,170	Bonds payable

9. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNISED CONTRACT COMMITMENTS

(1) Contingencies

None.

(2) Commitments

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

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(17).

12. OTHERS

(1) Capital management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the

Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt. The Company monitors capital on the basis of the 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 balance sheet plus net debt.

During the year ended December 31, 2022, the Company’s strategy, which was unchanged from 2021, was to maintain the gearing ratio under 50%. The gearing ratios at December 31, 2022 and 2021 were as follows:

	<u>December 31, 2022</u>	<u>December 31, 2021</u>
Total borrowings	\$ 21,120,000	\$ 20,286,477
Less: Cash and cash equivalents	(5,249,460)	(2,013,047)
Net debt	15,870,540	18,273,430
Total equity	<u>41,790,352</u>	<u>41,310,424</u>
Total capital	<u>\$ 57,660,892</u>	<u>\$ 59,583,854</u>
Gearing ratio	28%	31%

(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		
Financial assets mandatorily measured at fair value through profit or loss	<u>\$ 1,280,273</u>	<u>\$ 1,548,766</u>
Financial assets at amortised cost	<u>\$ 8,849,646</u>	<u>\$ 8,181,354</u>
<u>Financial liabilities</u>		
Financial liabilities at fair value through profit or loss		
Financial liabilities at amortised cost	<u>\$ 22,269,083</u>	<u>\$ 21,128,851</u>
Lease liability	<u>\$ 264,528</u>	<u>\$ 172,897</u>

Note: Financial assets measured at amortised cost include cash and cash equivalents, accounts and notes receivable (including related parties), other receivables (including related parties), finance lease receivable, refundable deposits and financial assets measured at amortised cost – current and non-current. Financial liabilities measured at amortised cost include short-term borrowings, accounts and notes payable (including related parties), other payables, corporate bonds payable, long-term borrowings (including those maturing within one year or one business cycle) and guarantee deposits received.

B. Financial risk management policies

The Company's activities expose it to a variety of financial risks: market risk (including foreign exchange risk, interest rate risk and price risk), credit risk and liquidity risk. To minimise any adverse effects on the financial performance of the Company, 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 Company's 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 Company treasury. Exchange rate risk is measured through a forecast of highly probable USD and RMB expenditures. Forward foreign exchange contracts are adopted to minimise the volatility of the exchange rate affecting cost of forecast inventory purchases.
- iii. The Company hedges foreign exchange rate by using forward exchange contracts. However, the Company does not adopt hedging accounting. Details of financial assets or liabilities at fair value through profit or loss are provided in Note 6(2).
- iv. The Company's businesses involve some non-functional currency operations (the Company's and certain subsidiaries' functional currency: NTD; other certain subsidiaries' functional currency: RMB and JPY). 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 (NTD)
	(In thousands)	Exchange rate	
(Foreign currency: functional currency)			
<u>Financial assets</u>			
<u>Monetary items</u>			
USD:NTD	\$ 255,528	30.69	\$ 7,842,154
RMB:NTD	4,541	4.41	20,026
HKD:NTD	3	3.94	12
JPY:NTD	64	0.23	15
<u>Investments accounted for under the equity method</u>			
USD:NTD	1,714,345	30.69	52,613,243
<u>Financial liabilities</u>			
<u>Monetary items</u>			
USD:NTD	23,963	30.69	735,424

December 31, 2021			
	Foreign currency amount		Book value (NTD)
	(In thousands)	Exchange rate	
(Foreign currency: functional currency)			
<u>Financial assets</u>			
<u>Monetary items</u>			
USD:NTD	\$ 239,466	27.68	\$ 6,628,419
RMB:NTD	3,653	4.34	15,854
HKD:NTD	3	3.55	11
JPY:NTD	14	0.24	3
<u>Investments accounted for under the equity method</u>			
USD:NTD	1,881,712	27.68	52,105,007
<u>Financial liabilities</u>			
<u>Monetary items</u>			
USD:NTD	10,934	27.68	302,653

- v. The total exchange gain (loss), including realised and unrealised arising from significant foreign exchange variation on the monetary items held by the Company for the years ended December 31, 2022 and 2021, amounted to \$652,186 and (\$70,923), 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%	\$ 62,737	\$ -
RMB:NTD	1%	160	-
HKD:NTD	1%	-	-
JPY:NTD	1%	-	-
<u>Financial liabilities</u>			
<u>Monetary items</u>			
USD:NTD	1%	5,883	-

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%	\$ 53,027	\$ -
RMB:NTD	1%	127	-
HKD:NTD	1%	-	-
JPY:NTD	1%	-	-
<u>Financial liabilities</u>			
<u>Monetary items</u>			
USD:NTD	1%	2,421	-

Price risk

- i. The Company's equity securities, which are exposed to price risk, are the held financial assets at fair value through profit or loss and financial assets at fair value through other comprehensive income. To manage its price risk arising from investments in equity securities, the Company diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the Company.

ii. The Company's investments in equity securities comprise shares and open-end funds issued by the domestic companies. The prices of equity securities would change due to the change of the future value of investee companies. If the prices of these equity securities had increased/decreased by 1% with all other variables held constant, post-tax profit for the years ended December 31, 2022 and 2021 would have increased/decreased by \$10,242 and \$12,390, 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 Company's main interest rate risk arises from long-term borrowings with variable rates, which expose the Company to cash flow interest rate risk. During 2022 and 2021, the Company's borrowings at variable rate were mainly denominated in New Taiwan dollars.
- ii. The Company's borrowings are measured at amortised cost. The borrowings are periodically contractually repriced and to that extent are also exposed to the risk of future changes in market interest rates.
- iii. If the borrowing interest rate had increased/decreased by 1% with all other variables held constant, profit, net of tax for the years ended December 31, 2022 and 2021 would have decreased/increased by \$128,960 and \$122,292, 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 Company arising from default by the clients or counterparties of financial instruments on the contract obligations. The main factor is that counterparties could not repay in full the accounts receivable based on the agreed terms, and the contract cash flows of debt instruments stated at amortised cost.
- ii. According to the Company's credit policy, each local entity in the Company is responsible for managing and analysing the credit risk for each of their new clients before standard payment and delivery terms and conditions are offered. Internal risk control assesses the credit quality of the customers, taking into account their financial position, past experience and other factors.
- iii. Individual risk limits are set based on internal or external ratings in accordance with limits set by the management of credit manage. The utilisation of credit limits is regularly monitored.
- iv. For banks and financial institutions, only independently rated parties with a best rating are accepted.
- v. The Company adopts following assumptions under IFRS 9 to assess whether there has been a significant increase in credit risk on that instrument since initial recognition:
 - (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) 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 Company classifies customer's accounts receivable in accordance with customer types. The Company applies the modified approach using provision matrix to estimate expected credit loss under the provision matrix basis.
- ix. The Company used the forecastability 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:

	Not past due	1~90 days past due	91~180 days past due
<u>At December 31, 2022</u>			
Expected loss rate	0.06%	0.10%	12.63%
Total book value	\$ 1,827,946	\$ 542,251	\$ -
Loss allowance	(1,128)	(3,528)	-
	181~270 days past due	Over 270 days past due	Total
Expected loss rate	100.00%	100.00%	
Total book value	\$ -	\$ 670	\$ 2,370,867
Loss allowance	-	(670)	(5,326)

	Not past due	1~90 days past due	91~180 days past due
<u>At December 31, 2021</u>			
Expected loss rate	0.03%	0.06%	7.59%
Total book value	\$ 4,055,234	\$ 1,060,526	\$ -
Loss allowance	(702)	(3,947)	-
	181~270 days past due	Over 270 days past due	Total
Expected loss rate	100.00%	100.00%	
Total book value	\$ -	\$ 677	\$ 5,116,437
Loss allowance	-	(677)	(5,326)

- x. Movements in relation to the Company applying the modified approach to provide loss allowance for accounts receivable is as follows:

	2022
	Accounts receivable
At January 1	\$ 5,326
Provision	-
Write-offs	-
At December 31	<u>\$ 5,326</u>
	2021
	Accounts receivable
At January 1	\$ 4,576
Provision	750
Write-offs	-
At December 31	<u>\$ 5,326</u>

(c) Liquidity risk

- i. Cash flow forecasting is performed in the operating entities of the Company and aggregated by Company treasury. Company treasury monitors rolling forecasts of the Company's liquidity requirements to ensure it has sufficient cash to meet operational needs.
- ii. The table below analyses the Company's non-derivative financial liabilities 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 nonderivative 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>				
Bonds payable	\$ 40,000	\$5,025,973	\$ -	\$ -
Long-term borrowings (including current portion)	5,200,094	3,509,265	5,797,916	-
Lease liabilities	105,211	163,830	-	-
December 31, 2022	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
<u>Derivative financial liabilities</u>				
Forward exchange contracts	\$ -	\$ -	\$ -	\$ -
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>				
Bonds payable	\$ 40,000	\$ 40,000	\$ 5,025,973	\$ -
Long-term borrowings (including current portion)	1,820,814	5,809,961	4,041,712	-
Lease liabilities	45,238	45,464	86,822	-
December 31, 2021	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
<u>Derivative financial liabilities</u>				
Forward exchange contracts	\$ -	\$ -	\$ -	\$ -

Except for the above, the Company's non-derivative financial liabilities have a maturity within 1 year.

iii. The Company 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 Company'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 Company's investment in off-the-run beneficiary certificates, bank debentures, convertible bonds and derivative

instruments is included in Level 2.

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

B. Financial instruments not measured at fair value

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>
Assets				
<u>Recurring fair value measurements</u>				
Financial assets at fair value through profit or loss				
Equity securities	\$ 829,159	\$ -	\$ -	\$ 829,159
Forward exchange contracts	-	-	-	-
Beneficiary certificates	<u>81,377</u>	<u>369,737</u>	-	<u>451,114</u>
	<u>\$ 910,536</u>	<u>\$ 369,737</u>	<u>\$ -</u>	<u>\$ 1,280,273</u>
<u>December 31, 2021</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Assets				
<u>Recurring fair value measurements</u>				
Financial assets at fair value through profit or loss				
Equity securities	\$ 1,088,176	\$ -	\$ -	\$ 1,088,176
Forward exchange contracts	-	2,727	-	2,727
Beneficiary certificates	-	<u>457,863</u>	-	<u>457,863</u>
	<u>\$ 1,088,176</u>	<u>\$ 460,590</u>	<u>\$ -</u>	<u>\$ 1,548,766</u>

(b) The methods and assumptions the Company used to measure fair value are as follows:

i. The instruments the Company 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 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 Company adopts valuation technique that is widely used by market participants. The inputs used in the valuation method to measure these financial instruments are normally observable in the market.
- 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 Company'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 Company's management policies and relevant control procedures relating to the valuation models used for fair value measurement, management believes adjustment to valuation is necessary in order to reasonably represent the fair value of financial and non-financial instruments at the balance sheet. The inputs and pricing information used during valuation are carefully assessed and adjusted based on current market conditions.
- vi. The Company 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 Company's credit quality.

D. For the years ended December 31, 2022 and 2021, there was no transfer between Level 1 and Level 2.

E. For the years ended December 31, 2022 and 2021, there was no transfer into or out from Level 3.

13. SUPPLEMENTARY DISCLOSURES

(1) Significant transactions information

A. Loans to others: Refer to table 1.

B. Provision of endorsements and guarantees to others: Refer to table 2.

C. Holding of marketable securities at the end of the period (not including subsidiaries, associates and joint ventures): Refer to table 3.

D. Acquisition or sale of the same security with the accumulated cost exceeding \$300 million or 20% of the Company's paid-in capital: None.

- E. Acquisition of real estate reaching \$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 period: Refer to Note 6(2).
- J. Significant inter-company transactions during the reporting periods: 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 unrealised 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, 8.

(4) Major shareholders information

Major shareholders information: Refer to table 11.

14. SEGMENT INFORMATION

None.

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%

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	-	-	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	-	-	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	-	-	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%

CLEVO CO.
DETAILS OF CASH AND CASH EQUIVALENTS
DECEMBER 31, 2022

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

Table 1

Items	Description	Amount
Cash on hand and petty cash		\$ 291
Deposit		
Check deposits		33,262
Demand deposits		985,355
Foreign exchange deposits	USD 19,880 thousand, rate 30.694	610,197
	CNY 4,541 thousand, rate 4.4071	20,013
	other currency	9,144
Time deposits	USD 117,000 thousand, rate 30.694	3,591,198
		<u>\$ 5,249,460</u>

CLEVO CO.
DETAILS OF CURRENT FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS
DECEMBER 31, 2022

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

Table 2

Financial instrument name	Summary	Number of shares	Book value	Gross amount	Interest Rate	Acquisition cost	Fair Value	
							Unit Price	Gross amount
<u>Marketable securities</u>								
CHICONY ELECTRONICS CO., LTD.		4,697,000				\$ 207,328	\$ 86.30	\$ 405,351
HO TA INDUSTRIAL MFG. CO., LTD.		2,000				166	67.00	134
PANION & BF BIOTECH INC.		19,000				3,187	179.00	3,401
CHINA STEEL CORPORATION		203,000				5,953	29.80	6,049
CHROMA ATE INC.		50,000				9,468	181.00	9,050
AU Optronics Corp.		874,391				35,485	15.00	13,116
VISUAL PHOTONICS EPITAXY CO., LTD.		94,000				7,207	69.00	6,486
AIDC/AEROSPACE INDUSTRIAL DEVELOPMENT CORP.		294,000				10,378	35.75	10,511
TAIWAN BUSINESS BANK,LTD.		8,530,699				53,155	12.95	110,473
MEGA FINANCIAL HOLDING COMPANY LIMITED		74,000				2,317	30.35	2,246
CTBC Financial Holding Co., Ltd.		2,311,000				52,746	22.10	51,073
Getac Holdings Corporation		81,000				3,821	44.15	3,576
TRIPOD TECHNOLOGY CORPORATION		120,000				14,349	94.00	11,280
ADVANCED CERAMIC X CORPORATION		46,000				8,798	182.50	8,395

CLEVO CO.
DETAILS OF CURRENT FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (Cont.)
DECEMBER 31, 2022
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

Table 2

Financial instrument name	Summary	Number of shares	Book value	Gross amount	Interest Rate	Acquisition cost	Fair Value	
							Unit Price	Gross amount
AURAS Technology Co., Ltd.		10,000				\$ 1,634	\$ 148.00	\$ 1,480
SWANCOR HOLDING CO., LTD.		66,000				6,523	95.50	6,303
TAIMED BIOLOGICS INC.		6,000				407	70.67	424
Zhen Ding Technology Holding Limited		380,000				46,832	105.00	39,900
TRANSCOM, INC.		25,000				3,433	139.00	3,475
SYSGRATION LTD.		170,000				7,406	38.30	6,511
SERCOMM CORPORATION		108,000				9,403	76.30	8,240
SPORTON INTERNATIONAL INC.		5,000				1,138	209.60	1,048
TONG HSING ELECTRONIC INDUSTRIES, LTD.		11,600				2,603	191.03	2,216
TSEC CORPORATION		133,000				4,738	34.55	4,595
ANJI TECHNOLOGY CO., LTD.		170,000				8,845	45.40	7,718
GlobalWafers Co., Ltd.		11,000				5,340	427.55	4,703
ZILLTEK TECHNOLOGY CORP.		20,000				4,699	234.00	4,680
Sports Gear Co., Ltd.		70,000				5,597	71.50	5,005
BOE TECHNOLOGY GROUP CO., LTD.		200,000				5,031	14.90	2,979

CLEVO CO.
DETAILS OF CURRENT FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (Cont.)
DECEMBER 31, 2022
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

Table 2

Financial instrument name	Summary	Number of shares	Book value	Gross amount	Interest Rate	Acquisition cost	Fair Value	
							Unit Price	Gross amount
ACTRON TECHNOLOGY CORPORATION		70,000				\$ 12,808	\$ 163.50	\$ 11,445
MOMO.COM INC.		3,000				1,968	642.00	1,926
MACAUTO INDUSTRIAL CO., LTD.		64,000				4,414	65.09	4,166
Foxconn Industrial Internet Co., Ltd.		1,760,000				100,788	40.46	71,204
<u>Funds</u>								
Greater China Multi-Strategy Fund		78,788				271,652	4,692.81	369,737
Invesco 3 to 6 Year Maturity Emerging Market Bond Fund Acc		1,500,000				15,000	9.37	14,059
Cathay Global Autonomous and Electric Vehicles ETF		3,000,000				43,452	10.74	32,220
President ICE FactSet Asia Semiconductor Net Total Return Index ETN		5,000,000				38,682	5.87	29,350
SinoPac Taiwan Superior Dividend Highlight Stocks ETF		400,000				<u>6,054</u>	14.37	<u>5,748</u>
						<u>\$ 1,022,805</u>		<u>\$ 1,280,273</u>

CLEVO CO.
DETAILS OF ACCOUNTS RECEIVABLE
DECEMBER 31, 2022

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

Table 3

Client Name	Summary	Amount	Remark
Accounts receivable			
Client A		\$ 458,012	
Client B		330,790	
Client C		274,498	
Client D		228,450	
Client E		193,803	
Client F		147,138	
Client G		142,175	
			None of the balances of each remaining account is greater than 5% of this account balance.
Others		<u>596,001</u>	
		\$ 2,370,867	
Less:			
Allowance for doubtful accounts		(<u>5,326</u>)	
		<u>\$ 2,365,541</u>	

CLEVO CO.
DETAILS OF INVENTORIES
DECEMBER 31, 2022

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

Table 4

Items	Description	Amount		Remark
		Cost	Net Realizable Value	
Raw materials		\$ 484,795	\$ 563,921	Replacement cost is used as net realizable value for raw materials, and Semi-finished goods net realizable values are evaluated by selling price at completion.
Semi-finished goods		9	9	
		484,804	563,930	
Less :				
Loss on market value decline and obsolete and slow-moving inventories		(18,661)		
		<u>\$ 466,143</u>		

CLEVO CO.
MOVEMENT DETAILS OF RECOGNITION OF INVESTMENT UNDER EQUITY METHOD AND PREPAID INVESTMENT
FOR THE YEAR ENDED DECEMBER 31, 2022
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

Table 5

Name	Balance as at January 1, 2022		Additions		Deductions		Balance as at December 31, 2022			Market Value or Net Assets Value			Collateral	Remark
	Number of shares	Amount	Number of shares	Amount	Number of shares	Amount	Number of shares	Ownership	Amount	Unit Price	Gross price			
<u>Equity method</u>														
KAPOK COMPUTER CO.,	8,000,000	\$ 58,100	-	\$ 19,747 (Note 1&2)	-	\$ -	8,000,000	100%	\$ 77,847	-	\$ 597,233		None	
CLEVO INVESTMENT CO., LTD.	14,000,000	74,781	-	4,251 (Note 1&2)	-	-	14,000,000	100%	79,032	-	387,502		"	
CLEVO (CAYMAISLANDS) HOLDING COMPANY	369,370,000	42,703,456	-	438,825 (Note 1)	-	-	369,370,000	100%	43,142,281	-	43,000,358		"	
KAPOK COMPUTER (SAMOA) CORPORATION	16,000,000	1,942,052	-	(281,661) (Note 1)	-	-	16,000,000	100%	1,660,391	-	1,666,106		"	
CLEVO COMPUTER SINGAPORE PTE LTD.	22,325,453	7,469,229	-	336,464 (Note 1)	-	-	22,325,453	100%	7,805,693	-	7,948,325		"	
BUYNOW ON-LINE HOLDING CORPORATION	1,100,000	(9,731)	-	14,609 (Note 1)	-	-	1,100,000	100%	4,878	-	4,878		"	
TAIPEI TWIN CORPORATION	100,000,000	967,296	10,000,000	61,886 (Note 1)	-	-	110,000,000	50%	1,029,182	-	1,029,182		"	
Tua Tiann Co. Ltd.	-	-	49,000,000	491,065 (Note 3)			49,000,000	24.5%	491,065		491,065			
Totals		<u>\$ 53,205,183</u>		<u>\$ 1,085,186</u>		<u>\$ -</u>			<u>\$ 54,290,369</u>		<u>\$ 55,124,649</u>			

Note 1: Indicating the recognition of investment income(loss), accumulated exchange adjustment, unrealized gains or losses of financial instrument and unrealized sales adjustment.

Note 2: Indicating the adjustment of the cash dividends distributed by investee company and the cash dividends distributed from parent company to subsidiary company.

CLEVO CO.
STATEMENT OF SHORT-TERM BORROWINGS
DECEMBER 31, 2022

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

Table 6

Nature	Description	Ending Balance	Contract Period	Range of Interest		Collateral	Note
				Rate	Credit Line		
Credit loans	Chang Hwa Commercial Bank	\$ 500,000	2022.09.30~ 2023.03.29	1.555%	\$ 700,000	None	Promissory Note
"	Yuanta Commercial Bank Co., Ltd.	670,000	2022.12.05~ 2023.03.03	1.60%	850,000	"	"
"	Cathay United Bank	<u>600,000</u>	2022.11.04~ 2023.01.04	1.40%	1,000,000	"	"
		<u>\$ 1,770,000</u>					

CLEVO CO.
DETAILS OF BONDS PAYABLE
DECEMBER 31, 2022

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

Table 7

Bonds	Fiduciary	Date of issuance	Date of interest paid	Coupon Rate	Amount			Unamortized premiums (discounts)	Book value	Payment Term	Gurantee
					Amount issued	Amount redemmed	Ending balance				
Secured bonds payable issued in 2019	JihSun Holding	2019/8/26	Interest is paid annually at simple interest rate based on the coupon rate.	0.80%	\$ 5,000,000	\$ -	\$ 5,000,000	\$ -	\$ 5,000,000	The bond is issued for five years and the principal is payable at maturity date.	Authorise Taiwan Cooperative Bank to execute cooperate bond guarantee according to the guarantee agreement.

CLEVO CO.
STATEMENT OF LONG-TERM BORROWINGS
DECEMBER 31, 2022

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

Table 8

Creditor	Description	Amount	Contract Period	Interest Rate	Collateral	Note
Taiwan Cooperative Bank	Credit loans	\$ 4,000,000	2018.12.28~2023.12.28	1.9127%~2.1145%	None	Promissory Note
Export–Import Bank of the Republic of China	"	1,200,000	2018.12.28~2023.09.15	1.39%	"	"
Taiwan Business Bank	"	2,500,000	2018.12.28~2024.12.24	1.61%	"	"
E.SUN Commercial Bank	"	1,500,000	2018.12.28~2024.10.13	1.74%~1.88%	"	"
Jih Sun International Bank	"	350,000	2021.04.18~2024.04.18	1.60%	"	"
Entie Commercial Bank	"	500,000	2022.04.30~2024.04.30	1.70%	"	"
Bank Sinopac Company Bank SinoPac.	"	1,000,000	2018.12.28~2024.06.28	1.90%	"	"
Chang Hwa Commercial Bank	"	500,000	2018.12.28~2024.05.31	1.30%	"	"
Hua Nan Commercial Bank Ltd.	"	700,000	2021.12.04~2024.12.04	1.60%	"	"
Far Eastern International Bank Co., Ltd.	"	1,000,000	2022.06.11~2024.06.11	1.85%	"	"
Taiwan Shin Kong Commercial Bank Co., Ltd.	"	600,000	2018.12.28~2024.02.17	1.83%	"	"
Taichung Commercial Bank Co., Ltd.	"	500,000	2022.06.27~2024.06.27	1.92%	"	"
		<u>\$ 14,350,000</u>				
	Less: Current portion of long-term loans	(5,200,000)				
		<u>\$ 9,150,000</u>				

CLEVO CO.
DETAILS OF OPERATING REVENUE
FOR THE YEAR ENDED DECEMBER 31, 2022

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

Table 9

<u>Items</u>	<u>Quantity</u>	<u>Amount</u>	<u>Remark</u>
Sales revenue			
Net operating revenue	1,609,815	\$ <u>18,800,588</u>	Laptop

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CLEVO CO.
DETAILS OF OPERATING COST
FOR THE YEAR ENDED DECEMBER 31, 2022
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

Table 10

Items	Summary	Amount	Remark
Materials at January 1		\$ 427,174	
Add : Material purchased for the year		8,377,336	
Others		(199)	
Less : Materials at December 31		(484,804)	
Transferred to operating expenses		(24,238)	
Cost of materials sold		(3,832,774)	
Others		(202,916)	
Materials used for the year		4,259,579	
Manufacturing expenses		142,659	
Manufacturing cost		4,402,238	
Cost of goods manufactured and sold		4,402,238	
Add : Finished foods inventory at January 1		-	
Less : Finished goods inventory at December 31		-	
Cost of goods manufactured and sold		4,402,238	
Cost of goods purchased and sold		8,603,570	
Cost of materials sold		3,832,774	
Loss for market value decline		6,751	
Operating cost		<u>\$ 16,845,333</u>	

CLEVO CO.
DETAILS OF MANUFACTURING COST
FOR THE YEAR ENDED DECEMBER 31, 2022

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

Table 11

Items	Description	Amount	Remark
After-sales service		\$ 85,122	
Wages and salaries		40,624	
Others		<u>16,913</u>	None of the balances of each remaining accounts is greater than 5% of this account balance
		<u>\$ 142,659</u>	

CLEVO CO.
DETAILS OF MARKETING COST
FOR THE YEAR ENDED DECEMBER 31, 2022

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

Table 12

Items	Description	Amount	Remark
Wages and salaries		\$ 90,774	
Commission expense		18,136	
Import/ Export expense		21,261	
Others		45,634	None of the balances of each remaining accounts is greater than 5% of this account balance
		<u>\$ 175,805</u>	

CLEVO CO.
GENERAL AND ADMINISTRATIVE EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2022
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

Table 13

Items	Description	Amount	Remark
Wages and salaries		\$ 206,712	
Professional service fees		33,160	
Insurance		17,201	
			None of the balances of each remaining accounts is greater than 5% of this account balance
Others		<u>50,012</u>	
		<u>\$ 307,085</u>	

CLEVO CO.
DETAILS OF RESEARCH AND DEVELOPMENT EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2022
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

Table 14

Items	Description	Amount
Wages and salaries		\$ 403,931
Research and development expenses		54,170
Depreciation and amortisation		42,604
Premium		34,676
Insurance		31,823
Others		62,964
		<u>\$ 630,168</u>

CLEVO CO.
SUMMARY OF EMPLOYEE BENEFITS, DEPRECIATION, AND AMORTISATION
FOR THE YEAR ENDED DECEMBER 31, 2022
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

Table 15

Function Nature	2022			2021		
	Classified as Operating Costs	Classified as Operating Expenses	Total	Classified as Operating Costs	Classified as Operating Expenses	Total
Employee Benefit Expense						
Wages and salaries	\$38,515	\$655,507	\$694,022	\$46,455	\$808,728	\$855,183
Labour and health insurance fees	3,431	53,648	57,079	3,677	53,392	57,069
Pension costs	2,109	35,311	37,420	2,201	33,462	35,663
Directors' remuneration	-	10,600	10,600	-	22,200	22,200
Other employee benefit expenses	2,149	32,014	34,163	2,337	30,749	33,086
Depreciation	1425	62,666	64,091	268	12,283	12,551
Amortisation	-	12,368	12,368	-	7,046	7,046

Note:

1. As at December 31, 2022 and 2021, the Company had 625 and 626 employees, both including 5 non-employee directors, respectively.
2. A company whose stock is listed for trading on the stock exchange or over-the-counter securities exchange shall additionally disclose the following information :
 - (1) Average employee benefit expense in current year was \$1,327 thousand ((Total employee benefit expense in current year - Total directors' compensation in current year) / (Number of employees in current year - Number of non-employee directors in current year)).
Average employee benefit expense in previous year was \$1,580 thousand ((Total employee benefit expense in previous year - Total directors' compensation in previous year) / (Number of employees in previous year - Number of non-employee directors in previous year)).
 - (2) Average employee salaries in current year was \$1,119 thousand (Total employee salaries in current year / (Number of employees in current year - Number of non-employee directors in current year)).
Average employee salaries in previous year was \$ 1,377 thousand (Total employee salaries in previous year / (Number of employees in previous year - Number of non-employee directors in previous year)).

CLEVO CO.
SUMMARY OF EMPLOYEE BENEFITS, DEPRECIATION, AND AMORTISATION (Cont.)
FOR THE YEAR ENDED DECEMBER 31, 2022

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

Table 15

- (3) Adjustments of average employee salaries was (18.74%) ((Average employee salaries in current year - Average employee salaries in previous year)/ Average employee salaries in previous year).
3. The Company has set up the audit committee to replace supervisors, and thus it has no supervisors' remuneration.
4. In accordance with the Articles of Incorporation of the Company, a ratio of distributable profit of the current year (being the profit before tax, employees' compensation and directors' remuneration) shall be distributed as employees' compensation and directors' remuneration. The ratio shall not be 5% ~ 15% for employees' compensation and shall not be higher than 1% for directors' remuneration. However, If the Company has accumulated deficit (including adjusting the unappropriated earnings), earnings shall be retained to cover losses.
5. The Remuneration Policy for directors and managers are set out according to the Regulations Governing Salaries and Bonuses and take into account the general pay levels in the same industry, individual performance assessment results, the time spent by the individual and their responsibilities, the extent of goal achievement, their performance in other positions, and the compensation paid to employees holding equivalent positions in recent years. Also, the Company evaluates the reasonableness of the correlation between the individual's performance and this Company's operational performance and future risk exposure, with respect to the achievement of short-term and long-term business goals and the financial position of this Company.
6. According to the Company's Remuneration Policy for employees, in addition to the 12-month base salary, employees are rewarded with bonuses based on the achievement of the operating performance of the Group (Company) or business unit in the year and the individual performance assessment results.